



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

**Thursday, November 14, 2019
2:00 PM**

2180 Milvia Street, 6th Floor - Redwood Room
Teleconference Location – 1331 Pennsylvania Ave. NW, Washington, D.C. 20004

Committee Members:

Councilmembers Rashi Kesarwani, Cheryl Davila, and Lori Droste
Alternate: Mayor Jesse Arreguin

AGENDA

Roll Call

Public Comment on Non-Agenda Matters

Minutes for Approval

Draft minutes for the Committee's consideration and approval.

1. Minutes - July 11, 2019

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. Speakers are permitted to yield their time to one other speaker, however no one speaker shall have more than four minutes.

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. **FY 2019 Year-End Results and FY 2020 First Quarter Budget Update**
From: City Manager
Recommendation: Discuss and determine funding allocations for FY 2020 based on the FY 2019 General Fund Excess Equity and Excess Property Transfer Tax for the following: 1) the General Fund Reserves 2) the Mayor's June 25, 2019, Supplemental Budget Recommendations approved by the Council and 3) the Council's Budget Referrals approved during FY 2020 to be considered in November 2019.
Financial Implications: See report
Contact: Teresa Berkeley-Simmons, Budget Manager, (510) 981-7000
3. **Amendment: FY 2020 Annual Appropriations Ordinance**
From: City Manager
Recommendation: Adopt first reading of an Ordinance amending the FY 2020 Annual Appropriations Ordinance No. 7,669–N.S. for fiscal year 2020 based upon recommended re-appropriation of committed FY 2019 funding and other adjustments authorized since July 1, 2019, in the amount of \$136,730,924 (gross) and \$130,267,144 (net).
Financial Implications: See report
Contact: Teresa Berkeley-Simmons, Budget Manager, (510) 981-7000
4. **Review of Council's Fiscal Policies**
From: City Manager
Contact: Teresa Berkeley-Simmons, Budget Manager, (510) 981-7000

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.

5. **Cannabis Cryptocurrency Tax**
From: Councilmembers Bartlett and Robinson
Referred: November 4, 2019
Due: April 13, 2020
Recommendation: Adopt an ordinance adding a new Chapter to the Berkeley Municipal Code to allow the City to implement a method for acceptance of stablecoin tax remittance for certain industries pending City approval of each industry.
Financial Implications: See report
Contact: Ben Bartlett, Councilmember, District 3, (510) 981-7130

Items for Future Agendas

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

Adjournment

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*Written communications addressed to the Budget & Finance Committee and submitted to the City Clerk Department will be distributed to the Committee prior to the meeting.*

*This meeting will be conducted in accordance with the Brown Act, Government Code Section 54953. Members of the City Council who are not members of the standing committee may attend a standing committee meeting even if it results in a quorum being present, provided that the non-members only act as observers and do not participate in the meeting. If only one member of the Council who is not a member of the committee is present for the meeting, the member may participate in the meeting because less than a quorum of the full Council is present. Any member of the public may attend this meeting. Questions regarding this matter may be addressed to Mark Numainville, City Clerk, (510) 981-6900.*



**COMMUNICATION ACCESS INFORMATION:**

This meeting is being held in a wheelchair accessible location. To request a disability-related accommodation(s) to participate in the meeting, including auxiliary aids or services, please contact the Disability Services specialist at (510) 981-6418 (V) or (510) 981-6347 (TDD) at least three business days before the meeting date. Attendees at public meetings are reminded that other attendees may be sensitive to various scents, whether natural or manufactured, in products and materials. Please help the City respect these needs.

~~~~~  
I hereby certify that the agenda for this special meeting 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 November 7, 2019.

A handwritten signature in black ink that reads "Mark Numainville".

Mark Numainville, 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.

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

BERKELEY CITY COUNCIL SPECIAL MEETING MINUTES

**Thursday, July 11, 2019
2:00 PM**

2180 Milvia Street, 1st Floor - Cypress Room

Committee Members:

Councilmembers Rashi Kesarwani, Cheryl Davila, and Lori Droste

Roll Call: 2:08 p.m. All present.

Public Comment on Non-Agenda Matters – 0 speakers.

Minutes for Approval

Draft minutes for the Committee's consideration and approval.

1. Minutes - June 13, 2019

Action: M/S/C (Davila/Droste) to approve the minutes of June 13, 2019.

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. Speakers are permitted to yield their time to one other speaker, however no one speaker shall have more than four minutes.

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. **Voluntary Time Off on Statewide Election Days for City Employees** (*Item contains revised material*)

From: Councilmembers Robinson, Davila, and Hahn

Referred: March 11, 2019

Due: September 15, 2019

Recommendation: Refer the City Manager to designate Statewide Election Days as VTO days, and refer to the 2x2 Committee to discuss coordinating City and District policy on holidays, and in particular, Election Day.

Financial Implications: See report

Contact: Rigel Robinson, Councilmember, District 7, 981-7170

Action: 1 speaker. M/S/C (Droste/Davila) to forward the Voluntary Time Off on Statewide Election Days for City Employees item to Council with a positive recommendation and to consider the following amendments in the final report:

- Add alternatives considered
- Integrate a budget referral into the item
- Include operational/staff time
- Include City of Berkeley's current policy for Election Day time off.

Vote: All Ayes.

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

- Discussion of items to be added to future agendas

Adjournment

Action: M/S/C (Davila/Kesarwani) to adjourn the meeting.

Vote: All Ayes.

Adjourned at 2:42 p.m.

I hereby certify that this is a true and correct record of the Budget & Finance Committee meeting held on July 11, 2019.

April Richardson, Assistant City Clerk



Office of the City Manager

ACTION CALENDAR

November 19, 2019

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Teresa Berkeley-Simmons, Budget Manager

Subject: FY 2019 Year-End Results and FY 2020 First Quarter Budget Update

RECOMMENDATION

Discuss and determine funding allocations for FY 2020 based on the FY 2019 General Fund Excess Equity and Excess Property Transfer Tax for the following: 1) the General Fund Reserves 2) the Mayor's June 25, 2019, Supplemental Budget Recommendations approved by the Council and 3) the Council's Budget Referrals approved during FY 2020 to be considered in November 2019.

INTRODUCTION

This budget update presents the FY 2019 Year-End (Year-End) results as well as reports on the FY 2020 First Quarter. The FY 2019 Year-End budget summary covers the period starting July 1, 2018, through June 30, 2019 (FY 2019). This report also provides preliminary revenue information for the first quarter of the current fiscal year, 2020. The FY 2020 First Quarter Budget Update covers the period July 1, 2019, through September 30, 2019. The FY 2019 General Fund Year-End balance was \$38.8 million. Amounts restricted, committed, and assigned totaled \$35.5 million. Allocations to the General Fund reserves totaled \$1.2 million¹. The amount of Unassigned Excess Equity totaled \$2.2 million.

The information in this report should be reviewed in conjunction with the Amendment to the FY 2020 Annual Appropriations Ordinance (AAO) also on tonight's agenda. The AAO#1 establishes the expenditure limits by fund for FY 2020. The adopted budget is amended annually to reflect the re-appropriation of prior year funds for contractual commitments (i.e. encumbrances) as well as unencumbered carryover of unexpended funds previously authorized for one-time, non-recurring purposes. These budget modifications are presented to the Council twice a year in the form of an AAO. However, this fiscal year we will present three AAOs to Council for approval.

¹ Starting in FY 2018, to achieve the City's intermediate and long-term Reserves goals, 50% of Excess Equity above the first \$1M is allocated to Reserves. The General Fund Reserve consists of the total of the Stability Reserve and the Catastrophic Reserve.

The first AAO is on tonight's agenda. The second AAO will go to Council in late February or early March. The third and final AAO will go to Council in May.

Included on tonight's agenda is the First Amendment to the FY 2020 Annual Appropriations Ordinance report (AAO#1). The information included in this Year-End report is supplemented by the detailed information included in the AAO#1. Recommendations in the AAO#1 augments the adopted General Fund budget by \$22.2 million. The \$22.2 million includes encumbrances of \$5.5 million, unencumbered carry-over requests of \$4.2 million, and adjustments of \$12.5 million.

CURRENT SITUATION AND ITS EFFECTS

FY 2019 Year-End Summary

General Fund

On June 26, 2018, the City Council adopted the FY 2019 budget (Adopted Budget).² The FY 2019 adopted General Fund revenues were \$184.8 million. The actual FY 2019 year-end General Fund revenues were \$208.5 million.

Included in the FY 2019 Adopted Budget were General Fund expenditures of \$184.3 million. During the fiscal year, there were two Adjustments to the Appropriation Ordinance totaling \$42.2 million, thus the total FY 2019 General Fund adjusted expenditure budget was \$226.5 million³. At the end of FY 2019, \$5.5 million was encumbered and rolled into FY 2020 resulting in an FY 2019 year-end adjusted expenditure budget of \$220.9. Not all of the budgeted funds were expended in FY 2019, so the FY 2019 year-end actual General Fund expenditures were \$212.4 million.

Revenues

At FY 2019 year-end, actual General Fund revenues were \$208.5 million. This was \$23.7 million above the adopted budget of \$184.8 million. The largest contributors to the revenue increase were Property Transfer Tax, which exceeded the budgeted amount by \$7.5 million; Measure P – Transfer Tax⁴, which exceeded the budgeted amount by \$2.9 million, and Business License Tax generated from Measure U1 – Rental Unit Business License Tax⁵, which exceeded the budgeted amount by \$4.8 million. Together, these three revenue streams generated \$15.2 million above the FY 2019 adopted revenues for the General Fund.

² https://www.cityofberkeley.info/Clerk/City_Council/2018/06_June/City_Council_06-26-2018_-_Regular_Meeting_Agenda.aspx (Items 40 & 41)

³ https://www.cityofberkeley.info/Clerk/City_Council/2019/05_May/City_Council_05-28-2019_-_Regular_Meeting_Agenda.aspx (Item #1, Exhibit A)

⁴ https://www.cityofberkeley.info/Clerk/Elections/Ballot_Measure_Archive_Page.aspx

⁵ Business License Tax of five or more units (U1)

Expenditures

Actual FY 2019 General Fund expenditures were \$212.4 million. This was \$28.1 million above the initial adopted budget of \$184.3 million and \$8.4 million below the adjusted budget of \$220.9 million.

The actual General Fund expenditures came in below the adjusted budget due to salary savings and cost of living adjustments that were substantially absorbed by many departments. FY 2019 General Fund salary savings were \$4.0 million. In addition, there were several capital projects that were budgeted but not completed in FY 2019. Funding allocations for ongoing projects are being carried over to FY 2020.

Details of the variances are included in Attachment 3 of this report.

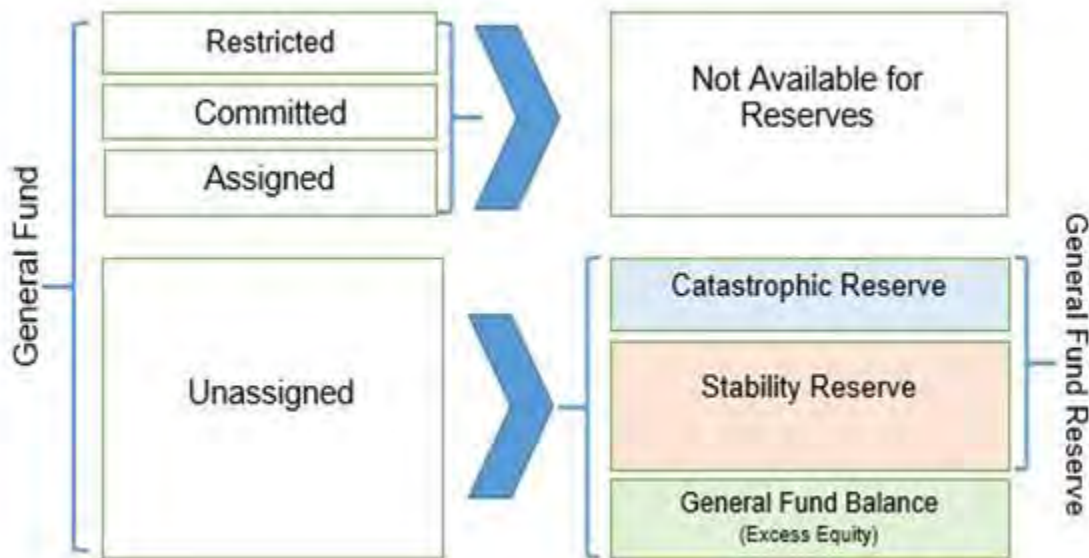
Details of the carryover requests are included in the AAO#1 on tonight's agenda.

Excess Equity

Starting in FY 2018 to achieve the City's intermediate and long-term General Fund Reserves goals, 50% of Excess Equity above the first \$1 million is allocated to General Fund Reserves. The chart below illustrates the FY 2019, \$1.16 million reserve calculation as well as the \$2.16 million calculation for the unassigned excess equity.

GENERAL FUND EXCESS EQUITY	
FY 2019 Beginning Balance	\$ 42.75
FY 2019 Revenues	\$ 208.46
FY 2019 Expenditures	\$ (212.45)
Available Balance	\$ 38.77
Less:	
<i>Committed</i>	
Excess Property Transfer Tax	\$ (7.45)
Excess Business License Tax U1*	\$ (8.99)
Encumbered Rollovers (AAO#1)	\$ (5.51)
<i>Assigned</i>	
General Fund Carryover & Adjustments (AAO#1 - Excludes U1**)	\$ (13.50)
Total Committed & Assigned	\$ (35.45)
Excess Equity	\$ 3.32
Allocation to Reserves	\$ 1.16
Unassigned Excess Equity	\$ 2.16
*U1 revenues were \$4.16M (FY18) and \$4.83M (FY19)	
** U1 allocations are discussed later in this report	

The calculation for excess equity is documented in the graphic below.



The graphic above shows the relation between excess equity as well as other restricted, committed, and assigned General Fund monies.

- The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority.
- Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.
- Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications

General Fund Reserve

The General Fund Reserve is distinctly separate from the General Fund Balance (Excess Equity). On January 24, 2017, the City Council established [Resolution No. 67,821](#) – N.S., a policy for the General Fund Reserves.⁶ The General Fund reserves are comprised of two elements: a Stability Reserve and a Catastrophic Reserve.

The Stability Reserve was established to mitigate the loss of service delivery and financial risks associated with unexpected revenue shortfalls during a single fiscal year or during a prolonged recessionary period. The purpose of the Stability Reserve is to provide fiscal stability in response to unexpected downturns or revenue shortfalls. Fifty-five percent of the General Fund Reserve is allocated to the Stability Reserve.

The Catastrophic Reserve was established to sustain the General Fund operations in the case of a public emergency such as a natural disaster or other catastrophic event. The Catastrophic Reserve may be used to respond to extreme onetime events, such as earthquakes, fires, floods, civil unrest, and terrorist attacks. Forty-five percent of the General Fund Reserve is allocated to the Catastrophic Reserve.

When the Council adopted the General Fund Reserve Policy the target level established for the Reserve was a minimum of 13.8% of Adopted General Fund Revenues with an Intermediate Goal of a minimum of 16.7% by the end of Fiscal Year 2020, if financially feasible. In addition, the Council adopted a Long-Term Goal of 30% of General Fund revenues, to be achieved within no more than 10 years. The Council demonstrated their commitment to these goals in the policy by assigning 50% of the General Fund Excess Equity above the first \$1 million to be allocated to Reserves. Additional Excess Equity may be allocated to Reserves by a majority vote of the Council. The chart directly below illustrates the FY 2019 allocation of the \$1.16 million distributed to the General Fund Reserves, resulting in an actual Reserves level of 17.43%⁷.

General Fund Reserves	Stability Reserve	Catastrophic Reserve	Reserve %
Beginning Cash Balance - Reserves	\$ 20.25	\$ 16.39	
FY 2019 Allocation to Reserves	\$ 0.64	\$ 0.52	
% Allocation	55%	45%	
Reserve Balance	\$ 20.89	\$ 16.91	
Reserved for Camps Fund - Tuolumne Cam	-	\$ (3.30)	
Ending Cash Balance - Reserves	\$ 20.89	\$ 13.61	17.43%

The allocations to the General Fund reserves are not included in AAO#1.

⁶ <https://www.cityofberkeley.info/recordsonline/export/17153922.pdf>

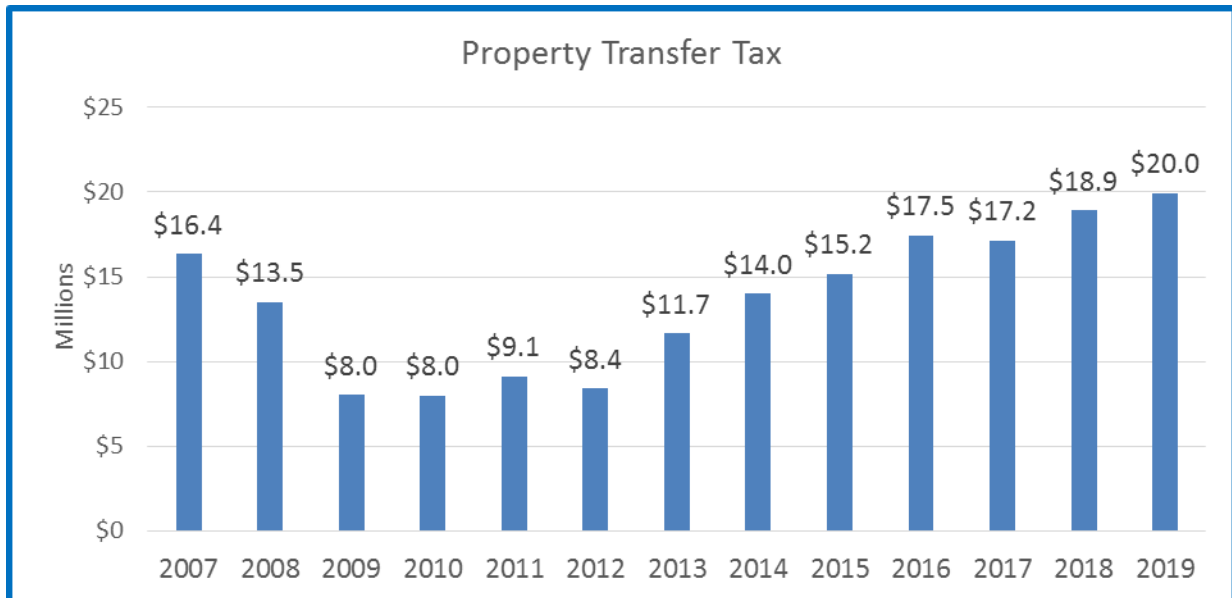
⁷ Based on the FY 2020 Adopted General Fund Revenues of \$198.0 million.

Funding for Capital Improvements

Property Transfer Tax

One of Council’s fiscal policies stipulates that the Property Transfer Tax in excess of the \$12.5 million operating baseline will be treated as one-time revenue to be used for the City’s capital infrastructure needs.

The chart below documents the historical trend of the City’s Property Transfer Tax from FY 2007 through FY 2019.



In FY 2019 the Property Transfer Tax included in the Adopted Budget was \$12.5 million. By year-end, the actual Property Transfer Tax was \$20.0 million. This is \$7.5 million over the \$12.5 million operating baseline threshold established by Council.

Of the \$7.5 million in excess Property Transfer Tax, Council committed \$3.4 million when the budget was adopted on June 25, 2019. Staff is recommending additional one-time allocations totaling \$1.4 million. Thus, the Unassigned Excess Property Transfer Tax is \$2.6 million. The chart below displays the allocations from the FY 2019 Excess Property Transfer Tax. These allocations are included in the AAO#1 on tonight’s agenda.

FY 2019 Property Transfer Tax	
Adopted Property Transfer Tax	\$ 12,500,000
Actual Property Transfer Tax	\$ 19,952,981
Excess Property Transfer Tax	\$ 7,452,981
Excess Property Transfer Tax	\$ 7,452,981
Restricted: Approved by Council 6/25/19	
Relocate PEOs to Marina	\$ 250,000
Software Costs Above ERMA	\$ 120,000
Pedestrian/Bicycle Safety Imprv	\$ 100,000
50/50 Sidewalk (backlog)	\$ 500,000
EV Charging Stations	\$ 600,000
Waterfont Capital Needs	\$ 1,505,000
1.0 FTE Associate Civil Engineer	\$ 143,802
1.0 FTE (Traffic) Engineering Inspector	\$ 80,986
Convert Asst Architect to Asst Eng	\$ 14,643
Convert Sr. Bldg Insp to Sr. Eng Insp	\$ 20,000
1.0 FTE Sr. Mgmnt Analyst 20%	\$ 35,503
Intern	\$ 42,000
Sub-Total	\$ 3,411,933
New Request: AAO#1 11/19/19	
IT Move to 1947 Center St & remodel	\$ 500,000
7th/Anthony Traffice Signal Imprv	\$ 12,380
1951 Shattuck Traffic Signal	\$ 800,000
Convert Temp. Assoc Civil Eng to Perm	\$ 116,260
Sub-Total	\$ 1,428,640
Committed and Assigned Total	\$ 4,840,573
Unassigned Excess Property Transfer Tax	\$ 2,612,408

In prior years the majority of the Excess Property Transfer Tax was used to finance the \$15.1 million required to replace the City's obsolete financial system, FUND\$. However, with the adoption of the FY 2020 budget, funding was available to support other Council priorities projects as noted in the chart above. The \$2.6 million Unassigned Excess Property Transfer Tax should be allocated to one-time Council priority projects.

Enterprise Resource Planning (ERP) Software (FUND\$ Replacement)

The total estimated cost for the FUND\$ Replacement project was \$15.1 million. This estimate was for work orders, business licensing, facilities and fleet management, performance evaluation, and refuse billing software solutions. Additionally, staff determined that there is a need to implement performance evaluation software and there will be some current solutions that will no longer work with a new ERP and will also require replacement. The solutions for these services will either be through the expansion of the ERP system or an additional technology-based service for staff to maintain the service we deliver currently. The \$15.1 million costs also included 8.3 dedicated ERP implementation staff for three years.

In November 2018 the City launched Phase IA which included Chart of Accounts / General Ledger, Requisition, Purchase Orders, Contracts, Project Ledger, Accounts Payable Modules. In January 2019, the City began working on the Phase 1B Payroll and HR modules which are expected to go-live on July 1, 2020. This goal requires four consecutive successful parallel runs to test the new system. In parallel, the City is working with Tyler to develop a timeline for Phase 1C which includes launching Budget prep, Accounts Receivables, General Billing and Cashiering in FY 2021.

Project Challenges - The team started with dedicated team members. However, the project team had few setbacks with staffing challenges due to retirements and staff moving on to new roles within the organization. Mitigation plans include contracting with an outside project manager to assist with go-live and project implementation. Both positive and negative lessons learned from Phase 1A have been documented. Due to the age of the existing financial system, data conversion was a challenge and a significant portion of the data needed to be converted manually. These challenges are being addressed, and a new project plan is being developed including the additional requirements from the lessons learned from Phase 1A.

There are additional costs associated with the FUND\$ Replacement project in the amount of \$1,250,000⁸ for FY 20. These additional costs are included in AAO#1 on tonight's agenda and are described below:

Additional Staffing - City Auditors Office	\$ 30,000.00
Additional Server Environment for 2017 to 2019 upgrade	\$ 34,000.00
NEW - Expense Reimbursement Module	\$ 180,000.00
Additional Project Management / Implementation Services	\$ 616,000.00
Additional Consulting - HR Payroll	\$ 100,000.00
Data Integrations / Data Conversion	\$ 290,000.00

⁸Note There will be additional expenses in FY 2021 through FY 2023 which will be brought back to Council as the Phase2 Projects go through implementation.

The implementation of the new system provides the City with a suite of modern software that will work in harmony to support efficiency and transparency in our work and allow staff to dedicate more time addressing community priorities.

Workers' Compensation Repayment for Purchase of University Avenue Property
The City appropriated \$6.7 million from the Workers' Compensation Fund for the Acquisition of Real Property at 1001 University Avenue, 1007 University Avenue, 1011 University Avenue, and 1925 Ninth Street (formerly Premier Cru) with the purpose of redeveloping the majority of the site for below market-rate housing. In addition, a portion of the property was identified for use as an interim City Council Chamber with a seating capacity of 150-200 persons. Meetings of the City Council, the Rent Board, and the Zoning Adjustments Board would utilize the interim Council Chamber.⁹

Proposed repayment to the Worker's Compensation fund was to be made with revenue generated from a combination of the Business License Tax of five or more units (U1) and excess Property Transfer Tax. The proposed repayment schedule is illustrated below.

Summary of Proposed Funds for Repayment

Total Purchase Price: \$6,650,000

Repayment Source	Principal Repayment Amount	Percent of Purchase Price
General Fund Excess Property Transfer Tax	\$ 2,000,000	30%
Measure U1 Business Tax Revenue	\$ 4,650,000	70%

Annual Repayment Amounts by Source (with interest)

Total Repayment Amount: \$6,765,575

Repayment Source	General Fund Excess Property Transfer Tax*	Measure U1 Business Tax Revenue**
FY 2017-18	406,952	946,163
FY 2018-19	406,952	946,163
FY 2019-20	406,952	946,163
FY 2020-21	406,952	946,163
FY 2021-22	406,952	946,163
Total	\$2,034,760	\$4,730,815

* Total General Fund excess Property Transfer Tax has averaged \$5.8 million over the last two years.

** Total Measure U1 Business Tax revenue is estimated at \$3 million annually.

⁹ https://www.cityofberkeley.info/Clerk/City_Council/2017/03_Mar/City_Council_03-28-2017_-_Regular_Meeting_Agenda.aspx (Item #32)

Included in the AAO#1 on tonight’s agenda is a \$406,952 General Fund allocation to repay the Workers’ Compensation Fund for the portion of the property that will be used for the Council Chambers. There is also a \$946,163 allocation from U1 to pay for the remainder of the property proposed for below market-rate housing. Additional U1 funding allocations are shown in the chart below.

FY 2019 Measure U1	
Actual U1 Revenues	\$ 5,828,443
Actual U1 Expenditures	\$ 1,995,280
Excess U1 Revenues	\$ 3,833,163
Excess U1 Revenues	\$ 3,833,163
Committed: New Request AAO#1 11/19/19	
2001 Ashby Avenue*	\$ 368,000
HTF Predevelopment Applications*	\$ 1,750,000
Measure O Staff Person	\$ 167,212
Worker's Comp Fund (Premier Cru)	\$ 946,163
Reserve for 2001 Ashby Avenue approved by Reso 68,824 by Council on 4/23/19. Reserve for HTF Predevelopment Applications approved by Council on 10/29/19.*	
Committed Total	\$ 3,231,375
Available Excess FY 19 U1 Revenue	\$ 601,788

Other Funding Needs For Council's Consideration**Excess Transfer Occupancy Tax (Short Term Rentals)**

Included in Council's fiscal policies is the methodology to allocate General Fund revenues generated from Short Term Rentals. Starting in FY 2018, staff costs as approved by the City Council that exceed the enforcement fees and penalties shall be appropriated from the short term rental taxes collected pursuant to BMC Section 23C.22.050, Section H, with primary allocation of the rental tax to the purposes listed below:

- Two thirds (66.7%) allocated to the Affordable Housing Trust Fund.
- One third (33.3%) allocated to the Civic Arts Grant Fund.

In order to facilitate the Civic Arts Grant Funding allocation process, Council reset the Civic Arts Grants Funding allocation to \$500,000 as part of the FY 2020 and FY 2021 Biennial Budget adoption in June. This would ensure that a baseline of \$500,000 was available for allocation and would eliminate the allocation delay resulting from the excess Short-Term Rentals November calculation. However, in order to fund the Civic Arts Grant to the \$500,000 level in June, funding allocations to other critical City functions were deferred.

Included in the FY 2019 Adopted budget was \$840,000 of General Fund revenue from short-term rentals. The actual revenue was \$1.8 million. The excess over the budgeted amount was \$990,983. One-third of the excess is \$327,024. Two-thirds of the excess is \$654,049. These allocations are currently not included in AAO#1.

Council's Fiscal Policies are scheduled to be discussed and reviewed by the Budget and Finance Policy Committee. The policy tied to the Short-Term Rentals will be part of that discussion.

Unfunded Liabilities

On April 4, 2017, there was a Council Worksession in which the City's outside actuary presented the [Projections of Future Liabilities - Options to Address Unfunded Liabilities Tied to Employee Benefits](#). The actuary provided several options for Council's consideration that would reduce the City's unfunded liabilities tied to post-employee benefits. Included in the recommendations were the following:

- Investing for the long-term to generate more earning to meet long-term funding targets,
- Increase annual contribution by approximately \$4.5 million per year and fully pre-fund the plans, and
- Establish an irrevocable supplemental trust for CalPERS to stabilize the increasing employer contribution rates.

On June 26, 2018, Council authorized the City Manager to establish an IRS Section 115 Pension Trust Fund (Trust) to be used to help pre-fund pension obligations¹⁰. On May 14, 2019, Council authorized the City Manager to execute a contract with Keenan Financial Services to establish, maintain, and invest the pension Section 115 Trust¹¹. To date, Council has allocated \$9.1 million to fund the Trust, which consists of the following:

- ✓ \$4 million set aside in the PERS Savings Fund
- ✓ \$4 million allocated by Council in November 2018
- ✓ \$1.1 million discount the City saved by prepaying the FY 2019 unfunded liability payments required by CalPERS

Ongoing funding of the Trust has not yet been identified and is needed to ensure continuity of services as the City's pension contributions increase. As the Budget and Finance Policy Committee review Council's Fiscal Policies, a policy to identify ongoing funding of the Trust will be part of that discussion. No additional funding of the Trust is included in the AAO#1 on tonight's agenda. However, Council may vote to allocate additional Excess Equity to fund the Trust.

Negotiations with Labor

As a service organization, the majority of the City's costs are tied to staffing. Salary and benefit costs made up approximately 55% of the citywide budget on an All Funds basis and 74% of the General Fund operating budget. As such, labor costs are a major factor for budgetary stability. All 7 of the labor contracts are scheduled to expire June 2020.

The City treats employees fairly and equitable 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. Last year Council set aside \$1.5 million of the FY 2018 Excess Equity to address the impacts of the COLAs. Currently, there is no set aside in the FY 2020 AAO#1 on tonight's agenda to address future negotiations.

Council Budget Referrals Deferred for Consideration in November 2019

On June 25, 2019, Council referred the following Supplemental Budget Recommendations to the budget process for consideration in November 2019. Funding for these budget referrals is not included in AAO#1.

¹⁰ https://www.cityofberkeley.info/Clerk/City_Council/2018/06_June/Documents/2018-06-26_Item_19_Authorization_to_Establish_IRS.aspx

¹¹ https://www.cityofberkeley.info/Clerk/City_Council/2019/05_May/City_Council_05-14-2019_-_Regular_Meeting_Agenda.aspx (Item #5)

For Funding Consideration - November 2019

Item #	Department/ Program	Fund Name	Description	FY 2020 Amount	FY 2021 Amount
1	HHCS	Excess Equity or Measure P	Youth Spirit Artworks Tiny House Village Services	78,000	-
2	Public Works/Fire	Excess Property Tax or Excess Equity	Outdoor Emergency Warning System	1,100,000	-
3	Public Works	Excess Property Tax or Excess Equity	Traffic Light at University/Acton (up to)	400,000	
4	Public Works	Excess Property Tax or Excess Equity	RRFP Light at San Pablo and Addison	100,000	
5	Public Works	Excess Property Tax or Excess Equity	Traffic Calming at MLK and Stuart Street (up to)	400,000	
6	Public Works/ Transportation	Excess Equity	Traffic Study on Alcatraz Avenue (unknown)	unknown	-
For Funding Consideration - November 2019 Total				2,078,000	-

In addition, between June 25, 2018, and November 19, 2019, there were 22 Council items referred to the budget process for consideration in November 2019. These budget referrals are listed below.

Title and Item #	Council Date	Description (Purpose)	Amount	Referred by: Council Member Name
1. Budget Referral: Remediation of Lawn Bowling, North Green and Santa Fe Right-of-Way, FY2020-2021 ¹²	June 25, 2019	Refer to the FY20 (2020/2021) RRV Budget Process for consideration of at least \$150,000 and up to remediate the Lawn Bowlers, North Green and Santa Fe Right-of Way in advance of Request for Proposal (RFP) for these areas that potentially could provide much needed affordable alternative housing.	\$150,000	Davila
2. Adopt an Ordinance adding a new Chapter 12.80 to the Berkeley Municipal Code Prohibiting Natural Gas Infrastructure in New Building ¹³	July 9, 2019	Refer to the November 2019 budget process for consideration of up to \$273,341 per year to fund a new career position in the Building & Safety Division of the Department of Planning and Development. The staff person will assist with implementing the gas prohibition ordinance and reach codes, and perform other duties as specified in the Financial Implications section of this item	\$273,341	Harrison, Davila, Bartlett and Hahn
3. Funding the Pavement of Derby Street Between Telegraph Avenue and Shattuck Avenue ¹⁴	September 10, 2019	Refer to the budget process for the paving of Derby St. between Shattuck Ave. and Telegraph Ave. in order to repair deteriorating street that serves as a part of major commuter corridor.	\$1.6 million for pavement reconstruction Per 2017 Bicycle Plan: \$60,000 for traffic diverter at Fulton \$360,000 for Ped. Hybrid Signal at Shattuck	Bartlett

¹² https://www.cityofberkeley.info/Clerk/City_Council/2019/07_Jul/Documents/2019-07-09_Item_21_Adopt_an_Ordinance_adding_a_new.aspx

¹³ https://www.cityofberkeley.info/Clerk/City_Council/2019/06_June/Documents/2019-06-25_Item_38_Budget_Referral_Remediation_of_Lawn.aspx

¹⁴ https://www.cityofberkeley.info/Clerk/City_Council/2019/09_Sep/Documents/2019-09-10_Item_44_Pavement_of_Derby_Street_and_Ward.aspx

Title and Item #	Council Date	Description (Purpose)	Amount	Referred by: Council Member Name
4. Funding the Construction of a Pedestrian Signal at Ashby Street and Fulton Street ¹⁵	September 10, 2019	Refer to the November budget AAO process for the construction of a pedestrian crossing signal at the intersection of Ashby and Fulton St. in order to reduce traffic accidents, and further safeguard the community.	\$400,000 - \$800,000	Bartlett
5. Funding for Pedestrian Crossing Signal at Intersection of Shattuck and Prince ¹⁶	September 10, 2019	Refer to the November Budget Annual Appropriations Ordinance to fund pedestrian crossing signals on all directions of the Shattuck Avenue and Prince Street intersection in order to address inadequate traffic control and ensure the safety of travelers along these streets.	\$400,000 - \$800,000	Bartlett
6. Funding Streetlight Near South East Corner of Otis Street ¹⁷	September 10, 2019	Council refers to the City Manager to fund construction of a streetlight on the corner of Otis near Ashby.	\$10,000 to \$20,000	Bartlett

¹⁵ https://www.cityofberkeley.info/Clerk/City_Council/2019/09_Sep/Documents/2019-09-10_Item_45_Funding_the_Construction_of_a_Pedestrian.aspx

¹⁶ https://www.cityofberkeley.info/Clerk/City_Council/2019/09_Sep/Documents/2019-09-10_Item_46_Funding_for_Pedestrian_Crossing_Signal.aspx

¹⁷ https://www.cityofberkeley.info/Clerk/City_Council/2019/09_Sep/Documents/2019-09-10_Item_47_Funding_Streetlight_Near_South_East.aspx

Title and Item #	Council Date	Description (Purpose)	Amount	Referred by: Council Member Name
7. RFP for a Freestanding Public restroom Facility ¹⁸	September 24, 2019	Refer to the budget process to set aside up to \$100,000 to issue an RFP for a freestanding, 24/7 public restroom facility in the Telegraph Business Improvement District.	\$100,000	Robinson
8. Grant referral for Capoeira Arts Foundation ¹⁹	October 15, 2019	Refer a Grant of \$150,000 for the benefit of the Capoeira Arts Foundation (CAF) to the mid-year budget process to support their purchase of the Casa De Cultura-1901 San Pablo Ave-in partnership with BrasArte to create a permanent home for their organizations, their school, the United Capoeira Association (UCA) Berkeley, and for other Brazilian art forms.	\$150,000	Arreguin, Kesarwani and Davila

¹⁸ https://www.cityofberkeley.info/Clerk/City_Council/2019/09_Sep/Documents/2019-09-24_Item_28_Budget_Referral_RFP_for_a_Freestanding_Public.aspx

¹⁹ https://www.cityofberkeley.info/Clerk/City_Council/2019/10_Oct/Documents/2019-10-15_Item_18_Grant_Referral_for_Capoeira_Arts.aspx

Title and Item #	Council Date	Description (Purpose)	Amount	Referred by: Council Member Name
9. Health Impact Assessment Outreach Coordinator ²⁰	October 15, 2019	Refer to the Mid-Year Budget Process an amount of \$25,000 for Berkeley's contribution towards a budget of \$50,000 to support an Outreach Coordinator for the purpose of community education about the health impacts associated with the proposed closure of Alta Bates Hospital as indicated in the Health Impact Analysis completed by the Institute of Urban and Regional Development, UC Berkeley in December 2018.	\$25,000	Arreguin, Harrison, and Droste
10. RFP for a Freestanding Public restroom Facility ²¹	October 15, 2019	<i>Continued from September 24, 2019 Council Meeting</i>		Robinson
11. Berkeley Age-Friendly Continuum ²²	October 29, 2019	Refer to the mid-year budget process \$20,000 for the Berkeley Age-Friendly Continuum.	\$20,000	Mayor Arreguin and Bartlett

²⁰ https://www.cityofberkeley.info/Clerk/City_Council/2019/10_Oct/Documents/2019-10-15_Item_19_Health_Impact_Assessment_Outreach.aspx

²¹ https://www.cityofberkeley.info/Clerk/City_Council/2019/10_Oct/Documents/2019-10-15_Item_28_Budget_Referral_RFP_for_a_Freestanding.aspx

²² https://www.cityofberkeley.info/Clerk/City_Council/2019/10_Oct/Documents/2019-10-29_Item_14_Budget_Referral_Berkeley_Age-Friendly.aspx

Title and Item #	Council Date	Description (Purpose)	Amount	Referred by: Council Member Name
12. Funding Illegal Dumping Component of “Clean & Livable Commons Initiative” ²³	October 29, 2019	Refer to the November budget process consideration for providing \$200,000 to fund a key component of the “Clean & Livable Commons Initiative” unanimously passed by the City Council on February 28, 2019.	\$200,000	Kesarwani, Harrison, and Mayor Arreguin
13. Allocate \$27,000 from the General Fund to Secure Potential Matching State Certified Local Government Landmarks Preservation Grants ²⁴	October 29, 2019	Refer to the FY 2021 November Budget Process to allocate \$27,000 from the General Fund to secure potential matching state Certified Local Government landmarks preservation grant.	\$27,000	Harrison and Hahn
14. Budget Referral and Approving Installation of Cameras at Ohlone Park Mural ²⁵	October 29, 2019	Refer \$6,000 to the FY20 November 2019 AAO Process for the purpose of purchasing and installing a surveillance camera.	\$6,000	Harrison and Kesarwani

²³ https://www.cityofberkeley.info/Clerk/City_Council/2019/10_Oct/Documents/2019-10-29_Item_16_Budget_Referral_Funding_Illegal_Dumping.aspx

²⁴ https://www.cityofberkeley.info/Clerk/City_Council/2019/10_Oct/Documents/2019-10-29_Item_21_Budget_Referral_Allocate_27,000.aspx

²⁵ https://www.cityofberkeley.info/Clerk/City_Council/2019/10_Oct/Documents/2019-10-29_Item_24_Budget_Referral_and_Approving_Installation.aspx

Title and Item #	Council Date	Description (Purpose)	Amount	Referred by: Council Member Name
15. Wildfire Mitigation Mid-Year Budget Referral ²⁶	November 12, 2019	Refer to the Mid-Year Budget Process an amount of \$550,000 for wildfire mitigation measures, including the removal of fire fuel on City properties and the extension by six additional months of the Fire Captain position to provide wildfire safety planning, Safe Passages implementation, and oversight of mitigation programs and public education.	\$550,000	Wengraf
16. BART Station Environmental Planning ²⁷	November 12, 2019	Refer to the budget process \$250,000 for BART station planning. This budget allocation will allow the initiation of environmental review required as part of developing and adopting zoning for the Ashby and North Berkeley BART Stations that is in conformance with Assembly Bill 2923.	\$250,000	Mayor Arreguin

²⁶ https://www.cityofberkeley.info/Clerk/City_Council/2019/11_Nov/Documents/2019-11-12_Item_20_Wildfire_Mitigation_Mid-Year_Budget.aspx

²⁷ https://www.cityofberkeley.info/Clerk/City_Council/2019/11_Nov/Documents/2019-11-12_Item_12_Budget_Referral_BART_Station.aspx

Title and Item #	Council Date	Description (Purpose)	Amount	Referred by: Council Member Name
17. Additional funding to Enhance Services at the Berkeley Drop-In Center ²⁸	November 12, 2019	Refer to the November Budget Annual Appropriations Ordinance to fund \$210,000 to enhance services at the Berkeley Drop-In Center, specifically for the installation of a public shower, installation of washer and dryer, renovation of the existing publicly accessible restroom, and additional payee service capacity.	\$210,000	Bartlett
18. Expansion of Homeless Navigation Facilities and Programs ²⁹	November 12, 2019	Refer to the budget process to allocate funds to establish a third sleeping unit and additional facilities as needed to increase capacity at the STAIR Center, and to fund operational and programmatic needs.	unknown	Hahn and Mayor Arreguin
19. Transportation to Support Mobility-Impaired Individuals Experiencing Homelessness who are Engaged in Rehousing and other Services ³⁰	November 12, 2019	Refer to the budget process to allocate funds to provide transportation for mobility-impaired individuals experiencing homelessness who are engaged with rehousing and other services through the STAIR Center, The Hub, or other City of Berkeley-funded homeless services	unknown	Hahn and Mayor Arreguin

²⁸ https://www.cityofberkeley.info/Clerk/City_Council/2019/11_Nov/Documents/2019-11-12_Item_15_Additional_Funding_to_Enhance_Services.aspx

²⁹ https://www.cityofberkeley.info/Clerk/City_Council/2019/11_Nov/Documents/2019-11-12_Item_19_Budget_Referral_Expansion_of_Homeless.aspx

³⁰ https://www.cityofberkeley.info/Clerk/City_Council/2019/11_Nov/Documents/2019-11-12_Item_19_Budget_Referral_Expansion_of_Homeless.aspx

Title and Item #	Council Date	Description (Purpose)	Amount	Referred by: Council Member Name
20. Evaluation and Implementation of Pedestrian and Bicycle Safety Along Oxford Street ³¹	November 12, 2019	Refer \$75,000 to the FY20 2019 AAO Process for the purpose of assessing, identifying, and implementing improvements to pedestrian and bicycle safety across Oxford Street, particularly between University Avenue and Bancroft Street.	\$75,000	Harrison
21. Additional funding for Berkeley Community Gardening Collaborative/ Moving South Berkeley Forward ³²	November 12, 2019	Refer to the November Budget AAO to fund \$10,582.06 to Berkeley Community Gardening Collaborative for a coordinator for the year-long Moving South Berkeley Forward project	\$10,582	Bartlett and Mayor Arreguin
22. BigBelly Trash Receptacles in Ohlone Park ³³	November 19, 2019	Refer \$15,000 to the November 2019 Annual Appropriations Ordinance Budget Process to purchase two BigBelly trash receptacles for Ohlone Park.	\$15,000	Harrison
TOTAL			\$5,701,923	

Funding for these budget referrals is not included in AAO#1.

³¹ https://www.cityofberkeley.info/Clerk/City_Council/2019/11_Nov/Documents/2019-11-12_Item_17_Budget_Referral_Evaluation_and_Implementation.aspx

³² https://www.cityofberkeley.info/Clerk/City_Council/2019/11_Nov/Documents/2019-11-12_Item_16_Additional_funding_for_Berkeley.aspx

³³ https://www.cityofberkeley.info/Clerk/City_Council/2019/11_Nov/Documents/2019-11-12_Item_16_Additional_funding_for_Berkeley.aspx

All Funds

On an All Funds basis, the City finished FY 2019, \$86.8 million (15%) under the adjusted budget. These fund balances are largely dedicated to projects, capital improvements that have not yet been completed, and personnel cost savings. For example, \$32.0 million is in the Department of Public Works. A sampling of the \$32 million underspending includes the following:

- \$5.80 million is tied to the Sewer Fund: \$1.9 million in personnel savings due to vacancies, \$3.7 million in continuing and deferred sewer projects scheduled for completion in FY 2020
- \$4.9 million is tied to the Capital Improvement Fund: \$0.6 million in salary savings and \$3.9 million in project fund carryover for transportation, street, facilities project funds to FY 2020 due to project timing, including ADA Transition Plan, Shattuck Reconfiguration, FY 19 Street Rehab and FY 19 Sidewalk Repair projects.
- \$3.1 million is tied to the State Transportation Tax: \$0.8 million in salary savings and \$2.3 million in project funding for various street and storm drain program projects continued for completion in FY 2020.
- 3.6 million is tied to T1: \$3.6 million in carryover for various T1 projects begun in FY 2019 with work continuing into FY 2020
- \$2.9 million is tied to the Equipment Replacement Fund to replace purchases initially scheduled for FY 2019 that will be completed in FY 2020.

In addition, the Department of Health Housing and Community Services had \$13.2 million in underspending primarily as a result of funds allocated to projects and programs not fully expended by the end of the fiscal year that will be carried forward to FY 2020, new positions being filled after the start of the fiscal year and vacancies throughout the department. Of the \$13 million, approximately \$3.5 million was accumulated in the Housing Trust Fund to be disbursed for various Housing Development projects at a later date, almost \$1.5 million were CDBG funds committed to programs that were not expended during the fiscal year and will be carried forward, and over \$2 million in unspent Mental Health Service Act Funds budgeted for the renovation of the Mental Health Adult Clinic and the new MH Wellness Center.

Information Technology had \$11.6 million in underspending due to General Fund, FUNDS\$ Replacement Funds, and the IT Cost Allocation Fund not being fully spent in FY 2019. These funds will be carried over to FY 2020.

Parks Recreation and Waterfront had \$13.0 million in underspending due to personnel savings and unexpended project funds in the Playground Camp, Parks Tax Fund, Measure WW Parks Bond Grant Fund, Capital Improvement Fund, and Measure T1 Fund. Only certain unspent project funds will be carried over to FY 2020.

Planning had \$4.1 million in underspending as a result of the FEMA Funds for the Hazard Mitigation Grant Program not being fully spent in FY 2019. The FY 2019 budget was based on an estimate of seismic retrofit grants that we may be required to pay through the funding received from the FEMA grant. Actual grant funding requests were much lower than anticipated. However, Planning may make revisions this year for the FY 2020 FEMA budget if they get better estimates. The Permit Service Center Fund also had personnel and non-personnel savings of \$2.2 million in FY 2019

Finally, the Library Fund had underspending of \$4.9 million from unexpected delays to the Central Library Improvement Project. The Central Library capital improvement project did not advance to construction as was expected. Budgeted savings were realized from design, engineering, construction time lags, and personnel costs.

Attachment 1 provides information on the FY 2019 Year-End General Fund Revenues and includes a variance analysis.

Attachment 2 provides information on unspent FY 2019 Year-End Expenditures. Additional detailed information on unspent funds can be found in the AAO#1 on tonight's agenda.

FY 2020 First Quarter Summary

General Fund Revenues

The first quarter review focuses primarily on the major General Fund revenue fluctuations, and changes that have occurred that might significantly impact future projections. FY 2020 General Fund revenues are tracking slightly over what was received during the same period in FY 2019. During the first quarter of FY 2020, we received 17.46% of the adopted revenues compared to 16.09% received in FY 2019. Staff will present more refined revenue projections based on additional information during the mid-year update.

Several of the underlying revenue assumptions for FY 2020 are sensitive to economic changes. Staff will continue to monitor these revenue streams and report on the impact of economic changes on revenue projections. For additional information on the First Quarter General Fund Revenues please see Attachment 3.

General Fund Expenditures

General Fund expenditures are currently tracking within budget. Staff will continue to monitor the budget and report back at mid-year on the impacts of the key challenges discussed earlier in this report.

Attachment 3 provides additional information on the FY 2020 First Quarter General Fund Revenues and includes a variance analysis

Attachment 4 provides additional information on the FY 2020 First Quarter Expenditures by department and includes a variance analysis

Next Steps

Staff will present second-quarter revenue and expenditure projections at the FY 2020 mid-year update in March 2020.

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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Attachments:

- 1: FY 2019 Year End General Fund Revenues
- 2: FY 2019 Year End General Fund and All Funds Expenditures
3. FY 2020 1st Quarter General Fund Revenues
4. FY 2020 1st Quarter General Fund and All Funds Expenditures

General Fund Revenue for FY 2019 and Comparison with FY 2018

Revenue Categories	FY 2019				FY 2018				Comparison FY19 vs FY18	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Amount	%
	(a)	(b)	c= (b) - (a)	(d) = (b)/(a)	(e)	(f)	g= (f) - (e)	(h) = (f)/(g)	(i) = (b) - (f)	(j) = (i)/(f)
Secured Property	\$57,966,998	\$59,178,773	\$1,211,775	102.09%	\$50,018,636	\$56,038,218	\$6,019,582	112.03%	3,140,555	5.60%
Redemptions -Regular	668,140	590,395	(77,745)	0.88	1,443,800	680,975	(762,825)	47.17%	(90,580)	-13.30%
Supplemental Taxes	1,400,000	2,174,903	774,903	1.55	1,100,000	2,237,649	1,137,649	203.42%	(62,746)	-2.80%
Unsecured Property Taxes	2,500,000	2,878,275	378,275	1.15	2,767,684	2,687,198	(80,486)	97.09%	191,077	7.11%
Property Transfer Tax	12,500,000	19,952,981	7,452,981	1.60	12,500,000	18,911,368	6,411,368	151.29%	1,041,613	5.51%
Property Transfer Tax-Measure P	0	2,932,313	2,932,313		0	0	0		2,932,313	
Sales Taxes	18,140,977	18,663,550	522,573	1.03	18,000,000	17,435,591	(564,409)	96.86%	1,227,959	7.04%
Soda Taxes (new in May 2015)	1,500,000	1,547,349	47,349	1.03	1,721,456	1,457,003	(264,453)	84.64%	90,346	6.20%
Utility Users Taxes	15,000,000	13,973,744	(1,026,256)	0.93	14,282,375	14,828,120	545,745	103.82%	(854,376)	-5.76%
Transient Occupancy Taxes	7,800,000	7,995,188	195,188	1.03	8,769,633	7,664,473	(1,105,160)	87.40%	330,715	4.31%
Short-term Rentals	840,000	1,830,983	990,983	2.18	800,000	1,053,815	253,815	131.73%	777,168	73.75%
Business License Tax, ex Recr. Cannabis	18,360,000	19,848,803	1,488,803	1.08	17,651,191	19,878,912	2,227,721	112.62%	(30,109)	-0.15%
Recreational Cannabis	500,000	1,168,794	668,794	2.34	0	0	0	-	1,168,794	-
U1 Revenues	1,000,000	5,828,443	4,828,443	5.83	650,000	5,161,615	4,511,615	794.09%	666,828	12.92%
Other Taxes	1,889,800	1,688,101	(201,699)	0.89	1,466,381	933,462	(532,919)	63.66%	754,639	80.84%
Vehicle In-Lieu Taxes	12,381,128	12,540,784	159,656	1.01	10,320,402	11,822,917	1,502,515	114.56%	717,867	6.07%
Parking Fines-Regular Collections	5,818,123	6,002,211	184,088	1.03	6,299,322	6,376,463	77,141	101.22%	(374,252)	-5.87%
Parking Fines-Booting Collections	200,000	211,913	11,913	1.06	204,000	231,538	27,538	113.50%	(19,625)	-8.48%
Moving Violations	235,000	177,824	(57,176)	0.76	239,770	188,443	(51,327)	78.59%	(10,619)	-5.64%
Ambulance Fees	4,613,194	4,424,808	(188,386)	0.96	4,823,720	4,343,453	(480,267)	90.04%	81,355	1.87%
Interest Income	2,500,000	4,334,404	1,834,404	1.73	2,211,000	3,636,989	1,425,989	164.50%	697,415	19.18%
Franchise Fees	1,984,643	1,821,316	(163,327)	0.92	1,955,314	2,009,931	54,617	102.79%	(188,615)	-9.38%
Other Revenues	7,620,152	8,116,908	496,756	1.07	5,916,158	9,121,889	3,205,731	154.19%	(1,004,982)	-11.02%
IDC Reimbursement	4,952,317	5,223,725	271,408	1.05	4,553,189	6,149,619	1,596,430	135.06%	(925,894)	-15.06%
Transfers	4,385,568	5,356,132	970,564	1.22	5,197,771	5,792,575	594,804	111.44%	(436,443)	-7.53%
Total Revenue:	\$184,756,040	\$208,462,620	\$23,706,580	112.83%	\$172,891,802	\$198,642,216	\$25,750,414	114.89%	\$9,820,404	4.94%

Note: This statement is presented on a budgetary basis.

During FY 2019, General Fund revenues and transfers increased \$9,820,404 or 4.94%, from \$198,642,216 in FY 2018 to \$208,462,620 in FY 2019.

The following FY 2019 review focuses primarily on the major revenue fluctuation.

Secured Property Tax (+\$3,140,555 over FY 2018 Actual)

During FY 2019, Secured Property Tax revenues totaled \$59,178,773 which was \$3,140,555 or 5.60% more than the \$56,038,218 received for FY 2018. The FY 2019 total of \$59,178,773 is \$1,211,775 more than the adopted budget amount of \$57,966,998. 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

Property Transfer Tax (+\$1,041,613 over FY 2018 Actual)

For FY 2019, Property Transfer Tax revenue totaled \$19,952,981, which is an increase of \$1,041,613 or 5.51% from the \$18,911,368 received in FY 2018. The amount of \$19,952,981 received in FY 2019 was \$7,452,981 more than the adopted budget amount of \$12,500,000. The number of property transactions decreased by 80 or 8.60% from 926 in FY 2018 to 846 in FY 2019. The decline in property transactions in FY 2019 was more than offset by a greater number of properties that sold for more than \$4 million in FY 2019 than in FY 2018 (15 transactions with an average sales price of \$13.1 million in FY 2019 versus 11 transactions with an average sales price of \$7.1 million in FY 2018).

This revenue source is budgeted at \$12.5 Million as any excess above that amount is transferred to the reserve fund and the Capital Improvement Fund the following fiscal year.

Sales Tax (+\$1,227,959 over FY 2018 Actual)

For FY 2019, Sales Tax revenue totaled \$18,663,550, which is \$1,227,959 or 7.04% more than the \$17,435,591 received in FY 2018. The amount of \$18,663,550 received in FY 2019 was \$522,573 more than the adopted budget amount of \$18,140,977. However, the apparent big jump in revenue in FY 2019 was actually a misallocation of revenues between FY 2018 and FY 2019. When the California Department of Tax and Fee Administration (Formerly State Board of Equalization) changed the allocations from three advances and a cleanup to two advances and a cleanup, they underpaid most cities' Sales Tax revenue in the first quarter of FY 2018. This was because CDTFA had issues with the processing of payments. As a result, Berkeley was underpaid \$555,600 in Sales Tax revenue in FY 2018 and that amount was paid during FY 2019. For that reason, staff is projecting a decline of 2.28%, rather than an increase, in Sales Tax revenue in FY 2019.

Utility Users Taxes (-\$854,376 under FY 2018 Actual)

UUT revenue in FY 2019 decreased by \$854,376 or 5.76%, to \$13,973,744 from the \$14,828,120 received in FY 2018. The \$13,973,744 collected in FY 2019 was \$1,026,256 or 6.84% less than the adopted budget amount of \$15,000,000.

The decrease in FY 2019 is primarily attributable to a \$302,633 or 14.20% decrease in Cellular charges, a \$403,178 or 4.30% decrease in Gas/Electric charges, and a \$100,971 or 7.50% decrease in Cable charges.

Transient Occupancy Tax (+\$330,715 over FY 2018 Actual)

Transient Occupancy Tax (TOT) revenue for FY 2019 totaled \$7,995,188 which is \$330,715 or 4.31% more than the \$7,664,473 received in FY 2018. The FY 2019 results reflect a rebound from a continuing slowdown in the growth rate of the City's major hotels. The increase resulted from the five largest hotels showing an increase in revenue of \$203,131 or 3.40% during fiscal the year.

Short-term Rentals (+\$777,168 over FY 2018 Actual)

This is a tax on Berkeley residents who host short-term rentals. They are required to register with the City and pay a 12% Transient Occupancy Tax on such rentals.

For FY 2019, Short-term Rentals totaled \$1,830,983 which is \$777,168 or 73.75% more than the total of \$1,053,815 received in FY 2018. It was also \$990,983 more than the adopted Budget total of \$840,000.

Business License Tax (-\$30,109 less than FY 2018 Actual)

For FY 2019, BLT revenue totaled \$19,848,803, which is \$30,109 or .015% less than the \$19,878,912 received in FY 2018. The \$19,848,803 collected in FY 2019 was \$1,488,803 or 8.11% more than the adopted budget amount of \$18,360,000.

U1 Business License Revenue

For FY 2019, U1 Business License Tax revenue totaled \$5,828,443 which is \$666,828 more than the \$5,161,615 received in FY 2018. The \$5,828,443 collected in FY 2019 was \$4,828,443 more than the adopted budget amount of \$1,000,000.

Vehicle In-Lieu Taxes (+\$717,867 over FY 2018 Actual)

For FY 2019, VLF revenue totaled \$12,540,784, which is \$717,867 or 6.07% more than the \$11,822,917 received in FY 2018, and is consistent with the 6.93% increase in assessed values for FY 2019. The amount of \$12,540,784 received in FY 2019 was \$159,656 more than the adopted budget amount of \$12,381,128.

Parking Fines (-\$374,252 less than FY 2018 Actual)

For FY 2019, Parking Fines revenue (excluding booting fines) decreased by \$374,252 or 5.87% to \$6,002,211 from \$6,376,463 in FY 2018. This decrease was generated partly as a result of a decrease in ticket writing of 5,770 tickets issued, from 145,286 in FY 2018 to 139,516 issued in FY 2019.

The vehicle booting program, which started in October 2011, decreased during FY 2019. During that period, booting collections totaled \$211,913, a decrease of \$19,625 or 8.48% from the total of \$231,538 received in FY 2018. The total of \$211,913 received in FY 2019 was \$11,913 more than the adopted budget amount of \$200,000.

Interest Income (+\$697,415 over FY 2018 Actual)

For FY 2019, Interest Income totaled \$4,334,404, which was \$697,415 or 19.18% more than the \$3,636,989 received in FY 2018. It was also \$1,834,404 more than the adopted budget amount of \$2,500,000. The interest income in FY 2019 was significantly more than projected primarily because interest rates were significantly higher in FY 2019 than in FY 2018, especially for the short-term portion of the City's portfolio. However, the trend toward higher interest rates abruptly reversed course towards the end of FY 2019 and has continued into FY 2020.

Other Revenue (-\$1,004,982 less than FY 2018 Actual)

For FY 2019, other income totaled \$8,116,908 which is \$1,004,982 or 11.02% less than the total of \$9,121,889 received in FY 2018. This decrease is primarily due to some reclassifications exercise done during fiscal year 2019.

IDC Reimbursement (-\$925,894 less than FY 2018 Actual)

IDC Reimbursement for FY 2019 totaled \$5,223,725 which is \$925,894 or 15.06% less than the \$6,149,619 received in FY 2018. IDC Reimbursement are indirect cost allocation base that are utilized to allocate cost to enterprise funds.

FY 2019 Year End Expenditures

General Fund

Department	FY 2019 Adopted	FY 2019 Adjusted	Year-End Actuals	Balance	Percent Expended
Mayor & Council	2,020,693	2,062,715	2,081,536	(18,821)	101%
Auditor	2,322,174	2,359,452	2,266,839	92,613	96%
Rent Board		265,419	265,419	-	100%
City Manager	10,109,574	11,162,229	10,633,155	529,074	95%
City Attorney	2,186,657	2,180,010	2,181,489	(1,479)	100%
City Clerk	2,534,266	2,756,322	2,643,486	112,836	96%
Finance	6,080,806	5,877,392	5,474,314	403,078	93%
Human Resources	2,016,349	2,267,835	2,045,393	222,442	90%
Information Technology	7,711,017	2,787,859	1,525,916	1,261,943	55%
Health, Housing & Community Services	14,766,894	19,679,660	19,169,534	510,126	97%
Parks, Recreation and Waterfront	5,747,738	6,127,211	5,943,167	184,044	97%
Planning	1,975,461	2,486,571	1,885,755	600,816	76%
Public Works	3,307,978	5,082,298	4,691,231	391,067	92%
Police	62,219,080	62,339,098	65,493,664	(3,154,566)	105%
Fire	31,800,695	32,842,409	34,172,733	(1,330,324)	104%
Non-Departmental	29,450,664	60,574,051	51,972,083	8,601,968	86%
Total	184,250,046	220,850,531	212,445,713	8,404,818	96%

All Funds (including General Fund)

Department	FY 2019 Adopted	FY 2019 Adjusted	Year-End Actuals	Balance	Percent Expended
Mayor & Council	2,020,693	2,062,715	2,081,536	(18,821)	101%
Auditor	2,419,749	2,457,027	2,416,689	40,338	98%
Rent Board	5,231,605	5,378,423	5,109,453	268,970	95%
City Manager	13,767,449	16,530,109	14,685,013	1,845,096	89%
Library	23,333,610	23,576,923	18,720,976	4,855,947	79%
City Attorney	4,224,401	5,926,452	5,333,550	592,902	90%
City Clerk	2,534,266	2,756,322	2,643,486	112,836	96%
Finance	7,924,435	7,759,818	7,226,820	532,998	93%
Human Resources	3,888,726	4,387,083	3,939,247	447,836	90%
Information Technology	17,537,825	24,858,762	13,239,636	11,619,126	53%
Health, Housing & Community Services	49,197,874	63,207,185	50,027,411	13,179,774	79%
Parks, Recreation and Waterfront	28,150,223	44,591,944	31,621,644	12,970,300	71%
Planning	21,372,934	22,447,576	18,325,495	4,122,081	82%
Public Works	115,819,678	144,053,865	111,984,358	32,069,507	78%
Police	67,277,591	67,626,360	69,567,103	(1,940,743)	103%
Fire	40,008,265	41,407,170	42,992,558	(1,585,388)	104%
Non-Departmental	56,940,782	92,475,521	84,752,912	7,722,609	92%
Total	461,650,106	571,503,255	484,667,887	86,835,368	85%

FY 2019 Year-End Expenditures Variance Analysis

Significant General Fund Variances

- City Manager's Office (+529,074), Finance (+403,078), and Health, Housing and Community Services (\$510,126) was due to salary savings from vacant positions and underspending of non-personnel funds. The City Manager's Office and Health, Housing & Community Services will be carrying over some of the unspent funds to FY 2020.
- Information Technology (+\$1,261,943) was primarily due to non-personnel savings for a number of Digital Strategic Plan projects that were not completed in FY 2019. Most of the unspent funds will be carried over to FY 2020 to complete these projects.
- Planning (\$600,818) was due to the allocations approved by Council that have not been fully spent yet. These allocations are being carried over to FY 2020.
- Police (-\$3,154,631) was due to overtime expenditures being \$3,197,795 over budget. The overage in overtime expenditures was due to sworn vacancies and medical leave and needing to maintain minimum staffing for public safety. Salary and benefit savings resulted in the total personnel budget being over budget by -\$2,976,279. The non-personnel budget was over budget by -\$178,352 which was due to higher costs for vehicle maintenance and replacement. These costs were offset by savings in other non-personnel categories in FY 2019.
- Fire (-\$1,330,323) was primarily the result of the personnel budget being over budget by -\$1,424,608. Shortly after FY 2019 started, the Council approved the new Memorandum of Understanding for the Berkeley Fire Fighters Association. The new agreement authorized a 4% wage increase effective the first pay period after Council approval; \$2,000 one-time stipend effective the first pay period after Council approval; 2% wage increase effective the first full pay period in July 2019. These wage increases were not budgeted in the Fire Department's budget but were set aside in Non-Departmental. Overtime expenses were over budget by \$265,418. The department received \$449,091 in mutual aid reimbursements which was not added to the expenditure budget. Non-personnel savings of \$94,285 helped to reduce the total overage down to the final -\$1,330,323 figure.
- Non-Departmental (+8,601,968) was due to \$6,560,535 set aside for General Fund cost of living adjustments for Police, Fire, and Miscellaneous employees. These funds were budgeted in Non-Departmental but were not allocated out to departments for the salary increases that were approved early in FY 2019. An allocation of \$1,000,000 for the Service Employees International Union Fair Labor Standards Act overtime payment issue was approved as part of the First Amendment to the FY 2019 Annual Appropriations Ordinance. Only \$480,971 of this allocation was spent and left a balance of \$519,028. Funds were also budgeted and not spent for the following items:
 - Pedestrian Activated Crosswalk at Cedar/Rose Park (\$100,000)
 - Pedestrian Activated Crosswalk at Grant and University (\$100,000)
 - Rectangular Rapid Flashing Beacons at Eton and Claremont (\$50,000)

- Rectangular Rapid Flashing Beacons at Claremont and Russell (\$50,000)
- Hopkins Corridor Study (\$200,000)
- RFP to address gaps for marginalized youth in Berkeley (\$50,000)
- Funds for City Minimum Wage to Youth Works employees (\$86,924)
- Age Friendly Berkeley Study (\$20,000)

Significant All Funds Variances

- Information Technology (+\$11,619,126) was due to General Fund, FUND\$ Replacement Funds, and the IT Cost Allocation Fund not being fully spent in FY 2019. These funds will be carried over to FY 2020.
- Health, Housing & Community Services fund balance (+\$13,179,774) was primarily the result of funds allocated to projects and programs not fully expended by the end of the fiscal year which will be carried forward to FY20, new positions being filled after the start of the fiscal year and vacancies throughout the department. The transition from FUND\$ to ERMA resulted in planned FY19 purchases being postponed. Of the \$13 million, approximately \$3.5 million was accumulated in the Housing Trust Fund to be disbursed for various Housing Development projects at a later date, almost \$1.5 million were CDBG funds committed to programs that were not expended during the fiscal year and will be carried forward, over \$2 million in unspent Mental Health Service Act Funds budgeted for the renovation of the Mental Health Adult Clinic and the new MH Wellness Center. Almost \$1 million was added to the fund balance in Realignment to be used as an audit liability reserve as the state and federal funding agencies increase the audits. An additional \$800,000 was in the State Health Grant fund which includes 16 unique grants from the state to support our public health efforts and reflects various vacancies and cost shifts throughout those programs with an additional \$200,000 in cost reductions to match a reduction in revenue.
- Public Works (+\$32,069,507) were largely due to the following:
 - General Fund (+\$0.3 million): \$0.3 million in carryover for projects to be completed in FY 20.
 - Sewer Fund (+\$5.8 million): \$1.9 million in personnel savings due to vacancies, \$3.7 million in continuing and deferred sewer projects scheduled for completion in FY 2020.
 - State Transportation Tax (+\$3.1 million) \$0.8 million in salary savings and \$2.3 million in project funding for various street and storm drain program projects continued for completion in FY 2020.
 - Capital Improvement Fund (+\$4.9 million): \$0.6 million in salary savings and \$3.9 million in project fund carryover for transportation, street, facilities project funds to FY 2020 due to project timing, including ADA Transition Plan, Shattuck Reconfiguration, FY 19 Street Rehab and FY 19 Sidewalk Repair projects.
 - Measure BB (+1.7 million) \$0.3 million in salary savings and \$1.3 million in street improvement projects project budget to be carried over into FY 2020 for completion

- Measure M Fund (+\$0.2 million): \$0.2 million in Measure M funds carried over for one final green infrastructure project now scheduled for completion in FY 2020
 - Off Street Parking (+0.7 million) and Parking Meter (+0.9 million): A combined total of \$0.2 million in salary savings and \$0.7M Off Street Parking Fund savings due to project budget carryover to FY 2020 and \$0.9M Parking Meter Fund savings due to project budget carryover to FY2020.
 - UCLRP (+\$0.2 million) \$0.2 million of project carryover into FY 2020 for completion of various capital projects.
 - MTC (+\$0.2 million) \$0.2 million in project carryover for transportation projects.
 - T1 (+\$3.6 million) \$3.6 million in carryover for various T1 projects begun in FY 2019 with work continuing into FY 2020.
 - Streetlight Assessment (+\$0.6 million) \$0.4 million in salary savings, and \$0.1 million in capital project carryover/deferral for Shattuck Avenue Reconfiguration scheduled for completion in FY2020 and City Streetlight Replacement and Maintenance Program.
 - Building Maintenance (+\$0.2 million) \$0.2 million in salary savings due to vacancies.
 - Equipment Replacement (+\$2.9 million) \$2.9 million for replacement purchases initially scheduled for FY 2019 but to be completed in FY 2020.
 - Equipment Maintenance (+\$0.4): \$0.3 million in non-personnel savings, including parts, fuel and oil, and \$0.2 million in personnel savings due to vacancies.
- Parks Recreation and Waterfront (+\$12,970,300) due to personnel savings and unexpended project funds in the Playground Camp, Parks Tax Fund, Measure WW Parks Bond Grant Fund, Capital Improvement Fund, and Measure T1 Fund. Only certain unspent project funds will be carried over to FY 2020.
 - Planning (+\$4,122,081) due to unspent FEMA Funds for the Hazard Mitigation Grant Program not being fully spent in FY 2019. The FY 2019 budget was based on an estimate of seismic retrofit grants that we may be required to pay through the funding received from the FEMA grant. Actual grant funding requests were much lower than anticipated. However, Planning may make revisions this year for the FY 2020 FEMA budget if they get better estimates. The Permit Service Center Fund also had personnel and non-personnel savings of \$2,170,252 in FY 2019.
 - Library (+\$4,855,947) due to unexpected delays to the Central Library Improvement Project. The Central Library capital improvement project did not advance to construction as was expected. Budgeted savings were realized from design, engineering, and construction time lags; and personnel costs also contributed to significant savings as a result of staffing vacancies throughout the organization.

General Fund Revenue for 1st Quarter FY2020 and Comparison With 1st Quarter of FY2019

Revenue Categories	FY 2020				FY 2019				Comparison FY20 vs FY 19	
	Adopted	1st Qtr-Actual	Variance	% Received	Adopted	1st Qtr-Actual	Variance	% Received	Amount	%
	(a)	(b)	c=(a) - (b)	(d) = (b)/(a)	(e)	(f)	g=(e) - (f)	(h) = (f)/(g)	(i) = (b) - (f)	(j) = (i)/(f)
Secured Property	\$63,199,622	\$306,451	\$62,893,171	0.48%	\$57,966,998	\$365,288	\$57,601,710	0.63%	(58,837)	-16.11%
Redemptions- Regular	668,140	69,946	598,194	10.47%	668,140	72,176	595,964	10.80%	(2,230)	-3.09%
Supplemental Taxes	1,400,000	310,455	1,089,545	22.18%	1,400,000	275,075	1,124,925	19.65%	35,380	12.86%
Unsecured Property Taxes	2,500,000	2,650,502	(150,502)	106.02%	2,500,000	2,439,085	60,915	97.56%	211,417	8.67%
Property Transfer Tax	12,500,000	6,887,018	5,612,982	55.10%	12,500,000	5,722,325	6,777,675	45.78%	1,164,693	20.35%
Property Transfer Tax-Measure P (New December 21, 2018)	1,509,218	2,999,630	(1,490,412)	198.75%			-		2,999,630	
Sales Taxes	18,238,000	4,680,703	13,557,297	25.66%	18,140,977	4,352,090	13,788,887	23.99%	328,613	7.55%
Soda Taxes	1,459,057	383,166	1,075,891	26.26%	1,500,000	384,903	1,115,097	25.66%	(1,737)	-0.45%
Utility Users Taxes	15,000,000	3,250,324	11,749,676	21.67%	15,000,000	3,365,240	11,634,760	22.43%	(114,916)	-3.41%
Transient Occupancy Taxes	7,800,000	2,256,945	5,543,055	28.94%	7,800,000	2,223,554	5,576,446	28.51%	33,391	1.50%
Short-term Rentals	1,020,000	417,070	602,930	40.89%	840,000	485,528	354,472	131.05%	(68,458)	-14.10%
Business License Tax	19,584,000	222,263	19,361,737	1.13%	19,200,000	825,389	18,374,611	4.30%	(603,126)	-73.07%
Recreational Cannabis	510,000	481,424	28,576	94.40%	500,000	129,724	370,276	25.94%	351,700	271.11%
U1 Revenues	1,000,000	62,278	937,722	6.23%	1,000,000	23,328	976,672	2.33%	38,950	166.97%
Other Taxes	1,116,860	310,154	806,706	27.77%	1,049,800	216,562	833,238	20.63%	93,592	43.22%
Vehicle In-Lieu Taxes	13,333,826	-	13,333,826	0.00%	12,381,128		12,381,128	0.00%	-	0.00%
Parking Fines-Regular Collections	6,600,000	1,604,681	4,995,319	24.31%	5,818,123	1,602,343	4,215,780	27.54%	2,338	0.15%
Parking Fines-Booting Collections	200,000	47,378	152,622	23.69%	200,000	47,378	152,622	23.69%	-	0.00%
Moving Violations	190,000	59,426	130,574	31.28%	235,000	33,124	201,876	14.10%	26,302	79.40%
Ambulance Fees	4,200,000	1,350,509	2,849,491	32.15%	4,613,194	1,039,816	3,573,378	22.54%	310,693	29.88%
Interest Income	3,500,000	1,520,513	1,979,487	43.44%	2,500,000	858,556	1,641,444	34.34%	661,957	77.10%
Franchise Fees	2,068,928	216,794	1,852,134	10.48%	1,984,643	238,480	1,746,163	12.02%	(21,686)	-9.09%
Other Revenues	8,044,544	1,901,235	6,143,309	23.63%	7,620,152	2,193,174	5,426,978	28.78%	(291,939)	-13.31%
IDC Reimbursement	6,100,000	1,260,850	4,839,150	20.67%	6,100,000	1,522,489	4,577,511	24.87%	(261,639)	-17.18%
Transfers	5,266,688	1,149,075	4,117,613	21.82%	4,385,568	1,310,256	3,075,312	29.88%	(161,181)	-12.30%
Total Revenue:	\$197,008,883	\$34,398,790	\$162,610,093	17.46%	\$184,756,040	\$29,725,883	\$155,030,157	16.09%	\$4,672,907	15.72%

Note: This statement is presented on a budgetary basis.

During the first quarter of FY 2020, General Fund revenue increased from the first quarter of FY 2019 by \$4,672,907 or 15.72%, due primarily to the new Measure P Property Transfer Tax (+2,999,630), an increase in Property Transfer Taxes (+1,164,693), and an increase in Interest Income(+661,957).

The first quarter review focuses primarily on the major revenue fluctuation and changes that have occurred that might result in significant changes in future projections. Staff will present more refined revenue projections based on additional information during the mid-year update.

Secured Property Tax (-\$58,837 less than FY 2019 Actual)

During the first quarter of FY 2020, Secured Property Tax revenues totaled \$306,451, which was \$58,837 or 16.11% less than the \$365,288 received for FY 2019. This first quarter reflects a relatively small amount received from the previous year's levy that was unpaid during that fiscal year. The amount received is typical of what is historically received in the first quarter. Staff revenue projection reflected in the Adopted Budget assumes a 6.80%% growth for the year, consistent with the County's Certification of Assessed Valuation growth of 6.60%.

Property Transfer Tax (\$1,164,693 more than FY 2019 Actual)

During the first quarter of FY 2020, Property Transfer Tax totaled \$6,887,018, which was \$1,164,693 or 20.35% more than the \$5,722,325 received for the first quarter of FY 2019. The primary reason for the \$1,164,693 increase in Property Transfer Tax was the sale of a group of properties totaling \$87.5 million that resulted in Property Transfer Tax of \$1,312,500. Staff will closely monitor this revenue for a probable increase in the FY 2020 projection.

In addition, \$2,999,630 in Measure P taxes was collected during the first quarter of FY 2020 compared to zero collected during the first quarter of FY 2019, as the tax took effect December 21, 2018.

Sales Tax (\$328,613 more than FY 2019 Actual)

For the first quarter of FY 2020, Sales Tax revenue totaled \$4,680,703, which is \$328,613 or 7.55% more than the \$4,352,090 received for the first quarter of FY 2019. Staff will closely monitor this revenue for a probable increase in the FY 2020 projection.

Utility Users Taxes (- \$114,916 less than FY 2019 Actual)

Utility Users Taxes revenue for the first quarter of FY 2020 totaled \$3,250,324, which is \$114,916 or 3.41% less than the \$3,365,240 received for the same period in FY 2019. This is a continuation of the sharp decline in FY 2019 that reflected significant declines in cellular, gas/electric and cable charges. An analysis is being performed by staff to determine the reasons for the large, unexpected drop in the FY 2019 revenue from the \$15 million level that this revenue source has been at over the last several years. Staff will determine whether future projections need to be revised.

Transient Occupancy Tax (+\$33,391 more than FY 2019 Actual)

Transient Occupancy Tax (TOT) revenue for the first quarter of FY 2020 totaled \$2,256,945 which is \$33,391 or 1.50% more than the \$2,223,554 received for the first quarter of FY 2019. The increase in FY 2020 is attributable to flat growth at the five largest hotels in Berkeley during the quarter and a \$49,207 receipt during the quarter that was applicable to FY 2019.

Business License Taxes (-\$603,126 less than FY 2019 Actual)

Business license Taxes (BLT) revenue for the first quarter of FY 2020 totaled \$222,263 which is \$603,126 or 73.07% less than the \$825,389 received for the first quarter of FY 2019. The decrease in FY 2020 is primarily attributable to \$422,304 non-profit paid in the first quarter of FY 2019 versus zero paid in the first quarter of FY 2020.

Parking Fines (+2,338 more than FY 2019 Actual)

Parking Fines revenue for the first quarter of FY 2020 totaled \$1,604,681 which is \$2,338 or .15% more than the \$1,602,343 received for the first quarter of FY 2019, despite a decline in ticket writing from the first quarter of FY 2019. Staff will be researching and monitoring this revenue source closely.

Interest Income (+\$661,957 more than FY 2019 Actual)

For the first quarter of FY 2020, interest income totaled \$1,520,513 which is \$661,957 or 77.10% more than the total of \$858,556 received for the same period in FY 2018. This increase is primarily attributable to a rise in short-term and long-term interest rates. Staff will monitor this revenue source closely for an adjustment in the projection. The Federal Reserve reversed course on July 31, 2019 by cutting interest rates by 25 basis points. Also, on September 18, 2019 the Federal Reserve made another 25 basis point interest rate cut.

Indirect Cost Reimbursements (-\$261,639 less than FY 2019 Actual)

IDC Reimbursement for the first quarter of FY 2020 totaled \$1,260,850 which is \$261,639 or 17.18% less than the \$1,522,489 received for the same period in FY 2019. This is primarily attributable to an increase in the indirect cost rates charged in the first quarter of FY 2020 (24.26%) from the indirect cost rates charged in the first quarter of FY 2019 (19.6% to 20.44%). IDC Reimbursement increases result from increases in the indirect cost allocation base (i.e., total direct salaries and wages in the fund), an increase in the indirect cost rate or both.

Other Revenues (-\$291,939 less than FY 2019 Actual)

Other Revenues consists of licenses and permits; grants; preferential parking fees; general government charges for services; public safety charges for services; health charges for services;

culture and recreation charges for services; rents and royalties; and other miscellaneous revenues that are not considered major.

Other Revenues Income for the first quarter of FY 2020 totaled \$1,901,235 which is \$291,939 or 13.31% less than the \$2,193,174 received for the first quarter of FY 2019,

FY 2020 First Quarter Expenditures (7/1/19 – 9/30/19)

General Fund

Department	FY 2020 Adopted	FY 2020 Adjusted*	Year-To-Date		Percent Expended
			Actuals + Encumbrances	Balance	
Mayor & Council	2,398,876	2,572,196	448,696	2,123,500	17%
Auditor	2,625,103	2,642,278	445,867	2,196,411	17%
Rent Board	0	602,015	52,015	550,000	9%
City Manager	11,037,283	12,192,216	2,956,817	9,235,399	24%
City Attorney	2,516,581	2,621,658	428,621	2,193,037	16%
City Clerk	3,004,901	3,069,440	499,784	2,569,656	16%
Finance	6,797,353	8,349,912	2,496,390	5,853,522	30%
Human Resources	2,329,292	2,631,604	468,167	2,163,437	18%
Information Technology	213,210	1,670,395	1,317,014	353,380	79%
Health, Housing & Community Services	17,553,283	27,697,978	10,581,818	17,116,160	38%
Parks, Recreation and Waterfront	7,105,343	7,712,188	2,403,297	5,308,890	31%
Planning	2,426,051	2,774,115	601,099	2,173,016	22%
Public Works	4,404,030	4,917,425	1,375,983	3,541,443	28%
Police	70,622,557	71,110,036	14,041,819	57,068,217	20%
Fire	36,019,089	39,281,584	8,757,570	30,524,014	22%
Non-Departmental	27,860,897	16,544,178	5,341,570	11,202,608	32%
Total	196,913,849	206,389,218	52,216,527	154,172,691	25%

*FY 2020 Adjusted includes FY 2019 Encumbrance Rollover

All Funds (including General Fund)

Department	FY 2020 Adopted	FY 2020 Adjusted*	Year-To-Date		Percent Expended
			Actuals + Encumbrances	Balance	
Mayor & Council	2,398,876	2,572,196	448,696	2,123,500	17%
Auditor	2,714,111	2,731,286	471,902	2,259,384	17%
Rent Board	5,334,943	6,099,664	1,594,895	4,504,769	26%
City Manager	14,548,957	16,523,708	4,270,156	12,253,552	26%
Library	26,114,585	26,830,114	6,915,374	19,914,740	26%
City Attorney	4,594,533	4,778,463	1,603,886	3,174,577	34%
City Clerk	3,004,901	3,069,440	499,784	2,569,656	16%
Finance	8,766,934	10,391,782	2,902,799	7,488,983	28%
Human Resources	4,240,103	4,547,397	767,132	3,780,265	17%
Information Technology	19,404,413	22,498,136	5,097,417	17,400,719	23%
Health, Housing & Community Services	54,597,950	77,635,853	23,717,022	53,918,831	31%
Parks, Recreation and Waterfront	46,600,585	62,804,576	14,784,601	48,019,975	24%
Planning	24,506,913	26,009,740	4,984,460	21,025,280	19%
Public Works	133,015,850	185,759,006	81,411,215	104,347,791	44%
Police	74,979,834	75,683,603	15,432,614	60,250,989	20%
Fire	44,379,144	48,128,218	10,824,797	37,303,421	22%
Non-Departmental	56,654,177	45,336,683	15,137,475	30,199,208	33%
Total	525,856,809	621,399,865	190,864,224	430,535,641	31%

*FY 2020 Adjusted includes FY 2019 Encumbrance Rollover

FY 2020 First Quarter Expenditures Variance Analysis

First Quarter Assumptions

- Personnel year-to-date actuals are through 09/30/19 and represent 23.08% expended. All departments are tracking at or below 23.08% in personnel expenditures. General Fund personnel costs represent almost 74% of the total City's General Fund budget and are tracked on a monthly basis. As in prior years, Police overtime continues to be a concern and is being monitored by staff.

Generally, on an all funds basis, expenditures over 23.08% are related to non-personnel costs, such as encumbrances for contracts, supplies, and materials.

First Quarter Variances

General Fund

- Finance: Banking Services contracts and other professional services contracts were encumbered in the 1st Quarter.
- Information Technology: A significant portion of the General Fund budget is contracts for professional services contracts, computer maintenance, and software licenses that were encumbered in FY 2019 and rolled over to FY 2020
- Health, Housing & Community Services: First three months is when summer youth workers are hired. Community Agency contract funds were moved from Non-Departmental so that contracts purchase orders could be created.
- Public Works: Funds were encumbered for gas and electricity payments.
- Parks Recreation & Waterfront: 1st quarter was peak season for Recreation programs.
- Non-Departmental: Funds for the City's Outside Auditors, Legislative and Professional Services, Insurance were encumbered or paid in the first three months of FY 2020. Funds for FLSA payments to Fire and Police approved by Council in Closed Session were paid out.

All Funds

- City Attorney: Funds for outside counsel contracts were encumbered at the start of the fiscal year.
- Public Works: Funds were encumbered for capital improvement projects early in the fiscal year.
- Non-Departmental: Debt service payments were made in August.



Office of the City Manager

03

ACTION CALENDAR
November 19, 2019

To: Honorable Mayor and Members of the City Council
 From: Dee Williams-Ridley, City Manager
 Submitted by: Teresa Berkeley-Simmons, Budget Manager
 Subject: Amendment: FY 2020 Annual Appropriations Ordinance

RECOMMENDATION

Adopt first reading of an Ordinance amending the FY 2020 Annual Appropriations Ordinance No. 7,669–N.S. for fiscal year 2020 based upon recommended re-appropriation of committed FY 2019 funding and other adjustments authorized since July 1, 2019, in the amount of \$136,730,924 (gross) and \$130,267,144 (net).

FISCAL IMPACTS OF RECOMMENDATION

On June 26, 2019 the City Council adopted the FY 2020 Budget, authorizing gross appropriations of \$525,856,809 and net appropriations of \$460,146,093 (net of dual appropriations).

This first amendment to the Annual Appropriations Ordinance totals \$136,730,924 (gross) and \$130,267,144 (net), increasing the gross appropriations to \$662,587,733 and net appropriations to \$590,413,237 and represents the re-authorization of funding previously committed in FY 2019 and some new expenditures including new grant fund appropriations. The recommendations in this report also include funding for a number of capital projects. Funding is recommended for the following:

1. Encumbered contract obligations from FY 2019 totaling \$64,586,258;
2. Re-appropriating committed, unencumbered FY 2019 funding for all funds in the amount of \$36,555,859; and
3. Changes to fund appropriations primarily due to receipt of new grants and use of available fund balances adjustments in the amount of \$35,588,807.

The changes to the General Fund total \$22,239,232 which includes encumbrances of \$5,512,512, unencumbered carry-over requests of \$4,177,247, and adjustments of \$12,549,473. The Capital Improvement Fund increases by \$14,074,233 and includes encumbrances of \$4,491,447, unencumbered carry-over requests of \$4,335,261, and adjustments of \$5,247,525.

BACKGROUND

The Annual Appropriations Ordinance (AAO) establishes the expenditure limits by fund for FY 2020. Throughout the year, the City takes actions that amend the adopted budget. These may include, but are not limited to, the acceptance of new grants, revisions to existing grants, adjustments to adopted expenditure authority due to emergency needs, and transfers in accordance with Council's fiscal policies.

The adopted budget is also amended annually to reflect the re-appropriation of prior year funds for contractual commitments (i.e. encumbrances) as well as unencumbered carryover of unexpended funds previously authorized for one-time, non-recurring purposes. These budget modifications are periodically presented to the Council in the form of an Ordinance amending the Annual Appropriations Ordinance, which formally requires a two-thirds vote of the City Council. This report addresses re-appropriating FY 2019 spending authority to FY 2020 of available cash for commitments entered into in prior years and is the first amendment to the FY 2020 AAO.

When Council adopts an appropriations ordinance (budget), it is based on projected revenues and expenditures. If fund balances do not support the requested level of expenditures, no carryover is recommended.

The proposed changes, presented in their entirety in Exhibit A, are summarized as follows:

	Encumbered Recommended	Unencumbered Recommended	Other Adjustments	Total
General Fund (011)	\$ 5,512,512	\$ 4,177,247	\$ 12,549,473	\$ 22,239,232
Capital Improvement Fund (501)	\$ 4,491,447	\$ 4,335,261	\$ 5,247,525	\$ 14,074,233
All Other Funds	\$ 54,582,299	\$ 28,043,351	\$ 17,791,809	\$ 100,417,459
Total	\$ 64,586,258	\$ 36,555,859	\$ 35,588,807	\$ 136,730,924

Carryover Process

Departments were asked to submit information regarding the reasons for the unencumbered carryover requests to assist staff in determining which funds should be carried into FY 2019. In prior years, funds have been approved for carryover from one year to the next based on funding availability.

This report recommends approximately \$37 million in unencumbered carryover for Council review and approval, representing funding for priority projects and programs.

Types of Carryover

FY 2019 Encumbrance Rollovers, totaling \$64,586,258 reflect contractual obligations entered into in fiscal year 2019 which had not been paid as of June 30, 2019. Funding for these "encumbered" commitments is brought forward into the current fiscal year to provide for payment of these obligations. Funding the encumbered rollovers for the General Fund represents around 9% of the total recommended encumbered rollovers.

The FY 2020 Adjusted Budget currently includes the carry forward of FY 2019 encumbrances, since the City is obligated to pay for these commitments.

FY 2019 Unencumbered Carryover, totals \$64,586,258 and reflects the carryover of funding appropriated by the City Council for specific purposes that had not been encumbered by year-end. The carryover for the General Fund represents around 11% of the total recommended unencumbered carryover amount and is for priority projects. Capital Improvement Funds carryovers are for continuing projects and makes up 13% of the unencumbered carryover. The remaining 76% represents carryover items in non-discretionary funds.

FY 2020 Other Adjustments total \$35,181,855 and reflect actions taken by the City Council with the adoption of the FY 2020 budget as well as adjustments required or approved since the budget adoption. Many of these adjustments are within non-discretionary funds and reflect the appropriation of grant funding and the use of available fund balance.

Below is a summary of the FY 2019 Unencumbered Carryover and the FY 2020 Adjustments for the City's General Fund and Other Funds.

General Fund

The General Fund includes unencumbered carry-over requests of \$4,177,247 and other adjustments of \$12,549,473 including the following program allocations:

Carryover

- \$258,977 in the City Clerk's Office including \$159,977 for the costs related to upcoming Special California Primary Election in March 2020
- \$244,185 in the City Manager's Office with \$30,000 for the Neighborhood Services Program, \$81,185 for the Code Enforcement Program, \$35,000 set aside to develop a financial model for labor negotiations and \$75,000 for a survey of registered voters for potential 2020 ballot initiatives
- \$195,000 in Finance for new revenue-generating collection and audit management software to enhance our Short-Term Rental, business license, and Measure U1 programs (\$150,000) and Customer Service Counter renovations (\$45,000)
- \$539,426 in Health, Housing & Community Services carryover items including \$200,000 for the Aquatic Park Water Quality Investigation
- \$127,442 in the Human Resources Department for classification and compensation studies for upcoming labor negotiations
- \$1,199,801 in Information Technology for a number of critical projects including \$469,700 for the Website Redesign Project. Some of these project funds will be budgeted in Non-Departmental and transferred to the Information Technology Cost Allocation Fund and appropriated out of that fund for the projects.
- \$173,595 in Parks, Recreation & Waterfront for fire fuel management, landscaping work for 6 blocks of the Santa Fe Right of Way, portable toilets and

handwashing stations, the ADA Transition Plan, and a fence at the Dwight Triangle area/median to replace the one that was recently destroyed

- \$620,747 in Planning for Council approved projects
- \$394,845 in Public Works for Fire Safety (\$200,000), Cameras at San Pablo Park (\$34,845), and the Underground Utility District #48 (\$160,000)

Other Adjustments

- \$1,244,196 in Excess Equity allocations approved by Council with the FY 2020 & FY 2021 Budget Adoption on June 25, 2019
- \$1,414,225 in the Fire Department for the following items:
 - \$1,008,274 for the ambulance response and fire inspection billing contract with Wittman Enterprises LLC approved by Council
 - \$185,000 for Ground Emergency Medical Transport Quality Assurance Fee to the State of California Department of Health Services for emergency medical transport services
 - \$39,714 for 3 additional gurneys from Stryker and equipping all seven ambulances with powered cot fastener systems
 - \$181,237 to purchase and outfit two trucks for fire stations and purchase a Prius for the Fire Prevention Division
- \$368,000 in Measure U1 Funds for Resources for Community Development's proposed development of 2001 Ashby Avenue
- \$1,750,000 in Measure U1 Funds for the following projects:
 - \$500,000 for Satellite Affordable Housing Associates' new construction development at 2527 San Pablo Avenue
 - \$1,200,000 for Resources for Community Development's new construction development at 2001 Ashby Avenue
 - \$50,000 for Northern California Land Trust's renovation of 2321-2323 10th Street
- \$167,212 in Measure U1 Funds for a Community Development Project Coordinator position in Health, Housing & Community Services to manage Measure O activities. Measure O bond proceeds cannot be used for staff cost. Therefore, an alternative funding source is needed to fund this position.
- \$450,000 in Human Resources for outside negotiators to assist with upcoming labor negotiations
- \$1,277,469 in Information Technology for the following items:
 - \$550,000 for the Redundant Cooling System for the Public Safety Data Center
 - \$270,000 for the FY 2019 & FY 2020 Rent Board contributions to the Information Technology Cost Allocation Fund
 - \$350,000 for the Police Department New World CAD Licenses
 - \$6,500 for the Fire Department Records Management Software
 - \$100.969 for facilities maintenance fees for the 4th floor space at 2180 Milvia Street that were not budgeted for in FY 2020.
- \$605,000 in Federal Labor Standards Act overtime payments to Fire and Police

- ❑ \$1,200,000 transfer to the Public Liability Fund to pay for increased costs for outside counsel, court costs, and claims and judgement payments approved by Council
- ❑ \$406,925 transfer of FY 2019 Excess Property Transfer Tax Revenue to Capital Improvement Fund and then transferred to Workers' Compensation Fund to repay loan to purchase Premier Cru (University Center)
- ❑ \$946,163 transfer of Measure U1 Revenues to Workers' Compensation Fund to repay loan to purchase Premier Cru (University Center)
- ❑ \$1,899,000 transfer to the FUNDS\$ Replacement Fund above the original \$15.1 million approved by Council. These funds are being used for the following items:
 - \$649,000 for the current FUNDS\$ Application Software Support that ends in December 2020
 - \$30,000 for Additional Staffing Help in City Auditors Office
 - \$34,000 for Additional Server Environment for 2019 upgrade
 - \$180,000 for a New Employee Expense Reimbursement Module
 - \$616,000 for Additional Project Management/Implementation Services
 - \$100,000 for Additional Consulting for HR Payroll
 - \$290,000 for Data Integrations/Data Conversion

There will be additional expenses in FY 2021 thru FY 2023 which will be brought back to Council as the Phase 2 Projects go through implementation

- ❑ \$350,000 in Public Works for the purchase of a sweeper for the Clean Cities Program

Other Funds

Other City funds (including capital improvement project funds) total unencumbered carryover of \$32,785,564 and other adjustments of \$22,632,382 including the following project allocations:

Carryover

- ❑ \$4,045,237 in Affordable Housing Mitigation Fee funds for Housing Trust Fund projects
- ❑ \$525,872 in Inclusionary Housing Program funds for Housing Trust Fund projects
- ❑ \$997,980 in Condo Conversion Program funds for Housing Trust Fund projects
- ❑ \$1,685,000 in Playground Camp funds for construction management at Berkeley Tuolumne Camp (\$1,655,000) and for Echo Lake bus costs (\$30,000)
- ❑ \$621,169 in State Transportation Tax Funds for Public Works street projects
- ❑ \$1,471,318 in Parks Tax funds for various Parks, Recreation & Waterfront Department capital projects currently under way
- ❑ \$362,595 in Mental Health State Aid Realignment funds for the 2640 Martin Luther King Jr. Way Adult Mental Health Clinic renovation project
- ❑ \$1,051,751 in Housing Mitigation funds for Housing Trust Fund projects

- ❑ \$310,930 in One Time Grant: No Capital Expenditure funds for the Berkeley Electric Vehicle Charging Project and the restoration of Codornices Creek at Kains
- ❑ \$1,447,829 in Measure WW funds for approved park projects
- ❑ \$4,335,261 in Capital Improvement Projects funding for Information Technology, Parks, Recreation & Waterfront, and Public Works projects
- ❑ \$7,492,060 in FUND\$ Replacement Funds for the FUND\$ Replacement Project
- ❑ \$3,655,311 in Measure T1 Funds for Parks, Recreation & Waterfront Department and Public Works Department project currently under way
- ❑ \$432,490 in Marina Funds for capital projects
- ❑ \$629,523 in Sewer Funds for projects at Portland Avenue, Santa Fe, Kains, and other locations
- ❑ \$554,340 in Off Street Parking Funds for the completion of the Center Street Garage project
- ❑ \$1,547,193 in the Information Technology Cost Allocation Fund for Digital Strategic Plan projects in FY 2020

Other Adjustments

- ❑ \$768,568 in Playground Camps Fund for the Berkeley Tuolumne Camp permit fees, tree removal, and cabin repairs
- ❑ \$353,505 in Rental Housing Safety Program funds for two inspector positions as part of the Rental Housing Safety Program expansion
- ❑ \$482,394 in Measure B – Local Streets & Road Funds for the Best Plan Update & Vision Zero Action Plan
- ❑ \$621,000 in Parks Tax Funds for the Cesar Chavez Solar Calendar Maintenance, ADA Transition Plan, and the Live Oak Park Seismic Upgrade project
- ❑ \$200,000 in Office of Traffic Safety grant funds to fund strategies to reduce
- ❑ \$1,831,875 in Mental Health Services Act funds for contracts, positions, and other program expenses
- ❑ \$3,365,174 in One-Time Grant: No Capital Expenditures funds for the Homeless Emergency Aid Program Grant (\$2,816,827), No Place Like Home Grant (\$75,000), Kaiser Permanente Grant (\$150,000), Homeless Mentally Ill and Treatment – Mental Health Adult Triage Grant (\$265,347), the Center at Sierra Health Foundation Grant (\$50,000), Water Emergency Transportation Authority Grant (\$250,000), San Francisco Foundation Grant (\$7,000), CARE California Carpet Stewardship Program (\$7,000), and the B.U.R.P.'s ERA Construction (\$25,000)
- ❑ \$5,247,525 in Capital Improvement Funds for Special Fund Allocations and Excess Property Transfer Tax Allocations approved by Council with the Adoption of the FY 2020 & FY 2021 Budget on June 25, 2019. Also included is an \$800,000 appropriation for the traffic signal at 1951 Shattuck Avenue and a \$406,952 transfer of Excess Property Transfer Tax Revenue from General Fund then transferred to Workers' Compensation Fund to repay loan to purchase Premier Cru (University Center)

- ❑ \$1,899,000 appropriation of FUND\$ Replacement Funds for the items described in the General Fund Section above
- ❑ \$440,748 in Measure M Funds for the Cratus Incorporated contract
- ❑ \$1,587,247 in Measure T1 – Infrastructure & Facilities Funds for project currently underway
- ❑ \$272,549 in Sewer Funds for Special Fund Allocations approved by Council with the Adoption of the FY 2020 & FY 2021 Budget on June 25, 2019.
- ❑ \$552,804 in Clean Storm Water Funds for Special Fund Allocations approved by Council with the Adoption of the FY 2020 & FY 2021 Budget on June 25, 2019.
- ❑ \$969,680 in Permit Service Center Funds for an Accela contract amendment and Special Fund Allocations approved by Council with the Adoption of the FY 2020 & FY 2021 Budget on June 25, 2019.
- ❑ \$1,200,000 in Public Liability Funds for the funds transferred in from the General Fund for increased costs for outside counsel, court costs, and claims and judgement payments approved by Council
- ❑ \$1,233,827 in Information Technology Cost Allocation Funds transferred in from the General Fund and Capital Improvement Fund for projects such as the Data Center Upgrade and Replacement of the Backup System.

This report has been discussed with the Budget & Finance Policy Committee at their November 14, 2019 meeting.

Any changes made by the Council as part of the adoption of the FY 2019 Year-End/FY 2020 1st Quarter Report will need to be incorporated into the numbers presented in this report to reflect these additional appropriations.

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects or opportunities associated with the act of adopting the budget/appropriations ordinance/amendments. 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.

RATIONALE FOR RECOMMENDATION

The recommendation allows the City to amend the FY 2020 Adopted Budget, re-appropriating funds from FY 2019 to FY 2020 for contractual commitments that need to be paid and revising the budget to reflect approved carryover requests in both discretionary and non-discretionary funds.

The recommendations in this report deal with the unencumbered carryover in the funds listed above and the other adjustments in all funds. Staff has conducted a detailed analysis of the individual carryover requests submitted by departments and is presenting carryover recommendations for projects that are either currently under contract, represent council priorities, and/or are considered critical.

CONTACT PERSON

Teresa Berkeley-Simmons, Budget Manager, City Manager's Office, 981-7000

Rama Murty, Senior Management Analyst, City Manager's Office, 981-7000

Attachments:

1: Ordinance

Exhibit A: Annual Appropriation Ordinance Summary of Appropriations by Fund

2: FY 2019 Carryover Recommendations and FY 2020 Adjustments

ORDINANCE NO. -N.S.

AMENDING THE ANNUAL APPROPRIATIONS ORDINANCE NO. 7,669–N.S. FOR FISCAL YEAR 2020

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. That the Annual Appropriations Ordinance based on the budget for FY 2020 submitted by the City Manager and passed by the City Council be amended as follows and as summarized in Exhibit A:

A. General Fund (Funds 001-099)	219,153,081
B. Special Funds (Funds 100-199)	117,087,692
C. Grant Funds (Funds 300-399)	46,751,427
D. Capital Projects Funds (Funds 500-550)	68,435,643
E. Debt Service Fund (Funds 551-599)	10,533,979
F. Enterprise Funds (Funds 600-669)	144,115,620
G. Internal Service Funds (Funds 146, 670-699)	46,116,952
H. Successor Agency (Funds 760-769)	56,960
I. Agency Funds (Funds 771-799)	4,838,731
J. Other Funds (Funds 800-899)	5,497,649
<u>K. Total</u>	
Total General Fund	219,153,081
Add: Total Other Than General Fund	443,434,653
Gross Revenue Appropriated	662,587,733
Less: Dual Appropriations	-26,171,544
Less: Revolving/Internal Service Funds	-46,002,952
Net Revenue Appropriated	590,413,237

Section 2. The City Manager is hereby permitted, without further authority from the City Council, to make the following transfers by giving written notice to the Director of Finance:

- a. From the General Fund to the General Fund – Stability Reserve Fund; Catastrophic Reserve Fund; Health State Aid Realignment; Paramedic Tax Fund; Capital Improvement Fund; Phone System Replacement; Equipment Replacement Fund; Public Liability Fund; Catastrophic Loss Fund; Police

Employee Retiree Health Assistance Plan; Safety Members Pension Fund; and Sick Leave Entitlement Fund.

- b. To the General Fund from the Community Development Block Grant Fund; Street Lighting Assessment District Fund; Zero Waste Fund; Marina Operations and Maintenance Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Permit Service Center Fund; Parking Meter Fund; Unified Program (CUPA); and Health State Aid Realignment Fund.
- c. To the First Source Fund from the Parks Tax Fund; Capital Improvement Fund; and the Marina Fund.
- d. From UC Settlement Fund to General Fund and Clean Storm Water Fund.
- e. From Capital Improvement Fund to PERS Savings Fund; Berkeley Repertory Theater Fund; and 2010 COP (Animal Shelter) Fund.
- f. To the Public Art Fund from the Parks Tax Fund; Capital Improvement Fund; and the Marina Fund.
- g. To CFD#1 District Fire Protection Bond (Measure Q) from Special Tax Bonds CFD#1 ML-ROOS.
- h. To Private Sewer Lateral Fund from Sanitary Sewer Operation Fund.
- i. To Catastrophic Loss Fund from Permit Service Center Fund.
- j. To Catastrophic Loss Fund from Unified Program (CUPA) Fund.
- k. To the Building Purchases and Management Fund from General Fund; Health (General) Fund; Rental Housing Safety Program Fund; Measure B Local Streets & Road Fund; Employee Training Fund; Zero Waste Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Permit Service Center Fund; Off Street Parking Fund; Parking Meter Fund; Unified Program (CUPA) Fund; Building Purchases & Management Fund; Building Maintenance Fund; Central Services Fund; and Health State Aide Realignment Trust Fund.
- l. To Equipment Replacement Fund from General Fund; Mental Health Services Act Fund; Health (Short/Doyle) Fund; Vector Control Fund; Paramedic Tax Fund; Playground Camp Fund; State Transportation Tax Fund; Rental Housing Safety Program Fund; Parks Tax Fund; Street Light Assessment District Fund; Zero Waste Fund; Marina Operations/Maintenance Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Permit Service Center Fund; Parking Meter Fund; Equipment Maintenance Fund; Building Maintenance Fund; and Central Services Fund.
- m. To the Equipment Maintenance Fund from General Fund; Health (General) Fund; Mental Health Services Act Fund; Health (Short/Doyle) Fund; Vector Control Fund; Paramedic Tax Fund; Library - Discretionary Fund; Playground Camp Fund; State

Transportation Tax Fund; Rental Housing Safety Program Fund; Rent Stabilization Board Fund; Parks Tax Fund; Street Light Assessment District Fund; FEMA Fund; Zero Waste Fund; Marina Operations/Maintenance Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Permit Service Center Fund; Off Street Parking Fund; Parking Meter Fund; Equipment Maintenance Fund; Building Maintenance Fund; and Central Services Fund.

- n. To the Building Maintenance Fund from the General Fund; Health (General) Fund; Health (Short/Doyle) Fund; Measure B Local Street & Road Fund; Parks Tax Fund; Street Light Assessment District Fund; Zero Waste Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Off Street Parking Fund; Parking Meter Fund; Equipment Maintenance Fund; Building Maintenance Fund; and Mental Health State Aid Realignment Fund.
- o. To the Central Services Fund from the General Fund; First Source Fund; Health (Short/Doyle) Fund; Library-Discretionary Fund; Playground Camp Fund; Rent Stabilization Board Fund; Zero Waste Fund; Marina Operations/Maintenance Fund; Sanitary Sewer Operation; Building Purchases & Management Fund; Building Maintenance Fund; Central Services Fund; and Mental Health State Aid Realignment Fund.
- p. To Information Technology Cost Allocation Plan Fund from General Fund; Target Case Management/Linkages Fund; Health (Short/Doyle); Library Fund; Playground Camp Fund; State Transportation Tax Fund; CDBG Fund; Rental Housing Safety Program; Rent Stabilization Board Fund; Parks Tax Fund; Street Light Assessment District Fund; Zero Waste Fund; Marina Operations/Maintenance Fund; Sanitary Sewer Operation; Clean Storm Water Fund; Permit Service Center Fund; Off Street Parking Fund; Parking Meter Fund; Unified Program (CUPA) Fund; Equipment Maintenance Fund; Building Maintenance Fund; Information Technology Cost Allocation Plan Fund; Health State Aid Realignment Trust Fund; and Mental Health State Aid Realignment Fund.
- q. To the Workers' Compensation Self-Insurance Fund from General Fund; Special Tax for Severely Disabled Measure E Fund; First Source Fund; HUD Fund; ESGP Fund; Health (General) Fund; Target Case Management/Linkages Fund; Mental Health Service Act Fund; Health (Short/Doyle) Fund; EPSDT Expansion Proposal Fund; Senior Nutrition (Title III) Fund; C.F.P. Title X Fund; Fund Raising Activities Fund; Berkeley Unified School District Grant; Vector Control Fund; Paramedic Tax Fund; Alameda County Grants Fund; Senior Supportive Social Services Fund; Family Care Support Program Fund; Domestic Violence Prevention – Vital Statistics Fund; Affordable Housing Mitigation; Inclusionary Housing Program; Library – Discretionary Fund; Playground Camp Fund; Community Action Program Fund; State Proposition 172 Public Safety Fund; State Transportation Tax Fund; CDBG Fund; Rental Housing Safety Program; Measure B Local State & Road Fund; Measure B Bike & Pedestrian Fund; Measure B – Paratransit Fund; Measure F Alameda County Vehicle Registration Fee Streets & Roads Fund; Measure BB – Paratransit Fund; One-Time Grant: No Cap Expense Fund; Rent Stabilization Board Fund; Parks Tax Fund; Measure GG – Fire Prep Tax Fund; Street Lighting

Assessment District Fund; Employee Training Fund; Private Percent – Art Fund; Measure T1 – Infrastructure & Facilities Fund; FUND\$ Replacement Fund; Capital Improvement Fund; FEMA Fund; CFD #1 District Fire Protect Bond Fund; Special Tax Bonds CFD#1 ML-ROOS Fund; Shelter+Care HUD Fund; Shelter+Care County Fund; Zero Waste Fund; Marina Operations/Maintenance Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Private Sewer Lateral Fund; Permit Service Center Fund; Off-Street Parking Fund; Parking Meter Fund; Unified Program (CUPA) Fund; Building Purchases & Management Fund; Equipment Replacement Fund; Equipment Maintenance Fund; Building Maintenance Fund; Central Services Fund; Workers' Compensation Fund; Public Liability Fund; Information Technology Cost Allocation Plan Fund; Health State Aid Realignment Trust Fund; Tobacco Control Trust Fund; Mental Health State Aid Realignment Fund; Alameda Abandoned Vehicle Abatement Authority; and Bio-Terrorism Grant Fund.

- r. To the Sick Leave and Vacation Leave Accrual Fund from General Fund; Special Tax for Severely Disabled Measure E Fund; First Source Fund; HUD Fund; ESGP Fund; Health (General) Fund; Target Case Management/Linkages Fund; Mental Health Service Act Fund; Health (Short/Doyle) Fund; EPSDT Expansion Proposal Fund; Senior Nutrition (Title III) Fund; C.F.P. Title X Fund; Fund Raising Activities Fund; Berkeley Unified School District Grant; Vector Control Fund; Paramedic Tax Fund; Alameda County Grants Fund; Senior Supportive Social Services Fund; Family Care Support Program Fund; Domestic Violence Prevention – Vital Statistics Fund; Affordable Housing Mitigation; Inclusionary Housing Program; Library – Discretionary Fund; Playground Camp Fund; Community Action Program Fund; State Proposition 172 Public Safety Fund; State Transportation Tax Fund; CDBG Fund; Rental Housing Safety Program; Measure B Local State & Road Fund; Measure B Bike & Pedestrian Fund; Measure B – Paratransit Fund; Measure F Alameda County Vehicle Registration Fee Streets & Roads Fund; Measure BB – Paratransit Fund; One-Time Grant: No Cap Expense Fund; Rent Stabilization Board Fund; Parks Tax Fund; Measure GG – Fire Prep Tax Fund; Street Lighting Assessment District Fund; Employee Training Fund; Private Percent – Art Fund; Measure T1 – Infrastructure & Facilities Fund; FUND\$ Replacement Fund; Capital Improvement Fund; FEMA Fund; CFD #1 District Fire Protect Bond Fund; Special Tax Bonds CFD#1 ML-ROOS Fund; Shelter+Care HUD Fund; Shelter+Care County Fund; Zero Waste Fund; Marina Operations/Maintenance Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Private Sewer Lateral Fund; Permit Service Center Fund; Off-Street Parking Fund; Parking Meter Fund; Unified Program (CUPA) Fund; Building Purchases & Management Fund; Equipment Replacement Fund; Equipment Maintenance Fund; Building Maintenance Fund; Central Services Fund; Workers' Compensation Fund; Public Liability Fund; Information Technology Cost Allocation Plan Fund; Health State Aid Realignment Trust Fund; Tobacco Control Trust Fund; Mental Health State Aid Realignment Fund; Alameda Abandoned Vehicle Abatement Authority; and Bio-Terrorism Grant Fund.
- s. To the Payroll Deduction Trust Fund from General Fund; Special Tax for Severely Disabled Measure E Fund; First Source Fund; HUD Fund; ESGP Fund; Health (General) Fund; Target Case Management/Linkages Fund; Mental Health Service

Act Fund; Health (Short/Doyle) Fund; EPSDT Expansion Proposal Fund; Senior Nutrition (Title III) Fund; C.F.P. Title X Fund; Fund Raising Activities Fund; Berkeley Unified School District Grant; Vector Control Fund; Paramedic Tax Fund; Alameda County Grants Fund; Senior Supportive Social Services Fund; Family Care Support Program Fund; Domestic Violence Prevention – Vital Statistics Fund; Affordable Housing Mitigation; Inclusionary Housing Program; Library – Discretionary Fund; Playground Camp Fund; Community Action Program Fund; State Proposition 172 Public Safety Fund; State Transportation Tax Fund; CDBG Fund; Rental Housing Safety Program; Measure B Local State & Road Fund; Measure B Bike & Pedestrian Fund; Measure B – Paratransit Fund; Measure F Alameda County Vehicle Registration Fee Streets & Roads Fund; Measure BB – Paratransit Fund; One-Time Grant: No Cap Expense Fund; Rent Stabilization Board Fund; Parks Tax Fund; Measure GG – Fire Prep Tax Fund; Street Lighting Assessment District Fund; Employee Training Fund; Private Percent – Art Fund; Measure T1 – Infrastructure & Facilities Fund; FUND\$ Replacement Fund; Capital Improvement Fund; FEMA Fund; CFD #1 District Fire Protect Bond Fund; Special Tax Bonds CFD#1 ML-ROOS Fund; Shelter+Care HUD Fund; Shelter+Care County Fund; Zero Waste Fund; Marina Operations/Maintenance Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Private Sewer Lateral Fund; Permit Service Center Fund; Off-Street Parking Fund; Parking Meter Fund; Unified Program (CUPA) Fund; Building Purchases & Management Fund; Equipment Replacement Fund; Equipment Maintenance Fund; Building Maintenance Fund; Central Services Fund; Workers’ Compensation Fund; Public Liability Fund; Information Technology Cost Allocation Plan Fund; Health State Aid Realignment Trust Fund; Tobacco Control Trust Fund; Mental Health State Aid Realignment Fund; Alameda Abandoned Vehicle Abatement Authority; and Bio-Terrorism Grant Fund.

Section 3. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of Council Chambers, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

Attachment for Annual Appropriations Ordinance - Fiscal Year 2020**REVOLVING FUNDS/INTERNAL SERVICE FUNDS**

Appropriations are identified with revolving and internal service funds. Such funds derive revenue by virtue of payment from other fund sources as benefits are received by such funds, and the total is reflected in the "Less Revolving Funds and Internal Service Funds" in item I. The funds are:

Revolving/Internal Service Funds

Employee Training Fund	856,852
Equipment Replacement Fund	5,977,948
Equipment Maintenance Fund	8,194,536
Building Maintenance Fund	4,674,225
Central Services Fund	396,985
Workers' Compensation Fund	6,534,674
Public Liability Fund	3,274,495
Information Technology Fund	16,093,237
Subtotal Revolving/Internal Service Funds	\$ 46,002,952

DUAL APPROPRIATIONS - WORKING BUDGET

Dual appropriations are identified with revenues generated by one fund and transferred to another fund. Both funds are credited with the applicable revenue, and the total is reflected in the "Less Dual Appropriations" in item I. The dual appropriations are:

Transfers to the General Fund

<u>Indirect Cost Reimbursement</u>	
CDBG Fund	154,260
Street Light Assessment District Fund	112,971
Zero Waste Fund	2,195,402
Marina Enterprise Fund	438,683
Sanitary Sewer Fund	1,043,589
Clean Storm Water Fund	214,695
Permit Service Center Fund	1,734,781
Unified Program (CUPA) Fund	90,763
Subtotal Transfers to General Fund:	\$ 5,985,144

Transfer to Safety Members Pension Fund from General Fund	551,804
Transfer to Health State Aid Realignment from General Fund	1,953,018
Transfer to Paramedic Tax Fund from General Fund	612,696
Transfer to Capital Improvement Fund (CIP) from General Fund	4,950,905
Transfer to Phone System Replacement - VOIP from General Fund	163,000
Transfer to Equipment Replacement Fund from General Fund	1,336,699
Transfer to Public Liability Fund from General Fund	1,695,888
Transfer to Catastrophic Loss Fund from General Fund	1,351,564
Transfer to Police Employee Retiree Health Assistance Plan from General Fund	400,136
Transfer to Sick Leave Entitlement Fund from General Fund	201,501
Transfer to General Fund from UC Settlement Fund	881,120
Transfer to Clean Storm Water Fund from UC Settlement Fund	293,708
Transfer to General Fund from Health State Aid Realignment Fund	2,643,280
Transfer from CIP Fund to PERS Savings Fund	151,632
Transfer to Berkeley Repertory Theater Debt Service Fund from CIP Fund	499,802
Transfer from CIP Fund to 2010 COP (Animal Shelter) Fund	402,613
Transfer to Private Sewer Lateral Fund from Sewer Fund	90,501
Transfer to Catastrophic Loss Fund from Permit Service Center Fund	50,555
Transfer to Catastrophic Loss Fund from Unified Program (CUPA) Fund	5,082
Transfer to General Fund from Parking Meter Fund	1,742,288
Transfer from Special Tax Bonds CFD#1 ML-ROOS to CFD#1 District Fire Protect Bond (Measure Q)	100,000
Transfer to First Source Fund from Parks Tax Fund	11,625
Transfer to First Source Fund from Capital Improvement Fund	29,943
Transfer to First Source Fund from Marina Fund	1,875
Transfer to Public Art Fund from Parks Tax Fund	17,437
Transfer to Public Art Fund from Capital Improvement Fund	44,915
Transfer to Public Art Fund from Marina Fund	2,813
Subtotal Transfers to Other Funds:	<u>20,186,400</u>
Sub-Total Dual Appropriations	<u>\$ 26,171,544</u>
Grand Total Dual Appropriations	\$ 72,174,496

SUMMARY OF APPROPRIATIONS BY FUND

ERMA Fund #	Fund	FY 2020 Adopted	1st AAO			FY 2020 Revised #1	
			Encumbered Rollovers	Unencum. Carryovers	Other Adjustments		Total Amend.
11	General Fund Discretionary	196,913,849	5,512,512	4,177,247	12,549,473	22,239,232	219,153,081
101	Library - Tax	25,834,485	688,625			688,625	26,523,110
103	Library - Grants	64,089	141			141	64,230
104	Library - Friends & Gift	150,000	552			552	150,552
105	Library - Foundation	100,000	26,211			26,211	126,211
106	Asset Forfeiture	201,000				-	201,000
107	Special Tax Measure E	1,316,894				-	1,316,894
108	First Source Fund	47,327				-	47,327
110	Sec 108 Loan Gty Asst.	546,979				-	546,979
111	Fund Raising Activities	71,408			21,000	21,000	92,408
113	Sports Field (Vendor Oper)	189,807	6,484		30,000	36,484	226,291
114	Gilman Fields Reserve	-	73,173			73,173	73,173
115	Animal Shelter	52,480	7,531			7,531	60,011
116	Paramedic Tax	3,872,044				-	3,872,044
117	CA Energy Commission	-	44,249			44,249	44,249
119	Domestic Violence Prev - Vit Stat	25,646				-	25,646
120	Affordable Housing Mitigation	66,641	1,582,236	4,045,237		5,627,473	5,694,114
121	Affordable Child Care	13,275				-	13,275
122	Inclusionary Housing Program	147,145		525,872		525,872	673,017
123	Condo Conversion	-		997,980		997,980	997,980
124	Parking In-Lieu Fee	-	82,010			82,010	82,010
125	Playground Camp	1,956,129	1,985,378	1,685,000	768,568	4,438,946	6,395,075
126	State-Prop 172 Pub.Safety	462,481	76,420			76,420	538,901
127	State Transportation Tax	5,419,156	2,049,187	621,169	82,508	2,752,864	8,172,020
128	CDBG	2,513,991	1,314,326			1,314,326	3,828,317
129	Rental Housing Safety Program	1,553,079	6,602		353,505	360,107	1,913,186
130	Measure B - Local St & Road	3,029,395	1,917,465		80,000	1,997,465	5,026,860
131	Measure B - Bike and Pedestrian	415,769	80,414	40,632	83,562	204,608	620,377
132	Measure B - Paratransit	475,359	10,335			10,335	485,694
133	Measure F Alameda County VRF St & Rd	523,325	238,903	100,000		338,903	862,228
134	Measure BB - Local St & Road	3,654,183	2,674,799	100,000	482,394	3,257,193	6,911,376
135	Measure BB - Bike & Pedestrian	631,828	35,134			35,134	666,962
136	Measure BB - Paratransit	384,702	6,787		60,000	66,787	451,489
137	One Time Funding	-	139,080			139,080	139,080
138	Parks Tax	16,342,573	1,420,119	1,471,318	621,000	3,512,437	19,855,010
139	Street And Open Space Impr	-	1,140,512			1,140,512	1,140,512
140	Measure GG - Fire Prep Tax	4,793,467	126,667			126,667	4,920,134
141	1st Response Adv Life Supp	-	5,356	55,144		60,500	60,500
142	Streetlight Assesment District	2,620,883	484,869		26,189	511,058	3,131,941
143	Berkeley Bus Ec Dev	156,387			12,000	12,000	168,387
145	Bayer (Miles Lab)	8,500				-	8,500
146	Employee Training	780,629	13,640	62,583		76,223	856,852
147	UC Settlement	1,174,828	8,960			8,960	1,183,788
148	Cultural Trust	22,012	5,000	141,144		146,144	168,156
149	Private Party Sidewalks	100,000	72,485	99,973		172,458	272,458
150	Public Art Fund	65,164	64,928	10,516		75,444	140,608
152	Vital & Health Statistics Trust Fund	28,195				-	28,195
156	Hlth State Aid Realign Trust	4,125,651	2,359			2,359	4,128,010
157	Tobacco Cont.Trust	350,227	32	131,815		131,847	482,074
158	Mental Health State Aid Realign	3,003,718	708,140	362,595	50,000	1,120,735	4,124,453
159	Citizens Option Public Safety Trust	258,921	23,751		50,000	73,751	332,672
161	Alameda Cty Abandoned Vehicle Abatement	99,920	288			288	100,208
307	Capital Grants - Local	-	341,406			341,406	341,406
309	OTS DUI Enforcement Education Prg.	129,500			200,000	200,000	329,500
310	HUD/Home	831,094				-	831,094
311	ESGP	235,790				-	235,790
312	Health (General)	2,190,908	5,260		16,466	21,726	2,212,634
313	Target Case Management Linkages	809,278	105,841	100,320		206,161	1,015,439
314	Alameda County Tay Tip	-	8			8	8
315	Mental Health Service Act	7,839,248	1,715,355		1,831,875	3,547,230	11,386,478
316	Health (Short/Doyle)	4,196,856	148,499		159,000	307,499	4,504,355
317	EPSDT Expansion Proposal	377,855				-	377,855
318	Alcoholic Bev Ctr OTS/UC	52,804			15,000	15,000	67,804
319	Youth Lunch	101,900	218,699			218,699	320,599
320	Sr. Nutrition Title III	76,554			9,673	9,673	86,227
321	CFP Title X	158,740				-	158,740
324	BUSD Grant	307,624				-	307,624
325	Vector Control	335,418	9,792			9,792	345,210
326	Alameda County Grants	556,234	2,197		15,784	17,981	574,215
327	Senior Supportive Social Services	54,775			1,822	1,822	56,597

SUMMARY OF APPROPRIATIONS BY FUND

ERMA Fund # Fund	FY 2020 Adopted	1st AAO				FY 2020 Revised #1
		Encumbered Rollovers	Unencum. Carryovers	Other Adjustments	Total Amend.	
328 Family Care Support Program	72,128				-	72,128
329 CA Integrated Waste Management	5,244				-	5,244
331 Housing Mitigation	-		1,051,751		1,051,751	1,051,751
333 CALHOME	363,100				-	363,100
334 Community Action	264,258				-	264,258
336 One-Time Grant: No Cap Exp	1,966,893	670,807	310,930	3,653,174	4,634,911	6,601,804
338 Bay Area Air Quality Management	60,000				-	60,000
339 MTC	-	2,552,414			2,552,414	2,552,414
340 FEMA	1,238,295	1,576,589		22,650	1,599,239	2,837,534
341 Alameda Cty Waste Mgt.	285,000	22,397			22,397	307,397
343 State Dept Conserv/Recylg	28,000				-	28,000
344 CALTRANS Grant	-	350,958	10,227		361,185	361,185
345 Measure WW Park Bond Grant	1,525,274	1,220	1,447,829		1,449,049	2,974,323
346 CALTRANS Safe Routes 2 Schools	-	9,757			9,757	9,757
347 Shelter+Care HUD	5,168,632				-	5,168,632
348 Shelter+Care County	546,638				-	546,638
349 JAG Grant	52,500			70,000	70,000	122,500
350 Bioterrorism Grant	273,175	13			13	273,188
501 Capital Improvement Fund	7,399,464	4,491,447	4,335,261	5,247,525	14,074,233	21,473,697
502 Phone System Replacement	198,000				-	198,000
503 FUND\$ Replacement	6,028,585	881,378	7,492,060	1,899,000	10,272,438	16,301,023
504 PEG-Public, Education & Government	100,000				-	100,000
506 Measure M - Street & Watershed Impv	-	1,012,683	1,000	440,748	1,454,431	1,454,431
511 Measure T1 - Infra & Facil.	15,882,701	7,783,232	3,655,311	1,587,247	13,025,790	28,908,491
552 09 Measure FF Debt Service	1,619,731				-	1,619,731
553 2015 GORBS	2,612,468				-	2,612,468
554 2012 Lease Revenue Bonds BJPFA	502,402				-	502,402
555 2015 GORBS - 2002 G.O. Refunding Bonds	482,600				-	482,600
556 2015 GORBS (2007, Series A)	181,674				-	181,674
557 2015 GORBS (2008 Measure I)	612,562				-	612,562
558 2010 COP (Animal Shelter)	404,498				-	404,498
559 Measure M GO Street & Water Imps	1,647,738				-	1,647,738
560 Infrastructure & Facilities Measure T1	2,470,306				-	2,470,306
601 Zero Waste	48,362,247	1,518,978		180,340	1,699,318	50,061,565
606 MAR - Costal Conservancy	-		125,400		125,400	125,400
608 Marina Operation	7,118,243	461,487	432,490		893,977	8,012,220
611 Sewer	23,524,301	13,275,285	629,522	272,549	14,177,356	37,701,657
612 Private Sewer Lateral FD	197,441				-	197,441
616 Clean Storm Water	4,171,366	66,906	120,000	552,804	739,710	4,911,076
621 Permit Service Center	19,405,470	844,180		969,680	1,813,860	21,219,330
622 Unified Program (CUPA)	918,190	3,271			3,271	921,461
627 Off Street Parking	6,226,848	876,791	554,340	30,000	1,461,131	7,687,979
631 Parking Meter	9,401,361	429,753		144,627	574,380	9,975,741
636 Building Purchases and Management	3,205,142	92,461		4,146	96,607	3,301,749
671 Equipment Replacement	4,618,500	1,333,478		25,970	1,359,448	5,977,948
672 Equipment Maintenance	7,801,313	272,978		120,245	393,223	8,194,536
673 Building Maintenance Fund	4,460,082	79,687		134,456	214,143	4,674,225
674 Central Services	382,999	13,986			13,986	396,985
675 Computer Replacement Fund	-	-	114,000		114,000	114,000
676 Workers Compensation	6,534,671	3			3	6,534,674
678 Public Liability	1,995,642	78,853		1,200,000	1,278,853	3,274,495
680 Information Technology	12,965,336	346,881	1,547,193	1,233,827	3,127,901	16,093,237
762 Successor Agency - Savo DSF	56,960				-	56,960
774 Sustainable Energy Fin District	28,748				-	28,748
776 Thousand Oaks Underground	100,350				-	100,350
777 Measure H - School Tax	500,000	2			2	500,002
778 Measure Q - CFD#1 Dis. Fire Protect Bond	175,844	74,555		280,000	354,555	530,399
779 Spl Tax Bds. CFD#1 ML-ROOS	875,783				-	875,783
781 Berkeley Tourism BID	650,000				-	650,000
782 Elmwood Business Improvement District	30,000	1			1	30,001
783 Solano Ave BID	25,000				-	25,000
784 Telegraph Avenue Bus. Imp. District	515,637				-	515,637
785 North Shattuck BID	182,647				-	182,647
786 Downtown Berkeley Prop & Improv. District	1,281,760	118,404			118,404	1,400,164
801 Rent Board	5,334,943	162,706			162,706	5,497,649
GROSS EXPENDITURE:	525,856,809	64,586,258	36,555,859	35,588,807	136,730,924	662,587,733
Dual Appropriations	(26,171,544)	-	-	-	-	(26,171,544)
Revolving & Internal Service Funds	(39,539,172)	(2,139,506)	(1,609,776)	(2,714,498)	(6,463,780)	(46,002,952)

SUMMARY OF APPROPRIATIONS BY FUND

ERMA Fund #	Fund	1st AAO				FY 2020 Revised #1	
		FY 2020 Adopted	Encumbered Rollovers	Unencum. Carryovers	Other Adjustments		Total Amend.
	NET EXPENDITURE:	460,146,093	62,446,752	34,946,083	32,874,309	130,267,144	590,413,237

Item #	Fund #	Fund Name	Department	Recommended Carryover	Recommended Adjustment	Project Number	Description/Project name	Mandated by Law	Authorized by Council	City Manager Request	Comments/Justification
1	11	General Fund	City Auditor	\$30,000			ERMA HR/Payroll implementation		X		Use towards ERMA implementation. Funds will be budgeted in Non-Departmental and transferred to the FUNDS Replacement Fund.
2	11	General Fund	City Auditor	\$20,000			2 part-time interns/Fall & Spring			X	Interns to work on high-priority public informational reports.
3	11	General Fund	City Auditor	\$10,000			Training to fulfill required CPE for Performance auditors, including travel expenses			X	Training to obtain City Charter required continuing professional educations credits.
4	11	General Fund	City Auditor	\$15,000			Consultant services			X	Consultant services to assist with audits.
5	11	General Fund	City Auditor	\$4,000			Audit management software			X	Audit management software to provide the public with audit information in a way that provides the most meaning.
6	11	General Fund	City Auditor	\$10,000			Overtime due to FLSA work			X	Overtime resulting from FLSA and other work impacting Payroll staff's capacity.
7	11	General Fund	City Attorney		\$204,196		Add 1.0 FTE Deputy City Attorney		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
8	11	General Fund	City Attorney		\$150,000		Add 1.0 FTE Senior Legal Secretary		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
9	11	General Fund	City Attorney		\$25,000		Calendar Software		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
10	11	General Fund	City Clerk		\$20,000		Software costs for Lobbyist Registration System		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
11	11	General Fund	City Clerk	\$12,000		18-11166-C	Replace MS Access Commissioner Tracking Database			X	Approved Phase 1 Project in Digital Strategic Plan - Additional funds needed for maintenance and fixes for deployed software
12	11	General Fund	City Clerk	\$60,000			Purchase of redistricting module and licenses from GIS software vendor			X	Allocated funds for redistricting software in FY 19. Funds not expended, will purchase licenses in FY 20
13	11	General Fund	City Clerk	\$27,000			Konica Minolta Business Solutions, Inc Contract		X		Carryover funds for contract amendment - KMBS. Approved by Council on 9/10/19 through Resolution 69,062-N.S.
14	11	General Fund	City Clerk	\$159,977			Special Election March 2020			X	Carryover funds for Special California Primary Election March 2020
15	11	General Fund	City Manager		\$100,000		Citywide Risk Assessment		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
16	11	General Fund	City Manager		\$160,000		Add 1.0 FTE Community Services Specialist II		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
17	11	General Fund	City Manager		\$200,000		Berkeley Contracting Availability Study		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
18	11	General Fund	City Manager		\$50,000		Bay Area Book Festival		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
19	11	General Fund	City Manager	\$10,000			Graphic Design Services and program expenses				Carry over \$10,000 from FY 2019 that were previously set aside for graphic design services and other program expenses.
20	11	General Fund	City Manager	\$30,000			Program expenses			X	Carry over \$30,000, which would include: \$5,000 designated for graphic design services; \$15,000 designated for TNC supplemental operating expenses (tents, carts, and water); and \$10,000 for one-time special event purchases (e.g. a-frames)
21	11	General Fund	City Manager	\$81,185			Program expenses			X	Carry over \$81,185, which will be used to fund the Workload Analysis outlined in the Code Enforcement 2018 Audit, the purchase of licensing and support equipment for a new case management module which is anticipated to be included in the Planning Department's Digital Permitting Software.
22	11	General Fund	City Manager	\$35,000			Financial Model for Labor Negotiations			X	Funds to hire a consultant to prepare an easy to use financial model that will enable staff to estimate the savings and / or costs of labor proposals that may be generated by either the City or its unions, associations, or bargaining groups in upcoming labor negotiations.
23	11	General Fund	City Manager	\$75,000			Survey Registered Voters for Potential 2020 Ballot Initiatives			X	Survey registered voters to determine public opinion about revenue and other measures that may be considered for the November 2020 ballot
24	11	General Fund	City Manager	\$13,000			Outside Investigator contract			X	Contract with Karen Kramer to investigate a complaint filed by a Police Review Commission commissioner. Staff cannot do investigation due to a conflict.
25	11	General Fund	Finance	\$150,000			Software			X	New revenue-generating collection and audit management software to enhance our Short Term Rental, business license, and Measure U1 programs
26	11	General Fund	Finance	\$45,000			Customer Service Counter			X	Funds for the Customer Service Counter to make the work environment more ergonomic friendly.

Item #	Fund #	Fund Name	Department	Recommended Carryover	Recommended Adjustment	Project Number	Description/Project name	Mandated by Law	Authorized by Council	City Manager Request	Comments/Justification
27	11	General Fund	Fire		\$1,008,274		Wittman Enterprises LLC Contract		X		FY 2020 funds for Wittman Enterprises LLC contract to provide emergency response billing, fire inspection billing, and related hardware, software, and program oversight. Approved by Council on 12/11/18 through Resolution No. 68,707-N.S.
28	11	General Fund	Fire	\$74,522			Vegetation Management		X		Carryover unspent vegetation management funds from FY 2019. Funds were approved by Council on 11/27/18
29	11	General Fund	Fire		\$185,000		Ground Emergency Medical Transport Quality Assurance Fee	X			Funds to pay the State of California Department of Health Care Services the Ground Emergency Medical Transport Quality Assurance Fee for emergency medical transport services.
30	11	General Fund	Fire		\$39,714		Gurneys for Fire Department Ambulances		X		A sole source contract and any amendments with Stryker to finance the purchase of three additional gurneys and equip all seven ambulances with the power cot fastener system (power load system) for Fire Department ambulances which will allow transport of the sick and injured, increasing the amount by \$39,714 for a total not to exceed amount of \$74,000. Approved by Council on 10/15/19 through Resolution No. 69,128 - N.S.
31	11	General Fund	Fire		\$120,000		Vehicle Purchase			X	Funds to purchase two trucks for the fire stations
32	11	General Fund	Fire		\$16,237		Vehicle Outfitting Costs			X	Funds to outfit two trucks for the fire stations
33	11	General Fund	Fire		\$45,000		Vehicle Purchase			X	Funds to purchase a Prius for the Fire Prevention Division
34	11	General Fund	Health, Housing & Community Services		\$29,023		Senior Center Rental Revenues		X		10% of Revenues to be used exclusively for Maintenance at the Senior Centers. Approved by Council on 5/26/15 through Resolution #67,044-N.S.
35	11	General Fund	Health, Housing & Community Services	\$72,730			North Berkeley Senior Center Renovation			X	Funds for the North Berkeley Senior Center closure and relocation
36	11	General Fund	Health, Housing & Community Services		\$154,768		Sugar Sweetened Beverage Community Agency Allocations		X		Increase Sugar Sweetened Beverage Community Agency Allocations for Berkeley Unified School District and Sugar Sweetened Beverage Panel of Experts from \$1,745,232 to \$1,900,000. Approved by Council on Consent Calendar on 5/14/19
37	11	General Fund	Health, Housing & Community Services	\$40,000			UC Berkeley Sugar Sweetened Beverage Tax Evaluation contract		X		Contract with UC Berkeley to conduct to evaluate the impact of the sugar sweetened beverage tax. Approved by Council on 7/9/19 through Resolution No. 69,015 - N.S.
38	11	General Fund	Health, Housing & Community Services	\$49,999			Legal & Mental Health Support for Immigrant & Religious Communities		X		Carryover of funds for Council-designated project to FY 2019 budget. Funds approved by Council on 12/5/17. Contract with Multicultural Institute to perform work will expire on 11/30/19
39	11	General Fund	Health, Housing & Community Services	\$9,485			Resources for Community Development		X		The FY 2018 encumbrance in FUND\$ PO#115114 was not rolled into the ERMA PO#21900626. Vendor was late in submitting Quarter 4 of FY2018, not requested until April 2019. Once Quarter 4 requested for FY 2019 the ERMA PO was underfunded.
40	11	General Fund	Health, Housing & Community Services	\$5,940			Dorothy Day House		X		Resolution 68,916 - N.S. was passed on 5/14/2019. Once contract amendment was processed deadline to encumber FY19 funds had passed. Of the \$60,000 authorized only \$5,940.00 is needed.
41	11	General Fund	Health, Housing & Community Services	\$1,248			Bay Area Outreach & Recreation (BORP)			X	An invoice for Bay Area Community Land Trust, PO#115083, was mistakenly applied to Bay Area Outreach's PO#115089. BORP repaid this amount in October 2018. The returned funds were never added back into PO# 115089 and subsequently never added to the ERMA PO# 21900964. Quarter 4 FY2019 was then short \$1,248.00
42	11	General Fund	Health, Housing & Community Services		\$368,000		Measure U1 Funds - 2001 Ashby Avenue		X		Reserve \$368,000 in Measure U1 Funds for predevelopment costs to Resources for Community Development's proposed development of 2001 Ashby Avenue. Approved by Council on 4/23/19 through Resolution No. 68,824-N.S.
43	11	General Fund	Health, Housing & Community Services		\$10,260	HHHGHD2001	Transfer Tax Refund for 1638 Stuart Street			X	Transfer tax refund of an estimated \$10,260 to the Bay Area Community Land Trust (BACL T) refund in support of the renovation of 1638 Stuart Street and BACL T's operation of the property as affordable housing. Recommendation was approved by Housing Advisory Commission on 9/5/19 and is being sent to Council for approval on 12/3/19. Staff concurs with HAC recommendation

Item #	Fund #	Fund Name	Department	Recommended Carryover	Recommended Adjustment	Project Number	Description/Project name	Mandated by Law	Authorized by Council	City Manager Request	Comments/Justification
44	11	General Fund	Health, Housing & Community Services		\$1,750,000		Measure U1 - Housing Trust Fund Predevelopment Applications		X		Reserve General Funds received pursuant to Measure U1 in the following amounts: \$500,000 for Satellite Affordable Housing Associates' new construction development at 2527 San Pablo Avenue, \$1.2 million for Resources for Community Development's new construction development at 2001 Ashby Avenue, and \$50,000 for Northern California Land Trust's renovation of 2321-2323 10th Street. Approved by Council on 10/29/19.
45	11	General Fund	Health, Housing & Community Services	\$52,437			African American Holistic Center		X		Carry forward for work to develop African American Holistic Center. Funds approved by Council on 6/27/17 with FY 2018 & FY 2019 Biennial Budget Adoption.
46	11	General Fund	Health, Housing & Community Services	\$200,000		HHFFFF2001	Aquatic Park Water Quality Investigation			X	An contract with Wood Environment and Infrastructure for the Aquatic Park Water Quality Investigation.
47	11	General Fund	Health, Housing & Community Services		\$33,912		Sugar Sweetened Beverage Program Public Health Division		X		Revise Public Health Division Sugar Sweetened Beverage Program budget to match approved allocation of \$475,000. Approved by Council on 5/14/19 through Resolution No. 68,914-N.S.
48	11	General Fund	Health, Housing & Community Services	\$11,873			Public Health Program Expenses			X	To reimburse Public Works for PG&E and EBMUD charges paid for 1011 University in FY19. \$5,000 for relocation consultant for WBSC. Will AJ the funds to Public Works.
49	11	General Fund	Health, Housing & Community Services	\$24,750		HHHGFA2001- NONPERSONN- GENERAL- MISCPROFS V	Office Move to 1st Floor			X	Due to new staff hires, the decision was made, with Public Works input, to move HCS staff into the 1st floor room. This room was previously for HHCS Employment Services but HHCS was directed to move out of the room for another purpose before being asked to move back in with the new hires.
50	11	General Fund	Health, Housing & Community Services	\$31,545		HHHYTH2001- PERSONNEL- YOUTH - SALARY	Youthworks Minimum Wage	X			Increase in Minimum Wage will require more resources in FY 2020.
51	11	General Fund	Health, Housing & Community Services	\$10,337		HHHYTH2001- NONPERSONN- GENERAL- CMMNTYAG Y	BUSD Workplace Skills Training Contract		X		Contract with Berkeley Unified School District in an amount not to exceed \$26,694 from 6/12/19 to 8/31/22 for the purpose of workplace skills training for YouthWorks participants. Approved by Council on 6/11/19 through Resolution No. 68,946-N.S.
52	11	General Fund	Health, Housing & Community Services	\$28,200		HHHLS2001- NONPERSONN- GENERAL- MISCPROFS V	2019 Point in Time			X	This cost should have been paid in FY 2019, but we didn't receive invoice til FY 2020.
53	11	General Fund	Health, Housing & Community Services	\$882		HHHLS2001- NONPERSONN- GENERAL- MISCPROFS V	Fire Inspection at STAIR Center			X	This is an unexpected internal City cost that is not accounted for in the STAIR budget available to HCS.
54	11	General Fund	Health, Housing & Community Services		\$167,212		Measure O Staff Position	X			Funds for a Community Development Project Coordinator position to manage Measure O activities. Position will be funded through Measure U1 General Fund revenues.
55	11	General Fund	Human Resources		\$50,000		EEO Division Case Management Software		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
56	11	General Fund	Human Resources		\$50,000		Sexual Harassment Training	X			Funds for Sexual Harassment Training that must be completed for the entire organization by January 1, 2020 per SB 1343
57	11	General Fund	Human Resources	\$25,000			NeoGov Onboarding Software			X	Software to unify new employee onboarding experiences, support a paperless efforts, generate metrics easily, automated work flows for new employees and HR staff. Estimated cost-savings in terms of HR staff time to the City is at least \$35,000 annually.
58	11	General Fund	Human Resources	\$127,442			Class & Compensation Studies for Labor Negotiations			X	Fund classification projects per Union agreement also conduct a study to see ERMA's impact on classifications.
59	11	General Fund	Human Resources	\$70,000	\$450,000		Labor Negotiations			X	Funds to hire outside negotiators to assist with upcoming labor negotiations.
60	11	General Fund	Information Technology	\$469,700			Website Redesign		X		Carryover funding per Resolution No. 68,651- N.S. for contract: Rolling Orange for Website Redesign, Web Content Management System and Support

Item #	Fund #	Fund Name	Department	Recommended Carryover	Recommended Adjustment	Project Number	Description/Project name	Mandated by Law	Authorized by Council	City Manager Request	Comments/Justification
61	11	General Fund	Information Technology	\$395,931			Nutanix: Switches, Prof. Svcs., Maintenance		X		Purchase order with Carahsoft Technology Corporation for the purchase of server hardware, software, and related services for a data center upgrade and disaster recovery implementation, utilizing pricing established by the General Services Administration (GSA), for a total amount not to exceed \$1,678,953 for the period May 15, 2019 to June 1, 2024. Approved by Council on 5/14/19 through Resolution 68,868-N.S. Funds will be budgeted in Non-Departmental and transferred to IT Cost Allocation Fund
62	11	General Fund	Information Technology	\$192,570			IT Space Needs - Ongoing for 1947			X	Facilities fee for 1947 space. Funds will be budgeted in Non-Departmental and transferred to IT Cost Allocation Fund.
63	11	General Fund	Information Technology	\$45,000			VoIP Support and Maintenance RFP		X		Contract amendment with Communication Strategies for Consulting Services for Voice over IP (VoIP). Approved by Council on 7/23/19 through Resolution No. 69,044-N.S.
64	11	General Fund	Information Technology	\$71,000			Website License Maintenance - Atera Prime: City intranet		X		Amendment to Contract No. 10853A with Atera Prime, Inc. DBA Emgage Inc. for implementation services of Emgage's Sharepoint and Intranet implementation services, for an amount not-to-exceed \$72,000 and a total contract value not-to-exceed \$156,275 from March 28, 2018 to June 30, 2020. Approved by Council on 12/4/18 through Resolution 68,652-N.S.
65	11	General Fund	Information Technology	\$25,600			Peak Democracy's OpenGov Licenses for City Manager's Office			X	Software licenses for City Manager's Office
66	11	General Fund	Information Technology		\$550,000		Redundant Cooling System for Public Safety Data Center			X	Contract with Stanton Engineering for the Redundant Cooling System for the Public Safety Data Center.
67	11	General Fund	Information Technology		\$270,000		FY 2010 & FY 2020: Rent Board IT Cost Allocation Contributions			X	FY 2019 & FY 2020 Rent Stabilization Board contributions to be transferred into IT Cost Allocation. Funds will be budgeted in Non-Departmental and transferred to IT Cost Allocation Fund.
68	11	General Fund	Information Technology		\$350,000		Police Department FY 2020 Tyler/New World Licenses			X	CAD Licenses
69	11	General Fund	Information Technology		\$6,500		Fire FY 2019 RedNMX Licenses			X	Fire department records management software bills
70	11	General Fund	Information Technology		\$100,969		Facilities Fee from General Fund			X	Facilities fees for 2180 4th floor. Funds will be - budgeted in Non-Departmental and moved to IT Cost Allocation Fund.
71	11	General Fund	Mayor & Council	\$65,099			Council Office Budgets		X		Mayor & Council Office budgets FY 2019 carryover
72	11	General Fund	Non-Departmental	\$68,510			Bay Cities Joint Powers Insurance	X			Carryover funds from FY 2019 to pay for FY 2020 Bay Cities Joint Powers Insurance Authority bill
73	11	General Fund	Non-Departmental		\$605,000		FLSA Payments	X			Appropriation of funds for FLSA overtime payments to Fire and Police. Approved by Council on 7/16/19 in Closed Session
74	11	General Fund	Non-Departmental		\$35,000		Transfer to Phone System Replacement Fund			X	Revise transfer amount to Phone System Replacement Fund to match expenditure budget of \$198,000 in FY 2020
75	11	General Fund	Non-Departmental		\$1,200,000		Transfer to Public Liability Fund			X	Increase transfer to Public Liability Fund to pay for outside counsel, court costs, and claims and judgements in FY 2020
76	11	General Fund	Non-Departmental		\$406,952		Transfer to Workers' Compensation Fund		X		Transfer of Excess Property Transfer Tax Revenue to Capital Improvement Fund and then transferred to Workers' Compensation Fund to repay loan to purchase Premier Cru (University Center).
77	11	General Fund	Non-Departmental		\$946,163		Transfer of Measure U1 Funds to Workers' Compensation Fund		X		Transfer of Measure U1 Revenues to Workers' Compensation Fund to repay loan to purchase Premier Cru (University Center).
78	11	General Fund	Non-Departmental		\$1,899,000		Transfer to FUNDS Replacement Fund			X	Transfer additional funds to FUNDS Replacement Fund above original \$15.1 million.
79	11	General Fund	OED		\$25,000		Bayer Development Agreement Update		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
80	11	General Fund	OED	\$4,998			Small Business Support Services		X		Funding will be used to implement the "Small Business Support" initiatives, including small business retention services and educational workshops. These are Council referred projects and are included in the CoB Strategic Plan for FYs 2020-21. For more information, see 1/16/18 and 2/5/19 "Small Business Support" council reports.
81	11	General Fund	OED	\$5,000			Berkeley Flea Market Support		X		This is to implement a Council referral from February 26, 2019 to provide assistance to support the capacity and sustainability of the Berkeley Flea Market.

Item #	Fund #	Fund Name	Department	Recommended Carryover	Recommended Adjustment	Project Number	Description/Project name	Mandated by Law	Authorized by Council	City Manager Request	Comments/Justification
82	11	General Fund	OED	\$18,100			Discovered in Berkeley Marketing & Communications Campaign		X		The CoB Strategic Plan for FYs 2018-19 including a strategic objective to develop a campaign to market the City of Berkeley as a place to do business. That campaign, Discovered in Berkeley, launched in September 2019. It also relates to the "Small Business Support" initiatives referenced above. This carryover will support a slight expansion of the campaign.
83	11	General Fund	OED	\$3,000			Shattuck Reconfiguration small business mitigations			X	Funds to provide mitigations to small businesses affected by Shattuck Reconfiguration
84	11	General Fund	Parks, Recreation & Waterfront	\$7,886			Freitas Landscaping Work			X	Funds for vegetation management work done by Freitas Landscaping for 6 blocks of the Santa Fe Right of Way
85	11	General Fund	Parks, Recreation & Waterfront	\$59,709		PRWPK19002	Fire Fuel		X		Carryover funds from FY 2019 to complete fire fuel-related tree and vegetation removal.
86	11	General Fund	Parks, Recreation & Waterfront	\$30,000		PRWPK19002	Portable Toilets & Handwashing stations			X	Carryover funds from FY 2019 for portable toilets and handwashing stations
87	11	General Fund	Parks, Recreation & Waterfront	\$60,000			ADA Transition Plan		X		Carryover funds from FY 2019 to pay for Parks, Recreation & Waterfront's portion of the ADA Transition Plan contract with DAC Consulting. Approved by Council on 12/11/18 through Resolution 68,713-N.S.
88	11	General Fund	Parks, Recreation & Waterfront	\$16,000			Fence at Dwight Triangle			X	Funds to replace fence at the Dwight Triangle area/median that was destroyed recently with a more permanent fence
89	11	General Fund	Planning	\$50,000			Rincon Consultants, Inc. Contract		X		Contract with Rincon Consultants, Inc. to develop a Berkeley Pathways to Clean Energy Buildings Report. Funds were originally approved as part of the FY 2019 Budget Adoption on 6/26/18. Contract with Rincon Consultants, Inc. was approved by Council on 6/25/19 through Resolution 68,985-N.S.
90	11	General Fund	Planning	\$51,160			Short-Term Rental Planning Technician position		X		Funds for 2 Year Temporary Planning Technician to assist with implementation of the City's Short-Term Rental program charged 60% to Permit Service Center Fund and 40% to General Fund (\$51,160). Approved by Council on 6/26/18 with the Adoption of the FY 2019 Mid-Biennial Budget Update.
91	11	General Fund	Planning	\$117,738			2 Year Senior Planner for LRDP		X		Planning will hire a consultant due to the specialized nature of this work. Hence the request is to move carryforward in professional services. Funds approved by Council on 11/27/18
92	11	General Fund	Planning	\$250,000			EIR Southside Area		X		Carryover funds for Environmental Impact Report for Southside area land use changes (implementing the More Student Housing Now Resolution). Funds approved by Council on 11/27/18.
93	11	General Fund	Planning	\$106,849			Density Standards RFP		X		\$62,625 spent out of the \$169,484 allocated in FY18-19. Funds were approved by Council in FY 2018 as part of the Mayor's FY 2018 Mid-Year Budget Amendments.
94	11	General Fund	Planning	\$45,000			CEQA study for student housing		X		Carryover of funds approved by Council on 11/27/18.
95	11	General Fund	Police		\$60,000		Gun Buyback and Art of Peace Program		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
96	11	General Fund	Police		\$200,000		Increase Vehicle Replacement Budget due to higher costs from shift from Ford Crown Victoria Police Interceptor to Ford Explorer SUV Police Interceptor		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
97	11	General Fund	Public Works		\$150,000		Solano Avenue Revitalization Plan		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
98	11	General Fund	Public Works	\$200,000		Public WorksSUCW 1901	Fire Safety		X		Carryover of unspent Public Works funds for Fire Safety, Education, Prevention and Disaster Preparedness. Approved by Council on 11/27/18.
99	11	General Fund	Public Works		\$350,000		Sweeper			X	Appropriate funds for a new sweeper (\$300k, plus approx. \$50k/yr for replacement funds)
100	11	General Fund	Public Works	\$34,845			Cameras at San Pablo Park, 1-yr. data storage			X	Carryover funds for camera installation. Parks, PD and CMO leads; Public Works's role solely for installation of camera
101	11	General Fund	Public Works	\$160,000			Underground Utility District #48			X	Carryover funds for easement acquisitions
102	11	General Fund	Public Works		\$8,293		Reclass Warehouse Operations Specialist to Building Maintenance Mechanic		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
103	11	Total		\$4,177,247	\$12,549,473						

Item #	Fund #	Fund Name	Department	Recommended Carryover	Recommended Adjustment	Project Number	Description/Project name	Mandated by Law	Authorized by Council	City Manager Request	Comments/Justification
104	111	Fund Raising Activities	Health, Housing & Community Services		\$21,000	HHADNB2001	Senior Center Donations			X	Appropriate donation funds for kitchen supplies and regular supplies at the North Berkeley and South Berkeley Senior Centers, purchase outreach materials for Meals on Wheels clients and volunteer drivers, and supplies and materials for special fundraising and volunteer appreciation events
105	111 Total			\$0	\$21,000						
106	113	Gilman Sport Field	Parks, Recreation & Waterfront		\$20,000		Gilman/Harrison Fields			X	Appropriate funds for Gilman and Harrison Field operations for Gardener's Guild, Water/Sewer and Gas/Electricity
107	113	Gilman Sport Field	Parks, Recreation & Waterfront		\$10,000		Gilman Fields Re-Lamp			X	Funds to re-lamp the fixtures in Gilman Field
108	113 Total			\$0	\$30,000						
109	120	Affordable Housing Mitigation Fee	Health, Housing & Community	\$4,045,237			Housing Trust Fund			X	Carryover funds for Housing Trust Fund Projects in FY 2020
110	120 Total			\$4,045,237	\$0						
111	122	Inclusionary Housing Program	Health, Housing & Community	\$525,872			Housing Trust Fund			X	Carryover funds for Housing Trust Fund Projects in FY 2020
112	122 Total			\$525,872	\$0						
113	123	Condo Conversion	Health, Housing & Community	\$997,980			Housing Trust Fund			X	Carryover funds for Housing Trust Fund Projects in FY 2020
114	123 Total			\$997,980	\$0						
115	125	Playground Camp	Parks, Recreation & Waterfront		\$116,479	PRWCP08001	Berkeley Tuolumne Camp Project Permit Fees			X	Appropriate for payment of Project Permit Fees for Berkeley Tuolumne Camp - PRWCP08001
116	125	Playground Camp	Parks, Recreation & Waterfront		\$423,354	PRWEM14001	Tree Removal Contract for Berkeley Tuolumne Camp		X		Appropriate for payment of Tree Removal Contract with Leslie Heavy Haul, LLC at Berkeley Tuolumne Camp - PRWEM14001. Approved by Council on 7/23/19 through Resolution 69,047-N.S.
117	125	Playground Camp	Parks, Recreation & Waterfront	\$1,655,000		PRWCP19001	Construction Management for Berkeley Tuolumne Camp			X	Appropriate for Construction Management at Berkeley Tuolumne Camp - PRWCP19001
118	125	Playground Camp	Parks, Recreation & Waterfront	\$30,000			Echo Lake Bus			X	Appropriate \$30K from Camps Fund Reserve to fund Echo Lake Bus costs
119	125	Playground Camp	Parks, Recreation & Waterfront		\$228,735		Berkeley Tuolumne Camp Cabin Repairs		X		Contract with Don Fowler Construction for the Berkeley Tuolumne Camp Cabin Repairs. Approved by Council on 9/24/19 through Resolution No. 69,113-N.S.
120	125 Total			\$1,685,000	\$768,568						
121	127	State Transportation Tax	Public Works	\$190,049		18SD04	Hillview Woodside			X	Carryover funds from FY 2019 for construction phase of Hillview Woodside
122	127	State Transportation Tax	Public Works	\$300,000			Roadway & Streets			X	Carryover funds from FY 2019 for construction of Roadway and Streets
123	127	State Transportation Tax	Public Works	\$131,120		Public WorksENSG1801	Cratus Inc. Contract			X	Carryover funds from FY 2019 for the Cratus Inc contract #31900192.
124	127	State Transportation Tax	Public Works		\$24,302	Public WorksENSD1819	18SD19 Codornices Creek @ Kains				Appropriate funds to continue the project into the construction phase
125	127	State Transportation Tax	Public Works		\$22,704		Add 1.0 FTE Assistant Planner		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
126	127	State Transportation Tax	Public Works		\$35,503		Add 1.0 FTE Senior Management Analyst 20%		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
127	127 Total			\$621,169	\$82,508						
128	129	Rental Housing Safety Program	Planning		\$353,505		Inspector Positions		X		Funds for 2 FTE Inspector (Rental Housing Safety Program expansion). Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
129	129 Total			\$0	\$353,505						
130	130	Measure B	Public Works		\$80,000		Bobcat				Appropriate funds -100% 391-5506-431-7041 included in FY 2020 base
131	130 Total			\$0	\$80,000						
132	131	Measure B Bike & Pedestrian	Public Works	\$40,632		Public WorksTRBP1801	Alameda/Hopkins Intersection Improvement			X	Carryover funds from FY 2019 for improvement of the aesthetics and visibility of the traffic islands at Hopkins/Alameda Intersection

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133	131	Measure B Bike & Pedestrian	Public Works		\$83,562	Public WorksTRPL1802	Best Plan Update & Vision Zero Action Plan		X		Appropriate funds for Planning Phase of Best Plan Update & Vision Zero Action Plan
134	131 Total			\$40,632	\$83,562						
135	133	Measure F ALA CT VRF ST & RD	Public Works	\$100,000		Public WorksENSW2002	Roadway & Streets			X	Carryover funds from FY 2019 for construction of Roadway and Streets
136	133 Total			\$100,000	\$0						
137	134	Measure BB - Local Streets & Road	Public Works	\$100,000			Roadway & Streets			X	Carryover funds from FY 2019 for construction of Roadway and Streets
138	134	Measure BB - Local Streets & Road	Public Works		\$50,000	Public WorksTRPL1802	Best Plan Update & Vision Zero Action Plan		X		Appropriate funds for Planning Phase of Best Plan Update & Vision Zero Action Plan
139	134	Measure BB - Local Streets & Road	Public Works		\$432,394	Public WorksTRCS1406	Shattuck Reconfiguration Project		X		Appropriate fund to continue the construction phase of the Shattuck Reconfiguration project.
140	134 Total			\$100,000	\$482,394						
141	136	Measure BB - Paratransit	Health, Housing & Community Services		\$60,000	HHAMB2001	Taxi Scrip and EDI Contract			X	Appropriate funds for Paratransit program printing costs (\$10,000) and for a contract with Easy Does It to wheel chair van paratransit and emergency transportation services \$50,000)
142	136 Total			\$0	\$60,000						
143	138	Parks Tax	Parks, Recreation & Waterfront		\$5,000		Cesar Chavez Solar Calendar Maintenance		X		Funds for Cesar Chavez Solar Calendar Maintenance. Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
144	138	Parks Tax	Parks, Recreation & Waterfront		\$16,000		ADA Transition Plan				Funds for PRW's portion of initial survey work for the ADA Transition Plan to be conducted by Disability Access Consultants. Approved by Council on 12/11/18 through Resolution 68,713 - N.S.
145	138	Parks Tax	Parks, Recreation & Waterfront	\$900,000			Rose Garden Pathways, Tennis and Pergola			X	Carryover funding for the Rose Garden Project.
146	138	Parks Tax	Parks, Recreation & Waterfront	\$131,068		PRWPK15002	James Kenney Park, Picnic and Play Project			X	Carryover funding for constructio of the James Kenney park, picnic, and play project.
147	138	Parks Tax	Parks, Recreation & Waterfront	\$371,584			John Hinkel Park			X	Contract with Ghilotti Construction Company for John Hinkel Park Improvement Project
148	138	Parks Tax	Parks, Recreation & Waterfront		\$600,000	Public WorksWT119005	Live Oak Park Community Center Seismic Upgrade		X		Funds for contract with Mar Con Builders for the Live Oak Community Center Seismic Upgrade project. Approved by Council on 9/24/19 through Resolution No. 69,112-N.S.
149	138	Parks Tax	Parks, Recreation & Waterfront	\$800		PRWPK19003	King School Park Renovation			X	Appropriate funds from Parks Tax Fund for the King School Park Renovation
150	138	Parks Tax	Parks, Recreation & Waterfront	\$56,104			John Hinkel			X	Appropriate funds for construction at John Hinkel Park Lower.
151	138	Parks Tax	Parks, Recreation & Waterfront	\$9,812			John Hinkel			X	Appropriate funds for Inspector/Labor Cost for the John Hinkel Park Project.
152	138	Parks Tax	PRW	\$1,950			John Hinkel			X	Appropriate funds for John Hinkel Printing and Binding costs
153	138 Total			\$1,471,318	\$621,000						
154	141	1st Response Advanced Life Support	Fire	\$55,144			Vehicle Purchase			X	Purchase new vehicle for Paramedic Supervisor I
155	141 Total			\$55,144	\$0						
156	142	Street Lighting	Public Works		\$8,876		Add 1.0 FTE Senior Management Analyst		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
157	142	Street Lighting	Public Works		\$17,313		Occupational Health & Safety Officer (.5 FTE addition) 10%			X	.5 FTE needs to be adopted-- .5 FTE has already been adopted and is budgeted with funding from Zero Waste Fund. The remaining .5 FTE is needed to make 1 FTE.
158	142 Total			\$0	\$26,189						
159	143	Business Economic Development	Economic Development		\$12,000		Nabolom Bakery & Pizzeria Loan		X		Additional funds for a \$150,000 loan to Nabolom Bakery & Pizzeria. Approved by Loan Administration Board on 11/29/18 through Resolution 18-02
160	143 Total			\$0	\$12,000						

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161	146	Employee Training	Information Technology	\$37,583			ServiceNow Training for City Staff and IT Staff Training		X		Training city staff to use the ServiceNow ticketing and project management tool. To Council 19NOV19, budgeted in FY19.
162	146	Employee Training	Information Technology	\$25,000			IT Coaching		X		Coaching services for IT. 68,442-N.S. 15MAY18
163	146 Total			\$62,583	\$0						
164	148	Cultural Trust	Economic Development	\$141,144			Private Percent for Arts			X	Carryover funds for Private Percent for Arts projects
165	148 Total			\$141,144	\$0						
166	149	Private Party Sidewalks	Public Works	\$50,000			Roadway & Streets			X	Carryover funds from FY 2019 for construction of Roadway and Streets
167	149	Private Party Sidewalks	Public Works	\$49,973			Roadway & Streets Field Supplies			X	Carryover funds from FY 2019 for roadway & Streets Field Supplies
168	149 Total			\$99,973	\$0						
169	150	Public Art Fund	OED	\$10,516			Various public art projects			X	There are a number of pending Public Art projects to utilize this funding. Historically this funding is carried over from year to year, in accordance with the City's Public Art policy.
170	150 Total			\$10,516	\$0						
171	157	Tobacco Control	Health, Housing & Community	\$131,815						X	State Tobacco Carryforward from FY19 to FY20
172	157 Total			\$131,815	\$0						
173	158	Mental Health State Aid Realignment	Health, Housing & Community Services		\$50,000		Merrit Hawkins Contract		X		To pay for 50% for an expenditure contract with Merrit Hawkins: Recruitment Services for a Psychiatrist. Approved by Council on 7/23/19 through Resolution No. 69,034-N.S.
174	158	Mental Health State Aid Realignment	Public Works	\$362,595		Public WorksENCB 1405	Mental Health Services Center Renovation			X	Carryover from FY 2019 for Mental Health Center Renovation Project
175	158 Total			\$362,595	\$50,000						
176	159	City Optional Public Safety	Police		\$50,000		Citizens' Option for Public Safety			X	Increased funding for departmental contracts.
177	159 Total			\$0	\$50,000						
178	309	OTS DUI Enforcement Education Program	Police		\$200,000		FY 2020 Office of Traffic Safety Grant		X		New Grant from the Office of Traffic Safety to fund strategies to reduce the number injuries and deaths related to traffic collisions in the City of Berkeley. Approved by Council on 7/23/19 through Resolution #69,052 -N.S.
179	309 Total			\$0	\$200,000						
180	312	Health (General)	Health, Housing & Community		\$1,279	HHHPTB200 1	Tuberculosis Grant			X	Revise budget for Tuberculosis Grant for FY 2020 based on additional allocation from State.
181	312	Health (General)	Health, Housing & Community		\$15,187	HHPMCA200 1	Maternal Child and Adolescent Grant			X	Revise budget for Maternal Child and Adolescent Health Grant for FY 2020 based on additional allocation from State.
182	312 Total			\$0	\$16,466						
183	313	Target Case Mgmt/Linkages TCM Link	Information Technology	\$100,320			Persimmony International for Electronic Case Management System Implementation		X		Carryover funding per Reso 67,605 for contract: Persimmony International, Inc. for Electronic Case Management System Implementation
184	313 Total			\$100,320	\$0						
185	315	Mental Health Services Act	Mental Health		\$100,000		Funds for MHSA Expenditure Contracts for FY20: Primary Care Planning Project (\$100,000)			X	Appropriate to add Mental Health Services Act (MHSA) funds to Mental Health's FY 2020 budget to support MHSA plan
186	315	Mental Health Services Act	Mental Health		\$1,731,875		To Support Various MHSA-funded position and contracts			X	Appropriate funds to add Mental Health Services Act (MHSA) funds to Mental Health's FY20 budget to support MHSA plan
187	315 Total			\$0	\$1,831,875						
188	316	Health (Short/Doyle)	Mental Health		\$109,000		To procure evaluation services of the current mental health crisis in			X	Appropriate Medi-Cal funds to required to FY 2020 budget for mental health crisis evaluation

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189	316	Health (Short/Doyle)	Mental Health		\$50,000		Merrit Hawkins Contract		X		To pay for 50% for an expenditure contract with Merrit Hawkins: Recruitment Services for a Psychiatrist. Approved by Council on 7/23/19 through Resolution No. 69,034-N.S.
190	316 Total			\$0	\$159,000						
191	318	Alcoholic Beverage Container OTS/UC	Police		\$15,000		FY 19-20 Alcoholic Beverage Control Grant		X		New Grant Award from California Department of Alcoholic Beverage Control for FY 2020 for the enforcement of alcohol related laws. Approved by Council on 7/23/19 through Resolution No. 69,053 - N.S.
192	318 Total			\$0	\$15,000						
193	320	Senior Nutrition (Title III)	Health, Housing & Community Services		\$9,673	HHAMOW2001	Senior Meals Program Grants			X	Revise Grant budgets for the Congregate Meal Program and Home Delivered Meal Program based on the funding awarded by Alameda County.
194	320 Total			\$0	\$9,673						
195	326	Alameda County Grants	Health, Housing & Community Services		\$12,038		School Linked Health Services			X	Revise Grant budget from Alameda County Public Health Nursing for School Linked Health Services.
196	326	Alameda County Grants	Health, Housing & Community Services		\$3,746	HHPTOB2001	MSA Tobacco Grant-Alameda County			X	To adjust budget to match FY2020 funds awarded by Alameda County
197	326 Total			\$0	\$15,784						
198	327	Senior Supportive Social Services	Health, Housing & Community Services		\$1,822	HHACON2001	Information & Assistance Grant			X	Revise Senior Information & Assistance Grant Budget based on funding awarded by Alameda County.
199	327 Total			\$0	\$1,822						
200	331	Housing Mitigation	Health, Housing & Community Services	\$1,051,751			Housing Trust Fund			X	Carryover funds for Housing Trust Fund Projects in FY 2020
201	331 Total			\$1,051,751	\$0						
202	336	One-Time Grant: No Cap Exp	Health, Housing & Community Services		\$2,816,827	HHHEAP1901	Homeless Emergency Aid Program Grant			X	Appropriate FY 2020 grant funds from Alameda County Housing & Community Development Department for the Californian Homeless Emergency Program. Adopted by Council on 3/12/19 through Resolution 68,779 N.S.
203	336	One-Time Grant: No Cap Exp	Health, Housing & Community Services		\$75,000	HHHNPL2001	No Place Like Home Grant			X	Appropriate funds from the California Department of Housing and Community Development for its No Place Like Home Program Technical Assistance grant. Approved by Council on 10/3/17 through Resolution 68,165-N.S.
204	336	One-Time Grant: No Cap Exp	Health, Housing & Community Services		\$150,000	HHHKS2001	Kaiser Permanente Grant			X	Grant from Kaiser Permanente to support the Pathways STAIR Center. Approved by Council on 2/26/19 through Resolution 68,767-N.S.
205	336	One-Time Grant: No Cap Exp	Health, Housing & Community Services		\$265,347		Homeless Mentally Ill and Treatment Team - MH-Adult Triage Grant			X	Appropriate unexpended FY2019 Mental Health grant funds awarded in FY 2019.
206	336	One-Time Grant: No Cap Exp	Mental Health		\$50,000		Fund New MH Grant-One Time Grant-Medication Assisted Treatment Grant (Sierra Foundation)-Contract #CA19MAT025			X	A \$50,000 grant from The Center at Sierra Health Foundation for expansion of Medication Assisted Treatment (MAT) services for individuals with Opioid Use Disorders at Berkeley Mental Health. Approved by Council on 10/15/19 through Resolution No. 69,126 - N.S.
207	336	One-Time Grant: No Cap Exp	Parks, Recreation & Waterfront		\$250,000	PRWT119007	Water Emergency Tmosp Authority (WETA) Funding			X	Appropriate FY 2020 grant funds from the Water Emergency Transportation Authority (WETA) for the Planning Phase for the Viability of a new WETA Ferry Service and Public Recreation Pier @ the Berkeley Marina Resolution 68,782 N.S.
208	336	One-Time Grant: No Cap Exp	Planning		\$7,000		San Francisco Foundation Grant			X	Grant from the San Francisco Foundation to receive technical assistance from SEEDs Collaborative to help develop a competitive Partnership for the Bay's Future Challenge Grant proposal. Approved by Council on 9/24/19 through Resolution No. 69,114-N.S.
209	336	One-Time Grant: No Cap Exp	Planning	\$9,959			11th Hour Grant			X	Grant from the Schmidt Family Foundation for the 11th Hour Project to support a City of Berkeley Curbside Electric Vehicle Charging Project. Approved by Council on 10/7/14 through Resolution 66,808-N.S.
210	336	One-Time Grant: No Cap Exp	Public Works		\$14,000		CARE California Carpet Stewardship Program - Carpet Recycling Grant			X	Appropriate unexpended FY 2019 Carpet Collection/Reuse Program Grant funds that need to be spent by November 1, 2019.
211	336	One-Time Grant: No Cap Exp	Parks, Recreation & Waterfront		\$25,000		B.U.R.P.'s ERA Construction			X	Appropriate funds for B.U.R.P.'s ERA construction costs.

Item #	Fund #	Fund Name	Department	Recommended Carryover	Recommended Adjustment	Project Number	Description/Project name	Mandated by Law	Authorized by Council	City Manager Request	Comments/Justification
212	336	One-Time Grant: No Cap Exp	Public Works	\$300,971		Public WorksENSD 1819	18SD19 Codornices Creek @ Kains			X	Carryover request to continue the project into the construction phase
213	336 Total			\$310,930	\$3,653,174						
214	340	FEMA	Public Works		\$22,650	18CB01	North Berkeley Senior Center			X	Appropriate remaining available budget for North Berkeley Senior Center project.
215	340 Total			\$0	\$22,650						
216	344	CALTRANS GRANT	Public Works	\$10,227		Public WorksTRCT1 803	NB Bart/Sacramento St Complete Streets			X	Carryover funds from FY 2019 to complete the design phase of North Berkeley BART/Sacramento St Complete Streets project.
217	344 Total			\$10,227	\$0						
218	345	Measure WW	Parks, Recreation & Waterfront	\$1,060,274			James Kenney Park, Picnic and Play Project			X	Carryover funding for construction of the James Kenney park, picnic, and play project.
219	345	Measure WW	Parks, Recreation & Waterfront	\$387,555			John Hinkel Park			X	Contract with Ghilotti Construction Company for John Hinkel Park Improvement Project
220	345 Total			\$1,447,829	\$0						
221	349	JAG Grant	Police		\$70,000		FFY2017 JAG			X	New Grant Changed to a Reimbursement Grant. Grant funding delayed due to Sanctuary City Lawsuit resolution.
222	349 Total			\$0	\$70,000						
223	501	Capital Improvement	Information Technology	\$544,357			Replacement of Backup System			X	Replacement of the existing Barracuda backup system. Funds will be transferred to IT Cost Allocation Fund.
224	501	Capital Improvement	Information Technology		\$500,000		IT Move			X	Move of IT Staff to 1947 Center Street and remodel of existing IT space at 2180 Milvia Street
225	501	Capital Improvement	Non-Departmental		\$406,952		Transfer to Workers' Compensation Fund		X		Transfer of Excess Property Transfer Tax Revenue from General Fund then transferred to Workers' Compensation Fund to repay loan to purchase Premier Cru (University Center).
226	501	Capital Improvement	Parks, Recreation & Waterfront	\$467,000			Echo Lake and Cazadero capital projects			X	Carryover funds from FY 2019 for Echo Lake and Cazadero capital projects that were scheduled for FY2019, but have been delayed to FY 2020.
227	501	Capital Improvement	Parks, Recreation & Waterfront		\$1,505,000		Waterfront Immediate Capital Needs		X		Appropriate funds for Waterfront Immediate Capital Needs from Excess Property Transfer Tax/Excess Equity. Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution
228	501	Capital Improvement	Public Works	\$127,078		Public WorksENCB 1507	Fire Station #2 Kitchen Remodel			X	Carryover funds from FY 2019 for Design-Closeout of Fire Station #2 Kitchen Remodel
229	501	Capital Improvement	Public Works	\$120,000		Public WorksENSD 1804	Hillview Woodside			X	Carryover funds from FY 2019 for construction phase of Hillview Woodside
230	501	Capital Improvement	Public Works		\$250,000		Relocate PEOs to Marina (University)		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
231	501	Capital Improvement	Public Works		\$120,000		Fleet, Zero Waste, Facilities Software Costs Above ERMA		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
232	501	Capital Improvement	Public Works		\$100,000		Reserved for Pedestrian/Bicycle Safety Improvements		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
233	501	Capital Improvement	Public Works		\$500,000		50/50 Sidewalk (backlog)		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
234	501	Capital Improvement	Public Works		\$600,000		EV charging stations at the corp yard and the University parking lot for alternative fuel vehicles		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
235	501	Capital Improvement	Public Works	\$195,000			Roadway & Streets			X	Carryover funds from FY 2019 for construction of Roadway and Streets
236	501	Capital Improvement	Public Works	\$237,980			Professional Misc Svcs & Field Supplies			X	Carryover funds from FY 2019 for miscellaneous professional services and field supplies
237	501	Capital Improvement	Public Works	\$597,950			Deferred Building Repairs			X	Carryover funds from FY 2019 for emergency and deferred building repairs.
238	501	Capital Improvement	Public Works	\$76,767		Public WorksTRCT1 803	NB Bart/Sacramento St Complete Streets			X	Carryover funds from FY 2019 to complete the design phase of North Berkeley BART/Sacramento St Complete Streets project.
239	501	Capital Improvement	Public Works	\$1,936,509		Public WorksENSG 1801	Cratus Inc. Contract			X	Carryover funds from FY 2019 for the Cratus Inc contract #31900192.
240	501	Capital Improvement	Public Works	\$32,620	\$12,380		7th/Anthony Traffic Signals Improvement			X	Carryforwad funds and appropriate new funds for the final design phase of the 7th/Anthony Traffic Signals Improvements.
241	501	Capital Improvement	Public Works		\$800,000		1951 Shattuck		X		Appropriate funds for the traffic signal at 1951 Shattuck. It needs to be in place prior to certificate of occupancy.
242	501	Capital Improvement	Public Works		\$143,802		Add 1.0 FTE Associate Civil Engineer		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)

Item #	Fund #	Fund Name	Department	Recommended Carryover	Recommended Adjustment	Project Number	Description/Project name	Mandated by Law	Authorized by Council	City Manager Request	Comments/Justification
243	501	Capital Improvement	Public Works		\$80,986		Add 1.0 FTE (Traffic) Engineering Inspector		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
244	501	Capital Improvement	Public Works		\$14,643		Convert Assistant Architect to Assistant Engineer		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
245	501	Capital Improvement	Public Works		\$20,000		Convert existing Sr. Building Inspector to Senior Engineering Inspector		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
246	501	Capital Improvement	Public Works		\$35,503		Add 1.0 FTE Senior Management Analyst 20%		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
247	501	Capital Improvement	Public Works		\$42,000		Intern		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
248	501	Capital Improvement	Public Works		\$116,260		Converting existing temp. Associate Civil Engineer position to permanent FTE			X	This change is for .70 FTE of the position and will cost the fund \$116,260.
249	501 Total			\$4,335,261	\$5,247,525						
250	503	FUND\$ Replacement	Information Technology		\$649,000		FUND\$ Application Upgrade			X	Current FUND\$ Application Software Support ends DEC 2020
251	503	FUND\$ Replacement	Information Technology		\$1,250,000		New FUND\$ Replacement Project			X	Additional Funding Needs for FUND\$ Replacement Project
252	503	FUND\$ Replacement	Information Technology	\$7,492,060			Existing FUND\$ Replacement Project			X	FUND\$ Replacement Project
253	503 Total			\$7,492,060	\$1,899,000						
254	506	Measure M - ST and WTRSHD IMPRV	Public Works	\$1,000		18SG01/ Public WorksENSG 1801	Measure M LID FY18 Woolsey			X	Carryover funds from FY 2019 for Printing of LID FY18 Woolsey.
255	506	Measure M - ST and WTRSHD IMPRV	Public Works		\$440,748	Public WorksENSG 1801	Cratus Inc. Contract			X	Carryover funds from FY 2019 for the Cratus Inc contract #31900192.
256	506 Total			\$1,000	\$440,748						
257	511	Measure T1 Infrastructure & Facilities	OED	\$345,535			T1 Public Art Projects			X	Public art projects at North Berkeley Senior Center and San Pablo Park are in development.
258	511	Measure T1 Infrastructure & Facilities	Parks, Recreation & Waterfront	\$27,725		T1PK10	Citywide restroom assessments			X	Carryover funding appropriated in FY 2019 to complete the citywide restroom assessment.
259	511	Measure T1 Infrastructure & Facilities	Parks, Recreation & Waterfront	\$68,183			Aquatic Park Tide Tubes			X	Carryover funding appropriated in FY 2019 for the Aquatic Park Tide Tubes
260	511	Measure T1 Infrastructure & Facilities	Parks, Recreation & Waterfront	\$27,612		T1PK03	Frances Albrier Community Center			X	Carryover funds from FY 2019 to complete the design of the Frances Albrier Community Center.
261	511	Measure T1 Infrastructure & Facilities	Parks, Recreation & Waterfront	\$75,000		T1PK16	Willard Clubhouse			X	Carryover funds from FY 2019 to complete the design of Willard Clubhouse
262	511	Measure T1 Infrastructure & Facilities	Parks, Recreation & Waterfront		\$1,144,907	PRWT119005	Live Oak Park Community Center Seismic Upgrade		X		Funds for contract with Mar Con Builders for the Live Oak Community Center Seismic Upgrade project. Approved by Council on 9/24/19 through Resolution No. 69.112-N.S.
263	511	Measure T1 Infrastructure & Facilities	Parks, Recreation & Waterfront	\$71,766		PRWT119008	George Florence Park Playground Renovation Project			X	Carryover funds from FY 2019 to complete the renovation of the playground at George Florence Park
264	511	Measure T1 Infrastructure & Facilities	Parks, Recreation & Waterfront		\$26,978	PRWT119007	Add'l Funding for GHD Contract			X	Appropriate FY 2020 Measure T1 funds for GHD Contract.
265	511	Measure T1 Infrastructure & Facilities	Parks, Recreation & Waterfront	\$120,490	\$0	PRWT119010	Hyphae contract for Citywide Restroom Assessment			X	Carryover funds for Hyphae contract for the Citywide Restroom Assessment. Entered as a NTE instead of Encumbered contract.
266	511	Measure T1 Infrastructure & Facilities	Public Works		\$128,072	Public WorksT1PG1902	T1 Facilities/Equipment/Services/Supplies			X	Appropriate FY 2020 Measure T1 funds for facilities, equipment, supplies, and services costs.
267	511	Measure T1 Infrastructure & Facilities	Public Works	\$735,683		T1Public Works07 & T1Public Works08	Adeline & Hearst & Monterey & Ward			X	Carryover funding appropriated in FY 2019 to continue the street rehabilitation at various locations.
268	511	Measure T1 Infrastructure & Facilities	Public Works	\$376,430		Public WorksT1CB1902	Old City Hall/Vet's Bldg/Civic Center Park			X	Carryover funding appropriated in FY 2019 for consultant contract (T1Public Works02) to complete the Civic Center Vision Plan project.
269	511	Measure T1 Infrastructure & Facilities	Public Works	\$1,144,887		Public WorksT1CB1901 T1Public Works01	North Berkeley Senior Center			X	Carryover funding appropriated in FY 2019 for Seismic Upgrade and Renovation of North Berkeley Senior Center
270	511	Measure T1 Infrastructure & Facilities	Public Works	\$662,000		Public WorksT1G1906 T1Public Works06	T1 Green Infrastructure			X	Carryover funding appropriated in FY 2019 to Install Bio Swales, Rain Gardens & Pervious pavers for clean Storm water.
271	511	Measure T1 Infrastructure & Facilities	Public Works		\$287,290	Public WorksT1ST1907-511	T1 Streets: Adeline & Hearst			X	Appropriate funds for Adeline and Hearst Pavement Engineering Task Order.

Item #	Fund #	Fund Name	Department	Recommended Carryover	Recommended Adjustment	Project Number	Description/Project name	Mandated by Law	Authorized by Council	City Manager Request	Comments/Justification
272	511 Total			\$3,655,311	\$1,587,247						
273	601	Zero Waste Fund (Clean Cities Program)	Public Works		\$28,000		Pressure Washer			X	Appropriate funds for pressure washer
274	601	Zero Waste	Public Works		\$30,271		Add 1.0 FTE Assistant Planner		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
275	601	Zero Waste	Public Works		\$86,566		Occupational Health and Safety Officer shared (.50 FTE)			X	Establish budget: .5 FTE is approved from ZW (in the amount of \$86,566)
276	601	Zero Waste	Public Works		\$35,503		Add 1.0 FTE Senior Management Analyst 20%		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
277	601 Total			\$0	\$180,340						
278	606	MAR - Coastal Conservancy	Parks, Recreation & Waterfront	\$125,400		PRWWF17003	SouthCove ADA Accessible Ramp			X	Appropriate funds for the South Cove ADA Accessible Ramp.
279	606 Total			\$125,400	\$0						
280	608	Marina Fund	Parks, Recreation & Waterfront	\$95,000		PRWWF19004	Cover expenses for 199 Seawall Security and Janitorial Services			X	Appropriate from the Marina Fund Reserve to pay for 199 Seawall security and janitorial services.
281	608	Marina Fund	Parks, Recreation & Waterfront	\$435		PRWWF20003	Permit Fees for Hana Japan			X	Appropriate from the Marina Fund to pay for an outstanding invoice from the Building Permits department the Hana Japan Beam Repair
282	608	Marina Fund	Parks, Recreation & Waterfront	\$216,512		PRWWF17003	SouthCove ADA Accessible Ramp			X	Appropriate funds for the South Cove ADA Accessible Ramp.
283	608	Marina Fund	Parks, Recreation & Waterfront	\$109,873		PRWWF19005	South Cove Small Dock Replacements			X	Appropriate funds for the South Cove Small Dock Replacements
284	608	Marina Fund	Parks, Recreation & Waterfront	\$10,670			South Cover Small Dock Replacements - Accudock Use Tax 9.25%			X	Appropriate funds to cover the 9.25% use tax for Accudock for the South Cove Small Dock Replacements
285	608 Total			\$432,490	\$0						
286	611	Sanitary Sewer Operation	Public Works	\$629,522		Public WorksENSR 1904	Portland Avenue, Santa Fe, Kains, et. Al Construction			X	Carryforwad funds to complete construction of project at Portland Avenue, Santa Fe, Kains, et. Al
287	611	Sanitary Sewer Operation	Public Works		\$68,111		Add 1.0 FTE Assistant Planner		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
288	611	Sanitary Sewer Operation	Public Works		\$50,751		Add 1.0 FTE Administrative Assistant		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
289	611	Sanitary Sewer Operation	Public Works		\$23,328		Convert existing Architect position to Assistant Civil Engineer		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
290	611	Sanitary Sewer Operation	Public Works		\$26,887		Convert existing Drafting Technician to a Junior Public Works Engineer		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
291	611	Sanitary Sewer Operation	Public Works		\$35,503		Add 1.0 FTE Senior Management Analyst 20%		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
292	611	Sanitary Sewer Operation	Public Works		\$42,000		Intern		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
293	611	Sanitary Sewer Operation	Public Works		\$25,970		Occupational Health & Safety Officer (.5 FTE addition) 15%			X	.5 FTE needs to be adopted-- .5 FTE has already been adopted and is budgeted with funding from ZW, the remaining .5 FTE is needed to make 1 FTE
294	611 Total			\$629,522	\$272,549						
295	616	Clean Storm Water	Public Works	\$120,000		18SD04	Hillview Woodside			X	Carryover funds from FY 2019 for construction phase of Hillview Woodside
296	616	Clean Storm Water	Public Works		\$30,271		Add 1.0 FTE Assistant Planner		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
297	616	Clean Storm Water	Public Works		\$310,000		Skilled Laborer		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
298	616	Clean Storm Water	Public Works		\$153,000		Laborer		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
299	616	Clean Storm Water	Public Works		\$8,876		Add 1.0 FTE Senior Management Analyst		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
300	616	Clean Storm Water	Public Works		\$42,000		Intern		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
301	616	Clean Storm Water	Public Works		\$8,657		Occupational Health & Safety Officer (.5 FTE addition) 5%			X	.5 FTE needs to be adopted-- .5 FTE has already been adopted and is budgeted with funding from ZW, the remaining .5 FTE is needed to make 1 FTE.
302	616 Total			\$120,000	\$552,804						

Item #	Fund #	Fund Name	Department	Recommended Carryover	Recommended Adjustment	Project Number	Description/Project name	Mandated by Law	Authorized by Council	City Manager Request	Comments/Justification
303	621	Permit Service Center	Information Technology		\$339,706		Contract Amendment No. 10036C for Truepoint Solutions, LLC for ACCELA		X		Amend Contract No. 10036C with TruePoint Solutions, LLC for professional services, increasing the amount by \$276,000, for a total not-to-exceed amount of \$617,200, and for the term beginning June 1, 2015 to June 30, 2021. Approved by Council on June 25, 2019 through Resolution 68,978-N.S.
304	621	Permit Service Center	Public Works		\$25,376		Add 1.0 FTE Administrative Assistant		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
305	621	Permit Service Center	Public Works		\$221,132		Add 1.0 FTE Associate Traffic Engineer		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
306	621	Permit Service Center	Public Works		\$63,740		Add 1.0 FTE Associate Civil Engineer		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
307	621	Permit Service Center	Public Works		\$80,986		Add 1.0 FTE (Traffic) Engineering Inspector		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
308	621	Permit Service Center Fund	Public Works		\$175,000		5 Priuses			X	Add expenditure budget to Public Works's Permit Service Center Fund allocation, supported by revenue
309	621	Permit Service Center Fund	Public Works		\$63,740		Converting existing temp. Associate Civil Engineer position to permanent FTE			X	Cost to Permit Service Center Fund is for .3 FTE (\$63,740)
310	621 Total			\$0	\$969,680						
311	627	Off Street Parking Fund	Public Works		\$30,000		New Vehicles			X	Appropriate funds for new vehicle for the garages daily operations.
312	627	Off Street Parking Fund	Public Works	\$554,340			Center Street Garage Project			X	Carryforward funds for Center Street Garage project to complete it
313	627 Total			\$554,340	\$30,000						
314	631	Parking Meter Fund	Public Works		\$85,000					X	Appropriate funds for new vehicle for meter revenue and overall operations.
315	631	Parking Meter Fund	Public Works		\$8,876		Add 1.0 FTE Senior Management Analyst		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
316	631	Parking Meter Fund	Public Works		\$50,751		Add 1.0 FTE Administrative Assistant		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
317	631 Total			\$0	\$144,627						
318	636	BLDG Purchases & MGMT	Public Works		\$4,146		Reclass Warehouse Operations Specialist to Building Maintenance Mechanic		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
319	636 Total			\$0	\$4,146						
320	671	Equipment Replacement	Public Works		\$25,970		Occupational Health & Safety Officer (.5 FTE addition) 15%			X	.5 FTE needs to be adopted-- .5 FTE has already been adopted and is budgeted with funding from ZW, the remaining .5 FTE is needed to make 1 FTE.
321	671 Total			\$0	\$25,970						
322	672	Equipment Maintenance	Public Works		\$120,245		Add 1.0 Office Specialist III		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
323	672 Total			\$0	\$120,245						
324	673	Building Maintenance	Public Works		\$83,257		Public Works Lease Payments @ 1947 Center Street			X	Appropriate funds for FY 2018, 2019 & 2020 Public Works Lease Payments for 1947 Center Street, 5th Floor Occupancy
325	673	Building Maintenance	Public Works		\$19,024		Reclass Warehouse Operations Specialist to Building Maintenance Mechanic		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
326	673	Building Maintenance	Public Works		\$14,643		Convert Assistant Architect to Assistant Engineer		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
327	673	Building Maintenance	Public Works		\$8,876		Add 1.0 FTE Senior Management Analyst		X		Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69,010-N.S.)
328	673	Building Maintenance	Public Works		\$8,657		Occupational Health & Safety Officer (.5 FTE addition) 5%			X	.5 FTE needs to be adopted-- .5 FTE has already been adopted and is budgeted with funding from ZW, the remaining .5 FTE is needed to make 1 FTE.
329	673 Total			\$0	\$134,456						
330	675	Computer Replacement Fund	Information Technology	\$114,000			Tech ISF: Network Devices			X	IT cost allocation replacement smoothing
331	675 Total			\$114,000	\$0						

Item #	Fund #	Fund Name	Department	Recommended Carryover	Recommended Adjustment	Project Number	Description/Project name	Mandated by Law	Authorized by Council	City Manager Request	Comments/Justification
332	678	Public Liability	City Attorney		\$1,200,000		City Attorney Outside Counsel, Court Costs, and Claims & Judgements			X	Additional funds to pay for outside counsel, court costs, and claims and judgements in FY 2020
333	678 Total			\$0	\$1,200,000						
334	680	IT Cost Allocation	Information Technology	\$322,000			TechISF: Servers and Storage			X	IT cost allocation replacement smoothing
335	680	IT Cost Allocation	Information Technology	\$149,139			TechISF: Network Devices			X	IT cost allocation replacement smoothing
336	680	IT Cost Allocation	Information Technology	\$28,260			TechISF: Wifi Replacement			X	IT cost allocation replacement smoothing
337	680	IT Cost Allocation	Information Technology	\$5,202			TechISF: UPS			X	IT cost allocation replacement smoothing
338	680	IT Cost Allocation	Information Technology	\$224,200			TechISF: Microsoft EA			X	IT cost allocation replacement smoothing
339	680	IT Cost Allocation	Information Technology	\$16,616			TechISF: PC Replacement			X	IT cost allocation replacement smoothing
340	680	IT Cost Allocation	Information Technology	\$171,876			GIS Master Plan: Master Address Database			X	Update address management system that feeds the FUNDS LX module and E911.
341	680	IT Cost Allocation	Information Technology	\$65,000			PRA tool: Implementation and Licenses			X	Digital Strategic Plan project no. 3.10
342	680	IT Cost Allocation	Information Technology	\$178,895			CRM Tool: Implementation and Licenses			X	RFP to be released December 2019
343	680	IT Cost Allocation	Information Technology	\$250,000			Data Architecture and Integrations			X	Data integration for FUNDS Replacement-Phase 2 projects into Munis
344	680	IT Cost Allocation	Information Technology	\$18,000			Security Intern			X	Program support for the cyber security program
345	680	IT Cost Allocation	Information Technology	\$12,000			SolarWinds Subscription			X	FY19 Close PO 21902811
346	680	IT Cost Allocation	Information Technology	\$51,305			Firewall Subscription			X	FY19 Close PO 21902886
347	680	IT Cost Allocation	Information Technology	\$54,700			Gartner Subscription			X	FY19 Close PO 21902888
348	680	IT Cost Allocation	Information Technology		\$395,931		Nutanix: Switches, Prof. Svcs., Maintenance			X	Data center upgrade and implementation of a disaster recovery system. 68,868-N.S. 14MAY19. Funds transferred from General Fund to IT Cost Allocation Fund.
349	680	IT Cost Allocation	Information Technology		\$192,570		IT Space Needs - Ongoing for 1947			X	Facilities fee for 1947 space. Funds transferred from General Fund to IT Cost Allocation Fund.
350	680	IT Cost Allocation	Information Technology		\$544,357		Replacement of Backup System			X	Replacement of the existing on-premise server backup solution. Moved from Capital Improvement Fund.
351	680	IT Cost Allocation	Information Technology		\$100,969		Facilities Fee from General Fund			X	Facilities fees for 2180 4th floor. Moved from General Fund to IT Cost Allocation Fund
352	680 Total			\$1,547,193	\$1,233,827						
353	778	CFD No. 1 Disaster Fire Protection Bond	Fire		\$280,000		Fire Captain Position		X		Funds for 1.0 FTE Fire Captain for Above Ground Water System. Approved by Council on 6/25/19 as part of the FY 2020 & FY 2021 Budget Adoption (Resolution 69.010-N.S.)
354	778 Total			\$0	\$280,000						
355	Grand Total			\$36,555,858	\$35,588,807						

Council's Fiscal Policies

The fiscal policies adopted by the Council include:

- ❖ Focusing on the long-term fiscal health of the City by adopting a two-year budget and conducting multi-year planning;
- ❖ Building a prudent reserve;
- ❖ Developing long-term strategies to reduce unfunded liabilities;
- ❖ Controlling labor costs while minimizing layoffs;
- ❖ Allocating one-time revenue for one-time expenses;
- ❖ Requiring enterprise and grant funds to balance and new programs to pay for themselves; and
- ❖ Any new expenditure requires new revenue or expenditure reductions.
- ❖ Transfer Tax in excess of \$12.5 million will be treated as one-time revenue to be used for the City's capital infrastructure needs (Fund 501).
- ❖ 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 731).
- ❖ Starting in FY 2019, staff costs as approved by the City Council that exceed the enforcement fees and penalties shall be appropriated from the short term rental taxes collected pursuant to BMC Section 23C.22.050, Section H, with the primary allocation of the rental tax to the purposes listed below:
 - Two thirds (66.7%) allocated to the Affordable Housing Trust Fund.
 - One third (33.3%) allocated to the Civic Arts Grant Fund.

Proposed new policy:

- ❖ Funding the 115 Pension Trust



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CONSENT CALENDAR

November 19, 2019

To: Honorable Mayor and Members of the City Council
 From: Councilmembers Ben Bartlett and Rigel Robinson
 Subject: Cannabis Cryptocurrency Tax

RECOMMENDATION

Adopt an ordinance adding a new Chapter to the Berkeley Municipal Code to allow the City to implement a method for acceptance of stablecoin tax remittance for certain industries pending City approval of each industry.

CURRENT SITUATION

As it stands, 70% of the cannabis industry is unbanked. Thus, the majority of cannabis transactions are handled in cash, which causes several significant issues for businesses and cities both in terms of the risk of handling large cash deposits and navigating through complex financial institutions.

Dispensaries collect large sums of money from customers, and then must pay the appropriate taxes to the city and state through the use of armored car services and other methods involving staff time. State and local governments are forced to process hundreds of millions of dollars in cash annually, which is both expensive and a public safety risk. This process is inefficient and requires money to pass through many hands before it ends up at the city or state.

The fragmented nature of payment collection has led to a host of problems, including an increase in burglaries. The Berkeley Police Department indicated that there have been a host of robberies at dispensaries from 2016 - 2019. In 2019, one Berkeley cannabis dispensary was the victim of a \$93,000 heist. Furthermore, there have been around a half dozen auto burglaries of marijuana delivery vehicles.

BACKGROUND:

There have been repeated attempts and failures to create better financial services for this industry. The Cannabis Banking Feasibility Study released on December 27th, 2018 was unable to establish credible alternatives for the industry to paying taxes via armored vehicle. SB 930 in 2018, reincarnated as SB 51 in 2019 which sought to create a cannabis depository failed twice. Attempts to create public banks in Oakland, San

Francisco and Los Angeles are ongoing but have not yet come to fruition and are likely to take many years to fully implement.

This is where California should innovate. By embracing emerging technology like blockchain -- which is very effective at securely transferring value- we can eliminate the cash problems of the cannabis industry without creating capital-intensive institutions. AB 953- which the city of Berkeley has supported- would enable the state to accept stablecoins from cannabis businesses for tax remittance. Berkeley has a proud history of innovation and a local cannabis industry that needs solutions.

FISCAL IMPACTS OF RECOMMENDATION

The current cost of accepting cash include the following:

- Armored vehicle services
- Staff time
- Police time in responding to break ins

By allowing the city to implement a method for acceptance of stablecoin tax remittance for the cannabis industry, we can provide a cash-free direct method of cannabis tax collections that will reduce barriers and costs for the City and these businesses. In turn, the City can reasonably expect to increase cannabis tax revenue.

ENVIRONMENTAL SUSTAINABILITY

When concerns are raised about the energy consumption of virtual currency, they are typically in relation to Bitcoin and without the context of how much energy the current banking system requires.

The amount of energy used in the creation or transfer of virtual currency is reliant on the underlying blockchain protocol. Stablecoins are a type of virtual currency that are not native to one particular protocol. However, most major stablecoins are run on the Ethereum blockchain. Ethereum's annual energy consumption is estimated to be around 8 (TWh) compared with Bitcoin's 73 (TWh). Ethereum is in the process of shifting from a Proof of Work system- what's commonly referred to as mining- to a Proof of Stake system. This switch is estimated to reduce energy consumption by 99%. Much like solar power this is an emerging technology rapidly becoming more efficient.

RATIONALE FOR RECOMMENDATION

There is both a fiscal and public safety imperative to reduce cash use in the cannabis industry. Implementing a cash-free method of tax collection in the municipal code, the City can reduce the amount of funding allocated towards armored car services, staff time, and police time in responding to break-ins. In turn, this will cut costs from the City.

In addition, allowing the use of cryptocurrency to purchase items from cannabis industries will alleviate the epidemic of dispensary break-ins. Typically, individuals target the cannabis industry because of the amount of cash dispensaries hold in one place. As a result, cities with dispensaries face a public safety risk. The City should adopt an amendment to the Finance, Revenue, and Tax Code that allows the city to determine

and implement a method for acceptance of stablecoin tax remittance for certain industries pending city approval of each industry.

ALTERNATIVES CONSIDERED

Cannabis depository institutions, public banking, Ohio's method of accepting virtual currency, and continuing to operate in cash are all alternative options which are less optimal than the proposal.

CONTACT PERSON

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ATTACHMENTS

1. Ordinance (7.99 Limited Authority to Accept Tax Payments via Stablecoin)

ORDINANCE NO. –N.S.

ADOPT BERKELEY MUNICIPAL CODE CHAPTER 7.99 LIMITED AUTHORITY TO
ACCEPT TAX PAYMENTS VIA STABLECOIN

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. That Berkeley Municipal Code Chapter 7.99 is added to read as follows:

Chapter 7.99

Limited Authority to Accept Tax Payments via Stablecoin

The city must determine and implement a method by which businesses in categories approved by the city may remit any taxes or other amounts due to the city using stablecoins. The method approved by the city must allow the acceptance of stablecoins directly into a city-controlled digital wallet or allow the city to contract with a third-party digital asset payment processor that would allow for the immediate conversion of any payments made by stablecoins into United States dollars and deposit those funds into a city-owned bank account. The city must approve one or more specific stablecoins as suitable for inclusion in the approved payment method. The city may designate a city official to make the determinations and to grant the approvals required under this ordinance. Any stablecoins approved by the city must satisfy the following minimum standards: (1) the stablecoin is backed 1:1 with US Dollars, (2) the USD backing is verified by an independent third party auditor, and (3) the US Dollars backing the stablecoin are held in an FDIC-insured bank in the United States.

Section 2. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of Council Chambers, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.