



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

**Monday, December 13, 2021
9:00 AM**

Committee Members:

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

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

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

To access the meeting remotely using the internet: Join from a PC, Mac, iPad, iPhone, or Android device: Use URL - <https://us02web.zoom.us/j/82563730990>. If you do not wish for your name to appear on the screen, then use the drop down menu and click on "rename" to rename yourself to be anonymous. To request to speak, use the "raise hand" icon on the screen.

To join by phone: Dial **1-669-900-9128 or 1-877-853-5257 (Toll Free)** and Enter Meeting ID: **825 6373 0990**. If you wish to comment during the public comment portion of the agenda, press *9 and wait to be recognized by the Chair.

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

AGENDA

Roll Call

Minutes for Approval

Draft minutes for the Committee's consideration and approval.

1. Minutes - December 9, 2021

Committee Action Items

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

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

2. FY 2021 Year-End and FY 2022 First Quarter Budget Update

From: City Manager

Contact: Rama Murty, Budget Office, (510) 981-7000

3. Amendment: FY 2022 Annual Appropriations Ordinance #1

From: City Manager

Contact: Rama Murty, Budget Office, (510) 981-7000

4. Measure U1 & Measure P Update

From: City Manager

Contact: Rama Murty, Budget Office, (510) 981-7000

5. Vacancy Report

From: City Manager

Contact: Rama Murty, Budget Office, (510) 981-7000

6. Police Overtime

From: City Manager

Contact: Jennifer Louis, Police, (510) 981-5900

7. American Rescue Plan Update

From: City Manager

Contact: Paul Buddenhagen, City Manager's Office, (510) 981-7000

8. UC Berkeley Settlement Agreement Overview/Fire Department Recommendations

From: City Manager

Contact: Dee Williams-Ridley, City Manager, (510) 981-7000; Abe Roman, Fire, (510) 981-3473

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.

9. **FY 2021 Fourth Quarter Investment Report: Ended June 30, 2021**
From: City Manager
Referred: November 30, 2021
Due: May 24, 2022
Contact: Henry Oyekanmi, Finance, (510) 981-7300
10. **Discussion and Development of Criteria and Timing for AAO Process**
From: Mayor Arreguin
Contact: Jesse Arreguin, Mayor, (510) 981-7100
11. **Review of Council's Fiscal Policies**
From: City Manager
Contact: Rama Murty, Budget Office, (510) 981-7000
12. **Proposal to Allocate Revenues Generated by the Transient Occupancy Tax in the Waterfront Area to the Marina Fund to Avoid Insolvency, Rebuild its Fund Balance and to Stabilize its Finances**
From: Parks and Waterfront Commission
Referred: November 16, 2021
Due: May 10, 2022
Recommendation: That Council adopt a Resolution adopting a policy that all Transient Occupancy Taxes (TOT hotel tax) generated at the Berkeley Waterfront be allocated to the City's Marina Enterprise Fund. All other property, sales, utility users, and parking taxes; as well as business license and franchise fees, would continue to be allocated to the City's General Fund.
Policy Committee Recommendation: Send the item to Council with a negative recommendation and additionally request a referral to the Budget & Finance Policy Committee to discuss and develop alternative revenue streams for the Marina Fund including a dedicated reserve.
On November 16, 2021, the City Council adopted the Policy Committee recommendation and the item was referred back to the Budget & Finance Committee.
Financial Implications: See report
Contact: Roger Miller, Commission Secretary, (510) 981-6700
13. **Report and Discussion of Federal Infrastructure Bills and Availability to Local Governments**
From: City Manager
Contact: Dee Williams-Ridley, City Manager, (510) 981-7000

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:

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.

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I hereby certify that the agenda for this meeting of the Standing Committee 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 December 9, 2021.



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, and are available upon request by contacting the City Clerk Department at (510) 981-6908 or policycommittee@cityofberkeley.info.

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

**Thursday, December 9, 2021
9:30 AM**

Committee Members:

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

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AGENDA

Roll Call: 9:35 a.m.

Present: Harrison, Arreguin

Absent: Droste

Public Comment on Non-Agenda Matters – 2 speakers

Councilmember Droste present at 9:40 a.m.

Minutes for Approval

Draft minutes for the Committee's consideration and approval.

1. Minutes - November 16, 2021

Action: M/S/C (Arreguin/Harrison) to approve the minutes of November 16, 2021.

Vote: All Ayes.

Committee Action Items

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

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

2. FY 2021 Year-End and FY 2022 First Quarter Budget Update

From: City Manager

Contact: Rama Murty, Budget Office, (510) 981-7000

Action: 10 speakers. Presentation made and discussion held. Item continued to next meeting on December 13, 2021.

3. Amendment: FY 2022 Annual Appropriations Ordinance

From: City Manager

Contact: Rama Murty, Budget Office, (510) 981-7000

Action: 3 speakers. Presentation made and discussion held. Item continued to next meeting on December 13, 2021.

Committee Action Items

4. Council Budget Referrals and AAO Discussion

From: City Manager

Contact: Rama Murty, Budget Office, (510) 981-7000

Action: Items 3 & 4 were discussed together.

5. FY 2021 Fourth Quarter Investment Report: Ended June 30, 2021

From: City Manager

Referred: November 30, 2021

Due: May 24, 2022

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

Item moved to Unscheduled and continued to the next meeting on December 13, 2021.

6. Discussion and Development of Criteria and Timing for AAO Process

From: Mayor Arreguin

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

Item moved to Unscheduled and continued to the next meeting on December 13, 2021.

7. Review of Council's Fiscal Policies

From: City Manager

Contact: Rama Murty, Budget Office, (510) 981-7000

Item moved to Unscheduled and continued to the next meeting on December 13, 2021.

Committee Action Items

8. **Proposal to Allocate Revenues Generated by the Transient Occupancy Tax in the Waterfront Area to the Marina Fund to Avoid Insolvency, Rebuild its Fund Balance and to Stabilize its Finances**
From: Parks and Waterfront Commission
Referred: November 16, 2021
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Recommendation: That Council adopt a Resolution adopting a policy that all Transient Occupancy Taxes (TOT hotel tax) generated at the Berkeley Waterfront be allocated to the City's Marina Enterprise Fund. All other property, sales, utility users, and parking taxes; as well as business license and franchise fees, would continue to be allocated to the City's General Fund.
Policy Committee Recommendation: Send the item to Council with a negative recommendation and additionally request a referral to the Budget & Finance Policy Committee to discuss and develop alternative revenue streams for the Marina Fund including a dedicated reserve.
On November 16, 2021, the City Council adopted the Policy Committee recommendation and the item was referred back to the Budget & Finance Committee.
Financial Implications: See report
Contact: Roger Miller, Commission Secretary, (510) 981-6700

Item moved to Unscheduled and continued to the next meeting on December 13, 2021.

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.

9. **Report and Discussion of Federal Infrastructure Bills and Availability to Local Governments**
From: City Manager
Contact: Dee Williams-Ridley, City Manager, (510) 981-7000

Items for Future Agendas

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

Adjournment

Action: M/S/C (Droste/Harrison) to adjourn the meeting.
Vote: All Ayes.

Adjourned at 11:24 a.m.

I hereby certify that this is a true and correct record of the Budget & Finance Committee meeting held on December 9, 2021.

April Richardson, Assistant City Clerk

Communications

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Office of the City Manager

Date: December 9, 2021
 To: Budget & Finance Policy Committee
 From: Dee Williams-Ridley, City Manager
 Submitted by: Rama Murty, Senior Management Analyst
 Subject: FY 2021 Year-End Results and FY 2022 First Quarter Budget Update

RECOMMENDATION

Discuss FY 2021 Year-End and FY 2022 First Quarter Results and determine funding allocations for FY 2022 based on the FY 2021 General Fund Excess Equity and Excess Property Transfer Tax for the following: 1) the General Fund Reserves 2) City Manager Budget Recommendations and 3) the Council's Budget Referrals approved during FY 2022 to be considered in November 2021.

BACKGROUND

This budget update presents the FY 2021 Year-End (Year-End) results as well as reports on the FY 2022 First Quarter. The FY 2021 Year-End budget summary covers the period starting July 1, 2020, through June 30, 2021 (FY 2021). This report also provides preliminary revenue information for the first quarter of the current fiscal year, 2022. The FY 2022 First Quarter Budget Update covers the period July 1, 2021, through September 30, 2021. The FY 2021 General Fund Year-End balance was \$32.2 million. Amounts restricted, committed, and assigned totaled \$22.2 million. Allocations to the General Fund reserves totaled \$4.41 million¹. The amount of Unassigned Excess Equity totaled \$5.41 million.

The information in this report should be reviewed in conjunction with the Amendment to the FY 2022 Annual Appropriations Ordinance (AAO). The AAO#1 establishes the expenditure limits by fund for FY 2022. 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.

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.

FY 2021 Year-End Summary

General Fund

On June 30, 2020, the City Council adopted the FY 2021 budget (Adopted Budget).² The FY 2021 adopted General Fund revenues were \$195.8 million. The actual FY 2021 year-end General Fund revenues were \$232.0 million.

Included in the FY 2021 Adopted Budget were General Fund expenditures of \$194.7 million. During the fiscal year, there were two Adjustments to the Appropriation Ordinance totaling \$42.4 million, thus the total FY 2021 General Fund adjusted expenditure budget was \$237.2 million³. At the end of FY 2021, \$8.5 million was encumbered and rolled into FY 2022 resulting in an FY 2021 year-end adjusted expenditure budget of \$228.4. Not all of the budgeted funds were expended in FY 2021, so the FY 2021 year-end actual General Fund expenditures were \$226.9 million.

Revenues

At FY 2021 year-end, actual General Fund revenues were \$232.0 million. This was \$36.2 million above the adopted budget of \$195.8 million. The largest contributors to the revenue increase were the following items:

- Real Property Tax revenues, which exceeded the budgeted amount by \$7.0 million
- Measure P – Transfer Tax⁴, which exceeded the budgeted amount by \$6.2 million
- Property Transfer Tax revenue, which exceeded the budgeted amount by \$5 million⁵
- Business License Tax, which exceeded the budgeted amount by \$4.7 million
- Other revenues, which exceeded the budgeted amount by \$4.1 million

Together, these three revenue streams generated \$27.6 million above FY 2021 adopted revenues for the General Fund.

Details on the FY 2021 General Fund revenues can be found in Attachment 1.

² https://www.cityofberkeley.info/Clerk/City_Council/2020/06_June/Documents/2020-06-30_Item_40_FY_2021_Mid-Biennial_Budget_pdf.aspx (Items #40 & #41)

³ https://www.cityofberkeley.info/Clerk/City_Council/2021/05_May/Documents/2021-05-11_Item_02_Amendment_FY_2021_Annual.aspx

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

⁵ This amount will be reduced to \$4.5 million for the payment to the Workers Compensation Fund for the purchase of the University Avenue property

Expenditures

Actual FY 2021 General Fund expenditures were \$226.9 million. This was \$32.2 million above the initial adopted budget of \$194.7 million and \$1.5 million below the adjusted budget of \$228.4 million.

The FY 2021 General Fund budget contained \$26.5 million in budget deferrals that were built into the budget to help balance the \$39.1 million deficit the City faced due to the pandemic.

Of the \$26.5 million in budget deferrals, almost \$16 million were personnel deferrals. During the year, departments were allowed to hire General Fund vacancies on a case by case basis after a detailed review by the City Manager.

While these vacancies generated salary savings during the year, the saving was not enough to offset the total personnel deferrals and possible payroll coding errors that occurred in the transition to payroll moving to the new system. In the end, the General Fund personnel budget finished over budget by \$10.5 million.

The overage in General Fund personnel was offset by non-personnel savings of \$12 million in departments. Some of the non-personnel saving was due to departments not fully spending their non-personnel budgets while the rest was for projects that were not completed in FY 2021. Funding allocations for ongoing projects are being carried over to FY 2022.

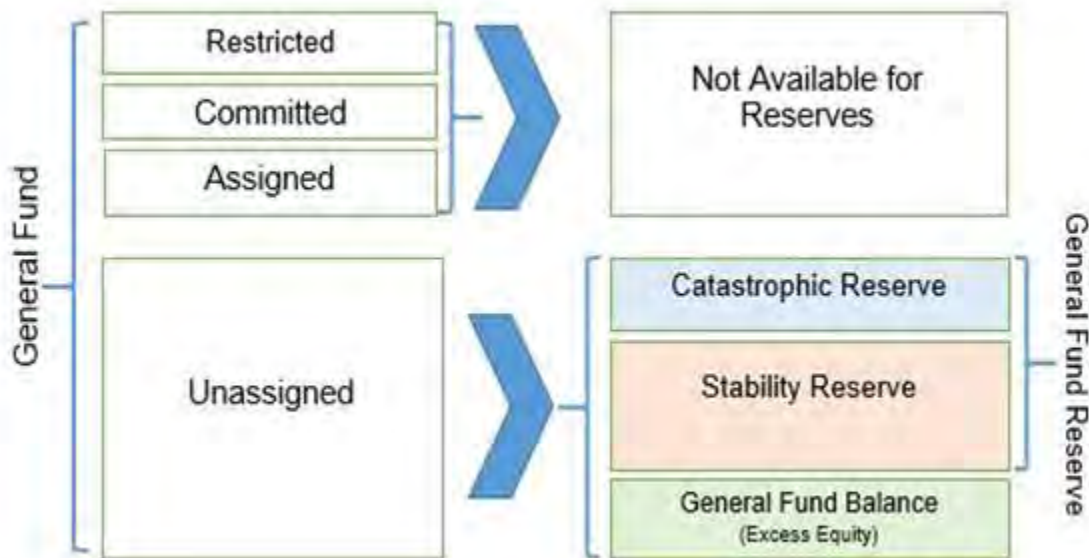
Details of the variances are included in Attachment 2 of this report.

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 2021, \$4.41 million reserve calculation as well as the \$5.41 million calculation for the unassigned excess equity.

GENERAL FUND EXCESS EQUITY CALCULATION			
FY 2021 Beginning Balance		\$	40,594,945
FY 2021 Revenues (Includes \$11.4 million from Reserve Funds)		\$	232,028,202
FY 2021 Expenditures		\$	(226,901,811)
G. F. Encumbrances Restricted (AAO #1)		\$	(8,451,781)
City Manager Salary Increase		\$	(52,958)
Salary Adjustments for Department Head		\$	(127,430)
Legislative Assistants Salary & Fringe Benefit		\$	(709,695)
Mayor and Council Annual Salary per Measure JJ		\$	(30,121)
FY 2022 General Fund COLAs		\$	(3,775,783)
FY 2022 PEPRA Ramp Down		\$	(339,008)
Available Balance		\$	32,234,561
Less:			
Measure U1 Ending Fund Balance		\$	(973,695)
Measure P Ending Fund Balance		\$	(17,032,253)
G.F. Carryover (AAO #1)		\$	(4,405,774)
Total Restricted & Carryovers		\$	(22,411,722)
FY 2022 Available Excess Equity*		\$	9,822,838
Allocation to Reserves		\$	4,411,419
Excess Equity Balance		\$	5,411,419
<i>*Includes excess FY 2021 Excess Property Transfer Tax revenue of \$4,969,955. \$406,952 to repay loan to the Workers Compensation fund for the purchase of Premier Cru will be included in AAO#1.</i>			

Excess equity is and 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. The policy was revised to include public health emergencies and pandemics⁷. 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 the Stability and Catastrophic Reserves (Reserves). Additional Excess Equity may be allocated to Reserves by a majority vote of the Council.

As part of the FY 2021 Mid-Biennial Budget Adoption, the Council approved the use of approximately \$11.4 million to help balance the General Fund deficit. During FY 2021, the Council approved an allocation of \$1.8 million in FY 2020 excess property transfer tax revenues to help repay the loan to the General Fund.

The chart directly below illustrates the use of these reserves and the FY 2021 allocation of the \$4.41 million distributed to the General Fund Reserves, resulting in an actual Reserves level of 14.06%⁸.

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

⁷ [https://www.cityofberkeley.info/Clerk/City_Council/2020/06_June/Documents/2020-06-16_\(Special_230pm\)_2020-06-16_Special_Item_03_Amendments_to_the_General_Fund_pdf.aspx](https://www.cityofberkeley.info/Clerk/City_Council/2020/06_June/Documents/2020-06-16_(Special_230pm)_2020-06-16_Special_Item_03_Amendments_to_the_General_Fund_pdf.aspx)

⁸ Based on the FY 2021 Adopted General Fund Revenues of \$195.8 million.

General Fund Reserves	Stability Reserve	Catastrophic Reserve	Reserve %
Beginning Cash Balance -	\$ 15.81	\$ 10.60	
FY 2021 Allocation to Reserves	\$ 2.43	\$ 1.98	
% Allocation	55%	45%	
Reserve Balance	\$ 18.24	\$ 12.58	
Reserved for Camps Fund - Tuolumne Camp		\$ (3.30)	
Ending Cash Balance - Reserves	\$ 18.24	\$ 9.28	14.06%

Council Budget Pre-Funded Items for AAO #1 and Council Budget Referrals

On June 29, 2021, Council referred the following items for Pre-Funding consideration in the November 2021 AAO #1 Report.

June 2021 Budget Items Approved for Pre-Funding in November 2021 AAO #1		
Department	Item	Amount
City Manager	Community Survey	85,000
Information Technology	IT Move to 1947 Center Street	770,000
Information Technology	IT 2180 Milvia/4th Floor Rent	106,017
Parks, Recreation & Waterfront	West Campus Pool Filters/Plaster	510,000
Police	Police Overtime	1,000,000
Police	Portable Radio Replacement	600,000
Public Works	Ped Xing Signal @ intersection of Shattuck &	100,000
Public Works	Traffic Calming at MLK and Stuart Street	100,000
Public Works	George Florence Park/10th Street Traffic Calming	220,000
Total		3,491,017

In addition, between September 14 and November 30, 2021, there were 23 Council referrals are listed in Attachment 5 and total up to \$8 million.

November General Fund Budget Recommendations

As was noted earlier in the report, the FY 2021 Excess Equity Amount was \$5.4 million. With Pre-Funded AAO #1 items at \$3.5 million, Council budget referrals at \$8 million, and department operational requests at close to \$9.9 million, it was clear that not everything could be funded with the remaining funds.

Staff carefully reviewed all the requests and items and prioritized all the items into three tiers for funding as shown in Attachment 6.

The criteria used to group items into the tiers was as follows:

- Tier 1: Council Approved Items, Critical Operational Needs, Public Safety Items, or Legislative Mandates
- Tier 2: Non-Critical Operational Needs that maybe on hold or have existing funding
- Tier 3: Non-Urgent Operational Needs Recommend FY 2023 & FY 2024 Budget Consideration

Items recommended for Pre-Funding in AAO #1 have been highlighted so it is clear where these items were placed.

Of the items for Pre-Funding in AAO #1 listed above, the only item being recommended for immediate funding in the AAO #1 report is the West Campus Pool Filters/Plaster. This work cannot be delayed at this point otherwise it may impact summer programming or result in the pool being closed for an indefinite period of time.

Included in the Tier 1 list were several important Council budget referrals.

The total amount for Tier 1 items is at \$4.6 million and this leaves \$857,295 that has not been allocated to any items.

All Funds

On an All Funds basis, the City finished FY 2021, \$110 million (16%) 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, \$51 million is in the Department of Public Works. A sampling of the \$51 million underspending includes the following:

- Capital Improvement Fund (+\$7.1 million): \$0.7 million in salary savings and \$5.1 million in project fund carryover for transportation, street, facilities project funds to FY 2022 due to project timing, including ADA Transition Plan Update, EV Charging Station Infrastructure, FY 21 Street Rehabilitation, and Sidewalk Repair projects.
- Zero Waste (+\$6.8 million) \$0.9 million in salary savings and \$5.9 million in carried over projects into FY 2022, including the Transfer Station Replacement project environmental review and permitting.
- Sewer Fund (+\$6.0 million): \$1.8 million in personnel savings due to vacancies, \$4.0 million in continuing and deferred sewer projects scheduled for completion in FY 2022.
- Measure T1 (+\$4.6 million) \$4.6 million in carryover for various Measure T1 projects with work continuing into FY 2022.

In addition, the Department of Health Housing and Community Services had \$31 million in underspending. The vast majority of Health, Housing & Community Services' year-end fund balance consists of funds allocated to projects and programs not fully

expended by the end of the fiscal year which will be carried forward to FY 2022, new positions being filled after the start of the fiscal year and vacancies throughout the department.

Of the \$31 million, half (\$15.4M) are funds designated for affordable housing. More than \$8.8 million is already allocated for housing development contracts to be encumbered in FY 2022 and approximately \$6.6 million are in the Housing Trust Fund to be disbursed for various affordable housing developments at a later date. Also, in the Housing and Community Services Division, over \$2 million in ESG-CARES Acts funds were committed to specific homeless-serving programs and were included in the carryforward request for FY 2022.

Information Technology had \$5.1 million in underspending due to FUND\$ Replacement Funds and IT Cost Allocation Funds not being fully spent in FY 2021. Only funds for active projects will be carried over to FY 2022.

Parks Recreation and Waterfront had \$9.7 million in underspending due to personnel savings and unexpended project funds in the Playground Camp Fund, Parks Tax Fund, Capital Improvement Fund, and Measure T1 Fund. Only certain unspent project funds will be carried over to FY 2022.

Finally, the Library Fund had underspending of \$4.7 million due in large part to aggregated savings from miscellaneous department budget savings, staffing vacancies, deferment of Central Library stucco restoration and window resealing work to FY 2022, as well as the Central Library's replacement of rooftop air conditioning HVAC units, and the postponement of replacement of information system network switches.

Attachment 1 provides information on the FY 2021 Year-End General Fund Revenues and includes a variance analysis.

Attachment 2 provides information on unspent FY 2021 Year-End Expenditures

FY 2022 First Quarter Summary

General Fund Revenues

The first quarter review generally focuses primarily on the major revenue fluctuation and changes that have occurred that might result in significant changes in future projections. Typically, Staff waits until the mid-year to identify General Fund revenue projections that should be revised. Staff will monitor these revenues for one more quarter and make the determination of revising the projections at the half year point.

During the first quarter of FY 2022, General Fund revenue and transfers increased by \$15,445,993 or 52.3%, from \$29,529,079 in the first quarter of FY 2021, to \$44,975,072 in the first quarter of FY 2022, due primarily to the following increases:

• Property Transfer Taxes	\$ 7,552,196
• Measure P	2,921,408
• Sales Taxes	1,069,319
• Transient Occupancy Taxes (TOT)	667,247
• Parking Fines	748,312
• Transfers In	2,406,090

The increases in revenues is in a number of categories and can be seen in more detail in Attachment 3

General Fund Expenditures

General Fund expenditures are currently tracking close to within budget as departments tend to encumber funds purchase orders for the entire year in the first few months of the year. 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 4 provides additional information on the FY 2022 First Quarter Expenditures by department and includes a variance analysis.

Next Steps

Staff will present second-quarter revenue and expenditure projections at the FY 2022 Mid-Year Update in February/March 2022. We are also beginning the development of the FY 2023 & FY 2024 Biennial Budget.

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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Henry Oyekanmi, Finance Director, Department of Finance, 981-7300

Attachments:

1. FY 2021 Year End General Fund Revenues
2. FY 2021 Year End General Fund and All Funds Expenditures
3. FY 2022 1st Quarter General Fund Revenues
4. FY 2022 1st Quarter General Fund and All Funds Expenditures
5. Summary of Council Referrals to the Budget Process
6. November 2021 General Fund Budget Recommendations

General Fund Revenue and Transfer in FY2021 VS FY 2020 Comparison

Revenue Categories	FY 2021				FY 2020				Comparison FY21 vs FY 20	
	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	\$61,165,454	\$68,166,155	\$7,000,701	111.45%	\$63,199,622	\$63,192,678	(\$6,944)	99.99%	4,973,477	7.87%
Redemptions - Regular	534,512	757,854	223,342	141.78%	668,140	580,941	(\$87,199)	86.95%	176,913	30.45%
Supplemental Taxes	1,260,000	2,249,517	989,517	178.53%	1,400,000	2,334,597	\$934,597	166.76%	(85,080)	-3.64%
Unsecured Property Taxes	2,250,000	3,448,412	1,198,412	153.26%	2,500,000	3,164,168	\$664,168	126.57%	284,244	8.98%
Property Transfer Tax	16,500,000	21,469,955	4,969,955	130.12%	12,500,000	22,095,507	\$9,595,507	176.76%	(625,552)	-2.83%
Property Transfer Tax-Measure P (New December 21, 2018)	4,747,414	10,919,576	6,172,162	230.01%	1,509,218	9,512,603	\$8,003,385	630.30%	1,406,973	14.79%
Sales Taxes	15,786,200	15,792,305	6,105	100.04%	18,238,000	17,557,539	(\$680,461)	96.27%	(1,765,234)	-10.05%
Soda Taxes	970,794	953,069	(17,725)	98.17%	1,459,057	1,331,313	(\$127,744)	91.24%	(378,244)	-28.41%
Utility Users Taxes	12,750,000	13,892,200	1,142,200	108.96%	15,000,000	13,475,915	(\$1,524,085)	89.84%	416,285	3.09%
Transient Occupancy Taxes	5,070,000	2,292,480	(2,777,520)	45.22%	7,800,000	6,387,495	(\$1,412,505)	81.89%	(4,095,015)	-64.11%
Short-term Rentals	676,260	694,197	17,937	102.65%	1,020,000	1,280,267	\$260,267	125.56%	(586,070)	-45.78%
Business License Tax	12,984,192	17,809,332	4,825,140	137.16%	19,584,000	21,009,453	\$1,425,453	107.28%	(3,200,121)	-15.23%
Recreational Cannabis	1,300,000	1,712,641	412,641	131.74%	510,000	1,300,887	\$790,887	255.08%	411,754	31.65%
U1 Revenues	2,700,000	4,818,740	2,118,740	178.47%	1,000,000	5,597,359	\$4,597,359	559.74%	(778,619)	-13.91%
Other Taxes	922,048	1,362,227	440,179	147.74%	1,116,860	1,536,731	\$419,871	137.59%	(174,504)	-11.36%
Vehicle In-Lieu Taxes	12,421,597	14,380,453	1,958,856	115.77%	13,333,826	13,356,044	\$22,218	100.17%	1,024,409	7.67%
Parking Fines-Regular Collections	5,049,000	3,571,391	(1,477,609)	70.73%	6,600,000	3,892,325	(\$2,707,675)	58.97%	(320,934)	-8.25%
Parking Fines-Booting Collections			0		200,000	8,685	(\$191,315)	4.34%	(8,685)	-100.00%
Moving Violations	190,000	131,756	(58,244)	69.35%	190,000	209,894	\$19,894	110.47%	(78,138)	-37.23%
Ambulance Fees	5,103,208	3,081,204	(2,022,004)	60.38%	4,200,000	4,996,193	\$796,193	118.96%	(1,914,989)	-38.33%
Interest Income	2,851,200	5,917,722	3,066,522	207.55%	3,564,000	7,942,187	\$4,378,187	222.84%	(2,024,465)	-25.49%
Franchise Fees	1,551,696	1,726,470	174,774	111.26%	2,068,928	1,839,102	(\$229,826)	88.89%	(112,632)	-6.12%
Other Revenue	6,246,348	10,354,768	4,108,420	165.77%	7,980,544	8,031,805	\$51,261	100.64%	2,322,963	28.92%
IDC Reimbursement	5,490,000	5,345,014	(144,986)	97.36%	6,100,000	5,489,783	(\$610,217)	90.00%	(144,769)	-2.64%
Transfers	17,274,293	21,180,762	3,906,469	122.61%	5,386,188	7,564,173	\$2,177,985	140.44%	13,616,589	180.01%
Total Revenue:	\$195,794,216	\$232,028,200	\$36,233,984	118.51%	\$197,128,383	\$223,687,644	\$26,559,261	113.47%	\$8,340,556	3.73%

Notes: (1) This statement is presented on a budgetary basis (i.e., cash).

(2) Current vendor no longer breaks out Regular and Booting Parking Fines Collections.

During FY 2021, General Fund revenue and transfers increased from FY 2020 by \$8,340,556 or 3.73%, from \$223,687,644 to \$232,028,200. That increase was due primarily to Transfers of \$11.4 million from the City's reserve funds (\$6.9 million from the Stabilization Reserve Fund and \$4.5 million from the Catastrophic Reserve Fund) to mitigate the negative impacts of the COVID-19 pandemic.

In addition, Other Revenues Income for FY 2021 totaled \$10,354,768 which is \$2,322,963 or 28.9% more than the \$8,031,805 received for the first quarter of FY 2020. The increase was primarily due to \$1.5 million received in FY 2021 for the COVID Relief Program and \$.9 million received for the Berkeley Relief Fund.

However, that's only part of the FY 2021 story:

At mid-year, FY 2021 General Fund year-over-year revenue growth was approximately 15%, compared to the actual revenue growth of 3.73% for the entire year. This indicates that the first half economic performance was solid and helped to absorb the impacts of the negative impacts of the second half.

Another part of the FY 2021 story is that business-related revenues were hit hard by the continuing impact of the COVID-19 pandemic, as follows:

- Sales Tax revenue totaled \$15,792,305, which was \$1,765,234 or 10.1% less than the \$17,557,539 received in FY 2020.
- Transient Occupancy Tax (TOT) revenue totaled \$2,292,480 which was \$4,095,015 or 64.1% less than the \$6,387,495 received in FY 2020.
- Business License Tax revenue totaled \$17,809,332, which was \$3,200,121 or 15.2% less than the \$21,009,453 received in FY 2020.
- U1 Business License Tax revenue totaled \$4,818,740 which was \$778,619 less than the \$5,597,359 received in FY 2020.

- Interest Income totaled \$5,917,722, which was \$2,024,465 or 25.5% less than the \$7,942,187 received in FY 2020.
- Ambulance Fee revenue totaled \$3,081,204, which was \$1,914,989 or 38.3% less than the \$4,996,193 received in FY 2020.

On the other hand, property-related revenues were strong during the COVID-19 pandemic, as follows:

- Secured Property Tax revenues totaled \$68,166,155, which was \$4,973,477 or 7.87% more than the \$63,192,678 received in FY 2020.
- Property Transfer Tax revenue totaled \$21,469,955, which was a decrease of \$625,552 or 2.8% from the \$22,095,507 received in FY 2020. The amount of \$21,469,955 received in FY 2021 was \$4,969,955 more than the adopted budget amount of \$16,500,000. The primary reason for the \$625,552 decrease in Property Transfer Tax was that the May 2021 payment of \$3,384,375 from the County was not received until July 12, 2021 (FY 2022).
- Unsecured Property Tax totaled \$3,448,412, which was an increase of \$284,244 or 9.0% from the \$3,164,168 received in FY 2020.
- Vehicle In-Lieu Tax revenue totaled \$14,380,453, which was \$1,024,409 or 7.7% more than the \$13,356,044 received in FY 2020.

Secured Property Tax (+\$4,973,477 more than FY 2020 Actual)

During FY 2021, Secured Property Tax revenues totaled \$68,166,155, which was \$4,973,477 or 7.8% more than the \$63,192,678 received in FY 2020, and was consistent with the 7.7% increase in assessed value reflected in the County's Certification of Assessed Valuation. The FY 2021 total of \$68,166,155 was \$7,000,701 more than the adopted budget amount of \$61,165,454.

Unsecured Property Tax (+\$284,244 more than FY 2020 Actual)

During FY 2021, Unsecured Property Tax revenues totaled \$3,448,412, which was \$284,244 or 9.0% more than the \$3,164,168 received in FY 2020, and was more than the 7.1% increase in assessed value reflected in the County's Certification of Assessed Valuation. The FY 2021 total of \$3,448,412 was \$1,198,412 more than the adopted budget amount of \$2,250,000.

Property Transfer Tax (-\$625,552 less than FY 2020 Actual)

During, FY 2021, Property Transfer Tax revenue totaled \$21,469,955, which was a decrease of \$625,552 or 2.8% from the \$22,095,507 received in FY 2020. The amount of \$21,469,955 received in FY 2021 was \$4,969,955 more than the adopted budget amount of \$16,500,000. The primary reason for the \$625,552 decrease in Property Transfer Tax was that the May 2021 payment of \$3,384,375 from the County was not received until July 12, 2021 (FY 2022).

This revenue source is typically 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. However, Council suspended the policy in FY 2021 in order to approve a one-time increase of \$4 million in the baseline to \$16.5 million, to help deal with the impact of the COVID-19 pandemic.

In addition, \$10,919,576 in Measure P taxes (taxes effective December 21, 2018) was collected during FY 2021 compared to \$9,512,603 collected during FY 2020. The primary reason for the increase was there were more multi-million transactions during FY 2021 than there were in FY 2020.

Sales Tax (-\$1,765,234 less than FY 2020 Actual)

During FY 2021, Sales Tax revenue totaled \$15,792,305, which was \$1,765,234 or 10.1% less than the \$17,557,539 received in FY 2020. The amount of \$15,792,305 received in FY 2021 was \$6,105 more than the adopted budget amount of \$15,786,200. The decline in FY 2021 was primarily due to the impact COVID-19 had on retail businesses.

Utility Users Taxes (+\$416,285 more than FY 2020 Actual)

UUT revenue in FY 2021 increased by \$416,285 or 3.1%, to \$13,892,200 from \$13,475,915 received in FY 2020. The \$13,892,200 collected in FY 2021 was \$1,142,200 or 9.0% more than the adopted budget amount of \$12,750,000.

The increase in FY 2021 was primarily attributable to decreases in Telephone (-\$68,183), Cellular (-\$160,037) and Cable (-\$136,800), which were more than offset by increases in Gas (+\$164,499) and Electric (+\$616,825).

Transient Occupancy Tax (-\$4,095,015 less than FY 2020 Actual)

Transient Occupancy Tax (TOT) revenue for FY 2021 totaled \$2,292,480 which was \$4,095,015 or 64.1% less than the \$6,387,495 received in FY 2020. The FY 2021 decline in revenue was attributable to a substantial decline in room occupancy, due to the impact of the COVID-19 pandemic. More specifically, the pandemic resulted in a decline of \$3,296,482 or 22.6% in TOT revenue at the City's five largest hotels during FY 2021, versus a 22.6% decrease during FY 2020, with a range of 34.5% to 83.5%.

Business License Taxes (-\$3,200,121 less than FY 2020 Actual)

During FY 2021, BLT revenue totaled \$17,809,332, which was \$3,200,121 or 15.2% less than the \$21,009,453 received in FY 2020. The \$17,809,332 collected in FY 2021 was \$4,825,140 or 37.2% more than the adopted budget amount of \$12,984,192. The decline in FY 2021 was due primarily to the impact of COVID-19. Specifically, FY 2020 BLT is based on businesses 2019 gross receipts, and FY 2021 BLT is based on their 2020 gross receipts. In March 2020, the COVID-19 pandemic required many businesses to temporarily close for safety reasons. The unexpected temporary closures created a very negative impact on many businesses (especially retail and hotels) and forced some to permanently close.

In addition, during FY 2021, U1 Business License Tax revenue totaled \$4,818,740 which was \$778,619 less than the \$5,597,359 received in FY 2020. The \$4,818,740 collected in FY 2021 was \$2,118,740 more than the adopted budget amount of \$2,700,000.

Vehicle In Lieu Taxes (+\$1,024,409 more than FY 2020 Actual)

For FY 2020, VLF revenue totaled \$14,380,453, which was \$1,024,409 or 7.7% more than the \$13,356,044 received in FY 2020, and was consistent with the 7.7% increase in assessed value for FY 2021. The amount of \$14,380,453 received in FY 2021 was \$1,958,856 more than the adopted budget amount of \$12,421,597.

Parking Fines (-\$320,934 less than FY 2020 Actual)

During FY 2021, Parking Fines revenue decreased by \$320,934 or 8.3% to \$3,571,391, from \$3,892,325 in FY 2020, despite an increase in ticket writing, from 100,219 to 113,648 or 13.4%. The number of tickets written (and their collectability) were negatively impacted by the Governor's shelter in place orders related to the COVID-19 pandemic.

Interest Income (-\$2,024,465 less than FY 2020 Actual)

During FY 2021, Interest Income totaled \$5,917,722, which was \$2,024,465 or 25.5% less than the \$7,942,187 received in FY 2020. It was also \$3,066,252 more than the adopted budget amount of \$2,851,200. The decline in interest income in FY 2021 primarily resulted from the following, which was triggered by the Federal Reserve Board voting on March 15, 2020 to cut short-term interest rates back to zero, in order to mitigate the negative impact of the COVID-19 pandemic on the US economy: (1) The average book value of long-term investments were lower in FY 2021 until June 2021; (2) the average balance of investments in lower-yielding short-term investments were higher in FY 2021; and (3) the weighted-average interest rates were lower in FY 2021.

Ambulance Fees (-\$1,914,989 less than FY 2020 Actual)

For FY 2021, Ambulance Fee revenue totaled \$3,081,204, which was \$1,914,989 or 38.3% less than the \$4,996,193 received in FY 2020. This decrease was primarily due to the impact of the COVID-19 pandemic, which resulted in substantially less transports in FY 2021 than there were in FY 2020. The total of \$3,081,204 collected was \$2,022,004 less than the FY 2021 adopted budget amount of \$5,103,208.

Other Revenues (+\$2,322,963 more than FY 2020 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 FY 2021 totaled \$10,354,768 which was \$2,322,963 or 28.9% more than the \$8,031,805 received in FY 2020. The increase was primarily due to \$1.5 million received in FY 2021 for the COVID Relief Program and \$.9 million received for the Berkeley Relief Fund.

Indirect Cost Reimbursements (-\$144,769 less than FY 2020 Actual)

During FY 2021, IDC Reimbursement \$5,345,014 which was \$144,769 or 2.6% less than the \$5,489,783 received in FY 2020. This was primarily attributable to a slight decrease in the indirect cost allocation base (i.e., total direct salaries and wages) in FY 2021. IDC Reimbursement decreases result from decreases in the indirect cost allocation base (i.e., total direct salaries and wages in the fund), a decrease in the indirect cost rate or both.

Transfers (+\$13,616,589 more than FY 2020 Actual)

During FY 2021, Transfers totaled \$21,180,762 which was \$13,616,589 or 180.0% more than the \$7,564,173 received in FY 2020. The increase was primarily due to the transfers of \$11.4 million from the reserve funds (\$6.9 million from the Stabilization Reserve Fund and \$4.5 million from the Catastrophic Reserve Fund) to mitigate the negative impacts of the COVID-19 pandemic, and \$.9 million from the IT Allocation Fund.

FY 2021 Year End Expenditures

General Fund

Department	FY 2021 Adopted	FY 2021 Adjusted	Year-End Actuals	Balance	Percent Expended
Mayor & Council	2,559,046	2,855,642	2,701,344	154,298	95%
Auditor	2,657,863	2,632,945	2,467,028	165,917	94%
Police Accountability	0	0	3,251	(3,251)	
City Manager	10,450,066	12,023,118	11,102,637	920,481	92%
City Attorney	2,587,273	2,726,031	2,760,048	(34,017)	101%
City Clerk	2,338,047	3,208,207	2,832,552	375,655	88%
Finance	5,978,002	6,292,789	6,682,935	(390,146)	106%
Human Resources	2,280,207	2,946,350	2,318,028	628,322	79%
Information Technology	580,710	1,386,095	1,330,730	55,364	96%
Health, Housing & Community Services	14,850,382	28,483,857	25,566,360	2,917,497	90%
Parks, Recreation and Waterfront	6,831,086	7,667,457	7,304,226	363,231	95%
Planning	2,178,037	2,951,159	2,567,473	383,686	87%
Public Works	4,408,589	6,975,406	5,499,277	1,476,129	79%
Police	65,460,524	71,162,137	77,270,053	(6,107,916)	109%
Fire	32,272,610	35,499,205	38,988,843	(3,489,638)	110%
Non-Departmental	39,286,268	41,576,258	37,507,026	4,069,232	90%
Total	194,718,710	228,386,655	226,901,811	1,484,844	99%

All Funds (including General Fund)

Department	FY 2021 Adopted	FY 2021 Adjusted	Year-End Actuals	Balance	Percent Expended
Mayor & Council	2,559,046	2,870,642	2,708,844	161,798	94%
Auditor	2,786,499	2,761,581	2,526,081	235,500	91%
Rent Board	6,646,209	6,095,798	5,517,190	578,609	91%
Police Accountability	0	0	3,251	(3,251)	
City Manager	13,515,943	17,246,137	14,156,797	3,089,340	82%
Library	21,846,159	24,947,180	20,255,244	4,691,936	81%
City Attorney	4,509,824	6,823,739	6,214,367	609,372	91%
City Clerk	2,839,880	3,710,040	3,194,204	515,836	86%
Finance	8,555,177	8,855,951	8,146,012	709,939	92%
Human Resources	4,072,239	4,884,263	4,078,091	806,172	83%
Information Technology	20,647,410	22,502,561	16,552,330	5,950,231	74%
Health, Housing & Community Services	53,834,105	112,751,842	81,811,330	30,940,512	73%
Parks, Recreation and Waterfront	32,561,123	70,480,018	60,795,051	9,684,967	86%
Planning	25,022,338	26,402,993	21,687,691	4,715,302	82%
Public Works	138,631,154	177,491,018	126,068,016	51,423,002	71%
Police	70,325,114	78,028,747	79,395,632	(1,366,885)	102%
Fire	41,254,373	46,138,940	49,891,701	(3,752,761)	108%
Non-Departmental	83,711,926	88,360,420	87,491,152	869,268	99%
Total	533,318,519	700,351,870	590,492,983	109,858,887	84%

FY 2021 Year-End Expenditures Variance Analysis

Significant General Fund Variances

- City Manager's Office (+\$920,481) was due to unexpending of non-personnel funds FY 2021.
- City Clerk (+\$375,655) was due to funds for regular elections and software maintenance not being fully spent in FY 2021.
- Human Resources (+\$628,322) was due to salary savings from vacant positions and funds for labor negotiations and a compensation and classification studies not being fully spent in FY 2021. The funds for labor negotiations and the compensation and classification study will be carried over to FY 2022 to deal with the issues tied to the new labor contracts approved by Council.
- Health, Housing and Community Services (+\$2,917,497) balance was non-personnel funds with \$2.2 million for a contract with the Pathways STAIR project that will be executed in FY 2022. Approximately \$380,000 in general fund has been requested in the carryforward this fiscal year.
- Parks, Recreation & Waterfront (+\$363,231) was due to not fully spending non-personnel funds in FY 2021. Most of this was an allocation of \$250,000 for the African American Holistic Resource Center project. These funds are being carried over to FY 2022.
- Planning (+\$383,686) was due to salary savings and non-personnel savings in FY 2021. A portion of the non-personnel funds was \$125,000 for the Zoning Ordinance Revision Project - Objective Standards for Density / State Housing Law Compliance. These funds are being carried over to FY 2022. Also in the unspent non-personnel funds and being carried over to FY 2022 was \$25,000 for a Planning Department Equity Consultant.
- Public Works (+\$1,476,129) was primarily due to non-personnel and capital project funds not being completely spent in FY 2021. A significant amount of these funds will be carried over to FY 2022 for the following projects:
 - Old City Hall & Veterans Building Leak Repair (+\$95,594)
 - Underground Utility District #48 Grizzly Peak (+\$385,069)
 - Public Safety Building Cooling Redundancy (+\$429,550)
 - Citywide Undergrounding (+\$162,973)
 - Clean Cities/Illegal Dumping for the Clean and Livable Commons Initiative (+\$679,813)
- Police (-\$6,107,917) began FY 2021 with uniformed staffing at approximately 173 filled positions and the funding to support approximately 154 positions. The General Fund salary savings deferral target of \$8,286,289 was deducted at the beginning of the fiscal year to help balance the FY 2021 General Fund budget. During the fiscal year, the department was given the authorization to increase hiring and provided with an overtime allocation of \$3.5 million plus an additional \$1 million dollar reserve

held outside the Police budget of which \$180,000 was used to augment overtime for the bike patrol unit (\$820,000 of the \$1 million for potential unanticipated overtime costs remained outside the Police budget in reserve and was not used). The increase in staffing which was designed to help keep public safety a priority, resulted in the salary and benefits savings for the year being limited to \$3.5 million. The additional funds added for overtime helped to generate savings in sworn overtime. These savings were offset as non-sworn overtime was over budget by a net total of \$540,000 due to vacancies in Dispatch and the Jail Unit.

In total, the Police General Fund personnel budget was over budget by \$5.4 million in FY 2021 because the deferral reduction of \$8,286,289 could not be met. The non-personnel budget deferral savings of \$500,000 was met; however, Internal Services charges (charges by other city departments for their services) were over budget by \$770,982 for vehicle maintenance and vehicle replacement.

- Fire (-\$3,489,683) was primarily the result of the personnel savings expected to be generated from the FY 2021 deferral of \$3.5 million being lifted for the department so that they could hire up to the maximum staffing capacity in FY 2021 to help keep the overtime expenses down and to deal with wildfire threats. The department managed to keep expenditures at budget outside of this target.
- Non-Departmental (+\$4,069,232) was due to not fully spending funds for the following items:
 - FLSA Labor Settlement Funds (+\$684,306)
 - Homeless Response Team (+\$746,312) as the program start up was slower than expected
 - Measure P Funds (\$315,094)
 - Police Overtime Funds (\$820,000) were held in reserve in case needed but not transferred to the Police Department budget.
 - Emergency Operations Center COVID-19 response Funds (+\$425,680)

Significant All Funds Variances

- Information Technology (+\$5,950,231) was due to FUND\$ Replacement Funds and the IT Cost Allocation Fund not being fully spent in FY 2021.
- Health, Housing & Community Services (+\$30,940,512): The vast majority of Health, Housing & Community Services' year-end fund balance consists of funds allocated to projects and programs not fully expended by the end of the fiscal year which will be carried forward to FY 2022, new positions being filled after the start of the fiscal year and vacancies throughout the department.

Of the \$31 million, half (\$15.4M) are funds designated for affordable housing. More than \$8.8 million is already allocated for housing development contracts to be encumbered in FY 2022 and approximately \$6.6 million are in the Housing Trust Fund to be disbursed for various affordable housing developments at a later date. Also, in the Housing and Community Services Division, over \$2 million in ESG-CARES Acts funds were committed to specific homeless-serving programs and were included in the carryforward request for FY 2022.

The next largest segment is about \$7.2 million from state taxes (Mental Health Service Act, Mental Health Realignment and Public Health Realignment). In addition to \$1.2 million in Medi-Cal funds, these funds were unspent due to vacancies throughout the Mental Health and Public Health Divisions (including long-term vacant, difficult-to-fill positions), new positions budgeted for the full year but not filled until later in the fiscal year, and delays in implementation of new programs. These funds were included in the added to the FY 2022 budget through the AAO #1 process.

Another \$2.2 million are related to other grant balances, including \$1 million in COVID allocations that will carry over into FY 2022 for the continuing pandemic response.

- Public Works (+\$51,423,002) were largely due to the following:
 - Sewer Fund (+\$6.0 million): \$1.8 million in personnel savings due to vacancies, \$4.0 million in continuing and deferred sewer projects scheduled for completion in FY 2022.
 - State Transportation Tax (+\$3.3 million) \$0.6 million in salary savings and \$2.5 million in project funding for various street and storm drain program projects continued for completion in FY 2022.
 - Capital Improvement Fund (+\$7.1 million): \$0.7 million in salary savings and \$5.1 million in project fund carryover for transportation, street, facilities project funds to FY 2022 due to project timing, including ADA Transition Plan Update, EV Charging Station Infrastructure, FY 21 Street Rehabilitation, and Sidewalk Repair projects.
 - Measure B (+\$1.1 million) \$0.3 million in carried over equipment purchases and \$0.8 million in street improvement projects project budget to carried over into FY 2022 for construction completion.
 - Measure BB (+3.1 million) \$0.7 million in salary savings and \$2.9 million in sidewalk and street improvement projects project budget to be carried over into FY 2022 for completion.
 - Off Street Parking (+1.7 million) \$0.5M Off -Street Parking Fund savings due to equipment budget carryover to FY 2022, \$0.7 million in Parking Management savings.
 - Parking Meter (+1.1 million): \$ \$0.7 million in Parking Management savings.
 - Caltrans Grant (+\$0.5 million) \$0.5 million in project carryover into FY 2022 for transportation projects.
 - T1 (+\$4.6 million) \$4.6 million in carryover for various T1 projects with work continuing into FY 2022.
 - Streetlight Assessment (+\$1.0 million) \$0.6 million in salary savings, and \$0.4 million in capital project carryover into FY 2022.
 - Clean Storm (+\$3.4 million) \$1.0 million in salary savings, \$1.7 million in capital project carryover into FY 2022.
 - Equipment Replacement (+\$1.4 million) \$1.4 million for replacement purchases initially scheduled for FY 2021 but to be completed in FY 2022.
 - Zero Waste (+\$6.8 million) \$0.9 million in salary savings and \$5.9 million in carried over projects into FY 2022, including the Transfer Station Replacement project environmental review and permitting.

- Parks Recreation and Waterfront (+9,684,967) had unspent funds due to personnel savings and unexpended project funds in the Playground Camp Fund, Parks Tax Fund, Capital Improvement Fund, and Measure T1 Fund. The Marina Fund also had savings of \$3.3 million most of which was due to unspent capital expenditures. Only certain unspent project funds will be carried over to FY 2021
- Library (+\$4,691,936) ended with a favorable variance from aggregated savings from miscellaneous department budget savings, staffing vacancies, deferment of Central Library stucco restoration and window resealing work to FY 2022, as well as the Central Library's replacement of rooftop air conditioning HVAC units, and the postponement of replacement of information system network switches.

General Fund Revenue and Transfer In FY 2022 1st Quarter vs FY 2021 1st Quarter Comparison

Revenue Categories	FY 2022				FY 2021				Comparison FY22 vs FY 21	
	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	\$71,382,000	\$3,272,735	(\$68,109,265)	4.58%	\$61,165,454	\$3,298,714	(\$57,866,740)	5.39%	(25,979)	-0.79%
Redemptions - Regular	831,441	84,930	(746,511)	10.21%	534,512	123,151	-411,361	23.04%	(38,221)	-31.04%
Supplemental Taxes	2,000,000	222,865	(1,777,135)	11.14%	1,260,000	313,161	-946,839	24.85%	(90,296)	-28.83%
Unsecured Property Taxes	2,625,000	39,971	(2,585,029)	1.52%	2,250,000	(2,404)	-2,252,404	-0.11%	42,375	-1762.69%
Property Transfer Tax	21,000,000	12,299,015	(8,700,985)	58.57%	16,500,000	4,746,819	-11,753,181	28.77%	7,552,196	159.10%
Property Transfer Tax-Measure P (New December 21, 2018)	8,500,000	3,924,007	(4,575,993)	46.16%	4,747,414	1,002,599	-3,744,815	21.12%	2,921,408	291.38%
Sales Taxes	18,287,215	4,896,380	(13,390,835)	26.77%	15,786,200	3,827,061	-11,959,139	24.24%	1,069,319	27.94%
Soda Taxes	990,210	237,577	(752,633)	23.99%	970,794	260,569	-710,225	26.84%	(22,992)	-8.82%
Utility Users Taxes	13,000,000	3,311,793	(9,688,207)	25.48%	12,750,000	3,078,308	-9,671,692	24.14%	233,485	7.58%
Transient Occupancy Taxes	2,173,000	1,206,282	(966,718)	55.51%	5,070,000	539,035	-4,530,965	10.63%	667,247	123.79%
Short-term Rentals	630,000	289,862	(340,138)	46.01%	676,260	62,436	-613,824	676,260	227,426	364.25%
Business License Tax	18,498,146	494,990	(18,003,156)	2.68%	12,984,192	186,479	-12,797,713	1.44%	308,511	165.44%
Recreational Cannabis	1,643,739	532,085	(1,111,654)	32.37%	1,300,000	44,883	-1,255,117	3.45%	487,202	1085.49%
U1 Revenues	5,120,350	71,648	(5,048,702)	1.40%	2,700,000	34,236	-2,665,764	1.27%	37,412	109.28%
Other Taxes	1,761,714	361,941	(1,399,773)	20.54%	922,048	267,921	-654,127	29.06%	94,020	35.09%
Vehicle In-Lieu Taxes	14,959,837	-	(14,959,837)	0.00%	12,421,597	-	-12,421,597	0.00%	-	-
Parking Fines-Regular Collections	3,726,450	1,347,952	(2,378,498)	36.17%	5,049,000	599,640	-4,449,360	11.88%	748,312	124.79%
Parking Fines-Booting Collections										
Moving Violations	132,600	51,839	(80,761)	39.09%	190,000	15,789	-174,211	8.31%	36,050	228.32%
Ambulance Fees	3,154,002	746,006	(2,407,996)	23.65%	5,103,208	630,108	-4,473,100	12.35%	115,898	18.39%
Interest Income	4,462,320	1,369,448	(3,092,872)	30.69%	2,851,200	1,217,126	-1,634,074	42.69%	152,322	12.51%
Franchise Fees	1,613,283	177,082	(1,436,201)	10.98%	1,551,696	189,820	-1,361,876	12.23%	(12,738)	-6.71%
Other Revenue	6,729,977	2,086,510	(4,643,467)	31.00%	6,246,348	3,439,931	-2,806,417	55.07%	(1,353,421)	-39.34%
IDC Reimbursement	5,490,000	1,111,423	(4,378,577)	20.24%	5,490,000	1,221,056	-4,268,944	22.24%	(109,633)	-8.98%
Transfers	27,354,923	6,838,731	(20,516,192)	25.00%	17,274,293	4,432,641	-12,841,652	25.66%	2,406,090	54.28%
			-				0		-	
Total Revenue:	\$236,066,207	\$44,975,072	-\$191,091,135	19.05%	\$195,794,216	\$29,529,079	-\$166,265,137	15.08%	\$15,445,993	52.31%

Notes: (1) This statement is presented on a budgetary basis (i.e., cash).

(2) Current vendor no longer breaks out Regular and Booting Parking Fines Collections

The first quarter review generally focuses primarily on the major revenue fluctuation and changes that have occurred that might result in significant changes in future projections. Typically, Staff waits until the mid-year to identify General Fund revenue projections that should be revised. Staff will monitor these revenues for one more quarter and make the determination of revising the projections at the half year point.

During the first quarter of FY 2022, General Fund revenue and transfers increased by \$15,445,993 or 52.3%, from \$29,529,079 in the first quarter of FY 2021, to \$44,975,072 in the first quarter of FY 2022, due primarily to the following increases:

- Property Transfer Taxes \$ 7,552,196
- Measure P 2,921,408
- Sales Taxes 1,069,319
- Transient Occupancy Taxes (TOT) 667,247
- Parking Fines 748,312
- Transfers In 2,406,090

Secured Property Tax (-\$25,979 less than FY 2021 Actual)

During the first quarter of FY 2022, Secured Property Tax revenues totaled \$3,272,735, which was \$25,979 or .8% less than the \$3,298,714 received for the same period in FY 2021. This first quarter revenue reflects a relatively small amount received from the previous year's levy that was unpaid during that fiscal year. The amount received was typical of what is historically received in the first quarter. The FY 2022 Adopted Budget assumes a 4.72% increase for the year, while the County's Certification of Assessed Valuation reflects growth of 4.48%.

Unsecured Property Tax (+\$42,375 more than FY 2021 Actual)

During the first quarter of FY 2022, Unsecured Property Tax revenues totaled \$39,971, which was \$42,375 or 1,762.7% more than the net refund of (\$2,404) in the same period in FY 2021. The FY 2022

Adopted Budget reflected a decline of 31.4%, while the County's Certification of Assessed Valuation growth reflected growth of 1.96% for FY 2022. Staff will be increasing the FY 2022 Unsecured Property Tax revenue projection to \$3,516,000.

Property Transfer Tax (+\$7,552,196 more than FY 2021 Actual)

During the first quarter of FY 2022, Property Transfer Tax totaled \$12,299,015, which was \$7,552,196 or 159.1% more than the \$4,746,819 received for the first quarter of FY 2021. However, \$3,384,375 of that increase resulted from the late payment by the County of the May 2021 Property Transfer Taxes, which should have been received in FY 2021. As a result, the FY 2022 Property Transfer tax revenue projection was increased by \$3,384,375.

The primary reasons for the remaining \$4,167,821 increase in Property Transfer Tax were (1) The dollar value of property sales increased by 36.1% during the first quarter of FY 2022, as illustrated in the table below; and (2) The number of property sales transactions increased by 67 or 32.7% during the first quarter of FY 2022, as illustrated in the table below. Staff will closely monitor this revenue for another quarter before proposing a change in the FY 2021 projection for Property Transfer Taxes and/or Measure P taxes.

Property Sales Under \$1.5 million				
	July	August	September	Total
FY 2022	\$179,675,533	\$115,008,000	\$107,276,800	\$401,960,333
FY 2021	74,018,291	115,007,000	106,351,773	295,377,064
Change	105,657,242	1,000	925,027	106,583,269
% Change	142.7%	0.0%	0.9%	36.1%

Transactions				
	July	August	September	Total
FY 2022	114	84	74	272
FY 2021	50	82	73	205
Change	64	2	1	67
% Change	128.0%	2.4%	1.4%	32.7%

Measure P-Property Transfer Tax (+\$2,921,408 more than FY 2021 Actual)

In addition, \$3,924,007 in Measure P taxes (a tax which took effect on December 21, 2018) was collected during the first quarter of FY 2022, which was \$2,921,408 or 291.4% more compared to \$1,002,599 collected during the first quarter of FY 2021. The increase was a result of (1) The September 2020 collection of \$678,093 being recorded in October 2020; and (2) significant increases in property sales amount in FY 2022 versus those for the same period in FY 2021.

Property Sales \$1.5 million+				
	July	August	September	Total
FY 2022	\$117,712,500	\$126,787,000	\$147,899,400	\$392,398,400
FY 2021	39,265,000	60,994,900		100,259,900
Change	78,447,500	65,793,000		292,138,500
% Change	199.8%	107.9%		291.4%

Sales Tax (+\$1,069,319 more than FY 2021 Actual)

For the first quarter of FY 2022, Sales Tax revenue totaled \$4,896,380, which was \$1,069,319 or 27.9% more than the \$3,827,061 received for the first quarter of FY 2021. The increase was consistent with the following projection made by the City's Sales Tax Consultant:

Sales Tax Category	Revenue Projection
General Retail	\$ 3,582,787
Food Products	5,573,760
Transportation	2,482,737
Construction	1,227,280
Business-to-business	1,782,010
Miscellaneous	786,424
Subtotal	15,434,998
County pool	3,956,336
State pool	9,966
County sharing	(970,065) ¹
CDTFA admin.	(144,019) ²
Total	\$18,287,216

Utility Users Taxes (+\$233,485 more than FY 2021 Actual)

Utility Users Tax revenue for the first quarter of FY 2022 totaled \$3,311,793, which was \$233,485 or 7.6% more than the \$3,078,308 received for the same period in FY 2021. This increase of \$233,485 resulted from the following:

FY 2022 Actual First Quarter Revenues and FY 2021 Actual First Quarter Revenues				
	FY2022	FY 2021	\$ Change	% Change
Telephone	\$ 305,385	\$ 310,767	\$ -5,382	-1.73%
Cable	252,245	258,207	- 5,962	-2.31%
Cellular	432,303	371,264	61,039	16.44%
Electric	1,858,586	1,710,948	147,638	8.63%
Gas	463,274	427,122	36,152	8.46%
Total	\$3,311,793	\$3,078,308	\$233,485	7.58%

Transient Occupancy Tax (+\$667,247 more than FY 2021 Actual)

Transient Occupancy Tax (TOT) revenue for the first quarter of FY 2022 totaled \$1,206,282, which was \$667,247 or 123.8% more than the \$539,035 received for the first quarter of FY 2021. The increase in FY 2022 was primarily attributable to an increase of 155.8% occupancy at the five largest hotels in Berkeley during the quarter.

Short-Term Rentals (+\$227,426 more than FY 2021 Actual)

Short-Term Rentals revenue for the first quarter of FY 2022 totaled \$289,862, which was \$227,426 or 364.3% more than the \$62,436 received for the first quarter of FY 2021.

¹ The cities in Alameda County share 5% of their Bradley Burns sales taxes with the County; and,

² The CDTFA administrative fees are a percentage of taxes CDTFA charges to administer the sales tax program

Business License Taxes +(\$308,511 more than FY 2021 Actual)

Business license Taxes (BLT) revenue for the first quarter of FY 2022 totaled \$494,990, which was \$308,511 or 165.4% more than the \$186,479 received for the first quarter of FY 2021. BLT are not due yet, so it is too soon to determine what the FY 2022 trends are.

Recreational Cannabis (+\$487,202 more than FY 2021 Actual)

Recreational Cannabis revenue for the first quarter of FY 2022 totaled \$532,085, which was \$487,202 or 1,085.5% more than the \$44,883 received in the first quarter of FY 2021. This increase was primarily attributable to \$240,260 in Recreational Cannabis receipts during the first quarter of FY 2021 that did not get recorded in the General Ledger before the close of the first quarter. Recreational Cannabis taxes are not due yet, so it is too soon to determine what the FY 2022 revenue trends are.

U1 Revenues (+\$37,412 more than FY 2021 Actual)

U1 revenues for the first quarter of FY 2022 totaled \$71,648, which was \$37,412 or 109.3% more than the \$34,236 received in the first quarter of FY 2021. U1 revenues are not due yet, so it is too soon to determine what the FY 2022 U1 revenues trends are.

Vehicle In Lieu Taxes (\$0 more than FY 2021 Actual)

There was no Vehicle in Lieu Taxes (VLF) received during the first quarter of FY 2022 and FY 2021, since they are not yet due. However, the County's Certification of Assessed Valuation reflects growth of 4.48%. Changes in VLF revenues are based on the growth in assessed values.

Parking Fines (+\$748,312 more than FY 2021 Actual)

Parking Fines revenue for the first quarter of FY 2022 totaled \$1,347,952, which was \$748,312 or 124.8% more than the \$599,640 received for the first quarter of FY 2021. The primary reason for the increase was a significant increase in ticket writing. From March 2020 to June 2020, Parking Enforcement was limited in the violations they were able to write due to COVID-19. Between July 2020-August 2020, meter enforcement began again and Residential Preferential Parking renewal occurred, which allowed Parking Enforcement to begin residential parking enforcement in October 2020.

During the quarter, ticket writing increased from 23,645 or 31.1% in the first quarter of FY 2021 to 31,006 in the first quarter of FY 2022, as follows:

	July	August	Sept.	Total
FY 2022	9,548	9,674	11,784	31,006
FY 2021	6,810	7,744	9,091	23,645
Difference	+2,738	+1,930	+2,693	+7,361
% Difference	+40.2%	+24.9%	+29.6%	+31.1%

Ambulance Fees (+\$115,898 more than FY 2021 Actual)

Ambulance Fees revenue for FY 2022 totaled \$746,006, which was \$115,898 or 18.4% more than the \$630,108 received for the same period during FY 2021. This increase was primarily due to an increase in the number of transports.

Interest Income (+\$152,322 more than FY 2021 Actual)

For the first quarter of FY 2022, interest income totaled \$1,369,448, which was \$152,322 or 12.5% more than the total of \$1,217,126 received for the same period in FY 2021. This increase was primarily attributable to a significant increase in the proportion of the portfolio that was invested in long-term (i.e., one year or more) securities than in short-term securities (i.e., less than one year, which paid rates ranging from .01%-.25%), despite the decline in average interest rates.

Primarily as a result of the Fed's actions, the net interest rate earned by the City dropped from a range of 1.13%-1.17% during the first quarter of FY 2021, to a range of .912%-1.057% during the first quarter of FY 2022, as follows:

Monthly Net Interest Rate Earned			
FY	July	August	September
2022	.912%	1.028%	1.057%
2021	1.17%	1.13%	1.14%

Franchise Fees (-\$12,738 less than FY 2021 Actual)

Franchise Fees for the first quarter of FY 2022 totaled \$177,082, which was \$12,738 or 6.7% less than the \$189,820 received for the same period in FY 2021.

Transfers (+\$2,406,090 more than FY 2021 Actual)

Transfers from other funds for the first quarter of FY 2022 totaled \$6,838,731 which was \$2,406,090 or 54.3% more than the \$4,432,641 received for the same period in FY 2021. This was primarily attributable to the Transfer of \$5,742,339 from the American Rescue Plan Fund in the first quarter of FY 2022 to recover from the impact of the COVID-19 pandemic, compared to the Transfer of \$1,725,000 from the Stabilization Reserve Fund and the \$1,125,000 from the Catastrophic Reserve Fund during the FY 2021 first quarter, to mitigate the negative impact of COVID-19.

Other Revenues (-\$1,353,421 less than FY 2021 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 for the first quarter of FY 2022 totaled \$2,086,510 which was \$1,353,421 or 39.3% less than the \$3,439,931 received for the first quarter of FY 2021. This decrease resulted primarily from the receipt in the first quarter of FY 2021 of \$704,000 from East Bay Community Foundation for the Berkeley Relief Fund, to finance grant payments to assist businesses and nonprofit organizations impacted by the COVID-19 pandemic.

FY 2022 First Quarter Expenditures (7/1/21 – 9/30/21)

General Fund

Department	FY 2022 Adopted	FY 2022 Adjusted*	Year-To-Date Actuals + Encumbrances	Balance	Percent Expended
Mayor & Council	3,096,559	3,111,734	812,095	2,299,639	26%
Auditor	2,705,379	2,712,758	558,180	2,154,578	21%
Office of the Director of Police Accountability	1,114,235	1,149,235	160,385	988,850	14%
City Manager	10,912,354	12,202,891	3,412,357	8,790,534	28%
City Attorney	3,434,164	3,461,854	569,862	2,891,992	16%
City Clerk	2,396,737	2,631,912	961,082	1,670,830	37%
Finance	7,041,962	8,339,474	2,700,952	5,638,522	32%
Human Resources	2,407,724	2,494,692	561,239	1,933,453	22%
Information Technology	1,526,760	2,349,381	1,592,826	756,555	68%
Health, Housing & Community Services	23,455,690	32,131,556	14,166,063	17,965,493	44%
Parks, Recreation and Waterfront	7,675,564	9,549,050	2,865,280	6,683,770	30%
Planning	2,325,367	2,757,119	614,148	2,142,971	22%
Public Works	4,742,625	8,570,415	2,281,494	6,288,921	27%
Police	73,228,172	73,712,007	17,684,603	56,027,404	24%
Fire	37,021,939	42,214,805	15,599,001	26,615,804	37%
Non-Departmental	51,669,260	38,522,652	16,406,419	22,116,233	43%
Total	234,754,491	245,911,535	80,945,985	164,965,550	33%

*FY 2022 Adjusted includes FY 2021 Encumbrance Rollover

All Funds (including General Fund)

Department	FY 2022 Adopted	FY 2022 Adjusted*	Year-To-Date Actuals + Encumbrances	Balance	Percent Expended
Mayor & Council	3,096,559	3,119,234	812,095	2,307,139	26%
Auditor	2,805,883	2,813,262	558,180	2,255,082	20%
Rent Board	6,825,535	7,502,298	2,599,431	4,902,867	35%
Office of the Director of Police Accountability	1,114,235	1,149,235	160,385	988,850	14%
City Manager	13,852,717	15,801,843	5,041,711	10,760,132	32%
Library	25,566,341	25,680,866	6,962,853	18,718,014	27%
City Attorney	7,278,096	7,674,642	1,388,829	6,285,813	18%
City Clerk	2,901,739	3,136,914	980,902	2,156,012	31%
Finance	9,431,102	10,750,526	3,185,115	7,565,411	30%
Human Resources	4,438,053	4,551,435	924,370	3,627,065	20%
Information Technology	20,423,888	25,628,383	8,941,363	16,687,020	35%
Health, Housing & Community Services	84,514,926	125,768,762	53,014,525	72,754,237	42%
Parks, Recreation and Waterfront	52,979,556	88,305,141	33,115,957	55,189,184	38%
Planning	25,252,729	27,080,210	6,022,876	21,057,334	22%
Public Works	147,438,656	215,253,373	79,790,287	135,463,086	37%
Police	77,807,443	78,485,969	19,032,338	59,453,631	24%
Fire	60,351,430	65,815,460	18,419,306	47,396,154	28%
Non-Departmental	127,522,399	115,187,973	39,225,954	75,962,019	34%
Total	673,601,287	823,705,526	280,176,476	543,529,050	34%

*FY 2022 Adjusted includes FY 2021 Encumbrance Rollover

FY 2022 First Quarter Expenditures Variance Analysis

First Quarter Assumptions

- Personnel year-to-date actuals are through 09/30/21 and represent 21.90% expended. All departments are tracking at or below 21.90% in personnel expenditures. General Fund personnel costs represent almost 63% of the total City's General Fund budget and are tracked on a monthly basis. As in prior years, Police overtime is being carefully monitored by staff.

Generally, on a general fund and on an all funds basis, expenditures over 21.90% 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: Funds encumbered for projects started in FY 2021 were rolled over to FY 2022 in the 1st Quarter along with funds for software maintenance and the City's contract with Berkeley Community Media being encumbered as well.
- Health, Housing & Community Services: Community Agency contract funds were moved from Non-Departmental so that contracts purchase orders could be created.
- Parks Recreation & Waterfront: Funds for summer youth recreation programs were expended in the first quarter.
- Public Works: Funds were encumbered for gas and electricity payments.
- 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 2022.

All Funds

- Public Works & Parks, Recreation & Waterfront: Funds were encumbered for capital improvement projects early in the fiscal year.
- Non-Departmental: Debt service and insurance payments were made in August.



**Summary of Council Referrals to the Budget Process
For the Period July 1, 2021 to June 30, 2022**

Item#	Title	Council Date	Amount	Funding Allocation	Referred By
1	Supply Bank	9/14/2021	\$ 25,000		Mayor Arreguin
2	Security Cameras in the Public Right Of Way at Intersections Experiencing Increased Violent Crime, and Environmental Safety Assessment for High Crime Areas	10/12/2021	\$ 1,330,000		Taplin and Kesarwani
3	Infrastructure and Affordable Housing Finance Plan for Adeline Corridor	10/12/2021	\$ 200,000		Bartlett
4	Allocate General Fund Revenues to Support Pilot Program Offering Free AC Transit on Sundays in Berkeley	10/12/2021	\$ 500,000		Harrison
5	Durant Parklet and Telegraph Plaza Improvements	10/26/2021	\$ 60,000		Robinson
6	Public Bank East Bay	10/26/2021	\$ 50,000		Robinson
7	Sidewalk Repair on Arterial Streets	10/26/2021	\$ 600,000		Taplin
8	Reckless Driving and Sideshow Deterrence Improvements	10/26/2021	unknown		Taplin
9	Telegraph Public Realm Plan Implementation	10/26/2021	\$ 500,000		Robinson, Mayor Arreguin, and Hahn
10	Strawberry Creek Lodge Food Program	11/9/2021	\$ 100,000		Taplin
11	Resolution Recognizing Housing as Human Right; Referring to City Manager Several Measures to Begin Developing Social Housing in the City of Berkeley	11/9/2021	\$ 300,000		Taplin, Mayor Arreguin, Harrison, and Hahn
12	Berkeley Ceasefire	11/9/2021	\$ 200,000		Taplin, Bartlett, Mayor Arreguin, and Wengraf
13	West Berkeley Residential Preferential Parking (RPP)	11/9/2021	\$ 1,590,151		Taplin
14	Solano-Peralta Park restoration and improvements	11/9/2021	\$ 80,000		Hahn
15	Homeless Outreach Coordinator for South Shattuck Avenue and Adeline Street	11/9/2021	\$ 200,000		Bartlett
16	Curtis Street Traffic Diverters	11/16/2021	\$ 100,000		Taplin
17	Budget Referral and Resolution Establishing a Pilot Existing Building Electrification Installation Incentives and Just Transition Program with Pre-Qualified Contractors Meeting Minimum Labor Standards to Assist New Property Owners, Renters and Existing Property Owners with Transition to Zero-Carbon Buildings	11/30/2021	\$ 1,500,000		Harrison and Bartlett
18	Commitment to Habitat Recovery	11/30/2021	\$ 100,000		Bartlett and Mayor Arreguin
19	Berkeley Age-Friendly Continuum	11/30/2021	\$ 20,000		Mayor Arreguin
20	Automated license plate readers for community safety improvement	11/30/2021	unknown		Taplin, Droste, and Wengraf
21	Budget Referral to the City Manager to Improve Pedestrian Safety where Sidewalks are Not Provided	11/30/2021	\$ 100,000		Wengraf
22	Pedestrian Crossing Improvements at Ashby and Acton	12/14/2021	\$ 100,000		Taplin

23	Russell Street Bicycle and Pedestrian Improvements	12/14/2021	\$ 360,000	Taplin
		Total	<u>\$ 8,015,151</u>	

November 2021 General Fund Budget Recommendations

Tier 1 Funding Requests (Council Approved Items, Critical Operational Needs, Public Safety Items, or Legislative Mandates)

Department Items

Department	Item	Amount	Comments
City Clerk	Konica Minolta Business Systems/OnBase Version Upgrade and Training	50,000	For agenda review and packet creation software; Project to start in February 2022
City Manager	Data Entry to input pages into Website project	70,000	Funds needed to complete website project in January 2022
Finance	Deputy Director of Finance	268,812	Position is essential to managing the operations of the Finance Department and provide support to the Director of Finance
Fire Department	Priority Dispatching	83,000	Funding needed for the development of a Priority Dispatching program in Fire
Fire	FY 2015 Ground Emergency Medical Transport Overpayment	150,660	City was overpaid by the State in FY 2015 for Ground Emergency Medical Transport program and must now return those funds to the State.
Fire	Gurneys	39,714	Funds needed to maintain the City's lease contract for ambulance gurneys
Health, Housing & Community Svcs.	African American Holistic Resource Center	52,037	Funds needed for development of the African American Holistic Resource Center
Health, Housing & Community Svcs.	COLA/CalPERS PEPPRA coverage	179,551	Allocation for COLA's, CalPERS, and bonuses for HHCS that cannot be absorbed by grant funds in FY 2022 for labor contracts approved by Council.
Non-Departmental	Transfer to Workers' Compensation Fund for Premier Cru loan repayment	406,952	Loan from Workers' Compensation Fund and repayment plan approved by Council on 3/28/17
Parks, Recreation & Waterfront	R2 Shift Training; R2 Shift Cancellation	214,000	Approved by Council on 7/29/21 with adoption of new labor contract with 1021 Community Services and Part-Time Recreation Leaders Association
Parks, Recreation & Waterfront	West Campus Pool Filters/Plaster	510,000	Approved for Pre-Funding in AAO #1 in June 2021. Work can not be delayed, otherwise we may impact summer programming or may be subject to an indefinite closure at West Campus pool.
Planning	Deputy Director of Planning	32,163	Restoring the Deputy Director position in the Planning Department is necessary to improve operations, customer service and succession planning.
Public Works	Dwight-California Intersection Improvements	323,807	Appropriate balance of Mayor/Council Budget referral from FY 2019 AAO#1 process so that project can continue. Project was put on hold.
Public Works	BerkDOT	100,000	To continue the study of potential BerkDOT or alternate organizational structure (Council referral)

Public Works	Public Restroom People's Park	83,428	Appropriate funds received from Enclave Partners for a public restroom at People's Park
Total Department Requests		2,564,124	

Council Referrals

Referred By	Item	Amount	Comment
Taplin and Kesarwani	Security Cameras in the Public Right Of Way at Intersections Experiencing Increased Violent Crime, and Environmental Safety Assessment for High Crime Areas	1,330,000	
Taplin, Mayor Arreguin, Harrison, and Hahn	Resolution Recognizing Housing as Human Right; Referring to City Manager Several Measures to Begin Developing Social Housing in the City of Berkeley	300,000	
Bartlett	Homeless Outreach Coordinator for South Shattuck Avenue and Adeline Street	100,000	
Robinson and Mayor Arreguin	Durant Parklet and Telegraph Plaza Improvements	60,000	
Taplin, Bartlett, Mayor Arreguin, and Wengraf	Berkeley Ceasefire	200,000	
Total Council Referrals		1,990,000	
Total Tier 1 Funding Requests		4,554,124	
Unspent Excess Equity Funds		857,295	

Tier 2 (Non-Critical Operational Needs that maybe on hold or have existing funding)

Department	Item	Amount	Comments
Finance	Tax Assessment System Replacement	300,000	Project on hold till FY 2023
Information Technology	IT Move to 1947 Center Street	770,000	Adjustment to FY 2022 General Fund Baseline recommended for Pre-Funding in AAO #1. Move is currently on hold
Information Technology	IT 2180 Milvia/4th Floor Rent	106,017	Adjustment to FY 2022 General Fund Baseline recommended for Pre-Funding in AAO #1. Could possibly fund from existing budget
Information Technology	Cybersecurity for Telecommuting Needs	819,000	2nd Half of \$1.638 million allocation; Initial funds still have not been fully spent yet in FY 2022
Information Technology	Enterprise Zoom License	68,832	Funds for Enterprise for Zoom Government License pilot program
Police	Police Overtime	1,000,000	Adjustment to FY 2022 General Fund Baseline recommended for Pre-Funding in AAO #1. Baseline funding for overtime may be sufficient for overtime costs in FY 2022
Police	School Crossing Guards	77,156	Hire 4 School Crossing Guard positions to fully cover all 18 Crossing Guard posts
Public Works	Ped Xing Signal @ intersection of Shattuck & Prince	100,000	Adjustment to FY 2022 General Fund Baseline recommended for Pre-Funding in AAO #1.
Public Works	Traffic Calming at MLK and Stuart Street	100,000	Adjustment to FY 2022 General Fund Baseline recommended for Pre-Funding in AAO #1.
Public Works	George Florence Park/10th Street Traffic Calming	220,000	Approved for Pre-Funding in AAO #1 in June 2021.
Total Department Items		3,561,005	

Council Referrals

Referred By	Item	Amount	Comment
Bartlett	Infrastructure and Affordable Housing Finance Plan for Adeline Corridor	200,000	
Robinson, Mayor Arreguin, and Hahn	Telegraph Public Realm Plan Implementation	500,000	
Hahn	Solano-Peralta Park restoration and improvements	80,000	
Taplin	Strawberry Creek Lodge Food Program	100,000	
Taplin	Curtis Street Traffic Diverters	100,000	
Bartlett and Mayor Arreguin	Commitment to Habitat Recovery	100,000	
Wengraf	Budget Referral to the City Manager to Improve Pedestrian Safety where Sidewalks are Not Provided	100,000	
Taplin	Pedestrian Crossing Improvements at Ashby and Acton	100,000	
Taplin	Russell Street Bicycle and Pedestrian Improvements	360,000	
Total Council Referrals		1,640,000	
Total Tier 2 Funding Requests		5,201,005	

Tier 3 (Non-Urgent Operational Needs Recommend FY 2023 & FY 2024 Budget Consideration)

Department	Item	Amount	Comments
City Manager	Community Survey	85,000	Approved for Pre-Funding in AAO #1 in June 2021. Funds not needed as funds for community survey were approved with allocation for Vision 2050 plan
City Manager	Communications Specialist	116,854	Department request to add additional staff person to to meet a baseline need for community engagement, daily and emergency PIO response, as well as multi-department and multi-agency coordination.
City Manager	Office of Diversity & Equity: Assistant to the City Manager	268,812	Funding to address Council referral
Fire	Medical Supplies for Life Assist	90,200	Funds for additional medical supplies for ambulances
Finance	Grant Writer	TBD	Funding to address Council referral
Police	Portable Radio Replacement	600,000	Approved for Pre-Funding in AAO #1 in June 2021. Funds not needed till FY 2023 when first payment occurs.
Public Works	Restore Deferral	1,283,765	FY 2021 General Fund Budget Deferral. Could be funded through ARPA Funds as deferral was due to General Fund budget deficit caused by COVID-19
Public Works	Citation Appeals Assistance	109,861	Funding to add an Office Specialist II position to support the Citation Appeals process
Total Tier 3 Items		2,554,492	

Referred By	Item	Amount	Comment
Mayor Arreguin	Supply Bank	25,000	
Harrison	Allocate General Fund Revenues to Support Pilot Program Offering Free AC Transit on Sundays in Berkeley	500,000	
Robinson	Public Bank East Bay	50,000	
Taplin	Sidewalk Repair on Arterial Streets	600,000	
Taplin	Reckless Driving and Sideshow Deterrence Improvements	unknown	

Taplin	West Berkeley Residential Preferential Parking (RPP)	1,590,151	
Harrison and Bartlett	Budget Referral and Resolution Establishing a Pilot Existing Building Electrification Installation Incentives and Just Transition Program with Pre-Qualified Contractors Meeting Minimum Labor Standards to Assist New Property Owners, Renters and Existing Property Owners with Transition to Zero-Carbon Buildings	1,500,000	
Bartlett and Mayor Arreguin	Commitment to Habitat Recovery	100,000	
Mayor Arreguin	Berkeley Age-Friendly Continuum	20,000	
Taplin, Droste, and Wengraf	Automated license plate readers for community safety improvement	unknown	
Total Council Referrals		4,385,151	
Total Tier 3 Funding Requests		6,939,643	

Measure P

Department	Item	Amount	Comments
City Manager's Office	Homeless Response Team Vehicle	33,120	Vehicle purchase was included in FY 2021 Measure P allocations. Purchase not made till FY 2022.
City Manager's Office	Off-street safe parking program for Recreational Vehicles at 742 Grayson Street and other shelter operational costs	439,420	Funding approved by Council on 10/26/21
Total Measure P Adjustments		472,540	

Measure U1

Department	Item	Amount	Comments
Non-Departmental	Transfer to U1 Fund	973,695	
Total Measure U1 Adjustments		973,695	



Office of the City Manager

Date: December 9, 2021
To: Budget and Finance Policy Committee
From: Dee Williams-Ridley, City Manager
Submitted by: Henry Oyekanmi, Finance Director
Subject: FY 2022 First Quarter Revenue Report

As evidenced by the revenues received in the first quarter of FY 2022, the City continues to benefit from a robust housing market that contributes to Real Estate Transfer Tax revenues. This and other real estate valuation-based revenue streams have helped to blunt the severe impact that the continuing COVID health emergency has had on other revenues. No significant revenues have yet been received for Property Taxes or Vehicle In-lieu revenues due to the standard yearly timing of those receipts (normally Oct/Nov and Apr/May).

Some other revenue categories (such as Sales Taxes) that generally track with the overall regional economy have made significant gains in the first quarter of FY 2022, compared with the same quarter in FY 2021 (which was heavily impacted by COVID). Sales Taxes for the first quarter, however, are just barely at the levels of the first quarter of FY 2020, still reflecting the stagnant growth attributable to COVID-affected economic conditions.

Receipt of revenues from Transient Occupancy (Hotel) Taxes and Short-term Rentals, which are directly related to travel to the City, are still much lower than pre-pandemic levels, even if there has been some recovery from the shut-downs and travel restrictions of early FY 2021.

Overall, General Fund total revenues for the first quarter of FY 2022 are \$15.4M higher than the same quarter in FY 2021, but that was at the initial peak of the economic effects of the pandemic, as the trailing receipts of Sales and TOT taxes from the initial COVID shutdown were impacting City revenues. And while FY 2022 first quarter revenue is \$10.5M higher than the same quarter in pre-pandemic FY 2020, more than half of that amount (\$5.7M) is due to ARPA Relief funds allocated to General Fund. The remainder is attributable to the increase in receipts of Property Transfer Taxes (including the Measure P taxes on high-value transactions).

General Fund Revenue and Transfer In FY 2022 1st Quarter vs FY 2021 1st Quarter Comparison

Revenue Categories	FY 2022				FY 2021				Comparison FY22 vs FY 21	
	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	\$71,382,000	\$3,272,735	(\$68,109,265)	4.58%	\$61,165,454	\$3,298,714	(\$57,866,740)	5.39%	(25,979)	-0.79%
Redemptions - Regular	831,441	84,930	(746,511)	10.21%	534,512	123,151	-411,361	23.04%	(38,221)	-31.04%
Supplemental Taxes	2,000,000	222,865	(1,777,135)	11.14%	1,260,000	313,161	-946,839	24.85%	(90,296)	-28.83%
Unsecured Property Taxes	2,625,000	39,971	(2,585,029)	1.52%	2,250,000	(2,404)	-2,252,404	-0.11%	42,375	-1762.69%
Property Transfer Tax	21,000,000	12,299,015	(8,700,985)	58.57%	16,500,000	4,746,819	-11,753,181	28.77%	7,552,196	159.10%
Property Transfer Tax-Measure P (New December 21, 2018)	8,500,000	3,924,007	(4,575,993)	46.16%	4,747,414	1,002,599	-3,744,815	21.12%	2,921,408	291.38%
Sales Taxes	18,287,215	4,896,380	(13,390,835)	26.77%	15,786,200	3,827,061	-11,959,139	24.24%	1,069,319	27.94%
Soda Taxes	990,210	237,577	(752,633)	23.99%	970,794	260,569	-710,225	26.84%	(22,992)	-8.82%
Utility Users Taxes	13,000,000	3,311,793	(9,688,207)	25.48%	12,750,000	3,078,308	-9,671,692	24.14%	233,485	7.58%
Transient Occupancy Taxes	2,173,000	1,206,282	(966,718)	55.51%	5,070,000	539,035	-4,530,965	10.63%	667,247	123.79%
Short-term Rentals	630,000	289,862	(340,138)	46.01%	676,260	62,436	-613,824	676.260	227,426	364.25%
Business License Tax	18,498,146	494,990	(18,003,156)	2.68%	12,984,192	186,479	-12,797,713	1.44%	308,511	165.44%
Recreational Cannabis	1,643,739	532,085	(1,111,654)	32.37%	1,300,000	44,883	-1,255,117	3.45%	487,202	1085.49%
U1 Revenues	5,120,350	71,648	(5,048,702)	1.40%	2,700,000	34,236	-2,665,764	1.27%	37,412	109.28%
Other Taxes	1,761,714	361,941	(1,399,773)	20.54%	922,048	267,921	-654,127	29.06%	94,020	35.09%
Vehicle In-Lieu Taxes	14,959,837	-	(14,959,837)	0.00%	12,421,597	-	-12,421,597	0.00%	-	-
Parking Fines-Regular Collections	3,726,450	1,347,952	(2,378,498)	36.17%	5,049,000	599,640	-4,449,360	11.88%	748,312	124.79%
Parking Fines-Booting Collections										
Moving Violations	132,600	51,839	(80,761)	39.09%	190,000	15,789	-174,211	8.31%	36,050	228.32%
Ambulance Fees	3,154,002	746,006	(2,407,996)	23.65%	5,103,208	630,108	-4,473,100	12.35%	115,898	18.39%
Interest Income	4,462,320	1,369,448	(3,092,872)	30.69%	2,851,200	1,217,126	-1,634,074	42.69%	152,322	12.51%
Franchise Fees	1,613,283	177,082	(1,436,201)	10.98%	1,551,696	189,820	-1,361,876	12.23%	(12,738)	-6.71%
Other Revenue	6,729,977	2,086,510	(4,643,467)	31.00%	6,246,348	3,439,931	-2,806,417	55.07%	(1,353,421)	-39.34%
IDC Reimbursement	5,490,000	1,111,423	(4,378,577)	20.24%	5,490,000	1,221,056	-4,268,944	22.24%	(109,633)	-8.98%
Transfers	27,354,923	6,838,731	(20,516,192)	25.00%	17,274,293	4,432,641	-12,841,652	25.66%	2,406,090	54.28%
							0			
Total Revenue:	\$236,066,207	\$44,975,072	-\$191,091,135	19.05%	\$195,794,216	\$29,529,079	-\$166,265,137	15.08%	\$15,445,993	52.31%

Notes: (1) This statement is presented on a budgetary basis (i.e., cash).

(2) Current vendor no longer breaks out Regular and Booting Parking Fines Collections

The first quarter review generally focuses primarily on the major revenue fluctuation and changes that have occurred that might result in significant changes in future projections. Typically, Staff waits until the mid-year to identify General Fund revenue projections that should be revised. Staff will monitor these revenues for one more quarter and make the determination of revising the projections at the half year point.

During the first quarter of FY 2022, General Fund revenue and transfers increased by \$15,445,993 or 52.3%, from \$29,529,079 in the first quarter of FY 2021, to \$44,975,072 in the first quarter of FY 2022, due primarily to the following increases:

- Property Transfer Taxes \$ 7,552,196
- Measure P 2,921,408
- Sales Taxes 1,069,319
- Transient Occupancy Taxes (TOT) 667,247
- Parking Fines 748,312
- Transfers In 2,406,090

Secured Property Tax (-\$25,979 less than FY 2021 Actual)

During the first quarter of FY 2022, Secured Property Tax revenues totaled \$3,272,735, which was \$25,979 or .8% less than the \$3,298,714 received for the same period in FY 2021. This first quarter revenue reflects a relatively small amount received from the previous year's levy that was unpaid during that fiscal year. The amount received was typical of what is historically received in the first quarter. The FY 2022 Adopted Budget assumes a 4.72% increase for the year, while the County's Certification of Assessed Valuation reflects growth of 4.48%.

Unsecured Property Tax (+\$42,375 more than FY 2021 Actual)

During the first quarter of FY 2022, Unsecured Property Tax revenues totaled \$39,971, which was \$42,375 or 1,762.7% more than the net refund of (\$2,404) in the same period in FY 2021. The FY 2022 Adopted Budget reflected a decline of 31.4%, while the County's Certification of Assessed Valuation growth reflected growth of 1.96% for FY 2022. Staff will probably be increasing the FY 2022 Unsecured Property Tax revenue projection once the half year results are analyzed.

Property Transfer Tax (+\$7,552,196 more than FY 2021 Actual)

During the first quarter of FY 2022, Property Transfer Tax totaled \$12,299,015, which was \$7,552,196 or 159.1% more than the \$4,746,819 received for the first quarter of FY 2021. However, \$3,384,375 of that increase resulted from the late payment by the County of the May 2021 Property Transfer Taxes, which should have been received in FY 2021.

The primary reasons for the remaining \$4,167,821 increase in Property Transfer Tax were (1) The dollar value of property sales increased by 36.1% during the first quarter of FY 2022, as illustrated in the table below; and (2) The number of property sales transactions increased by 67 or 32.7% during the first quarter of FY 2022, as illustrated in the table below. Staff will closely monitor this revenue for another quarter before proposing a change in the FY 2022 projection for Property Transfer Taxes and/or Measure P taxes.

Property Sales Under \$1.5 million				
	July	August	September	Total
FY 2022	\$179,675,533	\$115,008,000	\$107,276,800	\$401,960,333
FY 2021	74,018,291	115,007,000	106,351,773	295,377,064
Change	105,657,242	1,000	925,027	106,583,269
% Change	142.7%	0.0%	0.9%	36.1%

Transactions				
	July	August	September	Total
FY 2022	114	84	74	272
FY 2021	50	82	73	205
Change	64	2	1	67
% Change	128.0%	2.4%	1.4%	32.7%

Measure P-Property Transfer Tax (+\$2,921,408 more than FY 2021 Actual)

In addition, \$3,924,007 in Measure P taxes (a tax which took effect on December 21, 2018) was collected during the first quarter of FY 2022, which was \$2,921,408 or 291.4% more compared to \$1,002,599 collected during the first quarter of FY 2021. The increase was a result of (1) The September 2020 collection of \$678,093 being recorded in October 2020; and (2) significant increases in property sales amount in FY 2022 versus those for the same period in FY 2021.

Property Sales \$1.5 million+				
	July	August	September	Total
FY 2022	\$117,712,500	\$126,787,000	\$147,899,400	\$392,398,400
FY 2021	39,265,000	60,994,900		100,259,900

Change	78,447,500	65,793,000		292,138,500
% Change	199.8%	107.9%		291.4%

Sales Tax (+\$1,069,319 more than FY 2021 Actual)

For the first quarter of FY 2022, Sales Tax revenue totaled \$4,896,380, which was \$1,069,319 or 27.9% more than the \$3,827,061 received for the first quarter of FY 2021. The increase was consistent with the following projection made by the City's Sales Tax Consultant:

Sales Tax Category	Revenue Projection
General Retail	\$ 3,582,787
Food Products	5,573,760
Transportation	2,482,737
Construction	1,227,280
Business-to-business	1,782,010
Miscellaneous	786,424
Subtotal	15,434,998
County pool	3,956,336
State pool	9,966
County sharing	(970,065) ¹
CDTFA admin.	(144,019) ²
Total	\$18,287,216

Utility Users Taxes (+\$233,485 more than FY 2021 Actual)

Utility Users Tax revenue for the first quarter of FY 2022 totaled \$3,311,793, which was \$233,485 or 7.6% more than the \$3,078,308 received for the same period in FY 2021. This increase of \$233,485 resulted from the following:

FY 2022 Actual First Quarter Revenues and FY 2021 Actual First Quarter Revenues				
	FY2022	FY 2021	\$ Change	% Change
Telephone	\$ 305,385	\$ 310,767	\$ -5,382	-1.73%
Cable	252,245	258,207	- 5,962	-2.31%
Cellular	432,303	371,264	61,039	16.44%
Electric	1,858,586	1,710,948	147,638	8.63%
Gas	463,274	427,122	36,152	8.46%
Total	\$3,311,793	\$3,078,308	\$233,485	7.58%

Transient Occupancy Tax (+\$667,247 more than FY 2021 Actual)

Transient Occupancy Tax (TOT) revenue for the first quarter of FY 2022 totaled \$1,206,282, which was \$667,247 or 123.8% more than the \$539,035 received for the first quarter of FY 2021. The increase in FY 2022 was primarily attributable to an increase of 155.8% occupancy at the five largest hotels in Berkeley during the quarter.

¹ The cities in Alameda County share 5% of their Bradley Burns sales taxes with the County; and,

² The CDTFA administrative fees are a percentage of taxes CDTFA charges to administer the sales tax program

Short-Term Rentals (+\$227,426 more than FY 2021 Actual)

Short-Term Rentals revenue for the first quarter of FY 2022 totaled \$289,862, which was \$227,426 or 364.3% more than the \$62,436 received for the first quarter of FY 2021.

Business License Taxes +(\$308,511 more than FY 2021 Actual)

Business license Taxes (BLT) revenue for the first quarter of FY 2022 totaled \$494,990, which was \$308,511 or 165.4% more than the \$186,479 received for the first quarter of FY 2021. BLT are not due yet, so it is too soon to determine what the FY 2022 trends are.

Recreational Cannabis (+\$487,202 more than FY 2021 Actual)

Recreational Cannabis revenue for the first quarter of FY 2022 totaled \$532,085, which was \$487,202 or 1,085.5% more than the \$44,883 received in the first quarter of FY 2021. This increase was primarily attributable to \$240,260 in Recreational Cannabis receipts during the first quarter of FY 2021 that did not get recorded in the General Ledger before the close of the first quarter. Recreational Cannabis taxes are not due yet, so it is too soon to determine what the FY 2022 revenue trends are.

U1 Revenues (+\$37,412 more than FY 2021 Actual)

U1 revenues for the first quarter of FY 2022 totaled \$71,648, which was \$37,412 or 109.3% more than the \$34,236 received in the first quarter of FY 2021. U1 revenues are not due yet, so it is too soon to determine what the FY 2022 U1 revenues trends are.

Vehicle In Lieu Taxes (\$0 more than FY 2021 Actual)

There was no Vehicle in Lieu Taxes (VLF) received during the first quarter of FY 2022 and FY 2021, since they are not yet due. However, the County's Certification of Assessed Valuation reflects growth of 4.48%. Changes in VLF revenues are based on the growth in assessed values.

Parking Fines (+\$748,312 more than FY 2021 Actual)

Parking Fines revenue for the first quarter of FY 2022 totaled \$1,347,952, which was \$748,312 or 124.8% more than the \$599,640 received for the first quarter of FY 2021. The primary reason for the increase was a significant increase in ticket writing. From March 2020 to June 2020, Parking Enforcement was limited in the violations they were able to write due to COVID-19. Between July 2020-August 2020, meter enforcement began again and Residential Preferential Parking renewal occurred, which allowed Parking Enforcement to begin residential parking enforcement in October 2020.

During the quarter, ticket writing increased from 23,645 or 31.1% in the first quarter of FY 2021 to 31,006 in the first quarter of FY 2022, as follows:

	July	August	Sept.	Total
FY 2022	9,548	9,674	11,784	31,006
FY 2021	6,810	7,744	9,091	23,645
Difference	+2,738	+1,930	+2,693	+7,361
% Difference	+40.2%	+24.9%	+29.6%	+31.1%

Ambulance Fees (+\$115,898 more than FY 2021 Actual)

Ambulance Fees revenue for FY 2022 totaled \$746,006, which was \$115,898 or 18.4% more than the \$630,108 received for the same period during FY 2021. This increase was primarily due to an increase in the number of transports.

Interest Income (+\$152,322 more than FY 2021 Actual)

For the first quarter of FY 2022, interest income totaled \$1,369,448, which was \$152,322 or 12.5% more than the total of \$1,217,126 received for the same period in FY 2021. This increase was primarily attributable to a significant increase in the proportion of the portfolio that was invested in long-term (i.e., one year or more) securities than in short-term securities (i.e., less than one year, which paid rates ranging from .01%-.25%), despite the decline in average interest rates.

Primarily as a result of the Fed's actions, the net interest rate earned by the City dropped from a range of 1.13%-1.17% during the first quarter of FY 2021, to a range of .912%-1.057% during the first quarter of FY 2022, as follows:

Monthly Net Interest Rate Earned			
FY	July	August	September
2022	.912%	1.028%	1.057%
2021	1.17%	1.13%	1.14%

Franchise Fees (-\$12,738 less than FY 2021 Actual)

Franchise Fees for the first quarter of FY 2022 totaled \$177,082, which was \$12,738 or 6.7% less than the \$189,820 received for the same period in FY 2021.

Transfers (+\$2,406,090 more than FY 2021 Actual)

Transfers from other funds for the first quarter of FY 2022 totaled \$6,838,731 which was \$2,406,090 or 54.3% more than the \$4,432,641 received for the same period in FY 2021. This was primarily attributable to the Transfer of \$5,742,339 from the American Rescue Plan Fund in the first quarter of FY 2022 to recover from the impact of the COVID-19 pandemic, compared to the Transfer of \$1,725,000 from the Stabilization Reserve Fund and the \$1,125,000 from the Catastrophic Reserve Fund during the FY 2021 first quarter, to mitigate the negative impact of COVID-19.

Other Revenues (-\$1,353,421 less than FY 2021 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 for the first quarter of FY 2022 totaled \$2,086,510 which was \$1,353,421 or 39.3% less than the \$3,439,931 received for the first quarter of FY 2021. This decrease resulted primarily from the receipt in the first quarter of FY 2021 of \$704,000 from East Bay Community Foundation for the Berkeley Relief Fund, to finance grant payments to assist businesses and nonprofit organizations impacted by the COVID-19 pandemic.



Office of the City Manager

Date: December 9, 2021
To: Budget and Finance Policy Committee
From: Dee Williams-Ridley, City Manager
Submitted by: Henry Oyekanmi, Finance Director
Subject: FY 2021 Final Revenue Report

During FY 2021, General Fund revenue and transfers increased from FY 2020 by \$8,340,556 or 3.73%, from \$223,687,644 to \$232,028,200. That increase was due primarily to Transfers of \$11.4 million from the City's reserve funds (\$6.9 million from the Stabilization Reserve Fund and \$4.5 million from the Catastrophic Reserve Fund) to mitigate the negative impacts of the COVID-19 pandemic.

In addition, Other Revenues Income for FY 2021 totaled \$10,354,768 which is \$2,322,963 or 28.9% more than the \$8,031,805 received in FY 2020. The increase was primarily due to \$1.5 million received in FY 2021 for the COVID Relief Program and \$.9 million received for the Berkeley Relief Fund.

However, that's only part of the FY 2021 story:

At mid-year, FY 2021 General Fund year-over-year revenue growth was approximately 15%, compared to the actual revenue growth of 3.73% for the entire year. This indicates that the first half economic performance was solid and helped to absorb the negative impacts of the second half.

Another part of the FY 2021 story is that business-related revenues were hit hard by the continuing impact of the COVID-19 pandemic, as follows:

- Sales Tax revenue totaled \$15,792,305, which was \$1,765,234 or 10.1% less than the \$17,557,539 received in FY 2020.
- Transient Occupancy Tax (TOT) revenue totaled \$2,292,480 which was \$4,095,015 or 64.1% less than the \$6,387,495 received in FY 2020.
- Business License Tax revenue totaled \$17,809,332, which was \$3,200,121 or 15.2% less than the \$21,009,453 received in FY 2020.
- U1 Business License Tax revenue totaled \$4,818,740 which was \$778,619 less than the \$5,597,359 received in FY 2020.
- Interest Income totaled \$5,917,722, which was \$2,024,465 or 25.5% less than the \$7,942,187 received in FY 2020.

- Ambulance Fee revenue totaled \$3,081,204, which was \$1,914,989 or 38.3% less than the \$4,996,193 received in FY 2020.

On the other hand, property-related revenues were strong during the COVID-19 pandemic, as follows:

- Secured Property Tax revenues totaled \$68,166,155, which was \$4,973,477 or 7.87% more than the \$63,192,678 received in FY 2020.
- Property Transfer Tax revenue totaled \$21,469,955, which was a decrease of \$625,552 or 2.8% from the \$22,095,507 received in FY 2020. The amount of \$21,469,955 received in FY 2021 was \$4,969,955 more than the adopted budget amount of \$16,500,000. The primary reason for the \$625,552 decrease in Property Transfer Tax was that the May 2021 payment of \$3,384,375 from the County was not received until July 12, 2021 (FY 2022).
- Unsecured Property Tax totaled \$3,448,412, which was an increase of \$284,244 or 9.0% from the \$3,164,168 received in FY 2020.
- Vehicle In-Lieu Tax revenue totaled \$14,380,453, which was \$1,024,409 or 7.7% more than the \$13,356,044 received in FY 2020.

General Fund Revenue and Transfers, FY 2021 and FY 2020 Comparison

Revenue Categories	FY 2021				FY 2020				Comparison FY21 vs FY 20	
	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	\$61,165,454	\$68,166,155	\$7,000,701	111.45%	\$63,192,622	\$63,192,678	(\$6,944)	99.99%	4,973,477	7.87%
Redemptions - Regular	534,512	757,854	223,342	141.78%	668,140	580,941	(\$87,199)	86.95%	176,913	30.45%
Supplemental Taxes	1,260,000	2,249,517	989,517	178.53%	1,400,000	2,334,597	\$934,597	166.76%	(85,080)	-3.64%
Unsecured Property Taxes	2,250,000	3,448,412	1,198,412	153.26%	2,500,000	3,164,168	\$664,168	126.57%	284,244	8.98%
Property Transfer Tax	16,500,000	21,469,955	4,969,955	130.12%	12,500,000	22,095,507	\$9,595,507	176.76%	(625,552)	-2.83%
Property Transfer Tax-Measure P (New December 21, 2018)	4,747,414	10,919,576	6,172,162	230.01%	1,509,218	9,512,603	\$8,003,385	630.30%	1,406,973	14.79%
Sales Taxes	15,786,200	15,792,305	6,105	100.04%	18,238,000	17,557,539	(\$680,461)	96.27%	(1,765,234)	-10.05%
Soda Taxes	970,794	953,069	(17,725)	98.17%	1,459,057	1,331,313	(\$127,744)	91.24%	(378,244)	-28.41%
Utility Users Taxes	12,750,000	13,892,200	1,142,200	108.96%	15,000,000	13,475,915	(\$1,524,085)	89.84%	416,285	3.09%
Transient Occupancy Taxes	5,070,000	2,292,480	(2,777,520)	45.22%	7,800,000	6,387,495	(\$1,412,505)	81.89%	(4,095,015)	-64.11%
Short-term Rentals	676,260	694,197	17,937	102.65%	1,020,000	1,280,267	\$260,267	125.52%	(586,070)	-45.78%
Business License Tax	12,984,192	17,809,332	4,825,140	137.16%	19,584,000	21,009,453	\$1,425,453	107.28%	(3,200,121)	-15.23%
Recreational Cannabis	1,300,000	1,712,641	412,641	131.74%	510,000	1,300,887	\$790,887	255.08%	411,754	31.65%
UI Revenues	2,700,000	4,818,740	2,118,740	178.47%	1,000,000	5,597,359	\$4,597,359	559.74%	(778,619)	-31.91%
Other Taxes	922,048	1,362,227	440,179	147.74%	1,116,860	1,536,731	\$419,871	137.59%	(174,504)	-11.36%
Vehicle In-Lieu Taxes	12,421,597	14,380,453	1,958,856	115.77%	13,333,826	13,356,044	\$22,218	100.17%	1,024,409	7.67%
Parking Fines-Regular Collections	5,049,000	3,571,391	(1,477,609)	70.73%	6,600,000	3,892,325	(\$2,707,675)	58.97%	(320,934)	-8.25%
Parking Fines-Booting Collections			0		200,000	8,685	(\$191,315)	4.34%	(8,685)	-100.00%
Moving Violations	190,000	131,756	(58,244)	69.35%	190,000	209,894	\$19,894	110.47%	(78,138)	-37.23%
Ambulance Fees	5,103,208	3,081,204	(2,022,004)	60.38%	4,200,000	4,996,193	\$796,193	118.96%	(1,914,989)	-38.33%
Interest Income	2,851,200	5,917,722	3,066,522	207.55%	3,564,000	7,942,187	\$4,378,187	222.84%	(2,024,465)	-25.49%
Franchise Fees	1,551,696	1,726,470	174,774	111.26%	2,068,928	1,839,102	(\$229,826)	88.89%	(112,632)	-6.12%
Other Revenue	6,246,348	10,354,768	4,108,420	165.77%	7,980,544	8,031,805	\$51,261	100.64%	2,322,963	28.92%
IDC Reimbursement	5,490,000	5,345,014	(144,986)	97.36%	6,100,000	5,489,783	(\$610,217)	90.00%	(144,769)	-2.64%
Transfers	17,274,293	21,180,762	3,906,469	122.61%	5,386,188	7,564,173	\$2,177,985	140.44%	13,616,589	180.01%
Total Revenue:	\$195,794,216	\$232,028,200	\$36,233,984	118.51%	\$197,128,383	\$223,687,644	\$26,559,261	113.47%	\$8,340,556	3.73%

Notes: (1) This statement is presented on a budgetary basis (i.e., cash).

(2) Current vendor no longer breaks out Regular and Boating Parking Fines Collections.

Secured Property Tax (+\$4,973,477 more than FY 2020 Actual)

During FY 2021, Secured Property Tax revenues totaled \$68,166,155, which was \$4,973,477 or 7.8% more than the \$63,192,678 received in FY 2020, and was consistent with the 7.7% increase in assessed value reflected in the County's Certification of Assessed Valuation. The FY 2021 total of \$68,166,155 was \$7,000,701 more than the adopted budget amount of \$61,165,454.

Unsecured Property Tax (+\$284,244 more than FY 2020 Actual)

During FY 2021, Unsecured Property Tax revenues totaled \$3,448,412, which was \$284,244 or 9.0% more than the \$3,164,168 received in FY 2020, and was more than the 7.1% increase in assessed value reflected in the County's Certification of Assessed Valuation. The FY 2021 total of \$3,448,412 was \$1,198,412 more than the adopted budget amount of \$2,250,000.

Property Transfer Tax (-\$625,552 less than FY 2020 Actual)

During, FY 2021, Property Transfer Tax revenue totaled \$21,469,955, which was a decrease of \$625,552 or 2.8% from the \$22,095,507 received in FY 2020. The amount of \$21,469,955 received in FY 2021 was \$4,969,955 more than the adopted budget amount of \$16,500,000. The primary reason for the \$625,552 decrease in Property Transfer Tax was that the May 2021 payment of \$3,384,375 from the County was not received until July 12, 2021 (FY 2022).

This revenue source is typically 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. However, Council suspended the policy in FY 2021 in order to approve a

onetime increase of \$4 million in the baseline to \$16.5 million, to help deal with the impact of the COVID-19 pandemic.

In addition, \$10,919,576 in Measure P taxes (taxes effective December 21, 2018) was collected during FY 2021 compared to \$9,512,603 collected during FY 2020. The primary reason for the increase was there were more multi-million transactions during FY 2021 than there were in FY 2020.

Sales Tax (-\$1,765,234 less than FY 2020 Actual)

During FY 2021, Sales Tax revenue totaled \$15,792,305, which was \$1,765,234 or 10.1% less than the \$17,557,539 received in FY 2020. The amount of \$15,792,305 received in FY 2021 was \$6,105 more than the adopted budget amount of \$15,786,200. The decline in FY 2021 was primarily due to the impact COVID-19 had on retail businesses.

Utility Users Taxes (+\$416,285 more than FY 2020 Actual)

UUT revenue in FY 2021 increased by \$416,285 or 3.1%, to \$13,892,200 from \$13,475,915 received in FY 2020. The \$13,892,200 collected in FY 2021 was \$1,142,200 or 9.0% more than the adopted budget amount of \$12,750,000.

The increase in FY 2021 was primarily attributable to decreases in Telephone (-\$68,183), Cellular (-\$160,037) and Cable (-\$136,800), which were more than offset by increases in Gas (+\$164,499) and Electric (+\$616,825).

Transient Occupancy Tax (-\$4,095,015 less than FY 2020 Actual)

Transient Occupancy Tax (TOT) revenue for FY 2021 totaled \$2,292,480 which was \$4,095,015 or 64.1% less than the \$6,387,495 received in FY 2020. The FY 2021 decline in revenue was attributable to a substantial decline in room occupancy, due to the impact of the COVID-19 pandemic. More specifically, the pandemic resulted in a decline of \$3,296,482 or 22.6% in TOT revenue at the City's five largest hotels during FY 2021, versus a 22.6% decrease during FY 2020, with a range of 34.5% to 83.5%.

Business License Taxes (-\$3,200,121 less than FY 2020 Actual)

During FY 2021, BLT revenue totaled \$17,809,332, which was \$3,200,121 or 15.2% less than the \$21,009,453 received in FY 2020. The \$17,809,332 collected in FY 2021 was \$4,825,140 or 37.2% more than the adopted budget amount of \$12,984,192. The decline in FY 2021 was due primarily to the impact of COVID-19. Specifically, FY 2020 BLT is based on businesses 2019 gross receipts, and FY 2021 BLT is based on their 2020 gross receipts. In March 2020, the COVID-19 pandemic required many businesses to temporarily close for safety reasons. The unexpected temporary closures created a very negative impact on many businesses (especially retail and hotels) and forced some to permanently close.

In addition, during FY 2021, U1 Business License Tax revenue totaled \$4,818,740 which was \$778,619 less than the \$5,597,359 received in FY 2020. The \$4,818,740 collected in FY 2021 was \$2,118,740 more than the adopted budget amount of \$2,700,000.

Vehicle In Lieu Taxes (+\$1,024,409 more than FY 2020 Actual)

For FY 2020, VLF revenue totaled \$14,380,453, which was \$1,024,409 or 7.7% more than the \$13,356,044 received in FY 2020, and was consistent with the 7.7% increase in

assessed value for FY 2021. The amount of \$14,380,453 received in FY 2021 was \$1,958,856 more than the adopted budget amount of \$12,421,597.

Parking Fines (-\$320,934 less than FY 2020 Actual)

During FY 2021, Parking Fines revenue decreased by \$320,934 or 8.3% to \$3,571,391, from \$3,892,325 in FY 2020, despite an increase in ticket writing, from 100,219 to 113,648 or 13.4%. The number of tickets written (and their collectability) were negatively impacted by the Governor's shelter in place orders related to the COVID-19 pandemic.

Interest Income (-\$2,024,465 less than FY 2020 Actual)

During FY 2021, Interest Income totaled \$5,917,722, which was \$2,024,465 or 25.5% less than the \$7,942,187 received in FY 2020. It was also \$3,066,252 more than the adopted budget amount of \$2,851,200. The decline in interest income in FY 2021 primarily resulted from the following, which was triggered by the Federal Reserve Board voting on March 15, 2020 to cut short-term interest rates back to zero, in order to mitigate the negative impact of the COVID-19 pandemic on the US economy: (1) The average book value of long-term investments were lower in FY 2021 until June 2021; (2) the average balance of investments in lower-yielding short-term investments were higher in FY 2021; and (3) the weighted-average interest rates were lower in FY 2021.

Ambulance Fees (-\$1,914,989 less than FY 2020 Actual)

For FY 2021, Ambulance Fee revenue totaled \$3,081,204, which was \$1,914,989 or 38.3% less than the \$4,996,193 received in FY 2020. This decrease was primarily due to the impact of the COVID-19 pandemic, which resulted in substantially less transports in FY 2021 than there were in FY 2020. The total of \$3,081,204 collected was \$2,022,004 less than the FY 2021 adopted budget amount of \$5,103,208.

Other Revenues (+\$2,322,963 more than FY 2020 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 FY 2021 totaled \$10,354,768 which was \$2,322,963 or 28.9% more than the \$8,031,805 received in FY 2020. The increase was primarily due to \$1.5 million received in FY 2021 for the COVID Relief Program and \$.9 million received for the Berkeley Relief Fund.

Indirect Cost Reimbursements (-\$144,769 less than FY 2020 Actual)

During FY 2021, IDC Reimbursement \$5,345,014 which was \$144,769 or 2.6% less than the \$5,489,783 received in FY 2020. This was primarily attributable to a slight decrease in the indirect cost allocation base (i.e., total direct salaries and wages) in FY 2021. IDC Reimbursement decreases result from decreases in the indirect cost allocation base (i.e., total direct salaries and wages in the fund), a decrease in the indirect cost rate or both.

Transfers (+\$13,616,589 more than FY 2020 Actual)

During FY 2021, Transfers totaled \$21,180,762 which was \$13,616,589 or 180.0% more than the \$7,564,173 received in FY 2020. The increase was primarily due to the transfers of \$11.4 million from the reserve funds (\$6.9 million from the Stabilization Reserve Fund

and \$4.5 million from the Catastrophic Reserve Fund) to mitigate the negative impacts of COVID-19 pandemic, and a \$.9 Million from the IT Allocation Fund

KEY TO THE GENERAL FUND REVENUES

REAL PROPERTY TAXES

Under the State Constitution, Real Property Taxes (Property Taxes) are applied to all taxable real and personal property (i.e., possessory interest, and other personal property considered to be permanently attached to the property), and are set at 1% of the assessed value. The Alameda County Assessor maintains property tax assessment rolls that account for all property. Property Taxes are adjusted per the following:

- ❑ The assessed value of real property that has not changed ownership increases by the change in the California Consumer Price Index up to a maximum of 2% per year.
- ❑ Property that changes ownership; is substantially altered; is newly constructed; “state-assessed” rather than “local-assessed” property; and personal property (i.e., possessory interest, and other personal property considered to be permanently attached to the property), is assessed at the full market value in the first year, and subject to the 2% cap, thereafter.

In 1979, in order to mitigate the loss of Property Tax revenues after approval of Proposition 13, the State legislature approved AB 8. This action was approved to provide a permanent method for allocating the proceeds from the 1% property tax rate, by allocating revenues back to local governments based on their historic shares of property tax revenues. As part of the State’s 1993-94 budget, the AB 8 formula was altered requiring another ongoing shift in City Property Tax revenue to K-12 schools and community colleges (Education Revenue Augmentation Fund or ERAF).

Proposition 1A, enacted in November 2004, provides protection for local property taxes, sales taxes, and VLF revenues by prohibiting the State Legislature from taking any action that would:

- ❑ Reduce the local Bradley Burns Uniform sales and Use Tax rate or alter its allocation.
- ❑ Decrease VLF revenue from the 0.65% rate without providing replacement funding.
- ❑ Shift property taxes from cities, counties or special districts except under certain circumstances.

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

ALLOCATION OF COUNTY-WIDE PROPERTY TAX	
Agency/Jurisdiction Allocation	% Allocated
City of Berkeley	32.57
County General Fund	15.06
Schools	42.85
Special Districts	9.52
Total 1% Countywide Tax Allocation	100.00

Analysis of Real Property Tax

Factors that affect the revenue generated by property taxes are:

- ❑ Changes in assessed values, which are caused by inflation adjustments up to 2%, construction activity, and sales of properties;
- ❑ Economic growth in the Bay Area; and
- ❑ The rate of collection.

CHANGES IN TAXABLE ASSESSED VALUES & COLLECTION RATE				
Description	2018	2019	2020	2021
Taxable Assessed Value (\$1,000)	\$17,376,517	\$18,580,711	\$19,811,196	\$21,335,186
\$ Change Assessed Value (\$1,000)	1,175,644	1,204,194	1,230,485	1,523,990
% Change Assessed Value	7.26%	6.93%	6.62%	7.69%
% Prop Tax Collected	98.89%	99.14%	98.74%	98.96%

FY 2021 Real Property Tax revenues totaled \$68,166,155, which was \$4,973,477 or 7.87% more than the \$63,192,678 received in FY 2020, and was consistent with the 7.7% increase in assessed value. The FY 2021 total of \$68,166,155 is \$7,000,701 more than the adopted budget amount of \$61,165,454.

The growth in annual property tax revenues is generally close to the growth in annual assessed values. Differences between the two result primarily from reassessment refunds and changes in delinquency rates.

Forecast of Property Tax Revenue

The revenue projection for Real Property Tax revenue is primarily based on the annual County Assessor's Office estimate of assessed values, which is provided in June each year. The difference between the estimate in June and the actual certification in August

is generally small. Real Property Tax revenue is currently projected to grow at about 4.6% in FY 2022, 3.5% in FY 2023 and 3.5% in FY 2024. Staff updates these original Adopted Budget projections quarterly.

REAL PROPERTY TAXES						
	Actual Revenue			Projected Revenue		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Collections	\$59,178,773	\$63,192,678	\$68,166,155	\$71,280,000	\$73,774,800	\$76,356,918
\$ Change	3,140,555	4,013,905	4,973,477	3,113,845	2,494,800	2,582,118
% Change	5.60%	6.78%	7.87%	4.6%	3.50%	3.50%

SUPPLEMENTAL REAL PROPERTY TAXES

Supplemental Taxes are the result of the reassessment of property as of the 1st day of the month following either an ownership change or completion of new construction. In most cases, this reassessment results in one or more supplemental tax bills being sent to the property owner during the year, in addition to the annual property tax bill.

The Assessor determines the new value of the property based on the current market, and then calculates the difference between the new value (set at the time of purchase or completion of new construction) and the old value (set on January 1st of the previous fiscal year). The result is the supplemental assessment value. Once the new assessed value of a property has been determined, the Assessor will send a notification of the amount to be assessed to the owner.

Analysis of Supplemental Real Property Tax

Factors that affect the revenue generated by Supplemental Taxes are the sales of real property and/or new construction in the City that occurs after the assessment lien date (of January 1st) until the end of the fiscal year, June 30th.

For FY 2021, Supplemental Tax revenue totaled \$2,249,517, which is a decrease of \$85,080 or 3.6% from the \$2,334,597 received in FY 2020. The amount of \$2,249,517 received in FY 2021 was \$989,517 more than the adopted budget amount of \$1,260,000.

Forecast of Supplemental Real Property Tax Revenue

Supplemental Tax revenues are very volatile from year to year. Therefore, revenues are projected to decline 11% in FY 2022 and then remain flat in FY 2023 and FY 2024. The volatility is due to fluctuations in the reassessment backlog worked on by the County Assessor's Office. As the County works on reassessment applications, this revenue typically goes up. Staff updates these original adopted budget projections quarterly.

SUPPLEMENTAL REAL PROPERTY						
	Actual Revenue			Projected Revenue		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Collections	\$2,174,903	\$2,334,597	\$2,249,517	\$2,000,000	\$2,000,000	\$2,000,000
\$ Change	(62,746)	159,694	(85,080)	(249,517)	0	0
% Change	(2.8%)	7.3%	(3.6%)	(11.1%)	0%	0%

PROPERTY TRANSFER TAXES

The Property Transfer Tax (Transfer Tax) rates are set by the City of Berkeley. The City's transfer tax rate is 1.5% for properties with a consideration of up to \$1.5 million, and 2.5% for transferred properties with a consideration of over \$1.5 million. The additional 1% (Measure P revenue) will be used for general municipal purposes such as navigation centers, mental health support, rehousing and other services for the homeless, including homeless seniors and youth.

The \$1.5 million threshold will be adjusted annually to capture approximately the top 33% of such transfers based on transfers that occurred in the 12 months preceding September 1 of the preceding year. However, the threshold cannot be reduced below \$1.5 million, meaning that the tax on properties transferred for \$1.5 million or less would remain at 1.5%, notwithstanding any adjustment.

The tax is due when the documents of transfer are recorded with the County. Title companies collect the tax as part of the sale closing process, and remit the funds to Alameda County when sales or transfers are finalized. Penalties are imposed on delinquent payments, and interest is charged from the date of delinquency until paid. Alameda County remits the amounts due monthly, and the amounts are credited to the General Fund.

Seismic Retrofit Rebate Program. In Berkeley, a portion of Transfer Taxes are used to fund the City's Seismic Retrofit Rebate Program for residential housing. Upon transfer of a qualifying residential property, the buyer may voluntarily choose to reserve up to 1/3 of the total Transfer Tax to perform voluntary seismic upgrades as specified by the City.

Property owners have up to one year after the recording of the sale to complete the seismic work and file for the rebate. An extension for good cause may be requested in writing up to one year past the original deadline date, provided the request is made prior to the one-year filing deadline.

Analysis of Property Transfer Tax

Because Property Transfer Tax is tied directly to all real property sales, it is a volatile revenue source, and difficult to predict more than one year at a time. Factors that affect the revenue generated by Transfer Taxes are the sale price of property and the frequency with which property is sold. These immediate factors are driven by the availability of

mortgage loans, the level of long-term interest rates, the supply and demand for real estate in Berkeley, and general economic growth in the Bay Area.

For FY 2021, Property Transfer Tax revenue totaled \$21,469,955, which is a decrease of \$625,552 or 2.83% from the \$22,095,507 received in FY 2020. The amount of \$21,469,955 received in FY 2021 was \$4,969,955 more than the adopted budget amount of \$16,500,000. The primary reason for the \$625,552 decrease in Property Transfer Tax was that the May 2021 payment of \$3,384,375 from the County was not received until July 12, 2021 (FY 2022).

This revenue source is typically 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. However, Council suspended the policy in FY 2021 in order to approve a one-time increase of \$4 million in the baseline to \$16.5 million, to help deal with the impact of the COVID-19 pandemic.

In addition, \$10,919,576 in Measure P taxes (taxes effective December 21, 2018) was collected during FY 2021 compared to \$9,512,603 collected during FY 2020. The primary reason for the increase was there were more multi-million transactions during FY 2021 than there were in FY 2020.

Forecast of Transfer Tax Revenue

Staff is forecasting recurring Transfer Tax revenue of \$12.5 million in FY 2022 through FY 2024, net of budgeted seismic retrofit rebates. Staff is of the opinion that total Transfer Tax revenue (the recurring and non-recurring amounts) will be close to the level of \$21 million for FY 2022 through FY 2024. In addition to the \$21 million projected for FY 2022, the May 2021 property transfer tax receipt of \$3,384,375, that was sent late by the County, will be included in FY 2022 revenue.

Any amounts above the \$12.5 million baseline will be non-recurring (one-time) revenue, available for one-time expenditure allocations only.

PROPERTY TRANSFER TAX						
	Actual Revenue			Projected Revenue		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Collections	\$19,952,981	\$22,095,507	\$21,469,955	\$21,000,000	\$21,000,000	\$21,000,000
\$ Change	1,041,613	2,142,526	(625,552)	(469,955)	0	0
% Change	5.51%	10.73%	(2.83%)	(2,2%)	0%	0%

Measure P						
	Actual Revenue			Projected Revenue		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Collections	\$2,932,313	\$9,512,603	\$10,919,576	\$8,500,000	\$8,500,000	\$8,500,000
\$ Change	2,932,313	6,580,290	1,406,973	(2,419,576)	0	0
% Change		224.4%	14.79%	(22.2%)	0%	0%

VEHICLE IN-LIEU TAX / LICENSE FEES (VLF)

Motor Vehicle In-Lieu Tax (VLF) is a tax imposed by the State on the ownership of a registered vehicle. VLF is collected by the State Department of Motor Vehicles (DMV) and more than 95% of these fees are divided equally between counties and cities, and their aggregate shares are distributed in proportion to the respective populations of the cities and counties. The State withholds less than 5% of these fees for the support of the Department of Motor Vehicles. Until 1998-99, the annual license fee was 2% of the market value of the vehicle as determined by the DMV. In 1998-99, the State reduced the license fees by 25%, but agreed to backfill local jurisdictions for this loss in revenue.

In 2004, the Governor lowered the annual VLF to 0.65%, from 2.0%. In the budget agreement between the Governor and cities and counties, the Governor agreed to backfill the 1.35% difference in VLF with property taxes from the Education Revenue Augmentation Fund (ERAF), in exchange for cities and counties taking cuts of \$350 million in FY 2005 and FY 2006. Berkeley's share of the cut was \$1.83 million in both FY 2005 and FY 2006. Beginning in FY 2006, this property tax in lieu of VLF began to grow at the same rate as the change in gross assessed valuation of taxable property in the City from the prior year.

Analysis of VLF

Factors that have affected the revenue generated by VLF in the past include the sales of new vehicles in California, DMV administrative costs, and the proportion of Berkeley's population to the total for the State and County. Starting in FY 2006, the rate of growth in the assessed values of properties also impacted VLF revenues, as the amount of the VLF paid increases by the change in gross assessed values of taxable properties.

For FY 2021, VLF revenue totaled \$14,380,453, which is \$1,024,409 or 7.7% more than the \$13,356,044 received in FY 2020, and was consistent with the 7.7% increase in assessed value for FY 2021. The amount of \$14,380,453 received in FY 2021 was \$1,958,856 more than the adopted budget amount of \$12,421,597.

Forecast of VLF Revenue

VLF revenue projections are based on trend analysis, growth in assessed value and communications with the State Controller's Office staff about new vehicle sales and DMV administrative costs reported. VLF revenue is tied to the change in gross assessed values of taxable properties.

VEHICLE IN-LIEU TAX / LICENSE FEES (VLF)						
	Actual Revenue			Projected Revenue		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Collections	\$12,540,784	\$13,356,044	\$14,380,453	\$14,959,837	\$15,483,432	\$16,025,352
\$ Change	717,867	815,260	1,024,409	579,384	523,595	541,920
% Change	6.1%	6.5%	7.7%	4.03%	3.5%	3.5%

PERSONAL PROPERTY TAXES (UNSECURED PROPERTY)

Personal property tax is assessed at the rate of 1% of the market value on a business' personal property, such as office furniture, machinery, boats, aircraft and other equipment. The tax is billed and collected by Alameda County in a single installment due August 31st, and most of the amount due to the City is remitted in September and credited to the General Fund.

Analysis of Personal Property Taxes

Factors that affect the revenue generated by taxes on personal property are business capital expenditures growth, and the collection rate. The growth in annual personal property tax revenues should generally be close to the growth in annual assessed values, except for significant changes in collection rates. In addition, prior years' personal property levies collected in the current year and refunds are included in the total and can cause significant variances.

For FY 2021, Unsecured Property Tax revenues totaled \$3,448,412, which was \$284,244 or 9.0% more than the \$3,164,168 received in FY 2020, and was consistent with a 7.1% increase in FY 2021 assessed value. The amount of \$3,448,412 received in FY 2021 was \$1,198,412 more than the adopted budget amount of \$2,250,000.

Forecast of Personal Property Tax Revenue

Staff is projecting a decline of approximately 24% to \$2,625,000 in FY 2022 and then level out through FY 2024, based on the County Assessor's estimate of a 25% decline in business personal property, due to the effects of COVID-19.

PERSONAL PROPERTY TAX						
	Actual Revenue			Projected Revenue		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Collections	\$2,878,275	\$3,164,168	\$3,448,412	\$2,625,000	\$2,625,000	\$2,625,000
\$ Change	191,077	285,893	284,244	(823,412)	0	0
% Change	7.11%	9.93%	9.0%	(23.9%)	0%	0%

SALES TAXES

Sales Tax is an excise tax imposed on retailers for the privilege of selling or leasing tangible personal property. The Use Tax is an excise tax imposed for the storage, use, or other consumption of tangible personal property purchased from any retailer. The proceeds of sales and use taxes imposed within the boundaries of Berkeley are distributed by the State to various agencies, with the City of Berkeley receiving 1% of the amount collected. In March 2004, voters of California approved Proposition 57, the California Economic Recovery Bond Act. Legislative provisions implementing Proposition 57 provide for a swapping of $\frac{1}{4}$ cent to be used by the State to repay the bonds, effective July 1, 2004. The so called “triple flip” provisions consist of (a) a reduction of the Bradley Burns Local Sales and Use Tax rate by $\frac{1}{4}\%$ in tandem with a new $\frac{1}{4}\%$ state rate to fund fiscal recovery bond repayment; (b) repayment to cities and counties with additional local property tax previously allocated to local schools; and (c) repayment to local schools with State general funds.

Effective April 1, 2009, the State sales and use tax rate was increased by 1%, from 8.75% to 9.75%. This 1% tax rate increase expired on July 1, 2011. However, Proposition 30, temporary Taxes to Fund Education, was approved by voters at the state-wide election on November 6, 2012. This measure provided for an increase in the tax rate of .25% for four years (January 1, 2013 through December 31, 2016). In 2016, California voters approved Proposition 55 to extend Prop 30 from 2019 through 2030 with the same mandatory audits and transparency requirements.

The total sales tax rate for Alameda County is currently 10.25% and distributed as follows:

DISTRIBUTION OF SALES TAX COLLECTED WITHIN ALAMEDA COUNTY	
Agency	Distribution %
State of California	6.00%
State Public Safety Fund (Proposition 172)	0.50%
City of Berkeley	1.00%
Alameda County Transactions and Use Tax	.50%
Alameda County Children’s Health and Child Care	.50%
Alameda County Transportation Improvement Authority	.50%
Alameda County Transportation Commission	.50%
Alameda County Transportation Funds	.25%
Bay Area Rapid Transit District (BART)	.50%
Total Sales Tax	10.25%

Analysis of Sales Tax

Factors that affect the revenue generated by Sales Tax include:

- ❑ Overall economic growth in the Bay Area and competition from neighboring cities;
- ❑ Growth rate of specific dominant commercial/industrial sectors in Berkeley;
- ❑ Berkeley's business attraction/retention efforts, especially on retail establishments; and
- ❑ Catalog and Internet sales

For FY 2021, Sales Tax revenue totaled \$15,792,305, which is \$1,765,234 or 10.1% less than the \$17,557,539 received in FY 2020. The amount of \$15,792,305 received in FY 2021 was \$6,105 more than the adopted budget amount of \$15,786,200. The decline in FY 2021 was primarily due to the impact COVID-19 had on retail businesses.

SALES TAX						
	Actual Revenue			Projected Revenue		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Collections	\$18,663,550	\$17,557,539	\$15,792,305	\$18,287,215	\$19,827,678	\$20,660,832
\$ Change	1,227,959	(1,106,011)	(1,765,234)	2,494,910	1,540,463	833,154
% Change	7.00%	(5.93%)	(10.1%)	15.8%	8.4%	4.2%

Forecast of Sales Tax Revenue

The City's sales tax consultant is projecting a strong rebound in the City's sales tax revenues starting in FY 2022. Annual Sales Tax revenue is projected to increase by 15.8% in FY 2022 and then level off with an 8.4% increase in 2023 and 4.2% in FY 2024.

BUSINESS LICENSE TAX

A tax receipt (colloquially called a "business license") is issued each year upon payment of a Business License Tax (BLT), which is either a fixed amount or based on a varying percentage of the prior year's gross receipts, depending on the type of business. The Business License must be renewed on January 1st each year, and the required tax is delinquent if paid after February 28th.

Analysis of Business License Tax

Factors that affect the BLT revenue are:

- ❑ Number of business renewals;
- ❑ Commercial and industrial growth rates;
- ❑ Attraction/loss of businesses;
- ❑ Economic growth in the Bay Area; and
- ❑ Results of Finance BLT collection activity; and the City Auditor's and Finance Department audit programs.

For FY 2021, BLT revenue totaled \$17,809,332, which is \$3,200,121 or 15.23% less than the \$21,009,453 received in FY 2020. The \$17,809,332 collected in FY 2021 was

\$4,825,140 or 37.2% more than the adopted budget amount of \$12,984,192. The decline in FY 2021 was due primarily to the impact of COVID-19. Specifically, FY 2020 BLT is based on businesses' 2019 gross receipts, and FY 2021 BLT is based on their 2020 gross receipts. In March 2020, the COVID-19 pandemic required many businesses to temporarily close for safety reasons. The unexpected temporary closures created a very negative impact on many businesses (especially retail and hotels) and forced some to permanently close.

Forecast of Business License Tax Revenue

BLT revenues are projected to recover approximately 4% in FY 2022 and 5% in FY 2023 and FY 2024.

BUSINESS LICENSE TAX						
	Actual Revenue			Projected Revenue		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Collections	\$19,848,803	\$21,009,453	\$17,809,332	\$18,498,146	\$19,423,053	\$20,394,205
\$ Change	(45,862)	1,014,835	(3,200,121)	688,814	924,907	971,152
% Change	.2%	5.11%	(15.23%)	3.9%	5.00%	5.00%
Estimated # of Licenses (calendar year)	13,029	13,029	12,100	12,100	12,100	12,100

U1 Business License Revenue

For FY 2021, U1 Business License Tax revenue totaled \$4,818,740 which is \$778,619 less than the \$5,597,359 received in FY 2020. The \$4,818,740 collected in FY 2021 was \$2,118,740 more than the adopted budget amount of \$2,700,000.

UTILITY USERS TAX

Utility Users Tax (UUT) has generally been a steady and reliable source of General Fund revenue for most cities, and Berkeley's 4th largest source of GF revenue. Utility Users Tax is charged at the rate of 7.5% to all users of a given utility (electricity, gas, telephone, cable, and cellular), other than the corporation providing the utility (a utility company's consumption of all utilities used in the production or supply of their service is not taxed). The tax is not applicable to State, County, or City agencies, or to insurance companies and banks.

Analysis of UUT

Some factors that affect the revenue generated by UUT are:

- Consumption/use of gas, electricity, telecommunication services, cable, and cellular;
- Regulatory actions, including deregulation and re-regulation;

- ❑ PUC rate changes;
- ❑ Market forces;
- ❑ Evolution of technology; and
- ❑ Legislative actions at State and Federal levels

About 71% of UUT revenues were generated from gas and electric services and 29% from telecommunications during FY 2021, compared to a ratio of 60% / 40% in the past:

UUT revenue in FY 2021 increased by \$416,284 or 3.1%, to \$13,892,199 from \$13,475,915 received in FY 2020. The \$13,892,199 collected in FY 2021 was \$1,142,199 or 9.0% more than the adopted budget amount of \$12,750,000.

The increase in FY 2021 is primarily attributable to decreases in Telephone (-\$68,183), Cellular (-\$160,037) and Cable (-\$136,800), which were more than offset by increases in Gas (+\$164,499) and Electric (+\$616,825).

Forecast of UUT Revenues

UUT is projected to decrease in FY 2022 by over 6%, and then level off in FY 2023 and FY 2024.

UTILITY USERS TAX						
	Actual Revenue			Projected Revenue		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Collections	\$13,973,744	\$13,475,915	\$13,892,199	\$13,000,000	\$13,000,000	\$13,000,000
\$ Change	(854,376)	(497,829)	416,284	(892,199)	0	0
% Change	5.76%	(3.56%)	3.1%	(6.42%)	0%	0%
Cable	1,240,599	1,130,787	993,986	1,001,070	1,001,070	1,001,070
Gas/Elec	9,037,982	9,146,167	9,927,490	9,104,524	9,104,524	9,104,524
Phone	1,867,460	1,348,107	1,279,924	1,411,041	1,411,041	1,411,041
Cellular	1,827,703	1,850,854	1,690,798	1,483,365	1,483,365	1,483,365

FRANCHISE FEES: CABLE - ELECTRIC - GAS

Cable Franchise

Prior to the passage of State Bill AB2987, Federal and State laws allowed cities to grant franchises to cable companies to use the public right-of-way (PROW) to install and provide video service. The cable company, in turn, applied for a permit to install the video facilities. The permit also allowed for maintenance work once the installation was complete. Under the current franchise agreement, the cable company pays Berkeley an annual franchise fee of 5% of gross revenues, in quarterly installments. In addition, they support the Public Access Channel programming (B-TV). The cable franchise expired on November 12, 2007. State Bill AB 2987 allows companies to apply for statewide cable

television franchises, and the bill maintains the City's 5% franchise fee. In addition to the 5% franchise fee, the bill allows the City to receive an additional fee of 1% of the gross revenue for Public, Educational and Government (PEG) purposes.

Electric & Gas Franchises

These franchise fees (ultimately paid by the consumer) are variable fees based on gross receipts for the sale of electricity or gas within the City, and is the greater of these two calculations:

1. Electric or Gas Franchise Ordinance: 2% of gross receipts attributable to miles of line operated; or
2. 1937 Act Computations: gross receipts within the City times 0.5%.

Electric/Gas franchise fees are paid annually to the General Fund. Electric and gas franchise payments are based on two methods of calculating gross receipts. The electric/gas company must complete both calculations, and the payment made is the greater amount. In addition, the PUC approved a franchise fee surcharge since PG&E no longer handles all energy service, in order to prevent cities from losing franchise revenue generated by third parties. The surcharge is an estimate of the amount of revenues generated by third parties multiplied by the franchise fee rate.

Analysis of Franchise Fees

For FY 2021, Franchise Fee revenue totaled \$1,726,470, which is \$112,632 or 6.12% less than the \$1,839,102 received for FY 2020, as a result of a decline of \$102,312 in Cable, \$9,297 in Electric, and \$1,023 in Gas. The \$1,726,470 collected in FY 2021 was \$174,774 or 11.3% more than the adopted budget amount of \$1,551,696.

Forecast of Franchise Fee Revenue

Franchise Fee revenues are projected to increase by 2% in FY 2022 through FY 2024.

FRANCHISE FEES						
	Actual Revenue			Projected Revenue		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Collections	\$1,821,316	\$1,839,102	\$1,726,470	\$1,613,283	\$1,645,549	\$1,678,460
Cable	920,878	818,637	716,325	718,109	732,471	747,120
Electric	530,175	598,023	588,726	524,608	535,101	545,803
Gas	370,263	422,442	421,419	370,566	377,977	385,537

TRANSIENT OCCUPANCY TAXES

Transient Occupancy Tax (TOT) is assessed at the rate of 12% on the room charge for rental of transient lodging when the period of occupancy is 30 days or less. This is sometimes referred to as a "hotel tax." Hotel guests pay the 12% tax.

Analysis of TOT

Factors that affect the revenue generated by TOT are: the number of hotel rooms available for occupancy; their level of occupancy; and the average room rates charged. Economic cycles that impact personal or business discretionary spending also impact travel, and thus affect the number of occupied rooms in a particular economic cycle.

Transient Occupancy Tax (TOT) revenue for FY 2021 totaled \$2,292,480 which is \$4,095,015 or 64.1% less than the \$6,387,495 received in FY 2020. The FY 2021 decline in revenue is attributable to a substantial decline in room occupancy, due to the impact of the COVID-19 pandemic. More specifically, the pandemic resulted in a decline of \$3,296,482 or 22.6% in TOT revenue at the City's five largest hotels during FY 2021, versus a 22.6% decrease during FY 2020, with a range of 34.5% to 83.5%.

Forecast of TOT Revenue

The Adopted Budget TOT revenue forecast is based on projections for the 12 largest hotels (TOT = number of rooms times hotel's estimate of occupancy rate times average room rate). Revenues are currently projected to decrease by 67.59% in FY 2021, and then increase by 5% in FY 2022 and FY 2023.

TRANSIENT OCCUPANCY TAX						
	Actual Revenue			Projected Revenue		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Collections	\$7,995,133	\$6,387,495	\$2,292,480	\$2,173,500	2,282,175	2,396,284
\$ Change	187,860	(1,607,638)	(4,095,015)	118,980	108,675	114,109
% Change	2.41%	(20.11%)	(64.1%)	5.19%	5%	5%

INTEREST INCOME

The City employs a strict cash management program to ensure that all available funds are invested to earn the maximum yield consistent with safety and liquidity. Invested money is pooled and each of the funds receives interest income based on its share of monthly net cash balances. Short-term securities are purchased at a discount (the interest income earned by the City is the difference between the price paid by the City and the par value of the bonds). Long-term securities purchased by the City pay an interest coupon (generally semi-annually). Interest is allocated from the General Fund each month to other designated City funds, based on their net cash balances.

Analysis of Interest Income

For FY 2021, Interest Income totaled \$5,917,722, which was \$2,024,465 or 25.49% less than the \$7,942,187 received in FY 2020. It was also \$3,066,522 more than the adopted budget amount of \$2,851,200. The decline in interest income in FY 2021 primarily resulted from the following, which was triggered by the Federal Reserve Board voting on March 15, 2020 to cut short-term interest rates back to zero, in order to mitigate the negative impact of the COVID-19 pandemic on the US economy: (1) The average book value of long-term investments were lower in FY 2021 until June 2021; (2) the average

balance of investments in lower-yielding short-term investments were higher in FY 2021; and (3) the weighted-average interest rates were lower in FY 2021.

Forecast of Interest Income

Interest Income projections are made by taking the existing investments and multiplying by the effective yield, and adding the calculation for estimated interest income on future investments (estimate of amounts to be invested in the various maturities, times the estimate of the applicable interest rate. Interest income is projected to decline in FY 2022 through FY 2024, due to lower interest rates resulting from the Federal Reserve Board reduction of short-term interest rates back to zero to mitigate the negative impact of the COVID-19 pandemic.

INTEREST INCOME						
	Actual Revenue			Projected Revenue		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Collections	\$4,334,404	\$7,942,187	\$5,917,722	\$4,462,320	\$4,411,120	\$4,411,120

PARKING FINES

AB 408 decriminalized parking violations, changing punishment from a criminal penalty to a civil liability. In doing so, it substituted a system of citations and civil penalties, to be adjudicated by an administrative structure within the city or other agency rather than the court system. This structure was intended to allow cities more control and efficiency in the administration of parking fines.

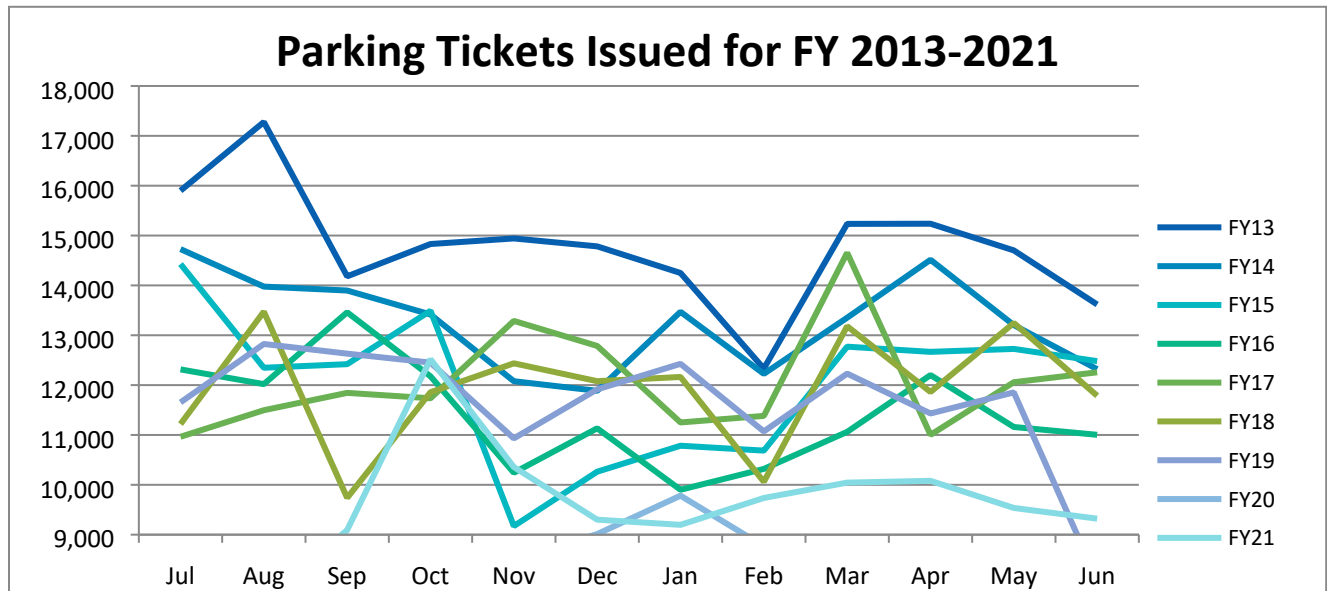
Analysis of Parking Fines

Factors that affect the revenue generated by Parking Fines include:

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

For FY 2021, Parking Fines revenue decreased by \$320,934 or 8.25% to \$3,571,382, from \$3,892,325 in FY 2020, primarily as a result of the Governor's shelter in place orders resulting from the COVID-19 pandemic.

After hitting a high of \$11.9 million in revenue and 312,005 tickets written in FY 2007, Parking Fines revenue and ticket writing has declined nearly every year since then. The graph below shows the year-over-year declines in ticket writing from FY 2013 through FY 2021, as follows:



PARKING FINES						
	Actual Revenue			Projected Revenue		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Net Regular Collections	\$6,002,211	\$3,892,325	\$3,571,391	\$3,726,450	\$3,912,773	\$4,108,411
Total Booting Collections	211,913	0	0	0	0	0
Total Collections	6,214,124	3,892,325	3,571,391	3,726,450	3,912,773	4,108,411
\$ Change	(393,877)	(2,109,886)	(320,934)	155,059	186,323	195,638
% Change	(5.96%)	(35.15%)	(8.25%)	4.34%	5%	5%
Parking Citations	139,516	100,219	113,648	115,921	118,239	120,604

Forecast of Parking Fine Revenue

Revenue projections are based on: an estimate of valid tickets issued times the average ticket price times the collection rate (including use of a collection agency, registration holds with DMV and/or liens with the Franchise Tax Board) minus Jail Construction Fund payments.

AMBULANCE FEES

By agreement with Alameda County, the City of Berkeley is the exclusive provider of all emergency ground ambulance service within the City limits. The contract began in July 1, 1999 and has been extended to June 30, 2024. The specific ambulance fee depends

on the type of service delivered. Clients and clients' insurance companies are billed monthly by an outside agency (ADPI) that also maintains the City's accounts receivable subsidiary records. The Fire Department receives the remitted amounts and the revenues are credited to the General Fund.

Analysis of Ambulance Fees

For FY 2021, Ambulance Fee revenue totaled \$3,081,204, which is \$1,914,989 or 38.33% less than the \$4,996,193 received in FY 2020, due to the impact of the COVID-19 pandemic. The total of \$3,081,204 collected was \$2,022,004 less than the FY 2021 adopted budget amount of \$5,103,208.

AMBULANCE FEES						
	Actual Revenue			Projected Revenue		
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Collections	\$4,424,808	\$4,996,193	\$3,081,204	\$3,154,002	\$3,217,082	\$3,281,424
\$ Change	81,355	571,385	(1,914,989)	72,798	63,080	64,342
% Change	1.87%	12.91%	(38.33%)	2.36%	2.00%	2.00%

Forecast of Ambulance Fee Revenue

Projections are based on trend analysis and discussions with the Ambulance Fee vendor and Fire Department staff for estimates of each type of service, and the total collections rate. This revenue source is projected to increase by approximately 2% in FY 2022 through FY 2024.

Progress Back from COVID Emergency

GENERAL FUND REVENUES - FY 2021 vs FY 2019

Revenue Categories	FY 2021				FY 2019				Comparison	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Actuals	% Change
Secured Property Taxes	61,165,454	68,166,155	7,000,701	111%	57,966,998	59,178,773	1,211,775	102%	8,987,382	15%
Supplemental Taxes	1,260,000	2,249,517	989,517	179%	1,400,000	2,174,903	774,903	155%	74,615	3%
Unsecured Property Taxes	2,250,000	3,448,412	1,198,412	153%	2,500,000	2,878,275	378,275	115%	570,137	20%
Property Transfer Taxes	16,500,000	21,469,955	4,969,955	130%	12,500,000	19,952,981	7,452,981	160%	1,516,974	8%
Property Transfer Tax - Measure P	4,747,414	10,919,576	6,172,162	230%	0	2,932,313	2,932,313	N/A	7,987,264	272%
Sales Taxes	15,786,200	15,796,055	9,855	100%	18,140,977	18,696,421	555,444	103%	(2,900,366)	-16%
Soda Tax	970,794	995,387	24,593	103%	1,500,000	1,606,178	106,178	107%	(610,790)	-38%
Utility Users Taxes	12,750,000	13,892,200	1,142,200	109%	15,000,000	13,973,744	(1,026,256)	93%	(81,544)	-1%
Transient Occupancy Taxes(TOT)	5,070,000	2,292,480	(2,777,520)	45%	7,800,000	7,995,188	195,188	103%	(5,702,708)	-71%
Short-term Rentals	676,260	694,197	17,937	103%	840,000	1,831,361	991,361	218%	(1,137,164)	-62%
Business License Taxes	12,984,192	17,687,766	4,703,574	136%	19,200,000	19,217,704	17,704	100%	(1,529,938)	-8%
Recreational Cannabis	1,300,000	1,712,641	412,641	132%	500,000	1,168,794	668,794	234%	543,847	47%
Measure U1	2,700,000	4,818,740	2,118,740	178%	1,000,000	5,866,230	4,866,230	587%	(1,047,490)	-18%
Other Taxes	1,456,560	2,120,081	663,521	146%	2,215,999	2,308,999	93,000	104%	(188,917)	-8%
Vehicle In Lieu Taxes	12,421,597	15,995,869	3,574,272	129%	12,381,128	12,540,784	159,656	101%	3,455,084	28%
Parking Fines - Regular Collections	5,049,000	3,571,391	(1,477,609)	71%	6,018,123	6,125,554	107,431	102%	(2,554,162)	-42%
Parking Fines - Booting Collections	-	-	-	0%	-	-	-	0%	-	0%
Moving Violations	190,000	131,756	(58,244)	69%	235,000	177,824	(57,176)	76%	(46,069)	-26%
Ambulance Fees	5,103,208	3,081,204	(2,022,004)	60%	4,613,194	4,424,808	(188,386)	96%	(1,343,604)	-30%
Interest Income	2,851,200	5,917,722	3,066,522	208%	2,500,000	4,506,331	2,006,331	180%	1,411,391	31%
Franchise Fees	1,551,696	1,726,470	174,774	111%	1,984,643	1,821,316	(163,327)	92%	(94,845)	-5%
Other Revenues	6,246,348	8,814,850	2,568,502	141%	6,266,637	9,646,549	3,379,912	154%	(831,699)	-9%
Indirect cost reimbursements	5,490,000	5,345,014	(144,986)	97%	4,952,317	5,223,724	271,407	105%	121,290	2%
Transfers	17,274,293	21,180,762	3,906,469	123%	5,241,024	7,693,500	2,452,476	147%	13,487,262	175%
Total General Fund Revenues	195,794,216	232,028,202	36,233,986	119%	184,756,040	211,942,253	27,186,213	115%	20,085,949	9%

General Fund Revenues FY 2021 & 1st Quarter FY 2022

Budget and Finance Policy Committee

December 9, 2021

Presented by: Henry Oyekanmi, Director of Finance

FY 2021 Year-End Results



General Fund Revenue and Transfers, FY 2021 and FY 2020 Comparison

Revenue Categories	FY 2021				FY 2020				Comparison FY21 vs FY 20	
	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	\$61,165,454	\$68,166,155	\$7,000,701	111.45%	\$63,199,622	\$63,192,678	(\$6,944)	99.99%	4,973,477	7.87%
Redemptions -Regular	534,512	757,854	223,342	141.78%	668,140	580,941	(\$87,199)	86.95%	176,913	30.45%
Supplemental Taxes	1,260,000	2,249,517	989,517	178.53%	1,400,000	2,334,597	\$934,597	166.76%	(85,080)	-3.64%
Unsecured Property Taxes	2,250,000	3,448,412	1,198,412	153.26%	2,500,000	3,164,168	\$664,168	126.57%	284,244	8.98%
Property Transfer Tax	16,500,000	21,469,955	4,969,955	130.12%	12,500,000	22,095,507	\$9,595,507	176.76%	(625,552)	-2.83%
Property Transfer Tax-Measure P (New December 21, 2018)	4,747,414	10,919,576	6,172,162	230.01%	1,509,218	9,512,603	\$8,003,385	630.30%	1,406,973	14.79%
Sales Taxes	15,786,200	15,792,305	6,105	100.04%	18,238,000	17,557,539	(\$680,461)	96.27%	(1,765,234)	-10.05%
Soda Taxes	970,794	953,069	(17,725)	98.17%	1,459,057	1,331,313	(\$127,744)	91.24%	(378,244)	-28.41%
Utility Users Taxes	12,750,000	13,892,200	1,142,200	108.96%	15,000,000	13,475,915	(\$1,524,085)	89.84%	416,285	3.09%
Transient Occupancy Taxes	5,070,000	2,292,480	(2,777,520)	45.22%	7,800,000	6,387,495	(\$1,412,505)	81.89%	(4,095,015)	-64.11%
Short-term Rentals	676,260	694,197	17,937	102.65%	1,020,000	1,280,267	\$260,267	102.00%	(586,070)	-45.78%
Business License Tax	12,984,192	17,809,332	4,825,140	137.16%	19,584,000	21,009,453	\$1,425,453	107.28%	(3,200,121)	-15.23%
Recreational Cannabis	1,300,000	1,712,641	412,641	131.74%	510,000	1,300,887	\$790,887	255.08%	411,754	31.65%
U1 Revenues	2,700,000	4,818,740	2,118,740	178.47%	1,000,000	5,597,359	\$4,597,359	559.74%	(778,619)	-13.91%
Other Taxes	922,048	1,362,227	440,179	147.74%	1,116,860	1,536,731	\$419,871	137.59%	(174,504)	-11.36%
Vehicle In-Lieu Taxes	12,421,597	14,380,453	1,958,856	115.77%	13,333,826	13,356,044	\$22,218	100.17%	1,024,409	7.67%
Parking Fines-Regular Collections	5,049,000	3,571,391	(1,477,609)	70.73%	6,600,000	3,892,325	(\$2,707,675)	58.97%	(320,934)	-8.25%
Parking Fines-Booting Collections			0		200,000	8,685	(\$191,315)	4.34%	(8,685)	-100.00%
Moving Violations	190,000	131,756	(58,244)	69.35%	190,000	209,894	\$19,894	110.47%	(78,138)	-37.23%
Ambulance Fees	5,103,208	3,081,204	(2,022,004)	60.38%	4,200,000	4,996,193	\$796,193	118.96%	(1,914,989)	-38.33%
Interest Income	2,851,200	5,917,722	3,066,522	207.55%	3,564,000	7,942,187	\$4,378,187	222.84%	(2,024,465)	-25.49%
Franchise Fees	1,551,696	1,726,470	174,774	111.26%	2,068,928	1,839,102	(\$229,826)	88.89%	(112,632)	-6.12%
Other Revenue	6,246,348	10,354,768	4,108,420	165.77%	7,980,544	8,031,805	\$51,261	100.64%	2,322,963	28.92%
IDC Reimbursement	5,490,000	5,345,014	(144,986)	97.36%	6,100,000	5,489,783	(\$610,217)	90.00%	(144,769)	-2.64%
Transfers	17,274,293	21,180,762	3,906,469	122.61%	5,386,188	7,564,173	\$2,177,985	140.44%	13,616,589	180.01%
			-				-		-	
Total Revenue:	\$195,794,216	\$232,028,200	\$36,233,984	118.51%	\$197,128,383	\$223,687,644	\$26,559,261	113.47%	\$8,340,556	3.73%

CITY OF BERKELEY

GF REVENUES - REAL PROPERTY - FY 2021 vs FY 2020

Revenue Categories	FY 2021				FY 2020				Comparison	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Actuals	% Change
Secured Property Taxes	61,165,454	68,166,155	7,000,701	111%	63,199,622	63,192,678	(6,944)	100%	4,973,477	8%
Property Transfer Taxes	16,500,000	21,469,955	4,969,955	130%	12,500,000	22,095,507	9,595,507	177%	(625,552)	-3%
Property Transfer Tax - Measure P	4,747,414	10,919,576	6,172,162	230%	1,509,218	9,512,603	8,003,385	N/A	1,406,974	15%
Vehicle In Lieu Taxes	12,421,597	14,380,453	1,958,856	116%	13,333,826	13,356,044	22,218	100%	1,024,409	8%
Total Real Property Valuation Related Revenues	94,834,465	114,936,139	20,101,674	121%	90,542,666	108,156,831	17,614,165	119%	6,779,308	6%

- 8% increase in Secured Property Taxes consistent with increase in assessed value reported by County Assessor's Office
- Decrease in Transfer Taxes due to the County payment for May 2021 was not received until July (FY 2022)

CITY OF BERKELEY

GF REVENUES - SALES & SODA TAX - FY 2021 vs FY 2020

Revenue Categories	FY 2021				FY 2020				Comparison	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Actuals	% Change
Sales Taxes	15,786,200	15,792,305	6,105	100%	18,238,000	17,557,539	(680,461)	96%	(1,765,234)	-10%
Soda Tax	970,794	953,069	(17,725)	98%	1,459,057	1,331,313	(127,744)	91%	(378,244)	-28%
Total Sales and Soda Tax Revenues	16,756,994	16,745,375	(11,619)	100%	19,697,057	18,888,853	(808,204)	96%	(2,143,478)	-11%

- 11% less than FY 2020, which was only impacted by COVID shutdown in final month (June 2020), due to Sales Tax Revenue being received 3 months after retail sales activity

CITY OF BERKELEY

GF REVENUES - HOTEL TAX & STR - FY 2021 vs FY 2020

Revenue Categories	FY 2021				FY 2020				Comparison	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Actuals	% Change
Transient Occupancy Taxes(TOT)	5,070,000	2,292,480	(2,777,520)	45%	7,800,000	6,387,495	(1,412,505)	82%	(4,095,015)	-64%
Short-term Rentals	676,260	694,197	17,937	103%	1,020,000	1,280,267	260,267	126%	(586,070)	-46%
Total Hotel Tax and STR Revenues	5,746,260	2,986,677	(2,759,583)	52%	8,820,000	7,667,762	(1,152,238)	87%	(4,681,085)	-61%

- FY 2021 Hotel taxes severely impacted by COVID travel reductions, resulting in a substantial decline in occupancy

CITY OF BERKELEY

GF REVENUES - UTILITY USERS TAX - FY 2021 vs FY 2020

Revenue Categories	FY 2021				FY 2020				Comparison	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Actuals	% Change
Utility Users Taxes	12,750,000	13,892,200	1,142,200	109%	15,000,000	13,475,915	(1,524,085)	90%	416,284	3%
Total Utility Users Tax Revenues	12,750,000	13,892,200	1,142,200	109%	15,000,000	13,475,915	(1,524,085)	90%	416,284	3%

- 71% of UUT revenues now generated from gas and electric services, up from 60% in past years
- PG&E rate increase also raised UUT revenue
- Increase in gas and electric more than offset declines in cable and telephone utilities

CITY OF BERKELEY

GF REVENUES - BUSINESS LICENSE TAX - FY 2021 vs FY 2020

Revenue Categories	FY 2021				FY 2020				Comparison	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Actuals	% Change
Business License Taxes	12,984,192	17,809,332	4,825,140	137%	19,584,000	21,009,453	1,425,453	107%	(3,200,121)	-15%
Recreational Cannabis	1,300,000	1,712,641	412,641	132%	510,000	1,300,887	790,887	255%	411,754	32%
Measure U1	2,700,000	4,818,740	2,118,740	178%	1,000,000	5,597,359	4,597,359	560%	(778,619)	-14%
Total Business License Revenues	16,984,192	24,340,713	7,356,521	143%	21,094,000	27,907,699	6,813,699	132%	(3,566,986)	-13%

- Decline in general Business License taxes attributable to COVID-related decrease in overall business activity
- Measure U1 (large landlord surtax) revenue likely due to in-person class suspension at UC

CITY OF BERKELEY

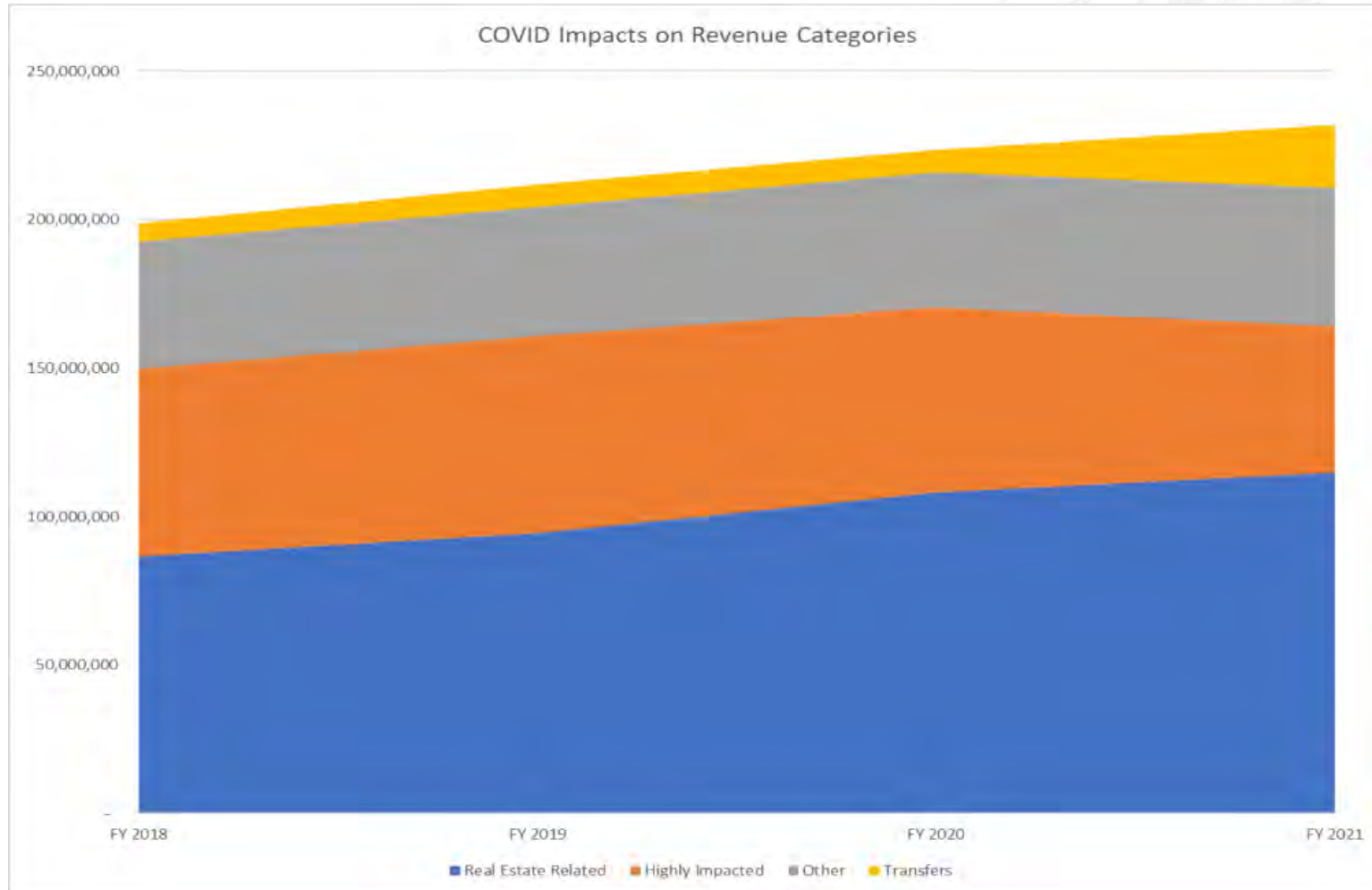
GF REVENUES - TRANSFERS - FY 2021 vs FY 2020

Revenue Categories	FY 2021				FY 2020				Comparison	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Actuals	% Change
Transfers	17,274,293	21,180,762	3,906,469	123%	5,266,688	7,564,173	2,297,485	144%	13,616,589	180%
Total Transfers	17,274,293	21,180,762	3,906,469	123%	5,266,688	7,564,173	2,297,485	144%	13,616,589	180%

- FY 2021 Transfers includes \$11.4M from City reserve funds
- \$13.6M more than FY 2020

CITY OF BERKELEY

FY 2021 GENERAL FUND REVENUES



- Highly Impacted Revenues (-26% vs FY 2019):
 - Hotel and STR Taxes
 - Sales and Soda Taxes
 - Business License Tax
 - U1 Supplemental Tax
 - Parking Fines
- Real Estate Valuation based revenues (+22% vs FY 2019)
 - Secured Property Tax
 - Property Transfer Taxes (incl. Measure P)
 - Vehicle In-lieu Taxes

CITY OF BERKELEY

FY 2021 GENERAL FUND REVENUES

- These revenue categories represent over 80% of overall General Fund revenues.
- FY 2021 total revenue included \$11.4M from City reserve funds (\$6.9M from the Stabilization Fund and \$4.5M from the Catastrophic Reserve Fund)
- COVID impacts offset by Property Taxes and other real estate valuation based revenues.

CITY OF BERKELEY



Questions?

FY 2022 First Quarter



First Quarter General Fund Revenue and Transfers, FY 2022 and FY 2021 Comparison

Revenue Categories	FY 2022				FY 2021				Comparison FY22 vs FY 21	
	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	\$71,382,000	\$3,272,735	(\$68,109,265)	4.58%	\$61,165,454	\$3,298,714	(\$57,866,740)	5.39%	(25,979)	-0.79%
Redemptions -Regular	831,441	84,930	(746,511)	10.21%	534,512	123,151	-411,361	23.04%	(38,221)	-31.04%
Supplemental Taxes	2,000,000	222,865	(1,777,135)	11.14%	1,260,000	313,161	-946,839	24.85%	(90,296)	-28.83%
Unsecured Property Taxes	2,625,000	39,971	(2,585,029)	1.52%	2,250,000	(2,404)	-2,252,404	-0.11%	42,375	-1762.69%
Property Transfer Tax	21,000,000	12,299,015	(8,700,985)	58.57%	16,500,000	4,746,819	-11,753,181	28.77%	7,552,196	159.10%
Property Transfer Tax-Measure P (New December 21, 2018)	8,500,000	3,924,007	(4,575,993)	46.16%	4,747,414	1,002,599	-3,744,815	21.12%	2,921,408	291.38%
Sales Taxes	18,287,215	4,896,380	(13,390,835)	26.77%	15,786,200	3,827,061	-11,959,139	24.24%	1,069,319	27.94%
Soda Taxes	990,210	237,577	(752,633)	23.99%	970,794	260,569	-710,225	26.84%	(22,992)	-8.82%
Utility Users Taxes	13,000,000	3,311,793	(9,688,207)	25.48%	12,750,000	3,078,308	-9,671,692	24.14%	233,485	7.58%
Transient Occupancy Taxes	2,173,000	1,206,282	(966,718)	55.51%	5,070,000	539,035	-4,530,965	10.63%	667,247	123.79%
Short-term Rentals	630,000	289,862	(340,138)	46.01%	676,260	62,436	-613,824	676,260	227,426	364.25%
Business License Tax	18,498,146	494,990	(18,003,156)	2.68%	12,984,192	186,479	-12,797,713	1.44%	308,511	165.44%
Recreational Cannabis	1,643,739	532,085	(1,111,654)	32.37%	1,300,000	44,883	-1,255,117	3.45%	487,202	1085.49%
U1 Revenues	5,120,350	71,648	(5,048,702)	1.40%	2,700,000	34,236	-2,665,764	1.27%	37,412	109.28%
Other Taxes	1,761,714	361,941	(1,399,773)	20.54%	922,048	267,921	-654,127	29.06%	94,020	35.09%
Vehicle In-Lieu Taxes	14,959,837	-	(14,959,837)	0.00%	12,421,597	-	-12,421,597	0.00%	-	-
Parking Fines-Regular Collections	3,726,450	1,347,952	(2,378,498)	36.17%	5,049,000	599,640	-4,449,360	11.88%	748,312	124.79%
Parking Fines-Booting Collections										
Moving Violations	132,600	51,839	(80,761)	39.09%	190,000	15,789	-174,211	8.31%	36,050	228.32%
Ambulance Fees	3,154,002	746,006	(2,407,996)	23.65%	5,103,208	630,108	-4,473,100	12.35%	115,898	18.39%
Interest Income	4,462,320	1,369,448	(3,092,872)	30.69%	2,851,200	1,217,126	-1,634,074	42.69%	152,322	12.51%
Franchise Fees	1,613,283	177,082	(1,436,201)	10.98%	1,551,696	189,820	-1,361,876	12.23%	(12,738)	-6.71%
Other Revenue	6,729,977	2,086,510	(4,643,467)	31.00%	6,246,348	3,439,931	-2,806,417	55.07%	(1,353,421)	-39.34%
IDC Reimbursement	5,490,000	1,111,423	(4,378,577)	20.24%	5,490,000	1,221,056	-4,268,944	22.24%	(109,633)	-8.98%
Transfers	27,354,923	6,838,731	(20,516,192)	25.00%	17,274,293	4,432,641	-12,841,652	25.66%	2,406,090	54.28%
			-				0		-	
Total Revenue:	\$236,066,207	\$44,975,072	-\$191,091,135	19.05%	\$195,794,216	\$29,529,079	-\$166,265,137	15.08%	\$15,445,993	52.31%

CITY OF BERKELEY

TRANSFER TAXES - FY 2022 vs FY 2021 - FIRST QUARTER

	YTD 1Q FY 2022			YTD 1Q FY 2021			Comparisons	
	Adopted Annual Budget	Actual Revenue (Jul-Sep)	% Rec'd	Adopted Annual Budget	Actual Revenue (Jul-Sep)	% Rec'd	Actuals	% Change
Undesignated Revenues								
Property Transfer Taxes	21,000,000	12,299,015	59%	16,500,000	4,746,819	29%	7,552,196	159%
Property Transfer Tax - Measure P	8,500,000	3,924,007	46%	4,747,414	1,002,599	21%	2,921,408	291%
Total Transfer Tax Revenues	29,500,000	16,223,022	55%	21,247,414	5,749,418	27%	10,473,604	182%

- \$7.6M or 159.1% more than FY 2021
- \$3.4M of that due to late County Payment from May 2021 (FY 2021)
- Property Sales under \$1.5M increased 36%
- Property Sales over \$1.5M (July-Aug) increased 144%
- September 2021 Measure P Revenues reported in October

CITY OF BERKELEY

SALES AND SODA TAXES - FY 2022 vs FY 2021 - FIRST QUARTER

	YTD 1Q FY 2022			YTD 1Q FY 2021			Comparisons	
	Adopted Annual Budget	Actual Revenue (Jul-Sep)	% Rec'd	Adopted Annual Budget	Actual Revenue (Jul-Sep)	% Rec'd	Actuals	% Change
Undesignated Revenues								
Sales Taxes	18,287,215	4,896,380	27%	15,786,200	3,827,061	24%	1,069,319	28%
Soda Tax	990,210	237,577	24%	970,794	260,569	27%	(22,992)	-9%
Total Sales and Soda Tax Revenues	19,277,425	5,133,957	27%	16,756,994	4,087,631	24%	1,046,327	26%

- Sales Tax Revenues increased 27.9% over 1Q FY 2021
- Soda Tax following long-term trend of year-over-year decreases

CITY OF BERKELEY

HOTEL AND STR TAX - FY 2022 vs FY 2021 - FIRST QUARTER

	YTD 1Q FY 2022			YTD 1Q FY 2021			Comparisons	
	Adopted Annual Budget	Actual Revenue (Jul-Sep)	% Rec'd	Adopted Annual Budget	Actual Revenue (Jul-Sep)	% Rec'd	Actuals	% Change
Undesignated Revenues								
Transient Occupancy Taxes(TOT)	2,173,500	1,206,282	55%	5,070,000	539,035	11%	667,247	124%
Short-term Rentals	630,000	289,862	46%	676,260	62,436	9%	227,426	364%
Total Hotel and STR Tax Revenues	2,803,500	1,496,144	53%	5,746,260	601,471	10%	894,673	149%

- Hotel and STR Taxes increased 149% vs 1Q FY 2021
- Reflects high impact of COVID on Hotel Taxes in first quarter of FY 2021
- Remains 45% below 1Q FY 2020

CITY OF BERKELEY

FY 2022 First Quarter Revenues

- Staff will adjust revenue projections at mid-year, when more data is available to observe changing economic conditions
- Due to the timing of annual receipt of certain revenues, some major revenue categories (Secured Property Taxes, Business License Taxes) have not yet had any significant receipts.

CITY OF BERKELEY



Questions?



Office of the City Manager

Date: December 9, 2021
 To: Budget & Finance Policy Committee
 From: Dee Williams-Ridley, City Manager
 Submitted by: Rama Murty, Senior Management Analyst
 Subject: Amendment: FY 2022 Annual Appropriations Ordinance

RECOMMENDATION

Request that the Budget & Finance Policy Committee:

1. Discuss and determine funding allocations for inclusion in the Amendment to the FY 2022 Annual Appropriations Ordinance based on re-appropriation of committed FY 2021 funding and other adjustments since July 1, 2021.
2. Authorize staff to present the approved Amendment to the FY 2022 Annual Appropriations Ordinance to the full City Council on December 14, 2021, for consideration and adoption.

BACKGROUND

This is the first discussion with the Budget & Finance Policy Committee (Committee) on the First Amendment to the FY 2022 Annual Appropriation Ordinance (AAO#1). The AAO that is being submitted to the Committee on December 9, 2021, is for review and input as it reflects the City Manager's final recommendation. The report is scheduled to be presented to the full Council on December 14, 2021.

The Annual Appropriations Ordinance (AAO) (Budget) which was passed in June 2021 establishes the expenditure limits by fund for FY 2022. Throughout the fiscal year which begins on July 1st, 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 continuation of capital projects, and 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.

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 are summarized as follows:

	Encumbered Recommended	Unencumbered Recommended	Other Adjustments	Total
General Fund (011)	\$ 8,451,781	\$ 4,405,774	\$ 10,946,542	\$ 23,804,096
Capital Improvement Fund (501)	\$ 3,392,733	\$ 5,660,850	\$ 53,350	\$ 9,106,933
All Other Funds	\$ 89,589,937	\$ 25,322,477	\$ 29,486,471	\$ 144,398,885
Total	\$ 101,434,451	\$ 35,389,100	\$ 40,486,363	\$ 177,309,914

Carryover

Carryovers are funds that have been appropriated by the City Council for specific purposes but have not been spent or encumbered by the end of the fiscal year. Those funds are available to be reauthorized for spending.

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 2022. In prior years, funds have been approved for carryover from one year to the next based on funding availability.

This report recommends approximately \$35.3 million in unencumbered carryover for Council review and approval, representing funding for priority projects and programs.

Types of Carryover

FY 2021 Encumbrance Rollovers, totaling \$101,434,451 reflect contractual obligations entered into in fiscal year 2021 which had not been paid as of June 30, 2021. Funding for these “encumbered” commitments is brought forward into the current fiscal year to provide for payment of these obligations. The General Fund represents around 8% of the total encumbered rollovers.

A detail breakdown of the General Fund encumbrance rollover is provided in Attachment 1.

The FY 2022 Adjusted Budget currently includes the carry forward of FY 2021 encumbrances, since the City is obligated to pay for these commitments.

FY 2021 Unencumbered Carryover totals \$35,389,100 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 12% of the total recommended unencumbered carryover amount and is for priority projects.

Capital Improvement Fund carryovers are for continuing projects and makes up 16% of the unencumbered carryover. The remaining 72% represents carryover items in non-discretionary funds.

FY 2022 Other Adjustments total \$40,486,363 and reflect actions taken by the City Council with the adoption of the FY 2022 budget as well as adjustments required or approved since the budget adoption. Many of these adjustments are within non-available fund balance.

The General Fund Other Adjustments includes the City Manager's Proposed Budget Recommendations for the use of FY 2021 Excess Equity Funds.

A detail list of the of the FY 2021 Unencumbered Carryover and the FY 2022 Adjustments for the City's General Fund and Other Funds is provided in Attachment 2.

CONCLUSION

The Amendment to the FY 2022 Annual Appropriation Ordinance allows the City to augment the FY 2022 Adopted Budget, re-appropriating funds from FY 2021 to FY 2022 for contractual commitments that need to be paid and revising the budget to reflect approved carryover requests in both discretionary and non-discretionary funds. Staff is presenting carryover recommendations for projects that are either currently under contract, represent Council priorities, and/or are considered critical for ongoing operations.

The Amendment: FY 2022 Annual Appropriations Ordinance is scheduled to go to the full City Council for adoption on December 14, 2021.

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.

CONTACT PERSON

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Maricar Dupaya, Senior Management Analyst, City Manager's Office, 981-7000

Attachments:

- 1: FY 2021 General Fund Encumbrance Rollovers
- 2: FY 2021 Departmental Carryover Requests and FY 2022 Adjustments

FY 2021 Encumbrance Rollover Detail
Encumbered Contracts and Purchase Orders
General Fund

	FY 2021 Year-End			
Document #	Encumbrance Balance		Vendor	Contract Description
Encumbered Contract Rollovers				
062124-1	\$ 15,849.90		HANSON,BRIDGETT,MARCUS,VLAHOS,	LEGAL SERVICES
065256	\$ 0.12		SUNGUARD PUBLIC SECTOR	Contr:7167D ReqNo:112284
067789-1	\$ 7,635.00		FORENSIC ANALYTICAL SPECIALTIES INC	FORENSIC EXAM & RPTNG (INCL DNA ANALYS); CONT 7241
088822-1	\$ 1,224.17		TALX UC EXPRESS	UNEMP CLAIMS ADMIN; CONT 8778
090601-1	\$ 4,313.90		ADVANCED DATA PROCESSING, INC	AMBULANCE BILLING SVC FEE; CONT 8949D
090741-1	\$ 704.33		BARTEL ASSOCIATES LLC	CONSULTING - ACTUARIAL SERVICES; CONT 8958
093023-2	\$ 4,798.22		ATTHOWE FINE ART SERVICES	Storage of Romare Bearden Mural; CONT 90848
095226-1	\$ 355.00		FREITAS, TAFF	LANDSCAPE MAINTENANCE; CONT 9236
095312-1	\$ 3,076.00		BAY IMAGING CONSULTANTS	CHEST X-RAY INTERPRETATION; CONT 9227
097406-1	\$ 2,700.00		RANGE MAINTENANCE SVCS, LLC	RANGE MAINT/MGMT SVCS; CONT 097406
097629-1	\$ 705.00		BERRY BROTHERS TOWING	Vehicle Towing and Storage Services; CONT 9410
099148-1	\$ 19,198.50		CODE PUBLISHING CO.	ONLINE CODE PUBLISHING SVCS; CONT 9541; 9541A
101791	\$ 25.88		BERKELEY UNIFIED SCHOOL DISTRICT	Contr:9654 ReqNo:177717
101804-1	\$ 39,105.47		FILE TRAIL, INC	RECORDS MGMT SOFTWARE LIC; CONT 9691
102254-1	\$ 32,701.07		QUICKCAPTION INC	REAL-TIME CLOSED CAPTIONING; CONT 9712
102814-1	\$ 27,036.94		KONICA MINOLTA PREMIER FINANCE	ELECTRONIC CONTENT MGMT/AGENDA WORKFLOW; CONT 9754
104206-1	\$ 28,096.37		PILLSBURY WINTHROP SHAW PITTMAN LLP	LEGAL SVCS-FED/STATE COUNCIL; CONT 9871
104920-1	\$ 9,122.61		GLADWELL GOVERNMENTAL SERVICES, INC	CONSULTING - CONTENT MANAGEMENT; CONT
105938-1	\$ 3,100.00		KOEFRA INDUSTRIES	DISPOSAL - DECEASED ANIMALS; CONT 10039
107940-1	\$ 5,151.99		CPS HUMAN RESOURCE SERVICES	CLASSIFICATION STUDIES; CONT 10134
108409-1	\$ 10,000.00		NAVEX GLOBAL INC	Harassment Prevention Training for Managers/Superv
108410-1	\$ 12,714.00		PAW FUND	SPAY & NEUTER PROGRAM; CONT 10177
108900-1	\$ 78.00		REVEL, GREGORY C	COMMERCIAL LISTING SERVICE; CONT 10221
109582	\$ 4.80		KARLSSON, ELEANOR	Contr:10262A ReqNo:192298
109691-1	\$ 9,160.60		SEOV.B.COM LLC	HOSTED SOFTWARE - VIRTUAL BULLETIN; CONT 9176
112486-1	\$ 1,490.00		BAY ALARM COMPANY	BAY ALARM INSTALL AND MAINT C#10380/R#193399
114008	\$ 0.91		FRICKE-PARKS PRESS, INC.	Contr:10509 ReqNo:200034
114894-1	\$ 1,594.63		GLEN PRICE GROUP. THE	c#106299/R#202119 CONSULT FUNDING DEV 2020 VISION
114900-1	\$ 29,915.50		LIEBERT, CASSIDY & WHITMORE	Personnel, Employee Rules and Regulations
117569-1	\$ 1,718.00		FIX OUR FERALS	Spay & Neuter Program; Cont 10748
117893-1	\$ 86.54		VALE ROAD PHARMACY	Cont:10773 Pharmacy service for HHCS Mental Health
118267-1	\$ 5,715.00		LAW OFFICES OF SCOTT	CONT:10815 CONTRACT PO FOR PERSONAL SERVICES
118541-1	\$ 300.00		ALTA BATES SUMMIT MEDICAL CENTER	CONT:10699 Alta Bates tuberculosis services
118818-1	\$ 1,400.96		FIRE CATT, LLC	Fire hose and ladder testing services
118940-1	\$ 445.03		BRYCE CONSULTING	Classification, Compensation, and Desk Audit Svcs
119305-1	\$ 1,740.00		CITY OF RICHMOND-EMPLOYMENT & TRNG	CONT:10873 Police training site
119412-1	\$ 7,375.62		LAKE RESEARCH PARTNERS INC.	CONT:10882 Survey re: potential revenue measures
119533-1	\$ 2,256.25		TANG, CHRISTINE DR	VETERINARY SERVICES; CONT 10889
119669-1	\$ 3,135.51		SACRAMENTO(ACH)FIRE DISTRICT	ADMIN FEE AGMT; CONT 10654 (INCL PO 119725 BAL)
119840-1	\$ 440.00		CITY OF FAIRFIELD	CONT:10740 Training police firearms range rental

FY 2021 Encumbrance Rollover Detail
Encumbered Contracts and Purchase Orders
General Fund

	FY 2021 Year-End			
Document #	Encumbrance Balance		Vendor	Contract Description
120640-1	\$ 220.00		BARBIER SECURITY GROUP	CONT:10936 Rental for training Police
121695-1	\$ 3,000.00		WRITE IT WELL	CONT:10963 Training: communication services
121723-1	\$ 1.00		CARNAHAN, TERESA	CONT:10966 Healthy vending machine
121815-1	\$ 1.00		TERRITORY FOODS	CONT:10979 Meal ordering and delivering
122040-1	\$ 12,060.00		COHNREZNICK LLP	Contr:10982 ReqNo:214524 Proj:
122325-1	\$ 60,510.45		ACCESS INFORMATION MANAGEMENT	Offsite Records Mgmt Svcs Contr:10998 ReqNo:215495
122410-1	\$ 956.00		STATE OF CALIFORNIA	OAH HEARING ADMIN SVCS; CONTRACT #11006
122451-1	\$ 4,180.00		QUICKCAPTION INC	CONT:11014 Captioning service for Comm Health Comm
31900031	\$ 113,756.96		BERKELEY DOWNTOWN STREETS TEAM	HAND SWEEPING, GRAFFITI ABATEMENT & POSTER REMOVAL
3190006	\$ 0.40		BADAWI & ASSOCIATES	AUDIT SERVICES/68,325-N.S.
31900070	\$ 1,189.61		GRADETECH INC	BLUE BACK CONTRACT JOHN MUIR SCHOOL SPEC 18-11246-
31900112	\$ 40,524.83		ECONOMIC & PLANNING SYSTEMS	University of California Berkeley Economic & Fisca
31900123	\$ 19,399.24		SCOTT'S PPE RECON INC.	PPE Turnout inspection & repair; CONT 10956
31900158	\$ 94,543.00		D.L. FALK CONSTRUCTION, INC	N BRKL Senior Center Seismic Upgrade;RES 68,80
31900165	\$ 16,578.75		EAST BAY AGENCY FOR CHILDREN	PH - TRAUMA INFORMED CARE
31900177	\$ 8,025.00		OPTICOS DESIGN, INC	Opticos - Land Use Density Standards Study
31900189	\$ 1,945.00		TOOMEY, ELLEN	PH - PENDING NEW CONTRACT: TOOMEY DESIGN
31900195	\$ 28,325.00		CENTER FOR STRATEGIC FACILITATION	PH - NEW PENDING CONTRACT - CTR FOR STRAT. FACILIT
31900208	\$ 21,000.00		NETFILE	Campaign and Form 700 Online Filing Service
31900288	\$ 24,555.00		DISABILITY ACCESS CONSULTANTS, LLC	ADA SELF EV. TRANS. PLAN; RES 68,713
32000043	\$ 5.00		BERKELEY CHAMBER OF COMMERCE	FISCAL AGENCY PROJECT MANAGEMENT
32000081	\$ 16,644.06		REGENTS OF THE UNIVERSITY OF CALIFO	PH - CONTRACT- EVAL OF IMPACT OF SSB TAX
32000102	\$ 20,813.26		BERKELEY CONVENTION & VISITORS	DEVELOP OF SALES AND MRKTG PRGRM;RES 69,010
32000142	\$ 33,333.33		NEEDLE EXCHANGE EMERGENCY DIST	PH - CONTRACT - NEEDLE EXCHANGE EMER. DISTRIBUTION
32000258	\$ 25,950.00		MULTIPLIER	New Contract:Project Equity
32000267	\$ 4,000.00		EPIC PRODUCTIONS OF PHOENIX	EPIC Productions
32100021	\$ 20,000.00		TELFORDS	Contract NTE \$180k
32100044	\$ 2,206.89		RENNE PUBLIC LAW GROUP	Chief Negotiator for Labor Relations Services
32100046	\$ 11,500.00		HR ACUITY	HR Acuity LLC Contract - EEO Investigative Softwar
32100109	\$ 15,000.00		COALFIRE SYSTEMS INC	PCI Security Assessment and Advisory Services
32100121	\$ 24,000.00		BERKELEY DISASTER PREPAREDNESS	Contract PO for Berkeley Mutual Aid
32100174	\$ 19,500.00		BERKELEY CHAMBER OF COMMERCE	Fiscal Agency Management / Project Management
32100181	\$ 38,000.00		ALAMEDA COUNTY HEALTHCARE SERVICES	PH - CONTRACT - EPIDEMIOLOGY & PROGRAM EVAL SVCS
32200027	\$ 49,139.00		TELEGRAPH PROPERTY & BUSINESS	Public Commons for Everyone Initiative FY21
	\$ 1,025,334.60		Total Encumbered Contract Rollovers	
Purchase Order Rollovers				
21900083	468.50		FEHR & PEERS	
21900085	1,080.00		CRIME SCENE CLEANERS	
21900106	3,425.73		UNITED SITE SERVICES	
21900107	36.43		UNITED SITE SERVICES	

FY 2021 Encumbrance Rollover Detail
Encumbered Contracts and Purchase Orders
General Fund

	FY 2021 Year-End		
Document #	Encumbrance Balance	Vendor	Contract Description
21900148	29,950.00	BERKELEY FOOD & HOUS	
21900153	199.00	AMS.NET, INC	
21900161	23,990.68	PACIFIC SITE MANAGEM	
21900163	37,770.46	ALCOR SOLUTIONS INC	
21900165	2,919.88	PRESIDIO NETWORKED S	
21900382	2,020.44	HAWKINS CO, THE	
21900388	960,872.67	WELLS FARGO BANK	
21900491	1,984.53	UNIVERSAL BUILDING S	
21900523	2,988.42	UNIVERSAL BUILDING S	
21900525	6,150.00	WEST COAST ARBORISTS	
21900581	369.00	THYSSENKRUPP ELEVATO	
21900599	1,382.00	UNIVERSAL BUILDING S	
21900647	0.01	FEHR & PEERS	
21900681	2,326.65	DU-ALL SAFETY,LLC	
21900708	740.00	M&A TOWING LLC	
21900773	3,576.20	UNIVERSAL BUILDING S	
21900809	2,292.19	FIRST SECURITY SERVI	
21900815	2,709.28	BIOLOGIC ENVIRONMENT	
21900960	91.80	PREFERRED ALLIANCE I	
21901016	332.50	PAKPOUR CONSULTING G	
21901129	660.50	EMERYVILLE OCCUPATIO	
21901141	4.86	UNIVERSAL BUILDING S	
21901142	683.68	UNIVERSAL BUILDING S	
21901171	480.00	GUMBS, PAM	
21901215	5,221.76	UNILAB CORP./QUEST D	
21901221	1,052.03	GUMBS, PAM	
21901265	41.00	FREITAS LANDSCAPE &	
21901295	564.00	MEYERS, NAVE, RIBACK	
21901297	15,550.00	FEHR & PEERS	
21901373	750.00	BENNYHOFF PRODUCTS A	
21901430	121.24	UNIVERSAL BUILDING S	
21901443	340.26	FIRST SECURITY SERVI	
21901531	476.31	THYSSENKRUPP ELEVATO	
21901596	321.91	UBM LLC	
21901615	13,324.97	OAKLAND BUSINESS	
21901765	1,473.86	ESOLUTIONS INC	
21901803	1,834.09	MINUTEMAN PRESS	
21901866	7,874.75	FRICKE-PARKS PRESS,	
21901988	2,616.26	BAY AREA COMMUNITY R	
21902099	4,784.99	CIVICPLUS, LLC	
21902408	263.56	BARTEL ASSOCIATES LL	

FY 2021 Encumbrance Rollover Detail
Encumbered Contracts and Purchase Orders
General Fund

	FY 2021 Year-End			
Document #	Encumbrance Balance	Vendor	Contract Description	
21902618	3,663.01	DATAPROSE LLC		
21902808	585.00	AVENUE TOW		
21902870	1.05	EMERYVILLE OCCUPATIO		
21902875	110,038.03	TYLER TECHNOLOGIES		
21902905	19,964.97	CPS HUMAN RESOURCE S		
21902913	32,529.24	NEXTGEN HEALTHCARE I		
21902917	9,000.00	LUX BUS AMERICA		
21902946	223,959.00	ALCOR SOLUTIONS INC		
22000375	3,750.00	MULTICULTURAL INSTIT		
22000492	78.66	MINUTEMAN PRESS		
22000497	23,868.62	L.N. CURTIS & SONS		
22000498	19,934.99	L.N. CURTIS & SONS		
22000501	102,330.00	ALAMEDA COUNTY HOMEL		
22000506	39,259.00	BERKELEY FOOD & HOUS		
22000507	15,000.00	BERKELEY YOUTH ALTER		
22000512	100,000.00	FRED FINCH YOUTH & F		
22000516	17,434.00	PACIFIC CNTR FOR HUM		
22000521	8,666.00	COMMUNITY HEALTH EDU		
22000868	295,314.00	BUILDING OPPORTUNITI		
22000892	16,822.00	EAST BAY COMMUNITY L		
22001090	991.00	ECOLOGY CENTER, INC		
22001128	16,915.00	SEEDS		
22001202	21,478.00	BERKELEY PLACE, INC		
22001355	5,200.00	BAY AREA COMMUNITY L		
22001604	30.64	PEDAL EXPRESS		
22001753	1,514.00	PRIDE INDUSTRIES, IN		
22001758	1,477.57	PRIDE INDUSTRIES, IN		
22001848	36.88	RINCON CONSULTANTS I		
22001854	1,125.00	EASTMAN INVESTIGATIV		
22001858	374.00	THYSSENKRUPP ELEVATO		
22001926	2,367.42	DATAPROSE LLC		
22001967	158.00	EMERYVILLE OCCUPATIO		
22002055	4,160.25	EMERYVILLE OCCUPATIO		
22002242	215,859.71	FREITAS LANDSCAPE &		
22002312	2,744.00	CONTRA COSTA COUNTY		
22002340	23,500.00	BAY AREA TREE SPECIA		
22002364	432.00	EMERYVILLE OCCUPATIO		
22002415	270,000.37	WITTMAN ENTERPRISES		
22002445	17,199.00	ASUC		
22002524	3.00	EMERYVILLE OCCUPATIO		
22002558	5,000.00	FORENSIC ANALYTICAL		

FY 2021 Encumbrance Rollover Detail
Encumbered Contracts and Purchase Orders
General Fund

	FY 2021 Year-End		
Document #	Encumbrance Balance	Vendor	Contract Description
22002563	1,000.00	BAY AREA COMMUNITY R	
22002572	6,608.45	EAST BAY TOW & RECOV	
22002589	61,643.50	OPTIONS RECOVERY SER	
22002607	6,976.00	DR ASSOCIATES INTERN	
22002624	5,354.70	SIEMENS INDUSTRY INC	
22002796	3,691.73	CENTRE FOR ORGANIZAT	
22002862	202,001.31	ROLLING ORANGE, INC	
22002980	4,914.00	WASTEZERO INC	
22003027	11,407.00	BELLECCI & ASSOCIATE	
22003118	9,750.00	ACCELA INC.	
22003156	7,946.07	UNITED SITE SERVICES	
22003184	4,484.07	R&S NORTHEAST LLC	
22003241	54.00	REDWOOD TOXICOLOGY L	
22003253	555.33	LOWERCASE PRODUCTION	
22003262	25,583.07	RINCON CONSULTANTS I	
22003281	19.00	EMERYVILLE OCCUPATIO	
22003565	1,893.22	BERKELEY UNIFIED SCH	
22003579	25,252.14	WOOD ENVIRONMENT & I	
22003703	940.00	TYLER TECHNOLOGIES	
22003795	0.16	GEOGRAPHIC TECHNOLOG	
22003895	0.15	CENTRE FOR ORGANIZAT	
22003896	1,215.00	THYSSENKRUPP ELEVATO	
22003897	2,042.50	LOWERCASE PRODUCTION	
22003997	2,275.57	ARAMARK UNIFORM SERV	
22004005	5,000.00	NEW IMAGE LANDSCAPE	
22004069	1,451.05	FIRST SECURITY SERVI	
22004140	20,020.00	HAMILTON TREE SERVIC	
22004233	1,048.75	ARAMARK UNIFORM SERV	
22004360	2,200.00	ARAMARK UNIFORM SERV	
22004418	5,000.00	MY HOUSE OF DESIGN	
22004530	228.05	BARTEL ASSOCIATES LL	
22004712	8,067.50	GRAY QUARTER, INC.	
22004837	18,560.00	SUPERION, LLC	
22004864	7,175.00	CENTRE FOR ORGANIZAT	
22004875	22,995.57	STRAWBERRY CREEK LOD	
22004878	20,702.00	WORLDWIDE TRAVEL STA	
22004880	53,000.00	ALAMEDA CO PUBLIC HE	
22004890	25,000.00	WATERS MOVING & STOR	
22004905	100.00	NAVEX GLOBAL INC	
22004955	40.00	HICKS, ROBERT	
22100654	105.00	SHAMSZAD, SASHA	

FY 2021 Encumbrance Rollover Detail
Encumbered Contracts and Purchase Orders
General Fund

	FY 2021 Year-End		
Document #	Encumbrance Balance	Vendor	Contract Description
22101121	207.56	BLAISDELL'S BUSINESS	
22101359	(820.00)	THYSSENKRUPP ELEVATO	
22101422	79.38	MINUTEMAN PRESS	
22101426	23,580.64	PRIDE INDUSTRIES, IN	
22101427	2,632.26	PRIDE INDUSTRIES, IN	
22101448	17,800.00	BLACKROCK GROUP, THE	
22101453	77,502.50	AG WITT, LLC	
22101465	44,335.39	PRIDE INDUSTRIES, IN	
22101466	6,673.29	ARAMARK UNIFORM SERV	
22101483	18,028.00	EMERYVILLE OCCUPATIO	
22101485	957.00	CRIME SCENE CLEANERS	
22101491	8,944.35	ARAMARK UNIFORM SERV	
22101524	926.36	F.S.O.C. LLC	
22101545	7,640.00	VENTURE TACTICAL, LL	
22101549	22,221.17	L.N. CURTIS & SONS	
22101557	15,000.00	EPIC PRODUCTIONS OF	
22101560	5,777.67	SIEMENS INDUSTRY INC	
22101643	1,003.07	SCHOOL NURSE SUPPLY	
22101724	111,415.37	L.N. CURTIS & SONS	
22101732	968.10	PACIFIC SITE MANAGEM	
22101758	10,750.00	CONTRA COSTA COUNTY	
22101784	19.48	PEDAL EXPRESS	
22101801	11,436.25	BERRY BROTHERS TOWIN	
22101805	342.50	M&A TOWING LLC	
22101812	2,500.00	AVENUE TOW	
22101827	3,811.50	EAST BAY TOW & RECOV	
22101828	3,480.00	ALPHA ANALYTICAL	
22101831	10,489.60	PRIDE INDUSTRIES, IN	
22101868	1,435.55	CDW-GOVERNMENT	
22101920	8.04	KARSTE CONSULTING IN	
22101941	1,033.94	MD HANDYMAN	
22101985	2,171.49	REX KEY & SECURITY	
22101993	50,857.52	NOLL & TAM ARCHITECT	
22101995	23,701.95	HONEY BUCKET	
22102073	550.52	TOSHIBA BUSINESS SOL	
22102086	67,703.58	PARISI TRANSPORTATIO	
22102097	1,816.40	PRIDE INDUSTRIES, IN	
22102098	1,956.12	PRIDE INDUSTRIES, IN	
22102104	6,213.12	UNITED SITE SERVICES	
22102115	20.04	FIRST SECURITY SERVI	
22102119	2,403.46	BERKELEY FREE CLINIC	

FY 2021 Encumbrance Rollover Detail
Encumbered Contracts and Purchase Orders
General Fund

	FY 2021 Year-End		
Document #	Encumbrance Balance	Vendor	Contract Description
22102235	250.00	JANE E TIERNEY MOBIL	
22102297	5,368.55	WASTEZERO INC	
22102329	1,372.50	SLOAN SAKAI YEUNG &	
22102360	5,486.57	AXON ENTERPRISE, INC	
22102361	4,825.00	MANAGEMENT PARTNERS	
22102364	2,461.10	SAN DIEGO POLICE EQU	
22102365	28,809.77	SAN DIEGO POLICE EQU	
22102436	469.00	THYSSENKRUPP ELEVATO	
22102469	37.96	FIRST SECURITY SERVI	
22102477	34,800.00	PSYCHOLOGICAL SERVIC	
22102530	17,818.48	ALLSTAR FIRE EQUIPME	
22102575	504,342.05	WITTMAN ENTERPRISES	
22102587	1,151,745.02	FALCK NORTHERN CALIF	
22102695	1,742.25	EDGEWORTH INTEGRATIO	
22102740	1,633.29	SENTRY ALARM SYSTEMS	
22102762	18,825.58	TYLER TECHNOLOGIES	
22102769	155.00	CALIFORNIA DOC GIRL	
22102783	1,500.00	MANAGEMENT PARTNERS	
22102823	(8,755.00)	COMMUNITY VENTURES	
22102891	3,000.00	BERKELEYSIDE INC	
22102904	56.46	CDW-GOVERNMENT	
22102926	1,600.00	TYLER TECHNOLOGIES	
22103036	16.25	PGADESIGN INC	
22103045	1.34	FUNFLICKS SF BAY ARE	
22103052	1,561.78	COROVAN MOVING & STO	
22103115	12,745.45	ACCELA INC.	
22103127	2.75	BASELINE ENVIRONMENT	
22103177	63.88	CDW-GOVERNMENT	
22103187	8,750.00	BENNYHOFF PRODUCTS A	
22103201	188,885.99	NATIONAL INSTITURE F	
22103229	48,510.00	RESOURCE DEVELOPMENT	
22103233	212.36	KITTELSON & ASSOCIAT	
22103262	4,000.00	DELL MARKETING LP	
22103278	31,000.00	WEST COAST ARBORISTS	
22103294	3,634.64	SIGN-A-RAMA, USA	
22103311	34,618.50	FEHR & PEERS	
22103321	189.84	FIRST LEGAL NETWORK	
22103369	2,703.53	POLARIS SALES	
22103377	4,950.00	COMMERCIAL POOL SYST	
22103381	4,866.79	LINCOLN AQUATICS	
22103405	1,067.70	DELL MARKETING LP	

FY 2021 Encumbrance Rollover Detail
Encumbered Contracts and Purchase Orders
General Fund

	FY 2021 Year-End		
Document #	Encumbrance Balance	Vendor	Contract Description
22103436	11,449.98	WOOD ENVIRONMENT & I	
22103443	1,105.88	GRAINGER INDUSTRIAL	
22103453	95.55	FIRE CATT, LLC	
22103475	17,710.00	SCOTT, ANJANETTE	
22103531	939.00	GRADUATE SCHOOL, USA	
22103533	13,546.55	LCC ENGINEERING & SU	
22103564	13,575.00	SARAH COHEN AND ASSO	
22103565	11,685.22	MATRIX PROMOTIONAL M	
22103583	16,301.07	PASSPORT LABS, INC.	
22103585	2,149.00	NATIONAL DATA & SURV	
22103594	2.00	CAL LIVE SCAN	
22103600	546.25	LA POLICE GEAR, INC	
22103630	59,681.36	FORD STORE SAN LEAND	
22103661	6,843.59	DELL MARKETING LP	
22103665	7,599.95	DATAPROSE LLC	
22103666	6,240.00	PROFESSIONAL TREE CA	
22103697	20,000.00	DC ELECTRIC GROUP	
22103700	22,500.00	REDISTRICTING PARTNE	
22103733	3,984.85	DELL MARKETING LP	
22103755	6,440.29	TOSHIBA BUSINESS SOL	
22103756	10,000.00	TRUEPOINT SOLUTIONS,	
22103768	110.15	GRAINGER INDUSTRIAL	
22103769	2,450.00	BELLECCI & ASSOCIATE	
22103801	565.20	VERIZON WIRELESS (EQ	
22103806	5,107.44	BILL MOORE & ASSOCIA	
22103818	37.50	PAVEMENT ENGINEERING	
22103888	942.28	SIGNCO USA	
22103894	197.16	CDW-GOVERNMENT	
22103901	3,325.00	BERKELEY SHADE COMPA	
22103919	137,388.00	PROTIVITI GOVERNMENT	
22103941	111,824.00	PACIFIC SITE MANAGEM	
22103947	20,000.00	INNOVATIVE HEALTH SO	
22103949	750.00	DHARMA TRADING COMPA	
22103950	0.34	MATRIX PROMOTIONAL M	
22103954	1,409.34	INTERIOR MOTIONS	
22103955	65.03	CDW-GOVERNMENT	
22103962	19,525.00	ALPINE SOFTWARE CORP	
22103967	1,065.52	F.S.O.C. LLC	
22103972	3,648.14	DELL MARKETING LP	
22103975	2,510.11	VERIZON WIRELESS (EQ	
22103976	232,234.46	NOLL & TAM ARCHITECT	

FY 2021 Encumbrance Rollover Detail
Encumbered Contracts and Purchase Orders
General Fund

	FY 2021 Year-End		
Document #	Encumbrance Balance	Vendor	Contract Description
22103983	20,410.00	REVOLUTIONCYBER, LLC	
22103984	292.90	VERIZON WIRELESS (EQ	
22103985	5,276.78	SCOTT'S PPE RECON IN	
22103994	1,224.78	FLAGHOUSE, INC	
22104000	22,260.00	72 HOUR LLC DBA: CHE	
22104005	683.69	EAST BAY RESTAURANT	
22104008	50,000.00	NEEDLE EXCHANGE EMER	
22104009	50,000.00	MCGEE AVENUE BAPTIST	
22104010	41,355.50	SAN DIEGO POLICE EQU	
22104019	20,895.16	SAN LEANDRO ELECTRIC	
22104020	1,473.54	DISCOUNT SCHOOL SUPP	
22104023	462.00	TOSHIBA BUSINESS SOL	
22104024	11,292.32	COMMERCIAL POOL SYST	
22104025	4,293.38	LINCOLN AQUATICS	
22104027	4,293.38	LINCOLN AQUATICS	
22104028	231.04	DELL MARKETING LP	
22104029	(2,999.99)	TOSHIBA BUSINESS SOL	
22104035	3,836.23	COUNTY OF SANTA CRUZ	
22104040	599.10	GRAINGER INDUSTRIAL	
22104041	54.29	ALLSTAR FIRE EQUIPME	
22104042	2,960.00	BERKELEY SHADE COMPA	
22104043	231.60	DELL MARKETING LP	
22104046	3,255.04	BERKELEY SHADE COMPA	
22104052	5,346.70	L.N. CURTIS & SONS	
22104054	6,366.22	INTERFACE ENGINEERIN	
22104059	766.67	L.N. CURTIS & SONS	
22104060	1,442.81	COPRO EMERGENCY/FIRE	
22104072	7,669.92	MINUTEMAN PRESS	
22104075	1,000.00	S & S WORLDWIDE	
22104086	146.45	VERIZON WIRELESS (EQ	
22104089	16,186.00	72 HOUR LLC DBA: CHE	
22104099	83,494.24	72 HOUR LLC DBA: CHE	
22104101	16,669.18	PERSIMMONY INTERNATI	
22104103	7,186.32	EAST BAY RESTAURANT	
22104108	19,518.27	1X2 GLOBAL LLC	
22104111	1,300.00	J & D GLASS AND SASH	
22104113	25,000.00	DIGITAL HANDS LLC	
22104115	135,940.00	GRAY QUARTER, INC.	
22104116	20,000.00	GRAY QUARTER, INC.	
22104119	12,405.00	MANAGEMENT PARTNERS	
	\$ 7,426,445.98	Total Purchase Order Rollovers	

**FY 2021 Encumbrance Rollover Detail
Encumbered Contracts and Purchase Orders
General Fund**

Document #	FY 2021 Year-End Encumbrance Balance	Vendor	Contract Description
	\$ 8,451,780.58	Total General Fund Encumbrance Rollover	

FY 2021 Recommended Carryover and FY 2022 Recommended Adjustments (AAO#1)

Attachment 2

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	011	General Fund	City Auditor	\$30,000			Contract to retain an FLSA attorney to review FLSA payments.			X	Carryover funds for Contract to retain an FLSA attorney to review FLSA payments.
2	011	General Fund	City Auditor	\$20,000			Contract to retain an FLSA attorney to review FLSA payments.			X	Carryover funds for Contract to retain an FLSA attorney to review FLSA payments.
3	011	General Fund	City Clerk	\$80,386			Redistricting			X	Carryover funds for the ongoing Strategic Plan project
4	011	General Fund	City Clerk		\$50,000		KMBS/OnBase Version Upgrade and Training		X		Appropriate fund for the agenda review packet creation software.
5	011	General Fund	City Manager		\$52,958		Salary Adjustment for City Manager		X		Appropriate funding for City Manager salary increase approved by Council,
6	011	General Fund	City Manager	\$10,263						X	Carryover of fund for the repair of the walk-in cooler in the Animal Shelter.
7	011	General Fund	City Manager		\$33,120		Homeless Response Team Vehicle			X	Appropriate Measure P fund for the purchase of a vehicle for the Homeless Response Team.
8	011	General Fund	City Manager		\$439,420		Off-street safe parking program for Recreational Vehicles at 742 Grayson Street and other shelter operational costs		X		Appropriate Measure P funding for the contract amendment with Dorothy Day House to include the operation of homeless shelter for people living in vehicles in an off-street safe parking program for Recreational Vehicles at 742 Grayson Street. Approved by Council on 10/26/2021 through Resolution No. xx.xxx-N.S.
9	011	General Fund	City Manager	\$8,011			Civic Arts Grant			X	Carryover of fund for grant panelist fees.
10	011	General Fund	City Manager	\$39,088			Arts Festival		X		Carryover of fund - Mayor's allocation for Special Events.
11	011	General Fund	City Manager	\$107,787			Visit Berkeley Contract Payments		X		Carryover funds for revenues received in FY 2021 that need to pay Visit Berkeley per contract approved by Council
12	011	General Fund	City Manager		\$70,000		Website Project			X	Appropriate funding for data entry to input pages into the Website project
13	011	General Fund	Finance		\$180,000		Deputy Director of Finance			X	Appropriate funding for a new position in Finance - Deputy Director of Finance
14	011	General Fund	Fire		\$83,000		Priority Dispatching			X	Appropriate funds for the Priority Dispatching Program
15	011	General Fund	Fire		\$150,660		FY15 GEMT Overpayment			X	Appropriate funds to pay for GMT FY15 Audit Overpayment
16	011	General Fund	Fire		\$39,714		Gurneys			X	Appropriate fund for gurney lease.
17	011	General Fund	Health, Housing & Community Svcs.	\$72,730		HHAGFR2201	NBSC Renovations			X	Carryover of funds for the North Berkeley Senior Center Renovation project
18	011	General Fund	Health, Housing & Community Svcs.	\$32,650		HHAGRE2201	Aging Services - Rental Maintenance Fees			X	Carryover of funds for Aging Services to cover maintenance related expenses

FY 2021 Recommended Carryover and FY 2022 Recommended Adjustments (AAO#1)

Attachment 2

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
19	011	General Fund	Health, Housing & Community Svcs.	\$96,744		HHEGFF2201	Aquatic Park Water Quality Testing			X	Carryover of funds for Environmental Health to perform water quality investigative work at Aquatic Park
20	011	General Fund	Health, Housing & Community Svcs.	\$68,158			Dorothy Day House - 742 Grayson Shelter			X	Carryover of funding for Dorothy Day House Contract #32100161. Approved by Council on 04/27/2021 through Resolution No. 69,808-N.S.
21	011	General Fund	Health, Housing & Community Svcs.	\$35,000			Fair Chance Ordinance			X	Carryover funds from FY 2021 to fund a contract for the Fair Chance Ordinance
22	011	General Fund	Health, Housing & Community Svcs.	\$67,425			Square One, Shelter Plus Care, Housing Assistance			X	Carryover of FY 2021 funds to support operating expenses related to the Housing Assistance Program
23	011	General Fund	Health, Housing & Community Svcs.		\$52,037	HHOGFH2201	American African Holistic Resource Center			X	Appropriate funds for the African American Holistic Resource Center
24	011	General Fund	Health, Housing & Community Svcs.	\$2,775		HHPGDP2201	Public Health Disparities			X	Carryover of FY 2021 funds to purchase supplies for additional activities to offset FY21 program deficiencies
25	011	General Fund	Health, Housing & Community Svcs.	\$30,923		HHPGDP2201	Public Health Disparities			X	Carryover of funds to purchase computer equipment to support the Public Health Disparities program
26	011	General Fund	Health, Housing & Community Svcs.	\$10,391		HHPYTH2201	Youth Works			X	Carryover of FY 2021 funds to cover contract related expenses
27	011	General Fund	Health, Housing & Community Svcs.	\$10,210		HHPYTH2201	Youth Works			X	Carryover of FY 2021 funds to purchase computer equipment to support the Youth Works program
28	011	General Fund	Health, Housing & Community Svcs.	\$4,045		HHPYTH2201	Youth Works			X	Carryover of FY 2021 funds to cover relocation costs of the Youth Works program
29	011	General Fund	Health, Housing & Community Svcs.		\$179,551		COLA/CalPERS PEPR coverage		X		Allocation for COLA's, CalPERS, and bonuses for HHCS that cannot be absorbed by grant funds in FY 2022 for labor contracts approved by Council.
30	011	General Fund	Human Resources	\$100,000			Renne Public Law Group Contract			X	Police Accountability & labor negotiations money to FY 2022 to pay for contract amendment in the amount approved Council Resolution No. 69,924-N.S. for contract NTE \$150,000
31	011	General Fund	Human Resources	\$215,000			Sloan, Sakai, LLP Contract			X	Labor Negotiations for SEIU MC, CSU, Leg Aides money to FY 2022 to pay for contract amendment in the amount approved Council Resolution No. 69,926-N.S. for contract NTE \$665,000
32	011	General Fund	Human Resources	\$53,000			Bryce Consulting Contract			X	Class & Comp Studies for Labor Negotiations move money to FY 2022 to pay for contract amendment in the amount approved Council Resolution 69,925-N.S. for contract NTE \$270,000
33	011	General Fund	Human Resources	\$95,000			Bartell Associates LLC Contract			X	Actuarial Services for City's PERS pension plans; move money to FY 2022 to pay for contract amendment in the amount approved Council Resolution No. 69,978-N.S. for contract NTE \$270,000

FY 2021 Recommended Carryover and FY 2022 Recommended Adjustments (AAO#1)

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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
34	011	General Fund	Information Technology	\$40,000			Cyber Leadership and Strategy Solutions			X	Carryover of fund for Cyber Leadership and Strategy Solutions Contracts. Approved by Council on 04/27/2021 per Resolution No. 69,813.
35	011	General Fund	Information Technology	\$263,679			1947 Rent			X	Carryover of fund for IT rent in 1947 Center
36	011	General Fund	Mayor & Council	\$68,751			FY21 Council Carryover		X		FY21 Council Carryover Amount. Approved by Council through Resolution No. 65,540-N.S.
37	011	General Fund	Mayor & Council		\$709,695		Legislative Assistants Salary & Fringe Benefit Increase and One-Time Accretion Payment		X		Appropriate fund for the One-Time Accretion recognition payment for Legislative Assistants related to inclusion of the Legislative Assistant position to SEIU 1021 - CSU/PTRLA Unit. Approved by Council on 06/15/2021 through Resolution 69,928-N.S. Appropriate fund to augment Council Office Salaries budget to fund for one Legislative Assistant position at the top step of the salary range with benefits. Approved by Council on 10/12/2021 through Resolution xx,xxx-N.S.
38	011	General Fund	Mayor & Council		\$30,121		Mayor and Council Annual Salary per Measure JJ		X		Appropriate FY 2022 funds for Measure JJ for the Mayor and Councilmember Salaries and Benefit increases approved by voters on November 3, 2020.
39	011	General Fund	Mayor & Council		\$1,330,000		Security Cameras in the Public Right of way		X		Appropriate funding for a Council Budget Referral by Council member Taplin and Kesarwani. Security Cameras in the Public Right of Way at Intersections Experiencing Increased Violent Crime, and Environmental Safety Assessment for High Crime Areas
40	011	General Fund	Mayor & Council		\$300,000		Resolution Recognizing Housing as Human Right		X		Appropriate funding for a Council Budget Referral by Mayor Arreguin, Councilmember Taplin, Harrison, and Hahn. Resolution Recognizing Housing as Human Right, Referring to City Manager Several Measures to Begin Developing Social Housing in the City of Berkeley
41	011	General Fund	Mayor & Council		\$100,000		Homeless Outreach Coordinator		X		Appropriate funding for a Council Budget Referral by Councilmember Bartlett for a Homeless Outreach Coordinator for South Shattuck Avenue and Adeline St.
42	011	General Fund	Mayor & Council		\$60,000		Durant Parklet and Telegraph Plaza Improvements		X		Appropriate funding for a Council Budget Referral by Mayor Arreguin and Councilmember Robinson for Durant Parklet and Telegraph Plaza Improvements
43	011	General Fund	Mayor & Council		\$200,000		Berkeley Ceasefire		X		Appropriate funding for a Council Budget Referral by Mayor Arreguin and Councilmember Wengraf, Bartlett, and Taplin for the Berkeley Ceasefire program

FY 2021 Recommended Carryover and FY 2022 Recommended Adjustments (AAO#1)

Attachment 2

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	011	General Fund	Non-Departmental	\$91,128			EOC COVID-19			X	Carryover funds from FY 2021 for Pod Storage Containers for Outdoor Recreation Programs and for Portable Toilets
45	011	General Fund	Non-Departmental	\$16,264			FLSA Payment			X	Carryover funds from FY 2021 for FLSA payments settlement
46	011	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).
47	011	General Fund	Non-Departmental		\$973,695		Transfer to U1 Fund			X	Transfer of remaining FY 2021 Measure U1 revenues to Measure U1 Fund
48	011	General Fund	Non-Departmental		\$127,430		Salary Adjustment for Department Heads		X		Appropriate funding for salary adjustments for various Department Heads approved by Council,
49	011	General Fund	Non-Departmental		\$3,775,783		FY 2022 General Fund COLAs		X		Appropriate funding for a Council authorized General Fund COLA increases due to new labor MOUs.
50	011	General Fund	Non-Departmental		\$339,008		FY 2022 General Fund PEPRA Ramp Down		X		Appropriate funding for a Council authorized General Fund increases due to PEPRA Ramp Down negotiated in the new labor MOUs.
51	011	General Fund	Parks, Recreation and Waterfront		\$510,000	PRWPK22005	West Campus Pool Filters/Plaster		X		Appropriate funding for the West Campus Filters/Plasters. Approved by Council on 06/29/2021 as part of Mayor's Budget Recommendation per Resolution No. 69,949-N.S.
52	011	General Fund	Parks, Recreation and Waterfront	\$250,000		PRWT122002	African American Holistic Resource			X	Carryover of FY21 project budget fund for the design of the American Holistic Resource Center
53	011	General Fund	Parks, Recreation and Waterfront	\$38,401			Measure P - Homeless Cleanup			X	Carryover funds from FY21 for Measure P related costs - Homeless Cleanup program
54	011	General Fund	Parks, Recreation and Waterfront		\$214,000	PRWRC22001; PRWRC22002	R2 Shift Training; R2 Shift Cancellation		X		Appropriate funds for MOU related increased costs (lump sum payment, shift cancellation, training). SEIU 1021 - CSU/PTRLA Unit. Approved by Council on 07/29/2021 through Resolution 69,990--N.S and Resolution 69,991--N.S.
55	011	General Fund	Parks, Recreation and Waterfront	\$70,000			Official Payments/Credit Card fees			X	Carryover FY21 funds from official payments and credit card fees
56	011	General Fund	Planning	\$136,671			Green Building Program Manager			X	Carryover of FY 2021 funds o cover 50% of cost for a new 2 year FTE, Green Building Program Manager, responsible for developing and facilitating the implementation of local green building codes.
57	011	General Fund	Planning	\$125,000			ZORP - Objective Standards for Density / State Housing Law Compliance			X	Carryover of fund for Consultant services to develop objective development standards for mixed-use and multi-family residential projects in order to comply with recently passed State housing laws and to improve customer service by clarifying regulations and streamlining the permitting process.

FY 2021 Recommended Carryover and FY 2022 Recommended Adjustments (AAO#1)

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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
58	011	General Fund	Planning	\$25,000			Planning Department Equity Consultant			X	Carryover of FY 2021 funds for consultant services to assist with the development of a racial equity analysis toolkit specific to Planning Department services and projects
59	011	General Fund	Planning		\$32,163		Deputy Director of Planning			X	Appropriate funding for a new position in Planning - Deputy Director of Planning
60	011	General Fund	Public Works	\$95,594		PWENBM2104	Old City Hall & Veterans Building Leak Repair			X	Carryover funds from FY 2021 for the Old City Hall and Veterans Building Leak Repair project.
61	011	General Fund	Public Works	\$15,000		PWENCB1907	125-127 UNIV PARKING LOT			X	Carryover FY 2021 funding for continuation of the 125/127 University Ave Parking Lot project (for Parking Enforcement program/staff).
62	011	General Fund	Public Works	\$427,956		PWENCB2102	PSB Cooling Redundancy			X	Carryover funding to continue the project, currently in the design phase.
63	011	General Fund	Public Works	\$5,830		PWENSR1542	Sewer Laterals & CCTV			X	On-going rehabilitation of city-owned sewer laterals
64	011	General Fund	Public Works	\$385,069		PWENUD0906	Underground Utility District #48 Grizzly Peak			X	For on-going utility undergrounding planning for Grizzly Peak.
65	011	General Fund	Public Works	\$162,973		PWENUD1602	Citywide Undergrounding				To continue the Citywide Undergrounding project
66	011	General Fund	Public Works	\$94,543		PWT1CB1901	NBSC SEISMIC RETROFIT T1			X	Carryover FY 2021 funding for continuation of the NBSC Seismic Retrofit project.
67	011	General Fund	Public Works	\$99,897		PWSUCW1901	Fire Safety and Prevention			X	On-going fire safety and prevention, clearing pathways
68	011	General Fund	Public Works	\$679,813			Clean Cities/Illegal Dumping for the Clean and Livable Commons Initiative		X		Carryover GF (and Measure P) funding for continuation of the Clean Cities/Illegal Dumping enhancement for the Clean and Livable Commons Initiative.
69	011	General Fund	Public Works	\$100,000		PWTRCS2003	University Ave Bus Blvd		X		To continue bus stop improvements at University - widen and add seating at Sacramento and Grant, with RRFB at Grant (Council referral 11/27/18)
70	011	General Fund	Public Works	\$4,614		PWTRPL2101	BerkDOT		X		To continue the study of potential BerkDOT or alternate organizational structure (Council referral)
71	011	General Fund	Public Works		\$100,000	PWTRPL2101	BerkDOT		X		To continue the study of potential BerkDOT or alternate organizational structure (Council referral)
72	011	General Fund	Public Works		\$323,807	PWTRTC1902	DWIGHT/CALIFORNIA INTERSECT IMPRV			X	Appropriate balance of Mayor/Council Budget referral from FY 2019 AAO#1 process so that project can continue. Project was put on hold.
73	011	General Fund	Public Works	\$20,005		PWTRPL2001	Hopkins Corridor Study			X	Carryover FY 2021 funding for continuation of the Hopkins Corridor Study. Council Budget Referral on 11/27/2018 (FY 2019)
74	011	General Fund	Public Works		\$83,428		Public Restroom			X	Appropriate funds received from Enclave Partners for a public restroom

FY 2021 Recommended Carryover and FY 2022 Recommended Adjustments (AAO#1)

Attachment 2

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
	011 Total			\$4,405,774	\$10,946,542						
75	016	U1 - Housing	Health, Housing & Community Svcs.		\$100,000		Bay Area Community Land Trust		X		Appropriate funding for BACLT - organizational capacity building. Approved by Council on 06/29/2021 per Resolution No. 69,949-N.S.
76	016	U1 - Housing	Non-Departmental		\$100,000		Landlord Incentives for Section 8 program		X		Appropriate funding for the Landlords Incentives for Section 8 Program Approved by Council on 06/29/2021 per Resolution No. 69,949-N.S.
77	016	U1 - Housing	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).
	016 Total			\$0	\$1,146,163						
78	106	Asset Forfeiture	Police		\$150,000					X	Appropriate funding for additional training needs and travel
	106 Total			\$0	\$150,000						
79	111	Fund Raising Activities	Undefined		\$13,000	HHADMO2201	Meals on Wheels			X	Appropriate funds from Meals on Wheels donations for equipment and operational needs at Senior Centers
80	111	Fund Raising Activities	Undefined		\$5,000	HHADNB2201	North Berkeley Senior Center Donations			X	Appropriate funds from NBSC donations for kitchen equipment
81	111	Fund Raising Activities	Undefined		\$3,000	HHADSB2201	South Berkeley Senior Center Donations			X	Appropriate funds from SBSC donations for kitchen equipment
	111 Total			\$0	\$21,000						
82	113	Gilman Sports Field	Parks, Recreation and Waterfront		\$150,000		Gilman Reserve			X	Appropriate Gilman Sport Field fund for the sports field user fees.
83	113	Gilman Sports Field	Parks, Recreation and Waterfront		\$150,000		Landscape Gardener			X	Appropriate Gilman Sport Field fund for the sports field landscape gardener.
	113 Total			\$0	\$300,000						
84	125	Playground Camp	Parks, Recreation and Waterfront	\$2,910		PRWCP08001	Tuolumne Master Plan			X	Carryover of Playground Camp Fund to complete the construction of Berkeley Tuolumne Camp Project
85	125	Playground Camp	Parks, Recreation and Waterfront	\$195,946		PRWCP18001	BTC Detailed Design			X	Carryover of Playground Camp Fund to complete the construction of Berkeley Tuolumne Camp Project
86	125	Playground Camp	Parks, Recreation and Waterfront	\$1,160,051		PRWCP19001	BTC Construction Management			X	Carryover of Playground Camp Fund to complete the construction of Berkeley Tuolumne Camp Project
87	125	Playground Camp	Parks, Recreation and Waterfront		\$536,146	PRWCP19001	BTC Construction Management			X	New appropriation request for Robert E. Boyer Construction at the Berkeley Tuolumne Camp
88	125	Playground Camp	Parks, Recreation and Waterfront		\$2,500	PRWEM160004	Cazadero Camp Landslide			X	Appropriate funding to pay for travel reimbursement for the Cazadero Jensen dorm reconstruction

FY 2021 Recommended Carryover and FY 2022 Recommended Adjustments (AAO#1)

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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
89	125	Playground Camp	Parks, Recreation and Waterfront	\$393,754		PRWEM160004	Cazadero Camp Landslide			X	Carryover of funds for the Cazadero Dorm rebuild.
90	125	Playground Camp	Parks, Recreation and Waterfront		\$993,166	PRWEM160004	Cazadero Camp Landslide			X	Appropriate Camps funds for the Cazadero Camp Rebuild Project.
91	125	Playground Camp	Parks, Recreation and Waterfront		\$483	PRWEM160004	Cazadero Camp Landslide			X	Appropriate Camps funds to increase the permit fee budget for the Cazadero Camp Rebuild Project.
92	125	Playground Camp	Parks, Recreation and Waterfront		\$705,000	PRWRC18002	Echo Lake Camp ADA Improvements			X	Appropriate funding to pay for work done on the Echo Lake Camp ADA Improvement project
93	125	Playground Camp	Parks, Recreation and Waterfront		\$50,000		Camps Program credit card fees			X	Appropriate Camps fund to pay for the Camps program's credit card processing fees.
	125 Total			\$1,752,661	\$2,287,295						
94	126	State Prop 172	Police		\$500,000					X	Appropriate fund to pay for contracts and related expenses
	126 Total			\$0	\$500,000						
95	127	State Transportation Tax	Public Works		\$39,493		AOS Supervisor (1)			X	Add Accounting Office Specialist Supervisor position to Admin & Fiscal Services division to coordinate payroll issues, lead training, provide payroll entry backup, lead ERMA self entry implementation.
96	127	State Transportation Tax	Public Works	\$609	\$28,009	PWENSD1819	Cordornices Creek @ Kains			X	Carryover State Transportation Tax project budget balance for the Cordornices Creek @ Kains project to work on the close-out phase of the project
97	127	State Transportation Tax	Public Works	\$131,120		PWENSG1801	Measure M LID FY 18 Woolsey			X	To continue the Measure M Low Impact Development Improvements
98	127	State Transportation Tax	Public Works	\$44,579		PWENST1902	Surface Seal FY 2019			X	Carryover funding to continue on-going Street Rehabilitation Program
99	127	State Transportation Tax	Public Works	\$659,548		PWENST2101	Street Rehab FY 2021			X	To complete the project, currently in the construction phase.
100	127	State Transportation Tax	Public Works	\$49,483		PWENST2201	Street Rehab FY 2022			X	Carryover of State Transportation Tax Fund for the Street Rehab Project - Design phase
101	127	State Transportation Tax	Public Works	\$100,000		PWENSW2001	FY20 Sidewalk Repair Program			X	Carryover State Transportation Tax project budget balance for the FY20 Sidewalk Repair Program to continue construction phase
102	127	State Transportation Tax	Public Works	\$268,710		PWENSW2002	Sidewalk Shaving FY 2020			X	To continue the sidewalk rehab program

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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
103	127	State Transportation Tax	Public Works	\$105,412		PWTRCS1406	Shattuck Reconfiguration			X	On-going improvements on Shattuck Avenue
	127 Total			\$1,359,461	\$67,502						
104	130	Measure B - Local Streets & Road	Public Works	\$339,986		PWENST2101	Street Rehab FY 2021			X	To complete the project, currently in the construction phase.
105	130	Measure B - Local Streets & Road	Public Works		\$134,674	PWTRBP1707	9th Street Pathway Phase II			X	Appropriate funding to continue construction phase of capital project
	130 Total			\$339,986	\$134,674						
106	131	Measure B - Bike and Pedestrian	Public Works	\$28,423		PWTRCS2002	Transportation Impact Studies			X	Carryover of Measure BB fund for Transportation Impact Studies
	131 Total			\$28,423	\$0						
107	133	Meas F - ALA CT VRF ST AND RD	Public Works	\$150,000	\$70,200	PWENSW2001	FY20 Sidewalk Repair Program			X	Carryover Measure F VRF fund project budget balance and appropriate new funding for the FY20 Sidewalk Repair Program to continue construction phase
108	133	Meas F - ALA CT VRF ST AND RD	Public Works	\$29,800		PWENSW2002	Sidewalk Shaving FY 2020			X	To continue the sidewalk rehab program
109	133	Meas F - ALA CT VRF ST AND RD	Public Works	\$6,690		PWTRCT0918	Ashby/San Pablo Traffic Improvement			X	To continue to improve the Ashby/San Pablo westbound approach
	133 Total			\$186,490	\$70,200						
110	134	Measure BB - Local Streets and Road	Public Works		\$100,000	PWSUST2201	Bus Pad Maintenance and Repairs		X		Appropriate fund for Bus Pad Maintenance and Repairs Program as part of FY22 PW Proposed Capital Budget. Approved by Council on 06/29/2021 through Resolution No. 69,949-N.S.
111	134	Measure BB - Local Streets and Road	Public Works	\$50,000		PWTRBP1802	Milvia Bikeway Project			X	Grant match to continue the Milvia Bikeway project
112	134	Measure BB - Local Streets and Road	Public Works	\$28,423		PWTRCS2002	Transportation Impact Studies			X	Carryover of Measure B fund for Transportation Impact Studies
113	134	Measure BB - Local Streets and Road	Public Works	\$4,602		PWTRTC2101	Berkeley Healthy Streets			X	Continue to provide more space for walking and biking while social distancing per COVID protocols
114	134	Measure BB - Local Streets and Road	Public Works	\$9,937		PWENRW2001	Retaining Wall - 1322 Glendale Ave			X	Carryover of Measure BB funds for the retaining wall project at 1322 Glendale Ave

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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
115	134	Measure BB - Local Streets and Road	Public Works	\$172,730		PWENST1902	Surface Seal FY 2019			X	Carryover funding to continue on-going Street Rehabilitation Program
116	134	Measure BB - Local Streets and Road	Public Works	\$443,778		PWENST2101	Street Rehab FY 2021			X	To complete the project, currently in the construction phase.
117	134	Measure BB - Local Streets and Road	Public Works	\$783,000	\$496,800	PWENSW2001	FY20 Sidewalk Repair Program			X	Carryover Measure BB - LS&R fund project budget balance and appropriate new funding for the FY20 Sidewalk Repair Program to continue construction phase
118	134	Measure BB - Local Streets and Road	Public Works		\$700,000		CAP - INFR - ROADWAY/STREETS - Ann St. Rehab			X	New Request to increase baseline
119	134	Measure BB - Local Streets and Road	Public Works		\$459,550	PWTRCS2001	Southside Complete Streets			X	Appropriate funding to continue the Southside Complete Streets project in FY 2022
	134 Total			\$1,492,470	\$1,756,350						
120	135	Meas BB - Bike and Pedestrian	Public Works		\$151,921	PWTRCT1803	NB BART/SACRAMENTO ST COMPLETE ST			X	To continue the project, currently in construction
121	135	Measure BB - Bike and Pedestrian	Public Works		\$370,734	PWTRBP1802	Milvia Bikeway Project			X	Appropriate funding for project budget to continue capital project construction phase.
122	135	Measure BB - Bike and Pedestrian	Public Works	\$144,564		PWTRBP2001	Addison Bike Blvd			X	Grant match to continue the Addison Bike Blvd. project
123	135	Measure BB - Bike and Pedestrian	Public Works		\$100,000	PWTRBP2201	MLK JR Way Vision Zero Quick Build		X		Appropriate fund for MLK Jr. way Vision Zero Phase I Quick Build. Approved by Council on 06/30/2022 through Resolution No. 69,473-N.S.
124	135	Measure BB - Bike and Pedestrian	Public Works	\$45,976		PWTRCT0918	Ashby/San Pablo Traffic Improvement			X	To continue to improve the Ashby/San Pablo westbound approach
	135 Total			\$190,540	\$622,655						
125	138	Parks Tax	Parks, Recreation and Waterfront	\$7,967		PRWPK14002	John Hinkel Park (Lower)			X	Carryover FY 2021 project budget balance for the John Hinkel Park project.
126	138	Parks Tax	Parks, Recreation and Waterfront	\$4,800		PRWPK15002	James Kenney Play Area			X	Carryover of FY 2021 project budget balance for the James Kenney Play Area project.
127	138	Parks Tax	Parks, Recreation and Waterfront		\$3,535	PRWPK15002	James Kenney Play Area			X	Appropriate new funding for inspection charges for the James Kenney Play Area project.
128	138	Parks Tax	Parks, Recreation and Waterfront	\$162,061		PRWPK19003	King School Park Reno			X	Carryover FY 2021 project budget balance to continue the King School Park Renovation project in FY 2022

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129	138	Parks Tax	Parks, Recreation and Waterfront		\$35,000	PRWPK19004	John Hinkel Amphitheater Area			X	Appropriate new funding of Parks Tax Fund for the John Hinkel Amphitheater Area Project to close gap in project budget
130	138	Parks Tax	Parks, Recreation and Waterfront	\$770,127		PRWPK19004	John Hinkel Amphitheater Area			X	Carryover of Parks Tax Fund for the John Hinkel Amphitheater Area Project
131	138	Parks Tax	Parks, Recreation and Waterfront	\$487,900		PRWPK20003	Ohlone Park Improvements			X	Carryover of FY 2021 funding for the continued work on the Ohlone Park Improvements project
132	138	Parks Tax	Parks, Recreation and Waterfront	\$185,000		PRWPK21005	Skate Park			X	Carryover for Skate Park Fencing/Improvements.
133	138	Parks Tax	Parks, Recreation and Waterfront	\$85,000		PRWPP15002	Aquatic Park South Pathways/Parking Lot			X	Carryover of FY 2021 funding for the Aquatic Park Pathways/Parking Lot project (Aquatic Rowing Club parking lot)
134	138	Parks Tax	Parks, Recreation and Waterfront	\$129		PRWT119001	Aquatic Park Tide Tubes 1a			X	Carryover of FY 2021 funding for the continued work on the Aquatic Park Tide Tubes 1a project
135	138	Parks Tax	Parks, Recreation and Waterfront	\$13,841		PRWT119005	Live Oak Community Center			X	Carryover of FY 2021 project budget balance for the Live Oak Community Center project.
136	138	Parks Tax	Parks, Recreation and Waterfront	\$2,681		PRWT119009	San Pablo Park Renovation Projects			X	Carryover of Parks Tax Fund for the San Pablo Park Renovation Project
137	138	Parks Tax	Parks, Recreation and Waterfront	\$260,013		PRWT119009	San Pablo Park Renovation Projects			X	Carryover of Parks Tax Fund for the San Pablo Park Renovation Project
138	138	Parks Tax	Parks, Recreation and Waterfront	\$192,299		PRWT119012	Rose Garden			X	Carryover of Parks Tax Fund for the Rose Garden Project
	138 Total			\$2,171,817	\$38,535						
139	140	Measure GG - Fire Preparation Tax	Public Works		\$295,320		East Bay Regional Communications Authority Radio Operating			X	East Bay Regional Communications Authority Radio Operating and Service payments
	140 Total			\$0	\$295,320						
140	142	St Light Assmt	Public Works	\$12,460		PWENEL2101	Street Light Master Plan			X	Continue ongoing planning
141	142	St Light Assmt	Public Works	\$240,531		PWFME1604	Street Light Program			X	Ongoing maintenance and replacement of Streetlight program
	142 Total			\$252,991	\$0						
142	143	Business Economic Development	City Manager		\$495,000		Revolving Loan Fund and Resiliency Loan Program		X		appropriate fund for the Revolving Loan Fund and Resiliency Loan Program. Approved by Council on 10/27/2020 through Resolution No. 69,590-N.S.
143	143	Business Economic Development	City Manager		\$25,000		Resiliency Loan Program (RLP)		X		appropriate fund for the Resiliency Loan Program (RLP). Approved by Council on 10/27/2020 through Resolution No. 69,590-N.S.
	143 Total			\$0	\$520,000						

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144	145	Bayer - Miles Lab	Parks, Recreation and Waterfront	\$943		PRWPP15002	Aquatic Park South Pathways/Parking Lot			X	Carryover of FY 2021 funding for the Aquatic Park Pathways/Parking Lot project
	145 Total			\$943	\$0						
145	147	UC Settlement	Public Works	\$121,164	\$792,942	PWTRCS2001	Southside Complete Streets			X	Appropriate funding to continue the Southside Complete Streets project in FY 2022
146	147	UC Settlement	Multiple Departments		\$4,100,000		UC-COB LRDP Settlement Agreement		X		Appropriate UC Settlement funding for Fire and Other City Services (section 3.4.1) and Capital projects and other services benefitting residents living within 1/2 mile of UC main campus boundaries and Clark Kerr. Including, but not limited to joint BPD-UCPD Telegraph Area Beat (section 3.4.2)
	147 Total			\$121,164	\$4,892,942						
147	148	Cultural Trust	City Manager	\$14,902			OED Program paid for by Cultural Trust Fund			X	Carryover funds from FY 2021 to pay for OED program invoices slated to be paid out of the Cultural Trust Fund.
148	148	Cultural Trust	City Manager	\$25,000			OED Program paid for by Cultural Trust Fund			X	Carryover funds from FY 2021 to fund a contract slated to be paid out of the Cultural Trust program
149	148	Cultural Trust	City Manager	\$50,000			OED BAWP Grant Program			X	Carryover of FY 2021 funds for continuance of the BAWP Grant Award Program
150	148	Cultural Trust	City Manager	\$732,577			Various Public Art Projects			X	These funds - generated from fees paid by private developers in lieu of compliance with the Public Art in Private Development policy - are used to finance public art projects and maintenance. There are a number of pending Public Art projects to utilize this funding. This funding should be carried over from year to year, similar to the historic practice with the Public Art Fund.
	148 Total			\$822,479	\$0						
151	149	Private Party Sidewalks	Public Works	\$150,000	\$100,000	PWENSW2001	FY20 Sidewalk Repair Program			X	Carryover Private Party Sidewalks fund project budget balance and appropriate new funding for the FY20 Sidewalk Repair Program to continue construction phase
	149 Total			\$150,000	\$100,000						
152	150	Public Art	City Manager	\$30,085	\$52,709		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.
	150 Total			\$30,085	\$52,709						

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153	159	City Operational Public Safety	Police		\$200,000						Appropriate fund to pay for police contracts and expenses
	159 Total			\$0	\$200,000						
154	162	Shelter Operations	City Manager		\$20,953		Lighting Work at Grayson/Horizon		X		Appropriate Shelter Operations fund for the Lighting Work for Grayson/Horizon. Approved by Council to accept /donations for the Berkeley Homeless Fund on 10/17/2017.
155	162	Shelter Operations	City Manager		\$150,000		Off-street safe parking program for Recreational Vehicles at 742 Grayson Street		X		Appropriate donation from Berkeley Commons Owner LLC. for the contract amendment with Dorothy Day House to include the operation of homeless shelter for people living in vehicles in an off-street safe parking program for Recreational Vehicles at 742 Grayson Street. Approved by Council on 10/26/2021 through Resolution No. xx,xxx-N.S.
	162 Total			\$0	\$170,953						
156	302	Operating Grants - State	Health, Housing & Community Svcs.	\$228,905			Permanent Local Housing Allocation (PLHA)			X	Carryover of funds for Permanent Local Housing Allocation Program.
	302 Total			\$228,905	\$0						
157	305	Capital Grants - Federal	Public Works	\$947,225	\$6,115,293	PWTRCS2001	Southside Complete Streets			X	Appropriate funding to continue the Southside Complete Streets project in FY 2022
	305 Total			\$947,225	\$6,115,293						
158	306	Capital Grants - State	Public Works	\$1,983,091		PWTRBP1802	Milvia Bikeway Project			X	Carryover project budget balance from FY 2021 to continue capital project construction phase.
159	306	Capital Grants - State	Public Works		\$130,000	PWTRBP2201	MLK JR Way Vision Zero Quick Build		X		Appropriate fund for MLK JR Way Vision Zero Quick Build Project. Approved by Council on 06/30/2020 through Resolution No. 69,473-N.S.
160	306	Capital Grants - State	Public Works	\$206,486		PWTRBP2201	Addison Bike Blvd		X		Grant for the Addison Bike Blvd project
	306 Total			\$2,189,577	\$130,000						
161	309	Ots DUI Enfor'mt Educ Prg	Police		\$180,000				X		Appropriate fund from the Federal OTS grant. Approved by Council on 11/09/2021 through Resolution No. xx,xxx-N.S.
	309 Total			\$0	\$180,000						
162	311	ESG	Health, Housing & Community Svcs.	\$2,112,000			ESG-CV Alaco Safer Ground Ct		X		Appropriate fund from the Emergency Solutions Grant for housing services. Approved by Council on 9/15/2020 through Resolution No. 69,563-N.S.

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	311 Total			\$2,112,000	\$0						
163	312	Health (General)	Health, Housing & Community Svcs.		\$25,255	HHPIZC2201	Immunization COVID-19 Grant (Round 2)		X		Appropriate additional Health (General) fund for Immunization COVID-19 Grant Program (Round 2). Approved by Council on 05/12/2020 through Resolution No. 69,383-N.S.
164	312	Health (General)	Health, Housing & Community Svcs.		\$953,730	HHPIZC2202	Immunization COVID-19 Grant (Round 3)		X		Appropriate additional Health (General) fund for Immunization COVID-19 Grant Program (Round 3). Approved by Council on 05/12/2020 through Resolution No. 69,383-N.S.
165	312	Health (General)	Health, Housing & Community Svcs.		\$953,730	HHPIZC2203	Immunization COVID-19 Grant (Round 4)		X		Appropriate additional Health (General) fund for Immunization COVID-19 Grant Program (Round 4). Approved by Council on 05/12/2020 through Resolution No. 69,383-N.S.
166	312	Health (General)	Health, Housing & Community Svcs.		\$8,182	HHPLED2201	Public Health State Lead Program		X		Appropriate fund for Public Health State Lead Program. Approved by Council on 11/19/2019 through Resolution No. 69,181-N.S.
	312 Total			\$0	\$1,940,897						
167	315	Mental Health Services Act	Health, Housing & Community Svcs.		\$150,000	HHMAAS2201	MHSA-PEI African American Success		X		Appropriate Mental Health Services Act fund for contract with Berkeley Unified School District (Mental Health Consolidated Contract). Approved by Council on 09/14/2021 through Resolution No. 70,001-N.S.
168	315	Mental Health Services Act	Health, Housing & Community Svcs.		\$33,708	HHMCSA2201	CSS Admin			X	Appropriate Mental Health Services Act fund to pay for rent related expenses at MH clinics on University Ave. and Adeline Ave.
169	315	Mental Health Services Act	Health, Housing & Community Svcs.		\$387,156	HHMPCE2201	MHSA-PEI Community ED & Support		X		Appropriate Mental Health Services Act fund for contract with Pacific Center for Human Growth. Approved by Council on 3/30/2021 through Resolution No. 69,769-N.S.
170	315	Mental Health Services Act	Health, Housing & Community Svcs.		\$95,000	HHMPDM2201	MHSA PEI-Dynamic Mindfulness		X		Appropriate Mental Health Services Act fund for contract with Berkeley Unified School District (Mental Health Consolidated Contract). Approved by Council on 09/14/2021 through Resolution No. 70,001-N.S.
171	315	Mental Health Services Act	Health, Housing & Community Svcs.		\$20,854	HHPMHS2201	AmeriCorps			X	Appropriate fund to establish AmeriCorps program budget
	315 Total			\$0	\$686,718						
172	316	Health (Short Doyle)	Health, Housing & Community Svcs.		\$56,040	HHMMCM2201	Medi-Cal Systemwide			X	Appropriate Mental Health Services Act fund to pay for rent related expenses at MH clinics on University Ave
	316 Total			\$0	\$56,040						

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173	318	Alcoholic Beverage Control Grant	Police		\$72,440				X		Appropriate fund from the ABC grant. Approved by Council on 9/14/2021 through Resolution No. 70,002-N.S.
	318 Total			\$0	\$72,440						
174	321	C.F.P. Title X	Health, Housing & Community Svcs.		\$114,914	HHPTIX2201	2021-2022 Title X Family Planning Services		X		Appropriate grant funding for Title X Family Planning Services for the period April 1, 2021 to March 31, 2022. Approved by Council on 05/11/2021 through Resolution No. 69,842-N.S.
	321 Total			\$0	\$114,914						
175	326	Alameda County Grants	Health, Housing & Community Svcs.		\$2,884	HHPTOB2201	County Tobacco Program			X	Appropriate fund for the Tobacco Prevention Program
	326 Total			\$0	\$2,884						
176	329	CA Integrated Waste Management	Public Works		\$13,693		Used Oil Program			X	Appropriate Public Works portion of CA Integrated Waste Management Fund for the Used Oil Program
	329 Total			\$0	\$13,693						
177	334	CSBG	Health, Housing & Community Svcs.	\$161,181			CSBG - CARES			X	Carryover of CSBG funds for CARES grant
178	334	CSBG	Health, Housing & Community Svcs.		\$28,250		CSBG 2021 DISC		X		Appropriate fund for the Community Services Block Grant Fund Contract No. 21F-4403. Approved by Council on 06/15/2021 through Resolution No. 69,923-N.S.
179	334	CSBG	Health, Housing & Community Svcs.		\$40,370		CARES DISC		X		Appropriate fund for revenue contract amendment with State of CA Department of Community Services and Development. Approved by Council on 09/15/2020 through Resolution No. 69,550-N.S.
	334 Total			\$161,181	\$68,620						
180	336	One Time Grant: No Cap	City Manager		\$50,000		San Francisco Foundation support for affordable housing		X		Appropriate grant funding from the San Francisco Foundation support for 100% affordable housing at BART stations to pay for consultant
181	336	One Time Grant: No Cap	Health, Housing & Community Svcs.	\$209,254	\$821,233		ELC COVID-19 Grant		X		Carryover and new appropriation of the ELC COVID-19 grant to continue work in FY 2022
182	336	One Time Grant: No Cap	Health, Housing & Community Svcs.		\$116,640		CA Equitable Recovery Initiative		X		Appropriate fund from the CA Equitable Recovery Initiative Grant. Approved by Council on 11/09/2021 through Resolution No. xx,xxx-N.S.
183	336	One Time Grant: No Cap	Health, Housing & Community Svcs.	\$65,000			Prop 64 - Grant			X	Carryover of Grant funds for misc. - professional services

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184	336	One Time Grant: No Cap	Health, Housing & Community Svcs.	\$68,975			Prop 64 - Grant			X	Carryover of Grant funds for youth salary costs
185	336	One Time Grant: No Cap	Health, Housing & Community Svcs.	\$42,446			Prop 64 - Grant			X	Carryover of Grant funds for salary costs
186	336	One Time Grant: No Cap	Health, Housing & Community Svcs.	\$585,000			Prop 64 - Grant			X	Carryover of Grant funds for community agency contracts
187	336	One Time Grant: No Cap	Health, Housing & Community Svcs.	\$139			Prop 64 - Grant			X	Carryover of Grant funds for misc.
188	336	One Time Grant: No Cap	Information Technology		\$199,485		Administrative Assistant for COVID Support		X		Appropriate fund to hire temporary staff (Administrative Assistant) in IT Department to support COVID-19 Response program in partnership with HHCS/Public Health. Approved by Council on 09/22/2020 through Resolution No. 69,567-N.S.
189	336	One Time Grant: No Cap	Mayor & Council	\$7,500			Grant for Paid Internships		X		Carryover of fund or the Chancellor's Community Partnership Fund Grant for Paid Internships. Approved by Council on 09/15/2020 through Resolution No. 69,562-N.S.
190	336	One Time Grant: No Cap	Parks, Recreation and Waterfront	\$107,275		PRWPK20005	Urban Greening Grant			X	Carryover FY 2021 grant fund to continue the Urban Greening Grant project.
191	336	One Time Grant: No Cap	Parks, Recreation and Waterfront		\$229,294	PRWPK20005	Urban Greening Grant			X	Appropriate fund for the Urban Greening Tree Planting Program
192	336	One Time Grant: No Cap	Parks, Recreation and Waterfront	\$9,266		PRWT119007	Pier-Ferry Facility Study			X	Carryover of grant funds for continuation of the Pier - Ferry Facility Study
193	336	One Time Grant: No Cap	Planning		\$750,000					X	Appropriate grant funding for PDA Planning for San Pablo Ave Specific Plan . Approved by Council on 07/13/2021 through Resolution No. 69,953-N.S.
194	336	One Time Grant: No Cap	Planning		\$158,506					X	Appropriate HEAP grant funding for Housing Element. Approved by Council on 07/13/2021 through Resolution No. 69,953-N.S.
195	336	One Time Grant: No Cap	Police	\$312,284						X	Carryover of grant funds for the Sexual Assault Program
196	336	One Time Grant: No Cap	Police		\$135,462				X		Appropriate CHP Cannabis Tax Fund Law Enforcement Grant fund. Approved by Council on 07/13/2021 through Resolution No. 69,954-N.S.
197	336	One Time Grant: No Cap	Public Works	\$18,382	\$95,200	PWENS1819	Cordornices Creek @ Kains			X	Carryover One-Time Grant fund project budget balance and appropriate additional funding for the Cordornices Creek @ Kains project to work on the close-out phase of the project
198	336	One Time Grant: No Cap	Public Works	\$72,373		PWSUCC2106	Illegal Dumping Mattress Grant			X	Carryover One-Time Grant fund project budget balance for the Illegal Dumping Mattress project
	336 Total			\$1,497,894	\$2,555,820						

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199	339	MTC	Parks, Recreation and Waterfront	\$2,665		PRWPP15001	Bay Trail Extension III			X	Carryover of MTC grant funds for continuation of the Bay Trail Extension III project
200	339	MTC	Public Works		\$24,000	PWTRPK1401/1706	Intern for goBerkeley SmartSpace			X	intern to support the grant-funded goBerkeley SmartSpace project starting this fall (grant fund 339 @ 80%)
	339 Total			\$2,665	\$24,000						
201	344	Caltrans Grant	Public Works		\$7,759	PWTRBP1707	9th Street Pathway Phase II			X	Appropriate funding to continue construction phase of capital project
202	344	Caltrans Grant	Public Works	\$490,789		PWTRCT1803	NB BART/SACRAMENTO ST COMPLETE ST			X	To continue the project, currently in construction
	344 Total			\$490,789	\$7,759						
203	347	Shelter + Care	Health, Housing & Community Svcs.		\$30,723	HHASPF2201	AG Shelter Plus			X	Appropriate funding to support small operational budget needs through the Shelter Plus Care grant
	347 Total			\$0	\$30,723						
204	350	Bio-Terrorism Grant	Health, Housing & Community Svcs.	\$114,621		HHPCOV2001	Covid-19 Response		X		Carryover of grant funds for Covid-19 Preparedness Public Health Response. Approved by Council on 05/12/2020 through Resolution No. 69,385-N.S.
205	350	Bio-Terrorism Grant	Health, Housing & Community Svcs.		\$229,931	HHPWFD2201	Public Health Workforce Development		X		Appropriate funding for the Public Health Preparedness Workforce Development grant for the period of 7/1/21-6/30/23. Approved by Council on xx/xx/xxxx through Resolution No. xx,xxx-N.S.
	350 Total			\$114,621	\$229,931						
206	351	UASI Regional Fund	Fire		\$9,193		UASI Grant			X	Carryover of UASI grant funds for fire operational needs
	351 Total			\$0	\$9,193						
207	501	Capital Improvement	City Manager		\$53,350		Center Street Garage Public Art			X	Appropriate fund for the Center Street Garage Public Art
208	501	Capital Improvement	Parks, Recreation and Waterfront	\$547,000		PRWWF20005	O & K Dock Electrical			X	Carryover of funds for the O & K Dock Electrical Project
209	501	Capital Improvement	Public Works	\$139,739		PWENBM2002	FS#3 Roof Upgrade			X	Repairs deferred due to other more pressing projects, will now continue in FY 2022
210	501	Capital Improvement	Public Works	\$17,327		PWENBM2003	FS#4 Roof Upgrade			X	Repairs deferred due to other more pressing projects, will now continue in FY 2022
211	501	Capital Improvement	Public Works	\$14,744		PWENBM2004	MHS Wall Repair			X	On-going maintenance and monitoring
212	501	Capital Improvement	Public Works	\$9,879		PWENBM2005	CY Lift Pits - Bldg. G			X	Carryover of Capital Improvement fund for the CY Lift Pits Decommissioning Bldg. G-MTC Shop

FY 2021 Recommended Carryover and FY 2022 Recommended Adjustments (AAO#1)

Attachment 2

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
213	501	Capital Improvement	Public Works	\$7,000		PWENBM2101	COVID-19 HVAC Assessment			X	To continue assessment of HVAC throughout City buildings
214	501	Capital Improvement	Public Works	\$27,236		PWENBM2103	FS#7 Fire Alarm CP Replacement			X	To continue project in FY 2022
215	501	Capital Improvement	Public Works	\$37,500		PWENCB1907	125-127 UNIV PARKING LOT			X	Carryover FY 2021 funding for continuation of the 125/127 University Ave Parking Lot project (for Parking Enforcement program/staff).
216	501	Capital Improvement	Public Works	\$35,460		PWENCB2103	Old City Hall & Veterans NLRHA			X	Carryover of Capital Improvement fund for the Architectural Seismic Services at Old City Hall & Veterans NLRHA
217	501	Capital Improvement	Public Works	\$405,144		PWENCB2105	STAIR Center ADA			X	To continue the STAIR Center ADA project
218	501	Capital Improvement	Public Works	\$388,633		PWENEN2001	EV Charging Station			X	To continue the EV Charging Station project
219	501	Capital Improvement	Public Works	\$368,103		PWENRW2001	Retaining Wall - 1322 Glendale Ave			X	Carryover of Measure BB funds for the retaining wall project at 1322 Glendale Ave
220	501	Capital Improvement	Public Works	\$123,765		PWENSG1801	Measure M LID FY 18 Woolsey			X	To continue the Measure M Low Impact Development Improvements
221	501	Capital Improvement	Public Works	\$120,625		PWENSR1542	Sewer Laterals & CCTV			X	On-going rehabilitation of city-owned sewer laterals
222	501	Capital Improvement	Public Works	\$50,000		PWENSW2002	Sidewalk Shaving FY 2020			X	To continue the sidewalk rehab program
223	501	Capital Improvement	Public Works	\$91,637		PWENUD0906	Underground Utility District #48 Grizzly Peak			X	Carryover of Capital Improvement fund for the design of the Underground Utility District (UUD) No. 48 at Grizzly Peak
224	501	Capital Improvement	Public Works	\$1,132,958			Fac CIP Baseline			X	Carryover of Fac CIP Baseline Budget to continue and complete on-going projects
225	501	Capital Improvement	Public Works	\$94,612		PWENST2001	Street Rehab FY 2020			X	Carryover Capital Improvement fund project budget balance for the Street Rehab FY 2020 project to continue construction phase
226	501	Capital Improvement	Public Works	\$532,933		PWENST2101	Street Rehab FY 2021			X	To complete the project, currently in the construction phase.
227	501	Capital Improvement	Public Works	\$971,078		PWENSW2001	FY20 Sidewalk Repair Program			X	Carryover Capital Improvement fund project budget balance for the FY20 Sidewalk Repair Program to continue construction phase
228	501	Capital Improvement	Public Works	\$480,587		PWTRCT0918	Ashby/San Pablo Traffic Improvement			X	To continue to improve the Ashby/San Pablo westbound approach
229	501	Capital Improvement	Public Works	\$27,171		PWTRTC2101	Berkeley Healthy Streets			X	Continue to provide more space for walking and biking while social distancing per COVID protocols
230	501	Capital Improvement	Public Works	\$37,719		PWTRTC1301	Traffic Calming Program			X	Carryover CIP funding for the Traffic Calming program
	501 Total			\$5,660,850	\$53,350						

FY 2021 Recommended Carryover and FY 2022 Recommended Adjustments (AAO#1)

Attachment 2

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231	506	Meas M - St and Watershed Impr	Public Works	\$12,216		PWENSG1801	Measure M LID FY 18 Woolsey			X	To continue the Measure M Low Impact Development Improvements
	506 Total			\$12,216	\$0						
232	511	Measure T1	City Manager	\$3,940			T1 Public Art Projects			X	Carryover of fund for the identification signage for the Public Art projects at North Berkeley Senior Center and San Pablo park.
233	511	Measure T1	Parks, Recreation and Waterfront	\$31,820		PRWT119001	Aquatic Park Tide Tubes 1a			X	Carryover of FY 2021 T1 funding for the continued work on the Aquatic Park Tide Tubes 1a project
234	511	Measure T1	Parks, Recreation and Waterfront	\$211,156	\$600,000	PRWT119004	Grove Park Phase 2			X	Carryover and new appropriation of T1 funds to continue the Grove Park Phase 2 project
235	511	Measure T1	Parks, Recreation and Waterfront	\$17,907		PRWT119005	Live Oak Community Center			X	Carryover of FY 2021 project budget balance for the Live Oak Community Center project.
236	511	Measure T1	Parks, Recreation and Waterfront	\$2,998		PRWT119006	University Ave, Marina, Spinnaker St			X	Carryover of T1 funds to continue the University Ave, Marina, and Spinnaker Streets project
237	511	Measure T1	Parks, Recreation and Waterfront	\$4,992		PRWT119009	San Pablo Park Renovation Projects			X	Carryover of Parks Tax Fund for the San Pablo Park Renovation Project
238	511	Measure T1	Parks, Recreation and Waterfront	\$27,725		PRWT119010	Citywide Restroom Assessment			X	Carryover to complete Citywide Restroom Assessment project.
239	511	Measure T1	Parks, Recreation and Waterfront	\$225,000		PRWT119012	Rose Garden			X	Carryover of Parks Tax Fund for the Rose Garden Project
240	511	Measure T1	Public Works		\$300,000	PWENSD2103	Storm Drain: Marin, Virginia and Spruce			X	Appropriation of Measure T1 fund for Storm Drain Improvements: Marin, Virginia and Spruce
241	511	Measure T1	Public Works	\$15,580		PWT1CB1901	NBSC Seismic Retrofit - T1			X	Carryover of Measure T1 fund for North Berkeley Senior Center (NBSC) Legal fees.
242	511	Measure T1	Public Works	\$415,951		PWT1CB1901	NBSC Seismic Retrofit - T1			X	Carryover FY 2021 funding for continuation of the NBSC Seismic Retrofit project.
243	511	Measure T1	Public Works	\$100,000		PWT1CB2201	South Berkeley Senior Center			X	Unencumbered carryover from FY21 to FY22 to continue the SB Senior Center project
244	511	Measure T1	Public Works	\$200,000		PWT1CB2202	Restrooms in the ROW (2-3)			X	Unencumbered carryover from FY21 to FY22 to continue the Restrooms in the ROW (2-3) project
245	511	Measure T1	Public Works	\$300,000		PWT1CB2203	1947 Center St Improvements			X	Unencumbered carryover from FY21 to FY22 to continue the 1947 Center St Improvements project
246	511	Measure T1	Public Works	\$200,000		PWT1CB2204	Fire Station #2 Improvements			X	Unencumbered carryover from FY21 to FY22 to continue the Fire Station #2 Improvements project
247	511	Measure T1	Public Works	\$200,000		PWT1CB2205	Fire Station #6 Improvements			X	Unencumbered carryover from FY21 to FY22 to continue the Fire Station #6 Improvements project
248	511	Measure T1	Public Works	\$400,000		PWT1CB2206	PW Corp Yard Improvements			X	Carryover FY 2021 funding for continuation of the PW Corporation Yard Improvements project.
249	511	Measure T1	Public Works	\$177,907		PWT1EL1910	Marina CY Electrical Upgrade			X	Carryover of Measure T1 fund for Marina Electrical CY Upgrade
250	511	Measure T1	Public Works		\$441,410	PWT1ST1908	T1 Streets: Monterey and Ward			X	Funds needed to continue the T1 Streets Project: Monterey & Ward

FY 2021 Recommended Carryover and FY 2022 Recommended Adjustments (AAO#1)

Attachment 2

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
	511 Total			\$2,534,975	\$1,341,410						
251	512	Meas O Affordable Housing	Public Works	\$303,545		PWENBM2110	Berkeley Way Observer			X	To continue project. Project deferred in FY 2020
	512 Total			\$303,545	\$0						
252	601	Zero Waste	Public Works		\$39,493		AOS Supervisor (1)			X	Add Accounting Office Specialist Supervisor position to Admin & Fiscal Services division to coordinate payroll issues, lead training, provide payroll entry backup, lead ERMA self entry implementation.
253	601	Zero Waste	Public Works		\$240,973		Field Reps (2)			X	Establish 2 new field reps for outreach and coordination for SB 1383 implementation
	601 Total			\$0	\$280,466						
254	607	Marina - Dept. of Boating & Waterway	Parks, Recreation and Waterfront	\$32,980		PRWWF20006	DBW SAVE Program			X	Carryover of fund for the DBW SAVE Grant Program
	607 Total			\$32,980	\$0						
255	608	Marina Operations	Parks, Recreation and Waterfront	\$34,509		PRWPP15001	Bay Trail Extension III			X	Carryover of Marina funds for continuation of the Bay Trail Extension III project
256	608	Marina Operations	Parks, Recreation and Waterfront	\$1,440,627		PRWT119006	University Ave, Marina, Spinnaker St			X	Carryover of Marina funds to continue the University Ave, Marina, and Spinnaker Streets project
257	608	Marina Operations	Parks, Recreation and Waterfront	\$1,075		PRWT119007	Pier-Ferry Facility Study			X	Carryover of Marina funds for continuation of the Pier - Ferry Facility Study
258	608	Marina Operations	Parks, Recreation and Waterfront	\$48,812		PRWWF17003	S. Cove Accessible Ramp			X	Carryover of FY 2021 funding for the S. Cove Accessible Ramp
259	608	Marina Operations	Parks, Recreation and Waterfront	\$929		PRWWF19001	Waterfront Master Plan			X	Carryover of Marina Operations fund for the Waterfront Master Plan
260	608	Marina Operations	Parks, Recreation and Waterfront		\$41,113	PRWWF19004	Hs Lordship Renovation and operations			X	Appropriate fund for FY22 operational expenses at 199 Seawall Drive (Hs Lordship)
261	608	Marina Operations	Parks, Recreation and Waterfront	\$50,000		PRWWF19004	Hs Lordship Renovation and operations			X	Carryover of Marina Operations funds for the Collier Contract; liquidated in an ERMA error in FY21
262	608	Marina Operations	Parks, Recreation and Waterfront	\$5,658		PRWWF19005	Small Dock Replacement			X	Carryover of FY21 funding for Small Dock Replacement project.
263	608	Marina Operations	Parks, Recreation and Waterfront	\$649,950		PRWWF20005	O & K Dock Electrical			X	Carryover of funds for the O & K Dock Electrical Project
264	608	Marina Operations	Parks, Recreation and Waterfront	\$4,132		PRWWF20012	Waterfront Bike Lockers			X	Carryover of Marina Operations Fund for Waterfront Bike Lockers
265	608	Marina Operations	Parks, Recreation and Waterfront	\$10,000		PRWWF21002	Marina Fund Minor Maintenance			X	Carryover of fund for the Bellingham (contingency) Contract

FY 2021 Recommended Carryover and FY 2022 Recommended Adjustments (AAO#1)

Attachment 2

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
266	608	Marina Operations	Parks, Recreation and Waterfront	\$20,011		PRWWF21003	FY21 Finger dock Replacement			X	Carryover fund for continuation of the FY21 Finger dock Replacement project in FY 2022
267	608	Marina Operations	Parks, Recreation and Waterfront	\$24,236		PRWWF21005	Restroom Fencing			X	Carryover of FY21 funding for Restroom Fencing at the Marina
268	608	Marina Operations	Parks, Recreation and Waterfront	\$100,000		PRWWF21007	Waterfront Key FOB System			X	Carryover fund for continuation of the Waterfront Key FOB System project in FY 2022
269	608	Marina Operations	Parks, Recreation and Waterfront		\$300,000	PRWWF22002	Waterfront Dredging			X	Appropriate fund for the Waterfront Dredging Project
270	608	Marina Operations	Parks, Recreation and Waterfront	\$3,696		PRWWF20006	DBW SAVE Program			X	Carryover of fund for the DBW SAVE Grant Program
271	608	Marina Operations	Parks, Recreation and Waterfront	\$4,200		PRWWF21006	DBW 2020 SAVE Grant			X	Carryover of fund for the DBW 2020 SAVE Grant Program
272	608	Marina Operations	Parks, Recreation and Waterfront	\$18,794			Bailey Fence			X	Carryover of Marina Operations fund for Bailey Fence
	608 Total			\$2,416,629	\$341,113						
273	611	Sanitary Sewer Operation	Public Works		\$39,493		AOS Supervisor (1)			X	Add Accounting Office Specialist Supervisor position to Admin & Fiscal Services division to coordinate payroll issues, lead training, provide payroll entry backup, lead ERMA self entry implementation.
274	611	Sanitary Sewer Operation	Public Works	\$50,572		PWENSR2004	SS Rehab W. Frontage Road			X	Carryover of funds for the Sanitary Sewer Rehab W. Frontage Road I-80 Crossing project
275	611	Sanitary Sewer Operation	Public Works	\$35,784		PWENSR2103	SS Rehab Walnut, Spruce, et al.			X	Carryover funds for payment of on-call land surveying services and on-call inspection services for SS Rehab Walnut, Spruce et al project.
276	611	Sanitary Sewer Operation	Public Works	\$247,357		PWENSR2203	SS Rehab Euclid Grizzly Peak			X	Carryover funds for the Euclid Avenue, Grizzly Peak Blvd, et al. Sewer Rehabilitation Project
	611 Total			\$333,713	\$39,493						
277	616	Clean Storm Water	Public Works	\$74,166		PWENSD2001	474 Boynton Storm Drain			X	To continue storm drain repair at 474 Boynton
278	616	Clean Storm Water	Public Works	\$829,741		PWENSD2103	Storm Drain Improvements FY 2021			X	Carryover FY 2021 funding for continuation of the Storm Drain Impartments FY 2021 project (Marin, Spruce & Virginia).
	616 Total			\$903,907	\$0						
279	621	Permit Service Center	Planning		\$42,917					X	Appropriate fund to support the Accela Contract amendment
280	621	Permit Service Center	Planning	\$136,671						X	Carryover of PSC funds to cover 50% of cost for a new 2 year FTE, Green Building Program Manager, responsible for developing and facilitating the implementation of local green building codes.

FY 2021 Recommended Carryover and FY 2022 Recommended Adjustments (AAO#1)


Attachment 2

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281	621	Permit Service Center	Planning		\$321,093					X	Appropriate fund to pay for back rent at 1947 Center, 5th floor
282	621	Permit Service Center	Public Works	\$50,000			Pavement Engineering Support			X	Carryover FY 2021 funding for consultant engineering support for the Pavement program
	621 Total			\$186,671	\$364,010						
283	622	United Program (CUPA)	Planning		\$4,565					X	Appropriate fund to support the Accela Contract amendment
	622 Total			\$0	\$4,565						
284	627	Off-Street Parking	Public Works	\$120,300		PWENCB2001	Telegraph/Channing Garage Elevator Upgrade			X	On-going project currently in design phase
285	627	Off-Street Parking	Public Works		\$6,000	PWTRPK1401/1706	Intern for goBerkeley SmartSpace			X	Intern to support the grant-funded goBerkeley SmartSpace project starting this fall (fund 627 @ 20%)
	627 Total			\$120,300	\$6,000						
286	631	Parking Meter Fund	Public Works	\$116,236		PWENCB1907	125-127 UNIV PARKING LOT			X	Carryover FY 2021 funding for continuation of the 125/127 University Ave Parking Lot project (for Parking Enforcement program/staff).
287	631	Parking Meter Fund	Public Works	\$225,000			goBerkeley Smart			X	Parking pay stations and signage for the goBerkeley SmartSpace pilot project in March/April 2022
	631 Total			\$341,236	\$0						
288	671	Equipment Replacement	Public Works		\$855,706		Equipment/Fleet Program			X	To cover budget shortfall for FY22 Fire Truck Lease payments due and reimburse vehicle replacement
289	671	Equipment Replacement	Public Works	\$1,194,186			Equipment/Fleet Program			X	To cover the carryover of essential vehicle purchases
	671 Total			\$1,194,186	\$855,706						
290	672	Equipment Maintenance	Public Works		\$39,493		AOS Supervisor (1)			X	Add Accounting Office Specialist Supervisor position to Admin & Fiscal Services division to coordinate payroll issues, lead training, provide payroll entry backup, lead ERMA self entry implementation.
	672 Total			\$0	\$39,493						
291	680	IT Cost Allocation	Information Technology	\$50,000			eFax Solution			X	Carryover of IT Cost Allocation Fund to upgrade fax capabilities to align with VoIP upgrade. Fax machines still needed for HIPPA and ARRA Meaningful Use requirements.

FY 2021 Recommended Carryover and FY 2022 Recommended Adjustments (AAO#1)

Attachment 2

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292	680	IT Cost Allocation	Information Technology	\$130,000			Cyber Leadership and Strategy Solutions			X	Carryover of IT Cost Allocation Fund for Cyber Leadership and Strategy Solutions Contracts. Approved by Council on 04/27/2021 per Resolution No. 69,813.
293	680	IT Cost Allocation	Information Technology	\$117,750			Protiviti Government Services, Inc.			X	Carryover of IT Cost Allocation Fund for Protiviti Government Services, Inc. for Professional Services Purchase Orders
	680 Total			\$297,750	\$0						
294	781	Berkeley Tourism BID	City Manager		\$63,600		Berkeley Tourism BID			X	This funding belongs to the Berkeley Tourism BID and the City is obligated to disperse it.
	781 Total			\$0	\$63,600						
295	782	Elmwood BID	City Manager		\$32,388		Elmwood BID			X	This funding belongs to the Elmwood BID and the City is obligated to disperse it.
	782 Total			\$0	\$32,388						
296	783	Solano Avenue BID	City Manager		\$7,809		Solano Avenue BID			X	This funding belongs to the Solano BID and the City is obligated to disperse it.
	783 Total			\$0	\$7,809						
297	784	Telegraph PBID	City Manager		\$238,437		Telegraph PBID			X	This funding belongs to the Telegraph PBID and the City is obligated to disperse it.
	784 Total			\$0	\$238,437						
298	785	No. Shattuck BID	City Manager		\$110,972		North Shattuck BID			X	This funding belongs to the North Shattuck PBID and the City is obligated to disperse it.
	785 Total			\$0	\$110,972						
299	786	Dwnt Berk Prop & Imp	City Manager		\$195,787		Downtown Berkeley PBID			X	This funding belongs to the Downtown Berkeley PBID and the City is obligated to disperse it.
	786 Total			\$0	\$195,787						
	Grand Total			\$35,389,100	\$40,486,363						




No Material
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this Item

There is no material for this item.

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