

CITY OF BERKELEY

FY 2022 PROPOSED BUDGET

May 17, 2021

OVERVIEW

- FY 2021 Budget
- FY 2022 Budget Process
- FY 2022 Proposed All Funds Budget
- FY 2022 Proposed General Fund Budget
- Special Funds

OVERVIEW

- FY 2022 Capital Improvement Program Budget
- FY 2022 Staffing
- Tax Rates
- Schedule
- Questions

FY 2021 BUDGET

- Faced a \$40M General Fund budget deficit due to COVID-19 pandemic and resulting shelter-in-place orders
- Achieved a balanced budget by:
 - Implementing a hiring freeze and maintaining vacant positions
 - Delaying capital expenditures
 - Reducing non-personnel expenditures
 - Drawing on reserve funds
 - Reducing transfers to Internal Service Funds
 - Suspending Council policy regarding Property Transfer Tax
- Budget was balanced with no layoffs

FY 2022 BUDGET DEVELOPMENT

- Shifted from a 2 Year Budget to a 1 Year Budget for FY 2022
- Provides time to evaluate the impacts of COVID-19 on the local economy and finances in a post vaccine environment

BUDGET STRATEGIES PRINCIPLES

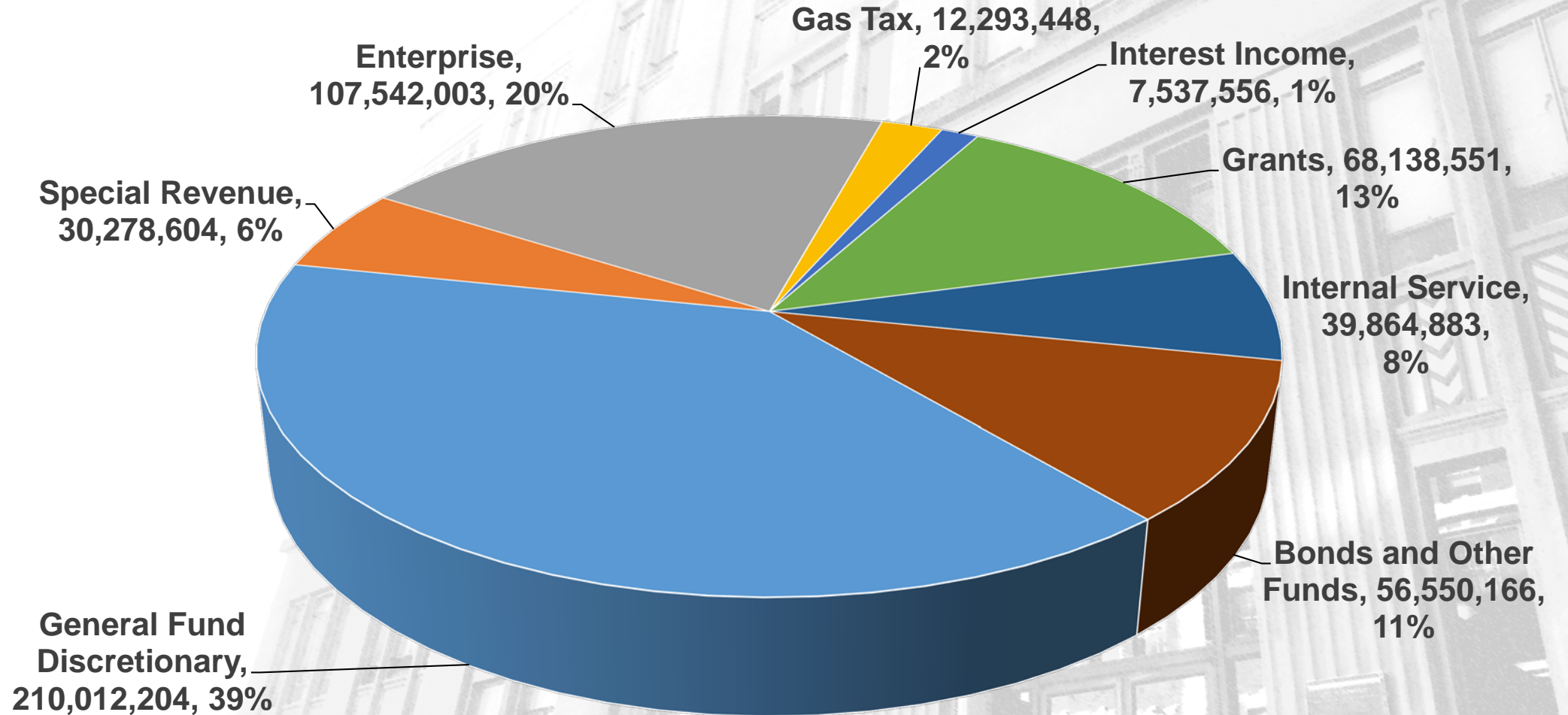
- Continue serving the community.
- Live within our means
- Identify expenditures that can be deferred
- Pursue other revenue and assistance.
- Manage use of, and replenish, reserves
- Be data-driven and transparent

FY 2022 PROPOSED ALL FUNDS BUDGET

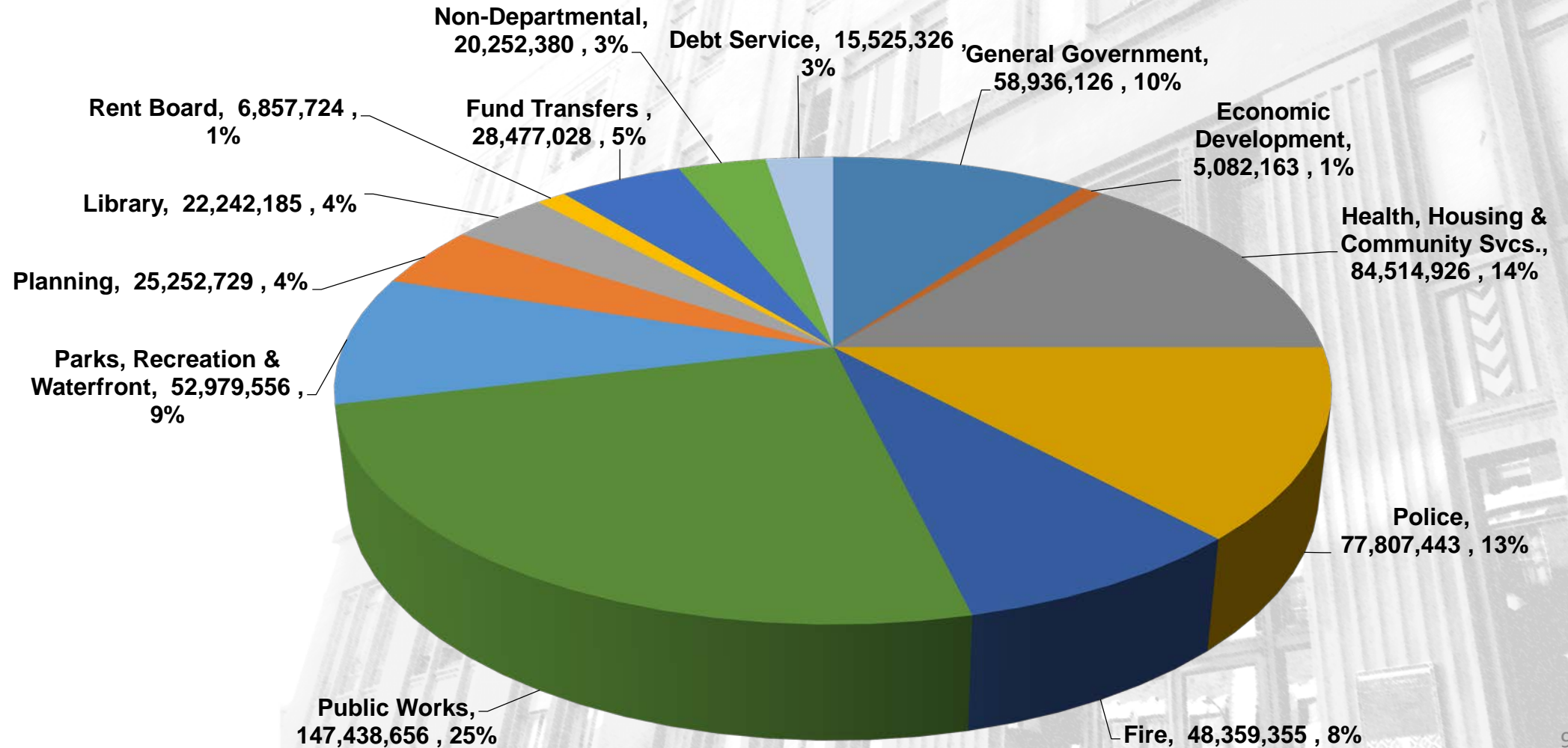
REVENUES*	EXPENDITURES*
\$532,217,415	\$593,725,597

***While the numbers above indicate an unbalanced budget, they do not take into account the use of fund balances that are used to help balance the revenues with the expenditures. Also do not include the American Rescue Plan funds or Measure FF**

FY 2022 PROPOSED ALL FUNDS REVENUES BUDGET



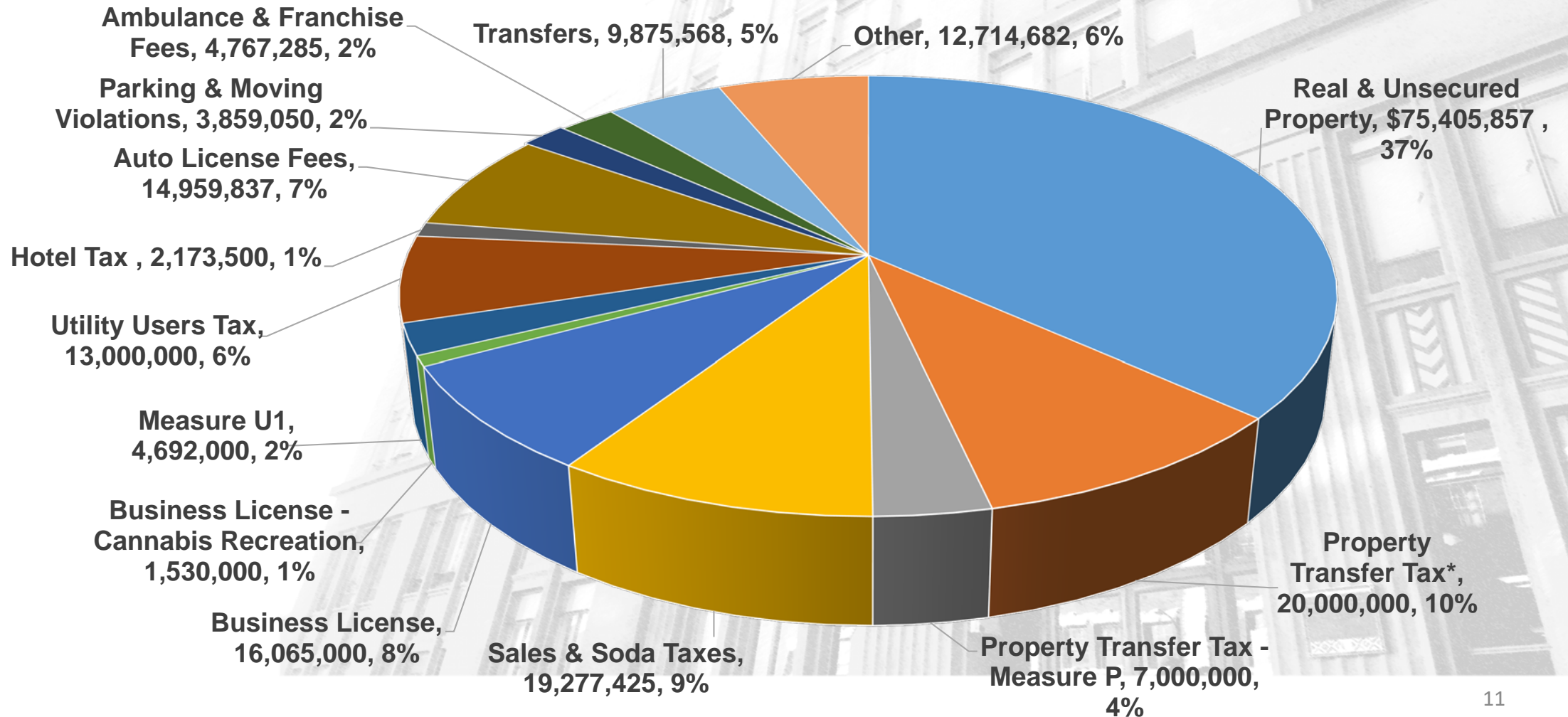
FY 2022 PROPOSED ALL FUNDS EXPENDITURE BUDGET



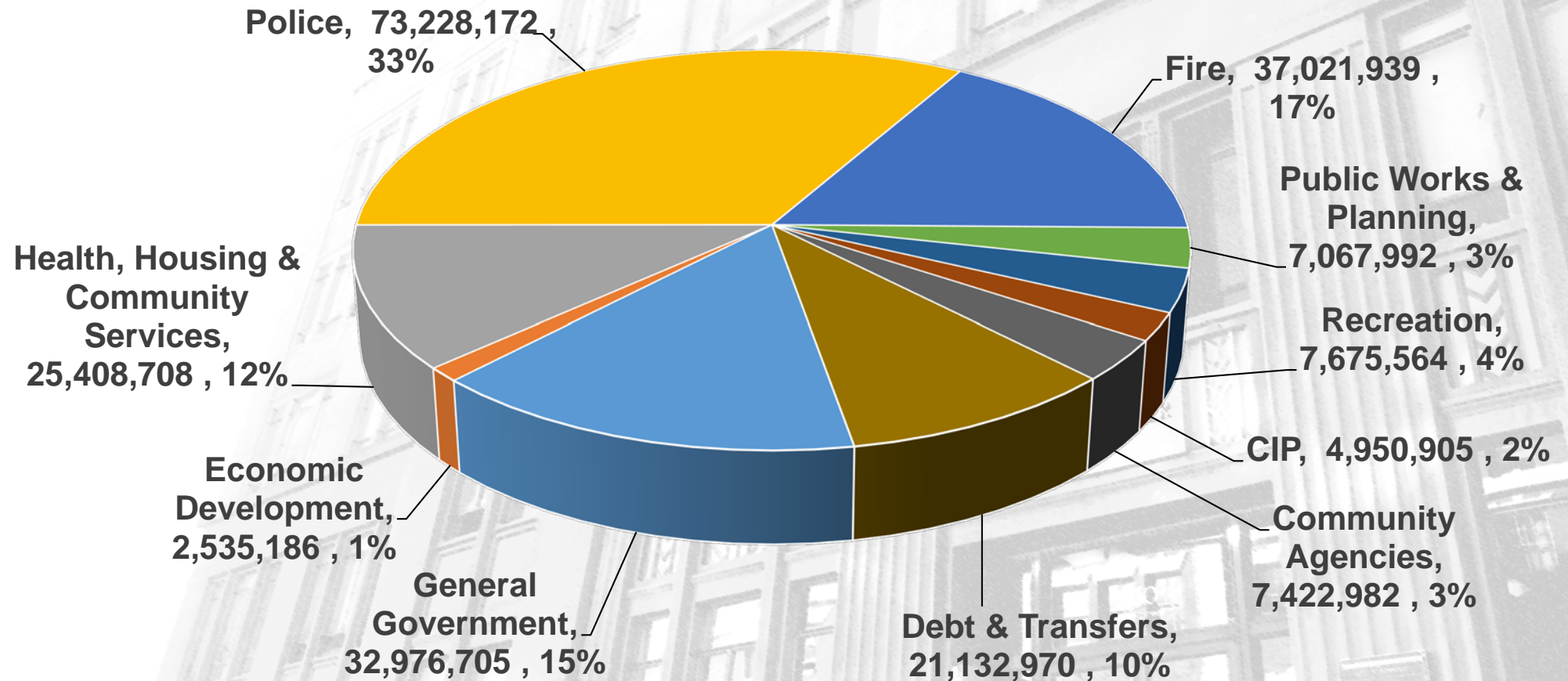
FY 2022 PROPOSED GENERAL FUND BUDGET

		Notes
Projected Revenue	\$186,128,204	Excludes Measures P and U1
Project Expenditures	\$206,092,576	Includes \$8.6M in deferrals for FY 2022
Estimated Surplus / (Deficit)	(\$19,964,372)	

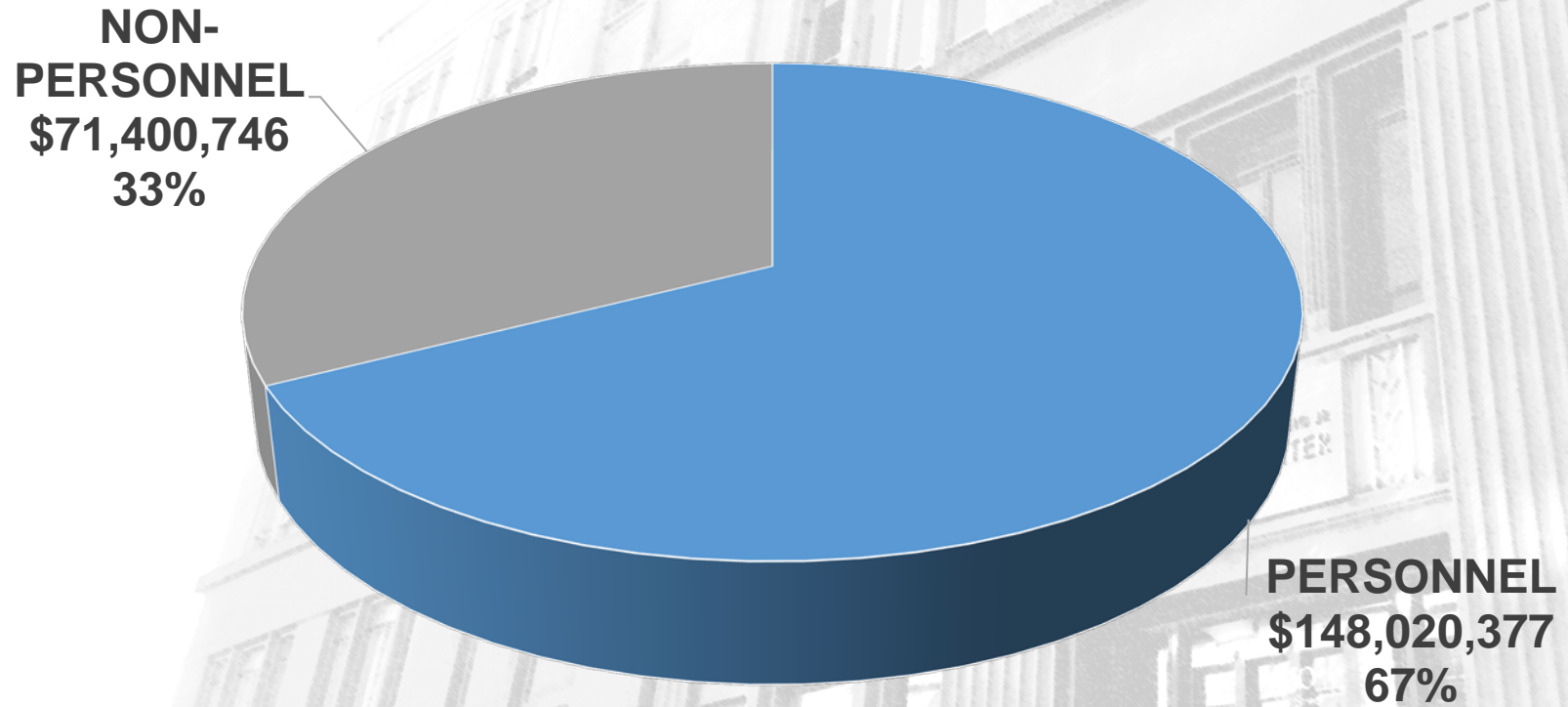
FY 2022 PROPOSED GENERAL REVENUE FUND BUDGET



FY 2022 PROPOSED GENERAL FUND EXPENDITURE BUDGET



FY 2022 PROPOSED GENERAL FUND BUDGET



FY 2022 PROPOSED GENERAL FUND BUDGET

- General Fund Baseline Budget includes \$24.5M in allocations including \$8.6 million in deferrals for FY 2022
- Funding Requests for FY 2022 were reviewed and prioritized into three tiers using the following criteria:
 1. Items that must be paid for
 2. Mandates
 3. Public Safety
 4. Critical Infrastructure
 5. Revenue Generation
 6. Grant Funded
- Tier 1 Funding Requests = \$8.1M

CAPITAL IMPROVEMENT PROGRAM

FY2022 CAPITAL BUDGET- PROPOSED

City Facilities	Equipment & Fleet	Parks, Recreation, & Waterfront	Sanitary Sewer	Sidewalk Repairs	Storm Water System	Streets	Transportation	Other Infrastructure
Total Budget \$2,340,000	Total Budget \$4,612,186	Total Budget \$25,899,000	Total Budget \$21,794,583	Total Budget \$2,735,000	Total Budget \$1,815,000	Total Budget \$6,925,303	Total Budget \$5,047,119	Total Budget \$4,743,430
Total GF/CIP \$900,000	Total GF/CIP \$0	Total GF/CIP \$4,949,000	Total GF/CIP \$0	Total GF/CIP \$635,000	Total GF/CIP \$0	Total GF/CIP \$1,925,000	Total GF/CIP \$29,000	Total GF/CIP \$1,550,000

\$12,015,000

- FY 2022 Measure T1 Funding

\$10,889,438

- FY 2022 General Fund Resources Funding
- ❖ Includes Debt Service of \$901,438 not listed in table

78 Proposed Capital Projects

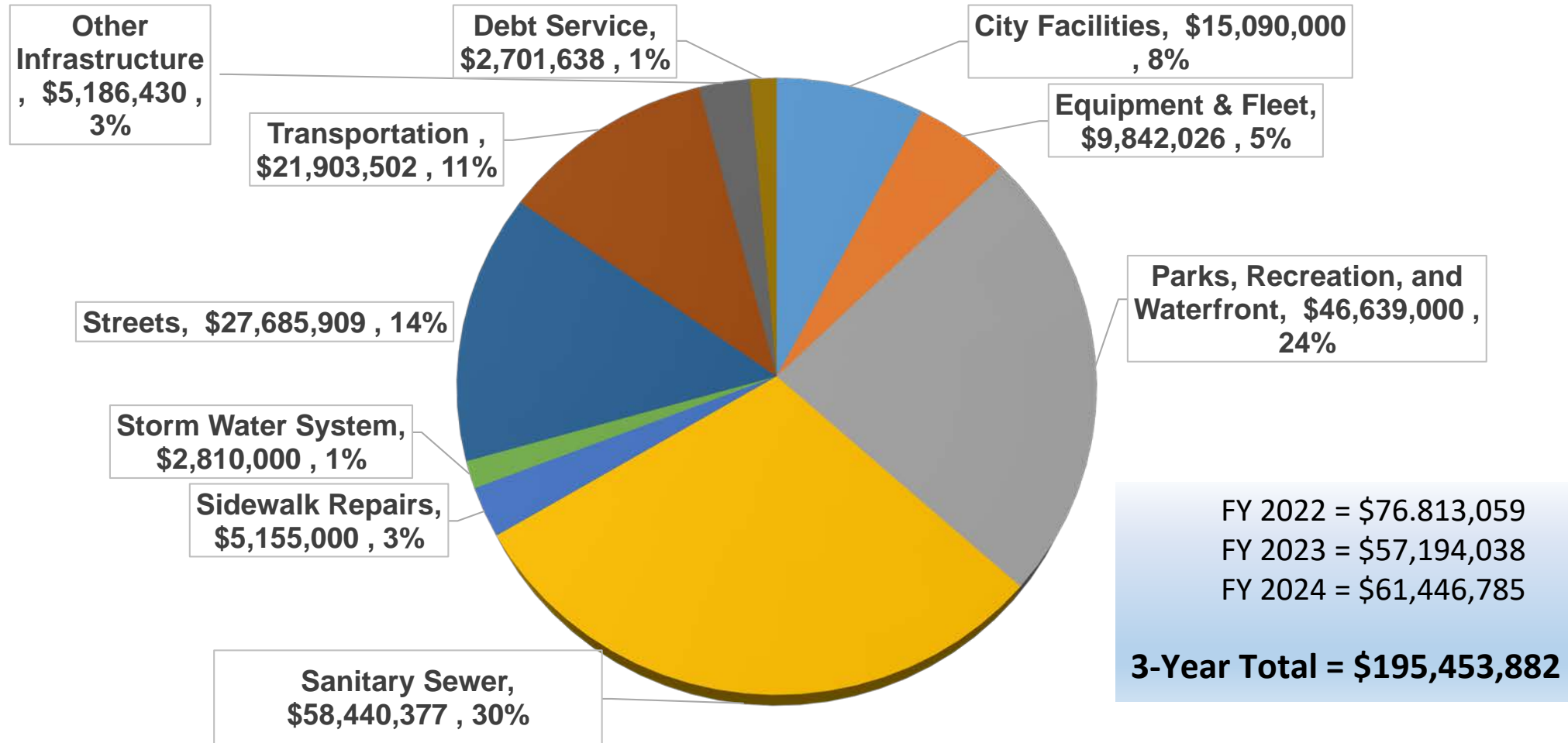
68 Proposed Vehicle Replacements

TOTAL FY 2022 PROPOSED CAPITAL BUDGET

\$76,813,059

FY 2022 BUDGET

FY 2022, FY 2023, FY 2024 CAPITAL IMPROVEMENT PROGRAM BY PROGRAM CATEGORY - PROPOSED



SPECIAL FUNDS

➤ The City has a number of special revenue funds that are being carefully monitored and some of which suffered due to the COVID-19 pandemic. Funds that suffered significant revenue losses are the following:

- Marina Fund
- Camps Fund
- Sports Field Fund
- Parking Meter Fund
- Off-Street Parking Fund

STAFFING

- FY 2022 Proposed Budget Staffing is 1,657.58 FTEs
- Increase of 18.78 from FY 2021 Adopted Budget Level of 1,638.80 FTEs
- Most new positions tied to grants and non-General Fund funding sources
- General Fund Vacancy Rate at 3% for most operating departments and 1% for Police. Fire is 0% due to mandatory staffing requirements.

TAX RATES

- Growth Index for Paramedic Tax is April Consumer Price Index
- The Emergency Services for the Disabled Tax, the Library Tax, Parks Tax, and the Measure GG Fire Services and Disaster Preparedness Tax growth is either the higher of the CPI or the Personal Income Growth (PIG).
- For FY 2022, the PIG increase of 5.73% was higher than the CPI increase of 3.806% and was used for all of the tax rate increases except for the Paramedic Tax.

COMMUNITY AGENCIES

- FY 2022 is 3rd Year of a Four-Year Funding Cycle
- FY 2022 Allocation All Funding Sources = \$20,494,394
- Decrease of 26% from FY 2021 Actual of \$26,311,113
- FY 2021 was more due to CARES Act Funding and COVID-19 Housing Retention Program (\$900,000 in U1 and \$1.8M in CDBG CARES Act)

SCHEDULE

FY 2022 Budget Calendar	
Date	Action/Topic
May 17, 2021	Budget & Finance Policy Committee: <ul style="list-style-type: none"> FY 2022 Proposed Budget Presentation
May 25, 2021	City Council: <ul style="list-style-type: none"> FY 2022 Proposed Budget Presentation Public Hearing #1: Budget FY 2022 Proposed Fee Increases
May 27, 2021	Budget & Finance Policy Committee Meeting
June 1, 2021	City Council: <ul style="list-style-type: none"> Public Hearing #2: Budget Last date for formal budget referrals to the FY 2022 Budget Process
June 10, 2021	Budget & Finance Policy Committee Meeting
June 15, 2021	City Council: <ul style="list-style-type: none"> Council discussion on budget recommendations
June 24, 2021	Budget & Finance Policy Committee Meeting
June 29, 2021	City Council: <ul style="list-style-type: none"> Adopt FY 2022 Proposed Budget & FY 2022 Annual Appropriations Ordinance

CITY OF BERKELEY

THANKS!

MARTIN LUTHER KING JR
CIVIC CENTER

CITY OF BERKELEY

QUESTIONS?