



Office of the City Manager

ACTION CALENDAR
June 24, 2008

To: Honorable Mayor and Members of the City Council
From: *PK* Phil Kamlarz, City Manager
Submitted by: Tracy Vesely, Budget Manager
Subject: FY 2009 Mid-Biennial Budget Update - Adoption

RECOMMENDATION

Adopt a Resolution approving the FY 2009 Biennial Budget through the following actions:

1. Adopt the FY 2009 Mid-Biennial Budget Update as presented on May 6, 2008, and as amended by subsequent Council action.
2. Adopt the first reading of the FY 2009 Annual Appropriations Ordinance.
3. Authorize the City Manager to provide applicable advances to selected community agencies receiving City funds in FY 2009 and as amended by Council action.

FISCAL IMPACTS OF RECOMMENDATION

The FY 2009 Biennial Budget Update for all funds, net of dual appropriations, totals \$320,953,621 and represents a 2% increase over the FY 2008 Adopted Budget of \$314,591,554.

CURRENT SITUATION AND ITS EFFECTS

On May 6, 2008, staff presented Council with a report that details a proposed update to the FY 2009 Adopted Budget originally adopted by Council on June 26, 2007 as part of the FY 2008 and FY 2009 Biennial Budget. The proposed FY 2009 Mid-biennial Budget Update contains some funding amendments that reflect current Council priorities and continues to balance the goal of long-term fiscal stability while dealing with the ongoing challenges of a volatile economy and competing priorities. This proposed update has been modified slightly since the original presentation to Council on May 6, 2008.

The proposed update includes:

- ❑ General Fund cuts of \$817,000
- ❑ Cuts to other funds of \$652,000
- ❑ Elimination of 9.5 positions for all funds

- Use of one-time General Fund reserves totaling \$1.8 million for capital improvement project funding for:
 - Animal Shelter (+\$1 million)
 - Ed Roberts Campus (+\$500,000)
 - Tuolumne & Echo Lake Camp Improvements (+\$300,000)
- One-time reserve allocations of \$775,000 for:
 - Pay & Display Parking Machines (+\$500,000)
 - A staff report will be presented in mid-July that details the proposed parking meter expansion plan.
 - Revenue Collections System Improvements (+\$100,000)
 - General Fund Subsidies to Other Revenue Funds (+\$175,000)
- One-time revenue allocations of \$1,233,000 for Council priorities for:
 - Community Agency service delivery improvements (+\$308,000),
 - \$200,000 in new allocation
 - \$108,000 from PCEI program funding
 - Fire Department Sworn Staffing (+\$600,000)
 - Fire Department Administrative Staffing (+\$85,000)
 - Civic Arts Coordinator (+\$140,000)
 - Climate Action Plan Staffing (+\$100,000)
- A General Fund reserve “economic uncertainty” set-aside of \$2 million to buffer the impacts of State and Federal budget cuts until the City.

Streets Projects

In addition, the adopted five-year street plan for FY 2009 is amended to include the paving of Martin Luther King, Jr. Street (\$1.9 million), primarily through Proposition 1B State Transportation funding. The second allocation of State Proposition 1B funding will not occur in FY 2009.

Staff has also reviewed the budgets for a number of pending streets projects and feels that there may be funds available to add additional streets projects to the FY 2009 plan. Specific projects will be confirmed as funding is available, but may include:

- Overlook
- Shattuck south of Ashby
- Delaware just east of Shattuck
- Marin from The Alameda to The Circle

Community Agency Funding

Attachment 8 of the May 6, 2008, FY 2009 Mid-biennial Budget Update contained a list of the FY 2009 Community Agency allocations. This chart is amended to include the continuation of one-time FY 2008 Community Agency funding for certain agencies and funding for the EveryOne Home Plan as described in item #26b on tonight’s agenda.

Agency	FY 2008 One-Time Allocation	FY 2009 Recommended Funding
Berkeley Youth Living with Disabilities—BUILD House	15,000	0*
Young Aspirations, Young Artists (YAYA) California	25,000	25,000
Berkeley Boosters Police Activities League	3,000	0*
Options Recovery Services	100,000	100,000
BOSS- MASC	20,000	20,000
BOSS-Harrison House	11,568	11,568
Berkeley Food and Housing Project - MSC	20,075	20,075
Berkeley Food and Housing Project—Quarter Meal**	-	23,000
Dorothy Day Food Program/Trinity Breakfast	7,954	7,954
Alameda County Network of Mental Health Clients—Berkeley		
Drop-In Center	13,683	13,683
Lifelong-- Acupuncture Detox Program	12,131	12,131
Toolworks, Inc.	14,980	14,980
Lifelong—Shelter Plus Care Worker	10,000	10,000
Malcolm X Neighborhood Arts Collaborative	10,000	0*
Community Agency EveryOne Home Plan implementation		50,000
TOTAL	263,391	308,391

State Budget

The State Budget situation has not changed since the last update provided to the Council on June 10, 2008. At the present time, the known potential state funding reductions to Berkeley are as follows:

- ❑ \$1 million in cuts to public and mental health programs detailed in Attachment 3
- ❑ \$200,000 in cuts to law enforcement
- ❑ \$846,000 deferral of transportation funding
- ❑ Continued loss of \$1 million in AB2034 funding for Integrated Services for Homeless Adults

Staff will continue to update Council regarding State budget impacts and information becomes available. \$2 million has been set-aside in the General Fund reserve as a buffer against potential state cuts for one year. Should the City incur significant State budget reductions, staff will present for Council consideration recommendations to amend the FY 2009 budget this fall and develop a long-term reduction plan.

Taxes, Fees and Fine Increases

Increases in funding for special revenue funds include cost-of-living adjustments that are consistent with Bay Area inflation. On tonight’s agenda, it is recommended that Council adopt increases in keeping with the April Bay Area Consumer Price Index that include inflationary increases of 2.8873% for the Parks Tax and the Emergency Medical Services Tax (Paramedic Tax); and 4.29% based on the Personal Income Growth index for the Emergency Services for the Severely Disabled Tax and the Library Tax.

CONCLUSION

The FY 2009 Budget Update reflects the balancing plan originally included in the FY 2009 Adopted Budget and continues Council's prudent fiscal approach to the City's budget. It is important now and in future years to control costs and generate new revenue sources through sound economic policies. This will not be easy given the pressures for new programs and the diversity of opinions in the community about how to pay for them.

CONTACT PERSONS

Tracy Vesely, Budget Manager, City Manager's Office 981-7000

Rama Murty, Senior Management Analyst, City Manager's Office 981-7044

Attachments:

1: Resolution

Exhibit A: FY 2009 Community Agency Allocation Amendments

Exhibit B: Community Agency Advances

Exhibit C: May 6, 2008 FY 2009 Mid-biennial Budget Update Report

2: FY 2009 Annual Appropriations Ordinance Report

3: List of Potential Public and Mental Health Program Cuts (Updated June 10, 2008)

4: Summary of Council Referrals to the Budget Process

5: Funding Summary of Special Events and Festivals

RESOLUTION NO. ##,###-N.S.

ADOPTING THE FY 2009 MID-BIENNIAL BUDGET

WHEREAS, the Council adopted the FY 2008 and FY 2009 Biennial Budget and Citywide Work Plan on June 26, 2007; and

WHEREAS, the FY 2009 Mid-biennial Budget Update was presented to the Council on May 6, 2008; and

WHEREAS, public hearings were held on May 20, 2008 and June 10, 2008; and

WHEREAS, the Council has provided staff with input on the FY 2009 Mid-biennial Budget Update.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that adopts a resolution approving the FY 2009 Budget through the following actions:

1. Adopt the FY 2009 Biennial Budget Update as presented on May 6, 2008, and as amended by subsequent Council action.
2. Adopt the first reading of the FY 2009 Annual Appropriations Ordinance
3. Authorize the City Manager to provide applicable advances to selected community agencies receiving City funds in FY 2009 and as amended by Council action.

BE IT FURTHER RESOLVED, that the appropriations constituting the FY 2009 Adopted Budget will be reflected in a separate FY 2009 Annual Appropriations Ordinance, as required by City Charter.

BE IT FURTHER RESOLVED, that Attachment 8 of the May 6, 2008, FY 2009 Mid-biennial Budget Update listed the FY 2009 Community Agency allocations is amended by Exhibit B.

BE IT FURTHER RESOLVED, that the City Manager is authorized to execute contracts and /or amendments, as necessary, to provide two-month advances to selected community agencies receiving City funds in FY 2009, as reflected in Exhibit C.

BE IT FURTHER RESOLVED, that the City Manager is authorized to use the following invoicing/reporting system in contract administration, but maintains the discretion of requiring more frequent invoices and reports from new grantees or in contracts he deems require closer scrutiny:

- Agencies with a contract of \$50,000 or less receive two payments (25% initially and 75% upon execution of contract), produce two program reports, and produce two statements of expense; and
- Agencies with contracts of \$50,001 to \$100,000 receive four quarterly payments of 25% each, produce two program reports, and produce two statements of expense; and
- Agencies with contracts above \$100,000 receive four quarterly, produce four quarterly program reports, and produce four statements of expense.

Exhibits

A: May 6, 2008, FY 2009 Mid-biennial Budget Update Report

B: FY 2009 Community Agency Allocation Amendments

C: Community Agency Advances

FY 2009 COMMUNITY AGENCY ALLOCATION AMENDMENTS
June 24, 2008

Agency	FY 2008 One-Time Allocation	FY 2009 Recommended Funding
Berkeley Youth Living with Disabilities—BUILD House	15,000	0*
Young Aspirations, Young Artists (YAYA) California	25,000	25,000
Berkeley Boosters Police Activities League	3,000	0*
Options Recovery Services	100,000	100,000
BOSS- MASC	20,000	20,000
BOSS-Harrison House	11,568	11,568
Berkeley Food and Housing Project - MSC	20,075	20,075
Berkeley Food and Housing Project—Quarter Meal**	-	23,000
Dorothy Day Food Program/Trinity Breakfast	7,954	7,954
Alameda County Network of Mental Health Clients—Berkeley Drop-In Center	13,683	13,683
Lifelong-- Acupuncture Detox Program	12,131	12,131
Toolworks, Inc.	14,980	14,980
Lifelong—Shelter Plus Care Worker	10,000	10,000
Malcolm X Neighborhood Arts Collaborative	10,000	0*
Community Agency EveryOne Home Plan implementation		50,000
TOTAL	263,391	308,391

FY 2009 COMMUNITY AGENCY ADVANCES

EXHIBIT B

AGENCY NAME	PROJECT NAME	DEPT	FY 2009 ALLOCATION	FY 2009 ADVANCE
Affordable Housing Associates	CHDO General Operating Support	Housing	60,000	15,000
Ala Costa Center	Berkeley Community Integration & Life Skills Project	Housing	33,084	8,271
Alameda Co Network of Mental Health Clients	Berkeley Daytime Drop-In	Housing	91,217	22,804
Alameda Co Network of Mental Health Clients	S + C Administration	Housing	3,000	750
Alameda County Homeless Action Center	SSI Advocacy Project	Housing	76,858	19,215
Alzheimer's Services of the East Bay	Dementia Specific Services	Housing	20,000	5,000
Asians for Job Opportunities in Bay Area	Employment, Training & Bilingual Social Services	Housing	145,282	36,321
Athletes United for Peace	Latenight Basketball Program	Parks	64,890	16,223
Bay Area Community Resources	Malcolm X School Counseling	Housing	18,800	4,700
Bay Area Hispano Institute for Advancement	Child Development Services	Housing	114,040	28,510
Bay Area Outreach and Rec Program	Fitness access to people with disab.	Parks	31,466	7,867
Bay Area Outreach and Rec Program	Recreation, Transportation, & Outreach	Parks	12,000	3,000
Berk-Alb Licensed Day Care Operators	Subsidized Child Care Services	Housing	275,000	68,750
Berkeley Adult School	Career Technical Education	Housing	25,000	6,250
Berkeley Boosters	Police Activities League Youth Development	Police	129,409	32,352
Berkeley Community Media		IT	230,710	57,678
Berkeley Convention & Visitors Bureau		OED	315,000	78,750
Berkeley Food & Housing Project	Case Management Center	Housing	10,300	2,575
Berkeley Food & Housing Project	Men's Overnight Assistance Center	Housing	184,156	46,039
Berkeley Food & Housing Project	Multi-Service Center	Housing	200,750	50,188
Berkeley Food & Housing Project	Quarter Meal	Housing	46,588	11,647
Berkeley Food & Housing Project	S + C Administration	Housing	24,006	6,002
Berkeley Food & Housing Project	Women's Shelter	Housing	118,509	29,627
Berkeley Food & Housing Project	Russell Street Residence	Housing	30,000	7,500
Berkeley Food & Housing Project	Housing Retention Program	Housing	166,123	41,531
Berkeley Place	Deaf/Disability Project	Housing	17,660	4,415
Berkeley Youth Alternatives	Afterschool Program	Parks	29,355	7,339
Berkeley Youth Alternatives	Counseling	Parks	18,767	4,692
Berkeley Youth Alternatives	Parks Youth Employment	Parks	58,794	14,699
Bonita House	Creative Living Center	Housing	9,966	2,492
Bonita House	S + C Administration	Housing	3,500	875
Bonita House	Supported Living	Housing	14,969	3,742
Bread Project	Job Training and Placement	Housing	46,105	11,526
Building Opportunities for Self Sufficiency	Multi-Agency Srv Center & Locker Prog	Housing	184,768	46,192
Building Opportunities for Self Sufficiency	MASC HHS Locker Program	Housing	41,500	10,375
Building Opportunities for Self Sufficiency	Harrison House Singles/Recovery Svcs.	Housing	115,678	28,920
Building Opportunities for Self Sufficiency	Harrison House Family Shelter & Sankofa Transitional House	Housing	56,602	14,151
Building Opportunities for Self Sufficiency	S + C Administration	Housing	13,500	3,375
Center for Accessible Technology	Accessing Tools of Expression	Housing	12,493	3,123
Center of Independent Living	Blind Services	Housing	25,034	6,259
Center of Independent Living	Employment	Housing	40,999	10,250
Center of Independent Living	Residential Access Project for Disabled	Housing	142,675	35,669
Community Energy Services Corporation	Home Safety and Repair Program	Housing	319,199	79,800
Ecology Center	Urban Agriculture and Healthy Food	Parks	10,300	2,575
Dorothy Day	Berkeley Emergency Storm Shelter	Housing	17,000	4,250
Dorothy Day	Trinity Church Breakfast	Housing	31,815	7,954
Dorothy Day	Trinity Lease	Housing	19,860	4,965
East Bay Asian Youth Center	RISE	Housing	250,000	62,500
East Bay Community Law Center	Criminal Records Clean Slate	Housing	10,000	2,500
East Bay Community Law Center	Housing Advocacy	Housing	20,000	5,000
East Bay Community Law Center	Suitcase Legal Clinic	Housing	14,243	3,561

FY 2009 COMMUNITY AGENCY ADVANCES

EXHIBIT B

AGENCY NAME	PROJECT NAME	DEPT	FY 2009 ALLOCATION	FY 2009 ADVANCE
East Bay Community Mediation	Community Mediation & Conflict Resolution	Housing	77,250	19,313
Easy Does It	Disabled Services	Housing	849,145	212,286
Ephesians' Children's Center	Childcare Program	Housing	93,830	23,458
Ephesians Children's Center	Greg Brown Park Supervision	Housing	19,982	4,996
Family Violence Law Center	Domestic Violence & Homeless Prev	Housing	56,225	14,056
Family Violence Law Center	Domestic Violence Advocacy Project	Housing	35,068	8,767
Fred Finch Youth Center	HYC, Housing Resources Counselor	Housing	90,900	22,725
Housing Rights	Fair Housing	Housing	35,544	8,886
Inter-City Services	Employment/Training	Housing	132,819	33,205
Japanese American Srvs of the East Bay	Senior Services	Housing	21,388	5,347
Lifelong Medical Care	Acupuncture Detox Clinic	Housing	92,131	23,033
Lifelong Medical Care	Berkeley Primary Care Access Clinic	Housing	43,385	10,846
Lifelong Medical Care	Elder Care/Over 60 Clinic	Housing	46,280	11,570
Lifelong Medical Care	S + C Administration	Housing	5,580	1,395
Lifelong Medical Care	COACH Shelter Plus Care Social Worker	Housing	55,599	13,900
Lifelong Medical Care	Supportive Hsg Program UA Homes	Housing	54,810	13,703
Lifelong Medical Care	Uninsured Medical Care	Housing	59,243	14,811
Lifelong Medical Care	Hypertension/Chronic Health Program	Housing	84,326	21,082
Lifelong Medical Care	West Berkeley Family Practice	Housing	45,345	11,336
Lifelong Medical Care Rosa Parks Collaborative	Family Resource Center	Parks	49,440	12,360
Lutheran Church of the Cross (YEAH)	Youth Emergency Assistance Hostel	Housing	114,460	28,615
Lutheran Church of the Cross	Transition Age Youth Services	HHS	95,000	23,750
McGee Avenue Baptist Church	Food Program	Housing	17,490	4,373
Multicultural Institute	Employment and Training	Housing	76,529	19,132
Multicultural Institute	Youth Mentoring	Housing	37,080	9,270
Nia House Learning Center	Child Care	Housing	35,608	8,902
Options Recovery Services	Dual Diagnosis Program and Detox	Housing	40,000	10,000
Options Recovery Services	Day Treatment Program	Housing	120,000	30,000
Pacific Center for Human Growth	Youth Program	Housing	24,881	6,220
Rebuilding Together	Community Facilities	Housing	22,000	5,500
Rebuilding Together	Safe Home Project	Housing	88,393	22,098
Regents of UCB	Americorp/Cal Corps	Parks	38,760	9,690
Resources for Community Development	CHDO General Operating Support	Housing	2,216	554
Resources for Community Development	Rehab of Erna P. Harris Apartments	Housing	57,784	14,446
Resources for Community Development	Social Srvs & Special Needs Hsg	Housing	10,000	2,500
Rubicon	S + C Administration	Housing	3,250	813
Rubicon	Workforce Services	Housing	37,142	9,286
Rubicon	Work Maturity Training Program	Housing	58,000	14,500
Sick Child Care Program	Sick Child Care Program	Housing	31,154	7,789
South Berkeley Community Church	Nutrition Program	Housing	8,537	2,134
South Berkeley Community Church	Children's Art and Dinner Program	Housing	7,000	1,750
St. John's Child Care	Subsidized Infant Childcare for Low-Income	Housing	26,204	6,551
Stiles Hall	Berkeley Residents			
Stiles Hall	Berkeley Scholars to Cal	Parks	28,510	7,128
Through the Looking Glass	Berkeley Parenting & Disability Project	Housing	28,325	7,081
Toolworks, Inc.	Supportive Housing	Housing	50,000	12,500
United for Health	Youth Suitcase Clinic	Housing	15,500	3,875
Women's Daytime Drop-In Center	Housing Case Management	Housing	73,192	18,298
Women's Daytime Drop-In Center	S + C Administration	Housing	6,212	1,553
Women's Daytime Drop-In Center	Health Services	Housing	41,165	10,291
Women's Daytime Drop-In Center	Transitional House Case Management	Housing	25,750	6,438
Waterside Workshop	Boat Building	Parks	7,500	1,875
Waterside Workshop	Community Bike Clinic	Parks	10,000	2,500
Youth Spirit Artworks	Vocational Arts Training	Parks	25,000	6,250
Total			7,161,902	1,790,476



EXHIBIT C

Office of the City Manager

WORK SESSION
May 6, 2008

To: Honorable Mayor and
Members of the City Council

From: Phil Kamlarz, City Manager

Submitted by: Tracy Vesely, Budget Manager

Subject: FY 2009 Mid-biennial Budget Update

INTRODUCTION

In keeping with the City's two-year budget process, Council adopted the FY 2008 and FY 2009 Biennial Budget and Citywide Work Plan on June 26, 2007. I am now presenting you with a proposed update to the FY 2009 Adopted Budget for your consideration and adoption June 24, 2008.

A two-year plan allows the City to maintain a balanced budget over time while managing revenue and expenditure fluctuations. In the past five years, Council cut over \$20 million in recurring General Fund costs, while at the same increasing our infrastructure investment, and funding affordable housing and other priority projects through the use of one-time property transfer tax revenue. Reducing recurring spending to match available revenue and using one-time money for one-time expenses, has placed the City in a much better position to deal with the current economic downturn – as evidenced by the recent improvement of the City's bond rating.

The FY 2008 & FY 2009 Adopted Budget reflects Council's plan to control costs, while maximizing City resources and generating new revenue (such as improving Business License Tax collections and generating new parking meter revenue). Through the use of this limited revenue and by controlling costs, Council has been able to implement some new and enhanced programs in priority areas such as youth employment; improved homeless services, including the Public Commons for Everyone Initiative (PCEI); and environmental initiatives like the Climate Action Plan. One-time Property Transfer Tax money has allowed Council to allocate funds for affordable housing, clean storm water, and streets/transportation projects. However, costs continue to be trimmed. The adopted two-year budget also includes \$2 million in recurring General Fund expenditure cuts with minimal service impacts.

During the quarterly updates presented on December 11, 2007 and February 12, 2008, Council deferred additional spending until revenue projections were more certain. The proposed FY 2009 Mid-biennial Budget Update contains some funding amendments that reflect current Council priorities and continues to balance the goal of long-term fiscal stability while dealing with the continuing challenges of a volatile economy and competing priorities. Part of this balancing approach involves generating new revenue through November 2008 ballot measures for critical programs like fire and emergency

services, libraries, and public pools. While the budget is balanced in FY 2009, economic uncertainties, particularly the threat of a significant loss of State funding, may cause funding deficits in FY 2011.

FY 2009 Mid-biennial Budget Update Budget Summary

As detailed in Attachments 1 – 4, expenditures in the FY 2009 Budget Update total \$314.7 million (net of dual appropriations) for all funds, and \$145.2 for the General Fund. These amounts reflect a 2.7% and 3.6% increase, respectively, over the FY 2009 Adopted budget. The modest increases reflect new public safety COLAs, increased benefit rates, and some new funding allocations – as well as offsetting expenditure reductions. Attachment 6 summarizes full time positions by department.

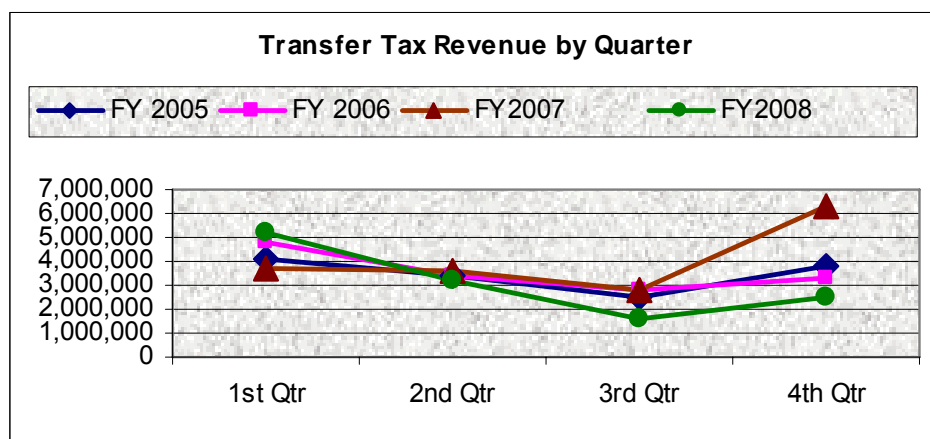
CURRENT SITUATION AND ITS EFFECTS

As we have discussed over the last six months, the fiscal outlook for both the national and local economies is on a decline. The White House recently revised its Federal deficit forecast for the 2008 federal budget to \$500 billion, a big jump from the \$410 billion forecasted in February. On January 10, 2008, the Governor released his proposed budget for FY 2009, forecasting a \$14 billion deficit – which was recently updated to \$20 billion. The Governor’s revised budget will be released on May 14.

What does this mean for Berkeley? The City will feel the pain of State budget cuts. However, the exact nature and depth of these cuts will not be known until the State budget is adopted sometime this summer or fall. The FY 2009 Budget Update sets aside \$2 million in one-time funds from the Reserve to buffer the impacts of State cuts for one year so we can develop a long-term plan that deals with these cuts. It is possible that Council may need to revisit the FY 2009 Budget after the State budget cuts are known to consider further expenditure reductions.

In addition to likely State funding reductions, the volatile real estate market is a key driver in the local economic picture. The Bay Area is experiencing the biggest home sales decline in nearly two decades, and mirroring this trend, Berkeley’s home sales for March dropped 26.5% from last March, with property sale revenues down 32%. The Property Transfer Tax peaked in FY 2007 at \$17.4 million. This year (FY 2008) we are hoping to meet our budget projection of \$12.5 million – a 28% decline in this revenue! Table 1 depicts the declining quarterly Property Transfer Tax revenues for FY 2005 – FY 2008.

Table 1



General Fund Revenue Outlook**FY 2008 Year-end Revenue & Expenditure Forecast**

We are currently projecting year-end General Fund revenues to be about 2.10 percent, or \$2.9 million above the Adopted Budget. (This does not include a one-time receipt of \$2 million from CBS Outdoor for the Gilman Playing Fields project). Attachment 7 details these General Fund revenue projections. Key revenues contributing to this increase include Business License Tax, Transient Occupancy Taxes, Ambulance Fees, Utility Users Tax collections and Interest Income. The volatile Property Transfer Tax is projected to meet FY 2008 budgeted projections (down 28% from last year's revenues), although there is a possibility this may fall short based on current revenue trends. Staff is currently projecting that FY 2008 expenses will be within budgeted amounts. Salary savings from position vacancies should offset projected overages in public safety overtime.

FY 2009 Updated Revenue Forecast

While there is some forecasted growth in FY 2009 revenues, most revenues are either flat or declining (Attachment 2). Staff anticipates that the sluggish economy will result in no to limited growth in Property Taxes and Utility Users Taxes. A reduction in assessed value growth due to less property turnover, anticipated at around 6 percent instead of the 7 - 8 percent growth we have seen in recent years, results in flat Property Tax revenues. Many economists predict that the slowdown in the economy will reduce the demand for energy, and lowering Utility Users Tax revenues related to gas and electricity.

The collapse of the real estate market will result in reduced Transfer Tax revenues, as property sales activity is declining sharply and property prices are flat. We are projecting declines in Property Transfer Tax revenue due to a dramatic reduction in transactions and are budgeting \$500,000 less in FY 2009. Staff also projects a reduction in interest income. For example, in order to prevent a recession, the Federal Reserve Board has sharply reduced short-term interest rates, which will cost the City about \$400,000 in lost interest revenue.

New revenue is needed to maintain current service levels as well as address critical infrastructure and program needs. A separate item on tonight's agenda continues the discussion regarding options for generating new revenue through possible November 2008 ballot measures for high-priority services like fire and emergency services, libraries, and public pools.

General Fund Forecast & Reserve

The City Council's current policy is to maintain the reserve at 6 percent of gross General Fund revenues. The reserve provides some flexibility to address one-time priority programs, smooth out economic swings, buffer the loss of State and Federal revenues, and to support City operations during emergencies such as natural disasters. I am recommending that Council consider increasing its reserve policy to 8 percent of gross General Fund revenues. An 8 percent reserve would fund City operations for about 30 days in the event of a catastrophic disaster. While levels vary by city, 8 percent is still a relatively limited amount of reserve.

Council has been prudent in its management of the reserve and the City has been fortunate to receive one-time Property Transfer Tax revenues generated by the real

estate market during the past two years. Pursuant to Council policy, these one-time revenues have been allocated for one-time expenses such as streets, storm water, and pedestrian safety improvements, as well as affordable housing projects.

Based on the FY 2008 year-end forecast as shown in Table 2, we estimate the General Fund Reserve will be at \$20.8 million (14%). This balance is higher than the recommended 8% and includes unanticipated one-time revenues received in FY 2008 and prior years.

For the FY 2009 Budget Update, I recommend spending \$3.58 million of this balance for one-time economic investments and capital improvement projects (new allocations and the continuation of the FY 2006 – FY 2010 CIP plan). In addition, I recommend setting aside \$2.5 million for possible legal costs associated with pending lawsuits and \$2 million to buffer the impacts of State budget cuts. This would bring the undesignated reserve balance to 8.87 percent in FY 2009, leveling to 8 percent by FY 2011, assuming we implement over \$2 million in balancing measures for FY 2010 and FY 2011.

Table 2

General Fund Forecast <i>(in millions)</i>	FY 2007 Actual	FY 2008 Projected	FY 2009 Projected	FY 2010 Projected	FY 2011 Projected
Beginning Fund Balance	\$ 25.19	\$ 30.23	\$ 20.80	\$ 12.74	\$ 12.14
Revenues	\$ 145.64	\$ 142.87	\$ 143.66	\$ 147.00	\$ 150.63
Expenditures*	\$ (140.60)	\$ (152.30)	\$ (142.85)	\$ (147.56)	\$ (152.18)
Utility Undergrounding			\$ (0.80)		
Operating Surplus / Shortfall	\$ 5.04	\$ (9.43)	\$ 0.01	\$ (0.56)	\$ (1.56)
Required Balancing Measures				\$ 0.56	\$ 1.56
Available Cash Fund Balance	\$ 30.23	\$ 20.80	\$ 20.81	\$ 12.74	\$ 12.15
Designated Reserves					
FY 2009 Proposed One-time allocations			\$ 2.78		
5-Year Capital Plan 1-time ('06-'10)			\$ 0.80	\$ 0.60	
Legal Liabilities			\$ 2.50		
Economic Uncertainty			\$ 2.00		
Subtotal:	\$ -	\$ -	\$ 8.08	\$ 0.60	\$ -
Total Undesignated Balance	\$ 30.23	\$ 20.80	\$ 12.74	\$ 12.14	\$ 12.15
Reserve @ 6% of revenues	\$ 8.74	\$ 8.57	\$ 8.62	\$ 8.82	\$ 9.04
Reserve @ 8% of revenues	\$ 11.65	\$ 11.43	\$ 11.49	\$ 11.76	\$ 12.05

*FY 2008 deficit offset by Council adopted use of the reserve primarily for 1-time capital projects

Controlling Costs

My primary goal is to ensure the long-term fiscal health of the City. We can accomplish this through sound budget policies, as adopted by Council, and managing the City's unfunded liabilities for the lowest risk possible. In the short-term, the only method to effectively eliminate the City's structural deficit is through cost reductions – primarily through controlling labor costs since employee salary and benefits make up 77% of the City's operating budget. The budget assumes that labor costs are controlled over the next several years. Multi-year labor contracts were recently approved for the Berkeley Firefighters Association and the Berkeley Police Association and the City commenced

negotiations with the remaining collective bargaining units for contracts that will be effective July 1, 2008.

Employees Help Balance the Budget

As part of the FY 2006 & FY 2007 Biennial Budget, non-sworn employees agreed on a method of cost control that involves using rather than paying out vacation balances. Combined with savings from Council-approved Voluntary Time Off days, this action has resulted in over \$3 million in savings across all funds, and approximately \$750,000 in General Fund savings for the three years of FY 2006 - FY 2008 (in reduced vacation liabilities and payouts). While this agreement concludes in FY 2008, staff proposes that the program continue in FY 2009 and beyond, and we will discuss during the current labor negotiations.

In addition, the City successfully reduced Worker's Compensation costs, so much so that a negotiated one-time bonus to City employees (sworn employees excluded) was paid in July 2006 in recognition of this achievement. The budget reflects reduced Workers' Compensation rates as a result of these efforts.

FY 2009 Adopted Budget Reductions

The FY 2009 Adopted Budget contained \$807,714 in General Fund reductions, eliminated 6.5 FTE, and did not fully fund Fire Department staffing (a reduction in baseline overtime funding of \$600,000 – although current need is higher). Cuts in other key operating funds totaled about \$422,000 and reduced 2.75 FTE. As explained below, some of these planned reductions have been changed.

FY 2009 Budget Update Changes

Funding Reductions

Some of the balancing actions planned in the Adopted Budget centered on program reorganization and generating new revenue (through increased parking meter rates, improved revenue collections, etc.). Many of these initiatives were successful, such as the labor-driven cost control measures mentioned above, a successful parking improvement program, improvements to business license collections and implementing the Use Tax program.

However, a few of these efforts did not pay off. For example, planned new revenues through condominium conversion and in-lieu fees have not materialized and necessitate further staffing reductions in the Housing Department (in non General Fund funds).

The proposed update budget reductions include:

- ❑ General Fund cuts totaling \$817,337 (Table 3);
- ❑ Other revenue fund cuts totaling \$652,000 (Table 3);
- ❑ Total reduction of 9.5 FTE for all funds (Table 3);

Table 3

Department	FY 2009 Revised Budget Changes	FY 2009 Update		
		FTE	General Fund	Other Funds
Auditor	Provide temporary staffing assistance to other City departments, resulting in .25 FTE salary savings. Other savings achieved in FY 2008 via salary savings of a like amount.		(25,000)	
City Manager	Eliminate 1 FTE Assistant City Manager position	(1.00)	(150,000)	
Finance	Eliminate 1 FTE Deputy Director position	(1.00)	(181,412)	
Finance	Eliminate 1 FTE Senior Management Analyst position	(1.00)	(146,256)	
HHS	Mental Health: Reduce spending for hourly staff and reduce funding for State contract		(36,350)	
HHS	Cost shift .25 Info Systems Support Tech to Public Health Realignment and Mental Health Funds		(20,319)	
HHS	Eliminate 1 FTE Home Service Aid as part of the Senior Nutrition reorganization	(1.00)	(69,000)	
Housing	Eliminate 1.5 FTEs. Eliminate General Fund capital for revolving loans (covered by other funds)	(1.50)		(402,000)
OED	Eliminate 1 FTE (to be determined) in the First Source Employment program.	(1.00)	(114,000)	
PW	Eliminate 2 FTE in Solid Waste Division	(2.00)		(250,000)
PRW	Eliminate 1 FTE OSII position	(1.00)	(75,000)	
Total		(9.50)	(817,337)	(652,000)

- ❑ Does not contain \$253,391 in one-time General Fund funding for community based organizations (Attachment 9) - but does provide an additional \$200,000 for homeless programs to move toward permanent housing, as well as \$1 million for PCEI;
- ❑ Eliminates \$343,000 in one-time General Fund allocation for streets projects. (This will be offset by a \$593,000 increase in the Proposition 42 Gas Tax allocation for FY 2009. The \$250,000 balance of this increased streets funding will be allocated to an annual pavement-marking program);
- ❑ Loss of \$1 million in AB2034, Integrated Services for Homeless Adults, funding that was eliminated from the State budget effective this fiscal year. Staff is developing a transition plan to deal with this dramatic program cut.

Funding Additions

In light of some available one-time revenue in the General Fund Reserve and consistent with Council policy, I am recommending funding for a number of one-time projects, some previously approved by Council, which include infrastructure and investments for future revenue growth. The budget also includes a couple recurring allocations for some Council priority programs. Details are in Table 4 below.

- ❑ One-time General Fund Reserve allocation of \$2.8 million for priority capital projects and investments for program improvements;
- ❑ One-time funding from FY 2009 General Fund revenue of \$700,000 to maintain fire services and staff the Climate Action Plan program;
- ❑ Recurring funding of \$225,000 for staffing for the Public Arts program and Fire Department administration – offset by a like reduction in capital improvement program funding for street repair;

Table 4

1-Time Use of Reserve for Capital & Investment Opportunities	
Animal Shelter reconstruction	1,000,000
Ed Roberts Campus Project local match	500,000
Tuolumne and Echo Camps capital improvements	300,000
More Pay & Display Machines	500,000
Revenue Collections Improvements (technology)	100,000
Community agency efficiency & program delivery improvements	200,000
New General Fund subsidy for Rental Housing Safety Program Fund	75,000
New General Fund subsidy for Senior Nutrition Program Fund	100,000
1-Time Reserve Allocation:	\$ 2,775,000
Use of FY 2009 Revenue for Staffing	
<u>1-Time Funding</u>	
Fire Department Overtime (full overtime funding - full staffing)	600,000
Climate Action Plan staffing	100,000
<u>Recurring Funding</u>	
Civic Arts Coordinator - fulltime	140,000
Fire Department Senior Budget Specialist - full funding	85,000
FY 2009 Revenue Allocation:	\$ 925,000

The budget also includes:

- \$9.2 million in community agency funding, of which \$5.7 million is from the General Fund;
- \$1 million for PCEI (programs for the homeless).

Capital Project Funding: One-time Reserve Allocation (+\$1.8 million)

Animal Shelter (+\$1 million)

In November 2002, the residents of Berkeley approved Ballot Measure I, a \$7.2 million General Obligation Bond to acquire property, if necessary, and to construct or rehabilitate a building for an animal shelter that meets the requirements of state law. The bond was recently sold and the City is now prepared to begin the project. It is close to 5 years since the ballot measure passed, and with each passing year the new construction purchasing power of the \$7.2 million is diminishing. Current estimates are indicating the project to cost about \$8.2 million. To bridge this gap, maximizing the use of the approved bond funding, staff recommends that \$1 million in General Fund revenues be set aside toward completing this project. Staff will be returning to Council in July 2008 to present project options.

Ed Roberts Campus (+\$500,000)

On November 27, 2007, Council took action to allocate \$2 million in funding toward the Ed Roberts Campus (ERC) project at the Ashby BART Station in South Berkeley – transferring an existing \$1.5 million in Alameda County Congestion Management funding from the I-80 Sound Wall project and allocating \$500,000 from the City’s General Fund. The Metropolitan Transportation Commission will match these funds.

Tuolumne & Echo Lake Camp Capital Improvements (+\$300,000)

Following the recommendations of the US Forest Service, Tuolumne Camp requires significant infrastructure repairs and improvements. In addition, Echo Lake also suffers from critical deferred maintenance and needs improvements. Current revenues generated through the Camps Fund cannot sustain this cost and to avoid the need to increase camper fees, I am recommending the allocation of one-time funding from the Reserve.

Program Investments: One-time Reserve Allocation (+\$975,000)Pay & Display Parking Machines (+\$500,000)

As an investment toward more efficient parking operations and improved revenue, I am recommending Council allocate funds from the reserve to purchase up to 60 new machines (covers about 420 parking spaces). Over time, this investment will more than pay for itself due to the increase in revenue generated by the use of these machines. A conservative analysis estimates that 420 spaces currently generate about \$625,000 a year in revenue, and the use of Pay & Display machines will increase this by about 25% to \$781,250 annually. That would result in around \$156,250/year in new revenue, paying for the investment in the machines in about 3 years. Staff will be returning to Council with a detailed parking improvement plan in the next couple of months.

Revenue Collections System Improvements (+\$100,000)

As an investment toward a more efficient business license database system, I recommend allocating \$100,000 to purchase new software programming. Staff estimates that this investment will be repaid through increased, recurring business license tax revenue.

Community Agency Efficiency & Program Delivery Initiatives (+\$200,000)

This funding will help stabilize funding received by agencies that serve the homeless, with the intent to develop common program outcomes as part of the Everyone Home Plan discussed below. This is in addition to the \$1 million allocated for the PCEI homeless programs and the \$2.66 million in community agency funding for homeless programs included in the budget.

Countywide Everyone Home Plan

In 2006, the City adopted the Everyone Home Plan, a countywide plan addressing homelessness and people living with HIV/AIDS and or mental illness. The plan has been co-sponsored by nine public agencies, including the City's Mental Health Division and Housing Department. Everyone Home emphasizes intensive services (over emergency services) and focuses on increasing permanent housing opportunities to end, rather than manage, homelessness. Everyone Home reflects dramatic changes that have taken place in the field of homeless services over the past five years, and an increasing body of research demonstrating the outcomes and cost effectiveness of an emphasis on permanent housing.

Over the next fiscal year, the Housing Department is planning to work with the various community agencies that provide support and services to the homeless population in the City in order to better address the goals and outcomes of the countywide Everyone

Home Plan. This will involve developing changes in how we currently serve the homeless community.

Most community agencies serving the homeless population agree that achieving permanent housing outcomes is the goal of homeless programs. However, many agencies are concerned that changes to their service delivery approaches will jeopardize existing services to homeless persons. Staff plans to work with the various agencies and develop a clearer vision for implementation of Everyone Home in Berkeley, including the following tasks:

- ❑ Identifying funding goals in order to emphasize housing outcomes;
- ❑ Engaging the leadership of community agency partners in examining best practices and planning for change during a one-day retreat. Funding is available through the Mental Health Services Act for this activity;
- ❑ Providing technical assistance to community agencies that are interested in strategic planning for organizational change, through a combination of group workshops and individual agency services;
- ❑ Designing tools for the City's Request for Proposals process to help align funding with priorities and outcomes.

General Fund Subsidies to Other Revenue Funds (+\$175,000)

The General Fund will have to subsidize these programs this year in order to avoid program reductions and while staff reviews these programs in FY 2009.

1. \$100,000 subsidy to the Senior Nutrition Program (Fund 085);
2. \$75,000 subsidy to the Rental Housing Safety Program (Fund 375).

Other Council Priorities: One-time FY 2009 Revenue Allocation (+\$925,000)

Fire Department Sworn Staffing (+\$600,000)

Pending the outcome of a possible November 2008 ballot measure for fire staffing, I am recommending the one-time allocation of \$600,000 overtime funding. This will fully restore overtime funding to baseline levels for FY 2009. However, based on current staffing trends, the department may actually require an additional \$700,000 in overtime funding to maintain full staffing. In other words, the Fire Department overtime need is about \$1.9 million versus the budgeted \$1.2 million. This cost increase is primarily due to 14 sworn vacancies resulting from workers' compensation, family medical leave, parental leave, long-term sick leave, and military leave – most of which is not controllable. The obligation of mandatory staffing requires the department to fill these vacancies with overtime. Since a majority of these absences are on paid leave, the cost of backfilling the positions is exacerbated.

Fire Department Administrative Staffing (+\$85,000)

As part of an administrative consolidation effort with the Police Department, and in anticipation of a staff retirement, the FY 2009 budget eliminated the department's Senior Management Analyst effective December 2008. However, the planned retirement has been cancelled and the Human Resources Department recently upgraded the position. Therefore, I am recommending that funding be reinstated for the

position (now a Senior Budget Specialist) for FY 2009. Staff will continue to work toward a future administrative consolidation and the future of this position will be considered during the FY 2010 & FY 2011 budget process.

Civic Arts Coordinator (+\$140,000)

Although this position was scheduled to be cut to a .5 FTE with no General Fund support in FY 2009, in response to the Mayor's FY 2009 budget amendment, this position is recommended for full General fund funding. The Public Art Fund annual revenues are shrinking due to a reduction in eligible capital projects (assessed 1.5% for Public Art).

Climate Action Plan Staffing (+\$100,000)

As the City moves toward implementing a Climate Action Plan, funding the supporting staff person for this initiative is critical. While this is a one-time allocation, continued funding will need to be reviewed whether through grants or other City resources.

Budget & Program Considerations

Housing Department

The budget reflects a reorganization of the department with the entire Berkeley Housing Authority becoming a separate entity and the Sustainability function moving to the Planning Department.

- *Rental Housing Safety Inspection Program (RHSP)*: In the current program structure, revenue does not cover expenses and the fund runs an annual deficit. The department is realigning the program for better service delivery and so program revenues can cover that costs. The accumulated negative fund balance of about \$200,000 - \$300,000 (depending on outstanding receivables) will be written off with General Fund Reserve. FY 2009 includes a \$75,000 General Fund subsidy to help balance the fund until the program is restructured and self-supporting.
- *Condominium Conversion and In-Lieu Fees Programs*: Since planned revenues have not materialized, the department must eliminate one FTE in FY 2009. A staff report on these fees will be go to Council in September.
- *Community Block Grant Development (CDBG)*: Federal program requirements have resulted in a shift of staffing off of this funding source, necessitating one FTE reduction.

Parks Recreation & Waterfront

- *Recreation Staffing*: The FY 2009 corrects the underfunding of hourly employee benefits, which has contributed to the projected FY 2008 cost overrun. However, staff will continue to improve its program staffing to stay within allocated resources.

Health & Human Services Department

- *Senior Nutrition Program*: Although the program was restructured last year for more efficient service delivery and cost savings, some planned reductions for the FY 2008 budget have been delayed until FY 2009. The department is now reviewing alternative methods of service delivery. The program has accrued a

deficit of about \$700,000 that will be written-off by the General Fund Reserve. FY 2009 includes a General fund subsidy of \$100,000 that will be re-evaluated in the next budget process.

- *Public Health and Mental Health Programs:* Monitor potential State cuts. Depleted funds balances in several health funds may require some program reductions in FY 2010 and beyond. Attachment 10 is a list of possible State cuts to these health programs that totals almost \$1 million.
- *AB2034, Integrated Services for Homeless Adults:* Loss of \$1 million in funding that was eliminated from the State budget effective this fiscal year. Staff is developing a transition plan to deal with this dramatic program cut.

Office of Economic Development (OED)

- *First Source Employment Program:* Revenues generated from a charge of 1% of capital improvement project funding is not covering the cost of this program, running an annual deficit of about \$100,000. A large negative fund balance exists that will need to be written off by the General Fund in FY 2009 (about \$250,000). Balancing costs with available revenues will result in a staffing reduction for this program. OED is currently reviewing all employment programs to improve adult and youth employment opportunities to Berkeley residents and to establish a program that fits within available budget resources.
- *Public Art Program & Public Art Fund:* Revenues generated from a charge of 1.5% of capital improvement projects funding is not covering the cost of this program. The Civic arts Coordinator position has been moved 100% to the General fund. However, there will be limited funding for public art projects.

Public Works

- *Refuse & Sewer rate studies:* Staff continues to work on comprehensive sewer and garbage rate fee studies and hopes to have these completed this fall. The rate studies are very complex and the work with the related consultants has taken much longer than originally projected. New program costs to the Refuse fund from increased landfill costs, repairs at the Transfer Station, and significant repairs to the flare station at Cesar Chavez Park. The budget reflects a planned 9.5% fee increase at the Transfer Station. See Attachment 5 for more detail.
- *Unfunded Capital Projects:* A number of project needs have surfaced that are not yet funded. As staff better understands these program needs, we will need to review funding options through reallocating resources or securing grants. Project needs include the completion of the Radcliff Building seismic project at the Corporation Yard (projected shortfall of \$2.8M), and increased costs driven by the Regional Water Control Board's new clean storm requirements (cost yet unknown).

Budget Referrals

Attachment 11 provides a list of items referred to the budget process totaling \$90,453. Some of these referrals have been addressed in the proposed update and a few remain unfunded.

Other Revenue Funds

Attachment 5 provides a summary and analysis of other key operating funds. While most of these non-General Fund operating funds do not project deficits in FY 2009, future forecasts for several funds require significant balancing measures.

Critical Issues

- ❑ Absent new revenue such as through proposed ballot measures, the Paramedic Tax Fund will require an increased General Fund subsidy by FY 2010.
- ❑ The Library Tax continues to run an annual shortfall and will deplete its fund balance by FY 2010.
- ❑ The Clean Storm Water Fund will be in significant deficit by FY 2010 and will require \$1 million in new revenue to maintain current levels of service. Staff plans to develop a fee assessment process for next year to fund clean water projects.
- ❑ The Refuse Fund, following the conclusion of a comprehensive rate study, will need to adjust rates in FY 2010 to fund increased landfill disposal costs and the new Organics Program that commenced this year, as well as future costs associated with improved recycling programs and the reconstruction of the Transfer Station.

New Fees

Fee increases for FY 2009 will be presented to Council on May 20, 2008 for:

- ❑ Building and Safety Fees
- ❑ Land Use Planning Fees
- ❑ Transfer Station Fees
- ❑ Environmental Health inspection fees

Real and Possible State & Federal Budget Cuts

Given the significant State and Federal deficit projections, there are a number of issues that will directly impact Berkeley.

Proposition 1A

As estimates of the State's chronic general fund budget problem continue to grow, I would like to remind Council of the provisions of Proposition 1A as approved by the voters 2 years ago. Proposition 1A prohibits the state from shifting property taxes from cities, reducing or altering distribution of the local sales and use tax rate, or reducing the vehicle license fee (VLF) from the .65 percent rate without providing replacement funding to cities and counties. 1A requires the State to reimburse cities for any revenues shifted to fund the state economic recovery bonds under the "triple-flip."

However, beginning in FY 2009, the Legislature may temporarily suspend the property tax protection provisions of 1A and may borrow up to 8 percent of the total property tax revenues if the provisions bulleted below are met. Eight percent of Berkeley's property tax revenue equals about \$2.8 million. This potential loss of revenue underscores the need to maintain a General Fund reserve.

- ❑ The Governor issues a proclamation of "severe fiscal hardship,"
- ❑ The Legislature enacts an urgency statute that suspends Prop. 1A protection with a two-thirds vote of each house, and

- The Legislature enacts a law providing for full repayment of the borrowed funds plus interest within three years.

The Legislature may not enact such a suspension more than twice in any 10-year period and only after any previous borrowing under this provision has been repaid.

With respect to Proposition 42 of 2002, which earmarked revenues from the state sales tax on gasoline for transportation (streets and roads), the provisions of Proposition 1A explained above apply. This means that the \$300 million due to cities in FY 2009 (Berkeley is set to receive \$1 million) could be lost if 1A is invoked by the State.

Other State Impacts

- The Legislature approved a delay payment of approximately \$500 million in Highway Users Tax (per gallon Gasoline Excise Tax) revenues to local governments, suspending payments for a five-month period (April-August 2008) to be paid in full without interest in September 2008. The Berkeley impact is a delayed payment of \$845,625, possibly impacting projects and causing a liability against the General Fund.
- It is possible that the second portion of the Proposition 1B Transportation Bond funding (discussed later in this report) will be delayed or revoked. This would be a loss of one-time transportation funding to the City of about \$1.6 million.
- AB2034, Integrated Services for Homeless Adults, funding was eliminated from the State budget effective this fiscal year. The funding impact to the City is about \$1 million. While there is one-time State funding of \$925,000 this fiscal year to help bridge the transition, the full loss of State funding goes into effect July 2008. Staff has developed a transition plan to deal with this dramatic program cut and has submitted to the State for its approval.
- Other public and mental health budget cuts currently under consideration would total about \$1 million in funding to Berkeley— resulting in a direct service impact (summary of potential cuts in Attachment 8).
- Possible cuts to public safety (Proposition 72, COPS and booking fees funding) would result in a loss of about \$1 million to Berkeley.
- Local governments are closely watching an initiative set for the June 2008 ballot called the “California Property Owner and Farmland Protection Act” (CPOFPA) - a measure that would abolish rent control; prohibit eminent domain for the consumption of natural resources, such as in the acquisition of property for parks or water projects; and perhaps constrain government authority to implement inclusionary housing ordinances, including the fee in-lieu provisions of these programs. If passed, the effects would be dramatic and citywide.

Federal Impacts

- Federal Community Development Block Grant (CDBG) funding for FY 2009 was reduced by \$134,419 (4.2%) and Federal Home funds were reduced by \$38,854 (3.12%).

CONCLUSION

The FY 2009 Budget Update reflects the balancing plan originally included in the FY 2009 Adopted Budget. It is important now and in future years to control costs and generate new revenue sources through sound economic policies. This will not be easy given the pressures for new programs and the diversity of opinions in the community about how to pay for them.

I look forward to working with the City Council, boards and commissions, City departments, labor, community agencies, and the community to ensure the City of Berkeley continues to provide quality services to its residents.

CONTACT PERSON

Tracy Vesely, Budget Manager, City Manager's Office, 981-7000
Robert Hicks, Finance Director, 981-7300

Attachments:

1. FY 2009 Budget Summary by Funding Source (Expenditures & Revenues)
2. FY 2009 General Fund Revenue Summary
3. FY 2009 General Fund Expenditure Summary by Department
4. FY 2009 All Funds Expenditure Summary by Department
5. Other Revenue Funds Multi-year Forecast Summary
6. Full Time Position Summary by Department
7. FY 2008 General Fund Revenue Update
8. FY 2009 Community Agency Allocations
9. List of FY 2008 One-time Community Agency Funding
10. List of Potential Public and Mental Health Program Cuts
11. City Council Referrals to the Budget Process

FY 2009 Proposed Update Summary by Funding Source

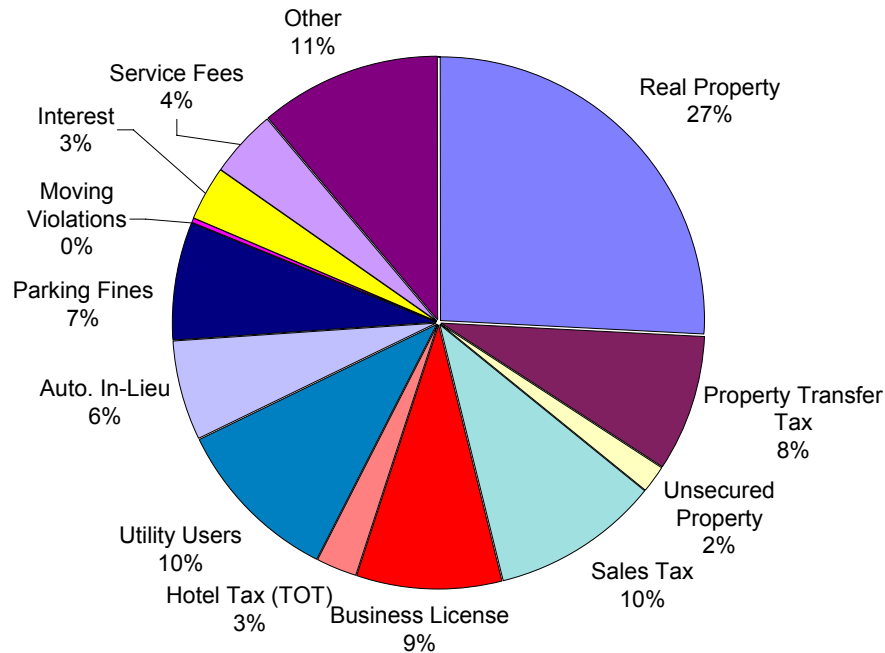
Fund Description	Adopted FY 2009		Proposed Update FY 2009	
	Revenue ^a	Expenses	Revenue ^a	Expenses
General Fund Discretionary	\$ 140,970,730	\$ 140,184,270	\$ 143,359,238	\$ 145,221,506
Special Revenue Funds				
Emergency Disabled Services	837,546	802,094	837,546	825,748
Paramedic Tax	2,955,010	2,923,593	2,955,010	3,145,543
Landscape / Parks Tax	8,560,074	8,687,944	8,596,312	8,498,374
Street Light Assess. District	1,851,744	2,099,675	1,851,744	2,027,110
Solano Avenue Business Imp. District	40,000	40,000	-	-
Underground Assess. Districts	42,500	42,500	42,500	42,500
Downtown Business Imp. Dist.	250,000	250,000	250,000	250,000
Telegraph Pro Bus. Imp. Dist.	231,000	231,000	263,000	263,000
N. Shattuck Bus. Imp. Dist.	160,000	160,000	160,000	160,000
Enterprise Funds				
Refuse	30,281,668	29,751,028	30,217,974	30,831,306
Marina Operation	4,923,129	5,021,209	4,968,869	5,270,849
Sewer	15,048,654	16,490,625	14,736,784	15,681,679
Clean Storm Water	2,076,403	2,861,178	2,155,309	2,899,601
Private Sewer Lateral	225,182	169,753	225,182	169,372
Permit Service Center	8,227,221	9,885,056	8,104,521	9,563,722
Off Street Parking	3,366,966	2,886,750	3,366,966	2,908,075
Parking Meter	4,700,623	4,344,082	5,106,998	4,766,550
Unified Program - Toxics	712,600	719,890	712,600	683,621
Building Management (1947 Center St.)	2,875,690	2,924,589	2,963,035	3,024,223
Gas / Sales Tax Street Improvement Funds	5,146,301	5,224,751	5,673,526	5,780,868
Bonds ^(b)	103,336	245,239	103,336	245,010
Debt Service Funds	6,344,544	9,011,877	5,626,713	9,063,998
Grant Funds	28,077,996	28,436,851	29,415,522	31,047,415
Internal Service Funds	21,434,007	20,592,261	21,674,324	20,793,645
Other Funds				
Capital Improvement Fund	7,995,000	6,535,261	8,025,000	8,016,188
Public Liability ^(a)	1,753,476	1,759,697	1,753,476	1,797,196
Library	13,990,847	14,401,150	13,990,847	13,953,162
Rent Board	3,355,000	3,358,380	3,355,000	3,327,980
Housing Authority & Shelter Plus Care	25,973,396	25,978,892	25,857,010	25,751,650
Redevelopment Agency	1,529,619	985,028	1,529,619	985,039
Playground Camp	1,830,913	2,160,674	1,904,287	2,124,399
Hlth State Aid Realign Trust	4,034,530	4,825,331	4,034,530	4,772,520
Other Funds	1,805,236	2,172,796	1,835,261	2,152,580
Gross Revenue & Expenditure Totals:	\$ 351,710,941	\$ 356,163,424	\$ 355,652,039	\$ 366,044,429

(a) Revenues do not reflect use of fund balances which are added to balance revenues with appropriations.

(b) Revenues for planned FY 2008 and FY 2009 Bond Projects appropriated in prior years.

FY 2009 General Fund Revenue Summary

	Actual Revenue FY 2006	Actual Revenue FY 2007	Adopted Revenue FY 2008	Adopted Revenue FY 2009	Proposed Update Revenue FY 2009
Real Property	\$29,880,100	\$31,690,025	\$35,170,269	\$37,280,485	\$37,117,262
Property Transfer Tax	14,358,731	17,393,311	12,500,000	12,000,000	12,000,000
Unsecured Property	2,040,353	1,974,876	2,141,031	2,221,320	2,153,418
Sales Tax	13,765,354	14,164,590	14,362,193	14,649,436	14,918,339
Business License	10,881,275	11,024,467	11,071,615	11,376,084	12,565,984
Hotel Tax (TOT)	2,962,908	3,260,586	3,328,000	3,461,120	3,780,000
Utility Users	14,272,340	14,155,912	14,557,787	14,557,787	14,738,522
Auto. In-Lieu	5,625,981	7,748,232	8,363,907	8,821,127	8,621,127
Parking Fines	9,004,505	11,596,669	10,700,000	10,700,000	10,200,000
Moving Violations	772,356	519,643	550,000	550,000	400,000
Interest	3,842,396	5,282,959	4,800,000	4,800,000	4,800,000
Service Fees	5,402,611	5,589,831	5,469,965	5,554,142	5,946,797
SUB-TOTAL	\$112,808,910	\$124,401,101	\$123,014,767	\$125,971,501	\$127,241,449
Other Revenues	18,796,844	15,332,026	14,957,741	14,999,229	16,117,789
TOTAL	\$131,605,754	\$139,733,127	\$137,972,508	\$140,970,730	\$143,359,238

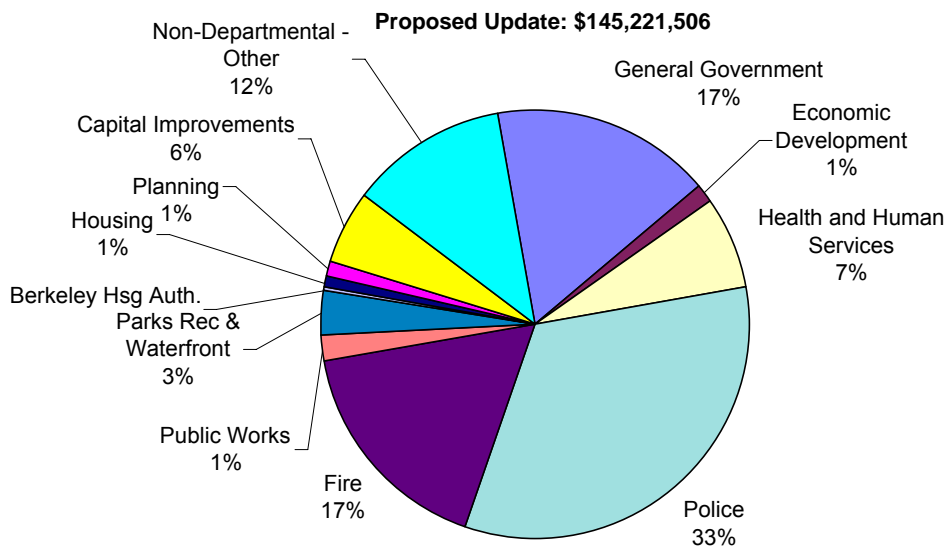


FY 2009 General Fund Expenditures by Department

	FY 2006 Actual	FY 2007 Actual	FY 2008 Adopted	FY 2009 Adopted	FY 2009 Proposed Update
Mayor & Council	1,461,634	1,556,328	1,627,766	1,667,505	1,628,709
Auditor	1,410,328	1,636,764	1,790,386	1,788,917	1,830,590
Police Review Commission	416,686	416,477	557,158	571,778	530,825
City Manager	4,198,967	4,022,509	5,044,424	4,764,455	4,786,807
Office of Economic Development	1,437,964	1,457,311	1,701,625	1,941,724	2,122,086
Information Technology	3,167,040	3,603,631	3,430,380	3,553,088	3,649,854
City Attorney	1,981,898	1,869,892	1,730,487	1,741,980	1,822,202
City Clerk	1,386,706	1,584,877	2,105,060	1,971,685	1,937,643
Finance	5,492,580	5,659,397	6,096,825	6,109,171	6,099,096
Human Resources	1,691,494	1,873,476	1,916,045	1,892,491	1,939,588
Health and Human Services	8,960,409	9,100,108	9,952,436	9,965,653	9,877,717
Police	42,838,572	44,943,268	46,199,794	46,308,569	48,112,018
Fire	21,130,524	21,721,168	22,721,142	22,207,956	24,527,026
Public Works	1,279,557	1,497,613	3,399,589	2,569,150	2,766,967
Parks, Recreation & Waterfront	4,523,705	4,709,623	4,890,748	4,788,793	4,952,138
Planning ⁽²⁾	752,147	938,357	1,184,663	1,025,497	1,550,610
Housing ^{(1) (2)}	1,778,378	1,950,075	1,817,119	1,832,860	1,343,255
Non-Departmental	23,016,818	25,239,574	26,484,592	25,043,220	25,304,597
Subtotal:	\$ 126,925,407	\$ 133,780,448	\$ 142,650,239	\$ 139,744,492	\$ 144,781,728
Berkeley Housing Authority ⁽¹⁾			507,365	439,778	439,778
Total General Fund	\$ 126,925,407	\$ 133,780,448	\$ 143,157,604	\$ 140,184,270	\$ 145,221,506

(1) Berkeley Housing Authority has been separated from Housing Department in FY 2008 and FY 2009.

(2) Increase in Planning and decrease in Housing reflects transfer of Sustainability Program to Planning Department.



Summary of Expenditures by Department - All Funds

	FY 2006 Actual	FY 2007 Actual	FY 2008 Adopted	FY 2009 Adopted	FY 2009 Proposed Update
Mayor & Council	1,461,634	1,556,328	1,627,766	1,667,505	1,628,709
Auditor	1,531,794	1,763,018	1,923,536	1,925,310	1,966,101
Police Review Commission	416,686	416,477	557,158	571,778	530,825
City Manager	4,567,741	4,394,500	5,338,400	5,061,435	5,079,663
Office of Economic Development	2,291,198	2,486,027	2,902,363	3,113,960	3,235,627
Information Technology	3,692,222	3,860,357	3,863,877	3,993,109	4,350,167
City Attorney	3,379,952	2,909,270	3,738,219	3,501,677	3,619,398
City Clerk	1,386,857	1,584,877	2,105,060	1,971,685	1,937,643
Finance	7,311,124	7,320,240	8,394,765	8,463,607	8,537,550
Human Resources	2,502,544	2,815,768	3,000,445	2,992,482	3,023,509
Health and Human Services	25,120,079	27,663,177	29,944,332	29,940,933	30,318,123
Police	46,569,691	49,119,024	50,333,416	50,411,740	51,649,498
Fire	24,870,377	25,245,392	28,354,518	25,366,799	27,905,752
Public Works	72,853,692	72,755,604	86,521,869	81,320,102	84,233,362
Parks, Recreation & Waterfront	19,032,849	20,790,368	21,115,961	21,356,159	21,341,883
Planning	10,248,747	13,290,978	13,684,769	12,042,999	12,668,125
Housing ⁽¹⁾	15,673,717	15,162,804	13,407,779	12,211,775	11,161,265
Library	12,985,751	13,468,680	15,232,605	14,587,759	14,078,223
Rent Board	2,934,396	3,088,888	3,497,000	3,320,418	3,327,980
Non-Departmental	61,133,912	67,007,229	49,297,412	48,464,637	51,670,308
Gross Expenditure:	\$ 319,964,963	\$ 336,699,006	\$ 344,841,250	\$ 332,285,869	342,263,711
Berkeley Housing Authority ⁽¹⁾			23,947,920	23,880,555	23,780,718
Gross Appropriations:					366,044,429
Less: Dual Appropriations	(52,343,483)	(47,005,560)	(54,197,616)	(49,852,773)	(51,341,592)
Net Expenditure:	\$ 267,621,480	\$ 289,693,446	\$ 314,591,554	\$ 306,313,651	\$ 314,702,837

(1) Berkeley Housing Authority has been separated from Housing Department in FY 2008 and FY 2009

Projections for Other Key Operating Funds

In addition to the General Fund, the City maintains multi-year forecasts for the City's other operating funds. The table below provides fund balance projections for ten of the key funds through 2011. The projected balances reflect ending fund balances.

Fund	FY 2008		FY 2009 - FY 2011 Forecast		
	Beginning Balance 7/1/07	Projected Balance 6/30/08	Projected Balance 6/30/09	Projected Balance 6/30/10	Projected Balance 6/30/11
Parks Tax	2,227,706	1,942,600	2,025,454	2,155,950	2,339,946
Library Tax	1,261,354	860,165	217,180	(285,927)	(585,335)
Paramedic Tax	362,019	219,177	50,822	(134,726)	(203,256)
Clean Storm Water	992,690	1,369,484	598,934	(252,669)	(1,186,567)
Streetlight Assess.	498,967	442,750	194,819	(94,178)	(425,882)
Permit Service Center	4,477,191	4,237,235	2,968,836	1,481,958	(229,952)
Sanitary Sewer	11,018,332	14,463,689	13,472,449	13,920,239	14,106,717
Refuse Fund	3,647,810	3,348,171	2,986,054	524,145	(2,435,199)
Parking Meter	709,208	422,481	679,822	369,761	489,702
Marina Fund	2,826,208	1,553,344	719,996	(109,206)	(1,238,115)

Parks Tax Fund

By the end of FY 2008, the Parks Tax Fund balance will be reduced by about \$285,000 as the department implements much needed capital improvement projects. The fund maintains a reasonable reserve through FY 2011.

Library Tax Fund

Staff projects that the Library Tax Fund balance will decrease by about \$400,000 by the end of FY 2008. Even with expenditure savings in FY 2008, the fund continues to operate with an annual shortfall. Balancing measures for FY 2009 will be presented to the Board of Library Trustees on May 14th. In spite of the proposed balancing measures for FY 2009, the fund balance is projected to decrease to \$217,180. Further balancing measures will be required in FY 2010 and FY 2011.

Paramedic Tax Fund

The fund balance by the end of FY 2008 is expected to be at \$219,177, and staff projects the fund to be entirely spent down by the end of FY 2009. Tax revenues and the General Fund subsidy (\$700,000) will not keep up with increased expenditures. Absent new revenue, the General Fund subsidy will need to be increased by \$134,726 in FY 2010 to balance the fund.

Clean Storm Water Fund

Clean Storm Water revenues are fee-supported and capped at 1996 levels by Proposition 218. Without a fee increase, which requires a 2/3-voter approval, the Clean Storm Water Fund will be in deficit by 2010 – reflecting an \$851,000 operating shortfall which grows each year. Additional funding is needed for current maintenance efforts and to implement capital improvements to the storm drain system. The fund cannot support a capital program. One-time General Funds have been allocated for storm drain improvements the past couple of years, but this funding will not be available in future years.

Street Light Assessment District Fund

The Street Light Assessment District revenues are fee-supported and capped at 1996 levels by Proposition 218. Since 2000, this fund has required an annual \$516,000 subsidy from the General Fund. An operating shortfall of \$250,000 is expected in FY 2009, resulting in a negative fund balance by 2010. Without additional program revenue, the General Fund subsidy will need to be increased or expenses reduced to balance the fund.

Permit Service Center Fund

Staff projects FY 2008 revenues to be almost \$1.5 million more than budgeted. However, the fund balance is projected to decrease by \$240,000 due to increased expenditures for new lease costs and additional staffing to handle a demanding workload. Revenue in FY 2009 and 2010 is not expected to keep up with projected expenditures, causing annual shortfalls that will draw down most of the fund balance by the end of FY 2010. Fee increases are recommended for FY 2009 to address the annual operating shortfalls.

Sanitary Sewer Fund

For FY 2008, staff is projecting this fund to be under-spent due to personnel vacancies and a delay in implementing capital improvement projects. While expenditures in FY 2009 are projected to result in an annual operating shortfall, the fund balance is able to support these cost increases. In FY 2009, staff plans to increase capital spending using available fund balance. The City is conducting a comprehensive sewer program rate study that should conclude this fall. No rate increases are planned for FY 2009.

Refuse Fund

The fund balance is expected to decrease by about \$300,000 at the end of June 2008. New landfill disposal contracts increase of \$1 million/year, as well as additional costs for flare station monitoring and Transfer Station improvements will result in an operating revenue shortfall of \$362,000 at the end of FY 2009. Coupled with the introduction of the weekly Organics Program in FY 2008, the current revenues cannot support these costs and rate adjustments are needed. The gate fee at the Transfer Station is planned to increase by 9.5% in FY 2009 and the City is conducting a comprehensive refuse program rate study that should conclude this fall, with planned rate increases for garbage service in FY 2010.

Parking Meter Fund

Staff projects a fund balance of \$422,281 at the end of June 2008. The General Fund subsidy for this fund (\$600,000 in the FY 2008 Adopted Budget) was eliminated as revenues increased from the parking improvement program and the Pay & Display stations. With the recent \$.25 per hour rate increase, an additional \$1 million per year will be generated in FY 2009 to support the Public Commons for Everyone Initiative as adopted by Council. The Fund balance is projected to remain positive through FY 2011.

Marina Fund

Staff projects the Marina Fund balance will to be depleted by FY 2010. Berth rental revenues are expected to come in at least 9 percent lower than budgeted. Increasing expenses, including \$850,000 for the Marina Docks H-I project and upcoming debt service on a \$9 million Boating & Waterways loan for dock reconstruction, also contribute to the forecasted shortfall. No fee increases are planned for FY 2009, and the current economic conditions and increasing vacancy rates will further reduce revenues. Fee increases of 5 percent are planned for FY 2010.

Full Time Position Summary					
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2009
	Actual	Actual	Adopted	Adopted	Proposed Update
City Attorney	12.00	12.00	13.00	13.00	13.00
City Auditor	15.00	14.00	14.00	14.00	14.00
City Clerk	11.00	10.00	11.00	11.00	11.00
City Manager	33.55	33.30	33.30	32.30	32.30
Economic Development	9.50	10.00	10.00	9.50	9.85
Finance	65.50	66.50	67.50	66.50	67.50
Fire Department	135.75	136.75	136.75	135.75	136.75
Health & Human Services	253.98	273.73	271.48	270.48	278.70
Housing(1)	45.83	50.18	35.73	35.73	29.63
Human Resources	21.55	23.00	23.00	23.00	23.00
Information Technology	19.00	25.00	24.00	26.00	26.00
Library	122.37	127.21	124.84	124.84	123.11
Mayor and Council	12.00	12.00	12.00	12.00	12.00
Parks, Recreation & Waterfront	149.98	147.68	152.54	151.54	153.17
Planning	66.75	72.50	73.00	71.00	74.05
Police Department	301.20	304.20	304.20	304.20	304.20
Police Review Commission	4.00	4.00	4.00	4.00	4.00
Public Works	312.00	313.91	330.00	330.00	326.00
Rent Board	19.30	19.30	19.30	19.30	19.30
FTE Total	1610.26	1655.26	1659.64	1654.14	1,657.56
*It should be noted that the FTE totals may not include all hourly FTEs and may vary.					
(1) Effective FY 2008, the Berkeley Housing Authority moved out of the Housing Department and the Sustainability division moved to the Planning Department					

FY 2008 Year-end General Fund Revenue Projections

Revenue Categories	Adopted FY 2008	Projected FY 2008	Change Over Adopted	
Secured Property	\$35,170,269	\$35,170,269	0.00%	\$0
Unsecured Property Taxes	2,141,031	2,070,594	-3.29%	(\$70,437)
Supplemental Taxes	2,000,000	2,000,000	0.00%	\$0
Property Transfer Tax	12,500,000	12,500,000	0.00%	\$0
Sales Taxes	14,362,193	14,625,823	1.84%	\$263,630
Utility Users Taxes	14,557,787	15,038,522	3.30%	\$480,735
Transient Occupancy Taxes	3,328,000	3,600,000	8.17%	\$272,000
Business License Tax	11,487,315	13,130,627	14.31%	\$1,643,312
Vehicle In-Lieu Taxes	8,363,907	8,163,907	-2.39%	(\$200,000)
Parking Fines	10,700,000	10,200,000	-4.67%	(\$500,000)
Moving Violations	550,000	400,000	-27.27%	(\$150,000)
Interest Income	4,800,000	5,200,000	8.33%	\$400,000
Ambulance Fees	2,564,560	2,800,000	9.18%	\$235,440
Franchise fees	1,721,141	1,721,141	0.00%	\$0
Other Revenue*	6,590,049	8,838,646	34.12%	\$2,248,597
Transfers	7,136,256	7,411,766	3.86%	\$275,510
Total Revenue:	\$137,972,508	\$142,871,295	3.55%	\$4,898,787
Total Net Revenue*:	\$137,972,508	\$140,871,295	2.10%	\$2,898,787

*\$2 million is from revenue received from CBS Outdoor as a payment toward the electronic sign. All of this has been spent on the Gillman Playing Fields project and is not considered available new revenue.

Property Transfer Tax

The Property Transfer Tax represents a volatile property-based revenue. While the City benefited from a couple of very large commercial property sales in the first and third quarters of FY 2008, these additional revenues are offset by the downward trend of residential sales. For 10 months of the fiscal year (reflecting June 2007 through March 2008 sales), transfer tax revenues are down an average of 8.73 percent over the same period last year and total transactions are down an average of 17.85 percent. Even more disturbing, is the trend in recent months:

- January 2008 (12/2007 sales): Revenues = -45.22%; Transactions = -31.33%
- February 2008 (1/2008 sales): Revenues = -67.09%; Transactions = -43.86%
- March 2008 (2/2008 sales):* Revenues = +8.69%; Transactions = -28.33%
- April 2008 (3/2008 sales): Revenues = -50.13%; Transactions = -26.51%

*(Revenues up due to one-time commercial sale)

While staff is projecting that we will meet FY 2008 revenue projections, future revenues from the property transfer tax will most likely see a continued reduction.

Sales Tax & Use Tax +\$263,630

While sales tax revenues are flat, increased efforts by staff to maximize current our existing tax base are paying off. Approximately \$200,000 of this increase is the result of the City's and UC Berkeley's Use Tax Direct Pay Programs, which allow the City to receive the entire 1% local portion of the Use Tax, instead of .0643%.

Utility Users Tax (UUT) +480,735

This increase is primarily a result of (1) a \$385,331 in gas/electricity revenue, due to the sharp increase in energy commodity prices during FY 2008; (2) a \$160,737 increase in

wireless communications revenue; and (3) a \$64,099 in cable revenues. These increases were partially offset by the continued decline in landline telephone revenues.

Transient Occupancy Tax (TOT) +\$272,000

This increase is the result of double-digit growth rates for four of the nine largest hotels (due to many rooms being put back on the market after reconstruction efforts), and collections of delinquent amounts resulting from audits of the hotels.

Business License Tax (BLT) +\$1,643,312

This increase is the result of collecting approximately \$400,000 in delinquent accounts (one-time revenue), and dramatically improved collections due to correcting miscoded licenses discovered in FY 2007. Approximately \$500,000 will be received for miscoded business license revenue for FY 2007 (one-time revenue). Another \$750,000 results from the collection on these miscoded business licenses for FY 2008 (including \$200,000 in revenue growth). This \$750,000 will be recurring revenue.

The projected increase over the adopted budget amount is greater than the amount reported in the Second Quarter Update because (1) staff expected many companies to take advantage of a payment plan offered by the City for payment of the miscoded business licenses, but none did so, paying the full amount instead; and, (2) there was approximately \$200,000 in revenue growth in FY 2008 for the companies whose business license tax codes were miscoded.

Interest Income +\$400,000

Despite the 57.1% decrease in the Federal Funds Rate (i.e., short-term rates), from 5.25% on July 1, 2007 to 2.25% today, the total interest income earned during FY 2008 will be close to \$5.3 million. The primary reason for this is that the average interest rate earned during the first nine months of FY 2008 was 5.16% versus an average of 4.95% earned for the same period of FY 2007. This was achieved by locking in higher rates for a significant portion of the City's long-term portfolio, which offset the decline in short-term rates described above. While staff anticipated flat earnings in the Second Quarter Update, we are now projecting earnings \$400,000 above the Adopted Budget.

Ambulance Fees +\$235,440

This increase was primarily due to better billing and collection processes. Effective January 2008, the ambulance fee increased (as adopted by Council in November 2007), and should result in new revenue in FY 2008 of about \$200,000 and recurring new annual revenue of about \$400,000 effective FY 2009.

Parking Fines & Moving Violations -\$650,000

A decrease in citation activity has resulted in a reduction of these two revenues. A review of enforcement activity is under way to determine reasons for the decrease and identify needed corrections.

Other Revenue

While this category shows an increase of \$2.2 million, this includes \$2 million received by the City from CBS Outdoor as part of an agreement regarding the construction of an electronic billboard. These funds have been fully expended on the Gillman Sports Field project – so do not represent new, available revenue.

FY 2009 Community Agency Allocations by Service Type

	General Funds	Federal Funds	Other Funds	All Sources
Arts	\$307,294	\$0	\$0	\$307,294
Childcare	608,920	11,000	-	\$619,920
Community Media	213,210	-	17,500	\$230,710
Disability Programs	196,412	142,675	802,094	\$1,141,181
Economic Development	315,000	-	-	\$315,000
Employment Training	181,584	278,101	48,000	\$507,685
Health	386,579	15,000	84,000	\$485,579
Homeless	2,262,235	589,800	291,000	\$3,143,035
Housing Dev & Rehab	-	497,376	62,216	\$559,592
Legal/ Advocacy	79,311	35,544	414,000	\$528,855
Other	200,355	-	-	\$200,355
Recreation	84,872			\$84,872
Seniors	41,388	30,000	36,875	\$108,263
Youth	824,207	-	150,624	\$974,831
TOTAL	\$5,701,367	\$1,599,496	\$1,906,309	\$9,207,172

Funding by Category	FY 2008 All Sources	FY 2009 All Sources	% Change
Arts	\$332,800	\$307,294	-8%
Childcare	\$608,920	\$619,920	2%
Community Media	\$230,710	\$230,710	0%
Disability Programs	\$1,156,181	\$1,141,181	-1%
Economic Development	\$277,333	\$315,000	14%
Employment Training	\$507,685	\$507,685	0%
Health	\$504,927	\$485,579	-4%
Homeless	\$3,094,836	\$3,143,035	2%
Housing Dev & Rehab	\$567,090	\$559,592	-1%
Legal/ Advocacy	\$528,855	\$528,855	0%
Other	\$200,355	\$200,355	0%
Recreation	\$84,872	\$84,872	0%
Seniors	\$78,263	\$108,263	38%
Youth	\$1,015,831	\$974,831	-4%
	\$9,188,658	\$9,207,172	0%

FY 2009 Community Agency Allocations - All Funds

Agency/Individual Name	FY 2008 Allocations	FY 2009 Update	CDBG	CSBG	ESG	General Fund	Other Funds
Arts							
Berkeley Art Center	70,838	70,838				70,838	
Civic Arts Grants	261,962	236,456				236,456	
Arts Total	332,800	307,294	\$0	\$0	\$0	\$307,294	\$0
Childcare							
Ala Costa Center	33,084	33,084				33,084	
Bay Area Hispano Institute for Advancement	114,040	114,040				114,040	
BAHIA New Heating System		11,000	11,000				
Berkeley-Albany Licensed Day Care Operators	275,000	275,000				275,000	
Ephesians Children's Center - Childcare Program	93,830	93,830				93,830	
Nia House Learning Center	35,608	35,608				35,608	
St. John's Child Care	26,204	26,204				26,204	
Sick Child Care Program	31,154	31,154				31,154	
Childcare Total	608,920	619,920	11,000	-	-	608,920	-
Community Media							
Berkeley Community Media	230,710	230,710				213,210	17,500
Community Media Total	230,710	230,710	-	-	-	213,210	17,500
Disability Programs							
Bay Area Outreach and Recreation Program							
Fitness Access for People with Physical Disabilities	31,466	31,466				31,466	
Recreation, Transportation & Outreach to People with Disabilities	12,000	12,000				12,000	
Berkeley Place	17,660	17,660				17,660	
Bonita House							
Creative Living Center	9,966	9,966				9,966	
Shelter Plus Care Administration	3,500	3,500				3,500	
Supported Living	14,969	14,969				14,969	
BUILD	15,000	-				-	
Center for Accessible Technology	12,493	12,493				12,493	
Center for the Education of the Infant Deaf							
Center for Independent Living:							
Residential Access Project for Disabled	142,675	142,675	142,675				
Blind Services	25,034	25,034				25,034	
Employment	40,999	40,999				40,999	
Emergency Services for Severely Disabled	802,094	802,094					802,094
Transportation Program							
Ed Roberts Campus							
Through the Looking Glass	28,325	28,325				28,325	
Disability Programs Total	1,156,181	1,141,181	142,675	-	-	196,412	802,094
Economic Development							
Berkeley Convention and Visitors Bureau	277,333	315,000				315,000	
Economic Development Total	277,333	315,000	-	-	-	315,000	-
Employment Training							
Asians for Job Opportunities in the Bay Area	145,282	145,282	145,282				
Berkeley Adult School	25,000	25,000				25,000	
Bread Project	46,105	46,105				46,105	
Cypress Mandela/WIST Training	33,950	33,950				33,950	
Inter-City Services	132,819	132,819	132,819				
Multicultural Institute Employment and Training	76,529	76,529				76,529	
Rubicon Vocational Services	48,000	48,000					48,000
Employment Training Total	507,685	507,685	278,101	-	-	181,584	48,000
Health							
Alameda County Public Health Dental Contract	50,000	50,000				50,000	
Berkeley Free Clinic	43,000	43,000					43,000
Berkeley Public Education Foundation	16,000	16,000				6,000	10,000
Lifelong Medical Care:							
Berkeley Primary Care Access Clinic	43,385	43,385				43,385	
Dental Care Capital Improvement	34,348	15,000	15,000				
Elder Care/Over 60 Clinic	46,280	46,280				46,280	
Hypertension/Chronic Health Program	84,326	84,326				84,326	
Uninsured Medical Care	59,243	59,243				59,243	
West Berkeley Family Practice	45,345	45,345				45,345	
Needle Exchange Emergency Distribution	52,000	52,000				52,000	
Pacific Center for Human Growth - HIV Prevention	31,000	31,000					31,000
University Health Services							
Health Total	504,927	485,579	15,000	-	-	386,579	84,000
Homeless Services							
Alameda County Homeless Action Center							

FY 2009 Community Agency Allocations - All Funds

Agency/Individual Name	FY 2008 Allocations	FY 2009 Update	CDBG	CSBG	ESG	General Fund	Other Funds
SSI Advocacy Project	76,858	76,858				56,858	20,000
Alameda County Network of Mental Health Clients							
Berkeley Drop-In Center	91,217	77,534				77,534	
Shelter Plus Care Administration	3,000	3,000				3,000	
Berkeley Food & Housing Project							
1931 Center Street Men's Bathrooms	16,197	31,000	3,936		27,064		
BHA Section 8 Support	27,000	0					-
Case Management Center	10,300	10,300				10,300	
Men's Overnight Assistance Center	184,156	184,156	184,156				
Multi-Service Center	200,750	180,675				180,675	
North County Women's Center Improvements	28,538	17,450			17,450		
Quarter Meal	31,588	23,588				23,588	
Russell Street Supportive Housing Program	60,000	60,000				30,000	30,000
Shelter Plus Care Administration	24,006	24,006				24,006	
Third Party Client Assistance Administration	105,000	105,000				12,500	92,500
Winter Shelter	6,091	6,091				6,091	
Women's Shelter	118,509	118,509				118,509	
Housing Retention Program	166,123	166,123				166,123	
Building Opportunities for Self Sufficiency:							
Multi-Agency Service Center (MASC)	184,768	164,768		140,000		24,768	
MASC Health & Human Services Locker Program	41,500	41,500				41,500	
Contract							
Harrison House Singles/Recovery Services	115,678	104,110		33,556	10,126	60,428	
Harrison House Family Shelter and Sankofa	56,602	56,602				56,602	
Transitional House							
Harrison House Improvements	85,595	0					
Shelter Plus Care Administration	13,500	13,500				13,500	
City of Berkeley Project Connect	3,000	3,000				3,000	
City of Berkeley Continuum of Care	15,000	15,000				15,000	
City of Oakland - Winter Shelter Program	56,000	56,000				56,000	
Dorothy Day							
Berkeley Emergency Storm Shelter	17,000	17,000				17,000	
Trinity Church Breakfast	31,815	23,861				23,861	
Trinity Church Lease	9,930	19,860				19,860	
Eden Council for Hope and Opportunity:							
Senior Home Equity Conversion	5,150	5,150				5,150	
Family Violence Law Ctr - Family Violence & Homelessness Prev	56,225	56,225			43,176	13,049	
Fred Finch Youth Center:							
HYC, Housing Resources Counselor	90,900	90,900				90,900	
Lifelong Medical Care:							
Acupuncture Detox Clinic	92,131	80,000				80,000	
COACH Shelter Plus Care Social Worker	55,599	45,599				45,599	
Supportive Housing Program UA Homes	54,810	54,810				54,810	
Shelter Plus Care Administration	5,580	5,580				5,580	
Lutheran Church of the Cross							
YEAH - Youth Homeless Shelter	114,460	0					
Youth Emergency Assistance Hostel	114,460	114,460			32,561	81,899	
Transition Age Youth Services	95,000	95,000					95,000
New Bridge Foundation	97,850	97,850				97,850	
Options Recovery Services - Detox Services & Day Treatment							
Day Treatment Program	40,000	40,000				40,000	
Dual Diagnosis Clinic	120,000	20,000				20,000	
PEERS (Consumer Liaison/Peer Counseling)	20,000	20,000					20,000
Public Commons for Everyone Initiative Program - Agencies TBD		480,000				480,000	
Rubicon							
Workforce Services	37,142	37,142				37,142	
Work Maturity Training Program	58,000	58,000				58,000	
Shelter Plus Care Administration	3,250	3,250				3,250	
STEPS Supportive Housing	14,000	14,000				4,000	10,000
Toolworks, Inc. Supportive Housing	50,000	35,020				35,020	
United for Health	15,500	15,500				15,500	
Women's Daytime Drop-In Center:							
Health Services	41,165	41,165	24,583			16,582	
Housing Case Management	73,192	73,192	73,192				
HIV Prevention Workshops and Outreach	23,500	23,500					23,500
Transitional House Case Management	25,750	25,750				25,750	

FY 2009 Community Agency Allocations - All Funds

Agency/Individual Name	FY 2008 Allocations	FY 2009 Update	CDBG	CSBG	ESG	General Fund	Other Funds
Shelter Plus Care Administration	6,212	6,212				6,212	
Winter Shelter Program	5,239	5,239				5,239	
Homeless Services Total	3,094,836	3,143,035	285,867	173,556	130,377	2,262,235	291,000
Housing Development & Rehabilitation							
Affordable Housing Associates							
CHDO General Operating Support	5,409	60,000					60,000
Expanded Housing Acquisition & Renovation of Family Housing	63,340	-					
Community Energy Services Corporation	319,199	319,199	319,199				
Rebuilding Together - Safe Home Project	88,393	88,393	88,393				
Rebuilding Together - Community Facilities	22,000	22,000	22,000				
Resources for Community Development							
CHDO Operating for Asset Management	58,749	2,216					2,216
Rehab of Erna P. Harris Apartments		57,784	57,784				
Social Services & Special Needs Housing	10,000	10,000	10,000				
Housing Development & Rehabilitation Total	567,090	559,592	497,376	-	-	-	62,216
Legal/Advocacy							
East Bay Community Law Center Criminal Records Clean Slate	10,000	10,000				10,000	
East Bay Community Law Center Housing Advocacy	20,000	20,000				20,000	
East Bay Community Law Center Legal Access Service Site	14,243	14,243				14,243	
East Bay Community Law Center - Rent Board	99,000	99,000					99,000
Eviction Defense Center - Rent Board	93,000	93,000					93,000
Family Violence Law Ctr - Domestic Violence Advocacy Project	35,068	35,068				35,068	
Housing Rights - Fair Housing	35,544	35,544	35,544				
Housing Rights - Rent Board	12,000	12,000					12,000
Rent Stabilization Board (allocations to be determined)	210,000	210,000					210,000
Legal/Advocacy Total	528,855	528,855	35,544	-	-	79,311	414,000
Other							
Animal Rescue	24,978	24,978				24,978	
Berkeley Alliance	61,800	61,800				61,800	
East Bay Community Mediation	77,250	77,250				77,250	
Community Gardening Collaborative	10,300	10,300				10,300	
McGee Avenue Baptist Church	17,490	17,490				17,490	
South Berkeley Community Church - Nutrition Program	8,537	8,537				8,537	
Other Total	200,355	200,355	-	-	-	200,355	-
Recreation							
Athletes United for Peace							
Berkeley Latenight Basketball Program	64,890	64,890				64,890	
Ephesians Children's Center - Greg Brown Park Supervision	19,982	19,982				19,982	
Recreation Total	84,872	84,872	-	-	-	84,872	-
Seniors							
Alzheimers Services of the East Bay							
Dementia Specific Services	20,000	20,000				20,000	
Kitchen Renovation		30,000	30,000				
Berkeley/Richmond Jewish Community	8,100	8,100					8,100
City of Oakland - Life Enrichment Agency (Senior Companion)	14,825	14,825					14,825
Japanese American Services of the East Bay							
Senior Services	21,388	21,388				21,388	
Japanese Senior Meals	13,950	13,950					13,950
New Light Senior Citizens, Inc.							
Seniors Total	78,263	108,263	30,000	-	-	41,388	36,875
Youth							
A Better Way -Exterior Building Improvements		116,750	116,750				
Bay Area Community Resources							
Malcolm X School Counseling	18,800	18,800				18,800	
Americorp Health Education	33,000	33,000				22,000	11,000
Berkeley Boosters:							
Police Activities League Youth Development	132,409	129,409				129,409	
Berkeley Youth Alternatives:							
Afterschool Program	29,355	29,355				29,355	
Counseling	18,767	18,767				18,767	

FY 2009 Community Agency Allocations - All Funds

Agency/Individual Name	FY 2008 Allocations	FY 2009 Update	CDBG	CSBG	ESG	General Fund	Other Funds
Parks - Youth Employment	58,794	58,794				58,794	
East Bay Asian Youth Center	250,000	250,000				250,000	
Fred Finch Intensive Support Services to Youth	139,624	139,624					139,624
Multicultural Institute Youth Mentoring	37,080	37,080				37,080	
Pacific Center for Human Growth - Safer Schools Project	24,881	24,881				24,881	
Regents of UCB/CalCorps Public Service Center	38,760	38,760				38,760	
Regents of UCB/Break the Cycle	93,911	93,911				93,911	
Rosa Parks Collaborative - Family Resource Center	49,440	49,440				49,440	
South Berkeley Community Church - Children's Art and Dinner Prog.	7,000	7,000				7,000	
South Berkeley YMCA Learning Academy Stiles Hall	28,510	28,510				28,510	
Waterside Workshop (formerly Tinkers)							
Boat Building	7,500	7,500				7,500	
Community Bike Clinic	10,000	10,000				10,000	
Interior Renovations	13,000	0					
YaYa California	25,000	0					
Youth Total	1,015,831	974,831	-	-	-	824,207	150,624
TOTAL COMMUNITY AGENCY ALLOCATIONS	9,188,658	9,207,172	1,295,563	173,556	130,377	5,701,367	1,906,309

o Community Development Block Grant (CDBG)/Emergency Shelter Grant (ESG)

o Anti-Poverty General Fund (GF)/Community Services Block Grant (CSBG)

o Homeless General Fund/Other General Funds/ Other Funds



Office of the City Manager

ATTACHMENT 2

ACTION CALENDAR

June 24, 2008

To: Honorable Mayor and
Members of the City Council

From: Phil Kamlarz, City Manager

Submitted by: Tracy Vesely, Budget Manager

Subject: FY 2009 Annual Appropriations Ordinance

RECOMMENDATION

Adopt first reading of an Ordinance adopting the FY 2009 Annual Appropriations Ordinance (AAO) in the amount of \$372,477,644 (gross appropriations) and \$320,953,621 (net appropriations).

FISCAL IMPACTS OF RECOMMENDATION

The FY 2009 Annual Appropriations Ordinance authorizes gross appropriations of \$372,477,644 and net appropriations of \$320,953,621. The General Fund (010) totals \$145,851,244 and the balance of \$226,626,400 represents the other non-discretionary funds.

BACKGROUND

The City Charter states that at the time of budget adoption that the Council passes an annual appropriations ordinance, which shall be based upon the budget submitted by the City Manager and as amended by the City Council. The AAO establishes the expenditure limits by fund for FY 2009. Exhibit A provides a Fund-by-Fund summary of these limits for FY 2009.

RATIONALE FOR RECOMMENDATION

The recommendation allows the City to set the adopted funding limits for FY 2009.

CONTACT PERSONS

Tracy Vesely, Budget Manager, City Manager's Office, 981-7000
Rama Murty, Senior Management Analyst, City Manager's Office 981-7044

Attachments:

- 1: Ordinance to Amend Annual Appropriation Ordinance
Exhibit A: Annual Appropriation Ordinance Summary of Appropriations by Fund

ORDINANCE NO. -N.S.

ADOPTING THE ANNUAL APPROPRIATIONS ORDINANCE BASED ON THE ADOPTED BUDGET FOR FISCAL YEAR 2009 AS PROPOSED BY THE CITY MANAGER AND AMENDED BY THE CITY

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

Section 1. That the Annual Appropriations Ordinance based on the budget for FY 2009 submitted by the City Manager and passed by the City Council be adopted as follows:

A. General Fund (001-599, with exceptions shown in B. and C. below)

Total General Fund 176,895,125

B. Special Funds

1. Library Fund (301)	14,040,999
2. Rent Stabilization & Eviction for Good Cause Fund (440)	3,327,980
3. Special Gas Tax Street Improvement Fund (361-366)	1,955,607
4. Playground Camp Fund (330)	2,068,168
5. Community Development Block Grant Fund (CDBG) (370)	3,678,716
6. Community Action Program Fund (351-356)	331,520
7. Business Economic Development Fund (480)	55,040
8. State Prop. 172 Public Safety Fund (367)	820,152
9. Citywide Revolving Loan Fund (481)	100,000

C. Assessment District Funds (450-479)

1. Parks Tax	8,493,384
2. Street Lighting Assessment District Fund (470)	42,500
3. Downtown Business Improvement District (476)	250,000
4. Telegraph Avenue Business Improvement District (477)	263,000

D. Capital Improvement Funds (600-699)

1. Capital Improvement Fund (600-699, exceptions below)	14,316,866
2. Park Acquisition, Development and Renovation Fund (660)	3,000
3. 00-Mello-Roos-Fire Equipment (656)	245,010

E. Debt Service Fund (700-799)

Total Debt Service Fund 9,353,346

F. Enterprise Funds (800-849)

1. Berkeley Housing Authority (801-806)	28,733,990
2. Refuse Collection and Disposal Fund (820)	31,187,884
3. Marina Operation and Maintenance Fund (825)	5,267,279
4. Sanitary Sewer Fund (830)	15,935,031
5. Clean Stormwater Fund (831)	2,797,090
6. Private Sewer Lateral FD (832)	145,967
7. Off-Street Parking Fund (835)	2,908,075
8. Parking Meter Fund (840)	4,766,550
9. Permit Service Center Fund (833)	9,878,586
10. Unified Program (CUPA) (845)	683,203
11. Building Purchases & Management (850)	3,024,223

G. Internal Service Funds (488,850-899)

1. Employee Training Fund	449,443
2. Equipment Replacement Fund (860)	3,241,066
3. Equipment Maintenance Fund (865)	6,636,709
4. Central Services Fund (870)	3,687,340
6. Building Maintenance Fund (866)	738,664
7. Workers' Compensation Self-Insurance Fund (875)	5,657,423
8. Public Liability Fund (881)	1,797,196
9. Computer Replacement (873)	383,000

H. Fiduciary Funds (900-999)

1. Vital Health & Statistics Trust Fund	33,000
2. Tobacco Control Trust Fund (959)	177,567
3. Health State Aid Realignment Fund (958)	4,772,520
4. Mental Health State Aid Realignment Fund (960)	2,807,544
5. City Opt. Public Safety Trust	165,302
6. Alameda County Abandoned Vehicle Abatement (964)	108,672
7. Bioterrorism Grant	253,907

I. Total

Total General Fund	176,895,125
Add: Total Other Than General Fund	195,582,519
Gross Revenue Appropriated	372,477,644
Less: Dual Appropriation	-28,933,182
Less: Revolving/Internal Service Funds	-22,590,841
Net Revenue Appropriated	320,953,621

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

- a. From the General Fund to the Paramedic Tax Fund, Streetlight Assessment Fund, Capital Improvement Fund, Debt Service Fund, Public Liability Fund, Catastrophic Loss Fund, Safety Members Pension Fund, Health State Aid Realignment Fund, Senior Nutrition Title III Fund, Rental Housing Safety Program Fund.
- b. To the General Fund from the Climate Protection Campaign Fund, Community Development Block Grant Fund; Street Lighting Assessment District Fund; Underground Districts Fund; Park Acquisition Fund; Bay Area Air Quality Management District Fund; West Berkeley Improvement Fund; Refuse Collection and Disposal Fund; Marina Operations and Maintenance Fund; Sanitary Sewer Operation, Fund; Clean Storm Water Fund; Permit Service Center Fund; Unified Program (CUPA); and Equipment Maintenance Fund.
- c. To the First Source Fund from the Parks Tax Fund; Capital Improvement Fund; Marina Fund; Sewer Fund; Clean Storm Water Fund.
- d. To Health (Short/Doyle) Fund from Mental Health State Aide Realignment Fund.
- e. To the Employee Training Fund via the Payroll Deduction Trust Fund from General Fund; Special Tax for Severely Disabled Measure E Fund; First Source Fund; HUD Fund; ESGP Fund; Health (General) Fund; Target Case Mgmt./Linkages Fund; Alameda County Tay Tip Fund; AUSD Mental Health F.Y.C. Fund; Mental Health Service Act Fund; Health (Short/Doyle) Fund; EPSDT Expansion Proposal Fund; CA Mental Health Fund AB2034 Fund; Sr. Nutrition (Title III) Fund; C.F.P. Title X Fund; Berkeley Unified School District Grant Fund; Vector Control Fund; Paramedic Assessment District Fund; Health (Private Grants) Fund; Health (General) Fund; Senior Supportive Social Services Fund; Family Care Support Program Fund; California Integrated Waste Management Fund; UC Berkeley SYEP Fund; UCSF Project Older Adults Fund; Regional Ctr. East Bay Reimbursement Fund; Alameda County Children Family Commission; Domestic Violence Prevention – Vital Statistics Fund; Inclusionary Housing Program Fund; Library Fund; Playground Camp Fund; Community Action Program Fund; ECIP Fund; DOE Weatherization Fund; LIHEAP Fund; State 2106 Fund; State – 2107 Fund; State – Prop 111 Fund; State _ Prop 172 Public Safety Fund; Traffic Congestion Relief Fund; CDBG Fund; Waste Tire Enforcement Fund; Rental Housing Safety Program; Measure B Local State & Road Fund; Measure B Bike & Pedestrian Fund; Measure B Paratransit Fund; CA O.T.S. Grant Fund; Rent Stabilization Board Fund; Parks Tax Fund; Street Lighting Assessment District Fund; Employee Training Fund; UC Settlement Fund; Capital Improvement Fund; MTC Fund; Private Party Sidewalks Fund; CFD#1 District Fire Protect Bond Fund; Public Art Fund; West Berkeley Improvement Fund; Special Tax Bds CFD#1 ML-ROOS Fund; BHA Section 8 Voucher Fund; BHA Section 8 Mod Rehab Fund; BHA Public Housing LIPH Fund; BHA Public Housing RHCP Fund; Shelter+Care HUD Fund; BHA Shelter+Care County Fund; Refuse Collection and Disposal Fund; Marina Operation and Maintenance Fund; Sanitary Sewer Operation, Maintenance & Replacement Fund; Clean Storm Water Fund; Permit Service Center Fund; Off-Street Parking Operation and Maintenance Fund; Parking Meter Fund; Unified Program (CUPA) Fund; Building Purchases & Management Fund; Equipment Replacement Fund;

Equipment Maintenance Fund; Building Maintenance Fund; Central Services Fund; Workers' Compensation Fund; Public Liability Fund; Health State Aid Realignment Trust Fund; Tobacco Control Trust Fund; City Opt Public Safety Trust Fund; Alameda Abandoned Vehicle Abatement Authority; and Bio-Terrorism Grant Fund.

- f. To 99 Lease Revenue Bonds BJPFA Debt Service Fund from Capital Improvement Fund.
- g. To West Berkeley Improvement Fund from BRA Debt Service Fund.
- h. To Low & Mod Income Project Fund from BRA Debt Service Fund.
- i. To the Public Art Fund from the Parks Tax Fund; Capital Improvement Fund; and Marina Fund.
- j. To Equipment Replacement Fund from General Fund; Health (Short/Doyle) Fund; Senior Nutrition (Title III) Fund; Vector Control Fund; Paramedic Assessment District Fund; State 2106 Fund; State – 2107 Fund; State – Prop 111 Fund; Rental Housing Safety Program Fund; Measure B Local Street & Road Fund; Parks Tax Fund; Street Light Assessment District Fund; Refuse Collection Disposal Fund; Marina Operations/Maintenance Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Permit Service Center Fund; Parking Meter Fund; Unified Program (CUPA) Fund; Equipment Maintenance Fund; Building Maintenance Fund; and Central Services Fund.
- k. To the Equipment Maintenance Fund from the General Fund; Health (Short/Doyle) Fund; Senior Nutrition (Title III) Fund; Vector Control Fund; Paramedic Assessment District Fund; State 2106 Fund; State – 2107 Fund; State – Prop 111 Fund; Rental Housing Safety Program Fund; Measure B Local Street & Road Fund; Parks Tax Fund; Street Light Assessment District Fund; Refuse Collection Disposal Fund; Marina Operations/Maintenance Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Permit Service Center Fund; Parking Meter Fund; Unified Program (CUPA) Fund; Equipment Maintenance Fund; Building Maintenance Fund; and Central Services Fund.
- l. To the Building Maintenance Fund from the General Fund; Health (General) Fund; Health (Short/Doyle) Fund; Playground Camp Fund; Measure B Local Street & Road Fund; Parks Tax Fund; Street Light Assessment District Fund; BHA Section 8 Voucher Fund; BHA Section 8 Mod Rehab Fund; BHA Public Housing LIPH Fund; Refuse Collection Disposal Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Permit Service Center Fund; Off Street Parking Fund; Parking Meter Fund; Equipment Maintenance Fund; Building Maintenance Fund; and Public Liability Fund.
- m. To the Building Purchases and Management Fund from Health (General) Fund; Health (Short/Doyle) Fund; Measure B Local Streets & Road Fund; Parks Tax Fund;

Employee Training Fund; Refuse Collection Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Off Street Parking Fund; Parking Meter Fund; Building Purchases & Management Fund; Building Maintenance Fund; Central Services Fund; Public Liability Fund; and Health State Aide Realignment Trust Fund.

- n. To the Central Services Fund from the General Fund; Health (General) Fund;; Health (Short/Doyle) Fund; Animal Shelter Fund; Vector Control Fund; Domestic Violence Prevention – Vital Statistics Fund; San Mateo County 4 RWJ Foundation Fund; Playground Camp Fund; Library Fund; CDBG Fund; Rental Housing Safety Program; Measure B Local State & Road Fund; Measure B Paratransit Fund; Rent Stabilization Board Fund; Parks Tax Fund; Street Lighting Assessment District Fund; Employee Training Fund; West Berkeley Improvement Fund; BHA Section 8 Voucher Fund; BHA Section 8 Mod Rehab Fund; BHA Public Housing LIPH Fund; BHA Public Housing RHCP Fund; BHA Shelter+Care HUD Fund; BHA Shelter+Care County Fund; Refuse Collection and Disposal Fund; Marina Operation and Maintenance Fund; Sanitary Sewer Operation, Maintenance & Replacement Fund; Clean Storm Water Fund; Permit Service Center Fund; Off-Street Parking Operation and Maintenance Fund; Parking Meter Fund; Unified Program (CUPA) Fund; Building Purchases & Management Fund; Equipment Replacement Fund; Equipment Maintenance Fund; Building Maintenance Fund Central Services Fund; Public Liability Fund; and Alameda Abandoned Vehicle Abatement Authority.
- o. To Computer and Server Replacement Fund from General Fund; Health (General); Health (Short/Doyle); Playground Camp Fund; CDBG Fund; Rent Stabilization Board Fund; Parks Tax Fund; Employee Training Fund; West Berkeley Improvement Fund; Refuse Collection and Disposal Fund; Marina Operation and Maintenance Fund; Sanitary Sewer Operation, Maintenance & Replacement Fund; Clean Storm Water Fund; Permit Service Center Fund; Off-Street Parking Operation and Maintenance Fund; Parking Meter Fund; Unified Program (CUPA) Fund; and Health State Aide Realignment Trust Fund.
- p. To the Workers' Compensation Self-Insurance Fund from General Fund; Special Tax for Severely Disabled Measure E Fund; First Source Fund; HUD Fund; ESGP Fund; Health (General) Fund; Target Case Mgmt./Linkages Fund; Alameda County Tay Tip Fund; AUSD Mental Health F.Y.C. Fund; Mental Health Service Act Fund; Health (Short/Doyle) Fund; EPSDT Expansion Proposal Fund; CA Mental Health Fund AB2034 Fund; Sr. Nutrition (Title III) Fund; C.F.P. Title X Fund; Berkeley Unified School District Grant Fund; Vector Control Fund; Paramedic Assessment District Fund; Health (Private Grants) Fund; Health (General) Fund; Senior Supportive Social Services Fund; Family Care Support Program Fund; California Integrated Waste Management Fund; UC Berkeley SYEP Fund; UCSF Project Older Adults Fund; Regional Ctr. East Bay Reimbursement Fund; Alameda County Children Family Commission; Domestic Violence Prevention – Vital Statistics Fund; Inclusionary Housing Program Fund; Library Fund; Playground Camp Fund; Community Action Program Fund; ECIP Fund; DOE Weatherization Fund; LIHEAP

Fund; State 2106 Fund; State – 2107 Fund; State – Prop 111 Fund; State _ Prop 172 Public Safety Fund; Traffic Congestion Relief Fund; CDBG Fund; Waste Tire Enforcement Fund; Rental Housing Safety Program; Measure B Local State & Road Fund; Measure B Bike & Pedestrian Fund; Measure B Paratransit Fund; CA O.T.S. Grant Fund; Rent Stabilization Board Fund; Parks Tax Fund; Street Lighting Assessment District Fund; Employee Training Fund; UC Settlement Fund; Capital Improvement Fund; MTC Fund; Private Party Sidewalks Fund; CFD#1 District Fire Protect Bond Fund; Public Art Fund; West Berkeley Improvement Fund; Special Tax Bds CFD#1 ML-ROOS Fund; BHA Section 8 Voucher Fund; BHA Section 8 Mod Rehab Fund; BHA Public Housing LIPH Fund; BHA Public Housing RHCP Fund; Shelter+Care HUD Fund; BHA Shelter+Care County Fund; Refuse Collection and Disposal Fund; Marina Operation and Maintenance Fund; Sanitary Sewer Operation, Maintenance & Replacement Fund; Clean Storm Water Fund; Permit Service Center Fund; Off-Street Parking Operation and Maintenance Fund; Parking Meter Fund; Unified Program (CUPA) Fund; Building Purchases & Management Fund; Equipment Replacement Fund; Equipment Maintenance Fund; Building Maintenance Fund; Central Services Fund; Workers' Compensation Fund; Public Liability Fund; Health State Aid Realignment Trust Fund; Tobacco Control Trust Fund; City Opt Public Safety Trust Fund; Alameda Abandoned Vehicle Abatement Authority; and Bio-Terrorism Grant Fund.

- q. To the Sick Leave and Vacation Leave Accrual Fund via the Payroll Deduction Trust Fund from General Fund; Special Tax for Severely Disabled Measure E Fund; First Source Fund; HUD Fund; ESGP Fund; Health (General) Fund; Target Case Mgmt./Linkages Fund; Alameda County Tay Tip Fund; AUSD Mental Health F.Y.C. Fund; Mental Health Service Act Fund; Health (Short/Doyle) Fund; EPSDT Expansion Proposal Fund; CA Mental Health Fund AB2034 Fund; Sr. Nutrition (Title III) Fund; C.F.P. Title X Fund; Berkeley Unified School District Grant Fund; Vector Control Fund; Paramedic Assessment District Fund; Health (Private Grants) Fund; Health (General) Fund; Senior Supportive Social Services Fund; Family Care Support Program Fund; California Integrated Waste Management Fund; UC Berkeley SYEP Fund; UCSF Project Older Adults Fund; Regional Ctr. East Bay Reimbursement Fund; Alameda County Children Family Commission; Domestic Violence Prevention – Vital Statistics Fund; Inclusionary Housing Program Fund; Library Fund; Playground Camp Fund; Community Action Program Fund; ECIP Fund; DOE Weatherization Fund; LIHEAP Fund; State 2106 Fund; State – 2107 Fund; State – Prop 111 Fund; State _ Prop 172 Public Safety Fund; Traffic Congestion Relief Fund; CDBG Fund; Waste Tire Enforcement Fund; Rental Housing Safety Program; Measure B Local State & Road Fund; Measure B Bike & Pedestrian Fund; Measure B Paratransit Fund; CA O.T.S. Grant Fund; Rent Stabilization Board Fund; Parks Tax Fund; Street Lighting Assessment District Fund; Employee Training Fund; UC Settlement Fund; Capital Improvement Fund; MTC Fund; Private Party Sidewalks Fund; CFD#1 District Fire Protect Bond Fund; Public Art Fund; West Berkeley Improvement Fund; Special Tax Bds CFD#1 ML-ROOS Fund; BHA Section 8 Voucher Fund; BHA Section 8 Mod Rehab Fund; BHA Public Housing LIPH Fund; BHA Public Housing RHCP Fund; Shelter+Care HUD

Fund; BHA Shelter+Care County Fund; Refuse Collection and Disposal Fund; Marina Operation and Maintenance Fund; Sanitary Sewer Operation, Maintenance & Replacement Fund; Clean Storm Water Fund; Permit Service Center Fund; Off-Street Parking Operation and Maintenance Fund; Parking Meter Fund; Unified Program (CUPA) Fund; Building Purchases & Management Fund; Equipment Replacement Fund; Equipment Maintenance Fund; Building Maintenance Fund; Central Services Fund; Workers' Compensation Fund; Public Liability Fund; Health State Aid Realignment Trust Fund; Tobacco Control Trust Fund; City Opt Public Safety Trust Fund; Alameda Abandoned Vehicle Abatement Authority; and Bio-Terrorism Grant Fund.

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

Attachment for Annual Appropriations Ordinance Amendment No.2 - Fiscal Year 2008

REVOLVING FUNDS/INTERNAL SERVICE FUNDS

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

Employee Training Fund	449,443
Equipment Replacement Fund	3,241,066
Equipment Maintenance Fund	6,636,709
Building Maintenance Fund	3,687,340
Central Services Fund	738,664
Computer Replacement Fund	383,000
Workers' Compensation Fund	5,657,423
Public Liability	1,797,196
<hr/>	<hr/>
Subtotal Revolving/Internal Service Funds	\$ 22,590,841

DUAL APPROPRIATIONS - WORKING BUDGET

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

Transfers to the General Fund	
<u>Indirect Cost Reimbursement</u>	
Climate Protection Campaign	8,476

CDBG Fund	179,903
Street Light Assessment District Fund	132,105
Bay Area Air Quality Management	7,427
Berkeley Redevelopment Agency Fund	40,614
Refuse Collection Fund	2,173,334
Marina Enterprise Fund	329,622
Sanitary Sewer Fund	1,038,847
Clean Storm Water Fund	261,513
Permit Service Center Fund	979,886
Unified Program (CUPA) Fund	71,377
<u>Other Transfers</u>	
Underground Districts Funds	42,500
Park Acquisition Fund	3,000
Transfer from Equipment Maintenance Fund to General Fund	22,497
Mental Health State Aid Realignment Fund	2,807,544
Subtotal Transfers to General Fund:	\$ 8,090,169
Transfer to Paramedic Tax Fund from General Fund	700,000
Transfer to Street Light Assessment District from General Fund	516,000
Transfer to Capital Improvement Fund (CIP) from General Fund	8,000,000
Transfer to the Debt Service Fund from General Fund	756,938
Transfer to the Public Liability Fund from General Fund	1,853,476
Transfer to Catastrophic Loss Fund from General Fund	500,000
Transfer to Health State Aid Realignment from General Fund	1,953,018
Transfer to Safety Members Pension Fund from General Fund	1,080,542
Transfer to Senior Nutrition Title III Fund	100,000
Transfer to Rental Housing Safety Program Fund	75,000
Transfer from Health State Aid Realignment to General Fund	2,604,024
Transfer from Low & Mod. Income Fund	309,939
to Berkeley Redevelopment Agency (BRA) Debt Service Fund	
Transfer from the BRA Debt Service to Low & Mod Income Fund	275,333
Transfer from the BRA Debt Service to W. Berkeley Imprvmnt. Fund	291,790
Transfer from Savo Island Debt Service to Low/Mod Income Housing	29,000
Transfer from CIP Fund to 99 Lease Revenue Bonds BJPFA Fund	650,000
Transfer from Parking Meter Fund to General Fund	1,000,000
Transfer to First Source Fund from Parks Tax Fund	1,125
Transfer to First Source Fund from Capital Improvement Fund	54,793
Transfer to First Source Fund from Marina Fund	3,263
Transfer to Public Art Fund from Parks Tax Fund	1,688
Transfer to Public Art Fund from Capital Improvement Fund	82,190
Transfer to Public Art Fund from Marina Fund	4,894

Subtotal Transfers to Other Funds:	20,843,013
Sub-Total Dual Appropriations	\$ 28,933,182
Grand Total Dual Appropriations	\$ 51,524,023

SUMMARY OF APPROPRIATIONS BY FUND

Fund	FY 2009 Adopted
10 General Fund Discretionary	145,851,244
14 Asset Forfeiture	200,000
17 OTS DUI Enforcement Education Prg.	29,009
18 Special Tax Measure E	871,213
23 First Source Fund	45,305
40 HUD/Home	1,256,949
45 ESGP	143,800
48 Sec 108 Loan Gty Asst.	216,018
55 Health-General	5,348,225
56 Target Case Management Linkages	476,532
61 Alameda Cty Tap Tip	220,271
62 AUSD Mental Health F.Y.C.	63,414
63 Mental Health Service Act	1,198,981
65 Health (Short/Doyle)	6,367,715
66 EPSDT Expansion Proposal	170,383
69 CA Mental Hlth Fd AB 2034	297,000
72 Alcoholic Bev Ctr OTS/UC	82,806
80 Youth Lunch	86,000
85 Sr. Nut. Title III	154,022
86 CFP Title X	178,072
130 Commodity Food In Lieu	5,940
134 BUSD Grant	120,404
139 Animal Shelter	42,000
150 Vector Control	291,229
160 Paramedic Assess.	3,145,543
164 Health Private Grants	87,876
165 Health/General	725,391
175 Senior Supportive Social Services	39,385
178 Family Care Support Program	28,881
181 CA Integrated Waste Management	82,883
195 UC Berkeley-SYEP	205,504
196 UCSF Proj Older Adults	217,417
226 Reg. Ctr. E. Bay Reimb. FD	67,472
228 Alameda Cty Children Family Commission	276,033
231 Domestic Violence Prev - Vit Stat	20,007
252 Climate Proection Campaign	115,000
254 Inclusionary Housing Pgm	34,246
301 Library	14,040,999
302 Direct Loan/Inter - Library Loan	10,000
305 Library Finance Act (SB 358)	61,000
306 Library Gift Fund	84,259
330 Playground Camp	2,068,168
340 CALHOME Program	236,649
352 ECIP	114,421

SUMMARY OF APPROPRIATIONS BY FUND

Fund	FY 2009 Adopted
353 DOE Weatherization	27,795
354 LIHEAP	189,304
355 PG&E	7,200
362 State - 2106	451,357
363 State - 2107	857,509
366 Prop. 111	646,741
367 State-Prop 172 Pub.Safety	820,152
368 Traffic Congestion Relief	1,025,303
370 CDBG	3,678,716
371 Waste Tire Enforcement	176,090
375 Rental Housing Safety Program	807,857
391 Measure B Local St & Road	2,251,733
392 Measure B - Bike and Pedestrian	385,241
393 Measure B Paratransit	183,478
405 Calif OTS Grant	475,156
440 Rent Board	3,327,980
450 Parks Tax	8,493,384
470 Street Lighting	2,051,065
475 Undergrounding/Fire	42,500
476 Downtown B.I.Dist.	250,000
477 Telegraph Avenue Bus. Imp. District	263,000
478 North Shattuck BID	164,000
480 Berkeley Bus Ec Dev	55,040
481 Citywide Revolving Loan Fund	100,000
482 Employee Computer Loan	43,000
485 Bayer (Miles Lab)	5,952
488 Employee Training	449,443
489 UC Settlement	164,972
610 Capital Improvement Fund	8,016,188
613 Bay Area Air Quality Mngt.	364,234
614 Metro Transp. Comm. (MTC)	249,664
615 Intermodal Ser. Tran. Eff. Act	630,000
628 Dept. of Boating & Waterway	50,000
642 Private Party Sidewalks	304,692
645 Alameda Cty Waste Mgt.	450,000
646 Alameda Cty Recyl'g Brd	75,000
647 State Dept Conserv/Recylg	28,000
656 00 Mello-Roos-Fire Equipment	245,010
657 Public Art Fund	125,096
660 Park Acquisition	3,000
661 West Berk Improvement Fund	2,003,534
662 Low & Mod Income Project	309,939
677 Proposition 1B Local Streets & Roads	1,710,519
710 Debt Service Fund	756,938

SUMMARY OF APPROPRIATIONS BY FUND

Fund	FY 2009 Adopted
715 West Berk Improvement Fund	1,789,526
716 Savo Island Project	87,240
718 G.O. Refinanced Bonds 2007 Series B	3,414,593
720 99 Lease Revenue Bonds BJPFA	640,393
721 Spl Tax Bds. CFD#1	772,208
722 Thousand Oaks Underground	98,810
723 2002 G.O. Refunding Bonds	1,454,070
725 G.O. Refinanced Bonds 2007 Series A	339,568
801 BHA Section 8 Voucher	25,014,612
802 BHA Section 8 Mod Rehab	587,431
803 BHA Public Housing LIPH	505,767
804 BHA Public Housing RHCP	95,470
805 BHA Shelter+Care HUD	2,172,181
806 BHA Shelter+Care County	358,529
820 Refuse	31,187,884
825 Marina Operation	5,267,279
830 Sewer	15,935,031
831 Clean Storm Water	2,797,090
832 Private Sewer Lateral FD	145,967
833 Permit Service Center	9,878,586
835 Off Street Parking	2,908,075
840 Parking Meter	4,766,550
845 Unified Program (CUPA)	683,203
850 Building Purchases and Management	3,024,223
860 Equipment Replacement	3,241,066
865 Equipment Maintenance	6,636,709
866 Building Maintenance Fund	3,687,340
870 Central Services	738,664
873 Computer Replacement Fund	383,000
875 Workers Compensation	5,657,423
881 Public Liability	1,797,196
922 Vital & Health Statistics Trust Fund	33,000
958 Hlth State Aid Realign Trust	4,772,520
959 Tobacco Cont.Trust	177,567
960 Mental Health State Aid Realign	2,807,544
961 Cty Opt. Pub Safety Trust	165,302
964 Alameda Cty Abandoned Vehicle Abatemen	108,672
967 Bioterrorism Grant	253,907
GROSS EXPENDITURE:	372,477,644
LESS Dual Appropriations	(28,933,182)
Revolving & Internal Service Funds	(22,590,841)
NET EXPENDITURE:	320,953,621

Health and Human Services

Overview of Impacts of Potential State and County Reductions to HHS Programs

6/10/2008

This is a preliminary overview of programs and services impacts based on very preliminary information from some (but not all) of our State and local funders. This data will be updated as better information becomes available.

Division	Program Budget	Potential Reduction	Notes
Mental Health			
No FTE impact - further analysis is needed on the potential reduction of support to youth programs	\$430,000	\$43,000	EPSDT (Early Periodic Screening, Diagnosis and Treatment) is a source of funding for the Family Youth and Children (FYC) Program. Significant payment delay from State to City (via Alameda County) of portion of outstanding EPSDT Revenues. State has notified that a 2.5% reduction will apply for the balance fy 2008 at which point a 10% reduction is proposed.
No FTE impact - further analysis is needed on the potential impacts to client services	\$1,542,711	\$77,136	Proposed reduction to the Medi-Cal (Short / Doyle) Statewide Maximum Allowance (SMA) estimated at \$60,000 annually. No immediate program impact, but if a permanent reduction in the SMA is enacted, this will place a ceiling on revenue generation.
<i>unknown - needs more analysis</i>	\$1,267,500	\$65,000	Collateral reductions to Mental Health MediCal Administrative Activity (MAA) revenues.
No FTE impact - reduction in the hours of support to the Early Childhood Services school sites in FY 09	\$30,000	\$30,000	Berkely / Albany YMCA Headstart Contract will be eliminated for FY 09 if their state funding is cut. No staff currently budgeted to this funding source in FY 09.
	\$3,270,211	\$215,136	Subtotal, Mental Health
Aging Services			
No FTE impact (cost-shift to TCM)	\$51,252	\$4,105	Alameda County has advised us of a <u>10% cut</u> in funding for the Information and Assistance Grant . This grant is funding by County General Funds. Minimal impact on services; potential cost-shift to TCM for eligible activities.
No FTE impact (cost-shift to TCM)	\$33,693	\$3,059	Alameda County has advised us of a <u>10% cut</u> in funding for the Senior Supportive Services Grant . This is federal funding.
No FTE impact. Fund carrying a reserve.	\$449,035	\$44,904	We are assuming a <u>10% reduction</u> in total Targeted Case Management (Seniors Linkages Program) revenues. This is an estimate as we do not know the encounter reimbursement rate for FY 09.
	\$533,980	\$52,068	Subtotal Aging Services
Public Health			
Reduction of .25 FTE PHN	\$271,798	\$9,205	State General Fund portion of the CHDP (Child Health Disability & Prevention) is \$92,045. We are assuming a <u>10% reduction</u> of that amount. The balance of the program funding (\$179,753) is Federal Title XIX funding. The State General Funds are used to draw down the Federal dollars. The impact could mean a reduction of .14 FTE to .28 FTE of a Public Health Nurse.
Reduction of .05FTE PHN	\$43,358	\$1,192	The State General Fund portion of the CHDP - Foster Care funding is \$11,924. We are assuming a <u>10% reduction</u> in this program which would mean a small (.02 to .04 FTE) reduction of a Public Health Nurse.

Health and Human Services

Overview of Impacts of Potential State and County Reductions to HHS Programs

6/10/2008

This is a preliminary overview of programs and services impacts based on very preliminary information from some (but not all) of our State and local funders. This data will be updated as better information becomes available.

Division	Program Budget	Potential Reduction	Notes
Reduction of .20 FTE OSII	\$83,787	\$8,379	Assuming a <u>10% reduction</u> in the Immunization Action & Immunization Registry Program , which would result in a .06 FTE reduction of a Public Health Nurse position.

Health and Human Services

Overview of Impacts of Potential State and County Reductions to HHS Programs

6/10/2008

This is a preliminary overview of programs and services impacts based on very preliminary information from some (but not all) of our State and local funders. This data will be updated as better information becomes available.

Division	Program Budget	Potential Reduction	Notes
Public Health, continued			
Reduces 1.0 FTE CHW (vacant); .05 FTE SrHSPS (Clinic Director); .20 FTE CHWS; .20 FTE OSII (cost-shifted); 1.2 hourly, seasonal CHWs	\$928,000	\$371,220	HIV / AIDS Programs will take a substantial hit in the proposed FY 09 reductions. The figure shown represents 6% of the contract baseline state funding, and 100% of special project funding and one-time awards, or 38% of total funds.
No FTE impact.	\$288,923	\$53,471	The State General Fund portion of the Preparedness funding is \$79,163. The balance of funding is Federal CDC monies allocated for Pandemic Flu and general preparedness. \$36,171 of the reduction amount shown represents the amount of federal funds that will be eliminated in FY 09. The balance of the reduction (\$17,300 represents the <u>10% cut</u> in federal preparedness funding). We have already eliminated a .75 FTE preparedness position due to FY 08 federal funding cuts. There is a small reserve that may provide limited one-time funding.
No FTE impact.	\$600,000	\$1,200	Reduction in the FFACT program represents <u>10%</u> of the Medi-Cal reimbursement we receive. The federal funding for FFACT has actually increased, therefore the 10% projected Medi-Cal cut will not impact programs.
No FTE impact.	\$349,876	\$9,400	The State has proposed a <u>4% reduction in contract funding</u> for the Black Infant Health Program which receives \$235,000 annually. No impacts to programs, as the projected savings from recent program relocation is roughly equal to the potential funding reduction.
No FTE Impact. SupvPHN position with this funding is not being filled.	\$299,000	\$100,000	Every Child Counts currently funds a portion of a Supervising PHN, two PHNs and a portion of an OSII. May drop support for Supervising position. If both Supervising PHNs are not filled, the impact on that position will be minimal.
Reduces 10% funding for OSII and .05 FTE SCHS. Cost shift to PH Realignment	\$42,224	\$4,981	A reduction in funding for Tuberculosis - Local Assistance will likely mean reduced support for office staff (by 10% of an OSII). Awaiting guidelines in funding application.
<i>unknown - needs more analysis</i>	\$1,446,134	\$144,613	Estimating a 10% reduction in total Targeted Case Management revenues for Public Health.
	\$4,353,100	\$703,661	Subtotal Public Health
Impacted Revenues	\$8,157,291	\$970,865	Potential Revenue Loss
Total non-GF Revenues:	\$20,446,732	5%	Potential Loss as % of Total non-GF Revenues

Health and Human Services

Overview of Impacts of Potential State and County Reductions to HHS Programs

6/10/2008

This is a preliminary overview of programs and services impacts based on very preliminary information from some (but not all) of our State and local funders. This data will be updated as better information becomes available.

Division	Program Budget	Potential Reduction	Notes
----------	----------------	---------------------	-------

Summary of FTE Impacts:

Mental Health		unknown	
Aging Services		none	
Public Health		0.25	Public Health Nurse (CHDP)
		0.05	Public Health Nurse (CHDP - Foster Care)
		0.20	OSII (Imunization Action & Registry)
		0.05	SrHSPS / Clinic Manager (HIV / AIDS Program)
		0.20	Prov. Augment. Of PT career OSII (HIV/AIDS Program)
		0.20	Prov. Augment. Of PT career CHWS (HIV/AIDS Program)
		1.20	hourly CHW (HIV/AIDS Program)
		1.00	CHW (HIV / AIDS Program)
Public Health		<u>3.15</u>	total FTE (<i>note:</i> this is a combination of cuts and cost-shifts of .25 FTE to other funds)
		2.90	Actual FTE reduction (<i>note:</i> includes 1.2 FTE hourly staff)

**Council Referrals to the Budget Process Summary
(June 24, 2008)**

Date	Referrals	Source	Cost	City Manager Proposed Funding
June 26, 2007	Restore of funding for BOSS' Multi Agency Service Center and Harrison House programs	Bates	15,366	
July 17, 2007	Testing of Speed Cushions	Bates, Maio, Capitelli	TBD	yes
July 17, 2007	Railroad Corridor Quiet Zones Study	Maio	TBD	yes
July 17, 2007	Ohlone Dog Park	Spring, Maio	20,000	20,000
July 17, 2007	Sweat-Free Consortium	Worthington, Spring	25,000	25,000
September 18, 2007	City Preferred Alternative for Bus Rapid Transit	Bates	TBD	
October 23, 2007	Berkeley Food and Housing Project	Worthington	15,587	43,075
November 27, 2007	Ed Roberts Campus	Bates	500,000	500,000
December 11, 2007	Measuring Electromagnetic Field Levels	Spring, Maio, Anderson, and Bates	5,000	5,000
December 18, 2007	Violence Prevention and Response Plan	Worthington		
December 18, 2007	3rd Annual Berkeley International Food Festival for 2008	Moore, Maio	7,500	7,500
January 29, 2008	Bicycle Safety Signs	Moore	TBD	
February 12, 2008	Cell Phone Antenna Equipment Purchase	Spring, Anderson, Bates	7,000	
February 12, 2008	Our Family Coalition	Moore	20,000	
February 12, 2008	Aquatic Park EGRET's cabin	Moore	15,000	
March 25, 2008	Civic Arts Coordinator	Moore, Bates, and Worthington	60,000	60,000
May 6, 2008	Youth Musical Theater Company	Wozniak, Olds	10,000	
June 10, 2008	10th Annual Run for Peace	Maio, Wozniak, Capitelli	1,500	
June 10, 2008	Options Recovery Services	Moore, Olds, Worthington, Wozniak	100,000	100,000
June 17, 2008	Annual Downtown Music Festival	Spring	2,500	
June 24, 2008	Malcolm X Collaborative	Anderson	10,000	
June 24, 2008	Youth Spirit Artworks	Anderson	25,000	25,000
June 24, 2008	Women's Daytime Drop-in Center	Maio, Moore, Spring	12,500	13,683
June 24, 2008	Inner City Services	Anderson	60,000	
TOTAL:			851,953	760,575

Street Events and Festivals - Funding Summary

Attachment 5

EVENT NAME	Adopted FY 2006	Adopted FY 2007	Adopted FY 2008	Proposed FY 2009
Recurring Cash Grants				
Berkeley Arts Festival	10,000	10,000	10,000	10,000
Cesar Chavez Commemoration	4,500	4,500	4,500	4,500
Cinco de Mayo	4,050	4,050	4,050	4,050
Earth Day	4,050	4,050	4,050	4,050
Elmwood Festival	2,700	2,700	2,700	2,700
How Berkeley Can You Be?	8,100	8,100	8,100	8,100
Indigenous Peoples' Day	4,050	4,050	4,050	4,050
Juneteenth Festival	4,050	4,050	4,050	4,050
Poetry Festival	3,240	3,240	3,240	3,240
Solano Stroll	5,000	5,000	5,000	5,000
Stonewall Festival	5,400	5,400	5,400	5,400
TAA World Music Festival	4,500	4,500	4,500	4,500
Telegraph Avenue Holiday Fair	2,025	2,025	2,025	2,025
International Food Festival	1,000			
SF Mine Troupe	900	950	950	950
Miscellaneous/Unallocated	2,425	5,100	3,375	3,375
Subtotal:	65,990	67,715	65,990	65,990
Recurring Expenses				
Personnel Overtime	16,200	16,200	16,200	16,200
Portable Toilets	9,000	9,000	9,000	9,000
Insurance	10,350	10,350	10,350	10,350
Subtotal:	35,550	35,550	35,550	35,550
Total Recurring Funding:	101,540	103,265	101,540	101,540
One-Time Cash Grants				
Maudelle Shirek Event	5,000			
International Food Festival		6,000		
San Pablo Neighborhood Group		15,000		
Shotgun Players		1,275		
Berkeley World Music Festival		5,500		
Spice of Life		2,000		
Subtotal:	5,000	29,775	-	-
Total Recurring & 1-Time:	106,540	133,040	101,540	101,540