



FY 2024 Proposed Budget

Budget and Finance Policy Committee
8 June 2023

OVERVIEW

- Updated General Fund Revenues
- Updated General Fund Status
- Measure P and U1 Updated Forecasts
- Updated Recommendations
- Review of Funding Requests and Referrals
- Discussion

GENERAL FUND REVENUE PROJECTION

	FY 2023 Adopted	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Undesignated Revenues							
Secured Property Taxes	75,664,920	71,607,561	79,091,256	84,725,717	89,385,632	92,514,129	95,752,123
Supplemental Taxes	2,000,000	2,317,723	3,400,000	3,400,000	3,400,000	3,400,000	3,400,000
Unsecured Property Taxes	3,516,000	3,472,334	3,806,995	3,806,995	3,806,995	3,806,995	3,806,995
Property Transfer Taxes	18,000,000	18,000,000	18,000,000	18,000,000	16,000,000	16,000,000	16,000,000
Property Transfer Tax - Measure P	14,073,750	20,591,313	10,189,500	10,189,500	10,698,975	11,233,923	11,795,619
Sales Taxes	19,016,546	18,928,278	19,449,474	19,654,225	20,351,959	21,215,626	22,061,376
Soda Tax	990,210	1,025,800	1,147,387	1,147,387	1,147,387	1,147,387	1,147,387
Utility Users Taxes	13,800,000	14,750,065	17,454,320	17,454,320	17,054,320	17,054,320	17,054,320
Transient Occupancy Taxes (TOT)	5,000,000	5,727,046	7,022,353	8,374,588	8,655,826	9,621,409	10,683,549
Short-term Rentals	1,000,000	1,295,798	1,497,432	1,400,000	1,400,000	1,400,000	1,400,000
Business License Taxes	19,000,000	20,403,974	21,138,023	21,560,783	21,991,999	22,431,839	22,880,476
Recreational Cannabis	1,400,000	1,250,792	1,000,000	1,000,000	1,020,000	1,040,400	1,061,208
Measure U1	4,900,000	4,913,872	5,865,147	5,900,000	5,900,000	5,900,000	5,900,000
Vacancy Tax					2,500,000	5,000,000	5,150,000
Other Taxes	2,631,441	3,189,999	4,453,059	4,453,059	4,453,059	4,453,059	4,453,059
Vehicle In Lieu Taxes	15,926,168	15,006,003	16,626,651	17,811,134	18,790,746	19,448,422	20,129,117
Parking Fines - Regular Collections	4,326,450	4,765,819	5,800,000	5,800,000	5,300,000	5,300,000	5,300,000
Moving Violations	132,600	156,253	132,600	132,600	135,252	137,957	137,957
Ambulance Fees	3,880,779	3,833,730	5,330,779	5,350,779	3,880,779	3,880,779	3,880,779
Interest Income	6,000,000	6,694,122	7,618,485	8,826,211	8,826,211	8,826,211	8,826,211
Franchise Fees	1,613,283	1,720,056	1,720,056	1,720,056	1,720,056	1,720,056	1,720,056
Other Revenues	6,729,977	7,546,099	6,640,308	6,640,308	6,640,308	6,640,308	6,640,308
Indirect cost reimbursements	5,490,000	5,074,695	6,604,970	6,604,970	6,604,970	6,604,970	6,604,970
Transfers	17,096,148	27,354,923	17,096,148	7,591,924	4,472,621	4,562,074	4,562,074
Total Undesignated Revenues	242,188,272	259,626,255	261,084,943	261,544,556	264,137,095	273,339,864	280,347,585
Designated Revenue- PTT for Capital	16,462,172	24,901,750	4,873,786	4,873,786	8,017,475	9,218,349	10,479,266
TOTAL REVENUES AND TRANSFERS	258,650,444	284,528,005	265,958,729	266,418,342	272,154,570	282,558,213	290,826,851

FY 2024 GENERAL FUND SUMMARY

BASELINE GENERAL FUND	FY 24 Proposed
Revenues	\$250,328,842
Expenditures	247,825,076
Surplus/(Deficit)	2,503,706
MEASURE P	FY 24 Proposed
Revenues Total	\$10,189,500
Expenditures Total	16,703,305*
Surplus/(Deficit)	(6,513,805)
MEASURE U1	FY 24 Proposed
Revenues Total	\$5,900,000
Expenditures Total	\$5,900,000*
Surplus/(Deficit)	0
TOTAL	FY 24 Proposed
Revenues Total	\$266,418,342
Expenditures Total	270,428,381
Surplus/(Deficit)	(4,010,039)

MEASURE U1 FORECAST

	FY 2022 Actual	FY 2023 Estimate	FY 2024 Estimate	FY 2025 Estimate	FY 2026 Estimate	FY 2027 Estimate	FY 2028 Estimate	FY 2029 Estimate
Revenues								
Beginning Fund Balance	\$11,189,667	\$12,624,316	\$9,325,856	8,438,608	\$9,022,225	\$9,216,097	\$9,409,969	\$9,603,841
<i>ADD: U1 Fund Balance transferred from the General Fund</i>								
<i>ADD: Revenues</i>	5,887,567	5,865,147	5,900,000	5,900,000	5,900,000	5,900,000	5,900,000	5,900,000
Total Revenues and Available Fund Balance	17,077,234	18,489,463	15,225,856	14,338,608	14,922,225	15,116,097	15,309,969	15,503,841
LESS: Total Expenses	4,452,918	9,163,607	6,787,248	5,316,383	5,706,128	5,706,128	5,706,128	5,706,128
Personnel Costs	438,368	913,677	1,716,383	1,716,383	2,106,128	2,106,128	2,106,128	2,106,128
<i>Rent Board</i>	-	-	-	-	-	-	-	-
<i>HHCS (Measure O/Housing Trust Fund) ⁽²⁾</i>	198,147	510,465	474,600	474,600	474,600	474,600	474,600	474,600
<i>HHCS Staffing Study Phase 2 ⁽³⁾</i>	-	-	463,242	463,242	463,242	463,242	463,242	463,242
<i>HHCS Staffing Study Phase 3 ⁽⁴⁾</i>	-	-	-	-	389,745	389,745	389,745	389,745
<i>Empty Homes Tax Staffing Costs ⁽⁵⁾</i>	-	-	372,000	372,000	372,000	372,000	372,000	372,000
<i>Finance (Rev Dev Position & Admin Costs)</i>	240,222	403,212	406,541	406,541	406,541	406,541	406,541	406,541
Non-Personnel and Other Program Costs	4,014,550	8,249,930	5,070,865	3,600,000	3,600,000	3,600,000	3,600,000	3,600,000
Housing Trust Fund	-	-	-	-	-	-	-	-
2527 San Pablo Ave (SAHA) - Contract pending	-	500,000	-	-	-	-	-	-
2012 Berkeley Way reserves (BRIDGE/BFHP) - Contract #3	-	3,023,365	-	-	-	-	-	-
Housing Trust Fund Program	-	2,500,000	4,870,865	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Development of New Housing Programs								
Capacity Building for Emerging Developers	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
New Housing Programs/Land Trust/Coops	-	150,000	-	-	-	-	-	-
Review and Develop a Social Housing policy (Councilmember Taplin, Mayor Arreguin,	-	300,000	-	-	-	-	-	-
Anti-Displacement								
Rent Board (EDC & EBCLC)	570,830	-	-	-	-	-	-	-
East Bay Community Law Center (EBCLC)	-	-	-	275,000	275,000	275,000	275,000	275,000
Housing Retention Program (EBCLC)	(109,409)	-	-	250,000	250,000	250,000	250,000	250,000
Eviction Defense Center (EDC)	250,000	-	-	275,000	275,000	275,000	275,000	275,000
Housing Retention Program / Eviction Defense	-	-	-	-	-	-	-	-
Flexible Housing Subsidy Pool (BACS)	100,000	-	-	100,000	100,000	100,000	100,000	100,000
Fiscal Year Surplus (Shortfall)	1,434,649	(3,298,460)	(887,248)	583,617	193,872	193,872	193,872	193,872
Ending Fund Balance	12,624,316	9,325,856	8,438,608	9,022,225	9,216,097	9,409,969	9,603,841	9,797,713

FY 2024 RECOMMENDED FUNDING REQUESTS

Department	Cost	Recurring Funding Request
Fire	\$ 45,000	One-Time First-in Fire Camp (Women Focused 2-Day Fire Camp)
Fire	\$ 48,600	One-Time Counseling Services Retainer
Fire	\$ 30,000	One-Time Paid Tuition for Five Members to Attend Post Trauma Retreat
Fire	\$ 70,000	One-Time Budget for Recruitment Marketing
Information Technology	\$ 54,000	On-Going Contract with Berkeley Community Media. BCM operations funding has remained static since 2005 despite increase in operational expenditures.

- Recommended funding requests are offset by decreased expenditures and salary savings resulting in no net increase to FY 2024 Proposed Expenditures.

FY 2024 OTHER FUNDING NEEDS

- General Liability & Property Insurance Premium Increase
- Implementation of Hardhat Ordinance
- Implementation of Employer of Choice Initiative
- Personnel/Labor Costs
- Marina Fund Operational Shortfall
- Parking Meter Fund Operational Shortfall

TIMELINE AND DISCUSSION

Meetings:

- Council meeting on June 13
- Budget Committee on June 22
- Council meeting on June 27, 2023 to adopt FY 24 Budget and AAO