

Office of the City Manager

SUPPLEMENTAL AGENDA MATERIAL for Supplemental Packet 2

Meeting Date: May 19, 2026

Item Number: 21

Item Description: Proposed FY 2027 and FY 2028 Biennial Budget and Proposed Biennial Budget Public Hearing #1

Submitted by: Maricar Dupaya, Budget Manager

This supplemental includes the following documents for the May 19, 2026 meeting:

1. Proposed FY 2027 and FY 2028 Biennial Budget presentation
2. Proposed FY 2027 and FY 2028 Biennial Budget – Financial Summaries
3. Proposed FY 2027 and FY 2028 – Department Narratives, Performance Measures, and Strategic Plans
4. FY 2026 Mid-Year General Fund Revenue Report with FY 2027 and FY 2028 Revised Revenue from Finance Department of the February 26, 2026 Budget and Finance Policy Committee meeting

PROPOSED FY 2027 & FY 2028 BIENNIAL BUDGET

City Council
MAY 19, 2026



Situational Overview

- *Fiscal Context*
- *History of Structural Deficits*
- *Goal*
- *FY 27 & FY 28 Budget Development Process*
- *Program and Service Impacts*

Proposed FY 27 & FY 28 – Summary of General Fund

- *General Fund Budget Status*
- *General Fund Revenue by Category*
- *Expenditures by Department*
- *Expenditures by Categories*

Proposed FY 27 & FY 28 – Summary of All Funds

- *Revenue –All Funds by Funding Source*
- *Expenditures - All Funds by Department*
- *Expenditures – All Funds by Categories*

Proposed FY 27 & FY 28 Staffing

Next Steps

Discussion

Agenda

Situational Overview

Structural deficit and challenges in the General Fund and other funds (i.e., Parking, Marina, Capital Improvement)

Rising costs in personnel, pension, health care, and liability insurance

Labor Negotiations

Inflation

Reliance on one-time sources

Year-end results pending

Deferred maintenance and significant unfunded infrastructure needs.

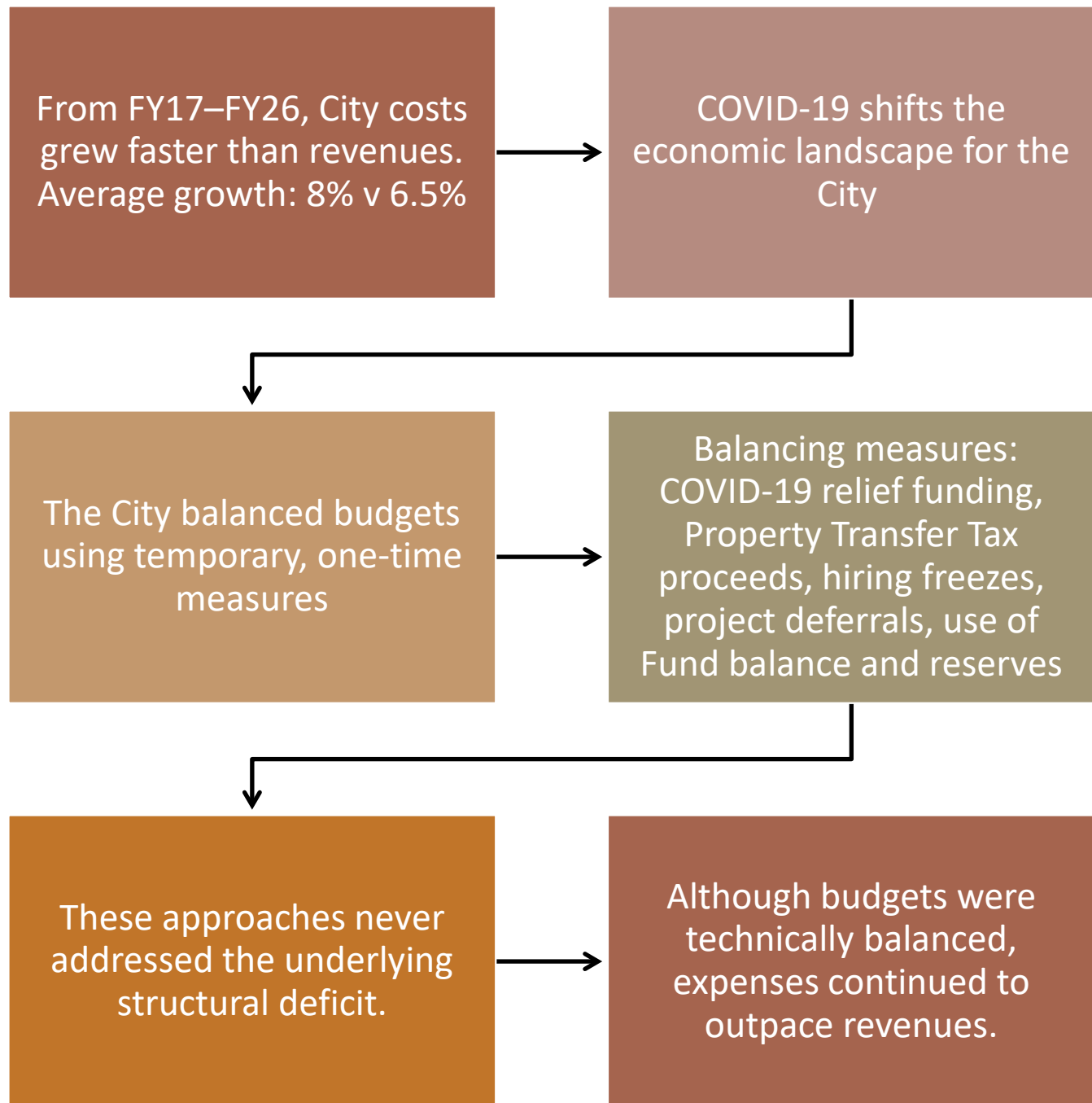
Increased service demands and community expectations

November 2026 ballot measures

State/federal revenue limitations, economic and political uncertainty

FISCAL CONTEXT – IMPACTS & UNKNOWNNS

Did we face deficits before? How did we avoid large scale reductions?



General Fund Budget Deficit History

Fiscal Year	Estimated Deficit	Resolving Measure
2018-2019	\$10 Million	Reset of Property Transfer Tax baseline, transfers from other funds increased, transfers to other funds decreased
2020-2021	\$40 Million	Hiring freeze, no capital investment, and use of \$11M reserves
2022	\$27 Million	Use of \$23M ARPA funds and deferment of large capital projects, equipment purchases and new projects
2023	\$22 Million	Use of Fund Balance and salary savings from vacancies
2024	\$12 Million	Use of Fund Balance and salary savings from vacancies
2025	\$17 Million	Use of Fund Balance, vacancy-related salary savings, use of Sec. 115 Trust and Workers Comp holiday
2026	\$29 Million	Increase in GF revenue, use of Sec. 115 Trust, Workers Comp fund, IT Cost Allocation, Small Sites Reallocation, freezing 45 vacant positions (deleted target salary savings)

FY 27 & FY 28 BUDGET DEVELOPMENT PROCESS

GF Baseline Budgeting Approach

- Based on actual expenditures and projected needs to align with service delivery
- Eliminate inefficiencies and replace outdated budgets
- Base planning on data-driven spending patterns and the real cost of services

The updated General Fund baseline for overtime, hourly, and non-personnel expenses reflects this approach.

Personnel assumptions

- Cost of Living Adjustment (COLA) for Miscellaneous (FY 2027 only, reflects current MOUs)
- No COLA in FY 2028 (subject to change depending on labor negotiations)
- Step and pay band increases for all eligible employees
- All Add Pays associated with employees and specific classifications
- Increases to all benefits, majority of increase from health and pension costs
- Vacant positions budgeted at Step 1
- Frozen positions (45 FTE) part of FY 2026 Mid-Biennial Budget Update not budgeted in FY 2027 and FY 2028

FY 27 & FY 28 BUDGET DEVELOPMENT PROCESS –cont.

Budget Balancing Framework

- GF deficit ranged from \$31.3M (FY 27) to \$29.5M (FY 28) after revenue and expenditure adjustments.
- Citywide effort: 10–12.5% GF reductions, other fund-specific fixes, and revenue ideas.
- Includes strategic cost shifts, non-departmental and other budget refinements, required debt-service support, and parking-fund stabilization.

Use of One-Time GF Resources

- \$2.1M in one-time funds used to smooth deficit.
- \$9.4 M used to sustain services (public safety and youth/adult programs) in FY27 until the outcome of a potential Nov. 2026 Sales Tax measure is known.
- \$0.5 M allocated to employees impacted by budget balancing plan.

FY 2028 Revenue Projection reflects Sales & Use Tax Measure

- Additional budget reductions will be needed if sales and use tax measure does not pass.

Now in the Proposed Budget phase of the Budget process

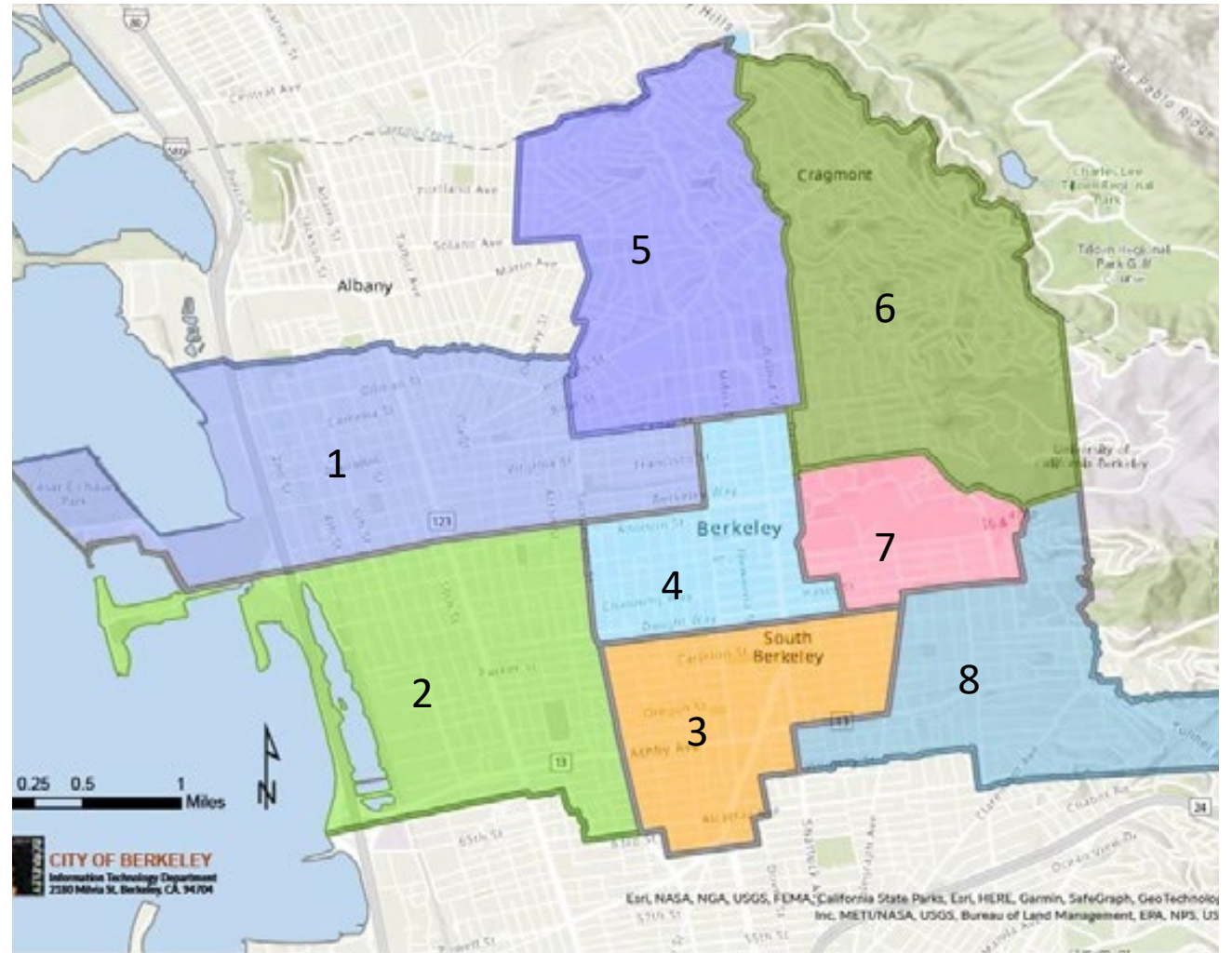
- Continued discussion between staff, Mayor and Council, labor, and the community.

General Fund – Budget Balancing Phase Recap

	FY 2027	FY 2028
Initial Estimate of General Fund Deficit	(\$32,256,300)	(\$33,206,801)
Additional Income From Revenue Projections	\$5,111,718	\$8,291,028
Revised Deficit after Revenue Projections	(\$27,144,582)	(\$24,915,773)
Adjustments to Revised Deficit		
1947 Center Street Debt Service	(\$ 1,630,454)	(\$ 1,623,581)
Parking Funds Stabilization	(\$ 1,050,938)	(\$ 1,050,938)
Adjustments to Non-Departmental	(\$ 1,523,365)	(\$ 1,942,666)
Total Deficit Before Use of One Time Resources	(\$31,349,339)	(\$29,532,958)
Use of One Time Resources	\$2,100,000	\$0
General Fund Deficit after Revenue and Expenditure Adjustments	(\$29,249,339)	(\$29,532,958)

The goal is a recurring, sustainable, structurally balanced budget

- Prioritize core services
- Reduce reliance on one-time / short-term budget balancing measures
- Match one-time resources to one-time needs
- Take proactive steps on the factors we can control
- Ensure long-term fiscal stability
- Pursue revenue enhancements and alternative funding sources, whenever feasible
- Live within our values and live within our means



Program, Service, and Staffing Impacts

Despite nearly \$30 million in General Fund reductions each year, along with reductions in several special funds, the City relied on its values and prioritized minimizing impacts to:

- *Core and essential services, including safety-net services*
- *Community wellbeing*
- *Service continuity and workforce stability*

At the same time, the City focused on:

- *Strengthening the City's long-term fiscal foundation*
- *Achieving a structurally balanced budget*

While the impacts of the balancing plan and Proposed Budget are significant, the City conducted due diligence to mitigate effects wherever possible.

Homelessness Services Overview – General Fund

- Resources continue to be allocated to support a comprehensive approach to addressing homelessness
- Funding provided for 2 of 3 motels in Biennial Budget (Beyond Horizon and Capri)

Proposed Budget Balancing Plan **Reductions**

- City share of outreach worker for DBA
- Seasonal Winter Shelter Program (inclement weather shelter is maintained)
- Social Services Specialist (Vacant)
- BACS STAIR Center

Proposed Budget Balancing Plan **Reallocations**

- Boss Step Up Housing (Measure U1)
- BACS STAIR Center (PLHA)

Measure U1 - Proposed Expenditures

Category	FY 2027	FY 2028
Personnel	\$2,084,923	\$2,150,123
Programs/Services		
Housing Trust Fund	\$1,855,000	\$2,500,000
1740 San Pablo (HTF project with previous U1 Commitment)	4,496,669	0
Ephesians Court (HTF project with previous U1 Commitment)	499,012	0
Capacity Building for Emerging Developers	200,000	200,000
BOSS Step Housing	806,136	768,848
Eviction Defense Center and EBCLC (HHCS and Rent Board)	800,000	800,000
Capri Motel Lease	645,069	0
Flex Funds	100,000	100,000
Total	\$11,486,809	\$6,518,971

Through a combination of reoccurring revenue and fund balance, resources are deployed to support the production of affordable housing, maintaining shelter, supporting emerging developers, and anti displacement activities.

Public Safety Overview - Police



Proposed Budget Balancing Plan Reductions

- Sworn and nonsworn staffing reductions diminishes response to 9-1-1 calls for service and ability to proactively address crime. Increases workload, burnout, and negatively impacts hiring efforts.
- Dispatcher staffing reductions will slow 9-1-1 call-taking and impact reliability. *
- Sworn staffing reductions reduces / eliminates specialty units (Traffic, Community Services, Bicycle Team, and major Detective functions shrink or end) reducing proactive work, investigations, and community engagement. *
- Reduces overtime

Proposed Budget Balancing Plan Reallocations

- Shifts in contracts, software, training, uniforms/gear to special funds

* Use of 1x resources in FY 2027 to prevent elimination of 15 police officers / 6 dispatchers to maintain public safety response.

* FY 2028 revenue projection includes sales & use tax estimated revenue, if measure fails, reduction is needed during the FY 2028 Mid-Biennial Budget Update.

Public Safety Overview - Fire



*Use of 1x resources in FY 2027 to prevent closure of Fire Station 4 and elimination of nine FTEs.

*FY 2028 revenue projection includes sales & use tax estimated revenue, if measure fails, reduction is needed during the FY 2028 Mid-Biennial Budget Update.

Proposed Budget Balancing Plan Reductions

- Fire Station 4 closure slows response times and reduce reliability *
- Delays in project reviews, inspections, and special event permitting
- Ends Street Trauma Prevention, CERT instruction, and disaster preparedness training
- Diminished emergency medical services oversight
- Limited capacity to apply for and monitor grants

Proposed Budget Balancing Plan Reallocations to minimize further impact

- Cost shift some non-personnel contracts from General Fund to other appropriate funding sources
- Cost shift several position funding from General Fund to other appropriate funding sources
- Operational cost shifts reduces critical employee health and wellness programming and education

Health, Housing, & Community Services (HHCS) Overview

Proposed Budget Balancing Plan **Reductions and Reallocations**

- Mental Health & Crisis Response – Mental Health programs right sized after State funding changes and elimination of Mobile Crisis program
- Environmental & Public Health (PH) – Vector Control program transferred to the County, Heart to Heart program eliminated, Target Case Management and WIC program staffing adjusted, work and cost shifted to preserve services
- Housing & Community Services- Homeless program impacts, no funding extensions for Rising Sun and Supply Bank
- Special Funds & Grants – Loss of grant funding for Aging Services, Public Health, and stop of transfer from Measure GG (from Fire Department) resources allocated to PH Emergency Preparedness

Parks, Recreation, Waterfront Services Overview

Proposed Budget Balancing Plan Reductions

- Addressing GF and Marina Fund deficits and expiring T1 funding results in reduced capacity in recreation, maintenance, and capital project delivery.
- Fewer camps, afterschool slots, pool and community center hours, youth programs, and special events; Therapeutic Recreation ends.*
- Waterfront & capital: Reduced capacity to deliver projects, secure grants, oversee leases, and maintain marina operations.
- Non-personnel: Reduced fire fuel work, outreach and events, department training, and maintenance.

Proposed Budget Balancing Plan Reallocations

- Cost shifting **to other appropriate funds prevented deeper cuts**, but it also strains those funds and may lead to more reduced services, deferred projects, and increased backlog.

*Use of 1x resources in FY 2027 to prevent elimination of three recreation positions to preserve popular youth and adult recreation and other quality of life program.

*FY 2028 revenue projection includes sales & use tax estimated revenue, if measure fails, reduction is needed during the FY 2028 Mid-Biennial Budget Update.

Public Works Services Overview

Proposed Budget Balancing Plan Reductions

- Addresses GF deficit, along with deficits in other funds (Building Maintenance, Parking, CIP) by reduction of 15 FTEs.
- Focus on public safety, legal compliance, and preventing catastrophic infrastructure failure.
- Delays in repairs and facility work, especially for non-emergency work, and reduced support for special events.
- Non-personnel reductions: Cuts security services and defers parking meter upgrades, increasing long-term maintenance issues and revenue risks, and defers capital projects.

Proposed Budget Balancing Plan Reallocations

- Extensive cost shifting **to other appropriate funds prevented deeper cuts**, but it also strains those funds and may lead to more reduced services, deferred projects, and increased backlog.

Other Programs and Services Impacts

City Clerk

- Delay in the software version update for OnBase, reducing captioning costs, and cost shift Boardroom rental.

CMO

- Reduced communications, DEI work, civic arts, economic development, and administrative capacity

Finance

- Reduced capacity for audits, collections, and system modernization

HR

- Shift to core and compliance-driven model, reduced proactive projects/programs, and employer branding.

IT

- Reduced support for digital infrastructure, deferred modernization projects.

Planning

- Cost shifts several non-personnel cost (mostly internal service charges) to appropriate enterprise funds

Other Impacts – Charter Offices

Mayor and Council

- Reduced overall budget by 12.5% for both fiscal years.

City Auditor

- Reduced training and employee access budget, cost shifting positions to other appropriate funding sources, savings from underfilled and positions on leave.

Office of the Director of Police Accountability

- Reduced overtime budget, conference and travel expenses, supplies, and miscellaneous services

City Attorney*

- Proposes reducing training, travel, supplies and other non-personnel items (\$52,456) and reduction of one Paralegal position (filled)

*City Attorney's proposed reductions were received on 5/14/26 after the Budget and Finance Policy Committee meeting and are not included in the proposed biennial budget amounts. Pending Council direction and to be incorporated at Budget Adoption.

Workforce Impacts

A Personnel-Driven Budget Limits Balancing Options. Choices Get Difficult.

- About 70% of the General Fund baseline budget was staffing, limiting the ability to close the deficit through non-personnel cuts. Other funding sources face similar constraints.
- Departments prioritized eliminating vacant positions and reallocations and only identifying filled positions as a last resort with focus on preserving core services and to support long-term fiscal health.
- The Budget Balancing Plan totals 183 FTEs. The Proposed Budget includes 150 FTE reductions: 45 vacant from FY 2026 and 85 vacant plus 20 filled in the biennium. The remaining 33 FTEs are preserved.
- A total of 33.0 FTEs (15 vacant, 18 filled) are preserved by allocating costs to the Sales & Use Tax. **In FY 2027, one-time resources ensure these positions are funded.**
- **In FY 2028, revenue includes projection of the Sales and Use Tax Measure.** In FY 2028, if measure does not pass, additional reductions will be required during the Mid-Biennial Budget Update, could end up with a cumulative reduction in force of 183 FTEs.

Workforce Impacts – Cumulative Reduction in Force by Position (FY 26 and Proposed FY 27 and FY 28)

Classification	# of Positions Cumulative	Sales & Use Tax Outcome Contingent (Preserved Currently)
ACCT OFF SPEC II Count	2	0
ADMIN ASSISTANT UNREP Count	1	0
APP. PROGRAM ANALYST II Count	1	0
APPARATUS OPERATOR Count	3	3
AQUATICS FACILITIES SUP Count	1	0
ASSC MGT ANLY Count	1	0
ASSOC PLANNER Count	1	0
ASSOC. MANAGEMENT ANALYST Count	2	0
ASSOCIATE HR ANALYST Count	1	0
ASST MGMT ANALYST Count	1	0
ASST. CIVIL ENG Count	2	0
ASST. RECREATION COORDINATOR Count	2	2
AST PW ENG Count	1	0
BEHAVIORAL HLTH CLIN I Count	3	0
BEHAVIORAL HLTH CLIN II Count	11	0
BLD MNT MEC TR Count	1	0
CHF OF PARTY Count	1	0
COM DEVELOPMENT PROJ COOR Count	2	0
COM HEALTH WORKER SPEC Count	2	0
COM SERVICE SPEC I Count	1	0
COM SERVICE SPEC II Count	3	0
COM SERVICE SPEC III Count	1	0
COMMUNICATIONS SPECIALIST Count	2	0
CUST. SVCS. SPECIALIST III Count	1	0
CUSTOMER SVC SPEC II Count	2	0
DEPUTY CITY MANAGER Count	1	0
DIGITAL COMNCATNS COORD Count	1	0
DIVERSITY, EQUITY AND INCLUSION OFFICER Count	1	0

Workforce Impacts – Cumulative Reduction in Force (FY 26 and Proposed FY 27 and FY 28) – Cont.

Classification	# of Positions Cumulative	Sales & Use Tax Outcome Contingent (Preserved Currently)
ECODEV PRJ CD Count	1	0
ENV COMPLNCE SP Count	1	0
EPIDEMIOLOGIST Count	1	0
FIRE CAPTII 40 Count	4	3
FIRE INSPECTOR Count	1	0
FIRE MARSHAL Count	1	0
FIREFIGHTER Count	8	3
HEALTH EDUCATOR Count	1	0
HEALTH SVCS PROGRAM SPCLST Count	2	0
LABORER Count	4	0
MENTAL HEALTH CLINICAL SUPV Count	2	0
MENTAL HEALTH NURSE Count	4	0
MENTAL HEALTH PROGRAM SUPV Count	2	0
OCCUPATIONAL HLTH/SAFTY SPEC Count	1	0
OFFICE SPECIALIST II Count	11	0
OFFICE SPECIALIST III Count	4	0
OHS OFC Count	1	0
PARAMEDIC Count	3	0
POLICE ACCOUNTABILITY INVESTIGATOR Count	1	0
POLICE OFC 12.5 Count	7	7
POLICE OFFICER Count	23	8
POLICE SERGEANT Count	2	0
PROGRAM MANAGER I Count	1	0
PROGRAM MANAGER II Count	3	0
PROGRAM MANAGER II U Count	1	0

Workforce Impacts – Cumulative Reduction in Force (FY 26 and Proposed FY 27 and FY 28) – Cont.

Classification	# of Positions Cumulative	Sales & Use Tax Outcome Contingent (Preserved Currently)
PS DISPATC I Count	2	2
PS DISPATCII Count	11	4
PSYCHIATRIST Count	1	0
PUBLIC HEALTH NURSE Count	1	0
PUBLIC SAFETY DISPATCHER I/II Count	4	0
PW SUP Count	3	0
REVENUE DEV. SPECIALIST I Count	2	0
SE MNT AST SUP Count	1	0
SENIOR BEHAVIORAL HLTH CLINC Count	1	0
SENIOR HEALTH SERV PROG SPEC Count	1	0
SENIOR LEGAL SECRETARY Count	1	0
SENIOR SYSTEMS ANALYST Count	1	0
SKILLED LABORER Count	2	0
SOCIAL SERVICES SPECIALIST Count	2	0
SPORTS OFFICIAL Count	1	1
SR COMMNTY HEALTH SPECIALIST Count	1	0
SR. COMMNTY DEV. PROJ COORDINATOR Count	1	0
SR. INFO. SYSTEMS SPECIALIST Count	1	0
SUPERVISING PUBLIC SFTY DISP Count	1	0
VECTOR CONTROL TECHNICIAN Count	2	0
WATERFRONT MANAGER Count	1	0
Grand Count	183	33

Proposed FY 27 & FY 28 – Summary of General Fund

General Fund Budget Status – FY 2027

Baseline - Revised Revenue - Budget Balancing - Proposed

	FY 2027 Baseline	FY 2027 Proposed	Variance	% Increase/Decrease
Revenues	\$297,181,421	\$314,898,507	\$17,717,086	6.0%
Personnel Expenditures	\$224,457,262	\$207,920,092	(\$16,537,170)	-7.4%
Non-Personnel Expenditures	\$104,980,459	\$105,997,195	\$1,016,736	1.0%
Total Expenditures	\$329,437,721	\$313,917,287	(\$15,520,434)	-4.7%
Surplus/(Deficit)	(\$32,256,300)	\$981,220*		

*Proposed surplus is subject to change as the budget is refined. Current estimates reflect a combination of revised revenue projections from 2.26.26, routine budget clean-up that occurs working with departments, added 1x GF resource to revenue, increased indirect cost charges, and budget balancing items

General Fund Budget Status – FY 2028

Baseline - Revised Revenue - Budget Balancing - Proposed

	FY 2028 Baseline	FY 2028 Proposed	Variance	% Increase/Decrease
Revenues	\$302,343,897	\$320,288,556	\$17,944,659	5.9%
Personnel Expenditures	\$229,407,084	\$212,945,750	(\$16,461,334)	-7.2%
Non-Personnel Expenditures	\$106,143,614	\$106,642,957	\$499,343	0.5%
Total Expenditures	\$335,550,698	\$319,588,707	(\$15,961,991)	-4.8%
Surplus/(Deficit)	(\$33,206,801)	\$699,849		

*Proposed surplus is combination of revised projection from 2.26.26, routine budgeting clean-up that occurs in the dept. entry and dept. head level, added 1x GF resource to revenue, increased indirect cost charges, and budget balancing items.

General Fund Budget – FY 27 & FY 28 Baseline vs FY 27 & FY 28 Proposed

The budget was balanced by reducing major increases in expenditures and achieved structural balance. Most General Fund reductions came from personnel costs, which made up about 70% of the baseline Budget.

Personnel Category	FY 2027 Baseline	FY 2027 Proposed	Increase/(Decrease)	FY 2028 Baseline	FY 2028 Proposed	Increase/(Decrease)
Health/Retiree	\$ 23,439,418	\$ 21,857,158	\$ (1,582,260)	\$ 25,558,017	\$ 23,839,650	\$ (1,718,367)
Other	\$ 8,911,962	\$ 8,178,136	\$ (733,827)	\$ 9,002,073	\$ 8,267,540	\$ (734,533)
Pension	\$ 58,236,352	\$ 54,557,907	\$ (3,678,445)	\$ 59,330,441	\$ 55,785,767	\$ (3,544,674)
Salaries	\$ 114,465,674	\$ 105,012,483	\$ (9,453,191)	\$ 116,050,732	\$ 106,662,740	\$ (9,387,993)
Workers Compensation	\$ 5,408,599	\$ 5,033,445	\$ (375,154)	\$ 5,470,564	\$ 5,109,091	\$ (361,473)
Overtime	\$ 13,995,257	\$ 13,280,963	\$ (714,294)	\$ 13,995,257	\$ 13,280,963	\$ (714,294)
Grand Total	\$ 224,457,262	\$ 207,920,092	\$ (16,537,171)	\$ 229,407,084	\$ 212,945,750	\$ (16,461,334)

General Fund Revenue by Category

- In FY 27, Property related taxes make up about 44% of the City’s General Fund Revenue and about 45.4% in FY 28.
- Other major General Fund revenue sources come from these five sources and are about 31% of projected revenues in FY 27 and 34% in FY 28:
 - Business License Tax
 - Sales Tax
 - Utility Users Tax
 - Vehicle In Lieu Tax
 - Interest Income

Category	FY 2026 Adopted	FY 2027 Proposed	FY 2028 Proposed
Ambulance Fees	\$ 8,900,000	\$ 9,200,000	\$ 9,200,000
Business License Taxes	\$ 24,480,000	\$ 24,969,600	\$ 25,468,992
Franchise Fees	\$ 1,822,528	\$ 2,100,000	\$ 2,100,000
Indirect Cost Reimbursement	\$ 7,070,256	\$ 8,488,124	\$ 8,619,434
Interest Income	\$ 14,000,000	\$ 13,500,000	\$ 12,500,000
Measure U1	\$ 6,500,000	\$ 6,600,000	\$ 6,600,000
Moving Violations	\$ 132,600	\$ 165,360	\$ 165,360
Other Revenues	\$ 8,000,000	\$ 8,044,391	\$ 8,245,501
Other Taxes	\$ 8,953,059	\$ 8,500,000	\$ 8,630,000
Parking Fine-Regular Collections	\$ 5,900,000	\$ 6,650,000	\$ 6,650,000
Property Transfer Tax	\$ 22,000,000	\$ 21,450,000	\$ 21,450,000
Property Transfer Tax - Measure P	\$ 9,100,000	\$ 11,655,000	\$ 12,237,750
Recreational Cannabis	\$ 18,000	\$ 18,000	\$ 1,000,000
Sales Tax	\$ 19,106,713	\$ 19,353,282	\$ 29,395,218
Secured Property Taxes	\$ 95,236,939	\$ 98,784,093	\$ 103,454,324
Short-Term Rentals	\$ 1,400,000	\$ 1,650,000	\$ 1,400,000
Soda Tax	\$ 1,147,387	\$ 1,147,387	\$ 1,147,387
Supplemental Taxes	\$ 2,900,000	\$ 2,500,000	\$ 2,000,000
Transfers	\$ 23,842,130	\$ 15,957,135	\$ 3,477,720
Transient Occupancy Taxes	\$ 6,500,000	\$ 7,725,000	\$ 7,867,547
Unsecured Property Taxes	\$ 4,973,066	\$ 5,100,000	\$ 5,100,000
Utility Users Taxes	\$ 19,396,728	\$ 18,750,000	\$ 18,750,000
Vehicle In Lieu Taxes	\$ 20,055,853	\$ 21,091,135	\$ 21,829,324
Property Transfer Tax - Measure W	\$ -	\$ 1,500,000	\$ 3,000,000
Grand Total	\$ 311,435,259	\$ 314,898,507	\$ 320,288,556

Summary of Proposed Expenditures by Department - General Fund

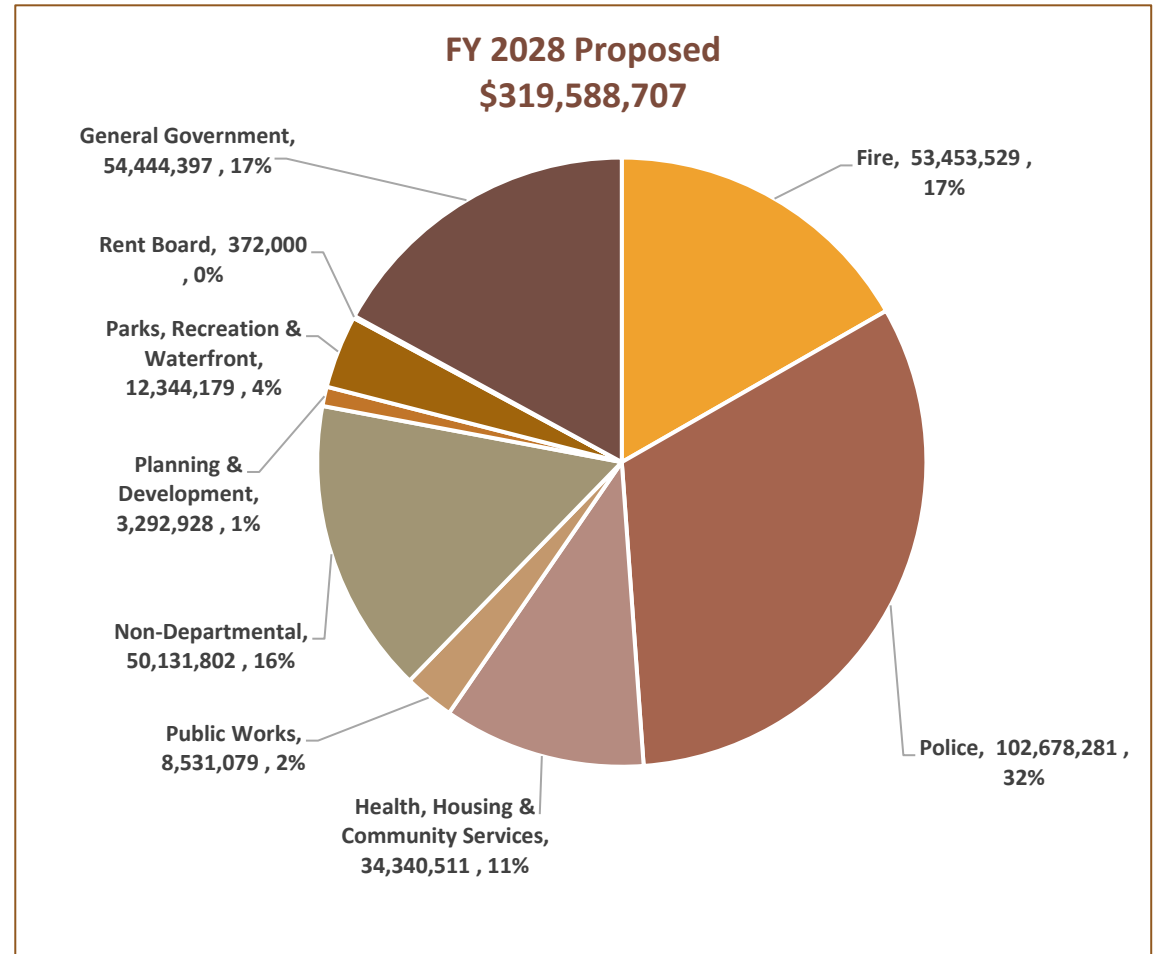
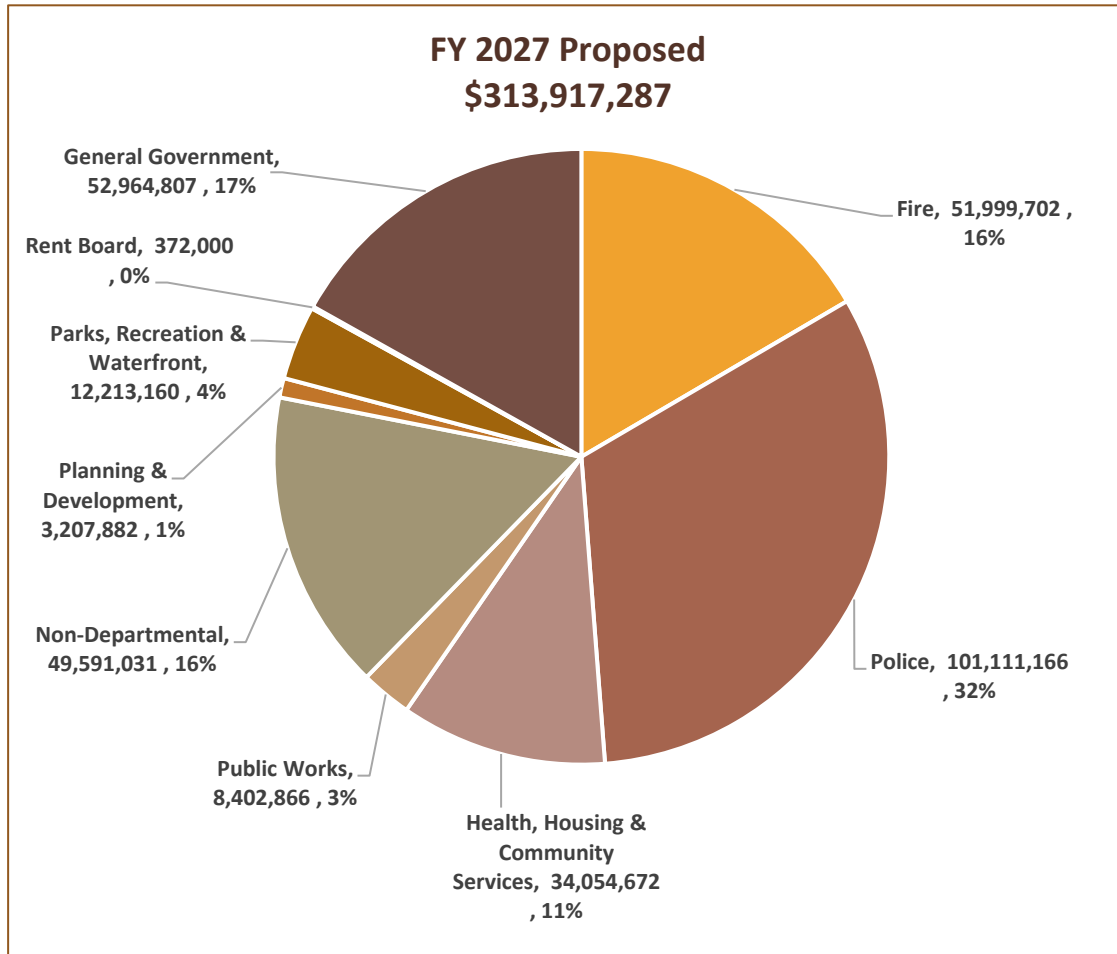
Department	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Proposed	FY 2028 Proposed
City Attorney	5,332,589	6,246,316	6,065,046	7,980,758	8,130,448
City Auditor	3,078,425	3,645,403	3,891,057	3,830,187	3,922,039
City Clerk*	2,114,865	4,376,568	3,044,270	3,715,090	3,763,483
City Manager**	15,438,698	17,809,090	18,030,151	13,936,928	14,442,713
Finance	7,188,353	7,846,983	9,544,384	9,114,584	9,373,892
Fire	48,392,171	56,027,166	49,496,048	51,999,702	53,453,529
Health, Housing & Community Services	36,867,755	35,398,157	32,957,312	34,054,672	34,340,511
Human Resources	3,819,103	4,624,136	4,696,613	4,661,434	4,858,855
Information Technology	1,077,796	1,147,360	1,580,760	965,062	965,062
Library***	-	-	-	-	-
Mayor and Council	4,203,792	5,840,753	7,936,134	7,542,519	7,719,768
Non-Departmental	69,050,828	54,753,775	48,568,013	49,591,031	50,131,802
Office of the Director of Police					
Accountability	1,210,483	1,700,439	1,146,056	1,218,244	1,268,137
Planning & Development	3,153,666	4,280,922	3,731,131	3,207,882	3,292,928
Police	85,926,952	88,414,399	101,282,782	101,111,166	102,678,281
Parks, Recreation & Waterfront	12,640,006	11,671,705	11,826,297	12,213,160	12,344,179
Public Works	7,100,535	7,658,572	7,267,204	8,402,866	8,531,079
Rent Board***	554,214	97,372	372,000	372,000	372,000
Grand Total	307,150,230	311,539,113	311,435,259	313,917,287	319,588,707

*City Clerk's FY 28 budget includes election costs that will not be incurred FY 2028. These funds will be used to offset increases in liability and property insurance cost.

**City Manager's Office Animal Services budget moved to its own fund (Fund 115 – Animal Shelter Fund). CMO's FY 27 & FY 28 Proposed Budget reflects its budget balancing plan, and the Animal services move. Non-Departmental increases partially reflect a GF transfer from the CMO to Fund 115.

***The Library and Rent Board functions as a specialized and independent body. The Library generally does not receive GF support, and the Rent Board receives a fixed amount of \$372K for Empty Homes Tax Administration.

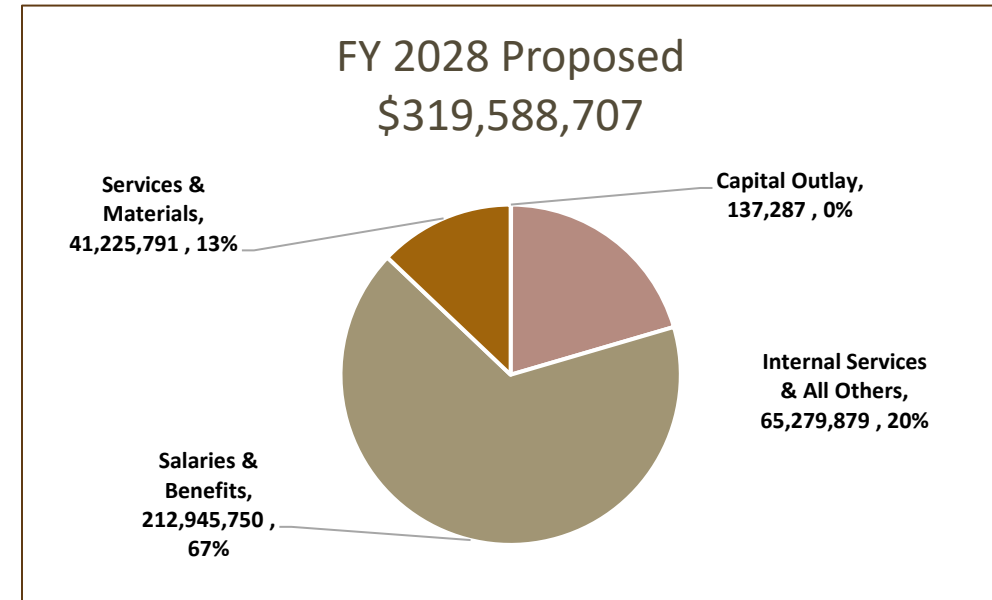
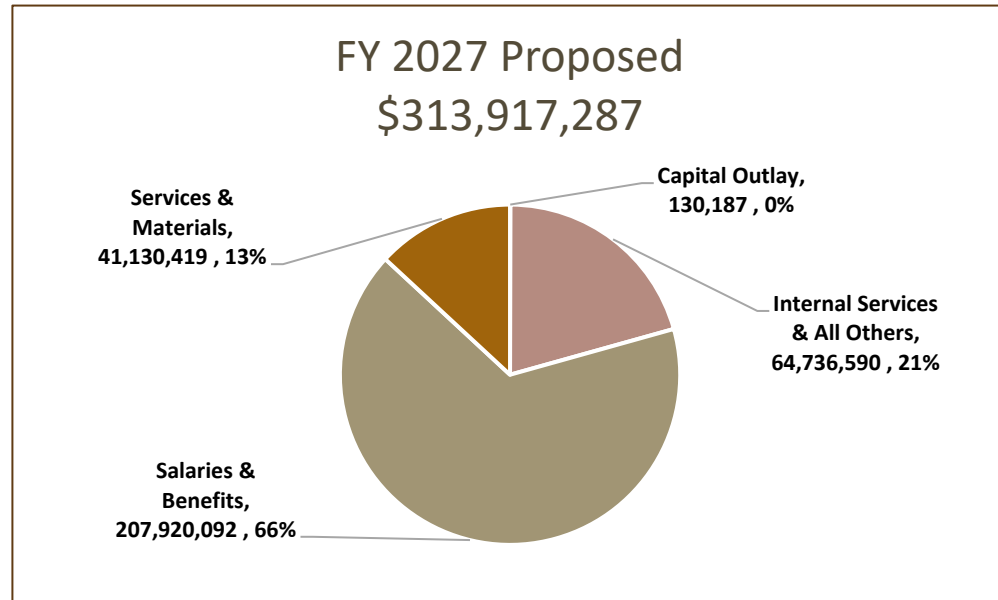
Proposed General Fund Expenditure by Department



- The General Fund's largest expenditures are Public Safety (48% in FY 27; 49% in FY 28), followed by General Government (17%), Non-Departmental (16%), and HHCS (11%).
- General Government includes administrative, legislative, and financial functions: Mayor & Council, Charter Offices, City Manager's Office, IT, City Clerk, Finance, and HR.
- General Fund's Non-Departmental expenses include transfers to other funds (e.g., CIP, Public Liability, Catastrophic), as well as School Board stipends, external audit costs, actuarial services, and similar citywide obligations.

Proposed General Fund Expenditures by Category

Category	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Proposed	FY 2028 Proposed
Capital Outlay	4,078,199	1,431,179	847,661	130,187	137,287
Internal Services & All Others	85,321,322	70,708,522	63,974,566	64,736,590	65,279,879
Salaries & Benefits	173,407,276	187,785,129	210,685,113	207,920,092	212,945,750
Services & Materials	44,343,432	51,614,283	35,927,919	41,130,419	41,225,791
Grand Total	307,150,230	311,539,113	311,435,259	313,917,287	319,588,707



- Salaries & Benefit account for 66% of the total General Fund budget in FY 2027 and 67% in FY 2028.
- Capital Outlay covers one-time asset investments (equipment, technology, and infrastructure). The City historically funded these with one-time allocations, (e.g., FY 2024–2025 Actuals), but no one-time allocations are proposed for FY 2027 or FY 2028.

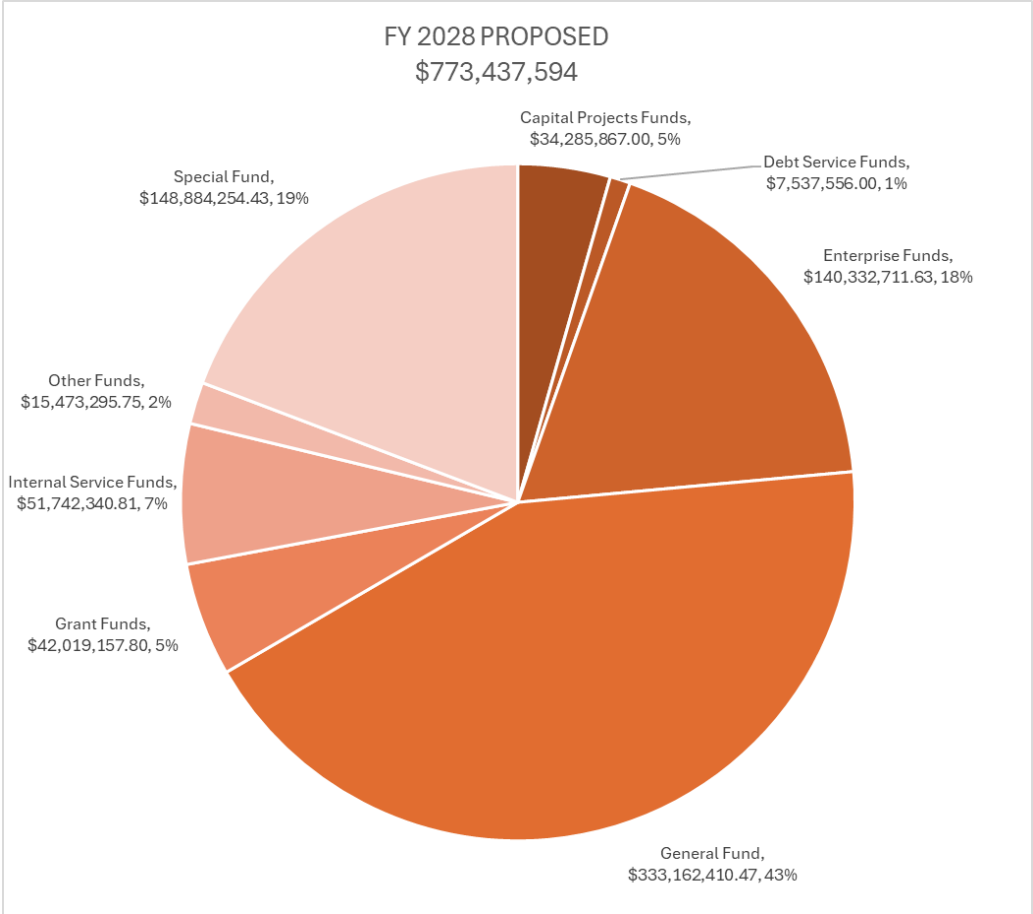
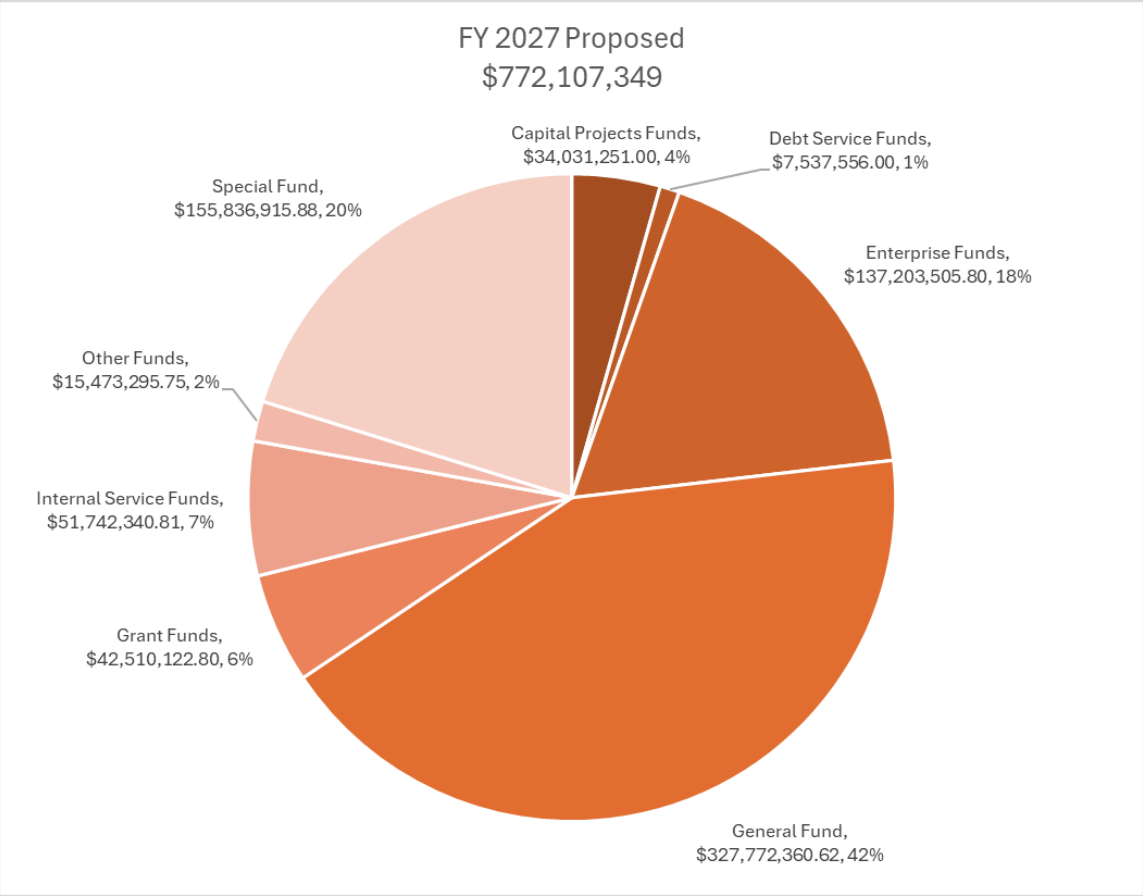
Proposed FY 27 & FY 28 – Summary of All Funds

Summary of Revenue – All Funds by Funding Source

Fund Type	2026 Adopted	2027 PROPOSED	2028 PROPOSED
Capital Projects Funds	\$34,323,934.00	\$34,031,251.00	\$34,285,867.00
Debt Service Funds	\$7,537,556.00	\$7,537,556.00	\$7,537,556.00
Enterprise Funds	\$134,831,492.77	\$137,203,505.80	\$140,332,711.63
General Funds*	\$324,209,113.17	\$327,772,360.62	\$333,162,410.47
Grant Funds	\$44,398,880.56	\$42,510,122.80	\$42,019,157.80
Internal Service Funds	\$51,742,340.81	\$51,742,340.81	\$51,742,340.81
Other Funds	\$15,473,295.75	\$15,473,295.75	\$15,473,295.75
Special Funds	\$152,614,598.08	\$155,836,915.88	\$148,884,254.43
Grand Total	\$765,131,211.14	\$772,107,348.66	\$773,437,593.89

*General Funds include Fund 011 and other discretionary funds (Funds 011 to 099) in the general fund family such as Payroll Deduction Trust and Measure U1.

Proposed All Funds Revenue by Funding Source

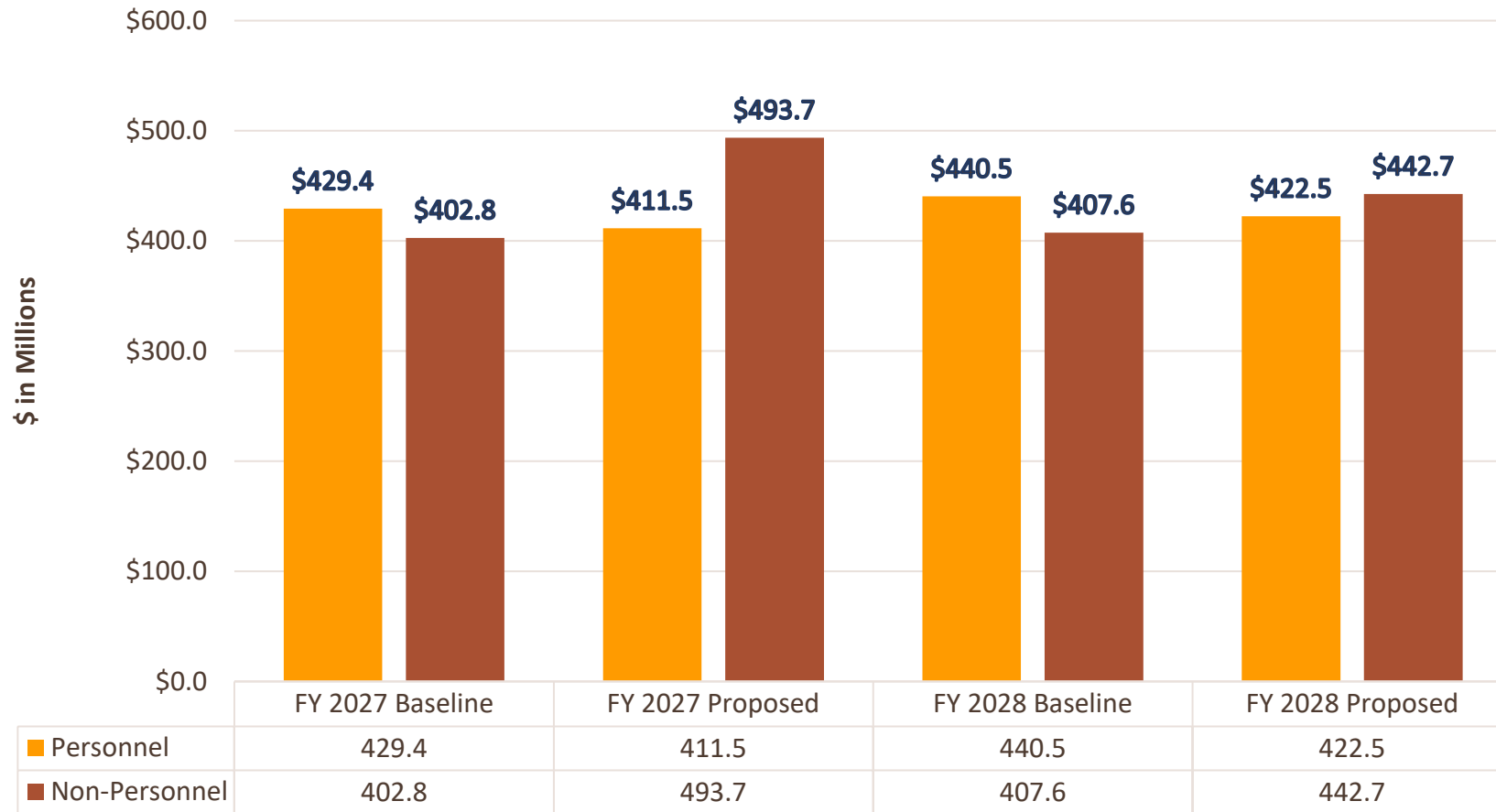


Summary of Expenditures by Department - All Funds

Department	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Proposed	FY 2028 Proposed
Mayor and Council	4,203,792	5,840,753	7,936,134	7,542,519	7,719,768
City Auditor	3,157,444	3,686,754	3,934,495	4,014,900	4,155,307
Rent Board	7,028,903	7,682,929	10,074,940	9,579,554	9,764,186
Office of the Director of Police Accountability	1,210,483	1,700,439	1,146,056	1,218,244	1,268,137
City Manager	22,096,549	25,266,724	23,399,636	23,081,446	23,038,965
Library	24,026,043	25,859,095	33,865,077	34,365,131	31,293,695
City Attorney	9,112,692	9,353,380	9,825,142	11,740,854	11,890,544
City Clerk	2,823,822	4,908,450	3,709,023	4,387,560	4,442,419
Finance	8,938,144	9,836,330	12,026,929	11,585,018	11,890,064
Human Resources	5,551,340	6,600,558	6,804,564	6,700,330	7,008,628
Information Technology	15,298,230	20,189,882	24,019,890	19,978,807	20,371,561
Health, Housing & Community Services	108,295,302	97,486,043	119,850,769	165,498,829	153,980,699
Parks, Recreation & Waterfront	48,266,958	59,806,044	52,502,355	52,169,781	49,722,942
Planning and Development	26,533,191	28,954,317	34,631,009	34,391,855	34,899,876
Public Works	149,296,617	168,988,224	187,063,884	234,458,957	213,420,904
Police	90,716,174	93,777,039	106,237,136	106,898,286	108,497,860
Fire	68,731,246	83,215,996	78,273,290	79,042,106	81,368,163
Non-Departmental	133,946,419	135,407,033	113,913,030	98,535,848	90,520,021
Grand Total	729,233,350	788,559,989	829,213,359	905,190,026	865,253,739

FY 2027 & FY 2028 All Funds Budget (Baseline vs Proposed)

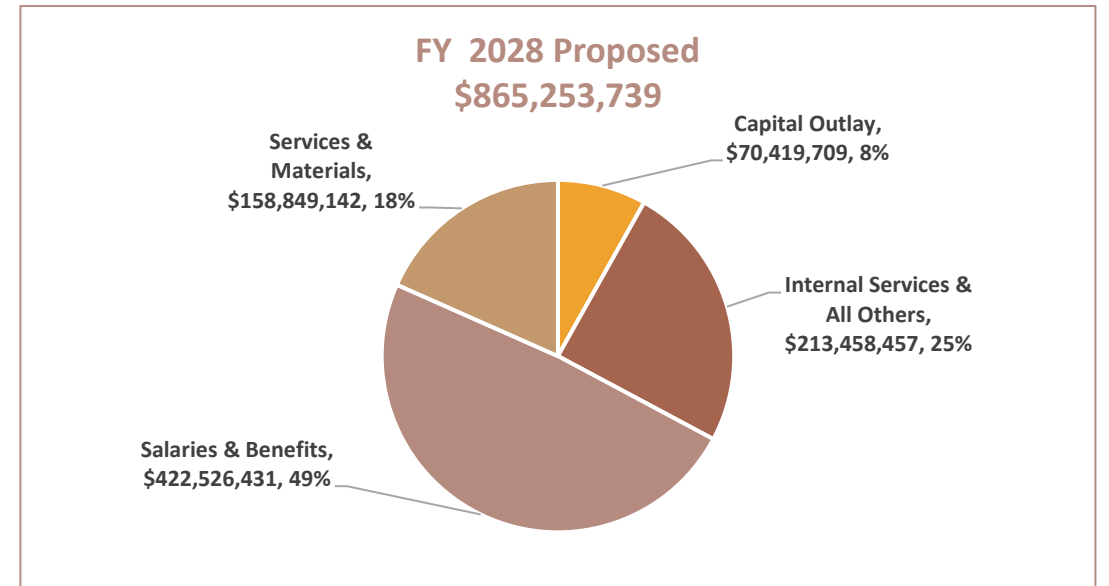
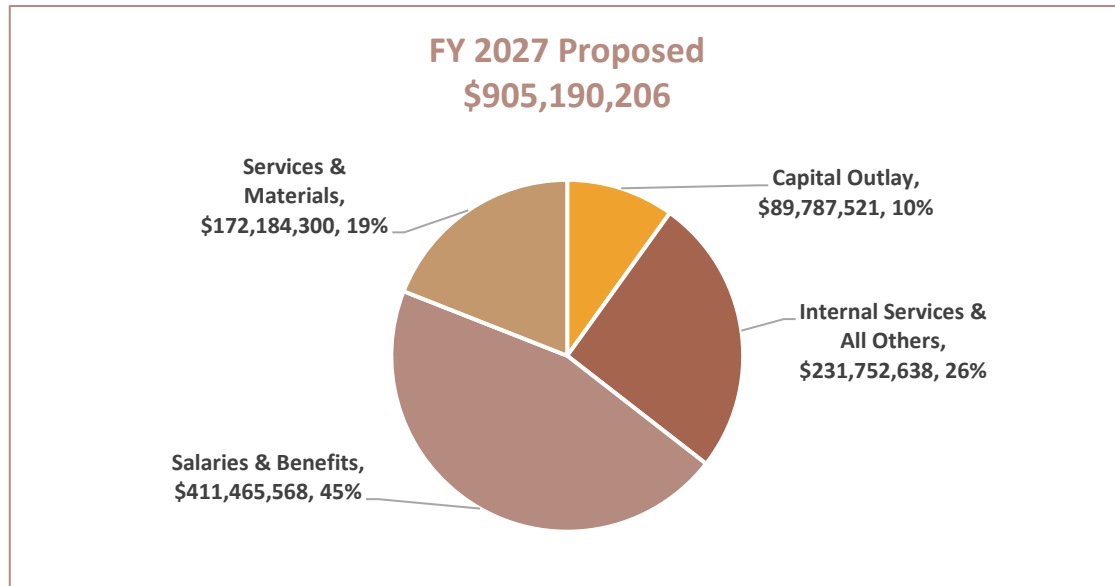
All Funds Proposed Budget
FY 2027 \$905.2 million, FY 2028 \$865.3 million



Personnel Non-Personnel

Proposed All Funds Expenditures by Category

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Proposed	FY 2028 Proposed
Capital Outlay	\$44,560,352	\$58,454,365	\$57,336,395	\$89,787,521	\$70,419,709
Internal Services & All Others	\$186,342,714	\$177,883,392	\$187,421,580	\$231,752,638	\$213,458,457
Salaries & Benefits	\$341,001,654	\$370,872,889	\$423,510,403	\$411,465,568	\$422,526,431
Services & Materials	\$157,328,630	\$181,349,343	\$160,944,981	\$172,184,300	\$158,849,142
Grand Total	\$729,233,350	\$788,559,989	\$829,213,359	\$905,190,026	\$865,253,739



Proposed FY 27 & FY 28 Staffing

FY 2027-2028 Proposed Staffing

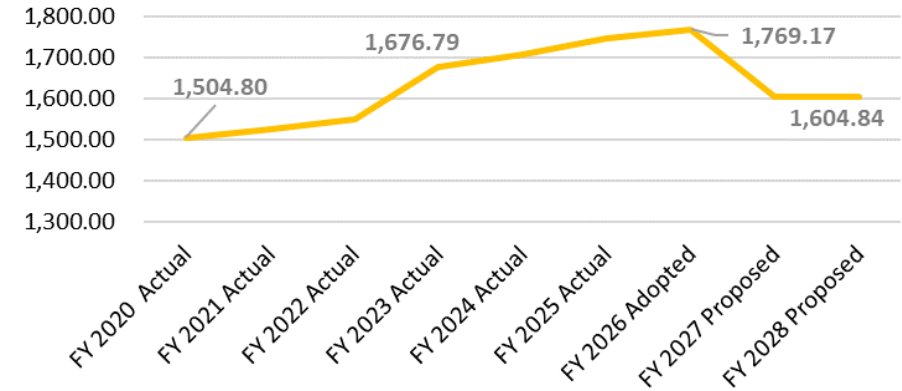
DEPARTMENT	FY 2027 Proposed			FY 2028 Proposed		
	Total FTE Count	General Fund	All Other Funds	Total FTE Count	General Fund	All Other Funds
City Attorney	19.00	19.00	0.00	19.00	19.00	0.00
City Auditor	15.75	14.83	0.92	15.75	14.69	1.06
City Clerk	9.00	8.43	0.57	9.00	8.43	0.57
City Manager	44.00	29.45	14.55	44.00	29.45	14.55
Finance	48.00	39.25	8.75	48.00	39.25	8.75
Fire Department	190.00	137.33	52.67	190.00	137.33	52.67
Health, Housing & Community Services	195.00	65.27	129.73	195.00	65.57	129.43
Human Resources	24.00	16.20	7.80	24.00	16.20	7.80
Information Technology	45.00	0.00	45.00	45.00	0.00	45.00
Library	131.05	0.00	131.05	131.05	0.00	131.05
Mayor and Council	23.00	23.00	0.00	23.00	23.00	0.00
Office of the Director of Police Accountability	4.00	4.00	0.00	4.00	4.00	0.00
Parks, Recreation & Waterfront	114.00	25.50	88.50	114.00	25.50	88.50
Planning & Development	105.04	11.86	93.18	105.04	11.86	93.18
Police Department	272.00	250.00	22.00	272.00	250.00	22.00
Public Works	337.00	18.79	318.21	337.00	18.79	318.21
Rent Board	29.00	0.50	28.50	29.00	0.50	28.50
Grand Total	1,604.84	663.41	941.43	1,604.84	663.57	941.27

- Full-time equivalent (FTE) total: 1,604.84; largest departments are Public Works, Police, HHCS, and Fire
- General Fund supports 663 FTEs (41%) and Other Funds support 941 FTEs (59%) in FY 2027 and FY 2028.
- Totals include Library (131.05 FTE) and Rent Board (29 FTE); excluding these, Charter Offices and CM-managed departments total 1,444.79 FTEs.

Summary of Staffing by Department

	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Proposed	FY 2028 Proposed
City Attorney	15.00	15.00	15.00	17.00	17.00	20.00	20.00	19.00	19.00
City Auditor	13.50	13.75	13.50	14.75	15.75	15.75	15.75	15.75	15.75
City Clerk	10.00	10.00	10.00	10.00	10.00	10.00	10.00	9.00	9.00
City Manager	44.50	46.50	47.50	53.50	54.50	56.00	57.00	44.00	44.00
Finance	49.00	50.00	51.00	56.00	56.00	56.00	56.00	48.00	48.00
Fire Department	153.00	153.00	153.00	203.00	205.00	202.00	214.00	190.00	190.00
Health, Housing & Community Services	205.70	216.90	220.10	225.10	238.20	248.20	253.20	195.00	195.00
Human Resources	22.00	22.00	22.00	22.00	26.00	26.00	27.00	24.00	24.00
Information Technology	45.00	46.00	47.00	52.00	51.00	51.00	51.00	45.00	45.00
Library	111.10	111.10	114.85	114.85	118.60	133.05	131.18	131.05	131.05
Mayor and Council	15.00	15.00	15.00	19.00	19.00	23.00	23.00	23.00	23.00
Office of the Director of Police Accountability *	0.00	0.00	4.00	5.00	6.00	6.00	6.00	4.00	4.00
Parks, Recreation & Waterfront	102.75	104.25	107.25	113.00	113.00	113.00	114.00	114.00	114.00
Planning & Development	93.40	94.70	100.33	106.04	108.04	108.89	109.04	105.04	105.04
Police Department	279.00	279.00	281.00	302.00	302.00	302.00	302.00	272.00	272.00
Police Review Commission *	3.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Public Works	320.50	322.00	323.00	340.00	341.94	349.94	351.00	337.00	337.00
Rent Board	22.35	22.35	24.55	23.55	25.00	26.00	29.00	29.00	29.00
Full Time Equivalent Employee (FTE) Total	1,504.80	1,524.55	1,549.08	1,676.79	1,707.03	1,746.83	1,769.17	1,604.84	1,604.84

Full Time Equivalent Employee (FTE)
Total



- Staffing grew steadily from FY 2020 to FY 2026 ranging from 1.28% to 8.24%, with highest increase in FY 2023 from FY 2022 (8.24% or 127.71 FTEs).
- FY 2027-2028 proposed staffing levels decreased by 9.29% (164.33 FTEs) compared with the FY 2026 adopted staffing level.
- Proposed Budget reflects a net reduction of 164.33 FTEs (all funds), driven largely by 150 FTEs in the Budget Balancing Plan. The plan also includes 33 FTEs preserved for this biennium pending the outcome of the ballot measure; these positions remain in the FTE count.
- RIF – 150 FTE cumulative reduction in General Fund (45 FTE in FY26 and 105 FTE in FY27-28).

* Police Review Commission has become the Office of the Director of Police Accountability in FY 2022.

Next Steps and Discussion

Next Steps | Illustrative Timeline



Discussion of the Proposed FY 2027 and FY 2028 Biennial Budget

Thank you.



**FY 2027 & FY 2028
PROPOSED BIENNIAL
BUDGET**

**FINANCIAL SUMMARIES
REPORT**

TABLE OF CONTENTS

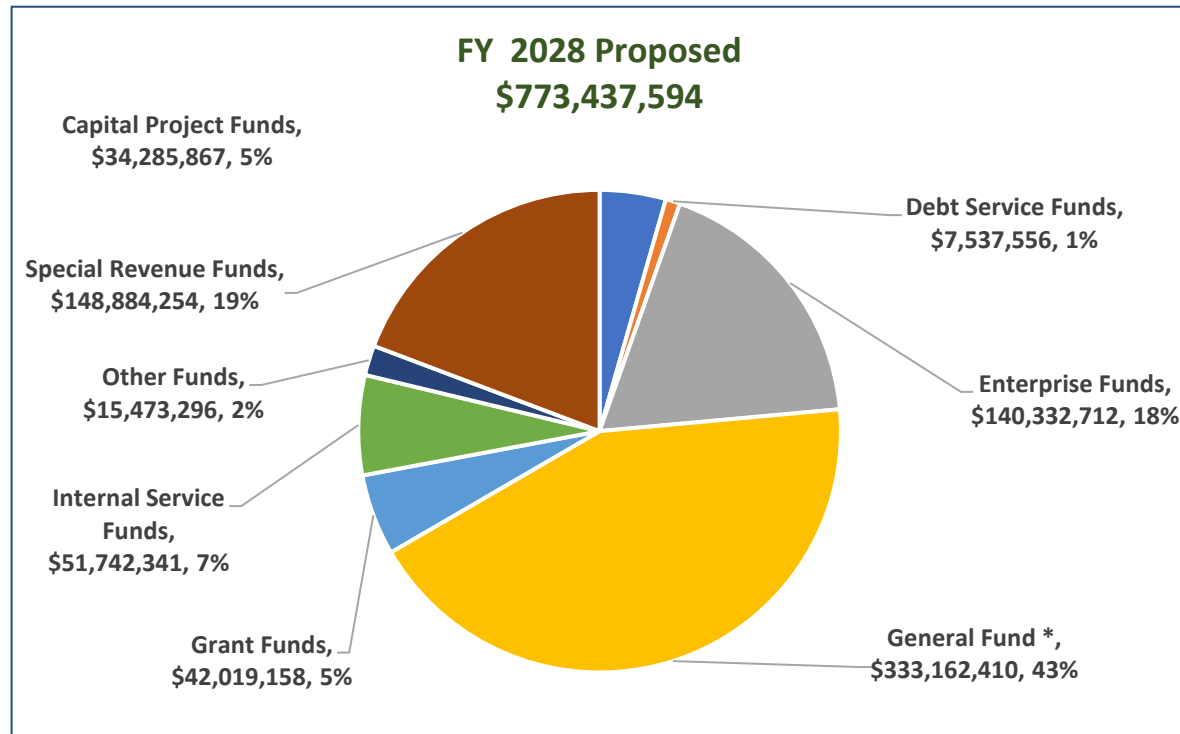
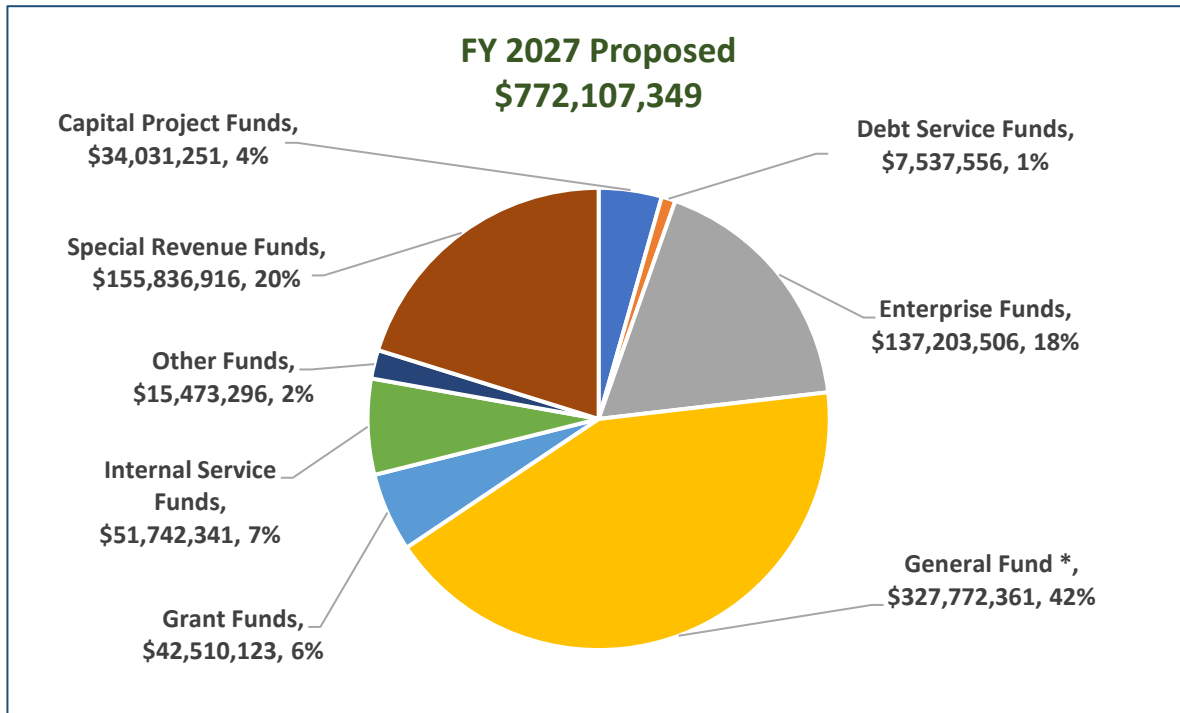
I.	SUMMARY OF REVENUE - ALL FUNDS BY FUNDING SOURCE	1
II.	SUMMARY OF EXPENDITURES BY DEPARTMENT – ALL FUNDS	3
III.	SUMMARY OF EXPENDITURES BY CATEGORY – ALL FUNDS	5
IV.	SUMMARY OF REVENUE – GENERAL FUND	6
V.	SUMMARY OF EXPENDITURES BY DEPARTMENT – GENERAL FUND	9
VI.	SUMMARY OF EXPENDITURES BY CATEGORY – GENERAL FUND	11
VII.	SUMMARY STAFFING BY DEPARTMENT	12
VIII.	POSITION SUMMARY BY DEPARTMENT	13
IX.	PROPOSED STAFFING BY FUNDING SOURCE	24
X.	CUMULATIVE REDUCTION IN FORCE (RIF) BY DEPARTMENT	25

SUMMARY OF REVENUE - ALL FUNDS BY FUNDING SOURCE

Fund Type	FY 2026 Adopted	FY 2027 Proposed	FY 2028 Proposed
Capital Project Funds	\$34,323,934	\$34,031,251	\$34,285,867
Debt Service Funds	\$7,537,556	\$7,537,556	\$7,537,556
Enterprise Funds	\$134,831,493	\$137,203,506	\$140,332,712
General Fund *	\$324,209,113	\$327,772,361	\$333,162,410
Grant Funds	\$44,398,881	\$42,510,123	\$42,019,158
Internal Service Funds	\$51,742,341	\$51,742,341	\$51,742,341
Other Funds	\$15,473,296	\$15,473,296	\$15,473,296
Special Revenue Funds	\$152,614,598	\$155,836,916	\$148,884,254
Grand Total	\$765,131,211	\$772,107,349	\$773,437,594

*General Funds include Fund 011 and other discretionary funds (Funds 011 to 099) in the general fund family such as Payroll Deduction Trust and Measure U1.

SUMMARY OF REVENUE - ALL FUNDS BY FUNDING SOURCE



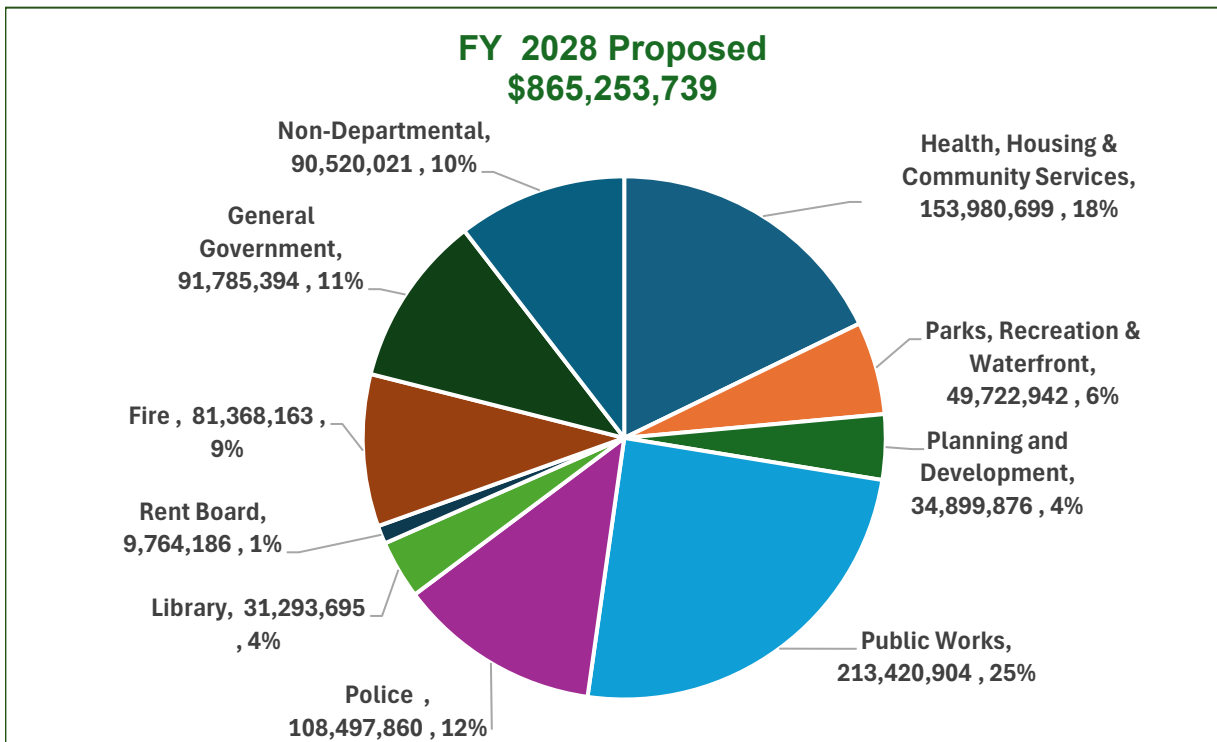
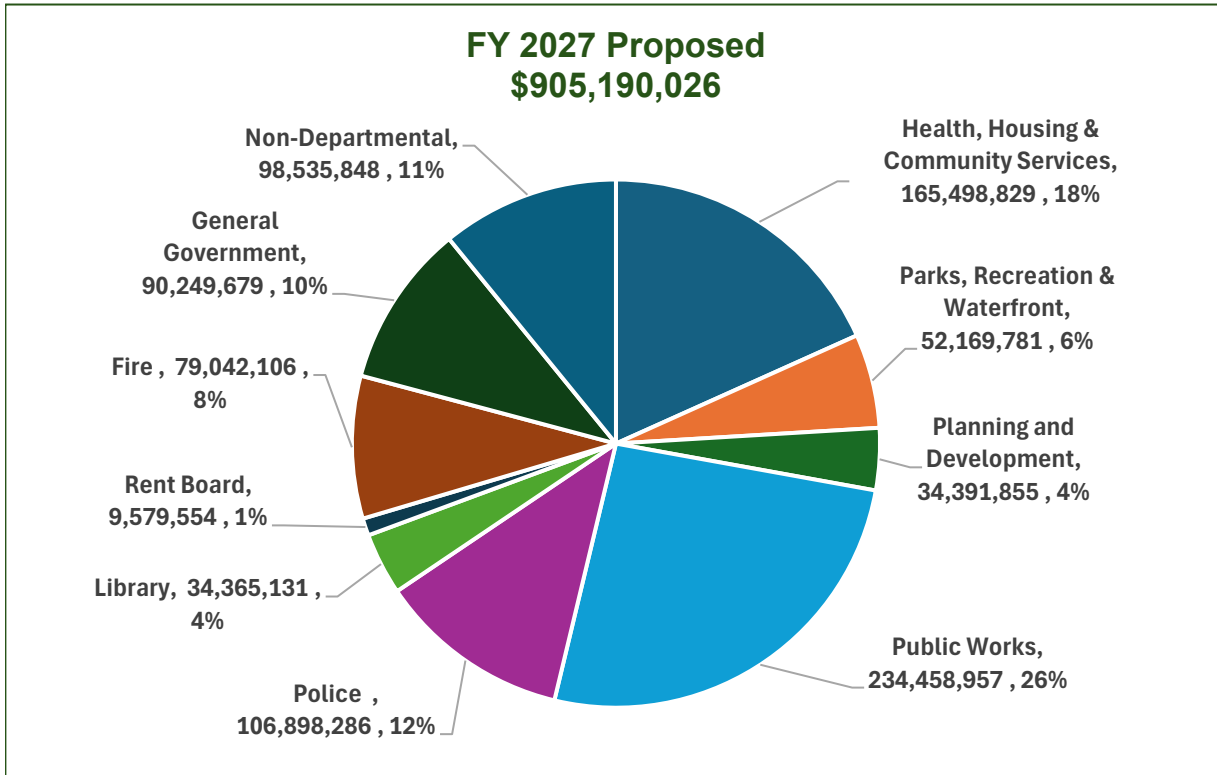
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Summary of Expenditures by Department - All Funds

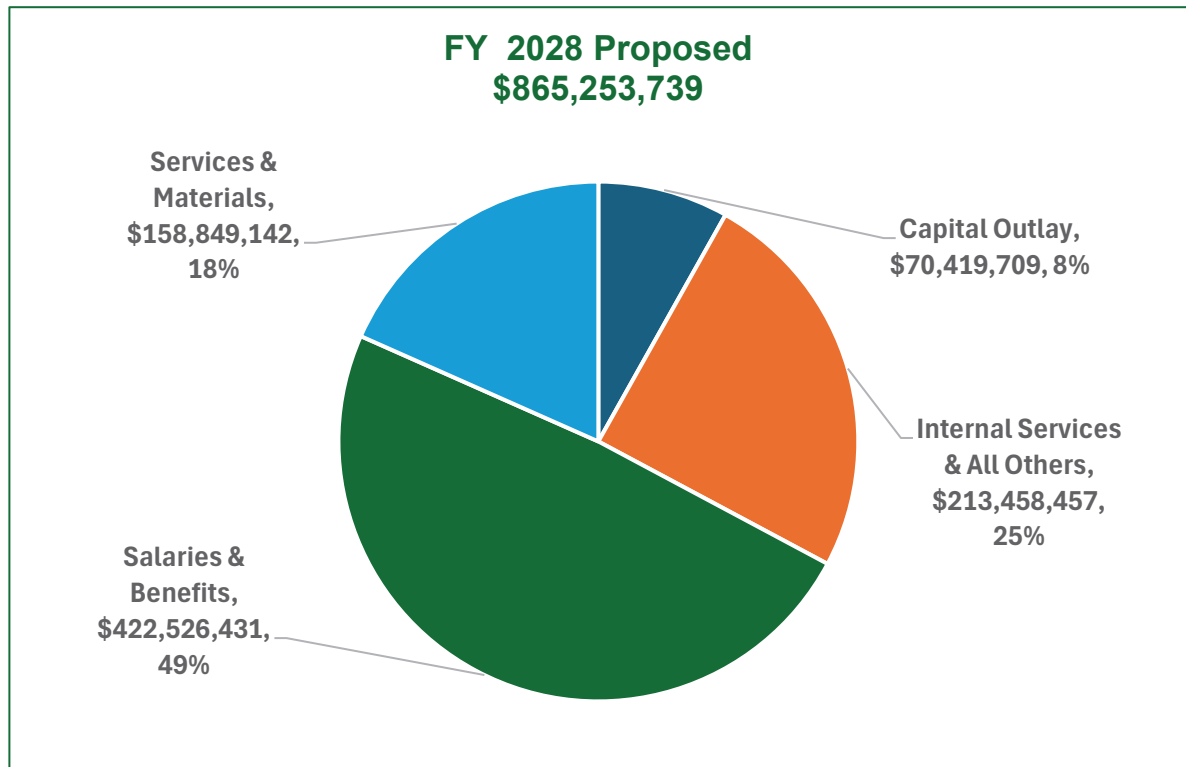
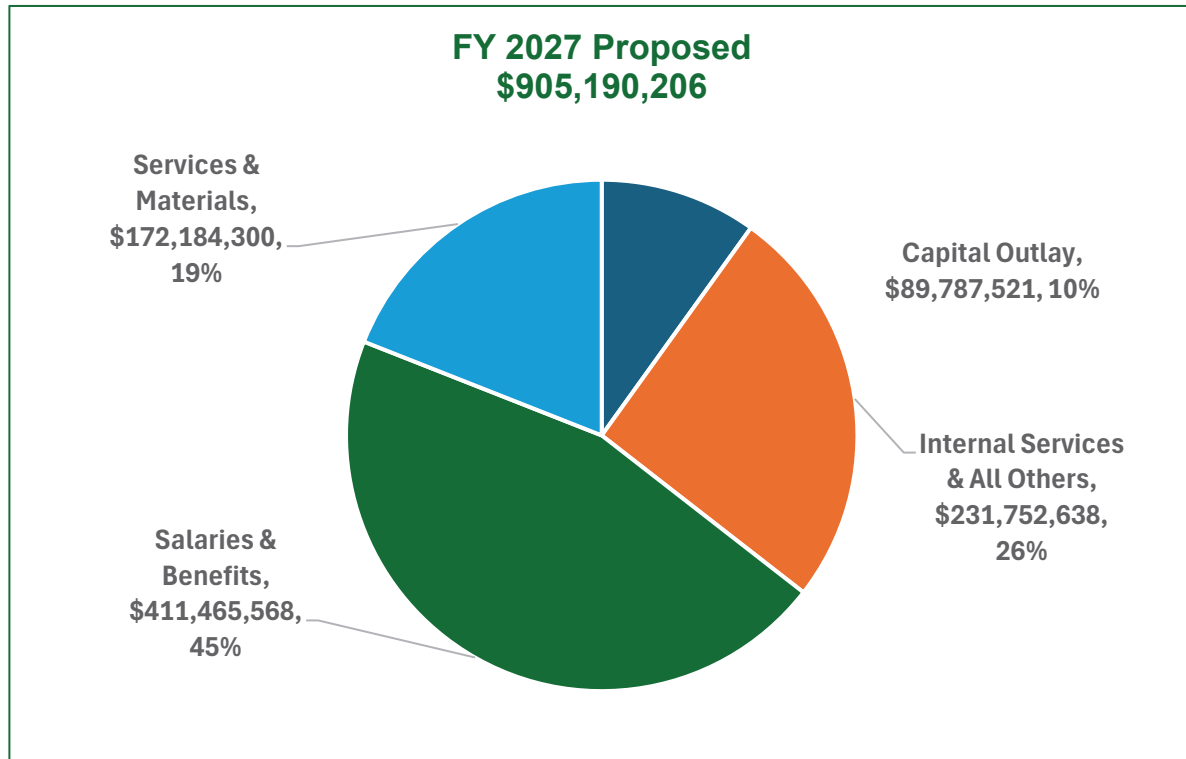
Department	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Proposed	FY 2028 Proposed
Mayor and Council	4,203,792	5,840,753	7,936,134	7,542,519	7,719,768
City Auditor	3,157,444	3,686,754	3,934,495	4,014,900	4,155,307
Rent Board	7,028,903	7,682,929	10,074,940	9,579,554	9,764,186
Office of the Director of Police Accountability	1,210,483	1,700,439	1,146,056	1,218,244	1,268,137
City Manager	22,096,549	25,266,724	23,399,636	23,081,446	23,038,965
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Finance	8,938,144	9,836,330	12,026,929	11,585,018	11,890,064
Human Resources	5,551,340	6,600,558	6,804,564	6,700,330	7,008,628
Information Technology	15,298,230	20,189,882	24,019,890	19,978,807	20,371,561
Health, Housing & Community Services	108,295,302	97,486,043	119,850,769	165,498,829	153,980,699
Parks, Recreation & Waterfront	48,266,958	59,806,044	52,502,355	52,169,781	49,722,942
Planning and Development	26,533,191	28,954,317	34,631,009	34,391,855	34,899,876
Public Works	149,296,617	168,988,224	187,063,884	234,458,957	213,420,904
Police	90,716,174	93,777,039	106,237,136	106,898,286	108,497,860
Fire	68,731,246	83,215,996	78,273,290	79,042,106	81,368,163
Non-Departmental *	133,946,419	135,407,033	113,913,030	98,535,848	90,520,021
Grand Total	729,233,350	788,559,989	829,213,359	905,190,026	865,253,739

* Non-Departmental consists of operational overhead costs such as Property Insurance and School Board salaries, Workers' Compensation costs, Debt Service, and Interfund Transfers.

ALL FUNDS EXPENDITURES - BY DEPARTMENT



ALL FUNDS EXPENDITURES - BY CATEGORY



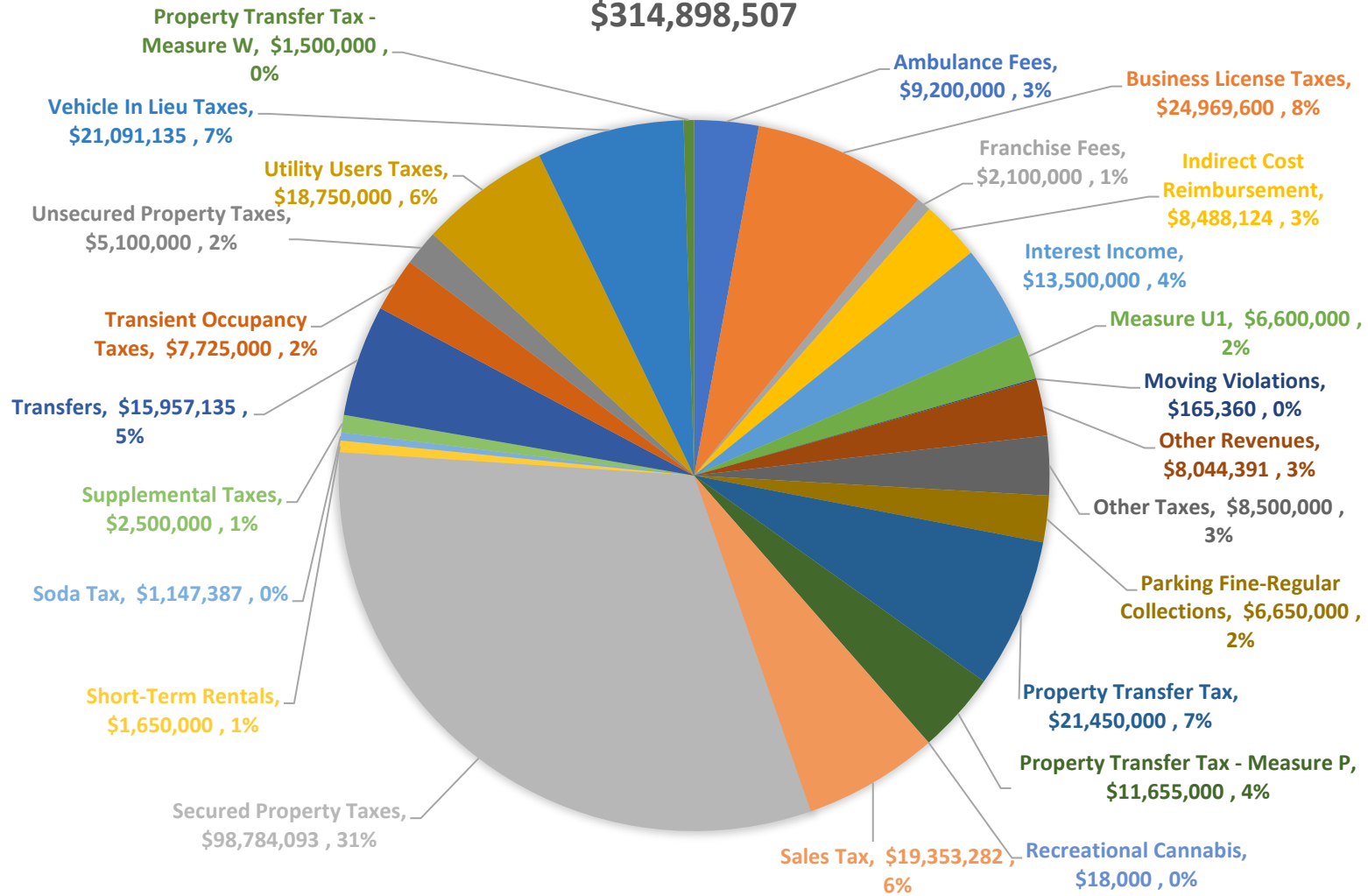
GENERAL FUND REVENUE BY CATEGORY

Category	FY 2026 Adopted	FY 2027 Proposed	FY 2028 Proposed
Ambulance Fees	\$ 8,900,000	\$ 9,200,000	\$ 9,200,000
Business License Taxes	\$ 24,480,000	\$ 24,969,600	\$ 25,468,992
Franchise Fees	\$ 1,822,528	\$ 2,100,000	\$ 2,100,000
Indirect Cost Reimbursement	\$ 7,070,256	\$ 8,488,124	\$ 8,619,434
Interest Income	\$ 14,000,000	\$ 13,500,000	\$ 12,500,000
Measure U1	\$ 6,500,000	\$ 6,600,000	\$ 6,600,000
Moving Violations	\$ 132,600	\$ 165,360	\$ 165,360
Other Revenues	\$ 8,000,000	\$ 8,044,391	\$ 8,245,501
Other Taxes	\$ 8,953,059	\$ 8,500,000	\$ 8,630,000
Parking Fine-Regular Collections	\$ 5,900,000	\$ 6,650,000	\$ 6,650,000
Property Transfer Tax	\$ 22,000,000	\$ 21,450,000	\$ 21,450,000
Property Transfer Tax - Measure P	\$ 9,100,000	\$ 11,655,000	\$ 12,237,750
Recreational Cannabis	\$ 18,000	\$ 18,000	\$ 1,000,000
Sales Tax	\$ 19,106,713	\$ 19,353,282	\$ 29,395,218
Secured Property Taxes	\$ 95,236,939	\$ 98,784,093	\$ 103,454,324
Short-Term Rentals	\$ 1,400,000	\$ 1,650,000	\$ 1,400,000
Soda Tax	\$ 1,147,387	\$ 1,147,387	\$ 1,147,387
Supplemental Taxes	\$ 2,900,000	\$ 2,500,000	\$ 2,000,000
Transfers	\$ 23,842,130	\$ 15,957,135	\$ 3,477,720
Transient Occupancy Taxes	\$ 6,500,000	\$ 7,725,000	\$ 7,867,547
Unsecured Property Taxes	\$ 4,973,066	\$ 5,100,000	\$ 5,100,000
Utility Users Taxes	\$ 19,396,728	\$ 18,750,000	\$ 18,750,000
Vehicle In Lieu Taxes	\$ 20,055,853	\$ 21,091,135	\$ 21,829,324
Property Transfer Tax - Measure W	\$ -	\$ 1,500,000	\$ 3,000,000
Grand Total	\$ 311,435,259	\$ 314,898,507	\$ 320,288,556

GENERAL FUND REVENUE BY CATEGORY

FY 2027 PROPOSED

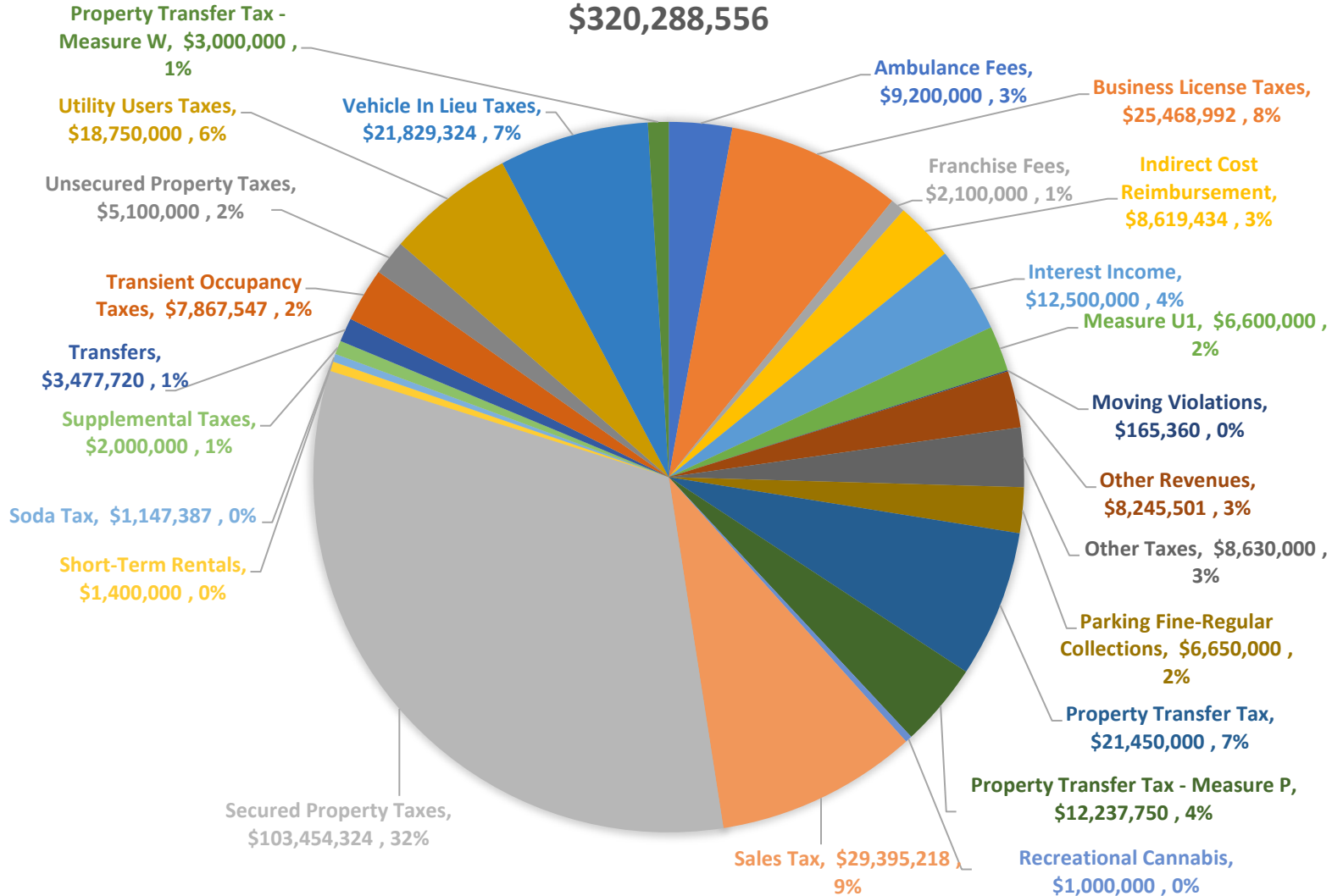
\$314,898,507



GENERAL FUND REVENUE BY CATEGORY

FY 2028 PROPOSED

\$320,288,556

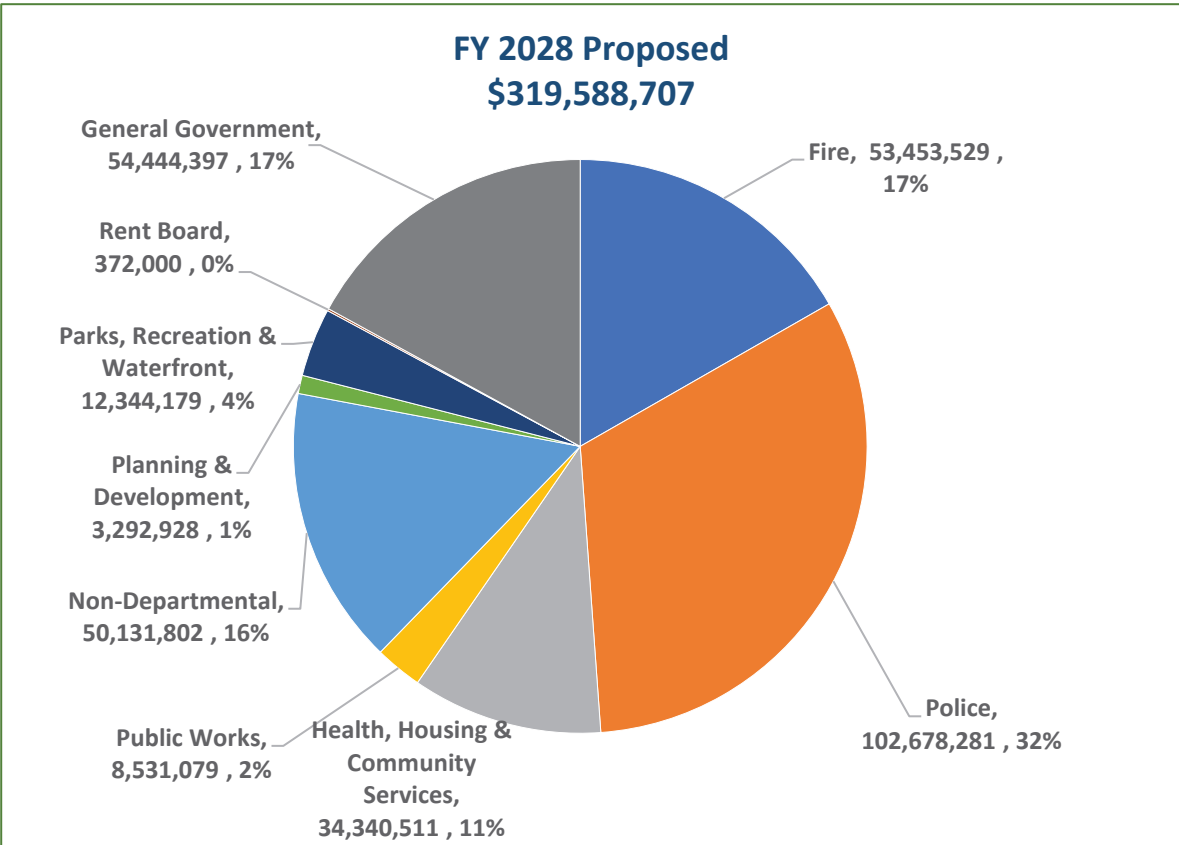
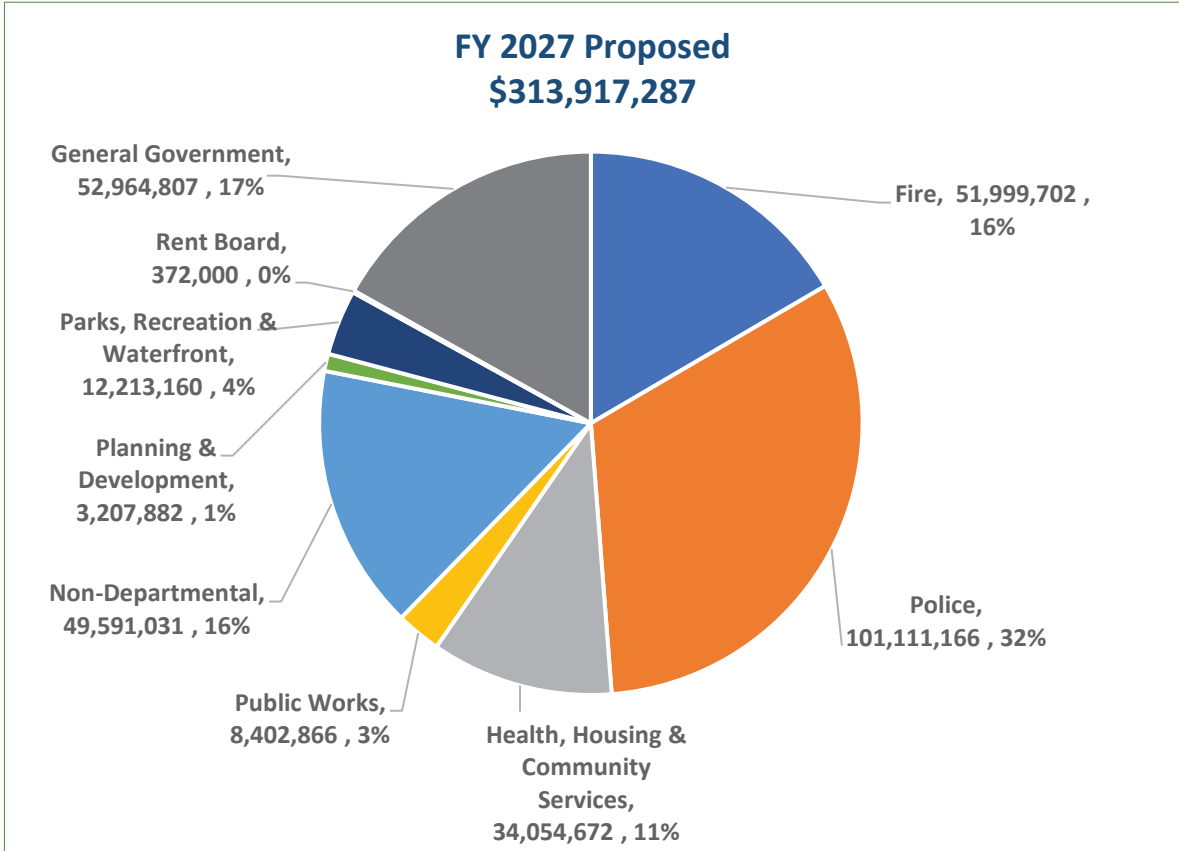


Summary of Expenditures by Department - General Fund

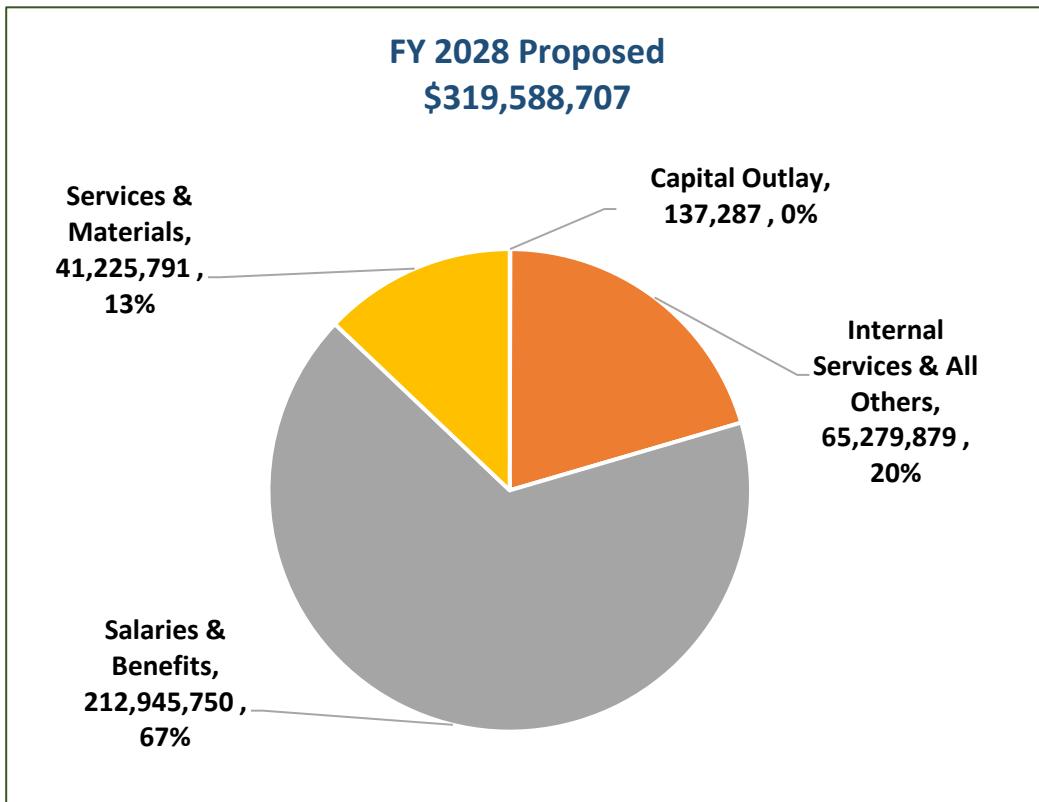
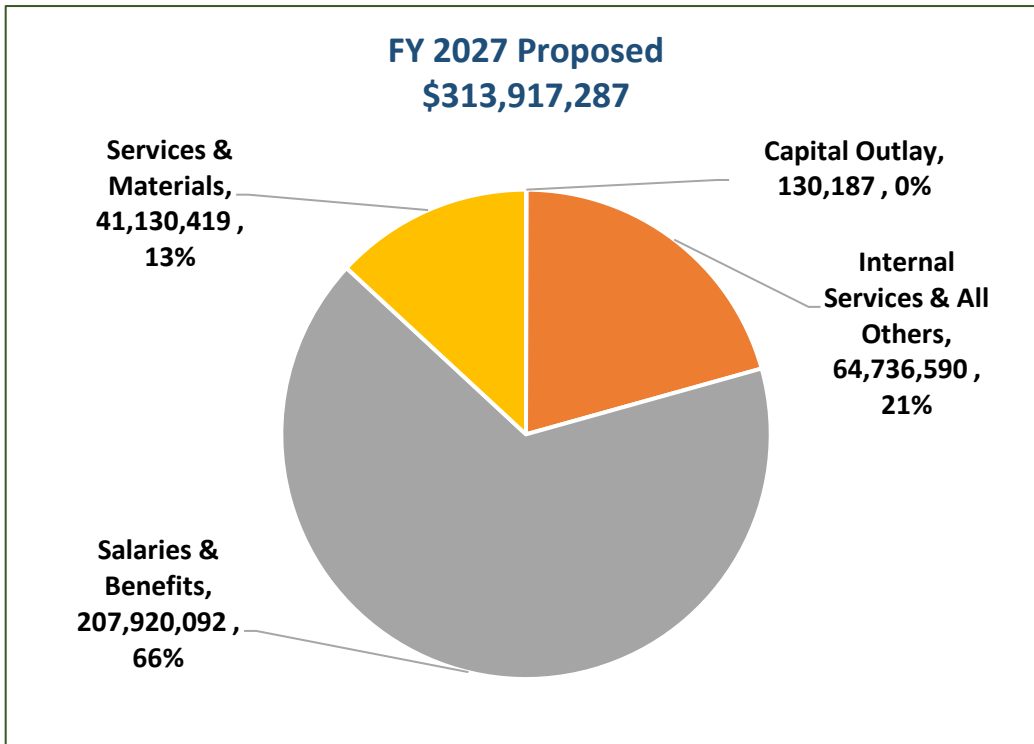
Department	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Proposed	FY 2028 Proposed
City Attorney	5,332,589	6,246,316	6,065,046	7,980,758	8,130,448
City Auditor	3,078,425	3,645,403	3,891,057	3,830,187	3,922,039
City Clerk	2,114,865	4,376,568	3,044,270	3,715,090	3,763,483
City Manager	15,438,698	17,809,090	18,030,151	13,936,928	14,442,713
Finance	7,188,353	7,846,983	9,544,384	9,114,584	9,373,892
Fire	48,392,171	56,027,166	49,496,048	51,999,702	53,453,529
Health, Housing & Community Services	36,867,755	35,398,157	32,957,312	34,054,672	34,340,511
Human Resources	3,819,103	4,624,136	4,696,613	4,661,434	4,858,855
Information Technology	1,077,796	1,147,360	1,580,760	965,062	965,062
Library	-	-	-	-	-
Mayor and Council	4,203,792	5,840,753	7,936,134	7,542,519	7,719,768
Non-Departmental *	69,050,828	54,753,775	48,568,013	49,591,031	50,131,802
Office of the Director of Police Accountability	1,210,483	1,700,439	1,146,056	1,218,244	1,268,137
Planning & Development	3,153,666	4,280,922	3,731,131	3,207,882	3,292,928
Police	85,926,952	88,414,399	101,282,782	101,111,166	102,678,281
Parks, Recreation & Waterfront	12,640,006	11,671,705	11,826,297	12,213,160	12,344,179
Public Works	7,100,535	7,658,572	7,267,204	8,402,866	8,531,079
Rent Board	554,214	97,372	372,000	372,000	372,000
Grand Total	307,150,230	311,539,113	311,435,259	313,917,287	319,588,707

* Non-Departmental consists of operational overhead costs such as Property Insurance and School Board salaries, Workers' Compensation costs, Debt Service, and Interfund Transfers.

GENERAL FUND EXPENDITURES - BY DEPARTMENT

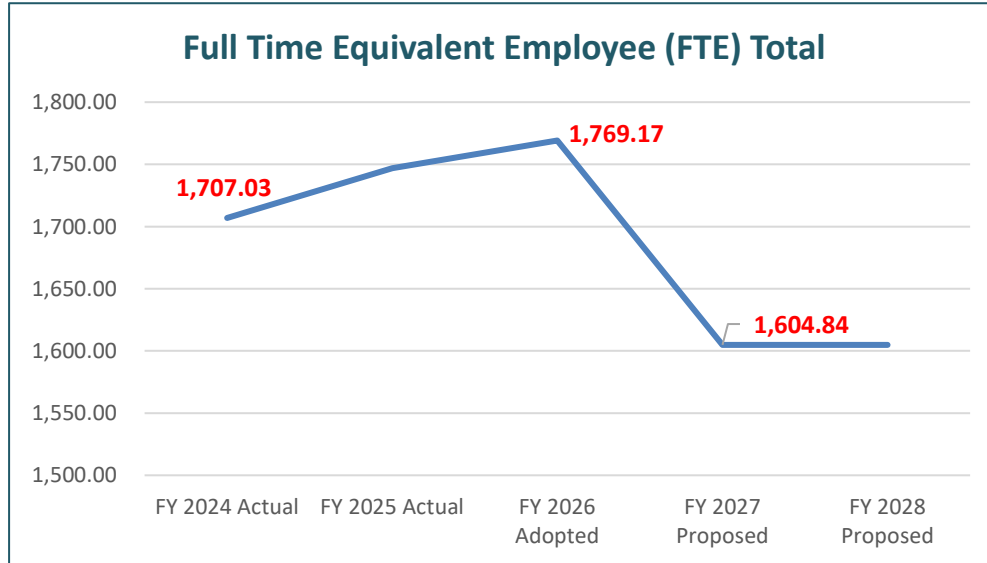


GENERAL FUND EXPENDITURES - BY CATEGORY



SUMMARY STAFFING BY DEPARTMENT

	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2027 Proposed	FY 2028 Proposed
City Attorney	17.00	20.00	20.00	19.00	19.00
City Auditor	15.75	15.75	15.75	15.75	15.75
City Clerk	10.00	10.00	10.00	9.00	9.00
City Manager	54.50	56.00	57.00	44.00	44.00
Finance	56.00	56.00	56.00	48.00	48.00
Fire Department	205.00	202.00	214.00	190.00	190.00
Health, Housing & Community Services	238.20	248.20	253.20	195.00	195.00
Human Resources	26.00	26.00	27.00	24.00	24.00
Information Technology	51.00	51.00	51.00	45.00	45.00
Library	118.60	133.05	131.18	131.05	131.05
Mayor and Council	19.00	23.00	23.00	23.00	23.00
Office of the Director of Police Accountability	6.00	6.00	6.00	4.00	4.00
Parks, Recreation & Waterfront	113.00	113.00	114.00	114.00	114.00
Planning & Development	108.04	108.89	109.04	105.04	105.04
Police Department	302.00	302.00	302.00	272.00	272.00
Police Review Commission*	-	-	-	-	-
Public Works	341.94	349.94	351.00	337.00	337.00
Rent Board	25.00	26.00	29.00	29.00	29.00
Full Time Equivalent Employee (FTE) Total	1,707.03	1,746.83	1,769.17	1,604.84	1,604.84



- Over-all staffing trend from FY 2024 to FY2026 had a steady incline ranging from 1.28% to 2.33%.
- FY 2027-2028 proposed staffing levels decreased by 9.29% (164.33 FTEs) compared with the FY 2026 adopted staffing level.
- Reduction in Force (RIF) – 150 FTE cumulative reduction in General Fund (45 FTE in FY26 and 105 FTE in FY27-28).

FY 2027 & FY 2028 POSITION SUMMARY BY DEPARTMENT

	FY 2024 Actual	FY 2025 Actual	FY 2026 Actual	FY 2027 Proposed	FY 2028 Proposed
CITY ATTORNEY'S OFFICE					
Assistant City Attorney	1.00	1.00	1.00	1.00	1.00
Assistant to the City Attorney	1.00	1.00	1.00	1.00	1.00
City Attorney	1.00	1.00	1.00	1.00	1.00
Deputy City Attorney I	0.00	2.00	2.00	2.00	2.00
Deputy City Attorney III	0.00	0.00	0.00	0.00	0.00
Deputy City Attorney IV	8.00	8.00	8.00	8.00	8.00
Legal Office Supervisor	1.00	1.00	1.00	1.00	1.00
Paralegal	2.00	2.00	2.00	2.00	2.00
Risk Manager	0.00	1.00	1.00	1.00	1.00
Senior Legal Secretary (#)	3.00	3.00	3.00	2.00	2.00
TOTAL CITY ATTORNEY	17.00	20.00	20.00	19.00	19.00
CITY AUDITOR'S OFFICE					
Accounting Office Specialist III	0.00	0.00	0.00	0.00	0.00
Accounting Technician	3.75	3.75	3.75	3.75	3.75
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Audit Manager	2.00	3.00	3.00	3.00	3.00
Auditor I	1.00	1.00	1.00	1.00	1.00
Auditor II	2.00	3.00	3.00	3.00	3.00
Auditor II **	1.00	0.00	0.00	0.00	0.00
City Auditor	1.00	1.00	1.00	1.00	1.00
Deputy Auditor for Payroll Mgmt	1.00	1.00	1.00	1.00	1.00
Senior Auditor	3.00	2.00	2.00	2.00	2.00
TOTAL CITY AUDITOR'S OFFICE	15.75	15.75	15.75	15.75	15.75
CITY CLERK'S OFFICE					
Assistant City Clerk	3.00	4.00	4.00	4.00	4.00
Assistant Management Analyst	1.00	0.00	0.00	0.00	0.00
City Clerk	1.00	1.00	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00	1.00	1.00
Office Specialist II	0.00	0.00	0.00	0.00	0.00
Office Specialist III (#)	4.00	4.00	4.00	3.00	3.00
Records Assistant	0.00	0.00	0.00	0.00	0.00
TOTAL CITY CLERK'S OFFICE	10.00	10.00	10.00	9.00	9.00
CITY MANAGER'S OFFICE					
Accounting Office Specialist III	1.00	1.00	1.00	1.00	1.00
Administrative Assistant (#)	3.00	3.00	3.00	2.00	2.00
Administrative Hearing Examiner	1.00	1.00	1.00	1.00	1.00
Animal Control Officer	4.00	4.00	4.00	3.00	3.00
Animal Services Assistant	3.50	4.00	4.00	4.00	4.00
Animal Services Manager	1.00	1.00	1.00	1.00	1.00
Animal Services Supervisor	0.00	0.00	0.00	1.00	1.00
Assistant to the City Manager	4.00	3.00	3.00	3.00	3.00
Assistant to the City Manager ***	1.00	1.00	1.00	1.00	1.00
Associate Management Analyst	1.00	0.00	0.00	0.00	0.00
Budget Manager	1.00	1.00	1.00	1.00	1.00
City Manager	1.00	1.00	1.00	1.00	1.00
Civic Arts Coordinator	2.00	2.00	2.00	2.00	2.00
Code Enforcement Officer II	2.00	2.00	2.00	2.00	2.00
Code Enforcement Supervisor	1.00	1.00	1.00	1.00	1.00

FY 2027 & FY 2028 POSITION SUMMARY BY DEPARTMENT

	FY 2024 Actual	FY 2025 Actual	FY 2026 Actual	FY 2027 Proposed	FY 2028 Proposed
Communications Specialist	1.00	2.00	2.00	0.00	0.00
Community Development Project Coordinator	1.00	1.00	1.00	0.00	0.00
Community Services Specialist I	1.00	1.00	1.00	1.00	1.00
Community Services Specialist II	1.00	1.00	0.00	0.00	0.00
Community Services Specialist III	0.00	0.00	1.00	1.00	1.00
Deputy City Manager (#)	2.00	2.00	2.00	1.00	1.00
Digital Communications Coordinator (#)	3.00	3.00	3.00	2.00	2.00
Diversity, Equity and Inclusion (DEI) Officer	0.00	1.00	1.00	0.00	0.00
Economic Development Project Coordinator	2.00	2.00	2.00	1.00	1.00
Homeless Services Coordinator	1.00	1.00	1.00	1.00	1.00
Manager of Economic Development	1.00	1.00	1.00	1.00	1.00
Office Specialist II	1.00	1.00	1.00	0.00	0.00
Office Specialist III	2.00	2.00	2.00	1.00	1.00
Program Manager I (#)	0.00	0.00	1.00	0.00	0.00
Program Manager II	1.00	1.00	2.00	1.00	1.00
Registered Veterinary Technician	1.00	1.00	1.00	1.00	1.00
Secretary to the City Manager	1.00	1.00	1.00	1.00	1.00
Senior Animal Control Officer	1.00	1.00	1.00	1.00	1.00
Senior Economic Development Project Coordinator	1.00	1.00	1.00	1.00	1.00
Senior Management Analyst	5.00	6.00	4.00	4.00	4.00
Social Services Specialist	2.00	2.00	3.00	2.00	2.00
TOTAL CITY MANAGER'S OFFICE	54.50	56.00	57.00	44.00	44.00

FINANCE DEPARTMENT

Accountant I	1.00	1.00	1.00	1.00	1.00
Accountant II	3.00	3.00	3.00	3.00	3.00
Accounting Manager	1.00	1.00	1.00	1.00	1.00
Accounting Office Specialist II (#)	9.00	8.00	8.00	6.00	6.00
Accounting Office Specialist III	4.00	5.00	5.00	5.00	5.00
Accounting Office Specialist Supervisor	4.00	4.00	4.00	4.00	4.00
Accounting Technician	2.00	2.00	2.00	2.00	2.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	1.00	1.00	1.00	1.00	1.00
Associate Management Analyst	1.00	1.00	1.00	0.00	0.00
Buyer	1.00	1.00	1.00	1.00	1.00
Contract Administrator	1.00	1.00	1.00	1.00	1.00
Customer Service Specialist II (#)	5.00	4.00	4.00	2.00	2.00
Customer Service Specialist III	0.00	1.00	1.00	1.00	1.00
Customer Service Supervisor	1.00	1.00	1.00	1.00	1.00
Deputy Director of Finance	1.00	1.00	1.00	1.00	1.00
Director of Finance	1.00	1.00	1.00	1.00	1.00
General Services Manager	1.00	1.00	1.00	1.00	1.00
Information Systems Specialist	1.00	1.00	1.00	1.00	1.00
Mail Services Aide	1.00	1.00	1.00	1.00	1.00
Revenue Collection Manager	1.00	1.00	1.00	1.00	1.00
Revenue Development Specialist I	4.00	4.00	4.00	2.00	2.00
Revenue Development Specialist II	2.00	2.00	2.00	2.00	2.00
Revenue Development Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Accountant	2.00	2.00	2.00	2.00	2.00
Senior Buyer	2.00	2.00	2.00	2.00	2.00
Senior Field Representative	1.00	1.00	1.00	1.00	1.00
Senior Systems Analyst	1.00	1.00	1.00	0.00	0.00
Systems Accountant	1.00	1.00	1.00	1.00	1.00
Treasury Manager	1.00	1.00	1.00	1.00	1.00
TOTAL FINANCE DEPARTMENT	56.00	56.00	56.00	48.00	48.00

FY 2027 & FY 2028 POSITION SUMMARY BY DEPARTMENT

	FY 2024 Actual	FY 2025 Actual	FY 2026 Actual	FY 2027 Proposed	FY 2028 Proposed
FIRE DEPARTMENT					
Accounting Office Specialist II	1.00	1.00	1.00	1.00	1.00
Accounting Office Specialist III	4.00	4.00	4.00	4.00	4.00
Administrative & Fiscal Services Manager	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	3.00	3.00	3.00	2.00	2.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Assistant Fire Chief	3.00	3.00	3.00	3.00	3.00
Assistant Fire Inspector	0.00	0.00	1.00	1.00	1.00
Assistant Management Analyst	1.00	1.00	1.00	1.00	1.00
Associate Management Analyst	2.00	2.00	2.00	1.00	1.00
Battalion Chief	3.00	3.00	3.00	3.00	3.00
Communications Specialist	1.00	0.00	0.00	0.00	0.00
Deputy Fire Chief	2.00	2.00	2.00	2.00	2.00
Deputy Fire Marshal	1.00	1.00	1.00	1.00	1.00
Emerg. Medical Svcs. Qual. Improv. & Educ. Coord.	1.00	1.00	1.00	1.00	1.00
Emergency Services Coordinator	3.00	3.00	3.00	3.00	3.00
Fire and Life-Safety Plans Examiner	2.00	2.00	2.00	2.00	2.00
Fire Apparatus Operator	33.00	33.00	33.00	33.00	33.00
Fire Captain I/II	33.00	33.00	33.00	32.00	32.00
Fire Chief	1.00	1.00	1.00	1.00	1.00
Fire Marshal	1.00	1.00	1.00	0.00	0.00
Fire Mechanic Lead (##)	0.00	0.00	0.00	1.00	1.00
Fire Prevention Inspector (Sworn)	8.00	8.00	7.00	6.00	6.00
Firefighter (#)	57.00	42.00	53.00	48.00	48.00
Limited Term Emergency Medical Technician (#)	12.00	10.00	10.00	0.00	0.00
Mechanic	0.00	1.00	1.00	0.00	0.00
Office Specialist II	2.00	2.00	2.00	2.00	2.00
Office Specialist III	2.00	2.00	2.00	2.00	2.00
Paramedic (#)	18.00	31.00	32.00	30.00	30.00
Paramedic Supervisor I	7.00	7.00	7.00	6.00	6.00
Principal Program Manager	1.00	1.00	1.00	1.00	1.00
Program Manager II	1.00	1.00	1.00	1.00	1.00
Program Manager II****	0.00	1.00	1.00	0.00	0.00
TOTAL FIRE DEPARTMENT	205.00	202.00	214.00	190.00	190.00

HEALTH, HOUSING & COMMUNITY SERVICES

Accounting Office Specialist III	3.00	3.00	3.00	3.00	3.00
Accounting Office Specialist Supervisor	1.00	1.00	1.00	1.00	1.00
Accounting Technician	1.00	1.00	1.00	1.00	1.00
Administrative & Fiscal Services Manager	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Advanced Practitioner Provider	0.00	0.00	0.00	0.60	0.60
Assistant Manager of Mental Health	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	5.00	10.00	11.00	10.00	10.00
Assistant Mental Health Clinician	1.00	1.00	1.00	1.00	1.00
Associate Management Analyst	9.00	9.00	9.00	8.00	8.00
Associate Planner	0.00	0.00	0.00	0.00	0.00
Behavioral Health Clinician I	8.00	8.00	7.00	4.00	4.00
Behavioral Health Clinician II (#)	25.00	27.00	27.00	16.00	16.00
Building Inspector I (Cert)	1.00	1.00	1.00	1.00	1.00
Community Development Project Coordinator (#)	8.00	8.00	8.00	7.00	7.00
Community Development Project Coordinator ***	1.00	1.00	1.00	0.00	0.00
Community Health Worker	1.00	1.00	1.00	1.00	1.00
Community Health Worker Specialist	9.00	9.00	9.00	6.00	6.00

FY 2027 & FY 2028 POSITION SUMMARY BY DEPARTMENT

	FY 2024 Actual	FY 2025 Actual	FY 2026 Actual	FY 2027 Proposed	FY 2028 Proposed
Community Service Specialist I	2.00	2.00	3.00	2.00	2.00
Community Services Specialist II	13.00	13.00	13.00	10.00	10.00
Community Services Specialist II ***	1.00	1.00	2.00	0.00	0.00
Community Services Specialist III	8.00	9.00	9.00	7.00	7.00
Customer Service Specialist II	0.00	0.00	2.00	2.00	2.00
Deputy Director of Health, Housing & Community Services	1.00	1.00	1.00	1.00	1.00
Director of Health, Housing & Community Services	1.00	1.00	1.00	1.00	1.00
Environmental Health Supervisor	1.00	1.00	1.00	1.00	1.00
Epidemiologist	2.00	2.00	2.00	1.00	1.00
Health Educator	0.00	2.00	2.00	1.00	1.00
Health Nutrition Program Coordinator	2.00	1.00	1.00	1.00	1.00
Health Officer (Certified)	1.00	1.00	1.00	1.00	1.00
Health Services Program Specialist (#)	9.00	6.00	6.00	4.00	4.00
Health Services Supervisor	1.00	1.00	1.00	1.00	1.00
Manager of Aging Services	1.00	1.00	1.00	1.00	1.00
Manager of Environmental Health	1.00	1.00	1.00	1.00	1.00
Manager of Housing and Community Services	1.00	0.00	0.00	0.00	0.00
Manager of Mental Health Services	1.00	1.00	1.00	1.00	1.00
Manager of Public Health Services	1.00	1.00	1.00	1.00	1.00
Mealsite Coordinator	1.00	1.00	1.00	1.00	1.00
Mental Health Clinical Supervisor (#)	9.00	9.00	11.00	8.00	8.00
Mental Health Nurse	5.50	5.50	5.50	2.00	2.00
Mental Health Program Supervisor	4.00	6.00	6.00	4.00	4.00
Mid-Level Practitioner	0.60	0.60	0.60	0.00	0.00
Mini Bus Driver	2.00	2.00	2.00	2.00	2.00
Nutritionist	1.50	1.50	1.50	1.50	1.50
Office Specialist II (#)	17.00	17.00	15.00	9.00	9.00
Office Specialist III	4.00	4.00	4.00	3.00	3.00
Office Specialist Supervisor	1.00	1.00	0.00	0.00	0.00
PPHP Deputy Health Officer	1.00	0.00	0.00	0.00	0.00
Principal Program Manager	0.00	1.00	1.00	1.00	1.00
Program Manager II	1.00	2.00	3.00	2.00	2.00
Psychiatrist	1.75	1.75	1.75	1.00	1.00
Public Health Nurse	7.00	7.00	6.00	5.00	5.00
Registered Environmental Health Specialist	6.00	6.00	5.00	5.00	5.00
Registered Nurse	1.80	1.80	1.80	1.80	1.80
Senior Behavioral Health Clinician	4.00	4.00	4.00	3.00	3.00
Senior Citizen Center Director	2.00	2.00	2.00	2.00	2.00
Senior Community Development Project Coordinator	3.00	4.00	4.00	3.00	3.00
Senior Community Health Specialist	4.00	4.00	4.00	3.00	3.00
Senior Environmental Health Specialist	2.00	2.00	2.00	2.00	2.00
Senior Health Management Analyst	0.00	1.00	1.00	1.00	1.00
Senior Health Services Program Specialist (#)	5.00	5.00	5.00	4.00	4.00
Senior Management Analyst	6.00	6.00	6.00	5.00	5.00
Senior Nutrition Program Supervisor	0.80	0.80	0.80	0.80	0.80
Senior Service Assistant	5.25	5.25	5.25	5.30	5.30
Social Services Specialist (#)	13.00	13.00	15.00	15.00	15.00
Supervising Mental Health Nurse	1.00	1.00	1.00	1.00	1.00
Supervising Psychiatrist	1.00	1.00	1.00	1.00	1.00
Supervising Public Health Nurse	2.00	2.00	2.00	2.00	2.00
Transportation Services Coordinator	1.00	1.00	1.00	1.00	1.00
Vector Control Technician (#)	1.00	1.00	2.00	0.00	0.00
TOTAL HEALTH, HOUSING & COMMUNITY SERVICES	238.20	248.20	253.20	195.00	195.00
HUMAN RESOURCES					
Assistant Management Analyst	1.00	1.00	1.00	1.00	1.00

FY 2027 & FY 2028 POSITION SUMMARY BY DEPARTMENT

	FY 2024 Actual	FY 2025 Actual	FY 2026 Actual	FY 2027 Proposed	FY 2028 Proposed
Assistant Human Resources Analyst	2.00	1.00	1.00	1.00	1.00
Associate Human Resources Analyst	6.00	5.00	6.00	5.00	5.00
Director of Human Resources	1.00	1.00	1.00	1.00	1.00
Equal Employment Opportunity & Diversity Officer	1.00	1.00	1.00	1.00	1.00
Employee Relations Manager	1.00	1.00	1.00	1.00	1.00
Human Resources Manager	1.00	1.00	1.00	1.00	1.00
Human Resources Technician	5.00	5.00	5.00	5.00	5.00
Information Systems Support Technician	1.00	1.00	0.00	0.00	0.00
Occupational Health & Safety Officer	1.00	1.00	1.00	1.00	1.00
Occupational Health & Safety Specialist	1.00	1.00	1.00	0.00	0.00
Office Specialist II (#)	2.00	2.00	2.00	1.00	1.00
Office Specialist III	0.00	0.00	1.00	1.00	1.00
Senior Human Resources Analyst	2.00	4.00	4.00	4.00	4.00
Training Officer	1.00	1.00	1.00	1.00	1.00
TOTAL HUMAN RESOURCES	26.00	26.00	27.00	24.00	24.00
INFORMATION TECHNOLOGY					
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	1.00	1.00	1.00	1.00	1.00
Applications Programmer/Analyst I	2.00	2.00	2.00	0.00	0.00
Applications Programmer/Analyst II	14.00	14.00	14.00	13.00	13.00
Customer Service Specialist III	10.00	10.00	10.00	9.00	9.00
Customer Service Manager	1.00	1.00	1.00	1.00	1.00
Customer Service Supervisor	1.00	1.00	1.00	1.00	1.00
Database Administrator	1.00	1.00	1.00	1.00	1.00
Director of Information Technology	1.00	1.00	1.00	1.00	1.00
Information Security Manager	1.00	1.00	1.00	1.00	1.00
Information Systems Manager	1.00	1.00	1.00	1.00	1.00
Information Systems Specialist	4.00	4.00	4.00	4.00	4.00
Information Systems Support Technician	2.00	2.00	2.00	2.00	2.00
Program Manager II	1.00	1.00	1.00	0.00	0.00
Senior Information Systems Specialist	5.00	5.00	5.00	4.00	4.00
Senior Management Analyst	1.00	1.00	1.00	1.00	1.00
Senior Systems Analyst	4.00	4.00	4.00	4.00	4.00
TOTAL INFORMATION TECHNOLOGY	51.00	51.00	51.00	45.00	45.00
LIBRARY SERVICES					
Accounting Office Specialist III	1.00	1.00	1.00	1.00	1.00
Administrative & Fiscal Services Manager	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Assistant Human Resources Analyst	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	1.00	1.00	1.00	1.00	1.00
Associate Management Analyst	2.00	2.00	1.00	1.00	1.00
Building Maintenance Mechanic	2.00	2.00	2.00	2.00	2.00
Central Library Circulation Supervisor	0.00	0.00	1.00	1.00	1.00
Circulation Services Manager	1.00	1.00	1.00	1.00	1.00
Communication Specialist	0.00	1.00	1.00	1.00	1.00
Deputy Director of Library Services	1.00	1.00	1.00	1.00	1.00
Director of Library Services	1.00	1.00	1.00	1.00	1.00
Information Systems Specialist	2.00	2.00	2.00	2.00	2.00
Librarian I/II	25.80	26.50	24.25	24.25	24.25
Library Aide	13.00	18.75	14.13	13.00	13.00
Library Assistant	15.25	19.75	21.75	22.75	22.75
Library Info Systems Administrator	1.00	1.00	1.00	1.00	1.00
Library Literacy Program Coordinator	1.00	1.00	1.00	1.00	1.00

FY 2027 & FY 2028 POSITION SUMMARY BY DEPARTMENT

	FY 2024 Actual	FY 2025 Actual	FY 2026 Actual	FY 2027 Proposed	FY 2028 Proposed
Library Services Manager	2.00	2.00	2.00	2.00	2.00
Library Specialist I	3.00	3.00	3.00	3.00	3.00
Library Specialist II	13.55	15.05	16.05	16.05	16.05
Mail Services Aide	2.00	2.00	2.00	2.00	2.00
Program Manager II	1.00	1.00	2.00	2.00	2.00
Senior Building Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Human Resources Analyst	1.00	1.00	1.00	1.00	1.00
Senior Information System Specialist	1.00	1.00	1.00	1.00	1.00
Senior Librarian	3.00	3.00	3.00	3.00	3.00
Social Services Specialist	1.00	1.00	1.00	1.00	1.00
Supervising Librarian	8.00	9.00	10.00	10.00	10.00
Supervising Library Assistant	9.00	9.00	8.00	8.00	8.00
Tool Lending Specialist	3.00	3.00	4.00	4.00	4.00
TOTAL LIBRARY SERVICES	118.60	133.05	131.18	131.05	131.05

MAYOR & COUNCIL

Assistant to Mayor	3.00	4.00	4.00	4.00	4.00
Legislative Aides	16.00	19.00	19.00	19.00	19.00
TOTAL MAYOR AND COUNCIL	19.00	23.00	23.00	23.00	23.00

OFFICE OF THE DIRECTOR OF POLICE ACCOUNTABILITY*

Associate Management Analyst (#)	2.00	3.00	3.00	2.00	2.00
Director of Police Accountability	1.00	1.00	1.00	1.00	1.00
Office Specialist III	1.00	0.00	0.00	0.00	0.00
Police Review Commission Officer	0.00	0.00	0.00	0.00	0.00
Police Accountability Investigator (#)	2.00	2.00	2.00	1.00	1.00
TOTAL OFFICE OF THE DIRECTOR OF POLICE	6.00	6.00	6.00	4.00	4.00

PARKS RECREATION & WATERFRONT

Accounting Office Specialist II	1.00	1.00	1.00	1.00	1.00
Accounting Office Specialist III	2.00	2.00	2.00	2.00	2.00
Accounting Office Specialist Supervisor	2.00	2.00	2.00	2.00	2.00
Administrative Fiscal Services Manager	0.00	0.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Aquatics Coordinator	1.00	1.00	1.00	1.00	1.00
Aquatics Facilities Supervisor (#)	1.00	1.00	1.00	0.00	0.00
Aquatics Specialist II	0.00	0.00	0.00	0.00	0.00
Assistant Aquatics Coordinator	1.00	1.00	1.00	1.00	1.00
Assistant Civil Engineer (Reg) (##)	2.00	2.00	2.00	0.00	0.00
Assistant Management Analyst	2.00	2.00	2.00	2.00	2.00
Assistant Recreation Coordinator	10.00	9.00	9.00	9.00	9.00
Associate Civil Engineer	4.00	4.00	4.00	4.00	4.00
Associate Management Analyst	1.00	1.00	1.00	1.00	1.00
Building Maintenance Mechanic	9.00	9.00	9.00	9.00	9.00
Building Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00
Camps Manager	2.00	2.00	2.00	2.00	2.00
Capital Improvements Program Manager	0.00	0.00	0.00	0.00	0.00
Community Services Specialist I (##)	0.00	0.00	0.00	1.00	1.00
Community Services Specialist II (##)	0.00	0.00	0.00	1.00	1.00
Community Services Specialist III (##)	0.00	0.00	0.00	1.00	1.00
Deputy Director of Parks Recreation & Waterfront	1.00	1.00	1.00	1.00	1.00
Director of Parks & Waterfront	1.00	1.00	1.00	1.00	1.00

FY 2027 & FY 2028 POSITION SUMMARY BY DEPARTMENT

	FY 2024 Actual	FY 2025 Actual	FY 2026 Actual	FY 2027 Proposed	FY 2028 Proposed
Forestry Climber	4.00	4.00	4.00	4.00	4.00
Forestry Climber Supervisor	2.00	2.00	2.00	2.00	2.00
Forestry Technician	1.00	1.00	1.00	1.00	1.00
Landscape Equipment Operator	4.00	4.00	4.00	4.00	4.00
Landscape Gardener	16.00	16.00	17.00	17.00	17.00
Landscape Gardener Supervisor	5.00	5.00	5.00	5.00	5.00
Marina Assistant	1.00	2.00	2.00	2.00	2.00
Office Specialist II	1.00	1.00	1.00	1.00	1.00
Office Specialist III	2.00	2.00	2.00	2.00	2.00
Parks Superintendent	1.00	1.00	1.00	1.00	1.00
Recreation & Youth Svcs Manager	1.00	1.00	1.00	1.00	1.00
Recreation Activity Leader	2.00	2.00	2.00	2.00	2.00
Recreation Coordinator	7.00	7.00	7.00	7.00	7.00
Recreation Program Supervisor	4.00	4.00	4.00	4.00	4.00
Rosarian	1.00	1.00	1.00	1.00	1.00
Senior Building Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Forestry Climber	3.00	3.00	3.00	3.00	3.00
Senior Forestry Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Groundskeeper	1.00	1.00	1.00	1.00	1.00
Senior Landscape Gardener	4.00	4.00	4.00	4.00	4.00
Senior Landscape Gardener Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Management Analyst	2.00	2.00	1.00	1.00	1.00
Senior Marina Assistant	0.00	0.00	0.00	1.00	1.00
Sports Official	2.00	2.00	2.00	2.00	2.00
Supervising Civil Engineer	2.00	2.00	2.00	2.00	2.00
Waterfront Manager (##)	1.00	1.00	1.00	0.00	0.00
Waterfront Supervisor	1.00	1.00	1.00	1.00	1.00
TOTAL PARKS REC & WATERFRONT	113.00	113.00	114.00	114.00	114.00

PLANNING & DEVELOPMENT DEPARTMENT

Accounting Office Specialist II	2.00	2.00	2.00	2.00	2.00
Accounting Office Specialist III	3.00	3.00	3.00	3.00	3.00
Accounting Office Specialist Supervisor	1.00	1.00	1.00	1.00	1.00
Administrative & Fiscal Services Manager	1.00	1.00	1.00	1.00	1.00
Assistant Building & Safety Manager	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	2.00	2.00	2.00	2.00	2.00
Assistant Inspector	1.00	1.00	1.00	1.00	1.00
Assistant Planner	7.00	7.00	6.00	6.00	6.00
Associate Management Analyst	3.00	3.00	3.00	3.00	3.00
Associate Planner	6.00	6.00	7.00	7.00	7.00
Associate Planner ***	1.00	1.00	1.00	0.00	0.00
Building and Safety Manager	1.00	1.00	1.00	1.00	1.00
Building Inspector I (certified)	2.00	2.00	2.00	2.00	2.00
Building Inspector II (certified)	6.00	6.00	6.00	6.00	6.00
Building Plans Engineer	1.00	1.00	1.00	1.00	1.00
Building Plans Examiner	2.94	2.94	2.94	2.94	2.94
Community Services Specialist I (#)	2.00	2.00	2.00	1.00	1.00
Community Services Specialist II	3.75	3.60	2.75	2.75	2.75
Community Services Specialist III	2.80	2.80	2.80	2.80	2.80
Deputy Director of Planning	1.00	1.00	1.00	1.00	1.00
Director of Planning	1.00	1.00	1.00	1.00	1.00
Energy Program Manager	0.00	0.00	0.00	0.00	0.00
Hazardous Material Manager	1.00	1.00	1.00	1.00	1.00
Hazardous Material Specialist I (##)	1.00	1.00	1.00	0.00	0.00
Hazardous Material Specialist II (##)	3.00	3.00	3.00	4.00	4.00
Housing Inspector I (Certified) (##)	1.00	1.00	1.00	0.00	0.00

FY 2027 & FY 2028 POSITION SUMMARY BY DEPARTMENT

	FY 2024 Actual	FY 2025 Actual	FY 2026 Actual	FY 2027 Proposed	FY 2028 Proposed
Housing Inspector II (Certified)##	2.00	2.00	2.00	3.00	3.00
Housing Inspector Supervisor (##)	2.00	2.00	2.00	1.00	1.00
Land Use Planning Manager	1.00	1.00	1.00	1.00	1.00
Office Specialist II (#)	7.75	7.75	7.75	6.75	6.75
Office Specialist III	3.00	3.00	3.00	3.00	3.00
Office Specialist Supervisor	1.00	1.00	1.00	1.00	1.00
Permit Center Coordinator	1.00	1.00	1.00	1.00	1.00
Permit Specialist	4.00	4.00	4.00	5.00	5.00
Planning Technician	3.00	3.00	3.00	3.00	3.00
Planning Technician ***	1.00	1.00	1.00	0.00	0.00
Principal Planner	5.00	5.00	5.00	5.00	5.00
Program Manager II	1.00	1.00	2.00	2.00	2.00
Program Manager II**	1.00	1.00	0.00	0.00	0.00
Resilient Buildings Program Manager	0.80	0.80	0.80	0.80	0.80
Senior Building Inspector	2.00	3.00	3.00	3.00	3.00
Senior Building Plans Engineer	2.00	2.00	2.00	2.00	2.00
Senior Building Plans Examiner	2.00	2.00	2.00	2.00	2.00
Senior Housing Inspector (##)	2.00	2.00	2.00	3.00	3.00
Senior Management Analyst	0.00	0.00	1.00	1.00	1.00
Senior Permit Specialist	2.00	2.00	2.00	2.00	2.00
Senior Planner	5.00	5.00	5.00	5.00	5.00
Senior Planner***	1.00	1.00	1.00	0.00	0.00
Supervising Building Inspector	1.00	1.00	1.00	1.00	1.00
TOTAL PLANNING DEPARTMENT	108.04	108.89	109.04	105.04	105.04
POLICE DEPARTMENT					
Administrative & Fiscal Services Manager	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	4.00	4.00	4.00	4.00	4.00
Communications Manager	1.00	1.00	1.00	1.00	1.00
Community Service Officer	21.00	27.00	27.00	27.00	27.00
Community Service Officer ***	6.00	0.00	0.00	0.00	0.00
Community Service Officer Supervisor	4.00	5.00	5.00	5.00	5.00
Community Service Officer Supervisor ***	1.00	0.00	0.00	0.00	0.00
Crime Analyst	3.00	2.00	2.00	2.00	2.00
Crime Scene Supervisor	1.00	1.00	1.00	1.00	1.00
Deputy Police Chief	0.00	1.00	1.00	1.00	1.00
Office Specialist II (#)	5.00	5.00	4.00	2.00	2.00
Office Specialist III	6.00	6.00	7.00	7.00	7.00
Office Specialist Supervisor	1.00	1.00	1.00	1.00	1.00
Parking Enforcement Manager	1.00	1.00	1.00	1.00	1.00
Parking Enforcement Officer	22.00	22.00	22.00	22.00	22.00
Parking Enforcement Supervisor	2.00	2.00	2.00	2.00	2.00
Police Captain	4.00	3.00	3.00	3.00	3.00
Police Chief	1.00	1.00	1.00	1.00	1.00
Police Lieutenant	9.00	9.00	9.00	9.00	9.00
Police Officer (#)	135.00	135.00	135.00	120.00	120.00
Police Sergeant (#)	32.00	32.00	32.00	30.00	30.00
Principal Program Manager	0.00	1.00	1.00	1.00	1.00
Program Manager I ***	0.00	0.00	0.00	1.00	1.00
Public Safety Dispatcher I & II (#)	36.00	36.00	36.00	25.00	25.00
Supervising Public Safety Dispatcher (#)	5.00	5.00	5.00	4.00	4.00
TOTAL POLICE DEPARTMENT	302.00	302.00	302.00	272.00	272.00

FY 2027 & FY 2028 POSITION SUMMARY BY DEPARTMENT

	FY 2024 Actual	FY 2025 Actual	FY 2026 Actual	FY 2027 Proposed	FY 2028 Proposed
PUBLIC WORKS					
Accounting Office Specialist II	1.00	2.00	2.00	2.00	2.00
Accounting Office Specialist III	5.00	5.00	5.00	5.00	5.00
Accounting Office Specialist Supervisor	1.00	1.00	1.00	1.00	1.00
ADA Program Coordinator	0.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Administrative & Fiscal Services Manager	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	2.00	2.00	2.00	2.00	2.00
Assistant Civil Engineer (Reg) (#)	5.00	5.00	5.00	4.00	4.00
Assistant Management Analyst	5.00	6.00	6.00	6.00	6.00
Assistant Planner	2.00	2.00	2.00	2.00	2.00
Assistant Public Works Engineer	2.00	2.00	2.00	1.00	1.00
Assistant Transportation Engineer	2.00	2.00	2.00	2.00	2.00
Associate Civil Engineer	9.00	10.00	10.00	10.00	10.00
Associate Management Analyst	5.00	5.00	5.00	5.00	5.00
Associate Planner	3.00	3.00	3.00	3.00	3.00
Associate Planner *** (#)	1.00	1.00	1.00	0.00	0.00
Associate Transportation Engineer	2.00	2.00	2.00	3.00	3.00
Building Maintenance Mechanic	5.00	5.00	5.00	5.00	5.00
Building Maintenance Mechanic Trainee	1.00	1.00	1.00	0.00	0.00
Building Maintenance Supervisor	0.94	0.94	1.00	1.00	1.00
Chief of Party	2.00	2.00	2.00	1.00	1.00
Communications Supervisor	0.00	1.00	1.00	1.00	1.00
Communications Technician	3.00	3.00	3.00	3.00	3.00
Community Development Project Coordinator	2.00	2.00	2.00	1.00	1.00
Community Services Specialist I	1.00	1.00	1.00	1.00	1.00
Concrete Finisher	3.00	3.00	3.00	3.00	3.00
Construction Equipment Operator	3.00	3.00	3.00	3.00	3.00
Container Maintenance Welder	2.00	2.00	2.00	2.00	2.00
Deputy Director of Public Works	1.00	1.00	1.00	1.00	1.00
Deputy Director of Public Works Reg	1.00	1.00	1.00	1.00	1.00
Director of Public Works	1.00	1.00	1.00	1.00	1.00
Disability Services Specialist	1.00	0.00	0.00	0.00	0.00
Drafting Technician	1.00	1.00	0.00	0.00	0.00
Electrical Parts Technician	1.00	1.00	1.00	1.00	1.00
Electrical Supervisor	0.00	1.00	1.00	1.00	1.00
Electrician	7.00	7.00	7.00	7.00	7.00
Engineering Inspector	9.00	9.00	9.00	9.00	9.00
Engineering Technician	0.00	0.00	1.00	1.00	1.00
Environmental Compliance Specialist	2.00	2.00	2.00	1.00	1.00
Equipment Superintendent	1.00	1.00	1.00	1.00	1.00
Equipment Part Technician	0.00	0.00	0.00	1.00	1.00
Facilities Maintenance Superintendent	1.00	1.00	1.00	1.00	1.00
Field Representative	6.00	6.00	5.00	5.00	5.00
Janitor	8.00	8.00	8.00	8.00	8.00
Janitor Supervisor	1.00	1.00	1.00	1.00	1.00
Junior Public Works Engineer	3.00	3.00	3.00	3.00	3.00
Laborer	20.00	20.00	20.00	16.00	16.00
Lead Communication Technician	1.00	1.00	1.00	1.00	1.00
Lead Electrician	3.00	3.00	3.00	3.00	3.00
Manager of Engineering	1.00	1.00	1.00	1.00	1.00
Mechanic	9.00	9.00	9.00	9.00	9.00
Mechanic Lead	1.00	1.00	1.00	1.00	1.00
Mechanic Supervisor	2.00	2.00	2.00	2.00	2.00
Mechanical Sweeper Operator	5.00	6.00	6.00	6.00	6.00
Occupational Health & Safety Officer	1.00	2.00	2.00	1.00	1.00
Office Specialist II	4.00	4.00	4.00	3.00	3.00

FY 2027 & FY 2028 POSITION SUMMARY BY DEPARTMENT

	FY 2024 Actual	FY 2025 Actual	FY 2026 Actual	FY 2027 Proposed	FY 2028 Proposed
Office Specialist III	4.00	4.00	4.00	4.00	4.00
Parking Meter Maint & Collection Suprv	1.00	1.00	1.00	1.00	1.00
Parking Meter Maintenance Worker	6.00	6.00	6.00	6.00	6.00
Parking Meter Mechanic	4.00	4.00	4.00	4.00	4.00
Parking Services Manager	1.00	1.00	1.00	1.00	1.00
Principal Planner	1.00	1.00	1.00	1.00	1.00
Principal Program Manager	0.00	0.00	0.00	1.00	1.00
Program Manager I	0.00	0.00	1.00	2.00	2.00
Public Works Maintenance Superintendent	1.00	1.00	1.00	1.00	1.00
Public Works Operations Manager	2.00	2.00	2.00	2.00	2.00
Public Works Supervisor (#)	7.00	7.00	7.00	4.00	4.00
Real Property Administrator	0.00	0.00	0.00	1.00	1.00
Recycling Program Manager	1.00	1.00	1.00	1.00	1.00
Senior Building Inspector	1.00	0.00	0.00	0.00	0.00
Senior Building Maintenance Supervisor	0.00	0.00	0.00	0.00	0.00
Senior Drafting Technician	1.00	1.00	0.00	0.00	0.00
Senior Electrical Supervisor	1.00	0.00	0.00	0.00	0.00
Senior Engineering Inspector	1.00	1.00	1.00	1.00	1.00
Senior Equipment Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Engineering Technician	0.00	0.00	1.00	1.00	1.00
Senior Management Analyst	4.00	6.00	6.00	6.00	6.00
Senior Field Representative	1.00	1.00	1.00	1.00	1.00
Senior Planner	2.00	2.00	2.00	2.00	2.00
Senior Public Works Supervisor	3.00	3.00	3.00	3.00	3.00
Senior Solid Waste Supervisor	2.00	2.00	2.00	2.00	2.00
Service Technician	4.00	4.00	4.00	3.00	3.00
Sewer Maintenance Assistant Supervisor	7.00	7.00	7.00	6.00	6.00
Skilled Laborer	21.00	21.00	21.00	19.00	19.00
Solid Waste Loader Operator	2.00	2.00	2.00	2.00	2.00
Solid Waste Supervisor	4.00	5.00	5.00	5.00	5.00
Solid Waste Truck Driver	33.00	33.00	33.00	33.00	33.00
Solid Waste Worker	36.00	36.00	36.00	36.00	36.00
Solid Waste/Recycling Manager	1.00	1.00	1.00	1.00	1.00
Supervising Civil Engineer	5.00	5.00	5.00	6.00	6.00
Supervising Transportation Engineer	1.00	1.00	1.00	1.00	1.00
Survey Technician	1.00	1.00	1.00	1.00	1.00
Tractor Trailer Driver	7.00	7.00	7.00	7.00	7.00
Traffic Engineering Assistant	1.00	1.00	1.00	1.00	1.00
Traffic Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00
Traffic Maintenance Worker I	4.00	4.00	5.00	5.00	5.00
Traffic Maintenance Worker II	2.00	2.00	2.00	2.00	2.00
Transportation Manager	1.00	1.00	1.00	1.00	1.00
Warehouse Operations Specialist	1.00	1.00	1.00	1.00	1.00
Weighmaster	4.00	4.00	4.00	4.00	4.00
TOTAL PUBLIC WORKS	341.94	349.94	351.00	337.00	337.00

RENT STABILIZATION BOARD

Accounting Office Specialist II	0.00	0.00	1.00	1.00	1.00
Accounting Office Specialist III	1.00	1.00	1.00	1.00	1.00
Administrative & Fiscal Services Manager	1.00	1.00	1.00	1.00	1.00
Administrative Staff Assistant	0.00	0.00	1.00	1.00	1.00
Assistant Management Analyst	0.00	1.00	1.00	1.00	1.00
Associate Management Analyst	1.00	1.00	1.00	1.00	1.00
Associate Planner	1.00	1.00	1.00	1.00	1.00
Community Development Project Coordinator	0.00	0.00	1.00	1.00	1.00
Community Services Specialist II	7.00	7.00	6.00	6.00	6.00

FY 2027 & FY 2028 POSITION SUMMARY BY DEPARTMENT

	FY 2024 Actual	FY 2025 Actual	FY 2026 Actual	FY 2027 Proposed	FY 2028 Proposed
Community Services Specialist III	1.00	1.00	1.00	1.00	1.00
Deputy Director Rent Stabilization Program	0.00	0.00	0.00	0.00	0.00
Digital Communications Coordinator	0.00	0.00	1.00	1.00	1.00
General Counsel	1.00	1.00	1.00	1.00	1.00
Executive Director Rent Board	1.00	1.00	1.00	1.00	1.00
Legal Secretary	1.00	1.00	1.00	1.00	1.00
Office Specialist II	4.00	4.00	3.00	3.00	3.00
Office Specialist III	1.00	1.00	1.00	1.00	1.00
Principal Planner	0.00	0.00	0.00	1.00	1.00
Principal Program Manager	0.00	0.00	1.00	1.00	1.00
Senior Hearing Examiner	1.00	1.00	1.00	1.00	1.00
Senior Management Analyst	1.00	1.00	1.00	1.00	1.00
Senior Planner	1.00	1.00	1.00	0.00	0.00
Staff Attorney II	2.00	2.00	2.00	2.00	2.00
TOTAL RENT STABILIZATION BOARD	25.00	26.00	29.00	29.00	29.00
TOTAL AUTHORIZED FTEs	1,707.03	1,746.83	1,769.17	1,604.84	1,604.84

LEGEND:

**** Project Based Position (not to exceed 2 years)**

***** Project Based Position (not to exceed 3 years)**

****** Project Based Position (not to exceed 4 years)**

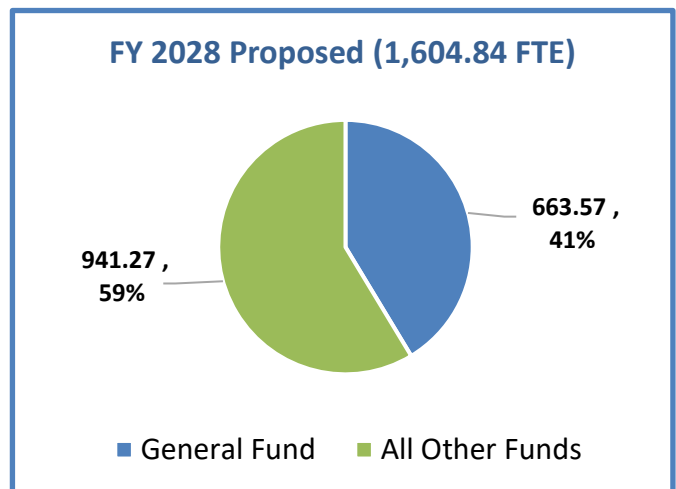
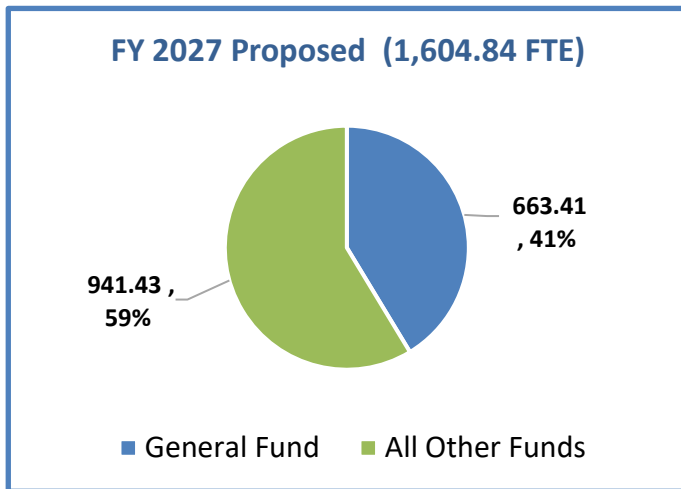
(#) Includes positions that were authorized but not budgeted in FY 2026, or for which funding was reallocated.

Positions that have been changed or updated have been marked in **red**, indicating either an increase or decrease in FTE from the FY 2026 Adopted Budget to the FY 2027-2028 Proposed Budget

(##) corrected from the Position Summary version submitted to Budget and Finance Policy Committee on 05/14/2026

FY 2027 - FY 2028 PROPOSED STAFFING BY FUNDING SOURCE

DEPARTMENT	FY2027 Proposed			FY2028 Proposed		
	Total FTE Count	General Fund	All Other Funds	Total FTE Count	General Fund	All Other Funds
City Attorney	19.00	19.00	-	19.00	19.00	-
City Auditor	15.75	14.83	0.92	15.75	14.69	1.06
City Clerk	9.00	8.43	0.57	9.00	8.43	0.57
City Manager	44.00	29.45	14.55	44.00	29.45	14.55
Finance	48.00	39.25	8.75	48.00	39.25	8.75
Fire Department	190.00	137.33	52.67	190.00	137.33	52.67
Health, Housing & Community Services	195.00	65.27	129.73	195.00	65.57	129.43
Human Resources	24.00	16.20	7.80	24.00	16.20	7.80
Information Technology	45.00	-	45.00	45.00	-	45.00
Library	131.05	-	131.05	131.05	-	131.05
Mayor and Council	23.00	23.00	-	23.00	23.00	-
Office of the Director of Police Accountability	4.00	4.00	-	4.00	4.00	-
Parks, Recreation & Waterfront	114.00	25.50	88.50	114.00	25.50	88.50
Planning & Development	105.04	11.86	93.18	105.04	11.86	93.18
Police Department	272.00	250.00	22.00	272.00	250.00	22.00
Public Works	337.00	18.79	318.21	337.00	18.79	318.21
Rent Board	29.00	0.50	28.50	29.00	0.50	28.50
Grand Total	1,604.84	663.41	941.43	1,604.84	663.57	941.27



•General Fund pays for 663 FTE (41% of all positions) in FY 2027 and FY 2028.

SUMMARY OF CUMULATIVE REDUCTION IN FORCE (RIF) LIST BY DEPARTMENT

Department	Classification	FY 26 Freeze	Filled/Vacant	Sales & Use Tax Outcome Contingent (Preserved Currently for Biennial)
City Attorney	SENIOR LEGAL SECRETARY	Yes	Vacant	
City Attorney Count		1		0
City Clerk	OFFICE SPECIALIST III	Yes	Vacant	
City Clerk Count		1		0
CMO	ADMIN ASSISTANT UNREP	Yes	Vacant	
CMO	COM DEVELOPMENT PROJ COOR		Filled	
CMO	COMMUNICATIONS SPECIALIST		Filled	
CMO	COMMUNICATIONS SPECIALIST		Filled	
CMO	DEPUTY CITY MANAGER	Yes	Vacant	
CMO	DIGITAL COMNCATNS COORD	Yes	Vacant	
CMO	DIVERSITY, EQUITY AND INCLUSION OFFICER		Vacant	
CMO	ECODEV PRJ CD		Vacant	
CMO	OFFICE SPECIALIST II		Vacant	
CMO	OFFICE SPECIALIST III		Filled	
CMO	PROGRAM MANAGER I	Yes	Vacant	
CMO	PROGRAM MANAGER II U		Filled	
CMO	SOCIAL SERVICES SPECIALIST		Vacant	
CMO Count		13		0
Finance	ACCT OFF SPEC II	Yes	Vacant	
Finance	ACCT OFF SPEC II	Yes	Vacant	
Finance	ASSOC. MANAGEMENT ANALYST		Vacant	
Finance	CUSTOMER SVC SPEC II	Yes	Vacant	
Finance	CUSTOMER SVC SPEC II	Yes	Vacant	
Finance	REVENUE DEV. SPECIALIST I		Vacant	
Finance	REVENUE DEV. SPECIALIST I		Vacant	
Finance	SENIOR SYSTEMS ANALYST		Vacant	
Finance Count		8		0
Fire	APPARATUS OPERATOR		Filled	APPARATUS OPERATOR
Fire	APPARATUS OPERATOR		Filled	APPARATUS OPERATOR
Fire	APPARATUS OPERATOR		Filled	APPARATUS OPERATOR
Fire	ASSC MGT ANLY		Filled	
Fire	FIRE CAPTII 40		Filled	FIRE CAPTII 40
Fire	FIRE CAPTII 40		Filled	FIRE CAPTII 40
Fire	FIRE CAPTII 40		Filled	FIRE CAPTII 40
Fire	FIRE CAPTII 40		Filled	
Fire	FIRE MARSHAL		Vacant	
Fire	FIREFIGHTER		Filled	FIREFIGHTER
Fire	FIREFIGHTER		Filled	FIREFIGHTER
Fire	FIREFIGHTER		Filled	FIREFIGHTER
Fire	FIREFIGHTER	Yes	Vacant	
Fire	PROGRAM MANAGER II		Filled	
Fire	FIRE INSPECTOR		Vacant	
Fire	FIREFIGHTER	Yes	Vacant	
Fire	FIREFIGHTER	Yes	Vacant	
Fire	FIREFIGHTER	Yes	Vacant	
Fire	FIREFIGHTER	Yes	Vacant	
Fire	PARAMEDIC	Yes	Vacant	
Fire	PARAMEDIC	Yes	Vacant	

SUMMARY OF CUMULATIVE REDUCTION IN FORCE (RIF) LIST BY DEPARTMENT

Department	Classification	FY 26 Freeze	Filled/Vacant	Sales & Use Tax Outcome Contingent (Preserved Currently for Biennial)
Fire	PARAMEDIC	Yes	Vacant	
Fire Count		22		9
HHCS	ASST MGMT ANALYST		Vacant	
HHCS	BEHAVIORAL HLTH CLIN I		Vacant	
HHCS	BEHAVIORAL HLTH CLIN I		Vacant	
HHCS	BEHAVIORAL HLTH CLIN I		Vacant	
HHCS	BEHAVIORAL HLTH CLIN II		Filled	
HHCS	BEHAVIORAL HLTH CLIN II		Filled	
HHCS	BEHAVIORAL HLTH CLIN II		Vacant	
HHCS	BEHAVIORAL HLTH CLIN II		Vacant	
HHCS	BEHAVIORAL HLTH CLIN II		Vacant	
HHCS	BEHAVIORAL HLTH CLIN II		Vacant	
HHCS	BEHAVIORAL HLTH CLIN II		Vacant	
HHCS	BEHAVIORAL HLTH CLIN II		Vacant	
HHCS	BEHAVIORAL HLTH CLIN II	Yes	Vacant	
HHCS	COM DEVELOPMENT PROJ COOR	Yes	Vacant	
HHCS	COM HEALTH WORKER SPEC		Filled	
HHCS	COM HEALTH WORKER SPEC		Vacant	
HHCS	COM SERVICE SPEC II		Filled	
HHCS	COM SERVICE SPEC II		Vacant	
HHCS	COM SERVICE SPEC II		Vacant	
HHCS	COM SERVICE SPEC III		Filled	
HHCS	EPIDEMIOLOGIST		Vacant	
HHCS	HEALTH EDUCATOR		Vacant	
HHCS	HEALTH SVCS PROGRAM SPCLST	Yes	Vacant	
HHCS	HEALTH SVCS PROGRAM SPCLST		Vacant	
HHCS	MENTAL HEALTH CLINICAL SUPV		Vacant	
HHCS	MENTAL HEALTH CLINICAL SUPV	Yes	Vacant	
HHCS	MENTAL HEALTH NURSE		Vacant	
HHCS	MENTAL HEALTH NURSE		Vacant	
HHCS	MENTAL HEALTH NURSE		Vacant	
HHCS	MENTAL HEALTH NURSE		Vacant	
HHCS	MENTAL HEALTH PROGRAM SUPV		Filled	
HHCS	MENTAL HEALTH PROGRAM SUPV		Vacant	
HHCS	OFFICE SPECIALIST II		Vacant	
HHCS	OFFICE SPECIALIST II		Vacant	
HHCS	OFFICE SPECIALIST II		Vacant	
HHCS	OFFICE SPECIALIST II		Vacant	
HHCS	OFFICE SPECIALIST II		Vacant	
HHCS	OFFICE SPECIALIST II	Yes	Vacant	
HHCS	OFFICE SPECIALIST III		Vacant	
HHCS	PROGRAM MANAGER II		Vacant	
HHCS	PSYCHIATRIST		Vacant	
HHCS	PUBLIC HEALTH NURSE		Vacant	
HHCS	SENIOR BEHAVIORAL HLTH CLINIC		Vacant	
HHCS	SENIOR HEALTH SERV PROG SPEC	Yes	Vacant	

SUMMARY OF CUMULATIVE REDUCTION IN FORCE (RIF) LIST BY DEPARTMENT

Department	Classification	FY 26 Freeze	Filled/Vacant	Sales & Use Tax Outcome Contingent (Preserved Currently for Biennial)
HHCS	SOCIAL SERVICES SPECIALIST		Vacant	
HHCS	SR COMMNTY HEALTH SPECIALIST		Filled	
HHCS	SR. COMMNTY DEV. PROJ COORDINATOR		Vacant	
HHCS	VECTOR CONTROL TECHNICIAN		Vacant	
HHCS	VECTOR CONTROL TECHNICIAN		Filled	
HHCS Count		51		0
HR	ASSOCIATE HR ANALYST		Vacant	
HR	OCCUPATIONAL HLTH/SAFTY SPEC		Vacant	
HR	OFFICE SPECIALIST II	Yes	Vacant	
HR Count		3		0
IT	APP. PROGRAM ANALYST II		Vacant	
IT	CUST. SVCS. SPECIALIST III		Vacant	
IT	PROGRAM MANAGER II		Vacant	
IT	SR. INFO. SYSTEMS SPECIALIST		Vacant	
IT Count		4		0
ODPA	ASSOC. MANAGEMENT ANALYST	Yes	Vacant	
ODPA	POLICE ACCOUNTABILITY INVESTIGATOR	Yes	Vacant	
ODPA Count		2		0
Planning	COM SERVICE SPEC I	Yes	Vacant	
Planning	OFFICE SPECIALIST II	Yes	Vacant	
Planning Count		2		0
POLICE	OFFICE SPECIALIST II		Vacant	
POLICE	OFFICE SPECIALIST III	Yes	Vacant	
POLICE	POLICE OFFICER		Filled	POLICE OFFICER
POLICE	POLICE OFFICER		Filled	POLICE OFFICER
POLICE	POLICE OFFICER		Filled	POLICE OFFICER
POLICE	POLICE OFFICER		Filled	POLICE OFFICER
POLICE	POLICE OFFICER		Vacant	POLICE OFFICER
POLICE	POLICE OFFICER		Vacant	POLICE OFFICER
POLICE	POLICE OFFICER		Vacant	POLICE OFFICER
POLICE	POLICE OFFICER		Vacant	POLICE OFFICER
POLICE	POLICE OFFICER		Vacant	
POLICE	POLICE OFFICER		Vacant	
POLICE	POLICE OFFICER		Vacant	
POLICE	POLICE OFFICER		Vacant	
POLICE	POLICE OFFICER		Vacant	
POLICE	POLICE OFC 12.5		Filled	POLICE OFC 12.5
POLICE	POLICE OFC 12.5		Filled	POLICE OFC 12.5
POLICE	POLICE OFC 12.5		Filled	POLICE OFC 12.5
POLICE	POLICE OFC 12.5		Filled	POLICE OFC 12.5
POLICE	POLICE OFC 12.5		Vacant	POLICE OFC 12.5
POLICE	POLICE OFC 12.5		Vacant	POLICE OFC 12.5
POLICE	POLICE OFC 12.5		Filled	POLICE OFC 12.5
Police	POLICE OFFICER	Yes	Vacant	
Police	POLICE OFFICER	Yes	Vacant	

SUMMARY OF CUMULATIVE REDUCTION IN FORCE (RIF) LIST BY DEPARTMENT

Department	Classification	FY 26 Freeze	Filled/Vacant	Sales & Use Tax Outcome Contingent (Preserved Currently for Biennial)
Police	POLICE OFFICER	Yes	Vacant	
Police	POLICE OFFICER	Yes	Vacant	
Police	POLICE OFFICER	Yes	Vacant	
Police	POLICE OFFICER	Yes	Vacant	
Police	POLICE OFFICER	Yes	Vacant	
POLICE	POLICE SERGEANT		Vacant	
POLICE	POLICE SERGEANT		Vacant	
POLICE	PS DISPATC I		Vacant	PS DISPATC I
POLICE	PS DISPATC I		Vacant	PS DISPATC I
POLICE	PS DISPATCII		Vacant	PS DISPATCII
POLICE	PS DISPATCII		Vacant	PS DISPATCII
POLICE	PS DISPATCII		Vacant	PS DISPATCII
POLICE	PS DISPATCII		Vacant	PS DISPATCII
POLICE	PS DISPATCII		Vacant	
POLICE	PS DISPATCII		Vacant	
POLICE	PS DISPATCII		Vacant	
POLICE	PS DISPATCII		Vacant	
POLICE	PS DISPATCII		Vacant	
POLICE	PS DISPATCII		Vacant	
POLICE	PS DISPATCII		Vacant	
Police	PUBLIC SAFETY DISPATCHER I/II	Yes	Vacant	
Police	PUBLIC SAFETY DISPATCHER I/II	Yes	Vacant	
Police	PUBLIC SAFETY DISPATCHER I/II	Yes	Vacant	
Police	PUBLIC SAFETY DISPATCHER I/II	Yes	Vacant	
Police	SUPERVISING PUBLIC SFTY DISP	Yes	Vacant	
POLICE Count		52		21
PRW	AQUATICS FACILITIES SUP	Yes	Vacant	
PRW	ASST. CIVIL ENG		Vacant	
PRW	ASST. CIVIL ENG		Filled	
PRW	ASST. RECREATION COORDINATOR		Vacant	ASST. RECREATION COORDINATOR
PRW	ASST. RECREATION COORDINATOR		Vacant	ASST. RECREATION COORDINATOR
PRW	SPORTS OFFICIAL		Vacant	SPORTS OFFICIAL
PRW	WATERFRONT MANAGER		Filled	
PRW Count		7		3
PW	ASSOC PLANNER	Yes	Vacant	
PW	AST PW ENG		Vacant	
PW	BLD MNT MEC TR		Vacant	
PW	CHF OF PARTY		Vacant	
PW	ENV COMPLNCE SP		Filled	
PW	LABORER		Vacant	
PW	LABORER		Vacant	
PW	LABORER		Vacant	
PW	LABORER		Vacant	
PW	OFFICE SPECIALIST II		Vacant	
PW	OHS OFC		Vacant	
PW	PW SUP	Yes	Vacant	
PW	PW SUP		Vacant	
PW	PW SUP		Vacant	

SUMMARY OF CUMULATIVE REDUCTION IN FORCE (RIF) LIST BY DEPARTMENT

Department	Classification	FY 26 Freeze	Filled/Vacant	Sales & Use Tax Outcome Contingent (Preserved Currently for Biennial)
PW	SE MNT AST SUP		Vacant	
PW	SKILLED LABORER		Filled	
PW	SKILLED LABORER		Vacant	
PW Count		17		0
Grand Count		183		33



Department Narratives,

Performance Measures, and Strategic Plans



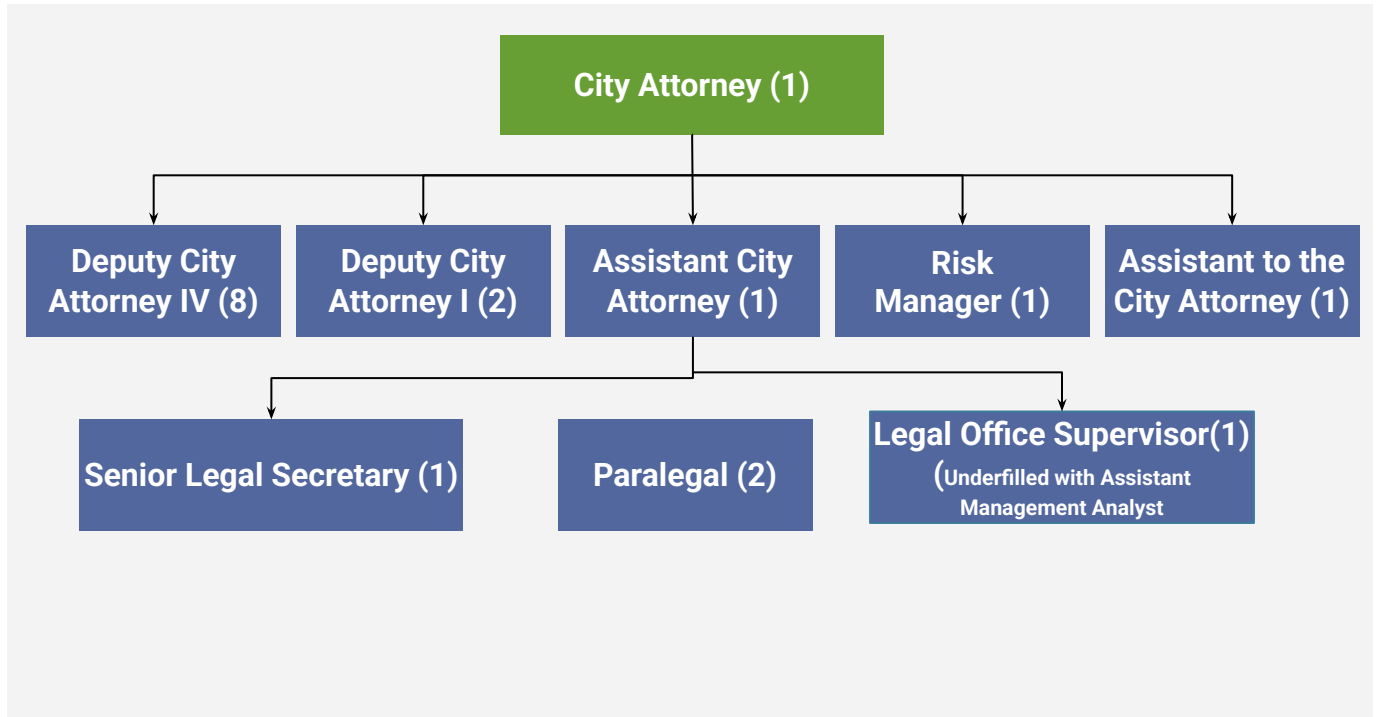


City Attorney's Office

Mission Statement

The mission of the City Attorney's Office is to provide the City with the highest caliber legal services and advice and to protect and advance the interests of this dynamic City by all legal and ethical means.

Organizational Chart



City Attorney's Office Overview

The City Attorney's Office provides legal advice and support to the entire City, including the City Council, City Manager, all City Departments, as well as appointed City Boards and Commissions. In addition, the City Attorney's Office:

- ▶ Supports the City in its legislative and policy efforts;
- ▶ Responds to claims and represents the City in a wide array of litigation;
- ▶ Brings litigation on behalf of the City to protect the City's interest;
- ▶ Drafts and/or reviews contracts, leases, ordinances, and resolutions;
- ▶ Provides advice and legal analysis regarding ballot measures;
- ▶ Provides legal support to the City's response to the COVID-19 pandemic;
- ▶ Provides legal support to City affordable housing programs;
- ▶ Supports City staff in enforcement of the City's laws and regulations;
- ▶ Supports the City in land use and development efforts and modernizing its planning and zoning framework;

- ▶ Supports infrastructure projects and economic development efforts;
- ▶ Responds to Public Records Act (PRA) requests on behalf of the City Council, as well as coordinating responses to PRA requests that involve multiple departments;
- ▶ Staffs the Fair Campaign Practices Commission and the Open Government Commission;
- ▶ Provides support to the City's Independent Redistricting Commission;
- ▶ Provides support to the Police Accountability Board and the Reimagining Public Safety Task Force;
- ▶ Acts as the Risk Manager for the City; and
- ▶ Provides training to City staff, City Council, and City Boards and Commissions on a range of legal issues, including the Brown Act, the Public Records Act, California Environmental Quality Act (CEQA), and conflicts of interest.

Challenges

The City Attorney's Office's challenges/opportunities include:

- ▶ **Rapid Changes in State Land Use Laws**

In recent years, California's housing crisis has been the primary focus of land use legislation, with over 100 substantial housing-related land use bills enacted since 2016. The 2023 legislative session continued this trend, with Governor Gavin Newsom signing a package of 56 housing-related bills on October 11, 2023, most of which address land use issues. This trend has increased the City Council's and the Mayor's reliance on advice from the CAO. With the housing crisis expected to continue unabated for the foreseeable future, we anticipate an ongoing need for extensive legal advice on the City's compliance with these and other new laws that encourage the production of housing.

- ▶ **Increased Need to Support New Policy Initiatives**

The Council created a set of Policy Committee to help navigate new policy initiatives. The City Attorney staffs these meetings routinely and plays a central role in providing legal advice throughout the legislative process. The number and complexity of new ordinances and other policy initiatives by the City Council, or by City boards or commissions, require significant City Attorney staff time to assist with drafting legislation and navigating legal issues. The propensity of the City Council to pursue groundbreaking, innovative legislation requires significant research and analysis prior to the adoption of the legislation, and the City Attorney's Office is also responsible for defending legal challenges to the legislation.

- ▶ **Increasing Number of Complex Litigation Matters**

An evolving legal landscape and the need to support City Council and staff priorities has resulted in an increasing number of complex litigation cases being handled by the City Attorney's Office. The City is also pursuing a number of initiatives proactively including affirmative lawsuits to protect the City's interests. The prosecution and defense of these lawsuits requires additional resources and time for the legal staff. In addition, City Attorney staff has been heavily involved in navigating the legal issues surrounding the new UC Berkeley Long Range Development Plan.

► **Substantially Increased Volume of Public Records Act Requests**

The number and scope of Public Records Act requests fielded by the City Attorney's Office has generally increased over the past ten years with a substantial uptick originating in 2021 and 2022. Responding to these requests increasingly calls for the review and production of voluminous electronic records (e.g., emails and texts) – a new body of work that our office is supporting that did not exist previously attributable to the advent of new Police Record Disclosure Laws.

► **Significant Upcoming Development Projects**

The City is either considering or actively pursuing a number of development projects, including: Transit Oriented Development at the North Berkeley and Ashby BART stations; a Marina- Specific Plan and Pier/Ferry Project; housing development at the West Berkeley Service Center property; Berkeley Forge / Gilman Gateway development; and renovation and redesign of the Civic Center area. These projects require support from the CAO in negotiating term sheets with developers and public agencies, complying with CEQA and NEPA, and reviewing a variety of transactional documents.

Accomplishments

Highlights of recent City Attorney's Office accomplishments include:

Defensive Litigation

► **Homeless Encampment-Related Litigation**

A sharp rise in litigation over abatement of Berkeley's homeless encampments has required an unprecedented investment of City Attorney resources over the past year. These lawsuits have proliferated as advocates for the unhoused pursue new legal theories in the aftermath of a major Supreme Court loss. The cases frequently involve emergency requests for relief that present novel legal issues, which demand intensive fact gathering, legal research, and brief drafting on compressed timelines controlled by plaintiffs and the courts. Effectively defending the City in this posture requires substantial coordination across multiple departments to gather accurate information, determine strategy, and ensure compliance with evolving court directives.

The City has faced lawsuits from both nearby business owners and encampment residents, compounding this work and creating conflicting pressures and demands. Despite these challenges, we have vigorously defended the City's interests in more than seven separate lawsuits, including a proposed class action. CAO has opposed more than a dozen substantive motions in these matters, requiring extensive briefing and declarations, and appeared in court at least two dozen times. CAO has been active in taking plaintiff depositions and exchanging written discovery in these matters. The office recently appealed two adverse rulings that we believe are inconsistent with governing law and is preparing for trial in the lawsuit filed by nearby business owners, set for summer 2026. Related to this litigation, although not exclusively, the City has seen a massive uptick in encampment residents filing disability accommodation requests related to planned abatement actions. These requests have consumed considerable CAO resources that are required to ensure that such requests are handled in a legally compliant manner and consistent with applicable court directives. CAO anticipates that this challenging litigation environment will continue to consume disproportionate

resources through the next two fiscal years, given the pending appeals, proposed class action, and case set for trial this summer.

▶ **RealPage First Amendment Lawsuit**

The City is currently defending more than 36 active public liability and/or civil rights cases, ranging from slip-and-fall cases to allegations of excessive police use of force. The City defends these cases aggressively, including engaging in extensive discovery, and seeks to resolve cases on the pleadings or at the summary judgment stage, where possible. Although the City maintains insurance coverage for many of these matters, the City pays up to the first \$500,000 in litigation and settlement costs for each case from its Public Liability Fund.

▶ **Tort, Civil Rights & Other Public Liability Litigation**

The City is currently defending more than 36 active public liability and/or civil rights cases, ranging from slip-and-fall cases to allegations of excessive police use of force. The City defends these cases aggressively, including engaging in extensive discovery, and seeks to resolve cases on the pleadings or at the summary judgment stage, where possible. Although the City maintains insurance coverage for many of these matters, the City pays up to the first \$500,000 in litigation and settlement costs for each case from its Public Liability Fund.

▶ **Employment Litigation and Labor Arbitrations/Charges**

CAO is currently defending seven active employment suits, six of which have been brought by current and former employees of a single division against the City and a former supervisor. At least five of these cases are set to go to trial between summer 2026 and summer 2027. Each case involves depositions, document discovery, and motion practice to attempt to dispose of some or all claims before trial. While we have been partially successful in dismissing some claims from certain suits, it is likely that at least some claims will survive summary judgment and go to trial, absent mutually agreeable settlements. If any of these cases proceeds to trial, it will require a large commitment of CAO resources. Although not litigation strictly speaking, CAO has also seen a rise in employee discipline and union grievance disputes being advanced to arbitration in the past year. CAO is currently anticipating at least four arbitrations in the next six to nine months. All of these arbitrations, which are essentially informal trials without a jury, require significant attorney preparation and hearing time. In addition, the City has defended against several unfair labor practice charges that City unions have filed with the Public Employee Relations Board related to alleged management policy changes.

Affirmative Litigation

▶ **Proactively Challenging Trump Administration Attacks**

The City Attorney's Office has proactively challenged the Trump administration's threats to withhold federal funding based on the City's sanctuary status and other progressive values. Due to the CAO's diligence, the City is now a plaintiff in three separate lawsuits that have secured court orders safeguarding at least \$60 million in federal funding that the City relies on to provide key services like supportive housing, emergency response, and transportation improvements. CAO has also monitored and advised on numerous

time-sensitive federal grants questions and key federal policy changes that impact the City's federally funded programs. The office has also tracked litigation brought by other groups to ensure that it adequately protects the City's interests, such that the City does not need to mount its own challenge, saving critical resources.

CAO has also coordinated with local jurisdictions and the state Department of Justice to prepare for litigation challenging potential National Guard and/or mass immigration agent deployments; vetted and joined many amicus briefs with other jurisdictions supporting sanctuary jurisdictions like Rochester who have been targeted by the Trump administration for lawful sanctuary activities; and responded to a threatening letter from the federal Attorney General in response to City's placement on short list of sanctuary jurisdictions. CAO is prepared to bring affirmative challenges to emerging federal issues that impact the City, as well as to defend the City if the administration were to sue the City for its sanctuary, DEI, or other lawful activities.

▶ **Monsanto Settlement**

CAO helped secure a \$2,192,556 settlement award from the City's participation in affirmative litigation against Monsanto related to PCB contamination in local waterways. The majority of these settlement funds were transferred to an unrestricted General Fund account and allocated towards general Council fiscal policies. None of this money went to provide legal services despite a portion of these funds being earmarked .

▶ **Opioid Manufacturers/Distributors Settlement**

The City Attorney's Office has facilitated the City's participation in a number of nationwide settlement agreements with companies that have contributed to the opioid crisis. Our office has ensured that the Council was timely informed about, and authorized participation in, these settlement agreements, which earmarked funds for the City of Berkeley. These settlement proceeds have allowed HHCS to receive over \$1.5M to fund intervention, treatment, education, and recovery services to address the impacts of the opioid crisis within the City.

Drafting and Legal Review of the following noteworthy ordinances:

▶ **Sanctuary City Ordinance and Related Policies**

The City Attorney's Office has played a lead role in advancing the City's status as a sanctuary jurisdiction at the forefront of modern immigration policy. Our office drafted a legally compliant, effective, and widely-supported Sanctuary City Ordinance in collaboration with various community stakeholders, advised on concomitant updates to the Sanctuary Contracting Ordinance, developed and presented a City-wide training on Sanctuary City Ordinance compliance, drafted a policy limiting the unauthorized use of city property for non-city purposes, which would include commandeering a city lot for immigration enforcement staging, and advised the Council on various other immigration enforcement-related issues. Our office continues to closely collaborate with local and state jurisdictions nationwide to ensure that Berkeley stays on the cutting edge of the modern sanctuary movement.

▶ **EMBER Ordinance**

The City Attorney's Office played a key role in protecting the City from a CEQA challenge to the EMBER ordinance, a critical disaster preparedness law that created new defensible space requirements in the Berkeley Hills areas most susceptible to wildfires.

The ordinance faced significant public resistance due to its mandate to remove and/or replace landscaping within 30 feet of homes, a measure intended to avoid a repeat of the devastating 2025 wildfires in Southern California. Our office analyzed relevant CEQA exemptions, helped the Fire Department strengthen its record in order to rely on multiple exemptions, advised on ordinance and staff report language, and drafted the Notice of Exemption, which shortened the statute of limitations for an opponent to bring a CEQA challenge. As a result, the statute of limitations passed without a challenge, an impressive result given that CEQA is one of the primary strategies opponents use to halt or delay controversial City actions.

► **Middle Housing zoning changes and other entry-level homeownership support initiatives**

The City Attorney's Office also helped develop legally defensible Middle Housing zoning changes to upzone historically redlined neighborhoods and allow for multi-unit housing development throughout the City. These amendments and the process through which they were adopted were not challenged in court, despite the substantial public controversy they engendered, a testament to CAO's careful crafting. Our office also closely collaborated with the Planning Department to navigate complex legal issues presented by a number of other initiatives aimed at reducing costs for entry-level homeownership, such as ordinance amendments that allow ADUs to be sold as condominiums and ordinance amendments and a template for a new restricted covenant that together will allow for streamlined small-lot subdivisions pursuant to SB 684.

Surveillance Technology, Public Safety, and Police Accountability

► **Police Accountability Board Support**

In the past several years, CAO has provided ongoing support to the Police Accountability Board, including by resolving novel and cutting-edge legal issues pertaining to police oversight and the PAB's role under the Charter. With CAO's legal guidance, and the help of labor negotiators retained by CAO, the City has also now almost completed negotiations for the PAB's permanent regulations, which have helped the City to avoid administrative proceedings before the state Public Employment Relations Board.

CAO has also worked with the Police Department and with the PAB on the acquisition of new surveillance technology to ensure open public reporting on the use of such technology and to protect the City's data from improper access by federal immigration authorities.

► **Gun Violence Restraining Orders**

The City Attorney's Office supports the Police Department by representing it in civil court seeking gun violence restraining orders (GVROs) stemming from acts of violence and threats of violence perpetrated in the community. State law permits a civil court to grant a GVRO for up to five years prohibiting a person from possessing firearms based upon clear and convincing evidence that the person poses a significant danger of causing harm to themselves or others through continued possession of firearms.

Oftentimes, these civil restraining orders are sought where criminal prosecution is unlikely or where the Department has identified a need to bar someone from obtaining firearms regardless of a pending criminal case.

During the last budget cycle, the City Attorney's Office has successfully argued for and obtained restraining orders in seven cases. Two successful cases of particular note are a GVRO awarded after a resident threatened to shoot anyone who came onto his property after a 9-year-old boy entered his yard to retrieve a ball, and a GVRO awarded after a business owner repeatedly fired a pistol at random from a commercial rooftop.

Brown Act and Ethics Compliance Issues

▶ **Remote Meeting Accommodations Policy**

In response to a lawsuit from a member of the Commission on Disability, CAO was instrumental in crafting the City's new accommodations policy, which allows all members of City boards and commissions to attend meetings remotely as an accommodation upon self-attesting to a disability-related need to do so. The California Attorney General later affirmed that the creation of a policy like Berkeley's is fully compliant with the federal Americans with Disabilities Act and the state Brown Act, which ensures open and public access to government meetings.

▶ **Brown Act Training**

On May 5, 2025, staff and attorneys from the City Attorney's Office provided training to the City Council on compliance with the Ralph M. Brown Act, which governs meetings of all City legislative bodies. The City Attorney's Office regularly provides guidance on Brown Act compliance to City staff and officials.

▶ **Navigating Disruptions to City Operations in light of Gaza Protests__**

The City Attorney's Office also represented the City in Brown Act litigation arising from the City Council's handling of persistent disruptions at numerous meetings in late 2023 and early 2024. Although the City prevailed before the Superior Court, plaintiffs appealed and ultimately obtained a ruling that the practices the Council employed to continue City business during the disruptions did not comply with the Brown Act. CAO subsequently represented the City in settlement negotiations and advised on future practices to ensure compliance with the appellate decision.

▶ **Ethics/Conflict of Interest Work**

The City Attorney's Office regularly provides guidance to City staff and officials on a variety of issues related to conflicts of interest and other government ethics topics. This work includes advising Councilmembers and commissioners on possible conflicts that may exist with regard to specific items of business that come before their respective legislative bodies. This work involves navigating complex state and local rules regarding conflicts, often in the context of high-profile legislative proposals.

Our office also regularly advises councilmember offices and the City Auditor on reimbursement of travel expenses and the permissible uses of council office budget funds.

Public Records Act Modernization and Accountability

The CAO manages a high volume of PRA requests. This volume has more than tripled since 2019. In FY25, the CAO managed 701 PRAs, 337 of which were directed to the CAO, 87 to the City Manager's Office, 235 that were multidepartment requests

and 42 that were directed to the Mayor and Council. Even where PRAs are directed to other departments, CAO provides significant legal advice and assistance. In FY26, thus far, CAO has managed 477 PRAs, 231 of which were directed to the CAO, 81 to the City Manager's Office, 129 that were multidepartment requests, and 36 that were directed to the Mayor and Council. CAO has observed trends across these requests, including use of AI tools by requestors, which has made some requests more complex and difficult to respond to.

CalPERS and Other Human Resources Support

▶ CalPERS Audits

Our office has helped navigate complex legal issues in response to CalPERS audits which scrutinized how the City reported certain special compensation types for Police and Fire employees. We facilitated conversations with CalPERS to understand the legal basis for their concerns, negotiated with union attorneys, and drafted MOU amendments to ensure that the MOU's method of compounding special compensation described the parties' agreement adequately and accurately. We also provided template response letters that City staff and individual retirees could send CalPERS to preserve appeal rights and avoid immediate penalties. Our office's involvement protected numerous retirees from having their pensions reduced and avoided significant penalties for the City.

▶ FLSA Compliance Work

CAO has spearheaded an ongoing project with Payroll, Human Resources, and the City Manager's Office, to ensure that the City is fully compliant with FLSA's complex regular rate and overtime rules for all bargaining units.

2024 and 2026 Election Support

▶ Youth Voting (Measure Y1 Implementation)

Among other measures, the City Attorney's Office supported the implementation of youth voting for 16- and 17-year-olds for the first time in BUSD School Board elections in 2024. In doing so, our office worked in close coordination with the City Clerk and in coordination with counsel for Berkeley Unified School District (BUSD), as well as representatives from the Alameda County Registrar of Voters and other stakeholders.

This work included drafting a new chapter of the Municipal Code (BMC Ch. 2.15) to implement Charter amendments adopted by voters in 2016 permitting youth voting, negotiating with stakeholders regarding youth voting processes, and assessing legal risk and recent case law.

Office and Insurance/Risk Modernization

▶ Insurance Risk Pool/Risk Manager Position

Our office handles management of all claims against the City through the Bay Cities Joint Powers Insurance Authority (BJCPIA), among other insurance coverage and risk management functions. In the FY25/26 Budget Cycle, the City Council approved funding for a Risk Manager position to bring critical expertise to the management of claims and insurance issues, as well as increase capacity of the attorneys within CAO that currently cover the work.

▶ **Office Modernization Efforts including IT Infrastructure**___

CAO has invested in two technology tools—an e-discovery platform and a document management program—that are necessary to handle in-house litigation document discovery and process high-volume PRA productions. Logikcull is a cloud-based legal technology platform focused on e-discovery. It is used by legal teams to streamline the process of collecting, processing, reviewing, and producing electronically stored information for litigation, investigations, PRAs and compliance matters. In modern litigation, this kind of e-discovery tool is critical to meet our obligations under court rules and procedures. With a sharp increase in PRAs filed over the past few years, this tool also allows legal and support staff to effectively and efficiently manage large volume responses to PRAs. Filevine is a comprehensive, cloud-based legal case management and practice management platform designed to help manage documents, client communication, and deadlines. The CAO is currently customizing the platform to fit the workflow processes of the office as well as organizing historical documents for migration to the platform. The platform will empower CAO staff to effectively manage cases and projects and work collaboratively with internal staff and external partners. The platform, once implemented, will enhance the CAO's intake process, organization and management of cases and provide better navigation and searchability of historical records, allowing CAO to continue providing timely and accurate advice.

Significant Changes from Prior Year's Budget

▶ Staffing:

- ▶ Elimination of one Senior Legal Secretary position (\$142,630).
- ▶ Proposed elimination of one Paralegal position (\$201,650).
- ▶ Creation and recruitment of Risk Manager (\$225,846).

▶ Operations:

- ▶ Proposed elimination of all budgets for training and conferences (\$50,258).
- ▶ Implementation of Logikcull for processing growing volumes of PRAs. (\$70,932)
- ▶ Implementation of Filevine for CAO Document and Case management (\$34,176).

In the FY 2027 & FY 2028 Biennial Budget, the City Attorney's Office is asking for:

- ▶ \$1.3 Million per year in non-personnel budget to fund outside legal and professional services to assist the CAO with current high volumes of complex, specialized litigation. In years past, the CAO has funded these needs with salary savings and roll up cost savings from the budget. Heading into FY27, the CAO is projecting that similar savings to fund these services will not be available at the same level.

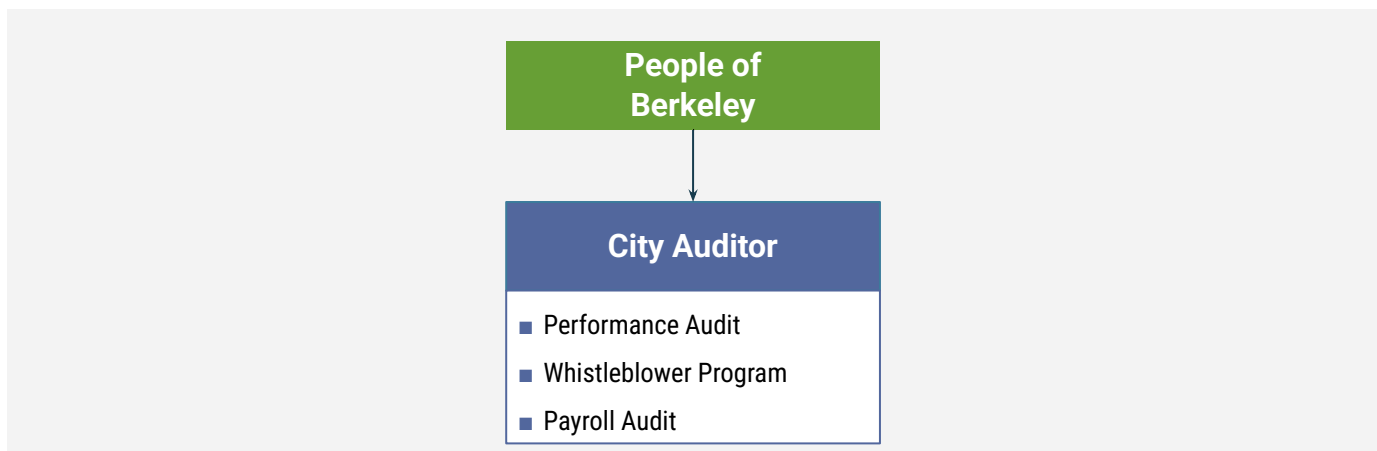
City Auditor's Office

Mission Statement

The mission of the City Auditor's Office is to promote transparency and accountability in Berkeley government. Integrity, independence, impact, and equity are core tenets of our operations.

Those values ensure the Office provides a fair, balanced, and objective opinion on the status of the City operations being audited with the interest of the Berkeley community in mind.

Organizational Chart



City Auditor's Office Overview

The City Auditor is an elected official who serves the residents of Berkeley. The City Charter and Berkeley Municipal Code give the City Auditor's Office the authority and responsibility for conducting performance, financial, and compliance audits, administering a whistleblower program, and monitoring citywide payroll operations to ensure payroll transactions are processed accurately and timely. The City Auditor's Office plays a vital role in ensuring taxpayer money is spent responsibly and equitably. The Office also examines payroll for compliance with employee compensation policies, laws, and regulations.

The City of Berkeley Auditor's Office is divided into three divisions: Performance Audit, Whistleblower Program, and Payroll Audit:

- ▶ **Performance Audit Division:** The Performance Audit Division evaluates city services and operations using rigorous government auditing standards. Performance Audit issues independent evidence-based audits and special reports with recommendations for city leadership to improve services and operations. Performance Audit also monitors and reports on the City's progress implementing recommendations through a public dashboard.

- ▶ **Whistleblower Program Division:** The Whistleblower Program Division reviews and investigates allegations of fraud, waste, and abuse of city resources. The program makes recommendations to City Council and the City Manager on how to improve internal controls.
- ▶ **Payroll Audit Division:** The Payroll Audit Division coordinates and monitors certain portions of the citywide payroll operations, including assisting management with compliance on federal, state, and local tax and labor laws. While decisions about pay policies are not within the purview of this office, consistent review of various parts of the city payroll system helps prevent fraud and address incorrect payments.

Challenges

The City Auditor's Office challenges include:

- ▶ **Budget Reductions:** To contribute to the City's efforts to address the structural budget deficit, the Auditor's Office reduced its baseline budget as much as possible while fulfilling its Charter mandates. The Auditor's Office reduced the budget for staff training significantly which will limit staff's ability to meet government audit requirements for professional development. The Auditor's Office also reduced the non-personnel budget for the Payroll Audit Division by reducing payroll expenditures with the Employee Access portal implementation. Due to budget reductions, the Auditor's Office had to pause expanding the Whistleblower Program to the public. This limits the ability to broaden outreach and handle more reports. Expanding publicly will require additional resources in the future.
- ▶ **Citywide Retention:** As in previous years, the City's challenges with short staffing have made it difficult for departments to provide information and implement audit recommendations. This has limited the Auditor's ability to conduct and follow up on audits to ensure the City is aware of and addressing the risks identified in audit reports. Staff turnover in other city departments has also impacted the workload in Payroll Audit. Departments rely on Payroll Audit staff to assist their new hires in their payroll tasks and in fulfilling their payroll responsibilities. Additionally, when information is not entered correctly, adjusting the information on the back end requires even more time, resulting in increased workload for Payroll Audit staff.
- ▶ **ExecuTime Implementation:** Payroll Audit is a central contributor working with Human Resources, the IT Department, and the City Manager's Office to implement ExecuTime, the City's new electronic time and attendance system, as part of the ERMA payroll upgrade. ExecuTime will replace the manual timekeeping process with a digital system that accurately records employee hours, improves efficiency, and reduces the risk of errors or improper payments. The system will provide supervisors with real-time access to employee hours, supporting improved employee benefits administration. This additional project will increase workload for Payroll Audit staff.
- ▶ **Payroll Workload and System Requirements:** An independent audit of the Payroll Audit Division found that implementing the City's new financial system ERMA in 2021 led to a significant increase in errors in departments' payroll submissions, which greatly increased Payroll Audit's workload to correct the errors. As a result, Payroll Audit had less resources to update the City's payroll manual to reflect the new financial system while

also ensuring accurate biweekly payroll. However, the auditors did not find any material errors that weren't previously identified and corrected by the Payroll Audit Division.

Accomplishments

Highlights of the City Auditor's Office accomplishments include:

- ▶ **Performance Audit Division:** In 2024 and 2025, the Performance Audit Division issued audits of the City's restaurant inspections program and Homeless Response Team, and a follow-up report on citywide lease management. In the first part of 2026, the Division also issued audits of the City's non-competitive contracts and financial condition, as well as a guide on measuring the City's performance. Together, the recommendations and information in these reports help the City improve programs and operations and promote accountability and efficiency.

To ensure that audits have meaningful impact, Performance Audit followed up with departments on audit recommendations and reported on their status in annual reports and a public online dashboard. One highlight is that Human Resources implemented a recommendation to fill vacancies in key recruiting positions. This significantly increased the City's capacity to conduct recruitments, resulting in new hires outpacing separations. Another highlight is that the Environmental Health Division fully caught up on all inspections of high- and very high-risk facilities that were not inspected in 2023 and developed new policies to improve coverage of inspections moving forward. In 2024 and 2025, departments implemented a total of 36 recommendations identified in audit reports.

In 2025, the Performance Audit Division won a national award from the Association of Local Government Auditors (ALGA) for its audit on Berkeley's restaurant inspections. This marks the fourth time the Auditor's Office has won a national award since 2020.

- ▶ **Whistleblower Program Division:** The Whistleblower Program Division strengthened the foundation of the Whistleblower Program this year, enhancing intake and investigation procedures and working closely with departments to address fraud, waste, and abuse. The Auditor's independence ensures the integrity of the Whistleblower Program, which operates as an important and trustworthy channel for employees to report ethical concerns. As part of its progress, the Whistleblower Program also published its first public report in 2026, increasing the visibility of the program's impact.
- ▶ **Payroll Audit Division:** Payroll Audit played a key role in advancing the City's Employee Access self-service system. In partnership with Human Resources, the Information Technology Department, and the City Manager's Office, Payroll Audit contributed to system configurations and internal controls to ensure payroll processes are properly supported. Through this effort, Payroll Audit helped employees to securely access their payroll information.

Payroll Audit continued to strengthen internal controls to ensure accuracy, accountability, and compliance with regulations and labor agreements, all aimed at maintaining integrity of the payroll system. Payroll Audit also regularly evaluated payroll procedures, system configurations, and earning code usage to ensure they aligned with current labor agreements and operational practices. The Division also initiated a comprehensive review of the City's overtime compensation practices with external legal counsel specializing in Fair Labor Standards Act (FLSA) compliance. This proactive evaluation strengthens

payroll compliance, reinforces internal controls, and helps mitigate financial and legal risks.

Additionally, the Auditor's Office contracted with an independent third-party auditor to audit Payroll Audit and strengthen internal controls. Overall, the audit found that Payroll Audit's procedures ensured city employees received accurate pay and benefits in the sample data they tested. They also found that Payroll Audit correctly applied various payroll, labor, and statutory rules, ensuring high-risk components of each payroll are handled accurately despite system constraints.

Significant Changes from Prior Year's Budget

The Auditor's Office is proposing decreasing its FY 27 Budget by \$288,560, or 7.3% over the FY 27 Baseline Budget of \$3,929,199 in accordance with citywide budget reductions. The Office is also proposing decreasing the FY 28 Budget by \$367,458, or 9% over the FY 28 Baseline Budget of \$4,061,371. These reductions include decreased non-personnel costs in staff training and Payroll Audit expenditures. The Office also decreased the personnel budget by alternating fund sources for personnel and accounting for underfilled positions and staff members on leave. These reductions represent an effort to balance the need for budget reductions while fulfilling the Auditor's Charter-mandated duties. The Auditor's Office has no vacancies and therefore cannot hold positions vacant as a budget reduction strategy. However, the Auditor's Office is prepared to give back salary savings to provide funding for essential city services.

While the Auditor's Office will continue to meet Charter-mandated responsibilities, budget reductions will impact audit work. The Whistleblower Program has paused expanding the reporting hotline to accept reports from the public due to limited resources and staff capacity. Additionally, increased workload in the Payroll Audit Division from correcting department payroll errors will affect the implementation timeline for ExecuTime and updates to the City's payroll manual. Budget reductions may also limit the number of audits and recommendations Performance Audit can produce.

Performance Measures Summary

The below table summarizes the City Auditor's Office performance measures.

Division	Measure	Description	Target	Actual	Tracking
Performance	Reports issued ⁽¹⁾	Count of total reports (i.e., audit, informational, report on follow-ups)	n/a ⁽²⁾	11 reports	n/a
Performance	Recommendations issued	Count of all issued recommendations; count of recommendations by type	n/a	23 recommendations: <ul style="list-style-type: none"> • 12 Efficiency and Effectiveness • 9 Transparency and Accountability • 1 Internal Controls • 1 Training 	n/a
Performance	Recommendations implemented ⁽²⁾	Count of all recommendations implemented by management	n/a	36 recommendations: <ul style="list-style-type: none"> • 17 Efficiency and Effectiveness • 10 Transparency and Accountability • 5 Regulatory Compliance • 2 Internal Controls • 1 Training • 1 Equity (may overlap with other recommendation types) 	n/a
Payroll	Accurate, correct paychecks	Number of accurate and correct paychecks divided by total number of paychecks	99%	99.9% accuracy (18 incorrect paychecks in two years)	●
Payroll	Corrections made to personnel actions (PAs)	Number of PAs in which Payroll Audit identified and corrected errors divided by the number of PAs audited	▼	84% error rate	n/a ⁽³⁾

- Meeting/exceeding target ▲ Target is to increase numbers/percentages
- Near target ▼ Target is to decrease numbers/percentages
- Not meeting target

⁽¹⁾ Number of reports issued in calendar years 2024 and 2025.

⁽²⁾ Recommendations implemented in calendar years 2024 and 2025. This number includes recommendations from audits issued before 2024.

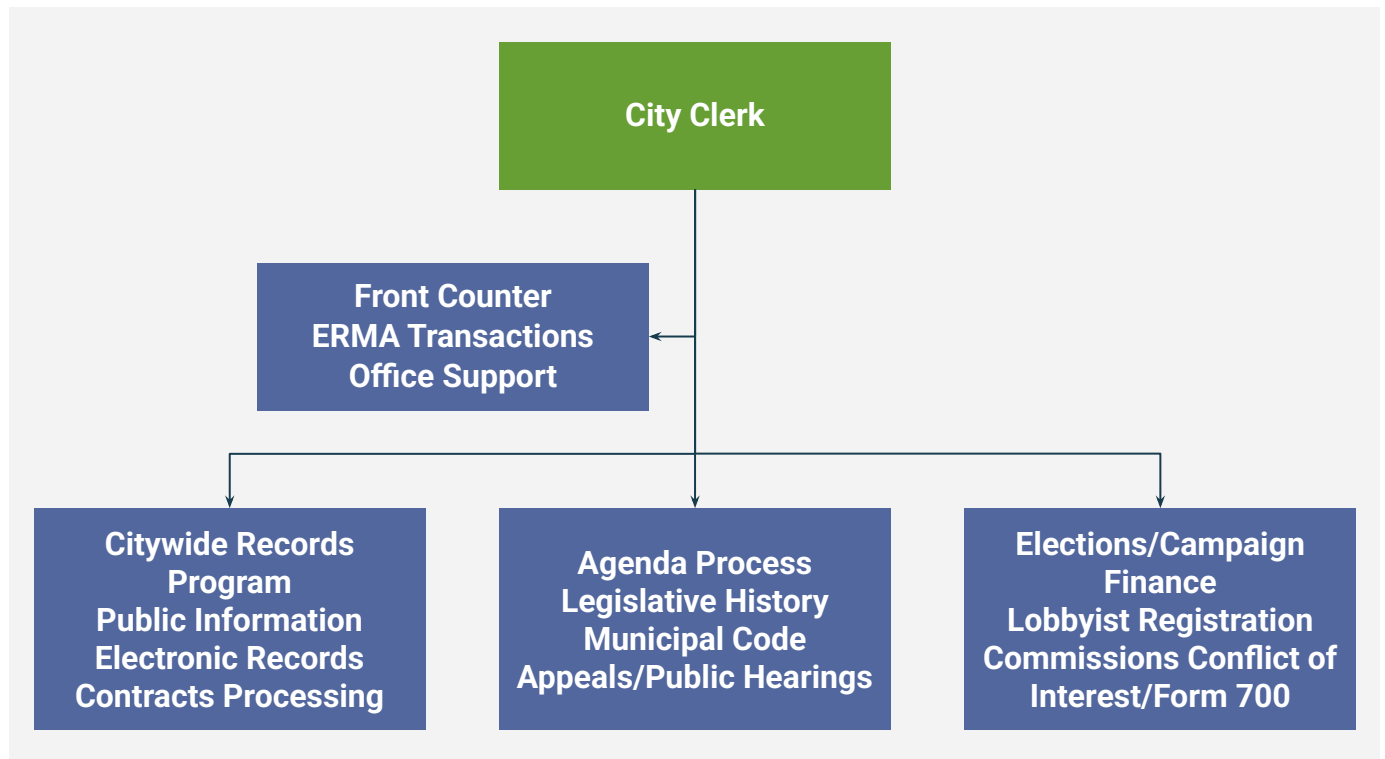
⁽³⁾ 84% of audited PAs had errors that Payroll Audit identified in December 2025 and reported to Human Resources for correction.

City Clerk's Department

Mission Statement

The City Clerk Department provides Citywide oversight for legislative proceedings of the City Council and its committees. As the Elections Official and Filing Officer, the City Clerk administers municipal elections, campaign finance, and conflict of interest regulations. As the Records Manager, the Department administers the Citywide Records Management Program to maintain the integrity of documented actions of the legislative bodies, and accessibility to the public. The Department performs all mandated functions under the United States Constitution, the Constitution of the State of California, State Codes, the Charter of the City of Berkeley, and the Berkeley Municipal Code

Organizational Chart



City Clerk Department Overview

The City Clerk Department delivers the following services:

- ▶ **City Council and Commission Support:** City Clerk staff prepares the agendas, agenda packets, minutes, and legal notices for the City Council, the Successor Agency to the Redevelopment Agency, and the Joint Powers Financing Authority, and provides for the captioning and indexing of meeting video streams. The City Clerk Department also provides support to all six City Council Policy Committees and completes the necessary arrangements to ensure an effective meeting. The City Clerk administers the commission appointment process, maintains the information regarding the commission rules and regulations, and serves as an advisor for commission secretaries.

- ▶ **Legislative History:** The City Clerk facilitates, manages, and supports the meetings of the City Council, the Successor Agency to the Redevelopment Agency, the Joint Powers Financing Authority, and Council Policy Committees, and maintains the legislative history of the City (i.e., ordinances, resolutions, minutes), including the Charter and the Municipal Code.
- ▶ **Public Information and Records:** The Department provides general information and services to the public including: 1) administration of the Domestic Partnership Registry; 2) codification of the Municipal Code; and 3) access to public information and records. Members of the public are welcome to visit the City Clerk Department to research and review legislative actions, candidate and ballot measure information, campaign and conflict of interest filings, registered lobbyists disclosure statements, and other public information. City Clerk staff maintains a broad range of information on the City's website at <https://berkeleyca.gov/your-government/about-us/departments/city-clerk-department>.

The Department also maintains the Records Online public access portal. This portal provides the public with quick and easy access to vital City records such as minutes, ordinances, resolutions, staff reports, election information, and contracts.

- ▶ **Citywide Records Management:** The City Clerk is the Custodian of Records for the City and as such, administers the Citywide Records Program, prepares and maintains the City's Records Retention Schedule and provides education to departments on the principles of records management and industry best practices by providing trainings, guidance, and advice as needed. The City Clerk contracts with an off-site records storage facility where 11,000 boxes of City records are stored. The Department is responsible for managing the storage, retrieval, retention, and authorized destruction of all official City records.
- ▶ **Campaign and Conflict Law:** The City Clerk is the local Filing Officer for the State of California. The City Clerk maintains regulations and forms under the State's Political Reform Act, Berkeley's Election Reform Act and Lobbyist Registration Act, and the Berkeley public financing ordinance. All local campaign committees are required to file campaign statements with the City Clerk. All designated employees, elected officials and appointed commissioners are required to file conflict of interest statements with the City Clerk.
- ▶ **Elections:** The City Clerk is the Elections Official and administers the City's regular and special municipal elections in accordance with state and local laws including: 1) the nomination process for candidates for Mayor, Council, Auditor, Rent Board, and School Board; 2) processing and managing the initiative, referendum, and recall petitions; 3) ballot measure argument filing; 4) coordination with the Alameda County Registrar of Voters for regular and special elections services; and 5) ensuring transparency, accessibility, and equity in the public's engagement with the municipal election process.

The City Clerk is the Charter-designated secretary for the Independent Redistricting Commission, a 13-member commission tasked with redrawing the Council district boundaries after each decennial census.

Challenges

City Clerk Department challenges include:

- ▶ **Election Cost Uncertainty:** The City relies on the Alameda County Registrar of Voters to provide regular and special election services as well as the additional services related to Ranked-Choice Voting. Election services have seen a steep increase since 2018, with the City's first million-dollar election in 2020. It is uncertain at this time if the change to an all-mail-ballot County and other new state mandates will affect election costs on an ongoing basis.
- ▶ **Unplanned Elections:** The two unplanned resignations and the resulting special elections have diverted a significant amount of staff resources originally planned for critical special projects such as the Records Retention Schedule Update, Commissioners Manual Update, and implementing new cost saving technology for broadcasting and captioning city council meetings.
- ▶ **Continuous Demands for Increased Technology Services:** The City Clerk Department relies heavily on external software to automate processes and also has a high demand for service from the Department of Information Technology. Maintaining existing software and implementing new software to increase efficiency require a significant amount of IT resources.

Accomplishments

Highlights of recent City Clerk Department accomplishments include:

- ▶ **Full Implementation of Hybrid Meeting Procedures:** The City Clerk Department researched, developed, tested, and refined procedures and technology needs for the conduct of "hybrid" meetings of legislative bodies. The City Council and its six policy committees now meet in a hybrid model for all regular and special meetings. This has increased civic participation and access to the local decision-making process for residents and stakeholders.
- ▶ **Rebuilding Staffing Rates and Service to the Public:** From April 2022 – August 2023, the City Clerk Department turned over 50% of its staff due to retirements and promotions. Leadership in the department, with assistance from Human Resources, has rebuilt the staffing levels and aggressively trained and onboarded new staff in order to maintain baseline services and properly serve internal and external customers.
- ▶ **Major Software Update:** In 2023 the Department completed a major upgrade to its agenda management software and digital records repository (OnBase). OnBase is a critical business system that is used to create agendas and agenda packets for the City council and the Policy Committees. It is also the digital records repository which stores the legislative history of the city and provides the back end to the Records Online public access portal. This upgrade will ensure reliability, integrity and efficiency for internal and external services.

Significant Changes from Prior Year's Budget

FY 2027 and FY2028 significant changes for City Clerk's Office are as follows:

- ▶ FY 2027 reduction of approximately \$210,000 for overtime and non-personnel
- ▶ FY 2028 reduction of \$1,167,000 in overtime and non-personnel. \$1,000,000 of which will be set aside for the increase in citywide property and liability insurance.

Performance Measures Summary

The below table summarizes the City Clerk Department's performance measures.

Measure	Description	Target	Actual	Tracking
Number of City Council legislative items collated, tracked per agenda and minutes	Count of items per meeting (from meeting agenda plus any added items reflected in minutes)	n/a ⁽¹⁾	CY 2024: 732 items CY 2025: 665 items	n/a
Number of Policy Committee legislative items collated, tracked per agenda and minutes	Count of items per meeting (from meeting agenda plus any added items reflected in minutes); the same items appear on multiple agendas and must be processed and compiled anew for each meeting (including amendments and revised versions)	n/a	CY 2024: 324 items CY 2025: 260 items	n/a
Number of city records indexed in the public records portal	Count of records indexed to the portal	n/a	CY 2024: 2,557 records CY 2025: 2,217 records	n/a
Number of City Council meetings and Policy Committee meetings administered	Total count of City Council and Policy Committee meetings	n/a	CY 2024: 123 meetings CY 2025: 125 meetings	n/a
Number of political reform and lobbyist disclosures processed	Count of campaign finance filings, lobbyist disclosures, and Form 700 filings	n/a	CY 2024: • 929 campaign finance filings • 79 lobbyist disclosures • 997 Form 700 filings CY2025: • 172 campaign finance filings • 88 lobbyist disclosures • 1,055 Form 700 filings	n/a
Number of communications the City Clerk receives	Count of communications	n/a	CY 2024: 4,254 communications CY 2025: 4,359 communications	n/a

- Meeting/exceeding target ▲ Target is to increase numbers/percentages
- Near target ▼ Target is to decrease numbers/percentages
- Not meeting target

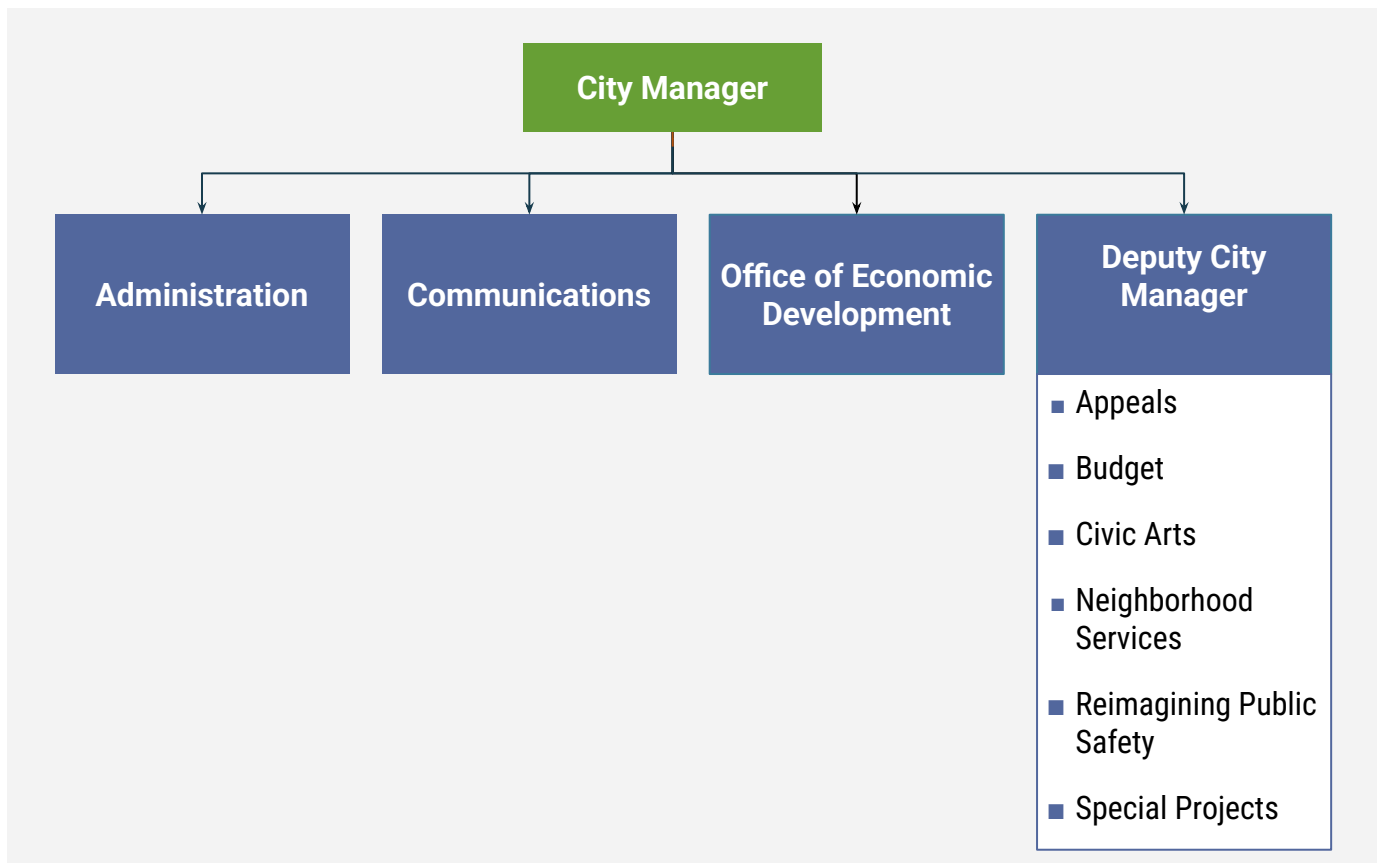
⁽¹⁾ There are no "targets" for the City Clerk's Office, as their numbers are directly dependent on the amount of City Council activity and mandated filings in a given year.

City Manager's Office

Mission Statement

The mission of the City Manager's Office is to build and maintain, through sound management principles and community participation, an effective City government organization; to ensure the effective delivery of services; to provide the management direction and support for the planning, implementation, and evaluation of all City programs; and to ensure coordination and consistency in implementing policies and programs approved by the City Council.

Organizational Chart



City Manager's Office Overview

As the Chief Executive Officer of the City of Berkeley, the City Manager is responsible for ensuring the overall effectiveness of the city organization, acting as a conduit between the legislative and executive branches and presenting Council with a balanced budget. Within the City Manager's Office, the City Manager also directly oversees several divisions and major programs that deliver the following services

- ▶ **Appeals** responsible for administrative hearings. The most common hearings are conducted for parking citation appeals, business license tax appeals, empty homes tax appeals, administrative citation appeals, nuisance abatement appeals, spay/neuter appeals, and vicious/dangerous animal appeals.

- ▶ **Civic Arts** supports a culturally vibrant and diverse arts ecosystem in Berkeley through grantmaking, public art, cultural programming, and strategic arts planning through grant opportunities and opportunities for artists to develop and display work in the public realm, while stewarding the City's public art collection, which includes nearly 100 works of art in the City's care. Civic Arts manages City-operated gallery spaces and administers the City's Poet Laureate Program. Staff provide administrative support to the Civic Arts Commission, an active body with multiple subcommittees and an ambitious work plan.
- ▶ **Communications** oversees strategic communications and media relations and is responsible for the City's website (over 1 million visitors annually), social media, and subscription-based email lists (there are more than 13,500 subscribers for the Citywide newsletter). The Division is also a key partner in emergency communications, when the rapid dissemination of coordinated information is critical to community safety and building trust.
- ▶ **Neighborhood Services Division** consists of four units described below:
 - ▶ **Animal Care Services** provides a multitude of services for the cities of Berkeley, Emeryville, and Albany, and shelters animals from Berkeley, Albany, Piedmont, and Emeryville through a contract with those cities. The services include removal of injured or deceased wildlife and impoundment of stray animals, investigation of animal-related neglect, cruelty, nuisance, and bite cases, and sheltering services including intake, care, reunification, adoption, and community support programs as well as enforcement of city ordinances related to animals. The shelter houses a highly successful adoption program and consistently maintains a live release rate above 90%. Animal Care Services also supports homeless and low-income pet owners by providing free pet food and other pet supplies daily on a walk-in basis. With field services available daily and the shelter open seven days a week, Animal Care Services is easily accessible and user-friendly.
 - ▶ **Code Enforcement Unit** is responsible for the enforcement of violations of the Berkeley Municipal Code including graffiti, blight, unauthorized signage, illegal dumping, the Group Living Accommodations ordinance, and more.
 - ▶ **Special Events** coordinates staff from multiple departments to safely and efficiently support a variety of street and park events that make life in Berkeley vibrant and exciting, including the Berkeley Half Marathon, Solano stroll, Juneteenth, Telegraph Holiday Fair, and many more.
 - ▶ **Homeless Response Team (HRT)** responds to unsheltered homelessness, including homeless encampments. Its mission is to resolve unsheltered homelessness through the provision of interim and permanent housing and other supportive services, as well as to coordinate the many City and nonprofit staff who work in and are impacted by homeless encampments in providing harm-reduction oriented, pragmatic interventions that maintain health and safety for the unsheltered and the broader Berkeley community.
- ▶ **Office of Budget and Fiscal Management (Budget)** is responsible for the preparation, development and management of the City's budget. The division provides financial analysis and support to the organization, City Council and the Budget and Finance Policy Committee. In addition, Budget processes payroll for several City departments.

- ▶ **Office of Economic Development (OED)** helps businesses, entrepreneurs, and community organizations get started, grow and thrive. OED supports Berkeley's commercial sectors, provides technical assistance, expands economic opportunities, and helps maintain a healthy business climate.
- ▶ **Reimagining Public Safety (RPS)** advances an equitable, coordinated, and community-centered approach to public safety in Berkeley through strategic grant development, and regional partnership building. The initiative prioritizes prevention, wellness, service coordination, and community trust.
- ▶ **Special Projects Division (SPD)** leads citywide efforts to improve efficiency, transparency and consistency; and implements the Employer of Choice initiative to improve organizational culture.

Challenges

The City Manager's Office challenges include:

- ▶ **Appeals Unit** is a staff of one person and the lack of contingency staffing presents a challenge.
- ▶ **Civic Arts** has been operating with reduced staffing and administrative support while continuing to manage grants, public art, gallery programming, cultural planning work, the Poet Laureate Program, and commission support. The elimination of a vacant Economic Development Project Coordinator assigned to Civic Arts, reduction in Office Specialist support, and 10% reduction in General Fund support for Civic Arts grants reduces overall capacity for grants, project delivery, contract administration, invoicing, event support, and communications. As a result, Civic Arts has had to focus on maintaining core public-facing services and key cultural initiatives within a leaner operational structure.
- ▶ **Communications:** The elimination of three professional communications positions will slow down message development and response times and reduce the distribution of information via web, social media and citywide newsletter. Media inquiries will be directed to individual departments. It is also anticipated that there will be delays in the Emergency Communications Plan required for Public Health accreditation.
- ▶ **Neighborhood Services**
 - ▶ **Animal Care Services:** Berkeley Animal Care Services (BACS) experiences rising intake, reduced resources, increasing veterinary costs, and the loss of a key prevention program. While cat intake decreased by 18.6% due to diversion efforts, rehoming support, and the Spay Neuter Your Pet (SNYP) program, the anticipated elimination of SNYP is expected to reverse this trend, leading to increased intake and euthanasia risk as unplanned litters rise over time. At the same time, more complex cases are increasing.

BACS is also facing challenges in meeting field service demands. With current and projected budget reductions, services in Berkeley, Albany, and Emeryville will be limited, response times will be impacted, and operations will shift toward a more reactive model, increasing risks to public safety and animal welfare.

Veterinary care remains a significant constraint. Limited in-house capacity (due to the lack of a full-time veterinarian) and reduced funding for outside services will likely result in increased euthanasia for treatable conditions, compounded by rising veterinary costs.

Additionally, 48.7% of stray animals are brought in by individuals from outside BACS's service area, and many should have been served by their home jurisdictions. These animals stay longer and account for approximately half of all dogs euthanized, further straining limited resources.

- ▶ **Code Enforcement Unit:** The Code Enforcement Unit's goal is to respond to initial complaints within a 10-day time period. The average response time is currently around 30 days. The response rate is directly related to only having three staff, two Code Enforcement Officers and a working Supervisor, to respond to complaints.

The team struggles with property owners who remain unresponsive to administrative citations as an enforcement tool. At the beginning of the 2026 calendar year, there were roughly \$1.3 million in unpaid citations associated with Code Enforcement cases over the course of several years. Since the Unit uses a progressive enforcement model where citations are only employed if educative and collaborative approaches to code compliance prove unsuccessful, this represents not only a significant loss in potential revenue for the City, but it also reflects a significant amount of casework by the team.

- ▶ **Special Events:** The City has seen tremendous growth in demand for Special Events permits since the pandemic, and the City now issues more permits annually than it did pre-COVID. Excluding Farmers Market permits, the number of street and park event permits has roughly doubled from 2021 to 2024 (from 92 to over 180) and permits have increased 22% since 2019, the year before the pandemic, when 152 permits were issued. This growth in workload, coupled with the budget's proposed reduction in staffing levels, will strain the organization and affect baseline work and core functions of each of the departments involved in the permitting of special events. There is one position in Neighborhood Services dedicated to Special Events. Limited staffing to close and reopen streets in addition to staffing shortages from Police and Traffic Enforcement present significant challenges and additional concern for liability and burnout.
- ▶ **Homeless Response Team:** Proposed reductions in other city departments will likely constrain the HRT's ability to schedule clean-ups at encampments. Moreover, this budget does not provide for the addition of any new shelter programs and, for lack of identified funding to sustain it, discontinues the Campus Motel shelter program in FY 2027, when funding is scheduled to end. This will further constrain the Homeless Response Team's ability to find indoor shelter options for people living in encampments, who tend to decline congregate shelter beds more frequently than they accept them. A lack of available shelter means that the overall rate of successful placement by the HRT into any form of shelter or housing has dropped sharply: in May 2025, 63% of all people served by the HRT eventually exited to some form of housing or shelter, but by November 2025, that number had dropped to 34%. With fewer indoor destinations for people living in encampments and less inter-departmental capacity to clean up after them, many encampments in Berkeley are likely to remain for extended periods of time. Finally, the team has faced a growing number and intensity of legal challenges, including restraining orders and federal lawsuits, which not only delay or prevent important work in the field, but also create huge time burdens to Neighborhood Services staff, keeping them from

working in the field. This is especially true at the Harrison St encampments, where a series of Federal court orders has greatly complicated the City's ability to execute the Council's September 2024 direction to staff to close these encampments.

- ▶ **Office of the Budget and Fiscal Management:** The Budget Office has been operating with limited staff for much of fiscal year 2026, while providing day-to-day core services to the organization and tackling a multi-fund structural deficit and leading the City's first true citywide budget reduction effort since the FY 2012 & FY 2013 Biennial Budget, when the City implemented a modest 2% General Fund reduction. While the team is focused on structurally balancing the budget, future budget years will continue to be shaped by economic uncertainty, political volatility, and rising cost. These pressures will require sustained discipline, ongoing monitoring, and continued citywide collaboration to maintain long-term fiscal sustainability.
- ▶ **Office of Economic Development:** Advancing new initiatives while continuing to deliver excellent baseline services to Berkeley's business community and specifically support to small businesses will be a challenge with the staffing reductions that are part of the budget balancing plan.
- ▶ **Reimagining Public Safety:** Reimagining Public Safety was designed as a temporary, phased initiative to advance long-term systems change over time, rather than as a permanent standalone service line. The challenge moving forward will be to continue supporting the highest-priority elements of this work within existing staffing and fiscal constraints while allowing adequate time to assess which strategies should be sustained, adapted, or integrated into long-term City operations.
- ▶ **Special Projects Division:** With the elimination of 2 FTE in the division and the DEI officer, the work of the Division will need to shift to focus primarily on the continued implementation of Tyler Enterprise Resource Planning (ERP) modules, continued support of Team Unity, implementing City-wide DEI education initiatives, to the extent feasible, staffing the Peace and Justice Commission, and continuing to assess the organization for opportunities to improve efficiencies.

Accomplishments

The City Manager's Office accomplishments include:

- ▶ **Appeals** successfully expanded scope of work to include a newly amended appeals process for the Empty Homes Tax:
 - ▶ Coordinating workflow logistics between Finance and Rent Board departments to implement appeals process for Empty Homes Tax appeal hearings
 - ▶ Interpreting the Empty Homes Tax ordinance to provide sound judgments upon appeal
- ▶ **Civic Arts** continued to deliver strong public value across grants, public art, exhibitions, and literary arts programming. In Fiscal Year 2025, Civic Arts supported 11 individual artist projects totaling \$44,000, 12 arts programs totaling \$60,000, 34 festivals totaling \$199,680, and 54 arts organizations totaling \$444,799. Public Art accomplishments included awarding approximately \$592,000 in commissions, receiving more than 270 RFQs, collecting more than 1,200 public surveys representing over 60 hours of public comment, installing 100 new artworks across three public buildings, supporting more than two tons of artwork at the Downtown Berkeley BART Plaza, and delivering

four Cube Space exhibitions. In Fiscal Year 2026, Civic Arts awarded 111 grants totaling \$658,214, with an additional \$35,000 in outside grant funding through AFTA and CAC sources. The program also broadened its applicant pool, with first-time applicants representing 29% of all applicants across open grant programs, compared to a 5% benchmark. Civic Arts also continued administration of the Poet Laureate Program, reconvened the Berkeley Cultural Trust, and advanced a strategic arts resiliency study to help inform future cultural planning and investment.

- ▶ **Communications Division** led a multi-departmental effort to improve digital accessibility on all digital platforms. Staff convened and led a citywide task force, developed trainings, started work with a vendor on an accessibility audit, and developed productive meetings with the Commission on Disability.

The division manages berkeleyca.gov, which drew over 1 million visitors. Social media channels also saw 1 million views. The Citywide newsletter surpassed 15,000 subscribers, and 44% of recipients opened them – significantly more than the nationwide government agency average of 34%. Training and oversight of email management software facilitated sending over 400 emails to Berkeleyans in 2025. The Division supports nearly 100 web editors organization wide focused on creation and updating content on berkeleyca.gov, such as 350 posted events, 70 project pages updated, and 27 new projects posted. The report & pay tool allows visitors to access roughly 40 key services quickly. The tool had 49,000 views in 2025 and helped increase the percentage of tickets submitted online to 20% of all 311 requests.

The division developed the City's first emergency communications plan, which includes documented workflows that were combined with regular training.

▶ **Neighborhood Services**

- ▶ **Animal Care Services:** In 2025, Berkeley Animal Care Services (BACS) continued to deliver strong outcomes despite ongoing challenges. BACS maintained a Live Release Rate (LRR) of 94.1%, a decrease of only half a percentage point from the prior year, even with reduced overall adoption rates, fewer rescue placements, and an increase in euthanasia.

BACS achieved its highest dog adoption numbers since 2014 and successfully reunited 39% of dogs (31% overall) with their owners. The shelter also reduced the average length of stay for cats by 1 day, improving shelter flow during a period of increasing case complexity.

In 2025, BACS increased community services compared to the prior year and onboarded 185 new volunteers, expanding the active volunteer base to nearly 400 individuals and significantly strengthening daily shelter operations and capacity.

Operationally, BACS strengthened its partnership with Friends of Berkeley Animal Care Services (FoBACS), and renegotiated service contracts with the Cities of Albany and Emeryville to more accurately reflect the cost of services, eliminating prior subsidy of these agreements and aligning services with their actual costs.

- ▶ **Code Enforcement Unit:** The Code Enforcement Unit Supervisor provides assistance and mentorship regarding enforcement practices. The Unit has been instrumental in creating a pilot process to streamline enforcement against illegal dumping which was

initiated in 2026 and addresses the top 300 properties where Public Works has done courtesy debris pickups more than 3 times in a calendar year.

- ▶ **Special Events:** Despite severe understaffing, over 300 events were permitted citywide in 2025, including weekly Farmers' Markets, proving that despite staffing challenges in supporting these events, Berkeley continues to be a highly desirable cultural destination for a vibrant events scene.

Additionally, to address error-prone paper-based permit process workflow system, the City Manager's Office is working with a consultant to develop an online permit management solution for a more modern and user-friendly permit application experience for event organizers. Buildout of this software tool is expected to begin in early 2027.

- ▶ **Homeless Response Team:** In fall 2024, the HRT was awarded a \$5.4 million grant from the State of California's Encampment Resolution Funding (ERF) funds, which enabled the team to master lease the Howard Johnson motel on University Avenue and contract with Dorothy Day house to operate it as the Capri Motel, a low-barrier, non-congregate shelter. HRT then dedicated this shelter to resolving the longstanding and dangerous encampments along 2nd St in Northwest Berkeley, piloting an innovative RV Buy Back program. The RV Buy Back program was evaluated by the UC San Francisco Benioff Homeless and Housing Initiative and was found to be successful in their March 2026 evaluation report. The HRT is also now a Coordinated Entry Limited Access Point, meaning they can directly assess people they work with on the street for Alameda County resources, including access to permanent supportive housing. This has enhanced the team's ability to connect those they serve to meaningful pathways to end their homelessness.
- ▶ **Office of the Budget and Fiscal Management:** Recipient of the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for the FY 2025 & FY 2026 Adopted Budget Book. Through the budget process, coordinated an organization-wide budget balancing effort, resulting in structurally balanced budgets for FY 2027 and FY 2028.
- ▶ **Office of Economic Development:** OED has a unique role in directly assisting Berkeley's business communities and sectors. In FY25&26, OED advanced and/or completed a number of high-profile revenue-generating projects that were indicated as goals in the last budget cycle, including:
 - ▶ Facilitated Catalytic Development at West Berkeley Opportunity Sites
 - ▶ Adoption of "Keep Innovation in Berkeley" zoning reforms to allow for expanded R&D or Research & Development uses in Berkeley's commercial corridors
 - ▶ Civic Center Phase III – Advancement of concept designs, building information modeling, tenant exploration and external funding opportunities including applying for Federal grants for seismic improvements to Berkeley's Maudelle Shirek/Old City Hall and Veterans Memorial Buildings.
 - ▶ Implemented Grants to support capacity in two merchant districts (Gilman and Lorin)
 - ▶ Business succession planning for worker owned cooperatives
 - ▶ Additional Zoning Ordinance Modifications to Support Small Business (State Planning Award of Excellence granted FY25).
 - ▶ Renewal of two Business Improvement Districts (BIDs) Tourism (2025) and Downtown (2026)

- ▶ **Green Business Certifications:** Helped 80 certified green business in Berkeley to implement environmentally sustainable practices including 12 new certifications and 11 recertifications to the California Green Business program
- ▶ **Strategic Real Estate and Development Projects:** Assisted with the disposition of 1631 5th Street, for a sale price of \$750,000, \$100,000 over the appraised price.
- ▶ **Berkeley Startup Cluster (BSC) -** Supported a network of ~370 innovation companies, elevated Berkeley's profile as a top destination for founders and venture-backed startups, and gained global recognition, with interest in replicating the model internationally (Slovenia/Sakai, Japan)
- ▶ **Manufacturing Week 2025:** Engaged approximately 500 attendees across 30 tours at two dozen manufacturers
- ▶ **Revolving Loan Fund (RLF) –**To date, 20+ loans have been executed to Berkeley businesses and the program is now serviced and administered by Working Solutions, a certified Community Development Financial Institution.
- ▶ **Business Outreach and Technical Assistance -** conducted outreach and technical assistance activities, including fielding thousands of direct business inquiries by phone & email.
- ▶ **Equity-focused programming for the innovation sector –**Berkeley Ventures Berkeley Values programming includes activities that engage Berkeley startup founders, funders, and STEM industry professionals to build a local economy that benefits our entire community.
- ▶ **Outdoor Commerce:** As of 2025, there are 10+ installations of permanent outdoor commerce in Berkeley that contribute to outdoor commerce use fees to the city's parking fund.
- ▶ **Business Improvement Districts –**Over the past years, the City has continued to provide technical assistance to each of the BIDs, with particular focus on bolstering the wider Berkeley Business District Network (BBDN).
- ▶ **Reimagining Public Safety:** Despite fiscal constraints and reduced central support capacity, the City continued to advance key Reimagining Public Safety priorities. Accomplishments included securing approximately \$9 million in grants to continue advancement of the Gun Violence Intervention and Prevention Program, and development of the Berkeley CareBridge initiative, a post-arrest diversion and reentry support program focused on connecting eligible individuals to housing navigation, behavioral health and substance use disorder support, and care coordination, along with ongoing support for crisis response and dispatch reform efforts, advancement of Vision Zero and Street Trauma Prevention-related work, and continued preparation of major reports, briefings, and implementation updates for City leadership and Council.
- ▶ **Special Projects Division (SPD):** SPD led the launch of Employee Access for staff to access digital versions of their paystubs and have the ability to submit personnel actions electronically. Team Unity, which was able to deliver a meaningful and thoughtful appreciation event with over 600 staff participants, began social events to bring staff together and create a deeper sense of staff community, and delivered years of service gifts for staff achieving a 5-year milestone of service. The SPD facilitated receipt of Mental Health Services Act funding for the African American Holistic Resource Center (AAHRC) Sankofa Project.

Significant Changes from Prior Year's Budget

The FY27 General Fund Baseline Budget increased by 4 percent, or \$683,509 compared to FY26 Adopted, mostly due to the annual increase in personnel cost plus the cost of living increase scheduled for miscellaneous employees in FY27. The FY27 Proposed Budget reflects an overall decrease of \$318,190, or 1.4 percent, compared to the FY26 Adopted Budget of \$23.4 million across all funding sources. However, the FY27 proposed General Fund portion of the City Manager's Office budget decreased by 22.7 percent, or nearly \$4.1 million, from the FY26 Adopted Budget.

Several factors contributed to this reduction. As part of a robust General Fund balancing exercise, the City Manager's Office implemented personnel and non-personnel reductions and shifted eligible costs to other appropriate funding sources. In addition, the Animal Services budget was moved out of the General Fund and into the Animal Shelter Fund (Fund 115), further reducing the City Manager's Office General Fund budget and increasing the General Fund transfer out in the Non-Departmental budget. The addition of one-time Measure U1 funding in FY27 for the Capri lease, along with grant funding in both years, offsets some of these changes, resulting in a net overall decrease of only \$318,190.

The City Manager's Office Proposed Budget Balancing Plan is as follows:

- ▶ **Personnel:**
 - ▶ Reduce one Community Development Project Coordinator – Office of Economic Development (filled)
 - ▶ Reduce one Office Specialist III – Office of Economic Development and Civic Arts (filled)
 - ▶ Reduce two Communications Specialists (both filled)
 - ▶ Reduce one Diversity, Equity, and Inclusion Officer (vacant)
 - ▶ Reduce one Economic Development Project Coordinator- Civic Arts (vacant)
 - ▶ Reduce one Program Manager II – Special Projects (filled)
 - ▶ Reduce one Social Services Specialist (vacant)
 - ▶ Reduce one Office Specialist II (vacant)
 - ▶ Reduce one Administrative Assistant (vacant, frozen and unfunded since the FY26 balancing measure)
 - ▶ Reduce one Deputy City Manager (vacant, frozen and unfunded since the FY26 balancing measure)
 - ▶ Reduce one Digital Communications Coordinator (vacant, frozen and unfunded since the FY26 balancing measure)
 - ▶ Reduce one Program Manager I (vacant, frozen and unfunded since the FY26 balancing measure)
- ▶ **Significant Non-Personnel:**
 - ▶ \$40,000 – Eliminate Downtown Business Association Outreach Worker contract
 - ▶ \$64,000 – Eliminate Spay and Neuter Your Pets contracts

- ▶ \$82,497 – Reduce General Fund support for Civic Arts grants by 10% to align with proposed organization and department budget reductions
- ▶ \$17,000 – Reduce economic development marketing budget by 10% to align with proposed organization and department budget reductions
- ▶ Reallocating a portion of the salary of an Assistant to the City Manager to the Public Art Fund to reflect oversight of this work resulting from the Budget Balancing Plan elimination of the Economic Development Project Coordinator – Civic Arts and allocates a portion of a Civic Arts Coordinator position that was fully funded by the General Fund to the Public Art Fund to address the backlog of public arts projects.
- ▶ Allocating a portion of an Assistant to the City Manager to long-term grants that the position is managing.

Performance Measures Summary

The below table summarizes the City Manager's Office performance measures.

Division	Measure	Description	Target	Actual	Tracking
Neighborhood Services – Animal Care Services	Live Release Rate (LRR)	Live Release Rate (LRR) of all live cat and dog intakes; target is to be at or above the average LRR for the previous 5 years	▲	• 94%	●
Neighborhood Services – Animal Care Services	Return to Owner Rate (RTOR)	Percentage of live cat and dog intakes that are returned to their owners; target is to be at or above the average RTOR for the previous 5 years.	▲	• 25%	●
Neighborhood Services – Animal Care Services	Volunteer Hours	Total combined volunteer hours; The target is at least 15,000 combined raw volunteer hours	▲	• 15,000 hours	●
Neighborhood Services – Animal Care Services	Adoption Events	Number of “out of the shelter” adoption events; target is to increase the number of attended off-site adoption events and on-site events	▲	• 6 events	●
Neighborhood Services – Animal Care Services	Length of Stay Rate (LOSR)	Average Length of Stay (LOS) for cats and dogs who are returned to owner (RTO); target is to be at or below the average RTO LOS for the previous 5 years	▼	• 3.73 days	●
Neighborhood Services – Code Enforcement Unit	Case Response Time	Average time from receipt of complaint to initial city response; target is 10 days	▼	• 45 days	●
Neighborhood Services – Code Enforcement Unit	Case Closure Rate	Percent closed/complete/resolved cases (excludes duplicate complaints and invalid complaints)	▲	• 103% (based on 392 cases addressed)	●
Neighborhood Services – Code Enforcement Unit	Case Completion Ratio	Ratio of closed/completed/resolved cases to total cases received	▲	• 392 cases created, 413 cases closed	●

Division	Measure	Description	Target	Actual	Tracking
Neighborhood Services – Homeless Response Team	Shelter Uptake Rate	Percentage of shelter offers that result in a move-in; target is 50%	▲	• 20%	●
Neighborhood Services – Homeless Response Team	Housing Assessment Rate	Percentage of individuals assisted by the Homeless Response Team (HRT) who receive a housing needs assessment; target is 95%	▲	• 94%	●
Neighborhood Services – Homeless Response Team	Unsheltered Exit Rate	Percentage of clients who leave HRT services remaining unsheltered; target is 50% or less	▼	• 61%	●
Budget	Reporting on Unfunded Liabilities	Reporting on unfunded liabilities each cycle	n/a	• Report issued	●
Budget	Achieve Healthy Reserves	Amounts contributed annually to reserves	n/a	• Ability to Fund Workers Compensation Liabilities 98% of target • General Fund Reserves 90.9% of 2020 target and 50.6% of 2027 target	●
Budget	Review Contracts	Number of contracts reviewed	n/a	• 549 Contracts	●
Budget	Budget Adjustments	Processing budget adjustments to ensure the City and Departments do not overspend appropriation authority	n/a	• 1,113 adjustments	●
Civic Arts – Grants Program	Civic Arts Grants	Number of grants and total dollar amount of Civic Arts grants; Number of first-time applicants to Civic Arts grants across all open programs; target is to increase new applicants by 5% from previous years	n/a	• 111 grants awarded, totaling \$658,214 in FY 2026 • 29% of total applicants (58 out of 202))	●

Division	Measure	Description	Target	Actual	Tracking
Civic Arts – Public Art Program	Civic Arts Public Art Projects	Number of public art projects advanced or completed during the fiscal year, including new artist-commissioned projects, installations, restorations, conservation work, and other major public art project milestones	New Measure	• Data pending	n/a
Office of Economic Development		Number of marketing communications that are disseminated through #Discovered in Berkeley; target is to increase campaign impact that spotlights local Berkeley businesses and civic pride through increases in (1) impressions, (2) concrete engagements, (3) banner ad “click through” rates, (4) number of new users/followers year over year	▲	• 4.6 Million impressions, 187,000 impressions, 1,852 IG Followers, 6,000 users of #DiB website, .27% banner ad click rate	●
Office of Economic Development	Access to Capital for Small Businesses: RLF & RLP Funds	Number of Revolving Loan Fund (RLF) & Resilience Loan Fund (RLP) loans executed (total \$ amount loaned); target is to increase number of loans for financing Berkeley’s businesses year over year	▲	• 7 RLF loans (\$616,000); 18 RLP loans (\$346,000) for FY25	●
Communications	Digital Communications Training	Number of City staff trained to use City communication tools to plan and deliver clear, consistent digital communications that engage, inform, and guide the community on City projects and goals.	▲	• 304 City staff trained. This training allows departments to make a variety of updates across the website for events, capital projects, general pages, commission meetings and more.	●

Division	Measure	Description	Target	Actual	Tracking
Communications	berkeleyca.gov website infrastructure improvements	Complete substantial, system-level improvements to the City website's core systems to improve efficiency, usability, and reliability for the public.	▲	• 37 updates to the technical software for the website. This includes upgrades to software and updates for security, accessibility, usability and more	●
Strategic Initiatives	All Staff Appreciation	Number of City Staff attending all staff appreciation event, a component of the Employer of Choice Initiative to ensure we have 1 day a year to celebrate and appreciate the work all staff do to deliver exceptional services to our community.	▲	• 650; below target goal, but much higher attendance from before team unity was established (prior attendance was 400 staff)	●

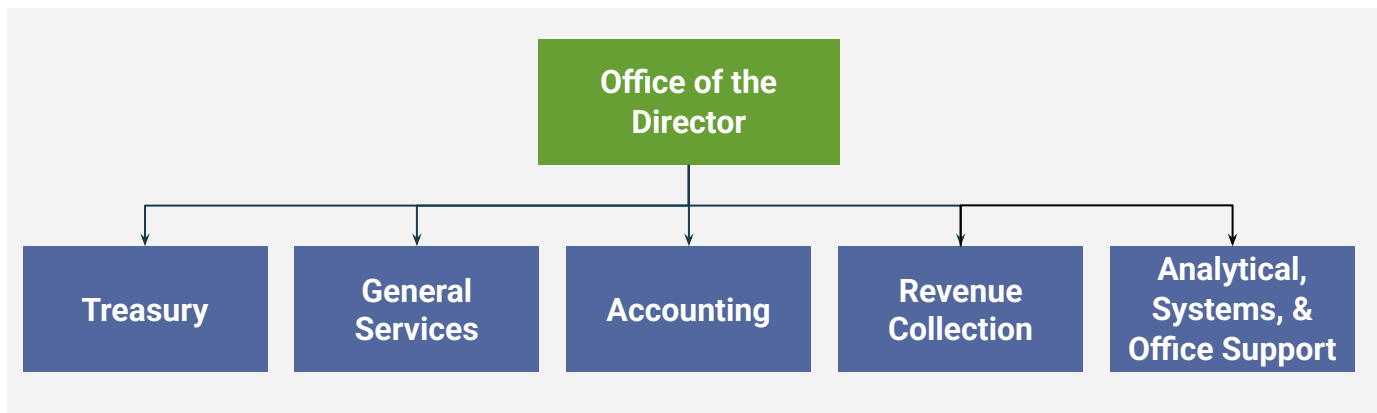
- Meeting/exceeding target
- Near target
- Not meeting target
- ▲ Target is to increase numbers/percentages
- ▼ Target is to decrease numbers/percentages

Finance

Mission Statement

To conduct all of our responsibilities with integrity, warrant and receive the trust of colleagues and constituents, and to positively support the delivery of quality services to fulfill the City's mission and citywide priorities. Within the framework of full disclosure and quality customer service, our principal obligations are to safeguard City assets, maximize revenues, manage the business of City programs, and provide accurate, timely, and complete financial information.

Organizational Chart



Finance Overview

The Finance Department supports all City departments and provides services for the entire Berkeley community. In addition to the Office of the Director and Finance Administration, the department is organized into four divisions: Treasury, General Services, Accounting, and Revenue Collection.

The Finance Department is organized into five divisions to deliver the following baseline services:

- ▶ **Office of the Director and Finance Administration:** The Finance Director serves as the City's Chief Financial Officer, Investment Manager, and City Treasurer. The Director's Office provides expert, professional assistance to City management and City Departments on financial, accounting, and related matters; provides business administration and technical assistance to City departments; administers the annual budget and directs day-to-day financial operations; provides revenue and economic forecasting to City policymakers and stakeholders; manages the City and retiree medical plan investment portfolios; designs and implements an automated and integrated financial accounting system; makes presentations of the City's financial status and operations to the City Council and other regulatory agencies; monitors developments related to finance and accounting matters and evaluates their impact on City operations and financial programs; and serves as the lead for citywide PCI compliance.
- ▶ **Treasury:** The Treasury Division is responsible for receipt recordation, deposits, and investments of City monies. It also assists the Finance Director in investing both short and long term investments of surplus City funds; maintains fiscal accountability for all

City monies; manages the City's banking relationship; and coordinates implementation of the City's online payment programs. .

The Treasury Division also acts as the City's centralized cashing operation and accepts deposits from all City cash acceptance locations and departments. In addition, it acts as the main payment processing center for mail-in payments for Citywide billing and other revenue sources. It is responsible for revenue development, audits, and collection on delinquent accounts.

- ▶ **General Services:** The General Services Division manages a centralized Purchasing function. This division identifies equipment, goods, and services that will meet the City's needs; creates cost effective purchasing and maintenance agreements; issues and awards all non-construction bids and Request for Proposals; and opens all construction bids to obtaining the best competitive pricing for purchases while adhering to the City's purchasing policies. It also enforces compliance of all City procurement and contracting policies. This division maintains the Purchasing information on the City's website and assures that customers and vendors have online access to needed information and forms. The division is also responsible for mail services.
- ▶ **Accounting:** The Accounting Division serves as advisor, consultant, and an information source for other departments on financial management items and Finance Department policies and procedures. It directs the maintenance of the City's automated accounting system, including the general ledger and all required subsidiary ledgers. The Accounting Division reviews and ensures adequate internal controls throughout the City, performs bank reconciliations, and manages all external financial audits on behalf of the City. It is responsible for the preparation of various financial and accounting reports, including the Annual Comprehensive Financial Report (ACFR), State Controller's reports, quarterly grants report, sales tax returns, payroll, and the city's indirect cost allocation plans.

Accounting has an Accounts Payable unit which controls disbursements made from City funds, excluding those for investments, payroll, payroll liability, and the workers' compensation administrator. This unit ensures that all disbursements are timely, accurate, and are made in compliance with all internal controls and established City policies and procedures.

- ▶ **Revenue Collection:** The Revenue Collection Division provides billing services for refuse and most other City services; prepares the City's and Berkeley Unified School District's special property tax rolls for inclusion on the annual property tax bill; processes transfer tax, seismic retrofit, very low-income, and private sewer lateral refunds; prepares and processes annual business licenses and residential parking permits; schedules business license appeals; administers and issues street vendor, massage, and food vendor permits; and maintains the City's land management database. It confers with City staff and management in analyzing proposed rate structures of various City revenues. .

The Customer Service Counter is a unit within the Revenue Collection Division. It provides counter service to the Berkeley community and processes walk-in/drop-off payments for various Citywide billings, business licenses, residential parking permits, parking citations, and assists customers in the community service program for Project 22. This unit prepares and submits all payments received from customers to Treasury for posting in the City's financial system. The staff provides support for updating customers' records in the City's parking system, maintains records of community service agreements, and processes tow and boot releases and account maintenance for parking related payment inquiries.

Challenges

Finance Department challenges include:

- ▶ **Recruitment and Retention of Qualified Staff:** The inability to find new personnel to replace retiring employees and fill long-vacant positions has led to increased workload and decreased effectiveness.
- ▶ **Limited Payment Options for Customers:** In order to give the public more options to pay taxes and fees, we must invest in technology and infrastructure improvements.
- ▶ **Issuance and Administration of Measure T1, Measure O, & General Obligation Bonds:** The ability to administer and manage the large spending plans for these initiatives requires continuing Finance resources.
- ▶ **ERMA (Enterprise Resource Management Application):** Finance continues to work on Phase 3 of the City's Munis Financial System (Accounts Receivable/General Billing modules) in FY 2026. We have limited staff capacity, and implementation of a new revenue and cash receipting system requires near full-time commitment of subject matter experts that are already at capacity with current operations.
- ▶ **Aging and Inadequate Financial Systems:** Working with older systems from previous decades causes process inefficiencies, requires additional staff resources to conduct City business, and offers limited functionality to our external customers.

Accomplishments

Highlights of recent Finance Department accomplishments include:

- ▶ **Business License Taxes:** In FY 2026, the Revenue Collection Division increased the efficiency of the business license program, by:
 - ▶ Further expanding online renewals and payments (90% of businesses now eligible)
 - ▶ Improving system processes for increased effectiveness These efforts allowed us to complete our renewal processing and issue all tax certificates more quickly than ever before.
- ▶ **Updated P-Card Program:** The General Services Division and Financial Systems Group implemented a new Purchase Card program with our bank to provide more efficiency to our procurement process and more detailed and accurate information to our central accounting system.
- ▶ **Revenue Enhancement:** In 2026, the Treasury Division expanded its business license and miscellaneous tax audit programs to increase revenues from non-compliant businesses
- ▶ **Implementation of GASB Statements:** In accordance with GASB 101, the Accounting division changed the way we account for the potential costs associated with compensated absences, to more accurately reflect future expenses.
- ▶ **Citywide Physical Inventory:** Staff completed an inventory audit of all fixed assets as part of our ongoing efforts to account for and protect City property.

Significant Changes from Prior Year's Budget

The FY 2027 Proposed Budget decreases the department budget by \$685,000 or 5.7% from the FY 2026 Adopted Budget of \$12.03M.

This is primarily due to efforts to balance the City's overall General Fund Budget, and includes the following changes: .

- ▶ **Personnel Changes:** Elimination of a vacant Senior Systems Analyst position, as well as a Management Analyst and two Revenue Development Specialists.
- ▶ **Non-Personnel Changes:** - Reduction of budgeted Training by 25%.

Performance Measures Summary

The below table summarizes the Finance Department's performance measures.

Division	Measure	Description	Target	Actual	Tracking
Administration	City Financial Condition	Maintain high bond ratings; target is Aa1 (Moody's) / AA+ (S&P)	Meets requirements	• Current rating is Aa1/AA+	●
Treasury	Citywide Investments	Investments meet safety, liquidity, and reasonable return requirements	Meets requirements	\$752,143,903 total cash and investments; 3.02% pooled and 4.64% trust rate of return; • successfully meeting safety, liquidity, and reasonable return requirements	●
Accounting	City Financial Reporting	Meet statutory state submission deadline with no findings by external auditors	Meet deadline with no audit findings	• Submitted on-time, received no audit findings	●
General Services	Citywide Purchasing	Review requisitions submitted and determine the percentage that are either: • not compliant with purchasing requirements and require returning to the department, or • substantially compliant but require additional review	10% or less noncompliant 0% partially compliant	5,624 purchase orders, totaling \$328,057,229 • approximately 7% noncompliant • approximately 0% partially compliant	●
Accounting	Citywide Payment Processing	Review payment requests submitted and determine the percentage that are either: • not compliant with payment requirements and require returning to the department, or • substantially compliant but require additional review	10% or less noncompliant	37,482 invoices, totaling \$403,203,808; • approximately 5% noncompliant/ requiring additional review	●

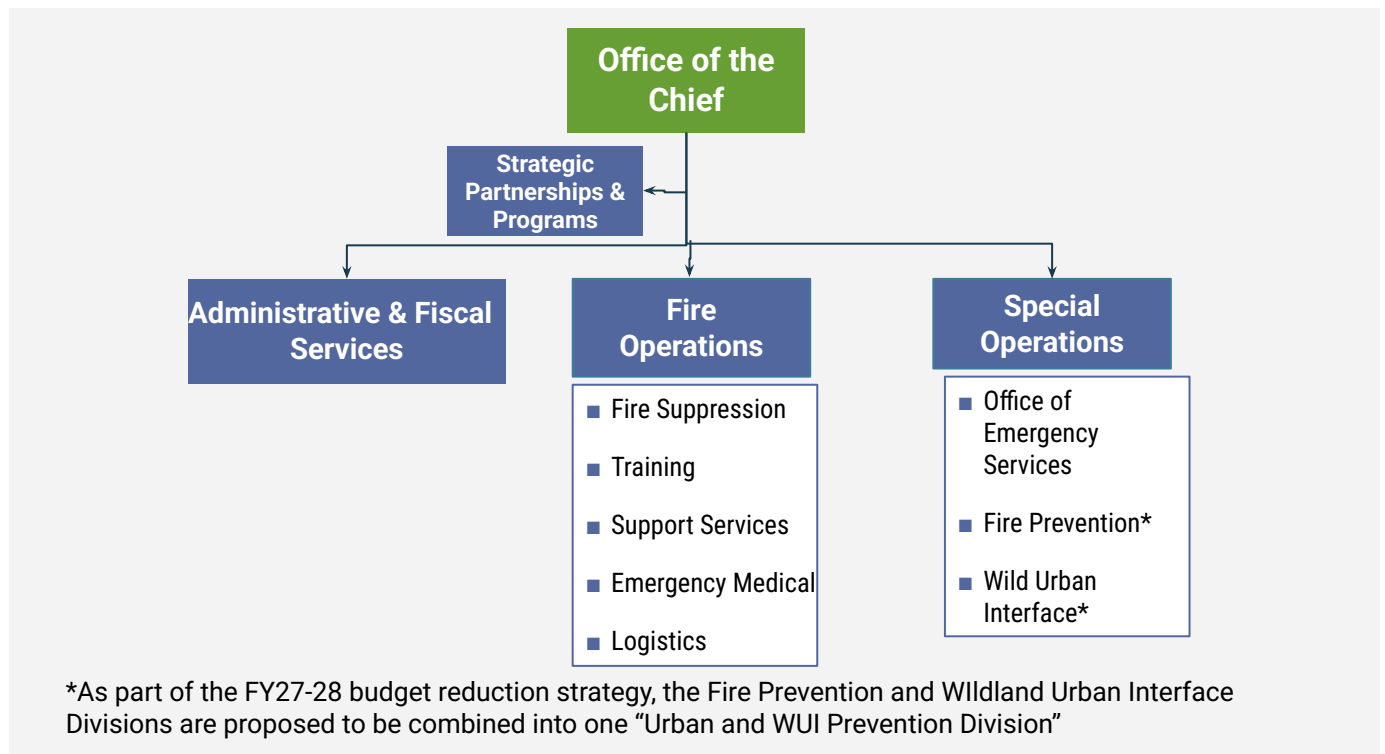
- Meeting/exceeding target ▲ Target is to increase numbers/percentages
 ● Near target ▼ Target is to decrease numbers/percentages
 ● Not meeting target

Fire Department

Mission Statement

The Berkeley Fire Department protects life, property, and the environment through emergency response, prevention, and community preparedness.

Organizational Chart



Fire Department Overview

The Berkeley Fire Department is committed to providing comprehensive fire protection, emergency medical, disaster preparedness, rescue, and other related services in an efficient, effective and caring manner to the diverse Berkeley community. The Fire Department is organized five divisions which report to the Office of the Fire Chief and deliver the following services:

- ▶ **Office of the Fire Chief:** Provides executive leadership and strategic direction for all the Department’s divisions. The Office serves as the primary liaison to City leadership, allied agencies, and the community, driving departmental priorities, cultivating interagency partnerships, and ensuring effective labor-management relations.
- ▶ **Administrative and Fiscal Services Division:** Provides budget and fiscal services and policy management for the department, Fire and Police payroll, administrative systems, employee training and development, purchasing oversight, administrative systems, and record retention compliance.

- ▶ **Strategic Partnerships & Programs Division:** Oversees the Department's strategic planning, grant development and administration, performance measurement, and data system improvements. The Division also manages public records compliance and reporting and builds organizational capacity through targeted resource development and strategic staffing.
- ▶ **Operations Division:** Encompasses four subdivisions responsible for the Department's full operational capacity, including:
 - ▶ **Fire Suppression:** Delivers front-line emergency response to Berkeley and UC Berkeley, including fire suppression, emergency medical services, technical rescue, hazardous materials mitigation, and water rescue.
 - ▶ **Training:** Develops and delivers training and professional development for all Department members. The Division operates a California State Fire Training Accredited Local Academy, where recruits earn Firefighter I and II certifications, and provides ongoing education to support the organization's growth and readiness.
 - ▶ **Emergency Medical Services (EMS):** Oversees the Fire Department's pre-hospital emergency medical services program, which includes EMS program management; prospective and retrospective quality improvement; management of EMS billing and the emergency health records program; and coordination with regional stakeholders, including the Alameda County EMS Agency.
 - ▶ **Logistics** Provides logistical support for emergency and non-emergency operations, including apparatus design and procurement, equipment and supply distribution, and subject matter expertise in information technology and radio communications.
- ▶ **Support Services Division:** Oversees three distinct subdivisions in the Fire Department including:
 - ▶ **Office of the Emergency Services:** Coordinates a suite of programs to build disaster resilience for the whole Berkeley community. These programs support personal preparedness, community connections, and government efforts that will help Berkeley respond to and recover from our next earthquake, fire, or other disaster.
 - ▶ **Fire Prevention:** Plans, organizes, implements prevention and inspection programs, fire and arson investigations, vegetation management, hazard abatement, code enforcement, public fire safety education, plan checks, and development of codes and ordinances.
 - ▶ **Wildland Urban Interface (WUI):** Addresses the wildland fire threat facing the Berkeley community by conducting vegetation management inspections, enforcement, and educating the community.

Challenges

The Fire Department's challenges include increasing expectations for service delivery, managing a rapid expansion of the organization, and the need for adequate facility space. Additional challenges include; creating long-term plans that account for changing the mission of the organization and the replacement of predictable capital assets and infrastructure.

- ▶ **Service Delivery:** The Fire Department's basic structure has remained largely unchanged since the 1990s, even as calls for service have increased by 65 percent and the City has evolved from a more suburban community into a dense urban environment. Berkeley is now the second most densely populated city in California among the 50 largest cities, behind only San Francisco.
- ▶ **Rapid Expansion:** Capital infrastructure, including fire stations, office space, and training grounds are too often in poor condition, undersized, and in need of significant maintenance or replacement. The Department is following its Fire Facilities Master Plan that provides the leaders of today and tomorrow with a clear needs assessment and plan for the next 20 years.
- ▶ **Capital Assets:** The organization requires additional space to effectively support operations. Tenant improvements are being completed for a new Fire Headquarters in West Berkeley. The new facility will house administrative and support staff and begin consolidating Fire personnel from multiple locations into a single central site, improving collaboration, increasing efficiency, and reducing the costs of operating multiple facilities. The Fire Department is also continuing its work with Finance and the Budget Office to strengthen long-term capital planning and begin setting aside funds for the replacement of predictable capital assets.
- ▶ **Rapid Turnover:** The organization has been navigating a period of significant workforce change. Over the past 10 years, the Department has averaged 3 to 4 retirements annually, but that pace accelerated sharply with 13 employees retiring in 2025 and another 6 to 10 projected by the end of 2026. This level of turnover presents both an opportunity and a risk to the organization. It creates more promotional opportunities and the chance to develop the next generation of leaders, but also results in a substantial loss of experience and institutional knowledge. These changes can affect service delivery, organizational culture, safety, and operational readiness. In response, the Department has been working to better structure itself to manage large-scale organizational transition while maintaining a strong focus on employee training, development, and succession planning.

Accomplishments

The Fire Department's accomplishments include:

- ▶ **Fire Headquarters Modernization:** Over the past year, the Department acquired, designed, and constructed a new Fire Headquarters and City Emergency Operations Center in West Berkeley, a major investment that will, for the first time, bring key Department operations under one roof and improve coordination, efficiency, and service delivery. The facility includes multiple classrooms and dedicated spaces for training, education, and simulation; an employee wellness center designed to help prevent and mitigate the long-term impacts of this work; and a warehouse to strengthen logistics and operational readiness. The move will also create much-needed space at the Public Safety Building for the expansion of the 911 dispatch center as Fire relocates from that facility. Together,

these milestones lay the foundation for the next decade of progress and future facility modernization.

- ▶ **Published the Evacuation Time Study to Strengthen Citywide Emergency Planning:** The Evacuation Time Study established expected evacuation times for multiple fire and tsunami scenarios and showed that even Berkeley's highest-capacity roadways would be strained during a large-scale evacuation. The findings are helping guide data-informed City planning and giving residents clearer information on how to reduce their own household evacuation times.
- ▶ **Training, Education, and Leadership Development:** The Department remains firmly committed to employee training, education, and professional development at every stage of an employee's career. Through the California State Fire Training-accredited academy, the Department prepares both new firefighters and current personnel across all ranks and assignments to maintain certifications, strengthen hands-on skills, and improve overall performance. In 2025, staff completed 10 refresher training courses, earned 15 advanced certifications in fire, EMS, and rescue operations, and invested more than 44,000 training hours department-wide across a wide range of disciplines in support of the Department's mission. The Department also graduated 13 employees from its new supervisor academy, reinforcing succession planning efforts and helping develop the next generation of leaders serving Berkeley and Albany.
- ▶ **Cardiac Arrest Survival:** Fire has prioritized cardiac arrest resuscitation as a core system performance measure for over a decade, building the capacity and clinical expertise that have allowed Berkeley to consistently outperform county, state, and national survival benchmarks since 2015. In 2025, the Department achieved a **21.2% overall survival rate** for non-traumatic cardiac arrest – more than double the national average of 10.5%. This performance reflects sustained, long-term investment in staffing, training, modern equipment, and rigorous quality improvement, and the direct, measurable impact that investment has on lives saved in Berkeley every year.
- ▶ **Strengthening Community Wildfire Resilience:** Over the past year, one of the Department's most significant accomplishments in the Very High Fire Hazard Severity Zones was the design, refinement, and adoption of EMBER through the City Council. This landmark legislation established a stronger local framework for reducing communal wildfire risk and reflected extensive policy development, community engagement, and coordination to align Berkeley's approach with the growing body of science on home hardening, defensible space, and ember exposure. That policy work is supported by various programs: Home Hardening Mesh Program (687 participants), Chipper Day (2,299 pickups), defensible space inspections (1,339), eucalyptus tree clean up (32 properties), and Firewise community development (19 active). The Department also continues its ongoing grant-funded programs, such as the Resident Assistance Program, helping residents with the removal of hazardous vegetation and concluded the Grizzly Peak Fuel Break project that removed 728 tons of vegetation.
- ▶ **Data, Transparency & Technology Improvements:** Over the past year, the Department made significant strides in modernizing its data infrastructure, improving records management, and expanding public access to fire-related information. On the technology side, the Department began implementing ImageTrend, a new records management system that enhances data collection, reporting, and analytics capabilities across operations. In parallel, the Department initiated the digitization of historical reports, including a WUI (Wildland Urban Interface) Dashboard providing real-time and trend-based visibility into fire risk and operational data in Berkeley's most vulnerable

zones, and introduced a vendor to streamline the processing of administrative citations. The Department also advanced foundational work to modernize the city's dispatch center, laying the groundwork for improved call processing, interoperability, and upgrading the communications facilities infrastructure.

To strengthen public transparency and increase accessibility of information, the Department redesigned the FireSafe Berkeley website, developed public-facing StoryMaps explaining wildfire pathways and updated Fire Hazard Severity Zones, and created the SeeBFD Open Data Portal Hub – a centralized resource for fire-related maps, datasets, and community tools. Together, these efforts reflect the Department's commitment to data-driven decision-making, operational accountability, and clear communication with the public.

- ▶ **Fire Prevention and Life Safety:** Staff completed adoption of the updated 2025 Fire Code, established comprehensive policies and procedures for fire inspections and investigations, and developed new special events policies to improve applicant clarity and event safety. Inspectors conducted 8,157 inspections, 1,000 of which are considered high-risk, completed over 2,700 permit plan reviews for new construction and tenant improvements, and oversaw 341 permitted events to support safe community activities. The department also updated its outdated fee schedule to better align with industry standards and launched a citation program to address overcrowded events and parties in the south campus area.

Significant Changes from Prior Year's Budget

The FY 27 Proposed Budget increased by 4.4% of the FY 26 Adopted Budget of \$78.2 million. The Fire Department's budget balancing plan includes a reduction of 12% in the FY 27 General Fund baseline budget. However, due to use of 1x sources, the General Fund reduction is proposed to be 5.4%. These budget reductions will leave the Fire Department less prepared to manage daily emergencies and catastrophic disasters. Core responsibilities will be shifted onto fewer employees who are already carrying full and complex workloads, with fewer specialized staff, fewer prevention and preparedness resources, and a diminished operational capacity. The practical result is a material degradation in the Department's ability to save lives, protect property, safeguard the environment, and meet the community's needs when seconds matter.

- ▶ **Significant Personnel Changes:**
 - ▶ **Reduce One Associate Management Analyst (filled):** This eliminates the department's only staff dedicated to grants and will significantly restrict capacity to apply for, monitor, track, and manage grants. Management of grants and performance reporting will be split between the Strategic Partnerships & Programs and Administrative and Fiscal Services Divisions. These divisions are already stretched with their various responsibilities and without a dedicated staff person, this will reduce the department's grant capacity and effectiveness.
 - ▶ **Reduce One Temporary Program Manager II (filled):** Eliminating this temporary position that was funded through FY 28 will discontinue the City's Street Trauma Prevention program. The Fire Department loses its only dedicated staff for this work, including management of six internships and coordination with Public Works

Transportation, and community partners. Most program functions will cease, with limited reassignment possible.

- ▶ **Reduce One Fire Marshal FTE (vacant):** Consolidating the Wildland Urban Interface and Fire Prevention divisions will shift management from a Fire Marshal to an Assistant Fire Chief, reducing specialized fire prevention and investigation expertise. This change is expected to increase errors and omissions, slow design review and inspection responsiveness, reduce capacity for special event support, and hamper progress on the EMBER Initiative. The department will reprioritize work, leverage technology, and provide additional training; however, specialized capacity will be diminished.
- ▶ **Reduce One Fire Inspector FTE (vacant):** Loss of a Fire Prevention Inspector will reduce capacity for annual life-safety inspections of hazardous facilities citywide, delay construction inspections, and increase complaints from developers and contractors. Responsiveness to special events will also be compromised.
- ▶ **Reduce One Fire Captain FTE (filled):** Eliminating this position weakens oversight of narcotics compliance, critical equipment and supply management, documentation integrity, and infection control in the emergency medical services program. Redistribution of duties to existing staff will reduce oversight frequency and increase risk.
- ▶ **Eliminate Five Part-Time CERT Instructor FTEs (Hourly Staff):** The CERT program will be reduced or eliminated, and plans for community CPR and fire extinguisher training will cease. Remaining staff may absorb some program elements, but most CERT offerings are expected to end or transition to an alternate model staffed with volunteers.
- ▶ **Eliminate HHCS Funding for FTEs and Non-Personnel Expenses (Measure GG):** Savings would initially occur in HHCS, with funds redirected to Fire minimum staffing overtime, lowering General Fund overtime costs. Reductions would directly impact HHCS and the impacts are discussed in the HHCS section of this report.
- ▶ **Cost-Shift Two Firefighter FTEs from the General Fund to UC Settlement Fund:** Reducing components of the Employee Health & Wellness Program will free UC Funds to cover two firefighters.
- ▶ **Close Fire Station 4; eliminate 3 Firefighter (filled), 3 Apparatus Operator (filled), and 3 Fire Captain II (filled) FTEs:** Over the past three years (2022-2025), the Fire Department, on average, has responded to 17,426 calls for service. Closing Station 4 will significantly degrade response times and first-alarm effectiveness in its service area and adjacent districts. Engine 4 responded to 28 fires, 966 emergency medical incidents (including 17 cardiac arrests), and numerous other emergencies in 2025. Response time standards were not consistently met; closure of Fire Station 4 will force responses from more distant stations, further degrading performance. Delayed emergency response increases risk of fatality and property loss for fires and medical incidents and elevates firefighter risk. Redistribution of calls will increase workload and fatigue at remaining stations, reduce training time, and heighten burnout. Reliance on mutual aid will rise but is unsustainable and delayed multi-unit responses will become more common. These impacts are high-risk, daily, and cannot be fully mitigated.

The City Manager has recommended utilizing one-time funds during Fiscal Year 2027 to delay the closure of Fire Station 4 until after the results of the Sales and Use Tax measure are disclosed in November 2026.

This is the planned contingency based on the Sales and Use Tax Measure. Should voters approve the Sales and Use Tax measure, the resulting revenue is proposed to be allocated to maintain operations at the fire station. Conversely, if the measure does not pass, the proposed station closure will be reconsidered for Fiscal Year 2028. At present, this matter is considered critical, with the potential for significant impact across the entire City.

▶ **Significant Non-Personnel Changes:**

- ▶ **Eliminate Disaster Preparedness Programs:** Elimination of OES training contract, shelter supply replacement, internships, and conference budget will leave staff without external resources for curriculum development, shelter supply maintenance, student internships, or conference participation.
- ▶ **Cost Shift General Fund Contracts to UC Settlement Fund:** Reduced scope of work for a vendor that provides health and wellness education for fire employees. A full-time contracted human performance specialist who manages the overall employee health program and focuses on physical fitness will be lost. Educational wellness elements (sleep, nutrition, heart-rate variability) will be cut, potentially negatively affecting employee behavior, increasing workers' compensation trends and the associated work-related underlying acute and chronic disease processes prevalent in the profession.

Performance Measures Summary

The below table summarizes the Fire Department's performance measures.

Division	Measure	Description	Target	Actual	Tracking
EMS	Cardiac Arrest Survival Rate	The percentage of people who experience cardiac arrest who, because of the City's emergency responders, are discharged from the hospital neurologically intact with a Cerebral Performance Category of 1 or 2	10%	• 19.60%	●
EMS	Intubation Success Rate	The percentage of patients who require an advanced airway and for whom the City's responders successfully secure an endotracheal intubation	80%	• 85%	●
EMS	Trauma Patient On-Scene Time	The amount of time emergency responders remain on scene with a patient who has critical traumatic injuries	10 minutes, 90%	• Average time: 17 minutes, 12 seconds ⁽¹⁾	●
Fire Prevention	State Fire Marshal-Required Occupancy Inspections	Complete inspections and submit required reporting by July 1 to ensure compliance with California state inspection mandates	100%	• 100%	●
Operations	Turnout Time	How long it takes firefighters and paramedics to begin responding after they are dispatched	120 Seconds (2:00)	• 121 Seconds (2:01)	●
Operations	Travel Time	How long it takes the first unit to drive from the station to the emergency	300 Seconds (5:00)	• 343 Seconds (5:43)	●
Operations	Total Response Time	The full time from when the emergency is dispatched until the first fire unit arrives, including dispatch processing (not a Fire performance measure), crew turnout, and travel	510 Seconds (8:30)	• 569 Seconds (9:29)	●
Wildland Urban Interface	Wildfire Risk Reduction: Individual Parcel	The number of specific parcels within the Grizzly pear and Panoramic Mitigation Zones that are fully compliant with the WUI vegetation code, AND have ember resistant mesh installed	10%	• Data pending	●

Division	Measure	Description	Target	Actual	Tracking
Wildland Urban Interface	Wildfire Risk Reduction: Inspection Access	The number of homes that have a full inspection on file for a given calendar year within the Very High Fire Hazard Severity Zone	1000 homes	• Data pending	n/a
Wildland Urban Interface	Wildfire Risk Reduction: Fuel Removal	Cubic yards of vegetative fuel removed by the Chipper program annually	3000 cubic yards	• Data pending	n/a

- Meeting/exceeding target ▲ Target is to increase numbers/percentages
- Near target ▼ Target is to decrease numbers/percentages
- Not meeting target

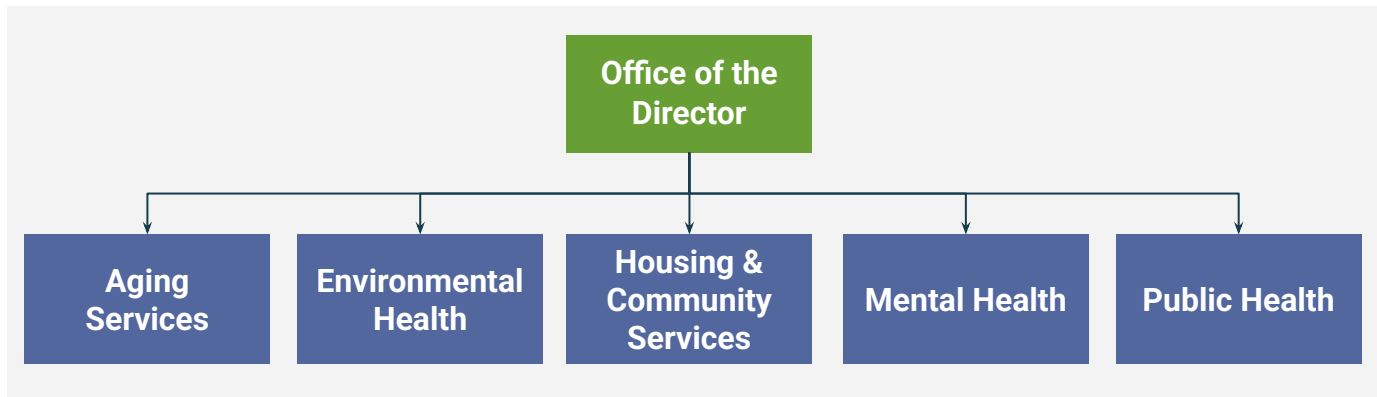
⁽¹⁾ Average trauma scene time is 11 minutes, 42 seconds, with a median of 10 minutes, 44 seconds. Staff will take a closer look at those cases to determine whether this reflects true outliers or a documentation issue contributing to the increase.

Health, Housing and Community Services

Mission Statement

The Mission of the Health, Housing, and Community Services Department is to enhance community life and support housing, health, and wellness for all.

Organizational Chart



Health, Housing and Community Services Overview

The Health, Housing, and Community Services (HHCS) Department houses the Local Public Health Jurisdiction (LHJ) and is responsible for public health prevention and response including emergencies and for the physical health, mental health, environmental health and community needs of those most vulnerable.

The department is also responsible for producing, preserving, and supporting affordable housing for Berkeley residents. In addition to the Office of the Director, the department's five divisions include Public Health, Mental Health, Housing and Community Services, Environmental Health, and Aging Services.

Together, these divisions provide a wide array of services to the community, including services for older adults, affordable housing development and homelessness response programs, environmental health inspections and enforcement, mental health services and crisis response, and mandated LHJ associated public health prevention, clinical services, and disease surveillance. Through this structure, the Department works to address the social determinants of health and improve the overall health and well-being of Berkeley residents.

- **Office of the Director:** The Office of the Director provides overall leadership, strategic direction, policy development, management, and fiscal and budget support for the Department. The Office of the Director works closely with Department divisions, community stakeholders, and City commissions to prioritize programs and initiatives that most directly impact the health and well-being of the Berkeley community. The Office of the Director includes the Department's Administration & Fiscal Unit, which supports Department budgets and operations, as well as the EPICC Unit (Equity Projects, Improvement, Communications, & CalAIM Coordination). EPICC leads internal and

external communications, supports department-wide performance measurement and continuous improvement, and advances key initiatives such as CalAIM implementation, including Medi-Cal Administrative Activities and Targeted Case Management. EPICC also includes the Youth Equity Partnership, a racial equity initiative designed to support African American/Black and Latinx young people who live and/or go to school in Berkeley to thrive academically, physically, and emotionally.

- ▶ **Aging Services:** The Aging Services Division enhances the well-being and independence of older adults by offering social connections, activities, and supportive services. The Division operates two senior centers that provide classes, events, workshops, and day trips, along with opportunities for social engagement and access to community resources. Aging Services provides nutrition services, including the Meals on Wheels program for homebound seniors, and a lunch program at both senior centers. Case managers in the Social Services Unit provide consultation, referral, and linkage to services for seniors who are unhoused or at risk of institutionalization. The Division's Berkeley Rides for Seniors & Disabled program provides transportation services through accessible van vouchers and contracted ride programs to support access to services like medical appointments, groceries and the senior centers.
- ▶ **Environmental Health:** The Environmental Health Division (EHD) protects public health and prevents disease by providing education and enforcing state and local health laws at more than 1,200 permitted businesses and facilities across the City, including cafes/bars/restaurants, body art, and pool and spa facilities, tobacco and cannabis retailers. EHD enforces the City's noise ordinance and responds to complaints of excessive noise from sources such as gas-powered leaf blowers and other point sources, In FY25, the Division conducted 3,690 inspections which includes routine inspections of all permitted food facilities, investigations of permitted and unpermitted facilities, and operations. complaints of insanitary conditions and suspected foodborne illnesses at permitted food facilities. EHD works with other City agencies to abate nuisance conditions that may contribute to the spread of disease in the community.
- ▶ **Housing and Community Services:** The Housing and Community Services Division (HCS) produces, preserves, and supports affordable housing by working with community partners to meet the needs of Berkeley residents who are low-income, homeless, seniors, disabled, or have special needs. The Division partners with housing developers to build and maintain affordable housing, monitors regulated units, and administers housing-related programs and ordinances. Housing and Community Services also coordinates the City's community agency funding process and administers funding to more than 50 community-based organizations that provide housing and supportive services. The Division also administers Berkeley's Shelter + Care program which provides housing vouchers and supportive services to vulnerable residents, and leads the City's homeless programs and policy efforts, including winter shelter programs and coordinated entry to housing. In addition, the Division administers and supports implementation of local workforce and labor standards ordinances, including the Minimum Wage, Living Wage, Paid Sick Leave, and Fair Workweek ordinances.
- ▶ **Mental Health:** The Mental Health Division (MH) provides intensive services to adults, youth, and children who have high-level mental health needs and Medi-Cal. The Division serves as the "front door" to the public mental health system, providing on-demand assessment, linkage to care, and comprehensive treatment for low-income individuals and families through the Division's Adult Mental Health clinic and Family, Youth, and Children's services. Mental Health also funds and supports a variety of community-

based service providers that deliver culturally responsive services to a wide range of City residents, including youth, seniors, LGBTQI+ individuals, and underserved communities.

- ▶ **Public Health:** The Public Health Division (PH) is our LHJ and protects our community health and health equity in Berkeley through prevention, clinical services, and community-based partnerships. The Division provides health education and promotion services focused on nutrition, chronic disease prevention, maternal and child health, oral health, and adolescent health, as well as clinical services including reproductive health and first aid at our Berkeley High School clinic and immunizations. In FY25, Public Health conducted 552 outreach events and workshops and provided 25,033 direct services to community members. Public Health also is responsible for managing the Soda Tax, Sugar Sweetened Beverage program and has responsibility for registration of vital records including births and deaths within the City. The Communicable Disease Unit serves as the City's frontline defense in identifying, investigating, and controlling infectious disease threats to protect public health. Supported by a dedicated epidemiology unit, the team utilizes real-time surveillance to monitor health trends and detect emerging outbreaks. The unit is proactively prepared to coordinate rapid responses to a wide range of communicable diseases, including but not limited to diseases like measles, mumps, mpox (monkeypox), HIV and leptospirosis to mitigate community transmission. By integrating clinical expertise with robust disease investigation protocols, the unit works tirelessly to break chains of infection, provide vital education to the public, and ensure the rapid implementation of containment strategies to safeguard the well-being of all Berkeley residents.

Challenges

The Health, Housing and Community Services (HHCS) Department's challenges include:

- ▶ **Staffing:** Across the Department, staffing continues to be a significant challenge. While progress has been made in reducing vacancy rates in recent years, a hiring freeze and ongoing recruitment challenges—particularly for specialized classifications such as mental health clinicians, public/mental health nurses, and environmental health specialists—have limited the Department's ability to fully staff programs. Staffing shortages contribute to increased workload, staff burnout, and constraints on service delivery.
- ▶ **Funding and Resource Constraints:** HHCS faces significant fiscal challenges due to the expiration, restructuring, and reduction of key state and federal funding streams. These budgetary pressures are driven by the implementation of the Behavioral Health Services Act (BHSA) which restructured the former Mental Health Services Act (MHSA) under Proposition 1 requiring a realignment of services to focus on intensive, payment reform of Medi-Cal behavioral health services, mandate-based care; the stabilization of CalFresh Healthy Living (CFHL), a nutrition education and obesity prevention program; and the end of various SEED (Social, Economic, and Educational Development) grants that supported localized, exploratory initiatives in health equity. Additionally, Aging Services lost a decades long Area Agency on Aging grant through the county to provide Information and Assistance resources to seniors in the community. Together, these reductions constrain our capacity to maintain broad-based health, nutrition, information and assistance, and mental wellness programs, forcing a pivot toward core legal mandates to ensure the sustainability of the City's public health safety net.
- ▶ **Service Demand and Complexity:** Demand for services remains high across all divisions, particularly in housing, homelessness response, communicable disease, and behavioral health. Increasingly complex client needs require more intensive and coordinated services. Aging Services continue to recover from pandemic-related disruptions, with service levels and participation significantly improving but not yet fully returned to pre-pandemic conditions. Additionally, the Judge Henry Ramsey Jr. South Berkeley Senior Center will be closed for renovations beginning in mid to late 2027, for several months.

Accomplishments

Highlights of recent HHCS accomplishments include:

- ▶ **Expanded Programs:** Many Divisions in HHCS successfully expanded their services and regular activities in FY24. Many divisions within the Department have continued to expand services and programming. Housing and Community Services (HCS) supported the development and preservation of affordable housing units and expanded shelter and interim housing programs, including winter shelters and the opening of Step-Up Housing, offering 39 fully furnished studio units designed to support formerly unhoused individuals. HCS secured approvals for major transit-oriented development projects, including 739 homes at the North Berkeley BART station site (with 381 units designated for lower-income households), aligning with state and local housing goals. In addition, the division successfully administered over \$10 million annually through the community agency Request for Proposal (RFP) process, supporting 50+ community-based organizations in providing essential housing, homelessness, and supportive services.

Public Health reopened and expanded services at the West Berkeley Family Wellness Center, improving access to health, nutrition, and family support services, through programs such as the Fatherhood Initiative, and exercise and cooking classes. Public Health also expanded its peer educator model to include opioid and substance use health education programs at Berkeley High School and Berkeley Technology Academy campuses. Finally, Public Health completed the foundational Community Health Assessment (CHA) and launched the development of the Community Health Improvement Plan (CHIP) to address critical priorities such as housing stability, behavioral health, and community safety through a community-driven, data-informed process. Public Health is rebuilding communicable disease preparedness and response capacity following the challenges presented by the Covid 19 pandemic.

Aging Services continued to rebuild participation levels and programming across both Senior Centers following the pandemic, utilizing engaging, health-promoting, and accessible programming to reduce social isolation. The centers have remained vital hubs for nutrition, social connection, and access to essential resources, maintaining high engagement through diverse event calendars and senior-focused workshops. Aging Services serves over 2,000 seniors annually and in FY26 provided nearly 100,000 hours of activities at the two senior centers. Aging also successfully executed a comprehensive recertification of the Berkeley Rides for Seniors and the Disabled (BRSD) program in 2025. By verifying the eligibility of 1,756 riders and continuing to refine the program through the 2026 program plan, the Division ensured that limited Measure BB funds are directed to the residents who most actively rely on the service, creating a more sustainable program model amidst significant budgetary constraints and shifting transportation market demands.

- ▶ **Creative solutions for complex challenges:** The Mental Health division has been preparing for the significant funding changes that the transition from the Mental Health Service Act to the Behavioral Health Service Act will bring. California's payment reform of Medi-Cal has also reduced the revenue received for services by about 50%. Workforce development efforts in Mental Health, including expanded internship partnerships, add services to the community while the Division experiences long-term staffing challenges. The Department is also pleased to have recently secured approximately \$7M in funding from the state through the Behavioral Health Continuum Infrastructure Program (BHCIP) Round 2: Unmet Needs program grant. This grant will enable Mental Health to rebuild a

currently non-functional Adult Mental Health building and transform it into an accessible and welcoming clinic, adding eighty additional treatment slots as well as expanded group treatment and opioid use treatment capacity. Due to the timing of the notification, this funding source will be appropriated through the FY 2027 Annual Appropriations Ordinance #1.

- ▶ **Operational Strategies & Successes:** HHCS has made significant progress in strengthening internal systems and organizational effectiveness. It has begun to implement a Results-Based Accountability framework department-wide to develop performance measures and dashboards to track outcomes. Environmental Health adopted a new database tracking system to improve permitting and inspection processes, recently hired key supervisory staff, and intends to implement a new placarding system, as well as post restaurant inspection reports by winter of 2027. The Department continues to implement its operational plan on Health Equity, and invest in staff development, cross-division collaboration, and internal communication through programs like the HHCS Job Shadowing Program. The Department is also pursuing Public Health Accreditation, which is an opportunity to assess and improve our organizational structure.

Significant Changes from Prior Year's Budget

HHCS proposes to reduce \$3.5 million in annual General Fund from the General Fund biennial baseline budgets and a variety of other actions to correct special fund deficits.

Budget Changes - General Fund

Category	FY 2027 Baseline Budget	FY 2027 Proposed Budget	Change
Personnel	\$15,253,347	\$13,852,557	-\$1,400,790
Personnel – OT & Hourly	\$711,777	\$691,042	-\$20,735
Non-Personnel	\$21,583,541	\$19,443,394	-\$2,140,147
Category	FY 2028 Baseline Budget	FY 2028 Proposed Budget	Change
Personnel	\$15,726,063	\$14,360,254	-\$1,365,809
Personnel – OT & Hourly	\$711,777	\$691,042	-\$20,735
Non-Personnel	\$21,583,541	\$19,514,617	-\$2,068,924

FTE Changes (All Funds)

Category	Baseline FTE	Proposed FTE	Change
Total Staffing	240.75	195.75	-45

Significant Personnel Changes by FTE:

A. Environmental Health Division

- ▶ Elimination of 1.0 FTE vacant Office Specialist II
- ▶ Elimination of 2.0 FTE Vector Control positions (one filled and one vacant)

B. Mental Health Division

- ▶ Mobile Crisis Team: Elimination of 2.6 filled FTE

C. Public Health Division

- ▶ Heart to Heart program: Elimination of 2.0 FTE (one filled, one vacant)
- ▶ Targeted Case Management: Elimination of one vacant Public Health Nurse position.
- ▶ Women Infants and Children (WIC) Program: Shifts 0.40 FTE from the General Fund to the WIC grant, enabling salary support without reducing service levels.

- ▶ Public Health Emergency Preparedness (PHEP) Program: Measure GG resources allocated to PHEP are being reallocated to support Fire Department operations. Elimination of 1.0 FTE vacant Health Services Program Specialist and 1.0 FTE filled Community Health Services Specialist.

D. Housing and Community Services Division

- ▶ Vacant positions were held and eliminated, including one Program Manager II and several special-funded positions impacted by increased personnel costs.

E. Community Agencies

- ▶ Where feasible, to preserve various community programs (i.e., BOSS Step-Up on University and a portion of funding for the STAIR Center) that serve our most vulnerable, funding was shifted to Measure U1 and other special funds/revenue sources. Notwithstanding, reductions are proposed for the following:
 - ▶ Berkeley Winter Shelter: Recommended for elimination due to the lack of a feasible location. This would reduce shelter capacity only during the winter months by twenty-five beds, mainly affecting highly vulnerable unsheltered individuals, often seniors. This program has been operated by Dorothy Day House, who also operates the City's Inclement Weather Shelter program during the winter months, which is not impacted by the Budget Balancing Plan. Savings generated are \$358,750.
 - ▶ STAIR Center: A 23% reduction in operating funding is proposed for this program serving people experiencing homelessness. The program is located on Second Street in West Berkeley. The proposed funding reduction aligns with the 25% reduction in bed capacity due to the shift to non-congregate sheltering and ADA improvements which both required more space. Also, the City is the sole funder for this program, even though participants enter through the Coordinated Entry System due to federal funding requirements. Staff recommend that BACS, who manage this program, diversify funding sources. Savings generated are \$400,554.
 - ▶ Rising Sun. This program provides construction apprenticeship readiness to approximately six (6) residents. The current contract expires June 30, 2026, and funding was allocated outside of the Community Agency grant process. Savings of \$50,000 are estimated by not extending the existing contract.
 - ▶ Supply Bank. This program provides school supplies and dental kits to approximately 1,300 Berkeley students. The current contract expires June 30, 2026, and funding was allocated outside of the Community Agency grant process. Savings of \$35,000 are estimated by not extending the existing contract.

Significant Changes – Special Funds

- ▶ Affordable Housing Mitigation Fund 120: \$22M increase to the FY 2027 proposed budget. This is primarily due to the Housing Trust Fund program expenditures fluctuate year to year based on when pipeline projects are expected to close their predevelopment or development loans. HCS anticipates closing up to 5 new loans in FY27 from Fund 120.
- ▶ Public Health Realignment Fund 156: \$1.5M decrease to the FY 2027 proposed budget. This is primarily due to a one-time expenditure in FY 2026 for a replacement Electronic Health Record in Public Health not carrying into the new fiscal year.

- ▶ Mental Health State Aid Realignment Fund 158: \$2.4M proposed reductions to balance the FY 2027- FY 2028 budget have been submitted.
- ▶ Mental Health Services Act Fund 315: Net \$1.2M reduction to the FY 2027 proposed budget. This is primarily due to significant revenue loss for mental health services based on Prop 1 system restructuring that mandates new spending requirements that prioritize housing and substance use disorders over general community programs. Also, a one-time expenditure in FY 2027 of \$1.3M for capital improvements of 2636 MLK as part of required cash match for a \$7M BHCIP award has been budgeted in FY 2027. Proposed reductions of \$2.5M to balance the FY 2027- FY 2028 budget have been submitted.
- ▶ Health (Short/Doyle) Fund 316: \$3.2M reduction to the FY 2027 proposed budget. As a small jurisdiction acting as a contractor to Alameda County for Medi-Cal, Berkeley was disproportionately penalized by rate cuts in the State's Medi-Cal shifts to a fee-for-service model effectively reducing the City's Medi-Cal revenue by 50%. Additionally, cost shifts of \$1.4M from Fund 316 to Mental Health State Aid Realignment Fund 158 to mitigate reductions in revenue have been proposed. Proposed reduction of \$1.8M to balance the FY 2027- FY 2028 budget.
- ▶ Vector Control Fund 325: \$336K reduction to the FY 2027- FY 2028 proposed budget. Environmental Health's Vector Control Program will be transferred to Alameda County, and the City will no longer provide this service.
- ▶ Measure O Affordable Housing Fund 512: \$26M increase to the FY2027 proposed budget. Expenditures fluctuate year to year based on when pipeline projects are expected to close their predevelopment or development loans. HCS anticipates closing up to 3 new loans in FY27 from Fund 512.

Performance Measures Summary

The below table summarizes the Health, Housing and Community Service Department's performance measures.

Division	Measure	Description	Target	Actual	Tracking
Aging Services	Meals Provided by Aging Services	Count of meals, combining congregate and Meals on Wheels	n/a ⁽¹⁾	<ul style="list-style-type: none"> • 108,464 meals: <ul style="list-style-type: none"> o 22,748 congregate meals o 85,716 Meals on Wheels 	n/a
Aging Services	Meal Participants Supported to Age in Place	Number and percentage of Meals on Wheels and senior center lunch participants who report that meal services help them continue living at home	New Measure	• Data pending	n/a
Mental Health	Behavioral Health Clients Connected to Primary Care	Percentage of behavioral health clients who had at least one primary care visit during the year, indicating connection to routine health care	75% or greater ⁽²⁾	• 85% reduction	●
Mental Health	Reduced Psychiatric Crisis Days	Percentage of behavioral health clients with fewer psychiatric crisis days compared to the prior year, indicating reduced crisis utilization and improved stability	▲	• 70%	●
Environmental Health	Timely Foodborne Illness Response	Percentage of foodborne illness complaints investigated within 24 hours of receipt	New Measure	• Data pending	n/a
Environmental Health	Restaurant Inspections	Percentage of food facilities up to date on inspections based on risk classification	New Measure	• Data pending	n/a
Housing & Community Services	Affordable Housing Units Completed	Number of Housing Trust Fund-supported affordable housing units constructed or rehabilitated and completed during the fiscal year	▲	• 350 units	●
Public Health	Timely Communicable Disease Reporting	Percentage of communicable disease threats identified and reported to the Public Health Officer within legally mandated timeframes	New Measure	• Data pending	n/a

Division	Measure	Description	Target	Actual	Tracking
Public Health	Timely Contact for High-Risk Disease Cases	Percentage of high-risk communicable disease cases where the patient was contacted within required public health timeframes	New Measure	• Data pending	n/a
Public Health	Public Health Clients Connected to Services	Percentage of public health clients successfully connected to appropriate medical, behavioral health, or social services	New Measure	• Data pending	n/a
Public Health	Timely Public Health Referral Contact	Percentage of public health service referrals where the client was contacted within three business days of referral receipt	New Measure	• Data pending	n/a

- Meeting/exceeding target
- Near target
- Not meeting target
- ▲ Target is to increase numbers/percentages
- ▼ Target is to decrease numbers/percentages

- ⁽¹⁾ All performance measures in this table capture the level of activity and effort in their respective areas. For a few, the direction of a trend (e.g., upward or downward) can be in response to both positive and negative influences, making it difficult to establish a desired target.
- ⁽²⁾ Initially, staff identified increasing the percentage year over year as a fitting target, similar to targets explored by colleagues in other divisions. After more consideration, staff identified meeting a floor of 75 percent.
- ⁽³⁾ STAIR (stability, navigation, and respite) is Berkeley's housing navigation center.

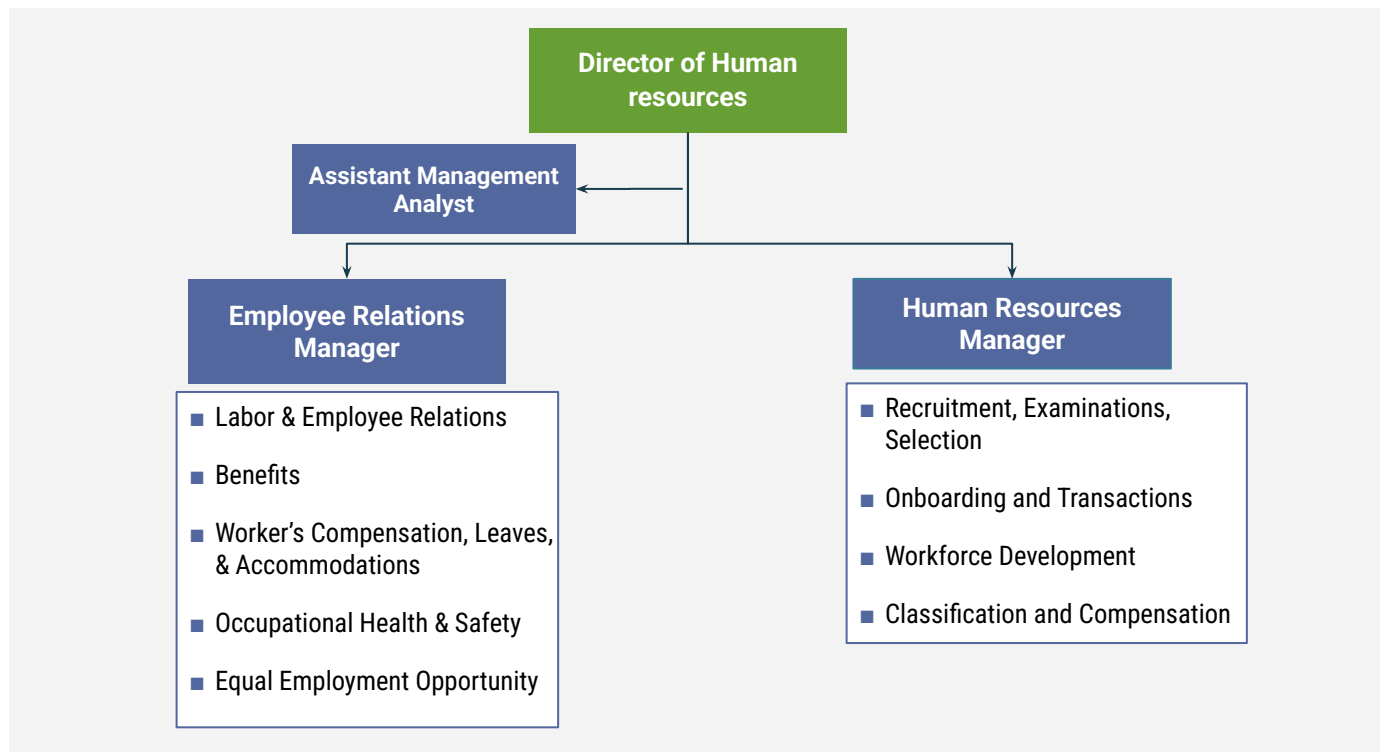
Human Resources

Mission Statement

The Human Resources Department partners with City departments to attract, retain, and support a diverse and highly qualified workforce in service of the City of Berkeley’s mission. We are committed to providing responsive, high-quality internal customer service and ensuring access to the tools, resources, and guidance departments need to operate effectively.

Through a strong focus on compliance, consistency, and continuous improvement, we help the organization maintain policy and contractual obligations while fostering a professional, safe, and productive work environment and workforce that reflects the community we serve.

Organizational Chart



Human Resources Overview

As a strategic partner to City leadership and departments, the Human Resources Department delivers integrated services across 12 core functional areas that support the full employee lifecycle and ensure organizational effectiveness and compliance. These functions include:

- (1) Classification and Compensation;
- (2) Recruitment;
- (3) Selection and Examinations;
- (4) Onboarding and Transactions;
- (5) Workforce Development;

- (6) Labor Relations;
- (7) Employee Relations;
- (8) Benefits;
- (9) Workers' Compensation;
- (10) Leaves and Accommodations;
- (11) Occupational Health and Safety; and
- (12) Equal Employment Opportunity.

Through these functions, Human Resources supports departments in navigating complex personnel matters, maintaining compliance with contractual requirements, and building a skilled and supported workforce aligned with the City's mission.

Challenges

The Human Resources Department has reduced its staffing by 2.0 FTE positions this budget cycle, resulting in the reassignment of workers' compensation and safety-related responsibilities to existing staff. While these functions will continue to be performed, this shift requires staff to absorb additional workload, which will reduce capacity to support other HR services and initiatives. In response, the Department is prepared to prioritize a compliance-based service model to ensure the City continues to meet its legal, contractual, and regulatory obligations, while maintaining core support for departments to the extent feasible.

In addition, anticipated workforce reductions across the City will require a heightened focus on hiring controls and adherence to contractual and regulatory requirements. This includes managing hiring freezes in impacted classifications, maintaining and administering reinstatement lists, and ensuring compliance with layoff provisions in labor agreements and personnel rules. These responsibilities are administratively intensive and will require a reallocation of staff time and resources across the Department. As a result, HR's work will shift toward ensuring process integrity, compliance, and risk mitigation during a period of organizational transition.

Accomplishments

Over the past year, the Human Resources Department has strengthened its role as a strategic partner to the organization by advancing key initiatives that improve service delivery, ensure compliance, and support a more effective and resilient workforce.

- ▶ **Led Citywide Workforce Stabilization Efforts:** Partnered with executive leadership to develop and implement a comprehensive approach to addressing the City's structural budget deficit, including workforce reduction planning, layoff process design, and labor engagement. Ensured compliance with Personnel Rules and labor agreements while prioritizing transparency and support for impacted employees.

- ▶ **Enhanced Data-Driven Decision Making:** Developed and deployed workforce and labor analysis tools, including dashboards and costing mechanisms, to support contract negotiations and leadership in evaluating fiscal scenarios, workforce impacts, and labor negotiation strategies.
- ▶ **Improved Recruitment and Hiring Processes:** Continued to streamline hiring practices and reduce time-to-fill through process improvements and coordination across departments, while maintaining compliance with Personnel Rules and equitable hiring practices.
- ▶ **Expanded Employee Development and Organizational Support:** Advanced workforce development efforts, including supervisory training and employee learning opportunities, to better equip managers and employees with the tools needed for success.
- ▶ **Hiring Over Attrition Strategy:** To reduce vacancy rates, prioritizing high-impact classifications and improving overall workforce continuity.

Calendar year 2025:

- ▶ Hiring over attrition
 - ▶ Career: 146 hires and 134 separations
 - ▶ All: 488 hires and 392 separations
- ▶ Average time to hire
 - ▶ All: 145 days
 - ▶ Police Officer/Police Officer Recruit: 101 days
- ▶ **Launched Employee Access:** Introduced the Employee Access module in ERMA to improve how staff access personnel and pay information, providing better access to information, faster processing of changes, and more consistent support to employees.
- ▶ **Streamlined Seasonal Hiring:** Redesigned the seasonal hiring process through centralized hiring workshops that combined exams, interviews, job offers, medical clearances, and onboarding into a single streamlined experience, significantly reducing time-to-hire and improving candidate conversion.
- ▶ **Implemented CritiCall Testing Platform:** Implemented the CritiCall testing software for dispatcher recruitment, modernizing the assessment process, improving candidate evaluation, and aligning hiring practices with industry standards for public safety communications roles.

Significant Changes from Prior Year's Budget

The Human Resources Department budget has been reduced by approximately **12%** in response to the City's budget deficit. Reductions include the elimination of certain software subscriptions, such as the HR Acuity platform and GovInvest labor costing and pension modules, as well as a general reduction in the use of external consultants.

In addition, the Human Resources Analyst position supporting Workers' Compensation will be eliminated, with responsibilities absorbed by other staff members. The Occupational Health

and Safety Specialist position will also be eliminated, with responsibilities shifting to the Safety Officer.

These changes allow for a rebalancing of staffing costs into the Workers' Compensation Fund, reducing General Fund expenditures and having no additional cost impact to the Workers' Compensation Fund.

Performance Measures Summary

The below table summarizes the Human Resources Department’s performance measures.

Division	Measure	Description	Target	Actual	Tracking
Training	Mandatory Trainings	Attain minimum compliance rate of 95% across all City departments	95%	• Every department exceeded 95% with 9 departments attaining 100%	●
Training	Training Plans	Engage at least 50% of workforce with voluntary training plans designed to fit career paths on NEOGOV’s LEARN module	▲	• Data pending	●
Equal Employment Opportunity (EEO)	Performance Management and EEO Investigations	Provide guidance to departments regarding performance evaluations, counseling and disciplinary matters; reduce time of investigations of EEO complaints; target is 4 months or less	▲	• Data pending	●
Benefits	Participation in Deferred Compensation Plans	Increase number of participants/ contribution rates by 10%	▲	• Data pending	●
Benefits	Employee Benefits Literacy Campaign	Increase employee awareness and understanding of available City benefits by delivery of benefits information through Berkeley Matters a minimum of 1x monthly	New Measure	• Data pending	n/a

Division	Measure	Description	Target	Actual	Tracking
Training	Citywide Training Program	Establish a structured and sustainable Citywide training framework measured by percentage of departments with completed training needs assessments and documented training priorities; target of 100% by end of calendar year 2026. Increase the year over year employee participation by number or percentage of employees participating in citywide training	New Measure	• Data pending	n/a
Classification and Compensation	Classification System Development	Strengthen career pathways and succession planning through improved classification structure with the goal of completing a 10 priority classifications for review and update in FY 27	New Measure	• Data pending	n/a
All Divisions	HR Guide Development	Develop a centralized, accessible HR Guide that provides employees and supervisors with clear guidance on key HR processes and policies measured by the number of core HR process areas with published guidance. Target: Draft guidance for at least 8 core HR topics (2) by June 30, 2027	New Measure	• Data pending	n/a

Division	Measure	Description	Target	Actual	Tracking
Workers' Compensation	Workers' Compensation Program Assessment & Stabilization	Strengthen oversight and financial sustainability of the City's Workers' Compensation program through data-driven assessment and program improvements by completing review of 100% of open claims by June 30, 2027, and establish baseline metrics for claim cost, claim duration, lost time, modified duty, and claim closure rate	New Measure	• Data pending	n/a

- Meeting/exceeding target ▲ Target is to increase numbers/percentages
- Near target ▼ Target is to decrease numbers/percentages
- Not meeting target

⁽¹⁾ The reasons supervisors/managers choose to schedule one, several, or no appointments are outside the control of Employee Relations.

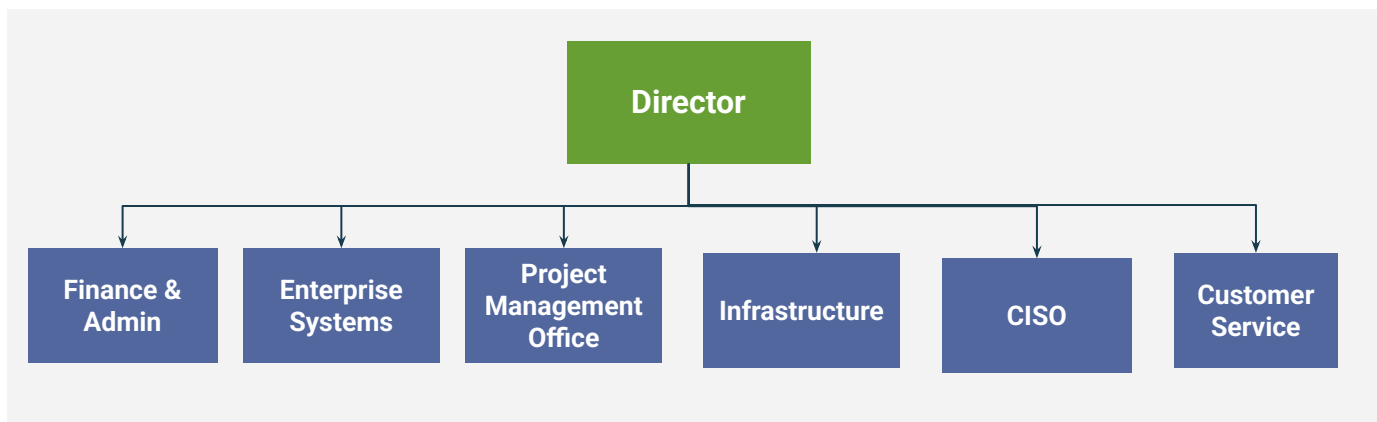
⁽²⁾ Examples of core topics could include recruitment, onboarding, leaves, accommodations, discipline, performance management, classification, compensation, workers' compensation, labor relations, and EEO.

Information Technology

Mission Statement

The City of Berkeley's Information Technology Department mission is to provide sustainable, agile and secure technology solutions, acting as a trusted partner in driving digital transformation to enhance services for community members, businesses and City staff. By leveraging our six operational divisions, the department focuses on deploying robust infrastructure while fostering innovation, fiscal resilience and equitable digital access.

Organizational Chart



Information Technology Overview

The Department of Information Technology (IT) provides the strategic framework and innovative technological solutions that power City operations. By facilitating the effective delivery of municipal services and connecting the Berkeley community, IT serves as the digital backbone of the City through the following six operational divisions:

- ▶ **Customer Service Division:** This division serves as the City's primary engagement hub, bridging the gap between technology and the people it serves through two specialized sub-divisions:
 - ▶ **IT Customer Service:** The centralized engine for internal technical support, serving as the first point of contact for all City staff and administration through a comprehensive phone, self-service and walk-in service model. This team ensures that every department has the digital and technology tools necessary to serve the Berkeley community. From empowering Public Safety (Police and Fire), Health, Housing and Community Services (HHCS) and Public Works to supporting Parks, Rec & Waterfront, Planning, Finance and HR, this division provides an evenly distributed support framework. As the City's primary intake hub, it provides Tier 1 and robust technical support for all internal IT issues, including network connectivity, login troubleshooting and mobile phone management. The division is responsible for conference room audio-visual (AV) support, the imaging and deployment of new computers and laptops and comprehensive

asset management of both physical equipment and enterprise applications. Furthermore, the team manages Tier 2 escalations through dedicated field and onsite visits, resolving complex technical challenges directly at City facilities to ensure operational continuity across all City service locations. to vulnerabilities and security incidents.

- ▶ **311 Community Service:** The centralized public-facing service hub providing community members and businesses with a single point of entry for City services. Using Customer Relationship Management (CRM) software, 311 manages and tracks requests for Public Works, Business Licenses, Parking Permits, Refuse services and general inquiries, ensuring community needs are addressed with transparency and efficiency. stems to align with policies.
- ▶ **Finance and Administration:** Oversees the IT budget, forecasting, financial operations, technology procurement and vendor contracts. This division ensures IT business practices align with City policies and comply with local, state, and federal regulations. Crucially, this team manages all internal administrative functions, including personnel functions, payroll processing, and department-wide HR coordination.
- ▶ **Infrastructure & Operations:** Architects and manages all data center, computing, and communications assets, including networking, servers, storage, and voice systems. This division ensures the City's digital foundation is robust, secure and resilient.
- ▶ **Project Management Office (PMO):** Manages the IT Project Portfolio, providing implementation services for new technology and support for existing systems. The PMO establishes project standards and acts as a vital liaison between City departments and technical teams to ensure projects are delivered on time, within scope, and aligned with City goals.
- ▶ **Security:** The Information Security Office (ISO) orchestrates efforts to protect the City's information assets with a dedicated focus on cybersecurity, business continuity and disaster recovery. The ISO team plans cybersecurity initiatives and works closely with departments to maintain compliance with data standards and privacy laws. Key focus areas include detecting vulnerabilities, responding to security incidents, providing centralized authentication systems and educating staff about information security to ensure the City remains resilient against evolving threats.

Challenges

Strategic Challenges & Priorities The Department of Information Technology is currently navigating a period of significant fiscal transition. As the City balances competing needs, the IT department is shifting its focus toward a model of "Fiscal Sustainability and Risk Management". While recent years were dedicated to modernization and strategic planning, the current fiscal environment requires a lean approach that prioritizes essential service continuity above all else.

Stability and Organizational Health Historically, the IT Department has faced significant challenges regarding leadership continuity. In 2022, the current Director became the third to lead the department in an eight-year span. This historical lack of long-term tenure frequently resulted in a reactive operational mode. To address this, the department is prioritizing a stable, permanent strategic direction to alleviate staff apprehension and move away from "firefighting" toward planned, strategic support. Furthermore, the department has permanently lost four Full-Time Equivalent (FTE) positions due to recent budget reductions. Because budget reductions also limit the ability to bring in the contract resources used in previous years, aligning

our remaining internal resources to key projects is essential. This focus ensures that staff are not overwhelmed and that morale remains stable as we transition to this leaner service model.

Fiscal Sustainability and Structural Realities The department is working closely with the City Manager and the Budget Office to navigate a structural gap between fixed operational costs and available revenue. Baseline expenditures are largely driven by rising personnel costs and non-negotiable software contracts. Following the 2025 stability reserve adjustments, the department is operating without a traditional fiscal buffer. As IT implements the mandated General Fund reductions, we must acknowledge that these constraints necessitate a transition from a posture of rapid modernization to one of core maintenance. The challenge for the upcoming cycle is to manage these reductions while minimizing the impact on the City's digital resilience.

Managing Technical Debt and Operational Risk Budgetary reductions, including the permanent elimination of FTE positions and a drastic annual decrease in the project portfolio, require the department to defer certain modernization efforts. While necessary to meet City-wide fiscal goals, this deferral creates "Technical Debt". The operational risk lies in moving toward a more reactive maintenance model; industry standards suggest that emergency repairs can be significantly more costly than proactive, planned maintenance. The department remains committed to monitoring these risks and ensuring that the most critical systems remain stable.

Workforce Capacity and Institutional Knowledge Maintaining a high level of service with a reduced headcount remains a primary concern. The permanent loss of personnel is particularly impactful regarding legacy systems. The department has already experienced the departure of staff with vital "FUNDS" knowledge and currently relies on a small group of highly experienced contractors. Preserving this institutional knowledge while managing workload with fewer resources is a top priority for IT leadership to ensure no service gaps occur.

Legacy System Migration (FUNDS) Retiring the legacy FUNDS system remains a critical priority for reducing the City's long-term technical risk. The department has made strategic progress, with the Accounts Receivable (AR) module now successfully completed. Work is currently ongoing to address the General Billing (GB) module; concurrently, the department has begun addressing the complex requirements for Land Management, Parcel Data and taxation. These are not exclusive tasks and managing them in parallel is essential to move off the aging FUNDS platform, where maintenance costs continue to rise as the talent pool for legacy hardware shrinks.

Fixed Cost Drivers: Inflation and Mandates IT is subject to external cost drivers that remain largely beyond its direct control. Enterprise software vendors continue to implement average price increases of 12–15% upon renewal. Furthermore, the department must fund infrastructure upgrades required by evolving cybersecurity mandates (such as CJIS and HIPAA) and insurance compliance standards. These non-discretionary costs represent a significant portion of the IT budget and must be prioritized to protect the City's data and legal standing.

Infrastructure and Capital Improvement (CIP) High-speed connectivity and data center resiliency are as vital to municipal functions as physical infrastructure like roads and sewers. Recurring power and HVAC issues at the current on-premise data center facilities present a persistent risk to the City's compute environment. Due to budgetary matters, the department is deferring its ask for \$2.2 million in CIP funding to relocate these operations to a high-availability solution, such as a colocation facility (CoLo) or cloud environment. This transition was a key strategic goal to improve uptime and security while reducing long-term administrative overhead but has now been deferred.

Better Device Management The department continues to manage an expanded hardware footprint from the shift to a hybrid work model. Many personnel still utilize multiple devices of varied brands, which has nearly doubled support requirements without a corresponding increase in staff. IT is moving forward with a “One Person, One Device” policy to reduce this redundancy, streamline our support model, and ensure our hardware lifecycle remains sustainable within current budget parameters.

IT Governance and Strategic Prioritization Historically, the IT Department has operated without a robust Technology Governance Model, which has diminished the department’s influence on technology solutions and their purpose for the City. This lack of oversight has frequently led to redundant acquisitions that place undue demand on limited resources. While the department recognized this critical need this past year and formed a preliminary committee to address it, the framework was not finalized primarily due to the sheer volume of competing operational priorities and the significant time required to build a formal structure. In the upcoming cycle, the department will focus on revitalizing this effort by establishing clear metrics for success and securing the “authoritative voice” necessary to ensure that IT planning is a collaborative, City-wide endeavor. This will transform the governance model from a periodic discussion into a foundational pillar of the City’s fiscal and technical strategy, ensuring that resources are prioritized for high-impact projects like Employee Self-Service and automated Time and Attendance systems rather than uncoordinated technology acquisitions.

Accomplishments

The Department of Information Technology (IT) successfully executed a comprehensive modernization of the City’s infrastructure, balancing large-scale system migrations with critical security and internal service enhancements. These achievements were delivered during a period of significant fiscal constraint, requiring the strategic navigation of a \$6.1 million budget reduction. Despite these cutbacks, the department successfully migrated over 300 virtual servers, deployed Windows 11 City-wide, deployed Wi-Fi to all City buildings, and implemented the “Berkeley 2-Step” Multi-Factor Authentication (MFA) protocol. Furthermore, the department successfully launched BeWARNED, a significant internal warning and safety announcement system designed to ensure timely and critical communications reach all City employees and staff during emergencies. These initiatives have significantly improved the City’s technological resilience and internal operational safety under challenging financial conditions.

Strategic Accomplishments and Impact Analysis

Core Infrastructure & System Modernization

Accomplishment	Detail & Scope	Organizational Impact
Accela Cloud Migration	Migrated 17 servers, 200+ reports, 9 integrations, 5TB (terabytes) of data.	Ensures uninterrupted permitting and licensing services on a modern, supported platform, enabling continued annual revenue generation exceeding \$56M from permitting and licensing.

Nutanix Upgrade & DR	Completed migration of 300+ virtual servers and implemented Disaster Recovery (DR) replication.	Secured maximum system resiliency and operational stability for 99% of City servers.
Citywide WiFi Deployment	Upgraded and expanded WiFi infrastructure across all 35 City facilities, covering existing locations, new sites, and the Marina.	security posture, and supportability.
Windows 11 Deployment	Achieved near-100% compliance ahead of Microsoft support cutoff; initiated "One Person, One Device" standardization.	Eliminated major security vulnerabilities and improved long-term cost efficiency.
Public Safety Upgrades	Coordinated Axon Body 4 camera rollout for Police and upgraded Tyler New World software to version 2025.1.	Enhanced mapping, stability, and field of view for critical emergency response services.

Security, Compliance, and Risk Mitigation

Accomplishment	Detail & Scope	Organizational Impact
City-Wide MFA Deployment	Successfully implemented Multi-Factor Authentication (MFA) across all City accounts.	Dramatically strengthened primary defenses against cyberattacks and credential breaches.
BeWARNED Alert System	Developed and launched Berkeley's Workplace Alert, Response, Notification and Emergency Dissemination service.	Established a vital communication channel for immediate threat notification and employee safety.
Phishing & Risk Management	Conducted clandestine simulations to quantify human risk; managed critical weekend fiber repairs to prevent downtime.	Strengthened employee awareness and ensured business continuity during physical infrastructure failures.

Application & Service Modernization

Accomplishment	Detail & Scope	Organizational Impact
Citizenserve Go-Live	Launched new Rental Housing Safety Program (RHSP) software, consolidating inspections and payments.	Reduced administrative effort and improved customer compliance for rental properties.

311 Secure Payments	Soft-launched secure phone payments, processing nearly \$135K in a single month.	Generated a new revenue stream while ensuring full PCI compliance for the Call Center.
Financial Compliance	Completed 2025 Property Tax Assessment on time; advanced ERMA 2025 Upgrade to End User Testing.	Maintained system supportability and ensured accurate completion of critical taxation and W2 processes.
Employee Access	Citywide initiative to enable online access to paystubs, W2's, leave balances and personal information	Reduced reliance on paper based paystubs, W2's by providing 24/7 access to pay and tax information from COB network or while on VPN.

Application & Service Modernization

The department’s work has provided a measurable Return on Investment (ROI) through both direct revenue generation and the avoidance of catastrophic costs: Additionally, our list of successful implementations include:

- ▶ **Revenue Generation:** The soft launch of 311 secure phone payments captured \$135,000 in one month. Additionally, updating over 240 permit fees within Accela is anticipated to generate hundreds of thousands of dollars in recurring revenue.
- ▶ **Labor Efficiency:** Automating the import of PG&E invoices into ERMA eliminated manual data entry for hundreds of weekly invoices, freeing significant staff time within the Finance Department.
- ▶ **Licensing Savings:** Standardizing conference room hardware and replacing legacy systems is projected to save \$68,000 annually in recurring licensing fees.
- ▶ **Liability Protection:** The deployment of MFA and Nutanix DR replication serves as the primary defense against ransomware and system downtime. Preventing a single major breach or extended outage saves the City millions of dollars in potential recovery fees, legal liabilities, and service disruption costs.
- ▶ **Operational Efficiency:** Stabilizing WiFi across all City facilities reduced support incidents, eliminated productivity disruptions, and lowered ongoing maintenance and emergency repair costs.

Conclusion

The achievements of the past year reflect a commitment to operational excellence and strategic resourcefulness. By modernizing the IT organizational structure and creating a symbiosis between internal staff and augmented resources, the department significantly improved project delivery speed and quality. However, it is important to note that these successes were predicated on a staffing and service model that is currently being reduced. As the department navigates the loss of both augmented services and permanent headcount over the next two years, the rapid progress seen in this cycle may not be replicable. While these past initiatives have bolstered the City’s digital foundation, the upcoming transition to a leaner,

core-maintenance posture will require a recalibration of project expectations and delivery timelines.

Significant Changes from Prior Year's Budget

The Department of Information Technology is transitioning to a model of "Fiscal Sustainability and Risk Management" following a period of intensive modernization. For the upcoming cycle, the department is navigating a significant \$3,545,013 budget reduction. This follows the FY 2026 Adopted Budget, which saw expenditures totaling \$18,476,026. The current reduction reflects the conclusion of one-time modernization projects and a pivot toward a leaner, core-maintenance posture to ensure essential service continuity within the City's fiscal constraints.

Significant Personnel Changes

- ▶ **FTE Reductions and Salary Savings:** The department has permanently eliminated four (4) Full-Time Equivalent (FTE) positions, resulting in total budgetary savings of \$846,730 in combined salary and benefit costs. The specific positions identified for reduction include:
 - ▶ Application Programmer Analyst II
 - ▶ Customer Service III (311/Service Desk)
 - ▶ Project Manager II
 - ▶ Senior Information Systems Specialist
- ▶ **Impact on Operations:** The loss of these roles, combined with a reduction in contract resources, necessitates a shift to a strictly planned, strategic support model. This focus ensures that the remaining technical specialists (37 out of 49 total personnel) are not overwhelmed as the department transitions to a leaner service model.

Significant Non-Personnel (Operations) Changes

- ▶ **Legacy Maintenance Mitigation:** A primary fiscal priority is migrating away from the approximately \$500,000 annual expenditure required to maintain the aging legacy FUNDS\$ system. Reducing this substantial recurring cost is essential to freeing up resources for a standardized cloud-forward infrastructure.
- ▶ **Strategic Licensing Reductions:** The department is targeting \$68,000 in annual savings through the potential removal of redundant Zoom licenses and conference room hardware standardization. To ensure continuity of transparent governance, the department will retain the specific high-capacity licenses necessary for hosting public webinars, such as City Council meetings until such time that we can completely migrate to a Microsoft Team solution.
- ▶ **Process Automation Efficiencies:** To offset headcount reductions, the department has implemented several automation initiatives, including the automated import of PG&E invoices and streamlined digital time-tracking, reducing manual labor requirements across City departments.

- ▶ **Hardware Consolidation:** The implementation of the “One Person, One Device” policy is designed to reduce a support footprint that has effectively doubled, streamlining hardware lifecycle management and reducing recurring maintenance costs.

Significant Capital Changes

- ▶ **Infrastructure Stabilization:** Major capital-intensive projects have been successfully completed, including the migration of 300+ virtual servers and the 100% compliant deployment of the “Berkeley 2-Step” (MFA).
- ▶ **Liability Protection:** Investment in Nutanix DR replication serves as a primary defense against ransomware; preventing a single major outage is estimated to save the City millions of dollars in potential recovery fees and legal liabilities.

New Funding Sources

- ▶ The department is not introducing new funding sources at this time. Instead, it is focused on the continued development of a Technology Governance Model. While not yet adopted in full, this framework is intended to establish an “authoritative voice” in IT planning, ensuring that existing funds are prioritized for high-impact projects like Employee Self-Service rather than uncoordinated technology acquisitions.

Performance Measures Summary

The below table summarizes the IT Department's performance measures.

Division	Measure	Description	Target	Actual	Tracking
Infrastructure	Uptime for Data Servers and Phone System	Metrics collected using network management tools that indicates the total "uptime" of the City's servers	99.999% ⁽¹⁾	<ul style="list-style-type: none"> • 99.91% - All Servers • 99.86% - All Networks 	●
311	Volume of Requests	Total number of calls, email requests, and service requests	n/a ⁽²⁾	<ul style="list-style-type: none"> • 107,327 total interactions, 311 • 7,883 total requests, Service Desk 	●
311 and Help Desk	First Call Resolution	<ul style="list-style-type: none"> • Number of queries answered on the first call by 311 (external) • Number of queries answered on the first call by Help Desk (internal) 	▲	<ul style="list-style-type: none"> • 80% 1st call resolution, 311 • 38% 1st call resolution, Service Desk 	●
311 and Help Desk	Percent Abandonment Rate	<ul style="list-style-type: none"> • Abandoned calls divided by total number of inbound calls received by 311 (external) • Abandoned calls divided by total number of inbound calls received by Help Desk (internal) 	▼	<ul style="list-style-type: none"> • 22% abandon rate, 311 • 12% abandon rate, Service Desk 	●
Enterprise	Number and Progress of Projects Managed	Count of projects specified (from Adopted FY25/26 Budget) divided by number completed	n/a ⁽²⁾	<ul style="list-style-type: none"> • 52 of 59 projects completed • 92% completed on time; 100% completed within budget • Project mix: 23 enterprise-level, 18 multi-month single-department, and 11 single-month department projects 	n/a ⁽²⁾

- Meeting/exceeding target
- Near target
- Not meeting target
- ▲ Target is to increase numbers/percentages
- ▼ Target is to decrease numbers/percentages

⁽¹⁾ This is an industry benchmark percentage.

⁽²⁾ No target specified. This is simply a report on actual progress.

Mayor & Council

The Berkeley City Council consists of a Mayor and eight (8) Councilmembers. The City is divided into eight Council districts, which are used for the election of Councilmembers. The Mayor is elected citywide. The Mayor is the President of the Council and votes as an individual ninth member.

Following is a list of the current Council and office contact information.

Mayor Adena Ishii, (510) 981-7100

District 1 - Councilmember Rashi Kesarwani, (510) 981-7110

District 2 - Councilmember Terry Taplin, (510) 981-7120

District 3 - Councilmember Ben Bartlett, (510) 981-7130

District 4 - Councilmember Igor Tregub (510) 981-7140

District 5 - Councilmember Shoshana O'Keefe, (510) 981-7150

District 6 - Councilmember Brent Blackaby, (510) 981-7160

District 7 - Councilmember Cecilia Lunaparra, (510) 981-7170

District 8 - Councilmember Mark Humbert, (510) 981-7180

Significant Changes from Prior Year's Budget

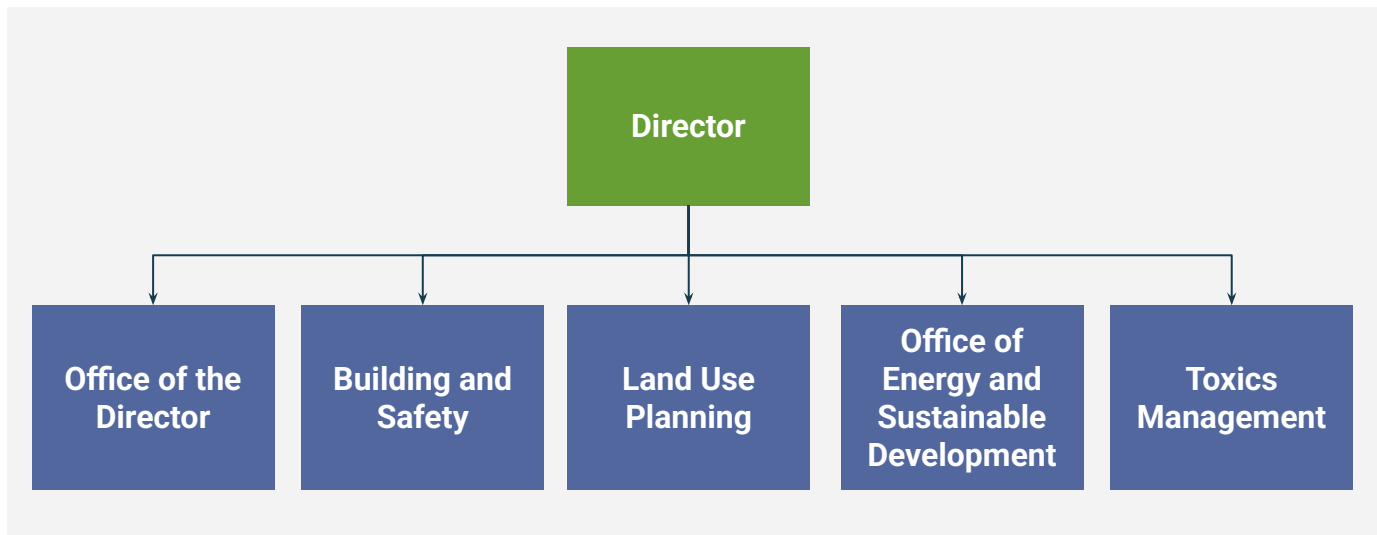
Mayor and Council all reduced their budget by 12.5% as part of the Citywide exercise to close the General Fund deficit and balance the budget.

Planning

Mission Statement

The Planning and Development Department's mission is to enhance safety, livability and resilience in the built environment and to work with the community to promote and protect Berkeley's distinctive neighborhoods, vibrant commercial areas, unique character and natural resources for current and future generations.

Organizational Chart



Planning and Development Department Overview

The Planning and Development Department consists of approximately 109 career full- and part-time staff, and is organized into five divisions, including the Office of the Director, which all work together to plan, implement and monitor the physical environment of Berkeley. The Department provides the following services:

- ▶ **Office of the Director:** The Office of the Director provides department-wide leadership, management oversight, and policy direction for overall operations and implementation. The office oversees information technology projects, special projects and research, budget and fiscal oversight, regulatory compliance and reporting, and purchasing, payroll and accounting services for the entire Department.
- ▶ **Building and Safety Division:** The Building and Safety Division (B&S) reviews proposed construction documents for conformance to the building code, energy code, and other applicable codes; approves building, plumbing, mechanical and electrical permits; inspects construction projects to ensure conformance with the approved plans and code provisions; investigates work done without permits; provides code information and interpretation to the public and other city agencies; ensures the safety of Berkeley's rental housing stock; and manages programs to mitigate seismic risk in existing buildings.
- ▶ **Land Use Planning Division:** The Land Use Planning Division (LUP) is responsible for researching and implementing land use policy and regulations for the City of Berkeley. The land use policy team prepares amendments to the Zoning Ordinance, the General

Plan, area plans, and other long-range planning documents that guide future development and preservation in Berkeley. The development projects team reviews and entitles proposed projects that conform with the Zoning Ordinance, the General Plan, and other applicable plans, policies and regulations.

- ▶ **Office of Energy and Sustainable Development:** The Office of Energy and Sustainable Development Division (OESD) develops policies and implements programs to promote resilience and sustainable practices, and to reduce energy and water use and the associated greenhouse gas emissions in both City operations and the Berkeley community.
- ▶ **Toxics Management Division:** The Toxics Management Division (TMD) is the City's regulatory agency and a State-Certified Unified Program Agency (CUPA), responsible for implementing, inspecting and enforcing California Environmental Protection Agency and hazardous materials codes associated with the Governor's Office of Emergency Services and State Fire Marshall within the City of Berkeley. TMD also responds to community complaints, assists the City with toxicological concerns, and inspects industrial sites for storm water pollution prevention.

Challenges

The Planning and Development Department faces the following challenges:

- ▶ **Implementing New Legislation.** The department must implement new local and state legislation in a timely manner, which sometimes requires additional staff resources, the development and deployment of new technology tools, and modifications to operations.
- ▶ **Ineffective Software.** Existing software (e.g., permitting, rental housing inspection, CUPA reporting, time tracking, file sharing, online payments, e-check functionality) is not effectively meeting department needs and is creating customer service and efficiency challenges, including delays in turnaround times for permit applications.
- ▶ **Staff Turnover.** Although the department's vacancy rate has decreased significantly over the past two years and our recruiting efforts have been very successful, we have experienced turnover of veteran staff in positions at all levels.
- ▶ **Macroeconomic Factors Impacting Development.** Following an 'up cycle' of high levels of construction and development activity that lasted for over a decade, macroeconomic factors—such as increased interest rates, increased costs of construction materials and labor, and softening rents—have led to a slowdown of new housing construction starts.
- ▶ **Overtaken Natural Gas Ban.** In January 2024, the Ninth Circuit US Court of Appeals chose to uphold the decision in April to invalidate Berkeley's ban on natural gas infrastructure in new construction, denying the City's request for a re-hearing. This decision was a setback to efforts to meet the City's Climate Action Plan goals.

Accomplishments

Following are some of the highlights from the Planning and Development Department's numerous accomplishments:

- ▶ **New Housing Production.** In 2023, the Planning and Development Department issued certificates of occupancy for 715 new housing units, including 31 deed restricted affordable units.

- ▶ **Inspections Conducted and Permits Issued.** In 2023, the Toxics Management Division conducted 367 hazardous materials inspections and 148 stormwater inspections, the Building and Safety Division conducted 27,294 inspections and issued 3,865 building permits, the Permit Service Center received 27,127 applications (including revision and deferrals), completed 7,466 plan checks, and issued 867 “P” permits (for the Public Works Department), and the Rental Housing Team conducted 4,981 inspections.
- ▶ **Just Transition Pilot Program.** OESD initiated the \$1.5 million Just Transition Pilot Program in 2023, which provides direct installation of building electrification measures in existing affordable housing buildings for low-to-moderate income households in Berkeley.
- ▶ **OPR Grant for General Plan Updates.** The Planning and Development Department, in partnership with the Ecology Center and the Berkeley Climate Equity Collaborative, was awarded a \$497,492 grant from the Governor’s Office of Planning and Research (OPR) Adaptation Planning Grant Program (APGP) in 2023 to update Berkeley’s General Plan. Efforts are focused on updates to the Disaster Preparedness and Safety Element and development of an Environmental Justice Element.
- ▶ **Berkeley E-Bike Equity Project (BEEP).** In 2023, OESD launched the Berkeley E-Bike Equity Project (BEEP) which selected via lottery 56 income-qualified Berkeley households to receive free e-bikes, helmets, locks, training and quarterly safety/maintenance checks. The program is being administered in partnership with Waterside Workshops, a local non-profit program whose youth interns are learning valuable e-bike assembly and maintenance skills as part of the BEEP.
- ▶ **Adoption of new Affordable Housing Requirements.** In January 2023, City Council adopted new affordable housing requirements for housing development projects recommended by LUP. New requirements were designed to facilitate and support increased affordable housing production in Berkeley.
- ▶ **Response to Berkeley Mudslide:** In January 2023, B&S responded to an emergency mudslide in northeast Berkeley. As first responders, B&S protected residents from immediate danger and then worked with geotechnical and structural engineers to secure the safety of buildings prior to residents’ return.
- ▶ **Housing Element Update.** In February 2023, the California State Department of Housing & Community Development found Berkeley’s Housing Element to be in substantial compliance with State law. Berkeley was the seventh of 109 municipalities in the Bay Area region to achieve this critical milestone. The Housing Element is a product of over 18 months of community engagement, research, technical analysis, and collaboration with policymakers, and establishes an ambitious, 8-year agenda for the City’s housing policy and programs.
- ▶ **Bird Safe Building Provisions.** In June 2023, City Council adopted bird safe building provisions into the Zoning Ordinance recommended by LUP. New regulations will reduce bird collision deaths by requiring qualifying construction projects to use bird safe glass products and external building fixtures.
- ▶ **Collaborative Planning Process.** In July 2023, the Office of the Director, in conjunction with UC Berkeley’s Capital Strategies Team, introduced a Collaborative Planning Process for UC’s capital projects in the City environs that addressed the terms of the 2021 Long Range Development Plan Settlement Agreement between the City and the University.

- ▶ **Accessory Dwelling Units (ADUs).** In October 2023, City Council adopted new zoning regulations for ADUs recommended by LUP. The amendments included new policies for parking, fire safety, and building height and ensured Berkeley's ordinance complied with new State law.
- ▶ **Adoption of the Southside Zoning Amendments.** In December 2023, City Council adopted updated zoning standards for the Southside recommended by LUP. Amendments wrapped up a six-year process that addressed multiple City Council referrals requesting increased capacity for student housing near UC Campus.
- ▶ **Approval of North Berkeley and Ashby BART station areas as part of the Metropolitan Transportation Commission (MTC) Priority Sites Program.** In November 2023, the City's application for the North Berkeley and Ashby BART sites for inclusion in MTC's Priority Sites Program was successful. Inclusion in the Priority Sites list makes these sites eligible for current and potential future funding and technical assistance and will be integrated into relevant Plan Bay Area 2050+ strategies.
- ▶ **Adoption of the North Berkeley BART Objective Design Standards.** In December 2023, City Council adopted Objective Design Standards (ODS) for the North Berkeley BART station area, concluding a year-long public process led by LUP in partnership with BART. An application for land use entitlements from the North Berkeley Housing Partners development team was received in February 2024 that will be evaluated for compliance with adopted ODS.
- ▶ **The Rental Housing Safety Program (RHSP)** increased the size of their staff and are now conducting an average of 415 inspections per month. That's a 51 percent increase in the number of inspections performed monthly. Additionally, RHSP staff rewrote the Berkeley Housing Code, which was adopted by Council in December 2022.
- ▶ **The Retrofit Grants** program disbursed 11 design grants and 19 construction grants for a total of \$903,461 to Berkeley property owners between July 2022 and January 2024. The City also continued enforcement of the soft story ordinance and during this same period 16 buildings completed mandatory retrofits and were removed from the inventory of potentially hazardous buildings, and 8 additional properties were added to the inventory.
- ▶ **Solar APP+ real time PV permitting.** B&S, in collaboration with IT, implemented a third-party software program, SolarAPP+, which streamlines solar permit issuance in September 2023. Implementation was funded with an \$80K grant and ensures compliance with Senate Bill 379.

Significant Changes from Prior Year's Budget

The FY 27 proposed all funds budget decreased by almost \$240,000 over the FY 26 Adopted Budget of \$36,631,009.. This is primarily due to an increase in salaries and benefit costs, an increase in indirect cost charges due to a rate adjustment, and the City's General Fund Budget Balancing exercise. The Planning and Development General Fund reduction was about \$458,280 or 12% of its GF budget. The FY 27 and FY 28 Proposed Budget includes the following:

- ▶ Beginning in FY 2027, \$89,268 in personnel costs will be shifted to Fund 621 (PSC) and \$60,720 to Fund 622 (CUPA), generating total General Fund savings of \$149,998 in FY 2027 and \$154,618 in FY 2028. In addition, the Department identified that the General Fund share of Internal Service Fund charges was disproportionately high. Correcting this allocation results in General Fund savings of \$308,271 in both FY 2027 and FY 2028.

Combined, these adjustments produce \$458,269 in General Fund savings in FY 2027 and \$470,419 in FY 2028, meeting the 12.5% target in both years. These cost shifts do not create immediate service or community impacts; however, the Department will need to evaluate future fee adjustments to ensure enterprise funds can sustainably absorb the reallocated costs.

- ▶ Added a Permit Specialist position funded by enterprise funds.

Performance Measures Summary

The below table summarizes the Planning and Development Department’s performance measures.

Division	Measure	Description	Target	Actual	Tracking
Building & Safety, Land Use Planning	Customer Satisfaction	Percent of respondents who: <ul style="list-style-type: none"> • Visited the City website prior to visiting the Permit Service Center (PSC) • Felt the website adequately prepared them for their visit • Felt they received professional and courteous service 	▲	<ul style="list-style-type: none"> • 86.1% visited the website (prior 3-year avg: 84.2%) • 66.5% felt adequately prepared (prior 3-year avg: 62.2%) • 79.0% received courteous service (prior 3-year avg: 80.0%) 	●
Building & Safety, Land Use Planning	Housing Development Progress	Annual number of units entitled, units issued building permits, and units granted occupancy, as reported through the Annual Progress Report to the State. Also includes the percentage of Regional Housing Needs Allocation (RHNA) goals met for the 2023–2031 cycle.	▲	<ul style="list-style-type: none"> • 1,495 units entitled in 2025 • 463 units issued building permits in 2025 • 23.7% of RHNA building permit goals met for the 2023–2031 cycle to date (2,117 units / 8,934 goal) • 493 units granted occupancy in 2025 	●
Toxics Management	HMBP Compliance	By year, the number of businesses that submitted required Hazardous Materials Business Plans (HMBPs) and the compliance percentage that represents. Data is available after March 1 each year.	▲	<ul style="list-style-type: none"> • 531 businesses submitted HMBPs in 2025, out of 532 required, for a 99.8% compliance rate 	●
Office of Energy and Sustainable Development (OESD)	BESO Energy Benchmarking Compliance	Percentage of covered commercial and multifamily buildings 15,000 square feet and greater that submitted annual energy benchmark reports, as required by Berkeley’s Building Emissions Saving Ordinance (BESO).	▲	<ul style="list-style-type: none"> • 75% of commercial and multifamily buildings submitted annual energy benchmark reports during 2025 	●

Division	Measure	Description	Target	Actual	Tracking
Building & Safety	Building Permit Applications and Finalizations	By year, the number of building permits applied for and finalized by permit type, including Fire and Public Works permits, and the percentage that represents.	New Measure	• Data pending	n/a
Building & Safety	Rental Housing Inspection Coverage	Rolling five-year percentage of rental units inspected, calculated as inspections divided by the total number of rental units in the City.	New Measure	• Data pending	n/a

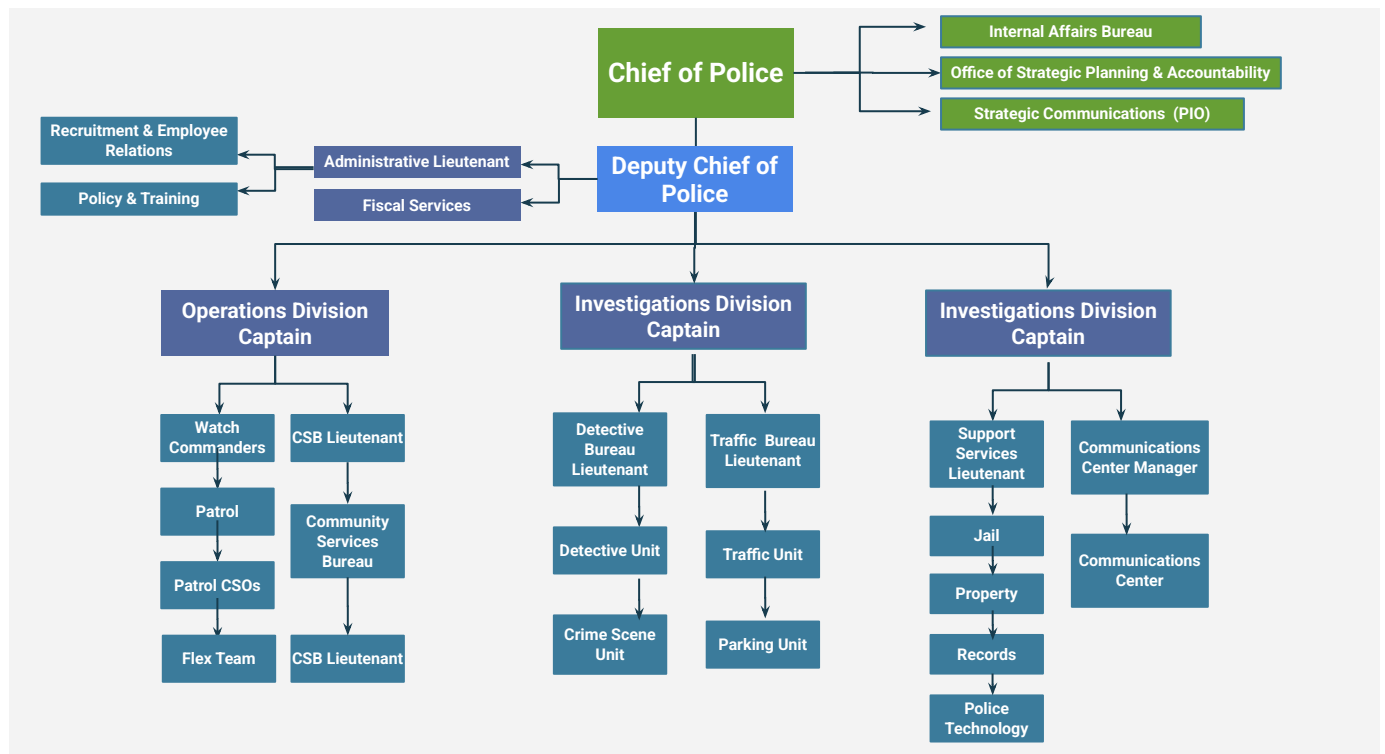
- Meeting/exceeding target
- Near target
- Not meeting target
- ▲ Target is to increase numbers/percentages
- ▼ Target is to decrease numbers/percentages

Police

Mission Statement

Our mission is to safeguard our diverse community through proactive law enforcement and problem solving, treating all people with dignity and respect.

Organizational Chart



Police Overview

The Police Department maintains law and order in the City, including laws of the United States, the State of California, and all City ordinances. There are limited exceptions when such enforcement is by law, ordinance, or the City Charter made the responsibility of another officer, department, or the responsibility of a state or federal agency. Additionally, the Police Department administers the City jail and the care, custody, and control of prisoners. The work of this department at times includes the performance of such other functions as may be assigned by the City Manager or prescribed by ordinance of the Council or by applicable state law.

The Berkeley Police Department is organized into three divisions, along with the Offices of the Chief and Deputy Chief, to deliver the following baseline services:

- ▶ **Office of the Chief:** The Office of the Chief provides overall leadership and administrative oversight for the Police Department. The Office includes the Chief of Police, Strategic Communications (Public Information Officer), Office of Strategic Planning & Accountability, and the Internal Affairs Bureau.

- ▶ **Office of the Deputy Chief:** The Office of the Deputy Chief oversees the Operations, Investigations, and Support Services Divisions, as well as Fiscal Services and the Administrative Lieutenant. The Administrative Lieutenant oversees the department's Policy & Training and Recruitment & Employee Relations functions.
- ▶ **Operations Division:** The Division, led by a Captain, supports the department's mission by responding to calls for service, conducting initial criminal investigations, making arrests, issuing citations, and providing crime prevention services and proactive problem-solving efforts, all focused on safeguarding the community.
- ▶ **Investigations Division:** The Division, led by a Captain, supports the Department's mission through the work of two Bureaus. The Detective Bureau, led by a Lieutenant, oversees the Detective Unit and the Crime Scene Unit. The Traffic Bureau, led by a Lieutenant, oversees the Traffic Unit's Motorcycle Officers and the Parking Unit.
- ▶ **Support Services Division:** The Division, led by a Captain, supports the Department's mission through a variety of essential operational and administrative activities. The Support Services Division comprises the Support Services Lieutenant- who oversees the Berkeley City Jail, Records, the Property and Evidence Unit, and Police Technology- and the Communications Center Manager, who oversees the Public Safety Communications Center that receives and dispatches calls for Police, Fire, and Medical Services.

Challenges

The Police Department's challenges include:

- ▶ **Staffing and Recruitment:** Staffing and recruitment continue to be a challenge. The Department currently employs 154 sworn officers against an authorized strength of 174 and the Communications Center is staffed with 20 dispatchers against 32 authorized positions. The labor market for police recruits and public safety dispatchers remains tight, Berkeley maintains high eligibility requirements, and both the background process and academy training take considerable time. The timeline from recruitment to working as a solo officer routinely runs 18 months, meaning even short interruptions to hiring compound quickly against an average annual attrition rate near 9%. Continued investment in recruiting partnerships, targeted hiring events, and assessment tools such as CritiCall is essential to stabilize sworn and dispatcher staffing.
- ▶ **Rising Demand for Emergency Response:** While overall calls for service decreased slightly in 2025, 911 calls rose approximately 6% and reached their highest level in several years. Because 911 calls require the Department's most urgent response, this trend places growing pressure on patrol and the Communications Center even as non-emergency volume softens. Maintaining Berkeley's competitive median response times- seven minutes for Priority 1 calls in 2025- requires continued investment in the people, technology, and workflows that multiply the impact of existing staff.
- ▶ **Officer Development Training Programs:** The nature of policing continues to evolve rapidly. To sustain the level of service our community expects, the Department must ensure existing training is adequate and develop or complete new trainings in topics like Fair and Impartial Policing, Procedural Justice, Implicit Bias, and Hate Crimes. Finding or developing expanded training, together with the limited staff available to

backfill absences so officers can attend, remains an ongoing challenge. This work also includes expanding LIDAR certification into patrol, launching a formal mentorship program, and improving the tracking of wellness indicators such as access to time off, training, and physical fitness time.

- ▶ **Technology Gap:** A lean roster cannot simply absorb more work. The Department's ability to deliver high-quality service depends on equipping officers and detectives with modern tools that provide better real-time information and support data-driven deployment. The Department seeks continued investment in technology- including the Automated License Plate Reader (ALPR) program, fixed surveillance cameras, Drone as First Responder (DFR) capability, and a Real-Time Information Center- Berkeley risks falling behind neighboring agencies at a moment when recruitment and retention increasingly depend on modern working conditions.

Accomplishments

Highlights of recent Police Department accomplishments include:

- ▶ **Historic Reduction in Gun Violence:** For the first time in at least a decade, Berkeley recorded zero fatal or injury shootings in 2025. Total shootings dropped 40% (from 25 to 15) and robberies fell 20%. Gun arrests rose 31% even as overall gun cases declined 38%, and the Department recovered 114 firearms- 52 through search warrants and 17 through proactive traffic stops. These results reflect a sustained, multi- year investment in both targeted enforcement and community partnerships through the City- run Gun Violence Intervention and Prevention Program (GVIPP), Live Free, and the National Institute for Criminal Justice Reform.
- ▶ **Automated License Plate Reader (ALPR) Deployment:** With Council approval, BPD deployed its ALPR network citywide in 2025. In its first full year, the system generated 621 stolen vehicle alerts and 78 felony vehicle alerts, contributed to at least 37 stolen vehicle recoveries, played a role in 58 arrests, and supported 121 cases. Integration with regional ALPR infrastructure allows Berkeley officers and detectives to track suspect vehicles throughout the East Bay, turning a local tool into a force multiplier for public safety across the region.
- ▶ **Flex Team Operations:** A part- time Flex Team framework produced 23 targeted operations and 141 arrests in 2025, primarily focused on organized retail theft. Nearly 72% of those arrested faced additional criminal charges, and 42% were on probation or parole at the time of arrest or had offenses that qualified as felonies under Proposition 36. Theft clearance jumped from approximately 10% in prior years to 20% since operations began, and some retail partners report shrinkage reductions approaching \$1 million. Building on these results, BPD hopes to launch a full- time Flex Team in the Summer of 2026 with three dedicated officer positions.
- ▶ **Community Service Officers in Patrol:** The CSO patrol program was fully rolled out in 2025. Three CSOs completed field training and independently handled over 1,500 non- emergency calls, routine reports, and traffic control assignments- calls that would otherwise have gone to patrol. Combined with the Bike Unit and Flex Team, the program helped reduce average calls per officer per shift from 6.3 in 2023 to 6.0 in 2025. Three additional CSOs are transferring to patrol in 2026, and the Department is planning to expand CSO roles into investigations to support detectives with evidence collection, report preparation, and data entry. The CSO program is a key piece of the City's Reimagining Public Safety initiative.

- ▶ **Communications Center Initiatives:** In partnership with the Fire Department, the Department built a foundation of initiatives designed to grow and sustain the Communications Center for the long term. Quarterly Virtual Recruiting Events reached 1,197 potential candidates, and the rollout of CriteCall- a pre- employment assessment- improved the quality of the applicant pipeline. A new Call Taker position provides a more manageable entry point for recruits, with new Call Takers completing training at a higher rate than in previous cohorts. The Department hired nine new dispatchers in 2025 and is advancing toward implementation of protocol- based dispatching and exploration of a virtual agent to triage non- emergency calls.
- ▶ **Improved Clearance Rates:** Clearance rates (the percentage of cases closed within a year of being reported) improved in most categories in 2025. Robbery clearance rose from 34% to 49%, theft clearance jumped from 17% to 20%, and felony assault clearance reached 63%- the highest in the five- year window. Homicide clearance remained at 100% for the fifth consecutive year. These gains reflect the combined impact of ALPR- supported investigations, Flex Team operations, and sustained detective work.
- ▶ **Traffic Safety Partnerships:** Berkeley recorded 784 total collisions in 2025, an 11% decrease from 2024. The Department deepened its collaboration with Vision Zero stakeholders and conducted High Intensity Traffic Team (HITT) operations with 11 partner agencies- a single February operation put 17 officers on Berkeley streets and produced 185 citations in five hours. Drive Safer, Drive Longer classes for aging drivers were expanded, DUI checkpoints increased, and collision data from the Transparency Hub continued to guide enforcement priorities.
- ▶ **Transparency and Accountability:** The Department continued to expand its Transparency Hub, which provides the public with near-real-time, area-specific data on policing activities, calls for service, crimes, traffic safety, and community engagement. The 2025 Annual Report, presented to Council in March 2026, represents the Department's most comprehensive public accounting to date of staffing, workload, crime trends, traffic safety, stop data, and use of force. Annual statistical bias testing- including at-fault collision benchmarking, yield- rate analysis, and Veil of Darkness testing- continued to show alignment with race-neutral policing in 2025.

Significant Changes from Prior Year's Budget

The FY27 Proposed All Funds Budget increased by \$661,150 over the FY26 Adopted Budget of \$106,237,136. However, the FY27 Proposed General Fund budget decreased by \$5.1 million compared to FY27 Baseline budget.. This includes the following proposed budget reductions, balancing strategies, and cost shifting to address the structural deficit.

- ▶ **Significant Personnel Changes:** The Department is currently operating at minimum staffing levels. The proposed 10% reduction requires significant personnel reductions that includes reduction of 39 positions (25 sworn, 13 Public Safety Dispatcher, 1 non-sworn) that materially reduces public safety service levels and compromises the department's specialized units to respond effectively to community needs. **For FY27, the strategy is to utilize one-time funds to delay the elimination of 21 positions until the outcome of the November 2026 Sales and Use Tax measure is known. Should voters approve the Sales and Use Tax measure, the resulting revenue is proposed to be allocated to maintain the 21 identified sworn and non-sworn positions.**

- ▶ **Reduction of \$150,000 in overtime:** While the Department currently anticipates that it can reduce overtime costs, they can be further reduced through targeted technology investments. Communications Center Technology investments improve training success rates and reduce the volume of calls requiring dispatcher intervention, directly lowering dispatcher overtime and stabilizing staffing.
- ▶ **Significant NonPersonnel (Operations) Changes:** Non-personnel expenditures identified for reduction are a combination of contractual expenses, training/travel, software subscriptions, uniform/gear, and other purchases that are proposed to be cost shifted to the following special funds: Citizen Option Fund (Fund 159), State Asset Forfeiture (Fund 106), and Prop 172 (fund 126).

Because approximately 93% of the Police Department's General Fund budget is allocated to personnel costs, reductions at this scale cannot be absorbed through non-personnel savings alone. The personnel changes outlined above will have the following operational impacts:

- ▶ **Patrol and Specialty Unit Consolidation:** The elimination of 25 sworn positions, combined with an average annual attrition rate of approximately 9% and a recruitment-to-solo-deployment timeline of roughly 18 months, will further reduce the Department's deployable sworn strength below the current filled level of 154. To preserve minimum patrol staffing, the Department will need to consolidate or reduce specialty functions, including the Traffic Bureau, Community Services Bureau, Bicycle Team, and portions of the Detective Bureau. This will shift proactive traffic enforcement, complex investigations, community engagement, and flexible deployment capacity back onto patrol units already operating with limited margin, reducing the Department's ability to sustain proactive enforcement, follow-up investigations, and community problem-solving at current service levels.
- ▶ **Communications Center Service Capacity:** The reduction of 13 Public Safety Dispatcher positions will lower the Center's authorized strength from 32 to 19, well under the staffing required to sustain 24/7 emergency and non-emergency call-handling and police, fire, and medical dispatch. Because only fully trained Public Safety Dispatcher II personnel are qualified to independently dispatch emergency calls, and new-hire attrition during training has averaged approximately 67% over the past four years, the reduced authorized strength will constrain the Department's ability to rebuild capacity through hiring and will increase reliance on mandatory overtime to maintain minimum staffing. This reduction directly affects call-handling capacity, dispatch reliability, and response times for emergency calls, and it narrows the Department's margin to absorb routine absences for training, illness, and leave without creating coverage gaps.
- ▶ **Recruitment Pipeline and Attrition Risk:** Approximately 22 sworn personnel are eligible to retire by the end of calendar year 2026. Maintaining open, funded positions to hire into is essential to offset ongoing retirements and separations, as the Department must hire 14–16 officers annually simply to sustain current sworn strength. If the reductions result in extended hiring interruptions, staffing will continue to decline at historical attrition rates beyond the levels modeled in this budget. Experience from prior disruptions- including the post-COVID period, during which sworn staffing fell from 169 to 148 between 2019 and 2022- demonstrates that

recovery can take multiple years once the recruitment pipeline is interrupted, even after funding is restored.

- ▶ **Revenue-Contingent Mitigation:** Should voters approve the Sales and Use Tax measure, the resulting revenue is proposed to restore the 21 identified sworn and non-sworn positions, substantially mitigating the operational impacts described above and preserving specialty unit capacity, dispatch reliability, and the recruitment pipeline needed to stabilize staffing over a multi-year horizon.

Even within these reduced staffing parameters, the Department's FY27 strategic budget priorities target investments most likely to sustain core service delivery and protect the long-term recruitment pipeline. These priorities focus on technology-enabled public safety, modernized Communications Center operations, facility improvements, and workforce development:

- ▶ **Communications Center Facility Expansion & Operational Modernization:** A new project to physically expand the Communications Center footprint with additional dispatch workstations and desks to accommodate growth. In addition to facility upgrades, the Department will implement new Emergency Dispatch Protocols for police and fire calls and focus on fully staffing PSD I positions to create a sustainable pipeline for PSD II dispatchers. The project is expected to increase call-taking capacity, reduce response times, alleviate staffing shortage pressures, and improve workforce stability by providing a modernized environment for dispatchers. (Supporting departments: IT, Public Works; Period: June 2026 - June 2027.)
- ▶ **Jail Control Panel Upgrade:** Finalizing facility improvements and upgrading the control panel in the Berkeley City Jail. These enhancements will improve safety for staff and detainees and increase operational efficiency. (Supporting departments: IT, Public Works; Period: January 2025 - June 2026.)
- ▶ **Mentorship Program:** Launch of a formal mentorship program and expansion of coaching and feedback loops across all divisions, in partnership with Human Resources. The program is intended to reduce burnout, accelerate return-to-work timelines, and improve retention. (Supporting department: HR; Period: January 2026 - June 2026)

Performance Measures Summary

The below table summarizes the Police Department’s performance measures.

Division	Measure	Description	Target	Actual	Tracking
Investigations	Homicide Clearance Rate	Percentage of homicide cases cleared by arrest or exceptional means within one month of report	75%	• 100%	●
Investigations	Non-Fatal Shootings Clearance Rate	Percentage of non-fatal shootings cases cleared by arrest or exceptional means within one month of report	50%	• 75%	●
Investigations	Retail Theft Clearance Rate	Percentage of retail theft cases cleared by arrest or exceptional means within one month of report	20%	• 24%	●
Investigations	Median Response Time (P1)	The median time (in minutes) from dispatch to arrival of the first officer to Priority 1 calls for service	<= 8 minutes	• 7 minutes	●
Investigations	Speeding-Related Collisions	Number of injury collisions where the Primary Collision Factor (PCF) was unsafe speed	▼	• 90, down from 134	●
Office of the Deputy Chief	Sworn Staffing Level	Number of filled sworn positions	164	• 154	●
Office of the Deputy Chief	Dispatch Staffing Level	Number of filled dispatcher positions	29	• 20	●

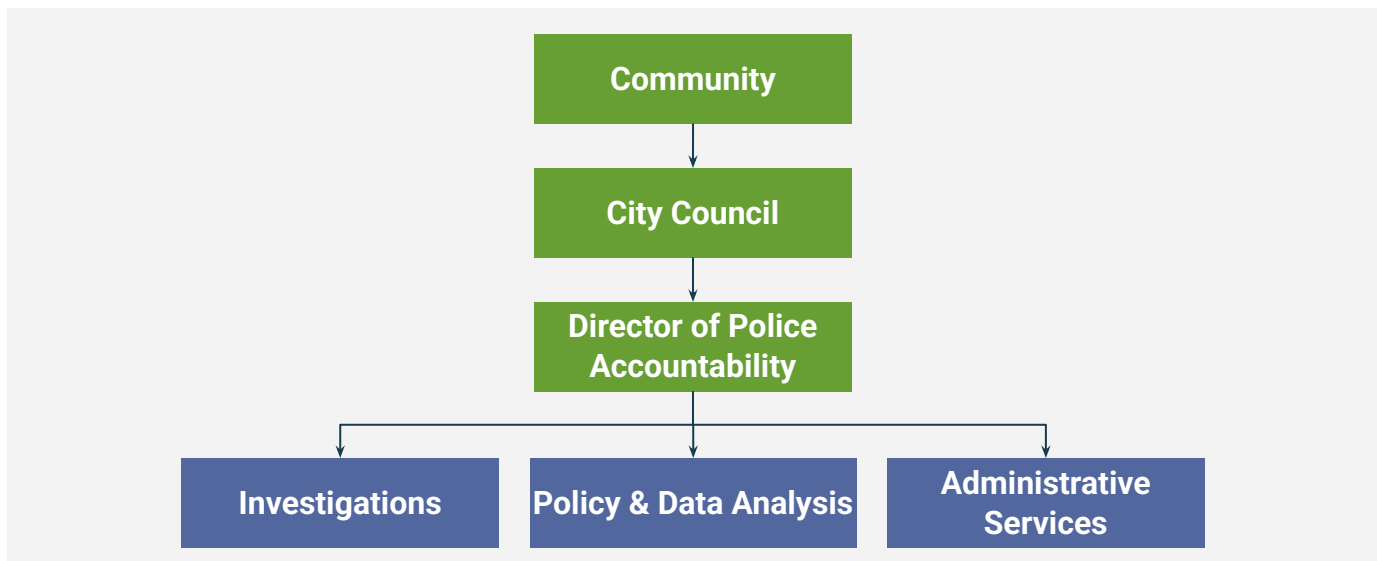
- Meeting/exceeding target
- Near target
- Not meeting target
- ▲ Target is to increase numbers/percentages
- ▼ Target is to decrease numbers/percentages

Office of the Director of Police Accountability

Mission Statement

The purpose of the Office of the Director of Police Accountability is to investigate complaints filed against sworn employees of the Berkeley Police Department, reach independent findings of fact, and recommend corrective action where warranted. The Director of Police Accountability also serves as the secretary to the Police Accountability Board and assists the Board in carrying out the duties prescribed in Section 125 of the Berkeley City Charter.

Organizational Chart



Office of the Director of Police Accountability Overview

The Office of the Director of Police Accountability (ODPA), as established under Berkeley City Charter Section 125(14), is responsible for carrying out the duties of the Police Accountability Board (PAB) as prescribed. This includes overseeing the day-to-day operations of the Board's office and staff, as well as conducting performance evaluations and administering disciplinary actions for subordinate employees. All City of Berkeley employees under the ODPA's purview are subject to the personnel regulations governing the City's municipal workforce.

The Director of Police Accountability plays a critical role in evaluating the conduct of sworn officers of the Berkeley Police Department in accordance with applicable laws, policies, and procedures. The Director's investigative findings and recommendations are presented to the Police Accountability Board, which in turn advises the Chief of Police on individual complaints.

In addition, the Director engages with a range of stakeholders—including employee organizations, civil rights and civil liberties groups, and communities of color—to gather feedback on the work of both the PAB and the ODPA. This engagement helps ensure that diverse perspectives inform the oversight process.

The ODPa is also responsible for producing an annual report detailing the activities of the Board. This public report includes summaries of complaints received by both the Board and the Police Department, promoting transparency in the oversight process and its outcomes.

Challenges

The City of Berkeley continues to face ongoing recruitment and retention challenges across multiple departments, which have been further compounded by budget-balancing measures, including a hiring freeze affecting select positions. As a result, departments citywide are experiencing difficulty filling vacancies and maintaining full operational capacity.

Consistent with these broader constraints, the Department is currently operating with four (4) full-time equivalent (FTE) positions out of six (6) approved positions. Two positions remain vacant due to the City's hiring freeze: one Investigator and one Associate Management Analyst (AMA) intended to support administrative operations.

At the same time, the Department has experienced an increase in complaints over the past two years (2024–2025), driven in part by increased community awareness and the implementation of an online complaint portal that has improved accessibility. In the absence of dedicated administrative support, the responsibilities of the vacant AMA position have been absorbed by the Policy Analyst, with support from the Data Analyst. This redistribution of duties has increased overall staff workload and diminished capacity to perform core analytical and investigative functions in support of the PAB, which meets at least eighteen (18) times annually. While these challenges are not unique to the Department, their impact is particularly acute given its small size, limited role redundancy, and increasing service demand.

An additional challenge has been the development and establishment of permanent regulations governing the investigation of complaints. This has been a multi-department effort and is currently in the later stages of labor negotiations, with finalization and implementation anticipated in the near term. While this represents a significant milestone, it will also require substantial staff and Police Accountability Board training, targeted outreach to inform the public of the updated process, and a comprehensive review and revision of existing procedures currently operating under interim regulations to ensure alignment once the new regulations are adopted by the City Council.

Accomplishments

During the FY 2025–26 period, despite operating with a small team, the ODPa maintained a strong community engagement presence while meeting its core responsibilities. Staff participated in key events across Berkeley—including the 2024 and 2025 Berkeley Juneteenth celebrations, the 2025 Hispanic Heritage Month celebration at the North Berkeley Senior Center, and 2024 National Night Out—and delivered in-office programming such as three educational Use of Force forums in 2025; “Una Charla Con la Comunidad / A Community Discussion” on the City's Sanctuary City Policy and individual rights; and a Public Safety Listening Session held in partnership with the Diversity, Equity, and Inclusion Officer in honor of Black History Month. Collectively, these efforts expanded public access to information about complaint processes, investigations, and civilian oversight.

Concurrently, core functions, including complaint intake, investigations, and case management, were sustained without interruption, alongside continued support for the PAB's policy work across a broad range of Berkeley Police Department policies and operations. This support also

encompasses comprehensive administrative and secretarial services, including the preparation and noticing of meeting agendas; drafting staff reports in response to Board inquiries; compiling materials for the PAB's regular and special meetings; and staffing meetings to ensure accurate minute-taking, provide real-time information to the Board, and document inquiries for follow-up and future correspondence. Collectively, the ability to sustain these responsibilities despite limited staffing capacity reflects a substantial operational achievement.

During the same period, the transition into a new office space was completed, providing facilities better aligned with investigative and Board needs. The new location offers private, confidential areas for investigations and supports commission meetings with enhanced hybrid capabilities, improving both accessibility and the quality of remote public participation.

Taken together, maintaining day-to-day operations, advancing policy initiatives, expanding community engagement, and completing a major facility transition during FY 2025–26 demonstrate efficient coordination and a continued commitment to transparency, accessibility, and accountability.

Significant Changes from Prior Year's Budget

As part of the City's budget reduction efforts to build a sustainable long-term budget, the ODPa proposed a 5.6% (\$71,708) reduction for its FY 27 – 28 budget by focusing on non-essential expenditures while maintaining core operations. The adjustments primarily reflect internal changes aimed at controlling costs, reducing discretionary spending, and bringing certain expenditures in line with historical baseline levels.

The changes are as follows:

- ▶ **Elimination of Overtime Budget (\$10,200)** Overtime funding will be replaced with compensatory time off and scheduling adjustments, with minimal operational impact anticipated.
- ▶ **Elimination of Conference and Travel Funding (\$26,444):** Removes participation in the National Association of Civilian Oversight of Law Enforcement conference, reducing access to training and professional development opportunities.
- ▶ **Reduction to Technology Cost Allocation (\$23,402):** Adjusts funding to pre-office transition levels following one-time infrastructure costs.
- ▶ **Reduction to Supplies, Postage, and Miscellaneous Services (\$9,411):** Reflects a shift toward paperless operations and greater reliance on existing City resources, with minor workflow impacts.
- ▶ **Elimination of Parking Allocation (\$3,000):** Offsets costs through use of existing on-site parking included in the office lease.

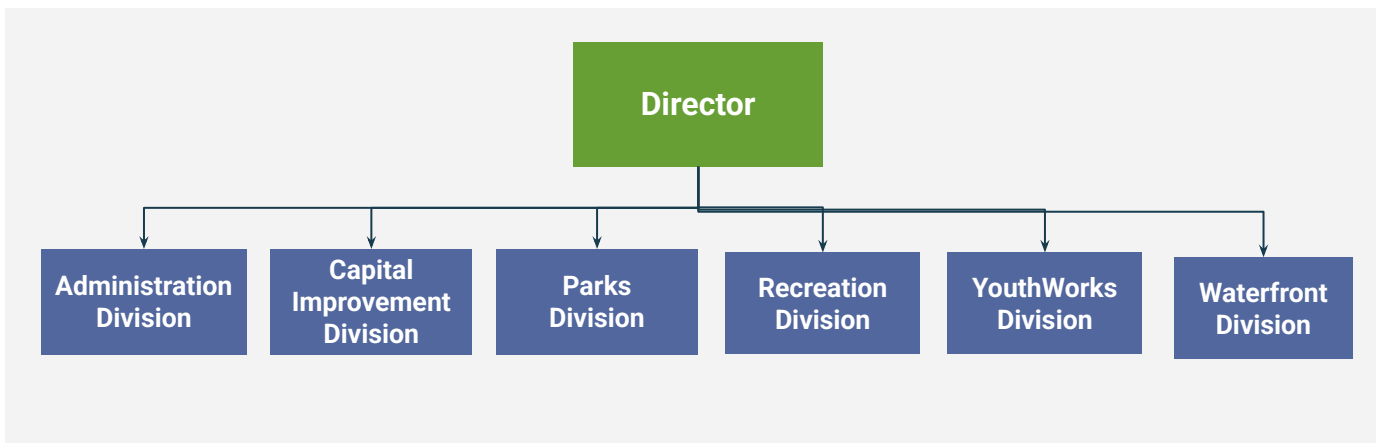
Collectively, these changes achieve cost savings while maintaining service levels, though reductions—particularly in training and professional development—may limit opportunities for ongoing organizational improvement.

Parks, Recreation and Waterfront

Mission Statement

The Parks, Recreation and Waterfront Department is committed to administering excellent recreation programs at our community centers, camps, waterfront and parks; providing high-quality early employment opportunities through the YouthWorks program; maintaining our trees and urban forest, landscaping and infrastructure; and developing capital projects with community input to improve and enhance residents’ park and facility experience.

Organizational Chart



Parks, Recreation and Waterfront Overview

The Parks, Recreation & Waterfront (PRW) Department maintains the City’s parks, playgrounds, pools, camps, community centers, and waterfront facilities; provides diverse recreation programs and special events throughout the year; delivers resident camps opportunities for youth, families and seniors; operates the largest public marina on the Bay; and plans, designs, and constructs capital improvements to Berkeley’s parks, recreation, and waterfront facilities and infrastructure

PRW is organized into six divisions to deliver the following baseline services:

- ▶ **Parks:** This Division maintains Berkeley’s 56 parks, 63 play areas, 49 sports courts, 15 sports fields, 5 community centers, 2 clubhouses, 36 picnic areas, 35,000 street and park trees, 152 landscaped street medians and triangles, 263 irrigation systems, and 30 restrooms and out buildings. The Parks Division also organizes community volunteer days and participates in special events .
- ▶ **Recreation and Youth Services:** This Division provides a variety of programs and classes for all ages ranging from tots and pre-K to teens, youth, and adult sports, summer camps, therapeutic recreation, and adult fitness. The Division also operates the City’s swimming pools, tennis courts, basketball courts, skate park, community centers, and resident camps near South Lake Tahoe and Yosemite. The Division hosts multiple large special events for the community throughout the year.

- ▶ **Youthworks:** This Division provides early employment opportunities and career readiness training through paid internships with partner organizations and within the City of Berkeley. YouthWorks builds skills in interviewing, financial literacy, civics and employability while connecting participants with mentors to support their future job success.
- ▶ **Waterfront:** This Division operates the Berkeley Marina and its related facilities, including the docks, pilings, streets, pathways, parking lots, buildings, trails, Adventure Playground, and 1,000 boat and berth rentals. The Division also manages agreements with Waterfront businesses, maintains Waterfront parks and facilities including Cesar Chavez Park, Shorebird Park and Nature Center, and the Adventure Playground, and manages special events.
- ▶ **Capital Projects:** This Division plans and manages capital improvement projects at City parks, park buildings, community centers, pools, camps, and the Waterfront. This includes park and facility planning and community engagement, grant acquisition, permitting, environmental review, design, and construction management.
- ▶ **Administration:** The Office of the Director provides overall management of the Department; communications with Council, Commissions and the public; financial management, budgeting, payroll, purchasing, contracts and accounting; and grant and lease administration.

Challenges

PRW's current challenges include:

- ▶ **Marina Fund:** The combination of Doubletree Hotel non-payment and a longstanding structural deficit fueled by failing infrastructure and operating costs outpacing slip and lease revenue, have resulted in the Fund projected to go into the red within the next budget cycle without significant balancing measures. For the last 5 years, the Marina Fund has received General Fund transfers and other support to close its operating deficit. Those one-time measures are no longer available, given the significant General Fund projected deficit and citywide reductions. Even with new revenue projected from updated leases and Council-approved fees for slips, parking, rentals and recreation programs, reductions in personnel and non-personnel expenditures are needed to ensure that the Fund remains solvent through FY28.
- ▶ **Parks Tax Fund:** The Parks Tax Fund is projected to have a constrained fund balance due to higher capital burden, from loss of General Fund capital funding and sunset of Measure T1. Measure T1 bond funds for capital projects have been fully allocated. In the last budget cycle, General Fund capital for the Department was reduced from \$2.4M/year to the prior baseline of \$400k/year, leaving Parks Tax as the only source for needed funds to complete FY27 capital projects including Santa Fe Trackbed to Park project and Tom Bates Regional Sports Complex community space, restrooms, soccer field and pickleball courts.
- ▶ **Capital Projects:** There is an additional need of \$250k in Parks capital needs in FY27 that cannot be absorbed by Parks Tax. Of this, \$200k is needed for design of James Kenney sports field ADA improvements and an additional \$50k is needed to complete the solar plus storage project at Martin Luther King Jr. Youth Services Center.
- ▶ **Camps Fund:** While Berkeley Tuolumne Camp registration is improving, it is not yet back to pre-fire levels. This is somewhat offset by continued growth in cost recovery recreation programs funded out of the Camps Fund, though more growth will be needed

to ensure that the Fund can absorb cost shifts from the General Fund over the long term. The focus on cost recovery programs will provide more programs to the community; but may price out financially challenged Berkeley households, creating a greater demand for scholarships.

- ▶ **Scholarships:** The expected increase in demand for scholarships will be challenging to accommodate and may result in less programming for financially challenged residents. The City allocates \$230k in General Fund for scholarships each year to cover afterschool programs, summer camps, and other recreation programs.
- ▶ **Grant Match Allocation:** Setting aside matching funding for CIP projects makes the City more competitive for grants. In the last budget cycle, Council authorized \$800k in grant match for potential Aquatic Parks tide tubes grant, prior to City's application. We were successful in securing that grant. Without additional funding in FY27-28, it will be challenging to stay competitive for future grants.

Accomplishments

Highlights of recent PRW accomplishments include:

- ▶ **Grants:** PRW received several new grant awards, including a CalTrans Clean California Community Cleanup Employment Pathways grant to provide extra attention to South and West Berkeley neighborhoods and parks; ACTC funding to augment native plant and trees on the east side of Aquatic Park; multiple California Boating and Waterways grants for surrendered and abandoned vessel exchange; and a new California Natural Resources Agency grant for the City's Trees Make Life Better program.
- ▶ **New Tree Planting Unit:** Fueled by recent grant awards and Parks Tax funding following the passage of Measure Y in 2024, the City established a new Tree Planting Unit in the Parks Division to focus on planting and supporting new trees and increasing the City's tree canopy.
- ▶ **South Berkeley/Adeline corridor:** Multiple PRW efforts are underway in South Berkeley in the Adeline corridor area, including landscaping, community all crew days, installation of a new dog park along MLK and 62nd, and a new Miyawaki forest at the South Berkeley border. In the most recent federal appropriations bill, the City was designated a \$850k federal earmark to design Adeline open space areas. PRW is additionally completing detailed design and permitting for the African American Holistic Resource Center, with construction anticipated next year.
- ▶ **YouthWorks transition and expanded programming:** In early 2025, PRW assumed management of the YouthWorks program, the City's program to provide part-time paid internships that provide meaningful work experience, training and professional development. Since the transition, programming has expanded to include weekly training in civics, financial literacy, and life skills; a new Ready to Work stipend program has been rolled out; a new Accelerator program for advanced internships has been launched; and the City celebrated a new Youthworker Day.
- ▶ **Afterschool program expansion:** Last summer, PRW responded to significant community need for afterschool programs, as universal transitional kindergarten (TK) and reduced Berkeley Unified School District (BUSD) afterschool slots increased the number of Berkeley families seeking afterschool care. PRW worked closely with District staff and Berkeley families to launch four new afterschool program sites and

expanded the existing four sites. This included a new TK-K-only program at Totland for 4-5 year olds; and new programs at Shorebird Park Nature Center, West Campus Pool, and Harrison Park. These efforts included close coordination with BUSD to maximize bus transportation to sites.

- ▶ **Waterfront improvements:** Multiple capital improvements were completed at the Waterfront, including the repair and reopening of South Cove East Dock and ADA gangway on the Middle Dock, South Cove West parking lot construction, F&G redecking, and several major projects are nearing completion, including Marina inner harbor dredging, D&E Dock replacement, O&K electrical, and K Dock restroom. The City's grant award with the State Coastal Conservancy was successfully amended to reprogram funds from the Cesar Chavez pathways to fund design of an extension of the Bay Trail through Shorebird Park, design and construction of J&K parking lot, and new recreational elements at the Gateway Pier. Plans for a potential lease of 199 Seawall (the former Hs Lordships) advanced as the City entered into a 2-year option agreement to complete environmental review of the potential improvements.
- ▶ **Cazadero storm response:** In late 2025, Berkeley's Cazadero Camp in Sonoma County sustained damage due to multiple tree failures and strong winds. Over 30 structures and utilities such as phone, water, and propane systems were damaged, and one tent cabin was entirely demolished. City staff partnered with staff from tenant Cazadero Performing Arts Camp to address storm damage. The City's Forestry team conducted immediate assessments and completed emergency tree work, followed by the City's building maintenance team, which completed repairs to damaged structures, and the City continues to work with insurance on cost recovery. One cabin that requires full reconstruction is included in PRW's FY27-28 proposed CIP plan.
- ▶ **Award-winning projects:** The City received multiple awards for PRW projects and programs over the past two years, including three awards for the Willard Clubhouse Renovation: California Parks & Recreation Society (CPRS) Statewide 2025 Award of Excellence for Facility Design, CPRS D3 2025 Award for Outstanding Facility/Park, and the American Public Works Association (APWA) 2026 Public Works Project Award for Structures \$5 million to less than \$25 million. The Berkeley Marina Piling Replacement Project won the APWA Northern California Chapter 2024 Public Works Project Award for Structures Less than \$5 Million.
- ▶ **Capital Projects:** PRW completed a number of important projects over the last two years, including: :
 - ▶ Parks: Willard Clubhouse Replacement (Parks Tax, T1)
 - ▶ Parks: Civic Center Park Upper Plaza (Parks Tax, T1)
 - ▶ Parks: Aquatic Park: Bolivar Streetscape and Landscape Improvements (Dev Agmt)
 - ▶ Parks: Grove Park Playground Renovation (Parks Tax, T1, General Fund, Grants)
 - ▶ Parks: Grove Park Field Renovation (Parks Tax, T1, General Fund, Grants)
 - ▶ Parks: Solano-Peralta Bench and Irrigation (Donation)
 - ▶ Pools: West Campus Pool Heater (General Fund)
 - ▶ Waterfront: South Cove East Dock Piling Repair (Marina Fund)
 - ▶ Waterfront: South Cove Middle Dock ADA Gangway Replacement (Marina Fund)

- ▶ Waterfront: South Cove West Parking Lot Construction (Grant, Marina Fund, General Fund)
- ▶ Waterfront: F&G Redecking (General Fund, T1)
- ▶ Camps: Tuolumne Cabin and Sports Court Renovation (Camps Fund, General Fund)
- ▶ Camps: Generator Outlet Installation at Tuolumne and Echo Lake Camps (General Fund)
- ▶ Camps: Berkeley Tuolumne Camp Electric Vehicle Charging Stations (General Fund)
- ▶ Camps: Echo Lake ADA Improvements (General Fund & Camps Fund)
- ▶ Camps: Berkeley Tuolumne Camp Driveway Repairs (General Fund)

Significant Changes from Prior Year's Budget

To address deficits in the citywide General Fund as well as the Marina Fund, the following proposed budget reductions and balancing strategies are proposed:

▶ Significant Personnel Changes:

- ▶ 2.46 FTE cost shifts from the General Fund to the Camps Fund and Parks Tax Fund
- ▶ Elimination of 3.0 vacant FTE in the Recreation Division (2 Assistant Recreation Coordinators and 1 Sports Official). However, it is proposed to use 1x sources in FY 27 to preserve these positions, awaiting the outcome of the ballot measure for the Sales Tax increase in November.
- ▶ Elimination of 2.0 FTE Assistant Civil Engineers (one filled, one vacant) due to expiring Measure T1 funding and lack of other capital funding sources.
- ▶ Elimination of 1.0 FTE Waterfront Manager position (filled).
- ▶ Cost shift of 0.05 FTE from the Marina Fund to the Parks Tax Fund.

▶ Significant Non-Personnel Changes:

- ▶ Reduction of \$243k in General Fund budget for removal of hazardous trees and vegetation.
- ▶ Reduction of \$63,837 in General Fund budget for PRW programs and events, ribbon cuttings, groundbreaking and department-wide training.
- ▶ Reduction of \$181k in waterfront maintenance and operations budget in the Marina Fund.

▶ Significant Revenue Changes:

- ▶ New Marina Fund revenue is planned from Council-approved fees for slips, parking, electricity, launch ramp, and recreation programs; but is offset by projected losses in lease revenue.
- ▶ New revenue is budgeted in Camps Fund for new cost recovery programs; this revenue is largely offset by additional program expenditures.
- ▶ Additional revenue is anticipated in the Sports Field Operations Fund, pending Council approval of proposed fee increases for sports field users needed to cover field costs, many of which are currently borne by Parks Tax.

Performance Measures Summary

The below table summarizes the Parks, Recreation and Waterfront Department's performance measures.

Division	Measure	Description	Target	Actual	Tracking
All Divisions	Number of Community Contacts	<ul style="list-style-type: none"> • Number of community communications, including brochures, press releases and flyers • Number of, and time spent at, community meetings/pop-ups • Number of, and time spent at, Commission and Sub-Committee meetings 	▲	<ul style="list-style-type: none"> • 67 communications • 39 community meetings/pop-ups, 115 hours • 32 Commission and Sub-Committee meetings, 75 hours 	●
Parks	Tree Planting	Number of trees planted per year.	▲	• 1,000 trees/year	●
Waterfront	Berther Slip Occupancy	Percentage of marina berther slip occupancy and progress toward increased revenue-generating use of available slips	88% occupancy	• 83% current occupancy	●
Recreation and YouthWorks	Program Participation & Repeat Engagement	Tracks total participants across recreation programs, camps, and YouthWorks initiatives to measure overall reach and sustained engagement year-over-year.	New Measure	• Data pending	n/a

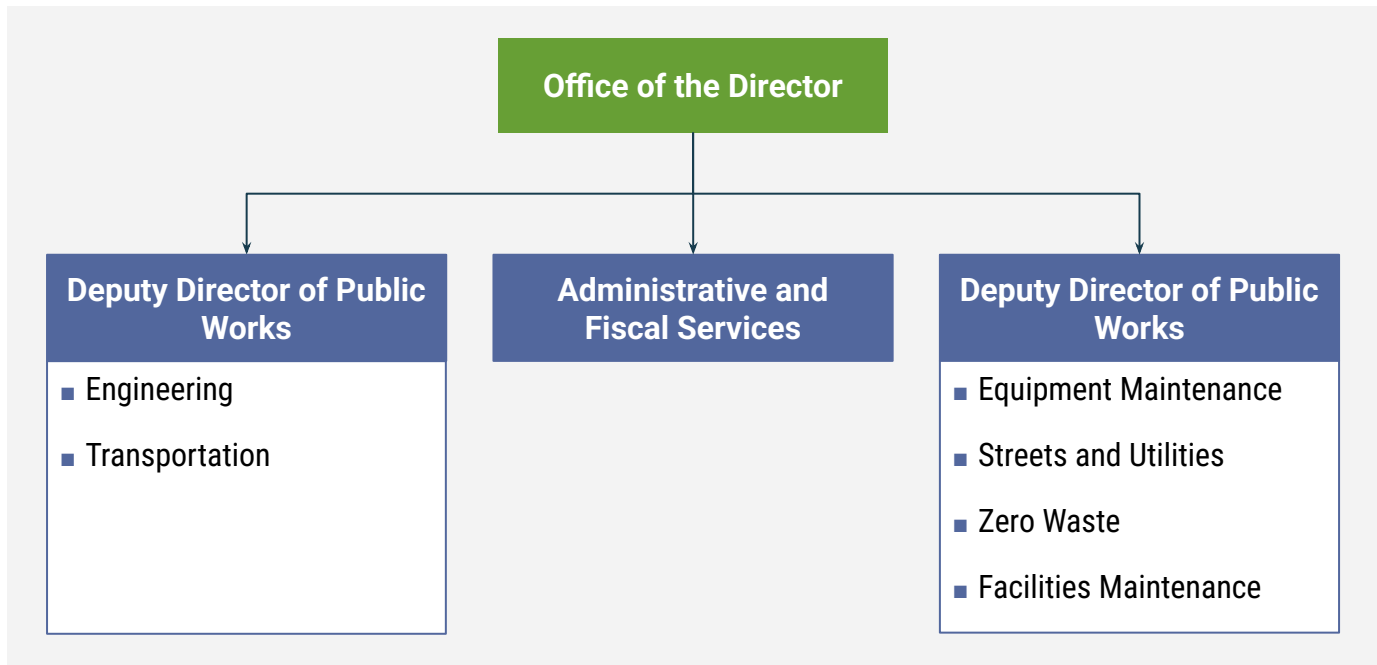
- Meeting/exceeding target ▲ Target is to increase numbers/percentages
- Near target ▼ Target is to decrease numbers/percentages
- Not meeting target

Public Works

Mission Statement

The Public Works Department is committed to providing quality services to the Berkeley community with pride, courtesy, and excellence.

Organizational Chart



Public Works Overview

The Department of Public Works is organized into eight divisions to deliver the following services:

- ▶ **Office of the Director:** The Director's Office provides department-wide leadership, management oversight, and policy direction to Public Works divisions for overall operations and implementation; information technology projects; audits and accreditation management; and employee labor relations, training and development. Public Works has two Deputy Director's to assist the Director in these efforts. Duties and areas of responsibility are divided into two separate areas, Deputy Director of Operations and Deputy Director of Engineering & Transportation.
- ▶ **Administrative and Fiscal Services Division:** The Administrative & Fiscal Services Division is responsible for the Department's budget and fiscal oversight, regulatory compliance and reporting, and analytical support for routine and special projects in all Public Works operating divisions. Division functions include: budget development; implementation and oversight for the annual operating and capital budgets; fund management; fiscal and administrative policy development and process improvements; contract administration and grants compliance; and purchasing, payroll & accounting services for approximately 335 full-time staff.

- ▶ **Engineering Division:** The Engineering Division is comprised of the following programs and responsibilities: Street Pavement Infrastructure Management; Sanitary Sewer Capital and Regulatory Compliance Programs; Storm Water Capital and Regulatory Compliance Programs; Creeks/Watershed Management; Sidewalk Capital Program; Buildings/Facilities Capital Program; Disability Compliance and Program Coordination; Construction Management and Inspection; Land Development and Plan Review; Land Surveying; and Drafting/ GIS services. Engineering is also responsible for coordination of utility service markings, issuance of permits, and coordination and inspection for outside utility agency projects.
- ▶ **Zero Waste Division:** The Zero Waste Division (ZWD) is an enterprise funded operation within the Department of Public Works with an operations staff of more than 100, 50+ fleet of vehicles and funds another 27.3 FTEs throughout other Public Works divisions and other City departments. The ZWD provides the weekly curbside collection service of refuse and compost for over 23,000 single family and multi-family (up to five units) residential customers and up to seven-day per week curbside collection service of refuse, dual-stream recyclables (fiber and containers collected separately) and compost for over 5,000 multi-family (more than six units) and commercial customers.

ZWD also manages third party vendor provided contracts for: 1) landfill disposal services; food/green material offsite hauling and composting; and offsite hauling and recycling of construction and demolition, metal, tires, cylinders and appliances; and 2) third-party non-profit organizations for: the collection of residential dual-stream recyclables (6,500 tons per year); 3) operates Berkeley Recycling for the sorting, processing and marketing of residential, multi-family and commercial recyclables (16,000 tons per year) and a Recycling Buyback and Drop Off program; and salvaging of reusable materials dropped off at the Transfer Station (650 tons annually).

- ▶ **Transportation Division:** The Transportation Division provides traffic engineering, transportation planning, bicycle and pedestrian planning, project development, and parking management services that support safe and effective movement of people and goods in and through Berkeley. The division also provides transportation review of private development projects and interagency coordination on regional transportation projects. Key division and department values include safety, equitable mobility, and environmental and financial sustainability. The Traffic Maintenance Division staff maintains traffic signs and pavement markings, while Meter Collection and Maintenance manage the City's 3,750 metered spaces.
- ▶ **Facilities Management Division:** The Facilities Management Division includes electrical maintenance and the Radio Shop; building maintenance and janitorial services; and property management support. This Division maintains 900,000 square feet of public service facilities; installs and maintains traffic signals and pedestrian control devices at approximately 140 intersections; maintains approximately 8,000 LED streetlights; and installs and maintains Police and Fire Department vehicle radios, sirens, lighting, and radio system infrastructure, including interface with the regional public safety radio system. The Division also maintains radio alarms at sewage lift stations.
- ▶ **Streets & Utilities Division:** The Streets and Utilities Division maintains and repairs the City's curbs, sidewalks and pathways, 213 miles of streets, 384 miles of sanitary sewers, and 93 miles of storm water piping, including approximately 5,800 storm structures and 30 green infrastructure installations. In partnership with business improvement districts, the division manages the Clean City Program by providing street and sidewalk

sweeping and cleaning services, including unattended property removal/storage and illegal dumping removal.

- ▶ **Equipment Maintenance Division:** The Equipment Maintenance Division operates facilities at both the Corporation Yard and Transfer Station. Staff in this division manage the maintenance as well as purchase and replacement of the City's 576 fleet vehicles, heavy duty trucks and large equipment, including public safety, fire, and alternative fuel vehicles and equipment.

Challenges

Major challenges the Public Works Department has faced over FY 26 include:

- ▶ **Vacancy Rate and Management Turnover:** Throughout all of FY 26, Public Works has experienced a vacancy rate among career positions at about 8-10%. This is an improvement from the FY24 vacancy rate among career positions of 15-18%. In calendar 2025, the department turned over the City Engineer and one Deputy Director, with Department Director turnover following in the first half of 2026. Staff have worked hard in coordination with Human Resources in expediting internal processes to fill positions more quickly and reduce the vacancy rate, with a current focus on filling top executive positions.
- ▶ **Key Challenged Funds/Programs:**
 - ▶ For both the **On-Street Parking Fund (Meters)** and **Off-Street Parking Fund (Garages)**, Revenue has begun to approach pre-COVID levels, but the combined fund balance for both funds are still depleted and necessary capital outlays including funding for the citywide Parking Meter Replacement project is forecast to run the combined parking fund balances negative over the next two fiscal years. Staff have developed several recommendations for council action to increase revenue and decrease program expenses to address the negative parking fund balance trajectory.
 - ▶ **Equipment Maintenance Fund** has depleted its fund balance and is trending negative due to rising fuel outlays and Fleet program expenses that are not able to be collected via the current internal service fund cost recovery mechanisms. An Equipment Maintenance Fund rate update was proposed, but not adopted for the FY 27/28 budget due to impacts on other Department's budgets.
 - ▶ **Building Purchases and Management Fund (1947 Center Street)** fund balance is negative due the complete vacancy of the 6th floor, which previously was leased as a premium floor to an outside organization. The space has been reserved for IT's Department's planned move since 2021, but the move was delayed originally due to COVID-19 impacts and has not yet occurred, with no funds being paid into the fund. A new methodology and rate update in FY 27/28 was proposed for the Building Purchases and Management Fund, but not adopted. The most critical issue is resolving occupancy of the 6th floor of 1947 Center Street (whether with an internal department or an outside agency) to generate lease revenue.
 - ▶ **Critical Unfunded Needs:** Public Works is charged with the maintenance of city facilities and public right-of-way infrastructure. Recurring funding to support maintenance of this infrastructure remains perennially underfunded. The longer the

asset's maintenance is deferred, the greater the future costs are to repair or replace. A FY 26 revised estimate of these assets under the department's portfolio projects an accumulated \$1.8 billion in deferred maintenance costs and needed improvements.

- ▶ **Rate-Setting Timing and Zero Waste Fund Conditions:** Based on current financial trends and fund balance projections, the City may need to return to Council prior to FY 2028 to adopt an updated rate schedule. This need is driven by a combination of structural cost increases and emerging fiscal pressures impacting the Zero Waste Fund. The Fund has faced significant fiscal challenges over the past few years, including rising disposal and recycling contract costs, expanded regulatory compliance and support services, required improvements to maintain compliance with the facility's discharge permit, and capital improvement needs associated with the aging Transfer Station facility. An additional cost escalator is the Cesar Chavez Park Closed Landfill, where maintenance and regulatory compliance costs have escalated from approximately \$250,000 annually to an estimated \$3.2 million in FY 2027.

Accomplishments

Highlights of recent Public Works Department accomplishments include:

- ▶ **Completion of the Citywide Berkeley Daylighting Project:** The department has completed painting red curbs at 1,680 intersections in Berkeley, making walking, cycling, rolling and driving safer for everyone. The completion of this work makes Berkeley one of the first cities of its size in California to comprehensively address "daylighting" -- red curb painting for up to at least 20 feet on the right side of a two-way street or both sides of a one-way street. This state mandate (AB 413) provided no funding, and Berkeley took a collaborative approach, with the City Council, city staff and residents all making the completion of work possible.
- ▶ **Project Award Recognition:** The City has two completed projects that are finalists for awards by the California Transportation Foundation (CTF) at their 37th Annual Transportation Awards for 2026. These include the I80 Gilman Interchange Improvement Project Phase II and the Southside Complete Streets Project. Completed in FY 25, the I80 Gilman project was a joint effort with our agency partners at the Alameda County Transportation Commission (ACTC) and Caltrans. After a two-phase buildout, the project includes modern roundabouts on both sides of the interstate, a bicycle and pedestrian overcrossing above the freeway, a new street-level bicycle/pedestrian pathway through the interchange and a new connection to the Bay Trail, which closed the gap between Berkeley and Albany. The Southside Complete Streets construction started in FY 24 and ended in FY26 and includes the following improvements:

-Two-way cycletracks for bicycles, which are bikeways in the roadway that are separated from vehicular traffic by concrete curbs, parked cars, or a combination.

-Pedestrian crossing improvements in the form of a raised crosswalk at the Bancroft-to-Fulton slip ramp, a raised intersection at the Bancroft-Telegraph intersection, new higher-visibility crosswalk markings throughout the project limits, and accessible curb ramps at specifically-evaluated locations.

-Traffic signal improvements throughout the project limits, including separate signal phases for bikes/peds versus vehicles, improved visual detection equipment, new signals at the Bancroft/Barrow intersection, and signal prioritization for buses along Bancroft.

-Bus-only lanes on Bancroft, from College to Shattuck: the portion of Bancroft with the highest bus volumes.

The department is proud to have these two examples of our staff's excellent work recognized as in this prestigious awards ceremony.

- ▶ **Technology Upgrades:** The department successfully transitioned from Lagan, its previous government to citizen (G2C) customer relations manager software, to Catalis in February 2025. Public Works supported this transition through working with the City's Information Technology (IT) Department and Catalis representatives to review proposed service categories and perform testing of the new system. Public Works continues working closely with IT during not only the initial launch, but Phase 2 of launch by making additional recommendations to streamline service categories and support the user experience of staff.

Public Works is also working to support other software systems implemented for the department. Public Works Operation staff continues to support the NexGen Work Order Management Software providing trainings to users, and working with NexGen to implement modifications to the system's interface and reporting capacities. Equipment Maintenance Division successfully launched Assetworks Fleet Management software in May 2025 and continues its use in daily operations to manage the City's fleet assets and support the billing needs of both the division and departments that pay into the Equipment Replacement and Equipment Maintenance Internal Service Funds.

- ▶ **Bike Plan Update:** The 2026 Berkeley Bicycle Plan Update (2026 Plan Update) was initiated in 2022 but suspended later that year due to staffing shortages in the Public Works department. In 2024 Berkeley Public Works restarted the planning process, leveraging data collection and outreach efforts from 2022 and continuing those efforts in 2025. Public engagement highlighted the need to continue delivering a bikeway network for people of all ages and abilities, including families, school-aged children, seniors, and persons with disabilities. The 2026 Plan Update is a limited update focusing primarily on reporting on progress implementing the previous Plan, updating the proposed bicycle network, updating bicycle boulevard design guidelines, highlighting five key projects for implementation, and compiling estimated costs for the implementation of the network. Council will consider adoption of the 2026 Plan Update prior to the FY 27-28 Budget Adoption.
- ▶ **Zero Waste Strategic Plan Completion:** The Zero Waste Strategic Plan (Plan) is complete and scheduled to be brought forward to Council for adoption in early FY 2027. The Plan reflects a comprehensive, multi-year effort informed by extensive stakeholder engagement, including community members, Councilmembers, Commissioners, and staff. The City's current rate resolution is in effect through FY 2028. A comprehensive financial analysis is included within the Plan, evaluating projected costs and fiscal impacts over the next five years. Based on this analysis, recommended rate adjustments will be developed and presented to Council alongside the Strategic Plan for consideration and adoption. These recommendations are intended to ensure sufficient revenue to cover operating expenses, maintain appropriate fund reserves, support new and expanded diversion programs, and fund critical infrastructure investments necessary to meet the City's Zero Waste goals.

The Plan includes 31 initiatives that span short-term (1–3 years), medium-term (3–5 years), and long-term (5–10 years) implementation horizons. Near-term actions focus on program enhancements and operational improvements, while medium- and long-term initiatives include amendments to existing ordinances and the expansion of Zero Waste programs to increase diversion. Currently, the City’s diversion rate is approximately 76 percent. The Plan establishes a roadmap to achieve a 93 percent diversion rate over the 10-year planning period through a coordinated approach of policy, programmatic, and infrastructure investments.

- ▶ **Fleet Electrification:** Public Works continues to purchase electric vehicles whenever possible and now has 66 fully electric vehicles.

Significant Changes from Prior Year's Budget

The FY 27 Proposed Budget is \$234,458,957 and translates to an overall increase of 25.3% or \$47,395,073 over the FY 26 Adopted Budget of \$187,063,884. These increases are largely restricted to capital, program-specific funding, primarily due to Measure FF addition of \$29,136,256, or 56.44% of increase. Capital outlay funding increased by \$14,459,252, or 28.98%, primarily from the State Transportation Tax, \$5,158,892, and Sanitary Sewer Fund, \$8,122,865. Zero Waste operating costs increased by \$3,311,060, or 6.64%, and Equipment Replacement increase of \$1,912,541 or 3.83% of total increase.

The FY 27 and FY 28 Adopted Budget includes the following budget reductions:

- ▶ 15 positions were reduced, for a total reduction amount of \$2,473,191 in FY 27, and \$2,581,224 in FY 28.
- ▶ \$250,000 in operating costs at the Corporation Yard were reduced in FY 27 and FY 28.
- ▶ 51 positions were cost shifted and moved off the General Fund-011, Capital Improvement Fund-501, Off-Street Parking Fund-627, Building Purchases and Management (1947 Center St.) Fund-636, and Building Maintenance Fund-673. Total amounts of \$4,186,719 for FY 27, and \$4,630,701 for FY 28.

Additional changes:

- ▶ **Investment in Staff:** Public Works has added three new positions to support the work associated with 2024 voter approved Measure FF: Sustainable and Accountable Funding for Equitable Street Transformation, Revitalization, Enhancements, and Essential Traffic Safety (Measure FF). These three roles, a Principal Program Manager, Supervising Civil Engineer and Associate Civil Engineer were approved by Council in early FY 25. Additionally, the department reorganized existing budgeted positions to add two additional roles to be focused on Measure FF work, an Associate Management Analyst and a Program Manager 1. Hiring of the Principal Program Manager, Supervising Civil Engineer, and Program Manager 1 were completed in Q3 of FY 26, with an Associate Civil Engineer anticipated in Q4 of FY26 or Q1 of FY 27. The Associate Management Analyst position was frozen in FY26, due to citywide staffing reductions.
- ▶ **Capital Investment:** Proposals to continue to the elevated annual Capital Improvement Fund allocations to Streets (>\$8.0+ million/yr). This ongoing funding level will be critical in improving . The city-wide PCI of 57.FY 2027 will also see significant construction underway for approved projects for Phase 2 of the Measure T1 Infrastructure Bond.
- ▶ **Community Investment through Measure FF:** Measure FF authorizes an annual parcel tax of \$0.17 per square foot for residential properties and \$0.25 per square foot for other properties over a 14-year period. This measure is projected to generate approximately \$15 million annually, dedicated to funding street and sidewalk repairs, safety improvements, and environmental infrastructure projects. In addition to the increased baseline for Capital Improvement funding, Measure FF will provide an estimated \$6.75 million annually for streets (legislative requirement through Measure FF). While the additional Capital Improvement paving funds and Measure FF is a major investment and will help deliver needed street, sidewalk, safety, and environmental infrastructure improvements, it does not eliminate the long-term deferred maintenance backlog.

Performance Measures Summary

The below table summarizes the Public Works Department's performance measures.

Division	Measure	Description	Target	Actual	Tracking
Transportation & Engineering	Pavement Condition Index (PCI)	Numerical rating of pavement condition based on type and severity of distress observed ⁽¹⁾	▲	<ul style="list-style-type: none"> • Network Average: 56 • Arterial: 59 • Collector: 64 • Residential/Local: 54 	●
Zero Waste	Percent of Waste Diverted from Landfill	Calculated using CalRecycle's online calculator	▲	<ul style="list-style-type: none"> • 2024: 77% • 2025: 79% 	●
Transportation & Engineering	Pavement Rehabilitation*	Actual number of miles that have been rehabilitated at all levels of Pavement Condition.	▲	• 20.58 miles	●
Transportation & Engineering	Traffic Safety Projects*	Total number of Traffic Safety Projects completed annually; target is to increase numbers ⁽²⁾	▲	<ul style="list-style-type: none"> • 6 - large (corridor or city-wide) capital improvement projects • 10 - small to medium localized pedestrian, bike, vision zero projects • 4 - school drop off/pick-up and school bus projects in concert with schools • 15 - residential block traffic calming safety enhancement projects 	●
Engineering & Streets and Utilities	Sewer Rehabilitation	Total miles of Sewer Rehabilitation completed; target is 22,000 Linear Feet per year	▲	• 26,000 Linear Feet	●
Engineering & Operations	Green Infrastructure*	Number of acres of impervious area treated by green infrastructure constructed during the current Municipal Regional Stormwater Permit term ⁽³⁾	▲	• On track to treat 5 acres by end of FY 2027	●

Division	Measure	Description	Target	Actual	Tracking
Operations	Illegal Dumping Remediation	Timeframe from Service Request Generation to pick up of Illegal Dumping; target is to decrease average days with a maximum of three working days	▼	• 1.16 days on average per request	●
Operations	City Fleet Zero Emission	Percent of zero emission vehicles in the City's Fleet *(among eligible vehicle classes)	▲	• Currently 11.4% of the eligible vehicle classes are zero emissions	●

- Meeting/exceeding target ▲ Target is to increase numbers/percentages
- Near target ▼ Target is to decrease numbers/percentages
- Not meeting target

* Measure FF, approved by voters in 2024, includes requirements for additional work in these areas.

- (1) The citywide PCI reflects a substantial deferred maintenance backlog accumulated over decades. Even with additional Measure FF investment, the scale of the backlog means network-wide PCI improvement will be gradual. Current funding is stabilizing conditions and preventing further decline across all functional classifications.
- (2) Safety projects include large Capital Improvement Projects along corridors or city-wide efforts, small/medium projects focused on pedestrian/bike/vision zero improvements typically in localized locations, safety enhancements responding to neighborhood traffic calming requests, and school zone pickup/drop-off and school bus improvements.
- (3) The current Municipal Regional Stormwater Permit (Order No. R2-2022-0018) term runs from July 1, 2022 through June 30, 2027. During this permit term, the City is required to construct green infrastructure to treat a minimum of 5 acres of impervious surface.

Non-Departmental (All City Funds)

The Non-Departmental budget contains critical pieces of the City budget not attributable to a single program or department. The largest component of this budget is the transfer of funds or money from one fund to another, such as a **General Fund transfer to the Capital Improvement Fund**.

For FY27, the General Fund (011) proposed non-departmental budget is \$49.6 million and \$50.1 million in FY28. The total for all other funds in FY27 is \$48.9 million and in FY28 is \$40.4 million. The grand total non-departmental budget in FY27 is \$98.5 million and in FY28 is \$90.5 million.

Some examples of other transfers include the following:

- ▶ General Fund to Measure U1
- ▶ General Fund to Stability Reserve Fund and the Catastrophic Reserve Fund
- ▶ General Fund to the PERS Savings Fund (Section 115 Trust)
- ▶ General Fund to Health State Aid Realignment Fund
- ▶ General Fund to the Public Liability Fund
- ▶ General Fund to the Catastrophic Loss Fund
- ▶ General Fund to Fair Elections Fund
- ▶ General Fund to Equipment Replacement Fund
- ▶ Health State Aid Realignment to the General Fund
- ▶ Measure U1 to Local Housing Trust Fund

Because most transfers are budgeted in two separate funds, the Non-Departmental budget and in an operating Department budget, they are considered “dual appropriations.” Dual appropriations, amounts that are designated in different areas, are balanced in the budget for a net appropriation amount.

Other components of the Non-Departmental budget include:

- ▶ Debt service costs for General Obligation Bonds and other debt obligations
- ▶ Lease Purchase Agreements
- ▶ Certificates of Participation (C.O.P.s)
- ▶ Allocation for Community-Based Organizations
- ▶ General overhead costs such as Property and Liability Insurance
- ▶ Cost of audits by outside auditors, actuarial services, and similar services
- ▶ School Board Salaries

Strategic Plan Priority Projects and Programs

Department	Goal	Supporting Departments	Title	Description	Start/End	New/Continuing	Estimated Budget
Various Departments	Provide state-of-the-art, well-maintained infrastructure, amenities, and facilities	Various Departments	Enterprise Resource Planning and Legacy Systems Modernization	Continued implementation and enhancement of the City's Enterprise Resource Planning system, Tyler ERP, and related enterprise technology solutions. This work includes electronic time and attendance, expanded Employee Access functionality, migration of Accounts Receivable and General Billing from the legacy FUNDS system to Tyler ERP, implementation of the RFP module and Vendor Self Service, and the broader multi-year replacement of legacy FUNDS functions with modern, integrated systems. Key FUNDS replacement efforts include a master address and parcel database, Zero Waste management and billing system, modernized AR/GB functions, and property and parcel-based tax system improvements.	Ongoing	Continuing	Staff Time
City Auditor	Provide state-of-the-art, well-maintained infrastructure, amenities, and facilities	Human Resources	Payroll Manual and Internal Controls Update	Development of a comprehensive Payroll Manual that documents all payroll processes, policies, and procedures.	March 2026 – March 2027	New	Staff Time
City Auditor	Provide an efficient and financially healthy City government	Human Resources	Whistleblower Program: Enhancing Staff Awareness and Reporting Education	Implementing targeted training and communication strategies to increase staff awareness about fraud, waste, and abuse reporting through the Whistleblower hotline.	July 2026 – June 2028	New	Staff Time
City Auditor	Provide an efficient and financially healthy City government	Various Departments	FY 2027 and FY 2028 Performance Audit Plans	Initiate performance audits included in the annual audit plans, including Rent Board, Measure FF, and other areas based on identified risks and community need.	June 2027 – July 2028	Continuing	Staff Time
City Auditor	Provide an efficient and financially healthy City government	Various Departments	Audit Recommendation Implementation Tracking and Follow-Up	Tracking implementation of open audit recommendations across prior performance audits, including but not limited to the 2009 Leases Audit, Fleet Replacement Fund Audit, Staffing Shortage Audit, Berkeley Restaurant Inspections Audit, and Homelessness Response Team Audit.	Ongoing	Continuing	Staff Time
City Clerk	Provide an efficient and financially healthy City government	City Manager, City Attorney, Information Technology	2026 General Municipal Election	Administration of all phases of the November 3, 2026 General Municipal Election including submission of city ballot measures to the County, candidate filing, ballot measure arguments, campaign finance reporting, public financing, and other associated tasks.	January 2026 – March 2027	Continuing	\$1,200,000

Strategic Plan Priority Projects and Programs (Continued)

Department	Goal	Supporting Departments	Title	Description	Start/End	New/Continuing	Estimated Budget
City Clerk	Be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community	Information Technology, Health, Housing, and Community Services, Public Works	Hybrid Commission Meetings	Implementation and continued support for commissions to hold hybrid meetings to allow for remote public participation.	December 2024 – August 2026	Continuing	\$110,000
City Clerk	Be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community	City Manager, Berkeley Unified School District	BUSD Boardroom AV Renovation	Complete renovation of the audio visual infrastructure at the BUSD Boardroom. The project will be managed and funded by BUSD with the City and Berkeley Community Media as partner entities. The \$5,000 budget is for potential minor city expenses related to implementation.	April 2024 – January 2025	New	\$5,000
City Clerk	Provide an efficient and financially-healthy City government	Various Departments	New State-Mandated Financial Training	Pursuant to SB 827, some employees and all appointed and elected officials must complete a financial training course.	January 2026 – Ongoing	New	\$12,000
City Manager's Office	Champion and demonstrate social and racial equity	Health, Housing, and Community Services, Parks, Recreation and Waterfront	African American Holistic Resource Center	Delivering full service community engagement and support models in the new building to be completed April 2028.	December 2026 – Ongoing	New	Staff Time Budget TBD
City Manager's Office	Attract and retain a talented and diverse City government workforce	Various Departments	Team Unity	Delivering City of Berkeley All-staff event, engagement activities, and years-of-service appreciations to support morale, collaboration, and organizational cohesion.	Ongoing	Continuing	\$50,000
City Manager's Office	Champion and demonstrate social and racial equity	Police, Health, Housing, and Community Services	Berkeley CareBridge	Implementation of Berkeley CareBridge, a post-arrest diversion and reentry support pilot focused on connecting eligible individuals with behavioral health needs to transitional housing, substance use treatment, mental health support, care coordination, and system navigation.	January 2026 – December 2029	New	\$8,000,000 (grant funded)
City Manager's Office	Foster a dynamic, sustainable, and locally-based economy	N/A	Berkeley Ventures, Berkeley Values	Sustaining the "Berkeley Ventures, Berkeley Values" program to leverage local tech sector skills, wealth, and other resources to support equitable and inclusive growth.	Ongoing	Continuing	\$10,000

Strategic Plan Priority Projects and Programs (Continued)

Department	Goal	Supporting Departments	Title	Description	Start/End	New/Continuing	Estimated Budget
City Manager's Office	Provide state-of-the-art, well-maintained infrastructure, amenities, and facilities	Public Works	Civic Center Phase III	Civic Center Plan (Vision Plan and Design Concept are complete) - Phase III is on deepening the basis of design and obtaining funding for project completion for Civic Center's two city-owned buildings Veterans Memorial (1931 Center St) and Maudelle Shirek (2134 MLK Jr Way). These buildings, once rehabilitated to current seismic code, will return to public use for civic and cultural groups.	Ongoing	Continuing	Staff Time Budget TBD
City Manager's Office	Champion and demonstrate social and racial equity	N/A	Public Art Program Strategic Plan	The Public Art Program Strategic Plan will identify strategies, policy updates, best practices, and project priorities to stabilize and strengthen the program so it more effectively reflects community values and needs.	January 2026 - June 2027	Continuing	\$110,000
City Manager's Office	Be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community	Various Departments	Digital Accessibility	Ensure the City of Berkeley website meets WCAG 2.1 AA accessibility standards, as required by federal law. Conduct audit, develop workplan, train staff, and implement processes to ensure accessible content.	Ongoing	New	Staff Time Budget TBD
City Manager's Office	Be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community	Finance, Information Technology	Online Dog Licensing	Create an online platform for dog licensing using a third-party software platform.	Ongoing	Continuing	\$11,000 startup/\$3,840 annually
City Manager's Office	Provide state-of-the-art, well-maintained infrastructure, amenities, and facilities	Public Works	Illegal Dumping Enforcement	Pilot a streamlined means for enforcement against properties identified as chronic illegal dumping sites.	Ongoing	New	~\$1500/ annually
City Manager's Office	Provide an efficient and financially-healthy City government	City Attorney's Office	Update BMC Title 10	Update BMC Title 10 (Animals) to achieve better alignment with industry best practices and State law.	January 2026 - December 2027	New	Staff Time
Finance	Provide an efficient and financially-healthy City government	N/A	Advanced Fiscal Policies	Implement recommendations for the Formulation of Advanced Fiscal Policies to Institutionalize Strategic Bond Issuance, Optimize Municipal Investment Returns, and Leverage Intergovernmental and Philanthropic Capital Funding.	July 2026 - June 2027	New	\$150,000

Strategic Plan Priority Projects and Programs (Continued)

Department	Goal	Supporting Departments	Title	Description	Start/End	New/Continuing	Estimated Budget
Fire	Create a resilient, safe, connected, and prepared City	N/A	Strategic Visioning	Complete strategic visioning process to establish meaningful performance metrics.	January 2026 – December 2026	New	\$50,000
Fire	Provide state-of-the-art, well-maintained infrastructure, amenities, and facilities	City Attorney's Office, City Manager's Office, Finance, Information Technology, Public Works	Fire Headquarters	Complete tenant improvements to the new Fire Headquarters facility and move in.	August 2025 – June 2026	Continuing	\$20,000,000
Fire	Provide state-of-the-art, well-maintained infrastructure, amenities, and facilities	City Attorney's Office, City Manager's Office, Finance, Information Technology, Public Works	Fire Headquarters Purchase	Complete the purchase of the new Fire Headquarters facility per the terms of the lease agreement by issuing bonds.	June 2026 – December 2028	New	\$28,000,000
Fire	Be a global leader in addressing climate change, advancing environmental justice, and protecting the environment	City Attorney's Office, City Manager's Office, Parks, Recreation, and Waterfront	EMBER Program	Complete a successful implementation of EMBER/Zone 0 in the Grizzly Peak and Panoramic Mitigation Area.	Ongoing	New	\$1,500,000
HHCS	Champion and demonstrate social and racial equity	Planning, Parks, Recreation, and Waterfront, Public Works	Community Health Improvement Plan	Convene advisory teams for each priority area identified in the CHIP. Teams will consist of City staff and community leaders, and will be tasked with identifying smart objectives and measures.	January 2026 – June 2027	New	Staff Time
HHCS	Be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community	City Manager's Office	Pathways Accreditation Recognition	HHCS has submitted an application to CDPH and the PH Accreditation Board to complete the 1st phase of departmental accreditation. Project includes identifying and providing documentation that demonstrates our competency in various performance areas.	February 2026 – December 2026	New	\$8,000

Strategic Plan Priority Projects and Programs (Continued)

Department	Goal	Supporting Departments	Title	Description	Start/End	New/Continuing	Estimated Budget
HHCS	Be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community	Planning, Parks, Recreation, and Waterfront, Public Works	Age-Friendly Action Plan Revision	Revise Age-Friendly Action Plan developed in 2018.	July 2026 – June 2027	Continuing	Staff Time
HHCS	Create affordable housing and housing support services for our most vulnerable community members	Planning, Finance	South Berkeley Affordable Housing Projects	Community Housing Development Corporation is developing two new 100% affordable housing projects in South Berkeley, both on church-owned land. Over \$33.8M in City housing funds will support the development of St. Paul Terrace (50 units) and Ephesian Legacy Court (80 units), both of which anticipate starting construction in late FY26 and completing construction in late FY28.	June 2026 – December 2028	New	\$33,800,000
HHCS	Create affordable housing and housing support services for our most vulnerable community members	Planning, Finance	BART-Transit Oriented Housing Development	The City contributed Measure O bond funds to support the development of affordable housing on former surface parking lots at the North Berkeley and Ashby BART stations. Over 1,300 total units are planned with more than half designated as affordable; construction projected to begin in 2027.	January 2026 – June 2030	New	\$53,000,000
HHCS	Provide an efficient and financially-healthy City government	Various Departments	Transition from MHSA to BHSA (Prop 1)	Programmatic and fiscal transition for HHCS Mental Health Division.	January 2026 – June 2026	New	Staff Time

Strategic Plan Priority Projects and Programs (Continued)

Department	Goal	Supporting Departments	Title	Description	Start/End	New/Continuing	Estimated Budget
HHCS	Be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community	City Manager's Office	Implement SB 479 Homelessness Multi-Disciplinary Team	A Multidisciplinary Personnel Team (MDT) is a specialized group of professionals from various fields—such as mental health, law enforcement, housing, and healthcare—who collaborate to provide comprehensive care for unhoused individuals. Established under Welfare and Institutions Code § 18999.8, these teams are designed to “wrap around” a client, facilitating the expedited identification and assessment of their needs to link them quickly with housing and supportive services. The primary legal advantage of an MDT is the ability for members to share confidential information across agency lines. This bridges the gap between restrictive state privacy laws and federal HIPAA standards, ensuring that care is coordinated rather than duplicated and preventing negative outcomes like unnecessary hospitalizations or 5150 holds during encampment resolutions.	July 2026 – June 2027	New	Staff Time
HHCS	Be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community	Finance	Implement Restaurant Placarding Program	Environmental Health Division to develop a restaurant placarding system, including the development of protocols, staff training and restaurant operator training.	July 2026 – December 2027	New	\$345,000
Human Resources	Provide an efficient and financially-healthy City government	City Manager's Office, Information Technology	HR Guide Development	Develop a centralized, accessible HR Guide for employees and supervisors.	July 2026 – June 2027	New	Staff Time
Human Resources	Attract and retain a talented and diverse City government workforce	City Manager's Office	Employee Benefits Literacy Campaign	Develop and execute an annual Benefits Communication Plan including monthly benefits communications and quarterly workshops/webinars for employees.	July 2026 – June 2028	New	Staff Time
Human Resources	Attract and retain a talented and diverse City government workforce	Various Departments	Citywide Training Program	Conduct department-level training needs assessments and develop a Citywide Training Strategic Plan identifying priority training areas, delivery methods, and implementation roadmap.	July 2026 – June 2029	New	Staff Time Budget TBD

Strategic Plan Priority Projects and Programs (Continued)

Department	Goal	Supporting Departments	Title	Description	Start/End	New/Continuing	Estimated Budget
Human Resources	Attract and retain a talented and diverse City government workforce	Various Departments	Classification System Development	Strengthen career pathways and succession planning through improved classification structure. Inventory all classification series across the City and develop career ladder documentation for priority classification series to support succession planning and workforce development.	July 2026 – June 2030	Continuing	Staff Time Budget TBD
Human Resources	Provide an efficient and financially-healthy City government	Various Departments	Workers' Compensation Program Assessment & Stabilization	Conduct a comprehensive assessment of the City's Workers' Compensation program, including analysis of claim timelines and cost drivers, evaluation of third-party administrator (TPA) performance, and development of improved internal tracking and oversight processes. Identify operational and policy strategies to strengthen claim management practices and mitigate long-term program costs.	July 2026 – June 2028	New	Staff Time Budget TBD
Information Technology	Provide state-of-the-art, well-maintained infrastructure, amenities, and facilities	Various Departments	Legacy System Modernization (FUND\$ Replacement)	Replace aging FUND\$ platform components with modern SaaS systems. Establish a master address and parcel database, migrate billing functions to operational systems, and implement modern waste management software. Improves reliability, reduces reliance on unsupported legacy technology, and modernizes revenue-related systems.	January 2025 – December 2028	New	\$1,975,000
Information Technology	Provide state-of-the-art, well-maintained infrastructure, amenities, and facilities	Various Departments	Network & Infrastructure Resiliency	Replace aging network hardware and increase network bandwidth to support modern cloud applications and City operations. Improves reliability, cybersecurity posture, and performance across all City facilities.	January 2025 – December 2028	New	\$1,200,000
Information Technology	Provide state-of-the-art, well-maintained infrastructure, amenities, and facilities	Various Departments	Enterprise Data Integration & Platforms	Implement standardized data integration across City systems to improve data sharing between SaaS and on-premise platforms. Maintain ServiceNow platform currency to ensure continued service management capabilities.	January 2025 – December 2028	New	\$760,000
Information Technology	Create a resilient, safe, connected, and prepared City	Various Departments	GIS Data Governance & Mapping	Establish a governance, also known as a system of record, for City spatial data, improve departmental GIS layers, and update GIS security standards. Enables reliable mapping, better data sharing across departments, and stronger protection of geospatial data.	January 2025 – December 2027	New	\$110,000

Strategic Plan Priority Projects and Programs (Continued)

Department	Goal	Supporting Departments	Title	Description	Start/End	New/Continuing	Estimated Budget
Planning	Be a global leader in addressing climate change, advancing environmental justice, and protecting the environment	Public Works	Solar + Storage in Municipal Facilities	Participate in Ava Community Energy's Critical Municipal Facilities program, to install solar and storage on City facilities for clean, resilient power	July 2020 – December 2026	Continuing	Staff Time
Planning	Be a global leader in addressing climate change, advancing environmental justice, and protecting the environment	Information Technology	Building Emissions Savings Ordinance Mandatory Requirements	Implement new time-of-sale requirements, effective Jan 1, 2026, for 1-4 unit residential buildings to reduce energy use, water consumption, and GHG emissions and improve resilience and public health. Continue research on options for a future Building Performance Standard (BPS) for larger existing buildings.	July 2015 – June 2028	Continuing	\$168,000
Planning	Be a global leader in addressing climate change, advancing environmental justice, and protecting the environment	Parks, Recreation, and Waterfront, Public Works	East Bay Crescent Regional Shoreline Planning	Participate in regional coordination and grant-funded study for a vulnerability assessment and shoreline adaptation planning.	March 2026 – December 2028	New	\$223,151 (grant funded)
Planning	Be a global leader in addressing climate change, advancing environmental justice, and protecting the environment	N/A	Existing Building Electrification Programs	Support equitable community engagement and implement low-to-moderate income existing home electrification programs through the Climate Equity Fund and Just Transition Pilot Programs	May 2022 – December 2026	Continuing	\$600,000 Climate Equity Fund and \$1.5M Just Transition
Planning	Be a global leader in addressing climate change, advancing environmental justice, and protecting the environment	City Attorney's Office	Green Building Code Adoption and Implementation	Adopt local amendments to the CA Energy and CAL Green Codes and develop tools necessary for successful implementation.	July 2025 – July 2027	Continuing	Staff Time
Planning	Create affordable housing and housing support services for our most vulnerable community members	City Attorney's Office	Pilot Accessory Dwelling Unit (ADU) Amnesty Program	Continue and expand amnesty program for ADUs that incentivizes legalization, ensures minimum health and safety standards are maintained, and preserves current housing stock.	January 2022 – December 2028	Continuing	Staff Time

Strategic Plan Priority Projects and Programs (Continued)

Department	Goal	Supporting Departments	Title	Description	Start/End	New/Continuing	Estimated Budget
Planning	Create affordable housing and housing support services for our most vulnerable community members	N/A	Transit Corridor Upzoning	Develop Objective Standards for development review and to update zoning to increase housing capacity in transit corridors and neighborhood commercial districts. This phase will cover the Solano Avenue, North Shattuck, and College Avenue corridors.	June 2023 – March 2027	Continuing	\$600,000
Planning	Create affordable housing and housing support services for our most vulnerable community members	N/A	San Pablo Avenue Specific Plan	Prepare a specific plan. Zoning and General Plan amendments and appropriate CEQA document for the San Pablo Avenue Area.	April 2022 – June 2026	Continuing	\$1,000,000 (partially grant funded)
Planning	Create affordable housing and housing support services for our most vulnerable community members	Public Works	Ashby & North Berkeley BART Stations Area Planning	Planning activities for Transit-Oriented Development at the Ashby and North Berkeley BART Station areas, including coordination with BART, community engagement, adoption of objective design standards, entitlement review, and post-entitlement permitting.	April 2020 – June 2027	Continuing	\$300,000
Planning	Create a resilient, safe, connected, and prepared City	Health, Housing, and Community Services	Land Use, Safety & Environmental Justice Updates	Element updates required to meet State regulations; in addition, Environmental Justice Element is required to be adopted per SB1000.	June 2023 – January 2027	Continuing	\$852,000 (partially grant funded)
Planning	Provide an efficient and financially-healthy City government	City Manager's Office	Rezone Gilman Street to Maximize Revenue Productivity Per Acre	Conduct environmental review and economic analysis to amend the Zoning Ordinance and the General Plan to maximize revenue and productivity on Gilman Street.	March 2026 – December 2027	Continuing	\$350,000
Planning	Provide state-of-the-art, well-maintained infrastructure, amenities, and facilities	Finance, Public Works	Enhanced Infrastructure Financing District (EIFD) in Adeline Corridor area	Pursue formation of an Enhanced Infrastructure Financing District (EIFD) to finance infrastructure improvements at the Ashby Station Area and, potentially, elsewhere in the Adeline Corridor.	July 2025 – June 2027	New	\$200,000
Planning	Be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community	Fire, Information Technology, Public Works	Permit Software Project	Implement a new enterprise permitting software platform to support Building, Zoning, Fire, Public Works, and other City development permits. Replaces the City's legacy permitting system, integrate new software with other City systems, migrate historical permit data, staff training.	January 2024 – December 2027	New	\$5,100,000

Strategic Plan Priority Projects and Programs (Continued)

Department	Goal	Supporting Departments	Title	Description	Start/End	New/Continuing	Estimated Budget
Police	Attract and retain a talented and diverse City government workforce	Human Resources	Recruitment Efforts	Continued recruitment and retention efforts to net additional hires of sworn officers and public safety dispatchers so that all units are fully staffed and operational, and delivering high-quality service and public safety value to the community.	Ongoing	Continuing	Staff Time \$650,000
Police	Create a resilient, safe, connected, and prepared City	Information Technology, Public Works	Public Safety Tech Expansion	Acquisition and implementation of DFR (Drones), ALPRs, and fixed PTZ cameras.	January 2025 – June 2026	Continuing	Staff Time Budget TBD
Police	Be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community	Information Technology, Public Works	Communications Center Facility Expansion & Operational Modernization	This project involves the physical expansion of the Communications Center footprint to include additional dispatch workstations and desks to accommodate growth. In addition to facility upgrades, the department will implement new Emergency Dispatch Protocols for police and fire calls and focus on fully staffing PSD I positions to create a sustainable pipeline for PSD II dispatchers.	June 2026 – June 2027	New	Staff Time Budget TBD
Police	Provide state-of-the-art, well-maintained infrastructure, amenities, and facilities	Information Technology, Public Works	Jail Control Panel	Finalizing facility improvements and upgrading the control panel in the jail.	January 2025 – June 2026	Continuing	Staff Time Budget TBD
Police	Create a resilient, safe, connected, and prepared City	Information Technology, Public Works	Real-Time Information Center (RTIC)	Link live technology feeds directly to field operations through a dedicated unit led by a Senior Crime Analyst. This project builds operational workflows that bridge crime analysis and resource deployment. It ensures Patrol and Flex Teams are positioned where they are needed most based on real-time public safety information and historical trends.	January 2025 – December 2026	New	Staff Time
Police	Attract and retain a talented and diverse City government workforce	Human Resources	Mentorship Program	Launch of a formal mentorship program and increasing coaching and feedback loops across all divisions.	January 2025 – June 2026	New	Staff Time
Parks, Rec & Waterfront	Provide an efficient and financially-healthy City government	Various Departments	Capital Projects	Continue implementing capital improvement projects and leveraging grants, bonds, partnerships, and external funding opportunities to support critical infrastructure, facility modernization, climate resilience, accessibility, and long-term community sustainability citywide.	Ongoing	Continuing	Staff Time Budget TBD

Strategic Plan Priority Projects and Programs (Continued)

Department	Goal	Supporting Departments	Title	Description	Start/End	New/Continuing	Estimated Budget
Parks, Rec. & Waterfront	Be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community	N/A	Public Outreach	Increase Public Outreach through communications, community meetings, commissions, and subcommittees.	July 2026 – June 2027	Continuing	Staff Time
Parks, Rec & Waterfront	Provide an efficient and financially-healthy City government	N/A	Slip Occupancy	Increase Marina slip occupancy through targeted outreach, improved customer service, and operational strategies that support long-term Marina revenue and activation.	July 2026 – June 2027	New	Staff Time
Parks, Rec. & Waterfront	Provide an efficient and financially-healthy City government	City Manager's Office	Grant Strategy	Pursue grant funding opportunities to support Parks, Recreation and Waterfront projects, programs, infrastructure improvements, and community services.	July 2026 – June 2027	New	Staff Time
Parks, Rec. & Waterfront	Provide an efficient and financially-healthy City government	N/A	Fee-based Programming	Expand fee-based recreational programming to increase community participation, improve cost recovery, and support sustainable recreation services.	July 2026 – June 2027	New	Staff Time
Parks, Rec. & Waterfront	Be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community	N/A	Volunteer Opportunities	Expand staff-supported volunteer opportunities to strengthen community engagement, support park stewardship, and increase capacity for service delivery.	July 2026 – June 2027	New	Staff Time
Parks, Rec. & Waterfront	Champion and demonstrate social and racial equity	N/A	Tree Planting	Plant 1,000 trees per year in South and West Berkeley to expand urban canopy, advance climate resilience, and support environmental equity.	July 2026 – June 2027	New	\$800,000 (grant funded)
Public Works	Be a global leader in addressing climate change, advancing environmental justice, and protecting the environment	N/A	Zero Waste Rate Study	Proposition 218 5-year Rate Study to determine residential and commercial collections rates.	March 2026 – June 2027	Continuing	\$132,000
Public Works	Provide an efficient and financially-healthy City government	Various Departments	Lease Audit -- Updates	Continue coordinating cross-departmental implementation of lease audit recommendations and improvements to lease tracking, oversight, and administrative practices in response to the City's lease audit findings. Related work extends beyond Public Works and involves collaboration across multiple City departments and offices.	Ongoing	New	Staff Time Budget TBD

Strategic Plan Priority Projects and Programs (Continued)

Department	Goal	Supporting Departments	Title	Description	Start/End	New/Continuing	Estimated Budget
Public Works	Create a resilient, safe, connected, and prepared City	N/A	Update Vision Zero Plan	Provide new prioritized analysis for the High Injury Network including a proactive safety analysis, an updated action plan, and an easily understood quick-build toolkit.	July 2026 – December 2026	Continuing	\$175,000
Public Works	Create a resilient, safe, connected, and prepared City	N/A	Update Pedestrian Plan	Update the 2020 Pedestrian Plan reflecting updated vision zero high injury street network and new prioritized projects to support pedestrian safety, accessibility, and convenience.	July 2026 – December 2027	Continuing	\$350,000
Public Works	Provide state-of-the-art, well-maintained infrastructure, amenities, and facilities	Health, Housing, and Community Services	AHSC Grant Project Delivery of Infrastructure Improvements	North Berkeley BART (TOD) Bridge 1 (AHSC Cycle 8) is funding Bike lanes along 6th Street from University Ave. to Camelia Street and 5 bus stop bulb outs along East University and Shattuck	July 2026 – June 2028	Continuing	\$4,100,000
Public Works	Provide an efficient and financially-healthy City government	N/A	goBerkeley, Citywide Metered Parking Program update	Implementation of goBerkeley on-street parking program enhancements including extending evening meter hours, Sunday parking regulations, extending program to additional high parking demand areas, and update the schedule of parking violations and fines.	July 2026 – June 2028	Continuing	Staff Time \$50,000
Public Works	Be a global leader in addressing climate change, advancing environmental justice, and protecting the environment	N/A	Update Stormwater Master Plan	Updating the Stormwater Master Plan.	January 2024 – December 2026	Continuing	\$2,000,000
Public Works	Attract and retain a talented and diverse City government workforce	Human Resources, Information Technology	Front Line Supervisor and Manager Training Program	Ongoing training for front line supervisors, with consultant support and collaboration with HR and IT by quarter one of 2027.	December 2026 – April 2027	New	\$150,000



Office of the City Manager

Date: February 26, 2026
 To: Budget and Finance Policy Committee/City Council
 From: Paul Buddenhagen, City Manager
 Submitted by: Henry Oyekanmi, Finance Director
 Subject: FY 2026 Mid-Year General Fund Revenue Report

General Fund Revenue and Transfers Mid-Year FY 2026 vs Mid-Year FY 2025 Comparison

Revenue Categories	FY 2026				FY 2025				Comparison FY26 vs FY25	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Amount	%
	(a)	(b)	c=(b) - (a)	(d) = (b)/(a)	(e)	(f)	g=(f) - (e)	(h) = (f)/(g)	(i) = (b) - (f)	(j) = (i)/(f)
Secured Property	\$95,236,939	\$47,402,611	(\$47,834,328)	49.77%	\$89,887,496	\$45,385,988	(\$44,501,508)	50.49%	2,016,623	4.44%
Supplemental Taxes	3,400,000	684,808	(2,715,192)	20.14%	3,400,000	727,555	-2,672,445	21.40%	(42,747)	-5.88%
Unsecured Property Taxes	4,973,066	4,439,145	(533,921)	89.26%	4,648,038	4,165,858	-482,180	89.63%	273,287	6.56%
Property Transfer Tax	22,000,000	14,079,634	(7,920,366)	64.00%	19,000,000	11,918,015	-7,081,985	62.73%	2,161,619	18.14%
Property Transfer Tax-Measure P (New 12/21/2018)	9,100,000	6,586,501	(2,513,499)	72.38%	6,199,580	4,833,858	-1,365,722	77.97%	1,752,643	36.26%
Sales Taxes	19,106,713	9,623,130	(9,483,583)	50.37%	18,884,235	9,364,937	-9,519,298	49.59%	258,193	2.76%
Soda Taxes	1,147,387	405,897	(741,490)	35.38%	1,147,387	512,817	-634,570	44.69%	(106,920)	-20.85%
Utility Users Taxes	19,396,728	8,351,808	(11,044,920)	43.06%	17,700,000	9,047,804	-8,652,196	51.12%	(695,996)	-7.69%
Transient Occupancy Taxes	6,500,000	5,660,431	(839,569)	87.08%	7,688,065	4,249,236	-3,438,829	55.27%	1,411,195	33.21%
Less: TOT rebates owed (2)		(981,036)				(665,260)			(315,776)	47.47%
Short-term Rentals	1,400,000	641,433	(758,567)	45.82%	1,400,000	661,730	-738,270	1,400,000	(20,297)	-3.07%
Business License Tax	24,480,000	2,336,893	(22,143,107)	9.55%	23,664,000	1,338,858	-22,325,142	5.66%	998,035	74.54%
Recreational Cannabis	18,000		(18,000)	0.00%	18,000	19,017	1,017	105.65%	(19,017)	-100.00%
U1 Revenues	6,500,000	298,004	(6,201,996)	4.58%	6,500,000	128,163	-6,371,837	1.97%	169,841	132.52%
Residential Vacancy Tax (5)	3,500,000	363,780	(3,136,220)	10.39%	-	-	0		363,780	
Other Taxes (including Redemptions-Regular) (3)	5,453,059	3,852,627	(1,600,432)	70.65%	5,453,059	1,987,429	-3,465,630	36.45%	1,865,198	93.85%
Vehicle In-Lieu Taxes	20,055,853	9,904,792	(10,151,061)	49.39%	18,851,257	9,500,999	-9,350,258	50.40%	403,793	4.25%
Parking Fines-Regular Collections	5,900,000	3,666,656	(2,233,344)	62.15%	5,800,000	2,932,701	-2,867,299	50.56%	733,955	25.03%
Moving Violations	132,600	77,236	(55,364)	58.25%	132,600	73,119	-59,481	55.14%	4,117	5.63%
Ambulance Fees	8,900,000	4,593,148	(4,306,852)	51.61%	7,734,813	3,768,540	-3,966,273	48.72%	824,608	21.88%
Interest Income (4)	14,000,000	6,849,335	(7,150,665)	48.92%	13,500,000	7,735,188	-5,764,812	57.30%	(885,853)	-11.45%
Franchise Fees	1,822,528	246,401	(1,576,127)	13.52%	1,822,528	268,424	-1,554,104	14.73%	(22,023)	-8.20%
Other Revenue	8,000,000	4,619,244	(3,380,756)	57.74%	8,759,495	4,308,571	-4,450,924	49.19%	310,673	7.21%
IDC Reimbursement	7,070,256	3,045,997	(4,024,259)	43.08%	7,031,624	3,200,593	-3,831,031	45.52%	(154,596)	-4.83%
Transfers	23,842,130	18,763,010	(5,079,120)	78.70%	4,181,923	2,090,961	-2,090,962	50.00%	16,672,049	797.34%
			-				0		-	
Total Revenue:	\$311,935,259	\$155,511,485	-\$156,423,774	49.85%	\$273,404,100	\$127,555,101	-\$145,848,999	46.65%	\$27,956,384	21.92%

- Notes:
- (1) This statement is presented on a budgetary basis (i.e., cash).
 - (2) Includes the amount of TOT rebates paid during the period. A total of \$219,271 for November (\$121,558) and December (\$97,213) 2025 were still unpaid as of December 31, 2025
 - (3) Total Other Taxes includes Redemptions-Regular
 - (4) Excludes \$473,263 in CalPERS Prepayment Discount in FY 2026 and \$472,263 in FY 2025 that belongs to the Section 115 Pension Trust Fund
 - (5) New tax in FY 2026

General Fund revenue and transfers increased \$27,956,384 or 21.9%, from \$127,555,101 in the first half of FY 2025, to \$155,511,485 for the same period in FY 2026.

General Fund revenue (excluding transfers) increased \$11,284,335 or 9.0%, from \$125,464,140 in the first half of FY 2025, to \$136,748,475 for the same period in FY 2026.

Notable increases (decreases) in revenue and transfers during the first half of FY 2026 were the following:

Revenue Source	Amount
1. Secured Property Taxes	\$2,016,623
2. Property Transfer Taxes	2,161,619
3. Measure P Property Transfer Taxes	1,752,643
4. Utility Users Taxes	(695,996)
5. Transient Occupancy Taxes (TOT)	1,095,419
6. Other Taxes	1,865,198
7. Vehicle In Lieu Taxes (VLF)	403,793
8. Ambulance Fees	824,608
9. Interest Income	(885,853)
10. Transfers	16,672,049

FY 2026 FIRST HALF GENERAL FUND REVENUE/TRANSFERS DETAILS:

Secured Property Tax (+\$2,016,623 more than FY 2025 Actual

During the first half of FY 2026, Secured Property Tax revenues totaled \$47,402,611, which was \$2,016,623 or 4.44% more than the \$45,385,988 received for the same period in FY 2025. This result was consistent with the County's Certification of Assessed Valuation (received from the County in August 2025), which reflects growth of 4.22%. However, the FY 2026 Adopted Budget assumed a 5.5% increase and a base of \$90,271,980 (i.e., projected total collection for FY 2025). However, the actual collection for FY 2025 was \$89,041,388, primarily as a result of a 116.4% increase in the amount of Secured Property Tax refunds that were issued by Alameda County, from \$448,572 in FY 2024 to \$970,660 in FY 2025.

As a result, the Secured Property Tax Revenue projection is being decreased from \$95,236,939 to \$92,798,935.

Supplemental Taxes (-\$42,747 less than FY 2025 Actual)

During the first half of FY 2026, Supplemental Taxes totaled \$684,808, which was \$42,747 or 5.9% less than the \$727,555 received for the same period in FY 2025

The Supplemental Tax Revenue projection is being decreased from \$3.4 million to \$2.0 million, consistent with the FY 2025 actual of \$2.0 million.

Unsecured Property Tax (+\$273,287 more than FY 2025 Actual)

During the first half of FY 2026, Unsecured Property Tax revenues totaled \$4,439,145, which was \$273,287 or 6.56% more than the amount of \$4,165,858 received for the same period in FY 2025. This amount is greater than the County's Certification of Assessed Valuation growth of 5.87% for FY 2026. No changes will be made to the projections for FY 2026.

Please note that Unsecured Property Taxes are payable once a year and due August 31st.

Property Transfer Tax (+\$2,161,619 more than FY 2025 Actual)

During the first half of FY 2026, Property Transfer Tax totaled \$14,079,634, which was \$2,161,619 or 18.1% more than the \$11,918,015 received for the same period in FY 2025.

The primary reasons for the \$2,161,619 increase in Property Transfer Tax were the following:

- (1) The dollar value of property sales increased by \$182.0 million or 22.9%, from \$794.6 million in the first half of FY 2025 to \$976.6 million during the same period of FY 2026, as illustrated in Table 1 below.
- (2) There were three property sales of \$10 million or more, with total sales of \$265.9 million in the first half of FY 2026 compared to five property sales of \$10 million or more, with total sales of \$164.6 million in the first half of FY 2025; and,
- (3) The number of property sales transactions increased by 35 or 8.5% from 414 in the first half of FY 2025 to 449 during the same period of FY 2026, as illustrated in the Table 2 below.

Table 1- Property Sales In Million \$

	July	Aug	Sept	Oct	Nov	Dec	Total
FY 2025	\$163.30	\$111.00	\$79.30	\$167.50	\$195.40	\$78.10	\$794.60
FY 2026	\$143.30	\$123.10	\$83.80	\$190.70	\$327.70	\$108.00	\$976.60
Change	-20.0	+12.1	+4.5	+23.2	+132.3	+29.9	+182.0
% Change	-12.2%	10.9%	5.7%	13.9%	67.7%	38.3%	22.9%

Table 2-Number of Property Sales Transactions

	July	Aug	Sept	Oct	Nov	Dec	Total
FY 2025	75	72	55	69	86	57	414
FY 2026	104	74	58	61	94	58	449
Change	+29	+2	+3	-8	+8	+1	+35
% Change	+38.70%	+2.80%	+5.50%	-11.60%	+9.30%	+1.80%	+8.50%

The FY 2026 Property Transfer Tax Revenue projection is being increased from \$22 million to \$24 million.

Measure P-Property Transfer Tax (+\$1,752,643 more than FY 2025 Actual)

Measure P taxes totaling \$6,586,501 were collected during the first half of FY 2026, which was \$1,752,643 or 36.3% more than the \$4,833,858 collected during the same period of FY 2025.

This increase resulted primarily from the following:

- (1) An increase of \$163,3 million or 33.0% in the dollar value of property sales amount in the first half of FY 2026 versus those in the first half of FY 2025 as reflected in Table 3;
- (2) The number of property sales transactions increased by 9 or 6.4% during the first half of FY 2026, as illustrated in the Table 4 below; and,
- (3) There were three property sales of \$10 million or more totaling \$265.9 million during this six-month period in FY 2026, compared to five transactions with total property sales of \$164.6 million for the same period in FY 2025.

Table 3- Property Sales \$1.5 million+ In Million \$

	July	Aug	Sept	Oct	Nov	Dec	Total
FY 2025	\$113.9	\$55.9	\$31.3	\$123.5	\$137.5	\$33.3	\$495.4
FY 2026	68.3	70.0	39.1	146.4	267.0	67.9	\$658.7
Change	-45.6	+14.1	+7.8	+22.9	+129.5	+34.6	163.3
% Change	-40.0%	+25.2%	+24.9%	+18.5%	+94.2%	+103.9%	33.0%

Table 4- Property Transactions \$1.5 Million and Above

	July	Aug	Sept	Oct	Nov	Dec	Total
FY 2025	31	25	10	26	34	15	141
FY 2026	28	25	17	24	36	20	150
Change	-3	0	+7	-2	+2	+5	+9
% Change	-9.7%	0.0%	+70.0%	-7.7%	+5.9%	+33.3%	+6.4%

The Measure P1 Property Transfer Tax Revenue projection for FY 2026 is being increased from \$9.1 million to \$11.1 million.

Sales Tax (\$258,193 more than FY 2025 Actual)

For the first half of FY 2026 Sales Tax revenue totaled \$9,623,130, which was \$258,193 or 2.76% more than the \$9,364,937 received for the same period in FY 2025. The City's Sales Tax Consultant made the following FY 2026 Sales Tax Projections by category:

Category	Amount
General Retail	\$3,982,164
Food Products	\$6,266,918
Transportation	\$2,308,365
Construction	\$1,458,206
Business to Business	\$1,408,923
Miscellaneous	\$847,497
County Pool	\$3,976,608
State Pool	\$11,599
County Sharing	(\$1,012,588)
CDTFA Administration	(\$140,978)
Total	\$19,106,713

The actual mid-year Sales Tax Revenue of \$9,623,130 was \$12,921 below the projection of \$9,636,051. No changes will be made to the projections for FY 2026.

Utility Users Taxes (-\$695,996 less than FY 2025 Actual)

Utility Users Tax revenue for the first half of FY 2026 totaled \$8,351,808, which was \$695,996 or 7.69% less than the \$9,047,804 received for FY 2025.

This decrease of \$695,996 resulted from increases/decreases in the following categories, particularly the decrease in Electricity:

FY 2026 Actual Revenues Compared to FY 2025 Actual Revenues				
	FY2026	FY 2025	\$ Change	% Change
Telephone	\$ 422,501	\$ 443,221	\$ (20,720)	-4.67%
Cable	\$ 407,766	\$ 458,076	\$ (50,310)	-10.98%
Cellular	\$ 864,438	\$ 896,208	\$ (31,770)	-3.54%
Electric	\$ 5,317,812	\$ 6,001,290	\$ (683,478)	-11.39%
Gas	\$ 1,339,291	\$ 1,249,009	\$ 90,282	7.23%
Total	\$ 8,351,808	\$ 9,047,804	\$ 695,996	-7.69%

No changes will be made to the projection.

Transient Occupancy Tax (+\$1,095,419 more than FY 2025 Actual)

The total net Transient Occupancy Tax (TOT) revenue reported for the first half of FY 2026 totaled \$4,679,395 (after deducting \$981,036 in TOT rebates paid), which was \$1,095,419 or 30.6% more than the \$3,583,976 (after deducting \$665,260 in TOT rebates paid) received for the same period in 2025.

The increase was primarily attributable to:

- (1) the FY 2025 delinquent payment of \$1,075,110 plus penalties of \$155,034 and interest of \$31,227 that was made by one of the top six hotels during the first six months of FY 2026; and,
- (2) the top six hotels reported FY 2026 revenue increase of \$198,703, despite non-payment of one of the six largest hotels to pay any TOT in the six months of FY 2026. The latter hotel has filed for bankruptcy.

As a result, the TOT Revenue projection (after rebates are paid) is being increased from \$6.5 million to \$7.5 million.

Short-Term Rentals (-\$20,297 less than FY 2025 Actual)

Short-Term Rentals revenue for the first half of FY 2026 totaled \$641,433, which was \$20,297 or 3.1% less than the \$661,730 received for the same period in FY 2025. No change in projections.

Business License Taxes (+\$998,035 more than FY 2025 Actual)

Business license Taxes (BLT) revenue for the first half of FY 2026 totaled \$2,336,893, which is \$998,035 or 74.5% more than the \$1,338,858 received for the same period in FY 2025.

It is too soon to determine if this increase is due to an increase in revenue or due to the timing of the processing of the Business License Tax receipts, as these taxes are not delinquent until March 1st. However, part of the increase thus far resulted from the late billing of \$597,829 in FY 2025 nonprofit BLT, which was collected in early FY 2026. No changes to projections.

U1 Revenues (+\$169,841 more than FY 2024 Actual)

U1 revenues for the first half of FY 2025 totaled \$298,004, which was \$169,841 or 132.5% more than the \$128,163 received for the same period in FY 2025.

It is too soon to determine if this increase is due to an increase in revenue or due to the timing of the processing of the U1 receipts, as these taxes are not delinquent until March 1st.

The U1 Revenue projection is being increased from \$6.5 million to \$6.6 million, consistent with the FY 2025 actual of \$6.6 million.

Other Taxes (+\$1,865,198 more than FY 2025 Actual)

Other Taxes (including Redemptions-Regular) for the first half of FY 2026 totaled \$3,852,627 which was \$1,865,198 or 93.85% more than the \$1,987,429 received for the same period in FY 2025.

The primary reason for the increase was:

- (1) \$665,426 in Transportation Network Company User Tax was recorded as Other Income, instead of Other Taxes in FY 2025.
- (2) an increase of \$109,676 in Parking Lot Taxes.
- (3) an increase of \$860,575 in BLT penalties; and,
- (4) an increase of \$86,997 in BLT interest.

The FY 2026 Other Taxes projection is being increased from \$5,453,059 to \$14,665,725. This updated projection includes a one-time adjustment of \$7,877,572 that will be transferred after the liquidation of the Berkeley Successor Agency and an additional \$570,000 in tax increment that will be received in June from the Successor Agency. Additionally, the projection has been increased by \$800,000.

Vehicle In Lieu Taxes (+\$403,793 more than FY 2025 Actual)

Vehicle in Lieu Taxes (VLF) for the first half of FY 2026 totaled \$9,904,792, which was \$403,793 or 4.25% more than the \$9,500,999 received for the same period in FY 2025. This result was consistent with the County's Certification of Assessed Valuation (received in August 2025), which reflects growth of 4.22%. Changes in VLF revenues are based on the growth in assessed values. However, the Adopted Budget reflects growth of 5.50%, so actual Vehicle In Lieu Taxes are expected to be \$251,971 or 1.26% less than the Adopted Budget amount of \$20,055,853.

The FY 2026 Vehicle In Lieu Tax projection is being decreased from \$20,055,853 to \$19,803,882.

Parking Fines (+\$733,955 more than FY 2025 Actual)

Parking Fines revenue for the first half of FY 2026 totaled \$3,666,656, which was \$733,955 or 25.0% more than the \$2,932,701 received for the same period in FY 2025.

For the first half of FY 2026, ticket writing decreased by 2,887 or 3.3% from 86,968 in the first half of FY 2025 to 84,081 in the same period in FY 2026, as follows:

	July	Aug	Sept	Oct	Nov	Dec	Total
FY 2025	14,221	15,033	14,744	14,872	13,308	14,790	86,968
FY 2026	15,514	15,417	14,024	14,103	11,825	13,198	84,081
Difference	1,293	384	-720	-769	-1,483	-1,592	-2887
% Difference	9.10%	2.60%	-4.90%	-11.1	-7.11%	-10.80%	-3.30%

The FY 2026 increase in revenue resulted primarily from a collection of Parking Fines receivables from previous years.

As a result of the mid-year trend, the FY 2026 Parking Fines projection is being increased from \$5.9 million to \$6.65 million.

Ambulance Fees (+\$824,608 more than FY 2025 Actual)

Ambulance Fees revenue for the first half of FY 2026 totaled \$4,593,148, which was \$824,608 or 21.9% more than the \$3,768,540 received for the same period in FY 2025.

The increase in the first half of FY 2026 was due to a 37.7% increase in transports and an increase in Ambulance Fee rates:

Service Charge	FY 2026	FY 2025	% Increase
Base Rate	\$ 4,529.89	\$ 4,051.06	11.80%
Mileage	\$ 102.21	\$ 91.41	11.80%
Oxygen	\$ 338.42	\$ 302.64	11.80%
Treatment/Non-Transport	\$ 908.49	\$ 812.46	11.80%
First Responder Fee	\$ 559.00	\$ 500.00	11.80%

As a result of the mid-year trend, the FY 2026 Ambulance Fees Fines projection is being increased from \$8.9 million to \$9.2 million.

Interest Income (-\$885,853 less than FY 2025 Actual)

For the first half of FY 2026, Interest Income totaled \$6,849,335, which was \$885,853 or 11.5% less than the total of \$7,735,188 received for the same period in FY 2025.

This decrease was primarily attributable to:

- (1) Larger average investment balances in the first half of FY 2025 (range of \$530.5 million-\$557.6 million) than in the first half of FY 2026 (range of \$414.8 million-\$475.3 million). The decline in the average investment balances was partly due to General Fund operating deficits in FY 2024 and FY 2025. The General Fund's Available Cash Balance (i.e., Budget-Basis Fund Balance) declined from \$85.4 million on June 30, 2023 to \$30.6 million on June 30, 2025; and,
- (2) a slightly higher average net interest rate earned by the City in the first half of FY 2025 from a range of 2.93%-3.32%, to a range of 2.91%-3.37% during the first half of FY 2026, as follows:

Monthly Net Interest Rate Earned:

FY	July	Aug	Sept	Oct	Nov	Dec
2025	3.32%	3.18%	3.04%	3.05%	2.93%	3.05%
2026	3.37%	3.22%	3.03%	3.01%	2.91%	3.01%

The FY 2026 Interest Income projection is being decreased from \$14.0 million to \$13.5 million.

Other Revenues (+\$310,673 more than FY 2025 Actual)

Other Revenues primarily consists of licenses and permits; grants; preferential parking fees; general government charges for services; public safety charges for services; health charges for services; culture and recreation charges for services; rents and royalties; and other miscellaneous revenues that are not considered major.

Other Revenues for the first half of FY 2026 totaled \$4,619,244 which was \$310,673 or 7.2% more than the \$4,308,571 received for the same period in FY 2025.

This increase of \$310,673 was primarily attributable to:

- (1) An increase of \$963,048 in premiums received on the issuance of Tax and Revenue Anticipation Notes (TRAN) in FY 2026.
- (2) \$665,426 in TNC User Taxes erroneously recorded as Other Revenue, instead of Other Taxes, in FY 2025.

It should be pointed out that the premium on the issuance of Tax and Revenue Anticipation Notes paid to the City was not actually revenue; it was a liability that was paid by the purchaser of the City's Notes when the coupon interest rate was higher than the market rate when the Notes were issued. It will be used to offset the interest expense paid by the City on the Notes.

Indirect Cost Reimbursements (-\$154,596 less than FY 2025 Actual)

IDC Reimbursement (IDC) decreases result from decreases in the indirect cost allocation base (i.e., total direct salaries and wages in the fund), a decrease in the indirect cost rate or a combination of decreases or increases in both factors. IDC for the first half of FY 2026 totaled \$3,045,997, which was \$154,596 or 4.83% less than the \$3,200,593 received for the same period in FY 2025. The decline was primarily accounted for by a decrease in IDC rates for the Marina Fund from 23% in the first half of FY 2025 to 17% for the same period in FY 2026. The net decrease in IDC resulting from the Marina Fund change in rates was partially offset by a slight increase of \$461,768 or 2.86% in the indirect cost allocation base (total direct salaries and wages) from \$16,123,244 in the first half of FY 2025 to \$16,585,012 for the same period in FY 2026; This created a decline of \$154,596 or 4.83% in total IDC.

Considering the decrease in the Marina IDC rate, the IDC Revenue projection is being decreased from \$7.1 million to \$6.8 million, consistent with the FY 2025 actual of \$6.8 million.

Transfers (+\$16,672,049 more than FY 2025 Actual)

Transfers from other funds for the first half of FY 2026 totaled \$18,763,010 which was \$16,672,049 or 797.3% more than the \$2,090,961 received for the same period in FY 2025. This was primarily attributable to transfers for the following FY 2026 budget balancing items: \$5,187,019 transfer from the Workers Compensation Fund; \$2,500,000 transfer from the U1 Housing Fund; \$3,233,207 transfer from the IT Cost Allocation Fund, and \$6 million transfer from the Section 115 Pension Fund. No changes will be made to the projections.

5 YEARS PROJECTED GENERAL FUND REVENUES

	Projected General Fund Revenue						
	FY 2026 Adopted	FY 2025 Actual	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Undesignated Revenues							
Secured Property Taxes	95,236,939	89,041,388	92,798,935	98,784,093	103,454,324	108,288,012	113,290,880
Supplemental Taxes	3,400,000	2,035,343	2,000,000	2,500,000	2,000,000	2,000,000	2,000,000
Unsecured Property Taxes	4,973,066	4,798,998	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000
Property Transfer Taxes	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Property Transfer Tax - Measure P	9,100,000	10,129,772	11,100,000	11,655,000	12,237,750	12,849,638	13,492,119
Property Transfer Taxes-Measure W				1,500,000	3,000,000	3,000,000	3,000,000
Sales Taxes	19,106,713	18,925,939	19,106,713	19,353,282	19,761,273	20,161,521	20,525,203
Soda Tax	1,147,387	1,031,453	1,000,000	1,147,387	1,147,387	1,147,387	1,147,387
Utility Users Taxes	19,396,728	18,999,486	19,396,728	18,750,000	18,750,000	18,750,000	18,750,000
Transient Occupancy Taxes(TOT)	6,500,000	7,087,525	8,660,450	8,920,264	9,098,669	9,280,642	9,466,255
TOT Rebates		-958,344	-1,160,450	-1,195,264	-1,231,122	-1,268,055	-1,306,097
Short-term Rentals	1,400,000	1,460,298	1,400,000	1,650,000	1,400,000	1,400,000	1,400,000
Business License Taxes	24,480,000	23,523,824	24,480,000	24,969,600	25,468,992	25,978,372	26,497,939
Recreational Cannabis	18,000	66,282	18,000	18,000	1,000,000	1,020,000	1,040,400
Measure U1	6,500,000	6,591,844	6,600,000	6,600,000	6,600,000	6,600,000	6,600,000
Residential Vacancy Tax	3,500,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Other Taxes (Including redemptions)	5,453,059	6,050,906	14,665,725	6,500,000	6,630,000	6,762,600	6,897,852
Vehicle In Lieu Taxes	20,055,853	19,001,998	19,803,882	21,091,135	21,829,324	22,593,351	23,384,118
Parking Fines - Regular Collections	5,900,000	6,062,513	6,650,000	6,650,000	6,650,000	6,650,000	6,650,000
Moving Violations	132,600	165,360	165,360	165,360	165,360	165,360	165,360
Ambulance Fees	8,900,000	8,488,420	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000
Interest Income	14,000,000	14,467,176	13,500,000	13,500,000	12,500,000	12,500,000	12,500,000
Franchise Fees	1,822,528	2,133,540	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
Other Revenues	8,000,000	10,985,618	8,000,000	8,200,000	8,405,000	8,615,125	8,830,503
Indirect cost reimbursements	7,070,256	6,835,834	7,070,256	7,211,661	7,355,894	7,503,012	7,653,072
Transfers	23,842,130	8,974,480	23,842,130	4,472,621	4,562,074	4,562,074	4,562,074
Total Undesignated Revenues	305,935,259	281,899,653	313,497,729	296,843,139	305,184,925	312,959,039	320,947,066
Designated Revenues							
Prop. Transfer Taxes for capital improvements	6,000,000	7,052,569	8,000,000	5,450,000	5,450,000	5,250,000	5,000,000
Total Designated Revenues	6,000,000	7,052,569	8,000,000	5,450,000	5,450,000	5,250,000	5,000,000
TOTAL REVENUES AND TRANSFERS	311,935,259	288,952,222	321,497,729	302,293,139	310,634,925	318,209,039	325,947,066

Secured Property Taxes

Property Transfer Tax revenue declined sharply in FY 2024 and FY 2025 and rebounded slightly in FY 2026. As a result, Secured Property Tax growth declined from 10.82% in FY 2023 to 7.256% in FY 2024 and 6.39% in FY 2025. It is currently down to 4.22% in FY 2026, although 5.5% was expected.

During the six months of FY 2026, Secured Property Tax revenues totaled \$47,402,611, which was \$2,481,368 or 4.44% more than the \$45,385,988 received for the same period in FY 2025. This result was consistent with the County's Certification of Assessed Valuation (received from the County in August 2025), which reflects growth of 4.22%. However, the FY 2026 Adopted Budget assumed a 5.5% increase and a base of \$90,271,980 (i.e., projected total collection for FY 2025). However, the actual collection for FY 2025 was \$89,041,388.

As a result, the Secured Property Tax Revenue projection is being decreased from \$95,236,939 to \$92,798,935.

Staff projects Secured Property Tax growth of 4.22% in FY 2026. Staff projects 6.4% increase in FY 2027, due to the return of County deductions related to the Successor Agency to the General Fund. In FY 2028 staff project a return to nominal increases.

Property Transfer Taxes

After reaching a total of \$42,901,750 in FY 2022, Property Transfer Taxes sharply declined in FY 2023 (by 46.7%) and FY 2024 (by 22.1%); it rebounded by 31.5% to \$23,052,569 in FY 2025. However, most of the increase in FY 2025 related to property sales that significantly exceeded \$10 million and are not likely to recur.

During the first half of FY 2026, Property Transfer Tax totaled \$14,079,634, which was \$2,161,619 or 18.1% more than the \$11,918,015 received for the same period in FY 2025.

The primary reasons for the \$2,161,619 increase in Property Transfer Tax were the following:

- (1) The dollar value of property sales increased by \$182.0 million or 22.9%, from \$794.6 million in the first half of FY 2025 to \$976.6 million during the same period of FY 2026.
- (2) There were three property sales of \$10 million or more, with total sales of \$265.9 million in the first half of FY 2026 compared to five property sales of \$10 million or more, with total sales of \$164.6 million in the first half of FY 2025; and,
- (3) The number of property sales transactions increased by 35 or 8.5% from 414 in the first half of FY 2025 to 449 during the same period of FY 2026.

Because of the difficulty in projecting this revenue source, Staff is projecting an increase of 9% in FY 2026, a decrease of 10% in FY 2027, and flat revenue through FY 2030. Mortgage rates are expected to continue to be high, due to higher inflationary expectations as a result of the current Administration's trade policies and huge federal budget deficits. This will have a negative impact on consumer and business spending, interest rates and the economy as a whole.

Measure P Taxes

After reaching a total of \$20,591,313 in FY 2022, Measure P Property Transfer Taxes sharply declined in FY 2023 (by 50.5% to \$10,199,580) and FY 2024 (by 38.5% to \$6,272,861); it rebounded by 61.5% to \$10,129,772 in FY 2025. However, most of those increases are related to property sales that significantly exceeded \$10 million and are not likely to recur.

Measure P taxes totaling \$6,586,501 were collected during the first half of FY 2026, which was \$1,752,643 or 36.3% more than the \$4,833,858 collected during the same period of FY 2025.

This increase resulted primarily from the following:

- (1) An increase of \$163.3 million or 33.0% in the dollar value of property sales amount in the first half of FY 2026 versus those in the first half of FY 2025,
- (2) The number of property sales transactions increased by 9 or 6.4% during the first half of FY 2026; and,
- (3) There were three property sales of \$10 million or more totaling \$265.9 million during this six-month period in FY 2026, compared to five transactions with total property sales of \$164.6 million for the same period in FY 2025.

Because of the difficulty in projecting this revenue source, Staff is projecting an increase of \$2,000,000 or 21.9% in FY 2026 and 5% growth in revenue in FY 2027 through FY 2030.

Sales Taxes

Sales tax revenue is above the pre-pandemic level of \$18.7 million in FY 2019. The City's Sales Tax Consultant projects an increase of 1.7% in Sales Taxes in FY 2026, an increase of 1.3 in FY 2027, and an increase of 2.1% in FY 2028.

Utility Users Tax

Utility Users Tax revenue for the first half of FY 2026 totaled \$8,351,808, which was \$695,996 or 7.69% less than the \$9,047,804 received for FY 2025. This decrease of \$695,996 resulted primarily from a decrease in Electricity of \$683,478.

Staff is making no changes to the projection for FY 2026. Staff is projecting a marginal decrease of 1.9% for FY 2027 and a flat rate through FY 2030.

Transient Occupancy Tax

With the addition of a new hotel, FY 2023 gross TOT revenue exceeded pre-pandemic levels, and was at 30% growth above FY 2022 levels after subtracting the TOT rebates owed. That is no longer the case. In FY 2025, there was significant delinquency in payments by two of the six largest hotels in the city: One of the hotels made no payments in FY 2025 or FY 2026 and has filed for bankruptcy; the other hotel missed six payments in FY 2025 but became current in early FY 2026 by making a payment plus penalties and interest totaling \$1,261,371.

The total net Transient Occupancy Tax (TOT) revenue reported for the first half of FY 2026 totaled \$3,583,976 (after deducting \$981,036 in TOT rebates paid), which was \$1,095,419 or 30.6% more than the \$3,583,976 (after deducting \$665,260 in TOT rebates paid) received for the same period in 2025.

All of that increase and more was primarily attributable to the FY 2025 delinquent payment of \$1,075,110 plus penalties of \$155,034 and interest of \$31,227 that was made during the first six months of FY 2026.

Staff is projecting a 22.4% increase in net TOT revenue (TOT minus rebates) in FY 2026, due to the repayment of the FY 2025 delinquent amount described above; and, Staff is projecting 2.01% growth in TOT for FY 2027 through FY 2030.

Business License Taxes

Business license Taxes (BLT) revenue for the first half of FY 2026 totaled \$2,336,893, which was \$998,235 or 74.6% more than the \$1,338,657 received for the same period in FY 2025.

Although it is too soon to determine if this increase is due to an increase in revenue or due to the timing of the processing of the Business License Tax receipts, as these taxes are not delinquent until March 1st. Staff is projecting an increase of 2% for FY 2027 and FY 2028.

Other Taxes

Other Taxes (including Redemptions-Regular) for the first half of FY 2026 totaled \$3,852,627 which was \$1,865,198 or 93.85% more than the \$1,987,429 received for the same period in FY 2025.

The primary reason for the increase was:

- (1) \$665,426 in Transportation Network Company User Tax was recorded as Other Income, instead of Other Taxes in FY 2025.
- (2) an increase of \$109,676 in Parking Lot Taxes.
- (3) an increase of \$860,575 in BLT penalties; and,
- (4) an increase of \$86,997 in BLT interest.

The FY 2026 Other Taxes projection is being increased from \$5,453,059 to \$14,665,725. This updated projection includes a one-time adjustment of \$7,877,572 that will be transferred after the liquidation of the Berkeley Successor Agency and an additional \$570,000 in tax increment that will be received in June from the Successor Agency. Projections for FY 2027 and FY 2028 will have marginal increases of about 2%.

Ambulance Fees

Ambulance Fees revenue for the first half of FY 2026 totaled \$4,593,148, which was \$824,608 or 21.9% more than the \$3,768,540 received for the same period in FY 2025.

The \$824,608 increase in the first half of FY 2026 was due to an increase in transports of 1,108 or 6.1%, from 2,939 in FY 2025 to 4,047 in the first half of FY 2026, and an across-the-board rate increase of 11.8% in FY 2026.

Staff is projecting an increase of 8.4% in Ambulance Fees in FY 2026; and flat revenue in FY 2027 through FY 2030.

Interest Income

The sharp rise in interest rates triggered by the Fed is a double-edged sword: While the rise in interest rates negatively impacts the City's Property Transfer Taxes (through fewer property sales) and Secured Property Taxes and Vehicle In Lieu Taxes (through lower assessed values), it results in an increase in Interest Income. For FY 2024, Interest Income totaled \$15,155,999, which was \$3,038,974 more than the \$12,117,025 received in FY 2023 and \$8,461,877 received in FY 2022.

For the first half of FY 2026, Interest Income totaled \$6,849,335, which was \$885,853 or 11.5% less than the total of \$7,735,188 received for the same period in FY 2025. This decrease was primarily attributable to larger than average investment balances in the first half of FY 2025 (range of \$530.5 million-\$557.6 million) than in the first half of FY 2026 (range of \$414.8 million-\$475.3 million). The decline in the average investment balances was partially due to General Fund operating deficits in FY 2024 and FY 2025, which reduced the General Fund budget-basis fund balance. The General Fund's Available Cash Balance (i.e., Budget-Basis Fund Balance) declined from \$85.4 million on June 30, 2023, to \$30.6 million on June 30, 2025.

Staff is projecting a decline in interest income of 3.6% in FY 2026; flat growth in FY 2027; decline of 7.4% in FY 2028; and flat growth in FY 2029 and FY 2030.

Other Economic and Political Issues That Could Impact the City's General Fund Revenues

The President promised much lower inflation, lower interest rates, and booming economic growth. However, the trade policies that have been implemented deliver the opposite to citizens in the US and the world. The exception being companies involved in the building and development of huge data centers. The following are some of the economic and political issues that could have impact on the City's General Fund revenues:

- 1. Legality of Tariffs:** Among other problems created, the tariffs imposed by the President have increased inflation, lowered consumer and business spending, reduced hiring, and is keeping interest rates relatively high.

In a 6-3 ruling, the U.S. Supreme Court struck down the sweeping tariffs imposed by the President under the International Emergency Economic Powers Act. The Court said the President exceeded his authority, since Congress controls taxation and tariffs. The decision could invalidate large portions of the administration's global tariff program.

This decision may have a significant impact on the economy, inflation expectations, and help determine how much more and how quickly the Fed lowers short-term rates in the near term. It may also determine the extent of the impact on medium and long-term rates (e.g., mortgage rates). Meanwhile, the administration has signaled it will pursue alternative legal pathways to reimpose tariffs.

- 2. Selection of Chairman of the Federal Reserve Board:** The President has been aggressively seeking to undermine the Fed's independence and assert control over the institution, primarily by appointing a new Fed Chairman who will acquiesce to his demands to quickly lower short-term interest rates for political, rather than economic reasons. These efforts were slowed after key senators warned that the President's nominee would face more scrutiny, particularly after the Justice Department subpoenaed the Fed's chairman during the week of January 12, 2026. The subpoena relates to statements the Chair made regarding a renovation project at the bank's headquarters.

On January 30, 2026, the President announced that he was nominating Kevin Warsh to replace Jay Powell as Chairman of the Federal Reserve Board in May 2026. Like the case with Hasset, one of the concerns with Warsh is that he will cut interest rates to appease the President, even if lower rates are not warranted, which could result in the need to increase them later. The current issue is that Warsh's nomination has introduced significant uncertainty in the market because "he was a member of the Fed that increased rates 17 meetings in a row, which precipitated the Great Financial Crisis", Jay Hatfield, Chief Investment Officer at InfraCap wrote in a note to clients." Because Warsh has been a policy hawk his entire life, his newfound dovishness looks suspect", Dutta (Chief Economist at Renaissance Macro Research) added, which fuels uncertainty about what Warsh will do.

- 3. Interest Rate "Catch 22":** The President has urged the Fed to quickly and significantly lower interest rates. However, the effects of his tariff and budget policies prevent the Fed from lowering interest rates. Only recently, the Fed lowered interest rates slightly due to a weakening labor market.

The Federal Reserve now faces the threat of stagflation (both an economic slowdown and rising inflation at the same time). Typically, the Fed would cut rates to deal with a slowdown and raise rates to counter higher inflation. When both risks emerge simultaneously, policy options become more limited. With stagflation, the likely outcome of the President's tariff policies, the Fed is unlikely to change interest rates, until rising inflation or an economic slowdown gets seriously out of hand.

Federal Reserve officials are divided on further interest rate cuts amid persistent inflation concerns. Some officials argue that the labor market is stable, so more rate cuts are unnecessary. Others argue that the Fed risks a recession if it doesn't move quickly with rate cuts. The Fed will continue to be cautious about lowering short-term rates if there is weakness in the labor market.

Staff believe that if the Core PCE index does not move up and the labor market is showing signs of weakness, the Fed will lower the Federal Funds rate 1-2 times in 2026, by .25% each or a total of .50%.

It is also important to note that the Federal Reserve only controls short-term rates, not the medium and long-term bond market and interest rates. Those rates are impacted by economic conditions, inflation expectations, stability, uncertainty and risks. The President's policies are making all these factors lean towards higher, not lower, long term rates including mortgage rates. As long as trade policies remain volatile and unpredictable, long-term rates will tend to stay high.

One of the key objectives of the current administration is to have the 10-year Treasury Bond yield fall sharply, which would lower mortgage rates (benefitting the President and his supporters) and stimulate home purchases. The sharp sell-off in the US government bond market in April 2025 showed market concerns about the fallout of a trade war. Oil prices also fell to \$56/barrel, signaling deteriorating confidence in the strength of the US economy. Therefore, the President was forced to scale back his tariff onslaught because of a "fire sale" in the bond market which could have triggered a financial meltdown. If the President's chaotic and divisive economic and political policies don't change, interest rates and inflation will probably remain high for the foreseeable future.

4. The President's tariff policy: The President's "on-again, off-again" approach to tariff policy has created high anxiety and high uncertainty for businesses and consumers with the concerns of increasing inflation and the possibility of a recession, possibly a severe one. Consumer purchasing power is decreasing and businesses can't plan their operations properly, so they become cautious and reluctant to hire employees and purchase inventory. This will result in lower consumer and business spending and may move the US closer to a recession and stagflation.

5. US Treasury Securities May No Longer Be Seen as the Safe Haven it Has Always Been For Investors

Historically, during market crises, investors have sold stocks and purchased US Treasury bonds, pushing bond prices up and yields down. However, when tariffs were imposed in April 2025 the opposite happened, resulting in the collapse of worldwide equity markets. This time the bond market participants did not see US Treasuries as a haven of quality, it saw them as higher-risk investments that should be sold. The 30-year Treasury's yield increased 0.5% and the 10-year Treasury yield rose 0.4%, over the course of one week. China had already retaliated with 125% tariffs on US goods, and European Union states had voted to approve 25% counter-tariff measures against the US to take effect the following day.

6. The President's Attack on the Federal Reserve Board Could Cause Stock and Bond Market Sell-Off

If the President can eliminate the Fed's independence, it will revive the "sell America" trade, resulting in a US stock and bond market sell off. The Supreme Court held a hearing in January 2026 to determine the legality of the President firing Federal Reserve Board member, Lisa Cook.

7. Retaliation From The President:

The City is a sanctuary city that receives federal funding to support various City programs. Federal policies on the federal debt ceiling, Affordable Care Act, taxes, foreign trade and tariffs, immigration, climate change, clean energy, and other matters can shift dramatically from one administration to another. Periodically, such changes can affect the level of federal funding for various priorities, leading to unpredictability in near-term and future federal grant funding.

Recent executive orders, agency directives, notice of funding opportunities, and grant agreements may impose unacceptable conditions such as cooperation with federal immigration enforcement and prohibition of diversity, equity and inclusion (DEI) programs. Management cannot predict if federal grant funding in support of governmental services, whether direct grants or pass through grants from the State will continue.

8. Historical US Stability Being Impacted:

US Treasury securities for a very long time have been seen as a haven of quality that investors move to in times of crisis. Flight-to-quality or flight-to-safety is a financial market phenomenon occurring when there is a crisis and investors sell what they perceive to be higher-risk investments and purchase safer investments, primarily US Treasuries, gold and, more recently, crypto currency. This is considered a sign of fear in the marketplace, as investors seek less risk in exchange for lower profits. Because of the current administration's policy, this fact is being reevaluated, and investors are now showing skepticism about the US's safe haven reality.

9. US Reliance on Foreign Countries to Finance US Debt:

One final observation that I have, that I don't hear discussed, but could have a significant impact on the trade war, is that one third of US Debt is held by countries that the President is provoking a trade war with.

The US is currently \$38.7 trillion in debt and depends on foreign governments to finance a substantial portion of its annual budget deficits year after year. China, Europe, Canada, India, and other countries that the President has most aggressively targeted in the trade war continue to purchase U.S. Treasury securities. China alone, including Hong Kong, currently holds approximately \$1.1 trillion in U.S. Treasury bonds. Europe holds \$12.6 trillion. These countries could trigger an explosion in the US Bond market and force interest rates up substantially simply by stopping their purchases of US Treasuries or selling a portion of their portfolio of US Treasury Bonds. At the same time, the US economy could go into recession if these and other nations stopped financing US federal debt.

Conclusion

Projecting revenues many years into the future is inherently difficult to do with accuracy, as shifts in the macroeconomic climate can cause asset valuations and economic output to fluctuate in ways not able to be anticipated at the time projections are made. Staff use the best assumptions available, based on historic trends, observation of leading economic indicators, and known changes in the regulatory environment. The current US administration has unnecessarily made it more difficult to make those projections with punishing, shifting, and uncertain trade policies and significant tax reductions. The uncertainty surrounding the current macroeconomic environment, the president's pledge to punish his perceived enemies, and his conflicts of interests make it unusually difficult to determine the impact on future City revenues.

First, while the health emergency related to the COVID-19 pandemic has finally receded, and the restrictions that had constrained economic activity have been lifted, it appears that the local economy has been reshaped in ways that will not return to a pre-pandemic "normal." The increase in telecommuting that occurred in the past couple of years may not fully recede. This has affected spending activities of residents and employees of City businesses and institutions, as well as the desirability of certain locations for home purchases. The City continues to study and analyze these trends and adjust as more data comes in.

Second, as reported last year, inflation rose to unacceptably high levels, causing the Federal Reserve Board to tighten monetary policy significantly to combat inflation. As a result, the Fed raised interest rates from a range of 0%-.25% in March 2022 to a range of 5.25%-

5.50%. As a result of the weakening US labor market, the Fed has been forced to lower short-term rates somewhat, but mortgage rates have remained high. During this period the average mortgage rose from a little over 4.1% to as high as 8.0% and are currently around 6%. The high inflation and high mortgage rates continue to restrict real estate activity, consumer spending and the economy.

One positive sign from the current Administration is their goal of reducing the rate on the 10-year Treasury bond, to force mortgage rates down and stimulate the real estate market. However, the policies they are employing keep this from happening.

Third, gigantic and rising federal budget deficits (from \$1.38 trillion in FY 2022 to \$1.78 trillion in FY 2025, and \$1.911 trillion projected for FY 2028), higher than acceptable inflation rates, the Federal Reserve Board tightening the monetary supply to fight stubborn inflation, and the President's punishment of Democratic states are the biggest headwinds to economic growth in the City over the next few years. Although the Fed Chairman said the Feds will keep interest rates at a high level until its preferred inflation index (i.e., Core Personal Consumption Expenditure Index or PCE Index) declines below its target of 2% and the Fed is convinced it will remain so, it was forced to lower them because of the weakening US labor market. The Core PCE index was still at 2.8% for June 2025. The inflation rate was coming down until the president started implementing his economic policies, especially his trade policies, and now it is rising slightly. The proposed \$1.8 trillion federal budget deficit for FY 2026 will require the issuance of an additional \$1.8 trillion in Treasury Bonds to fund the deficit. The federal budget deficit for FY 2027 and beyond are projected to worsen under the current President. The Congressional Budget Office (CBO) estimates that extending all the tax cuts set to expire at the end of 2025 will add \$4.7 trillion to deficits over the next 10 years (or an average of \$470 billion/year). This additional huge supply of bonds may overwhelm demand for Treasury Bonds and put further upward pressure on long-term interest rates, including mortgage rates.

As discussed, under Secured Property Taxes and Property Transfer Taxes, the upward pressure on mortgage rates has lowered the growth rate for projected Secured Property Taxes, Vehicle In Lieu Taxes and Property Transfer Taxes. As a result, the City General Fund has, at least for the near term, lost its three primary drivers of annual growth, despite the rebound of Property Transfer Taxes and Measure P Property Transfer Taxes in FY 2025 and FY 2026. Most of the increase resulted from huge one-time property sales, rather than recurring property sales. Sales Tax revenues have been relatively flat in the last several years. As a result, the overall growth in General Fund revenue will struggle to remain positive. Fortunately for the City, this huge loss of General Fund revenue has been partially offset by significant increases in Interest Income and Ambulance Fees, but short-term rates have already started to decline, so Interest Income will also decline. The inflation trends were headed in the right direction right before this current administration took office, but that success has been reversed by the President's trade policies and federal budget deficits. If these policies don't change, mortgage interest rates will continue to remain high in the near future.

Any of these factors could necessitate further revision of the projections presented here. Staff will continue to monitor the revenues we receive and changes in the economic environment, so that we may update or revise our projections if changes in our forecasts are warranted.