



Office of the City Manager

PUBLIC HEARING
May 19, 2026

To: Honorable Mayor and Members of the City Council
From: Paul Buddenhagen, City Manager
Submitted by: Maricar Dupaya, Budget Manager
Subject: Proposed FY 2027 and FY 2028 Biennial Budget and Proposed Biennial Budget Public Hearing #1

RECOMMENDATION

Accept the Proposed Fiscal Year 2027 and Fiscal Year 2028 Biennial Budget for review and consideration by the City Council, conduct Public Hearing No. 1 on the Proposed Budget, and final adoption for June 23, 2026.

FISCAL IMPACTS OF RECOMMENDATION

The Proposed Budget outlines planned citywide expenditures for Fiscal Years 2027 and 2028, including General Fund expenditures. Fiscal impacts may change based on Council direction and will be finalized with budget adoption on June 23, 2026.

CURRENT SITUATION AND ITS EFFECTS

The Proposed Biennial Budget includes the City's proposed budget balancing plan, projected revenues, and proposed expenditures by funding source; proposed departmental expenditure plans; proposed staffing levels; updates on the City's strategic plan priorities; and performance measures.

Following the presentation on the Proposed Budget, staff requests that the City Council conduct the first public hearing on the budget. Subsequently, the Budget and Finance Policy Committee and the City Council will continue deliberations on the Proposed Budget prior to final adoption on June 23, 2026.

The 5-Year CIP will go before the City Council on June 9, 2026.

The FY 2027–2028 Proposed Budget is a Strategic Plan Priority Project and supports the goal of maintaining an efficient and financially healthy City government.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

Actions included in the budget will be developed and implemented in alignment with the City's environmental sustainability goals and requirements.

RATIONALE FOR RECOMMENDATION

This recommendation presents the Fiscal Years 2027 and 2028 Proposed Biennial Budget to City Council and begins the first of several public hearings and discussions pertaining to the budget, leading to final adoption on June 23, 2026.

The sequence of meetings below provides for public input, Committee and Council direction, and refinement of the Proposed Budget prior to adoption.

- May 14, 2026 – Budget and Finance Policy Committee: Proposed Biennial Budget
- May 19, 2026 – City Council: Public Hearing No. 1 on Proposed Biennial Budget
- May 28, 2026 - Budget and Finance Policy Committee: Proposed 5-Year CIP
- June 9, 2026 – City Council: Public Hearing No. 1 on Proposed 5-Year CIP
- June 16, 2026 – City Council: Potential Discussion on Proposed Biennial Budget and 5-Year CIP
- June 23, 2026 – City Council: Public Hearing No. 2 and Adoption of Proposed Biennial Budget and 5-Year CIP

ALTERNATIVE ACTIONS CONSIDERED

No alternative actions have been considered.

CONTACT PERSON

Maricar Dupaya, Budget Manager, City Manager’s Office, 981-7000

Attachments:

- 1: Public Hearing Notice
- 2: FY 2027 & FY 2028 Proposed Budget Balancing Plan (from 4/16/2026 Budget & Finance Policy Committee)
3. Summary of FY 2026 Position Reduction List
4. ODPa FY 2027 - 2028 Budget & Reduction Proposals 4.6.26
5. City Auditor FY 27 - 28 Budget Reductions 4.6.26
6. City Attorney Budget Presentation B&FPC 4.23.26

**NOTICE OF PUBLIC HEARING
BERKELEY CITY COUNCIL**

FY 2027 AND FY 2028 PROPOSED BUDGET PUBLIC HEARING #1

The public may participate in this hearing by remote video or in-person.

The City Manager’s Office is proposing a public hearing for the Fiscal Year 2027 and Fiscal Year 2028 Proposed Budget, which is being presented to the City Council.

The hearing will be held on **Tuesday, May 19, 2026 at 6:00 p.m.** in the School District Board Room, 1231 Addison Street.

A copy of the agenda material for this hearing will be available on the City’s website at www.CityofBerkeley.info as of May 7, 2026. **Once posted, the agenda for this meeting will include a link for the public participation using Zoom video technology, as well as any health and safety requirements for in-person attendance.**

For further information, please contact **Maricar Dupaya** at (510) 981-7000.

Written comments should be mailed or delivered directly to the City Clerk, 2180 Milvia Street, Berkeley, CA 94704, in order to ensure delivery to all Councilmembers and inclusion in the agenda packet.

Communications to the Berkeley City Council are public record and will become part of the City’s electronic records, which are accessible through the City’s website. **Please note: e-mail addresses, names, addresses, and other contact information are not required, but if included in any communication to the City Council, will become part of the public record.** If you do not want your e-mail address or any other contact information to be made public, you may deliver communications via U.S. Postal Service or in person to the City Clerk. If you do not want your contact information included in the public record, please do not include that information in your communication. Please contact the City Clerk at 981-6900 or clerk@cityofberkeley.info for further information.

Posted: May 7, 2026

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I hereby certify that the Notice for this Public Hearing of the Berkeley City Council was posted at the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way, as well as on the City’s website, on May 7, 2026.

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Mark Numainville, City Clerk



Office of the City Manager

Date: April 16, 2026  
 To: Budget & Finance Policy Committee  
 From: Paul Buddenhagen, City Manager  
 Submitted by: Maricar Dupaya, Budget Manager  
 Subject: FY 2027 & FY 2028 Proposed Budget Balancing Plan

### RECOMMENDATION

Request that the Budget & Finance Policy Committee:

1. Receive, review, and discuss the City Manager's proposed FY 2027 and FY 2028 Budget Balancing plan.
2. Provide recommendations on any adjustments to the proposed plan.

### SUMMARY AND BACKGROUND

The City of Berkeley has faced a persistent General Fund structural deficit for many years. The upcoming FY 2027–FY 2028 Biennial Budget continues this trend but with a critical shift. Rather than relying on one-time fixes, the proposed Budget Balancing Plan recommends long-term, structural adjustments to restore fiscal stability<sup>1</sup>.

The City's financial outlook reflects the following:

- Ongoing structural General Fund deficit
- Ongoing programs supported by one-time funds
- Historical and projected increases in personnel costs associated with pensions, health

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<sup>1</sup> As part of the FY 25 – FY 26 Adopted Biennial Budget (<https://berkeleyca.gov/sites/default/files/documents/FY-2025-2026-Proposed-Biennial-Budget.pdf>), the budget message indicated the need for structural reforms as part of the FY 27 – FY 29 Biennial Budget process (page 9): “Again, given the increase in expenditures, the General Fund is balanced through a combination of one-time solutions. These factors include (1) increase in assumed salary savings materializing from vacant positions; (2) not making any funding allocations to the workers compensation fund in either fiscal year; (3) due to the increase in pension costs, utilizing \$3 million of funding from the City's Section 115 Trust toward pension expenses in each fiscal year, thereby allowing more General Fund to be redirected toward other expenditures and (4) the use of approximately \$2-3 million of fund balance (prior years' savings) in FY25 and FY26 respectively. While these strategies lead to a balanced biennial budget, they are not sustainable and efforts to either increase revenues and/or decrease expenditures beyond the baseline budget will need to be undertaken as part of the FY26 Mid-Biennial Budget Update and as part of the budget development process for fiscal years 2027 and 2028.”

care, and labor agreements

- Inflationary increases in contracts, utilities, and materials
- Increasing insurance costs
- State and Federal imposed revenue limitations
- Increased service demands and community expectations
- Deficits in enterprise and special funds (e.g., Parking, Marina, Building Maintenance, Mental/Behavioral Health) and the Capital Improvement Fund
- Delayed facility maintenance and growing unfunded liabilities attributed to aging infrastructure
- Economic uncertainties and other external factors

The City developed its General Fund (GF) baseline expenditure budget from December 2025–January 2026. This resulted in a projected \$32.3 million deficit in FY 2027 and \$33.2 million in FY 2028 ([FY 2027 and FY 2028 Biennial Budget Update 1.22.2026](#))<sup>2</sup>.

To address this gap, the City launched a citywide budget balancing exercise from January through March 2026. Departments and Charter Officers were asked to:

- Identify 10% and 12.5% General Fund reductions;
- Address deficits in other structurally imbalanced funds (if applicable); and
- Propose revenue-generating ideas.

On February 26, 2026, the Finance Department released updated General Fund revenue projections for FY 2026, as well as for FY 2027 and FY 2028 ([FY 2026 Mid-Year General Fund Revenue Report](#))<sup>3</sup>. These updated revenues reduced the projected General Fund deficit to \$27.1 million in FY 2027 and \$24.9 million in FY 2028.

These departmental submissions, combined with citywide strategies, and updated revenue projections, form the basis of the proposed balancing plan and reflect the City's commitment to:

- Protecting essential and safety-net services
- Advancing community wellbeing
- Maintaining long term fiscal sustainability
- Minimizing service disruptions and workforce impacts
- Ensuring transparency and accountability

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<sup>2</sup> [https://berkeleyca.gov/sites/default/files/legislative-body-meeting-attachments/Item 02 BFPC-FY2728 Budget Update\\_Final\\_01.22.26.pdf](https://berkeleyca.gov/sites/default/files/legislative-body-meeting-attachments/Item%20BFPC-FY2728%20Budget%20Update_Final_01.22.26.pdf).

<sup>3</sup> [https://berkeleyca.gov/sites/default/files/legislative-body-meeting-attachments/Item 02 General Fund Revenue Update and Overview of Revenue Enhancements %28FY 2026 Mid-Year General Fund Revenue Report-Final%29.pdf](https://berkeleyca.gov/sites/default/files/legislative-body-meeting-attachments/Item%20General%20Fund%20Revenue%20Update%20and%20Overview%20of%20Revenue%20Enhancements%20FY%202026%20Mid-Year%20General%20Fund%20Revenue%20Report-Final%29.pdf).

## CURRENT SITUATION

The City Manager, along with the Deputy City Manager, Budget Manager, Human Resources Director, Finance Director, and Department Directors, reviewed departmental proposals to develop the proposed Budget Balancing Plan (“Plan”) that is now before the Budget and Finance Policy Committee for discussion.

The proposed Plan reflects several key points:

- Proposed reductions in staffing and non-personnel expenditures to address the structural deficit in the General Fund as well as other funds, including the Off-Street Parking Fund, Building Maintenance Fund, Building Purchases and Management Fund (1947 Center Street), Marina Fund, Capital Improvement Fund, IT Cost Allocation Plan Fund, and multiple funds supporting Mental Health and Behavioral Health Services.
- Reallocating personnel and non-personnel expenditures (referred to as cost shifts throughout this report) to other funds that are not in fiscal distress and for which the shifted expenditures are appropriate.
- General Fund support for the City’s legally obligated payments for debt service associated with the purchase of 1947 Center Street.
- Reducing the Parking Meter Fund transfer to the General Fund to stabilize parking operations and ensure that the City can satisfy bond obligations.
- Refining non-departmental budgets.
- Strategically using one-time resources to smooth the deficit across the two fiscal years and support programs and services to be funded until the outcome of a proposed Sales and Use Tax measure for the November 2026 ballot is determined<sup>4</sup>.

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<sup>4</sup> On January 27, 2026, City Council approved a referral to the City Manager to include, as part of the upcoming community survey for the November 2026 election, a question assessing the perspectives of likely Berkeley voters on a potential increase to the City’s sales and use tax rate. This would result in a sales and use tax that is comparable to surrounding jurisdictions. On March 17, 2026, the results of the community survey were presented to the City Council (<https://berkeleyca.gov/sites/default/files/2026-03/2026-03-17%20Special%20Item%2001%20Presentation%20and%20Discussion.pdf>) and the results of the survey indicated that there was majority support for a sales and use tax increase to address the City’s budget deficit.

As summarized in the Table below, after the adjustments outlined above, **the General Fund deficit in FY 2027 is \$29.3 million and \$29.5 million in FY 2028.**

**City of Berkeley Annual General Fund Deficit  
FY 2027 - FY 2028 Biennial Budget**

|                                                | <b>FY 2027</b>    | <b>FY 2028</b>    |
|------------------------------------------------|-------------------|-------------------|
| General Fund Deficit                           | 27,144,582        | 24,915,773        |
| Add: 1947 Center Street Debt Service           | 1,630,454         | 1,623,581         |
| Add: Parking Funds Stabilization               | 1,050,938         | 1,050,938         |
| <b>Total Deficit Before One Time Resources</b> | <b>29,825,974</b> | <b>27,590,292</b> |
| Add: Adjustments to Non-Departmental           | 1,523,365         | 1,942,666         |
| Less: One Time Resources for Deficit           | 2,100,000         | 0                 |
| <b>Total Deficit After One Time Resources</b>  | <b>29,249,339</b> | <b>29,532,958</b> |

These figures represent the gap in the General Fund that is being addressed by the proposed Budget Balancing Plan in advance of the FY 2027 – FY 2028 Biennial Budget Adoption.

It is important to note that the budget continues to evolve, and these amounts may shift as revenue projections, expenditures, and other assumptions are refined leading up to the adoption of the Biennial Budget. It is currently anticipated that the Biennial Budget will be adopted at a Special Meeting of the City Council on June 23, 2026.

**Use of One-Time Resources – General Fund**

To preserve essential services and avoid deeper cuts in FY 2027, the proposed Plan allocates \$12.06 million in one-time funds for one-time uses, including:

- **\$4.18 million** set aside in operating reserve, see pages 14 and 16 of the [First Amendment to the FY 2026 Annual Appropriations Ordinance \(AAO#1\)](https://berkeleyca.gov/sites/default/files/legislative-body-meeting-attachments/2025-11-06%20Item%2002a%20First%20Amendment%20to%20the%20FY%202026%20Annual%20Appropriations%20Ordinance%20(AAO%231)%20Presentation.pdf)<sup>5</sup>
- **\$7.88 million** from the Dissolution of Successor Agency County Transfer to the City.

<sup>5</sup> [https://berkeleyca.gov/sites/default/files/legislative-body-meeting-attachments/2025-11-06 Item 02a First Amendment to the FY 2026 Annual Appropriations Ordinance AAO%231 Presentation.pdf](https://berkeleyca.gov/sites/default/files/legislative-body-meeting-attachments/2025-11-06%20Item%2002a%20First%20Amendment%20to%20the%20FY%202026%20Annual%20Appropriations%20Ordinance%20(AAO%231)%20Presentation.pdf).

The Table below summarizes available one-time resources and outlines how they are deployed as part of the proposed Budget Balancing Plan.

**City of Berkeley One Time Resources  
General Fund  
FY 2027 - FY 2028 Biennial Budget**

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|                                                         |                   |
|---------------------------------------------------------|-------------------|
| <i>Sources</i>                                          |                   |
| Operating Reserve                                       | 4,177,541         |
| Dissolution of Successor Agency County Transfer to City | <u>7,877,572</u>  |
| <b>Total</b>                                            | <b>12,055,113</b> |
| <br><i>Uses</i>                                         |                   |
| Proposed Sales and Use Tax                              | 9,443,000         |
| Address Difference in FY 2027 and FY 2028 Deficit       | 2,100,000         |
| Carrying Costs Associated with Impacted Employees       | <u>500,000</u>    |
| <b>Total</b>                                            | <b>12,043,000</b> |
| <b>Remaining One Time Funds</b>                         | <b>12,113</b>     |

This strategic use of onetime funds allows the City to **avoid immediate service reductions** in public safety and youth and adult services in anticipation of a 0.5% increase in the Sales & Use Tax being placed on the November 2026 ballot and manages the uneven deficit between FY 2027 and FY 2028.

The proposed Budget Balancing Plan presents two paths:

Scenario 1: Proposed Sales & Use Tax Measure Passes (November 2026)

- Preserves positions and services in the Police, Fire, and Parks, Recreation and Waterfront Departments to avoid the closure of a fire station, diminished capacity to respond to 9-1-1 calls for service and proactively address crime, and reductions in programs and services for youth and adults that will be supported by one-time funds in FY 2027.
- Provides ongoing revenue to stabilize the General Fund and support staffing and programs and services that are supported by one-time funds in FY 2027.
- Allows the City to continue long-term structural reforms.

The Table below outlines the positions that are proposed to be allocated to the Sales and Use Tax measure. In total, there are 33 positions allocated to the Sales and Use Tax – nine (9) are in the Fire Department to prevent the closure of a Fire Station, 21 are in the Police Department to ensure that the Police Department can continue to effectively respond to 9-1-1 calls for service and address public safety, and three (3) are in the Parks, Recreation, and Waterfront Department to minimize the impacts to youth and adult services such as reductions in afterschool programs, camps, as well as pool and community center operating

hours.

**General Fund Budget Reduction Plan: Positions Allocated to Proposed Sales and Use Tax  
FY 2027 - FY 2028 Biennial Budget**

|                                   | FY<br>2027 | FY<br>2028 |
|-----------------------------------|------------|------------|
| Fire Department                   |            |            |
| Firefighter                       | 3          | 3          |
| Fire Apparatus Operator           | 3          | 3          |
| Fire Captain                      | 3          | 3          |
| Police Department                 |            |            |
| Police Officers                   | 15         | 15         |
| Dispatchers                       | 6          | 6          |
| Parks Recreation and Waterfront   |            |            |
| Assistant Recreation Coordinators | 2          | 2          |
| Sports Official                   | 1          | 1          |
| <b>Total</b>                      | <b>33</b>  | <b>33</b>  |

Of the total number of positions allocated to the proposed Sales and Use Tax, 18 are filled and 15 are vacant.

Scenario 2: Proposed Sales & Use Tax Measure Fails

- The City would need to implement deeper cuts to balance the budget as all positions and services that are supported with one-time funds in FY 2027 would no longer have dedicated funding.

**SUMMARY OF DEPARTMENTAL GENERAL FUND BUDGET BALANCING PLANS**

All departments submitted proposals identifying a mix of personnel savings and non-personnel reductions that are summarized below.

The FY 2027 and FY 2028 baseline expenditures are based on data as of January 15, 2026. For FY 2027, the Tables below indicate that before allocations to the proposed Sales and Use Tax, the proposed Plan reduces General Fund expenditures by \$29.3 million or 10.3% of Department and Charter Office expenditures. After the proposed Sales and Use Tax, in FY 2027, the proposed Plan reduces General Fund expenditures by approximately \$19.8 million or 7.0% of Department and Charter Office expenditures.

**FY 2027 General Fund Budget Balancing Plan by Department (Baseline vs. Proposed After Reductions)**

| Department         | FY27 Baseline Expenditures | \$ Reduction Before Sales & Use Tax | FY27 Budget After Reduction | % Reduction Before Sales & Use Tax | Sales & Use Tax Allocation | \$ Reduction w/Sales & Use Tax | % Reduction after Sales & Use Tax |
|--------------------|----------------------------|-------------------------------------|-----------------------------|------------------------------------|----------------------------|--------------------------------|-----------------------------------|
| City Clerk         | 3,952,847                  | 210,456                             | 3,742,391                   | 5.3%                               | 0                          | 210,456                        | 5.3%                              |
| CMO                | 18,713,660                 | 2,489,487                           | 16,224,173                  | 13.3%                              | 0                          | 2,489,487                      | 13.3%                             |
| Finance            | 9,887,235                  | 684,356                             | 9,202,879                   | 6.9%                               | 0                          | 684,356                        | 6.9%                              |
| Fire               | 55,650,689                 | 6,653,092                           | 48,997,597                  | 12.0%                              | 3,631,106                  | 3,021,986                      | 5.4%                              |
| HHCS               | 37,548,665                 | 3,561,672                           | 33,986,993                  | 9.5%                               | 0                          | 3,561,672                      | 9.5%                              |
| HR                 | 5,212,918                  | 625,774                             | 4,587,144                   | 12.0%                              | 0                          | 625,774                        | 12.0%                             |
| IT                 | 1,150,454                  | 185,391                             | 965,062                     | 16.1%                              | 0                          | 185,391                        | 16.1%                             |
| PRW                | 13,233,201                 | 1,190,950                           | 12,042,251                  | 9.0%                               | 466,004                    | 724,946                        | 5.5%                              |
| Planning & Dev.    | 3,666,161                  | 458,269                             | 3,207,892                   | 12.5%                              | 0                          | 458,269                        | 12.5%                             |
| Police             | 106,198,574                | 10,588,717                          | 95,609,857                  | 10.0%                              | 5,345,885                  | 5,242,832                      | 4.9%                              |
| Public Works       | 8,135,147                  | 779,771                             | 7,355,377                   | 9.6%                               | 0                          | 779,771                        | 9.6%                              |
| IT Cost Allocation |                            | 600,000                             |                             |                                    | 0                          | 600,000                        |                                   |
| <b>Total</b>       | <b>263,349,551</b>         | <b>28,027,935</b>                   | <b>235,321,616</b>          | <b>10.6%</b>                       | <b>9,442,995</b>           | <b>18,584,940</b>              | <b>7.1%</b>                       |

**FY 2027 General Fund Budget Balancing Plan by Charter Office (Baseline vs. Proposed After Reductions)**

| Charter Offices      | FY27 Baseline Expenditures | \$ Reduction Before Sales & Use Tax | FY27 Budget After Reduction | % Reduction Before Sales & Use Tax | Sales & Use Tax Allocation | \$ Reduction w/Sales & Use Tax | % Reduction after Sales & Use Tax |
|----------------------|----------------------------|-------------------------------------|-----------------------------|------------------------------------|----------------------------|--------------------------------|-----------------------------------|
| City Attorney        | 7,696,001                  | 0                                   | 7,696,001                   | 0.0%                               | 0                          | 0                              | 0.0%                              |
| City Auditor         | 3,929,199                  | 288,560                             | 3,640,639                   | 7.3%                               | 0                          | 288,560                        | 7.3%                              |
| ODPA                 | 1,289,953                  | 71,708                              | 1,218,245                   | 5.6%                               | 0                          | 71,708                         | 5.6%                              |
| Mayor & Council<br>* | 6,899,331                  | 863,145                             | 6,036,186                   | 12.5%                              | 0                          | 863,145                        | 12.5%                             |
| <b>Total Charter</b> | <b>19,814,484</b>          | <b>1,223,413</b>                    | <b>18,591,071</b>           | <b>6.2%</b>                        | <b>0</b>                   | <b>1,223,413</b>               | <b>6.2%</b>                       |

\*Mayor & Council baseline budget reflects funding for the Mayor's Office and Districts 1-8 and excludes budgeted salaries for the Mayor and Councilmembers.

**FY 2027 Total General Fund Budget Balancing Plan (Baseline vs. Proposed After Reductions)**

|                       | FY27 Baseline Expenditures | \$ Reduction Before Sales & Use Tax | FY27 Budget After Reduction | % Reduction Before Sales & Use Tax | Sales & Use Tax Allocation | \$ Reduction w/Sales & Use Tax | % Reduction after Sales & Use Tax |
|-----------------------|----------------------------|-------------------------------------|-----------------------------|------------------------------------|----------------------------|--------------------------------|-----------------------------------|
| <b>Total Citywide</b> | <b>283,164,035</b>         | <b>29,251,348</b>                   | <b>253,912,687</b>          | <b>10.3%</b>                       | <b>9,442,995</b>           | <b>19,808,353</b>              | <b>7.0%</b>                       |

For FY 2028, the Tables below indicate that before allocations to the proposed Sales and Use Tax, the proposed Plan reduces General Fund expenditures by \$29.8 million or 10.3% of Department and Charter Office expenditures. After the proposed Sales and Use Tax, in FY 2028, the proposed Plan reduces General Fund expenditures by approximately \$20.1 million or 7.0% of Department and Charter Office expenditures.

**FY 2028 General Fund Budget Balancing Plan by Department (Baseline vs. Proposed After Reductions)**

| Department              | FY28 Baseline Expenditures | \$ Reduction Before Sales & Use Tax | FY28 Budget After Reduction | % Reduction Before Sales & Use Tax | Sales & Use Tax Allocation | \$ Reduction w/Sales & Use Tax | % Reduction after Sales & Use Tax |
|-------------------------|----------------------------|-------------------------------------|-----------------------------|------------------------------------|----------------------------|--------------------------------|-----------------------------------|
| City Clerk (1)          | 3,998,036                  | 94,456                              | 3,903,580                   | 2.4%                               | 0                          | 94,456                         | 2.4%                              |
| CMO                     | 19,041,413                 | 2,432,623                           | 16,608,790                  | 12.8%                              | 0                          | 2,432,623                      | 12.8%                             |
| Finance                 | 10,178,435                 | 715,714                             | 9,462,721                   | 7.0%                               | 0                          | 715,714                        | 7.0%                              |
| Fire                    | 57,206,818                 | 6,800,791                           | 50,406,027                  | 11.9%                              | 3,703,328                  | 3,097,463                      | 5.4%                              |
| HHCS                    | 38,021,381                 | 3,455,468                           | 34,565,913                  | 9.1%                               | 0                          | 3,455,468                      | 9.1%                              |
| HR                      | 5,387,455                  | 622,032                             | 4,765,423                   | 11.5%                              | 0                          | 622,032                        | 11.5%                             |
| IT                      | 1,150,454                  | 185,391                             | 965,062                     | 16.1%                              | 0                          | 185,391                        | 16.1%                             |
| PRW                     | 13,382,163                 | 1,205,811                           | 12,176,353                  | 9.0%                               | 477,313                    | 728,498                        | 5.4%                              |
| Planning & Dev.         | 3,763,360                  | 470,419                             | 3,292,941                   | 12.5%                              | 0                          | 470,419                        | 12.5%                             |
| Police                  | 107,356,946                | 10,789,378                          | 96,567,568                  | 10.1%                              | 5,453,304                  | 5,336,074                      | 5.0%                              |
| Public Works            | 8,302,692                  | 1,084,523                           | 7,218,169                   | 13.1%                              | 0                          | 1,084,523                      | 13.1%                             |
| IT Cost Allocation Plan |                            | 600,000                             |                             |                                    | 0                          | 600,000                        |                                   |
| <b>Total</b>            | <b>267,789,153</b>         | <b>28,456,605</b>                   | <b>239,332,548</b>          | <b>10.6%</b>                       | <b>9,633,945</b>           | <b>18,822,661</b>              | <b>7.0%</b>                       |

(1) Excludes \$1,071,990 one-time reduction due to allocation to election, which does not occur in FY 2028. These resources will be deployed to address increases in insurance costs that exceed the City's initial projections.

**FY 2028 General Fund Budget Balancing Plan By Charter Office (Baseline vs. Proposed After Reductions)**

| Charter Offices      | FY28 Baseline Expenditures | \$ Reduction Before Sales Tax | FY28 Budget After Reduction | % Reduction Before Sales & Use Tax | Sales & Use Tax Allocation | \$ Reduction w/Sales & Use Tax | % Reduction after Sales & Use Tax |
|----------------------|----------------------------|-------------------------------|-----------------------------|------------------------------------|----------------------------|--------------------------------|-----------------------------------|
| City Attorney        | 7,828,432                  | 0                             | 7,828,432                   | 0.0%                               | 0                          | 0                              | 0.0%                              |
| City Auditor         | 4,061,371                  | 367,458                       | 3,693,914                   | 9.0%                               | 0                          | 367,458                        | 9.0%                              |
| ODPA                 | 1,339,846                  | 71,708                        | 1,268,138                   | 5.4%                               | 0                          | 71,708                         | 5.4%                              |
| Mayor & Council*     | 7,014,592                  | 877,248                       | 6,136,365                   | 12.5%                              | 0                          | 877,248                        | 12.5%                             |
| <b>Total Charter</b> | <b>20,244,241</b>          | <b>1,316,414</b>              | <b>18,927,827</b>           | <b>6.5%</b>                        | <b>0</b>                   | <b>1,316,414</b>               | <b>6.5%</b>                       |

\*Mayor & Council baseline budget reflects funding for the Mayor's Office and Districts 1-8 and excludes budgeted salaries for the Mayor and Councilmembers.

**FY 2028 Total General Fund Budget Balancing Plan (Baseline vs. Proposed After Reductions)**

|                       | FY28<br>Baseline<br>Expenditures | \$ Reduction<br>Before Sales<br>& Use Tax | FY28 Budget<br>After<br>Reduction | %<br>Reduction<br>Before<br>Sales &<br>Use Tax | Sales &<br>Use Tax<br>Allocation | \$<br>Reduction<br>w/Sales &<br>Use Tax | %<br>Reduction<br>after Sales<br>& Use Tax |
|-----------------------|----------------------------------|-------------------------------------------|-----------------------------------|------------------------------------------------|----------------------------------|-----------------------------------------|--------------------------------------------|
| <b>Total Citywide</b> | <b>288,033,394</b>               | <b>29,773,019</b>                         | <b>258,260,375</b>                | <b>10.3%</b>                                   | <b>9,633,945</b>                 | <b>20,139,074</b>                       | <b>7.0%</b>                                |

This section summarized each department’s General Fund reductions and their impact on the baseline and the projected deficit, expressed in both dollars and percentages. Collectively, these reductions close the projected General Fund deficit in FY 2027 and FY 2028.

**Citywide Fiscal Pressures Beyond the General Fund**

As the City’s primary and most discretionary fund, the General Fund was the main focus of the citywide budget balancing exercise. However, it is not the only fund experiencing fiscal pressures. Several non-General Fund sources, such as enterprise, special revenue, internal service, and capital funds, are also facing deficits. Departments responsible for these funds conducted parallel budget balancing analysis and developed reduction plans.

These broader pressures underscore the importance of managing the City’s finances strategically and holistically across all funds. The Budget Balancing Plan presented to the Budget and Finance Policy Committee, and subsequently to the City Council, provides a comprehensive strategy to address these broader fiscal challenges. Detailed balancing strategies for these non-General Fund sources are provided in the Department-by-Department Overview Section below.

**Position Summary Before and After Reductions (All Funds - By Department)<sup>6</sup>**

The Table below shows the citywide, all-funds baseline position count for FY 2027–28, excluding the 45 positions left vacant and unfunded in the FY 2026 Mid-Biennial Budget. It reflects the proposed reduction of 138 FTE and the one-time FY 2027 resources used to retain 33 public safety and recreation positions. Without the Sales and Use Tax, the reduction from FY27 baseline is 8.85 percent; with the tax, 6.73 percent. Including the 45 positions removed in FY 2026 Adopted FTE (1,608.99), the cumulative reduction is 11.40 percent with the tax and about 9.3 percent without it.

<sup>6</sup> This analysis of staffing impacts is as of April 6, 2026. The actual number of filled and vacant positions that will be impacted by the proposed Budget Balancing Plan will vary over time due to several factors including, but not limited to retirements, promotions, and separations. The actual number of filled positions impacted will be determined when the Biennial Budget is adopted, which is anticipated to occur at a Special Meeting of the City Council on June 23, 2026.

| Department            | FY 2027–28<br>Baseline FTE (1) | Proposed FTE<br>Reductions | Proposed FTE<br>Allocation to<br>Sales & Use Tax | Revised FTE<br>Reduction After<br>Sales & Use Tax | Proposed<br>Position FTE<br>Allocation<br>After Sales &<br>Use Tax |
|-----------------------|--------------------------------|----------------------------|--------------------------------------------------|---------------------------------------------------|--------------------------------------------------------------------|
| City Clerk            | 9                              | 0                          | 0                                                | 0                                                 | 9                                                                  |
| City Manager's Office | 53                             | 9                          | 0                                                | 9                                                 | 44                                                                 |
| Finance               | 52                             | 4                          | 0                                                | 4                                                 | 48                                                                 |
| Fire                  | 206                            | 14                         | 9                                                | 5                                                 | 201                                                                |
| HHCS                  | 240.75                         | 45                         | 0                                                | 45                                                | 195.75                                                             |
| HR                    | 26                             | 2                          | 0                                                | 2                                                 | 24                                                                 |
| IT                    | 49                             | 4                          | 0                                                | 4                                                 | 45                                                                 |
| PRW                   | 116                            | 6                          | 3                                                | 3                                                 | 113                                                                |
| Planning & Dev.       | 104.04                         | 0                          | 0                                                | 0                                                 | 104.04                                                             |
| Police                | 290                            | 39                         | 21                                               | 18                                                | 272                                                                |
| Public Works          | 352                            | 15                         | 0                                                | 15                                                | 337                                                                |
| City Attorney         | 19                             | 0                          | 0                                                | 0                                                 | 19                                                                 |
| City Auditor          | 15.75                          | 0                          | 0                                                | 0                                                 | 15.75                                                              |
| ODPA                  | 4                              | 0                          | 0                                                | 0                                                 | 4                                                                  |
| Mayor & Council       | 23                             | 0                          | 0                                                | 0                                                 | 23                                                                 |
| <b>Total (2)</b>      | <b>1,559.54</b>                | <b>138</b>                 | <b>33</b>                                        | <b>105</b>                                        | <b>1,454.54</b>                                                    |

(1) Excludes 45 vacant positions that were not funded as part of the adopted FY 25-26 Mid-Biennial Budget (General Fund = 44.4 FTE and Other Funds = 0.6 FTE)

(2) Excludes Library's FTE = 131.05 and Rent Board's FTE = 29.0 for total FTE Baseline of 1,719.59.

Below is a simplified Table showing the status of positions—Vacant or Filled—derived from the more detailed department-level position counts above.

| Status           | FY 2027–28<br>Baseline FTE (1) | Proposed<br>Reductions | Proposed<br>Allocation to<br>Sales & Use Tax | Revised<br>Reduction After<br>Sales & Use Tax | Proposed<br>Position<br>Allocation<br>After Sales &<br>Use Tax |
|------------------|--------------------------------|------------------------|----------------------------------------------|-----------------------------------------------|----------------------------------------------------------------|
| Vacant           | 211.69                         | 100                    | 15                                           | 85                                            | 126.69                                                         |
| Filled (2)       | 1,347.85                       | 38                     | 18                                           | 20                                            | 1,327.85                                                       |
| <b>Total (3)</b> | <b>1,559.54</b>                | <b>138</b>             | <b>33</b>                                    | <b>105</b>                                    | <b>1,454.54</b>                                                |

(1) Excludes 45 vacant positions that were not funded as part of the adopted FY26 Mid-Biennial Budget.

(2) As of April 6, 2026.

(3) Excludes Library's FTE = 131.05 and Rent Board's FTE = 29.0 for total FTE Baseline of 1,719.59.

### Addressing the cumulative FTE reductions

In the FY 2026 Mid-Biennial Budget Update, the General Fund faced a structural deficit of approximately \$29 million. The budget was balanced through one-time measures and increased General Fund revenues. As part of this strategy, 45 vacant FTE positions were held unfunded and are now being eliminated in this Biennial Budget to capture ongoing savings and support long-term fiscal stability.

The FY 2027-FY 2028 balancing plan includes the cumulative reduction in force (RIF):

- **45 Full-time Equivalent (FTE)** that were not funded in the FY 2026 Mid-Biennial Budget Update are eliminated as part of the proposed Budget Balancing Plan.
- **138.0 FTE reductions** proposed in FY 2027 & FY 2028 **without proposed Sales & Use Tax**. Of the 138.0 FTE, 38 are filled positions and 100 are vacant positions<sup>7</sup>.
- **Cumulative reduction: 183 FTE** reduction in force (45 + 138) **without proposed Sales & Use Tax**. Of the 183 FTE, 38 are filled positions and 145 are vacant positions.
- **105.0 FTE reductions** proposed in FY 2027 & FY 2028 **with proposed Sales & Use Tax**. Of the 105.0 FTE, 20 are filled positions and 85 are vacant positions.
- **Cumulative reduction: 150 FTE** reduction in force (45 + 105.0) **with proposed Sales & Use Tax**. Of the 150 FTE, 20 are filled positions and 130 are vacant positions.

The Tables below demonstrate the cumulative impact of the RIF (FY 2026 and FY 2027 and FY 2028).

| FY 26 Adopted FTE* | FY 26 Reduction in Force (RIF)** | FY 27 Baseline FTE*** | FY 27 Proposed FTE Reduction | FY 27 Total FTE (net of Proposed Reduction) |
|--------------------|----------------------------------|-----------------------|------------------------------|---------------------------------------------|
| 1,608.99           | 45.00                            | 1,559.54              | 138.00                       | 1,421.54                                    |

| FY 26 Adopted FTE * | FY 26 Reduction in Force (RIF) ** | FY27 Proposed FTE Reduction | Total Cumulative Reduction in Force | Total Cumulative Percent Reduction in FTE |
|---------------------|-----------------------------------|-----------------------------|-------------------------------------|-------------------------------------------|
| 1,608.99            | 45.00                             | 138.00                      | 183.00                              | 11.37%                                    |

| FY 26 Adopted FTE * | FY 26 Reduction in Force (RIF) ** | FY27 Proposed FTE Reduction (Allocation Sales & Use Tax) | Total Cumulative Reduction in Force (w/Sales & Use Tax) | Total Cumulative Percent Reduction in FTE |
|---------------------|-----------------------------------|----------------------------------------------------------|---------------------------------------------------------|-------------------------------------------|
| 1,608.99            | 45.00                             | 105.00                                                   | 150.00                                                  | 9.32%                                     |

\* FY 26 Adopted Full-Time Equivalent (FTE) count includes RIF – positions that were authorized but not budgeted in FY 26.

\*\* RIF – 44.4 General Fund positions; equivalent to 45 FTE count – All Funds

\*\*\* Baseline as of 01/15/2026; excludes RIF (45 FTE) and includes department adjustments (4.45 net FTE, removed temporary positions and expired project-based positions, reclassifications, relocation, new Measure FF positions, etc.)

<sup>7</sup> As of April 6, 2026. The number of filled positions by the time the Biennial Budget is adopted, which is currently anticipated to occur at a Special Meeting of the City Council on June 23, 2026.

**DEPARTMENT-BY-DEPARTMENT OVERVIEW OF BUDGET BALANCING PLANS**

Departments submitted budget-balancing proposals to the City Manager based on initial 10.0% and 12.5% General Fund reduction targets. After accounting for updated revenue projections from the Finance Department and a detailed review of departmental submissions, a refined budget balancing plan was developed that reflects revised revenues, departmental needs, organizational priorities, and community impacts. The Plan does not recommend across-the-board equal reductions. Rather, the proposed Plan reflects a strategic approach that reflects City needs considering severe resource constraints.

Department proposals from HHCS, IT, Public Works, and PRW also include reductions in applicable special funds. The following sections summarize each department’s proposed reductions.

**City Clerk**

The City Clerk Department has maintained a staffing level of 10.0 FTE since FY 2019. For the FY 2026 Mid-Biennial Budget Update, the department’s vacant Office Specialist III position was removed from the budget, reducing total staffing to 9.0 FTE.

Since 2016, several major responsibilities have been added to the department without corresponding staffing increases:

- Independent Redistricting Commission
- Public Financing for Candidates
- Lobbyist Registration
- City Council Policy Committees
- Hybrid Commission Meetings
- SB 827 Financial Training Administration

Given these expanded mandates and the department’s lean staffing structure, no additional position reductions are recommended.

**FTE Changes – All Funds**

| <b>Category</b> | <b>Baseline FTE</b> | <b>Proposed FTE</b> | <b>Change</b> |
|-----------------|---------------------|---------------------|---------------|
| Total Staffing  | 9                   | 9                   | 0             |

**Budget Changes – GF**

| Category                | FY27<br>Baseline Budget | FY 27<br>Proposed Budget | Change   |
|-------------------------|-------------------------|--------------------------|----------|
| Personnel               | 2,210,450               | 2,210,450                | 0        |
| Personnel – OT & Hourly | 2,064                   | 0                        | -2,064   |
| Non-Personnel           | 1,740,333               | 1,531,941                | -208,392 |

| Category                | FY28<br>Baseline Budget | FY 28<br>Proposed Budget | Change     |
|-------------------------|-------------------------|--------------------------|------------|
| Personnel               | 2,255,639               | 2,255,639                | 0          |
| Personnel – OT & Hourly | 2,064                   | 0                        | -2,064     |
| Non-Personnel           | 1,740,333               | 575,951                  | -1,164,382 |

**Impacts**

Besides the reduction in the City’s Clerk’s overtime budget, all the reductions come from the non-personnel budget. Reductions include a delay in the software version update for OnBase (the City Council report management system) in FY 2027, reducing captioning costs, and use of public, educational, and governmental access channels Funds to pay 75% of Boardroom rental costs. These adjustments preserve core departmental operations while minimizing service impacts.

**City Manager’s Office**

The City Manager’s Office budget is primarily personnel-driven. Because four vacant positions were removed during the FY 2026 Mid-Biennial Budget Update, meeting the new reduction target required eliminating not only vacant positions but additional filled positions. These decisions were extremely difficult, as each role contributes to the Office’s mission and to citywide operations. When combined with the positions that were not funded as part of the FY 26 Mid-Biennial Budget, the Plan results in an approximate 23% reduction in staffing in the City Manager’s Office when compared to FY 2025.

Approximately \$102,000 in savings comes from shifting costs from the General Fund to other funding sources such as Public Art. The remaining reductions result from eliminating both filled and vacant positions. A smaller amount comes from reduction in non-personnel expenditures.

**FTE Changes – All Funds**

| Category       | Baseline FTE | Proposed FTE | Change |
|----------------|--------------|--------------|--------|
| Total Staffing | 53           | 44           | -9     |

**Budget Changes - GF**

| Category                | FY27<br>Baseline Budget | FY 27<br>Proposed Budget | Change     |
|-------------------------|-------------------------|--------------------------|------------|
| Personnel               | 12,211,200              | 9,960,887                | -2,250,313 |
| Personnel – OT & Hourly | 74,577                  | 0                        | 0          |
| Non-Personnel           | 6,427,883               | 6,188,709                | -239,174   |

| Category                | FY28<br>Baseline Budget | FY 28<br>Proposed Budget | Change     |
|-------------------------|-------------------------|--------------------------|------------|
| Personnel               | 12,538,953              | 10,345,504               | -2,193,449 |
| Personnel – OT & Hourly | 74,577                  | 0                        | 0          |
| Non-Personnel           | 6,427,883               | 6,188,709                | -239,174   |

**Impacts**

**Reduce one Community Development Project Coordinator – Office of Economic Development (filled)**

- Reduces technical assistance provided to small businesses and management of the City’s revolving loan fund.
- Limits capacity to support and provide assistance to three commissions (Elmwood BID, Solano BID, Loan Administration Board) and participate in the Telegraph BID board and executive committee. Staff will assess capacity and may recommend reducing meeting frequency for these commissions to manage workload and priorities.

**Reduce one Office Specialist III – Office of Economic Development and Civic Arts (filled)**

- Reduces capacity to process invoices, execute contracts, support events, and manage communications.
- Increases workload for remaining administrative staff in the City Manager’s Office.

**Reduce two Communications Specialists (both filled)**

- The result of these reductions is that the Communications Division will only have one staff member assigned to citywide communications and to interact with the media. The reduction in staffing will weaken crisis and emergency communications and diminish media relations, and departmental communications support. Elimination of the Communications Specialist funded by Measure FF (fire) will enable the Fire Department to allocate staffing expenditures to this special tax.
- Departments will need to dedicate more staff to communications, especially emergency communications; response times and quality will decline.

**Reduce one Diversity, Equity, and Inclusion Officer (vacant)**

- When combined with the Administrative Assistant position that was not funded as part of

the FY 26 Mid Biennial Budget, this reduction eliminates the Office of Diversity, Equity & Inclusion and shifts priority DEI projects to an Assistant to the City Manager, including the Peace & Justice Commission support and citywide DEI education efforts.

- Much, if not all, of the community focused engagement envisioned for this role will not occur.

**Reduce one Economic Development Project Coordinator- Civic Arts (vacant)**

- Reduces core operational capacity for the Civic Arts Program.
- Responsibilities are shifted to an Assistant to the City Manager to advance Civic Arts initiatives along with grant funded, and public facing arts programming.
- Risks delays in project delivery, contract administration, commission support, and compliance.

**Reduce one Program Manager II – Special Projects (filled)**

- Reduces capacity to support Enterprise Resource Planning (ERP) module implementation, user acceptance testing, and staff training.
- Eliminates an internal resource for troubleshooting ERP issues.
- Training responsibilities shift to Human Resources; ERP implementation leadership remains with the Assistant to the City Manager, requiring departments to operate with greater independence.

**Reduce one Social Services Specialist (vacant)**

- Limits ability to expand homeless outreach efforts; without additional shelter capacity, reductions will have minimal impact on reducing street homelessness.

**Reduce one Office Specialist II (vacant)**

- No coordinated support to Civic Center 5<sup>th</sup> floor appointments and scheduling.

**Significant Non-Personnel Reductions**

- **\$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.

**Finance**

The Finance Department has operated for years with only the minimum staffing necessary to perform its core functions: (a) processing the City’s cash receipts; (b) billing and collecting tax and fee revenues; (c) procurement of the goods and services for critical City operations; (d) ensuring key controls to protect City assets; and (e) ensuring proper accounting and financial reporting for City management, bond investors, and required statutory and regulatory oversight.

In response to the City’s fiscal challenges, the department has identified General Fund reductions that eliminate four positions. While necessary for budget balancing, these reductions will limit the Finance Department’s operational capacity, slow financial system modernization, reduce revenue-generating capacity, and reduce the department’s ability to support Citywide services.

**FTE Changes – All Funds**

| <b>Category</b> | <b>Baseline FTE</b> | <b>Proposed FTE</b> | <b>Change</b> |
|-----------------|---------------------|---------------------|---------------|
| Total Staffing  | 52                  | 48                  | -4            |

**Budget Changes - GF**

| <b>Category</b>         | <b>FY27<br/>Baseline Budget</b> | <b>FY 27<br/>Proposed Budget</b> | <b>Change</b> |
|-------------------------|---------------------------------|----------------------------------|---------------|
| Personnel               | 8,453,929                       | 7,865,911                        | -588,018      |
| Personnel – OT & Hourly | 28,440                          | 28,440                           | 0             |
| Non-Personnel           | 1,404,866                       | 1,308,528                        | -96,338       |

| <b>Category</b>         | <b>FY28<br/>Baseline Budget</b> | <b>FY 28<br/>Proposed Budget</b> | <b>Change</b> |
|-------------------------|---------------------------------|----------------------------------|---------------|
| Personnel               | 8,745,129                       | 8,125,753                        | -619,376      |
| Personnel – OT & Hourly | 28,440                          | 28,440                           | 0             |
| Non-Personnel           | 1,404,866                       | 1,308,528                        | -96,338       |

**Impacts**

**Reduce one Senior Systems Analyst (vacant)**

Eliminating this position reduces the Finance Department’s capacity to manage financial system upgrades and coordinate implementation tasks. The vacancy has already slowed progress on major projects, including replacement of the City’s legacy financial system (FUND\$), new tax and billing systems, and expanded online payment options. Without this role, system modernization efforts will be delayed, and reliance on IT, whose staff lack specialized financial operations expertise, will increase.

**Reduce one Associate Management Analyst (vacant)**

This is the department’s only analyst position not restricted to Property Tax functions. Losing this position will reduce the department’s ability to conduct internal analysis, monitor receivables, and produce detailed revenue reporting. Divisional managers will absorb analytical duties, limiting their capacity to oversee daily operations. The loss of this position also removes a key backup for the Revenue Collection Manager, reducing service levels for staff and the public.

**Reduce two Revenue Development Specialists (vacant)**

Removing these two positions will reduce business tax auditing and collections capacity. Fewer audits will result in lower recovery of unreported or underreported taxes, and more receivables will age beyond statutory collection periods. This will impact the department’s ability to generate additional revenue for both the General Fund and the Zero Waste Fund.

**Significant Non-Personnel Reductions**

- 25% reduction in training expenses. The department should be able to still maintain necessary training given the availability of online opportunities.

**Fire Department**

Over the past three decades, three parcel tax measures have been adopted that enabled the department to shift substantial fire costs off the General Fund while expanding services. Further, historical reductions consistently targeted non-operation functions, resulting in a department that is operationally efficient but administratively thin. As a result, there are minimal resources allocated to discretionary items and nearly all remaining General Fund expenditures are personnel-driven and operations-critical that are assigned to essential public safety functions. While the department’s budget balancing plan maximized cost shifting from the General Fund to other funds (such as Measure GG, Measure FF, UC Settlement), eliminating positions, reducing non-personnel expenditures, and the closing of a fire station impact preparedness, prevention, and response reliability.

**FTE Changes – All Funds**

| <b>Category</b>       | <b>Baseline FTE</b> | <b>Proposed FTE</b> | <b>Change</b> | <b>Proposed FTE w/Sales &amp; Use Tax</b> | <b>Change FTE w/Sales &amp; Use Tax</b> |
|-----------------------|---------------------|---------------------|---------------|-------------------------------------------|-----------------------------------------|
| Sworn                 | 139                 | 127                 | -12           | 136                                       | -3                                      |
| Non-Sworn             | 67                  | 65                  | -2            | 65                                        | -2                                      |
| <b>Total Staffing</b> | <b>206</b>          | <b>192</b>          | <b>-14</b>    | <b>201</b>                                | <b>-5</b>                               |

**Budget Changes – GF**

| <b>Category</b>          | <b>FY 27 Baseline Budget</b> | <b>FY 27 Proposed Budget</b> | <b>Change</b>     | <b>Proposed Budget w/Sales &amp; Use Tax</b> | <b>Change w/Sales &amp; Use Tax</b> |
|--------------------------|------------------------------|------------------------------|-------------------|----------------------------------------------|-------------------------------------|
| Personnel                | 43,371,853                   | 41,231,433                   | -2,140,420        | 41,231,433                                   | -2,140,420                          |
| Personnel – OT & Hourly  | 3,789,869                    | 3,289,869                    | -500,000          | 3,289,869                                    | -500,000                            |
| Non-Personnel            | 8,488,967                    | 8,107,401                    | -381,566          | 8,107,401                                    | -381,566                            |
| Fire Station Closure (1) |                              | -3,631,106                   | -3,631,106        |                                              |                                     |
| <b>Total</b>             | <b>55,650,689</b>            | <b>48,497,597</b>            | <b>-6,653,092</b> | <b>52,628,703</b>                            | <b>-3,021,986</b>                   |

| <b>Category</b>          | <b>FY 28 Baseline Budget</b> | <b>FY 28 Proposed Budget</b> | <b>Change</b>     | <b>Proposed Budget w/Sales &amp; Use Tax</b> | <b>Change w/Sales &amp; Use Tax</b> |
|--------------------------|------------------------------|------------------------------|-------------------|----------------------------------------------|-------------------------------------|
| Personnel                | 44,927,982                   | 42,721,660                   | -2,206,322        | 42,721,660                                   | -2,206,322                          |
| Personnel – OT & Hourly  | 3,789,869                    | 3,280,294                    | -509,575          | 3,280,294                                    | -509,575                            |
| Non-Personnel            | 8,488,967                    | 8,107,401                    | -381,566          | 8,107,401                                    | -381,566                            |
| Fire Station Closure (3) |                              | -3,703,328                   | -3,703,328        |                                              |                                     |
| <b>Total</b>             | <b>57,206,818</b>            | <b>50,406,027</b>            | <b>-6,800,791</b> | <b>54,109,355</b>                            | <b>-3,907,463</b>                   |

(1) Fire Station Closure amount of \$3,631,106 consists of both personnel (9.0 FTE) and non-personnel expenditures. It is a package reduction proposal, meaning if accepted, the whole amount will be reduced. If not accepted, the whole amount will stay in the budget.

**Impacts****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, and manage grants. Reassignment of grant and performance reporting to Administrative and Fiscal Services staff—who already manage Fire and Police budgets and coordinate the City's most complex payrolls—will reduce grant management 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 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.

**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.

**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 later in this report.

**Cost-Shift Two Firefighter FTEs from the General Fund to UC Settlement Fund**

- Reducing nonessential components of the Employee Health & Wellness Program will free UC Funds to cover two firefighters. Educational wellness elements (sleep, nutrition, heart-rate variability) will be cut, potentially affecting employee behavior and future workers' compensation trends.

**Cost Shift General Fund Contracts to UC Settlement Fund**

- Reduced scope of work for one vendor that provides health and wellness education for fire employees.

**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 recommends utilizing one-time funds, as outlined at the beginning of this report, during Fiscal Year 2027. This approach is intended to delay the closure of a fire station until after the results of the Sales and Use Tax measure, which will be decided in November 2026, are known.**

**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.**

**Health, Housing & Community Services (HHCS)**

Faced with significant fiscal headwinds in both the General Fund and multiple special funds that support mental health and behavioral health services, HHCS engaged in a rigorous, principle-driven process to identify approximately \$3.5 million in annual General Fund adjustments and a variety of other actions to correct special fund deficits. Due to the severity of the structural deficit, the recommendations are deep. While efforts were made to reduce the impact, the recommendations from HHCS are painful and impactful.

**FTE Changes (All Funds)**

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

**Budget Changes (GF)**

| Category                | FY27<br>Baseline Budget | FY 27<br>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                | FY28<br>Baseline Budget | FY 28<br>Proposed Budget | Change     |
|-------------------------|-------------------------|--------------------------|------------|
| Personnel               | 15,726,063              | 14,360,254               | -1,365,809 |
| Personnel – OT & Hourly | 711,776.63              | 691,042                  | -20,735    |
| Non-Personnel           | 21,583,541              | 19,514,617               | -2,068,924 |

## Impacts – General Fund

### A. Aging Services Division

- A one-time shift to Fund 111 in the amount of \$96,304 is implemented to reduce General Fund expenditures.

### B. Environmental Health Division

- Eliminates one vacant Office Specialist II position. Intake workload will be absorbed through database modernization.
- Berkeley's Vector Control Program will be transferred to Alameda County, and the City will no longer provide this service. This change is anticipated to improve service quality and end ongoing General Fund subsidies in the amount of approximately \$362,170 annually, for this work. As a result, two Vector Control positions will be eliminated (one filled and one vacant).

### C. Mental Health Division

- Mobile Crisis Team:
  - Eliminates 2.6 filled FTE, representing the last General Fund–funded mental health crisis response positions.
  - The City will no longer provide crisis response services and will rely on Alameda County, which is a County responsibility. However, the County's ability to provide this service over the long-term remains uncertain due to budget challenges and policy shifts.
  - Responsibility for wellness checks and psychiatric emergencies will shift solely to the Berkeley Police Department.

### D. Public Health Division

- Heart to Heart: The Heart-to-Heart program (1.0 FTE filled, 1.0 FTE vacant) is proposed to be eliminated to support a sustainable fiscal model. Blood pressure screenings and health education are offered by federally qualified health centers and primary care providers, enabling integrated clinical care.
- Targeted Case Management: Eliminates one vacant Public Health Nurse position. An existing Social Services Specialist staff will absorb responsibilities.
- 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.

### E. 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. Although

service delivery is expected to continue, remaining staff will have higher workloads and reduced responsiveness in programs such as Shelter Plus Care and Labor Standards. Outreach and education capacity will also decline.

- **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.

## Impacts - Special Funds

In addition to the General Fund impacts outlined above, HHCS needs to implement additional reduction measures to address the loss of grant funding, the transition to the Behavioral Health Services Act (Proposition 1), and the loss of Medicaid revenue.

### 1. Aging Services – Information & Assistance (I&A)

Earlier this year, the Alameda County Area Agency on Aging notified the City of a cut to the Information & Assistance (I&A) program funding, effective July 1, 2026, totaling \$156,803. This program is funded through the federal Older Americans Act funds that pass through to the Alameda County Area Agency on Aging (AAA). Berkeley has been a recipient of these funds for well over two decades and they have been deployed to social services to the older adult community. Funding allocated to a vacant position in Fund 320 will be deployed to maintain these vital services.

### 2. California Strengthening Public Health Initiative (CASPHI)

The Public Health Division received notice of an impending cut to this program's funding, effective February 11, 2026. While the announcement came out in January 2026, this cut has been the subject of a federal lawsuit and temporary restraining order. While the funding remains in limbo, the Department understands that funding will likely be cut. This program was designed to strengthen the public health workforce using data-driven planning, cross-sector partnerships, and an explicit commitment to health equity. Funding has expanded the Department's capacity to address disparities by supporting the creation of the Senior Health Management Analyst position, which has been essential for workforce development, data metric development, mentorship, and advancing the department's Equity Plan. Losing this funding and having to eliminate this program would jeopardize workforce expansion efforts and delay key deliverables, including the launch of a public-facing, equity-focused data dashboard aligned with the 2025 Community Health Improvement Plan. The estimated financial impact of this reduction is estimated at \$650,928 total (\$130,186 annually). Staff are actively developing a comprehensive plan to mitigate the effect of this reduction.

### 3. CalFresh Healthy Living (CFHL)

Earlier this year, the Department was notified of a cut to the CalFresh Healthy Living (CFHL) program funding, \$162,390 annually effective May 1, 2026. The Public Health Division administers a portion of the United States Department of Agriculture (USDA) funded Supplemental Nutrition Assistance Program, known in California as CFHL. These resources are deployed to provide nutrition education and obesity prevention activities and interventions for low-income Californians. The focus of the project is to upstream public health approaches and individual and organizational health promotion to help the CFHL target audience establish healthy eating habits, a physically active lifestyle, and for primary prevention of disease. The specific target audience are SNAP participants and other low-income individuals who qualify for SNAP (CalFresh Food) benefits or other means-tested Federal assistance programs.

The program's core activities in Berkeley include direct education for children aged 0-5, aiming to increase healthy food and water consumption, boost physical activity, and reduce screen time, with an annual reach of approximately 650 children. Concurrently, direct adult education targets teachers, staff, and parents (ages 18-59), reaching around 300 individuals annually. The program also conducts monthly healthy food demonstrations for older adults (59+), typically reaching 320 individuals annually, and provides indirect education through healthy cooking resources at community events. The Department has identified alternative one-time funding to continue the program through the effective date of May 1, 2026. However, all CFHL services will be discontinued after May 1, 2026, and staffing will be redirected to other program areas with alternative available funding.

#### 4. Services to Enhance Early Development (SEED)

In February, the Department received information of an impending cut to SEED program funding of \$224,393, effective July 1, 2026. This is a revenue-generating contract with the Department of Children and Family Services (DCFS) of the Alameda County Social Services Agency to support a 0.8 FTE Public Health Nurse and 0.10 FTE Supervising Public Health Nurse. Staff provide services to children and their caregiver(s) throughout the county including Berkeley. They also coordinate and provide information to their counterparts (Child Welfare Workers, mental health clinicians, and parent advocates) in the SEED team regarding the ongoing medical needs of a child participant. The program's core activities in Berkeley include entering and reviewing information such as birth records, medical/dental records, immunization records, laboratory, and radiological reports in the Child Welfare System (CWS)/Case Management (CMS) and Health and Education Passport (HEP). The target population is Alameda County juvenile court-dependent children between the ages of zero to three years and 11 months. HHCS is currently working to shift employees allocated to this program to other vacant grant-funded activities. The program currently only provides services to one child in Berkeley and will have minimal impact on services.

#### 5. Measure GG Revenue Transfer

As indicated in the Fire Department section above, Measure GG resources allocated to Public Health Emergency Preparedness are being reallocated to support Fire Department operations. As a result, HHCS's emergency preparedness capacity will be significantly diminished. The Department will not have the capacity to coordinate comprehensive city-wide emergency readiness and response initiatives. The loss of this funding results in the elimination of two (2) existing positions (1 filled and 1 vacant) assigned to this work.

#### 6. Mental Health Division

In addition to the reductions described above in the Mental Health Division, the Division proposes eliminating 32 positions (27 vacant and 5 filled), primarily long-vacant positions created during a previous expansion that was later undermined by changes in state funding. This is a "right-sizing" of the division following an ambitious expansion period.

Approximately four years ago, the Mental Health Division scaled up staffing in anticipation of CalAIM’s promise of expanded Medi-Cal populations and increased service needs. However, mid-expansion, several vital changes occurred to state funding. The State shifted Medi-Cal to a fee-for-service model and implemented Behavioral Health Services Act (BHSA) / Proposition 1 changes. Berkeley, like County health jurisdictions, lost significant revenue for mental health services based on this fundamental Prop 1 system restructuring that mandates new spending requirements that prioritize housing and substance use disorders over general community programs. Additionally, as a small jurisdiction acting as a contractor to Alameda County for Medi-Cal, Berkeley was disproportionately penalized by these rate cuts effectively reducing the City’s Medi-Cal revenue by 50%. Recognizing these fiscal shifts early on, the Division held many positions vacant.

With these changes, while the Mental Health Division will continue to provide specific intensive services, it will transition away from direct service delivery for non-contractual programs (i.e., Mobile Crisis Team discussed above) and focus on navigating residents toward county-level alternatives. This ensures that Berkeley remains a vital link in the behavioral health chain, utilizing limited resources to maintain intensive care where possible while ensuring residents have a clear pathway to all other mandated psychiatric and emergency services.

**Human Resources**

The proposal prioritizes maintaining core HR services within budget constraints, mainly through structural changes and contract eliminations. Two vacant positions will be cut. HR focus will shift from proactive and strategic efforts to a compliance-driven, baseline model.

**FTE Changes (All Funds)**

| <b>Category</b> | <b>Baseline FTE</b> | <b>Proposed FTE</b> | <b>Change</b> |
|-----------------|---------------------|---------------------|---------------|
| Total Staffing  | 26                  | 24                  | -2            |

**Budget Changes (GF)**

| <b>Category</b>         | <b>FY 27<br/>Baseline Budget</b> | <b>FY 27<br/>Proposed Budget</b> | <b>Change</b> |
|-------------------------|----------------------------------|----------------------------------|---------------|
| Personnel               | 3,995,636                        | 3,685,961                        | -309,675      |
| Personnel – OT & Hourly | 60,983                           | 49,769                           | -11,214       |
| Non-Personnel           | 1,156,299                        | 851,414                          | -304,885      |

| <b>Category</b>         | <b>FY 28<br/>Baseline Budget</b> | <b>FY 28<br/>Proposed Budget</b> | <b>Change</b> |
|-------------------------|----------------------------------|----------------------------------|---------------|
| Personnel               | 4,170,173                        | 3,838,760                        | -331,413      |
| Personnel – OT & Hourly | 60,983                           | 49,769                           | -11,214       |
| Non-Personnel           | 1,156,299                        | 876,894                          | -279,405      |

## Impacts

Several positions funded by General Fund will be cost shifted to the Workers' Compensation (WC) Fund as a result of the elimination of the WC funded HR Analyst position being eliminated. This includes the following:

- Assistant Management Analyst - supports WC in weekly check registrars and processing of the Advanced Disability Payment process.
- Employee Relations Manager – increasing WC fund allocation by 10%
- Director of Human Resources – 20% increased oversight of Workers Compensation division by HR Director
- HR Technician – this technician was already partially assigned to WC; however greater support will be required for WC as the WC Analyst is proposed to be eliminated justifying the shift of this Technician to support WC.
- Associate Human Resources Analyst - allocating 50% of this position for analyst level WC support.

## Personnel Reductions

Two vacant positions are proposed to be eliminated:

- One HR Associate Analyst (WC) (vacant)
- Occupational Health & Safety Specialist (vacant)

Workers' Compensation and occupational health and safety functions will be absorbed by existing HR staff as discussed above, reducing capacity for work beyond baseline compliance. Proactive safety work will be limited, including slower response times for ergonomic assessments and site visits.

For workers' compensation and leave administration, HR will monitor case timelines and claim progression to avoid increased costs from processing delays. If performance indicators show rising exposure or fiscal impact, HR will adjust workload distribution to ensure the cost shift continues to produce net savings.

## Significant Non-Personnel Reductions

- Employer of Choice Consulting – \$96,742. Eliminates external consulting for employer branding, workforce strategy, and retention. Strategic employer branding and recruitment marketing will continue in-house with reduced capacity.
- HR Accuity Software Cancellation – \$46,494. Discontinues a case-tracking software tool originally purchased for Employee and Labor Relations. The system was not fully adopted

by HR, and existing software such as SharePoint and Power BI provide similar utility that is currently being used.

- GovInvest Contract Elimination - \$45,000. Discontinues contract for advanced financial modeling tools supporting personnel cost forecasting, retirement liabilities, and labor negotiation scenarios. Modeling will shift to HR staff and Budget staff collaboration using internal tools and spreadsheets, increasing manual workload and turnaround times for projections, especially during bargaining cycles.
- Commercial Driver’s Program Recordkeeping Contract – \$50,000. Reduces contract services for document storage and license tracking. Work will be absorbed internally with no operational impact. Planned software implementation will not proceed; responsibilities remain with HR and Public Works staff (Safety Officer classification).

**Information Technology**

The Department of Information Technology (IT) provides the core digital infrastructure that supports Citywide operations, including financial systems, permitting, communications, cybersecurity, data management, and network services.

To support the City’s broader fiscal balancing strategy, IT identified expenditure reductions for FY 2027 and FY 2028. Due to the essential and fixed nature of many technology costs, such as software licensing, cybersecurity protections, and system maintenance, opportunities for reductions are limited. Any decrease in funding may affect system reliability, security, and the City’s ability to maintain uninterrupted digital services.

**FTE Changes (All Funds)**

| <b>Category</b> | <b>Baseline FTE</b> | <b>Proposed FTE</b> | <b>Change</b> |
|-----------------|---------------------|---------------------|---------------|
| Total Staffing  | 49                  | 45                  | -4            |

**Budget Changes (GF)**

| <b>Category</b>         | <b>FY27<br/>Baseline Budget</b> | <b>FY 27<br/>Proposed Budget</b> | <b>Change</b> |
|-------------------------|---------------------------------|----------------------------------|---------------|
| Personnel               | 0                               | 0                                | 0             |
| Personnel – OT & Hourly | 0                               | 0                                | 0             |
| Non-Personnel           | 1,150,454                       | 965,062                          | -185,391      |

| <b>Category</b>         | <b>FY28<br/>Baseline Budget</b> | <b>FY 28<br/>Proposed Budget</b> | <b>Change</b> |
|-------------------------|---------------------------------|----------------------------------|---------------|
| Personnel               | 0                               | 0                                | 0             |
| Personnel – OT & Hourly | 0                               | 0                                | 0             |
| Non-Personnel           | 1,150,454                       | 965,062                          | -185,391      |

## Impacts

Information Technology has no General Fund personnel budget; all GF reductions occur within the non-personnel category. However, IT is proposing to reduce four (4) vacant positions funded by the IT Cost Allocation Fund (see IT Cost Allocation Plan section).

### Non-Personnel Reductions (GF)

- \$57,705 Alcor-ServiceNow Support - ServiceNow platform is the City's primary engine for citywide trouble ticketing, IT service delivery, and specialized City Clerk workflows. This contract ensures immediate access to certified developers for troubleshooting, patch management, and workflow optimization. Without Alcor's support, resolution times for system failures would increase, potentially leading to prolonged downtime for vital functions.
- \$59,000 Everbridge, Accela — Cost shift from GF to IT Cost Allocation Plan Fund as funding this project ensures that the initial investment is preserved and that the City maintains its employee safety posture with a reliable, automated safety infrastructure that protects our employees. The BeWARNED system is the City's primary employee "All-Warning" insurance policy; without this funding, the core Everbridge service will cease, leaving the City without a centralized mechanism for immediate emergency notifications.
- \$68,686 Carahsoft-Zoom – Maintaining two full enterprise video platforms is fiscally inefficient. By standardizing on Microsoft Teams, which is already in our unified G3 licensing, the City can save money and streamline administrative overhead. This move reduces "digital friction" by ensuring staff use a single, secure ecosystem for daily collaboration and internal meetings. IT acknowledges that Zoom is currently the primary vehicle for City Council meetings. IT is assessing (in collaboration with the City Clerk's office) whether Teams' webinar capabilities can provide the same level of public access and moderation. The goal is to remove Zoom as the general "teleconference" tool while "right-sizing" any remaining footprint only for essential public-facing functions.

### IT Cost Allocation Plan (Fund 680)

Most IT services are funded through the Internal Service Fund, Fund 680, (IT Cost Allocation) rather than the General Fund. However, the General Fund provides significant resources to the IT Cost Allocation Plan. As part of the proposed General Fund balancing plan, the General Fund contribution to Fund 680 is reduced by \$600,000. Additionally, Fund 680 absorbed a \$6.46 million transfer out to the General Fund in FY 26 to support the Citywide balancing effort as part of the FY 26 Mid Biennial Budget.

IT is also experiencing deficits in two funds that continue to incur significant costs despite no longer receiving revenue:

- Fund 502 – Telephony (VOIP). Funding ended in FY 2024, but the fund remains responsible for the annual Avaya contract (~\$460,000). With a projected FY 2026 balance of \$393,000, the fund is expected to reach a negative balance of approximately \$551,000 shortly thereafter.

- Fund 503 – FUND\$ Replacement. This fund is projected to reach a negative balance of \$1.8M by FY 2028. To ensure accurate accounting and maintain operational continuity, the remaining liabilities of Funds 502 and 503 are proposed to be cost shifted to the IT Cost Allocation Plan. This adjustment will increase the IT Cost Allocation Fund's structural deficit and will require reassessment of long-term funding needs over time.

To address the reduction in resources allocated to the IT Cost Allocation Plan and the deficits in Fund 502 and Fund 503, leading to a cost shift of the expenses from those funds to Fund 680, the following outlines proposed reductions in personnel and non-personnel expenditures.

### **Personnel Reductions**

- Application Programmer Analyst II (vacant). This position supports several business systems used by City departments, including systems supporting Police and Fire operations. Eliminating this position will reduce the department's ability to respond quickly to system issues and enhancements affecting these critical systems.
- Customer Service III (311 / Service Desk) (vacant). This role supports the City's 311 customer service operations. Removing this position will reduce call-handling capacity and may result in longer response times for community members and City staff requesting assistance.
- Program Manager II (vacant). This position provides coordination and oversight for City technology projects. Eliminating this position will slow project implementation and reduce oversight of technology initiatives requested by City departments.
- Senior Information Systems Specialist (vacant). This position supports critical infrastructure systems including servers, network systems, and core technology platforms. Eliminating this position reduces IT's technical capacity to maintain and implement infrastructure and security improvements.

### **Non-Personnel Reductions**

- Avaya Replacement – This project transitions the City's voice communications from the existing Avaya VoIP system to a unified Microsoft Teams telephony model. This integration replaces the current dependence on physical, standalone VoIP desk phones with "softphones," allowing staff to manage City calls directly through the Teams app on their computers or mobile devices. Deferring this modernization means the City will remain on a legacy Avaya VoIP infrastructure and continue to rely on physical desk phones, unable to leverage the mobile and collaborative benefits of the Microsoft ecosystem.
- CompuCom Staff Augmentation. Reduces Service Desk capacity, resulting in slower response times and lower service levels.
- Integration Platform. Delays development of a centralized Accounts Receivable/General

Billing portal and other Integration improvements, affecting staff efficiency and customer service.

- Artificial Intelligence Tools. Eliminates planned investments in AI solutions that could streamline City processes and improve service delivery.

**Parks, Recreation, and Waterfront**

The Parks, Recreation & Waterfront (PRW) Department manages and maintains the City's parks, playgrounds, pools, camps, community centers, and waterfront facilities; delivers recreation programs and special events for youth, families, and seniors; operates the largest public marina on the Bay; and plans, designs, and constructs capital improvements across Berkeley's parks, recreation, and waterfront system. As one of the City's most visible and community-serving departments, PRW provides important services that support public health, youth development, equity, and quality of life.

To align with the City's fiscal balancing strategy, PRW identified expenditure reductions for FY 2027 and FY 2028. Because PRW's programs and facilities directly serve high-need populations, including low-income residents and youth, opportunities for reductions are difficult. Any decrease in funding reduces the City's ability to meet strong community demand and maintain equitable access to recreation and waterfront services.

**FTE Changes – All Funds**

| Category       | Baseline FTE | Proposed FTE | Change | Proposed FTE w/Sales & Use Tax | Change FTE w/Sales & Use Tax |
|----------------|--------------|--------------|--------|--------------------------------|------------------------------|
| Total Staffing | 116          | 110          | -6     | 113                            | -3                           |

**Budget Changes – GF**

| Category                | FY27 Baseline Budget | FY 27 Proposed Budget | Change   | Proposed Budget w/Sales & Use Tax | Change w/Sales & Use Tax |
|-------------------------|----------------------|-----------------------|----------|-----------------------------------|--------------------------|
| Personnel               | 5,160,028            | 4,269,535             | -890,493 | 4,735,539                         | -424,489                 |
| Personnel – OT & Hourly | 3,757,812            | 3,764,484             | +6,672   | 3,764,484                         | +6,672                   |
| Non-Personnel           | 4,315,361            | 4,008,232             | -307,129 | 4,008,232                         | -307,129                 |

| Category              | FY28 Baseline Budget | FY 28 Proposed Budget | Change   | Proposed Budget w/Sales & Use Tax | Change w/ Sales & Use Tax |
|-----------------------|----------------------|-----------------------|----------|-----------------------------------|---------------------------|
| Personnel             | 5,308,991            | 4,403,637             | -905,354 | 4,880,850                         | -428,041                  |
| Personnel (OT/Hourly) | 3,757,812            | 3,764,484             | +6,672   | 3,764,484                         | +6,672                    |
| Non-Personnel         | 4,315,361            | 4,008,232             | -307,129 | 4,008,232                         | -307,129                  |

## Impacts

### Personnel Reductions – General Fund

- 2.46 FTE cost shifts from the General Fund to the Camps Fund and Parks Tax Fund, increasing the strain on the operating balance for each fund.
- Elimination of 3.0 vacant FTE in the Recreation Division (2 Assistant Recreation Coordinators and 1 Sports Official). Less career staff to schedule, program, and supervise part-time staff, resulting in:
  - Partial pool closures - Pools may be closed on weekends, or one weekend day, at one or both pools. Alternatively, one pool could be closed during the winter season.
  - Elimination of the Therapeutic Recreation program that supports up to 21 youth with special needs to participate in summer camp and afterschool programs.
  - Reduced teen trips and special events.
  - Reduced family oriented and DEI focused events.
  - Fewer programs for young children (Tots and Pre-Kindergartners) – less program offerings for the estimated 150 participants per week that attend drop-in programs; and the 168 participants that attend pre-k camp programs throughout the year.
  - Reduced summer camp enrollment by 36 slots and afterschool program enrollment by 36 slots to ensure appropriate child supervision. The afterschool reduction would represent 12 slots at each site: Francis Albrier, Live Oak, and James Kenney.
  - Reduced Community Center hours – centers will be closed on some evenings and weekends.
  - Increased need for scholarships to maintain access for low-income families. As an example, closure of the City’s Playground Program, which is fully subsidized by the General Fund, would displace 72 participants each week during the summer. The Playground Program is the City’s low-cost summer camp option where participants pay \$10/week to attend. Those 72 families would still need to find care for their children and would likely need scholarships to participate in higher-cost City programs. This cycle of subsidized program closures increasing demand for scholarships for other programs will likely lead to pressures to increase the budget for scholarships and reduce eligibility thresholds.

**To avoid immediate service reductions, the proposed Budget Balancing Plan recommends using onetime funds in FY 2027 to maintain the two (2) Assistant Recreation Coordinators and one (1) Sports Official until the outcome of the November 2026 Sales and Use Tax measure is known. This will obviate the need for reductions in after-school programs, camps, community center and pool operating hours, and other programs serving youth, outlined above. If the measure passes, new revenue will be proposed to sustain the positions and prevent impacts on programs and services for**

**youth and adults. If the measure does not pass, the position eliminations will be reconsidered for FY 2028.**

#### Non-Personnel Reductions – General Fund

- PRW currently receives \$450,000 annually to remove hazardous trees and vegetation. Reducing the fire fuel budget by \$243,000 is proposed to address the General Fund deficit. In the last fiscal year, PRW removed an estimated 210 tons in fire fuel debris from the Berkeley hills. As resources allow, Measure FF may be a potential funding source to maintain funding for this program.
- General Fund resources are currently used to advertise PRW programs and events, produce ribbon cuttings, groundbreakings, and department-wide training. The department proposes reducing resources allocated to these activities by \$63,837 that will result in lower-quality public engagement and reduction in department training.

#### Personnel and Non-Personnel Reductions – Other Funds

Additional workforce, cost shifts and non-personnel reductions are needed to align staffing with available resources, given the sunset of the Measure T1 bond program, revenue shortfalls in the Marina Fund, and lack of capacity in other funds.

- Elimination of two Assistant Civil Engineers (one filled and one vacant) due to expiring Measure T1 funding, and lack of other capital funding sources. PRW hired two (2) engineers to support the Measure T1 bond program in 2017. With projects now complete or fully allocated, T1 staffing funds are fully expended, and PRW's other funding sources (Parks Tax Fund and Marina Fund) do not have capacity to absorb these positions. Losing these positions reduces the department's ability to deliver current capital projects and achieve future grant obligations.
- Elimination of the Waterfront Manager position (filled) in the Marina Fund, reducing capacity to apply for and implement grants, managing PRW leases, and supporting waterfront operations.
- Cost shift of 0.15 FTE from the Marina Fund to the Parks Tax Fund.
- Reduction of \$181,000 in waterfront maintenance and operations limits the department's ability to maintain waterfront infrastructure

These reductions are necessary to offset the existing structural deficit and anticipated additional loss of revenue from the Doubletree Hotel in FY27-28. The Marina Fund has been operating at a loss since the start of COVID and has needed a variety of General Fund infusions to stay in the black and now must manage its revenue and expenses such that the Fund remains positive. The Doubletree Hotel, which makes up 20% of waterfront revenue, has sustained many years of losses stemming from the region's weak recovery in the tourism sector; and is now unable to meet their rent obligations. While needed, these reductions will reduce PRW capacity to develop new waterfront community programs, help manage leases, address one-time needs, and support waterfront-wide operations.

Moving forward, it will be critical to preserve the Marina Fund’s boating revenue, which makes up approximately 2/3 of total revenue. To this end, PRW, as part of the Biennial budget process, will propose adding a Senior Marina Assistant to increase staffing and support for the Marina’s 1,000 slips and amenities. The City currently has 2 Marina Assistants (1 per every 500 berthers) and given the importance of this revenue, it is vital that the City provides a higher level of customer service. In the past, the City had anywhere from 3 to 4 Marina Assistants and given the level of complaints that are received, adding the Senior Marina Assistant will enable the City to address berth concerns including weekend availability, provide additional security, and other ancillary services that support berthers and boaters.

**Planning and Development**

The Planning and Development Department achieved the required 12.5% General Fund reduction primarily by reallocating eligible costs to enterprise funds. 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.

**FTE Changes (All Funds)**

| <b>Category</b> | <b>Baseline FTE</b> | <b>Proposed FTE</b> | <b>Change</b> |
|-----------------|---------------------|---------------------|---------------|
| Total Staffing  | 104.04              | 104.04              | 0             |

**Budget Changes (GF)**

| <b>Category</b>         | <b>FY27<br/>Baseline Budget</b> | <b>FY 27<br/>Proposed Budget</b> | <b>Change</b> |
|-------------------------|---------------------------------|----------------------------------|---------------|
| Personnel               | 3,004,877                       | 2,854,879                        | -149,998      |
| Personnel – OT & Hourly | 5,496                           | 5,496                            | 0             |
| Non-Personnel           | 655,788                         | 347,517                          | -308,271      |

| <b>Category</b>         | <b>FY28<br/>Baseline Budget</b> | <b>FY 28<br/>Proposed Budget</b> | <b>Change</b> |
|-------------------------|---------------------------------|----------------------------------|---------------|
| Personnel               | 3,102,076                       | 2,947,458                        | -154,618      |
| Personnel – OT & Hourly | 5,496                           | 5,496                            | 0             |
| Non-Personnel           | 655,788                         | 339,987                          | -315,801      |

## Impacts

### Personnel Reductions

The Department does not propose eliminating any positions. Personnel savings are achieved by shifting existing staff costs from the General Fund to special funds, specifically the PSC Fund and CUPA Fund.

### Non-Personnel Reductions

The Department reviewed the General Fund allocations for Internal Service Fund charges and adjusted the cost distribution to reflect a more accurate ratio. This included shifting a portion of costs to the appropriate enterprise funds. These corrections generate General Fund savings.

### Police Department

The Police Department is a personnel-driven organization that not only works proactively to address public safety but responds to calls for service – over the past five years (2021-2025), on average, the department has responded to 61,907 calls for service. With approximately 93% of its General Fund budget dedicated to staffing, meaningful reductions cannot be achieved through non-personnel savings; the proposed non-personnel cost shifts and overtime adjustments are insufficient to meet the reduction targets.

The Department is currently operating at minimum staffing levels and sustained the loss of seven (7) sworn personnel and six (6) non-sworn (5 dispatchers and 1 office specialist) vacant positions as part of the FY 25-26 Mid Biennial Budget. Retirements and ongoing separations make it increasingly difficult to sustain specialized units, and any additional reductions in sworn or dispatcher positions must be weighed against the City's capacity to deliver essential public safety services. Maintaining vacant positions for ongoing hiring is critical; without them, the City risks replicating the post-COVID staffing crisis, where depleted staffing led to slower response times, reduced service capacity, and prolonged recovery.

Within this context, the proposed 10% reduction in the Police Department requires significant personnel reductions that materially reduces public safety service levels and compromises the department's specialized units to respond effectively to community needs. For the Communications Center (9-1-1 Dispatch), the proposed budget reductions will threaten the department's ability to answer 9-1-1 calls and reliably dispatch police and fire resources. Patrol is the Department's core function and must be preserved to maintain basic emergency response. The proposed reductions of 25 sworn personnel before the proposal to restore positions through the Sales and Use Tax would require consolidation or elimination of specialty units, including Traffic/Motors Division, the Community Services Bureau, the Bicycle Team, and significant portions of the Detective Bureau—in order to backfill the Patrol Division. These reductions would diminish proactive policing, reduce visibility in high-priority areas, and limit the Department's ability to address complex community issues.

The Police Department budget balancing proposal may change depending on the outcome of the City Council Special meeting on the Police Department's technology initiatives.

**FTE Changes – All Funds**

| Category                 | Baseline FTE | Proposed FTE | Change     | Proposed FTE<br>w/<br>Sales & Use<br>Tax | Change FTE<br>w/<br>Sales & Use<br>Tax |
|--------------------------|--------------|--------------|------------|------------------------------------------|----------------------------------------|
| Sworn                    | 174          | 149          | -25        | 164                                      | -10                                    |
| Public Safety Dispatcher | 36           | 23           | -13        | 29                                       | -7                                     |
| Non-Sworn                | 80           | 79           | -1         | 79                                       | -1                                     |
| <b>Total Staffing</b>    | <b>290</b>   | <b>251</b>   | <b>-39</b> | <b>272</b>                               | <b>-18</b>                             |

**Budget Changes – GF**

| Category                           | FY27<br>Baseline<br>Budget | FY 27<br>Proposed<br>Budget | Change     | Proposed<br>Budget<br>w/Sales & Use<br>Tax | Change w/<br>Sales & Use<br>Tax |
|------------------------------------|----------------------------|-----------------------------|------------|--------------------------------------------|---------------------------------|
| <b>Personnel</b>                   | 88,710,290                 | 78,831,573                  | -9,878,717 | 84,177,458                                 | -4,532,832                      |
| <b>Personnel – OT &amp; Hourly</b> | 9,951,528                  | 9,801,528                   | -150,000   | 9,801,528                                  | -150,000                        |
| <b>Non-Personnel</b>               | 7,536,756                  | 6,976,756                   | -560,000   | 6,976,756                                  | -560,000                        |

| Category                           | FY28<br>Baseline<br>Budget | FY 28<br>Proposed<br>Budget | Change      | Proposed<br>Budget<br>w/Sales & Use<br>Tax | Change w/<br>Sales & Use<br>Tax |
|------------------------------------|----------------------------|-----------------------------|-------------|--------------------------------------------|---------------------------------|
| <b>Personnel</b>                   | 89,868,662                 | 79,789,284                  | -10,079,378 | 85,242,588                                 | -4,626,074                      |
| <b>Personnel – OT &amp; Hourly</b> | 9,951,528                  | 9,801,528                   | -150,000    | 9,801,528                                  | -150,000                        |
| <b>Non-Personnel</b>               | 7,536,756                  | 6,976,756                   | -560,000    | 6,976,756                                  | -560,000                        |

**Personnel Reductions**

- Elimination of one (1) vacant Office Specialist II
- Elimination of twenty-three (23) Police Officer positions
  - Vacant = 14.0 FTE
  - Filled = 9.0 FTE
- Elimination of two (2) vacant Police Sergeant positions
- Elimination of thirteen (13) Public Safety Dispatchers
  - Vacant = 13.0 FTE

**Total Police Department reduction in force is thirty-nine (39) positions. Elimination of these 39 positions will have negative impact on the following service areas:**

**Communications Center (9-1-1 Dispatch)**

The Communications Center is staffed at 20 of 32 authorized positions and relies heavily on mandatory overtime to maintain minimum coverage due to a limited number of fully trained Public Safety Dispatcher II personnel. The Department must be able to continue to hire.

Attrition among new hires has averaged 67% over the past four years, with most separations occurring during training. Training capacity cannot be expanded because of limited trainer availability. If all the department's vacant dispatchers are eliminated as part of the Department's 10% budget reduction plan, hiring will largely cease and increased workload and overtime will result in fatigue and burnout. Proposed staffing reductions will compromise the City's ability to answer 9-1-1 calls and reliably dispatch police and fire resources.

As mentioned above, the Department's 10% budget balancing plan will also require consolidation or elimination of various specialty units. The following provides an overview of the work of these units and community impacts.

### **Community Services Bureau**

The Community Services Bureau leads community engagement, problem-solving, special event coordination, and cross-departmental work on quality-of-life issues, including homelessness. Reductions would significantly curtail outreach and coordinated response efforts, shifting long-term, complex community concerns back to patrol units already operating with limited capacity. This would reduce the City's ability to sustain relationship-based policing and collaborative problem-solving.

### **Bicycle Team**

The Bicycle Team provides focused patrol in business districts and other high-activity areas while serving as one of the Department's most flexible deployment resources. The team supports warrant operations, special events, and patrol backfill, and maintains a visible presence in Downtown and South Campus. Further reductions would weaken crime-prevention efforts, reduce community engagement, and eliminate a critical resource that stabilizes operations during staffing shortages.

### **Traffic Bureau**

The Traffic Bureau conducts serious and fatal collision investigations, traffic enforcement, and traffic safety grant management, and supports Vision Zero initiatives and multi-department operations. These functions require specialized training not available in patrol. Reductions would shift complex collision investigations and traffic safety responsibilities to patrol, significantly limiting proactive traffic enforcement and reducing overall response capacity.

### **Detective Bureau**

The Detective Bureau handles follow-up investigations for serious and complex crimes, manages digital evidence and forensic analysis, and prepares cases for prosecution. Staffing reductions have already forced prioritization among critical cases and limited proactive investigative work, including cold case review and regional task force participation. Additional staffing reductions would increase case backlogs, reduce investigative follow-up and victim support, and impair the Department's ability to resolve crimes and maintain effective investigative operations.

Not being able to staff these specialty units will impact hiring efforts, as well. The Police Department will not be able to compete with other agencies that provide growth opportunities for their officers. As a result, it will be challenging for the Department to address vacancies that arise through attrition.

**The City Manager recommends utilizing one-time funds, as outlined at the beginning of this report, during Fiscal Year 2027. This approach is intended to delay the elimination of 21 positions, as outlined below, until the outcome of the November 2026 Sales and Use Tax measure is known.**

**Police Department Positions Allocated to the Sales and Use Tax**

|                        |    |
|------------------------|----|
| Vacant Police Officers | 6  |
| Filled Police Officers | 9  |
| Vacant Dispatchers     | 6  |
| Total                  | 21 |

Preserving these positions ensures that the Police Department maintains minimum staffing levels, can staff specialty units, and can continue hiring efforts.

**Should voters approve the Sales and Use Tax measure, the resulting revenue is proposed to be allocated to maintain the identified 21 sworn and non-sworn positions. If the measure does not pass, the position eliminations will be reconsidered for FY 28**

**Other Reductions**

- Reduction in Overtime \$150,000

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. The Public Safety Technology Package would reduce sworn patrol and investigative overtime by enabling a safer, lower minimum-staffing floor and shortening the time detectives spend on tasks that technology can complete more efficiently. Together, these initiatives would result in higher overtime cost reductions. Depending on the outcome of June 2, 2026, the City Manager may amend some of the Police Department budget balancing proposals.

- Other Non-Personnel Items \$560,000

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).

**Public Works**

To address not only the General Fund deficit, but deficits across several other funds, Public Works has developed a budget balancing plan that generates an estimated \$6.6 million (FY 2027) and \$6.9 million (FY 2028) in savings from personnel expenditure reductions, cost shifting, and non-personnel reduction across five operational divisions. With personnel costs representing approximately 68 percent of the Department’s budget, these reductions require the elimination of fifteen (15) full-time positions. Of the 15 positions, two (2) are filled and 13

are vacant. This plan also includes cost shifting 51 positions from distressed funds to healthier funds that still align with the work the positions are doing.

The proposed budget balancing plan for Public Works includes General Fund reduction of \$780,000 in FY 2027 and \$1.1 million in FY 2028 and reduction of personnel budget in the Capital Improvement Fund of \$2.2 million in FY 2027 and FY 2028. In FY 2027, an additional \$3.5 million and in FY 2028, \$3.6 million in personnel savings will come from Public Works' Enterprise and Special Revenue Funds, most notably the Parking Meter Fund, Off-Street Parking Fund, 1947 Center Street, and Building Maintenance Fund. These funds require budget balancing strategies as all are experiencing structural deficits.

Additional balancing measures include eliminating temporary staffing, reducing security contract services, and deferring capital outlay for meter replacements. Collectively, these actions will reduce service capacity and accelerate long-term infrastructure deterioration.

**FTE Changes (All Funds)**

| Category       | Baseline FTE | Proposed FTE | Change |
|----------------|--------------|--------------|--------|
| Total Staffing | 352          | 337          | -15    |

**Budget Changes (GF)**

| Category                | FY27<br>Baseline Budget | FY 27<br>Proposed Budget | Change   |
|-------------------------|-------------------------|--------------------------|----------|
| Personnel               | 5,165,452               | 4,385,681                | -779,771 |
| Personnel – OT & Hourly | 22,517                  | 22,517                   | 0        |
| Non-Personnel           | 2,947,178               | 2,947,178                | 0        |

| Category                | FY28<br>Baseline Budget | FY 28<br>Proposed Budget | Change     |
|-------------------------|-------------------------|--------------------------|------------|
| Personnel               | 5,332,997               | 4,248,474                | -1,084,523 |
| Personnel – OT & Hourly | 22,517                  | 22,517                   | 0          |
| Non-Personnel           | 2,947,178               | 2,947,178                | 0          |

**Impacts**

**Personnel Reductions**

- Mainly cost-shifting various positions resulted in \$779,771 (FY 2027) and \$1,084,523(FY 2028) of General Fund savings.

The majority of PW's budget comes from enterprise funds and other special funds. The reductions from those funds and programs are listed below:

- Eliminate one (1) Assistant PW Engineer (vacant)
- Eliminate one (1) Chief of Party (vacant)
- Eliminate one (1) Building Maintenance Mechanic Trainee (vacant)
- Eliminate one (1) Environmental Compliance Specialist (filled)

- Eliminate four (4) Laborer positions (vacant)
- Eliminate one (1) Office Specialist II (vacant)
- Eliminate one (1) Occupational Health Safety Officer (vacant)
- Eliminate two (2) Public Works Supervisor positions (vacant)
- Eliminate one (1) Sewer Maintenance Assistant Supervisor (vacant)
- Eliminate two (2) Skilled Laborers positions (one filled and one vacant)

In addition to the reductions outlined above, Public Works proposes shifting the costs of 51 additional positions to other eligible funds, totaling \$4.2 million in FY 2027 and \$4.6 million in FY 2028. This level of cost shifting is necessary due to ongoing structural deficits in several funds, including the CIP, Off-Street Parking, Building Purchase and Management (1947 Center Street), and Building Maintenance funds, as well as required General Fund reductions. However, shifting personnel costs to healthier funds places additional pressure on their operating budgets and fund balances. This may result in delays or reductions in services, capital projects, maintenance activities, or staffing levels.

### **Non-Personnel Reductions**

- Reduce security services at the Corporation Yard netting the Building Maintenance Fund savings of \$250,000.
- Deferral of parking meter upgrades – while not a reduction, a deferral does produce savings in FY 2027 and FY 2028 for the City's two parking funds that combined are experiencing structural deficit. However, the longer the City defers capital replacement of parking meters, the more these meters will become obsolete or non-which negatively impacts revenue generation,
- Lack of CIP Fund availability beyond the annual baseline results in deferrals or eliminations of projects, especially in the Facilities capital program, which carries compounding impacts over time. Samples of impacted projects are:
  - Animal Shelter HVAC – designed deferred until FY29-30
  - Corporation Yard Fences and Vehicular Gates - construction deferred until FY29-31
  - Fire Department Warehouse - construction (interior improvements, ADA upgrades, and fuel storage) deferred indefinitely

While the Department is committed to fiscal responsibility, the proposed reductions will fundamentally alter the service levels community members expect. The elimination of 15 full-time positions represents a 5 percent reduction in the Department's workforce. More specifically, the proposed personnel reductions impact positions that are associated with Street Maintenance, Facilities Maintenance, and CIP Engineering, which will diminish maintenance crew sizes and technical engineering project management resources that support large capital improvement projects.

To mitigate impacts of the proposed workforce reduction, Public Works will prioritize services based on a Risk-Based Prioritization Framework. This framework prioritizes services that are essential for public life-safety systems, legal compliance, and preventing catastrophic infrastructure failure such as:

- Emergency Response to respond to storms, downed trees in the right-of-way, and immediate hazard mitigation (e.g., sinkholes or structural collapses).
- Regulatory & Environmental Compliance: Mandated inspections for San Francisco Bay water quality (trash capture) and ADA-mandated curb ramp installations attached to active paving projects.
- Critical Life-Safety Infrastructure: Maintenance of traffic signals at high-volume intersections and structural integrity of public buildings with high occupancy (e.g., City Hall, Public Safety Building).
- Essential Sanitation: Core trash collection and basic maintenance of public health facilities to prevent and address disease vectors.

Certain services that will be maintained but experience extended response times or reduced frequency include the following:

- Proactive Facility Maintenance: The Department will prioritize HVAC and electrical systems over aesthetic upgrades like painting or floor refinishing.
- Response times for non-emergency community concerns received through 311 (e.g., standard pothole repair, graffiti abatement, litter and illegal dumping) will be extended from 72 hours to 10-14 business days.

Services that may be suspended or experience delays, or reductions in the level of service include items such as:

- Elective Facility Improvements such as office reconfigurations, non-essential lighting upgrades, and furniture replacements.
- Special Event Support such that there will be a reduction in department labor provided for non-city-sponsored community events or parades.
- Clean City work will transition from proactive "scouting" to a strictly reactive, report-based collection model.

#### NEXT STEPS

- April 16 and April 23, 2026: Budget and Finance Policy Committee meetings when staff presents the Proposed Budget Balancing Plan and Committee provides recommendations on any adjustments.
- May 14, 2026: Budget and Finance Policy Committee meeting presentation and discussion of the City Manager's Proposed FY 2027 & FY 2028 Biennial Budget.
- May 19, 2026: City Council meeting
  - Presentation and discussion of the City Manager's Proposed FY 2027 & FY 2028 Biennial Budget – Public Hearing #1
  - FY 2027 Fee Increases – Public Hearing #1

- Second Amendment to the Annual Appropriation Ordinance (AAO#2)
- May 28, 2026: Budget and Finance Policy Committee meeting presentation and discussion of the City Manager’s Proposed Five-Year CIP.
- June 9, 2026: City Council meeting presentation and discussion of the 5-Year CIP – Public Hearing #1.
- June 16, 2026: City Council meeting discussion on potential revisions to Proposed Biennial Budget and 5-Year CIP.
- June 23, 2026: City Council Special meeting – Adoption of the FY 2027 and FY 2028 Biennial Budget and Five-Year CIP.
- June 24, 2026 – June 30, 2026: Capture and incorporate any last-minute changes from Proposed Budget to Adopted Budget.
- July 1, 2026: FY 2027 begins, and the adopted budget balancing measures take effect.
- July 2, 2026: Employees impacted by Adopted Biennial Budget and associated budget reduction plan to the adopted budget receives final layoff notices.

Staff will continue to work on developing and refining the biennial budget, conferring over impacts with the City’s labor groups up to the June Council meeting adoption date, incorporating Council direction into the Proposed Budget and preparing the necessary adjustments for adoption in June 2026.

### CONCLUSION

Balancing the FY 2027 and FY 2028 budget requires difficult choices, and the City approaches them with full awareness of their impact on staff, elected officials, community members, and the programs people rely on. While one-time sources will continue to be used strategically for true one-time needs, they can no longer serve as an ongoing balancing tool. By addressing the City’s structural deficit, the City can avoid repeating large-scale budget reduction exercises in the future.

This proposed Budget Balancing Plan reflects both the fiscal discipline required at this moment and the City’s commitment to protecting essential services and the people who depend on them.

### CONTACT PERSON

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David White, Deputy City Manager, City Manager’s Office, 981-7000

Attachment:

1. Summary Position Reduction List
2. Vacancies 2026.04.03

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**Summary of Position Reduction List for FY 2027 FY 2028 Biennial Budget**

Attachment 1

| Department           | Original Proposed Reduction (Classification) | Filled/Vacant | Proposed Allocation to Sales & Use Tax | Revised Reduction After Sales & Use Tax Application |
|----------------------|----------------------------------------------|---------------|----------------------------------------|-----------------------------------------------------|
| CMO                  | CMDEV PRJ CD                                 | Filled        |                                        | CMDEV PRJ CD                                        |
| CMO                  | COMMUNICATIONS SPECIALIST                    | Filled        |                                        | COMMUNICATIONS SPECIALIST                           |
| CMO                  | COMMUNICATIONS SPECIALIST                    | Filled        |                                        | COMMUNICATIONS SPECIALIST                           |
| CMO                  | DIVERSITY, EQUITY AND INCLUSION OFFICER      | Vacant        |                                        | DIVERSITY, EQUITY AND INCLUSION OFFICER             |
| CMO                  | ECODEV PRJ CD                                | Vacant        |                                        | ECODEV PRJ CD                                       |
| CMO                  | OFFICE SPECIALIST II                         | Vacant        |                                        | OFFICE SPECIALIST II                                |
| CMO                  | OFFICE SPECIALIST III                        | Filled        |                                        | OFFICE SPECIALIST III                               |
| CMO                  | PROGRAM MANAGER II U                         | Filled        |                                        | PROGRAM MANAGER II U                                |
| CMO                  | SOCIAL SERVICES SPECIALIST                   | Vacant        |                                        | SOCIAL SERVICES SPECIALIST                          |
| <b>CMO Count</b>     |                                              | <b>9</b>      | <b>0</b>                               | <b>9</b>                                            |
| Finance              | ASSOC. MANAGEMENT ANALYST                    | Vacant        |                                        | ASSOC. MANAGEMENT ANALYST                           |
| Finance              | REVENUE DEV. SPECIALIST I                    | Vacant        |                                        | REVENUE DEV. SPECIALIST I                           |
| Finance              | REVENUE DEV. SPECIALIST I                    | Vacant        |                                        | REVENUE DEV. SPECIALIST I                           |
| Finance              | SENIOR SYSTEMS ANALYST                       | Vacant        |                                        | SENIOR SYSTEMS ANALYST                              |
| <b>Finance Count</b> |                                              | <b>4</b>      | <b>0</b>                               | <b>4</b>                                            |
| Fire                 | APPARATUS OPERATOR                           | Filled        | APPARATUS OPERATOR                     |                                                     |
| Fire                 | APPARATUS OPERATOR                           | Filled        | APPARATUS OPERATOR                     |                                                     |
| Fire                 | APPARATUS OPERATOR                           | Filled        | APPARATUS OPERATOR                     |                                                     |
| Fire                 | ASSC MGT ANLY                                | Filled        |                                        | ASSC MGT ANLY                                       |
| 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 CAPTII 40                         |                                                     |
| Fire                 | FIRE INSPECTOR                               | Vacant        |                                        | FIRE INSPECTOR                                      |
| Fire                 | FIRE MARSHAL                                 | Vacant        |                                        | FIRE MARSHAL                                        |
| Fire                 | FIREFIGHTER                                  | Filled        | FIREFIGHTER                            |                                                     |
| Fire                 | FIREFIGHTER                                  | Filled        | FIREFIGHTER                            |                                                     |
| Fire                 | FIREFIGHTER                                  | Filled        | FIREFIGHTER                            |                                                     |
| Fire                 | PROGRAM MANAGER II                           | Filled        |                                        | PROGRAM MANAGER II                                  |
| <b>Fire Count</b>    |                                              | <b>14</b>     | <b>9</b>                               | <b>5</b>                                            |
| HHCS                 | BEHAVIORAL HLTH CLIN II                      | Filled        |                                        | BEHAVIORAL HLTH CLIN II                             |
| HHCS                 | BEHAVIORAL HLTH CLIN II                      | Filled        |                                        | BEHAVIORAL HLTH CLIN II                             |
| HHCS                 | COM HEALTH WORKER SPEC                       | Filled        |                                        | COM HEALTH WORKER SPEC                              |
| HHCS                 | COM SERVICE SPEC II                          | Filled        |                                        | COM SERVICE SPEC II                                 |
| HHCS                 | COM SERVICE SPEC III                         | Filled        |                                        | COM SERVICE SPEC III                                |
| HHCS                 | MENTAL HEALTH PROGRAM SUPV                   | Filled        |                                        | MENTAL HEALTH PROGRAM SUPV                          |
| HHCS                 | SR COMMNTY HEALTH SPECIALIST                 | Filled        |                                        | SR COMMNTY HEALTH SPECIALIST                        |
| HHCS                 | VECTOR CONTROL TECHNICIAN                    | Filled        |                                        | VECTOR CONTROL TECHNICIAN                           |
| HHCS                 | ASST MGMT ANALYST                            | Vacant        |                                        | ASST MGMT ANALYST                                   |
| HHCS                 | BEHAVIORAL HLTH CLIN I                       | Vacant        |                                        | BEHAVIORAL HLTH CLIN I                              |
| HHCS                 | BEHAVIORAL HLTH CLIN I                       | Vacant        |                                        | BEHAVIORAL HLTH CLIN I                              |

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**Summary of Position Reduction List for FY 2027 FY 2028 Biennial Budget**

Attachment 1

| Department        | Original Proposed Reduction (Classification) | Filled/Vacant | Proposed Allocation to Sales & Use Tax | Revised Reduction After Sales & Use Tax Application |           |
|-------------------|----------------------------------------------|---------------|----------------------------------------|-----------------------------------------------------|-----------|
| HHCS              | BEHAVIORAL HLTH CLIN I                       | Vacant        |                                        | BEHAVIORAL HLTH CLIN I                              |           |
| HHCS              | BEHAVIORAL HLTH CLIN II                      | Vacant        |                                        | BEHAVIORAL HLTH CLIN II                             |           |
| HHCS              | BEHAVIORAL HLTH CLIN II                      | Vacant        |                                        | BEHAVIORAL HLTH CLIN II                             |           |
| HHCS              | BEHAVIORAL HLTH CLIN II                      | Vacant        |                                        | BEHAVIORAL HLTH CLIN II                             |           |
| HHCS              | BEHAVIORAL HLTH CLIN II                      | Vacant        |                                        | BEHAVIORAL HLTH CLIN II                             |           |
| HHCS              | BEHAVIORAL HLTH CLIN II                      | Vacant        |                                        | BEHAVIORAL HLTH CLIN II                             |           |
| HHCS              | BEHAVIORAL HLTH CLIN II                      | Vacant        |                                        | BEHAVIORAL HLTH CLIN II                             |           |
| HHCS              | BEHAVIORAL HLTH CLIN II                      | Vacant        |                                        | BEHAVIORAL HLTH CLIN II                             |           |
| HHCS              | BEHAVIORAL HLTH CLIN II                      | Vacant        |                                        | BEHAVIORAL HLTH CLIN II                             |           |
| HHCS              | COM HEALTH WORKER SPEC                       | Vacant        |                                        | COM HEALTH WORKER SPEC                              |           |
| HHCS              | COM SERVICE SPEC II                          | Vacant        |                                        | COM SERVICE SPEC II                                 |           |
| HHCS              | COM SERVICE SPEC II                          | Vacant        |                                        | COM SERVICE SPEC II                                 |           |
| HHCS              | EPIDEMIOLOGIST                               | Vacant        |                                        | EPIDEMIOLOGIST                                      |           |
| HHCS              | HEALTH EDUCATOR                              | Vacant        |                                        | HEALTH EDUCATOR                                     |           |
| HHCS              | HEALTH SVCS PROGRAM SPCLST                   | Vacant        |                                        | HEALTH SVCS PROGRAM SPCLST                          |           |
| HHCS              | MENTAL HEALTH CLINICAL SUPV                  | Vacant        |                                        | MENTAL HEALTH CLINICAL SUPV                         |           |
| HHCS              | MENTAL HEALTH NURSE                          | Vacant        |                                        | MENTAL HEALTH NURSE                                 |           |
| HHCS              | MENTAL HEALTH NURSE                          | Vacant        |                                        | MENTAL HEALTH NURSE                                 |           |
| HHCS              | MENTAL HEALTH NURSE                          | Vacant        |                                        | MENTAL HEALTH NURSE                                 |           |
| HHCS              | MENTAL HEALTH NURSE                          | Vacant        |                                        | MENTAL HEALTH NURSE                                 |           |
| HHCS              | MENTAL HEALTH PROGRAM SUPV                   | Vacant        |                                        | MENTAL HEALTH PROGRAM SUPV                          |           |
| HHCS              | OFFICE SPECIALIST II                         | Vacant        |                                        | OFFICE SPECIALIST II                                |           |
| HHCS              | OFFICE SPECIALIST II                         | Vacant        |                                        | OFFICE SPECIALIST II                                |           |
| HHCS              | OFFICE SPECIALIST II                         | Vacant        |                                        | OFFICE SPECIALIST II                                |           |
| HHCS              | OFFICE SPECIALIST II                         | Vacant        |                                        | OFFICE SPECIALIST II                                |           |
| HHCS              | OFFICE SPECIALIST II                         | Vacant        |                                        | OFFICE SPECIALIST II                                |           |
| HHCS              | OFFICE SPECIALIST III                        | Vacant        |                                        | OFFICE SPECIALIST III                               |           |
| HHCS              | PROGRAM MANAGER II                           | Vacant        |                                        | PROGRAM MANAGER II                                  |           |
| HHCS              | PSYCHIATRIST                                 | Vacant        |                                        | PSYCHIATRIST                                        |           |
| HHCS              | PUBLIC HEALTH NURSE                          | Vacant        |                                        | PUBLIC HEALTH NURSE                                 |           |
| HHCS              | SENIOR BEHAVIORAL HLTH CLINC                 | Vacant        |                                        | SENIOR BEHAVIORAL HLTH CLINC                        |           |
| HHCS              | SOCIAL SERVICES SPECIALIST                   | Vacant        |                                        | SOCIAL SERVICES SPECIALIST                          |           |
| HHCS              | SR. COMMNTY DEV. PROJ COORDINATOR            | Vacant        |                                        | SR. COMMNTY DEV. PROJ COORDINATOR                   |           |
| HHCS              | VECTOR CONTROL TECHNICIAN                    | Vacant        |                                        | VECTOR CONTROL TECHNICIAN                           |           |
| <b>HHCS Count</b> |                                              | <b>45</b>     |                                        | <b>0</b>                                            | <b>45</b> |
| HR                | ASSOCIATE HR ANALYST                         | Vacant        |                                        | ASSOCIATE HR ANALYST                                |           |
| HR                | OCCUPATIONAL HLTH/SAFTY SPEC                 | Vacant        |                                        | OCCUPATIONAL HLTH/SAFTY SPEC                        |           |
| <b>HR Count</b>   |                                              | <b>2</b>      |                                        | <b>0</b>                                            | <b>2</b>  |
| IT                | APP. PROGRAM ANALYST II                      | Vacant        |                                        | APP. PROGRAM ANALYST II                             |           |
| IT                | CUST. SVCS. SPECIALIST III                   | Vacant        |                                        | CUST. SVCS. SPECIALIST III                          |           |
| IT                | PROGRAM MANAGER II                           | Vacant        |                                        | PROGRAM MANAGER II                                  |           |
| IT                | SR. INFO. SYSTEMS SPECIALIST                 | Vacant        |                                        | SR. INFO. SYSTEMS SPECIALIST                        |           |
| <b>IT Count</b>   |                                              | <b>4</b>      |                                        | <b>0</b>                                            | <b>4</b>  |

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**Summary of Position Reduction List for FY 2027 FY 2028 Biennial Budget**

Attachment 1

| Department          | Original Proposed Reduction (Classification) | Filled/Vacant | Proposed Allocation to Sales & Use Tax | Revised Reduction After Sales & Use Tax Application |
|---------------------|----------------------------------------------|---------------|----------------------------------------|-----------------------------------------------------|
| POLICE              | OFFICE SPECIALIST II                         | Vacant        |                                        | OFFICE SPECIALIST II                                |
| POLICE              | POLICE OFC                                   | Filled        | POLICE OFC                             |                                                     |
| POLICE              | POLICE OFC                                   | Filled        | POLICE OFC                             |                                                     |
| POLICE              | POLICE OFC                                   | Filled        | POLICE OFC                             |                                                     |
| POLICE              | POLICE OFC                                   | Filled        | POLICE OFC                             |                                                     |
| POLICE              | POLICE OFC                                   | Vacant        | POLICE OFC                             |                                                     |
| POLICE              | POLICE OFC                                   | Vacant        | POLICE OFC                             |                                                     |
| POLICE              | POLICE OFC                                   | Vacant        | POLICE OFC                             |                                                     |
| POLICE              | POLICE OFC                                   | Vacant        | POLICE OFC                             |                                                     |
| POLICE              | POLICE OFC                                   | Vacant        |                                        | POLICE OFC                                          |
| POLICE              | POLICE OFC                                   | Vacant        |                                        | POLICE OFC                                          |
| POLICE              | POLICE OFC                                   | Vacant        |                                        | POLICE OFC                                          |
| POLICE              | POLICE OFC                                   | Vacant        |                                        | POLICE OFC                                          |
| POLICE              | POLICE OFC                                   | Vacant        |                                        | POLICE OFC                                          |
| POLICE              | POLICE OFC                                   | Vacant        |                                        | POLICE OFC                                          |
| POLICE              | POLICE OFC                                   | Vacant        |                                        | POLICE OFC                                          |
| POLICE              | POLICE OFC                                   | Vacant        |                                        | POLICE OFC                                          |
| 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 SERGEANT                              | Vacant        |                                        | POLICE SERGEANT                                     |
| POLICE              | POLICE SERGEANT                              | Vacant        |                                        | POLICE SERGEANT                                     |
| 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        |                                        | PS DISPATCII                                        |
| 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        |                                        | PS DISPATCII                                        |
| POLICE              | PS DISPATCII                                 | Vacant        |                                        | PS DISPATCII                                        |
| POLICE              | PS DISPATCII                                 | Vacant        |                                        | PS DISPATCII                                        |
| <b>POLICE Count</b> | <b>39</b>                                    |               | <b>21</b>                              | <b>18</b>                                           |
| PRW                 | ASST. CIVIL ENG                              | Vacant        |                                        | ASST. CIVIL ENG                                     |
| PRW                 | ASST. CIVIL ENG                              | Filled        |                                        | ASST. CIVIL ENG                                     |
| PRW                 | ASST. RECREATION COORDINATOR                 | Vacant        | ASST. RECREATION COORDINATOR           |                                                     |

**Page 48 of 114**  
**Summary of Position Reduction List for FY 2027 FY 2028 Biennial Budget**

| Department         | Original Proposed Reduction (Classification) | Filled/Vacant | Proposed Allocation to Sales & Use Tax | Revised Reduction After Sales & Use Tax Application |
|--------------------|----------------------------------------------|---------------|----------------------------------------|-----------------------------------------------------|
| PRW                | ASST. RECREATION COORDINATOR                 | Vacant        | ASST. RECREATION COORDINATOR           |                                                     |
| PRW                | SPORTS OFFICIAL                              | Vacant        | SPORTS OFFICIAL                        |                                                     |
| PRW                | WATERFRONT MANAGER                           | Filled        |                                        | WATERFRONT MANAGER                                  |
| <b>PRW Count</b>   | <b>6</b>                                     |               | <b>3</b>                               | <b>3</b>                                            |
| PW                 | AST PW ENG                                   | Vacant        |                                        | AST PW ENG                                          |
| PW                 | CHF OF PARTY                                 | Vacant        |                                        | CHF OF PARTY                                        |
| PW                 | BLD MNT MEC TR                               | Vacant        |                                        | BLD MNT MEC TR                                      |
| PW                 | ENV COMPLNCE SP                              | Filled        |                                        | ENV COMPLNCE SP                                     |
| PW                 | LABORER                                      | Vacant        |                                        | LABORER                                             |
| PW                 | LABORER                                      | Vacant        |                                        | LABORER                                             |
| PW                 | LABORER                                      | Vacant        |                                        | LABORER                                             |
| PW                 | LABORER                                      | Vacant        |                                        | LABORER                                             |
| PW                 | OFF SPII                                     | Vacant        |                                        | OFF SPII                                            |
| PW                 | OHS OFC                                      | Vacant        |                                        | OHS OFC                                             |
| PW                 | PW SUP                                       | Vacant        |                                        | PW SUP                                              |
| PW                 | PW SUP                                       | Vacant        |                                        | PW SUP                                              |
| PW                 | SE MNT AST SUP                               | Vacant        |                                        | SE MNT AST SUP                                      |
| PW                 | SKILLED LABORER                              | Filled        |                                        | SKILLED LABORER                                     |
| PW                 | SKILLED LABORER                              | Vacant        |                                        | SKILLED LABORER                                     |
| <b>PW Count</b>    | <b>15</b>                                    |               | <b>0</b>                               | <b>15</b>                                           |
| <b>Grand Count</b> | <b>138</b>                                   |               | <b>33</b>                              | <b>105</b>                                          |

## List of Vacant Positions as of 04/03/2026

| Department                 | Position Description                     | Status    |
|----------------------------|------------------------------------------|-----------|
| City Attorney              | Assistant City Attorney                  | Vacant    |
| City Attorney              | Deputy City Attorney IV                  | Vacant    |
| City Attorney              | Legal Office Supervisor                  | Vacant    |
| City Attorney              | Risk Manager                             | Vacant    |
| <b>City Attorney Count</b> |                                          | <b>4</b>  |
| City Clerk                 | Assistant City Clerk                     | Vacant    |
| <b>City Clerk Count</b>    |                                          | <b>1</b>  |
| CMO                        | Animal Control Officer                   | Vacant    |
| CMO                        | Diversity, Equity, and Inclusion Officer | Vacant    |
| CMO                        | Economic Development Project Coordinator | Vacant    |
| CMO                        | Office Specialist II                     | Vacant    |
| CMO                        | Senior Management Analyst                | Vacant    |
| CMO                        | Social Services Specialist               | Vacant    |
| <b>CMO Count</b>           |                                          | <b>6</b>  |
| Finance                    | Accounting Manager                       | Vacant    |
| Finance                    | Administrative Secretary                 | Vacant    |
| Finance                    | Associate Management Analyst             | Vacant    |
| Finance                    | Deputy Director of Finance               | Vacant    |
| Finance                    | General Services Manager                 | Vacant    |
| Finance                    | Revenue Development Specialist I         | Vacant    |
| Finance                    | Revenue Development Specialist I         | Vacant    |
| Finance                    | Senior Systems Analyst                   | Vacant    |
| Finance                    | Treasury Manager                         | Vacant    |
| <b>Finance Count</b>       |                                          | <b>9</b>  |
| Fire                       | Administrative Assistant                 | Vacant    |
| Fire                       | Fire Captain II                          | Vacant    |
| Fire                       | Fire Marshal                             | Vacant    |
| Fire                       | Fire Prevention Inspector (Sworn)        | Vacant    |
| Fire                       | Firefighter                              | Vacant    |
| Fire                       | Firefighter                              | Vacant    |
| Fire                       | Firefighter                              | Vacant    |
| Fire                       | Office Specialist II                     | Vacant    |
| Fire                       | Paramedic (R)                            | Vacant    |
| Fire                       | Paramedic (R)                            | Vacant    |
| Fire                       | Paramedic (R)                            | Vacant    |
| Fire                       | Paramedic (R)                            | Vacant    |
| Fire                       | Paramedic Supervisor I                   | Vacant    |
| Fire                       | Paramedic Supervisor I                   | Vacant    |
| Fire                       | Paramedic Supervisor I                   | Vacant    |
| <b>Fire Count</b>          |                                          | <b>15</b> |
| HHCS                       | Assistant Management Analyst             | Vacant    |
| HHCS                       | Assistant Management Analyst             | Vacant    |

## List of Vacant Positions as of 04/03/2026

| Department | Position Description                             | Status |
|------------|--------------------------------------------------|--------|
| HHCS       | Associate Management Analyst                     | Vacant |
| HHCS       | Behavioral Health Clinician I                    | Vacant |
| HHCS       | Behavioral Health Clinician I                    | Vacant |
| HHCS       | Behavioral Health Clinician I                    | Vacant |
| HHCS       | Behavioral Health Clinician II                   | Vacant |
| HHCS       | Behavioral Health Clinician II                   | Vacant |
| HHCS       | Behavioral Health Clinician II                   | Vacant |
| HHCS       | Behavioral Health Clinician II                   | Vacant |
| HHCS       | Behavioral Health Clinician II                   | Vacant |
| HHCS       | Behavioral Health Clinician II                   | Vacant |
| HHCS       | Behavioral Health Clinician II                   | Vacant |
| HHCS       | Community Health Worker Specialist               | Vacant |
| HHCS       | Community Services Specialist II                 | Vacant |
| HHCS       | Community Services Specialist II                 | Vacant |
| HHCS       | Epidemiologist                                   | Vacant |
| HHCS       | Health Educator                                  | Vacant |
| HHCS       | Health Services Program Specialist               | Vacant |
| HHCS       | Mealsite Coordinator                             | Vacant |
| HHCS       | Mental Health Clinical Supervisor                | Vacant |
| HHCS       | Mental Health Nurse                              | 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 Supervisor                 | Vacant |
| HHCS       | Mental Health Program Supervisor                 | 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 III                            | Vacant |
| HHCS       | Program Manager II                               | Vacant |
| HHCS       | Program Manager II                               | Vacant |
| HHCS       | Psychiatrist                                     | Vacant |
| HHCS       | Psychiatrist                                     | Vacant |
| HHCS       | Public Health Nurse                              | Vacant |
| HHCS       | Public Health Nurse                              | Vacant |
| HHCS       | Public Health Nurse                              | Vacant |
| HHCS       | Senior Behavioral Health Clinician               | Vacant |
| HHCS       | Senior Community Development Project Coordinator | Vacant |

## List of Vacant Positions as of 04/03/2026

| Department                       | Position Description                      | Status |
|----------------------------------|-------------------------------------------|--------|
| HHCS                             | Senior Environmental Health Specialist    | Vacant |
| HHCS                             | Senior Management Analyst                 | Vacant |
| HHCS                             | Senior Management Analyst                 | Vacant |
| HHCS                             | Senior Service Assistant                  | Vacant |
| HHCS                             | Social Services Specialist                | Vacant |
| HHCS                             | Social Services Specialist                | Vacant |
| HHCS                             | Supervising Public Health Nurse           | Vacant |
| HHCS                             | Vector Control Technician                 | Vacant |
| <b>HHCS Count</b>                |                                           | 52     |
| HR                               | Associate Human Resources Analyst         | Vacant |
| HR                               | Employee Relations Manager                | Vacant |
| HR                               | Occupational Health and Safety Specialist | Vacant |
| HR                               | Senior Human Resources Analyst            | Vacant |
| <b>HR Count</b>                  |                                           | 4      |
| IT                               | Applications Programmer Analyst I         | Vacant |
| IT                               | Applications Programmer Analyst II        | Vacant |
| IT                               | Applications Programmer Analyst II        | Vacant |
| IT                               | Customer Services Specialist III          | Vacant |
| IT                               | Information Security Manager              | Vacant |
| IT                               | Program Manager II                        | Vacant |
| IT                               | Senior Information Systems Specialist     | Vacant |
| IT                               | Senior Information Systems Specialist     | Vacant |
| IT                               | Senior Information Systems Specialist     | Vacant |
| <b>IT Count</b>                  |                                           | 9      |
| Library                          | Director of Library Services              | Vacant |
| Library                          | Librarian II                              | Vacant |
| Library                          | Library Aide                              | Vacant |
| Library                          | Library Assistant                         | Vacant |
| Library                          | Library Assistant                         | Vacant |
| Library                          | Mail and Materials Services Aide          | Vacant |
| Library                          | Senior Human Resources Analyst            | Vacant |
| Library                          | Supervising Librarian                     | Vacant |
| Library                          | Supervising Librarian                     | Vacant |
| Library                          | Supervising Librarian                     | Vacant |
| Library                          | Tool Lending Specialist                   | Vacant |
| <b>Library Count</b>             |                                           | 11     |
| Mayor & Council                  | Legislative Aide                          | Vacant |
| Mayor & Council                  | Legislative Aide                          | Vacant |
| Mayor & Council                  | Legislative Aide                          | Vacant |
| Mayor & Council                  | Legislative Aide                          | Vacant |
| Mayor & Council                  | Legislative Aide                          | Vacant |
| <b>Mayor &amp; Council Count</b> |                                           | 5      |

## List of Vacant Positions as of 04/03/2026

| Department            | Position Description                 | Status        |
|-----------------------|--------------------------------------|---------------|
| ODPA                  | Director of Police Accountability    | Vacant        |
| ODPA                  | Police Accountability Investigator   | Vacant        |
| <b>ODPA Count</b>     |                                      | <b>2</b>      |
| Planning              | Assistant Inspector                  | Vacant        |
| Planning              | Associate Management Analyst         | Vacant        |
| Planning              | Associate Planner                    | Vacant        |
| Planning              | Associate Planner                    | Vacant        |
| Planning              | Building Plans Examiner              | Vacant        |
| Planning              | Building Plans Examiner              | Vacant        |
| Planning              | Hazardous Materials Specialist II    | Vacant        |
| Planning              | Housing Inspector II (Certified)     | Vacant        |
| Planning              | Office Specialist II                 | Vacant        |
| Planning              | Office Specialist III                | Vacant        |
| Planning              | Permit Specialist                    | Vacant        |
| Planning              | Planning Technician                  | Vacant        |
| Planning              | Principal Planner                    | Vacant        |
| Planning              | Senior Planner                       | Vacant        |
| <b>Planning Count</b> |                                      | <b>14</b>     |
| Police                | Community Service Officer            | Vacant        |
| Police                | Community Service Officer            | Vacant        |
| Police                | Community Service Officer            | Vacant        |
| Police                | Community Service Officer Supervisor | Vacant        |
| Police                | Office Specialist II                 | Vacant        |
| Police                | Parking Enforcement Officer          | Vacant        |
| Police                | Parking Enforcement Officer          | Vacant        |
| Police                | Police Officer                       | Vacant        |
| Police                | Police Officer                       | Vacant        |
| Police                | Police Officer                       | Vacant        |
| Police                | Police Officer                       | Vacant        |
| Police                | Police Officer                       | Vacant        |
| Police                | Police Officer                       | Vacant        |
| Police                | Police Officer                       | Vacant        |
| Police                | Police Officer                       | Vacant        |
| Police                | Police Officer                       | Vacant        |
| Police                | Police Officer                       | Vacant        |
| Police                | Police Officer                       | Vacant        |
| Police                | Police Officer                       | Vacant        |
| Police                | Police Officer                       | Vacant (temp) |
| Police                | Police Officer                       | Vacant (temp) |
| Police                | Police Sergeant                      | Vacant        |

## List of Vacant Positions as of 04/03/2026

| Department          | Position Description                  | Status    |
|---------------------|---------------------------------------|-----------|
| Police              | Police Sergeant                       | Vacant    |
| Police              | Police Sergeant                       | Vacant    |
| Police              | Public Safety Dispatcher I            | Vacant    |
| Police              | Public Safety Dispatcher II           | Vacant    |
| Police              | Public Safety Dispatcher II           | Vacant    |
| Police              | Public Safety Dispatcher II           | Vacant    |
| Police              | Public Safety Dispatcher II           | Vacant    |
| Police              | Public Safety Dispatcher II           | Vacant    |
| Police              | Public Safety Dispatcher II           | Vacant    |
| Police              | Public Safety Dispatcher II           | Vacant    |
| Police              | Public Safety Dispatcher II           | Vacant    |
| Police              | Public Safety Dispatcher II           | Vacant    |
| Police              | Public Safety Dispatcher II           | Vacant    |
| Police              | Public Safety Dispatcher II           | Vacant    |
| Police              | Public Safety Dispatcher II           | Vacant    |
| <b>Police Count</b> |                                       | <b>39</b> |
| PRW                 | Assistant Civil Engineer              | Vacant    |
| PRW                 | Assistant Management Analyst          | Vacant    |
| PRW                 | Assistant Recreation Coordinator      | Vacant    |
| PRW                 | Assistant Recreation Coordinator      | Vacant    |
| PRW                 | Forestry Climber                      | Vacant    |
| PRW                 | Landscape Gardener Supervisor         | Vacant    |
| PRW                 | Recreation Program Supervisor         | Vacant    |
| PRW                 | Sports Official                       | Vacant    |
| <b>PRW Count</b>    |                                       | <b>8</b>  |
| Public Works        | Accounting Office Specialist III      | Vacant    |
| Public Works        | Assistant Public Works Engineer       | Vacant    |
| Public Works        | Associate Civil Engineer              | Vacant    |
| Public Works        | Associate Civil Engineer              | Vacant    |
| Public Works        | Associate Civil Engineer              | Vacant    |
| Public Works        | Associate Transportation Engineer     | Vacant    |
| Public Works        | Building Maintenance Mechanic         | Vacant    |
| Public Works        | Building Maintenance Mechanic         | Vacant    |
| Public Works        | Building Maintenance Mechanic Trainee | Vacant    |
| Public Works        | Chief of Party                        | Vacant    |
| Public Works        | Construction Equipment Operator       | Vacant    |
| Public Works        | Deputy Director of Public Works       | Vacant    |
| Public Works        | Director of Public Works              | Vacant    |
| Public Works        | Electrician                           | Vacant    |
| Public Works        | Electrician                           | Vacant    |
| Public Works        | Equipment Superintendent              | Vacant    |
| Public Works        | Laborer                               | Vacant    |

## List of Vacant Positions as of 04/03/2026

| Department                | Position Description                   | Status     |
|---------------------------|----------------------------------------|------------|
| Public Works              | Laborer                                | Vacant     |
| Public Works              | Laborer                                | Vacant     |
| Public Works              | Laborer                                | Vacant     |
| Public Works              | Laborer                                | Vacant     |
| Public Works              | Lead Communications Technician         | Vacant     |
| Public Works              | Lead Electrician                       | Vacant     |
| Public Works              | Lead Electrician                       | Vacant     |
| Public Works              | Manager of Engineering                 | Vacant     |
| Public Works              | Mechanic                               | Vacant     |
| Public Works              | Mechanic                               | Vacant     |
| Public Works              | Mechanic                               | Vacant     |
| Public Works              | Occupational Health and Safety Officer | Vacant     |
| Public Works              | Office Specialist II                   | Vacant     |
| Public Works              | Parking Meter Maintenance Worker       | Vacant     |
| Public Works              | Parking Meter Mechanic                 | Vacant     |
| Public Works              | Principal Program Manager              | Vacant     |
| Public Works              | Program Manager I                      | Vacant     |
| Public Works              | Public Works Supervisor                | Vacant     |
| Public Works              | Public Works Supervisor                | Vacant     |
| Public Works              | Public Works Supervisor                | Vacant     |
| Public Works              | Service Technician                     | Vacant     |
| Public Works              | Sewer Maintenance Assistant Supervisor | Vacant     |
| Public Works              | Skilled Laborer                        | Vacant     |
| Public Works              | Solid Waste Truck Driver               | Vacant     |
| Public Works              | Solid Waste Worker                     | Vacant     |
| Public Works              | Solid Waste Worker                     | Vacant     |
| Public Works              | Solid Waste Worker                     | Vacant     |
| Public Works              | Solid Waste Worker                     | Vacant     |
| Public Works              | Solid Waste Worker                     | Vacant     |
| Public Works              | Supervising Civil Engineer             | Vacant     |
| Public Works              | Weighmaster                            | Vacant     |
| <b>Public Works Count</b> |                                        | 48         |
| Rent Board                | Accounting Office Specialist II        | Vacant     |
| <b>Rent Board Count</b>   |                                        | 1          |
| <b>Grand Count</b>        |                                        | <b>228</b> |



**Page 56 of 114**  
**SUMMARY OF FY 2026 POSITION REDUCTION LIST**

Attachment 3

| <b>Department</b>   | <b>Classification</b>         | <b>FY 26 Status</b> |
|---------------------|-------------------------------|---------------------|
| POLICE              | POLICE OFFICER                | Vacant              |
| POLICE              | POLICE OFFICER                | Vacant              |
| POLICE              | PUBLIC SAFETY DISPATCHER I/II | Vacant              |
| POLICE              | PUBLIC SAFETY DISPATCHER I/II | Vacant              |
| POLICE              | PUBLIC SAFETY DISPATCHER I/II | Vacant              |
| POLICE              | PUBLIC SAFETY DISPATCHER I/II | Vacant              |
| POLICE              | SUPERVISING PUBLIC SFTY DISP  | Vacant              |
| <b>POLICE Count</b> |                               | <b>13</b>           |
| PRW                 | AQUATICS FACILITIES SUP       | Vacant              |
| <b>PRW Count</b>    |                               | <b>1</b>            |
| PW                  | ASSOC PLANNER                 | Vacant              |
| PW                  | PUBLIC WORKS SUPERVISOR       | Vacant              |
| <b>PW Count</b>     |                               | <b>2</b>            |
| <b>Grand Count</b>  |                               | <b>45</b>           |



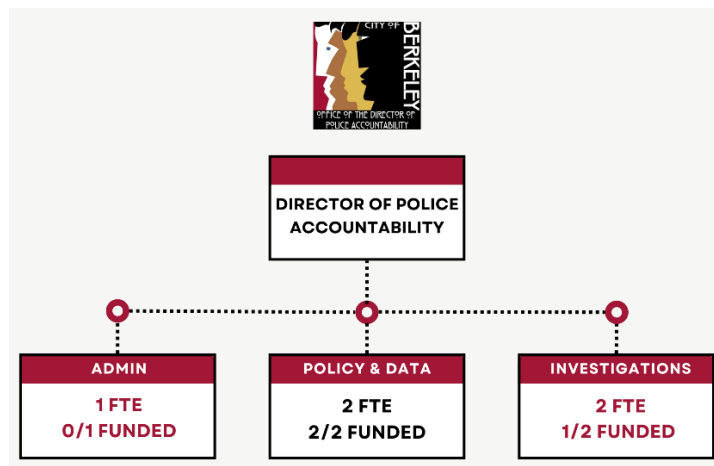
**MEMORANDUM**

Date: April 6, 2026  
 To: Honorable Members of the Budget and Finance Committee  
 From: Katherine Lee, Interim Director of Police Accountability  
 Jose Murillo, Policy Analyst  
 Subject: FY 2027–2028 Baseline Budget and Reduction Proposals for the Office of the Director of Police Accountability (ODPA)

The purpose of this memorandum is to summarize the ODPA’s current staffing structure, outline the baseline budget for Fiscal Years 2027 and 2028, and provide an overview of the proposed budget reductions under consideration.

**I. Current Staffing and Office Structure**

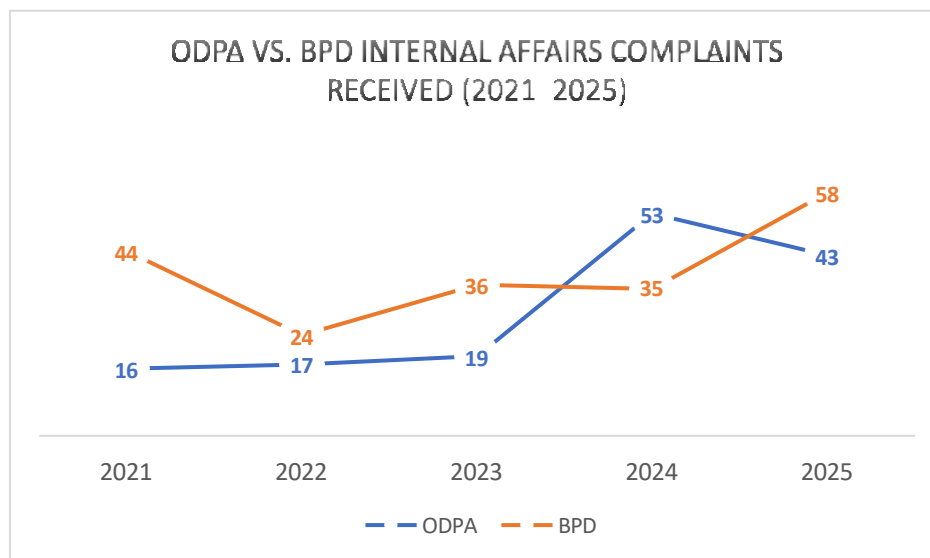
The ODPA was funded for six full-time equivalent (FTE) positions in Fiscal Years 2025 and 2026. The current hiring freeze has affected two of these positions, both of which are integral to the office’s operations. At present, the ODPA is staffed by four FTEs: the Director of Police Accountability, two Associate Management Analysts (serving as Policy Analyst and Data Analyst), and one Investigator. The frozen positions include a second Investigator and a third Associate Management Analyst, the latter intended to support the office’s administrative functions and previously classified as an Office Specialist III.



In response to these staffing constraints, administrative responsibilities have been reassigned to the Policy Analyst, with support from the Data Analyst. This approach has allowed the office to maintain core operations; however, it has reduced available staff capacity for policy development and research functions in support of the Police Accountability Board (PAB), as staff time is partially redirected to administrative tasks.

With respect to investigations, the sole Investigator is responsible for managing all complaints filed with the ODPa. Between 2021 and 2025, the ODPa investigated an average of approximately 30 complaints annually. Over the same period, the Berkeley Police Department (BPD) Internal Affairs unit investigated an average of approximately 39 complaints annually, with two investigators and dedicated administrative support. The 2024 Citygate report, *Workload Organizational Study of the Police Department*, recommended the addition of one clerical support position to assist the two sergeants assigned to Internal Affairs investigations to maintain a manageable workload.

In 2023, the ODPa requested and received approval for a second Investigator to address comparable workload demands and support operational sustainability. In addition to investigative responsibilities, the position was intended to assist the Policy Analyst with legal research and writing during periods of lower caseload. This position remained filled through April 2025. Since that time, the ODPa has operated with a single Investigator managing complaint intake and investigations, without dedicated clerical support, during a period in which workload has increased over the past five years.



The ODPa's current workload has been sustained across functions through the coordination and prior experience of existing staff; however, this approach may not be sustainable under continued resource constraints. Given the office's staffing level and the concentration of responsibilities within individual roles, changes in staffing may require a temporary reduction or reprioritization of services. The departure of a team member would likely necessitate a transition period before a replacement is able to fully assume

assigned responsibilities, which may affect the office's short-term capacity to support the PAB. As a result, continuity of operations is closely tied to individual staff roles.

Routine staff absences, such as vacation or illness, can have a measurable impact on operations due to limited capacity to redistribute workload. During these periods, staff may need to prioritize time-sensitive functions, which can result in delays in other areas and affect overall service timelines. In response, the ODPa has explored technological solutions, including case management systems, to streamline operations and better utilize existing resources.

## II. Baseline Budget for Fiscal Years 2027 and 2028

The table below presents the Office of the Director of Police Accountability's (ODPA) baseline budget allocation by major expenditure category for Fiscal Years 2027 and 2028, prior to any proposed reductions.

| Category      | FY 2027 Budget        | FY 2027 (%)    | FY 2028 Budget        | FY 2028 (%)    |
|---------------|-----------------------|----------------|-----------------------|----------------|
| Personnel     | \$940,290.00          | 72.89%         | \$975,596.00          | 73.37%         |
| Lease         | \$170,386.32          | 13.21%         | \$173,794.08          | 13.07%         |
| Non-Personnel | \$179,276.35          | 13.90%         | \$180,255.31          | 13.56%         |
| <b>Total</b>  | <b>\$1,289,952.67</b> | <b>100.00%</b> | <b>\$1,329,645.39</b> | <b>100.00%</b> |

In FY 2027, personnel costs account for 72.89% of the \$1,289,952.67 total budget, followed by non-personnel expenditures at 13.90% and lease costs at 13.21%. In FY 2028, personnel costs represent 73.37% of the total budget, with non-personnel expenditures at 13.56% and lease costs at 13.07%.

Non-personnel expenditures are primarily comprised of the ODPa's Internal Services Technology Allocation Fund (\$43,402.04), PAB member stipends (\$30,000), miscellaneous professional services (\$30,000), and annual conference expenditures (\$26,444.40).

## III. Overview of Proposed Budget Reductions and Associated Impacts

This section provides an overview of the proposed budget reductions under consideration and outlines the potential operational impacts associated with those changes. The information below is intended to describe how those adjustments may affect current functions, service levels, and workload distribution.

### a. Summary of Proposed Reductions

The ODPa reviewed its budget to identify areas not essential to the office's core duties that could be reduced to achieve cost savings while maintaining overall operations. Through this process, the ODPa identified a maximum reduction of 5.6% (\$71,708) to its budget without compromising the funding of services that support core functions or requiring staff layoffs. Given the office's current staffing level and existing workload distribution, further reductions would require the elimination or reduction of staff positions.

As outlined earlier in this memorandum, reductions to staffing levels would affect the office's ability to carry out its core, charter-mandated functions and are therefore not feasible within the current operational structure.

The proposed reductions are organized into four categories, as outlined below, with a corresponding summary of associated operational impacts.

Reductions in Overtime Expenditures – (\$10,200)

The ODPA is budgeted for \$10,200 in overtime expenditures in both FY 2027 and FY 2028. The proposed reduction would eliminate this allocation and instead utilize compensatory time off in instances where overtime is necessary. As a cost-saving measure, the ODPA has already implemented a practice for non-exempt staff to request compensatory time off in lieu of paid overtime when such work cannot be avoided.

Staff support for PAB meetings is a primary cause of overtime needs; however, staff currently adjust their schedules, where feasible, to minimize overtime. Moving forward, the ODPA will also explore the use of Voluntary Time Off, when operationally feasible, as an additional measure to manage costs throughout the fiscal year.

Reduction to Conference and Travel Expenditures – (\$26,444)

The ODPA and PAB members participate annually in the National Association of Civilian Oversight of Law Enforcement (NACOLE) conference. The conference provides access to forums, workshops, and training sessions for oversight practitioners, including community board members, policy analysts, and investigators, with a focus on best practices in civilian oversight and public safety. NACOLE serves as a primary convening in this field and as a key training and professional development opportunity for both staff and Board members.

A reduction of \$26,444 would eliminate funding for conference attendance in FY 2027 and FY 2028. As a result, staff and PAB members would not participate in NACOLE during these fiscal years, and access to related training and professional development opportunities typically supported through this allocation would be reduced. This may limit opportunities to incorporate emerging practices and comparative insights into the ODPA's work in Berkeley, which could affect the office's ability to support continuous improvement in oversight processes and inform the PAB's policy and oversight functions.

Reduction to Technology Cost Allocation Fund – (\$23,402)

The ODPA's technology cost allocation fund increased due to one-time expenditures related to the transition into its office at 1900 Addison Street, including network infrastructure reconfiguration. The proposed reduction realigns the fund with its pre-transition median level.

Reduction to Office Supply, Postage Expenditures, and Other Miscellaneous Services – (\$9,411)

This \$9,411 reduction supports the ODPA's ongoing transition toward a paperless environment, where feasible, and increased reliance on existing City resources in lieu of

additional expenditures. The change is intended to optimize current resources and is anticipated to have minimal impact on operations, requiring only minor workflow adjustments.

The proposed reduction includes \$3,000 from the Miscellaneous Professional Services account, which is typically reserved to address fluctuations in anticipated service costs (e.g., increases in subscription fees or meeting frequency) or in instances where alternative arrangements may be available. For example, staff may substitute security monitors when appropriate or utilize meeting spaces that do not require such additional services.

#### Elimination of Parking Allocation – (\$3,000)

The ODPa office at 1900 Addison Street includes three on-site parking spaces under the terms of the lease. Use of these spaces provides an alternative to this expense.

#### **b. Lease-Related Constraints on Further Budget Reductions**

A key constraint in identifying additional budget reductions needed to meet the 10% and 12.5% targets is the office's current lease obligation for the premises at 1900 Addison Street.<sup>1</sup> The lease represents a significant fixed cost that cannot be reduced or restructured without triggering contractual implications. As a result, it materially limits the office's ability to achieve further cost savings beyond those already identified, leaving an estimated remaining gap of approximately \$57,000 to \$95,000, depending on the fiscal year and reduction scenario, to meet the 10% to 12.5% targets.

The space was originally acquired with the operational expectation of supporting a fully staffed office of approximately six to seven full-time employees, along with cohorts of interns throughout the year,<sup>2</sup> as well as accommodating regular, in-person meetings of the Police Accountability Board and other commission or community events. Under the current staffing model and operational structure, however, the office is functioning with fewer personnel, and the PAB meetings are the only commission meetings consistently held in this space. As such, the current utilization of the premises does not fully align with the scale of the leased footprint or the associated cost detailed below.

#### Lease Costs

- FY 2027 Lease Cost: \$170,386.32
- FY 2028 Lease Cost: \$173,794.08

These costs represent fixed contractual obligations and account for a significant portion of the ODPa's non-personnel budget. Given the structure of the lease, these expenditures are not subject to reduction without renegotiation or termination of the agreement.

<sup>1</sup> Contract 32500083 – Date Executed August 23, 2024 – The Shamszad Family Trust – 1900 Addison Street, 3<sup>rd</sup> Fl

<sup>2</sup> Since occupying the 1900 Addison Street Office, the ODPa has hosted two interns from UC Berkeley's Public Service Center and four YouthWorks interns.

Janitorial Services

- Annual Cost: \$16,307.28/Year

The office incurs ongoing janitorial service costs from Pride Industries<sup>3</sup> to maintain the full leased space, regardless of actual utilization levels. While most adjustments to service frequency may be explored, most of these costs are tied to the size of the premises and are not easily reduced without affecting basic facility maintenance standards.

Security System and Dedicated Network (Wi-Fi)

- Private Wi-Fi/Network Cost: \$3,240/Year
- Security System Costs: \$3,270/Year

The lease required the installation and maintenance of a dedicated security system. Due to cybersecurity considerations, this system was not integrated into the City's network infrastructure, necessitating a separate private wireless network. This has resulted in additional ongoing service costs that would not otherwise be incurred if integrated into existing City systems.

Operational Implications

Taken together, the lease, associated facility costs, and required infrastructure constitute a substantial fixed cost of approximately \$209,510 in FY 2027 and \$212,918 in FY 2028, which does not scale with current staffing levels or operational needs. While the space was originally intended to support a larger team and host PAB activities, current usage does not justify the full extent of these expenditures.

Absent structural changes, such as lease renegotiation, subleasing (if permitted), or relocation to a smaller space, these costs will continue to constrain the office's ability to achieve deeper budget reductions. Conversely, depending on the actions taken and their outcomes, adjustments to these lease-related costs could generate sufficient savings to both meet the 10% to 12.5% reduction target and potentially restore funding to other areas that have been reduced. The ODPa will follow Council's direction regarding the desired course of action and defer to the City's Public Works Department, in coordination with the City Attorney's Office, for guidance on appropriate next steps.

**End of Memorandum.**

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<sup>3</sup> Contract 32600004 – Date Executed: 7/24/2025 – Pride Industries, Inc – Citywide Custodial Services



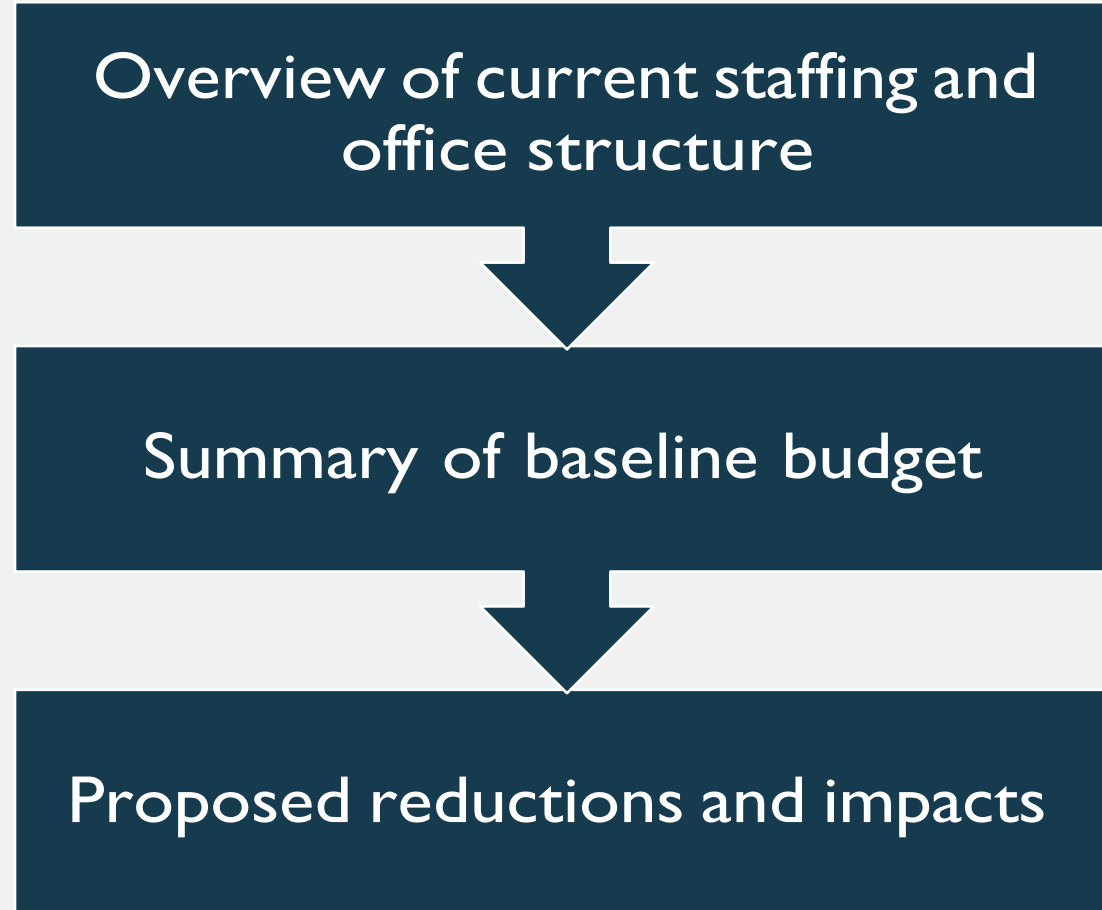
# FY 2027 – 2028 ODPA Budget & Reduction Proposals

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Office of the Director of Police Accountability

Presented before the Budget & Finance Committee on April 9, 2026

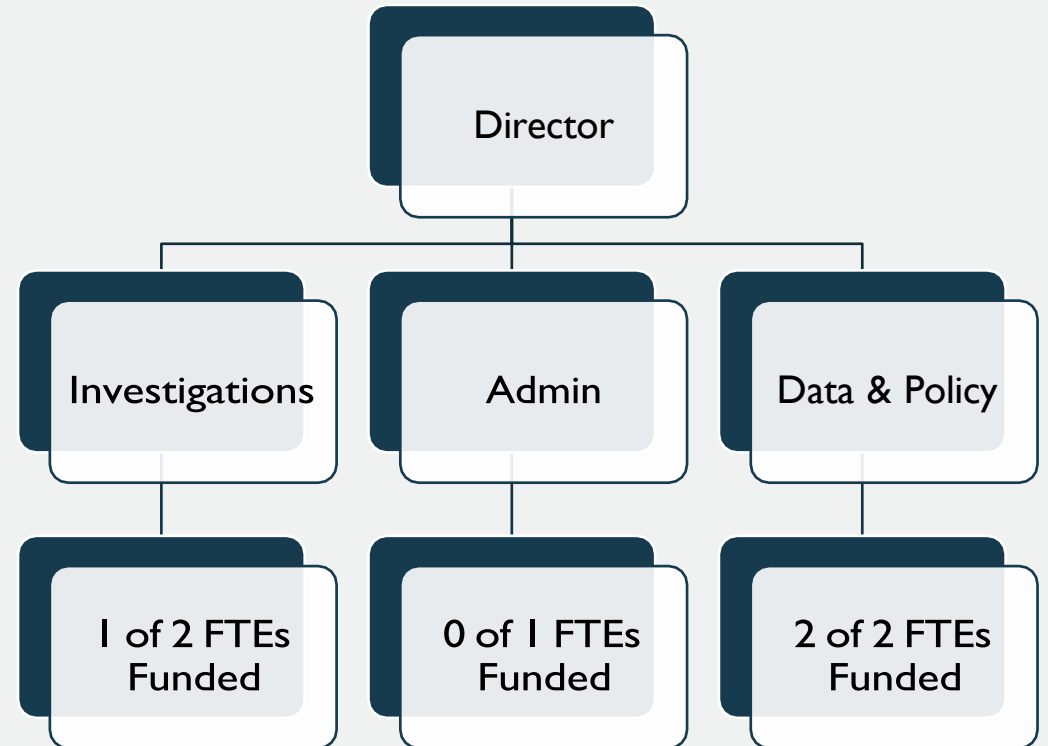
# Presentation Roadmap



# Current Staffing and Office Structure

# Current Staffing and Structure

- Six (6) FTE positions authorized; four (4) currently funded due to hiring freeze
- Vacant positions include a second investigator and administrative staff
- Administrative responsibilities reassigned to the Policy Analyst, with support from the Data Analyst
- Reallocation of duties has reduced the capacity to support PAB's policy work



# Operational Constraints

Limited role redundancy  
constrains workload  
distribution

A single investigator  
is responsible for all  
complaint intake and  
investigations

Staff absences can  
affect service  
timelines and  
responsiveness

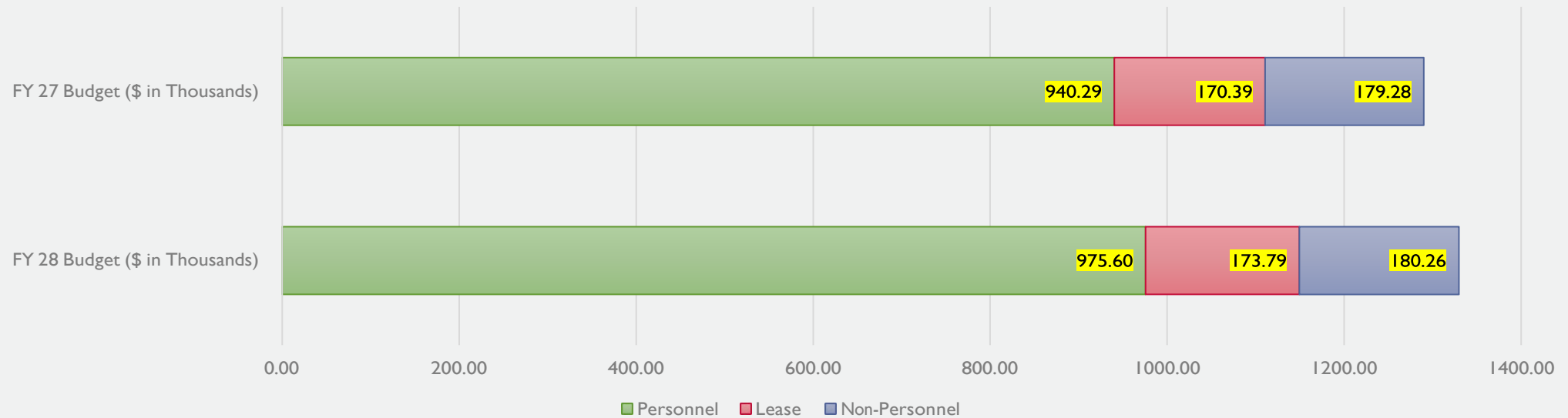
Current operational  
model presents long-  
term sustainability  
concerns

# ODPA Baseline Budget Overview

FY 2027 - 2028

# ODPA Baseline Budget Overview

ODPA Budget by Category (FY 2027–2028, \$ in Thousands)



| Budget Category | FY 27 Budget           | FY 27 (%)      | FY 28 Budget          | FY 28 (%)      |
|-----------------|------------------------|----------------|-----------------------|----------------|
| Personnel       | \$940,290.00           | 72.89%         | \$975,596.00          | 73.37%         |
| Lease           | \$170,386.32           | 13.21%         | \$173,794.08          | 13.07%         |
| Non-Personnel   | \$179,276.35           | 13.90%         | \$180,255.31          | 13.56%         |
| <b>Total</b>    | <b>\$ 1,289,952.67</b> | <b>100.00%</b> | <b>\$1,329,645.39</b> | <b>100.00%</b> |

# Proposed Reductions and Impacts

# Proposed Budget Reductions (5.6% | ~71.7k)

Maintains Core Operations; No Staffing Reductions

## Where Reductions Occur

- Overtime - \$10.2k
- Conference/Travel - \$26.4k
- Tech Services - \$23.4k
- Supplies & Misc. - \$9.4k
- Parking Pass - \$3k

## Operational Impact

- Core services and current staffing maintained
- Reduced staffing flexibility
- Limited training and professional development opportunities

To achieve the 10% to 12.5% reduction targets, the ODPA would need to identify an additional \$57,000 to \$95,000 in reductions, depending on the scenario.

April 9, 2026

FY 2027 – 2028 ODPA Budget & Reduction Proposals

Page 23

# Constraints on Further Budget Reductions

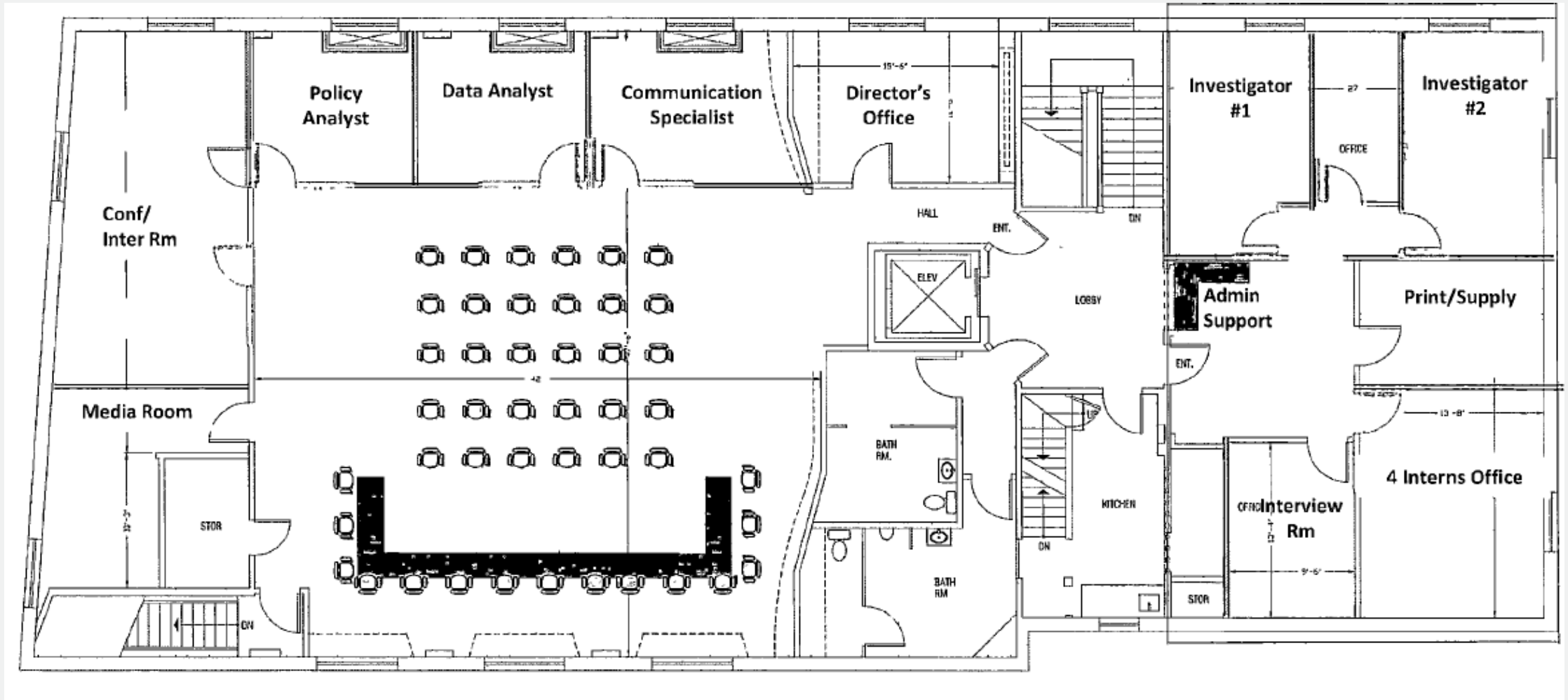
# Constraints on Further Budget Reductions

- Fixed lease obligations limit the ability to achieve further budget reductions.
- Facility-related costs are high and do not scale with operations, totaling approximately \$209k (FY27) and \$231k (FY28).
- The leased space was designed for 6–7 FTEs plus interns; current staffing and operational use are below that level.



Image: PAB Meeting Space, 3rd Floor, 1900 Addison Street

# ODPA Office Floor Plan at 1900 Addison Street



# Next Steps



## **Council direction to explore options**

Lease renegotiation, subleasing (if permitted), or relocation



## **Feasibility assessment**

Evaluate contractual, legal, and operational considerations



## **Execution Framework**

ODPA will follow the Council's direction regarding the desired course of action. For matters related to potential lease renegotiation, the office will defer to the City's Public Works Department, in coordination with the City Attorney's Office, for guidance on appropriate next steps.



**Katherine Lee**  
Interim Director of Police Accountability

**Jose Murillo**  
Policy Analyst

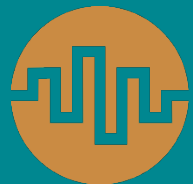
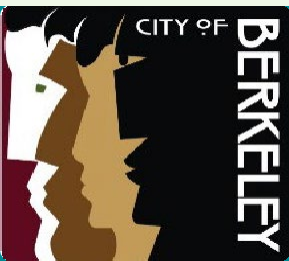
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Office of the Director of Police Accountability  
Tel: (510) 981-4950  
Email: [DPA@berkeleyca.gov](mailto:DPA@berkeleyca.gov)

# City Auditor Fiscal Year 27-28 Budget Reductions

Budget and Finance Committee Meeting

April 9<sup>th</sup>, 2026



BERKELEY CITY AUDITOR

# City Auditor FY 27-28 Budget Reductions

## Overview

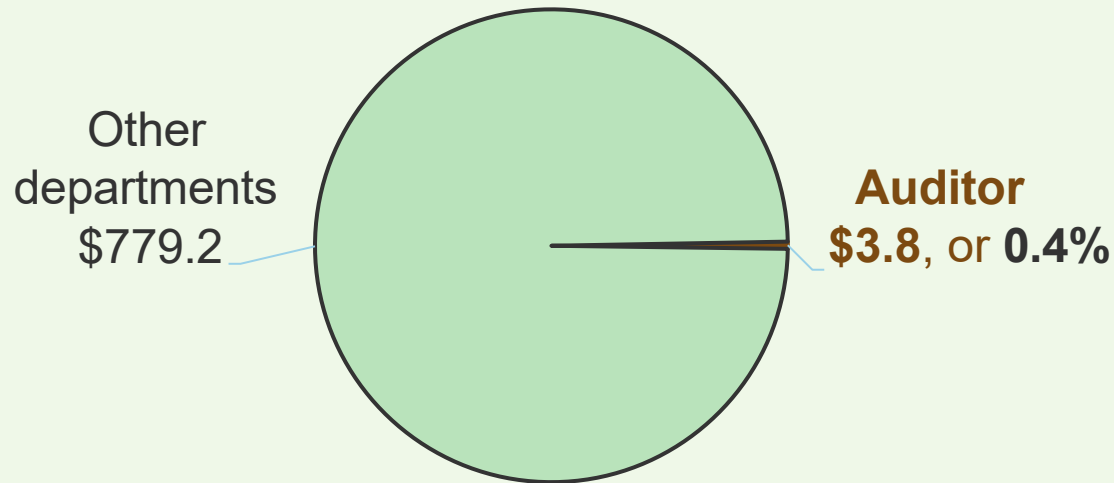
- Overview of the Auditor's Budget
- The Value of the Auditor's Office
- Summary of Reductions
- Reductions: Non-Personnel
- Reductions: Personnel
- Salary Savings



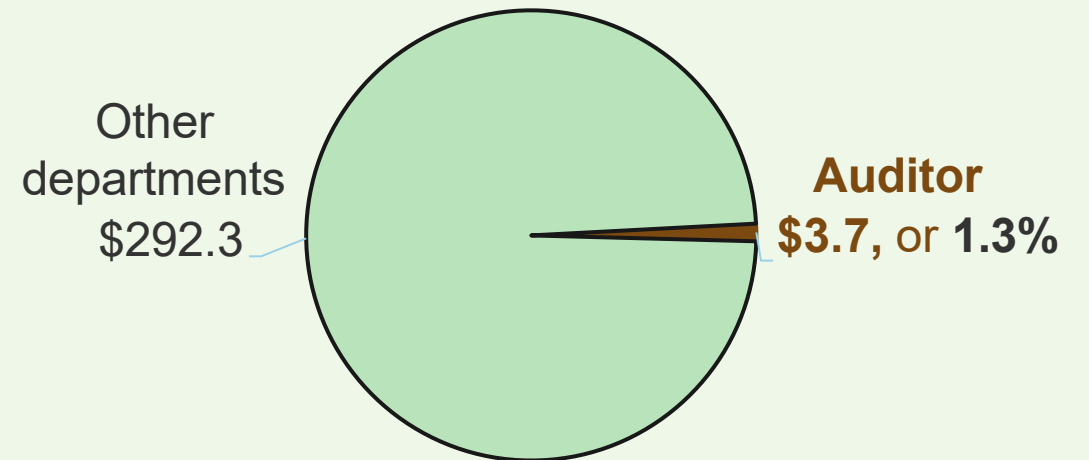
# Overview of the Auditor's Budget

The Auditor's Office makes up a small percentage of the City's budget.

**Total Expenditures in Millions,  
Fiscal Year 2026**



**General Fund Expenditures in  
Millions, Fiscal Year 2026**



Source: Berkeley FY 25-26 Adopted Budget



# Overview of the Auditor's Budget: City Charter

The duties of the Auditor are mandated by the Berkeley City Charter.

Three divisions fulfill these Charter-mandated duties:

- Performance Audit
- Whistleblower Program
- Payroll Audit



# Overview of the Auditor's Budget

## City Auditor Budget in Millions, FY 26



The Auditor's Office maintains **15.75 FTEs** among three divisions

Source: Berkeley FY 25-26 Adopted Budget



# The Value of the Auditor's Office

## Performance Audit Division

Performance audits can lead to:



New revenue



Cost recovery



Increased efficiency and effectiveness

As a result of audit work, management implemented **36 audit recommendations** in the past two years.



# The Value of the Auditor's Office

## Whistleblower Program Division



Investigates allegations of fraud, waste and abuse of city resources.



Issues public reports for substantiated findings or issues that warrant transparency and broader awareness.




Strengthens internal controls and promotes accountable use of public funds.



# The Value of the Auditor's Office

## Payroll Audit Division

 Helps the City ensure payroll compliance and avoids the risk of financial errors and legal exposure.

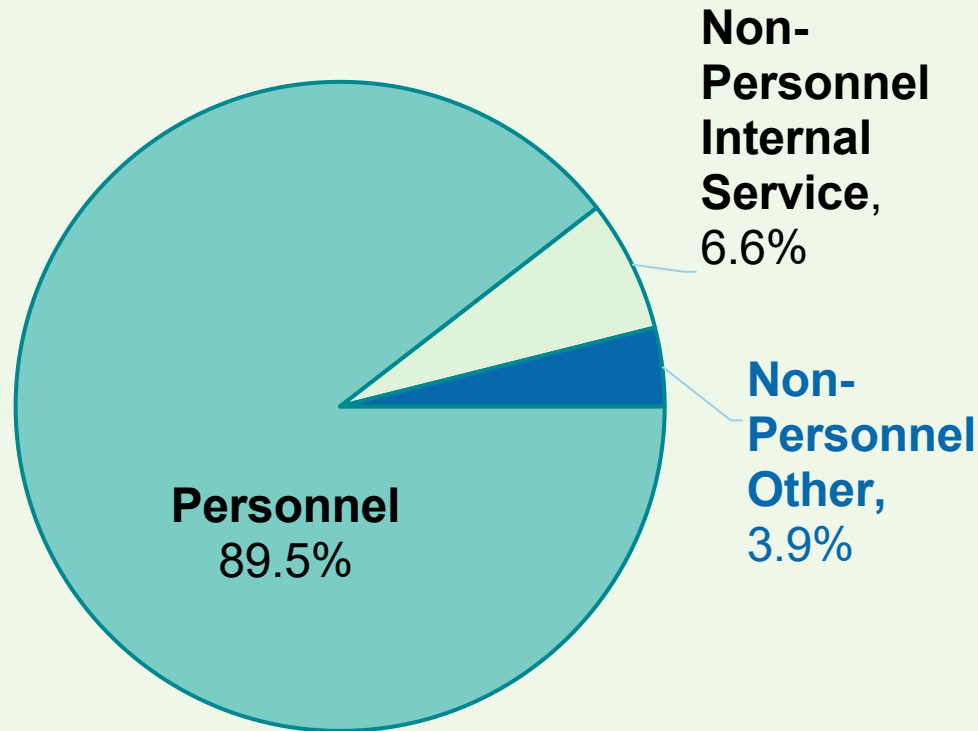
 High-performing as validated by external auditors.

 Prevents costly errors, penalties and litigation.



# Summary of Reductions

## Auditor Baseline Budget, FY 2027



FY 2027: **7.3%** reduction

FY 2028: **9%** reduction

Source: ERMA



# Reductions: Non-Personnel

Non-Personnel (Other) budget reduced by **38%** in fiscal year 2027 and **32%** in fiscal year 2028.

## Impacts:

- Reduced training budget
- Reduced expenditures from Employee Access project




## Reductions: Personnel

Personnel budget reduced by **7%** in fiscal year 2027 and **9%** in fiscal year 2028.

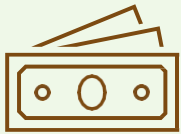
Strategies:

- Shifting fund sources for personnel
- Accounting for underfilled positions and staff members on leave

 The Auditor's Office has no current vacancies.



# Salary Savings



The Auditor's Office has salary savings from prior years.



Additional one-time allocations will achieve a **10%** overall budget reduction for fiscal years 2027 and 2028.



Questions?



# CITY ATTORNEY BUDGET

FISCAL YEARS 2027 and 2028

FARIMAH FAIZ BROWN – CITY ATTORNEY  
KATRINA EILAND – INTERIM ASSISTANT CITY ATTORNEY  
SARA STEPHENS – DEPUTY CITY ATTORNEY IV  
NATHAN DAHL – ASSISTANT TO THE CITY ATTORNEY  
DARYNA LOCH – ASSISTANT MANAGEMENT ANALYST

APRIL 23, 2026

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2180  
Milvia Street

CITY OF BERKELEY  
Martin Luther King Jr. Civic Center Building  
2180 Milvia Street, Berkeley, CA 94704  
www.berkeley.gov

# **A small town with a big voice needs great lawyers.**

**The CAO mission is to provide the City with the highest caliber legal services and advice, and to protect and defend the interests of this dynamic City by all legal and ethical means.**

**When legal resources are stretched too thin, oversight weakens, and preventable problems can turn into expensive ones.**

# ATTORNEYS

# PARALEGAL & SUPPORT TEAM



**FARIMAH FAIZ BROWN**



**KATRINA EILAND**



**LAURA IRIS MATTES**



**SAMUEL HARVEY**



**SARA STEPHENS**



**NATHAN DAHL**



**DARYNA LOCH**



**LAUREN PACKARD**



**ASHLEY CARTER**



**STEPHEN HYLAS**



**HALEY DEGENOVA**



**NUBYAAN SCOTT**



**RUBI QUIHUIS**



**KASSANDRA PEREZ**



**CELESTINE SEALS**



**HERSCHEL WINHELD**

**The City Attorney's Office provides legal advice and support to all City Departments, the City Council, the City Manager, and City boards and commissions, as well as the Library.**



**LEGISLATION**



**SUPPORTING  
BOARDS AND  
COMMISSIONS**



**LITIGATION & CLAIMS**



**INFORMATION AND  
OPEN GOVERNMENT**



**ADVICE AND REVIEW**



**RISK MANAGEMENT**

**CITY ATTORNEY**

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Milvia Street



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# CITY ATTORNEY'S OFFICE

## Major Achievements

# ACCOMPLISHMENTS

## CAO Drafting, Legal Review, and Advising on Noteworthy Policies and Matters

- ✔ Surveillance Technology
- ✔ Transportation and Micromobility
- ✔ Use of Artificial Intelligence
- ✔ EMBER Ordinance and Fire Code Amendments

# ACCOMPLISHMENTS

✓ Pier Ferry and development in the Waterfront

✓ Gilman Gateway Project

✓ CEQA Work on Major Projects

✓ People's Park Including Amicus Brief to the California Supreme Court

✓ Middle Housing zoning amendments

✓ ADU Legislation

✓ Density Bonus Legislation

✓ Ashby Bart Station Project

# ACCOMPLISHMENTS

## Responding to Shifts in Federal Policy

- ✔ Sanctuary City Ordinance
- ✔ Drafting Resolution Limiting Use of City Property
- ✔ Advice on updates to the Sanctuary Contracting Ordinance
- ✔ National Guard / Immigration Enforcement Deployment Advice

# Proactively Challenging Trump Administration Attacks

- ✔ Proactively challenged threats to withhold federal funding, successfully safeguarding millions for supportive housing, emergency response, and transportation improvements.
- ✔ Monitored and advised on numerous federal grant questions and key federal policy changes that impact the City's federally funded programs.

# PROTECTING FEDERAL FUNDING

## **All Federal Funding:** *SF v. Trump*

Protects the City's approximately \$60 million in current federal funds from revocation based on the City's sanctuary policies.

## **Health, Housing, and Transportation Funding:** *King County v. Turner*

Protects \$14 million in HUD, HHS, and DOT funds from revocation based on, e.g., the City's DEI and gender identity-related policies.

## **Emergency/Hazard Mitigation Funding:** *Santa Clara v. Noem*

Protects \$12.5 million in current City funds for fire and seismic safety and \$27 million more in solicited funds.

**CITY ATTORNEY**

# GENERATING REVENUE FOR THE CITY

## **Monsanto Litigation and Settlement**

CAO secured \$2.1 million for the City

\$400,000 allocated to the Public Liability Fund

\$1.7 million allocated to other General Fund priorities

## **Opioid-Related Settlements**

CAO has secured \$1.56 million to date, which goes to fund programs and services through HHCS

**CITY ATTORNEY**

# Active Defensive Litigation Past Year

- ✔ Homeless Encampment-Related Lawsuits (7)
- ✔ RealPage First Amendment Lawsuit (1)
- ✔ Police & Tort Litigation (52)
- ✔ Employment Litigation (7)
- ✔ Labor Arbitrations and Charges (6)
- ✔ Other Lawsuits (14)

# Increasing Number of Complex Litigation Matters

- An evolving legal landscape, new federal priorities, and the need to support City Council and staff initiatives has resulted in increasingly complex litigation matters handled by CAO.
- When the City Council enacts groundbreaking legislation and advances other policies, the City Attorney's Office helps craft and defend those policies against legal challenge.
- Complex and novel litigation requires the City Attorney's Office to expend significantly more resources.

# FY26 Spending on Outside Counsel for Non-Public Liability Matters

## Encampment Cases

- Berkeley Homeless Union \$111,037
- Prado \$118,528
- Fuchs \$ 26,132
- Dennison \$ 28,212

**TOTAL TO DATE: \$283,909**

## RealPage

**TOTAL: \$405,435**

## PAB Negotiations

**TOTAL TO DATE: \$298,798**

## Employment Litigation

- Public Works (1) \$ 83,447
- Police Dispatch (6) \$ 313,680

**TOTAL TO DATE: \$397,127**

## Employment Investigations

- IT (1) \$ 69,923
- Planning (1) \$ 52,014

**TOTAL TO DATE: \$114,937**

## Labor Arbitrations

**TOTAL TO DATE: \$16,433**

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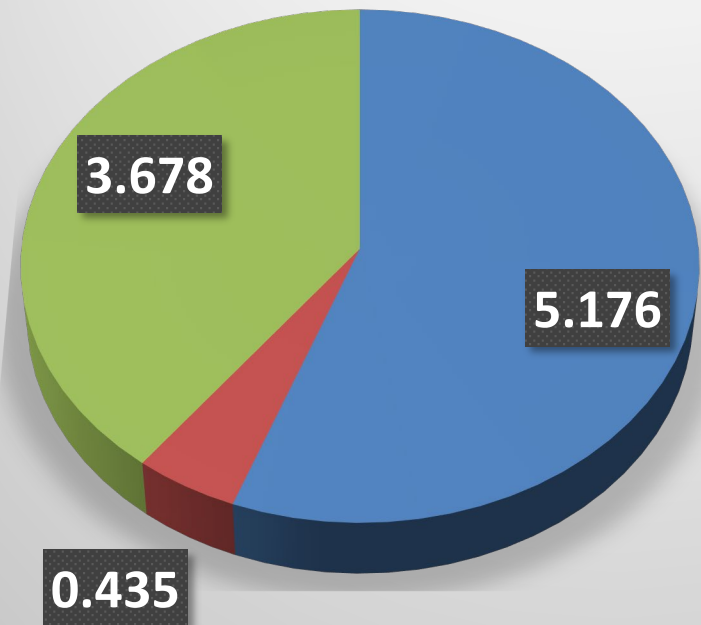
# CITY ATTORNEY'S OFFICE

**FY 2025 & FY 2026 Budget**

# BUDGET BY EXPENDITURE TYPE

## FY 25 Original Appropriation

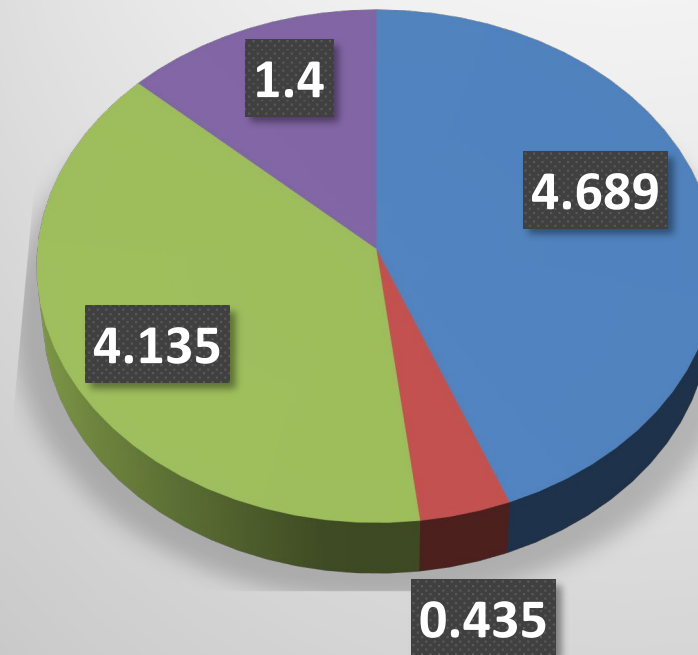
In Millions



- Personnel - Salary and Benefits
- Non-Personnel
- Public Liability (Includes Claims and Judgments)

## FY 25 Revised Budget

In Millions

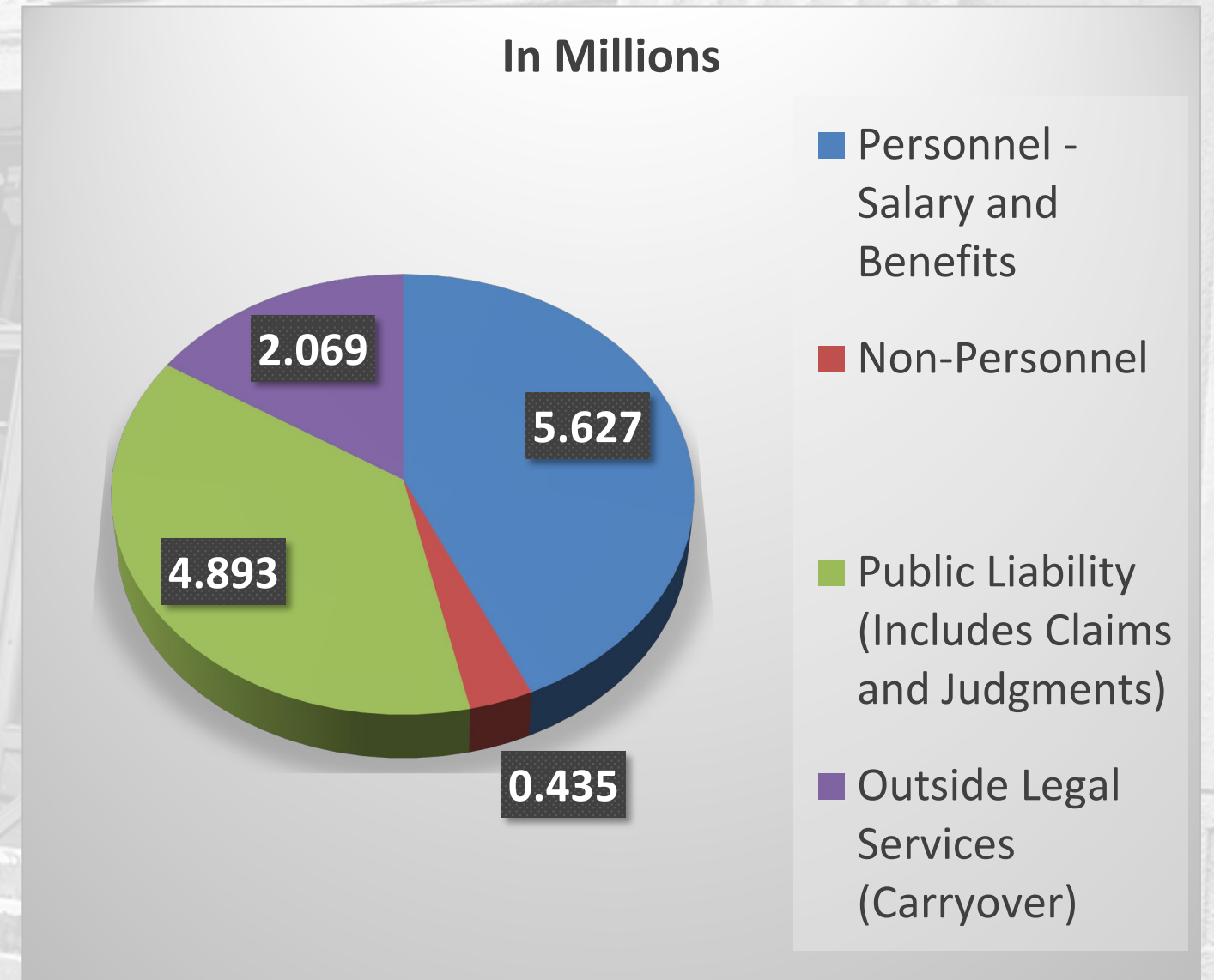
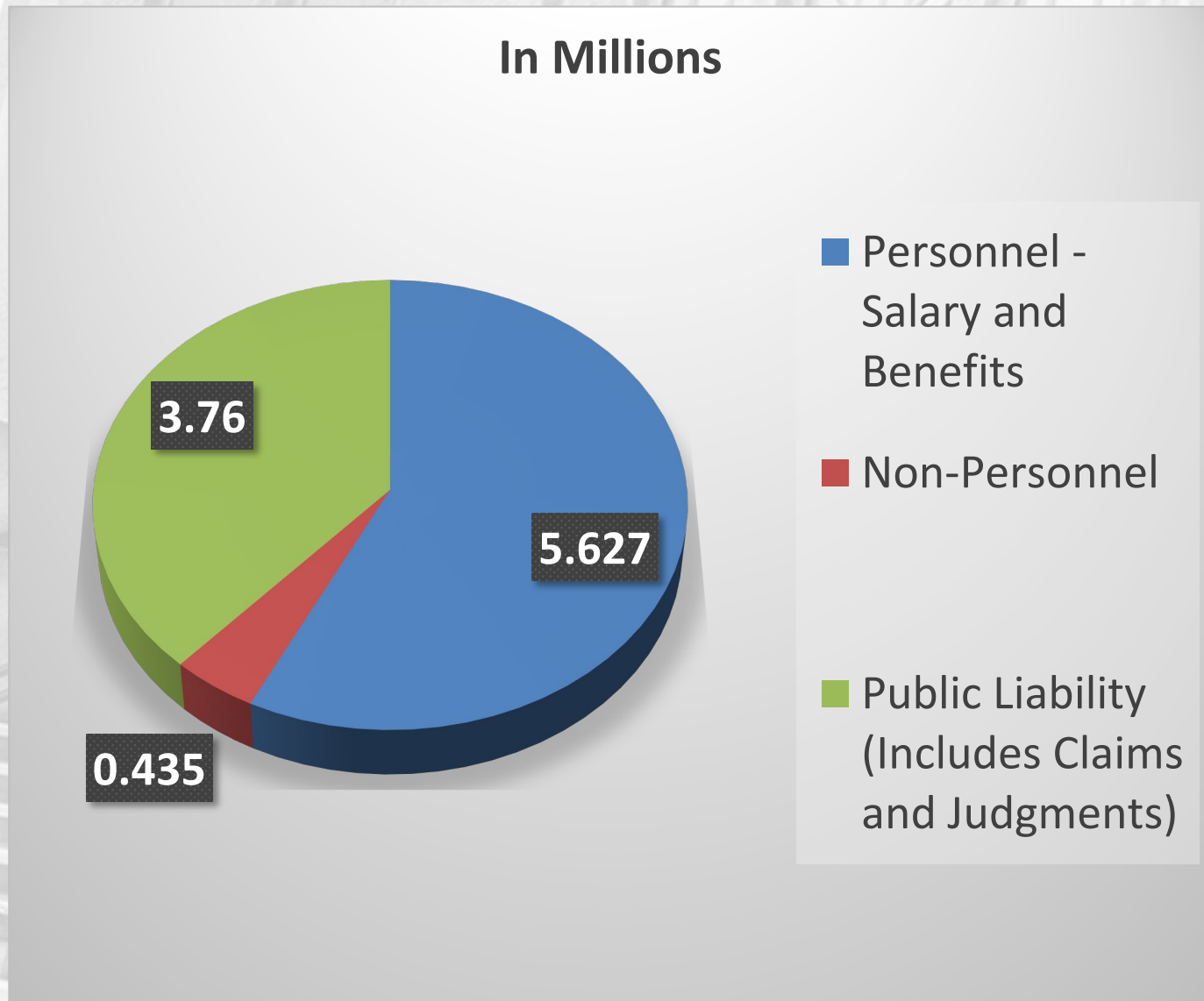


- Personnel - Salary and Benefits
- Non-Personnel
- Public Liability (Includes Claims and Judgments)
- Outside Legal Services (Carryover)

# BUDGET BY EXPENDITURE TYPE

## FY 26 Original Appropriation

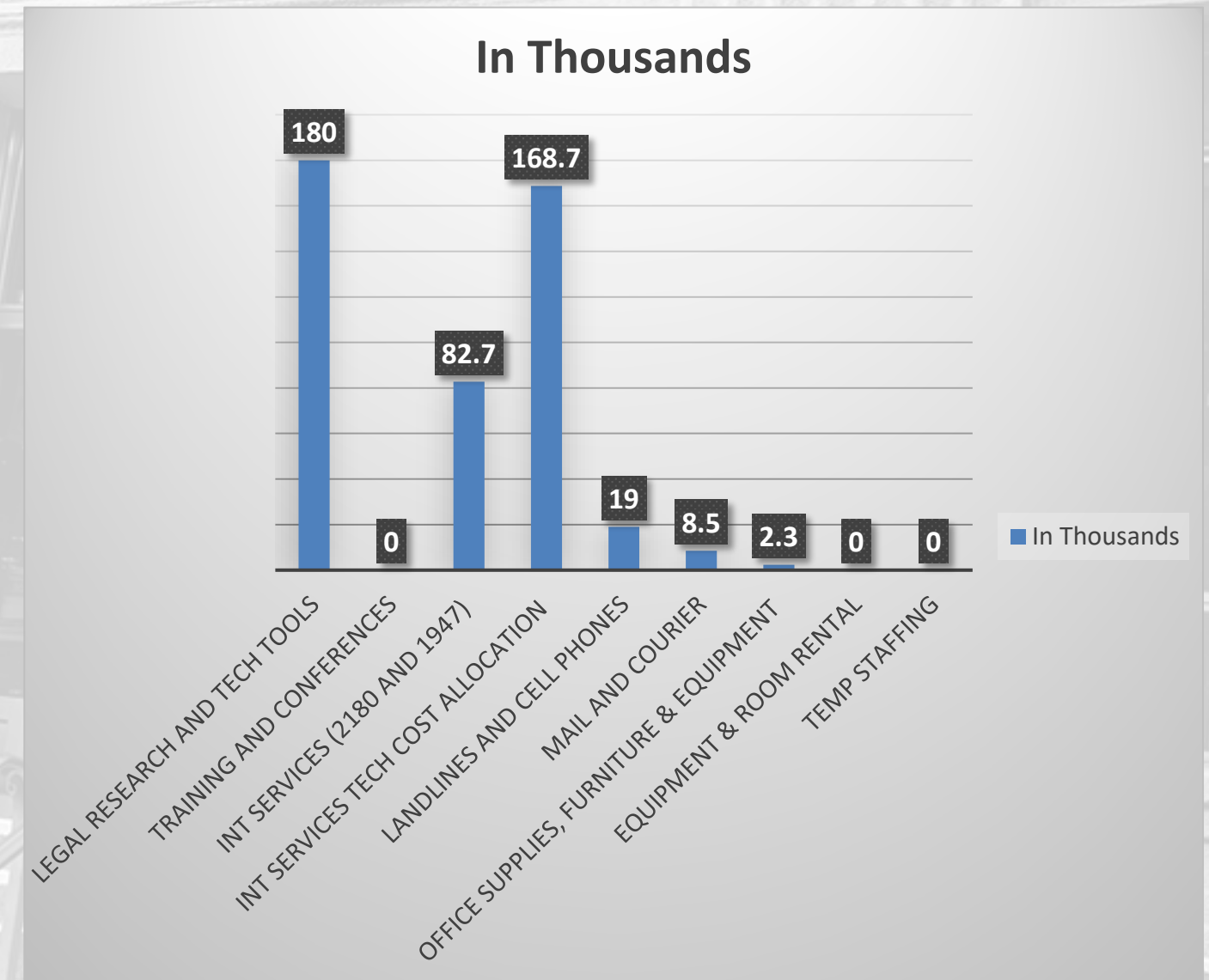
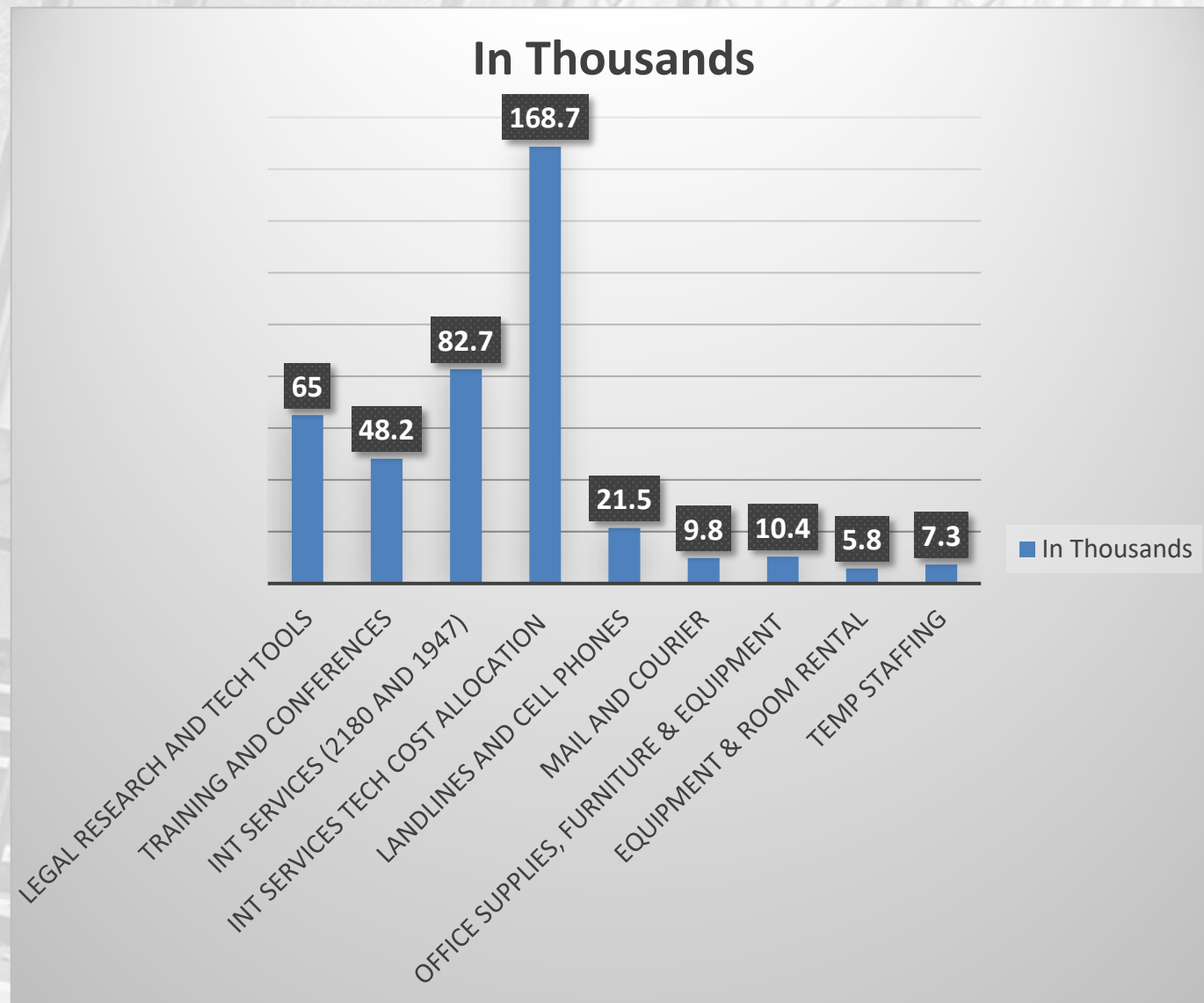
## FY 26 Revised Budget



# Reductions in Non-Personnel Budget

**FY 26 Non-Personnel Budget  
(Not Including Outside Counsel)**

**FY 27 Non-Personnel Budget  
(Not Including Outside Counsel)**



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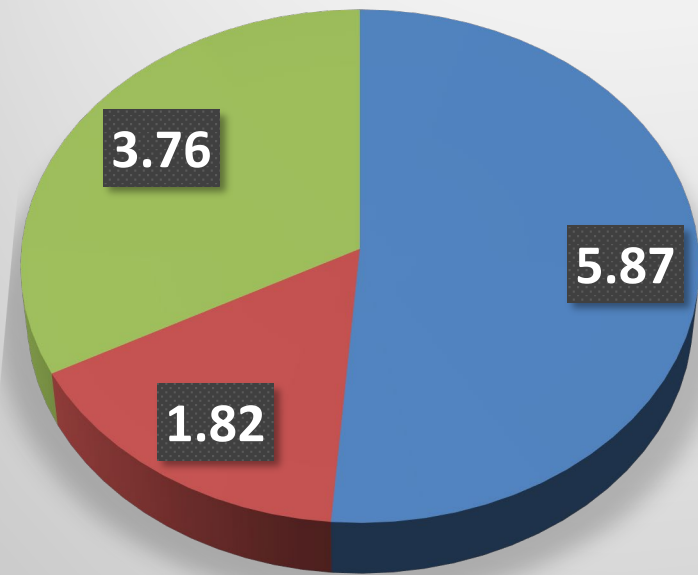
# CITY ATTORNEY'S OFFICE

**FY 2027 & FY 2028 Proposed Budget**

# FY27 and FY28 Biennial Budget

## FY 27 Appropriation

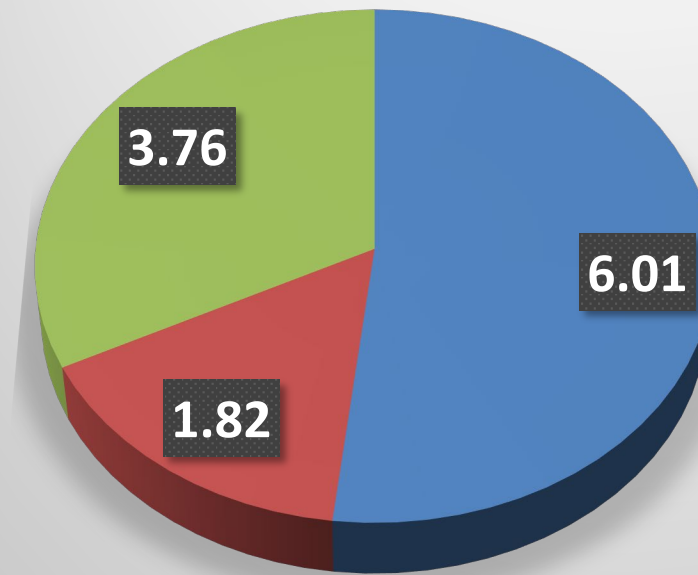
In Millions



- Personnel - Salary and Benefits
- Non-Personnel (Includes Funding for Outside Legal Services)
- Public Liability (Includes Claims and Judgments)

## FY 28 Appropriation

In Millions



- Personnel - Salary and Benefits
- Non-Personnel (Includes Funding for Outside Legal Services)
- Public Liability (Includes Claims and Judgments)

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# CITY ATTORNEY'S OFFICE

Changes, Challenges & Opportunities

# LOOKING AHEAD: CHANGES, CHALLENGES & OPPORTUNITIES

## Support for New Policy Initiatives

- The City Attorney staffs all City Council policy committee meetings and provides legal advice throughout the legislative process.
- The number and complexity of new, often groundbreaking ordinances and policies requires significant attorney time.
- CAO conducts legal research, analyzes alternatives and the most defensible path forward, assists with drafting legislation, and defends the legislation against any legal challenges.

# **LOOKING AHEAD: CHANGES, CHALLENGES & OPPORTUNITIES**

**Support for New Affirmative Litigation and  
Generating Revenue for the City**

MARTIN LUTHER KING  
CIVIC CENTER

**THANK YOU  
FOR YOUR SUPPORT**

