



Office of the City Manager

REVISED AGENDA MATERIAL for Supplemental Packet 2

Meeting Date: June 23, 2026

Item Number: 1

Item Description: Adoption of Fiscal Years 2027 and 2028 Biennial Budget and Fiscal Years 2027 – 20231 Capital Improvement Program

Submitted by: Maricar Dupaya, Budget Manager
City Manager's Office

The fiscal impact section of the report and *Exhibit C: Schedule of Changes to Proposed FY 2027 – FY 2028 Biennial Budget* of the resolution has been revised to reflect total FY 2027 and FY 2028 citywide expenditures, funding changes, other technical adjustments since the Adoption of Fiscal Years 2027 and 2028 Biennial Budget and Fiscal Years 2027 – 20231 Capital Improvement Program was first prepared and published for the June 23, 2027 meeting.

Fiscal Impacts of Recommendation:

The total proposed citywide expenditure for all funds in FY27 is \$916.8 million (gross appropriations), decreasing to \$871.8 million in FY28. In FY27, the General Fund (Fund 011) expenditures are estimated at \$313.8 million and the balance of \$603 million represents all other City funds. In FY28, the General Fund (Fund 011) expenditures are estimated at \$319.5 million and the balance of \$552.3 million represents all other City funds.

Revised Fiscal Impacts of Recommendation:

The total proposed citywide expenditure for all funds in FY27 is **\$918.1 million** (gross appropriations), decreasing to **\$873.1 million** in FY28. In FY27, the General Fund (Fund 011) expenditures are estimated at \$313.8 million and the balance of **\$604.2 million** represents all other City funds. In FY28, the General Fund (Fund 011) expenditures are estimated at \$319.5 million and the balance of **\$553.6 million** represents all other City funds.

In addition to these revisions, this supplemental includes Adoption of FY 2027 and FY 2028 Biennial Budget PowerPoint presentation.



Adoption of FY 2027 and FY 2028 Biennial Budget

City Council
June 23, 2026

Purpose and Overview

Purpose

- Adoption of the Proposed FY 2027 and FY 2028 Biennial Budget and Proposed Five-Year CIP
- Adoption of the FY 2027 Annual Appropriation Ordinance.

Overview

- Changes since 6/16/26 City Council meeting

Proposed Revised Changes – All Funds Revenue

Fund #	Fund	FY 2027 Proposed	FY 2027 Revised Proposed	Variance	FY 2028 Proposed	FY 2028 Revised Proposed	Variance	Explanation for Change
108	First Source	56,025	121,592	65,567	56,025	121,592	65,567	Increase for Public Works contribution to First Source.
150	Civic Arts	213,282	484,064	270,782	213,282	484,064	270,782	Increase for Public Works and PRW's contribution to Civic Arts.
781	Berkeley Tourism Business Improvement District (BID)	2,221,000	2,298,135	77,135	2,221,000	2,298,135	77,135	Revised revenue budget based on updated Berkeley Tourism Business Improvement District Tax revenue estimates for FY 2027.
784	Telegraph BID	648,083	667,525	19,442	648,083	667,525	19,442	Revised revenue budget based on updated Telegraph Business Improvement District Tax revenue estimates for FY 2027.
785	North Shattuck BID	239,541	248,903	9,362	239,541	248,903	9,362	Revised revenue budget based on updated North Shattuck Business Improvement District Tax revenue estimates for FY 2027.
786	Downtown Berkeley Prop and BID	1,691,590	2,668,086	976,496	1,691,590	2,668,086	976,496	Revised revenue budget based on updated Downtown Berkeley Property and Improvement District Tax revenue estimates for FY 2027.
Total				1,418,784			1,418,784	

Proposed Revised Changes – All Funds Expenditures

Fund #	Fund	FY 2027 Proposed	FY 2027 Revised Proposed	Variance	FY 2028 Proposed	FY 2028 Revised Proposed	Variance	Explanation for Change
138	Parks Tax	\$ 25,975,366	\$ 26,089,319	\$ 113,953	\$ 23,345,112	\$ 23,459,065	113,953	Increase for Civic Arts and First Source contributions.
150	Public Art	153,619	162,252	8,633				Increase for Civic Arts, non-personnel budget for services.
166	Measure FF	28,559,502	28,830,781	271,279	18,868,483	19,139,762	271,279	Increase for Civic Arts and First Source contributions.
311	Emergency Solutions Grant (ESG)	225,952	226,367	415			-	Revised expenditure budget to reflect appropriate award amount. Increase budget fo FY27.
781	Berkeley Tourism Business Improvement District (BID)	2,209,676	2,298,135	88,459	2,209,676	2,298,135	88,459	Revise expenditure budget based on updated Berkeley Tourism Business Improvement District Tax revenue estimates for FY 2027.
782	Elmwood BID	59,950	30,000	(29,950)	59,950	30,000	(29,950)	Revise expenditure budget based on updated Elmwood Business Improvement District Tax revenue estimates for FY 2027.
783	Solano Avenue BID	40,445	25,000	(15,445)	40,445	25,000	(15,445)	Revise expenditure budget based on updated Soalno Ave. Business Improvement District Tax revenue estimates for FY 2027.
784	Telegraph BID	826,643	667,525	(159,118)	826,643	667,525	(159,118)	Revise expenditure budget based on updated Telegraph Business Improvement District Tax revenue estimates for FY 2027.
785	North Shattuck BID	334,076	248,903	(85,173)	334,076	248,903	(85,173)	Revise expenditure budget based on updated North Shattuck Business Improvement District Tax revenue estimates for FY 2027.
786	Downtown Berkeley Prop and BID	1,599,725	2,668,086	1,068,361	1,599,725	2,668,086	1,068,361	Revise expenditure budget based on updated Downtown Berkeley Property and Improvement District Tax revenue estimates for FY 2027.
Total				1,261,414			1,252,366	

Proposed All Funds Summary

Category	FY 27 Original Proposed (5/19/26)	FY 27 Revised Proposed (6/16/26)	FY 27 Revised Proposed (6/23/26)	FY 28 Original Proposed (5/19/26)	FY 28 Revised Proposed (6/16/26)	FY 28 Revised Proposed (6/23/26)
Revenues	772,107,349	785,833,221	787,252,004	773,437,594	788,192,853	789,611,637
Expenditures	905,190,026	916,819,369	918,080,782	865,253,739	871,845,732	873,106,731
Staffing	1,604.84	1,606.84	1,606.84	1,604.84	1,606.84	1,606.84

- Changes from 6/16/26 reflect updates to the pass-through Business Improvement District funds to align with anticipated revenues approved by Council in May and June 2026
- Changes also incorporate the appropriate budgets for First Source and Public Arts, as well as updates to the Parks Tax and Measure FF – Streets, based on the revised Public Arts and First Source contributions.
- Detailed explanation for the changes can be found in the Schedule of Changes attachments.
- No changes made to the General Fund since the 6/16/26 meeting.

Wrap-up

- Adoption of the Proposed FY 2027 and FY 2028 Biennial Budget and Proposed Five-Year CIP
- Adoption of the FY 2027 Annual Appropriation Ordinance.

Thank you.



City Manager's Office/Budget and Fiscal Management
Contact: Maricar Dupaya, Budget Manager, 510-981-7000

Fund #	Fund	FY 2027 Proposed	FY 2027 Revised Proposed	Variance	FY 2028 Proposed	FY 2028 Revised Proposed	Variance	Explanation for Change
011	General Fund	313,917,287	313,849,211	(68,076)	319,588,707	319,537,568	(51,138)	City Auditor Budget Balancing Plan (Underfill & LWOP savings)
107	Special Tax for Disabled (Measure E)	1,917,229	1,972,678	55,449	1,955,574	2,012,132	56,558	Revise expenditure budget to match projected revenues
133	Measure F	747,204	749,879	2,675	653,675	656,350	2,675	Increase shared of audit cost.
138	Parks Tax	\$ 25,975,366	\$ 26,089,319	\$ 113,953	\$ 23,345,112	\$ 23,459,065	113,953	Increase for Civic Arts and First Source contributions.
150	Public Art	153,619	162,252	8,633				Increase for Civic Arts, non-personnel budget for services.
158	MHSA Realignment	3,961,017	4,008,124	47,107	4,048,402	4,117,302	68,900	Increase personnel budget to account for reclassification of four Behavioral Health Clinician I positions to Behavioral Health Clinician II positions
166	Measure FF	28,559,502	28,830,781	271,279	18,868,483	19,139,762	271,279	Increase for Civic Arts and First Source contributions.
305	Capital Grants - Federal	-	500,000	500,000			-	Revised for grant to PWENCR2402-Codornices Creek Restoration at 9th Street.
306	Capital Grants - State	850,000	1,547,000	697,000	2,030,900	4,681,900	2,651,000	Revised for grants to PWTRCS2401-Addison Street Bicycle Blvd Phase 2, PWTRCT2201-Adeline Transportation Improvements, PWTRCS2501-Washington Elementary and Berkeley High Project.
307	Capital Grants - Local	100,000	758,250	658,250	100,000	1,026,250	926,250	Revised for grants to PWTRCT2201-Adeline Transportation Improvements, and PWTRCS2204-Telegraph Multimodal Corridor.

Schedule of Changes to the FY 2027-2028 Proposed Budget from 5.19.26 (Expenditures)

Fund #	Fund	FY 2027 Proposed	FY 2027 Revised Proposed	Variance	FY 2028 Proposed	FY 2028 Revised Proposed	Variance	Explanation for Change
310	HOME Investment Partnership American Rescue Plan (HOME-ARP)			-			-	
311	Emergency Solutions Grant (ESG)	225,952	226,367	415			-	Revised expenditure budget to reflect appropriate award amount. Increase budget fo FY27.
315	Mental Health Service Act	13,329,845	13,425,796	95,951	12,178,756	12,322,719	143,964	Increase personnel budget to account for reclassification of four Behavioral Health Clinician I positions to Behavioral Health Clinician II positions
316	Health (Short/Doyle)	3,922,201	3,980,850	58,649	4,064,889	4,158,708	93,819	Increase personnel budget to account for reclassification of four Behavioral Health Clinician I positions to Behavioral Health Clinician II positions
317	EPSDT Expansion Proposal	422,426	437,043	14,617	438,968	458,565	19,597	Increase personnel budget to account for reclassification of four Behavioral Health Clinician I positions to Behavioral Health Clinician II positions
336	One-Time Grant	689,431	1,889,431	1,200,000			-	Revised for grant to PWENSD2501-West Berkeley and Aquatic Park Stormwater Improvement Project.
339	MTC	752,827	1,122,000	369,173	752,827	150,000	(602,827)	Revised for grant to PWTRCT2201-Adeline Transportation Improvements

Schedule of Changes to the FY 2027-2028 Proposed Budget from 5.19.26 (Expenditures)

Fund #	Fund	FY 2027 Proposed	FY 2027 Revised Proposed	Variance	FY 2028 Proposed	FY 2028 Revised Proposed	Variance	Explanation for Change
671	Equipment Replacement	8,714,649	14,071,895	5,357,246	8,155,129	8,981,657	826,528	FY27-\$4,925,346 added for FY27 Equipment and Fleet & 326,200 for PWENEN2501-Fleet EV for 4 sites; PWENEN2502-EV Charger Install Corp Yard- \$48,600; PWENEN2503-EV Chargers at PSB (2100 MLK Way)- \$29,300; PWENEN2504-EV Chargers Waterfront-\$27,800 FY28-\$286,428 add for FY28 Equipment and Fleet & \$15,000 for PWENEN2501-Fleet EV for 4 sites; PWENEN2502-EV Charger Install Corp Yard- \$472,900; PWENEN2503-EV Chargers at PSB (2100 MLK Way)- \$47,300; PWENEN2504-EV Chargers Waterfront-\$42,900
781	Berkeley Tourism Business Improvement District	2,209,676	2,298,135	88,459	2,209,676	2,298,135	88,459	Revise expenditure budget based on updated Berkeley Tourism Business Improvement District Tax revenue estimates for FY 2027.
782	Elmwood BID	59,950	30,000	(29,950)	59,950	30,000	(29,950)	Revise expenditure budget based on updated Elmwood Business Improvement District Tax revenue estimates for FY 2027.
783	Solano Avenue BID	40,445	25,000	(15,445)	40,445	25,000	(15,445)	Revise expenditure budget based on updated Solano Ave. Business Improvement District Tax revenue estimates for FY 2027.
784	Telegraph BID	826,643	667,525	(159,118)	826,643	667,525	(159,118)	Revise expenditure budget based on updated Telegraph Business Improvement District Tax revenue estimates for FY 2027.
785	Shattuck BID	334,076	248,903	(85,173)	334,076	248,903	(85,173)	Revise expenditure budget based on updated North Shattuck Business Improvement District Tax revenue estimates for FY 2027.
786	Downtown BID	1,599,725	2,668,086	1,068,361	1,599,725	2,668,086	1,068,361	Revise expenditure budget based on updated Downtown Berkeley Property and Improvement District Tax revenue estimates for FY 2027.

Schedule of Changes to the FY 2027-2028 Proposed Budget from 5.19.26 (Expenditures)

Fund #	Fund	FY 2027 Proposed	FY 2027 Revised Proposed	Variance	FY 2028 Proposed	FY 2028 Revised Proposed	Variance	Explanation for Change
801	Rent Stabilization Board	8,657,554	11,298,855	2,641,301	8,842,186	11,298,855	2,456,669	Revise revenue budget to match budget approved by the Rent Stabilization Board
Total				12,890,757			7,844,359	

Items marked in red indicate changes made between 06/16/2026 and 06/23/2026

Fund #	Fund	FY 2027 Proposed	FY 2027 Revised Proposed	Variance	FY 2028 Proposed	FY 2028 Revised Proposed	Variance	Explanation for Change
101	Library Tax	34,416,535	35,410,917	994,382	35,104,176	36,118,445	1,014,270	Proposed Budget Update assumed 2% increase in the Library Tax and Library Relief Act of 2024. The Library Tax can be increased by the greater of the Consumer Price Index (CPI) or the Personal Income Growth (PIG). The CPI increase is 3.7975% while the PIG increase is 4.95% increase. Revised Proposed Update Revenue assumes the tax increase in the PIG since this is higher than the CPI.
107	Special Tax for Disabled (Measure E)	1,917,229	1,972,678	55,449	1,955,574	2,012,132	56,558	Proposed Budget Update assumed 2% increase in Measure E Tax. The Measure E Tax can be increased by the greater of the Consumer Price Index (CPI) or the Personal Income Growth (PIG). The CPI increase is 3.7975% while the PIG increase is 4.95% increase. Revised Proposed Update Revenue assumes the tax increase in the PIG since this is higher than the CPI.
108	First Source	56,025	121,592	65,567	56,025	121,592	65,567	Increase for Public Works contribution to First Source.
115	Animal Shelter	(2,090,303)	2,818,172	4,908,475	(2,144,075)	2,890,052	5,034,127	correct revenue entry in the projection
116	Paramedic Assessment District	4,835,225	4,907,076	71,852	4,916,771	4,990,059	73,289	Proposed Budget Update assumed 2% CPI increase and actual increase was 3.7975%
138	Parks Tax	23,080,723	23,740,242	659,520	23,541,897	24,214,607	672,710	Revised revenue budget to reflect the updated Parks Tax Measure as outlined in the FY 2027-2028 Tax Revenue Estimates

Schedule of Changes to the FY 2027-2028 Proposed Budget from 5/19/26 (Revenues)

Fund #	Fund	FY 2027 Proposed	FY 2027 Revised Proposed	Variance	FY 2028 Proposed	FY 2028 Revised Proposed	Variance	Explanation for Change
140	Measure GG - Fire Preparation Tax	6,481,203	6,667,319	186,116	6,609,907	6,799,745	189,838	Proposed Budget Update assumed 2% increase in the Measure GG Tax. The Measure GG Tax can be increased by the greater of the Consumer Price Index (CPI) or the Personal Income Growth (PIG). The CPI increase is 3.7975% while the PIG increase is 4.95% increase. Revised Proposed Update Revenue assumes the tax increase in the PIG since this is higher than the CPI as recommended by the Disaster & Fire Safety Commission
150	Civic Arts	213,282	484,064	270,782	213,282	484,064	270,782	Increase for Public Works and PRW's contribution to Civic Arts.
152	Vital and Health Statistic	(30,292)	30,292	60,584	(30,292)	30,292	60,584	Correct revenue entry in the projection
164	Measure FF - Public Safety	11,160,850	11,483,638	322,789	11,384,067	11,713,311	329,245	Proposed Budget Update assumed 2% increase in the Measure FF Tax. The Measure FF Tax can be increased by the greater of the Consumer Price Index (CPI) or the Personal Income Growth (PIG). The CPI increase is 3.7975% while the PIG increase is 4.95% increase. Revised Proposed Update Revenue assumes the tax increase in the PIG since this is higher than the CPI as recommended by the Disaster & Fire Safety Commission

Schedule of Changes to the FY 2027-2028 Proposed Budget from 5/19/26 (Revenues)

Fund #	Fund	FY 2027 Proposed	FY 2027 Revised Proposed	Variance	FY 2028 Proposed	FY 2028 Revised Proposed	Variance	Explanation for Change
166	Measure FF - Street Repair	15,300,000	16,651,651	1,351,651	15,606,000	16,984,684	1,378,684	Proposed Budget Update assumed 2% increase in Measure FF-Street repair. The Measure-Street Repair Tax can be increased by the greater of the Consumer Price Index (CPI) or the Personal Income Growth (PIG). The CPI increase is 3.7975% while the PIG increase is 4.95% increase. Revised Proposed Update Revenue assumes the tax increase in the PIG since this is higher than the CPI.
305	Capital Grants- Federal	-	500,000	500,000	-	-	-	Revised for grant to PWENCR2402-Codornices Creek Restoration at 9th Street.
306	Capital Grants - State	562,500	1,447,000	884,500	562,500	4,681,900	4,119,400	Revised for grants to PWTRCS2401-Addison Street Bicycle Blvd Phase 2, PWTRCT2201-Adeline Transportation Improvements, PWTRCS2501-Washington Elementary and Berkeley High Project.
307	Capital Grants - Local	75,000	758,250	683,250	75,000	1,026,250	951,250	Revised for grants to PWTRCT2201-Adeline Transportation Improvements, and PWTRCS2204-Telegraph Multimodal Corridor.
336	One-Time Grant: No Capital Expenditures	920,269	2,120,269	1,200,000	-	-	-	Revised for grant to PWENSD2501-West Berkeley and Aquatic Park Stormwater Improvement Project.
339	MTC	564,620	1,122,000	557,380	564,420	150,000	(414,420)	Revised for grant to PWTRCT2201-Adeline Transportation Improvements
781	Berkeley Tourism Business Improvement District	2,221,000	2,298,135	77,135	2,221,000	2,298,135	77,135	Revised revenue budget based on updated Berkeley Tourism Business Improvement District Tax revenue estimates for FY 2027.

Schedule of Changes to the FY 2027-2028 Proposed Budget from 5/19/26 (Revenues)

Fund #	Fund	FY 2027 Proposed	FY 2027 Revised Proposed	Variance	FY 2028 Proposed	FY 2028 Revised Proposed	Variance	Explanation for Change
784	Telegraph BID	648,083	667,525	19,442	648,083	667,525	19,442	Revised revenue budget based on updated Telegraph Business Improvement District Tax revenue estimates for FY 2027.
785	Shattuck BID	239,541	248,903	9,362	239,541	248,903	9,362	Revised revenue budget based on updated North Shattuck Business Improvement District Tax revenue estimates for FY 2027.
786	Downtown BID	1,691,590	2,668,086	976,496	1,691,590	2,668,086	976,496	Revised revenue budget based on updated Downtown Berkeley Property and Improvement District Tax revenue estimates for FY 2027.
801	Rent Stabilization Board	8,961,575	10,251,500	1,289,925	8,961,575	10,251,500	1,289,925	Revise revenue budget to match budget approved by the Rent Stabilization Board
Total				15,144,656			16,174,243	

Items marked in **red** indicate changes made between 06/16/2026 and 06/23/2026