

**BERKELEY CITY COUNCIL BUDGET & FINANCE COMMITTEE
REGULAR MEETING MINUTES**

**Thursday, February 13, 2025
10:00 AM**

Cypress Room – 2180 Milvia Street, 1st Floor, Berkeley, CA 94704

Committee Members:

Mayor Adena Ishii, Councilmembers Rashi Kesarwani and Brent Blackaby
Alternate: Councilmember Igor Tregub

This meeting will be conducted in a hybrid model with both in-person attendance and virtual participation. All Committee meetings are recorded.

To access the meeting remotely use this URL - <https://cityofberkeley-info.zoomgov.com/j/1615359635> To request to speak, use the “raise hand” function in Zoom. To join by phone: Dial **1-669-254-5252** or **1-833-568-8864 (Toll Free)** and Enter **Meeting ID: Webinar ID 161 535 9635** To provide public comment, press *9 and wait to be recognized by the Chair. To submit a written communication for the Committee’s consideration and inclusion in the public record, email policycommittee@berkeleyca.gov.

This meeting will be conducted in accordance with the Brown Act, Government Code Section 54953. Any member of the public may attend this meeting, however, if you are feeling sick, please do not attend the meeting in person.

Pursuant to the City Council Rules of Procedure and State Law, the presiding officer may remove, or cause the removal of, an individual for disrupting the meeting. Prior to removing an individual, the presiding officer shall warn the individual that their behavior is disrupting the meeting and that their failure to cease their behavior may result in their removal. The presiding officer may then remove the individual if they do not promptly cease their disruptive behavior. “Disrupting” means engaging in behavior during a meeting of a legislative body that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting and includes, but is not limited to, a failure to comply with reasonable and lawful regulations adopted by a legislative body, or engaging in behavior that constitutes use of force or a true threat of force.

California Government Code Section 84308 (Levine Act) Parties to a proceeding involving a license, permit, or other entitlement for use are required to disclose if they made contributions over \$500 within the prior 12 months to any City employee or officer. Parties and participants with a financial interest are prohibited from making more than \$500 in contributions to a decisionmaker for the 12 months after the final decision is rendered on the proceeding. The above contribution disclosures and restrictions do not apply when the proceeding is competitively bid, or involves a personnel or labor contract. For more information, see Government Code Section 84308.

MINUTES

Roll Call: 10:07 a.m.

Present: Kesarwani, Blackaby, Ishii

Absent: None

Election of Chairperson

Action: M/S/C (Blackaby/Ishii) to elect Councilmember Kesarwani as committee chair.

Vote: All Ayes.

Public Comment on Non-Agenda Matters – 1 speaker

Minutes for Approval

Draft minutes for the Committee's consideration and approval.

1. Minutes - November 7 and November 14, 2024

Action: M/S/C (Ishii/Kesarwani) to approve the minutes of 11/7/24 and 11/14/24.

Vote: All Ayes.

Committee Action Items

The public may comment on each item listed on the agenda for action as the item is taken up. The Chair will determine the number of persons interested in speaking on each item. Up to ten (10) speakers may speak for two minutes. If there are more than ten persons interested in speaking, the Chair may limit the public comment for all speakers to one minute per speaker.

Following review and discussion of the items listed below, the Committee may continue an item to a future committee meeting, or refer the item to the City Council.

2. “Risk-Based Analysis and Stress Test of General Fund Reserve Requirements for the City of Berkeley” and provide recommendations related to the City’s General Fund Reserve Policy

From: City Manager

Recommendation: Receive a presentation on the Risk-Based Analysis and Stress Test of General Fund Reserve Requirements for the City of Berkeley” and provide recommendations related to the City’s General Fund Reserve Policy.

Financial Implications: See report

Contact: Sharon Friedrichsen, Budget Manager, (510) 981-7000

Action: 1 speaker. Discussion held. Item continued to the March 13, 2025 meeting.

Mayor Ishii exited the meeting for the consideration of Item 3 at 11:29 a.m. due to Brown Act participation rules.

Councilmember Tregub joined the meeting for the consideration of Item 3 at 11:31 a.m. due to Brown Act participation rules.

Committee Action Items

3. **Establish Rules and Limits When Community-Based Organizations Receive City Funding Without Procurement to Promote Transparency, Fairness, and Stewardship of Public Funds**

From: Councilmember Kesarwani (Author), Mayor Ishii (Co-Sponsor)

Referred Date: January 6, 2025

Due Date: June 9, 2025

Recommendation: Refer to the City Manager to establish an open and transparent process for community-based organizations seeking a grant of emergency funds outside of the City's existing request for proposal (RFP) or other procurement processes. The process to be established should include the following components: Annual Funding Limit. Establish a maximum amount of \$25,000 annually to be granted to a Berkeley-based non-profit or public organization, and a grand total of \$225,000 annually to up to nine community-based organizations operating in Berkeley; "Declaration of Need" Form Available on a City Webpage. A Declaration of Need application form should be made available on a dedicated City webpage to ensure all community-based organizations have an equal opportunity to learn about the availability of funds, including the deadline for submitting the completed form; Declaration of Need Form Should Require Documentation of Financial Need and Non-Profit Status (When Appropriate). The Declaration of Need form should be short to reduce the burden on community-based organizations but should include at a minimum a request to explain the purpose/need for the funds and document the organization's financial need. In addition, the City should verify that the organization is a registered non-profit organization (if applicable); Selection Process. The City Manager shall establish a process for selecting qualifying community-based organizations, including establishing a scoring criteria and submitting recommendations to Council as part of the annual budget development process; and Financial Reporting Requirement for Selected Community-Based Organizations. For organizations selected to receive emergency funding of up to \$25,000, the City shall enter into a contract that requests documentation at six months and 12 months to ensure that funds were used for the purpose for which they were requested. This financial reporting requirement should apply as soon as practicable to FY2024-25 budget allocations, and continue for future budget years.

Financial Implications: See report

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

Action: 1 speaker. M/S/C (Kesarwani/Blackaby) to send the item to Council with a positive recommendation.

Vote: All Ayes.

Mayor Ishii joined the meeting after the consideration of Item 3 at 12:05 p.m. due to Brown Act participation rules.

Councilmember Blackaby exited the meeting at 12:06 p.m.

Councilmember Tregub served as the alternate member for the remainder of the meeting and consideration of Items 4, 5, and 6.

Committee Action Items

- 4. City Council Legislative Systems Redesign**
From: City Manager
Referred: January 16, 2024
Due: February 28, 2025
Recommendation: ****On January 16, 2024, the Agenda and Rules Committee referred the questions in the supplemental materials to the Budget and Finance Policy Committee for review and response.****
Financial Implications: See report
Contact: Mark Numainville, City Clerk, (510) 981-6900
Action: 0 speakers. Discussion held. M/S/C (Kesarwani/Ishii) to take no further action on the item and defer to the Agenda and Rules Policy Committee for further consideration of the legislative process improvements.
Vote: All Ayes.
- 5. Audit Status Reports: Fleet Replacement Fund Short Millions & Rocky Road: Berkeley Streets at Risk and Significantly Underfunded**
From: City Manager
Recommendation: ****On May 23, 2023, the City Council referred to the Budget and Finance Policy Committee to prioritize funding to the vehicle replacement fund to make up the shortfall over time in order to stabilize the fund.****
Financial Implications: See report
Contact: Terrance Davis, Public Works, (510) 981-6300
Action: Item continued to the next meeting.
- 6. Study: Sabbatical Leave for City of Berkeley Employees**
From: Councilmember Hahn (Author)
Referred: September 30, 2024
Due: March 4, 2025
Recommendation: Refer to the City Manager study of a potential Sabbatical Leave policy for all City of Berkeley employees, modeled after the City's existing agreements with several bargaining units.
Consult with labor partners and City employees to explore a variety of terms and options, and the costs/benefits of unpaid, partially paid, and paid Sabbatical Leaves. Report findings to Council, outlining possible options and their financial impacts as well as potential benefits to recruitment, morale, longevity of tenure, and wellbeing.
Financial Implications: See report
Contact: Sophie Hahn, Councilmember, District 5, (510) 981-7150
Action: Item continued to the next meeting.

Unscheduled Items

These items are not scheduled for discussion or action at this meeting. The Committee may schedule these items to the Action Calendar of a future Committee meeting.

Items for Future Agendas

- None

Adjournment

Action: M/S/C (Kesarwani/Tregub) to adjourn the meeting.

Vote: All Ayes.

Adjourned at 12:12 p.m.

I hereby certify that the foregoing is a true and correct record of the Budget & Finance Committee meeting held on February 13, 2025.

Neetu Salwan, Assistant City Clerk