



Office of the City Manager

PUBLIC HEARING
May 9, 2023

To: Honorable Mayor and Members of the City Council
 From: Dee Williams-Ridley, City Manager
 Submitted by: Sharon Friedrichsen, Budget Manager
 Subject: FY 2024 Proposed Budget Update and FY 2024 Proposed Budget Update
 Public Hearing #1

RECOMMENDATION

Accept the FY 2024 Proposed Budget Update for review and consideration by the City Council and conduct Public Hearing #1 on the FY 2024 Proposed Budget Update.

FISCAL IMPACTS OF RECOMMENDATION

On June 28, 2022, the City Council adopted the Fiscal Years (“FY”) 2023 and 2024 Biennial Budget (Adopted Budget) and the FY 2023 and FY 2024 Capital Improvement Program Budget (CIP Budget). This report provides the Council with a proposed update to the FY 2024 Adopted Budget (Proposed FY 2024 Update). The Proposed FY 2024 Update will be presented for adoption at the June 27, 2023, City Council meeting after the public hearings and additional opportunities for the Council’s comments and direction.

CURRENT SITUATION AND ITS EFFECTS

The Proposed FY 2024 Update will include updated information on adopted FY 2024 revenues and expenditures by funding source; proposed expenditures by City department; proposed staffing levels; and the proposed capital improvement program.

Following the presentation on the Proposed FY 2024 Update, staff requests that the City Council conduct the first public hearing on the budget. Subsequently, the Budget and Finance Policy Committee and City Council will continue discussions regarding the proposed budget prior to adoption on June 27, 2023, as reflected in the attached FY 2024 Mid-Biennial Budget Update Calendar. The Proposed FY 2024 Update is a Strategic Plan Priority Project, advancing our goal to provide an efficient and financially-health City government.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

Actions included in the budget will be developed and implemented in a manner that is consistent with the City’s environmental sustainability goals and requirements.

RATIONALE FOR RECOMMENDATION

This recommendation presents the Fiscal Years 2024 Proposed Budget Update to City Council and begins the first of several public hearings pertaining to the budget, leading to adoption on June 27, 2023.

ALTERNATIVE ACTIONS CONSIDERED

No alternative actions have been considered.

CONTACT PERSON

Sharon Friedrichsen, Budget Manager, City Manager's Office, 981-7000

Attachments:

- 1: Public Hearing Notice
- 2: FY 2024 Mid-Biennial Budget Update Calendar

**NOTICE OF PUBLIC HEARING
BERKELEY CITY COUNCIL**

FY 2024 PROPOSED BUDGET UPDATE 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 2024 Proposed Budget Update, which is being presented to the City Council.

The hearing will be held on **Tuesday, May 9, 2023 at 6:00 p.m.** in the School District Board Room, 1231 Addison Street, Berkeley CA 94702.

A copy of the agenda material for this hearing will be available on the City’s website at <https://berkeleyca.gov/> as of April 27, 2023. **Once posted, the agenda for this meeting will include a link for public participation using Zoom video technology, as well as any health and safety requirements for in-person attendance.**

For further information, please contact **Sharon Friedrichsen** at (510) 981-7000.

Written comments should be mailed or delivered directly to the City Clerk, 2180 Milvia Street, Berkeley, CA 94704, or e-mailed to council@cityofberkeley.info 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: April 27, 2023

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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 April 27, 2023.

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Mark Numainville, City Clerk

## FY 2024 Mid-Biennial Budget Update Calendar

| Date           | Lead Entity                       | Agenda | Action Item/Deliverable/Topic                                                                                                                                          |
|----------------|-----------------------------------|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| March 9, 2023  | Budget & Finance Policy Committee |        | FY 2023 Mid-Year Update Report & FY 2023 Unfunded Liability Obligations and Unfunded Infrastructure Needs Report                                                       |
| April 11, 2023 | Council                           |        | FY 2023 Mid-Year Update Report & FY 2023 Unfunded Liability Obligations and Unfunded Infrastructure Needs Report                                                       |
| April 20, 2023 | Budget & Finance Policy Committee |        | TBD                                                                                                                                                                    |
| April 25, 2023 | Council                           | Action | Public Hearing on CDBG & ESG Annual Action Plan and proposed funding allocations to community agencies                                                                 |
| April 25, 2023 | Council                           | Action | Initial Deadline for Council Budget Referrals                                                                                                                          |
| April 27, 2023 | Budget & Finance Policy Committee |        | Present Proposed FY 2024 Mid-Biennial Budget Update and Fee Increase Reports                                                                                           |
| May 9, 2023    | Council                           | Action | Proposed FY 2024 Mid-Biennial Budget Update Biennial Budget Presentation and Public Hearing #1: Budget; FY 2023 AAO #2                                                 |
| May 11, 2023   | Budget & Finance Policy Committee |        | Review Council Budget Referrals to date                                                                                                                                |
| May 23, 2023   | Council                           | Action | Public Hearing #2: Budget (Report: Update CPI/PIG ) & Proposed Fee Increases from Departments; FY 2023 AAO #2 (Second Reading); Last date for Council Budget Referrals |
| May 25, 2023   | Budget & Finance Policy Committee |        | TBD                                                                                                                                                                    |
| May 25, 2023   | Budget & Finance Policy Committee |        | Berkeley Financial Condition Audit Status Report (#2)                                                                                                                  |
| June 6, 2023   | Council                           | Action | Discussion on Proposed Mid-Biennial Budget Update                                                                                                                      |
| June 6, 2023   | Council                           |        | Berkeley Financial Condition Audit Status Report (#2)                                                                                                                  |
| June 8, 2023   | Budget & Finance Policy Committee |        | Discussion on Proposed Mid-Biennial Budget Update                                                                                                                      |
| June 16, 2023  | Council                           |        | Discussion on budget recommendations (No report - Proposed Changes to the Biennial GF Budget from Mayor and Council members)                                           |
| June 22, 2023  | Budget & Finance Policy Committee |        | Discussion on Proposed Mid-Biennial Budget Update Recommendations and adopt recommendations to City Council                                                            |
| June 27, 2023  | Council                           | Action | Adopt FY 2024 Mid-Biennial Budget Update/FY 2024 Annual Appropriations Ordinance                                                                                       |