



AGENDA

REGULAR CITY COUNCIL MEETING SEPTEMBER 15, 2020 – 7:00 p.m.

Members:

Mayor Gregory B. Lyman

Mayor Pro Tem Paul Fadelli · Councilmember Janet Abelson
Councilmember Rochelle Pardue-Okimoto · Councilmember Gabriel Quinto

Join Via WebEx:

<https://elcerrito.webex.com/elcerrito/onstage/g.php?MTID=e5a978d0b62af4ffa7cfd11bd5aca2de7>

Event Number: 146 800 2234

Event Password: Join0915

or

Dial In: 1-408-418-9388

Access Code: 146 800 2234

Pursuant to Executive Orders N-25-20 and N-29-20, Teleconference Restrictions of the Brown Act Have Been Suspended, as Well as the Requirement to Provide a Physical Location for Members of the Public to Participate in the Meeting.

Members of the public can watch or listen to City Council meetings as follows:

1. Cable T.V. Broadcast on KCRT Channel 28
2. Radio Broadcast on FM 88.1 Or 97.7
3. Livestream Online at www.el-cerrito.org/CouncilMeetingMaterials
4. Via WebEx using the meeting information listed above.

Public Comments may be submitted one of two ways:

1. Via WebEx using the “[Raise Hand](#)” feature to request to speak. Each period of public comment will be announced.

****Please note** - If a member of the public can join via phone **only**, a request to speak may be submitted via email to cityclerk@ci.el-cerrito.ca.us. The request must contain in the subject line **Request to Speak – Agenda Item #** and must include a name and the full phone number that will be used to call in.

2. Via email to cityclerk@ci.el-cerrito.ca.us. Email must contain in the subject line **Public Comments – Not on the Agenda** or **Public Comments – agenda item #**.

To ensure that the City Council receives your written comments prior to taking action, they must be received by **4:00 p.m. the day of the meeting**. All written comments received by this deadline will be provided to the City Council and posted online in advance of the meeting.

Written comments received after the deadline will be provided to the City Council and included with supplemental materials after the meeting. **No written comments will be read into the record.**

7:00 P.M. ROLL CALL – CONVENE REGULAR CITY COUNCIL MEETING

1. TELECONFERENCE AND PUBLIC COMMENT INSTRUCTIONS

2. COUNCIL/STAFF COMMUNICATIONS

Reports of closed session, commission appointments and informational reports on matters of general interest which are announced by the City Council and staff.

3. COMMUNICATIONS FROM THE PUBLIC

Remarks are typically limited to 3 minutes per person. The Mayor may reduce the time limit per speaker depending upon the number of speakers and may limit the total time for public comment to facilitate the completion of business on the agenda. Comments regarding non-agenda, presentation and consent calendar items will be heard first. Comments related to items appearing on the Public Hearing or Policy Matter portions of the Agenda will be heard prior to the City Council taking action on each item.

4. ADOPTION OF THE CONSENT CALENDAR

All items on the consent calendar shall be acted upon in one motion, unless a member of the City Council or staff request separate consideration.

A. Approval of Minutes for 5/19/2020, 6/2/2020, 6/9/2020, 6/16/2020, and 7/14/2020

Action Proposed: Pass a motion to approve the City Council meeting minutes for May 19, June 2, June 9, June 16, and July 14, 2020

Contact: Holly M. Charléty, City Clerk, City Management

B. Suicide Prevention Awareness Proclamation

Action Proposed: Pass a motion to approve a proclamation declaring September as Suicide Prevention Awareness Month in the City of El Cerrito.

Contact: Maya Williams, Assistant to the City Manager, City Management

C. Hispanic Heritage Month Proclamation

Action Proposed: Pass a motion to approve a proclamation declaring September as Hispanic Heritage Month in the City of El Cerrito.

Contact: Kristen Cunningham, Human Resources Manager, City Management

D. Contra Costa County Library Commission (CCCLC) Update

Action Proposed: Receive and file a quarterly update from the El Cerrito appointment to the Contra Costa Library Commission.

Contact: Michael Fisher, Commissioner, CCCLC

E. El Cerrito Library Annual Report

Action Proposed: Receive and file the 2020 Annual El Cerrito Library report.

Contact: Heidi Goldstein, Senior Community Library Manager, El Cerrito Library

F. Approval of Letter Requesting Governor's Signature on SB 1349

Action Proposed: At the request of Mayor Lyman, pass a motion authorizing the Mayor to sign a letter requesting the Governor's signature on SB 1349 regarding ability for City's and County's to levy Transactions and Use Taxes.

Contact: Holly M. Charl  ty, City Clerk, City Management

G. Biennial Update of Agency Conflict of Interest Code

Action Proposed: Adopt a Resolution revising the Conflict of Interest Code for the City of El Cerrito, including filing requirements for related agency positions such as the Public Financing Authority, the Employee Pension Board, and the Successor Agency to the former Redevelopment Agency and rescinding Resolution No. 2018-55.

Contact: Holly M. Charl  ty, City Clerk, City Management

H. El Cerrito del Norte Transit-Oriented Development Complete Streets Improvement Project - Cooperative Agreement

Action Proposed: Adopt a resolution approving the Cooperative Agreement (Agreement) between the State of California Department of Transportation (Caltrans) and the City of El Cerrito (City) for the El Cerrito del Norte Transit-Oriented Development (TOD) Complete Streets Improvement Project, authorizing the City Manager to execute the Agreement, and obligating a not to exceed amount of \$286,000 to reimburse Caltrans for work performed under the Agreement.

Contact: Yvetteh Ortiz, Public Works Director/City Engineer

5. PRESENTATIONS

6. PUBLIC HEARINGS

7. POLICY MATTERS

A. FY 2020-21 General Fund Budget Update for July and August 2020

Action Proposed: Receive and file an update on City General Fund revenues and expenses for the first two months of FY 2020-21.

Contact: Mark R Rasiah, Finance Director/City Treasurer, Finance Department

B. FY 2020-21 Proposed Amended Budget

Action Proposed: No action is requested at this time. Staff recommends that the City Council review the FY 2020-21 Proposed Amended Budget and direct staff as needed in anticipation of approval at the first regular City Council meeting in October 2020.

Contact: Karen Pinkos, City Manager, City Management
Mark R Rasiah, Finance Director/City Treasurer, Finance Department

8. CITY COUNCIL LOCAL & REGIONAL LIAISON ASSIGNMENTS

Mayor and City Council communications regarding local and regional liaison assignments and committee reports.

9. ADJOURN REGULAR CITY COUNCIL MEETING

The next regularly scheduled City Council meeting is October 6, 2020 at 7:00 p.m. via teleconference.

The City of El Cerrito serves, leads and supports our diverse community by providing exemplary and innovative services, public places and infrastructure, ensuring public safety and creating an economically and environmentally sustainable future.

- Council Meetings can be heard live on FM Radio, KECG – 88.1 and 97.7 FM and viewed live on Cable TV - KCRT- Channel 28. The meetings are rebroadcast on Channel 28 the following Thursday and Monday at 12 noon, except on holidays. Live and On-Demand Webcast of the Council Meetings can be accessed from the City's website <http://www.el-cerrito.org/CouncilMeetingMaterials> and is streamed with closed caption. Copies of the agenda bills and other written documentation relating to items of business referred to on the agenda are on file and available for public inspection in the Office of the City Clerk, at the El Cerrito Library and posted on the City's website at www.el-cerrito.org prior to the meeting.
- In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk, 510-215-4305. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 ADA Title I).
- ***The Deadline for agenda items and communications*** is eight days prior to the next meeting by 12 noon, City Clerk's Office, 10890 San Pablo Avenue, El Cerrito, CA. Tel: 510-215-4305, email cityclerk@ci.el-cerrito.ca.us
- IF YOU CHALLENGE A DECISION OF THE CITY COUNCIL IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED AT THE COUNCIL MEETING. ACTIONS CHALLENGING CITY COUNCIL DECISIONS SHALL BE SUBJECT TO THE TIME LIMITATIONS CONTAINED IN CODE OF CIVIL PROCEDURE SECTION 1094.6.
- The City Council believes that late night meetings deter public participation, can affect the Council's decision-making ability, and can be a burden to staff. City Council Meetings shall be adjourned by 10:30 p.m., unless extended to a specific time determined by a majority of the Council.

EL CERRITO CITY COUNCIL DRAFT MINUTES

SPECIAL CITY COUNCIL MEETING (NOT TELEVISED OR STREAMED)

May 19, 2020 – 5:00 p.m.

Meeting Location:

Held Via Teleconference (for City Council and Staff Only)

Members:

Mayor Gregory B. Lyman

Mayor Pro Tem Paul Fadelli · Councilmember Janet Abelson
Councilmember Rochelle Pardue-Okimoto · Councilmember Gabriel Quinto

Pursuant to Executive Orders N-25-20 and N-39-20, Teleconference Restrictions of the Brown Act Have been Suspended, as Well as the Requirement to Provide a Physical Location for Members of the Public to Participate in the meeting. This meeting will not be televised or accessible to the public via the streaming teleconference platform.

Public Comments for matters **on the special meeting agenda only** may be submitted one of two ways:

Via email to cityclerk@ci.el-cerrito.ca.us. Email must contain in the subject line **Public Comments - Agenda Item #**.

Via Voicemail at [510-306-2558](tel:510-306-2558). The caller must start the message by stating **Public Comments - Agenda Item #** followed by their name and city of residence, followed by their comments.

If you wish to comment on the subjects of the special meeting, **you are strongly encouraged to submit your comments in writing in advance of the meeting.** Comments received up until **12:00 p.m. the day of the meeting** will be provided in advance to the City Council, including transcribed voicemails, and posted online with meeting materials.

Comments received **during the meeting up until City Council begins the closed session**, will be read into the record and will be limited to a maximum of 3 minutes. Comments that do not conform to the city council's rules of decorum may be summarized rather than read verbatim.

All comments received by the close of the public comment period will be available after the meeting as supplemental materials and will become part of the official record.

5:00 P.M. ROLL CALL - CONVENE SPECIAL CITY COUNCIL MEETING

Mayor Lyman called the meeting to order at 05:02 PM.

Present: Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto

Absent: None

1. COMMUNICATIONS FROM THE PUBLIC

Remarks are typically limited to 3 minutes per person and are limited to items on the special meeting agenda only.

None

2. CLOSED SESSION CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6

Agency Designated Representatives: Karen Pinkos, City Manager; Glenn Berkheimer, Labor Negotiator; Sky Woodruff, City Attorney; and Alexandra Orologas, Assistant City Manager.

Employee Organizations: Service Employees International Union (SEIU) Local 1021; El Cerrito Police Employees Association; United Professional Firefighters Local 1230; Public Safety Management Association - Battalion Chief, Fire Chief, Police Chief, and Police Management; and Management and Confidential Employees.

Contact: Sky Woodruff, City Attorney, City Management

City Council convened to closed session at 5:05 p.m. No reportable action.

3. CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Pursuant to Government Code Section 54957.6

Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): One potential case

Contact: Sky Woodruff, City Attorney, City Management

No reportable action.

4. ADJOURN SPECIAL CITY COUNCIL MEETING

The special meeting adjourned at 6:55 PM.

Gregory B. Lyman, Mayor

This is to certify that the foregoing is a true and correct copy of the minutes of the Special City Council meeting of May 19, 2020 as approved by the El Cerrito City Council.

Holly M. Charléty, MMC, City Clerk

EL CERRITO CITY COUNCIL DRAFT MINUTES

REGULAR CITY COUNCIL MEETING May 19, 2020 – 7:00 p.m.

Meeting Location:

Via Teleconference (for City Council and staff only)

Members:

Mayor Gregory B. Lyman

Mayor Pro Tem Paul Fadelli · Councilmember Janet Abelson
Councilmember Rochelle Pardue-Okimoto · Councilmember Gabriel Quinto

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The city cannot guarantee that its network and/or the site will be uninterrupted. To ensure that the city council receives your comments prior to taking action, **you are strongly encouraged to submit your comments in writing in advance of the meeting.**

Comments received up until **12:00 p.m. the day of the meeting** will be provided in advance to the City Council, including transcribed voicemails, and posted online with meeting materials.

Comments received **during the meeting and up until the public comment period on the relevant agenda item is closed**, will be read into the record and will be limited to a maximum of 3 minutes. Comments that do not conform to the city

council's rules of decorum may be summarized rather than read verbatim. As allowed by the Brown Act, the Mayor may limit the total time for public comment to facilitate the completion of business on the agenda.

All comments received by the close of the public comment period will be available after the meeting as supplemental materials and will become part of the official meeting record.

Please note that all information provided in public comments including phone number called with, email addresses and any other personal information written or stated is subject to disclosure on the broadcast of the teleconferenced meeting. Comments posted online will not include personal information.

7:00 P.M. ROLL CALL – CONVENE REGULAR CITY COUNCIL MEETING

Mayor Lyman called the meeting to order at 07:09 PM.

Present: Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Absent:** None

1. TELECONFERENCE AND PUBLIC COMMENT INSTRUCTIONS

2. COUNCIL/STAFF COMMUNICATIONS

Reports of closed session, commission appointments and informational reports on matters of general interest which are announced by the City Council and staff.

City Manager Pinkos - provided an update on the current public health orders, and that the City is expecting further changes for implementation in June.

Mayor Pro Tem Fadelli - reported participation in East Bay Affordable Housing week celebration.

Mayor Lyman - encouraged participation in the Census.

3. COMMUNICATIONS FROM THE PUBLIC

Remarks are typically limited to 3 minutes per person. The Mayor may reduce the time limit per speaker depending upon the number of speakers and may limit the total time for public comment to facilitate the completion of business on the agenda.

Comments regarding non-agenda, presentation and consent calendar items will be heard first. Comments related to items appearing on the Public Hearing or Policy Matter portions of the Agenda will be heard prior to the City Council taking action on each item.

All comments submitted prior to and during the meeting are posted online as supplemental materials and incorporated into the official meeting record.

Public comments on matters not on the agenda were received from Cordell Hindler, Donald Simon, Cathy Hanville, Aylin Banks, Marlene George, and Sherri Drobner; and on presentation item 5A from Sherry Drobner.

4. ADOPTION OF THE CONSENT CALENDAR

All items on the consent calendar shall be acted upon in one motion, unless a member of the City Council or staff request separate consideration.

Moved/Seconded: Councilmember Abelson/Councilmember Pardue-Okimoto **Action:** Approved the consent calendar as indicated below. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

A. FY 19-20 Third Quarter Cash and Investment Report

Action Proposed: Receive and file the City's Quarterly Investment Report for the Quarter ending March 31, 2020.

Contact: Mark Rasiah, Finance Director/Treasurer Finance Department

Action: Received and filed.

5. PRESENTATIONS

A. COVID-19 Update with Supervisor John Gioia

Action Proposed: Receive and file an update regarding COVID-19 actions from Contra Costa County Supervisor John Gioia.

Contact: Holly M. Charléty, City Clerk, City Management

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding homeless funding, collaboration of bay area counties, government assistance for the public, gathering of extended families, local statistics, contact tracers, and testing for antibodies.

B. Update on Tax Revenue Anticipation Notes (TRAN)

Action Proposed: Receive and file a presentation from NHA Advisors regarding Tax Revenue Anticipation Notes (TRAN).

Contact: Mark Rasiah, Finance Director/Treasurer, Finance Department

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding interest rates, costs to borrow, shopping for the best rate, timing, private investors, and monitoring cash flow.

6. PUBLIC HEARINGS

A. Tentative Parcel Map and an Exception to Title 18 for Two Lots at 956 Sea View Drive

Notice Published 5/9/2020, Exempt from CEQA

Action Proposed: Conduct a public hearing, and upon conclusion adopt a resolution approving the Tentative Parcel Map for a two-lot subdivision and an exception to Title 18 of the City's Municipal Code for a minor subdivision proposing a lot without minimum frontage on a public street at 956 Sea View Drive.

Contact: Jeff Ballantine, Senior Planner; Sean Moss, Planning Manager, Community Development Department

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding landslide concerns, removal of tree trunks, layout of turn lanes on Moeser, removal of trees along lot line, setback requirements, and frontage exception.

Public Hearing: Mayor Lyman opened the public hearing.

Public Comments: Applicants provided a brief overview of the project and responded to comments and questions by members of the council regarding eucalyptus tree removal, consideration of Additional Dwelling Units (ADU's), and other potential locations considered for the site.

All public comments submitted prior to and during the meeting were posted online as supplemental materials and incorporated into the official meeting record. Public comments on this item were received from Sue and Paul Duncan, Matt Chayt, Will Scott, and Denise Sangster.

Moved/Seconded: Councilmember Quinto/Councilmember Pardue-Okimoto **Action:** Approved the close of the public hearing. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

Moved/Seconded: Councilmember Quinto/Councilmember Abelson **Action:** Approved Resolution 2020-24 with the following additional conditions of removing the eucalyptus tree on the property or consult an arborist to protect the property next door should the tree remain. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

7. POLICY MATTERS

A. Adoption of a Memorandum of Understanding between the City of El Cerrito and the Service Employees International Union, Local 1021

Action Proposed: Adopt a resolution approving an agreement between the City of El Cerrito and the Service Employees International Union, Local 1021 (SEIU) modifying language on salaries and creating a new Memorandum of Understanding.

Contact: Alexandra Orologas, Assistant City Manager, City Management

Moved/Seconded: Councilmember Abelson/Councilmember Pardue- Okimoto **Action:** Approved Resolution 2020-25. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

B. Adoption of a Memorandum of Understanding between the City of El Cerrito and the El Cerrito Police Employees' Association

Action Proposed: Adopt a resolution approving an agreement between the City of El Cerrito and the El Cerrito Police Employees' Association (PEA) modifying language on salaries and creating a new Memorandum of Understanding.

Contact: Alexandra Orologas, Assistant City Manager, City Management

Moved/Seconded: Councilmember Quinto/Councilmember Abelson **Action:** Approved Resolution 2020-26. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue- Okimoto, Councilmember Quinto **Noes:** None

C. Management and Confidential Employees Resolution

Action Proposed: Adopt a resolution modifying salaries, benefits, and conditions of employment for Management and Confidential Employees.

Contact: Alexandra Orologas, Assistant City Manager, City Management

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding vacation payouts, holiday pay evaluation, CalPERS changes, and auto allowance.

Moved/Seconded: Mayor Pro Tem Fadelli/Councilmember Abelson
Action: Approved Resolution 2020-27 adding the word "Monthly" to paragraph 2.2 before "Control Points". **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

D. Fiscal Year 2020-21 Budget Priorities and Strategies

Action Proposed: Conduct a study session to discuss actions for Fiscal Year 2020-21 and consider budget priorities and strategies for further cost reductions.

Contact: Karen Pinkos, City Manager, City Management

Moved/Seconded: Councilmember Abelson/Councilmember Quinto

Action: Passed a motion to extend the meeting to 11:00 PM. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding rating system and scorecard, feedback from community, equal treatment on scorecard of citywide priorities, relationship between programs and strategies, cost in relation to scorecard process, and score for feasibility.

Public Comments: All public comments submitted prior to and during the meeting were posted online as supplemental materials and incorporated into the official meeting record. Public comments on this item were received from Dan Schulman and Howdy Goudey.

Moved/Seconded: Councilmember Quinto/Councilmember Abelson

Action: Passed a motion to extend the meeting until 11:15 PM.

Ayes: Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Quinto **Noes:** Councilmember Pardue-Okimoto

8. CITY COUNCIL LOCAL & REGIONAL LIAISON ASSIGNMENTS

Mayor and City Council communications regarding local and regional liaison assignments and committee reports.

Councilmember Quinto - provided an update regarding the opening on the cannabis dispensary in El Cerrito.

9. ADJOURN REGULAR CITY COUNCIL MEETING

The regular meeting adjourned at 11:09 PM.

Gregory B. Lyman, Mayor

This is to certify that the foregoing is a true and correct copy of the minutes of the Regular City Council meeting of May 19, 2020 as approved by the El Cerrito City Council.

Holly M. Charléty, MMC, City Clerk

EL CERRITO CITY COUNCIL DRAFT MINUTES

SPECIAL CITY COUNCIL MEETING (NOT TELEVISED OR STREAMED)

June 2, 2020 – 6:00 p.m.

Meeting Location:

Held Via Teleconference (for City Council and Staff Only)

Members:

Mayor Gregory B. Lyman

Mayor Pro Tem Paul Fadelli · Councilmember Janet Abelson
Councilmember Rochelle Pardue-Okimoto · Councilmember Gabriel Quinto

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Comments received **during the meeting up until City Council begins the closed session**, will be read into the record and will be limited to a maximum of 3 minutes. Comments that do not conform to the city council's rules of decorum may be summarized rather than read verbatim.

All comments received by the close of the public comment period will be available after the meeting as supplemental materials and will become part of the official record.

6:00 P.M. ROLL CALL - CONVENE SPECIAL CITY COUNCIL MEETING

Mayor Lyman called the meeting to order at 6:08 PM.

Present: Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto **Absent:** None

1. ORAL COMMUNICATIONS FROM THE PUBLIC

All persons wishing to speak should sign up with the City Clerk. Remarks are typically limited to 3 minutes per person and to items on the special meeting agenda only.

None

2. CLOSED SESSION CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6

Agency Designated Representatives: Karen Pinkos, City Manager; Glenn Berkheimer, Labor Negotiator; Sky Woodruff, City Attorney; and Alexandra Orologas, Assistant City Manager.

Employee Organizations: Service Employees International Union (SEIU) Local 1021; El Cerrito Police Employees Association; United Professional Firefighters Local 1230; Public Safety Management Association - Battalion Chief, Fire Chief, Police Chief, and Police Management; and Management and Confidential Employees.

Contact: Sky Woodruff, City Attorney, City Management

City Council convened to closed session at 6:09 PM. No reportable action.

3. ADJOURN SPECIAL CITY COUNCIL MEETING

The special meeting adjourned at 6:36 PM

Gregory B. Lyman, Mayor

This is to certify that the foregoing is a true and correct copy of the minutes of the Special City Council meeting of June 2, 2020 as approved by the El Cerrito City Council.

Holly M. Charléty, MMC, City Clerk

EL CERRITO CITY COUNCIL DRAFT MINUTES

REGULAR CITY COUNCIL MEETING JUNE 2, 2020 – 7:00 p.m.

Meeting Location:

Via Teleconference (for City Council and Staff Only)

Members:

Mayor Gregory B. Lyman

Mayor Pro Tem Paul Fadelli · Councilmember Janet Abelson
Councilmember Rochelle Pardue-Okimoto · Councilmember Gabriel Quinto

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Please note that all information provided in public comments including phone number called with, email addresses and any other personal information written or stated is subject to disclosure on the broadcast of the teleconferenced meeting. Comments posted online will not include personal information.

7:00 P.M. ROLL CALL – CONVENE REGULAR CITY COUNCIL MEETING

Mayor Lyman called the meeting to order at 07:01 PM.

Present: Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Absent:** None

1. TELECONFERENCE AND PUBLIC COMMENT INSTRUCTIONS

2. COUNCIL/STAFF COMMUNICATIONS

Reports of closed session, commission appointments and informational reports on matters of general interest which are announced by the City Council and staff.

City Manager Pinkos - provided an update on the revised County health order, countywide curfew, and commented on George Floyd and systemic racism.

Police Chief Keith - provided an update regarding the countywide curfew, commented on George Floyd, systemic racism, and the city's policing practices.

Mayor Greg Lyman, Councilmember Janet Abelson, Mayor Pro Tem Paul Fadelli, Councilmember Gabe Quinto and Councilmember Rochelle Pardue-Okimoto provided comments on the murder of George Floyd and the need to eliminate racism.

3. COMMUNICATIONS FROM THE PUBLIC

Remarks are typically limited to 3 minutes per person. The Mayor may reduce the time limit per speaker depending upon the number of speakers and may limit the total time for public comment to facilitate the completion of business on the agenda.

Comments regarding non-agenda, presentation and consent calendar items will be heard first. Comments related to items appearing on the Public Hearing or Policy Matter portions of the Agenda will be heard prior to the City Council taking action on each item

All comments submitted prior to and during the meeting were posted online as supplemental materials and incorporated into the official meeting record.

Public comments on matters not on the agenda were received from Rachel Stark, Paul & Sue Duncan, Donald Simon, Ira Sharenow, Cathy Hanville, Doug Woodville, Elizabeth Thornsens, Nick Zamaroni, and Sherry Drobner.

4. ADOPTION OF THE CONSENT CALENDAR

All items on the consent calendar shall be acted upon in one motion, unless a member of the City Council or staff request separate consideration.

Moved/Seconded: Councilmember Pardue-Okimoto/Councilmember Abelson **Action:** Approved the consent calendar as indicated below. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

A. Approval of Minutes for 4/21/20, 4/25/20, and 5/5/20

Action Proposed: Pass a motion to approve the Special and Regular City Council meeting minutes for April 21, April 25, and May 5, 2020. **Contact:** Holly M. Charléty, City Clerk, City Management

Action: Approved minutes.

B. Loving Day Proclamation

Action Proposed: Approve a proclamation declaring June 12, 2020 as Loving Day in the City of El Cerrito, and encourages people to reflect on the Loving family and all of the pioneers who have and will continue to fight for the civil right to love.

Contact: Maya Williams, Assistant to the City Manager, City Management

Action: Approved proclamation.

C. LGBTQ Pride Month Proclamation

Action Proposed: Approve a proclamation declaring the month of June as Lesbian, Gay, Bi-Sexual, Transgender, Queer (LGBTQ) Pride month in the City of El Cerrito and recognize Pride Month by flying the rainbow flag at City Hall during the month of June.

Contact: Maya Williams, Assistant to the City Manager, City Management

Action: Approved proclamation.

D. California Housing & Community Development Local Early Action Planning (LEAP) Grant Application

Action Proposed: Adopt a resolution authorizing staff to submit an application for Local Early Action Planning (LEAP) grant funds.

Contact: Aissia Ashoori, Housing Analyst; Sean Moss, Planning Manager, Community Development Department

Action: Approved Resolution 2020-28

5. PRESENTATIONS

6. PUBLIC HEARINGS

A. Revisions to FY 2020-21 Master Fee Schedule

Notice Published on 5/22/2020 & 5/29/2020

Action Proposed: Conduct a public hearing and upon conclusion adopt a resolution approving the revisions to the Approved Fiscal Year 2020-21 Master Fee Schedule.

Contact: Shannon Collins, Finance Supervisor, Finance Department; Mark Soltes, Building Official, Community Development; Yvetteh Ortiz, Public Works Director, Public Works Department

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding comparison to last year's building rates.

Public Hearing: Mayor Lyman opened the public hearing.

Public Comments: All comments submitted prior to and during the meeting were posted online as supplemental materials and incorporated into the official meeting record. Public comments on this item were received from Howdy Goudey.

Moved/Seconded: Councilmember Abelson/Councilmember Pardue-Okimoto **Action:** Approved the close of the public hearing. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

Moved/Seconded: Councilmember Pardue-Okimoto/Councilmember Quinto **Action:** Approved Resolution 2020-29. **Ayes:** Mayor Lyman, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None **Abstain:** Mayor Pro Tem Fadelli

B. Amendment to Inclusionary Zoning Ordinance

Notice Published on 5/23/2020

Action Proposed: Conduct a public hearing and upon conclusion, introduce by title and waive any further reading amending an Ordinance of the City of El Cerrito, Chapter 19.30 to the El Cerrito Municipal Code, to establish the expiration to the Inclusionary Zoning Ordinance as June 30, 2021; modify the exemption to require the building permit applications be submitted by June 30, 2021 and that building permits be issued within 6 months of submittal; and allowing the exemption for all exempt projects to expire on June 30, 2021 regardless of any entitlement extensions, or amendments which have been granted, as described further below.

Contact: Melanie Mintz, Community Development Director; Sean Moss, Planning Manager; Aissia Ashoori, Community Development/Affordable Housing Analyst; Community Development Department

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding clarification the action is extending the deadline for existing projects, current amount in affordable housing funds and potential losses, underground parking.

Public Hearing: Mayor Lyman opened the public hearing.

Public Comments: All comments submitted prior to and during the meeting were posted online as supplemental materials and incorporated into the official meeting record. Public comments on this item were received from Mike Branagh and Howdy Goudey.

Moved/Seconded: Councilmember Quinto/Mayor Pro Tem Fadelli **Action:** Approved the close of the public hearing. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

Moved/Seconded: Mayor Pro Tem Fadelli/Councilmember Quinto **Action:** Conducted a public hearing and introduced by title only Ordinance 2020-04. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

7. POLICY MATTERS

A. Tax and Revenue Anticipation Notes – FY 2020-21 Short Term Cash Flow Financing

Action Proposed: Adopt a Resolution approving the borrowing of funds for Fiscal Year 2020-21 and the issuance and sale of 2020-21 Tax and Revenue Anticipation Notes ("TRAN").

Contact: Mark R Rasiah, Finance Director/City Treasurer, Finance Department

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding cash flow, Financial Advisory Body involvement, issuance, timing of potential litigation, returns, anticipated interest rates and fees, underwriter fees, repayment timing, and assumptions.

Public Comments: All comments submitted prior to and during the meeting were posted online as supplemental materials and incorporated into the official meeting record. Public comments on this item were received from Valerie Snider, Dianne Brenner, Ira Sharenow, Cathy Hanville, and Denise Sangster.

Moved/Seconded: Councilmember Quinto/Mayor Lyman **Action:** Approved Resolution 2020-30 amending section 17 to read ".35%" not 3.5% as written. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

B. City Manager Signature Authority Ordinance

Notice Published on 5/23/2020

Action Proposed: Introduce by title and waive any further reading of an Ordinance adding Section 2.12.240 to the El Cerrito Municipal Code regarding City Manager Signature Authority.

Contact: Sky Woodruff, City Attorney, City Management

Moved/Seconded: Councilmember Pardue-Okimoto/Councilmember Quinto **Action:** Passed a motion to introduce by title only and waive any further readings of Ordinance 2020-05. **Ayes:** Mayor Lyman, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

C. Adoption of a Memorandum of Understanding between the City of El Cerrito and the El Cerrito Public Safety Management Association - Battalion Chief Unit

Action Proposed: Adopt a resolution approving an agreement between the El Cerrito Public Safety Management Association - Battalion Chief Unit (PSMA - Battalion Chief Unit) modifying salaries and creating a new Memorandum of Understanding.

Contact: Alexandra Orologas, Assistant City Manager, City Management

Moved/Seconded: Councilmember Pardue-Okimoto/Councilmember Abelson **Action:** Approved Resolution 2020-31. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

D. Management and Confidential Employees CalPERS Contribution Resolution

Action Proposed: Adopt a resolution (1) requiring Management and Confidential Employees to be required to pay an additional one percent (1%) into the required employer California Employees' Retirement System (CalPERS) contribution; and (2) authorizing the Mayor to sign an addendum to the City Manager's Employment Agreement requiring an additional 3% contribution into the required CalPERS contribution.

Contact: Alexandra Orologas, Assistant City Manager, City Management

Moved/Seconded: Councilmember Pardue-Okimoto/Mayor Pro Tem Fadelli **Action:** Approved Resolution 2020-32. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

8. CITY COUNCIL LOCAL & REGIONAL LIAISON ASSIGNMENTS

Mayor and City Council communications regarding local and regional liaison assignments and committee reports.

Mayor Pro Tem Fadelli - reported that West Contra Costa Transportation Advisory Committee (WCCTAC) will not be raising City fees.

Councilmember Quinto - announced the upcoming Contra Costa Mayor's Conference.

Mayor Lyman - reported attendance at the Marin Clean Energy (MCE) meeting.

9. ADJOURN REGULAR CITY COUNCIL MEETING

The City Council observed a moment of silence to honor George Floyd and adjourned the meeting at 9:51 PM in honor of the unidentified woman who perished in a structure fire in El Cerrito on June 1, 2020.

Gregory B. Lyman, Mayor

This is to certify that the foregoing is a true and correct copy of the minutes of the Regular City Council meeting of June 2, 2020 as approved by the El Cerrito City Council.

Holly M. Charléty, MMC, City Clerk

EL CERRITO CITY COUNCIL DRAFT MINUTES

SPECIAL CITY COUNCIL MEETING

JUNE 9, 2020 – 1:00 p.m.

Meeting Location:

Via Teleconference (for City Council and Staff Only)

Members:

Mayor Gregory B. Lyman

Mayor Pro Tem Paul Fadelli · Councilmember Janet Abelson
Councilmember Rochelle Pardue-Okimoto · Councilmember Gabriel
Quinto

Pursuant to Executive Orders N-25-20 and N-39-20, Teleconference Restrictions of the Brown Act Have been Suspended, as Well as the Requirement to Provide a Physical Location for Members of the Public to Participate in the meeting.

Members of the Public will **not** be able to participate directly through the teleconference platform but can watch or listen to the meeting as follows:

1. Cable T.V. Broadcast on KCRT Channel 28
2. Radio Broadcast on FM 88.1 or 97.7
3. Livestream online at www.el-cerrito.org/CouncilMeetingMaterials

Public Comments for items **on the special meeting agenda only** may be submitted one of two ways:

Via email to cityclerk@ci.el-cerrito.ca.us. Email must contain in the subject line **Public Comments - Not on the Agenda OR Public Comments - Agenda Item #.**

Via Voicemail at [510-306-2558](tel:510-306-2558). The caller must start the message by stating **Public Comments - Not on the Agenda OR Public Comments - Agenda Item #** followed by their name and city of residence, followed by their comments.

The city cannot guarantee that its network and/or the site will be uninterrupted. To ensure that the city council receives your comments prior to taking action, **you are strongly encouraged to submit your comments in writing in advance of the meeting.**

Comments received up until **4:00 p.m. Monday, June 8th** will be provided in advance to the City Council, including transcribed voicemails, and posted online with meeting materials.

Comments received **during the meeting and up until the public comment period is closed**, will be read into the record and will be limited to a maximum of 3 minutes. Comments that do not conform to the city council's rules of decorum may be

summarized rather than read verbatim. As allowed by the Brown Act, the Mayor may limit the total time for public comment to facilitate the completion of business on the agenda.

All comments received by the close of the public comment period will be available after the meeting as supplemental materials and will become part of the official meeting record.

Please note that all information provided in public comments including phone number called with, email addresses and any other personal information written or stated is subject to disclosure on the broadcast of the teleconferenced meeting. Comments posted online will not include personal information.

1:00 P.M. ROLL CALL - CONVENE SPECIAL CITY COUNCIL MEETING

Mayor Lyman called the meeting to order at 01:01 PM.

Present: Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Quinto, Councilmember Pardue-Okimoto

Absent: None

1. COMMUNICATIONS FROM THE PUBLIC

Remarks are typically limited to 3 minutes per person and to items on the special meeting agenda only.

All comments submitted prior to and during the meeting were posted online as supplemental materials and incorporated into the official meeting record. Public comments on this item were received from 350 Bay Area, Natalie Slama, Melanie Proctor, Marlene Keller, Phil MacEachron, Michael Fischer, Charlie Soldavini, Ronald Forsstrom Alissa Hauser, James Porter, Roy, Charles Taylor, Pearson Miller, Brianna Contaxis-Tucker, Ann Hotta, Alton Chinn, Rebecca Anaya, Karl Wiebe, Mary Milton, Marlana Chu, Daniel Schulman, Sage Howard, Scott Corley, Lauren Schiffman, Charlie Soldavini, Laurence Diaco, Vanessa Walden, Neil Tsutsui, Amy Rogers, Barbara Eckert and Andreas Martin, Tess Taylor, Carrie Schulman, Denice Dennis, Susan Brown, Sue Hansen, Emily and Nick Kam, Gail Wentler, Lea Kane, Zabe Agha, Christina Gargiullo-Silva, Cory Mast, Megan Wenger, Gail Riley, Janaki Silva, Molly James, Summer Rogers Mathur, Peter Smith, Sue Duncan, Marlene George, Doris Campbell, Catherine Griffin, James Anderson, Lauren Schiffman, Sheila Gara, Nick Zamarano, Ronald Bogin, Leslie D. Adams, Thomas Rogers, Angela Gawlikowski, Ira Sharenow, Diane Brenner, Sonya Robbins, Alejandra Robins, Valerie Synder, Aylin Beyce, Alva Leung, Gabe De Smidt, Jen Choe, Lauren Schiffman, Gretchen Parr, Lisa Tsering, Karin Rosman, Steve Pon, David Streitfeld, Claudia Kruse, Corinne Gustafson, Ann Legg, Paul Kuhn, Gary Prost, Lucy Rodriguez, Barbara Chan (2 submissions), Monica S, Paola Sensi Isolani, Eleanor Maoz, Allison Cooper, Charlotte Diamant, Sean Kline, Cathy Hanville, Joyce Hedges, Pilar Dellano, Shayla Jacobsen, Donald Simon, Melissa Eizenberg, Diana Lyons, Patricia Terranova, Sherry Drobner, Judith Frank, Paul Duncan, Jose Martinez, Kay P. Starkweather, and Robin Mitchell.

2. CITY COUNCIL BUDGET STUDY SESSION

Action Proposed: Conduct a study session to discuss a Fiscal Response Plan that considers potential strategies for addressing the City's budget.

Contact: Karen Pinkos, City Manager, City Management

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding minimum staffing standards for fire, fire training function, score card values, cuts made to date, evaluation of revenue strategies, organizational restructuring, management salary evaluation, compensation study, grants, passports, senior programs, rent amount for midtown activity center, senior meals program, potential federal aid, clarification on total amount of reductions requested, one time versus ongoing savings, effects of changes to fire staffing, childcare programs, plan for restoration of service reductions, typical number of advisory bodies in comparable cities, and charging for paramedic services. Requested information regarding definition of terms, score sheets, information about programs not reviewed today, comparable compensation information and information regarding assumptions. No formal action taken.

3. ADJOURN SPECIAL CITY COUNCIL MEETING

The special meeting adjourned at 5:21 PM

Gregory B. Lyman, Mayor

This is to certify that the foregoing is a true and correct copy of the minutes of the Special City Council meeting of June 9, 2020 as approved by the El Cerrito City Council.

Holly M. Charléty, MMC, City Clerk

EL CERRITO CITY COUNCIL DRAFT MINUTES

SPECIAL CITY COUNCIL MEETING (NOT TELEVISED OR STREAMED)

June 16, 2020 – 5:00 p.m.

Meeting Location:

Held Via Teleconference (for City Council and Staff Only)

Members:

Mayor Gregory B. Lyman

Mayor Pro Tem Paul Fadelli · Councilmember Janet Abelson
Councilmember Rochelle Pardue-Okimoto · Councilmember Gabriel Quinto

Pursuant to Executive Orders N-25-20 and N-39-20, Teleconference Restrictions of the Brown Act Have been Suspended, as Well as the Requirement to Provide a Physical Location for Members of the Public to Participate in the meeting. This meeting will not be televised or accessible to the public via the streaming teleconference platform.

Public Comments for matters **on the special meeting agenda only** may be submitted one of two ways:

Via email to cityclerk@ci.el-cerrito.ca.us. Email must contain in the subject line **Public Comments - Agenda Item #**.

Via Voicemail at [510-306-2558](tel:510-306-2558). The caller must start the message by stating **Public Comments - Agenda Item #** followed by their name and city of residence, followed by their comments.

If you wish to comment on the subjects of the special meeting, **you are strongly encouraged to submit your comments in writing in advance of the meeting.** Comments received up until **12:00 p.m. the day of the meeting** will be provided in advance to the City Council, including transcribed voicemails, and posted online with meeting materials.

Comments received **during the meeting up until City Council begins the closed session**, will be read into the record and will be limited to a maximum of 3 minutes. Comments that do not conform to the city council's rules of decorum may be summarized rather than read verbatim.

All comments received by the close of the public comment period will be available after the meeting as supplemental materials and will become part of the official record.

5:00 PM ROLL CALL - CONVENE SPECIAL CITY COUNCIL MEETING
Mayor Lyman called the meeting to order at 05:06 PM.
Present: Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto
Absent: None

1. COMMUNICATIONS FROM THE PUBLIC

Remarks are typically limited to 3 minutes per person and to items on the special meeting agenda only.

None

2. CLOSED SESSION CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6

Agency Designated Representatives: Karen Pinkos, City Manager; Glenn Berkheimer, Labor Negotiator; Sky Woodruff, City Attorney; and Alexandra Orologas, Assistant City Manager.

Employee Organizations: Service Employees International Union (SEIU) Local 1021; El Cerrito Police Employees Association; United Professional Firefighters Local 1230; Public Safety Management Association - Battalion Chief, Fire Chief, Police Chief, and Police Management; and Management and Confidential Employees.

Contact: Sky Woodruff, City Attorney, City Management
City Council convened to closed session at 5:07 PM. No reportable action.

3. ADJOURN SPECIAL CITY COUNCIL MEETING

The special meeting adjourned at 7:07 PM

Gregory B. Lyman, Mayor

This is to certify that the foregoing is a true and correct copy of the minutes of the Special City Council meeting of June 16, 2020 as approved by the El Cerrito City Council.

Holly M. Charl  ty, MMC, City Clerk

EL CERRITO CITY COUNCIL DRAFT MINUTES

CONCURRENT SPECIAL MEETING OF THE EL CERRITO PUBLIC FINANCING AUTHORITY, EMPLOYEE PENSION TRUST BOARD AND REGULAR MEETING OF THE CITY COUNCIL JUNE 16, 2020 – 7:00 p.m.

Meeting Location:

Via Teleconference (for City Council and Staff Only)

Members:

Mayor Gregory B. Lyman

Mayor Pro Tem Paul Fadelli · Councilmember Janet Abelson
Councilmember Rochelle Pardue-Okimoto · Councilmember Gabriel Quinto

Pursuant to Executive Orders N-25-20 and N-39-20, Teleconference Restrictions of the Brown Act Have been Suspended, as Well as the Requirement to Provide a Physical Location for Members of the Public to Participate in the meeting.

Members of the Public will **not** be able to participate directly through the teleconference platform but can watch or listen to the meeting as follows:

1. Cable T.V. Broadcast on KCRT Channel 28
2. Radio Broadcast on FM 88.1 or 97.7
3. Livestream online at www.el-cerrito.org/CouncilMeetingMaterials

Public Comments may be submitted one of two ways:

Via email to cityclerk@ci.el-cerrito.ca.us. Email must contain in the subject line **Public Comments - Not on the Agenda OR Public Comments - Agenda Item #.**

Via Voicemail at [510-306-2558](tel:510-306-2558). The caller must start the message by stating **Public Comments - Not on the Agenda OR Public Comments - Agenda Item #** followed by their name and city of residence, followed by their comments.

The city cannot guarantee that its network and/or the site will be uninterrupted. To ensure that the city council receives your comments prior to taking action, **you are strongly encouraged to submit your comments in writing in advance of the meeting.**

Comments received up until **12:00 p.m. the day of the meeting** will be provided in advance to the City Council, including transcribed voicemails, and posted online with meeting materials.

Comments received **during the meeting and up until the public comment period on the relevant agenda item is closed**, will be read into the record and will be limited to a maximum of 3 minutes. Comments that do not conform to the city council's rules of decorum may be summarized rather than read verbatim. As allowed by the Brown Act, the Mayor may limit the total time for public comment to facilitate the completion of business on the agenda.

All comments received by the close of the public comment period will be available after the meeting as supplemental materials and will become part of the official meeting record.

Please note that all information provided in public comments including phone number called with, email addresses and any other personal information written or stated is subject to disclosure on the broadcast of the teleconferenced meeting. Comments posted online will not include personal information.

7:00 P.M. ROLL CALL – CONVENE CONCURRENT SPECIAL MEETING OF THE EL CERRITO PUBLIC FINANCING AUTHORITY, EL CERRITO EMPLOYEE PENSION TRUST BOARD AND REGULAR MEETING OF THE CITY COUNCIL

Mayor Lyman called the meeting to order at 07:19 PM.

Present: Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Absent:** None

1. TELECONFERENCE AND PUBLIC COMMENT INSTRUCTIONS

2. COUNCIL/STAFF COMMUNICATIONS

Reports of closed session, commission appointments and informational reports on matters of general interest which are announced by the City Council and staff.

City Manager Pinkos - provided an update on the recent Contra Costa Health Order.

Police Chief Keith - provided a department update regarding policies, concept of defunding the police, elimination of the School Resource Officer positions by the West Contra Costa Unified School District, policing and use of force in El Cerrito.

Mayor Lyman - provided reminders on vegetation management and the census.

Councilmember Abelson - encouraged residents to shop in El Cerrito and reported attendance at a policy committee meeting with the League of California Cities.

3. COMMUNICATIONS FROM THE PUBLIC

Remarks are typically limited to 3 minutes per person. The Mayor may reduce the time limit per speaker depending upon the number of speakers and may limit the total time for public comment to facilitate the completion of business on the agenda.

Comments regarding non-agenda, presentation and consent calendar items will be heard first. Comments related to items appearing on the Public Hearing or Policy Matter portions of the Agenda will be heard prior to the City Council taking action on each item.

All comments submitted prior to and during the meeting were posted online as supplemental materials and incorporated into the official meeting record.

Public comments on matters not on the agenda were received from David Van Etten, Mark Burfoot, Cordell Hindler, Nate WB, Karen Lassen, Sasha Keller, Mary Pat Boersma, Sherry Drobner, Meredith Stout, Barbara Chan, Sheila Tarbet, Beth Molner, Debra Saunders, Barbara Chan, Karol Doi, Ellie Matejka, Daniel Schulman, Ira Sharenow, Nick Zamaroni, Sherry Drobner (two submissions), and Anne Ogonowski. Public comments on presentation items were received from Howdy Goudey.

4. ADOPTION OF THE CONSENT CALENDAR

All items on the consent calendar shall be acted upon in one motion, unless a member of the City Council or staff request separate consideration.

Moved/Seconded: Councilmember Quinto/Councilmember Abelson

Action: Approved the consent calendar as indicated below. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

A. Call, Consolidate and Request Election Services for a November 3, 2020 General Municipal Election for the Purpose of Electing Three Members of City Council

Action Proposed: Adopt a resolution to call for a general municipal election to be held on Tuesday, November 3, 2020 for the purpose of electing three members of the El Cerrito City Council, each for a term of four years; and to request the Contra Costa County Board of Supervisors consent and direct the Registrar of Voters to provide specified services to the City related to the conduct of the election.

Contact: Holly M. Charléty, City Clerk, City Management

Action: Approved Resolution 2020-33

B. 2nd Reading and Adoption of Ordinance Amending Chapter 19.30 to the El Cerrito Municipal Code Regarding Inclusionary Zoning

Action Proposed: Pass a motion to waive the second reading and adopt Ordinance 2020-04 amending Chapter 19.30 of the El Cerrito Municipal Code regarding inclusionary zoning.

Contact: Melanie Mintz, Community Development Director; Sean Moss, Planning Manager; Aissia Ashoori, Community Development/Affordable Housing Analyst; Community Development Department

Action: Approved Ordinance 2020-04

C. 2nd Reading and Adoption of Ordinance Adding Section 2.12.240 to the El Cerrito Municipal Code Regarding City Manager Signature Authority

Action Proposed: Pass a motion to waive the second reading and adopt Ordinance 2020-05 adding Chapter 2.12.240 to the El Cerrito Municipal Code Regarding City Manager Signature Authority.

Contact: Sky Woodruff, City Attorney, City Management

Action: Approved Ordinance 2020-05

D. Senate Bill 1 - The Road Repair and Accountability Act, List of Projects for Fiscal Year 2020-21

Action Proposed: Adopt a resolution adopting a list of projects for Fiscal Year 2020-21 to receive funding from Senate Bill 1 – The Road Repair and Accountability Act of 2017 through the Local Streets and Roads Program.

Contact: Yvetteh Ortiz, Public Works Director/City Engineer, Public Works Department

Action: Approved Resolution 2020-34

E. Amendment to Agreement for Commingled Recyclable Materials Processing Services

Action Proposed: Adopt a resolution approving and authorizing the City Manager to execute an Amendment to the Agreement with Napa Recycling and Waste Services, LLC (NRWS) for a total amount not to exceed \$220,000 annually for commingled recyclable materials processing services through June 30, 2021.

Contact: Maria Sanders, Operations & Environmental Services Division Manager; Yvetteh Ortiz, Public Works Director/City Engineer, Public Works Department

Action: Approved Resolution 2020-35

5. PRESENTATIONS

6. PUBLIC HEARINGS

7. POLICY MATTERS

A. **Adoption of a Memorandum of Understanding between the City of El Cerrito and the El Cerrito Public Safety Management Association - Police Chief Unit**

Action Proposed: Adopt a resolution approving an agreement between the City of El Cerrito and the El Cerrito Public Safety Management Association - Police Chief Unit (PSMA- Police Chief Unit) modifying language on salaries and creating a new Memorandum of Understanding.

Contact: Alexandra Orologas, Assistant City Manager, City Management

Moved/Seconded: Councilmember Quinto/Councilmember Abelson

Action: Approved Resolution 2020-36. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

B. **CITY COUNCIL/PUBLIC FINANCING AUTHORITY/EMPLOYEE PENSION TRUST BOARD Approval of the City's Fiscal Year 2020-21 Budget and Spending Authority by Fund for the City, Public Financing Authority and Employee Pension Trust Board, and Approval of the FY 2020-21 Annual Gann Appropriation Limit.**

Action Proposed: That the City Council, acting in the capacity of the listed entity 1) Adopt a City Council resolution authorizing Fiscal Year 2020-21 spending authority by fund; 2) Adopt a Public Financing Authority resolution authorizing Fiscal Year 2020-21 spending limits; 3) Adopt a Employee Pension Trust Board resolution authorizing Fiscal Year 2020-21 spending limits; and 4) Adopt a City Council resolution approving the calculation and establishing the FY 2020-21 annual Gann Appropriation Limit.

Contact: Karen Pinkos, City Manager, City Management; Mark R. Rasiah, Finance Director/City Treasurer, Finance Department

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding special funds, public interaction, GANN limit determination, elimination of School Resource Officer, cash flow analysis, homeless services, revenue assumptions, timing of service reductions, method of monitoring expenditures, and sales tax assumptions.

Public Comments: All comments submitted prior to and during the meeting were posted online as supplemental materials and incorporated into the official meeting record.

Public comments on this item were received by Lorraine Sommers, Tracey Croom, Kim Almeida, Melanie Proctor, Paul Adamson, Norman La Force, Karin Laursen, Sasha Keller, Pearson Miller, Amy Bruckmeier, Dick Patterson, Ina Clausen, Michelle, Robert, Anna & Becky Fox, Piera Bignetti, Kristen Hawkinson, Susan Parkinson, Marilyn Paige, Marta Maninetti, Ginger Langford, Filippo Maninetti, William Hale, Katherine Calvert, Barbara Rydlander, Amy Rakley, Ellen Spitalnik, Jenne Mowry, Gail Seaburn, Ronnie Polonsky, Alejandra Robins, Justin Wee, Carol Shattuck-Rice, Clair Lavery, Joy Gray, Cristina Castanha, Christine Gilmore, Matthew Snyderman, 350 Bay Area, Cynthia Lorie, Christopher Whaley, Monica Stolte, Jerri Holan, Sandra Portillo-Robins, Cheryl Palmer, Fiona O'Neill, Cynthia Scott, Karen Harris, Christopher Whaley, Matthew Snyderman, Sheila Tarbet, Issy R., Caitlin Campbell, Duane Marble, Jamie Boreen & Amy Dertz, Lydia B., Doug Herring, Lia Goloff, Renee Solari, Jane Wakayama, Mya de Hart, Greg and Amy de Hart, Rebecca Anaya, Donna Rabin, Claudio Privitera, Blake Underhill, Sue and Paul Duncan, Jill Norgaard, Ning Tian, Ellie de Hart, Kay Feallock, Daniel Schulman, Ira Sharenow, Philip Hilton, Jerry & David Beltman, Robin Mitchell, John Stashik, Donald Simon, Diana Lyons, Ellen Deitch, Howdy Goudey, and Denise Sangster

Council Discussion: Presenters and staff responded to additional comments and questions raised by members of the council regarding aquatics program, inclusion of climate action plan, general plan update, reports from department managers, proposed cuts, and Financial Advisory Board participation.

Moved/Seconded: Councilmember Quinto/Councilmember Abelson
Action: Approved Resolution 2020-37. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

Moved/Seconded: Councilmember Quinto/Councilmember Abelson
Action: Approved Public Financing Authority Resolution 2020-01.
Ayes: Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto
Noes: None

8. CITY COUNCIL LOCAL & REGIONAL LIAISON ASSIGNMENTS

Mayor and City Council communications regarding local and regional liaison assignments and committee reports.

Councilmembers Quinto - reported attendance at Environmental Quality Policy Committee meeting with the League of California Cities.

Mayor Pro Tem Fadelli - reported attendance at Transportation and Public Policy Committee meeting with the League of California Cities.

Councilmember Pardue-Okimoto- reported attendance at Public Safety Policy Committee meeting with the League of California Cities.

9. ADJOURN REGULAR CITY COUNCIL MEETING

The regular meeting adjourned at 10:45 PM

Gregory B. Lyman, Mayor

This is to certify that the foregoing is a true and correct copy of the minutes of the Regular City Council meeting of June 16, 2020 as approved by the El Cerrito City Council.

Holly M. Charléty, MMC, City Clerk

EL CERRITO CITY COUNCIL DRAFT MINUTES

SPECIAL CITY COUNCIL MEETING (NOT TELEVISED OR STREAMED) July 14, 2020 – 4:30 p.m.

Meeting Location:

Held Via Teleconference (for City Council and Staff Only)

Members:

Mayor Gregory B. Lyman

Mayor Pro Tem Paul Fadelli · Councilmember Janet Abelson
Councilmember Rochelle Pardue-Okimoto · Councilmember Gabriel Quinto

Pursuant to Executive Orders N-25-20 and N-39-20, Teleconference Restrictions of the Brown Act Have been Suspended, as Well as the Requirement to Provide a Physical Location for Members of the Public to Participate in the meeting. This meeting will not be televised or accessible to the public via the streaming teleconference platform.

Public Comments for matters **on the special meeting agenda only** may be submitted one of two ways:

Via email to cityclerk@ci.el-cerrito.ca.us. Email must contain in the subject line **Public Comments - Agenda Item #**.

Via Voicemail at 510-306-2558. The caller must start the message by stating **Public Comments - Agenda Item #** followed by their name and city of residence, followed by their comments.

If you wish to comment on the subjects of the special meeting, **you are strongly encouraged to submit your comments in writing in advance of the meeting.** Comments received up until **12:00 p.m. the day of the meeting** will be provided in advance to the City Council, including transcribed voicemails, and posted online with meeting materials.

Comments received **during the meeting up until City Council begins the closed session**, will be read into the record and will be limited to a maximum of 3 minutes. Comments that do not conform to the city council's rules of decorum may be summarized rather than read verbatim.

All comments received by the close of the public comment period will be available after the meeting as supplemental materials and will become part of the official record.

4:30 P.M. ROLL CALL - CONVENE SPECIAL CITY COUNCIL MEETING

Mayor Lyman called the meeting to order at 4:43 PM.

Present: Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember

Quinto **Absent:** None

1. COMMUNICATIONS FROM THE PUBLIC

Remarks are typically limited to 3 minutes per person and to items on the special meeting agenda only.

None

2. CLOSED SESSION CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6

Agency Designated Representatives: Karen Pinkos, City Manager; Sky Woodruff, City Attorney; and Alexandra Orologas, Assistant City Manager.

Employee Organizations: Service Employees International Union (SEIU) Local 1021; El Cerrito Police Employees Association; United Professional Firefighters Local 1230; Public Safety Management Association - Battalion Chief, Fire Chief, Police Chief, and Police Management; and Management and Confidential Employees.

Contact: Sky Woodruff, City Attorney, City Management

City Council Convened to closed session at 4:44 PM. No reportable action.

3. ADJOURN SPECIAL CITY COUNCIL MEETING

The next regularly scheduled City Council meeting is Tuesday, July 21, 2020 at 7:00 p.m. via teleconference.

The special meeting adjourned at 7:08 PM.

Gregory B. Lyman, Mayor

This is to certify that the foregoing is a true and correct copy of the minutes of the Special City Council meeting of July 14, 2020 as approved by the El Cerrito City Council.

Holly M. Charléty, MMC, City Clerk

EL CERRITO CITY COUNCIL PROCLAMATION
September Is Suicide Prevention Awareness Month

WHEREAS, September is known around the United States as “National Suicide Prevention Awareness Month”, most of us are quite aware of suicide. Suicide Prevention Awareness Month is intended to help promote and give attention to the Suicide Prevention services available to us and our community. The goal is to speak openly about the topic of suicide to help erase the stigma surrounding it, and to direct those in need to the appropriate support services; and

WHEREAS, Suicide is the 10th leading cause of death among adults in the US, and nearly 20% of all suicides were committed by people ages 45-54; and

WHEREAS, According to the American Foundation for Suicide Prevention, 48,344 people died by suicide in the year 2018 and in 2018, there were an estimated 1.4 million suicide attempts; and

WHEREAS, Suicidal thoughts can affect anyone regardless of age, gender, race, orientation, income level, religion, or background; and

WHEREAS, local organizations like the Contra Costa Crisis Center and national organizations like the National Alliance on Mental Illness and the American Foundation for Suicide Prevention are on the front lines of a war that many still refuse to discuss, as suicide and mental illness remain too uncomfortable of a topic to talk about; and

WHEREAS, every member of our community should understand that throughout life’s struggles we all need the occasional reminder that we are all fighting our own battles; and

WHEREAS, the City Council of the City of El Cerrito encourages all residents to take the time to check in with their family, friends, and neighbors on regular basis and to honestly communicate their appreciation for their existence by any gesture they deem appropriate. A simple phone call, message, handshake, or hug can go a long way towards helping someone realize that suicide is not the answer.

NOW THEREFORE, the City Council of the City of El Cerrito does hereby proclaim the month of September 2020 as National Suicide Prevention Awareness Month in the City of El Cerrito.

Dated: September 15, 2020

Gregory B. Lyman, Mayor

EL CERRITO CITY COUNCIL PROCLAMATION
Designating September 15, 2020 – October 15, 2020 as Hispanic Heritage Month

WHEREAS, Each year, the federal government and local governments observe National Hispanic Heritage Month as the period from September 15 to October 15, by recognizing and celebrating the histories, cultures, and contributions of American citizens whose ancestors came from Spain, Mexico, the Caribbean and Central and South America; and

WHEREAS, September 15th is significant as a starting date for Hispanic Heritage month because it is the anniversary of independence for the Latin American countries of Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua. In addition, Mexico and Chile celebrate their independence on September 16th and September 18th respectively; and

WHEREAS, Hispanics are the largest ethnic group in the State of California and at nearly 17% of the United States population, make up the largest ethnic or race minority group in America; and

WHEREAS, Hispanics have made innumerable contributions to the El Cerrito community and it is important the City recognize and celebrate the diverse histories and cultures of the Hispanic population.

NOW THEREFORE, the City Council of the City of El Cerrito does hereby proclaim the period of September 15, 2020 – October 15, 2020 as Hispanic Heritage Month in the City of El Cerrito in recognition of the many contributions Hispanics have made both locally and nationally, and to promote greater awareness of the rich history and culture of the Hispanic community.

Dated: September 15, 2020

Gregory B. Lyman, Mayor

Michael A. Fischer
El Cerrito City Nominated Commissioner



Contra Costa County Library Commission
Email: eclibrarycommissioner@gmail.com



Date: September 15, 2020
To: El Cerrito City Council
From: Michael A. Fischer,
City Nominated Library Commissioner
Vice Chair, Contra Costa County Library Commission
Subject: Report on Library Related Matters

As promised to the city council and through them to all El Cerritans, this is a periodic report on library related issues to be presented to the City Council at their September 15, 2020 meeting. At the same time a report is being presented to you by Heidi Goldstein, Senior Community Library Manager who we are so fortunate to have as our outstanding branch manager.

1. Coronavirus Issues

This is my first regular report since March of this year. The county's shelter in place order, issued March 16, closed our library. As it became clear that the order would be in place for an extended period, our wonderful staff began to deliver, via the library's website, a fabulous offering of interviews, story time, and music as well as eBooks, eAudiobooks, Streaming Video, eMagazines, and access to online data services. Staff also worked as Disaster Service Workers for the county in a variety of positions.

Staff and county health administration developed a Library Pandemic Preparedness plan that was adopted by the Board of

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Supervisors on May 26. Starting on June 1 staff began the cleanup of 3 months of returned materials and preparations for “Front Door Service” to begin on June 15. Front Door Service permits patrons to get materials brought to them while they wait, physically distant and masked. The county library system was one of the first libraries to reopen using this system which provides library services while protecting both our fabulous staff and our patrons. Heidi will be providing details on front door service at El Cerrito including usage. I understand it is a major success.

I recently visited the library to see how Front Door Service is working. Because people can make appointments for picking up their items, there are no long lines. People can either make their book requests online or by phone. And they can also pickup collections of several books of a particular type.

I’ve attached a picture showing the set up for Front Door Service at our library with El Cerrito Librarian Katy ready to serve us. Note also the physical spacing markings on the floor.

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An obvious question is when will the library be able to be open “normally.” The simple answer is we don’t know. I do know that we are fortunate that the library administration, and the county health department, will make decisions on library utilizations based on what the science indicates will be safe. As mentioned above, the Pandemic Preparedness Plan (attached as Exhibit 1) provides a discussion of the issues involved. Our information about the coronavirus evolves often rapidly. I promise to keep the council informed as information is available.

2. Digital Divide

As I have mentioned to the council on a number of occasions, one of the important roles our library serves normally is helping overcome the digital divide, the name we give to the disparate availability of computers and internet access due to income, race, and age. Under normal conditions our library, when open, provides access to desktop and laptop computers and an internet hotspot to help overcome the digital divide. In addition, our helpful staff of librarians and librarian assistants provides valuable assistance upon request.

While the library interior is closed due to the coronavirus pandemic, the computers in the building are not available to those who so greatly need them. I will be working with library staff on possible solutions to this issue. I will keep the council informed as this issue evolves.

During the time the library was closed, and while the library is also in Front Door Service mode, the internet hotspot of the library has been kept on. Service to the internet can be obtained if you are in proximity to the library. The library’s position is that this is an

appropriate use of this resource which may be needed by students attending school remotely, adults seeking employment, and everyone seeking information whether about the coronavirus or otherwise.

3. Hacking of the Library Network

In March I reported to the council about the cyber-attack on the library's network. Since that time, all library employees are now working on the new software which has had the added advantage of permitting remote work, virtual meetings, and shared files. The library is also using multi-factor authentication which will make it much more difficult for someone to hack into the system. There is also a dual firewall which I understand means, in the event of a future attack, patrons would still be able to access all of the library's services.

In the previous section I mentioned access to the library's internet hotspot. In addition, there is general public access to parts of the library material. These items run on a separate network which does not put the library's main network at risk.

One of the reasons I'm reporting on the cyber-attack on the library's system is to share with the city the lessons the library system learned from this attack, many of which the city may be aware:

- It is not a matter of "if" there will be an attack but when. Municipal and local government networks are a target for cyber-attacks where a hacker ties up and threatens to destroy the data on the network unless the entity pays the hacker.

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This is what happened to the library and the library, as a matter of county policy, refused to pay.

- There is cyber-attack insurance availability to local government and the library had such insurance. This has helped offset the cost of the remediation.
- The easiest and quickest way to protect a system is with multi-factor authentication which the library has installed for its network.

4. Retirement of County Librarian

On September 2, 2020, County Librarian Melinda Cervantes announced her retirement as follows:

Dear Library Community,

It is with mixed emotions that I say goodbye to the Contra Costa County Library and this wonderful community. I will be retiring in October.

I am so very proud of the hard work of the staff and the many accomplishments achieved during my tenure. Some of the most memorable successes are eliminating overdue fines, launching the new website, drafting a new strategic plan, increasing our network security, introducing new library card designs, and opening the San Ramon, San Pablo, Brentwood and El Sobrante libraries.

We have also faced some extreme challenges to providing service including, wildfire smoke, Public Safety Power Shutoffs, a cyber-security attack and a pandemic. Through it all we have found a way to offer services by tapping into the intelligence and creativity of library staff. I cannot do justice to all the new and expanded programs and services that have launched in the last six months, but the talent and dedication shown by our librarians and professional staff is amazing. I am extremely thankful to the staff, library friends and foundations, the Library Commission and the communities we serve for stepping up to the challenges we have faced. Together we have strengthened our commitment to equity, diversity and inclusion in all that we do. I have no doubt that the library will continue on its journey to advance the mission of bringing people and ideas

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together and that there will soon come a day when we can throw open our front doors to invite you back into our libraries.

In retirement, I plan to spend more time with my family and travel to some of my favorite countries when it is safe to do so. I will be keeping tabs on what the library is up to and look forward to what is to come.

Information about an interim County Librarian and recruitment is not yet available, but the Library will share an update as soon as possible.

Sincerely,

Melinda Cervantes
County Librarian

One of the issues to be considered is the role of the Library Commission in the selection process of either a interim or permanent County Librarian. The ultimate decision is that of the Board of Supervisors.

5. eBook Purchasing (Part 2)

In my October 1, 2019 report to the council I discussed the new policy adopted by the Macmillan book publisher concerning the purchase of eBooks by libraries. Under that policy a library could only purchase a single copy of a new book in eBook format for the first eight weeks the book was released. This policy was denounced by the American Library Association and the council passed a resolution joining in that effort.

On March 17 the CEO of Macmillan sent a letter ending that policy as follows:

Dear Librarians, Authors, Illustrators and Agents,

There are times in life when differences should be put aside. Effective on Friday (or whenever thereafter our wholesalers can effect the change),

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Macmillan will return to the library ebook pricing model that was in effect on October 31st, 2019. In addition, we will be lowering some ebook prices on a short term basis to help expand libraries collections in these difficult times.

Stay safe.

John

I know the outpouring of protests, including that from this council, helped bring about that policy change.

6. Lynda.com aka LinkedIn Learning (Part 2)

In my October 1, 2019 report I noted that the library would be dropping the Lynda.com online learning database due to changes in their privacy policy. LinkedIn, the owners of Lynda.com, had announced a new policy of requiring users to set up a profile divulging personal information in order to use the database. Because of privacy concerns resulting from this policy change, Greg Lucas, the California State Librarian, recommended that libraries drop the program.

LinkedIn has since announced a “pause” in its plan.

“We recognize that there are ongoing concerns about some of the changes we are making,” the company said in a statement. “The pause is giving us time to continue our discussions with the library community and understand if we can build an online learning solution that meets the needs of public libraries and library patrons.”

The company, however, did not indicate it was going to eventually drop the plan. “While we cannot commit to any changes in our approach at this time, the pause is giving us time to have the right, thoughtful discussions,” the statement concluded.

Greg Lucas, California State Librarian, replied in an October 4 letter to LinkedIn, thanking them for putting a hold on plans to consider the libraries’ position, stating: “Lynda.com, now in transition to LinkedIn Learning, is a useful platform that’s popular with many library users who, as you know, can voluntarily create a user profile under current access protocols. Hopefully, a revised user agreement for library patrons can maintain that option.”

Security has been one reason cited by LinkedIn for requiring users to set up LinkedIn accounts to access Lynda.com videos. A LinkedIn spokesperson previously said that the current system that libraries use to verify identities—with library cards—was prone to being “compromised by bots,” and therefore represented a security risk.

Library officials countered that plenty of other software companies work with libraries without forcing users to give personal information while still maintaining security.

So, for the present, access to Lynda.com has returned to the county library website. This is especially important because of the assistance Lynda.com programs can provide to those seeking jobs by providing them with additional skills.

7. El Cerrito Library Support Groups

Our city is fortunate to have both an active Friends of the El Cerrito Library and El Cerrito Library Foundation, two groups that raise

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money for and donate to our library. In normal times, these groups provide funding for programs and equipment that help enrich the library experience of our patrons and make the library a more fun, educational, and supportive place. The Friends group tends to support supplemental programs that the library staff put on, paying for expenses that are not within the library's budget as provided by the County.

The Foundation's activities are more related to significant expenses, often of a capital nature. Indeed, the Foundation is focused on supplementing the cost of a new library once that is more than a wish. The city is restricted by law on just what expenses can be paid for from bond or similar funds. The Foundation is planning to provide assistance for items that will make our new library, when it comes to fruition, a better place that all El Cerritans can be proud of.

The Foundation also steps in on significant assistance to the current library. I'd like to highlight two recent significant contributions to our library that were funded from those who have donated to the Foundation.

As I've previously reported to the Council, the Lunch at the Library program is a continuation of the free and reduced lunch program that our schools provide during the school year. The library program provides free lunches to anyone who is 18 and under three days a week in July and August. In 2019 the Foundation provided the library a new refrigerator to store those lunch meals.

This summer, though, the normal Lunch at the Library program could not be held inside the library because of the pandemic. Instead, the library staff provided an outdoor drive-through pickup service in the parking lot behind the library. The Foundation also

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stepped up and lent the library their canopy, normally used with their booth, to shade the food and the workers handing out the food. The picture below shows El Cerrito Librarian Katy (again), this time ready to distribute lunches. (Note also the hand sanitizer on the table)



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Another item that the Foundation recently funded for the library, with the encouragement of local elementary schools, is a STEM project called Charlie Cart, that focuses on food education and nutrition and has been very successful in many cities. An article on the use of the cart in another library system is attached as Exhibit 2.

8. A New Library

I don't need to remind the council of the inadequacies of our current library building. I recognize that the city currently has financial issues that are more pressing although not necessarily more important. As your Library Commissioner I continue to be involved in issues involving a new library and have been actively involved in the discussions concerning the BART Transit Oriented Development that is being planned for the El Cerrito Plaza station. One of the possibilities of that project is to include space for a new library. Whether this eventually turns out to be the best plan for our library needs, and whether the timing will work out is still to be seen. I will continue to monitor that situation and will keep the council and city staff informed as I believe staff will also continue to consult with me.

CONTRA COSTA COUNTY LIBRARY PANDEMIC PREPAREDNESS PLAN

During a pandemic, the Library may not serve as a critical institution, such as law enforcement or health and medical services, but it still has had an important role to play. Since pandemics spread through contact and proximity, the Library must be careful to balance need for library services against the potential for becoming a place where the pandemic can be transmitted and spread.

The COVID-19 virus of 2020 has had an unprecedented impact on libraries and the communities they serve. This plan seeks to explore several possible reopening scenarios, each dependent on factors such as recommendations from local, state and national health agencies, social distancing protocols, and critical community needs. The primary consideration in this plan is maintaining the safety of library patrons and staff while finding ways to provide necessary services that the library is uniquely positioned to perform. The most likely scenario may be a scaled reopening with an incremental easing of physical distancing measures.

In any of scenarios of reopening the library should implement the following:

1. Improved hygiene procedures for cleaning and disinfecting common areas
2. Acquiring protective gear such as masks and gloves to wear while administering public services
3. Continuing to allow teleworking where it makes sense from an operational standpoint
4. Follow Health Officer's recommendation for testing of staff for the virus and/or for immunity to the virus
5. Messaging and plans should be in place to encourage the most vulnerable populations to limit their time in the community and/or allow for service hours that accommodate their needs more specifically

Possible scenarios for phased reopening:

When the shelter in place order is lifted a variety of possible scenarios may come to pass. There is the possibility of the complete removal of restrictions, but more likely is a progressive phasing out of restrictions or a possible return to restrictions if the virus begins to spread more actively within the community. Below are some possible scenarios for reopening the library with various restrictions along with possible criteria for when each scenario might be enacted.

Scenario 1: Virtual services only – On the recommendation of public health officials or after consultation between County Librarian and the CAO, the County Board of Supervisors closes library buildings to all public use.

Criteria:

The County Health Officer issues a shelter in place order except for securing food or necessary medical, transportation and other critical services. Essential library employees working remotely with few exceptions.

Possible Services:

- Expanded access to eBooks and eAudiobooks
- Access to wireless internet broadcast from library facilities
- Access to book drops for library returns
- Virtual programs
- Assistance via email, chat service and phone

Scenario 2: Limited core services

Front Door Service where customers are met at the door to pick-up items on hold/return of books to exterior book drops.

Criteria:

1. The County shelter in place order permits libraries to open
2. Strong social distancing recommendations remain in place

3. The library has access to the necessary materials to administer some essential services
4. The library has access to enough staffing to run said services

Possible services:

- Access to wireless Internet broadcast from library facilities
- Library WiFi Hotspot lending
- Front door or self-service holds pickup outside the building
- Pre-selected books by the bag by age, genre or other interest
- Access to book drops for library returns
- Virtual programs
- Assistance via email, chat service and phone

Preparation:

- Develop a procedure for front door pick up
- Secure and schedule staffing for front door pick up
- Secure protective gear for staff working in the public
- Secure adequate stores of disinfectant wipes and hand sanitizer
- Determine a location to quarantine materials
- Post for staff and public the directions regarding face coverings
- Restore mail and package services

Scenario 3: Reopening with some social distancing requirements

Criteria:

1. Follow the direction of the County Health Order to open further
2. Strong social distancing recommendations remain in place
3. Gatherings are limited to 25% of building occupancy
4. The library has access to the necessary materials to administer some critical services
5. The library has access to enough staffing to run said services

Possible services:

- Metered access to the building by the public to ensure that social distancing is maintained and that no more than the recommended number are gathered within library facilities
- Core desk functions could resume with the possibility of staffing some desks and not others with priority given to the main public service desk at each location
- In-building hold pickup with the use of self-checkouts
- Access to library collections by the public
- Access to checkout services using self-check machines
- Access to some seating with improved social distancing measures, such as the removal of some chairs
- Access to portions of the computer areas with improved social distancing measures, such as the removal of some stations or through making some computers unavailable
- Possible computer assistance through virtual means such as screen sharing

Preparation:

- Determine library hours for each location
- Determine a method to meter access to the building
- Secure staffing for main service desks
- Develop a procedure for in-building holds pickup that allows minimal staff contact
- Post for staff and public the directions regarding face coverings
- Develop a self-check procedure that ensures social distancing
- Arrange the computer areas to allow adequate social distancing either by removing stations or placing stations out of order
- Investigate screen sharing software as a possibility for providing public computer help while maintaining social distance
- The County shelter in place order permits libraries to open

Scenario 4: Full-scale reopening of the library

Administration monitors and evaluates public health concerns, but services continue as usual. All services restored to pre-pandemic levels.

Criteria:

1. Following the County Health Order, the shelter in place order has been canceled and health officials have canceled current social distancing and gathering recommendations
2. The library has access to the necessary materials to maintain high hygiene standards
3. The library has access to enough staffing to run all its core operations

Services:

- A resumption of all core services with an increased emphasis on hygiene

Preparation:

- Restore any computers that have been removed to accommodate social distancing
- Restore all public seating
- Clear backlog of quarantined items and return to conventional turnaround on shelving items
- Re-staff and schedule for all operations
- Determine how virtual programs fit into the spectrum of services going forward

Scenario 5: Reopening followed by scaling down services or a second closure due to virus circulation

Criteria:

1. County health officials release a second order mandating social distancing or a shelter in place order
2. There is a sustained increase in community spread
3. Local hospitals are no longer able to safely treat all patients requiring hospitalization
4. Effective testing is not available within the community
5. The library is unable to maintain the hygiene or staffing necessary to operate

Services:

- What service would be accessible would depend on the restrictions inherent to any recommendation. The Library could return to Scenario 1 or 2 or revert to a full-scale closure as appropriate.

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FEATURED

Lorain library Charlie Carts provide kitchen on wheels, expanded services for library

By Jordana Joy jjoy@morningjournal.com @MJ_JordanaJoy on Twitter
Mar 7, 2020



Sam Lewis, Lorain Public Library System strategic initiatives manager, left, and Anne Godec, Domonkas Branch manager, roll out the Library System's new Charlie Cart, a mobile kitchen to be used for the library's culinary education programs. One cart will be available at Domonkas and another at the South Lorain Branch.

Jordana Joy - The Morning Journal

A new kitchen is coming to the Lorain Public Library System Domonkas and South Lorain branches for ongoing culinary initiatives.

The unique twist? They're on wheels.

The Library System received funds from the Community Foundation of Lorain County to purchase Charlie Carts through The Charlie Cart Project, an initiative out of California that provides equipment and curriculum for educational cooking programs.

With the Main Branch's kitchen already set to be upgraded into the new Culinary Literacy Center, Jennifer Black, director of marketing for the Library System, said the carts allow for an expansion of cooking education to commence.

"This is expanding on what we've already started, with plenty of room to grow," Black said.

Opportunity to cook

Sam Lewis, strategic initiatives manager for the Library System, said the opportunity to purchase the Charlie Carts arose after the Community Foundation expressed interest in expanding programming.

The organization already funds the Library System's Food and Fun programming, which provides children and teens 18 years of age and younger a free lunch.

The youngsters can participate in activities and take food home to their families.

"They take home with them a Blue Apron-esque type thing, so they have the ingredients for the recipe that they can make at home with their families to share," said Anne Godec, manager of the Domonkas Branch.

Lewis said the success of the program kept the Community Foundation attentive to the needs that the program was aiding.

"The response has been fantastic and so successful," he said. "The Community Foundation is telling us, 'What else can we do? Let's do more.'"

Lewis said the Library System researched options and came across the Charlie Carts, which stores over 170 cooking equipment items and 54 lesson plans in its multiple drawers and cabinets.

Some of that equipment includes knives, tongs, spoons, strainers, measuring cups, bowls oven mitts, a Vitamix blender, oven mitts, forks, spoons, convection oven, electric griddle, induction cooktop and pans, to name a few items.

At \$10,000 a pop, the carts were ordered about three weeks ago, Lewis said.

The carts came in Feb. 28 and soon will be transported to their respective library branches.

"In the next few months, it's going to be our staff learning how to use it and test things off," Godec said.

Before being utilized in the Library System's summer lunch program for students, she said the cart will make appearances at the branch's cookbook club meetings and other events.

The earliest the public may see the carts at Domonkas is in June, Godec said.

The cart could be pulled out a few times a month this summer to demo healthy snacks for children to make themselves, she said.

"The things that are available are things that they most likely have at home," Godec said.

Assessing need

Godec said the food instability of the community that visits the two branches played a huge part in deciding where the Charlie Carts would be best utilized.

Additionally, assessing other health-based needs of the community is important to optimize the cart's purpose, Lewis said.

"We're working with the health department to identify the areas of need in the communities, so we can tailor our programming to work on things like diabetes prevention or heart-healthy eating and healthy snack on-the-go for busy, working people," he said.

Black said with the Main Branch being a City Fresh stop, she hopes children will take what they learn through the Charlie Cart and apply it to any fresh ingredients they may pick up.

Added benefits

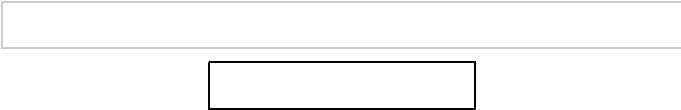
Lewis said the cart's versatility is one of its main selling points.

"One of the biggest issues that we always have when we want to offer new services at our branches, especially a small branch like Domonkas, is that we have a limited amount of space," he said. "This just complete wipes that out.

"It allows us to work within our small space confines and still do something big."

Lewis said where previously cooking demonstrations weren't possible, the Charlie Cart brings a new opportunity to the table.

"It opens up an entire world of possibilities really," he said. "Before when we did programs, we were very limited."



El Cerrito Library Annual Report 2020

Presented by Heidi Goldstein, Senior Community Library Manager, 9/20/20

Thank you to the City Council for giving us this opportunity to present.

Thank you, both to the city of El Cerrito and the El Cerrito Arts and Culture Commission, on behalf of the staff and community of the El Cerrito Library for giving us the funds to remain open 6 days a week. This effort has been appreciated and utilized. Additional thanks to the El Cerrito Library Foundation and the Friends of the El Cerrito Library for their tireless efforts supporting us.

This time has been a test of our strength and abilities; our tolerance and empathy – but most of all our resilience. I am exceedingly proud of how flexible and adaptable our library staff has been: making changes as needed and still helping our community while also contending with this year's challenges.

End of 2019/Early 2020

Toward the end of December, 2019 Contra Costa County Library excitedly launched its new website as developed by library software developer, Bibliocommons. The new, more intuitive design allows library users to make lists of titles they hope to read or have read, interact with other patrons online, contribute reviews, and much more. This was a great move forward for the library, whose website had not been updated for many years.

In January, the library suffered an unfortunate malware attack which made all things challenging for quite some time.

Still, we persisted in doing what we do – provide programming for all ages, answer questions, help readers find their next read, convey information, and offer a table and computer to those who need one.

One of the greatest programs we had in the El Cerrito Library, which is soon to resume remotely, is our Read to a Dog program. Every Monday night we offered up a comfy piece of rug for new readers to read to a patient and eager therapy dog.

We are grateful to have a wonderful relationship with Dog Scouts (and their people, too).



Kobi – happy dog reading ambassador

Circulation Numbers July 2019-July 2020

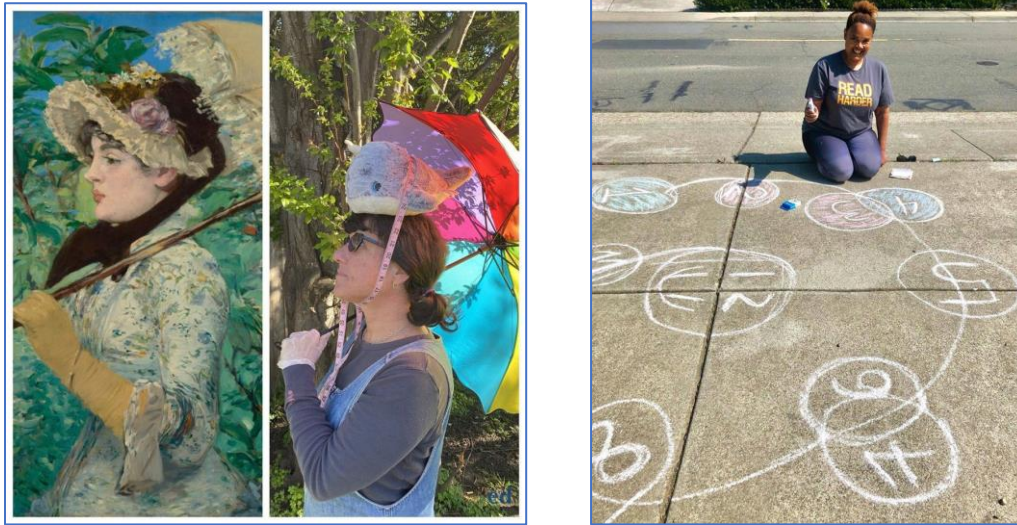
Time period	Materials circulating
Jul-19	17,406
Aug-19	17,285
Sep-19	16,828
Oct-19	16,367
Nov-19	16,813
Dec-19	15,594
Jan-20	15,325
Feb-20	15,499
3/1-3/16	7,797
Apr-20	Closed
May-20	Closed
6/15-6/30	3,546
Jul-20	7,040
Aug-20	7,924

Shelter in Place March – May, 2020

Library staff was gifted the ability to work from home for the second half of March, and the entirety of April and May. During that time, staff found inspiration of all kinds. Via remote programming and tools such as Zoom, Instagram, and Facebook we were able to provide programming for the public. Just a few of the programs provided by El Cerrito Library during our Shelter in Place were:

- **Wednesday Wonderings:** A weekly, science-themed post on Instagram and Facebook. Each post was meant to teach our community something new, which included planting an herb garden, making DIY cloth masks, and backyard bingo.
- **Tinker Tuesdays:** Weekly craft ideas posted to Instagram and Facebook, which included making rain sticks, flower garlands, and embroidered Stormtroopers for Star Wars Day
- Sixteen virtual story times
- Tween book club
- Mystery book club
- Guided meditation

Heidi and Alison respectively sheltering at home



Front Door Service – 6/15/2020 - present

We returned to the library June 1st and opened for Front Door Service on June 15th. Since then we have provided library materials in a steady stream to our extremely literate, grateful, and excited community. Staff and I are happy (and tired) to report that the Contra Costa County Library system of Front Door Service has been working well. Front Door Service works thusly – patrons put an item on hold either via CCCLIB.ORG or phone, when notified their hold is present in the branch they then go back to CCCLIB.ORG and make an appointment by clicking on the Front Door Service icon. When making the appointment online, they are offered the opportunity to select specific age “grab bags” of library books for various children’s reading levels. The grab bag offer has been extremely popular and we have been enjoying the process.



Lunch at the Library, The Charlie Cart, and Snacks & Supper

The El Cerrito Lunch at the Library program has traditionally been held inside, educating young minds and mouths under 18 with nutritional information. This year, meals were delivered via a grab and go drive through. These meals are accompanied by enrichment activities such as growing their own veggie garden, arts and crafts kits, and giving out 150 free cookbooks thanks to a grant from the California Library Association. One young patron literally jumped for joy when receiving their cookbook (pictured). Through this work, we were able to give away 1,015 meals between June 22nd and August 13th. WCCUSD and California Library Association have extended the Lunch at the Library program through the end of the calendar year while students are engaged in distance learning. El Cerrito is happy to continue as a food distribution site, giving away Snacks & Suppers to children 18 and under every Monday-Thursday 3:30-4:30pm.



Excited patron getting their free cookbook

Lunch at the Library as provided by WCCUSD





An exciting arrival at El Cerrito Library has been our Charlie Cart, generously purchased by the El Cerrito Library Foundation. The Charlie Cart is a mobile kitchen, containing its own utensils, appliances, a convection oven, gray and clean water bins for washing, and best of all, relevant nutritional curriculum, and recipes. We can't wait to kick off our Charlie Cart project and begin videos of cooking demonstrations and lessons this fall.

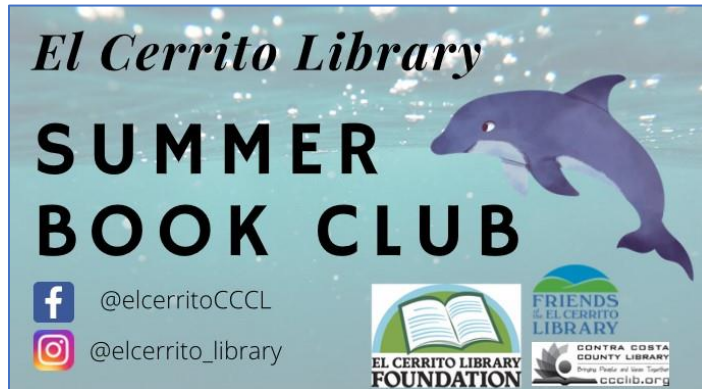
Summer Reading

As with every year, our countywide Summer Reading Festival encourages reading and literacy. The Library always undertakes the traditional summer reading festival with a broad theme to which activities and programs will be tied. This year's theme was "Dive Deep", which included oceanic-related remote programs.

Buddy, the most important member of library staff, prepares to "Dive Deep"



To celebrate here in El Cerrito, we had our own book club in which we gave away, thanks to the El Cerrito Library Foundation, 100 copies of Scott O'Dell's 1960 classic, *Island of the Blue Dolphins*.



Other events related to our special book club included an online book discussion, a Q&A and visit with Channel Islands National Park Education Coordinator, Monique Navarro, and a virtual adoption of our very own dolphin, Baker D. Thank you so much to The Friends of the El Cerrito Library for assisting with the adoption and to The Marine Mammal Center for rescuing, rehabilitating, and releasing this amazing creature.



Thanks to The Friends of the El Cerrito Library, Pegasus Books, and Contra Costa County Library we were able to give away hundreds of books to all those who completed the Summer Reading Festival.

We are proud to say that El Cerrito had 159 busy readers finish, the second highest number in the county. One lucky El Cerritan even won the grand prize from the countywide Summer Reading drawing: an Xbox One X video game console!



Black Lives Matter (Libraries Respond)

Libraries serve their communities best when they reflect the events happening around them. In response to the Black Lives Matter movement, Contra Costa County Library Director Melinda Cervantes issued a statement in June relaying our stand against racism countywide. Additionally, there are events, blog posts and book lists relating to social justice, Black Lives Matter, civil rights, and more available at the library's website. El Cerrito Library continues engagement and promotion of Black organizations, holidays, artists, authors and more, which can be viewed on our Facebook page.

Women of Color: Activists Then and Now
Thursday, August 27 | 4 p.m. PDT

Meet our Panelists

 Lauren Babb Commissioner, California Commission on the Status of Women and Girls, Member, Contra Costa 2020 Census Complete Count Steering Committee	 Diana Carpenter Madoshi Board Member, National Women's History Alliance	 Dr. Allison Parker History Department Chair and Richards Professor of American History at the University of Delaware	 Dr. Lori A. Watson Racial Equity and Social Justice Facilitator/ Consultant
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Online Program
Presented by:

CONTRA COSTA
COUNTY LIBRARY
Bringing People and Ideas Together
cclib.org



Ongoing Programming and Next Steps

Via social media, we have been able to maintain a few different programs that our community has embraced. Alison and the Master Gardener's programs have been wildly successful endowing our local gardeners with information. Regular programs such as Katy and Julia's marvelous singsong storytimes, library staff reading public domain "First Bites" snippets of novels, and our bookclubs, are just a few that we have been able to share with anyone who opts to follow us on social media.

Going forward, we will be safely following Library Director, Melinda Cervantes' Pandemic Preparedness Plan when it is deemed safe enough to progress. While the library always presents challenges, we are excited to rise to the occasion and continue to present the ongoing life-enriching programming for all ages that you have come to expect from The El Cerrito Library.

The feedback we have received and continue to receive has been nothing less than gratifying. From parents to students to avid readers, we have been thanked consistently and graciously by the El Cerrito community. We look forward to 71 more years of being a library in this wonderful city.

Thank you again to the El Cerrito City Council.





OFFICE OF THE MAYOR

Gregory B. Lyman

Agenda Item No. 4.F.

September 16, 2020

Honorable Gavin Newsom
Governor, State of California
State Capitol
Sacramento, CA 95814
VIA E-mail: ExternalAffairs@gov.ca.gov

**RE: SB 1349 (Glazer): Transactions and Use Taxes: County of Contra Costa
Request for Signature from the City of El Cerrito**

Dear Governor Newsom:

As the Mayor of the City of El Cerrito, I write to express our support of SB 1349 (Glazer) and respectfully request your signature.

Senate Bill 1349 makes important clarifications to existing law regarding a city or county's ability to levy a transaction and use tax for general or specific purposes, subject to certain limitations *and express voter approval requirements*.

What Senate Bill 1349 does is provide Contra Costa County, and cities within Contra Costa County, both legal authority and the practical ability to levy additional local transactions and use taxes subject to voter approval. The legislation provides that the current 0.5% district tax imposed by BART and the current 0.5% Contra Costa County Transportation Tax do not count against the 2% cap in Contra Costa County. This is very similar to Assembly Bill 723 (Quirk) which was signed into law last year.

This bill does not in any way alter the existing requirement that any new or additional transactions and use tax be submitted to the voters for approval, nor does the bill raise the existing 2% cap. Rather the bill simply clarifies existing law for purposes of the current 2% cap on the combined rate of all taxes.

This legislation will provide Contra Costa County and the cities within the county the tools needed to generate funding for critical services, provides the option as to when any additional transactions and use tax can be submitted to the voters, and in light of the massive economic impacts placed on local government due to the COVID 19 pandemic.

For the reasons above we support this legislation and respectfully request your signature.

Sincerely,

Gregory B. Lyman, Mayor
City of El Cerrito



AGENDA BILL

Agenda Item No. 4.G.

Date: September 15, 2020
To: El Cerrito City Council
From: Holly M. Charléty, City Clerk, City Management
Subject: Biennial Update of Agency Conflict of Interest Code

ACTION PROPOSED

Adopt a Resolution revising the Conflict of Interest Code for the City of El Cerrito, including filing requirements for related agency positions such as the Public Financing Authority, the Employee Pension Board, and the Successor Agency to the former Redevelopment Agency and rescinding Resolution No. 2018-55.

BACKGROUND

The Political Reform Act of 1974 (“Act”) (codified in Government Code Sections 8100 et seq.) requires the City to adopt and promulgate a Conflict of Interest Code (“Code”) applicable to designated City employees and public officials. The Code mandates the positions required to file the Fair Political Practices Commission (FPPC) Form 700 as well as the required disclosure categories.

City Councilmembers, City Manager, City Treasurer, and Planning Commission Members are required to file pursuant to Government Code section 87200, and therefore are not listed in the City’s Code. 87200 filings are submitted directly to the FPPC online, or in hard copy to the City Clerk. All Code filings are submitted to the City Clerk. All Form 700 filings, along with the Code are retained and made available to the public by the City Clerk, who acts as the FPPC filing officer for the City.

The City adopted its first Conflict of Interest Code in 1977. In 1983, the City Council enacted Resolution No. 83-14 to adopt the model Conflict of Interest Code drafted by the Fair Political Practices Commission. The Conflict of Interest Code covers matters such as the manner of reporting financial interests, the procedures to be utilized in filing conflict of interest statements, the contents of such statements, and the time within which such statements must be filed.

The Municipal Services Corporation (MSC) is not included in the City’s Conflict of Interest Code as the Corporation is not a public agency. It is a non-profit, public benefit corporation, which is subject to the California Corporations Code. The MSC Board instead adopted its own Conflict of Interest Policy on October 17, 2011 by MSC Resolution No. 2011–11, following the model IRS Conflict of Interest Policy by which a charitable organization should implement decisions regarding transactions or arrangements between the charitable organization and members of the charitable organization’s board of directors and other individuals.

As such, MSC Directors and Officers do not file a Statement of Economic Interests – Form 700 pertaining to the MSC, but file a separate annual declaration as required under the MSC’s existing Conflict of Interest Policy.

As directed by the Fair Political Practices Commission, the City Council is the code-reviewing body for the City of El Cerrito. The last revision was completed in 2018, by Resolution No. 2018-55. Biennially by October 1, the code reviewing body is required to approve revisions to the Code or receive formal notice that no revisions are required.

ANALYSIS

The attached resolution is the City’s Conflict of Interest Code revised to incorporate changes to Appendix A – Designated Filers. Appendix A identifies designated positions and advisory bodies and establishes their respective levels of disclosure. Appendix B outlines the specific requirements of each disclosure category.

There are only a few minor modifications to Appendix A for the current biennial review. This includes changes to ensure that all Job Classifications listed match the job title in the job description. The only deletion is the Economic Development Director, which is a position now classified as the Community Development Director. There are no additions to the list of designated filers being proposed at this time. Deleted positions are shown by ~~strike-through~~ and additions are indicated by underline.

The Conflict of Interest Code, as presented, accurately designates all positions that make or participate in the making of governmental decisions. The disclosure categories assigned to these positions require the disclosure of all investments, business positions, interests in real property and sources of income which may foreseeably be affected materially by the decisions made by those designated positions. The Code includes all other provisions required by Government Code Section 87302 and incorporates by reference FPPC Regulation 2 Cal. Admin. Code Section 18730.

STRATEGIC PLAN CONSIDERATIONS

Although mandated by state law, reviewing and updating the City’s Conflict of Interest Code is in alignment with Goal A: Delivering Exemplary Government Services.

ENVIRONMENTAL CONSIDERATIONS

This section is not applicable to this agenda item.

FINANCIAL CONSIDERATIONS

There are no costs associated with the proposed revisions to the Conflict of Interest Code.

LEGAL CONSIDERATIONS

The Act requires the City Council to review the Conflict of Interest Code on a regular basis and when such amendments are necessitated by changed circumstances, pursuant to Government Code Sections 87306 and 87306.5. Council adoption of the proposed Conflict of Interest Code will sustain continued compliance with State law.

Reviewed by:

A handwritten signature in blue ink, appearing to read "Karen Pinkos".

Karen Pinkos, City Manager

Attachments:

1. Resolution

RESOLUTION NO. 2020-XX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CERRITO ADOPTING A REVISED CONFLICT OF INTEREST CODE FOR THE CITY OF EL CERRITO, INCLUDING THE FILING OF ANY RELATED AGENCY POSITIONS, SUCH AS THE EMPLOYEE PENSION BOARD, THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY, AND THE PUBLIC FINANCING AUTHORITY (PFA); AND RESCINDING RESOLUTION NO. 2018-55

WHEREAS, the Political Reform Act of 1974 (“Act”), Government Code Sections 8100 et seq. enacted as part of Proposition 9, requires every local agency to adopt and promulgate a conflict of interest code applicable to employees or consultants holding designated positions and public officials within the jurisdiction of the local agency; and

WHEREAS, in 1977, the El Cerrito City Council enacted Resolution No. 3843, adopting the City of El Cerrito (“City”) Conflict of Interest Code, and

WHEREAS, subsequent to the enactment of Resolution No. 3843 the Fair Political Practices Commission (“FPPC”) enacted 2 Cal. Code of Regs. Section 18730 which contains the terms of a standard model conflict of interest code, which could be adopted by local agencies covering such matters as the manner of reporting financial interests, the procedures to be utilized in filing conflict of interest statements, the contents of such statements, the time within which such statements must be filed, etc.; and which may be amended by the FPPC after public notice and hearings to conform to amendments to the Act; and

WHEREAS, in 1983, the City Council enacted Resolution No. 83-14 which adopted the model conflict of interest code drafted by the FPPC, including any amendments duly adopted by the Commission to conform to amendments to the Act, as the new City of El Cerrito Conflict of Interest Code; and

WHEREAS, Appendix A of Resolution No. 83-14 listed the designated employees subject to the model conflict of interest code (listed as “designated filers”); and Appendix B of Resolution No. 83-14 identified the specific financial interests that would be reportable; and

WHEREAS, state law as specified in the Act requires the City Council, as the City’s code-reviewing body to direct the review of its Conflict of Interest Code; and

WHEREAS, the Act additionally requires the submission of a revised conflict of interest code for approval by the code-reviewing body or the notification of said body that no changes are necessary pursuant to Government Code Section 87306.5; and

WHEREAS, the City Council has regularly amended its Conflict of Interest Code to correspond to changes in the City resulting from reorganization of City departments and employees, changes in job classifications, and the addition and deletion of certain boards and commissions and to respond to any changes in State law; and

WHEREAS, the Conflict of Interest Code was last amended in 2018 through Resolution 2018-55 and the Code requires revision to reflect the changes in designated positions and the financial interests required to be reported; and

WHEREAS, this review has been completed and the City Council has determined that such changes are necessary due to changes in City organization and to comply with state law and that Appendices A and B, attached herein, accurately sets forth the designated positions, and their respective categories of financial interests which should be made reportable and those boards, commissions and committees which should be designated and the respective categories of financial interests which should be made reportable by their members; and

WHEREAS, the Conflict of Interest Code includes filing requirements for related agency positions, such as the Successor Agency to the former El Cerrito Redevelopment Agency, the Public Financing Authority (PFA), and the Employee Pension Board; and

WHEREAS, the City of El Cerrito Conflict of Interest Code, incorporated herein, requires revision so that it accurately sets forth the designated positions and categories of financial interests which should be made reportable.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of El Cerrito as follows, with additions indicated by underline and deletions indicated with ~~striketrough~~:

Section 1. Incorporation of Recitals. All Recitals above are true and correct and are incorporated herein.

Section 2. Adoption of Model Conflict of Interest Code. The terms of 2 Cal. Adm. Code Section 18730 and any amendments to it duly adopted by the FPPC are hereby incorporated by reference and included as part of the Conflict of Interest Code of the City of El Cerrito.

Section 3. Statement of Economic Interest Requirement. Persons holding designated positions and persons required to do so by statute shall file Statements of Economic Interests with the City of El Cerrito on FPPC forms, in conformance with the individual disclosure categories and State guidelines, when requested by the City Clerk. Persons holding designated positions and persons required by statute to file statements of economic interests shall also report interests for any other related agency positions, such as the Employee Pension Board, Successor Agency to the former Redevelopment Agency, and the Public Finance Authority (PFA). The City Clerk will retain custody of the statements and make the statements available for public inspection and reproduction.

Section 4. Form 700 Requirement. In accordance with FPPC Regulation 18734, any individual hired for a position not yet covered under this Conflict of Interest Code must file a Form 700 if the individual serves in a position that makes or participates in making governmental decisions. Individuals in this category must file under the broadest disclosure category until the code is amended to include the new position unless the City of El Cerrito provides, in writing, a limited disclosure requirement.

Section 5. Late Filings and Failure to File Statements. Any violation of any provision of this Code is subject to the administrative, criminal and civil sanctions provided in the Act, Government Code Sections 81000 et seq. The following additional regulations shall apply to City of El Cerrito (a) designated employees, (b) designated members of boards and commissions appointed by the City Council, and (c) consultants:

- (a) *City Employees:* If a City employee fails to file an Initial, Assuming Office or Annual Statement of Economic Interests within thirty days after the City Clerk has given specific written notice of non-filing, he or she shall undergo steps resulting in a written reprimand in accordance with the provisions of the appropriate Memorandum of Understanding or City of El Cerrito Personnel Policies and Administrative Regulations. The employee's supervisor shall comply with the provisions of the appropriate Memorandum of Understanding or City of El Cerrito Personnel Rules and Administrative Regulations. In addition, the City Clerk shall impose late filing fees in accordance with Government Code Section 91013 and 91013.5. No person who has left City employment and failed to file the appropriate statement shall resume active employment with the City of El Cerrito if there are outstanding statements or fines.
- (b) *Members of Boards and Commissions:* If a member of any non-elected board, commission or committee specified in the Code fails to file an Assuming Office, Initial or Annual Statement of Economic Interests within thirty days after the City Clerk has given specific written notice of non-filing, the member's term on the commission shall expire. The City Clerk shall notify the commissioner that his/her term has expired and notify the City Council that a vacancy exists on the commission. In addition, the City Clerk shall impose late filing fees in accordance with Government Code Sections 91013 and 91013.5.

Prior to being eligible for reappointment to any board, commission, or committee all outstanding filings for all commission appointments must be filed and any outstanding fines, payable under Government Code Section 91013, shall be paid. No person shall be appointed to any commission if there are outstanding statements or fines, and no person shall be appointed to any commission for a period of one year if terminated from any commission more than once for failure to file statements.

- (c) *Consultants:* If a consultant, as defined in 2 Cal. Code Regs. Section 18701, fails to file any Statement of Economic Interests within thirty days after the City Clerk has given specific written notice of non-filing, he or she shall be advised by the City's project manager that no further payments shall be made by the City of El Cerrito under the contract until such statement has been received by the City Clerk. The City Clerk shall also impose late filing fees in accordance with Government Code Sections 91013 and 91013.5.

Section 6. Employees and Officials that Must Disclose Financial Interests. The City Conflict of Interest Code hereby includes Appendix A, which reflects changes in City organization and in the job titles of City management staff and reflects the inclusion of staff positions with decision making authority as authorized by the El Cerrito Municipal Code and in compliance with Title 2, Section 18701 of the California Code of Regulations. Designated Employees and Public Officials shall disclose financial interests as set forth in Appendix B.

Section 7. Adoption of Disclosure Categories. The City Conflict of Interest Code hereby includes Appendix B, to achieve consistency with State Law and reflect the required disclosure categories of this Conflict of Interest Code.

Section 8. Rescission of Previous Conflict of Interest Code. The City Council hereby rescinds Resolution No. 2018-55.

I CERTIFY that at a regular meeting on September 15, 2020 the City Council of the City of El Cerrito passed this Resolution by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

IN WITNESS of this action, I sign this document and affix the corporate seal of the City of El Cerrito on September _____, 2020.

Holly M. Charléty, City Clerk

APPROVED:

Gregory B. Lyman, Mayor

APPENDIX A DESIGNATED FILERS

Job Classification	Disclosure Category
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Assistant City Attorney	1,2,3,4
Assistant City Manager	1,2,3,4
Assistant to the City Manager	1,2,3,4
Associate Engineer	1,2,3,4
Associate Planner	1,2,3,4
Battalion Fire Chief	1,2,3,4
Building Official	1,2,3,4
City Clerk	1,2,3,4
Community Development Director	1,2,3,4
Development Services Manager	1,2,3,4
Economic Development Director (inactive)	1,2,3,4
Fire Chief	1,2,3,4
Human Resources Manager	1,2,3,4
Information Technology Manager	1,2,3,4
Maintenance <u>Services</u> Superintendent	1,2,3,4
Management Analyst <u>(I, II, and III)</u>	1,2,3,4
Operations and Environmental Services Manager	1,2,3,4
Planning Manager	1,2,3,4
Police Captain	1,2,3,4
Police Chief	1,2,3,4
Police Lieutenant	1,2,3,4
Program Manager	1,2,3,4
Public Works Director/City Engineer	1,2,3,4
Recreation Director	1,2,3,4
Recreation Supervisor	1,2,3,4
Recycling Operations Supervisor	1,2,3,4
Senior Engineer	1,2,3,4
Senior Human Resources Analyst	1,2,3,4
Senior Planner	1,2,3,4
Senior Program Manager	1,2,3,4
Special Counsel	1,2,3,4

Commission and Board Members:

Arts and Culture Commission Members	5
Design Review Board Members	1,2,3,4
Financial Advisory Board Members	1,2,3,4

Consultants	*
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* With respect to consultants, the City Manager or designee may determine in writing that a particular consultant, has been hired to perform a range of duties that is sufficiently limited in scope so as not to require full compliance with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties and based upon that description, a statement of the extent of disclosure requirements, if any. The City Manager's determination is a public record and shall be retained for public inspection in the same manner and location as the disclosure statements filed pursuant to this Resolution.

APPENDIX B DISCLOSURE CATEGORIES

Category 1: Personal Income

All sources of income, including investments, gifts, loans and travel payments as defined in Government Code Section 82030, as amended. Not included as income in this disclosure category is income received from any source outside the City of El Cerrito if that source is not presently doing business within the City of El Cerrito and has not done business within the City of El Cerrito during the two years prior to the time this disclosure statement is made.

Category 2: Interests in Real Property

All interests in real property in excess of \$2,000 held by the designated employee, or commissioner, the employee or commissioner's spouse, domestic partner or dependent children located in whole or in part within the City of El Cerrito or within a two-mile radius of the boundaries of the City of El Cerrito. Included within this disclosure category is any leasehold, beneficial or ownership interest or an option to acquire such an interest in real property. Included within this disclosure category is any pro rata share of interests in real property of any business entity or trust in which the designated employee, or commissioner, the employee or commissioner's spouse, domestic partner or dependent children, owns directly, indirectly or beneficially, a 10 percent interest or greater. An "interest in real property" does not include the principal residence of the employee or commissioner, making the disclosure unless all or part of that residence is used for business purposes and claimed as a business deduction on the designated employee or commissioner's income tax return.

Category 3: Investments

All financial interests in excess of \$2,000 held by the designated employee or commissioner, the employee or commissioner's spouse, domestic partner or dependent children in security issued by a business entity, including but not limited to common stock, preferred stock, options, debt instruments and any partnership or other ownership interest if the business entity or any parent, subsidiary or otherwise related business entity has an interest in real property in the City of El Cerrito, or does business or plans to do business in the City of El Cerrito, or has done business within the City of El Cerrito at any time during the two years prior to the time this disclosure statement is made. The term "investments" does not include a time or demand deposit in a financial institution, shares in a credit union, any insurance policy, interest in a diversified mutual fund registered with the Securities and Exchange Commission or a common trust fund created pursuant to Section 1564 of the Finance Code, or any bond or other debt instrument issued by any government or government agency. The term "investments" does include a pro rata share of investments of any business entity, mutual fund, or trust in which the designated employee or commissioner, or the employee's or commissioner's spouse, domestic partner or dependent children own directly, indirectly or beneficially, a 10 percent interest or greater.

Category 4: Management Positions

Management positions held with any business entity located, doing business, planning to do business, or having done business in the past two years within the City of El Cerrito.

Category 5: Arts and Culture Commission

All members of the Commission shall disclose business entities in which they have an investment, or in which they are a director, officer, partner, employee, or hold any position of management; and income as defined in Government Code Section 82030, as amended, including gifts, loans, and travel payments; if the business entity or source of income: a) has applied for, is receiving, or within the previous two years has received, funds through the City to advance Arts in El Cerrito; b) has profited from the creation, production, sale, or display of any artistic endeavor; or c) has provided services, goods, or equipment to artistic endeavors in the City of El Cerrito.



AGENDA BILL

Agenda Item No. 4.H.

Date: September 15, 2020
To: El Cerrito City Council
From: Yvetteh Ortiz, Public Works Director/City Engineer
Subject: El Cerrito del Norte Transit-Oriented Development Complete Streets Improvement Project - Cooperative Agreement

ACTION PROPOSED

Adopt a resolution approving the Cooperative Agreement (Agreement) between the State of California Department of Transportation (Caltrans) and the City of El Cerrito (City) for the El Cerrito del Norte Transit-Oriented Development (TOD) Complete Streets Improvement Project, authorizing the City Manager to execute the Agreement, and obligating a not to exceed amount of \$286,000 to reimburse Caltrans for work performed under the Agreement.

BACKGROUND

Metropolitan Transportation Commission Funding Requirements

The Metropolitan Transportation Commission (MTC) is responsible for establishing the criteria and policies for allocating federal transportation funding in the San Francisco Bay Area. MTC integrated various transportation programs with California's climate law (Senate Bill 375) and the Sustainable Communities Strategy to create the One Bay Area Grant (OBAG) Program. OBAG allows flexibility to invest in transportation categories such as Transportation for Livable Communities (TLC), bicycle and pedestrian improvements, local streets and roads preservation, and planning activities. OBAG also supports MTC's commitments to advancing the Bay Area's land use and housing goals. In 2016, MTC adopted policies for the second round of the OBAG (OBAG 2).

Contra Costa Transportation Authority Coordinated Call for Projects

Also in 2016, the Contra Costa Transportation Authority (CCTA) announced a Coordinated Call for Projects for MTC's OBAG 2 funding as well as the CCTA's Measure J TLC Program and Pedestrian, Bicycle and Trail Facilities Program funding. City staff reviewed projects identified in various City plans, including the San Pablo Avenue Specific Plan (which includes Complete Streets Plan), Active Transportation Plan, Urban Greening Plan, ADA Transition Plan, and Pavement Management Program, to best match eligibility and scoring criteria of the various funding programs. City staff selected the following three projects based on competitiveness given the program criteria and, in December 2016, submitted grant applications to the CCTA for the following three projects:

- Central Avenue and Carlson Boulevard Pavement Rehabilitation for the OBAG 2 Local Streets and Roads Preservation Program

- El Cerrito del Norte Transit-Oriented Development (TOD) Complete Streets Improvement for the OBAG 2 Competitive Program and Measure J Transportation for Livable Communities Program
- Arlington Boulevard Pedestrian Safety Improvements for OBAG Safe Routes to School Program and Measure J Pedestrian, Bicycle and Trail Facilities Program

The first two projects were selected for funding as part of the CCTA process. OBAG 2 Local Streets and Roads Preservation Program funding, which is for projects in the City's certified Pavement Management Program, is non-competitive and an amount of \$544,000 was allocated by formula to the City for the Central Avenue and Carlson Boulevard Pavement Rehabilitation Project, which is scheduled to begin construction in late September 2020. For the competitive funding programs, the El Cerrito del Norte TOD Complete Streets Improvement Project ranked highly and, in June 2017, the CCTA Board approved funding in the amount of \$4,840,000 in OBAG 2 federal funds and \$2,312,000 in Measure J TLC funds.

Per MTC's requirements, once a project has been selected for funding, the City must adopt a resolution of local support. As a result, in July 2017, the City Council adopted Resolution 2017-55, formally authorizing the filing of the application for the OBAG 2 Program, committing necessary matching funds and indicating assurance to complete the El Cerrito del Norte TOD Complete Streets Improvement Project.

Project Description

The El Cerrito del Norte TOD Complete Streets Improvement Project will implement multimodal transportation improvements identified in the San Pablo Avenue Specific Plan and Active Transportation Plan, adopted by City Council in September 2014 and April 2016, respectively. The project consists of safety and circulation improvements for bicyclists, pedestrians, buses, and automobiles to support the El Cerrito del Norte BART Station and transit-oriented development in the San Pablo Avenue del Norte Area (also referred to as Uptown in the Specific Plan). The project limits span several streets including San Pablo Avenue from Ohlone Greenway near the northern city limit to Potrero Avenue, Eastshore Boulevard from Potrero Avenue to San Pablo Avenue, Hill Street from San Pablo Avenue to Liberty Street, Cutting Boulevard from I-80 to Key Boulevard, and Knott Avenue from San Pablo Avenue to Key Boulevard.

Project elements include new signalized crossings for pedestrians, new bicycle lanes, conversion of one-way to two-way streets, signalization changes on San Pablo Avenue at the intersections of Hill Street and Cutting Boulevard, signing and streetscape enhancements. These include the following:

- A combination of new or enhanced Class II (Bike Lane) & III (Shared Roadway) bike facilities on San Pablo Avenue, Cutting Boulevard, Hill Street, and Eastshore Boulevard
- Enhanced signalized intersection treatments for bicycling
- New protected crosswalks, to complete crosswalks on all legs of the signalized

San Pablo Avenue intersections at Knott Avenue, Cutting Boulevard and Hill Street/Eastshore Boulevard

- Pedestrian beacons/signals on San Pablo Avenue at Wall Avenue
- Sidewalk improvements, curb extensions at bus stops and pedestrian crossings, and accessibility upgrades
- Narrowed travel lanes, reduction in turning lanes/auxiliary lanes and conversion of one-way to two-way streets to better accommodate all street users including:
 - Conversion of Cutting Boulevard east of San Pablo Avenue to two-way traffic
 - Elimination of the second left-turn lane northbound at Cutting Boulevard and southbound at Hill Street on San Pablo Avenue
 - Transition of the outside northbound through lane on San Pablo Avenue between Hill Street and Cutting Boulevard to feed into a right-turn lane serving turns to eastbound Cutting Boulevard
 - Elimination of the southbound right-turn pocket lane on San Pablo Ave.at Cutting Boulevard
- Modification of San Pablo Avenue/Hill Street/Eastshore Boulevard intersection for inbound traffic only (no outbound traffic except for right-turns out) to the shopping center driveway (Peerless Avenue)
- Traffic signal optimization on San Pablo Avenue at the intersections of Knott Avenue, Cutting Boulevard, and Hill Street/Eastshore Boulevard to better accommodate all street users, and
- Streetscape improvements including pedestrian-level lighting, landscaping, signage, trash & recycling receptacles, benches and bike racks.

The design of project elements will be refined as the project is developed and will include community engagement and input from a variety of stakeholders including Caltrans, City of Richmond, BART, AC Transit, Bike East Bay, and the El Cerrito ADA Advisory Group, as well as the El Cerrito Fire and Police Departments.

A significant portion of the project is on the State Route 123, including San Pablo Avenue from Potrero Avenue to Cutting Boulevard and Cutting Boulevard from San Pablo Avenue to I-80, and therefore requires that the project be developed in accordance with the Caltrans Project Development Procedures Manual including the execution of a Cooperative Agreement. Two of our on-call engineering consultants, BKF Engineers and Fehr & Peers Transportation Consultants, are currently assisting the City with this process.

ANALYSIS

The Agreement is in the Caltrans standard format and outlines the responsibilities of Caltrans and the City through the two components of project development process – the Caltrans Project Initiation Document (PID) and Project Approval and Environmental Document (PA&ED) components, which concludes with the approval of a Project Study Report-Project Report (PSR-PR) by Caltrans and the City. The PSR-PR formally

identifies the project need and purpose, stakeholder input, anticipated right-of-way requirements, cost estimates, funding sources, the completion of the Final Environmental Document and the Project Report. The City is considered both the “Sponsor” and “Lead Agency” under the Agreement. As the Sponsor, the City is responsible for establishing the scope of the project and securing the financial resources to fund the work performed by the City and Caltrans. As the Lead Agency, the City is responsible for managing the scope, cost, schedule, and quality of the work activities and products of the two project components. Caltrans, as the owner/operator of the State Highway System (SHS), is responsible for performing quality management work, environmental document quality control, and owner/operator approvals for the portions of work within the SHS right-of-way.

The City is obligating funds in the amount of \$286,000 to fund Caltrans costs to perform their responsibilities under the Cooperative Agreement. City staff discussed the Caltrans costs with Contra Costa Transportation Authority (CCTA) staff, who frequently works with Caltrans on large projects, to determine reasonableness of costs and any potential to reduce them. CCTA staff indicated that Caltrans has also requested similar amounts for their projects most recently about 20% of total design costs which is in line with the amount that Caltrans is estimating for the City’s project. At the request of City staff for review of their costs, Caltrans staff reduced their original cost estimate from \$310,000 to \$286,000. Caltrans will invoice the City for an initial deposit of \$62,000 after execution of the Agreement. They will subsequently invoice time and materials on a monthly basis.

City staff requests that the City Council approve the Cooperative Agreement so the project development process can move forward in time to obligate the federal funds for the design of this project, which have an obligation deadline of January 2021 for Fiscal Year (FY) 2020-21 programming. CCTA had previously programmed Measure J for the design of this project in the current fiscal year. However, CCTA Measure J revenues have been adversely impacted by the COVID-19 pandemic prompting CCTA to temporarily suspend the appropriation of Measure J funds until a long- range revenue forecast is done later this year, likely in November 2020. As a result, there is a Measure J funding gap in this current fiscal year. In order to move forward with the project, CCTA staff supported a new funding plan request to MTC whereby the \$4.840 million in federal funds, previously programmed for only the construction phase of the project in FY 2021-22 could be split into two phases as follows: 1) advance the programming of \$850,000 in the current fiscal year for design; and 2) delay programming of \$3.990 million to FY 2022-23 for construction. CCTA has created a ranked list of projects to help them prioritize appropriations when funds become available or when they are more certain about their long-term revenue projections. With the substantial amount of outside funds sources, the City’s project is ranked eighth out of 32 projects in Contra Costa County. CCTA and City staff are hopeful that by FY 2022-23, CCTA will be in a better position to allocate the entire \$2.312 million in Measure J funds for construction. The reprogramming gives some breathing room in terms of developing the project, but the Caltrans process can sometimes be delayed, so City staff would like to move forward with the process as soon as possible in order to obligate the federal funds by

the above deadline. This allows for the detailed design of the project to proceed soon thereafter and in time to obligate the federal funds for construction by January 2023.

STRATEGIC PLAN CONSIDERATIONS

The City's Strategic Plan articulates the mission of the City to serve, lead, and support our diverse and transit-rich community by providing exemplary and innovative services, public places and infrastructure, ensuring public safety, and creating an economically and environmentally sustainable future. The El Cerrito del Norte TOD Complete Streets Improvement Project is consistent with various El Cerrito Strategic Plan goals including Goal D – Develop and rehabilitate public facilities as community focal points; Goal C – Deepen a sense of place and community identity by promoting strong neighborhoods; and Goal F – Foster environmental sustainability citywide by encouraging alternative modes of transportation to the single occupancy vehicle. In addition, the project will directly implement improvements identified in several City plans and programs as described above.

ENVIRONMENTAL CONSIDERATIONS

California Environmental Quality Act ("CEQA") Guidelines require preparation of an Initial Study to identify whether a plan or project will have a significant effect on the environment. For projects with potentially significant impacts, proposed mitigations may be included as part of the environmental review process to ensure that such impacts are mitigated to a less than significant level where possible.

The El Cerrito del Norte TOD Complete Streets Improvement Project is a combination of projects identified in the San Pablo Avenue Specific Plan and Active Transportation Plan. City Council approved a programmatic Environmental Impact Report and associated Mitigation Monitoring and Reporting Program for the San Pablo Avenue Specific Plan in September 2014, and an Initial Study/Mitigated Negative Declaration and associated Mitigation Monitoring and Reporting Program for the Active Transportation Plan in April 2016. Both documents were prepared per CEQA Guidelines. As part of the Caltrans project development process, City staff and consultants will prepare a project checklist to determine whether all impacts of the projects were evaluated in these documents. The mitigation measures identified in both Mitigation Monitoring and Reporting Programs will be implemented as appropriate in order to mitigate any identified environmental impacts of the project.

As part of the federal funding process, the projects will be evaluated for compliance with the National Environmental Policy Act (NEPA), which includes conducting preliminary environmental studies and various technical studies. The anticipated document for both projects is Categorical Exclusion with Technical Studies. City staff will coordinate with Caltrans to determine the appropriate documents as further described in the Cooperative Agreement.

FINANCIAL CONSIDERATIONS

The estimated cost for technical studies, preliminary engineering, final environmental

documentation, design, and construction of the El Cerrito del Norte TOD Complete Streets Improvement Project is currently estimated to be \$8,411,680. In addition to the \$4,840,000 OBAG 2 grant and \$2,312,000 Measure J TLC grant, a minimum of \$1,259,680 will be needed from multiple City-controlled sources to complete the project funding. Remaining project funding is from developer contributions, City Transportation Impact Fee (TIF) revenues and SB 1 Local Streets and Roads Program funds. The non-federal funds per phase need to exceed the required 11.47-percent local match requirement for the federal funds. The current funding plan is summarized below.

FUNDING PLAN

Fiscal Year	Phase	Measure J TLC	OBAG2 Federal	City TIF & Other Develop Fees	SB1	TOTAL
2019-20	PA&ED and Prelim Engin'g			280,000	15,000	295,000
2020-21	PA&ED and Prelim Engin'g		-	404,320	31,680	436,000
2020-21	Detailed Design		850,000	115,000		965,000
2022-23	Construction Engin'g	726,000	-	150,000	-	876,000
2022-23	Construction Capital	1,586,000	3,990,000	233,680	30,000	5,839,680
Total		2,312,000	4,840,000	1,183,000	76,680	8,411,680

The Capital Improvement Program, Project Listing included as part of the FY 2020-21 Budget adopted by the City Council in June 2020 includes expenditure appropriations for the project in the amount of \$20,000 from SB 1 Local Streets and Road Funding Program-Road Maintenance and Rehabilitation Account Fund and \$921,500 from the Capital Improvement Fund. The FY 2020-21 Proposed Amended Budget being considered by the City Council as part of a separate policy item on the City Council's September 15, 2020 Meeting Agenda includes expenditure appropriations for the project in the amount of \$31,680 from SB 1 Local Streets and Road Funding Program-Road Maintenance and Rehabilitation Account Fund and covers \$1,369,320 from the Capital Improvement Fund. The Capital Improvement Fund is used for expenditures that will be reimbursed by external sources, which in this case is the OBAG 2 grant, as well as the TIF revenues described above. The Caltrans project development costs under the Agreement are being funded by the TIF revenues, which have already been deposited in the Capital Improvement Fund.

For the detailed design phase starting in January/February 2021, 88% of the expenditures will be covered by the OBAG 2 grant as shown in the funding plan above. Other City funds such as the General Fund will have to advance the necessary cash on a short-term basis to fund these expenditures. City staff will be submitting invoices for reimbursement within 30 days of

making payments to vendors and consultants. Thereafter, reimbursements are usually received within 60 days from the funding agency. City staff will bring the consultant agreement and cost to City Council for consideration and approval in early 2021, and will provide an update on the City's General Fund ability to support this capital spending, on the premise that it will be fully reimbursed within 90 days of making a payment to vendors and consultants.

City staff is currently seeking additional grant funds to enhance some of the project elements to current best practices, incorporate green infrastructure elements, and account for likely increases in capital construction costs by FY 2022-23.

LEGAL CONSIDERATIONS

The City Attorney has reviewed the Cooperative Agreement and will approve the final form prior to execution.

Reviewed by:

A handwritten signature in blue ink, appearing to read "Karen Pinkos".

Karen Pinkos, City Manager

Attachments:

1. Resolution
2. Exhibit A to Resolution - Cooperative Agreement

RESOLUTION 2020-XX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CERRITO APPROVING THE COOPERATIVE AGREEMENT (AGREEMENT) BETWEEN THE STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) AND THE CITY OF EL CERRITO (CITY) FOR THE EL CERRITO DEL NORTE TRANSIT-ORIENTED DEVELOPMENT (TOD) COMPLETE STREETS IMPROVEMENT PROJECT, AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT, AND OBLIGATING A NOT TO EXCEED AMOUNT OF \$286,000 TO REIMBURSE CALTRANS FOR WORK PERFORMED UNDER THE AGREEMENT.

WHEREAS, the El Cerrito del Norte TOD Complete Streets Improvement Project will implement multimodal transportation improvements identified in the San Pablo Avenue Specific Plan and Active Transportation Plan, adopted by City Council in September 2014 and April 2016, respectively; and

WHEREAS, in 2017, the City successfully applied for two grants for technical studies, preliminary engineering, final environmental documentation, design, and construction of the El Cerrito del Norte TOD Complete Streets Improvement Project as follows: One Bay Area Grant Program, Cycle 2 (OBAG 2) federal funds in the amount of \$4,840,000 and Contra Costa Transportation Authority (CCTA) Measure J Transportation for Livable Communities Program county sales tax funds in the amount of \$2,312,000; and

WHEREAS, in July 2017, the City Council adopted Resolution 2017-55, formally authorizing the filing of the application for the OBAG 2 Program, committing necessary matching funds and indicating assurance to complete the El Cerrito del Norte TOD Complete Streets Improvement Project; and

WHEREAS, City-controlled funding is from developer contributions, City Transportation Impact Fee revenues and SB 1 Local Streets and Roads funds; and

WHEREAS, a significant portion of the project is on the State Route 123, including San Pablo Avenue from Potrero Avenue to Cutting Boulevard and Cutting Boulevard from San Pablo Avenue to I-80, and therefore requires that the project be developed in accordance with the Caltrans Project Development Procedures Manual; and

WHEREAS, the Cooperative Agreement outlines the responsibilities of Caltrans and the City through the two components of project development process – the Caltrans Project Initiation Document (PID) and Project Approval and Environmental Document (PA&ED) components, which concludes with the approval of a Project Study Report-Project Report (PSR-PR) by Caltrans and the City; and

WHEREAS, the City is considered both the “Sponsor” and “Lead Agency” under the Agreement and is responsible for establishing the scope of the project securing the financial resources to fund the work performed by the City and Caltrans, and managing

the scope, cost, schedule, and quality of the work activities and products of the two project components; and Caltrans, as the owner/operator of the State Highway System (SHS), is responsible for performing quality management work, environmental document quality control, and owner/operator approvals for the portions of work within the SHS right-of-way; and

WHEREAS, the City must obligate funds in the amount of \$286,000 to fund Caltrans costs to perform their responsibilities under the Cooperative Agreement; and

WHEREAS, the Capital Improvement Program, Project Listing included as part of the Fiscal Year 2020-21 Budget adopted by the City Council in June 2020 includes expenditure appropriations for the project in the amount of \$20,000 from SB 1 Local Streets and Road Funding Program-Road Maintenance and Rehabilitation Account Fund and \$921,500 from the Capital Improvement Fund; and

WHEREAS, there is sufficient funding from City Transportation Impact Fee revenues in the Capital Improvement Fund for the funding obligation under the Agreement.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of El Cerrito that it hereby approves the Cooperative Agreement, which shall be in substantially the form attached hereto as Exhibit A, authorizing the City Manager to execute the same, and obligating a not to exceed amount of \$286,000 to reimburse Caltrans for work performed under the Agreement.

BE IT FURTHER RESOLVED that this resolution shall become effective immediately upon passage and adoption.

I CERTIFY that at a regular meeting on September 15, 2020 the City Council of the City of El Cerrito passed this Resolution by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

IN WITNESS of this action, I sign this document and affix the corporate seal of the City of El Cerrito on September _____, 2020.

Holly M. Charléty, City Clerk

APPROVED:

Gregory B. Lyman, Mayor

COOPERATIVE AGREEMENT

This Agreement, effective on _____, is between the State of California, acting through its Department of Transportation, referred to as CALTRANS, and:

City of El Cerrito, a body politic and municipal corporation of the State of California, referred to hereinafter as CITY.

An individual signatory agency in this AGREEMENT is referred to as a PARTY. Collectively, the signatory agencies in this AGREEMENT are referred to as PARTIES.

RECITALS

1. PARTIES are authorized to enter into a cooperative agreement for improvements to the State Highway System per California Streets and Highways Code, Sections 114 and 130 and California Government Code, Section 65086.5.
2. For the purpose of this AGREEMENT, *the CITY Transit-Oriented Development (TOD) Complete Streets Improvements Project with the scope of work consisting of new signalized crossings for pedestrians, new bicycle lanes, conversion of one-way to two-way streets, signalization changes on San Pablo Avenue (SR 123) at the intersections of Hill Street and Cutting Boulevard, signing and streetscape enhancements and potentially green infrastructure*, will be referred to hereinafter as PROJECT. CITY desires to utilize a Project Study Report - Project Report (PSR-PR) for both project initiation and approval.
3. All obligations and responsibilities assigned in this AGREEMENT to complete the following PROJECT COMPONENT will be referred to hereinafter as WORK:

- PROJECT INITIATION DOCUMENT (PID)

The PROJECT will also contain obligations and responsibilities that are typically assigned to the Project Approval & Environmental Document (PA&ED) project component. Each PROJECT COMPONENT is defined in the CALTRANS Workplan Standards Guide as a distinct group of activities/products in the project planning and development process.

4. The term AGREEMENT, as used herein, includes this document and any attachments, exhibits, and amendments.

This AGREEMENT is separate from and does not modify or replace any other cooperative agreement or memorandum of understanding between the PARTIES regarding the PROJECT.

PARTIES intend this AGREEMENT to be their final expression that supersedes any oral understanding or writings pertaining to the WORK. The requirements of this AGREEMENT will preside over any conflicting requirements in any documents that are made an express part of this AGREEMENT.

If any provisions in this AGREEMENT are found by a court of competent jurisdiction to be, or are in fact, illegal, inoperative, or unenforceable, those provisions do not render any or all other AGREEMENT provisions invalid, inoperative, or unenforceable, and those provisions will be automatically severed from this AGREEMENT.

Except as otherwise provided in the AGREEMENT, PARTIES will execute a written amendment if there are any changes to the terms of this AGREEMENT.

AGREEMENT will terminate 180 days after PSR-PR is signed by PARTIES or as mutually agreed by PARTIES in writing. However, all indemnification, document retention, audit, claims, environmental commitment, legal challenge, maintenance and ownership articles will remain in effect until terminated or modified in writing by mutual agreement or expire by the statute of limitations.

5. No PROJECT deliverables have been completed prior to this AGREEMENT.
6. In this AGREEMENT capitalized words represent defined terms, initialisms, or acronyms.
7. PARTIES hereby set forth the terms, covenants, and conditions of this AGREEMENT.

RESPONSIBILITIES

Sponsorship

8. A SPONSOR is responsible for establishing the scope of the PROJECT and securing the financial resources to fund the WORK. A SPONSOR is responsible for securing additional funds when necessary or implementing PROJECT changes to ensure the WORK can be completed with the funds obligated in this AGREEMENT.

PROJECT changes, as described in the CALTRANS Project Development Procedures Manual, will be approved by CALTRANS as the owner/operator of the State Highway System.

9. CITY is the SPONSOR for the WORK in this AGREEMENT.

Implementing Agency

10. The IMPLEMENTING AGENCY is the PARTY responsible for managing the scope, cost, schedule, and quality of the work activities and products of a PROJECT COMPONENT.

- CITY is the PID IMPLEMENTING AGENCY.

The PSR-PR identifies the PROJECT need and purpose, stakeholder input, project alternatives, anticipated right-of-way requirements, initial cost estimates, potential funding sources, the completion of the Final Environmental Document and the Project Report (documenting the project alternative selection).

11. The IMPLEMENTING AGENCY for a PROJECT COMPONENT will provide a Quality Management Plan (QMP) for the WORK in that component. The QMP describes the IMPLEMENTING AGENCY's quality policy and how it will be used. The QMP will include a process for resolving disputes between the PARTIES at the team level. The QMP is subject to CALTRANS review and approval.
12. Any PARTY responsible for completing WORK will make its personnel and consultants that prepare WORK available to help resolve Work-related problems and changes for the entire duration of the PROJECT including PROJECT work that may occur under separate agreements.

Funding

13. CITY is the only PARTY obligating funds in this AGREEMENT and will fund the cost of the WORK in accordance with this AGREEMENT.

If, in the future, CALTRANS is allocated state funds and Personnel Years (PYs) for PSR-PR review or development of this PROJECT, PARTIES will agree to amend this AGREEMENT to change the reimbursement arrangement for PSR-PR review.

14. Funding sources, PARTIES committing funds, funding amounts, and invoicing/payment details are documented in the Funding Summary section of this AGREEMENT.

PARTIES will amend this AGREEMENT by updating and replacing the Funding Summary, in its entirety, each time the funding details change. Funding Summary replacements will be executed by a legally authorized representative of the respective PARTIES. The most current fully executed Funding Summary supersedes any previous Funding Summary created for this AGREEMENT.

15. PARTIES will not be reimbursed for costs beyond the funds obligated in this AGREEMENT.
16. Unless otherwise documented in the Funding Summary, overall liability for project costs within a PROJECT COMPONENT will be in proportion to the amount contributed to that PROJECT COMPONENT by each fund type.
17. Unless otherwise documented in the Funding Summary, any savings recognized within a PROJECT COMPONENT will be credited or reimbursed, when allowed by policy or law, in proportion to the amount contributed to that PROJECT COMPONENT by each fund type.
18. Each PARTY is responsible for the costs they incur in performing the WORK unless otherwise stated in this AGREEMENT.
19. WORK costs, except those that are specifically excluded in this AGREEMENT, are to be paid from the funds obligated in the Funding Summary. Costs that are specifically excluded from the funds obligated in this AGREEMENT are to be paid by the PARTY incurring the costs from funds that are independent of this AGREEMENT.

CALTRANS' Quality Management

20. CALTRANS, as the owner/operator of the State Highway System (SHS), will perform quality management work including Quality Management Assessment (QMA), environmental document quality control, and owner/operator approvals for the portions of WORK within the existing and proposed SHS right-of-way.
21. CALTRANS' QMA efforts are to ensure that CITY's quality assurance results in WORK that is in accordance with the applicable standards and the PROJECT's QMP. QMA does not include any efforts necessary to develop or deliver WORK or any validation by verifying or rechecking WORK.

When CALTRANS performs QMA, it does so for its own benefit. No one can assign liability to CALTRANS due to its QMA.

22. CALTRANS, as the owner/operator of the SHS, will approve WORK products in accordance with CALTRANS policies and guidance and as indicated in this AGREEMENT.

CEQA/NEPA Lead Agency

23. CITY is the CEQA Lead Agency for the PROJECT.
24. CALTRANS is a CEQA Responsible Agency for the PROJECT
25. CALTRANS is the NEPA Lead Agency for the PROJECT
26. Per National Environmental Policy Act (NEPA) assignment and California Environmental Quality Act (CEQA) statutes, CALTRANS will perform environmental document quality control and NEPA assignment review procedures for environmental documentation. CALTRANS quality control and quality assurance procedures for all environmental documents are described in the NEPA Assignments memorandums, available at https://dot.ca.gov/programs/environmental-analysis/standard-environmental-reference-ser/policy-memos#LinkTarget_705. This also includes the independent judgement analysis and determination under CEQA that the environmental documentation meets CEQA requirements
27. CITY will provide Work-related products and supporting documentation upon CALTRANS' request for the purpose of CALTRANS' quality management work.
28. CITY, including any employee, agent, consultant or sub-consultant retained by the CITY, shall implement uniform document control policies necessary to retain all records and electronically stored information associated with the WORK, including but not limited to those records identified in California Public Resources Code, Section 21167.6, and including email and attachments, in a manner consistent with the CALTRANS Uniform Filing System and the "Final Caltrans Environmental Records Retention Policy", available at <https://dot.ca.gov/-/media/dot-media/programs/environmental-analysis/documents/nepa-recordretention-policy-final-a11y.pdf>. These records, along with an index of the records, shall be provided to CALTRANS within 60 days of CALTRANS' written request.
29. The cost of CALTRANS' quality management work is to be borne by CITY.

Environmental Permits, Approvals and Agreements

30. CITY will comply with the commitments and conditions set forth in the environmental documentation, environmental permits, approvals, and applicable agreements as those commitments and conditions apply to CITY's responsibilities in this AGREEMENT.

31. Unless otherwise assigned in this AGREEMENT, the IMPLEMENTING AGENCY for a PROJECT COMPONENT is responsible for all PROJECT COMPONENT WORK associated with coordinating, obtaining, implementing, renewing, and amending the PROJECT permits, agreements, and approvals whether they are identified in the planned project scope of work or become necessary in the course of completing the PROJECT.
32. It is expected that the PROJECT requires the following environmental permits/approvals:

ENVIRONMENTAL PERMITS/REQUIREMENTS
NPDES SWRCB
State Waste Discharge Requirements (Porter Cologne) RWQCB

Project Initiation Document (PID)

33. As the PID IMPLEMENTING AGENCY, CITY is responsible for all PID WORK except those activities and responsibilities that are assigned to another PARTY and those activities that are excluded under this AGREEMENT.
34. Should CITY request CALTRANS to perform any portion of PID preparation work, except as otherwise set forth in this in this AGREEMENT, CITY agrees to reimburse CALTRANS for such work and PARTIES will amend this AGREEMENT.
35. CALTRANS will be responsible for completing the following PSR-PR activities:

CALTRANS Work Breakdown Structure Identifier (If Applicable)	AGREEMENT Funded Cost
100.05.10.xx Quality Management	Yes
150.05.05.xx Review of Existing Reports, Data, Studies, and Mapping	Yes
150.25.20 PSR-PR Circulation, Review, and Approval	Yes
180.10.05.05.xx CALTRANS Review CEQA Lead Final Env. Doc QA/QC As CEQA Responsible Agency	Yes

36. CALTRANS will provide relevant existing proprietary information and maps related to:

- Geologic and Geotechnical information
- Utility information
- Environmental constraints
- Traffic modeling/forecasts
- Topographic and Boundary surveys
- As-built centerline and existing right-of-way

Due to the potential for data loss or errors, CALTRANS will not convert the format of existing proprietary information or maps.

37. When required, CALTRANS will perform pre-consultation with appropriate resource agencies in order to reach consensus on need and purpose, avoidance alternatives, and feasible alternatives.

38. CALTRANS will actively participate in the Project Delivery Team meetings.

39. The PSR-PR will be signed on behalf of CITY by a Civil Engineer registered in the State of California.

40. CALTRANS will review and approve the PSR-PR as required by California Government Code, Section 65086.5.

CALTRANS will complete a review of the draft PSR-PR and provide its comments to CITY within 60 calendar days from the date CALTRANS received the draft PSR-PR from CITY. CITY will address the comments provided by CALTRANS. If any interim reviews are requested of CALTRANS by CITY, CALTRANS will complete those reviews within 30 calendar days from the date CALTRANS received the draft PSR-PR from CITY.

After CITY revises the PSR-PR to address all of CALTRANS' comments and submits the revised draft PSR-PR and all related attachments and appendices, CALTRANS will complete its review and final determination of the revised draft PSR-PR within 30 calendar days from the date CALTRANS received the revised draft PSR-PR from CITY. Should CALTRANS require supporting data necessary to defend facts or claims cited in the revised draft PSR-PR, CITY will provide all available supporting data in a reasonable time so that CALTRANS may conclude its review. The 30- day CALTRANS review period will be stalled during that time and will continue to run after CITY provides the required data.

No liability will be assigned to CALTRANS, its officers and employees by CITY under the terms of this AGREEMENT or by third parties by reason of CALTRANS' review and approval of the PSR-PR.

41. Any PARTY preparing environmental documentation, including studies and reports, will ensure that qualified personnel remain available to help resolve environmental issues and perform any necessary work to ensure that the PROJECT remains in environmental compliance.
42. CITY will provide written notice of the initiation of environmental studies to the CEQA and NEPA Lead Agencies prior to completing any other PID phase work.

California Environmental Quality Act (CEQA)

43. Environmental documentation will be prepared in compliance with the California Public Resources Code §§ 21080.3.1(d)(e). CALTRANS will provide, and CITY will use, a letter template and a list of California Native American tribes requesting notification. CITY will prepare consultation documentation for CALTRANS' signature and transmittal in compliance with the statutorily required time frames.
44. The CEQA Lead Agency will determine the type of CEQA documentation and will cause that documentation to be prepared in accordance with CEQA requirements.
45. Any PARTY involved in the preparation of CEQA documentation will prepare the documentation to meet CEQA requirements and follow the CEQA Lead Agency's standards that apply to the CEQA process.
46. CALTRANS is a CEQA Responsible Agency for the PROJECT and will review, comment, and concur on all environmental documentation (including, but not limited to, studies, reports, public notices, and public meeting materials, determinations, administrative drafts, final environmental documents, and revalidation) at appropriate stages of development prior to approval and public availability.
47. Any PARTY preparing any portion of the CEQA-documentation, including any studies and reports, will submit that portion of the documentation to the CEQA Lead Agency for review, comment, and approval at appropriate stages of development prior to public availability.
48. CITY will submit CEQA-related public notices to CALTRANS for review, comment, and approval prior to publication and circulation.
- 49.

50. If the CEQA Lead Agency makes any changes to the CEQA documentation, the CEQA Lead Agency will allow CALTRANS to review, comment, and concur on those changes prior to the CEQA Lead Agency's approval at appropriate stages of development prior to public availability.
51. If the CEQA Lead Agency makes any changes to the CEQA-related public notices, then the CEQA Lead Agency will allow CALTRANS to review, comment, and concur on those changes prior to publication and circulation.
52. The CEQA Lead Agency will attend all CEQA-related public meetings.
53. If a PARTY who is not the CEQA Lead Agency holds a public meeting about the PROJECT, that PARTY must clearly state its role in the PROJECT and the identity of the CEQA Lead Agency on all meeting publications. All meeting publications must also inform the attendees that public comments collected at the meetings are not part of the CEQA public review process.

That PARTY will submit all meeting advertisements, agendas, exhibits, handouts, and materials to the CEQA Lead Agency for review, comment, and approval at least ten (10) working days prior to publication or use. If that PARTY makes any changes to the materials, it will allow the CEQA Lead Agency to review, comment on, and approve those changes at least three (3) working days prior to the public meeting date.

The CEQA Lead Agency maintains final editorial control with respect to text or graphics that could lead to public confusion over CEQA-related roles and responsibilities.

National Environmental Policy Act (NEPA) (if applicable)

54. Pursuant to Chapter 3 of Title 23, United States Code (23 U.S.C. 326) and 23 U.S.C. 327, CALTRANS is the NEPA Lead Agency for the PROJECT. CALTRANS is responsible for NEPA compliance, will determine the type of NEPA documentation, and will cause that documentation to be prepared in accordance with NEPA requirements.

CALTRANS, as the NEPA Lead Agency for PROJECT, will review, comment, and approve all environmental documentation (including, but not limited to, studies, reports, public notices, and public meeting materials, determinations, administrative drafts, and final environmental documents) at appropriate stages of development prior to approval and public availability.

When required as NEPA Lead Agency, CALTRANS will conduct consultation and coordination and obtain, renew, or amend approvals pursuant to the Federal Endangered Species Act, and Essential Fish Habitat.

When required as NEPA Lead Agency, CALTRANS will conduct consultation and coordination approvals pursuant to Section 106 of the National Historic Preservation Act.

55. Any PARTY involved in the preparation of NEPA documentation will follow FHWA and CALTRANS standards that apply to the NEPA process including, but not limited to, the guidance provided in the FHWA Environmental Guidebook (available at <http://environment.fhwa.dot.gov/index.asp>) and the CALTRANS Standard Environmental Reference.
56. Any PARTY preparing any portion of the NEPA documentation (including, but not limited to, studies, reports, public notices, and public meeting materials, determinations, administrative drafts, and final environmental documents) will submit that portion of the documentation to CALTRANS for CALTRANS' review, comment, and approval prior to public availability.
57. CITY will prepare, publicize, and circulate all NEPA-related public notices, except Federal Register notices. CITY will submit all notices to CALTRANS for CALTRANS' review, comment, and approval prior to publication and circulation.
- CALTRANS will work with the appropriate federal agency to publish notices in the Federal Register.
58. The NEPA Lead Agency will attend all NEPA-related public meetings.

59. CITY will submit all NEPA-related public meeting materials to CALTRANS for CALTRANS' review, comment, and approval at least ten (10) working days prior to the public meeting date.
60. If a PARTY who is not the NEPA Lead Agency holds a public meeting about the PROJECT, that PARTY must clearly state its role in the PROJECT and the identity of the NEPA Lead Agency on all meeting publications. All meeting publications must also inform the attendees that public comments collected at the meetings are not part of the NEPA public review process.

That PARTY will submit all meeting advertisements, agendas, exhibits, handouts, and materials to the NEPA Lead Agency for review, comment, and approval at least ten (10) working days prior to publication or use. If that PARTY makes any changes to the materials, it will allow the NEPA Lead Agency to review, comment on, and approve those changes at least three (3) working days prior to the public meeting date.

The NEPA Lead Agency has final approval authority with respect to text or graphics that could lead to public confusion over NEPA-related roles and responsibilities.

61. CITY will ensure that the PROJECT is included in the approved Federal Statewide Transportation Improvement Program (FSTIP) prior to the NEPA Lead Agency's approval of the environmental document.

Schedule

62. PARTIES will manage the WORK schedule to ensure the timely use of obligated funds and to ensure compliance with any environmental permits, right-of-way agreements, construction contracts, and any other commitments. PARTIES will communicate schedule risks or changes as soon as they are identified and will actively manage and mitigate schedule risks.
63. The IMPLEMENTING AGENCY for each PROJECT COMPONENT will furnish PARTIES with a final report of the WORK completed.

Additional Provisions

Standards

64. PARTIES will perform all WORK in accordance with federal and California laws, regulations, and standards; Federal Highway Administration (FHWA) standards; and CALTRANS standards. CALTRANS standards include, but are not limited to, the guidance provided in the:

- CADD User's Manual
- CALTRANS policies and directives
- Plans Preparation Manual
- Project Development Procedures Manual (PDPM)
- Workplan Standards Guide
- Standard Environmental Reference
- Highway Design Manual

Noncompliant Work

65. CALTRANS retains the right to reject noncompliant WORK. CITY agrees to suspend WORK upon request by CALTRANS for the purpose of protecting public safety, preserving property rights, and ensuring that all WORK is in the best interest of the State Highway System.

Qualifications

66. Each PARTY will ensure that personnel participating in WORK are appropriately qualified or licensed to perform the tasks assigned to them.

Consultant Selection

67. CITY will invite CALTRANS to participate in the selection of any consultants that participate in the WORK.

Encroachment Permits

68. CALTRANS will issue, upon proper application, the encroachment permits required for WORK within State Highway System (SHS) right-of-way. CITY, their contractors, consultants, agents and utility owners will not work within the SHS right-of-way without an encroachment permit issued in their name. CALTRANS will provide encroachment permits to CITY, their contractors, consultants, and agents at no cost. CALTRANS will provide encroachment permits to utility owners at no cost. If the encroachment permits and this AGREEMENT conflict, the requirements of this AGREEMENT will prevail.
69. The IMPLEMENTING AGENCY for a PROJECT COMPONENT will coordinate, prepare, obtain, implement, renew, and amend any encroachment permits needed to complete the WORK.

Protected Resources

70. If any PARTY discovers unanticipated cultural, archaeological, paleontological, or other protected resources during WORK, all WORK in that area will stop and that PARTY will notify all PARTIES within 24 hours of discovery. WORK may only resume after a qualified professional has evaluated the nature and significance of the discovery and CALTRANS approves a plan for its removal or protection.

Disclosures

71. PARTIES will hold all administrative drafts and administrative final reports, studies, materials, and documentation relied upon, produced, created, or utilized for the WORK in confidence to the extent permitted by law and where applicable, the provisions of California Government Code, Section 6254.5(e) will protect the confidentiality of such documents in the event that said documents are shared between PARTIES.

PARTIES will not distribute, release, or share said documents with anyone other than employees, agents, and consultants who require access to complete the WORK without the written consent of the PARTY authorized to release them, unless required or authorized to do so by law.

72. If a PARTY receives a public records request pertaining to the WORK, that PARTY will notify PARTIES within five (5) working days of receipt and make PARTIES aware of any disclosed public records.

Hazardous Materials

73. HM-1 is hazardous material (including, but not limited to, hazardous waste) that may require removal and disposal pursuant to federal or state law, irrespective of whether it is disturbed by the PROJECT or not.

74. HM-2 is hazardous material (including, but not limited to, hazardous waste) that may require removal and disposal pursuant to federal or state law only if disturbed by the PROJECT.

The management activities related to HM-1 and HM-2, including and without limitation, any necessary manifest requirements and disposal facility designations are referred to herein as HM-1 MANAGEMENT and HM-2 MANAGEMENT respectively.

75. If HM-1 or HM-2 is found the discovering PARTY will immediately notify all other PARTIES.

76. PARTIES agree to consider alternatives to PROJECT scope and/or alignment, to the extent practicable, in an effort to avoid any known hazardous materials within the proposed PROJECT limits.

77. CALTRANS, independent of the PROJECT, is responsible for any HM-1 found within the existing State Highway System right-of-way CALTRANS will undertake, or cause to be undertaken, HM-1 MANAGEMENT with minimum impact to the PROJECT schedule.

CALTRANS will pay, or cause to be paid, the cost of HM-1 MANAGEMENT for HM-1 found within the existing State Highway System right-of-way with funds that are independent of the funds obligated in this AGREEMENT.

78. CITY, independent of the PROJECT, is responsible for any HM-1 found within the PROJECT limits and outside the existing State Highway System right-of-way. CITY will undertake, or cause to be undertaken, HM-1 MANAGEMENT with minimum impact to the PROJECT schedule.

CITY, independent of the PROJECT, will pay, or cause to be paid, the cost of HM-1 MANAGEMENT for HM-1 found within the PROJECT limits and outside of the existing State Highway System right-of-way.

79. If hazardous materials are discovered within PROJECT limits, but outside of State Highway System right-of-way, it is the responsibility of CITY in concert with the local agency having land use jurisdiction over the property, and the property owner, to remedy before CALTRANS will acquire or accept title to such property.

80. The CONSTRUCTION IMPLEMENTING AGENCY is responsible for HM-2 MANAGEMENT within the PROJECT limits.

CITY and CALTRANS will comply with the Soil Management Agreement for Aerially Deposited Lead Contaminated Soils (Soil Management Agreement) executed between CALTRANS and the California Department of Toxic Substances Control (DTSC). Under Section 3.2 of the Soil Management Agreement, CALTRANS and CITY each retain joint and severable liability for noncompliance with the provisions of the Soil Management Agreement. CITY will assume all responsibilities assigned to CALTRANS in the Soil Management Agreement during PROJECT COMPONENTS for which they are the IMPLEMENTING AGENCY except for final placement and burial of soil within the State right-of-way, per Section 4.5 of the Soil Management Agreement, which is subject to CALTRANS concurrence and reporting to DTSC which will be performed by CALTRANS.

81. CALTRANS' acquisition or acceptance of title to any property on which any HM-1 or HM-2 is found will proceed in accordance with CALTRANS' policy on such acquisition.

Claims

82. Any PARTY that is responsible for completing WORK may accept, reject, compromise, settle, or litigate claims arising from the WORK without concurrence from the other PARTY.
83. PARTIES will confer on any claim that may affect the WORK or PARTIES' liability or responsibility under this AGREEMENT in order to retain resolution possibilities for potential future claims. No PARTY will prejudice the rights of another PARTY until after PARTIES confer on the claim.
84. If the WORK expends state or federal funds, each PARTY will comply with the Federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards of 2 CFR, Part 200. PARTIES will ensure that any for-profit consultant hired to participate in the WORK will comply with the requirements in 48 CFR, Chapter 1, Part 31. When state or federal funds are expended on the WORK these principles and requirements apply to all funding types included in this AGREEMENT.

Accounting and Audits

85. PARTIES will maintain and will ensure that any consultant hired by PARTIES to participate in WORK will maintain, a financial management system that conforms to Generally Accepted Accounting Principles (GAAP), and that can properly accumulate and segregate incurred PROJECT costs and billings.

86. PARTIES will maintain and make available to each other all Work-related documents, including financial data, during the term of this AGREEMENT.

PARTIES will retain all Work-related records for three (3) years after the final voucher.

PARTIES will require that any consultants hired to participate in the WORK will comply with this Article.

87. PARTIES have the right to audit each other in accordance with generally accepted governmental audit standards.

CALTRANS, the State Auditor, FHWA (if the PROJECT utilizes federal funds), and CITY will have access to all WORK -related records of each PARTY, and any consultant hired by a PARTY to participate in WORK, for audit, examination, excerpt, or transcription.

The examination of any records will take place in the offices and locations where said records are generated and/or stored and will be accomplished during reasonable hours of operation. The auditing PARTY will be permitted to make copies of any Work-related records needed for the audit.

The audited PARTY will review the draft audit, findings, and recommendations, and provide written comments within thirty (30) calendar days of receipt.

Upon completion of the final audit, PARTIES have forty-five (45) calendar days to refund or invoice as necessary in order to satisfy the obligation of the audit.

Any audit dispute not resolved by PARTIES is subject to mediation. Mediation will follow the process described in the General Conditions section of this AGREEMENT.

88. If the WORK expends state or federal funds, each PARTY will undergo an annual audit in accordance with the Single Audit Act in the Federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards as defined in 2 CFR, Part 200.
89. When a PARTY reimburses a consultant for WORK with state or federal funds, the procurement of the consultant and the consultant overhead costs will be in accordance with the Local Assistance Procedures Manual, Chapter 10.

Interruption of Work

90. If WORK stops for any reason, IMPLEMENTING AGENCY will place the PROJECT right-of-way in a safe and operable condition acceptable to CALTRANS.

91. If WORK stops for any reason, each PARTY will continue with environmental commitments included in the environmental documentation, permits, agreements, or approvals that are in effect at the time that WORK stops, and will keep the PROJECT in environmental compliance until WORK resumes.

Penalties, Judgements and Settlements

92. The cost of awards, judgements, or settlements generated by the WORK are to be paid from the funds obligated in this AGREEMENT.
93. The cost of legal challenges to the environmental process or documentation may be paid from the funds obligated in this AGREEMENT.
94. Any PARTY whose action or lack of action causes the levy of fines, interest, or penalties will indemnify and hold all other PARTIES harmless per the terms of this AGREEMENT.

Project Files

95. CITY will furnish CALTRANS with the Project History Files related to the PROJECT facilities on State Highway System within sixty (60) days following the completion of each PROJECT COMPONENT. CITY will prepare the Project History File in accordance with the Project Development Procedures Manual, Chapter 7. All material will be submitted neatly in a three-ring binder and on a CD ROM in PDF format.

GENERAL CONDITIONS

Venue

96. PARTIES understand that this AGREEMENT is in accordance with and governed by the Constitution and laws of the State of California. This AGREEMENT will be enforceable in the State of California. Any PARTY initiating legal action arising from this AGREEMENT will file and maintain that legal action in the Superior Court of the county in which the CALTRANS district office that is signatory to this AGREEMENT resides, or in the Superior Court of the county in which the PROJECT is physically located.

Exemptions

97. All CALTRANS' obligations under this AGREEMENT are subject to the appropriation of resources by the Legislature, the State Budget Act authority, programming and allocation of funds by the California Transportation Commission (CTC).

Indemnification

98. Neither CALTRANS nor any of their officers and employees, are responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by CITY, its contractors, sub-contractors, and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon CITY under this AGREEMENT. It is understood and agreed that CITY, to the extent permitted by law, will defend, indemnify, and save harmless CALTRANS and all of their officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, but not limited to, tortious, contractual, inverse condemnation, or other theories and assertions of liability occurring by reason of anything done or omitted to be done by CITY, its contractors, sub-contractors, and/or its agents under this AGREEMENT.
99. Neither CITY nor any of their officers and employees, are responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by CALTRANS, its contractors, sub-contractors, and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon CALTRANS under this AGREEMENT. It is understood and agreed that CALTRANS, to the extent permitted by law, will defend, indemnify, and save harmless CITY and all of their officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, but not limited to, tortious, contractual, inverse condemnation, or other theories and assertions of liability occurring by reason of anything done or omitted to be done by CALTRANS, its contractors, sub-contractors, and/or its agents under this AGREEMENT.

Non-parties

100. PARTIES do not intend this AGREEMENT to create a third-party beneficiary or define duties, obligations, or rights for entities not signatory to this AGREEMENT. PARTIES do not intend this AGREEMENT to affect their legal liability by imposing any standard of care for fulfilling the WORK different from the standards imposed by law.
101. PARTIES will not assign or attempt to assign obligations to entities not signatory to this AGREEMENT without an amendment to this AGREEMENT.

Ambiguity and Performance

102. CITY will not interpret any ambiguity contained in this AGREEMENT against CALTRANS. CITY waives the provisions of California Civil Code, Section 1654.

A waiver of a PARTY's performance under this AGREEMENT will not constitute a continuous waiver of any other provision.

103. A delay or omission to exercise a right or power due to a default does not negate the use of that right or power in the future when deemed necessary.

Defaults

104. If any PARTY defaults in its performance of the WORK, a non-defaulting PARTY will request in writing that the default be remedied within thirty (30) calendar days. If the defaulting PARTY fails to do so, the non-defaulting PARTY may initiate dispute resolution.

Dispute Resolution

105. PARTIES will first attempt to resolve AGREEMENT disputes at the PROJECT team level as described in the Quality Management Plan. If they cannot resolve the dispute themselves, the CALTRANS District Director and the Executive Officer of CITY will attempt to negotiate a resolution. If PARTIES do not reach a resolution, PARTIES' legal counsel will initiate mediation. PARTIES agree to participate in mediation in good faith and will share equally in its costs.

Neither the dispute nor the mediation process relieves PARTIES from full and timely performance of the WORK in accordance with the terms of this AGREEMENT. However, if any PARTY stops fulfilling its obligations, any other PARTY may seek equitable relief to ensure that the WORK continues.

Except for equitable relief, no PARTY may file a civil complaint until after mediation, or forty-five (45) calendar days after filing the written mediation request, whichever occurs first.

PARTIES will file any civil complaints in the Superior Court of the county in which the CALTRANS District Office signatory to this AGREEMENT resides or in the Superior Court of the county in which the PROJECT is physically located.

106. PARTIES maintain the ability to pursue alternative or additional dispute remedies if a previously selected remedy does not achieve resolution.

Prevailing Wage

107. When WORK falls within the Labor Code § 1720(a)(1) definition of "public works" in that it is construction, alteration, demolition, installation, or repair; or maintenance work under Labor Code § 1771, PARTIES will conform to the provisions of Labor Code §§ 1720-1815, and all applicable provisions of California Code of Regulations, Title 8, Division 1, Chapter 8, Subchapter 3, Articles 1-7. PARTIES will include prevailing wage requirements in contracts for public work and require contractors to include the same prevailing wage requirements in all subcontracts.

Work performed by a PARTY's own employees is exempt from the Labor Code's Prevailing Wage requirements.

If WORK is paid for, in whole or part, with federal funds and is of the type of work subject to federal prevailing wage requirements, PARTIES will conform to the provisions of the Davis-Bacon and Related Acts, 40 U.S.C. §§ 3141-3148.

When applicable, PARTIES will include federal prevailing wage requirements in contracts for public works. WORK performed by a PARTY's employees is exempt from federal prevailing wage requirements.

Contact Information

CALTRANS

Dina El-Nakhal, Senior Transportation Engineer
111 Grand Avenue
Oakland, CA 94612
Office Phone: (510) 286-6247
Mobile Phone: (510) 715-9020
Email: dina.el.nakhal@dot.ca.gov

CITY OF EL CERRITO

Yvetteh Ortiz, Public Works Director/City Engineer
10890 San Pablo Avenue
El Cerrito, CA 94530
Office Phone: (510) 215-4345
Email: yortiz@ci.el-cerrito.ca.us

SIGNATURES

PARTIES are empowered by the law to enter into this AGREEMENT and have delegated to the undersigned the authority to execute this AGREEMENT on behalf of the respective agencies and covenants to have followed all the necessary legal requirements to validly execute this AGREEMENT.

This AGREEMENT may be executed and delivered in counterparts, and by each PARTY in a separate counterpart, each of which when so executed and delivered shall constitute an original and all of which taken together shall constitute one and the same instrument.

The PARTIES acknowledge that executed copies of this AGREEMENT may be exchanged by facsimile or email, and that such copies shall be deemed to be effective as originals.

STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

Helena (Lenka) Culik-Caro
Deputy District Director, Design

VERIFICATION OF FUNDS AND AUTHORITY:

Jeffrey Armstrong
District Budget Manager

CERTIFIED AS TO FINANCIAL TERMS AND POLICIES:

Nadine Karavan
HQ Accounting Supervisor

CITY OF EL CERRITO

By: _____
Karen Pinkos
City Manager

Attest: _____
Holly Charley
City Clerk

APPROVED AS TO FORM AND PROCEDURE:

By: _____
Sky Woodruff
City Attorney

FUNDING SUMMARY NO. 01

FUNDING TABLE			
Source	Party	Fund Type	PID
			Totals
LOCAL	CITY	Local	\$586,000
Totals			

SPENDING TABLE			
Fund Type	PID		Totals
	CALTRANS	CITY	
LOCAL	\$286,000	\$300,000	\$586,000
Totals	\$286,000	\$300,000	\$586,000

Funding

1. If there are insufficient funds available in this AGREEMENT to place the PROJECT right-of-way in a safe and operable condition, the appropriate IMPLEMENTING AGENCY will fund these activities until such time as PARTIES amend this AGREEMENT.

That IMPLEMENTING AGENCY may request reimbursement for these costs during the amendment process.

2. If there are insufficient funds in this AGREEMENT to implement the obligations and responsibilities of this AGREEMENT, including the applicable commitments and conditions included in the PROJECT environmental documentation, permits, agreements, and/or approvals that are in effect at a time that WORK stops, each PARTY accepts responsibility to fund their respective WORK until such time as PARTIES amend this AGREEMENT.

Each PARTY may request reimbursement for these costs during the amendment process.

ICRP Rate

3. Per the State Budget Act of 2012, Chapter 603, amending item 2660-001-0042 of Section 2.00, the cost of any engineering support performed by CALTRANS towards any local government agency-sponsored PSR-PR project will only include direct costs. Indirect or overhead costs will not be applied during the development of the PSR-PR document.

Invoicing and Payment

4. PARTIES will invoice for funds where the SPENDING SUMMARY shows that one PARTY provides funds for use by another PARTY. PARTIES will pay invoices within forty-five (45) calendar days of receipt of invoice when not paying with Electronic Funds Transfer (EFT). When paying with EFT, CITY will pay invoices within twenty-one (21) calendar days of receipt of invoice.
5. If CITY has received EFT certification from CALTRANS, then CITY will use the EFT mechanism and follow all EFT procedures to pay all invoices issued from CALTRANS.

6. When a PARTY is reimbursed for actual cost, invoices will be submitted each month for the prior month's expenditures. After all PROJECT COMPONENT WORK is complete, PARTIES will submit a final accounting of all PROJECT COMPONENT costs. Based on the final accounting, PARTIES will invoice or refund as necessary to satisfy the financial commitments of this AGREEMENT.

Project Initiation Document (PID)

7. CALTRANS will invoice CITY for an initial deposit of \$62,000 after execution of this AGREEMENT. This deposit represents the estimated cost of an average two (2) months of CALTRANS' WORK. After the first month of WORK, CALTRANS will invoice on a monthly basis, and CITY will pay.

CALTRANS will not begin WORK until CALTRANS receives the initial deposit.



AGENDA BILL

Agenda Item No. 7.A.

Date: September 15, 2020
To: El Cerrito City Council
From: Mark R Rasiah, Finance Director/City Treasurer, Finance Department
Subject: FY 2020-21 General Fund Budget Update for July and August 2020

ACTION PROPOSED

Receive and file an update on City General Fund revenues and expenses for the first two months of FY 2020-21.

BACKGROUND

The City Council adopted the annual Budget for FY 2020-21 on June 16, 2020 and has been closely monitoring the City's budget and financial position over the past several months during the Covid-19 closure of the City. Council has directed staff to provide monthly General Fund budget updates to include an Income Statement, Balance Sheet and Cash Flow projection. This report will discuss material variances if any, from the Adopted Budget and the City's fiscal position.

ANALYSIS

The General Fund Income Statement in Attachment 1 provides a summary of the major General Fund Revenue and Expenditure categories. For July and August 2020 with nearly 17% of the year complete, on a cash basis, total revenue was \$2.2 million or 6% of budget and total expenditure was \$5.5 million or 14 % of budget.

Property taxes are received in December and April of each year. Hence nothing in July or August. Sales Taxes are received in the month following the sale. Transfer Taxes are collected and remitted by Contra Costa County. The first remittance for July was received in August and amounted to \$321,000, well above the \$200,000 that was anticipated. Business License Taxes are expected through October. On the expenditure side, an insurance premium payment of \$355,000 for General and Liability insurance premiums for the year was paid in July, and is recorded in Other Services. Financing costs include the \$196,000 interest payment on the previous year's Revenue Anticipation Note.

The audited results for FY 2018-19 and the unaudited preliminary results for FY 2019-20 are shown for comparison purposes. Year over year total revenues declined by \$3.3 million due to the impact of Covid-19 and total expenses were lower by \$1.1 million, resulting in a projected net deficit of \$2.3 million for FY 2019-20.

The General Fund Balance Sheet is shown in Attachment 2. It must be noted that these numbers are based on the recently completed fiscal year and as a result of fiscal closing procedures the assets and liabilities can and will change in the coming months.

Attachment 3 provides a monthly General Fund Cash Flow Forecast. Monthly revenue and expenditure projections are based on the Adopted Budget for the year. Attachments 4, 5 and 6 are statements for the month of July, prepared for the mid-August regular Council meeting that was cancelled. These are included here for information only as they have been superseded by Attachments 1, 2 and 3.

STRATEGIC PLAN CONSIDERATIONS

This report is consistent with the City's Strategic Plan Goal B - Achieve long-term financial sustainability– and will allow the City Manager to develop a plan to ensure that Citywide Revenue meets the cost of providing Citywide services, including adequate reserves in the face of significant unanticipated revenue shortfalls. It further ensures procedures that represent best practices in financial management.

ENVIRONMENTAL CONSIDERATIONS

This section is not applicable to this agenda item.

FINANCIAL CONSIDERATIONS

The Adopted Budget was prepared with Covid-19 impacted economic expectations. While the expenditure side of the budget is relatively certain, there is still considerable uncertainty surrounding revenues. Thus the projected \$2.3 million General Fund deficit from the last fiscal year will be only partially mitigated by the small surplus projected in the Adopted Budget. Unanticipated one time revenues, government grants, or unforeseen increases in revenues will help reduce the deficit further, but if things should get worse, further budget reductions may be necessary. Staff will continue to monitor the progression of the deficit and bring back appropriate measures to Council, for review and guidance in the coming months.

LEGAL CONSIDERATIONS

This section is not applicable to this agenda item.

Reviewed by:



Karen Pinkos, City Manager

Attachments:

1. Att 1 August 2020 General Fund Income Statement
2. Att 2 August 2020 General Fund Balance Sheet
3. Att 3 August General Fund Cash Flow Forecast
4. Att 4 July 2020 General Fund Income Statement
5. Att 5 July 2020 General Fund Balance Sheet
6. Att 6 July General Fund Cash Flow Forecast

DRAFT FY 2020-21 General Fund Statement of Revenues Expenditures for July August 2020.

Revenues (\$000s)	FY 2018-19 Audited	FY 2019-20 Unaudited	July & August 2020	FY 2020-21 Adopted Budget	July & August as a % of Budget
Taxes					
Property Taxes	10,182	9,744	-	10,440	0%
Sales Taxes	7,545	5,416	585	6,450	9%
Utility Tax	3,208	3,079	260	3,200	8%
Property Transfer Taxes	1,102	3,467	321	2,000	16%
Franchise Taxes	1,244	1,535	-	1,250	0%
Business License Tax	910	959	611	850	72%
Other Tax	149	104	-	136	0%
Total Taxes	\$24,340	\$24,303	\$1,777	\$24,326	7%
Licenses & Permits	776	785	96	800	12%
Fines and Forfeitures	219	227	14	200	7%
Use of Money and Property	157	433	48	400	12%
Intergovernmental Revenues	6,744	6,721	-	6,600	0%
Charges for Services	6,934	4,530	260	6,000	4%
Other Revenues	182	141	8	150	5%
Interfund Transfers	2,036	941	-	916	0%
Total	\$41,388	\$38,082	\$2,203	\$39,392	6%
Expenditures (\$000s)	FY 2018-19 Audited	FY 2019-20 Unaudited	Year To Date (YTD)	FY 2020-21 Adopted Budget	YTD as a % of Budget
Personnel	29,862	30,264	4,472	29,891	15%
Professional Services	4,487	3,807	304	3,032	10%
Purchased Property Services	2,300	2,198	63	1,839	3%
Other Services	1,840	1,885	450	1,824	25%
Supplies	726	609	33	596	6%
Property & Capital	422	433	-	420	0%
Financing Costs	478	494	214	351	61%
Other Financing Uses	1,416	701	-	648	0%
Total	\$41,531	\$40,392	\$5,536	\$38,601	14%
Net Change in Fund Balance (\$000s)	(\$143)	(\$2,310)	(\$3,333)	\$791	

City of El Cerrito			
DRAFT General Fund - Balance Sheet		Audited	Unaudited
		FY2019	FY2020
			Unaudited
			August 31, 2020
Assets			
Cash and Investments	4,349,089	8,470,582	2,846,976
Taxes Receivable	2,113,059	1,600	1,518
Accounts Receivable Net	-	-	-
Due from other funds	2,590,773	2,041,269	2,041,269
Inventory	11,772	27,737	37,199
Prepaid Expense	-	3,278	(2,684)
Total Assets	9,064,693	10,544,466	4,924,278
Liabilities			
Accounts Payable	888,579	739,798	(1,353)
Accrued Payroll	1,231,945	1,220,880	-
Other Accrued Liabilities	-	341,790	315,982
Short Term Note	6,000,000	9,000,000	8,659,545
Unearned Revenues	80,381	82,890	82,890
Deposit Payable	804,162	1,525,801	1,566,907
Total Liabilities	9,005,067	12,911,159	10,623,971
Deferred inflows of Resources			
Deferred Inflows of Resources - Unavailable Revenue	116,319	-	-
Total deferred Inflows of Resources	116,319	-	-
Fund Balances	(56,693)	(2,366,693)	(5,699,693)
Total Liabilities, Deferred Inflows of Resources and Fund balance	9,064,693	10,544,466	4,924,278

**City of El Cerrito
FY 2020-21 Projected General Fund Cash Flows**

DRAFT

(Currency: \$000s)	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL
Beginning Balance	\$8,471	\$6,125	\$4,797	\$4,128	\$3,498	\$2,754	\$6,101	\$6,000	\$5,376	\$4,804	\$9,284	\$8,757	\$8,471
Cash Receipts													
Property Tax	-	-	-	\$260	-	\$4,900	-	-	-	\$5,000	-	\$280	\$10,440
Sales Tax	-	585	586	586	586	586	586	586	586	586	586	591	6,450
Transfer Tax	-	321	200	150	150	129	150	150	150	200	200	200	2,000
Franchise Tax	-	-	120	120	120	120	120	130	130	130	130	130	1,250
Business Licenses	505	106	115	124	-	-	-	-	-	-	-	-	850
Utility Users Tax	87	173	293	293	293	293	293	293	293	293	293	303	3,200
Licenses and Permits	37	59	67	67	67	67	67	67	75	77	77	73	800
Fines and Forefeitures	13	1	17	17	17	17	17	17	21	21	21	21	200
Use of Property	15	33	35	35	35	35	35	35	35	35	35	35	398
Other Government Reimb.	-	-	380	380	380	380	380	380	380	380	380	380	3,800
In-Lieu Fees	-	-	-	-	-	-	1,400	-	-	-	-	1,400	2,800
Fees for Service	170	90	410	500	500	530	600	600	650	650	650	650	6,000
Other Revenues/Taxes	-	8	26	26	26	26	26	26	26	26	26	26	268
Transfers In	-	-	-	-	-	450	-	-	-	-	-	465	915
TRAN Proceeds	8,660	-	-	-	-	-	-	-	-	-	-	-	8,660
Total Cash Receipts	\$9,487	\$1,376	\$2,249	\$2,558	\$2,174	\$7,533	\$3,674	\$2,284	\$2,346	\$7,398	\$2,398	\$4,554	\$48,031
Cash Disbursements													
Personnel	\$2,129	\$2,343	\$2,300	\$2,300	\$2,300	\$3,528	\$2,300	\$2,290	\$2,300	\$2,300	\$2,300	\$3,500	\$29,890
Professional Services	91	213	272	272	272	272	272	272	272	272	272	280	3,032
Property/Other Services	408	105	230	500	230	230	680	230	230	230	234	230	3,537
Supplies	8	25	53	53	53	53	53	53	53	53	56	57	570
Financing Costs and Debt Service	-	18	25	25	25	65	432	25	25	25	25	212	902
Property and Capital	-	-	38	38	38	38	38	38	38	38	38	40	382
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	68	68
TRAN Principal Payment	9,000	-	-	-	-	-	-	-	-	-	-	0	9,000
TRAN Interest Payment	196	-	-	-	-	-	-	-	-	-	-	0	196
Total Cash Disbursements	\$11,832	\$2,704	\$2,918	\$3,188	\$2,918	\$4,186	\$3,775	\$2,908	\$2,918	\$2,918	\$2,925	\$4,387	\$47,577
Net Cash Flow Surplus/(Deficit)	(\$2,345)	(\$1,328)	(\$669)	(\$630)	(\$744)	\$3,347	(\$101)	(\$624)	(\$572)	\$4,480	(\$527)	\$167	\$454
Ending Balance	\$6,125	\$4,797	\$4,128	\$3,498	\$2,754	\$6,101	\$6,000	\$5,376	\$4,804	\$9,284	\$8,757	\$8,924	\$8,924

DRAFT FY 2020-21 General Fund Statement of Revenues Expenditures for July 2020.

Revenues (\$000s)	FY 2018-19 Audited	FY 2019-20 Unaudited	July 2020	FY 2020-21 Adopted Budget	July as a % of Budget
Taxes					
Property Taxes	11,284	12,826	-	12,440	0%
Sales Taxes	7,545	5,817	585	6,450	9%
Utility Tax	3,208	3,079	87	3,200	3%
Franchise Taxes	1,244	1,575	-	1,250	0%
Business License Tax	910	919	505	850	59%
Other Tax	149	102	-	136	0%
Total Taxes	\$24,340	\$24,317	\$1,177	\$24,326	5%
Licenses & Permits	776	785	47	800	6%
Fines and Forfeitures	219	227	3	200	2%
Use of Money and Property	157	433	15	400	4%
Intergovernmental Revenues	6,744	6,721	-	6,600	0%
Charges for Services	6,934	4,530	292	6,000	5%
Other Revenues	182	126	52	150	34%
Interfund Transfers	2,036	941	-	916	0%
Total	\$41,388	\$38,081	\$1,586	\$39,392	4%
Expenditures (\$000s)	FY 2018-19 Audited	FY 2019-20 Unaudited	July 2020	FY 2020-21 Adopted Budget	July as a % of Budget
Personnel	29,862	30,396	2,129	29,891	7%
Professional Services	4,487	3,832	91	3,035	3%
Purchased Property Services	2,300	2,193	19	1,839	1%
Other Services	1,840	1,794	387	1,822	21%
Supplies	726	558	8	596	1%
Property & Capital	422	424	-	419	0%
Financing Costs	478	494	-	351	0%
Other Financing Uses	1,416	701	-	648	0%
Total	\$41,531	\$40,392	\$2,634	\$38,601	7%
Net Change in Fund Balance (\$000s)	(\$143)	(\$2,311)	(\$1,049)	\$791	

City of El Cerrito			
DRAFT General Fund - Balance Sheet		Audited	Unaudited
		FY2019	FY2020
			July 31, 2020
Assets			
Cash and Investments	4,349,089	9,270,347	7,212,554
Taxes Receivable	2,113,059	1,600	1,600
Accounts Receivable Net	-	-	-
Due from other funds	2,590,773	1,089,366	1,089,366
Inventory	11,772	157,212	151,248
Prepaid Expense	-	27,737	37,200
Total Assets	9,064,693	10,546,262	8,491,967
Liabilities			
Accounts Payable	888,579	739,798	(1,353)
Accrued Payroll	1,231,945	1,562,971	759,593
Other Accrued Liabilities	-	(40,152)	(40,152)
Short Term Note	6,000,000	9,000,000	8,500,000
Unearned Revenues	80,381	82,890	13,784
Deposit Payable	804,162	1,568,810	1,611,905
Total Liabilities	9,005,067	12,914,317	10,843,777
Deferred inflows of Resources			
Deferred Inflows of Resources - Unavailable Revenue	116,319	-	-
Total deferred Inflows of Resources	116,319	-	-
Fund Balances	(56,693)	(2,368,055)	(2,351,809)
Total Liabilities, Deferred Inflows of Resources and Fund balance	9,064,693	10,546,262	8,491,967

City of El Cerrito
FY 2020-21 Projected General Fund Cash Flows

DRAFT

(Currency: \$000s)	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL
Beginning Balance	\$9,270	\$6,101	\$5,111	\$4,221	\$3,521	\$2,716	\$6,051	\$5,839	\$5,094	\$4,389	\$8,754	\$8,112	\$9,270
Cash Receipts													
Property Tax	-	-	-	\$260	-	\$4,900	-	-	-	\$5,000	-	\$280	\$10,440
Sales Tax	584	530	530	530	530	530	530	530	530	540	540	546	6,450
Transfer Tax	-	200	200	200	200	150	150	150	150	200	200	200	2,000
Franchise Tax	95	105	105	105	105	105	105	105	105	105	105	105	1,250
Business Licenses	505	115	115	115	-	-	-	-	-	-	-	-	850
Utility Users Tax	87	283	283	283	283	283	283	283	283	283	283	283	3,200
Licenses and Permits	37	67	67	67	67	67	67	67	67	77	77	73	800
Fines and Forefeitures	13	17	17	17	17	17	17	17	17	17	17	17	200
Use of Property	15	35	35	35	35	35	35	35	35	35	35	35	400
Other Government Reimb.	-	345	345	345	345	345	345	345	345	345	345	350	3,800
In-Lieu Fees	-	-	-	-	-	-	1,400	-	-	-	-	1,400	2,800
Fees for Service	170	200	300	500	500	530	600	600	650	650	650	650	6,000
Other Revenues/Taxes	-	26	26	26	26	26	26	26	26	26	26	26	286
Transfers In	-	-	-	-	-	450	-	-	-	-	-	465	915
TRAN Proceeds	8,500	-	-	-	-	-	-	-	-	-	-	-	8,500
Total Cash Receipts	\$10,006	\$1,923	\$2,023	\$2,483	\$2,108	\$7,438	\$3,558	\$2,158	\$2,208	\$7,278	\$2,278	\$4,430	\$47,891
Cash Disbursements													
Personnel	\$3,450	\$2,300	\$2,300	\$2,300	\$2,300	\$3,450	\$2,300	\$2,290	\$2,300	\$2,300	\$2,300	\$2,300	\$29,890
Professional Services	90	267	267	267	267	267	267	267	267	267	267	272	3,032
Property/Other Services	408	230	230	500	230	230	680	230	230	230	234	230	3,662
Supplies	6	53	53	53	53	53	53	53	53	53	56	57	596
Financing Costs and Debt Service	25	25	25	25	25	65	432	25	25	25	25	212	934
Property and Capital	-	38	38	38	38	38	38	38	38	38	38	40	420
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	68	68
TRAN Principal Payment	9,000	-	-	-	-	-	-	-	-	-	-	8,500	17,500
TRAN Interest Payment	196	-	-	-	-	-	-	-	-	-	-	72	268
Total Cash Disbursements	\$13,175	\$2,913	\$2,913	\$3,183	\$2,913	\$4,103	\$3,770	\$2,903	\$2,913	\$2,913	\$2,920	\$11,751	\$56,370
Net Cash Flow Surplus/(Deficit)	(\$3,169)	(\$990)	(\$890)	(\$700)	(\$805)	\$3,335	(\$212)	(\$745)	(\$705)	\$4,365	(\$642)	(\$7,321)	(\$8,479)
Ending Balance	\$6,101	\$5,111	\$4,221	\$3,521	\$2,716	\$6,051	\$5,839	\$5,094	\$4,389	\$8,754	\$8,112	\$791	\$791



AGENDA BILL

Agenda Item No. 7.B.

Date: September 15, 2020
To: El Cerrito City Council
From: Karen Pinkos, City Manager, City Management
Mark R Rasiah, Finance Director/City Treasurer, Finance Department
Subject: FY 2020-21 Proposed Amended Budget

ACTION PROPOSED

No action is requested at this time. Staff recommends that the City Council review the FY 2020-21 Proposed Amended Budget and direct staff as needed in anticipation of approval at the first regular City Council meeting in October 2020.

BACKGROUND

Following the onset of the COVID-19 pandemic, the City Council had directed staff to amend the FY 2020-21 budget process by preparing a one-year budget that would be adopted prior to July 1, 2020, with the intention to perform a more detailed budget process during the summer months and present Council with an Amended Budget by October. It was believed that this would allow City staff to have a much clearer picture of the sustained revenue losses and prepare an amended budget accordingly. As directed, staff prepared and presented a budget that was adopted by the City Council on June 16, 2020. In the following months, staff has prepared an Amended Budget incorporating changes based on the Fiscal Response Plan that was prepared by consultants Management Partners in collaboration with the City Council and City staff. This report introduces the Amended Budget for FY 2020-21.

The draft Proposed FY 2020-21 Amended Budget is based on levels of service and recommendations for the next fiscal year, and is attached herein in the form of a comprehensive budget book in Attachment 1.

ANALYSIS

General Fund

The “baseline” for the Proposed FY 2020-21 General Fund Budget was presented to the City Council in February 2020, along with the 5-year General Fund forecast. The baseline budget projected General Fund Revenues of \$42.7 million and Expenditures of \$42.6 million, which would have resulted in a small surplus. However, due to the COVID-19 pandemic and its effect on City revenues, staff presented the City Council with expenditure reductions of approximately \$4 million in the months since February. Staff has now revised the original baseline estimates for revenues for FY 2020-21 based on currently available predictions following COVID-19 and the potential for a recession. With these adjustments, staff is proposing a General Fund Budget of \$39.3 million in revenues and \$38.7 million in expenses for FY 2020-21. This represents a

\$3.4 million (or 8%) reduction in revenues and \$3.9 million (or 9%) reduction in expenditures over the baseline budget. Pages 36-42 of Attachment 1 provide a discussion of the General Fund revenue assumptions and changes. It must be borne in mind that with the economic uncertainty in the wake of the COVID-19 pandemic, the proposed revenues are "best guess" estimates and will continue to be a moving target for some time to come.

Special Revenue Funds, Capital Project Fund, Enterprise and Debt Service Funds

Pages 22-31 of Attachment 1 provide details of proposed Revenues and Expenditures for all other Funds. With all funds including the General Fund combined, the proposed FY 2020-21 Amended Budget proposes total expenditures of \$53.2 million and provides funding for all City services, including Police, Fire, Recreation, Community Development, Public Works, and City Management. The budget represents staff's best efforts to provide the programs and services consistent with the City's Strategic Plan and other input received from our community and the City Council. As previously stated, the economic impacts of COVID-19 have created a significant amount of uncertainty relative to the City's ability to accurately project City revenues for the fiscal year and prepare meaningful analysis at this time.

Capital Improvement Program (CIP)

Pages 131-140 in Attachment 1 details the Five Year Capital Improvement Program together with Required Project Listings for Measure A Street, SB 1, and Capital Improvement Funds. For all projects, estimated expenditures in FY 2020-21 total approximately \$4.7 million.

STRATEGIC PLAN CONSIDERATIONS

This report is consistent with the City's Strategic Plan Goal B - Achieve long-term financial sustainability– and will allow the City Manager to develop a plan to ensure that Citywide Revenue meets the cost of providing Citywide services, including adequate reserves in the face of significant unanticipated revenue shortfalls. It further ensures procedures that represent best practices in financial management.

ENVIRONMENTAL CONSIDERATIONS

This section is not applicable to this agenda item.

FINANCIAL CONSIDERATIONS

Given the structural imbalance in revenues and expenditures, the depletion of reserves over time, and as a result of the pandemic recession, Management Partners recommends in their final report on the Fiscal Response Plan that the City Council quickly implement solutions for the General Fund to remain solvent. They further recommend that the budget strategies identified and selected for implementation must be maintained through at least FY 2025-26 for the City to restore reserves in the General Fund and reduce the threat of insolvency. The report, which will be included in the final budget document, is included as Attachment 2.

City staff has committed to providing the City Council with monthly information and has incorporated the various budget strategies outlined in the Fiscal Response Plan within the proposed amended budget. The budget was also prepared with COVID-19 economic impacts, to the best of our ability to project such impacts. While the expenditure side of the budget is relatively certain, there is still considerable uncertainty surrounding revenues. As previously stated, the projected \$2.3 million General Fund deficit from the last fiscal year will be only partially mitigated by the small surplus projected in the proposed amended budget. Unanticipated one time revenues, government grants, or unforeseen increases in revenues will help reduce the deficit further, but if things should get worse, further budget reductions may be necessary.

Staff will continue to monitor the progression of the deficit and bring back appropriate measures to the City Council for review and guidance in the coming months, and will plan adjustments for the annual review of the budget at the midpoint of the fiscal year for City Council consideration.

LEGAL CONSIDERATIONS

This section is not applicable to this agenda item.

Reviewed by:

A handwritten signature in blue ink, appearing to read "Karen Pinkos".

Karen Pinkos, City Manager

Attachments:

1. Draft FY2020-21 Amended Budget Book
2. Memo - Fiscal Response Plan Budget Strategies



City of El Cerrito, CA
***Draft* Proposed Amended Budget**
Fiscal Year 2020-21

10890 San Pablo Avenue El Cerrito CA 94530 • www.el-cerrito.org



PROPOSED AMENDED BUDGET

FISCAL YEAR 2020-21

CITY OF EL CERRITO

EMPLOYEES PENSION BOARD

PUBLIC FINANCING AUTHORITY

CITY COUNCIL

Mayor Gregory B. Lyman

Mayor Pro Tem Paul Fadelli

Councilmember Janet Abelson

Councilmember Rochelle Pardue-Okimoto

Councilmember Gabriel Quinto

CITY COUNCIL APPOINTEES

City Manager Karen Pinkos

City Attorney Sky Woodruff

APPOINTED OFFICIALS

Assistant City Manager Alexandra Orologas

Chief of Police Paul Keith

Fire Chief Michael Pigoni

Community Development Director Melanie Mintz

Finance Director/City Treasurer Mark R. Rasiah

Public Works Director/City Engineer Yvetteh Ortiz

Recreation Director Chris Jones

City Clerk Holly Charléty



OUR VISION

The City of El Cerrito is a safe, connected, and environmentally focused Bay Area destination with vibrant neighborhoods, businesses and public places, and diverse cultural, educational and recreational opportunities for people of all ages.

OUR MISSION

The City of El Cerrito serves, leads and supports our diverse and transit-rich community by providing exemplary and innovative services, public places and infrastructure, ensuring public safety, and creating an economically and environmentally sustainable future.

OUR VALUES

Our values drive behavior and support effective implementation of the mission, vision, and goals. The City's values include:

Ethics and Integrity

Fiscal Responsibility

Inclusiveness and Respect for Diversity

Innovation and Creativity

Professional Excellence

Responsiveness

Transparency and Open Communication

**CITY OF EL CERRITO
PROPOSED AMENDED FY 2020-21 BUDGET
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CITY MANAGER'S BUDGET MESSAGE

September 15, 2020

Honorable Mayor, City Councilmembers, and El Cerrito Community:

I hereby present the City of El Cerrito Fiscal Year 2020-21 Amended Budget. The annual budget represents the spending plan that provides funding for all City services and programs that support our vision to keep our community safe, connected, and environmentally focused; with vibrant neighborhoods, businesses, and public places; and diverse cultural, educational, and recreational opportunities for people of all ages.

To say this would be an extraordinary year, resulting in an extraordinary budget, would be an understatement. We began the year working to tackle our financial issues and lack of General Fund reserves, were forced to shift our focus to dealing with the impacts of the COVID-19 coronavirus public health crisis, and faced a reckoning on social and racial justice issues, all the while continuing to provide services to the community during these unprecedented times. The challenges the City has faced over the past several months have been daunting. I am proud of the work that we have collectively done so far, to identify problems and focus on solutions. We seek to bring the City toward financial sustainability, adapt and adjust our programs and services with the public's health as the highest priority, and deliver those services in a manner that respects and values the lives of the people we serve. This work at times has been difficult, uncomfortable, and painful. It has also been engaging, educational, humbling, and hopeful. I am confident in the resilience of the City Council, the City staff team, and our residents and businesses that will carry us through these challenges. Together, we are working toward a sustainable and optimistic future.

The FY 2020-21 Amended Budget is unique in that it has been created in a completely uncertain economic and financial environment due to the COVID-19 global pandemic. This public health crisis has changed the lives of El Cerrito residents and people around the world as extraordinary health and safety measures have been implemented, and the closure of businesses throughout California and the U.S. has placed the economy into uncharted financial territory. The economic crisis has impacted the vital revenue sources cities use to provide essential services. We cannot overstate the challenge these kinds of revenue losses pose for local

The proposed FY 2020-21 budget prioritizes essential services amid challenging economic conditions caused by the COVID-19 pandemic. The budget reflects thoughtful and strategic coordination across the organization, as well as significant contributions by City employees. Every department in the City has reconsidered the programs and services it offers. In many instances, departments have had to do more with less, develop new systems and protocols, and find creative ways to meet the community's needs in a time when resources are declining. There will be continuing service level impacts, and we appreciate the City Council and the community's understanding as we navigate this reality.

The City's Strategic Plan continues to provide the foundation for developing the Budget for FY 2020-21. While the intent was to update the Strategic Plan with new goals and objectives this year, the Plan's current guiding principles and strategic goals remain relevant. In making budget recommendations, all City departments explored new ways of delivering services and many developed innovative solutions, while staying true to our vision, mission, and values. The most essential of our services continue, allowing us to stay flexible to adapt to what we hope will be improving conditions in the next fiscal year, while staying true to our mission, vision, and values.

FISCAL RESPONSE PLAN

In 2019, prior to the COVID-19 public health crisis, it became clear to the City Council, City staff, and community that the City's Strategic Goal of Achieving Long-term Financial Sustainability needed to become the City's highest priority. During the previous biennial budget process, it was noted that the General Fund Reserve would not meet the City Council's 10% ratio goal. While the City did take steps to secure two voter-approved revenue sources (Measure V and Measure H), in the last two fiscal years, the City's General Fund Reserve was further depleted. The California State

Auditor received approval from the State legislature to conduct an audit on the City, specifying the City's lack of reserves and continued provision of services without a plan to build back those reserves as a key factor in seeking an audit.

The City Council and City staff responded by analyzing the City's budget and proposing reductions to expenditures. In February 2020, the City Council amended the FY 2019-20 budget to include approximately \$600,000 in reductions and instructed City staff to provide the Council with a further \$2 million in reductions that would take effect during the FY 2020-21 fiscal year. These reductions, presented to the City Council in April 2020, included reductions to department budgets, keeping vacant positions unfilled, and negotiating the elimination of cost of living adjustments (COLA) with every employee bargaining unit.

On March 13, 2020, in response to the COVID-19 public health crisis and subsequent state and county shelter-in-place orders, the City of El Cerrito declared a local emergency and closed City facilities, canceled City programs and events, and worked to respond to this global pandemic in not only the provision of services, but the negative impacts to the City budget. It became immediately clear that revenues, particularly in the form of sales taxes and fees for services, would be seriously impacted. As the crisis continued, it also became clear that the economy had entered into another recession, including record unemployment, which would further impact City revenues.

In the fall of 2019, the firm Management Partners had been engaged by the City of El Cerrito to assist with updating the City's Strategic Plan. In addition, Management Partners conducted a fiscal analysis to understand the financial realities of the City. This independent analysis affirmed the concerns of staff and community members regarding a lack of reserves and structural budget deficit that left the City in an unsustainable position. Once the COVID-19 local emergency was declared, City staff worked with Management Partners to alter the scope and emphasis of the strategic planning efforts.

In light of the immediate and anticipated impacts of COVID-19 and the lack of General Fund Reserves, the City took action to freeze positions and determine additional short-term measures. The City requested that Management Partners amend their scope to re-purpose the remaining portion of their contract with the City to assist in two areas:

1. **Recession Forecast.** Management Partners was asked to prepare a recession forecast to assess the fiscal impacts on the General Fund and determine the scale of reductions required for the City to maintain solvency and achieve fiscal sustainability, including the rebuilding of reserves to weather future economic downturns or emergencies.
2. **Budget Strategies.** Management Partners worked closely with City management and the Council to identify potential budget solutions that would solve the fiscal gap.

The City Council directed staff to adopt a one-year budget, as opposed to a biennial budget, in response to the financial uncertainty and lack of clarity with respect to City revenues as a result of the pandemic's effect on the economy. Further, the City adopted a preliminary budget as of July 1, 2020 that consisted of the overall spending authority for the General Fund and other special funds without an accompanying budget document including departmental line-item budgets, which would be developed over the course of the first quarter of FY 2020-21 for City Council review and amendment by October, 2020. The intent was to allow City staff to refine its projections and provide more time to include discussions on the proposed budget strategies that would be adopted by the City Council in order to revise the budget. This budget included not only the \$2 million in reductions previously presented to the City Council, but also included further reductions largely borne by non-sworn City personnel in the form of furloughs.

Table A outlines the cost reductions included in the FY 2020-21 adopted budget as of July 1, 2020:

Table A
Cost Saving Strategies as of April 2020

Cost Saving Strategy	Fiscal Impact
Ongoing cost savings (FY 2021 and beyond)	
Reductions to department budgets identified by staff	\$ 1,632,000
Renegotiated Management and Confidential compensation and benefits plan	\$ 316,000
Elimination of cost of living adjustments from renegotiated memorandum of understanding with labor groups	\$ 750,000
Total ongoing cost savings	\$ 2,698,000
One-time savings (FY 2021 only)	
Furloughs totaling 13 days through December 31, 2020	\$ 659,000
Furloughs of managers for an additional 13 days through June 30, 2021	\$ 300,000
Total one-time savings	\$ 959,000

Management Partners worked with the City Council throughout the summer of 2020 and presented the process and key outcomes of their work in August. The City Council directed that the strategies outlined in the Fiscal Response Plan to be implemented by staff in preparing this revised FY 2020-21 budget for City Council consideration in September, to be amended by October 2020.

The Fiscal Response Plan included budget strategies recommended to the City Council that would provide \$1.5 million in structural reductions designed to restore the City's General Fund Reserves to a positive level by FY 2022 and fully funded per the City's Financial Policies, including the Emergency Reserve Fund, by FY 2026.

Table B
Fiscal Response Plan Budget Strategies

Budget Strategy	Department	Estimated Annual Fiscal Impact
Reduce City administration	City Administration	\$ 345,000
Change service delivery approach of finance functions	Finance	\$ 25,000
Restructure fire management functions	Fire	\$ 210,000
Restructure police operations	Police	\$ 595,000
Reduce/shift funding for landscape maintenance costs	Public Works (Parks)	\$ 165,000
Reduce recreation administrative functions	Recreation	\$ 166,000
Total Budget Strategies		\$ 1,506,000
Goal		\$ 1,500,000

These strategies have been incorporated, per City Council direction, within this amended FY 2020-21 budget. The Fiscal Response Plan and Recession Forecast is further discussed in the Financial Overview section of this document, and the full Fiscal Response Plan as presented by Management Partners is included in the Appendices.

As of this writing, the crisis is ongoing and we remain under various County and State restrictions to residents and businesses in order to prevent the spread of the COVID-19 coronavirus. This means that the economic impacts and revenue projections are unfortunately not much clearer than they were six months ago. City staff has done its best to consider the most current information in order to present this budget to the City Council and community as promised prior to the end of the first quarter of FY 2020-21. However, we must continue to recognize the volatility of the economy and constantly monitor City's financial situation as a result. The City Council should expect to see further adjustments and amendments as a response to the fiscal impacts of COVID-19 at the midpoint of the fiscal year as well.

AMENDED BUDGET FY 2020-21 OVERVIEW

The Fiscal Year 2020-21 Budget provides funding for all City services including Police, Fire, Recreation, Community Development, Public Works, Environmental, and City Management services. The total proposed budget, including all funds, is \$53.2 million. In order to develop the budget, staff has focused on our core services and only those activities consistent with the Strategic Plan. **Table C** provides a view of the operating expenses of the City. The column labeled "FY 2020-21 Adopted" includes the assumptions made for these expenditures in the preliminary budget adopted in June 2020. The column labeled "FY 2020-21 Proposed" are the proposed expenditure adjustments requested of the City Council.

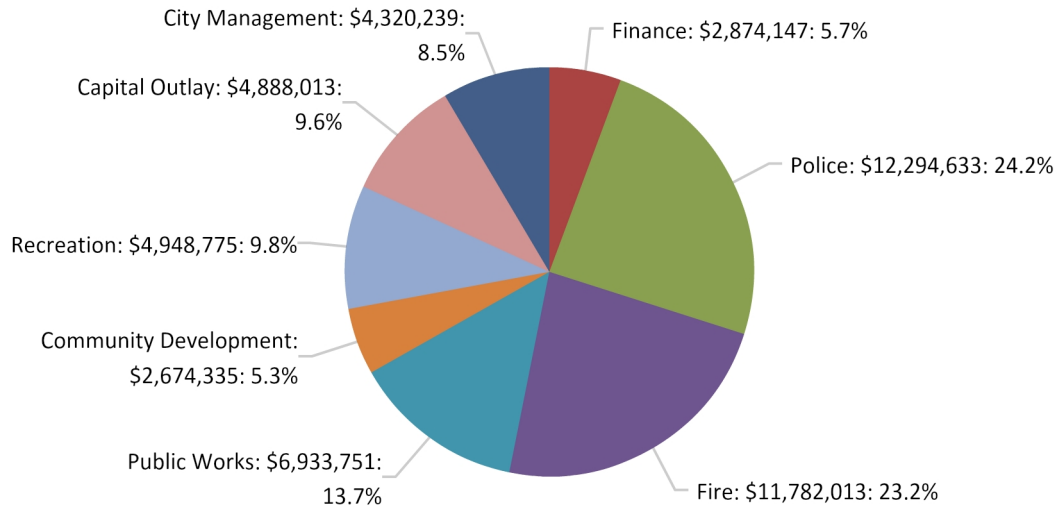
Table C
City of El Cerrito Citywide Operating Expenses (All Funds)

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Personnel	30,060,227	32,739,391	33,456,460	32,796,981	32,305,382
Professional Services	5,275,022	4,849,672	4,849,770	3,730,345	5,543,892
Purchased Property Services	8,792,435	2,858,699	4,746,452	7,656,853	6,570,306
Other Services	2,031,534	1,894,137	2,019,136	1,927,019	1,927,535
Supplies	919,198	899,540	932,752	865,421	922,039
Property & Capital	458,803	983,551	507,837	758,859	724,389
Financing Costs	1,979,205	2,318,147	2,323,521	2,640,498	2,567,863
Other Financing Uses	2,436,063	3,420,883	2,826,963	2,802,255	2,671,998
Total	51,952,487	49,964,020	51,662,891	53,178,231	53,233,404

After the City Council passed the preliminary budget on June 16, 2020, City staff analyzed and revised both revenues and expenditures throughout all funds to reflect assumptions based on the most current information available, reflecting the most up-to-date projections. This has resulted in the overall total for expenditures showing an adjustment of \$55,173 from the Adopted FY 2020-21 Budget. More details are provided in the Financial Overview section of this budget document.

Chart A shows these expenditures by Department.

Chart A
Citywide Expenditures by Department (All Funds)



PERSONNEL IMPACTS

The majority of the reductions identified in the FY 2020-21 budget and in the Fiscal Response Plan has impacted the City's most critical asset – our employees. In the latter part of FY 2019-20, negotiations began with all City bargaining units requesting to defer COLAs for FY 2020-21, including those that were entitled to a COLA in their existing Memorandums of Understanding (MOU), resulting in agreement to do so from all bargaining units. Further, the City's unrepresented Management and Confidential employees not only had a COLA for FY 2020-21 eliminated but additionally were required to contribute an additional 1% toward their CalPERS pensions and received further reductions in benefits. In April 2020, the reductions presented to the City Council included over \$800,000 in vacant positions that will not be filled in FY 2020-21.

Once the COVID-19 crisis resulted in shelter-in-place orders that restricted City programs and closed facilities, the City implemented furloughs for all non-sworn City employees beginning in May 2020 through the rest of FY 2019-20. Approximately 90 part-time employees were furloughed by lack of work, and all full-time non-sworn employees (with the exception of public safety employees) were required to take one furlough day per pay period. Due to the ongoing crisis, the same full-time non-sworn employees will continue one furlough day per pay period in FY 2020-21. These furlough days result in a 5% to 10% pay cut for these employees.

I am thankful for all of our City employees as they have contributed and made these sacrifices in order to help the City further along the path to financial sustainability. One of the reasons people choose to work for the City of El Cerrito is their commitment to public service. As I have seen during these past several months, this commitment by our City team only deepens in times of trouble, and they deserve our gratitude.

Table D shows the overall personnel cost savings realized by these actions in the preliminary FY 2020-21 budget:

Table D
Personnel Cost Savings FY 2020-21

Bargaining Unit	Action	Cost Savings
Local 1230 Firefighters	Deferred COLA	\$177,684
Public Safety Management Association - Battalion Chiefs:	Deferred COLA	\$38,523
SEIU Local 1201	Deferred COLA, furloughs	\$740,104
Police Employees Association	Deferred COLA	\$213,597
Public Safety Management Association - Police Management	Deferred COLA	\$40,217
Public Safety Management Association - Police Chief	Deferred COLA	\$12,445
Management/Confidential; City Manager	No COLA, cut auto allowance, increased contribution to CalPERS, furloughs	\$1,189,480
Total		\$2,412,050

The Fiscal Response Plan budget strategies include the reduction of some programs and services, which includes the elimination of funding for positions in City Management and Recreation that will result in layoffs. Three full-time staff and two part-time staff will no longer be funded as of January 1, 2021. The decision to lay off these staff has been a painful one and was not made lightly. The Plan also includes expected savings from retirements or resignations from some positions that will not be filled in the next fiscal year.

One exception to the elimination of vacant positions will occur in the Fire Department. For several years, the Department has carried three vacant positions that resulted in salary savings; however the actual expense in the past two fiscal years saw a large increase in overtime costs that continued to grow. During this fiscal year, these vacant positions will be filled and overtime will be reduced. An overview of our projected full-time staffing for FY 2020-21 is shown in **Table E**, which reflects the implementation of the Fiscal Response Plan beginning in the second half of FY 2020-21.

Table D
Personnel Overview

Department	FY 2019-20 (Authorized)	FY 2020-21 (Authorized)	FY 2020-21 (Actual)	Vacant
City Council	5.0	5.0	5.0	0.0
City Management	11.5	10.0	10.0	0.0
Finance Department	6.0	6.0	6.0	0.0
Community Development	14.0	15.0	14.0	1.0
Fire	37.0	37.0	37.0	0.0
Police	56.0	56.0	51.0	5.0
Public Works	25.0	25.0	25.0	0.0
Recreation	23.0	21.0	21.0	0.0
Total	177.5	175.0	169.0	6.0

GENERAL FUND RESERVES

Building back our General Fund Reserve must be the City's top focus for this and upcoming fiscal years. While the FY 2020-21 General Fund budget is balanced and projects a very small surplus, because of our current deficit position we will not show a positive fund balance. Implementing the Fiscal Response Plan is not enough: we must maintain the existing budget reductions, as well as the newly identified budget strategies, through FY 2025-26 and not add new services or increase staffing levels that would negatively impact the General Fund's Reserve levels during that time. As a City, we must make sure that we practice fiscal discipline and be thoughtful about how we move forward, while closely monitoring the impacts of the volatile economy. City staff will continue to work with the City Council as

well as the Financial Advisory Board to ensure that we continue to head in the right direction so that we meet not only our minimum General Fund Reserve goal, but also fully fund the Emergency and Disaster Recovery Fund, by FY 2025-26.

This budget process has been unlike any other, and has required a lot of creativity, flexibility, patience, and plain hard work on the part of every City official and community member involved. I would like to thank all of the members of the City's Executive Team for their roles in the creation and production of this budget. I would like to especially thank Mark Rasiah, Finance Director; Shannon Collins, Finance Supervisor; Lucy Xie, Senior Accountant; Alexandra Orologas, Assistant City Manager; and Maya Williams, Assistant to the City Manager for their invaluable contributions on the budget and this budget document. I am particularly grateful to the City Council for your leadership and your unwavering dedication to improving the City's fiscal position while staying true to the City's values. And finally, to the El Cerrito community, I am appreciative of your attention to the City's budget issues and for all of your input and feedback. Our road to financial sustainability requires that all of us--elected officials, City staff team, and community--work together to achieve success.

We continue to face serious, difficult challenges. Yet as I've said time and time again: our City is a resilient community that cares about one another. We will come through these challenges, we will continue to serve to the best of our ability, and we will be stronger for it.

It is a true honor to serve the City of El Cerrito.

Respectfully submitted,



Karen E. Pinkos

City Manager

BUDGET GUIDE

The City of El Cerrito's Fiscal Year 2020-21 Annual Budget presents accurately and clearly the City's projection of revenues and expenditures for the next fiscal year. It describes in detail the various components of the City, each of its departments and divisions, and the City's separate legal entities: the Employee Pension Board and the El Cerrito Public Financing Authority. The budget also describes the City's mission, vision, and values, outlines overall goals and strategies developed through the Strategic Plan, and indicates how resources are allocated to fulfill these objectives.

The budget is the City's fundamental policy document and communicates the expenditures legally appropriated by the City Council for the fiscal year. The budget document is intended to help the City Council, residents, businesses, and other interested parties understand the overall responsibilities and goals of the City and to enable the departments to present financial plans and workload data. In addition to its role as a policy document, the budget also serves as a financial plan, an operations guide and a communications tool.

CSMFO Award

City staff is very proud to include in this Budget Overview Section a copy of the award for Excellence in Operational Budgeting from the California Society of Municipal Finance Officers (CSMFO) for the FY 2018-20 Biennial Budget. This is the City's tenth consecutive year of receipt of this award.

GFOA Award

The City of El Cerrito was honored with its ninth consecutive Government Finance Officers Association of USA/Canada (GFOA) Distinguished Budget Presentation award for the FY 2018-20 Biennial Budget. Staff is extremely proud to continue to receive this award that reflects a nationally recognized standard for budget documents prepared by local agencies. This award represents a culmination of efforts to continuously improve the budget document.

Reporting Entity

Throughout this budget document, reference is made to the City. As appropriate, such references should be inferred to include activity and financial contributions of each of the three separate entities covered under this budget: City of El Cerrito, El Cerrito Employees' Pension Board, and the El Cerrito Public Finance Authority.

The El Cerrito Municipal Services Corporation (MSC) is a non-profit corporation whose purpose is to support the City in expanding economic opportunities and eliminating blight, as well as assisting and implementing programs and activities that will lessen neighborhood tensions and combat community deterioration. While it is a component unit of the City for reporting purposes, and is therefore included in the City's Comprehensive Annual Financial Reports, the MSC's FY 2020-21 Budget is approved separately by its Board of Directors and is not included in this document.

Budget Structure

City Manager's Transmittal Letter: The City Manager's transmittal letter is intended to provide an executive summary of the City's priorities, major projects, general philosophy, and discussion on the citywide financial outlook and budget.

Budget Overview: The Budget Overview section presents information on the structure and policies of the City and detail of the budget on a citywide basis.

Financial Overview: This section provides summary financial information regarding projected revenues, expenditures, fund balances and reserves as well as transfers between funds. The section reviews detailed assumptions in the General Fund, the City's main operating fund, including historical data, a discussion of current programs and activities, future concerns and strategies as well as the Five-Year Plan. The section also includes the summary analysis of all other major operating funds, forecasts, details of all inter-fund transfers, and information describing significant changes compared to the prior year's budget.

Department Operating Budgets: The departmental operating budget sections describe historical and amended expenditures by department and division as well as descriptions of core responsibilities, Strategic Plan Alignment, service indicators, and accomplishments. Budget summaries are provided for each department in their corresponding section; line-item detail budgets by division are located in the appendices. The City is organized into seven operating departments: City Management, Community Development, Finance, Fire, Police, Public Works, and Recreation.

Successor Agency: Per AB1x 26 the El Cerrito Redevelopment Agency (RDA) was dissolved as of February 1, 2012 and a Successor Agency was created to wind down the former RDA's affairs. The Successor Agency has no budget authority; therefore no budget data is presented in this document.

Other Entities: This section outlines the amended revenues and expenditures for the City's other legal entities: the Employees' Pension Fund and the Public Financing Authority.

Capital Improvement Program: The Capital Improvement Program (CIP) section details the proposed capital projects for Fiscal Years 2020-21 through 2024-25. It includes a description of those capital projects previously funded and other Capital Improvement Needs that are presented as a non-prioritized listing of those proposed projects or programs for which no funding has been currently identified.

Long Term Debt: The City has various long-term commitments for payments that range from accumulated benefits due to employees to debt obligations to be repaid from various revenue sources. These obligations are discussed in this section and supported with FY 2018-19 audited information.

Appendices, Statistics and Line-Item Budget Detail: The final section of this document contains a glossary of budget terms, a demographic profile and various statistics intended to assist the reader in achieving a greater understanding of El Cerrito as a community. This section also holds the financial policies referred to throughout the document. Additionally, this section also houses the detailed line-item tables for each department and division of the City.



The FY 2018-19 and FY 2019-20 City Operating Budgets were prepared using the criteria published by the California Society of Municipal Finance Officers (CSMFO) required to receive their award for Excellence in Operating Budgeting. This was done in an effort to continue to improve the clarity and content of the budget document, as well as provide the City Council and the public with financial peer review in order to assure them that the substance and accuracy of the document meets their high standards. This is the tenth year in a row that the City has received this award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of El Cerrito
California**

For the Biennium Beginning

July 1, 2018

Christopher P. Morrell

Executive Director

This is the ninth time the City has won the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA). The GFOA established the Distinguished Budget Presentation Awards Program in 1984 to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting and then to recognize individual governments that succeed in achieving that goal. This award represents many years of refinements and clarification of the budget document and represents a commitment to presenting a complete and concise report of the City's overall mission and financial plan.

SECTION 1:

BUDGET OVERVIEW

The City of El Cerrito serves, leads, and supports our diverse and transit-rich community by providing exemplary and innovative services, public places and infrastructure, ensuring public safety and creating an economically and environmentally sustainable future.

EL CERRITO PROFILE

The City of El Cerrito is a general law city that incorporated on August 23, 1917. El Cerrito is located in western Contra Costa County and forms part of the highly urbanized area along the eastern shore of San Francisco Bay. El Cerrito has a population of approximately 25,600 and covers an area of 3.9 square miles. It is a community of highly educated residents due primarily to the proximity to UC Berkeley and the San Francisco Bay Area high-tech economy. It is known for its temperate climate and breathtaking views of San Francisco Bay and the Golden Gate Bridge from the hillside areas.

Interstate Highway 80 passes near the western boundary of the community, while the crest of the Berkeley Hills and Wildcat Canyon Regional Park define the eastern boundary. The community is served by AC Transit and the Bay Area Rapid Transit (BART) system, with stations near both the northern (El Cerrito Del Norte station) and southern (El Cerrito Plaza station) boundaries of the city. In addition, several transit agencies including Golden Gate Transit, Fairfield-Suisun Transit, Vallejo Transit, and WestCAT also serve the El Cerrito del Norte BART station. The combination of services from these agencies provides excellent public transportation to the entire Bay Area.

The City is organized as a Council-Manager form of local municipal government. The City Council consists of five members elected at large for four-year, overlapping terms. The Council selects the Mayor for a one-year term from among its members. The Mayor and City Council provide community leadership, develop policies to guide the City in delivering services and achieving community goals, and encourage citizen understanding and involvement. The Council Members also serve as the governing body of the El Cerrito Employees' Pension Board and the El Cerrito Public Financing Authority.

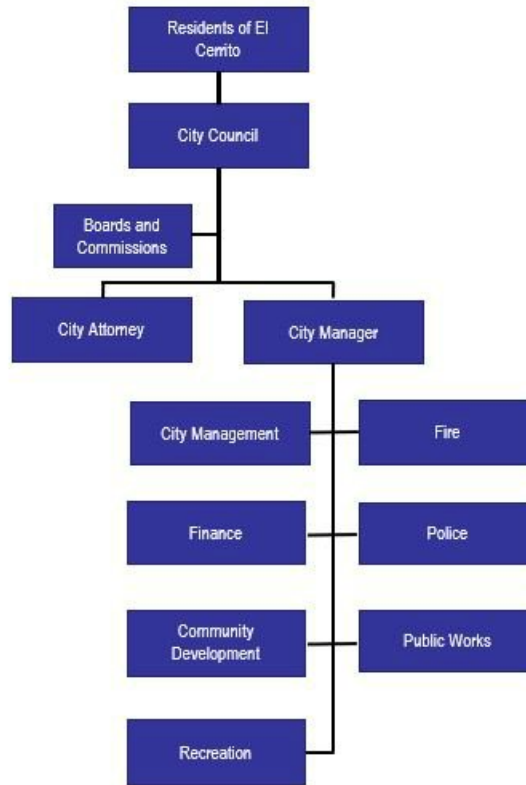
The City Manager is appointed by the City Council and is responsible for administration of municipal affairs. All municipal departments operate under the supervision of the City Manager. Through the City Manager, City staff uses the resources appropriated by the Council in the budget to achieve desired service results in the community and carries out the policies of the Council. The City Council also appoints the City Attorney to advise them and City staff on legal affairs, to see that all laws are effectively enforced and, when necessary, to defend the City in litigation.

The City provides police and fire services as well as recreation, streets and roads, recycling, economic development, public improvements, building, planning and zoning, and general administrative services. Residents are provided water by East Bay Municipal Utility District and sewer services through Stege Sanitary District. Library services are provided by the County of Contra Costa. The City contracts with East Bay Sanitary for garbage service. Comcast, AT&T, and a host of smaller companies provide telecommunication services.

ORGANIZATIONAL OVERVIEW

Chart 1-1 provides a graphical overview of the structure of City Government:

Chart 1-1
El Cerrito City Government Organization Chart



Overall Position Listing

Table 1-1 shows the authorized Citywide position listing for permanent full-time positions. The listing reflects the implementation of the Fiscal Response Plan as well as interdepartmental transfers. The listing does not include hourly or non-permanent part-time positions.

Table 1-1
Citywide Position Listing

	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
City Council	5.00	5.00	5.00	5.00	5.00
City Management	11.50	11.50	11.50	11.50	10.00
Finance Department	6.00	6.00	6.00	6.00	6.00
Community Development	13.50	13.50	14.00	14.00	15.00
Police Department	58.00	58.00	58.00	58.00	56.00
Fire Department	37.00	37.00	37.00	37.00	37.00
Public Works Department	24.80	24.80	25.20	25.20	25.00
Recreation Department	23.00	23.00	23.00	23.00	21.00
Total	178.80	178.80	179.70	179.70	175.00

STRATEGIC PLAN

Successful organizations need a clear vision of where they are going and how they intend to achieve their mission. The City's vision was crafted by the community during the City of El Cerrito Strategic Plan process in 2013. This Plan provides a framework for linking identified priorities to the budget process, capital improvement program, important policy considerations, economic development initiatives, and the organization's desire for continuous improvement.

The 2015 version of the Strategic Plan incorporated updates and advances El Cerrito on a path towards achieving its vision during the five-year period of 2015-2020. The entire plan, including the most recent Strategic Plan Progress Report, is available at www.el-cerrito.org/strategicplan.

OUR VISION

The City of El Cerrito is a safe, connected, and environmentally focused Bay Area destination with vibrant neighborhoods, businesses and public places, and diverse cultural, educational, and recreational opportunities for people of all ages.

OUR MISSION

The City of El Cerrito serves, leads, and supports our diverse and transit-rich community by providing exemplary and innovative services, public places and infrastructure, ensuring public safety, and creating an economically and environmentally sustainable future.

OUR VALUES

Our values drive behavior and support effective implementation of the mission, vision, and goals. The City's values include:

- Ethics and Integrity
- Fiscal Responsibility
- Inclusiveness and Respect for Diversity
- Innovation and Creativity
- Professional Excellence
- Responsiveness
- Transparency and Open Communication

The Plan includes the City's vision, mission statement and values, six goals and over forty strategies to achieve the goals. The goals are:

Chart 1-2
Strategic Plan Goals

A. Deliver Exemplary Government Services
B. Achieve Long-term Financial Sustainability
C. Deepen a Sense of Place and Community Identity
D. Develop and Rehabilitate Public Facilities as Community Focal Points
E. Ensure the Public's Health and Safety
F. Foster Environmental Sustainability Citywide

In 2019, the City Council and City staff initiated a strategic planning process to assist in informing the Council of the priorities of the community for the upcoming budget process and for the next 5-year cycle. Starting in January 2020, the City reached out to residents, employees, the business and faith communities, and other stakeholders through focus groups, community events, and an online survey. On February 12, the City held a Strategic Plan Open House that collected direct feedback from residents, businesses, employees, and community groups. As follow-up to those feedback forums, the City was positioned to have a strategic plan workshop with the City Council on March 14. That workshop and progress on the 2020 Strategic Plan update

was halted due to a national pause of business because of the global pandemic event involving the spread of COVID-19.

As of the writing of this budget, the City has shifted its focus from a strategic plan update to a Fiscal Response Plan to address the fiscal impacts of COVID-19 on El Cerrito's local economy. In anticipation of the City's response to the pandemic, the City Council will seek to finalize the 2020 Strategic Plan update after this budget is finalized and the public health crisis has abated.

Budget Alignment

City staff uses the goals outlined in the Strategic Plan as well as feedback gained from the community to inform the development of their departmental budget for the next fiscal year. In order to best determine the resources to allocate to the goals and strategies in the Plan, the departments submitted information tailored toward aligning programs and services to the Strategic Plan goals.

Each department evaluated their programs and services and analyzed related data to determine a baseline amount of resources to allocate to the goals of the Strategic Plan. The departments considered several data sets, including personnel necessary to provide the program or service, additional costs (such as consultants or contractors, supplies and equipment, and other purchased services), and whether the program or service is required by law or City policy. Departments were realistic about the objectives that could be achieved in the upcoming fiscal years, and set priorities to allocate resources accordingly.

BUDGET PROCESS

The annual budget is the City's service and financial plan for the fiscal year: a planning tool that matches the services desired by the community to the resources required in order to provide those services. The development, adoption, and implementation of the City budget composes a major decision-making process with several phases. In FY 2020-21, the annual budget process was altered by the City Council due to the COVID-19 pandemic.

The City's fiscal year is from July 1 through June 30. At the initial stage of the budget process, department heads and division managers propose to the City Manager those programs designed to provide essential services that meet the City Council's expression of community and Strategic Plan goals. Staff also prepares estimates of available revenues for the same period. The City Manager and department directors balance the requested program expenditures with the anticipated resources, and develop a proposed budget and financial forecasts.

Due to the uncertainty of the economy and the prospect of reduced revenues, City Council directed staff to prepare a one-year, preliminary proposed budget for adoption by June 30, 2020. In previous years, the City has prepared a biennial budget in order to provide a high emphasis on long-term planning and forecasting. This year, the City recognizes that it needs flexibility in this budget to see the impact of reduced revenues and budget reductions, which are not settled as the public health crisis is ongoing.

The City Council adopted the spending authority and preliminary budget on June 16, 2020. City staff then continued to refine its projections for revenues and expenditures in response to the ongoing public health crisis, incorporating the Fiscal Response Plan, and prepared the budget document including proposed amendments. After presentation of the staff-prepared, proposed budget, the City Council will hold public meetings on the budget to review the staff recommendations and is anticipated to adopt the proposed amendments by October, 2020. The proposed document will be reviewed by the Financial Advisory Board, and their recommendations and revisions will be considered. The City Council will continue to receive public testimony and review the service, expenditure, and revenue proposals contained in the proposed amended budget. After discussing and making amendments, if any, to the proposed amended budget, the City Council will adopt amendments to the budget and establish appropriations. The appropriations are the legal authority to spend money.

Staff continues to develop scenarios in response to the continuing emergency and are preparing further reductions for implementation if necessary. This adopted budget will be presented with proposed amendments for adoption by October 2020, and will be considered for further adjustments and amendments at the midpoint of the fiscal year as well.

The City Council is required per the El Cerrito Municipal Code to adopt and appropriate an annual budget for each fiscal year. During the time period covered by this document, the City Council will do so prior to June 30, 2021. The next proposed budget document will be prepared prior to FY 2021-22.

**Table 1-2
Budget Calendar**

2020 KEY DATES	ACTIVITY
January 21	Budget Kickoff City Council received an update on the City's financial position, overview of the upcoming strategic plan, and budget process
February 1 4 11 12	- Community Budget Town Hall - City Council Meeting - Staff directed to provide to the City Council a reduction of \$2 million, approximately 5% of the General Fund, as they develop the upcoming budget - Financial Advisory Board (FAB) reviewed 5-year General Fund Forecast - City held a Strategic Plan open house
March 18	Governor Newsom issued a statewide stay-at-home order
April 25	City Council Meeting - City Council's division budget reductions approved
May 5	Fiscal update to the City Council
June 2 9 16	- City Council Meeting - Approval of 2020-21 Tax Revenue Anticipation Note (TRAN) - City Council Meeting - Discuss a Fiscal Response Plan - City Council Meeting - FY 2020-21 Budget Adoption. Staff directed to amend the FY 2020-21 budget by October. - City Council Meeting - Approval of Spending Authority and Gann Limit
August 1	Community Budget Town Hall

Budget Authority Model

During each fiscal year, the adopted budget is implemented through the provision of City services and the City's daily fiscal operations. The budget provides legal spending limits and a planned allocation of resources, within which the City's managers are expected to provide services and make the best use of public resources. The City Council provides staff with the authority to raise and expend monies within specific funds. The City Manager has the authority to shift resources within funds, but typically not across funds.

From time to time throughout the year, the City Council receives periodic progress reports on how well the actual service and financial experience are conforming to the adopted service and financial plan, as expressed in the budget. Under certain circumstances, the City Council may adjust the budgeted appropriations for reasons unforeseen at the time of the adoption of the original budget. Such amendments are made by Council resolutions.

Gann Limit

Proposition 4, known as the Gann Initiative, was approved by the voters in November, 1979. This measure requires that the City adopt an appropriations limitation each fiscal year. In June of 1990, the voters passed Proposition 111, which modified the previous appropriations limitation requirements of Proposition 4, as follows:

The total annual appropriations subject to limitation of the State and of each local government shall not exceed the appropriations limit of the entity of government for the prior year adjusted for the change in the cost of living and the change in population.

Now chaptered in Article XIII B of the California Constitution and Government Code §7900-7914, these two measures specify that the new limit be based on the prior year's appropriations limit, adjusted for cost of living and population. Each year, every city must select from two alternatives methods for each of these two adjustment factors, as follows:

Cost of Living

California Constitution Article XIII B §8(e)(2):

"Change in the cost of living" for an entity of local government, other than a school district or a community college district, shall be either (A) the percentage change in California per capita personal income from the preceding year, or (B) the percentage change in the local assessment roll from the preceding year for the jurisdiction due to the addition of local nonresidential new construction.

Population

Government Code §7901(b):

A city or special district may choose to use the change in population within its jurisdiction or within the county in which it is located.

These factors are applied to the established FY 1986-87 appropriations limit, as adjusted annually to determine subsequent year limits. Therefore, each year's limit becomes the base for computing the succeeding year's limit.

To assist with these computations, the California Department of Finance produces in May of each year the population changes of all cities and counties, as well as the statewide change in per capita income. In 1991, the California State Board of Equalization asked all County Assessors to compute the annual change in nonresidential new construction. For Contra Costa County, the Auditor-Controller's Office provides cities with these figures.

Analysis

For FY 2020-21 the respective State and County offices have provided the City with the following optional factors to be used in the Gann limit computation:

Cost of Living
California Per Capita Personal Income = 3.73%
Population
Population Change, City of El Cerrito = 1.0373%
Population Change, County of Contra Costa = 0.26%

Using the California Per Capita Personal Income factor (3.73%) and the percentage of Population Change in County of Contra Costa (0.26%), the City's appropriations limit will grow from \$144,286,969 to \$150,061,132.

Basis of Accounting and Budget

The City of El Cerrito manages its budget and accounting according to Generally Accepted Accounting Principles (GAAP). Revenues are recorded when they are received or accrued if they are both measurable and available in the current period. Expenditures are recorded using the "modified accrual" basis and are accrued or treated as expenditures in the year the funds were used. During the fiscal year, expenditures and revenues are carefully documented to ensure compliance with the adopted budget. After the close of the fiscal year, an independent, professional auditor performs an audit, and the City publishes Basic Financial Statements, which are included in the Comprehensive Annual Financial Report (CAFR). The CAFR documents the City's budgetary performance and the financial health of each fund, which offers managers and policy makers the opportunity to evaluate the City's financial condition and assess the degree to which the City's

use of its resources has met the community's goals and policies. The insights gained from this evaluation then can be used in future financial planning and budget decisions.

SECTION 2:

FINANCIAL OVERVIEW

FY 2020-21 Financial Summaries

The following section provides additional details and discussion on the City's primary funding sources: the General Fund and many of the City's special operating funds. Each department has reviewed its budget and proposed how funds should be allocated, what new programs or activities should continue or begin, and what programs or activities should be changed. These changes are reflected in the financial summaries.

CITYWIDE REVENUES

City programs are supported by a variety of revenue sources. The process of projecting revenues in the various categories can be difficult, but is critical in developing an appropriate spending plan in the current year as well as planning for future years. This fiscal year, with the uncertainty and volatility in the economy due to the COVID-19 coronavirus pandemic, making accurate revenue projections has been extremely challenging.

Table 2-1 provides a summary of the major revenue categories received by the City across all funds, including the General Fund. Revenues are difficult to predict given ongoing COVID-19 restrictions and will continue to be unpredictable until such time as an effective vaccine is developed and deployed. Staff has taken a conservative approach to predicting FY 2020-21 revenues, with the limited forward looking guidance that is available in the recessionary environment currently in place. The median home selling price in El Cerrito saw a slight dip from the previous year, although assessed values are expected to grow by 6.2% next year. Property taxes are expected to increase due to a number of significant properties changing hands, however these increases have not been factored in and taxes are conservatively being kept at FY 2019-20 levels for the purposes of this budget. Sales taxes are expected to come in less than in FY 2018-19 due to the continuing impact of the pandemic. Although fees will go up in line with the local Consumer Price Index, Recreation Department revenues are expected to come in lower than in prior years. Other revenues such as franchise fees and utility users taxes are largely driven by external rate increases and are expected to remain flat.

Table 2-1
Citywide Revenues

Revenue Category	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Taxes					
Property Taxes	\$ 9,382,909	\$ 11,034,598	\$ 13,308,665	\$ 12,440,001	\$ 12,840,001
Sales Taxes	8,048,376	9,176,136	7,169,255	7,899,721	7,894,721
Utility Users Taxes	2,965,675	3,207,892	3,078,740	3,200,000	3,200,000
Local Parcel Taxes	2,130,082	2,112,686	2,099,845	2,114,891	2,115,891
Franchise Taxes	1,279,037	1,243,985	1,575,216	1,250,000	1,250,000
Business License Taxes	846,900	910,104	918,799	850,000	850,000
Other Taxes	745,699	778,705	268,297	652,200	632,700
Total Taxes	\$ 25,398,678	\$ 28,464,106	\$ 28,418,817	\$ 28,406,813	\$ 28,783,313
Licenses & Permits	765,705	775,876	784,982	800,000	758,512
Fines and Forfeitures	222,172	218,684	226,597	200,000	170,000
Use of Money and Property	532,817	609,808	627,286	536,350	486,355
Intergovernmental Revenues	8,552,000	12,326,295	8,746,061	10,137,425	10,495,080
Charges for Services	8,052,055	8,670,289	7,539,012	9,737,061	8,965,693
Other Revenues	853,138	1,393,711	634,439	542,800	660,800
Total Revenues before Transfers	\$ 18,977,887	\$ 23,994,663	\$ 18,558,377	\$ 21,953,636	\$ 21,536,440
Interfund Transfers	2,436,063	3,420,883	2,725,753	2,647,755	2,517,498
Total	\$ 46,812,628	\$ 55,879,652	\$ 49,702,947	\$ 53,008,204	\$ 52,837,251

Taxes represent approximately \$28.8 million of the City's total budget generated by property, sales, utility users tax, business taxes and franchise fees. The remaining \$24 million in revenues are budgeted special operating funds and are used to support maintenance and improvements in landscape, lighting, streets, the storm water system and the City's swim center. Revenues have been conservatively estimated in the light of the ongoing Covid-19 pandemic impacts that emerged in the last quarter of FY 2019-20. General Fund Property Tax revenues are projected to remain flat at FY 2019-2020 levels and Real Property Transfer Tax Revenues

have been budgeted at \$2.4 million, representing an increase of \$0.4 million over the Adopted FY 2020-21 Budget. Staff feels confident that this increase is warranted, based on the past two years of actual receipts. General Fund Sales Taxes have been reduced by 10% to reflect reduced retail activity in the local economy from the pandemic.

Licenses and Permits revenues are generated by permits issued for improvements related to building, electrical, mechanical and plumbing. These revenues have fluctuated in the past, but have remained fairly consistent in the last few years. Revenue is conservatively projected based on past trends. A few large development project starts are anticipated in FY 2020-21. However, these have not been incorporated into the projections, given the uncertainty in the commercial environment due to the pandemic.

Fines and Forfeitures includes parking and vehicle and code enforcement citations. The reduced revenues are in keeping with changes in the Police Department staffing and the general reduction in traffic due to the pandemic.

Use of Money & Property is primarily related to rental of City facilities, mostly in the Recreation Department. The use of rental facilities is also expected to decrease due to the pandemic related curtailment of Recreation Department operations.

Intergovernmental Revenues are revenues paid to the City by other agencies for providing services such as fire protection services for the Kensington Fire Protection District. This line item also includes in-lieu fees by the state for various takeaways as well as different allocations for street maintenance, transportation and environmental programs. In the past, one-time allocations such as Federal and State capital improvement grants had also been programmed in this revenue category resulting in wide variations from year to year.

Charges for Services include fees for planning and inspections, weekly curbside collection of recyclables and fees for various recreation programs. A 3% increase was approved for some recreation and planning and inspection fees in FY 2020-21 and fee increases are also in place for recycling fees in the Integrated Waste Management Fund.

Other Revenues include revenues from various sources including donations and property sales. As most of these revenues are not known in advance, actual revenues received can differ each year making it hard to accurately project revenues in this category.

Inter-fund Transfers reflects cost recovery and financing related transfers between funds. These include the transfers from special funds to the General Fund for overhead charges and transfers from various funds for payments to be made from debt service funds.

Charts 2-1 depicts the projected percentage of citywide revenues before transfers attributable to each category for FY 2020-21 (percentages may not total 100% due to rounding).

Chart 2-1
Citywide FY 2020-21 Revenues by Category

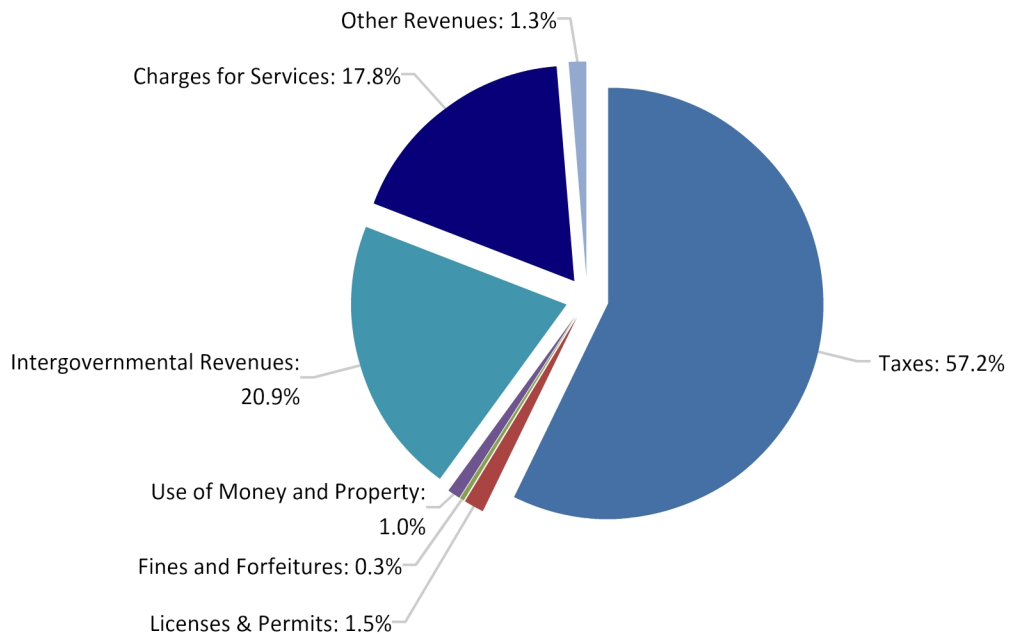


Table 2-2 presents the Citywide revenue summarized by Fund. It includes proposed revenues for the Adopted and Proposed fiscal year, and the actuals for FY 2017-20. The City accounts for actual revenues and expenditures of the Successor Agency as shown in Tables 2-2 and 2-5, although the City does not budget for these. This is done so as to be consistent with the City's accounting records.

Table 2-2
Revenue Summary by Fund

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
General Fund	\$ 35,838,492	\$ 40,209,157	\$ 38,578,712	\$ 39,391,670	\$ 39,377,869
Special Revenue Funds					
Gas Tax	528,082	519,471	589,882	610,296	610,297
National Pollutant Discharge Elimination	359,486	311,772	318,160	330,074	330,074
Landscape and Lighting Assessment	775,487	787,208	802,479	780,000	791,500
Measure J Return to Source	456,053	479,657	0	384,200	384,200
Measure J Storm Drain	700,636	701,950	704,131	702,000	702,000
Measure A Parcel Tax - Swim Ctr.	654,469	633,080	614,465	0	0
Measure H Parcel Tax	0	0	0	632,891	632,891
Street Improvements	1,594,803	1,634,703	1,365,860	1,449,721	1,449,721
SB1-Road Repair & Accountability	144,145	457,336	373,612	437,555	437,555
Low & Moderate Income Housing	0	250,352	0	—	—
City Housing Trust	26,221	74,829	56,510	164,800	164,800
Federal, State and Local Grants	2,415	192,666	14,509	0	0
C.O.P.S. Grant	100,148	148,747	155,948	130,000	130,000
Asset Seizure	145,067	13,614	866	0	0
Vehicle Abatement	37,306	75,461	11,773	30,000	30,000
Park in Lieu	0	0	—	—	—
Public Art	180,315	4,591	33,918	0	0
Paratransit	153,743	159,606	176,507	132,000	116,500
Total Special Revenue Funds	\$ 5,858,376	\$ 6,445,043	\$ 5,218,620	\$ 5,783,537	\$ 5,779,538
Capital Projects Funds					
Capital Improvements	1,038,558	4,689,194	966,988	2,218,500	2,218,500
Total Capital Projects Funds	\$ 1,038,558	\$ 4,689,194	\$ 966,988	\$ 2,218,500	\$ 2,218,500
Debt Service Funds					
Financing Authority - Measure A Swim Ctr.	358,016	364,738	363,547	360,730	187,014
Financing Authority - City Hall	290,633	580,883	580,930	580,763	580,763
Financing Authority - Street Improvement	699,993	704,631	702,958	702,900	760,300
Total Debt Service Funds	\$ 1,348,642	\$ 1,650,252	\$ 1,647,435	\$ 1,644,393	\$ 1,528,077
Internal Service Funds					
Vehicle /Equipment Replacement	26,862	155,862	160,722	136,200	136,200
Enterprise Fund					
Integrated Waste Management	2,580,030	2,644,367	3,036,721	3,766,062	3,766,067
Fiduciary Fund					
Employees' Pension Trust	121,669	85,774	93,750	67,842	85,000
Total Funds	\$ 46,812,629	\$ 55,879,649	\$ 49,702,948	\$ 53,008,204	\$ 52,891,251

CITYWIDE EXPENDITURES

Citywide expenses are projected to increase next fiscal year, although a number of long-term vacancies remain. **Table 2-3** provides a summary of Citywide expenditures across the major expense categories. It includes actual expenditures for fiscal years 2017-2020 and the Adopted and Proposed Amendments for FY 2020-21.

Table 2-3
Citywide Expenditures by Category

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Personnel	\$ 30,060,227	\$ 32,739,391	\$ 33,456,460	\$ 32,796,981	\$ 32,305,382
Professional Services	5,537,032	5,109,812	4,849,770	3,730,345	5,543,892
Purchased Property Services	8,792,435	4,858,699	4,746,452	7,656,853	6,570,306
Other Services	2,031,534	1,894,137	2,019,136	1,927,019	1,927,535
Supplies	919,198	899,540	932,752	865,421	922,039
Property & Capital	458,803	983,551	507,837	758,859	724,389
Financing Costs	1,979,205	2,318,147	2,323,521	2,640,498	2,567,863
Other Financing Uses	2,436,063	3,420,883	2,826,963	2,802,255	2,671,998
Total	\$52,214,497	\$52,224,160	\$51,662,891	\$53,178,231	\$53,233,404

Personnel Proposed personnel costs - salary and benefits - for FY 2020-21 show a decrease of nearly 3.5% in overall terms compared with the actual expenditures in the prior year. This reflects the pay freezes, furloughs, and other personnel cost reductions that were instituted in response to the COVID-19 pandemic. The proposed personnel costs assume the following:

- 8 open positions to remain vacant for the year, saving a total of \$864,000. These include vacancies for an Analyst and an Associate Planner in Community Development; 3 Police Officers, 2 Records Specialists and a Management Analyst position in the Police Department.
- 2 Police Officer positions have been eliminated with the ending of the School Resource Officer program at the request of the West Contra Costa Unified School District. These positions were funded by the School District.
- Non-public safety employees are now paying for the full 8% employee share of pension contributions, while public safety employees are covering 12% of their pension costs which includes the 9% employee share and an additional 3% of the employer share. Management employees pay an additional 1% towards the employer share of pension costs.
- The Fire Department will be fully staffed operationally beginning in January 2021. The department will not rely on overtime from the three unfilled authorized "coverage" positions, as in years past (resulting in approximately \$400,000 savings in overtime costs). Fire department overtime (non-OES) which has exceeded a million dollars in each of the past three years, is budgeted at \$500,000 and will be contained at this level once the three vacant positions are filled.
- Medical HMO provider cost increase of almost 10%, compared with an average rate of 5% over the past several years.

Professional Services The net increase in Professional Services of \$694,000 over the previous year is mainly due to an increase of \$859,000 in the Professional Services budget in the Capital Projects Fund, that is offset by \$273,000 in Professional Services budget reductions in the General Fund, and a collective \$108,000 increase in the Special Revenue funds.

Purchased Property Services, includes contract services for maintenance and construction and the annual lease rental costs (\$125,000) for the Mid town Activity Center. The net increase of \$1.8 million in this budget category corresponds to an increase of nearly \$700,000 in construction costs in the Capital Projects Fund over the prior year; \$157,000 increase in the Street Improvement Fund; \$419,000 increase in the SB-1 Road Repair Fund; \$491,000 in Measure H funds, a majority of which is for Landscape and Parks maintenance services; collective increases of \$440,000 in all other funds, offset by savings of \$387,000 in the General Fund. It is worth noting that the budget for Purchased Services includes an allocation of approximately \$900,000 for utilities, a little over a third of which is paid for by the General Fund.

Other Services decrease mainly due to the cost reductions put in place for FY 2020-21 by as the costs for property insurance, communications and software licenses increase.

Supplies, which is used to account for costs such as fuel, uniforms, maintenance and other operating supplies, is being decreased slightly from the actual costs in the prior year.

Property & Capital a small reduction in costs from the prior year actuals.

Financing Costs reflects equipment lease payments and scheduled long term debt service payments.

Other Financing Uses includes internal transfers made between funds and allocation of overheads from the General Fund to other funds. The amount is expected to remain fairly steady.

Table 2-4 displays the allocation of expenditures by departments over the last three fiscal years and the proposed amendments for FY 2020-21. It shows that expenditures have decreased in the Recreation Department due to the pandemic related reduction in services. Capital project funding has increased to support new construction activity.

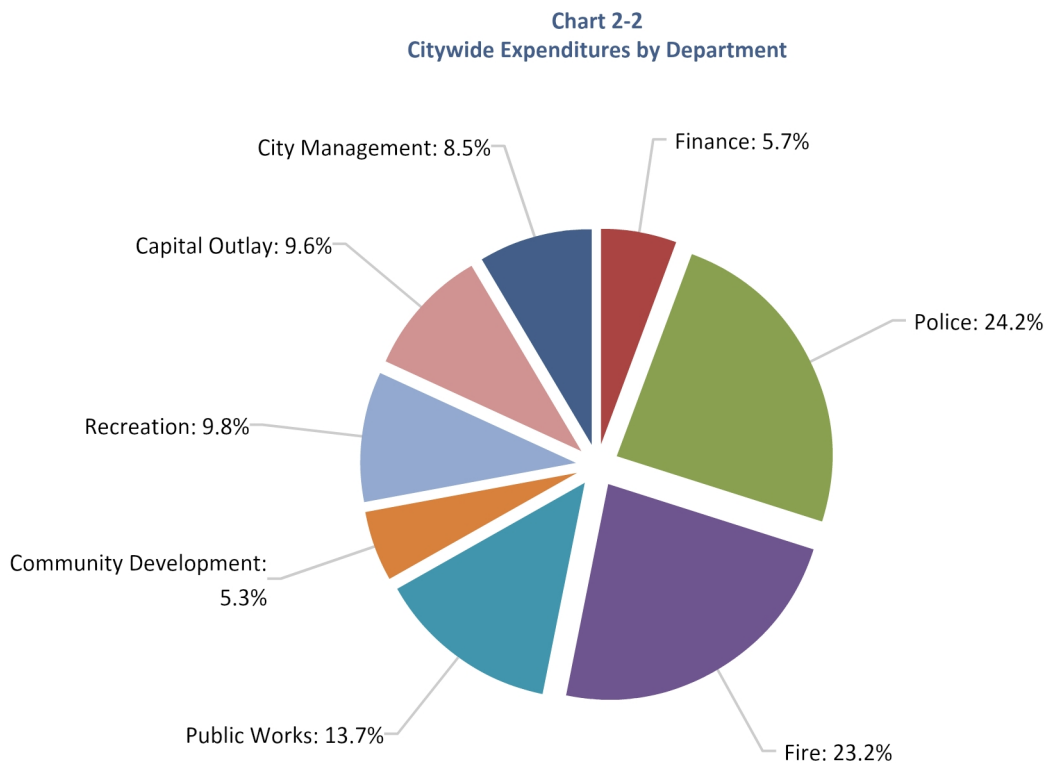
Table 2-4
Citywide Department Expenditures and Transfers (All Funds)

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
City Management	\$4,075,921	\$4,667,353	\$4,309,342	\$4,320,239
Finance	2,915,137	3,316,031	3,409,362	2,874,147
Police	11,127,475	12,066,840	12,426,353	12,294,633
Fire	10,187,940	11,172,408	11,187,603	11,782,013
Public Works	5,647,634	6,321,185	6,825,451	6,933,751
Community Development	2,588,870	2,495,355	2,601,667	2,674,335
Recreation	5,451,225	5,909,332	5,592,181	4,948,775
Capital Outlay	7,522,222	594,634	2,585,179	4,888,013
Total Before Transfers	\$49,516,424	\$46,543,138	\$48,937,138	\$50,715,906
Transfers	2,436,063	3,420,883	2,725,753	2,517,498
Total Expenditures	\$51,952,487	\$49,964,021	\$51,662,891	\$53,233,404

Table 2-5
Expenditure Summary by Fund

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
General Fund	\$37,121,414	\$40,901,142	\$40,511,489	\$38,601,001	\$38,714,837
Special Expense Funds					
Gas Tax	647,381	518,495	569,989	522,809	520,968
National Pollutant Discharge Elimination	290,044	298,853	321,129	411,737	404,808
Landscape and Lighting Assessment	772,575	794,060	831,328	872,596	827,379
Measure J Return to Source	466,455	490,004	471,592	391,826	384,076
Measure J Storm Drain	560,751	464,770	975,647	713,764	670,527
Measure A Parcel Tax	1,045,972	524,196	494,352	450,000	637,014
Measure H Parcel Tax	0	0	0	632,891	632,891
Street Improvements	1,690,259	1,188,963	1,537,647	1,781,081	1,780,193
SB1-Road Repair & Accountability	5,738	366,357	228,768	629,000	614,020
Low & Moderate Income Housing	0	0	0	196,730	196,730
City Housing Trust	27,049	10,675	117,880	0	0
Federal, State and Local Grants	91,987	12,434	(6,762)	0	0
C.O.P.S. Grant	0	(785)	107,400	30,000	30,000
Asset Seizure	496	512	365	0	0
Vehicle Abatement	0	0	0	30,900	30,900
Park in Lieu	0	0	0	0	0
Public Art	10,686	7,984	23,272	100,000	100,000
Paratransit	150,449	132,960	140,299	131,999	106,939
Total Special Expense Funds	\$5,759,842	\$4,809,478	\$5,812,906	\$6,895,333	\$6,936,445
Capital Projects Funds					
Capital Improvements	5,350,119	(396,086)	912,080	2,464,911	2,464,911
Total Capital Projects Funds	\$5,350,119	(\$396,086)	\$912,080	\$2,464,911	\$2,464,911
Debt Service Funds					
Financing Authority-Measure A Swim Center	361,370	357,364	357,464	360,730	187,014
Financing Authority-City Hall	290,603	579,763	579,163	580,763	580,763
Financing Authority-Street Improvement	700,700	704,400	702,900	702,900	706,300
Total Debt Service Funds	\$1,352,673	\$1,641,527	\$1,639,527	\$1,644,393	\$1,474,077
Internal Service Funds					
Vehicle /Equipment Replacement	5,023	323,991	567	136,200	136,200
Enterprise Fund					
Integrated Waste Management	2,241,748	2,598,196	2,697,115	3,351,393	3,421,934
Fiduciary Fund					
Employees' Pension Trust	121,669	85,774	89,205	85,000	85,000
Total Funds	\$51,952,488	\$49,964,022	\$51,662,889	\$53,178,231	\$53,233,404

Chart 2-2 depicts the expenditures by department as a percentage of total expenditures (percentages may not total 100% due to rounding).



Inter-Fund Transfers

Table 2-6 shows transfers among all funds and the purpose for the City's \$2.5 million inter-fund transfers. This schedule details the amount of transfers, the funds that are exchanging monies and the purpose for the transfer. Transfers are used to place appropriate revenues in the fund where the expense will be incurred. The debt service, pension funding, and subsidy amounts are set by various agreements.

**Table 2-6
Transfers Summary**

Fund Making Transfer	Fund Receiving Transfer	Purpose	FY 2020-21 Transfer
Gas Tax	General Fund	Cost Recovery	100,000
NPDES	General Fund	Cost Recovery	75,000
LLAD	General Fund	Cost Recovery	160,000
Measure J-Return to Source	General Fund	Cost Recovery	63,000
Measure J-Storm Drain	General Fund	Cost Recovery	74,000
Measure A	General Fund	Solar Lease Debt Service	0
Measure H	General Fund	Cost Recovery	50,000
Paratransit	General Fund	Cost Recovery	34,000
Measure J-Return to Source	CIP	Project Funding	20,000
Integrated Waste Mgmt	General Fund	Cost Recovery	378,901
Integrated Waste Mgmt	General Fund	Solar Lease Debt Service	3,671
General Fund	Vehicle Replacement	Cost Recovery	0
General Fund	Pension	Pension Funding	85,000
General Fund	Financing Authority-City Hall	City Hall Debt Service	580,612
Measure A	Financing Authority-Swim	Measure A Debt Service	187,014
Street Improvement	Financing Authority-Streets	Streets Debt Service	706,300
Total			\$2,517,498

FUND BALANCE

Table 2-7 summarizes the projected current year-end balances by Fund and the effect of the FY 2020-21 Proposed Budget on the year-end balances by June 30, 2021.

Projected ending fund balances for FY 2020-21 decreases by \$396,000 across all funds. This is largely the result of the significant decrease in the General Fund balance at the end of FY 2019-20 resulting from the revenue losses from the COVID-19 pandemic. The Operating Transfers in and out are already incorporated in the Revenue and Expenditure column numbers respectively and are summarized below by fund, for ease of comparison with the Transfers shown in **Table 2-6**.

Table 2-7
Projected Fund Balance FY 2020-21

Description	Projected at June 30, 2020	Proposed Revenue	Proposed Expenditures	Operating Transfers In	Operating Transfers Out	Net Change	Est. Balance at June 30, 2021
General Fund	(\$2,367,469)	\$39,377,869	\$38,714,837	\$938,572	\$665,612	\$663,032	(\$1,704,437)
Special Revenue Funds							
Gas Tax Fund	(93,332)	610,297	520,968	—	100,000	89,329	(4,003)
Nat. Pollutant Discharge Elim.	232,988	330,074	404,808	—	75,000	(74,734)	158,254
Low & Moderate Inc. Housing	5,070,372	164,800	196,730	—	—	(31,930)	5,038,442
Landscape and Lighting	65,834	791,500	827,379	—	160,000	(35,879)	29,955
Measure J Return to Source	48,130	384,200	384,076	—	83,000	124	48,254
Measure J Storm Drain	403,615	702,000	670,527	—	74,000	31,473	435,088
Measure A Parcel Tax-Swim Ctr.	485,754	—	637,014	—	187,014	(637,014)	(151,260)
Measure H Parcel Tax-Swim Ctr.	—	632,891	632,891	—	50,000	—	—
Street Improvement Fund	1,025,560	1,449,721	1,780,193	—	706,300	(330,472)	695,088
SB-1 Road Repair & Account.	414,269	437,555	614,020	—	—	(176,465)	237,804
Federal, State & Local Grants	4,070	—	—	—	—	—	4,070
City Housing Trust	2,835,000	—	—	—	—	—	2,835,000
C.O.P.S. Grant	48,547	130,000	30,000	—	—	100,000	148,547
Asset Seizure	309,262	—	—	—	—	—	309,262
Vehicle Abatement	393,867	30,000	30,900	—	—	(900)	392,967
Park in Lieu Fund	—	—	—	—	—	—	—
Public Art	140,000	—	100,000	—	—	(100,000)	40,000
Paratransit	140,902	116,500	106,939	—	34,000	9,561	150,463
Subtotal Special Revenue Funds	\$11,524,838	\$5,779,538	\$6,936,445	\$—	\$1,469,314	(\$1,156,907)	\$10,367,931
Capital Improvements	312,217	2,218,500	2,464,911	20,000	—	(246,411)	65,806
Subtotal Capital Funds	\$312,217	\$2,218,500	\$2,464,911	\$20,000	\$—	(\$226,411)	\$85,806
Finance Authority- Swim Ctr.	—	187,014	187,014	187,014	—	—	—
Finance Authority-City Hall	—	580,763	580,763	580,612	—	—	—
Finance Authority-Street Impr.	—	706,300	706,300	706,300	—	—	—
Subtotal Debt Service Funds	\$—	\$1,474,077	\$1,474,077	\$1,473,926	\$—	\$1,473,926	\$1,473,926
Integrated Waste Mgmt	1,388,963	3,766,067	3,421,934	—	382,572	344,133	1,733,096
Vehicle/Equip Replacement	728,183	136,200	136,200	—	—	—	728,183
Subtotal Enterprise Funds	\$2,117,146	\$3,902,267	\$3,558,134	\$—	\$382,572	\$344,133	\$2,461,279
Employees' Pension Trust	4,545	85,000	85,000	85,000	—	—	4,545
Subtotal Fiduciary Funds	\$ 4,545	\$ 85,000	\$ 85,000	\$ 85,000	\$ —	—	4,545
Total All Funds	\$11,591,277	\$52,837,251	\$53,233,404	\$2,517,498	\$2,517,498	(\$396,153)	\$11,195,124

FISCAL RESPONSE PLAN AND RECESSION FORECAST

The Fiscal Response Plan was considered by the City Council over several months. Management Partners, the City's consultant, assisted in preparing a recession forecast to assess the fiscal impacts on the General Fund and determine the scale of reductions required for the City to maintain solvency and achieve fiscal sustainability, including the rebuilding of reserves to weather future economic downturns or emergencies. Management Partners worked closely with City management and the City Council to identify potential budget solutions that would solve the fiscal gap. The full Fiscal Response Plan is included in the Appendices of this budget document.

Baseline Forecast

City staff prepared a five-year forecast as part of developing the FY 2019-20 budget in May 2019. The forecast projected an annual budget deficit starting in FY 2021-22 that would grow to \$650,000 by FY 2024-25 without corrective action. This projected deficit was in spite of additional revenue anticipated from Measure V (passed by voters in 2018) that would allow the City to collect real property transfer taxes to help provide resources necessary to support General Fund operations. In FY 2018-19 the General Fund ended the fiscal year with a Reserve balance that was \$57,000 in deficit. Projected General Fund Reserves in the original baseline forecasts showed that the City would once again deplete reserves by FY 2023-24 without corrective action.

COVID-19 Pandemic Recession Impacts on the City's Financial Forecast

The pandemic has manifested into a recession that is much more severe than anticipated in the City's initial forecast. A prolonged recession is likely that will form what economists call an "L-shaped" recovery, where revenues will be impacted over the next four to five years, as opposed to a "V-shaped" recovery that impacts only FY 2020-21. The significant impacts on unemployment and the fact that the virus is beginning to see a resurgence in the first wave of the pandemic makes for a long recession that will have significant impacts on elastic, economically volatile revenue sources. Until such time that a vaccine is available that provides immunity, shelter-in-place orders and restrictions in some form will remain in place to protect lives. Given the City's limited General Fund Reserves and the uncertainties surrounding economic recovery, the only prudent approach is to assume a relatively serious recessionary event.

El Cerrito, like most other cities in California, saw immediate negative impacts in sales tax, transient occupancy tax, real property transfer tax, program fees, and other elastic revenue sources. Because of this, the City considered budget reductions to maintain solvency and address the structural gap in anticipation of developing a revised forecast to understand the impacts from the recession. Starting in FY 2020-21, the City implemented \$2.7 million in ongoing cost savings, as well as nearly \$1 million in one-time savings to attempt to counteract the projected fiscal gap and the impacts of the pandemic-induced recession as shown in **Table 2-8**.

Table 2-8. Cost Savings Implemented by City for FY 2021

Cost Saving Strategy	Fiscal Impact
Ongoing cost savings (FY 2021 and beyond)	
Reductions to department budgets identified by staff	\$1,632,000
Renegotiated Management and Confidential compensation and benefits plan	\$316,000
Elimination of cost of living adjustments from renegotiated memorandum of understanding with labor groups	\$750,000
Total ongoing cost savings	\$2,698,000
One-time savings (FY 2021 only)	
Furloughs totaling 13 days through December 31, 2020	\$659,000
Furloughs of managers for an additional 13 days through June 30, 2021	\$300,000
Total one-time savings	\$959,000

While the City's General Fund revenue sources are fairly diverse, there is a reliance on elastic revenue sources to provide fiscal sustainability for the City. Before the pandemic, the largest revenue source, Property Tax, comprised about 26% of total General Fund revenues. There is the potential for Proposition 8 assessment appeals under a prolonged recession scenario that may impact property tax revenues by 2% in FY 2021-22. Sales tax revenues totaled 18% of General Fund revenues before the recession. The City experienced about a 10% decline in sales tax in FY 2019-20 and is expecting an additional decline of approximately 13% in FY 2020-21. It is expected that sales tax revenues will not recover fully until FY 2023-24.

The City suspended most Recreation programs in March 2020 and has yet to fully restore services. Recreation revenues declined by about 25% in FY 2019-20 and the City is expecting to see a 20% drop from original projections in FY 2020-21 due to the prolonged shutdown and continuing preventative measures to combat the virus. Taking all assumptions into account, the revenue impacts from the pandemic recession indicate a \$10 million loss in General Fund revenues through FY 2023-24.

Recession Forecast

The recession forecast model indicates a combined deficit of \$1.1 million in FY 2021-22 and 2022-23, with surpluses starting in FY 2023-24 that grow to \$2.2 million per year in FY 2026-27, as shown in **Chart 2-3**.

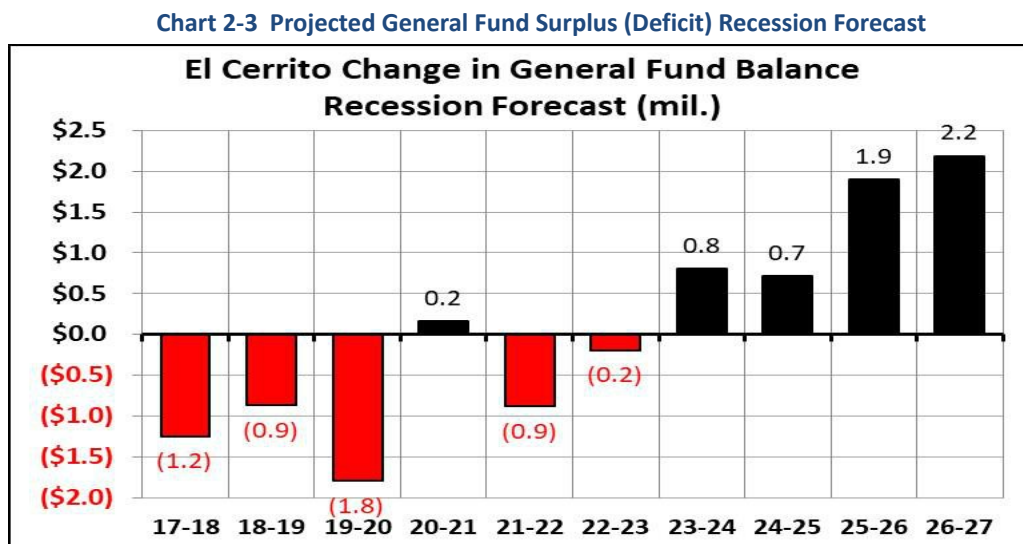
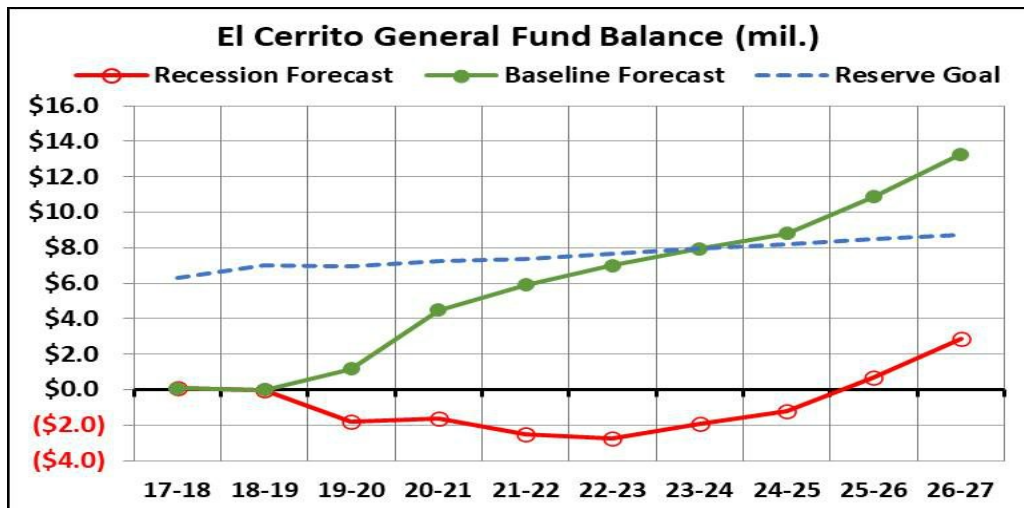


Chart 2-4 compares the reserve levels in the baseline forecast (pre-recession) to the recessionary forecast, which indicates that General Fund reserves start below zero at the end of FY 2019-20, would stay below zero until FY 2025-26, and never reach the minimum reserve goal of 17% throughout the forecast period without corrective action.

Chart 2-4 Projected General Fund Reserves - Pre- and Post-COVID-19 Pandemic Recession



Budget Strategies

To address the fiscal gap in this recessionary environment and to restore General Fund reserves to the minimum reserve goal of two months (17%) of annual operating expenditures, the City is implementing budget strategies of \$1.5 million in annual budget savings. These reductions are beyond the actions the City included within the preliminary FY 2020-21 budget. This action will restore General Fund reserves above zero by FY 2022-23 and to the minimum reserve goal of 17% by FY 2025-26, as shown in **Charts 2-5 and 2-6**.

Chart 2-5 Projected General Fund Balance Incorporating Budget Strategies

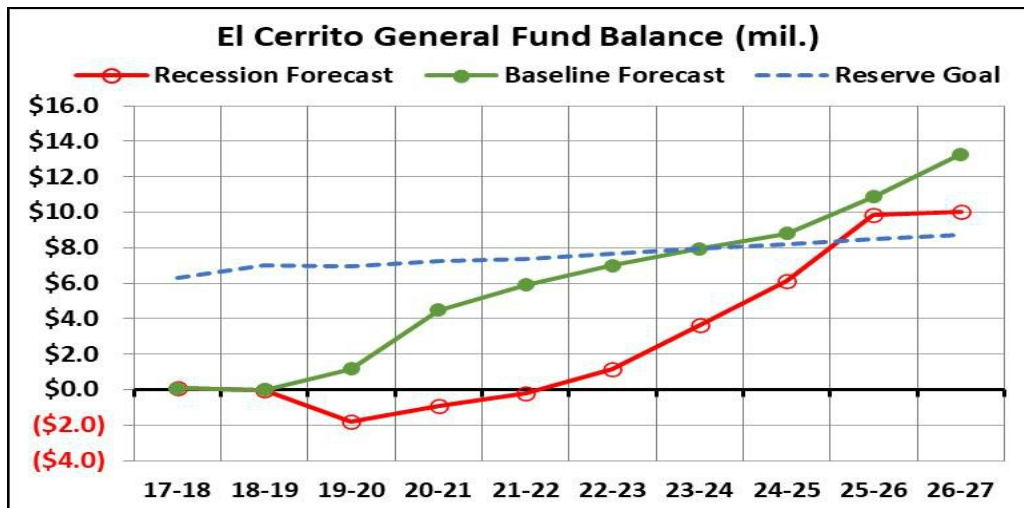
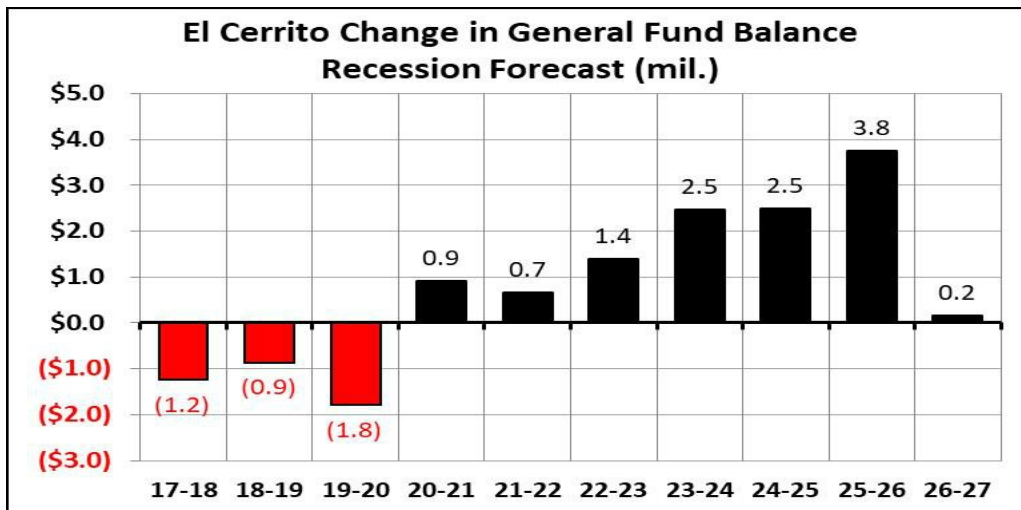


Chart 2-6 Projected General Fund Surplus/(Deficit) Incorporating Budget Strategies



Strategies Identified for Implementation

Management Partners independently evaluated and scored strategies they identified as part of their analysis. They then conferred with the City Council to review the strategies to develop a final selection of the strategies that the City will pursue to resolve the fiscal gap. The goal was to select strategies that would provide \$1.5 million in ongoing budget reductions to the City's General Fund.

The City Council reviewed and discussed an array of budget options. At the City Council special meeting on August 11, 2020, the Council provided direction to staff to pursue budget reduction strategies consistent with those presented in **Table 2-9**. Staff have incorporated these changes into this revised FY 2020-21 budget.

Table 2-9 Budget Strategies for Implementation Starting in FY 2020-21

Budget Strategy	Department	Estimated Annual Fiscal Impact
Reduce City administration	City Administration	\$345,000
Change service delivery approach of finance functions	Finance	\$25,000
Restructure fire management functions	Fire	\$210,000
Restructure police operations	Police	\$595,000
Reduce/shift funding for landscape maintenance costs	Public Works (Parks)	\$165,000
Reduce recreation administrative functions	Recreation	\$166,000
Total Budget Strategies		\$1,506,000
Goal		\$1,500,000

GENERAL FUND OVERVIEW

The General Fund is the City's primary operating fund and represents approximately 75% of the total citywide budget. The General Fund supports critical services such as public safety, community development, recreation and general city management. In addition to these services, due to the unrestricted nature of the fund, services not supported by special funds must be paid by the General Fund. Estimating the year-end fund balance provides the amount available for appropriation at the start of the new fiscal year. It is the City's goal to fund ongoing operations with ongoing revenue. In general, fund balance should be used only for one-time expenditures when the annual costs exceed the revenue generated in a given fiscal year.

The City's ability to maintain City services relies heavily on tax revenue with property and sales taxes representing the largest percentage. Both had slowed during the economic downturn. Like most cities, El Cerrito has struggled to balance increasing expenses due in large part to health and pension costs with sluggish revenues that have not kept pace with the increase in expenditures. In addition, some revenues have been permanently lost as in the case of redevelopment. Staff estimates that about a \$1 million annually was lost as a result of redevelopment dissolution.

Table 2-10 provides a summary of the General Fund forecast that shows a balanced budget in FY 2020-21. This includes increases in revenue and approximately \$1.3 million in salary savings due to unfilled positions vacant for the year. In FY 2013-14 the General Fund balance reserve ratio dipped to 4.2% from about 10% in the prior year, due to a decision taken by the City Council to reduce reserves rather than cut services or lay off staff following the recession of 2008-09. Despite that, the fund balance did increase to 5.9% in FY 2015-16. However, due to audit adjustments and changes in payroll accrual methodology during the FY 2016-17 audit, the FY2015-16 Fund Balance was restated resulting in the reserve ratio dropping to 0.2% in FY 2017-18.

The biggest hit to fund balance since the dissolution of Redevelopment Agencies in 2012, has been the COVID-19 pandemic in the last quarter of FY 2019-20 that has resulted in a loss of nearly \$3.3 million in General Fund revenues to the City in FY 2019-20 alone, compared to the previous year. This has led to a -5.9% projected reserve ratio and will impact projected fund balance reserve ratios for subsequent years as well, as can be seen from the table below.

The revenue impact of COVID-19 on the Reserve Ratio is estimated at about 8%, based on a \$40 million expenditure budget. With the loss of revenues and the sharp rise in pension and insurance costs that have driven total expenditures higher, it is expected that the Reserve Ratio will drop to -4.4% for the budget year despite the unprecedented expenditure reductions in response to the pandemic. Further cost reductions will have to be made if the pandemic-induced recession persists beyond 2020.

Table 2-10
General Fund Forecast

General Fund Summary	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited	FY 2020-21 Adopted	FY 2020-21 Proposed
Beginning Restricted Fund Balance	1,004,947	2,321,077	1,650,928		
Beginning Unassigned Fund Balance	(186,227)	(2,233,507)	(1,707,620)	(2,367,469)	(2,367,469)
Total Beginning Fund Balance	818,720	87,570	(56,692)	(2,367,469)	(2,367,469)
Total Revenues	35,838,504	41,388,598	38,081,713	39,391,670	39,377,869
Personnel	25,199,770	29,862,092	30,264,014	29,890,761	29,490,258
Non-Personnel	11,369,884	11,670,768	10,128,476	8,710,240	9,224,579
Total Expenses	36,569,654	41,532,860	40,392,490	38,601,001	38,714,837
Annual Surplus/(Deficit)	(731,150)	(144,262)	(2,310,777)	790,669	663,032
Ending Total Fund Balance	87,570	(56,692)	(2,367,469)	(1,576,800)	(1,704,437)
Ending Reserve Percent	0.2%	-0.1%	-5.9%	-4.1%	-4.4%

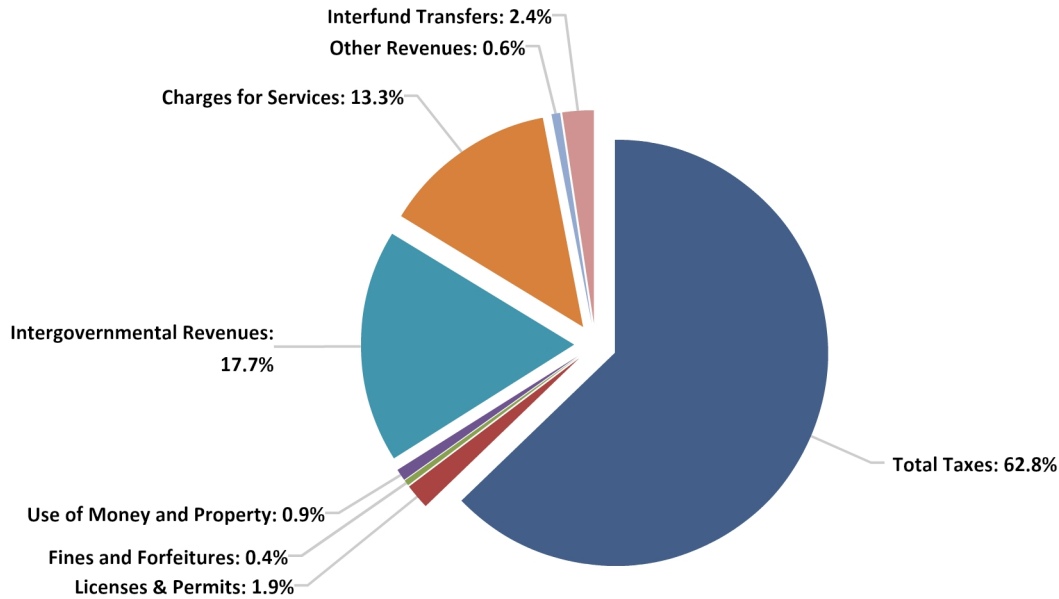
General Fund Revenues

Table 2-11 and **Chart 2-7** depict the revenue by category in the General Fund. Property taxes are expected to remain flat and sales taxes are expected to decline by 10%. Other taxes such as franchise taxes, business license taxes, and others will experience minimal growth from the prior year actuals. Following is a more in-depth discussion on each of the major revenue categories and the issues addressed in the FY 2020-21 proposed amendments to the Adopted Budget.

Table 2-11
General Fund Revenues

Revenue Category	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Taxes					
Property Taxes	\$9,382,909	\$9,932,036	\$9,744,133	\$10,440,001	\$10,440,001
Sales Taxes	6,458,291	7,545,310	5,416,568	6,450,000	6,450,000
Utility Tax	2,965,675	3,207,892	3,078,740	3,200,000	3,200,000
Real Property Transfer Tax	0	1,102,562	3,467,532	2,000,000	2,400,000
Franchise Taxes	1,279,037	1,192,630	1,534,512	1,250,000	1,250,000
Business License Tax	846,900	961,459	959,504	850,000	850,000
Other Tax	147,202	149,485	102,364	136,000	136,000
Total Taxes	\$21,080,014	\$24,091,374	\$24,303,353	\$24,326,001	\$24,726,001
Licenses & Permits	765,705	775,876	784,982	800,000	758,512
Fines and Forfeitures	222,172	218,684	226,597	200,000	170,000
Use of Money and Property	373,955	387,903	432,906	399,999	350,004
Intergovernmental Revenues	6,615,285	6,744,665	6,721,400	6,600,000	6,958,654
Charges for Services	5,488,761	6,933,840	4,530,452	5,999,999	5,223,126
Other Revenues	377,386	1,118,266	141,172	150,000	253,000
Interfund Transfers	915,214	1,117,990	940,851	915,671	938,572
Total	\$35,838,492	\$41,388,598	\$38,081,713	\$39,391,670	\$39,377,869

Chart 2-7
General Fund Revenue Percentages by Category



Discussion of Major Revenue Categories

Property Taxes are an ad valorem tax levied on real and personal property based on their assessed values as determined by the County Assessor. They are also levied on certain business properties that cross county boundaries (such as railroads), based on their assessed values as determined by the State Board of Equalization. They represent the single largest tax revenue to the City's General Fund, totaling between \$9 million and \$10 million annually.

Proposition 13, passed by the voters in June 1978, significantly changed property tax revenues to local governments. It capped the property tax rate that can be imposed at 1% of the assessed value, unless a higher rate to pay for indebtedness is approved by the voters. To implement Proposition 13, county auditors adopted a system of allocating the 1% property taxes to local governments based on their share of county wide property taxes collected in the mid-1970s. State shifts of local property taxes in order to backfill its school funding cuts reduced the City's share of the 1% property taxes, which is currently about 22%. The City has no additional ad valorem property tax levies, although other agencies do levy additional ad valorem property taxes in El Cerrito.

Proposition 13 also changed the method of assessing property values for taxation. Specifically, it rolled back the assessed values for FY 1978-79 to 1975 levels and restricted annual increases over that base value to a specified inflation factor, not to exceed 2% per year. It allowed decreases in values when that inflation factor is negative. It also prohibited reassessment of a property to a higher base value except upon change in ownership or completion of new construction. In most years, this assessment process results in a property's market value being greater than its assessed value. Moreover, the market value of properties in the City as a whole is significantly greater than the City's overall assessed value, as a large number of properties in El Cerrito have not been reassessed to current market value since the passage of Proposition 13.

Proposition 8, passed by voters in November 1978, further changed the property assessment process to address real estate market declines. It requires county assessors to conduct "decline in value reviews" to

ensure the assessed value of properties are set at a lower rate if the market value of the properties has declined. When a property is assigned a lower value, this is referred to as a “Prop 8 Reduction.”

The real estate boom leading up to 2008 followed by the Great Recession resulted in a large number of Prop 8 Reductions in El Cerrito and significant decline in property tax revenues to the City. Starting in FY 2009-10, there were over 1,000 properties with Prop 8 Reductions. The City’s overall assessed value increased that year, however, masking the \$139 million loss in assessed value from these initial Prop 8 Reductions. The impact reached its peak in FY 2011-12 when there were more than 2,000 properties with Prop 8 Reductions, reducing the City’s assessed value by more than \$357 million, a loss that was not counterbalanced by increases in assessed value on other properties. As a result, the City’s property tax revenues, which had been approaching \$6 million annually in FY 2008-09, dropped to about \$5.5 million in FY 2012-13. However, during the past several fiscal years increasing home prices have resulted in a gradual increase in property tax revenues to about \$10 million.

With the current COVID-19 induced recession, the City must prepare for a similar situation experienced in the Great Recession including the possibility of future Prop 8 reductions.

Sales Taxes are imposed on the total retail price of tangible personal property purchased in the City. The total sales tax rate in El Cerrito is 9.75% which became effective in January 2017 and includes:

Rate	Purpose
3.94%	State General Fund
0.50%	Contra Costa County Transportation Authority (CCTA)
0.50%	Bay Area Rapid Transit District (BART) in Contra Costa County
1.81%	County health and social services, public safety, and transportation
1.00%	El Cerrito 2015 Transactions & Use Tax (ELCG)
0.50%	Public Safety (Prop 172)
0.50%	El Cerrito Measure A (Streets)
1.00%	El Cerrito General Fund (Bradley Burns)

The City’s General Fund received about \$7 million in sales tax revenues annually, including the general sales and use tax; and a share of the County sales tax designated for public safety. Due to the COVID-19 induced recession, General Fund sales tax revenues are expected to decline by 10%.

Sales taxes are a significant revenue source to the City’s General Fund, but are more cyclical and volatile than property tax revenues. The economic downturn between 2007 and 2011 resulted in a drop in retail sales statewide and a corresponding drop in sales tax revenues. The City was able to compensate somewhat for the downturn by passing Measure R in 2010 and increasing it to balance revenues and expenses in 2014.

Utility Users Taxes were initially approved by the voters in 1991 and revised with voter approval of the ordinance in 2004. The tax generates approximately \$3.2 million in revenues annually for the General Fund. The ordinance calls for an 8% tax to be assessed by providers of gas, electricity, water, telephone and video services to all El Cerrito customers and then remitted to the City. These revenues are subject to changes in market conditions, weather, and/or pricing in the sectors subject to the utility users tax ordinance. Although use of these services is generally declining, prices and rates are generally increasing on these services.

Franchise Taxes are paid by utilities based on various methodologies and represent over \$1 million in General Fund revenue. They are projected to increase slightly over the next few years.

Business License Taxes are imposed on certain types of businesses in El Cerrito and reflect about \$850,000-\$950,000 of General Fund revenue annually. The tax is based on factors such as a business’s number of

employees or vehicles, its annual gross receipts, or a property owner's number of residential rental units. A slight decrease is projected in the next year, until businesses return to normal following the pandemic.

Other Taxes includes the Transient Occupancy Tax, a 10% tax on room rates for hotels and motels, and other minor taxes. These are a minor General Fund revenue sources, projected to drop due to the vacancy rates at local hotels.

General Fund Expenditures

Table 2-12 and **Chart 2-8** depict the expenditure by category in the General Fund. The Proposed FY 2020-21 General Fund expenditure budget totals \$38.7 million, a decrease of approximately \$2.8 million from the FY 2018-19 actuals and \$1.7 million from the prior year actuals, despite the nearly \$700,000 increase in pension costs.

Approximately 76% of the General Fund expenditures are related to personnel costs. Within Personnel, salaries and benefits have traditionally been governed by the City Council's policy to provide median compensation, which is intended to act as a ceiling for salaries and benefits as agreed upon in the memorandums of understanding with the various benefit groups. Currently, all employees are now contributing between 9-12% of their salary towards the total pension costs.

Of the remaining General Fund expenses, very few are discretionary and include costs related to contract services such as Public Safety dispatch, Animal Control services, legal services, independent audit services, election services and criminalist services that the City could not provide as efficiently as other organizations can on its behalf. When other non-discretionary items are factored in such as insurance, medical supplies, utilities, vehicles, and a minimal level of supplies, nearly 95% of the General Fund is non-discretionary.

Table 2-12
General Fund Expenditures by Category

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Personnel	\$27,292,782	\$29,862,092	\$30,264,014	\$29,490,258
Professional Services	4,080,678	4,357,827	3,807,312	3,534,494
Purchased Property Services	1,818,280	1,902,199	2,198,785	1,813,791
Other Services	1,932,079	1,813,762	1,884,751	1,832,920
Supplies	712,945	723,804	609,566	611,025
Property & Capital	422,401	348,378	432,557	310,268
Financing Costs	423,116	478,198	494,233	456,469
Other Financing Uses	439,134	2,046,600	701,272	665,612
Total	\$37,121,415	\$41,532,860	\$40,392,490	\$38,714,837

Chart 2-8
General Fund Expenditures

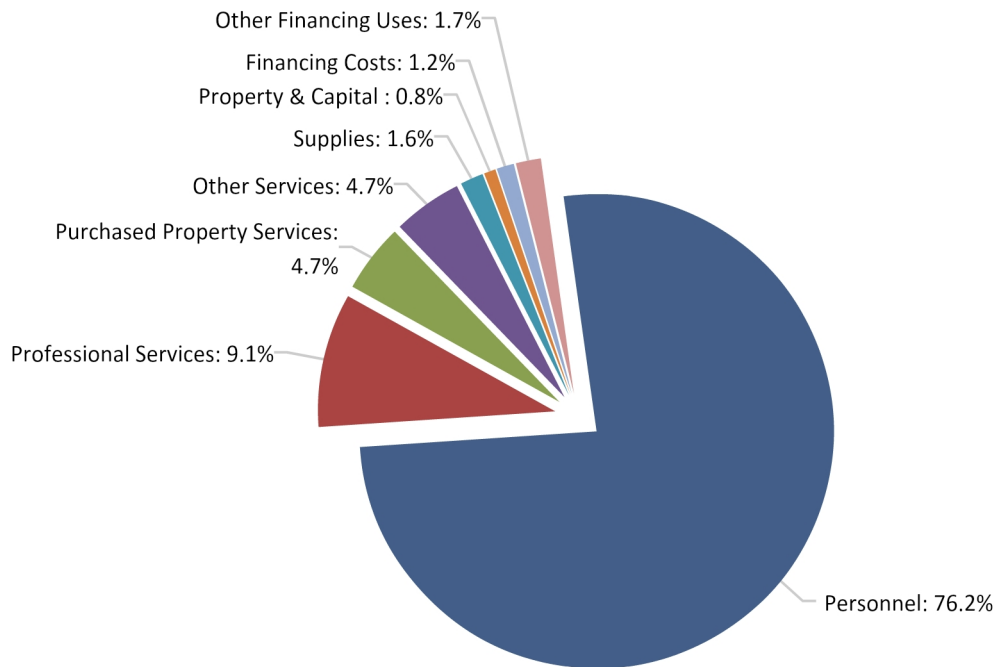
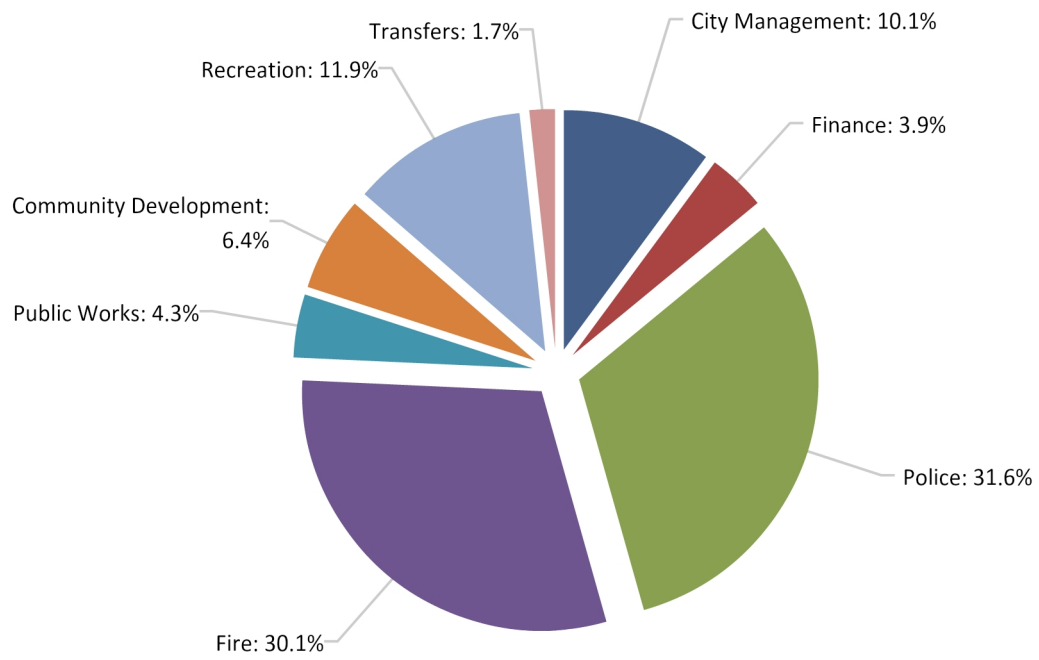


Table 2-14 provides a summary of the General Fund expenditure budget by Department. While some reorganization has occurred, Department budgets have remained fairly consistent over the last few years. Impacts of the Fiscal Response Plan and other reductions will begin to be realized in the second half of this fiscal year.

Table 2-14
General Fund Expenditures by Department

Department	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
City Management	\$3,990,748	\$4,405,258	\$4,599,564	\$3,913,701
Finance	1,510,870	1,680,114	1,813,805	1,520,697
Police	11,126,979	12,067,113	12,318,588	12,233,733
Fire	10,185,602	11,169,593	11,172,528	11,645,813
Public Works	2,162,216	1,975,854	2,026,007	1,651,746
Community Development	2,467,149	2,522,098	2,505,058	2,477,605
Recreation	5,238,715	5,794,027	5,374,668	4,605,930
Transfers	439,134	1,917,803	582,272	665,612
Total	\$37,121,413	\$41,531,860	\$40,392,490	\$38,714,837

Chart 2-9
General Fund Expenditures – Percentage by Department



MAJOR OPERATING FUNDS

In addition to the General Fund, City operations rely on a variety of funding sources. Special Funds, typically restricted for specific uses, contribute \$15 million, or approximately 31%, of the total resources used to support the City's approximately \$48.7 million operating budget. These funds can be described in these broad categories:

Special Revenue Funds

Special revenues and grants are accounted for in separate funds and are legally restricted to a specific purpose, service, or program. Some special revenue funds receive tax-based revenues. Some account for revenues and expenditures related to the financing of public improvements or services funded by property assessments, fees or special taxes. Major special revenue funds, some of which are described in greater detail in the following section, are as follows:

- Gas Tax Fund (201)
- National Pollutant Discharge Elimination System (NPDES) Fund (202)
- Landscaping and Lighting Assessment District Fund (203)
- Measure J Return to Source Fund Transportation (204)
- Measure J Storm Drain Fund (205)
- Measure A Swim Center Fund (206)
- Measure H Parcel Tax (207)
- Street Improvement Fund (211)
- Low & Moderate Income Housing Asset Fund (232)
- Integrated Waste Management Fund (501)

Capital Funds

Funds are created to account for revenues and expenses related to capital projects, though sometimes include expenditures on operations. The major capital fund is the Capital Improvement Program Fund (301).

Enterprise Funds

Enterprise funds are used to support the expenditures of a specific service or program and revenue is derived through the collection of the fees associated with providing the service/program. The major enterprise fund is the Integrated Waste Management Fund (501).

Fund Forecasts

This section contains financial overviews for eight of the City's major special revenue funds. The following forecasts include a description of each fund, assumptions about revenues and expenditures, and analysis and projections of the revenue sources and uses. Any issues unique to a fund are also highlighted. While these key operating funds are summarized here, they are also integrated into the budgets of the departments responsible for managing the funds.

Several of these funds have legal limits on increases to their revenue, but have continued to experience increases in expenditures as a result of many of the same factors that impact the General Fund (e.g., salary cost-of-living increases, health benefit costs and retirement costs). Specifically, the Landscape and Lighting Assessment District (LLAD) Fund, National Pollutant Discharge Elimination System (NPDES) Fund, and the Measure J Storm Drain Fund have had their revenue growth limited by the passage of Proposition 218. The City can increase revenues in these funds only with voter approval. The Measure A Swim Center Fund, as well as the newly created Measure H Fund, is similar in that the maximum special tax cannot be increased without voter approval. Property development also affects the revenue to these funds, as different tax, fee, or assessment rates may apply to a newly developed or redeveloped property.

Gas Tax Fund (201) Overview

The Gas Tax Fund supports transportation activities, such as the construction and maintenance of streets, roads and bridges. The State of California allocates Gas Tax monies to cities and counties each year by formula, based on population, vehicle registration, assessed valuation, and population. These revenues have been sensitive to the price and volume of motor fuel purchases and have been declining since Fiscal Year 2013-14 as fuel prices were decreasing and drivers migrated to alternative fuel vehicles.

Expenditures in this Fund are based on the Gas Tax model of road-related activities, including roads, sidewalks, traffic controls, drainage, lighting and landscaping. Gas Tax monies can be used for any street or road purpose, with the exception of Section 2107.5 monies, which must be used for engineering and administrative costs.

Revenues had previously been supplemented by transfers from the County's Measure J Return-to-Source Fund for transportation activities, and from the City's Measure J Storm Drain Fund for drainage functions within the streets and road system. Transfers have also previously been made to the Landscape and Lighting Assessment District Fund for medians, rights-of-way, street trees and street lighting. Most recently, budgets and projections have been restructured to have revenues and expenses balance within the fund, and eliminate the need for transfers.

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Starting Balance	\$5,099	(\$114,200)	(\$113,224)	(\$93,332)	(\$93,332)
Revenues	\$528,082	\$519,471	\$589,882	\$610,296	\$610,297
Taxes	528,082	519,471	589,882	610,296	610,297
Expenses	\$647,381	\$518,495	\$569,990	\$522,809	\$520,968
Personnel	283,023	273,772	309,872	295,681	293,841
Non-Personnel	263,858	143,723	156,088	127,128	127,127
Overhead Transfer	100,500	101,000	104,030	100,000	100,000
Annual Surplus/(Shortfall)	(\$119,299)	\$976	\$19,892	\$87,487	\$89,329
Ending Balance/(Deficit)	(\$114,200)	(\$113,224)	(\$93,332)	(\$5,845)	(\$4,003)

Assumptions

- Gas tax revenues are sensitive to price and volume of motor fuel purchased and fluctuate from year to year. Tax revenues decline when fuel prices decrease and as drivers migrate to alternative fuel vehicles. The COVID-19 pandemic has impacted revenues as well, and a decline in revenues from previous years is noted and projected for FY 2020-21.
- Due to decline of Gas Tax revenues since FY 2013-14, eligible expenses, in the amount of approximately \$90,000, for sidewalk, street signs, traffic signal, and street light repair and maintenance have been moved to Senate Bill 1 - Road Maintenance and Rehabilitation Account Fund. Without the Senate Bill 1 revenues, the City's Gas Tax Fund would be in deficit if the existing service levels are to be maintained.
- In previous years, funds were transferred to the Capital Improvement Program Fund (301) to reimburse expenditures incurred on streets and transportation projects. However, this practice has been suspended, due to declining revenues in the Gas Tax Fund.

NPDES Fund (202) Overview

National Pollutant Discharge Elimination System (NPDES) related activities as mandated by the 1975 Federal Clean Water Act are funded through an assessment collected by the County Flood Control District on all developed properties within the City. These funds are disbursed to the City annually to carry out Clean Water Program activities such as trash capture, storm drain and catch basin cleaning, illicit discharge and pollution prevention inspections of the City's storm drain system and creeks, public awareness and education about storm water pollution, and inspection of new development sites to ensure compliance with the City's Municipal Storm Water Permit (MRP). An assessment election by voters or property owners in El Cerrito could be considered to eliminate the need to subsidize clean water programs from other funds or to reduce future program activities.

Supplemental funding from the Storm Drain Fund (205) has previously been used for specialized maintenance of the storm drain facilities, key to the Clean Water Program. Future transfers from Fund 205 have been eliminated. Most recently, budgets and projections have been restructured to have revenues and expenses balance within the fund, and eliminate the need for transfers.

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Starting Balance	\$153,595	\$223,038	\$235,957	\$232,988	\$232,988
Revenue	\$359,486	\$311,772	\$318,160	\$330,074	\$330,074
Assessment	359,486	311,772	318,160	330,074	330,074
Expenses	\$290,043	\$298,853	\$321,129	\$411,737	\$404,808
Personnel	169,476	180,412	190,056	193,945	229,538
Non-Personnel	47,507	43,141	53,514	142,792	100,270
Overhead Transfer	73,060	75,300	77,559	75,000	75,000
Annual Surplus/(Shortfall)	\$69,443	\$12,919	(\$2,969)	(\$81,663)	(\$74,734)
Ending Balance/(Deficit)	\$223,038	\$235,957	\$232,988	\$151,325	\$158,254

Assumptions

- Revenues from assessments have fluctuated over the last few years due to uncertainty about new development and increased County Clean Water Program cost withholdings.
- Previous budgets increased the General Fund support for Public Works services by paying for part of the personnel expenses in the NPDES fund. With the continuing revenue decline in this fund, other revenue sources will need to be identified in the coming years to meet these costs.

Landscaping and Lighting Assessment District Fund (203) Overview

The proceeds from this Landscaping and Lighting Assessment District (LLAD) provide funding for such services as lighting (which improves safety) and maintenance of parks, park buildings, and landscaping in public areas. The LLAD was created in 1988 and was affirmed by a majority vote of El Cerrito's citizens in November 1996. The assessment rates have not been increased since the LLAD's creation in 1988. A proposed Assessment District with increased rates was presented to the City's property owners during a ballot proceeding in March/April 2006, but a majority protest was filed and the increased assessment rates were not imposed. The current LLAD remains in place and will continue to be assessed. The basic rates remain \$72 per year per single-family dwelling unit, \$54 per year per apartment, condominium, or other multiple dwelling units, with various rates for commercial properties.

The Gas Tax Fund (201) had previously provided supplemental revenue to the LLAD Fund to perform maintenance of median and right-of-way landscapes, street trees, and street lighting. Future transfers from Fund 201 have been eliminated.

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Starting Balance	\$98,624	\$101,536	\$94,684	\$65,834	\$65,834
Revenue	\$775,487	\$787,208	\$802,479	\$780,000	\$791,500
Assessments	774,977	777,656	781,248	780,000	781,000
Maint. Reimbursement/Misc.	510	9,552	21,231	0	10,500
Expenses	\$772,575	\$794,060	\$831,329	\$872,596	\$827,379
Personnel	245,883	252,794	286,257	265,554	230,404
Non-Personnel	367,085	380,516	384,322	447,042	436,975
Overhead Transfer	159,607	160,750	160,750	160,000	160,000
Annual Surplus/(Shortfall)	\$2,912	(\$6,852)	(\$28,850)	(\$92,596)	(\$35,879)
Ending Balance/(Deficit)	\$101,536	\$94,684	\$65,834	(\$26,762)	\$29,955

Assumptions

- Revenues from assessments are projected to remain flat
- Previous budgets increased the General Fund support for Public Works services by paying for part of the non-personnel expenses in this fund. Projected revenue will not be enough to cover the costs of maintaining landscaping and lighting services at current levels while also paying for deferred maintenance. As such, additional revenue sources will need to be identified in the coming years to meet these needs.

Measure J Return-to-Source Fund (204) Overview

This Fund accounts for the revenue received by the Measure C and its extension, Measure J (2004); a half-cent sales tax approved by the voters to fund transportation projects as well the para-transit program. Sales tax is collected at the County level and paid to the City.

A portion of the Measure J Return-to-Source Fund is designated for street maintenance activities similar to those in the Gas Tax Fund (201), and the remaining portion is designated for para-transit operations. In prior years, expenses and revenues related to both street maintenance activities and para-transit operations were budgeted in Fund 204. All para-transit related revenues and expenditures are budgeted in the Measure J Return-to-Source Fund Para-Transit Fund (214) that was first set up in FY 2014-15.

The Measure J Return-to-Source Fund has previously supplemented the Gas Tax Fund for transportation activities. Future supplements to the Gas Tax Fund have been eliminated.

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Starting Balance	\$88,473	\$78,070	\$67,723	\$48,130	\$48,130
Revenues	\$456,053	\$479,657	\$452,000	\$384,200	\$384,200
Taxes	456,053	479,657	452,000	384,200	384,200
Expenses	\$466,456	\$490,004	\$471,593	\$391,826	\$384,076
Personnel	170,171	158,431	179,299	170,085	127,176
Non-Personnel	213,765	248,573	207,898	138,741	173,900
Transfer out (CIP)	20,000	20,000	20,000	20,000	20,000
Overhead Transfer	62,520	63,000	64,396	63,000	63,000
Annual Surplus/(Shortfall)	(\$10,403)	(\$10,347)	(\$19,593)	(\$7,626)	\$124
Ending Balance/(Deficit)	\$78,070	\$67,723	\$48,130	\$40,504	\$48,254

Assumptions

- Tax revenues are a flat 20.1% of Measure J sales taxes collected. Measure J Return-to-Source revenues are sensitive to economic changes and therefore difficult to predict. Revenues have been relatively flat over the last few years. However, due to the COVID-19 pandemic, these revenues are expected to decrease as with other sales tax revenues.
- Because in previous years expenses had exceeded revenue, eligible expenses for accessibility, sidewalk, street signs, traffic signal, and street light repair and maintenance have been moved to Senate Bill 1 - Road Maintenance and Rehabilitation Account Fund. Without the Senate Bill 1 revenues, the Measure J Return-to-Source Fund would be in deficit if the existing service levels are to be maintained.
- Expenses include transfers to the Capital Improvement Program Fund (301) to reimburse it for the cost of streets and transportation projects in the prior year.

Measure J Storm Drain Fund (205) Overview

The Measure J Storm Drain Fund was created to account for funds associated with the passage of Measure J by the voters of El Cerrito in March 1993. The special revenue provides needed funds to maintain, repair, and reconstruct the City's storm drains. All properties in the City (residential and commercial) are assessed annually based on equivalent residential units (ERU). The ERU rate remains \$58 per year per single-family dwelling unit and \$43.50 per year per apartment, condominium, or other multiple dwelling units.

Fund 205 had historically provided supplemental funding to the Gas Tax Fund (201) and NPDES Fund (202) for drainage activities within the road system and contributing to Clean Water goals.

Future years' expenses in the Storm Drain Fund include maintenance of the storm water and storm drain system including creek and pipe sediment removal for flood control, Clean Water activities, capital outlays for major maintenance and improvements to the City's storm drain system, including storm pipe repair and replacements per the Storm Drain Master Plan Update.

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Starting Balance	\$298,026	\$437,950	\$675,131	\$403,615	\$403,615
Revenues	\$700,675	\$701,950	\$704,131	\$702,000	\$702,000
Fees	700,636	701,950	704,131	702,000	702,000
Expenses	\$560,751	\$464,769	\$975,647	\$713,764	\$670,527
Personnel	317,919	329,761	354,994	313,779	313,027
Non-Personnel	29,415	52,336	34,347	70,300	83,500
Capital Outlay	139,026	8,672	510,086	255,685	200,000
Overhead Transfer	74,391	74,000	76,220	74,000	74,000
Annual Surplus/(Shortfall)	\$139,924	\$237,181	(\$271,516)	(\$11,764)	\$31,473
Ending Balance/(Deficit)	\$437,950	\$675,131	\$403,615	\$391,851	\$435,088

Assumptions

- Revenues from storm drain fees are projected to remain flat.

Measure A Parcel Tax (206) Swim Center Overview

The Measure A Parcel Tax Swim Center Fund is used to account for the use of the voter-approved special tax for the swim center and park capital projects. While Measure A expired on June 30, 2020, a fund balance remains for future projects which include Swim Center Americans with Disabilities (ADA) parking lot improvements and pool resurfacing.

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Starting Balance	\$648,260	\$256,757	\$365,641	\$485,754	\$485,754
Revenues	\$654,469	\$633,080	\$614,465	\$0	\$0
Property and Other Taxes	654,469	633,080	614,465	0	0
Expenses	\$1,045,972	\$524,196	\$494,352	\$450,000	\$637,014
Purchased Professional & Technical Services	63,860	16,845	6,698	0	0
Purchased Property Services	539,790	46,772	20,686	89,270	450,000
Other Purchased Services	916	0	0	0	0
Property & Capital	34,647	48,849	55,238	0	0
Other Financing Uses	406,759	411,730	411,730	360,730	187,014
Annual Surplus/(Shortfall)	(\$391,503)	\$108,884	\$120,113	(\$450,000)	(\$637,014)
Ending Balance/(Deficit)	\$256,757	\$365,641	\$485,754	\$35,754	(\$151,260)

Measure H Parcel Tax (207) Parks & Recreation Facilities Overview

The Measure H Parcel Tax Parks & Recreation Facilities Fund is used to account for the use of voter-approved special tax for the maintenance and enhancement of parks and recreation facilities including the Swim Center, playgrounds, open space and trails, park amenities, community center and clubhouses. Proposed expenditures include parks and fields landscape maintenance, Hillside Natural Area vegetation management and trail maintenance, Swim Center maintenance, park equipment and signs, Immediate Work Priorities at City Clubhouses and Parks as identified through the Parks and Recreation Facilities Master Plan, and funds set aside for equipment replacement and emergency building repairs.

	FY 2020-21 Adopted	FY 2020-21 Proposed
Starting Balance	\$0	\$0
Revenues	\$632,891	\$632,891
Taxes	632,891	632,891
Expenses	\$632,891	\$632,891
Landscape/Park Maintenance	—	268,000
Utilities- Energy	—	63,780
Infrastructure Maintenance	—	50,326
Chemicals	—	52,000
Misc. Repairs & Maintenance	—	73,310
Constructions Services	582,891	35,475
Landscape & Park Supplies	—	10,000
Small Equipment	—	30,000
Overhead Transfer	50,000	50,000
Annual Surplus/(Shortfall)	\$0	\$0
Ending Balance/(Deficit)	\$0	\$0

Street Improvement Fund (211) Overview

This Fund is used to account for proceeds of the Measure A half-cent sales tax approved by El Cerrito voters on February 5, 2008. Expenditures from this Fund are to improve and maintain City streets and to pay debt service on the related 2008 bond issuance, for which the Measure A half-cent sales tax is a pledged revenue stream.

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Starting Balance	\$847,061	\$751,606	\$1,197,347	\$1,025,560	\$1,025,560
Revenues	\$1,594,803	\$1,634,703	\$1,365,860	\$1,449,721	\$1,449,721
Taxes	1,590,085	1,630,826	1,352,686	1,449,721	1,444,721
Misc.	4,718	3,877	13,174	0	5,000
Expenses	\$1,690,258	\$1,188,962	\$1,537,647	\$1,781,081	\$1,780,193
Personnel	103,546	91,478	109,294	110,450	110,203
Nonpersonnel	1,800	1,385	1,450	0	1,500
Capital Outlay	885,044	391,699	724,003	967,731	962,190
Overhead Transfers	699,868	704,400	702,900	702,900	706,300
Annual Surplus/(Shortfall)	(\$95,455)	\$445,741	(\$171,787)	(\$331,360)	(\$330,472)
Ending Balance/(Deficit)	\$751,606	\$1,197,347	\$1,025,560	\$694,200	\$695,088

Assumptions

- Revenues from Measure A funds are anticipated to remain relatively constant.
- Expenses will remain in line with revenues after debt service.

Integrated Waste Management Fund (501) Overview

This enterprise fund is used to account for the activities related to the recycling and waste diversion management programs. The Integrated Waste Management (IWM) Fund provides for services including weekly residential and commercial curbside recycling collection operations, management of waste management contracts and services, and operation of the City's state-of-the-art LEED Platinum Recycling + Environmental Resource Center. Although the City historically included a ten-year plan in the annual budget, a short-term fund forecast format has been adopted to be consistent with other funds and reflect a more suitable planning horizon.

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Starting Balance	\$664,903	\$1,003,185	\$1,049,356	\$1,388,963	\$1,388,963
Revenues	\$2,580,030	\$2,644,367	\$3,036,722	\$3,766,062	\$3,766,067
IWM Fees	2,256,990	2,475,635	2,605,196	3,662,835	3,674,784
Materials Sales/Contracts	292,255	95,698	389,246	74,227	63,783
State Payments	26,529	64,015	41,198	23,500	25,500
Other Revenues	4,256	9,019	1,082	5,500	2,000
Expenses	\$2,241,748	\$2,598,196	\$2,697,115	\$3,351,393	\$3,421,934
Personnel	1,380,765	1,513,160	1,577,964	1,491,666	1,470,935
Non-Personnel	423,350	625,821	691,534	1,079,441	1,165,343
Principal & Interest	70,812	98,394	56,081	420,615	403,084
Overhead Transfer	360,821	360,821	371,536	359,671	382,572
Art Transfer	6,000	0	0	0	0
Annual Surplus/(Shortfall)	\$338,282	\$46,171	\$339,607	\$414,669	\$344,133
Ending Balance/(Deficit)	\$1,003,185	\$1,049,356	\$1,388,963	\$1,803,632	\$1,733,096

Assumptions

- Recent changes in China's import policies are causing unprecedented upheaval in international recycling markets. As such a decrease in the revenue from materials sales and contracts is projected over the next two years.
- Revenues from IWM Fees are projected to increase by 7.5% in calendar years 2019 and 2020 in order to compensate for loss in materials revenue.

Low & Moderate Income Housing Asset Fund (232) Overview

Pursuant to the Dissolution Act, the City elected to serve as the Successor Housing Entity to the dissolved El Cerrito Redevelopment Agency, responsible for affordable housing projects and activities. In FY 2012, the City placed housing assets, including real estate and encumbered cash in the Low & Moderate Income Housing Fund (LMIHF), into the new Low & Moderate Income Housing Asset Fund. California Redevelopment Law requires the Fund be used to increase, improve and preserve the housing supply affordable to very low, low, and moderate income households.

The Dissolution Act did not provide revenue for successor housing agencies, but allows them to collect payments on loans made from former agencies' LMIHF. Money had been borrowed from the LMIHF to pay into the Educational Revenue Augmentation Fund (ERAF) and Supplemental ERAF. Repayment of these loans is an obligation of the El Cerrito Redevelopment Agency Successor Agency (see Section 10) and the only anticipated near-term revenues.

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Starting Balance	5,068,416	5,067,587	5,131,742	5,070,372	5,070,372
Revenues	26,221	74,829	56,510	164,800	164,800
Other Revenue	26,221	74,829	56,510	164,800	164,800
Expenses	27,050	10,674	117,880	196,730	196,730
Purchased Professional & Technical Services	18,038	1,265	5,815	41,200	41,200
Purchased Property Services	7,301	8,281	10,141	(515)	(515)
Other Purchased Services	371	282	281	515	515
Supplies	1,340	846	433	1,030	1,030
Other Financing Uses	0	0	101,210	154,500	154,500
Annual Surplus/(Shortfall)	(\$829)	\$64,155	(\$61,370)	(\$31,930)	(\$31,930)
Ending Balance/(Deficit)	\$5,067,587	\$5,131,742	\$5,070,372	\$5,038,442	\$5,038,442

OTHER FUNDS

The City has other funds, including minor operating funds, capital funds, other entities' funds, debt service funds, internal service funds, and trust funds. They are as follows:

Asset Seizure Fund (208)

The Police Department acquires assets in the course of arresting suspects and a portion of these assets becomes the property of the City when a guilty verdict is awarded. Pursuant to the State Health and Safety Code, these funds are to be used by the Police Department to supplant but not supplement its operating budget. To assure correct usage, funds have been broken out into a separate fund.

Vehicle Abatement Fund (209)

This Fund accounts for monies received from the County to support programs that remove abandoned vehicles from City streets.

Park In-Lieu Fund (210)

This Fund accounts for funds received through negotiations with developers to be used for park improvements.

SB1 Fund (212)

This Fund was established in FY 2017-18 to account for funds received from the State Controller that have been generated through the passage of Senate Bill 1, and specifically, funds from the State's Road Maintenance and Rehabilitation Account (RMRA) that are apportioned by formula to eligible cities and counties for maintenance, rehabilitation, safety and improvement projects on local streets and roads system.

Art in Public Places Fund (213)

This Fund was established to account for the public art in-lieu contributions and any and all other revenues appropriated or received for public art and/or public arts and cultural programs, including donations from the public.

Measure J Return-to-Source Paratransit (214)

This Fund was created in FY 2013-14 to account separately for the portion of Measure J Return-to-Source revenues that fund the paratransit program.

Grants Fund (221)

This Fund accounts for projects and programs in various departments that are funded by one-time grants.

Grants Fund (222)

This Fund was created in FY 2013-14 to account for the ongoing C.O.P.S. grants received by the Police Department. Previously the revenues and expenditures for this program were accounted for in Fund 221.

Municipal Services Corporation Fund (230)

The Municipal Services Corporation is a separate nonprofit, public benefit corporation. Although it is considered a component unit of the City for accounting purposes, its activities are controlled and its budget is adopted by a separate board of directors, and therefore not included in this document. Its revenues are primarily related to real estate transactions, including leases and potentially disposition of developable land. It also received revenue from the former Redevelopment Agency, prior to its dissolution, pursuant to a Cooperation Agreement in order to implement economic development and redevelopment programs, but has not received any payments related to the agreement since the dissolution in 2012. Its expenditures are for economic development programs, redevelopment projects, and property management.

Capital Improvements Fund (301)

This Fund is utilized to account for capital activities with one-time and multiple funding sources. Within the Fund, each project is accounted for separately on a life-to-date basis for internal and external reporting purposes.

Storm Drain Debt Service Fund (401)

This Fund accounts for debt service payments on the Storm Drain Revenue Bonds using the proceeds of the Measure J Special Tax assessed for that purpose. No further expenditures are budgeted for this Fund, as the last debt service payment was made in FY 2013-14.

Vehicle and Equipment Replacement Fund (601)

The purpose of this Fund is to provide vehicles and equipment to the line departments and avoid financing costs associated with the acquisition of necessary capital assets. This Fund was originally created from a reserved portion of the City's General Fund. Departments may purchase necessary vehicles or equipment from this Fund and then repay the Fund from their operating budgets over time. An ongoing charge to the operating department will cover the cost of the equipment plus a contribution toward future replacement of the equipment when such a replacement can reasonably be anticipated. The Fund's primary objective is to provide financing for the purchase of equipment and vehicles with a cost of \$5,000 and over and a useful life of three or more years. Currently, only the Fire Department is utilizing this Fund.

Pension Fund Section 401A Trust Fund (701)

The purpose of this Fund is to account for payments on retiree pensions that are an obligation of the City.

Redevelopment Obligation Retirement Fund (780)

The purpose of this trust fund is to administer the enforceable obligations of the El Cerrito Redevelopment Agency Successor Agency. Monies received in this Fund are for specific payments approved by an oversight board and the California Department of Finance and the City's authority is limited to making the approved payments. No budget is adopted for this Fund.

Measure A Debt Service Fund (834)

This Fund accounts for debt service payments on the Swim Center Bonds, which were used for the Swim Center Construction, using the proceeds of the Measure A Special Tax assessed for that purpose.

City Hall Debt Service Fund (835)

This Fund accounts for debt service payments on City Hall Lease Revenue Bonds using transfers from the City's General Fund.

Street Improvement Bond Debt Service Fund (836)

This Fund accounts for debt service payments on the Street Improvement Revenue Bonds using the proceeds of the Measure A half-cent sales tax collected for that purpose.

SECTION 3:

CITY MANAGEMENT

City Management provides overall policy and administrative direction of the City organization. This department acts as the central liaison to the public and provides leadership and direction to all departments in the ongoing operations of the City. City Management is ultimately responsible for ensuring the implementation of City Council policy direction and the Adopted El Cerrito Strategic Plan.

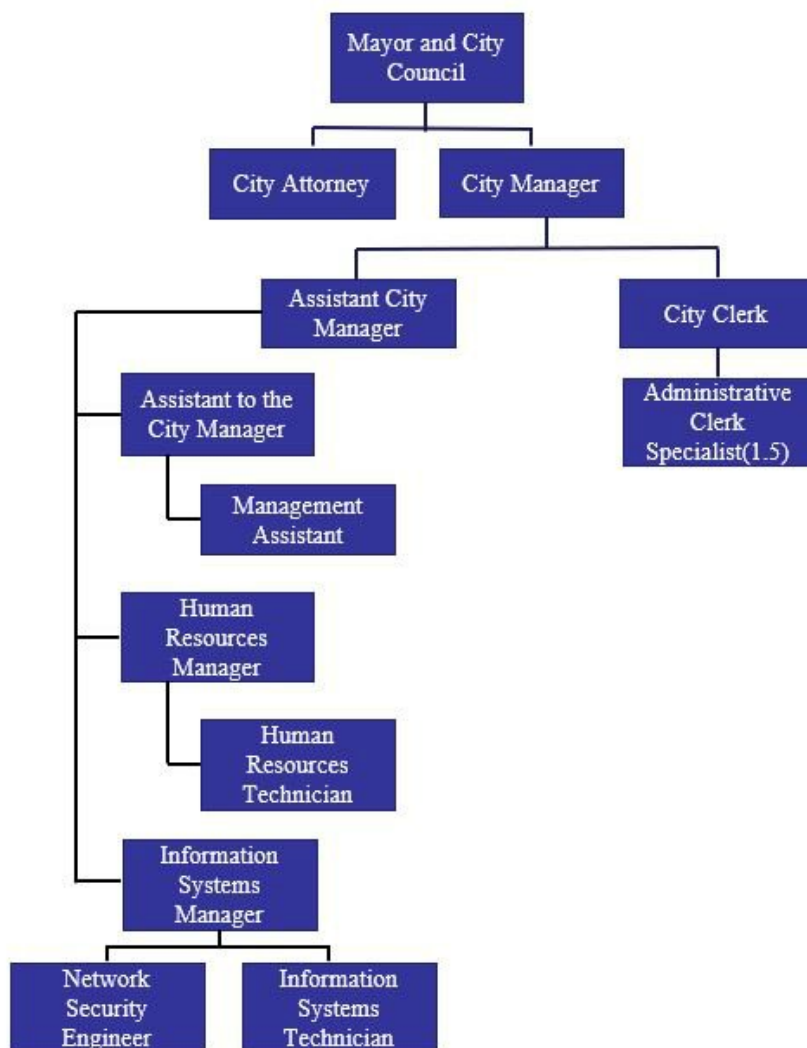
CITY MANAGEMENT OVERVIEW

City Management is the general government function of the City of El Cerrito and its other entities. This section covers six operating components and specific discussion regarding their tasks is shown in their sections:

- City Council
- City Manager's Office
- City Attorney
- City Clerk
- Information Systems
- Human Resources

An organization chart reflecting City Management operating units and their relationships is provided in **Chart 3-1.**

Chart 3-1
City Management Organizational Structure



The position listing in **Table 3-1** shows the positions included within City Management. This table reflects the implementation of the Fiscal Response Plan that will eliminate funding for the Assistant to the City Manager position as of January 2021.

Table 3-1
City Management Position Listing

CITY MANAGEMENT	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Assistant City Manager	1	1	1	1	1
Assistant to the City Manager	1	1	1	1	0
Administrative Clerk Specialist	1.5	1.5	1.5	1.5	1
City Manager	1	1	1	1	1
City Clerk	1	1	1	1	1
Human Resources Manager	0	0	1	1	1
Human Resources Technician	1	1	1	1	0
Human Resources Specialist	0	0	0	0	1
Information Systems Manager	1	1	1	1	1
Information Systems Specialist	2	2	2	2	2
Management Assistant	1	1	1	1	1
Senior Human Resources Analyst	1	1	0	0	0
CITY MANAGEMENT TOTAL	11.5	11.5	11.5	11.5	10

CITY MANAGEMENT BUDGET SUMMARY

City Management Department Expenditures (1020, 1040, 1060, 1070)

All Funds	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
General Fund (101)				
Personnel Services	\$1,963,106	\$2,344,847	\$2,380,205	\$2,109,076
Purchased Professional & Technical Services	440,353	460,070	366,053	372,086
Purchased Property Services	16	-4,231	101	4,635
Other Purchased Services	1,065,062	894,806	1,146,540	988,067
Supplies	56,642	47,546	78,042	41,426
Property & Capital	51,199	52,617	92,863	43,764
Total Expenditures	\$3,576,378	\$3,795,655	\$4,063,804	\$3,559,054
Public Art Fund (213)				
	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Purchased Professional & Technical Services	\$6947	\$2,333	\$11,527	\$100,000
Total Expenditures	\$6,947	\$2,833	\$11,527	\$100,000
Integrated Waste Management Fund (501)				
	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Personnel Services	\$74,487	\$95,693	\$84,594	\$77,332
Total Expenditures	\$74,487	\$95,693	\$84,594	\$77,332
City Management Department Revenues				
	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
General Fund (101)				
Use of Money and Property	\$520	\$600	\$0	\$0
Charges for Services	\$15,482	\$20,480	\$21,433	\$0
Other Revenue	\$0	\$0	\$350	\$0
Total Revenues	\$16,002	\$21,080	\$21,783	\$0
TOTAL DEPARTMENT EXPENDITURES	\$3,657,812	\$3,894,181	\$4,159,925	\$3,736,386
TOTAL DEPARTMENT REVENUES	\$16,002	\$21,080	\$21,783	\$0

CITY COUNCIL

The overall goal of the City Council is to improve the quality of life for the residents of El Cerrito and to set broad policy goals for implementation by City staff based on the needs and desires of the community. The City Council consists of five members of the community—one rotating Mayor and four Council members. The City Council is the official legislative body of the City. Its duties include:

- Set policy by ordinance, resolution, or motion
- Review and approve reports, proposals and contracts for new programs and services
- Appoint Board and Commission members
- Review and approve the budget as prepared by the City Manager
- Serve as Board Members for the El Cerrito Employees' Pension Board, Public Financing Authority, and the El Cerrito Redevelopment Agency Successor Agency

In 2013, the City Council adopted the El Cerrito Strategic Plan, outlining the mission, vision, values, goals and strategies to guide the City into the future. The mission, values, goals, and strategies identified in the Plan were reviewed and updated by the City Council in 2015 to extend through 2020, and are incorporated into the budget document. The Strategic Plan informs and guides the departments as to allocation of resources and service efforts.

CITY COUNCIL BUDGET SUMMARY

City Council Expenditures (1010)

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
General Fund (101)				
Personnel Services	\$27,823	\$34,715	\$35,659	\$38,617
Purchased Professional & Technical Services	34,593	119,812	89,339	117,623
Other Purchased Services	46,057	39,055	30,962	57,047
Supplies	2,730	1,880	1,286	422
Office Equipment	0	0	0	0
Total Expenditures	\$111,203	\$195,462	\$157,246	\$213,709

City Council Revenues

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
General Fund (101)				
Charges for Services	\$4,050	\$0	\$4,890	\$4,500
Total Revenues	\$4,050	\$0	\$4,890	\$4,500

TOTAL DEPARTMENT EXPENDITURES	\$111,203	\$195,462	\$157,246	\$213,709
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TOTAL DEPARTMENT REVENUES	\$4,050	\$0	\$4,890	\$4,500
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CITY ATTORNEY

The City Attorney supports the City Council and City organization with legal advice and services. The City Attorney, whose services are retained by the City through a contract with the law firm Meyers Nave, is responsible for the following services:

- Provide legal advice and information to the City Council, Boards and Commissions, City Manager and staff
- Develop legally acceptable alternatives for accomplishing policy objectives including the Strategic Plan
- Prepare legal documents including ordinances, leases and agreements
- Review resolutions and contracts
- Represent the City in court and before administrative agencies
- Advise City staff on land use and planning applications and issues, public works contracts and construction, personnel matters, finance issues, elections, the Public Records Act, open meeting laws, compliance with State and Federal laws and regulations, and Municipal Code enforcement issues
- Update the El Cerrito Municipal Code

Staff continues to control assignment of work to the City Attorney as a method of containing costs.

CITY ATTORNEY BUDGET SUMMARY

City Attorney Expenditures (1030)

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
General Fund (101)				
Purchased Professional & Technical Services	\$388,341	\$519,482	\$486,379	\$318,270
Other Purchased Services	0	0	0	0
Total Expenditures	\$388,341	\$519,482	\$486,379	\$318,270

CITY MANAGER

Under the policies established by the City Council, the City Manager is responsible for the efficient management of all affairs and departments operating within the City and serves as the Executive Director of the City's Municipal Finance Authority. The City Manager is the City's chief executive officer, employed by and directly responsible to the City Council. The City Manager organizes and directs an executive team that consists of the Assistant City Manager, City Clerk and Department Directors to implement programs and deliver public services.

The primary duties and services the City Manager performs include the following:

- Provide professional expertise to the City Council in their role of making public policy decisions
- Implement policies and directives from the City Council
- Provide strategic direction and management for citywide operations and service delivery
- Prepare a sound, fiscally sustainable budget that identifies all the revenues and expenditures anticipated in the forthcoming and future fiscal years
- Oversee the process for development of capital and infrastructure projects and strive to ensure that capital projects are successfully accomplished on-time
- Ensure the City is delivering cost-effective services that meet the needs of community
- Engage residents, foster community partnerships and interagency collaborations through strategic communication efforts
- Ensure the highest level of customer service to residents and businesses

FY 2018-2020 HIGHLIGHTS

Developed successful Measure V (Charter City and Real Estate Transfer Tax) and Measure H (renewal of 2000 Measure A Swim Center) ballot measures resulting in the establishment of critical City revenue sources.

Established a multi-prong communications strategy through the City Manager's Report, social media and newsletter to provide information on projects, programs and upcoming events to a larger population of community members.

Worked with labor to realign expenditures to meet reduced revenue targets resulting from the COVID-19 pandemic.

In collaboration with the Community Development Department, implemented City Council direction to establish a rent registry and a Tenant Protections task Force.

Conducted a Library Feasibility Study and community outreach evaluating potential locations for a new library.

FY 2020-2021 FOCUS

Continue implementation of Fiscal Response Plan by controlling expenditures to achieve financial sustainability.

Continue to provide quality day-to-day service delivery for residents within fiscal discipline.

Continue to ensure the safety of employees and residents amid the national COVID-19 pandemic and California Fires.

Continue active participation through the League of California Cities on legislative priorities and potential funding sources from the state and federal government.

Continue to provide support to the Arts and Culture Commission in their priorities, including the Utility Box Public Art Pilot Program, Artist In Residency Program at the Recycling Center and the Poet Laureate program.

CITY CLERK

The City Clerk strives to provide exceptional service to all residents of the City of El Cerrito, the City Council, city staff and other public agencies. The primary goal is to preserve the public's trust in government by ensuring the city's legislative processes are transparent, accurate and timely; safeguarding the legislative history of the city; administering open elections; and delivering timely information and services.

Division Overview

The City Clerk performs all mandated functions under the United States Constitution, the Constitution of the State of California, California Government Code, California Election Code, California Administrative Code, the Political Reform Act and Fair Political Practices Regulations, the El Cerrito Municipal Code and other policies established by the City Council.

The City Clerk serves as Clerk for the City Council, Redevelopment Agency, and Municipal Services Corporation, providing meeting administration and overseeing preparation and noticing of agenda materials, as well as ensuring the recordation, preservation, and maintenance of the City's Legislative history. The City Clerk is also responsible for the citywide records program.

The City Clerk is the elections official responsible for administering impartial and ethical elections for city council candidates and city measures, ensuring regulatory compliance for initiative, referendum and recall petitions, and administering all other regulatory requirements for municipal elections. In addition, the City Clerk acts as the filing officer for the California Fair Political Practices Commission (FPPC) responsible for noticing, reviewing and monitoring FPPC Campaign Disclosure and Conflict of Interest Statements.

The City Clerk performs and is responsible for a variety of other administrative duties for the city including administration of advisory body members and support for staff liaisons, facilitation of a Passport Acceptance Facility, maintenance of the El Cerrito Municipal Code, public records and information requests, receiving and opening bid documents, planning council and commission events, administration of the Oath of Office to elected officials and sworn public safety personnel, and providing administrative support to the City Council and the City Manager.

The City Clerk is supported by an Administrative Clerk Specialist who assists in the advancement of program automation and division goals, processes passport applications, assists with records information management and automation, preserves the City's legislative history and participates actively in website maintenance and development.

FY 2018-2020 HIGHLIGHTS

Administered a Regular Municipal Election in November 2018 (Measure V), a Special Municipal Election in November 2019 (Measure H) in compliance with all federal, state, and local laws. In addition, administered the process for a citizen referendum petition in 2019 as well as a citizen initiative petition (unsuccessful) in 2020.

Implemented new software for agenda management and the livestream of City Council meetings, achieving process streamlining and cost savings to the City.

Completed an overhaul of information and updates to training materials for both city advisory body members and staff liaisons on facilitation, records management, and Brown Act requirements.

Adopted and implemented a new City Administrative Policy for Records Information and Management in conjunction with a citywide retention schedule for the preservation, management, and destruction of citywide records.

On behalf of the City Council, organized and held commission recognition dinners in 2018 and 2019, hosted Contra Costa Mayors Conference events in 2018 and 2019, and hosted meetings of the West Contra Costa Mayors in 2019.

FY 2020-2021 FOCUS

Administer the November 2020 Regular Municipal Election.

Enhance online services with existing resources to increase transparency and accessibility to city information and records.

Focus on engaging existing technology to streamline internal processes in an effort to reduce staff time required to administer services and support.

Continue to ensure both processes and information are current and consistent with applicable regulatory requirements with regard to administration of elections, Fair Political Practices Commission regulations, and other regulatory filing requirements.

Increase the amount of city records retained digitally and reduce the amount of paper records in an effort to increase accessibility.

HUMAN RESOURCES DIVISION

The Human Resources Division develops, implements, supports and manages a comprehensive human resources and risk management function to ensure quality service to the organization and to the community. A variety of central services are also provided. These services are accomplished by:

- Developing and maintaining Human Resources policies to support effective and efficient operations and to maintain legal compliance with State and Federal employment laws
- Managing talent acquisition initiatives which include ensuring fair and balanced recruitment and selection processes
- Maintaining the City's classification and compensation plans
- Leading and/or supporting the meet and confer process with employee organizations
- Providing labor relations oversight to ensure equitable and ethical treatment of the workforce and to mitigate employment risks
- Coordinating/monitoring Citywide learning and development programs and the City's central safety program
- Maintaining personnel and related records
- Providing professional staff support to commissions and committees
- Performing the City's risk management function including maintaining insurance coverage and processing/monitoring Workers' Compensation and liability claims

Risk Management

The City is a member of the Municipal Pooling Authority (MPA), a Joint Powers Authority (JPA) that is both a loss control/risk management consortium and a fund-pooling mechanism for excess coverage of self-insured risks. The Division oversees this program.

FY 2018-2020 HIGHLIGHTS
In accordance with the Fiscal Response Plan, reopened and completed negotiations for seven successor Memorandum of Understanding (MOU) agreements achieving significant personnel cost reductions.
Established a New Employee Orientation and implemented NeoGov Onboarding and Performance Management modules improving the onboarding and citywide employee performance management processes.
Negotiated health and dental premiums from calendar to fiscal year achieving a reduction in employee healthcare costs.
Redefined the City's Employee Wellness Program by coordinating activities and workshops focused on maintaining and enhancing the well-being of all employees.
Provided guidance to the Human Relations Commission by supporting events such as the Dr. Martin Luther King Day Celebration and developing new programs to celebrate diversity and promote equity and inclusion.

FY 2020-2021 FOCUS

Cultivate a culture of accountability, empowerment and leadership.

Revise outdated governing documents to better implement modern Human Resource practices.

Implement a position budgeting module in the New World System with the Finance Department and the Information Systems Division to streamline data access and accuracy.

Eliminate manual processes and increase the utilization of technology to allow for a more efficient use of staff resources.

Continue strengthening the City's Learning and Development program by providing robust training and workshops with limited resources.

INFORMATION TECHNOLOGY DIVISION

The Information Technology Division seeks to provide and maintain information services including data, voice, video, hardware, and software to serve City residents and businesses, Departments, and City facilities. The Division works with multiple technologies to choose the appropriate solution for the City's needs. The Division's challenge is to work within the budget to stay current and provide solutions as technology continues to change.

The Information Technology Division performs the following tasks:

- Maximizes the use of the City's information and telecommunications systems resources
- Assists all computer and telephone users in gaining access to the network, provides technical support, and resolves user problems
- Plans for updates and upgrades to address current and future growth needs of the information and telecommunication infrastructure
- Plans for rising productivity, projected demand, and growth of all City departments by automation, streamlining processes, and improving workflows
- Enhances the City's customer service portal and ability to outreach to our residents using social media platforms
- Provides 24/7 on-demand webcast and live TV broadcast of City Council Meetings
- Troubleshoots and maintains the City's HVAC, alarm, lighting, and surveillance systems

The overall goal is to provide and maintain efficient, cost-effective, and reliable information technology to serve the public in El Cerrito.

FY 2018-2020 HIGHLIGHTS
Implemented remote access and virtual meeting solutions for Staff, City Council and Boards and Commissions.
Upgraded network equipment to protect the city from external cyberattacks from malicious software.
Upgraded outdated and failing network infrastructure at City Hall and other city sites.
Replaced and upgraded obsolete and software-incompatible computing devices.
Refreshed city back-end computers with a robust virtual infrastructure.

FY 2020-2021 FOCUS
Upgrade the Community Development TRAKiT system and implement the online Citizen Engagement Portal to maximize efficiencies in permitting.
Improve and connect all city sites on modern broadband connection.
Upgrade the existing Laserfiche Content Management System and interface with Community Development System
Conclude migration to Office365, to completely move from hybrid model to Microsoft 365
Implement automated and advanced solution software to address hardware and software issues remotely.

SECTION 4:

COMMUNITY DEVELOPMENT DEPARTMENT

The Community Development Department's mission is to deliver services, projects and programs that provide a safe, connected, environmentally-focused and high quality of life in El Cerrito for all residents and businesses. The Department achieves this mission through planning and implementing programs and private and public projects that promote community, health and safety, environmental quality and economic vitality.

DEPARTMENT OVERVIEW

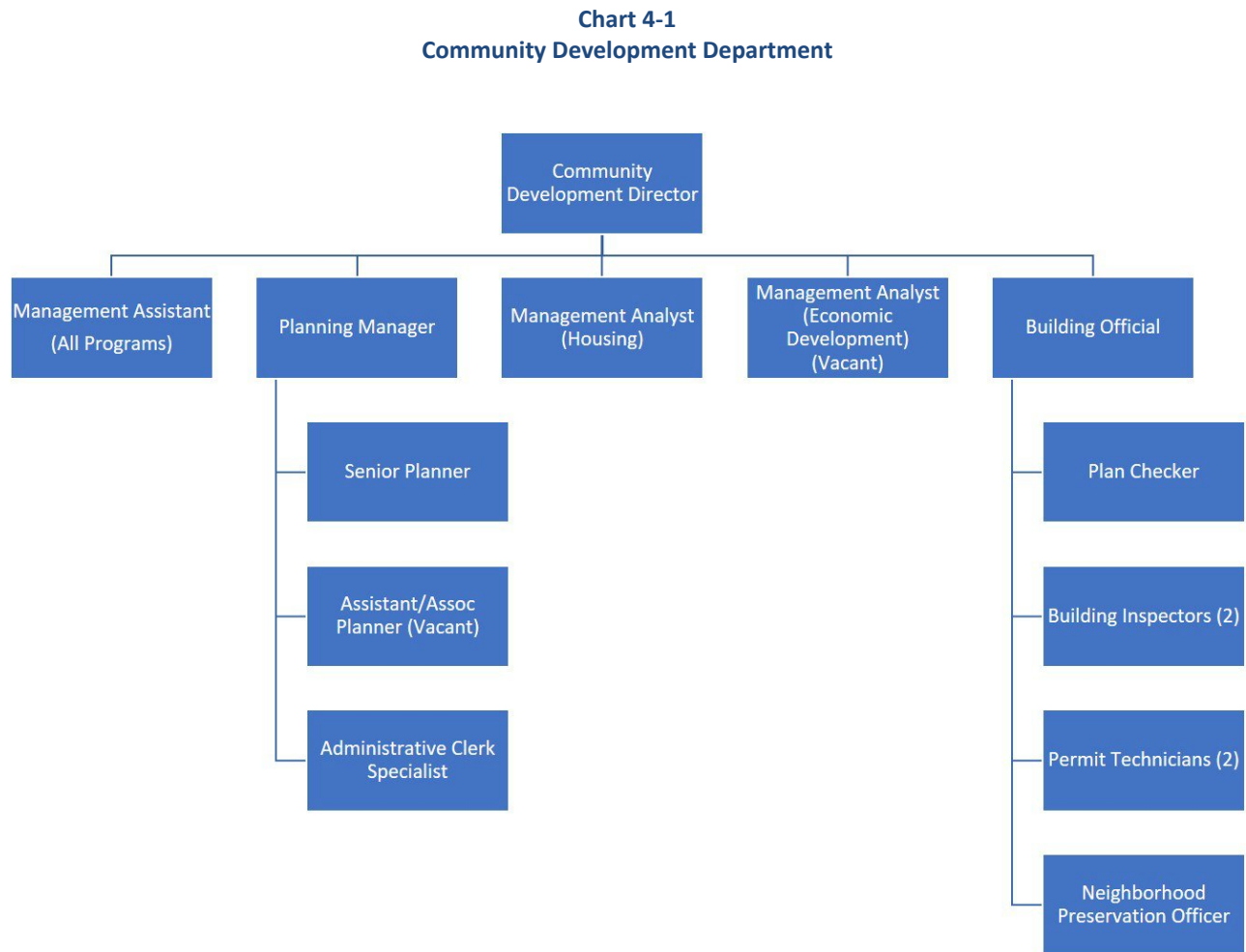
The Community Development Department serves the community by providing current and advanced Planning, Building and Affordable Housing services. The Department endeavors to maintain and enhance the City as a healthy, attractive, and resilient community for all residents and businesses. To attain these goals, the Department's primary responsibilities are to:

- Implement and help develop the vision of the City Council and residents of El Cerrito through implementing existing plans and policies and leading the ongoing development and implementation of the General Plan, Specific Plans, and other long-range comprehensive planning documents
- Monitor and assure compliance with other regional and State policies such as those articulated in Plan Bay Area, the Bay Area's Sustainable Community Strategy
- Ensure the creation and maintenance of an attractive, safe community with a high quality, balanced and appropriate mix of land uses and amenities
- Produce, protect and preserve housing at all income levels across a diversity of household types
- Enhance the existing built environment by supporting and encouraging investment in our homes, neighborhoods, businesses and public places in a safe and efficient manner
- Provide programs that are inclusive and engage, involve and educate the community
- Collaborate with other departments, regional agencies and the private sector to leverage resources and assure that programs and projects are consistent with the City's vision, mission and adopted Plans
- Identify and pursue projects, policies and programs that improve the overall social and economic vitality of El Cerrito
- Provide customer-friendly, responsive, efficient, collaborative and accurate services to all

Organizational Structure

The Community Development Department includes Current and Advanced Planning, Building Services, Affordable Housing, Neighborhood Preservation/Code Enforcement and in the last fiscal year also began to be responsible for the administration of Business Licenses and parking permits and the newly established Rent Registry program. The Department is largely supported by fees and strives to obtain grants for special projects that advance the City's goals. The Department provides staff to the City's Planning Commission, Design Review Board, and Economic Development Committee, as well as ad hoc committees such as the Affordable Housing Task Force.

Chart 4-1 shows the organizational structure of the Department:



Position Listing

Table 4-1 shows the position listing for the Department:

COMMUNITY DEVELOPMENT DEPARTMENT	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Management Analyst II (vacant)	1	1	1	1	1
Management Analyst III	0	0	1	1	1
Management Assistant	0	0	1	1	1
Neighborhood Preservation Officer	0.5	0.5	1	1	1
Building Inspector I-III	1	1	1	2	2
Building Inspector III	1	1	1	0	0
Building Official (vacant)	1	1	1	1	1
Building Plan Checker II	1	1	1	1	1
Community Development Director	1	1	1	1	1
Planning Manager (was Development Services Manager)	1	1	1	1	1
Permit Technician I-II	1	1	1	1	1
Permit Technician III	1	1	1	1	1
Senior/Associate Planner (one vacant)	2	2	2	2	2
Senior Program Manager	2	2	0	0	0
Administrative Clerk Specialist	0	0	0	1	1
COMMUNITY DEVELOPMENT TOTAL	13.5	13.5	14	15	15

FY 2018-2020 HIGHLIGHTS

Sold former Redevelopment properties (per adopted Long Range Property Management Plan), including: the Cerrito Theater for continued operation as a theater and Eastshore properties for development as a hotel. Also entered into Purchase and Sale Agreement for the development of Potrero Properties as beer garden/brewery and multifamily housing.

Continued implementation and update of San Pablo Avenue Specific Plan by entitling five major projects representing 516 units and 7,000 square feet new commercial space. Continued to provide inspection services for projects under construction, including Credence, the Mayfair project and Village 29.

Adopted new accessory dwelling unit (ADU) legislation to facilitate new ADU development. Celebrated Grand Opening of Hana Gardens Senior Affordable Housing; Conducted study sessions and developed Tenant Protection Policies, including a Rent Registry and Just Cause for Eviction Ordinance (which was later repealed); Adopted a Temporary Moratorium on Evictions for Residential and Commercial Tenants.

Completed grant funded projects with Public Works to establish a Transportation Impact Fee and secured grants to complete a Soft Story Inventory, the San Pablo Avenue Specific Plan Update and to accelerate housing production (complete the Housing Element, technology upgrades and to develop pre-approved Accessory Dwelling Unit Plans).

Worked with BART to develop a Request for Qualifications for development of the El Cerrito Plaza BART station into a mixed-use project with ground floor commercial on Fairmont Avenue, affordable housing and to integrate a potential library into the development process fulfilling a long term City goal to focus on catalyzing development downtown.

FY 2020-2021 FOCUS

Fully implement new cloud-based Permit Software program and Citizen Engagement Platform to improve efficiency, customer experience and resiliency of Building Permit program.

Continue to facilitate housing and commercial development along San Pablo Avenue, initiate Program Environmental Impact Report and complete San Pablo Avenue Specific Plan Update.

Work with BART and selected developer on transportation studies/grants and mixed-use development of the the El Cerrito Plaza BART Station.

Secure financing for BRIDGE Affordable Housing at Mayfair.

Complete an inventory of Soft Story buildings throughout the City.

COMMUNITY DEVELOPMENT DEPARTMENT BUDGET SUMMARY

Community Development Department Expenditures (4010, 4030, 4040,6020)

All Funds	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
General Fund (101)				
Personnel Services	\$1,609,570	\$1,710,878	\$1,948,501	\$1,848,902
Purchased Professional & Technical Services	765,723	684,887	481,519	534,963
Purchased Property Services	8,356	2,255	10,505	8,700
Other Purchased Services	57,094	53,558	35,101	60,032
Supplies	20,525	14,037	10,613	17,026
Property & Capital	5,881	8,272	18,863	7,982
Financing Costs	0	0	0	0
Total Expenditures	\$2,467,149	\$2,473,887	\$2,505,102	\$2,477,605
Grants Fund (221)				
Purchased Professional & Technical Services	\$93,324	\$9,924	\$21,741	\$0
Other Purchased Services	38	0	38	0
Supplies	1,310	846	433	0
Total Expenditures	\$94,672	\$10,770	\$22,212	\$0
Economic Development 6020 Fund (230 & 780)				
Purchased Professional & Technical Services	\$262,010	\$260,140	\$239,885	\$0
Purchased Property Services	33,560	1,201	549	0
Other Financing Uses	0	4,660,000	0	0
Financing Cost - Debt Service Payments	434,782	400,786	1,169,278	0
Total Expenditures	\$730,352	\$5,322,127	\$1,409,712	\$0
City LMI Housing Fund (232)				
Purchased Professional & Technical Services	\$18,038	\$1,265	\$5,815	\$41,200
Purchased Property Services	7,301	8,281	10,112	-515
Other Purchased Services	0	0	0	515
Supplies	1,340	846	433	1,030
Other Financing Uses	0	0	101,210	154,500
Total Expenditures	\$26,679	\$10,392	\$117,570	\$196,730
Capital Improvement Fund (301)				
Purchased Professional & Technical Services	\$0	0	\$0	\$0
Total Expenditures	\$0	\$0	\$0	\$0

Community Development Department Revenues

General Fund (101)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Property and Other Taxes	\$1,714	\$1,935	\$2,811	\$0
Licenses & Permits	759,825	772,364	779,670	755,000
Intergovernmental Revenues	536	571	140	0
Use of Money	1,000	0	0	0
Charges for Services	954,313	1,050,428	1,028,281	988,651
Other Revenue	10,051	147,465	50,250	60,000
Total Revenues	\$1,727,439	\$1,972,763	\$1,861,152	\$1,803,651
Grants Fund (221)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Intergovernmental Revenues	\$0	\$192,666	\$0	\$0
Total Revenues	\$0	\$192,666	\$0	\$0
Economic Development 6020 Fund (230 & 780)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Property Taxes	\$788,216	\$2,138,127	\$2,304,468	\$0
Property Leases	74373	25,054	45,408	0
Total Revenues	\$862,589	\$2,163,181	\$2,349,876	\$0
City LMI Housing Fund (232)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Use of Money	\$11,471	\$74,829	\$56,510	\$0
Charges for Services	2,750	0	0	0
Other Revenue	12,000	0	0	164,800
Total Revenues	\$26,221	\$74,829	\$56,510	\$164,800
TOTAL DEPARTMENT EXPENDITURES	\$3,318,852	\$7,817,176	\$4,054,596	\$2,674,335
TOTAL DEPARTMENT REVENUES	\$2,616,249	\$4,403,439	\$4,267,538	\$1,968,451

SECTION 5:

FINANCE DEPARTMENT

The mission of the Finance Department is to support the financial and fiscal sustainability of the City, its agencies and corporations; and to ensure their activities are performed, recorded and presented in compliance with professional and ethical standards.

DEPARTMENT OVERVIEW

The Finance Department administers the financial affairs of the City, with particular focus on the following functions and activities:

Budget and Treasury

- Compiles and produces external documents, e.g. the Annual Budget, the Annual Capital Improvement Budget, and the Annual Financial Report
- Compiles data and statistics, and develops financial analysis and revenue forecasts
- Leads the City's budgeting and financial planning activities
- Manages cash flow, investments and the issuance and maintenance of outstanding debt
- Ensures that the City's various assessments and taxes are appropriately placed on the County's property tax bill
- Manages the annual update of the City's Master Fee Schedule
- Records and accounts for all receipts and disbursements of cash in all City bank accounts
- Administers fiscal controls and policies

Accounting

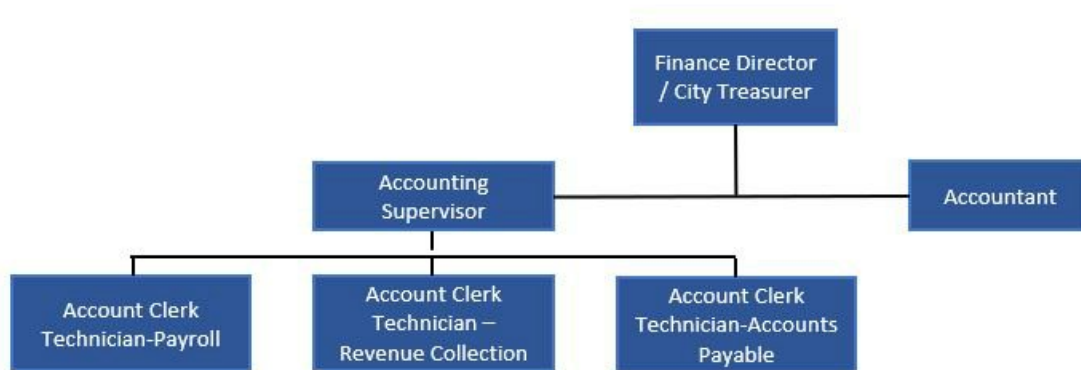
- Responsible for the internal control auditing functions of the City, its agencies and corporations
- Manages general accounting, payroll preparation and reporting, accounts payable and receivable functions, financial analysis, special grants and funds accounting
- Administers and controls the City's on-line financial management information systems
- Administers internal and external financial information reporting
- Prepares periodic and annual comprehensive financial reports for the City, its agencies and corporations, and the annual State Controller Reports

Municipal Services

- Responds to requests for financial information from state and local agencies and provides general customer service support
- Manages, and assists departments that manage, the purchase, lease, or disposition and development of real property assets of the City, its agencies and corporations to maximize both ongoing and one-time revenue
- Provides staff support to the City's Financial Advisory Board (FAB)
- Assists the El Cerrito Redevelopment Agency Successor Agency, providing staff support to its governing board and its Oversight Board, managing its Recognized Obligation Payment Schedule process, and implementing its Long-Range Property Management Plan
- Serves as the fiduciary agent for the El Cerrito Municipal Services Corporation, including revenue collection; disbursements for its projects, programs, and grant making; property management; and performance of its obligations under the Cooperation Agreement with the former Redevelopment Agency and performance deeds of trust on properties acquired from the former Redevelopment Agency
- Manages special projects such as tax elections, deployment of OpenGov, legislative review, sales tax audits, and internal control/agreed upon procedures audits, and cost allocation and fee studies

Organizational Structure

The Finance Department's organizational structure is shown on **Chart 5-1**:



Position Listing

Table 5-1 shows the position listing for the Department.

Table 5-1
Finance Department Position Listing

FINANCE DEPARTMENT	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Finance Director/City Treasurer	1	1	1	1	1
Accounting Supervisor	1	1	1	1	0
Finance Supervisor	0	0	0	0	1
Accountant II/Mgt. Analyst III	1	1	1	1	0
Senior Accountant	0	0	0	0	1
Account Clerk/Clerk Technician	3	3	3	3	0
Finance Technician	0	0	0	0	2
Senior Finance Technician	0	0	0	0	1
FINANCE DEPARTMENT TOTAL	6	6	6	6	6

FY 2018-2020 HIGHLIGHTS

Issued two Tax Revenue Anticipation Notes (TRAN) to fund cash flow needs.
Completed the annual external audit by October of 2019.
Achieved Annual Budget awards from GFOA and CSMFO for FY 2018-20.
Improved banking security by implementing positive pay controls for all payments.
Introduced remote deposit of checks for quicker access to cash and lower cash handling fees.

FY 2020-2021 FOCUS

To ensure cash flow needs are met throughout the year.

Provide the City Council with monthly Financial Reports.

Complete annual budgets for FY 2021 and FY 2022 and make changes as needed during the year.

Re-balance department workload to accommodate the 10% reduction due to furloughs days.

Ensure that the TRAN is repaid and renewed on-time.

FINANCE DEPARTMENT BUDGET SUMMARY

Finance Department Expenditures (1050)

All Funds	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
General Fund (101)				
Personnel Services	\$812,435	\$950,737	\$1,038,499	\$943,008
Purchased Professional & Technical Services	404,037	407,654	383,970	259,642
Other Purchased Services	12,301	14,463	34,500	19,364
Supplies	10,406	10,514	8,708	9,462
Property & Capital	401	2,267	3,772	2,526
Financing Costs	199,415	189,771	209,730	79,568
Other Financing Uses	412,272	666,434	674,410	0
Total Expenditures	\$1,851,267	\$2,241,840	\$2,353,589	\$1,313,570

Measure A Parcel Tax Fund (206)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Purchased Professional & Technical Services	\$0	\$12,000	\$0	\$0
Total Expenditures	\$0	\$12,000	\$0	\$0

Street Improvement & Maintenance (211)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Purchased Professional & Technical Services	\$1800	\$1325	\$1,450	\$1,500
Total Expenditures	\$1,800	\$1,325	\$1,450	\$1,500

Pension Trust Sect 401-A (701)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Purchased Professional & Technical Services	\$0	\$0	\$0	\$0
Total Expenditures	\$0	\$0	\$0	\$0

Successor Agency Fund (780)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Purchased Professional & Technical Services	\$11,760	\$10,095	\$10,115	\$0
Total Expenditures	\$11,760	\$10,095	\$10,115	\$0

Finance Authority Debt Service Fund (834)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Financing Costs	361,370	357,364	357,464	187,014
Total Expenditures	\$361,370	\$357,364	\$357,464	\$187,014

City Hall Bond Debt Service Fund (835)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Purchased Professional/Technical Services	0	0	0	150
Financing Costs	\$290,603	\$579,763	\$579,163	\$580,613
Total Expenditures	\$290,603	\$579,763	\$579,163	\$580,763
Street Improvement Bond Debt Service Fund (836)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Financing Costs	700,700	704,400	702,900	706,300
Total Expenditures	\$700,700	\$704,400	\$702,900	\$706,300
Finance Department Revenues	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
General Fund (101)				
Intergovernmental	\$17,173	\$2,816	\$0	\$0
Charges for Services	\$102,603	\$73,534	\$112,357	\$0
Other Revenue	111,942	31,100	24,389	10,000
Total Revenues	\$231,718	\$107,450	\$136,746	\$10,000
TOTAL DEPARTMENT EXPENDITURES	\$3,217,500	\$3,906,787	\$4,004,681	\$2,789,147
TOTAL DEPARTMENT REVENUES	\$231,718	\$107,450	\$136,746	\$10,000

SECTION 6:

FIRE DEPARTMENT

The Fire Department's mission is to enhance community safety by reducing loss of life and property and safeguarding the environment by effectively responding to fires, rescues, and medical emergencies, hazardous material incidents, and major disasters. As an all risk Department, this mission is achieved by helping the community reduce the frequency and severity of these emergencies by providing public education programs; reducing threats to public safety by enforcing laws, codes, and ordinances covering fire and life safety; abating identified fire hazards on City, private, and other agencies' property; and maintaining personnel, apparatus, equipment, and facilities in a constantly ready condition.

DEPARTMENT OVERVIEW

The Fire Department's primary responsibility is to keep the residents of El Cerrito and Kensington as safe as possible by developing, providing, and maintaining cost-effective fire prevention, fire suppression, and advanced emergency services.

The Department operates three fire stations: Station 71 on San Pablo Avenue, Station 72 on Arlington Boulevard, and Station 65 in Kensington. The City contracts with the Kensington Fire Protection District to provide the full range of fire services to the residents of Kensington. This contract increases the level of service offered to both communities. The Department receives payment from the Kensington Fire Protection District for these services. The amount of the contract is proportionately related to the budgeted costs for the Department each fiscal year. Services to the Kensington Fire Protection District represent approximately 30% of the Department's expenditures.

The Department is able to provide a timely and appropriate level of response through automatic aid response agreements with the City of Richmond Fire Department, the Contra Costa County Fire Protection District, the City of Albany Fire Department, and the City of Berkeley Fire Department. These active partnerships utilize the combined resources of all four agencies to serve the area irrespective of jurisdictional lines.

Department personnel also assist when requested through the use of the State's Master Mutual Aid Program and can be sent all over the western states to assist others in need. In addition, the Department staffs one State Office of Emergency Services (OES) engine that can be called upon to respond throughout the State for major emergencies or disasters. All of the aforementioned departments participate in the cost sharing of dispatch and training services. Meeting common staffing, training, apparatus, and performance standards ensures reciprocity of services.

Prevention and preparedness are key priorities for the Fire Department. The Department is responsible for the City's Emergency Operations Center (EOC) and development of the City's Emergency Operations plan in the event of a major disaster that affects El Cerrito and Kensington. Additionally, the Department supports the very successful Community Emergency Response Teams (CERT) program that trains citizens to be self-sufficient in the event of an emergency. The Department also conducts outreach and educational opportunities to residents, businesses, and schools in order to inform the public about fire prevention and emergency preparedness techniques.

Organizational Structure

The Fire Department's resources are organized into four divisions: Fire Prevention, Training/EMS, Operations, and Support Services. Staffing for these divisions is assigned to the three shift Battalion Chiefs and one staff Battalion Chief. Fire Administration provides management oversight to these four divisions.

Fire Prevention Division

The Department utilizes a line Battalion Chief as Fire Marshal to oversee the Fire Prevention Division. The full fire prevention program includes development, interpretation, and enforcement of codes; review of construction plans; testing of fire protection systems; abatement of identified hazards; and educational programs for the public. A key component of this fire prevention is vegetation management on City, private, and public lands to minimize the effects of a wildland/urban interface fire and resulting structural conflagration. A Fire Prevention Officer provides code enforcement, specialized inspections, and coordination of the Department's line and staff prevention duties.

Training/EMS Division

A significant portion of the Fire Department's resources are dedicated to the task of maintaining departmental resources in a ready state. A department Battalion Chief serves as the company Training Officer and EMS Director. All personnel must maintain a high skill level for a diverse range of responsibilities. Many of these skill levels must be tested and certified annually. Training is both a daily priority and a program vital to providing reliable emergency services. Complex equipment and apparatus require continual testing and training. The Training Officer also supervises and manages the Emergency Medical Programs which encompass the training and operations of the Department's EMTs and Paramedics. The neighborhood disaster preparedness

component of the Department’s public education program, known as the CERT Program (Community Emergency Response Team), is also managed under this Division.

Operations Division

Emergency Operations of the Fire Department include controlling and extinguishing fires, intervention in medical emergencies that threaten life and health, and protection of life, the environment, and property from the effects of storm, flood, earthquake, disaster, hazardous chemical releases, and other emergency events. This division assists the Training/EMS Division in identifying and prioritizing the necessary training to provide safe and efficient delivery of service. A line Battalion Chief also manages this division.

Support Services Division

The Support Services Division is tasked with ensuring that Department facilities, apparatus, and equipment are maintained in a constant state of readiness that includes annual testing, maintenance, and purchasing. This Division is also in charge of the comprehensive administrative reporting system and the Department’s staff level work assignments.

Chart 6-1 provides an organizational overview of the Fire Department:

Chart 6-1
Fire Department Organization Chart



Table 6-1 shows the approved personnel authorization for the Department. This staffing model is designed maintain a constant staffing of three personnel per engine and to ensure that there are paramedic assignments on each responding engine to provide advanced life support services during emergency medical responses. In FY 2020-21, while the overall authorized staffing level will remain the same, three positions that had been held vacant will be filled, which will reduce overtime costs.

Table 6-1
Fire Department Position Listing

FIRE DEPARTMENT	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Fire Chief	1	1	1	1	1
Executive Administrative Assistant	1	1	1	1	1
Battalion Chief	3	3	3	3	3
Battalion Chief/Training Officer	1	1	1	1	1
Fire Captain	2	2	3	3	3
Fire Captain/Paramedic	7	7	6	6	6
Fire Captain/Paramedic/FPO	1	1	1	1	1
Fire Engineer	3	3	4	4	4
Fire Engineer/Paramedic	9	9	8	8	8
Firefighter	5	6	6	6	6
Firefighter/Paramedic	4	3	3	3	3
FIRE DEPARTMENT TOTAL	37	37	37	37	37

FY 2018-2020 HIGHLIGHTS

Successfully completed a 10 year extension of the contract for service with the Kensington Fire Protection District.

Supported responses to 20 major wildland fires through the State, providing mutual aid with no injuries or damage to apparatus and were fully reimbursed by the State and Federal Governments.

Appointed a new Fire Chief, promoted two Battalion Chiefs, two Captains, two Engineers, and hired three new firefighters.

Completed the City's Emergency Operation Plan Update and finalized the document *A Residents Guide to Wildfire Preparedness and Evacuation* in collaboration with the Police Department.

In partnership with Zonehaven, developed and completed a program that works with the County Community Warning System to execute a controlled evacuation of the community through the use of predetermined zones.

FY 2020-2021 FOCUS

Maintain and improve safety protocols to provide emergency services efficiently amid the COVID-19 Pandemic.

Continue focus on Vegetation Management and Fire Prevention Programs.

Develop fee schedule and program to support year round Weed Abatement Program.

Update of equipment replacement schedules and facilitate replacement of Engine 171.

Continue training and development of performance standards for mid-rise structures for response to the new and proposed construction of five, six and seven story buildings on San Pablo Avenue.

FIRE DEPARTMENT BUDGET SUMMARY

Fire Department Expenditures (2510)

All Funds

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
General Fund (101)				
Personnel Services	\$9,591,094	\$10,301,035	\$10,162,681	\$10,602,202
Purchased Professional & Technical Services	22,499	59,803	49,393	111,940
Purchased Property Services	304,364	524,672	697,902	622,156
Other Purchased Services	108,638	102,866	114,864	118,240
Supplies	120,976	133,853	105,465	163,025
Property & Capital	37,897	47,364	40,843	22,800
Financing Costs	134	0	1,379	5,450
Other Financing Uses	26,862	26,862	26,862	0
Total Expenditures	\$10,212,464	\$11,196,455	\$11,199,389	\$11,645,813

Grants Funds (201)

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Other Purchased Services	-\$2,685	\$0	\$0	\$0
Property & Capital			\$14,509	
Total Expenditures	-\$2,685	\$0	\$14,509	\$0

Vehicle/Equipment Replacement Fund (601)

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Financing Costs	\$5,023	\$2,815	\$567	\$136,200
Total Expenditures	\$5,023	\$2,815	\$567	\$136,200

Fire Department Revenues**General Fund (101)**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Intergovernmental Revenues	\$3,701,640	\$3,698,983	\$3,541,794	\$4,122,174
Charges for Services	54,719	95,059	73,516	208,000
Other Revenue			200	
Total Revenues	\$3,756,359	\$3,794,042	\$3,615,510	\$4,330,174

Grants Fund (221)

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Intergovernmental Revenues	\$2,415	\$0	\$14,509	\$0
Total Revenues	\$2,415	\$0	\$14,509	\$0

TOTAL DEPARTMENT EXPENDITURES	\$10,214,802	\$11,199,270	\$11,214,465	\$11,782,013
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TOTAL DEPARTMENT REVENUES	\$3,758,774	\$3,794,042	\$3,630,019	\$4,330,174
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For the first time in over a decade, the Fire Department will be fully staffed operationally beginning in January 2021. The Department will not rely on overtime from the three unfilled authorized “coverage” positions as in years past, resulting in approximately \$400,000 savings in overtime costs. Fire Department overtime (non-OES), which has exceeded a million dollars in each of the past three years, is budgeted at \$500,000 and will be contained at this level once the three vacant positions are filled.

SECTION 7:

POLICE DEPARTMENT

The El Cerrito Police Department is committed to protecting our community, solving crime, and pursuing justice. The Department's vision is to continue to foster an environment of collaboration, honesty, and respect with each member of the community, the department, and allied agencies. The Department will represent the highest ideals of public service in carrying out our mission and living our values. The El Cerrito Police Department will be known for its commitment to steadfast compassionate service and vigorous crime fighting.

DEPARTMENT OVERVIEW

The El Cerrito Police Department (ECPD) provides essential police services to the community through three divisions, Administrative and Support Services, Field Operations and Special Operations. During the last decade, the Department provided services that included officers that focused on traffic concerns, traffic enforcement, school related matters, youth outreach, community engagement, and community education. Due to budget cuts and priority shifts at both the local and regional levels, these services are being eliminated in the upcoming fiscal years.

This year, the ECPD will be undergoing a restructuring process to focus on the core services of patrol response to emergencies and crime as well as the investigation of serious incidents.

The City partners with State, Federal, and other local agencies to provide services and support the Department in the most cost-effective manner. Notably, the Richmond Police Department provides dispatch services while the County of Contra Costa provides crime laboratory, animal control, and other specialty services. The Department is a member of the FBI Safe Streets Task Force, along with other police departments in the region. The Department also assigns officers to the Richmond Police Department Crisis Response Team.

Overall Goals

The overall goals of the Department, for 2020, are to:

- Develop and implement a restructuring plan to achieve additional cost savings
- Continue to adapt to policing with COVID-19 with a focus on maintaining best practices for community and employee health, as understanding of the disease grows
- Increase transparency initiatives by publishing reports on officer use of force and citizen complaints
- Prepare for mandated reporting initiatives; Racial and Identity Profiling Act (RIPA) and National Incident-Based Reporting System (NIBRS)
- Minimize the impact of budget and staff reductions on public safety

Organizational Structure

The ECPD is currently deployed in three divisions, each led by a lieutenant. In the next two fiscal years in accordance with the Fiscal Response Plan, the Police Department plans to eliminate a lieutenant and sergeant position through attrition. The Police Department intends to reduce total funded sworn staff to 37 officers, a 17% reduction from previous authorizations. The ECPD will eliminate the Special Operations Division and reassign remaining staff to the two remaining divisions, Field Operations and Administrative and Support Services.

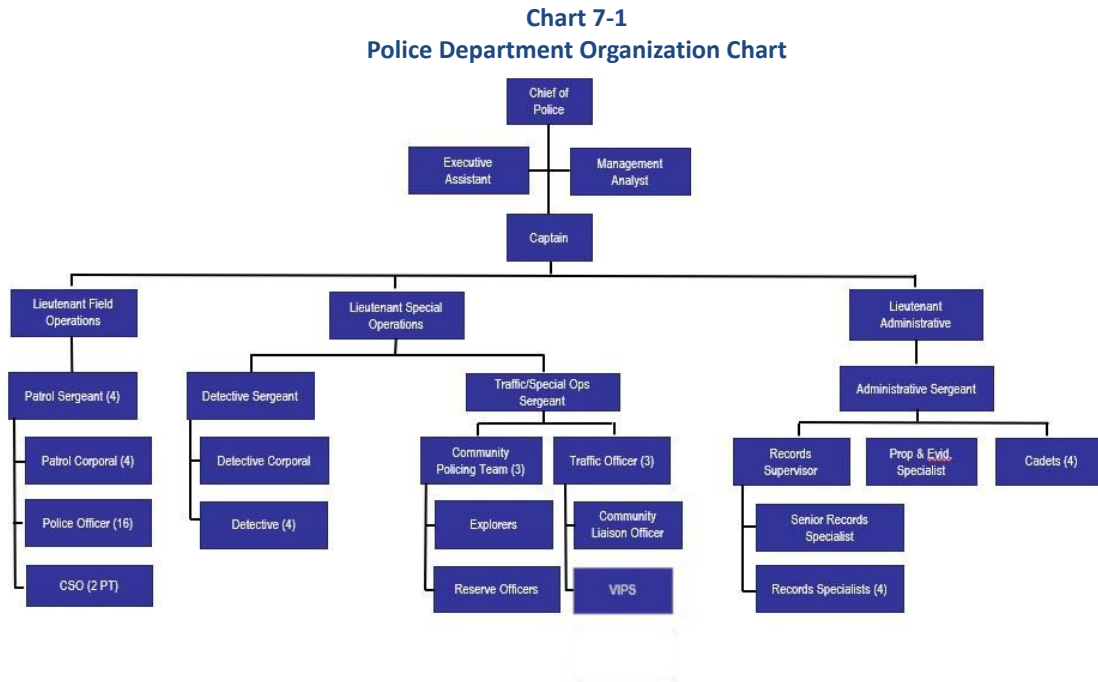
Administrative and Support Services Division

Members of this Division are responsible for commanding and supervising personnel, developing and maintaining budgets, processing records, over-seeing internal investigations, recruiting new personnel, training department personnel and creating policies. The investigations unit is responsible for responding to and examining major crime scenes, conducting complex criminal investigations, and acting a liaison to community groups.

Field Operations Division

Members of the Field Operations Division are the front-line uniformed personnel responsible for responding to emergencies, calls for service, and for investigating and documenting criminal incidents. Patrol officers provide the department's first level of traffic safety response and collaborate with community members on crime prevention matters.

Chart 7-1 shows the current organizational layout of the Department, prior to restructuring:



Position Listing

The total authorized strength for the Police Department is 43 sworn Officers. Table 7-1 shows the current authorized strength of the Department.

Table 7-1
Police Department Position Listing

POLICE DEPARTMENT	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Community Services Officer	2.4	2.4	2.4	2.4	2.4
Police Cadet	1.6	1.6	1.6	1.6	1.6
Police Captain	1	1	1	1	1
Police Chief	1	1	1	1	1
Police Corporal	4	4	4	4	4
Police Corporal - Detective	1	1	1	1	1
Management Analyst II	1	1	1	1	1
Public Safety Executive Assistant	1	1	1	1	1
Police Lieutenant	3	3	3	3	3
Police Officer	18	18	17	17	17
Police Officer - Detective	4	4	4	4	4
Police Officer - K9	2	2	2	2	2
Police Officer - SRO	2	2	2	2	0
Police Officer - Traffic	3	3	3	3	3
Police Records Specialist	4	4	4	4	4
Police Records Supervisor	1	1	1	1	1
Police Sergeant	4	4	4	4	4
Police Sergeant - Detective	1	1	1	1	1
Police Sergeant - Motor	1	1	1	1	1
Police Sergeant - Admin	0	0	1	1	1
Property and Evidence Specialist	1	1	1	1	1
Senior Police Records Specialist	1	1	1	1	1
POLICE DEPARTMENT TOTAL	58.0	58.0	58.0	58.0	56.0

FY 2018-2020 HIGHLIGHTS
Deployed Body Worn Cameras.
Assisted with response to regional wildfires.
Conducted evaluation of responses to calls for service, resulting in service delivery improvements for low level offenses.
Realigned response to traffic enforcement, emphasizing enforcement contacts for dangerous driving behavior and reducing racial disparity.
Utilized existing systems to provide alternative reporting options during early COVID-19 outbreak response.

FY 2020-2021 FOCUS
Develop and implement a restructuring plan to achieve additional cost savings.
Continue to adapt to policing with COVID-19 with a focus on maintaining best practices for community and employee health, as understanding of the disease grows.
Increase transparency initiatives by publishing reports on officer use of force and citizen complaints.
Prepare for mandated reporting initiatives - Racial and Identity Profiling Act (RIPA) and National Incident-Based Reporting System (NIBRS).
Minimize the impact of budget and staff reductions on public safety.

POLICE DEPARTMENT BUDGET SUMMARY

Police Department Expenditures (2011, 2012, 2013)

All Funds	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
General Fund (101)				
Personnel Services	\$9,107,911	\$10,145,543	\$10,334,946	\$10,077,521
Purchased Professional & Technical Services	1,157,401	1,269,477	1,271,139	1,349,000
Purchased Property Services	151,859	152,780	102,558	135,500
Other Purchased Services	278,678	232,514	247,054	314,935
Supplies	186,049	160,730	163,804	145,232
Property & Capital	243,736	104,516	197,815	210,000
Financing Costs	1,344	1,555	1,272	1,545
Total Expenditures	\$11,126,978	\$12,067,115	\$12,318,588	\$12,233,733
Asset Seizure Fund (208)				
Supplies	\$496	\$512	\$0	\$0
Property & Capital	\$0	\$0	\$365	\$0
Total Expenditures	\$496	\$512	\$365	\$0
Vehicle Abatement Fund (209)				
Purchased Property Services	\$0	\$0	\$0	\$11,330
Property & Capital	0	0	0	19,570
Total Expenditures	\$0	\$0	\$0	\$30,900
Grants Fund (221)				
Personnel Services	\$0	\$0	\$0	\$0
Supplies	0	0	0	0
Total Expenditures	\$0	\$0	\$0	\$0
C.O.P.S. Grant Fund (Fund: 222)				
Supplies	0	0	107,400	30,000
Property & Capital	0	-785	0	0
Total Expenditures	\$0	-\$785	\$107,400	\$30,000

Police Department Revenues	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
General Fund (101)				
Fines & Forfeitures	\$200,168	\$203,227	\$213,294	\$150,000
Intergovernmental Revenues	385,731	361,358	324,708	20,000
Charges for Services	152,426	123,979	96,300	102,244
Other Revenue	185,678	112	156	0
Total Revenues	\$924,003	\$688,676	\$634,458	\$272,244
Asset Seizure Fund (208)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Use of Money and Property	\$145,067	\$13,614	\$866	\$0
Total Revenues	\$145,067	\$13,614	\$866	\$0
Vehicle Abatement Fund (209)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Intergovernmental Revenues	37,306	75,461	11,773	30,000
Total Revenues	\$37,306	\$75,461	\$11,773	\$30,000
C.O.P.S. Grant Fund (222)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Intergovernmental Revenues	\$100,148	\$148,747	\$155,948	\$130,000
Revenue Totals	\$100,148	\$148,747	\$155,948	\$130,000
TOTAL DEPARTMENT EXPENDITURES	\$11,127,474	\$12,066,842	\$12,426,353	\$12,294,633
TOTAL DEPARTMENT REVENUES	\$1,206,524	\$926,498	\$803,045	\$432,244

SECTION 8:

PUBLIC WORKS DEPARTMENT

The mission of the Public Works Department is to maintain, operate, develop, design, and construct public infrastructure, buildings, parks, landscapes, natural areas, integrated waste services, and environmental programs that are of vital importance to a sustainable and resilient community and to the public health, quality of life and well-being of the people who live, work and visit El Cerrito.

DEPARTMENT OVERVIEW

The Public Works Department provides professional, timely and effective service to the community in meeting as follows:

- Maintain, rehabilitate and improve public facilities and infrastructure including streets, sidewalks, multi-modal transportation facilities, parks, playfields, open space, paths and trails, public landscapes and urban forest, storm drains, creeks, stormwater treatment facilities, and public buildings.
- Operate and oversee the City's recycling collection and integrated waste management programs and services.
- Develop, implement and monitor the City's environmental stewardship and sustainability initiatives, policies, programs, projects and community engagement.
- Coordinate and oversee the activities of utility companies, private developers, and property owners within the public right-of-way.
- Conduct emergency planning and response providing all-hour, on-call response to flooding, vehicle accidents, illicit discharges and spills, downed tree limbs, and other urgent maintenance needs.
- Provide liaison efforts with a myriad of organizations and agencies to access state and regional resources and influence regional policies to the benefit of El Cerrito.
- Ensure compliance with various state, federal and regional regulations governing Department operations.
- Support various departments in reviewing and implementing projects, programs and special events that deepen a sense of place and foster environmental and economic sustainability citywide.

The Department is operated utilizing a variety of funds including the General Fund, Gas Tax Fund, National Pollutant Discharge Elimination System (NPDES) Fund, Landscaping and Lighting Assessment District (LLAD) Fund, Measure J County Transportation-Return to Source Fund, Measure J Storm Drain Fund, Measure A Street Improvement Fund, Senate Bill 1-Road Repair and Accountability Act Fund, Integrated Waste Management Fund, Capital Improvement Fund, and, most recently, the Measure H Park & Recreation Facilities Fund.

Organizational Structure

The Public Works Department consists of two Divisions: the Engineering Division, which operates from City Hall, and the Operations + Environmental Services Division (OESD), which operates from the Recycling + Environmental Resource Center (RERC) and the Corporation Yard. Each division is described below.

Engineering Division

The Engineering Division's primary responsibilities are to plan, design, and construct improvements to public facilities and infrastructure, and oversee work done by other entities in the the public right-of-way. Core service areas include:

- Capital Improvement Program (CIP) – assess needs, plan improvements, develop budgets, seek funding opportunities, oversee design and construction of public facilities and infrastructure improvements.
- Engineering Permits – review plans, issue permits and perform inspections for work and oversize transportation affecting the public right of way as performed by property owners, utility companies, private contractors and outside agencies.

- Street and Multi-Modal Transportation Services – *Bicycle, Pedestrian and ADA Programs*: evaluate and implement bicycle, pedestrian, safe routes to school and ADA projects and programs including those contained in the El Cerrito Active Transportation Plan and ADA Transition Plan, and convene and oversee the ADA Advisory Group. *Traffic Engineering*: perform traffic engineering and parking analyses and implement modifications and upgrades for existing traffic control and parking; *Pavement Management Program (PMP)*: update the City's PMP database, develop projects as part of the Measure A Street Improvement Program, and serve as Staff Liaison to the Citizens Street Oversight Committee. *Transportation Planning*: participate in regional transportation policy setting and funding forums to support City goals including collaboration with the Contra Costa Transportation Authority (CCTA), West Contra Costa Transportation Advisory Committee (WCCTAC), Metropolitan Transportation Commission, Caltrans, BART, and other transit agencies; and provide City staff representative on the CCTA Technical Coordinating Committee (TCC) and WCCTAC Technical Advisory Group (TAC).
- Land Development/Community Development Support – assist the Community Development Department by performing plan review and inspection of private development for subdivisions, site plans, grading, storm drainage and stormwater treatment and control; and provide engineering review and related support services for large private development, citywide planning and regional projects.
- Interagency Coordination – coordinate with outside agencies and utilities including Stege Sanitary, EBMUD, PG&E, AT&T, and Contra Costa County City-County Engineering Advisory Committee (CCEAC) to provide and improve various infrastructure systems within the City; and provide City staff representative on the CCEAC.
- Grant Management – seek grants to leverage existing City resources and manage various regional, state and federal grants including applications, reporting and reimbursement requests

Operations + Environmental Services Division

OESD's primary responsibility includes developing and managing operations, programs and policies that maintain and improve public spaces, infrastructure, and environmental quality in the City.

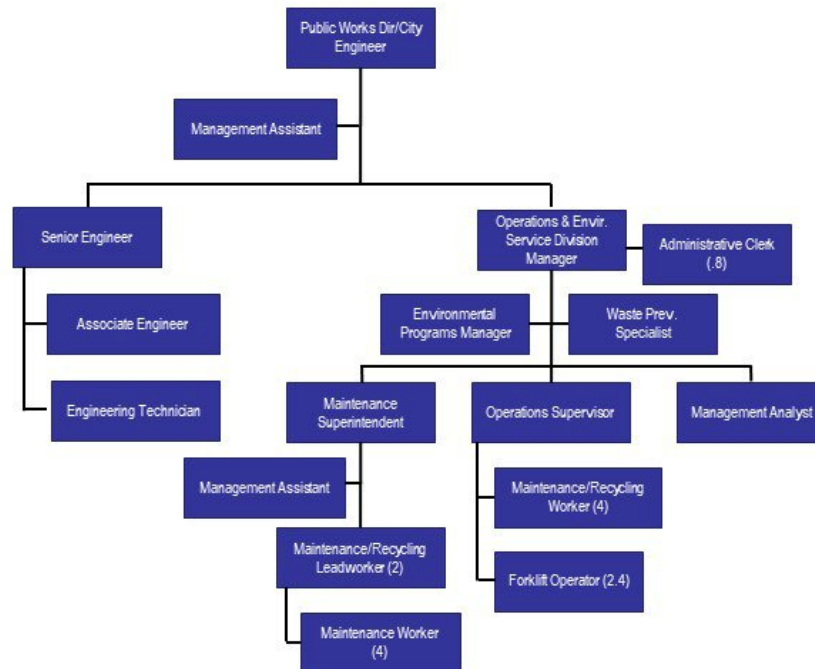
Core service areas include:

- Maintenance of Public Facilities, Infrastructure and Landscapes – on-going maintenance and operations of public buildings, parks, open space, landscaping, urban forest, irrigation systems, sidewalks, streets, trails, streetlights, storm drains, creeks, stormwater treatment facilities, and traffic signals, signs and pavement markings.
- Integrated Waste Management – On-going management and operations of the City's award-winning Recycling + Environmental Resource Center and curbside recycling collection program, City's garbage and green-waste franchise hauler and post-collection agreements, AB939 and SB1383 compliance, participation in RecycleMore, and other waste management and diversion programs.
- Clean Water Program/National Pollutant Discharge Elimination System – management, implementation and monitoring of the Clean Water Program, including compliance and reissuance of the Municipal Regional Permit, street sweeping, trash load reduction, commercial inspection, Integrated Pest Management (IPM), Green Infrastructure (GI), and Mercury Control/PCBs control.
- Trash/Debris & Graffiti Abatement – on-going clean-up and removal of illegally dumped waste, litter and graffiti found on public facilities and landscapes, and coordination with Community Development Code Enforcement, Police and County to address illegal activities as well as address public health and safety risks arising from homeless encampments.

- Environmental Sustainability – Foster citywide environmental sustainability through development, implementation and monitoring of policies, programs, and projects; and monitor and update the Climate Action Plan.
- Community Engagement – lead community engagement events that involve and educate El Cerrito residents and businesses, mainly through management and/or support of volunteer environmental stewardship activities, such as monthly work parties at Baxter Creek, Arbor Day, periodic Green Team clean-ups, the City’s annual Earth Day Celebration, Hillside Festival, and activities led by local non-profit organizations. The Division also provides staff liaison support to the Environmental Quality Committee (EQC) and the Urban Forest Committee (UFC).
- Emergency Response – all-hours, on-call response to emergencies involving public facilities and infrastructure including response to flooding, vehicle accidents, illicit discharges and spills, downed trees and limbs, and other urgent maintenance and repair needs.

Public Works' organizational structure is shown in **Chart 8-1:**

Chart 8-1
Public Works Organization Chart



Position Listing

Table 8-1 shows the position listing for the Public Works Department.

Table 8-1
Public Works Position Listing

PUBLIC WORKS DEPARTMENT	FY2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Management Analyst	1	1	1	1	1
Administrative Clerk	0.4	0.4	0.8	0.8	0.8
Associate Engineer	1	1	1	1	1
Engineering Technician	1	1	1	1	1
Environmental Programs Manager	1	1	1	1	1
Operations + Environmental Services Manager	1	1	1	1	1
Forklift Operator	2.4	2.4	2.4	2.4	2.2
Maintenance Services Lead worker	2	2	2	2	2
Maintenance Services Superintendent	1	1	1	1	1
Maintenance Worker	4	4	4	4	4
Management Assistant	3	2	2	2	2
Public Works Director/City Engineer	1	1	1	1	1
Recycling Leadworker	0	0	0	0	0
Recycling Maintenance Worker	4	4	4	4	4
Recycling Operations Supervisor	1	1	1	1	1
Senior Engineer/Engineering Manager	1	1	1	1	1
Waste Prevention Specialist	0	1	1	1	1
PUBLIC WORKS DEPARTMENT TOTAL	24.8	24.8	25.2	25.2	25.0

FY 2018-2020 HIGHLIGHTS

Developed and adopted an improved Public Tree & Shrub Ordinance and achieved Tree City USA designation.

Preserved the City's comprehensive Recycling Programs by soliciting and negotiating several new contracts for mixed curbside materials as well as various materials collected at the Center.

Achieved significant Clean Water Program compliance milestones including adoption of Green Infrastructure Plan and exceeding Trash Load Reduction goals, in part due to the installation and maintenance of 170 Full Trash Capture devices in storm drains.

Developed and adopted the City's first Transportation Impact Fee Program to fund complete streets, pedestrian and bicycle improvements.

Sustained and improved maintenance service levels for weed abatement in preparation of fire season, abatement of illegal dumping, clearing of storm drains and creek areas in preparation of rainy season, and park and public landscape upkeep.

FY 2020-2021 FOCUS

Given available City resources, maintain weed abatement and fire fuel reduction in natural areas, abatement of illegal dumping, clearing of storm drains and creek areas in preparation of rainy season, and street tree pruning to reduce risk of failures.

Plan for compliance and implementation of increasing state mandates related to integrated waste management including SB 1383 (Short-Lived Climate Pollutants: Organic Waste Methane Emissions Reductions).

Participate in regional negotiations for the reissuance of the Clean Water Program National Pollutant Discharge Elimination Program Municipal Regional Permit and implement increasing state mandates related to the permit.

Complete the update of the Storm Drain Master Plan to provide current assessment of storm drain infrastructure, identify capital improvement projects and priorities, and introduce an asset management system framework for the City to work from.

Begin construction of several capital improvement projects as detailed in the Capital Improvement Program and actively continue the Caltrans project development process and design of the Del Norte TOD Complete Streets Improvement Project.

PUBLIC WORKS & CAPITAL OUTLAY BUDGET SUMMARY

Public Works Expenditures (1080, 3020, 3030) and Capital Outlay (9050)

All Funds	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
General Fund (101)				
Personnel Services	\$662,673	\$688,714	\$768,809	\$707,111
Purchased Professional & Technical Services	134,877	159,554	79,216	30,062
Purchased Property Services	403,781	438,624	533,568	552,127
Other Purchased Services	50,500	48,004	50,086	53,239
Supplies	50,171	52,344	48,203	45,673
Property & Capital	26,616	15,860	15,004	5,862
Financing Costs	4,452	0	4,889	5,305
Total Expenditures	\$1,333,070	\$1,403,100	\$1,499,775	\$1,399,379
Gas Tax Fund (201)				
	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Personnel Services	\$283,009	\$273,772	\$309,872	\$293,841
Purchased Professional & Technical Services	28,633	21,010	4,272	26,332
Purchased Property Services	35,045	-623	0	0
Other Financing Uses	100,500	101,000	104,030	100,000
Total Expenditures	\$447,187	\$395,159	\$418,174	\$420,173
National Pollution Discharge Elimination System Fund (202)				
	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Personnel Services	\$169,475	\$180,412	\$190,056	\$229,538
Purchased Professional & Technical Services	18,657	9,940	9,381	25,270
Purchased Property Services	10,756	27,826	33,699	60,000
Other Purchased Services	11,360	109	60	2,000
Financing Costs	0	9,118	9,137	10,000
Other Financing Uses	73,060	75,300	77,559	75,000
Total Expenditures	\$283,308	\$302,705	\$319,892	\$401,808
Land & Light Assessment District Fund (203)				
	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Personnel Services	\$154,836	\$159,232	\$177,165	\$167,604
Purchased Professional & Technical Services	742	1,000	1,000	1,030
Purchased Property Services	172,990	183,985	195,742	198,882
Other Purchased Services	2,939	7,089	962	2,545
Supplies	1,247	0	0	0
Other Financing Uses	159,607	160,750	160,750	160,000
Total Expenditures	\$492,361	\$512,056	\$535,619	\$530,061

Measure J-Return to Source Fund (204)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Personnel Services	\$170,168	\$158,431	\$179,299	\$127,176
Purchased Professional & Technical Services	22,260	21,674	9,034	10,300
Purchased Property Services	15,000	-667	-153	0
Other Purchased Services	45,822	48,669	50,578	51,000
Other Financing Uses	62,520	63,000	64,396	63,000
Total Expenditures	\$315,770	\$291,107	\$303,154	\$251,476

Measure J Storm Drain Fund (205)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Personnel Services	\$317,912	\$329,761	\$354,994	\$313,027
Purchased Professional & Technical Services	89,290	8,672	158,364	40,000
Purchased Property Services	22,327	33,148	25,976	63,000
Other Purchased Services	0	0	883	0
Supplies	0	229	0	0
Other Financing Uses	74,391	74,000	76,220	74,000
Total Expenditures	\$503,920	\$445,810	\$616,437	\$490,027

Street Improvement & Maintenance Fund (211)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Personnel Services	\$103,546	\$91,478	\$109,294	\$110,203
Purchased Professional & Technical Services	225,449	135,534	205,820	288,657
Purchased Property Services	657,890	254,365	516,372	673,533
Other Purchased Services	1,686	1860	1,811	0
Supplies	\$20	\$0	\$0	\$0
Total Expenditures	\$988,591	\$483,237	\$833,297	\$1,072,393

SB1 Road Maintenance (212)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Purchased Professional & Technical Services	\$5500	\$43919	\$118573	\$45,500
Purchased Property Services	71	321,684	107375	533,500
Other Purchased Services	167	755	0	0
Supplies	0	0	2820	35,020
Total Expenditures	\$5,738	\$366,358	\$228768	\$614,020

Capital Improvement Fund (301)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Personnel Services	\$3,978	\$7,338	\$0	\$0
Purchased Professional & Technical Services	493,492	81,803	379,034	1,238,411
Purchased Property Services	4,848,684	-485,925	532,140	1,226,500
Other Purchased Services	3,965	698	18	0
Supplies	0	0	889	0
Total Expenditures	\$5,350,119	-\$396,086	\$912,081	\$2,464,911

Integrated Waste Mgmt Fund (501)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Personnel Services	\$1,182,893	\$1,308,376	\$1,395,258	\$1,284,588
Purchased Professional & Technical Services	107,332	103,378	134,782	164,548
Purchased Property Services	180,674	135,301	358,280	460,781
Other Purchased Services	24,739	19,107	67,278	35,025
Supplies	102,938	101,568	123,572	137,255
Property & Capital	1,755	8,271	5,168	135,345
Financing Costs	76,724	516,320	456,624	406,267
Other Financing Uses	366,821	360,821	371,536	382,572
Total Expenditures	\$2,043,876	\$2,553,142	\$2,912,498	\$3,006,381

Public Works Department Revenues	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
General Fund (101)				
Property Taxes	\$2,965,675	\$3,207,892	\$3,078,740	\$3,200,000
Intergovernmental Revenues	\$10,461	\$27,327	\$17,406	\$16,480
Charges for Services	430,425	371,974	312,994	311,334
Other Revenue	2,792	2,887	2,297	0
Revenue Totals	\$3,409,353	\$3,610,080	\$3,411,437	\$3,527,814

National Pollution Discharge Elimination System Fund (202)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Intergovernmental Revenues	\$359,486	\$310,860	\$318,107	\$330,074
Charge for Services	\$0	\$912	\$53	\$0
Revenue Totals	\$359,486	\$311,772	\$318,160	\$330,074

Land & Light Assessment District Fund (203)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Property Taxes	774,977	777,656	781,248	781,000
Intergovernmental Revenues	0	9,452	19,621	10,500
Other Revenue	510	100	1,610	0
Revenue Totals	\$775,487	\$787,208	\$802,479	\$791,500

Gas Tax Fund Fund (201)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Intergovernmental Revenues	\$528,082	\$519,471	\$589,882	\$610,297
Revenue Totals	\$528,082	\$519,471	\$589,882	\$610,297

Measure J Return to Source Fund (204)	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Transportation Taxes	\$456,053	\$479,482	\$0	\$384,200

Charges for Services	\$0	\$175	\$0	\$0
Revenue Totals	\$456,053	\$479,657	\$0	\$384,200

Measure J Storm Drain Fund (205)

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Parcel Taxes	\$700,636	\$701,950	\$704,131	\$702,000
Revenue Totals	\$700,636	\$701,950	\$704,131	\$702,000

Street Improvement & Maintenance Fund (211)

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Property and Other Taxes	\$1,590,085	\$1,630,826	\$1,352,686	\$1,444,721
Other Revenue	4,718	3,877	13,174	5,000
Revenue Totals	\$1,594,803	\$1,634,703	\$1,365,860	\$1,449,721

Fund: 212 SB1 Road Maintenance

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Intergovernmental Revenues	\$144,145	\$457,336	\$33,612	\$437,555
Revenue Totals	\$144145	\$457336	\$33612	\$437,555

Capital Improvement Fund (301)

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Intergovernmental Revenues	\$740,425	\$3,804,744	\$493,954	\$1,963,500
Other Revenue	278,133	392,217	453,034	235,000
Other Financing Sources	20,000	492,234	20,000	20,000
Revenue Totals	\$1,038,558	\$4,689,195	\$966,988	\$2,218,500

Fund: 501 Integrated Waste Mgmt	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Intergovernmental Revenues	\$24,634	\$62,894	\$40,201	\$24,500
Charges for Services	2,549,245	2,571,333	2,994,441	3,738,567
Other Revenue	6,151	10,141	2,079	3,000
Revenue Totals	\$2,580,030	\$2,644,368	\$3,036,721	\$3,766,067

EXPENDITURES:

TOTAL PUBLIC WORKS EXPENDITURES	\$6,413,821	\$6,752,674	\$7,667,614	\$8,185,718
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TOTAL CAPITAL OUTLAY EXPENDITURES	\$5,350,119	-\$396,086	\$912,081	\$2,464,911
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TOTAL PUBLIC WORKS AND CAPITAL OUTLAY EXPENDITURES	\$11,763,940	\$6,356,588	\$8,579,695	\$10,650,629
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REVENUES:

TOTAL PUBLIC WORKS REVENUES	\$10,548,075	\$11,146,545	\$10,262,282	\$11,999,228
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TOTAL CAPITAL OUTLAY REVENUES	\$1,038,558	\$4,689,195	\$966,988	\$2,218,500
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TOTAL PUBLIC WORKS AND CAPITAL OUTLAY REVENUES	\$11,586,633	\$15,835,740	\$11,229,270	\$14,217,728
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SECTION 9:

RECREATION DEPARTMENT

The Recreation Department is committed to meeting the needs and interests of the residents of El Cerrito and neighboring communities. The Department's mission is to provide safe, friendly, reliable services that will enhance the quality of life through diverse programs. The Department values and encourages citizen input and strives to deliver activities and services of the highest quality.

DEPARTMENT OVERVIEW

The Recreation Department manages a full range of recreational services, special activities, and events for people of all ages and abilities. Staff works to ensure quality customer service in the delivery of our programs and services. The Department:

- Provides childcare, after school programming, enrichment classes, sports, summer camps and volunteer opportunities for close to 4,000 children and teens per year
- Schedules activities and rentals of buildings, picnic areas, sports fields, tennis courts and the Swim Center
- Provides social services for aging adults through Meals on Wheels, lunch program, Easy Ride Paratransit, respite programs, and a variety of recreational activities
- Ensures that a well-rounded aquatic program is implemented meeting the needs of the community
- Provides support to the Committee on Aging, Park and Recreation Commission and various other city organizations, departments and committees
- Works with employees to develop their talents and encourage future leadership
- Identifies funding sources and support for the maintenance and enhancement of parks and recreation facilities

Organizational Structure

To better accomplish its goals and provide more efficient services to customers, a reorganization of the Recreation Department was implemented beginning in FY 2018-19. The new structure reduced the number of divisions from seven to five and centralized business and administrative functions to allow for greater emphasis and attention to programming and quality.

Administrative & Business Services Division

This division is responsible for ensuring that all aspects of the Recreation Department operate well; provide overall management of activities and, long and short-range planning, personnel and budget administration; coordinate with other agencies; support advisory commissions and committees; manage grants and work with other City departments and outside agencies/organizations. Personnel in this department are responsible for program registration, marketing, public information and engagement, and other related business and customer service functions.

Adult Programs & Services Division

The Division improves the quality of life of adults by providing programs and services for adults of all ages and abilities. The Division includes education, enrichment and socialization program opportunities that contribute to enriching life for older adults.

Aquatics & Facilities Division

The Division provides a variety of aquatic programs. The Division works towards maximizing the number of users by (1) managing the operation of the Swim Center Complex that includes the use of the Splash Park and its programs; (2) providing support and direction for special activities; and (3) developing partnerships with community organizations, advisory groups, citizen organizations, schools, and other government organizations.

This division handles the custodial maintenance needs for all City facilities including: City Hall, Public Safety Building, Community and Swim Center, Midtown Activity Center, Recycling Center, Corporation Yard, Clubhouses, and Picnic Sites. This Division is also responsible for facility and park rentals, and coordination of park development and facility operations in partnership with the Public Works Department.

Childcare Division

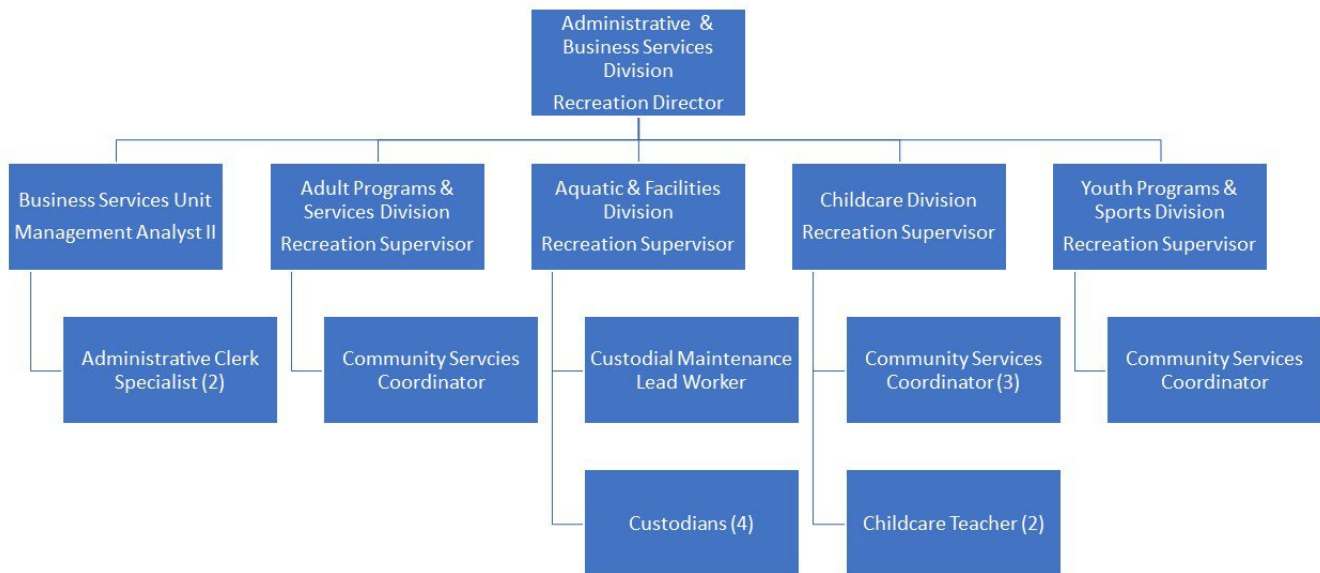
This Division coordinates the delivery of preschool-like programs, before and after school childcare in the school setting, and day camp programs. State Licensing is necessary in the delivery of some of these programs. The Division works in close communication with the West Contra Costa Unified School District, community groups, and residents.

Youth Programs & Sports Division

This division provides quality social, physical, and educational opportunities for personal enrichment through specialty recreation programs, leisure activities, afterschool enrichment classes, summer camps, volunteer programs and special events. This division is also responsible youth and adult sports programs, camps and leagues, as well as tennis court and field rentals, and coordination of facility operations in partnership with the Public Works Department.

Chart 9-1 reflects the Department's organizational structure. The chart does not include all part-time positions.

Chart 9-1 Recreation Department Organization Chart



Position Listing

Table 9-1 depicts the Recreation Department's overall staffing patterns over five years. The staffing for FY 2020-21 reflects the implementation of the Fiscal Response Plan, which eliminates funding for two positions beginning in January 2021. This position listing does not include part-time hourly positions.

Table 9-1
Recreation Department Position Listing

RECREATION DEPARTMENT	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Administrative Clerk Specialist	2	2	2	2	2
Assistant Program Supervisor	1	1	1	1	0
Childcare Teacher	3	3	3	3	3
Community Services Coordinator	5	5	5	5	5
Custodial Maintenance Lead Worker	1	1	1	1	1
Custodian	4	4	4	4	4
Management Assistant	1	1	1	1	0
Management Analyst II	1	1	1	1	1
Recreation Director	1	1	1	1	1
Recreation Supervisor	4	4	4	4	4
RECREATION DEPARTMENT TOTAL	23	23	23	23	21

FY 2018-2020 HIGHLIGHTS

Adopted the El Cerrito Parks and Recreation Facilities Master Plan in 2019 after extensive community engagement and data analysis. The Master Plan provided the framework for the successful passage of Measure H that provides funding maintain and enhance parks and recreation facilities.

Received 19 “Best of” Awards for Contra Costa County in 2019 from readers of Parent’s Press magazine for camp programs and classes.

Achieved enrollment growth throughout programs - Harding Afterschool: 2.2% growth from 2017 to 2018 and 11.3% growth from 2018 to 2019. Fairmont Afterschool: 17.1% growth from 2018 to 2019.

Received the 2019 California Parks and Recreation Society's Award of Excellence for Park Design for the Centennial Park, Phase I project.

Provided safe program options to the public that comply with the County Health Order during the COVID-19 pandemic including summer day camps, swimming opportunities, play field permits, paratransit rides for seniors for essential appointments and shopping needs, weekly meal delivery of 5 to 7 lunches to seniors, and enhanced virtual options to the community providing free resources for families and people of all ages.

FY 2020-2021 FOCUS

Monitor County and State Health Orders and information from the CDC and other health organizations to ensure best practices in program operations and safety.

Implement and increase program offerings whenever safe to do so.

Continue to work on return-to-operations planning in order to be as prepared as possible to resume post-pandemic programming and services in a cost effective and efficient manner.

Form and increase partnerships with other services/community organizations to best provide residents and customers with resources and programming needs.

Support staff physical and mental well-being, especially during the pandemic.

RECREATION DEPARTMENT BUDGET SUMMARY

Recreation Department Expenditures (5010, 5020, 5030, 5040, 5050, 5060, 5070)

All Funds

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
General Fund (101)				
Personnel Services	\$3,593,052	\$3,783,037	\$3,798,870	\$3,241,153
Purchased Professional & Technical Services	739,801	678,422	611,830	540,908
Purchased Property Services	167,377	335,295	348,911	264,840
Other Purchased Services	317,077	431,291	235,477	219,796
Supplies	265,445	302,558	193,378	188,759
Property & Capital	10,069	20,227	63,396	15,000
Financing Costs	145,895	162,588	122,805	135,474
Total Expenditures	\$5,238,716	\$5,713,418	\$5,374,667	\$4,605,930

Land & Light Assessment District Fund (203)

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Personnel Services	\$91,047	\$93,561	\$109,092	\$62,800
Purchased Property Services	0	0	0	41,000
Total Expenditures	\$91,047	\$93,561	\$109,092	\$103,800

Measure A Parcel Tax Fund (206)

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Purchased Property	\$60,359	\$1,452	\$3,215	\$0
Other Financing Uses	50,912	51,000	51,000	0
Total Expenditures	\$111,271	\$52,452	\$54,215	\$0

Measure H Parcel Tax Fund (207)

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Purchased Property	\$0	\$0	\$0	\$376,785
Supplies	0	0	0	10,000
Property & Capital	0	0	0	30,000
Other Financing Uses	0	0	0	50,000
Total Expenditures	\$0	\$0	\$0	\$466,785

Measure J-Paratransit Fund (214)

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Personnel Services	\$92,272	\$68,433	\$65,147	\$60,000
Purchased Property Services	15,704	19,828	439	20,000
Other Purchased Services	158	160	56	530
Supplies	8,912	8,750	6,978	12,409
Property & Capital	0	1,788	0	0
Financing Costs	0	0	32,319	0
Other Financing Uses	33,403	34,000	35,360	34,000
Total Expenditures	\$150,449	\$132,959	\$140,299	\$126,939

Recreation Department Revenues				
	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
General Fund (101)				
Use of Money and Property	\$238,172	\$226,678	\$193,992	\$238,610
Charges for Services	3,524,742	4,102,548	2,884,174	3,558,397
Other Revenue	19,183	39,462	30,022	147,000
Other Financing Sources	33,403	34,000	35,360	34,000
Total Revenues	\$3,815,500	\$4,402,688	\$3,143,548	\$3,978,007
Measure H Parcel Tax Fund (206)				
Parcel Tax	654,469	633,080	614,465	0
Total Revenues	\$654,469	\$633,080	\$614,465	\$0
Measure H Parcel Tax Fund (206)				
Parcel Tax	0	0	0	632,891
Total Revenues	\$0	\$0	\$0	\$632,891
Measure J-Paratransit Fund (214)				
Property and Other Taxes	\$142,444	\$149,738	\$165,933	\$112,500
Charges for Services	11,299	9,868	10,574	4,000
Total Revenues	\$153,743	\$159,606	\$176,507	\$116,500
TOTAL DEPARTMENT EXPENDITURES	\$5,591,483	\$5,992,390	\$5,678,273	\$4,836,669
TOTAL DEPARTMENT REVENUES	\$4,623,712	\$5,195,374	\$3,934,520	\$4,727,398

SECTION 10:

SUCCESSOR AGENCY

Pursuant to AB1x26, which dissolved redevelopment agencies in California, the City of El Cerrito elected to serve as the El Cerrito Redevelopment Agency Successor Agency. The Successor Agency assumed all of the former Redevelopment Agency's liabilities, obligations, and non-housing assets. The City administers payments and performance obligations of the Successor Agency.

INTRODUCTION

In June 2011, the State of California enacted AB1x26 (Dissolution Act) to dissolve all redevelopment agencies in the State of California and establish successor agencies to wind down the former redevelopment agencies' affairs. The El Cerrito Redevelopment Agency (RDA) suspended activities on July 1, 2011 and the City elected to serve as the Successor Agency on August 15, 2011. On December 29, 2011, the State Supreme Court ruled that dissolution of redevelopment agencies was constitutional and the RDA was dissolved on February 1, 2012.

The Successor Agency's primary role is to wind down the activities of the RDA and is limited by the requirements of the Dissolution Act. Successor Agency actions are subject to approval by the Oversight Board and the California Department of Finance (DOF). The Successor Agency does not have budget discretion and therefore a budget was not adopted. For informational purposes, this section includes financial information regarding the Successor Agency.

The City also elected to serve as the Successor Housing Agency, assumed the RDA's affordable housing assets, and established the Housing Asset Fund. The City's Housing Asset Fund and affordable housing functions are separate from the Successor Agency. All funds, assets and liabilities remaining in the RDA's accounts as of dissolution and after transfer of Housing Assets to the Successor Housing Agency were transferred to a Fiduciary Fund called the Redevelopment Obligation Retirement Fund (RORF) established for the purpose of administering the Successor Agency.

The Successor Agency is not a component unit of the City of El Cerrito and the City did not assume the Successor Agency's assets and liabilities. Rather, the Successor Agency is charged with disposing of the assets and using any revenues that would have gone to the former RDA to pay enforceable obligations, and the City has simply elected to serve as the administrator. In El Cerrito's case, the non-cash assets transferred were of nominal value and the cash transferred was sufficient to meet the Successor Agency's short-term obligations.

The Dissolution Act provided a process for authorization of payments to be made on the Successor Agency's enforceable obligations. Commencing with the 2016-17 fiscal year, the Successor Agency prepared an annual Recognized Obligation Payment Schedule (ROPS) covering the entire fiscal year, which was subject to approval of an Oversight Board and the DOF. Once approved, a ROPS serves as the spending plan during the fiscal year. The County Auditor-Controller (CAC) disburses funds sufficient for the Successor Agency to make payments on the approved ROPS twice per year, on January 2nd and June 1st, which funds are deposited in the RORF. Expenditure or transfer of funds from the RORF is only permitted after consideration and approval of the payments on a ROPS by the Oversight Board, DOF and CAC.

In 2012, the state enacted amendments to the Dissolution Act, which included a provision for cash flow advances by the City to the Successor Agency, including litigation expenses related to dissolution as enforceable obligations, a requirement for a due diligence review of the former RDA's funds, and a formula for repayment of loans to the Housing Asset Fund, detailed later in this section. In 2015 the state enacted further amendments to the Dissolution Act, including provisions changing the ROPS from a twice-annual submission to an annual submission, allows for a last and final ROPS as well as other clarifications and amendments.

The local Oversight Board was dissolved and replaced by a County-wide Oversight Board in June 2018.

SUCCESSOR AGENCY FINANCES

The RDA was funded through tax increment generated from the City of El Cerrito Redevelopment Project Area, which was established and its Redevelopment Plan adopted in 1977. The Redevelopment Plan was amended and restated in 1993 and does not expire until 2025. Each year's tax increment was the incremental difference in property tax revenue generated within the Project Area between that year and the base year of 1977. The Dissolution Act re-characterizes tax increment as Redevelopment Property Tax (RPT), but it is calculated in the same manner. Other than an insignificant amount of proceeds from loan receivables or asset sales, RPT is the only source of funding available to the Successor Agency to retire the former RDA's enforceable obligations. Upon retirement of all of the former RDA's enforceable obligations and dissolution of the Successor Agency, property taxes collected in the Redevelopment Project Area will be distributed according to the allocations that existed prior to the adoption of the Redevelopment Plan.

The Successor Agency's obligations include all debts and costs to perform on obligations of the former RDA. Prior to distributing RPT to the Successor Agency, the CAC withholds administrative costs and pass-through payments paid to the taxing entities, which are calculated in the same manner as before dissolution. Any RPT not needed to make payments on the Successor Agency's obligations is considered "residual" and is distributed to taxing entities that would have otherwise received the property tax revenues in the Redevelopment Project Area.

Table 10-1 is a summary of tax increment generated during redevelopment suspension, RPT generated through the end of ROPS 19-20, and projected RPT that will be generated for subsequent ROPS periods until payment of all of the former RDA's enforceable obligations. Table 10-1 summarizes the amounts withheld by the County Auditor-Controller for administrative costs and pass-through payments, and the net tax increment or RPT remaining for enforceable obligations after these amounts are withheld.

Table 10-1
Tax Increment and Redevelopment Property Tax through FY2027-28
City of El Cerrito Redevelopment Project Area

Fiscal Year	Tax Increment RPTTF	Admin Fee	Pass Through	Net Available
2019-20	8,031,000	69,000	2,421,400	\$5,540,600
2020-21	8,171,000	70,000	2,479,000	\$5,622,000
2021-22	8,906,000	77,000	2,779,700	\$6,049,300
2022-23	9,452,000	81,000	3,004,000	\$6,367,000
2023-24	9,685,000	83,000	3,098,700	\$6,503,300
2024-25	9,891,000	85,000	3,183,700	\$6,622,300
2025-26	10,102,500	87,000	3,270,900	\$6,744,600

OBLIGATIONS

The Successor Agency is responsible for the former RDA's debts and obligations described below. The payment amounts are summarized on **Table 10-2** that follows.

Tax Allocation Bond Payments. The RDA had four tax allocation bonds issuances. All taxing entities had subordinated their pass-through payments to payments on the RDA's bond debt, so if insufficient RPT is available to make bond debt service payments in a ROPS period, a portion of the pass-through payments equal to the insufficient amount is deferred to a future ROPS period. This occurred in ROPS II and deferred pass-through payments were made from RPT available for the ROPS 13-14A period. In 2016, the Successor Agency refunded the tax allocation bonds to take advantage of lower interest rates and the resulting debt service reductions. The bond refunding was approved by the Oversight Board and by the DOF. Table 10-2 shows the projected new debt service schedule for the refunded bonds.

Valente Note. In accordance with the approved Long -Range Property Management Plan, the City sold the Valente property as well as two adjacent properties previously owned by the RDA and fully repaid the Valente Note in 2019.

ERAF and SERAF Loan Payments. The RDA borrowed funds from the Low & Moderate Income Housing Fund to make payments to the State for the Educational Revenue Augmentation Fund (ERAF) in 2005 and 2006 and to the Supplemental ERAF (SERAF) in 2010. The Successor Agency made a payment to the City Housing Asset Fund during the ROPS I period. Subsequent payments were delayed by the Dissolution Act, as interpreted by DOF, until the ROPS 14-15A period. The calculation of the maximum payment is one half the incremental change in residual RPT after all other obligations are paid. The Successor Agency received a distribution of RPT on the ROPS 14-15A and the ROPS 15-16A as partial repayment of the SERAF/ERAF loans but additional payments were made in subsequent ROPS cycles and the full amount was repaid in FY 2019-20.

Administrative cost allowance. The Successor Agency is entitled to an administrative cost allowance of \$250,000 per fiscal year. However, with the transition to the County Oversight Board, this allowance was discontinued in 2019.

Streetscape Project. The RDA and City undertook a multi-year capital improvement project beginning in 2004 and completed in 2012. A significant portion of the expenditures by the City was to be funded through a commitment of tax increment and bond proceeds by the RDA. However, during project close-out, it was determined the RDA had not funded its commitments on which the City had relied when letting contracts. The Successor Agency requested RPT on ROPS 14-15A for this prior year RDA obligation, which was approved by the Oversight Board but denied by DOF. The Successor Agency has ceased pursuing the RPT for this obligation since 2019.

Table 10-2 is a summary of the Successor Agency's obligations through FY 2025-26 including the Administrative Allowance, for which disbursements of RPT are requested for each ROPS period. If the obligations payable in a ROPS period exceed the amount of RPT available for that period, the Successor Agency may defer payment where possible or seek a cash-flow loan from the City in order to avoid defaulting on an obligation.

Table 10-2
Recognized Obligation Payment Schedules Through FY2026
City of El Cerrito Redevelopment Project Area

Fiscal Year/ ROPS Period	Debt Service	SERAF ERAF	Admin Allowance*	Total
2019-20	\$1,880,352	\$167,275	\$0	\$2,047,627
2020-21	\$2,060,624		\$0	\$2,060,624
2021-22	\$2,122,794		\$0	\$2,122,794
2022-23	\$2,122,794		\$0	\$2,122,794
2023-24	\$2,122,794		\$0	\$2,122,794
2024-25	\$2,122,794		\$0	\$2,122,794
2025-26	\$1,061,397		\$0	\$1,061,397

* With dissolution of the local Oversight Board and oversight transitioning to the County, this allowance was discontinued from FY 2019-20.

Table 10-3 summarizes the projected residual RPT based on what has been projected to be available and obligated for each ROPS period. Any remaining residual is then paid to the taxing entities serving the Redevelopment Project Area according to their standard tax allocations. The City of El Cerrito will receive about 20% of RPT residual.

Table 10-3
Projected Residual RPT and City of El Cerrito Share
City of El Cerrito Redevelopment Project Area

Fiscal Year	Net RPTTF	ROPS	Residual RPT	City Share
2019-20	5,540,600	2,292,627	3,247,973	649,595
2020-21	5,622,000	2,310,624	3,311,376	662,275
2021-22	6,049,300	2,372,794	3,676,506	735,301
2022-23	6,367,000	2,372,794	3,994,206	798,841
2023-24	6,503,300	2,372,794	4,130,506	826,101
2024-25	6,622,300	2,372,794	4,249,506	849,901
2025-26	6,744,600	1,311,397	5,433,203	1,086,641

ADMINISTRATIVE BUDGET

The Dissolution Act required the Successor Agency to prepare a budget for approval by the Oversight Board. **Table 10-4** is the FY 2016-17 Administrative Budget approved by the Successor Agency on January 19, 2016 and by the Oversight Board on January 25, 2016. On June 30, 2018, the local Oversight Board was dissolved and be replaced by a County-wide Oversight Board and since then the \$72,200 Oversight Board Budget was not be needed. Although the City has a reasonable expectation that the Successor Agency is entitled to the administrative allowance of \$250,000 for the budget year the Amended FY2020-21 Budget assumes that the City will not be reimbursed for Successor Agency costs. However, the City continues to include this amount in the annual Recognized Obligations Payment Schedule (ROPS) application to the State of California Department of Finance, as it has in years past. City staff will continue to minimize expenses to the greatest degree possible, but the budget was prepared recognizing the high cost of administering dissolution.

Table 10-4
Approved FY 2016-17 Administrative Budget
Successor Agency to the El Cerrito Redevelopment Agency

Entity/Activity	Successor Agency
Staffing Functions	
(Total Compensation + Overhead for Indirect Costs)	
Administration	\$20,000
Finance	\$25,000
Community Development	\$45,000
City Clerk	\$10,000
Non-Staff Expenses	
Professional Services	\$65,000
Legal Services	\$50,000
Financial & Audit Services	\$15,000
Supplies	\$1,000
Postage	\$100
Copies	\$100
Website	\$1,000
Advertising/Legal Notices	\$500
Property Management	\$1,000
Totals	\$233,700
Combined Total	\$305,900
Funding Source	
Redevelopment Property Tax Trust Fund Administration Allowance	\$0
Un-reimbursed General Fund Cost to the City	(\$305,900)

The amounts in **Table 10-4** are included within the City's Operating Budget and are displayed here for informational purposes. Actual expenses of administering the Successor Agency will be charged to the City's General Fund and the Administrative Allowance will be reflected as revenue in the City's General Fund when it is reimbursed by the Successor Agency.

SECTION 11: OTHER ENTITIES

The City Council of the City of El Cerrito serves as members of the governing body of two other entities: the Employee's Pension Board and the Public Financing Authority. These entities are separate agencies from the City and are accounted for separately.

EMPLOYEES' PENSION FUND

The City of El Cerrito Employees' Pension Fund is a component unit of the City of El Cerrito and a separate fund is maintained by the City to account for the Plan assets. The City Council serves as the Pension Board. The Pension Board has exclusive control over the pension plan and accordingly, the City is financially accountable for the Plan and its operation.

This Fund provides a pension system for those former employees of the City who, on February 6, 1959, chose not to be covered by Social Security or by the California Public Employees' Retirement System. The Plan is a single-employer defined benefit pension plan. There are three participants in this pension system—all retired. This Fund provides for the:

- Disbursement of appropriate pension payments;
- Maintenance of true and correct records of all contributions to and payments from the Pension Fund; and
- Services of actuaries who render a report every three years, or as needed, as to the costs of maintaining properly funded reserves for this pension fund. The most recent report was prepared as of July 1, 2014.

Payments into this Fund are based upon actuarial studies of the estimated costs of meeting the City's obligations under the retirement contract with the members of this system. The goal is to have the reserve fund balances decrease as the pension liability decreases. No new members may join this plan.

The revenues and expenditures of the Employees' Pension Board are shown in **Tables 11-1** and **11-2**:

Table 11-1
Pension Fund Revenues

Revenue Source	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Contribution-General Fund	\$85,774	\$93,750	\$67,842	\$85,000
Total	\$85,774	\$93,750	\$67,842	\$85,000

Table 11-2
Pension Fund Expenditures

Accounts	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Other Charges	\$0	\$0	\$0	\$0
Pension Payments	85,774	89,205	85,000	85,000
Total	\$85,774	\$89,205	\$85,000	\$85,000

PUBLIC FINANCING AUTHORITY

The City of El Cerrito Public Financing Authority (PFA) has been utilized since FY 2002-03 to account for the debt service for Measure A Lease Revenue Bonds used to fund the swim center reconstruction. In FY 2006-07 the PFA issued Lease Revenue Bonds needed to finance construction of the new City Hall and in FY 2007-08 issued Sales Tax Revenue Bonds to fund the Street Improvement Project. The Board of Directors of the Authority consists of members of the elected City Council of El Cerrito, the El Cerrito City Manager and the El Cerrito Finance Director. In FY 2012-13 the Measure A Lease Revenue Bonds were refinanced which allowed the reserve requirement to be reduced by half. In 2017 the 2008 City Hall Lease Revenue Bonds and the 2006 Sales Tax Revenue Bonds were refunded to take advantage of lower interest rates. Revenues and expenditures for the Authority are shown in **Tables 11-3 through 11-8**.

Table 11-3
Measure A Finance Authority Revenues

Revenue Source	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Interest Earnings	\$4,008	\$2,816	\$0
Xfr in-Measure A Parcel Tax	360,730	360,730	187,014
Total	\$364,738	\$363,546	\$187,014

Table 11-4
Measure A Finance Authority Expenditures

Accounts	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Other Charges	\$0	\$103	\$0	\$0
Principal Payments	343,500	350,400	353,667	185,200
Interest Payments	13,864	7,064	7,063	1,814
Total	\$357,364	\$357,567	\$360,730	\$187,014

Table 11-5
City Hall Finance Authority Revenues

Revenue Source	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Interest Earnings	\$223	\$270	\$151	\$151
Xfr in- General Fund	580,660	580,660	580,612	580,612
Total	\$580,883	\$580,930	\$580,763	\$580,763

Table 11-6
City Hall Finance Authority Expenditures

Accounts	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Other Charges	\$0	\$0	\$150	\$150
Principal Payments	280,000	285,000	295,000	295,000
Interest Payments	299,762	294,162	285,613	285,613
Total	\$579,762	\$579,162	\$580,763	\$580,763

Table 11-7
Street Improvement Finance Authority Revenues

Revenue Source	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Interest Earnings	\$231	\$58	\$0	\$0
Xfr in- Street Imp Fund	704,400	702,900	702,900	706,300
Total	\$704,631	\$702,958	\$702,900	\$706,300

Table 11-8
Street Improvement Finance Authority Expenditures

Accounts	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Other Charges	\$0	\$0	\$0	\$0
Principal Payments	325,000	330,000	336,500	523,150
Interest Payments	379,400	372,900	366,400	183,150
Total	\$ 704,400	\$ 702,900	\$ 702,900	\$ 706,300

SECTION 12:

CAPITAL IMPROVEMENTS

In the same manner that multi-year planning has proven to be beneficial as the City considers the programs and services which are supported by the operating budget, it also is desirable to do multi-year planning for the City's capital needs. Accordingly, when the City Council adopts the operating budget, it also adopts a multi-year Capital Improvement Program, with the first year adopted as revenue and expenditure appropriations.

THE CAPITAL PLANNING PROCESS

The Capital Improvement Program (CIP) is a strategy for planning and programming public physical improvements. It includes improvements that are scheduled over the next five years. The CIP indicates the expected timing and the approximate cost for each project. Adoption of the CIP indicates City Council approval of the projects.

The CIP is comprised of those projects for which a scope and a cost estimate is available. In some cases, an ongoing program is shown simply as a project, and the specific year-to-year scope is yet to be identified. Funding sources have been identified where possible, but many projects are included for which no funding source has been secured or, at times, identified. The CIP is reviewed and updated each year to reflect changes in priorities, scheduling realities, the availability of funding, and new projects that have been identified over the past year as individual projects or as part of comprehensive plans such as the Parks and Recreation Facilities Master Plan and Green Infrastructure Plan, both adopted by the City Council in 2019. It can also be amended periodically as new projects (such as ones identified by safety evaluations) or funding sources are identified.

The CIP is shown in Tables 12-1 and 12-2. The CIP Budget (CIPB), as shown in Table 12-3, serves to identify the appropriation of expenditures per fund in the first year. In addition, the CIPB identifies the projects that are part of the Annual Program of Maintenance and Improvement pursuant to the Measure A Street Improvement Program approved by voters in 2008 (under Fund 211) and the SB 1 Local Streets and Road Program project listing (under Fund 212).

A distinction between the multi-year CIP and CIPB is that the CIPB is adopted as a part of the annual budget, whereas the longer-term CIP does not necessarily have legal significance nor commit the City to a particular expenditure in an out year. The multi-year CIP is, essentially, a planning document: it is a basic tool for scheduling anticipated capital projects and capital financing.

In previous years, the CIP contemplated a 10-year planning horizon. This fiscal year, due to the lack of General Fund reserves and uncertainty of funding and revenues due to the COVID-19 pandemic, the CIP is presented as a 5-year plan. This allows staff to provide a more narrow focus on capital projects with the current limitation of resources, and to be responsive and flexible for those projects that are prioritized within the current planning horizon. Once the City's financial condition improves, the CIP will be revised and updated accordingly.

CAPITAL IMPROVEMENT SUMMARY

The CIP currently has 35 identified projects, including 16 active projects that are either in construction or undergoing planning/design. The category with the largest number of active projects in the next year is the Streets-Transportation category. This is due to availability and timeline requirements of both City transportation funds and external grant funds for which the City successfully completed. For all projects, estimated FY 2020-21 expenditures total approximately \$4.8 million although delivery is anticipated to be slowed due to the impacts of the COVID-19 pandemic.

The largest two projects are transportation projects, including the Annual Street Improvement Program, mostly funded by the City's Measure A Street Improvement Funds, and the Del Norte TOD Infrastructure (Complete Streets) Improvements Project. Unfortunately, due to the COVID-19 pandemic, the availability and timing of the Measure J Transportation Livable Community Program grant funds that were previously secured for the latter will not be known until November 2020 at the earliest.

TABLES AND PROJECT DESCRIPTIONS

A complete list of the projects in the multi-year CIP is provided in **Table 12-1**. The projects are arranged by Category (Administration, Facilities (Non-Recreation), Parks & Recreation Facilities, Streets-Transportation, etc.) with a column showing the planned Funding Sources (General Fund, Measure A Streets, Measure H Parks & Recreation, Grants, etc.) **Table 12-2** provides a detailed summary of the same projects in Table 12-1 arranged by Funding Source instead of Category. **Table 12-3** lists the adopted expenditure appropriation for each fund in FY 2020-21 (the CIPB), and is arranged in the same categories as the multi-year Year CIP. Project funding in the special/restricted funds carryover from year to year. This is not the case for projects, if any, funded by the General Fund. Projects with no fiscal activity in these two years are not included in **Table 12-3**. Brief descriptions of each project follow these tables.

LEGEND

The following codes are utilized in **Tables 12-1, 12-2 and 12-3:**

Fund Source		Categories	
101	General Fund	AD	Administration
201	Gas Tax Fund	FA	Facilities (Non-Recreation)
204	Measure J Return to Source (CCTA-Transportation) Fund	PK	Parks & Recreation Facilities
205	Measure J Storm Drain Fund	CR	Creeks and Trails
206	Measure A Swim Center Fund	ST	Streets and Transportation
207	Measure H Parks & Recreation Facilities		
210	Park/Open Space-In-Lieu Fund	SD	Stormwater and Drainage
211	Measure A Street Improvements		
212	SB 1 - Road Maint & Rehab Acct Fund/Local Streets & Road Program Fund		
301	Other Sources/Secure (Grants)-Capital Improvement Fund		
501	Integrated Waste Management Fund		
O	Other Sources/Non-Secure or Unidentified		

Table 12-1
2020-21 to 2024-25 Capital Improvement Program
Five-Year Expenditure Plan
(By Category)

	Project #	Fund Source	Projected 2020-21	Projected 2021-22	Projected 2022-23	Projected 2023-24	Projected 2024-25	Projected Unidentified Year
ADMINISTRATION								
1 Energy & Water Efficiency Program	C3043	301	\$ 54,500	\$ -	\$ -	\$ -	\$ -	\$ -
2 Fire Flow Upgrade	tbd	O	-	-	-	-	-	5,233,600
FACILITIES (Non-Recreation)								
3 Access Modifications - Facilities	varies	O	-	-	-	-	-	1,456,100
4 Library	C1005	O	-	-	-	-	-	33,437,560
5 Public Safety Building	tbd	O	-	-	-	-	-	35,559,300
6 Public Safety Parking Lot Security & Rehab	tbd	O	-	-	100,000	100,000	-	-
7 Corporation Yard Improvements	tbd	O	-	-	100,000	-	-	6,136,000
8 Facilities Seismic & Bldg Repairs	Various	O	-	-	-	-	-	2,304,100
PARKS & RECREATION FACILITIES								
9 Parks & Recreation Facilities Master Plan Program	tbd	207, 210, O	35,475	54,093	-	-	61,965	29,243,041
10 Swim Center Enhancements	C3050	206, 207	200,000	250,000	-	-	-	7,887,026
11 Multi-Generational Recreation Facility	C4012	O	-	-	-	-	-	5,150,000
12 Hillside Natural Area (HNA) Improvements	C3075, C5046	O	131,767	-	-	-	-	943,300
13 Centennial Park Improvements	C5037	210, O	-	250,000	-	-	-	399,000
14 Arlington Park Improvements	tbd	301, 210, 207	-	-	85,845	245,278	68,000	-
15 HNA Trail Entry & Signage Improvements	C5038	301	56,600	-	-	-	-	-
16 Urban Greening (Lwr Fairmount & Blue-Green)	tbd	O	-	-	-	-	-	7,849,050
CREEKS & TRAILS								
17 Urban Forest Management Program	C3042, tbd	O	-	-	60,000	75,000	93,800	-
18 Ohlone Greenway Impr - Hill to Blake	C3069	301	65,000	200,000	-	-	-	-
19 Ohlone Greenway Master Plan Program	various	301, O	-	150,000	-	-	-	3,195,578
20 Creek Major Maintenance & Restoration	tbd	O	-	-	-	-	-	1,070,900
STREETS-TRANSPORTATION								
21 Annual Street Improvement Program	C3027	211, 212, 301	1,040,000	545,000	1,666,750	850,000	850,000	-
22 Access Modifications - Streets & Sidewalks	C3024	212	230,000	130,000	130,000	130,000	130,000	6,018,000
23 City-Wide Signage	C3028	O	-	-	-	-	-	260,500
24 Del Norte TOD Infrastructure Imprvmnts	C4014	301, 212 & O	1,683,000	6,393,713	2,691,287	-	-	-
25 Balra Retaining Wall Replacement	C3058	O	-	-	-	-	-	390,000
26 Traffic Safety & Management Program	C3070	211	33,600	35,000	37,000	37,000	37,000	-
27 Wildcat Drive Repair	tbd	B	-	-	-	-	-	3,561,000
28 San Pablo Avenue Complete Streets	C5035	212, O	20,000	-	-	-	-	10,126,100
29 Active Transportation Program	tbd	212, O	20,000	20,000	20,000	20,000	50,000	41,494,000
30 Central Ave and Carlson Blvd Street Imprvmnts	C3077	211, 301, 212	744,000	-	-	-	-	-
31 Carlson Bl & San Diego St Crosswalk Imprv	C5048	301, 212	105,000	-	-	-	-	-
32 Local Roadway Safety Plan	tbd	301	87,000	-	-	-	-	-
33 Local Match - Potential Federal Stimulus Funds	tbd	211	60,000	-	-	-	-	-
STORMWATER & DRAINAGE								
34 Storm Drain Program	C5036	205	200,000	250,000	250,000	250,000	250,000	21,896,100
35 Green Infrastructure Program	tbd	O	-	-	-	-	-	330,000
TOTAL			\$ 4,765,942	\$ 8,277,806	\$ 5,140,882	\$ 1,707,278	\$ 1,540,765	\$ 223,940,255

Table 12-2
2020-21 to 2024-25 Capital Improvement Program
Five-Year Expenditure Plan
(By Funding Source)

	<u>Project #</u>	<u>Category</u>	<u>Proposed 2020-21</u>	<u>Proposed 2021-22</u>	<u>Projected 2022-23</u>	<u>Projected 2023-24</u>	<u>Projected 2024-25</u>	<u>Projected Unidentified Year</u>
205 Measure J Storm Drain								
	Storm Drain Program	C5036 SD	200,000	250,000	250,000	250,000	250,000	21,896,100
	SUBTOTAL Measure J Storm Drain		200,000	250,000	250,000	250,000	250,000	21,896,100
206 Measure A Swim Center								
***	Swim Center Enhancements	C3050 FA	200,000	250,000	-	-	-	-
	SUBTOTAL Measure A Swim Center		200,000	250,000	-	-	-	-
207 Measure H Parks & Recreation Facilities								
***	Parks & Recreation Facilities Master Plan Program	tbd PK	35,475	54,093	-	-	61,965	-
***	Swim Center Enhancements	C3050 FA	-	-	-	-	-	7,887,026
***	Arlington Park Improvements	tbd PK	-	-	29,591	55,654	68,000	-
	SUBTOTAL Measure H Parks & Rec		35,475	54,093	29,591	55,654	129,965	7,887,026
210 Park/Open Space In-lieu Fund								
***	Parks & Recreation Facilities Master Plan Program	tbd PK	-	-	-	-	-	885,597
***	Centennial Park Improvements	C5037 PK	-	250,000	-	-	-	100,000
***	Arlington Park Improvements	tbd PK	-	-	-	53,002	-	-
	SUBTOTAL Park/Open Space-in-lieu		-	250,000	-	53,002	-	985,597
211 Measure A Street Improvements								
***	Annual Street Improvement Program	C3027 ST	740,000	545,000	1,066,750	750,000	750,000	-
***	Traffic Safety & Management Program	C3070 ST	33,600	35,000	37,000	37,000	37,000	-
***	Central Ave and Carlson Blvd Street Imprvmnts	C3077 ST	85,000	-	-	-	-	-
	Local Match - Potential Federal Stimulus Funds	tbd ST	60,000	-	-	-	-	-
	SUBTOTAL Measure A Street Improvements		918,600	580,000	1,103,750	787,000	787,000	-
212 SB 1 - Road Maintenance and Rehabilitation Account /Local Streets & Road Program (LSRP)								
***	Annual Street Improvement Program	C3027 ST	100,000	-	200,000	100,000	100,000	-
***	Access Modifications - Streets & Sidewalks	C3024 ST	230,000	130,000	130,000	130,000	130,000	6,018,000
***	Del Norte TOD Infrastructure Imprvmnts	C4014 ST	36,680	20,000	-	-	-	-
***	San Pablo Avenue Complete Streets	C5035 ST	20,000	-	-	-	-	-
***	Active Transportation Program	tbd ST	20,000	20,000	20,000	20,000	50,000	-
***	Central Ave and Carlson Blvd Street Imprvmnts	C3077 ST	15,000	-	-	-	-	-
***	Carlson Bl & San Diego St Crosswalk Imprv	C5048 ST	30,000	-	-	-	-	-
***	Local Roadway Safety Plan	tbd ST	15,000					
	SUBTOTAL SB 1 - Road Maintenance and Rehabilitation Account		466,680	170,000	350,000	250,000	280,000	6,018,000

*** Indicates funding from multiple sources

Table 12-2 (continued)

			Proposed	Proposed	Projected	Projected	Projected	Projected
			2020-21	2021-22	2022-23	2023-24	2024-25	Unidentified Year
Project #	Category							
301 Other Sources - Secure								
Energy & Water Efficiency Program	C3043	AD	54,500	-	-	-	-	-
*** Arlington Park Improvements	tbd	PK	-	-	56,254	136,622	-	-
*** Hillside Natural Area (HNA) Improvements	C3075, C5046	PK	131,767	-	-	-	-	-
HNA Trail Entry & Signage Improvements	C5038	PK	56,600	-	-	-	-	-
Ohlone Greenway Impr - Hill to Blake	C3069	CR	65,000	200,000	-	-	-	-
*** Ohlone Greenway Master Plan Program	various	CR	-	150,000	-	-	-	-
*** Annual Street Improvement Program	C3027	ST	200,000	-	400,000	-	-	-
*** Del Norte TOD Infrastructure Imprvmnts	C4014	ST	1,646,320	6,373,713	-	-	-	-
*** Central Ave and Carlson Blvd Street Imprvmnts	C3077	ST	644,000	-	-	-	-	-
*** Carlson Bl & San Diego St Crosswalk Imprv	C5048	ST	75,000	-	-	-	-	-
*** Local Roadway Safety Plan	tbd	ST	72,000	-	-	-	-	-
SUBTOTAL Other - Secure			2,945,187	6,723,713	456,254	136,622	-	-
O Other Sources - Nonsecure or Unidentified								
Fire Flow Upgrade	tbd	AD	-	-	-	-	-	5,233,600
Access Modifications - Facilities	varies	FA	-	-	-	-	-	1,456,100
Library	C1005	FA	-	-	-	-	-	33,437,560
Multi-Generational Recreation Facility	C4012	FA	-	-	-	-	-	5,150,000
Public Safety Building	tbd	FA	-	-	-	-	-	35,559,300
Corporation Yard Improvements	tbd	FA	-	-	100,000	-	-	6,136,000
*** Facilities Seismic & Bldg Repairs	Various	FA	-	-	-	-	-	2,304,100
Public Safety Parking Lot Security & Rehab	tbd	FA	-	-	100,000	100,000	-	-
*** Hillside Natural Area (HNA) Improvements	C3075, C5046	PK	-	-	-	-	-	943,300
*** Parks & Recreation Facilities Master Plan Program	tbd	PK	-	-	-	-	-	28,357,444
Urban Forest Management Program	C3042, tbd	PK	-	-	60,000	75,000	93,800	-
*** Centennial Park Improvements	C5037	PK	-	-	-	-	-	299,000
Urban Greening (Lwr Fairmount & Blue-Green)	tbd	PK	-	-	-	-	-	7,849,050
*** Ohlone Greenway Master Plan Program	various	CR	-	-	-	-	-	3,195,578
Creek Major Maintenance & Restoration	tbd	CR	-	-	-	-	-	1,070,900
City-Wide Signage	C3028	ST	-	-	-	-	-	260,500
*** Del Norte TOD Infrastructure Imprvmnts	C4014	ST	-	-	2,691,287	-	-	-
Balra Retaining Wall Replacement	C3058	ST	-	-	-	-	-	390,000
Wildcat Drive Repair	tbd	ST	-	-	-	-	-	3,561,000
*** San Pablo Avenue Complete Streets	C5035	ST	-	-	-	-	-	10,126,100
*** Active Transportation Program	tbd	ST	-	-	-	-	-	41,494,000
Green Infrastructure Program		ST	-	-	-	-	-	330,000
SUBTOTAL Other - Nonsecure			-	-	2,951,287	175,000	93,800	187,153,532
TOTAL			\$ 4,765,942	\$ 8,277,806	\$ 5,140,882	\$ 1,707,278	\$ 1,540,765	\$ 223,940,255

*** Indicates funding from multiple sources

**Table 12-3
Capital Improvement Program Budget**

	<u>Project #</u>	<u>Category</u>	<u>Proposed 2020-21</u>
205 Measure J Storm Drain			
Storm Drain Program	C5036	SD	200,000
SUBTOTAL Measure J Storm Drain			200,000
206 Measure A Swim Center			
Swim Center Capital Enhancements	C3050	FA	200,000
SUBTOTAL Measure A Swim Center			200,000
207 Measure H Parks & Recreation Facilities			
Parks & Recreation Facilities Master Plan Program	tbd	PK	35,475
SUBTOTAL Measure H Parks & Rec			35,475
211 Measure A Street Improvements**			
Annual Street Improvement Program	C3027	ST	740,000
Traffic Safety & Management Program	C3070	ST	33,600
Central Ave and Carlson Blvd Street Imprvmnts	C3077	ST	85,000
Local Match - Potential Federal Stimulus Funds	tbd	ST	60,000
SUBTOTAL Measure A Street Improvements			918,600
212 SB 1 - Road Maintenance and Rehabilitation Account Fund			
Annual Street Improvement Program	C3027	ST	100,000
Access Modifications - Streets & Sidewalks	C3024	ST	230,000
Del Norte TOD Infrastructure Imprvmnts	C4014	ST	36,680
San Pablo Avenue Complete Streets	C5035	ST	20,000
Active Transportation Program	tbd	ST	20,000
Central Ave and Carlson Blvd Street Imprvmnts	C3077	ST	15,000
Carlson Bl & San Diego St Crosswalk Imprv	C5048	ST	30,000
Local Roadway Safety Plan	tbd	ST	15,000
SUBTOTAL SB 1 - Road Maintenance and Rehabilitation Account			466,680
301 Capital Improvement Fund (A, Other Sources - Secure)			
Energy & Water Efficiency Program	C3043	AD	54,500
Hillside Natural Area (HNA) Improvements	C3075, C5046	PK	131,767
HNA Trail Entry & Signage Improvements	C5038	PK	56,600
Ohlone Greenway Impr - Hill to Blake	C3069	CR	65,000
Annual Street Improvement Program	C3027	ST	200,000
Del Norte TOD Infrastructure Imprvmnts	C4014	ST	1,646,320
Central Ave and Carlson Blvd Street Imprvmnts	C3077	ST	644,000
Carlson Bl & San Diego St Crosswalk Imprv	C5048	ST	75,000
Local Roadway Safety Plan	tbd	ST	72,000
SUBTOTAL Capital Improvement Fund (A, Other Sources - Secure)			2,945,187
Total Capital Improvement Program Budget Appropriations			\$ 4,765,942

Project Descriptions

1. *Energy and Water Efficiency Program (EWEP)*

This program provides an ongoing mechanism for funding energy and water conservation projects in municipal facilities through an initial investment plus reinvestment of a portion of the financial savings generated through these conservation projects into current and future efficiency projects. The current project is to install an EV charging station at the Recycling + Environmental Resource Center. In addition, the following energy and water efficiency projects will be investigated: LED Streetlights for City-owned facilities; a user friendly energy management system dashboard for City Hall and the Community Center; additional satellites to hook park facilities into the City's centralized weather-based smart irrigation controls; and routine maintenance for optimal performance of City solar facilities.

2. *Fire Flow Upgrade*

This project is intended to upgrade the existing water supply system to improve the fire flow in the area located east of Arlington Blvd. to the city limits. This upgrade will include 10,440' of new and upgraded pipe and an addition of 11 new hydrants. With this upgrade the Fire Flow in this area will achieve our 3,000 gallons per minute (GPM) goal.

3. *Access Modifications - Facilities (Non-Recreation)*

This project will implement the non-recreation facilities portion of the City's American with Disabilities Act (ADA) Transition Plan Update, which was adopted in September 2009. The Public Safety Building, Library and Civic Theater were the highest ranked facilities. Other facilities include the Fire Station 72 and Corporation Yard). Specific locations and scopes of future work will be determined as funding opportunities arise. The recreation facilities were incorporated into the Parks & Recreation Facilities Master Plan, more recently adopted by the City Council in April 2019. The City's ADA Transition Plan establishes a priority-based plan to bring facilities into compliance.

4. *Library*

This project will develop a safe, energy efficient, 21st century library, a priority of the City for over a decade. The 2013-14 Library Needs Assessment called for a one-story building of about 21,000 square feet; 60,320 books and AV media available onsite as well as access to e-content through the County Library website; 134 open access seats as well as six group study/tutoring/collaboration rooms with a total of 56 seats; 66 computers; dedicated learning space for workshops and group projects; tutoring/homework study area; and acoustically separate community meeting room that seats 125 with up-to-date AV equipment, prep kitchen and storage space. In July 2017, the City Council re-affirmed their commitment to move ahead with planning for a new library and since then staff has been evaluating potential sites and engage the community in a variety of ways to gather input about priorities for a new library.

5. *Public Safety Building*

This project will develop a new Public Safety Building at existing or new location. The existing Public Safety Building was built in 1960 and has not been kept up to current standards. The building also does not have sufficient space for evidence, lockers, training, and working of employees. In addition, many building and site components have experienced deferred maintenance and need rehabilitation. A new Public Safety facility will be designed to standards for an essential facility, meaning that it will remain operational under the most extreme seismic event. It will also provide for more efficient operations for both Police and Fire on an ongoing basis - both for administration and field operations. A new state-of-the-art facility could also serve as a back-up or auxiliary emergency operations center.

6. *Public Safety Parking Lot Security & Rehabilitation*

This project would add a gated entrance to the Public Safety Building parking lot to secure the facility grounds, public safety vehicles and equipment. Additionally, the project would rehabilitate the parking lot pavement which is in poor condition.

7. *Corporation Yard Improvements*

This project includes demolition of the former Stege facility and remnants of the original Corporation Yard and construction of a new Corporation Yard following the land swap with Stege Sanitary District. The Corporation Yard facility is approximately 50-years old. New environmental requirements make it increasingly more difficult to remain in compliance with current laws and regulations. In addition, many building and site components has experienced deferred maintenance and need rehabilitation. Per the master plan developed in 2005, the land swap with the Stege Sanitary District provided the City's Corporation Yard and recycling facility with a consolidated site. At this time, pavement rehabilitation is a priority component of the project as the pavement is in poor condition and this impacts storage areas, vehicle access, and drainage.

8. *Facilities Seismic & Building Repairs (Non-Recreation)*

This project will implement seismic, structural and other repairs to various non-recreation facilities based on the 2004 El Cerrito Structural Facilities and Management Plan. The facilities include Library, Civic Theater, and Public Safety Building. Many of the City's facilities are out of compliance with current standards. In the event of a significant earthquake, many City facilities may not be serviceable without this project. Specific projects and scopes of work will be developed to match any future funding sources. The recreation facilities were incorporated into the Parks & Recreation Facilities Master Plan, more recently adopted by the City Council in April 2019.

9. Parks & Recreation Facilities Master Plan Program

This program will implement the recommendations in the Parks & Recreation Facilities Master Plan adopted by City Council in April 2019. The Master Plan serves as a long-range planning and asset management document that provides a framework for understanding the recreational and open space assets the City owns, services it provides, risks it assumes, and financial investments it requires to maintain, repair, rehabilitate and improve these assets. It identifies nearly 200 projects that are categorized as either Immediate Work Priorities, Policy/Programs, Early Wins, Deficiencies, and Enhancements/New Projects. Funding from Measure H is identified in this project for the Immediate Work Priorities in FY2020-21 and FY2021-22 and the renovation of the Cerrito Vista Picnic site in FY2024-25. Implementation of other recommendations in the Master Plan for Swim Center Enhancements, Multi-Generational Recreation Facility, Hillside Natural Area, Centennial Park and Arlington Park are listed as separate projects.

10. Swim Center Enhancements

The project includes various capital upgrades or enhancements to the original construction of the Swim Center. After completion of the Swim Center in 2004 and warranty work in 2005, there remained some modifications and enhancements needed to bring the Swim Center up to its highest effectiveness. In 2018, the Swim Center closed for approximately 65 days for capital renovations, mainly addressing drain repairs and necessary ADA improvements in the locker rooms and renovating the chemical rooms which had poor ventilation. Additionally, after 16 years of operation, future capital needs are anticipated to include pool plaster replacement, ADA improvements to pool stairs, ADA improvements to the parking lot, deck replacement and new pool components such as filters, pool lights, pool covers, etc.

11. Multi-Generational Recreation Facility

This project will implement recommendations in the Parks & Recreation Facilities Master Plan (2019) for construction of a new Multi-Generational Center, in part to replace the Senior Center currently operated out of modular buildings. The space priorities for a multi-generational center address the need for active recreation such as fitness, sports, and movement programs. The facility could also provide permanent facilities for El Cerrito's seniors and teens by providing a home for dedicated space and programming throughout the day for specific age groups. The specific program and project costs for this facility have not been closely defined, but the building is tentatively estimated to cost a minimum of \$5 million. This does not include the costs for property acquisition if needed. Three sites have been identified as potential locations for this facility - the Casa Cerrito parcel, the western portion of Cerrito Vista Park (next to tennis courts), and expanded facilities at the existing Community Center. The Multi-Generational Recreation Facility could also share space with a future library.

12. Hillside Natural Area Improvements

This project will implement recommendations in the Parks & Recreation Facilities Master Plan (2019), including those previously identified in the Urban Greening Plan (2015) and other needed repairs. The Hillside Natural Area (HNA), the largest open space in the City, has a number of trails that are used for recreation and emergency access and extensive native plants, oak woodland and riparian environments. The HNA presents maintenance, fire abatement, and vegetation management challenges that are beginning to be addressed as part of the City's operating budget, including use of Measure H funds for additional fire abatement and vegetation management. Repair of the fire access road at six sites in the Hillside Natural Area has been undertaken in the last year few years. These sites were significantly damaged during heavy rains in early 2017. The project is largely funded by a Federal Emergency Management Agency Public Assistance Program grant and a California Governor's Office California Disaster Assistance Act of Emergency Services Program grant. Five of the six sites were repaired in 2019. The six sites above Roger Ct required additional design and is anticipated to be completed in Spring 2021. Other Plan recommendations, including development of a Master Plan for trail maintenance & development and native plant and forest restoration, are currently unfunded.

13. Centennial Park Improvements

This project will implement recommendations in the Parks & Recreation Facilities Master Plan (2019) including those previously identified in the Urban Greening Plan (2015). In the first few years, based on estimated level of funding,

the following are planned for implementation: No. 8.1 - Address additional recommendation of Phase 2 of Centennial Park Improvements Project including additional play structure, picnic area, community garden and related amenities.

14. Arlington Park Improvements

This project will implement recommendations in the Parks & Recreation Facilities Master Plan (2019). In the first few years, based on estimated level of funding, the following are planned for implementation: No. 2.1 - Address Immediate Work Priorities (IWP) for repair and replacement of playground surfacing, BBQ pits, and Clubhouse electrical work (some of these items may overlap with following recommendations); No. 2.6 - Develop design and full cost estimate for Clubhouse renovation to address the 2018 Inventory & Deficiencies Assessment and 2009 ADA Transition Plan as well as Clubhouse enhanced programming, such as improved rentals for private events and adult fitness; No. 2.7 - Improve group picnic areas including replacement of tables and installation of additional features; repair and replace other park amenities including benches/seating, garbage cans, and entry sign. The current cost estimate does not include full cost of the Clubhouse Renovation beyond addressing deficiencies.

15. HNA Trail Entry & Signage Improvements

This project will install gateway trailhead signs, trail entry signs, and trail directional markers within the Hillside Natural Area. The design and location of sign are guided by the El Cerrito Trails Signage Plan, a collaborative effort between the El Cerrito Trail Trekkers, the National Park Service, and the City of El Cerrito. These have been updated to conform with current guidelines for accessibility and best practices. The installation of trail entry steps at the Motorcycle Hill was previously completed while the wayfinding/directional signs on streets leading to the Hillside Natural Area (HNA) is a future phase given limited funding.

16. Urban Greening Program

The City's Urban Greening Plan (2015) identifies needs, opportunities and strategies for creating a greener, more sustainable and livable City through increasing connectivity; creating day-to-day opportunities to gather, play and enjoy; improving existing parks and green spaces; and identifying new ways to meet the community's need for different types of open spaces given limited resources. Based on opportunity analysis and needs assessment of potential projects, improvements were identified for 14 focus areas, and of these, four were selected as "Pilot Projects" for additional analysis and design, and assist with securing external funding. These four projects are Lower Fairmount Avenue, Blue-to-Green Connections, Centennial Park (formerly Fairmont Park) and Hillside Natural Area. The estimated costs shown are for two of the "Pilot Projects", including the Lower Fairmount Avenue and Blue-to-Green Connections. The other two "Pilot Projects", including Centennial Park and Hillside Natural Area, are included as separate CIP projects because of past and on-going efforts for these two projects. Estimated costs for the 14 focus area improvements must still be developed.

17. Urban Forest Management Program

This program is for improved maintenance of existing City street trees and planting of additional City trees as recommended in the Urban Forest Management Plan (2007). In 2008, staff was awarded \$160,000 from the State Resources Board's Environmental Enhancement & Mitigation Program (EEMP) for street and park tree planting. Over 1,000 trees were installed using an EEMP grant through June 2015.

18. Ohlone Greenway Improvements between Hill and Blake

This project will improve the Ohlone Greenway consistent with the Greenway Master Plan (2009) includes path, landscaping, street crossing improvements and other amenities on the Ohlone and cross streets between Hill and Blake Streets. The street crossing improvements at Hill Street were implemented in 2019 as part of the Ohlone BART Station Area Access, Safety and Placemaking Improvement Project. The next phase is installation of side path and enhanced landscaping between Hill Street and Safeway entrance.

19. Ohlone Greenway Master Plan Program

This program has been implemented as various projects based on the recommendations in the Ohlone Greenway Master Plan (2009) and will more recently will be implement per the Park & Recreation Facilities Master Plan (2019), which updated a few recommendations. The BART-related improvements, including consolidation into mixed-use path, were completed in 2014. Other completed projects are the Ohlone Natural Area south of Fairmount Avenue (funded through a Prop 84 grant), Wayfinding Program (funded by Measure J TLC), and Ohlone BART Station Area Access, Safety and Placemaking Improvements (funded by several grants and developer contributions). In the next two years, the program includes upgrade and expansion of camera security system using development fees. Future improvements, although unfunded at this point, include additional lighting, enhanced landscaping, additional crossing

improvements, community or native gardens, drinking fountains, restrooms, renovated play areas, gathering spaces and plazas, path connections to adjacent uses, interpretive exhibits and artistic elements. The area between Wall Avenue and Baxter Creek Gateway Park has been identified as a key node for improvements including lighting and green infrastructure.

20. Creek Major Maintenance & Restoration

The program is intended to provide an evaluation of major maintenance and restoration needs for creeks throughout the City. The first phase that included applying for a Stream Alteration Agreement and related permit to conduct creek maintenance was undertaken in FY15-16. Some of the creek work along the Ohlone Greenway has been identified in the Ohlone Greenway Master Plan and Hillside Natural Area, Urban Greening Master Plan. Other work includes repair of the creek erosion at Huber Park, as well as, other major maintenance and restoration efforts in creeks within other park areas throughout the City.

21. Annual Street Improvement Program

The project includes the implementation of a variety of roadway treatments including slurry seal, microsurface, micropave, cape seal, asphalt inlay & overlay of various thicknesses, and repairs of failed pavement locations. The scope also includes installation of curb ramps in compliance with the ADA for all streets that receive an any treatment within a crosswalk area, curb, gutter, and sidewalk upgrades as needed, upgrades to traffic control and safety systems that pertain to pavement work (striping, crosswalks, bike facilities, and associated signage), and upgrades to road-related storm drainage facilities. The project will involve multiple specialty contracts such as seal coats, asphalt overlay, roadway repairs and concrete. This project also includes funding the bi-annual Pavement Management Program update and development of program annual program work plan.

22. Access Modifications - Streets & Sidewalks

This project will implement the public right-of-way portion of the City's American with Disabilities Act (ADA) Transition Plan Update, which was adopted in September 2009. Specific locations and scopes of work will be determined annually in conformance with the Plan and based on guidance from ADA Working Group. In general, work includes installation or reconstruction of curb ramps, repair of mid-block sidewalk locations to remove vertical and horizontal obstructions including damaged and narrow sidewalks, and installation of accessible pedestrian signals. Thanks to the passage of Senate Bill 1, this program is being expanded to include priority sidewalk repairs necessitated by street tree root damage - this is the launching of a "Sidewalk Repair Program". Note that this program is in addition to the curb ramp work required by street repaving program, however the access program may be contracted jointly with the Street Improvement/Paving Program.

23. City-Wide Signage

This project is the phased replacement of old signs (identification and wayfinding) with new signage that is consistent with the City's updated identity program on San Pablo Avenue, the WCCTAC Wayfinding Program, and the El Cerrito Trails Signage Plan.

24. Del Norte TOD Infrastructure/Complete Streets Improvements

The project includes planning, engineering and construction of various public infrastructure improvements to facilitate transit-oriented development in the Del Norte Area including auto and bus circulation improvements; bicycle, pedestrian, and bus transit access improvements; signage; lighting; ADA improvements; improvements to adjacent streets, street crossings and signals. A package of complete streets improvements for this area was identified in the San Pablo Avenue Specific Plan & Complete Streets Plan, adopted by City Council in September 2014. Subsequently, the City successfully applied for \$7,152,000 million in funding for a set of the above improvements packaged as the El Cerrito del Norte TOD Complete Streets Improvements Project. The grant-funded project includes new signalized crossings for pedestrians, new bicycle lanes, reduction in turning lanes/auxiliary lanes and conversion of one-way to two-way streets for improved vehicle flow, and signalization changes on San Pablo Avenue at the intersections of Hill Street and Cutting Boulevard, and similar improvements on Hill Street and Cutting Boulevard between I-80/San Pablo Avenue and the BART Station entrances next to Ohlone Greenway. The project limits include San Pablo Ave, Cutting Bl, Hill St, Eastshore Bl, and Knott Ave near and in front of the Del Norte BART Station.

25. Balra Retaining Wall Replacement

The project consists of the repair or replacement of the retaining wall and creek headwall in front of 779 Balra Drive, and repair street and sidewalk damage above wall. The gradual failure of this wall is causing subsidence of the street and sidewalk above, and has created some uneven surfaces in the walking and driving paths.

26. Traffic Safety & Management Program

This program funds various capital projects to improve safety for motorists, pedestrians and bicyclists traveling on city streets as well as implement various improvements under the Neighborhood Traffic Management Program consisting of educational, engineering and enforcement measures to address speeding, high traffic volumes, pedestrian and bicycle access and livability on residential streets.

27. Wildcat Drive Repair

This project would restore Wildcat Drive to its original width. The last in a series of landslides removed a section of Wildcat Drive (approximately 100 feet long and 10 feet wide) and the abutting valley gutter and embankment. Emergency work, consisting of a sheet pile retaining wall, was performed that stabilized the remaining roadway and provide two-way travel on one lane.

28. San Pablo Avenue Complete Streets

This project will implement the San Pablo Avenue Specific Plan and Complete Streets Plan, adopted by the City Council in September 2014, in the Mid-town and Downtown sections. The project consists of complete streets improvements within and around the San Pablo Avenue Specific Plan area which includes all of San Pablo Avenue and crossing arterials. The scope of the project improvements includes sidewalk replacement, pedestrian level lighting, crosswalks improvements (curb bulb-outs, pedestrian refuge islands, flashing lights, and enhanced signing & striping), new mid-block crosswalks, bike facility (route, lanes, and cycletrack) implementation; bus islands, street trees, landscaping and street furniture.

29. Active Transportation Program

This project implements the Active Transportation Plan, adopted by the City Council in April 2016. The Plan updated the City's Circulation Plan for Bicyclists and Pedestrians, which was adopted by the City Council in 2007 as the City's first master plan for pedestrian and bicycle networks and improvements. The update is intended to reflect constructed projects to date, new and innovative best practices, changing demands, the State of California Active Transportation Program guidelines, and recent City plans as well as those of neighboring jurisdictions. Detailed project concepts were developed for nine areas of the City to help secure external funding sources.

30. Central Ave and Carlson Blvd Street Improvements

The project consists of asphalt concrete overlay and inlay treatments for pavement rehabilitation, reconstruction of limited sections of existing curb, gutter, and sidewalk, construction or reconstruction of curb ramps, replacement of thermoplastic striping and pavement markers and enhanced pedestrian crossing at El Dorado St. The project limits are on Central Avenue from Santa Clara Avenue to San Pablo Avenue and Carlson Boulevard from Central Avenue to the northern city limits. The first component of the project consisting of curb ramp and sidewalk work was previously completed as part of the 2018 Curb Ramp and Sidewalk Repair Project. The remaining work is scheduled for construction in late summer/early fall 2020.

31. Carlson Bl & San Diego St Crosswalk Improvements

This project implements pedestrian improvements identified in the Council adopted City of El Cerrito Active Transportation Plan, to install flashing pedestrian lights and median refuges, at the intersection of Carlson Boulevard and San Diego Street. The improvements at this intersection are part of the Cerrito Creek Trail/ BART to Bay Bicycle and Pedestrian Route in the ATP, which is in the highest priority category in the ATP. The project will enhance the existing crosswalk on one of the busiest streets in the City. The first component of the project consisting of curb ramp and median work was previously completed as part of the 2018 Curb Ramp and Sidewalk Repair Project. The remaining work is scheduled for construction in spring 2021.

32. Local Roadway Safety Plan

The project includes development of a data-driven plan to identify, analyze, and prioritize roadway safety improvements on local roads. Key components include: (1) hot spot/reactive multimodal collision analysis; (2) infrastructure data inventory of key safety countermeasures, such as protected turns, median refuges, and bikeways; (3) collision profile development to proactively identify potential countermeasures at similar locations without crash history; (4) systemic project list of candidate countermeasures; (5) prioritization of the countermeasure list based injury severity and community input; and (6) Enforcement, Education and Engineering recommendations.

33. Local Match for Potential Federal Stimulus Funds

This program to provide funding from the City Measure A Street Improvements funds to provide a local match for a potential federal stimulus program as a result of the COVID-19 pandemic.

34. Storm Drain Program

This program is for repair, rehabilitation and improvement of the City's storm drain system. Over the last several years, the program has consisted of evaluation of localized flooding at several locations throughout the City, and completion of variety of repair projects to increase inlet storm drain capacity and to repair failed pipe sections. The program includes an update to the Master Plan, currently near completion, consisting of an inventory and assessment of the storm drain system, hydraulic modeling, and recommendations for future projects. The Master Plan Update will provide cost estimates, priorities and a funding plan for maintenance and capital improvements over the next 10 years. The preliminary cost estimate for all capital projects is reflected in the program costs.

35. *Green Infrastructure Program*

The City's Green Infrastructure Plan was undertaken to comply with a provision of the Municipal Regional Permit (MRP) under the Clean Water Act and the National Pollution Discharge Elimination System (NPDES). This plan outlines how the City will meet future pollutant load reduction milestones through the incorporation of Low Impact Design (LID) systems, such as rain gardens, on public and private streets, roads, parking lots, and building roofs. Green Infrastructure can also help recharge groundwater supplies, reduce flood risk, create new habitats and wetlands, and provide additional community benefits by creating public spaces and capturing CO2. The City's General Plan (1999), Strategic Plan (2013), Climate Action Plan (2013), and Urban Greening Plan (2015) highlight the importance of creating a complete community that preserves existing natural assets, providing additional open space, and improving environmental quality. Only the preliminary cost estimate for at Green Infrastructure project in the Del Norte BART Station area is reflected in the program costs based on a conceptual design that was develop. Full program costs must still be identified.

SECTION 13:

LONG-TERM DEBT

The City has various long- term commitments for payments to debt obligations to be repaid from various revenue sources. These obligations are discussed in this section and supported with the June 30, 2016 audited information.

REVENUE BONDS

2017 Sales Tax Revenue Refunding Bonds- Street Improvements

In FY 2016-17, \$8.65 million of Sales Tax Revenue Refunding Bonds were issued, refunding the outstanding portion of the Sales Tax Revenue Bond Series 2008 that was issued in June 2008. The original bond proceeds of approximately \$10 million was used to finance the City's Street Improvement Project. The cost of the initial four-year project was approximately \$17 million. After use of bond proceeds, remaining project funding will come from ongoing sales tax revenues not required for debt service and other funds available for this type of work. The City continues efforts to obtain all possible Federal and State funding for street improvements, including utilizing proceeds of the bonds as matching funds for Federal and State grant funding. The bond principal and interest is payable each May 1st from 2018 through May 1, 2036.

Table 13-1
2017 Sales Tax Revenue Refunding Bonds- Street Improvements

	Original Issue Amount	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019
2017 Sales Tax Revenue Refunding Bonds	\$8,650,000	\$8,335,000		\$325,000	\$8,010,000

Table 13-2
Future debt service payments on the 2017 Sales Tax Revenue Refunding Bonds – Street Improvements

Fiscal Year Ending June 30	Principal	Interest	Total
2020	330,000	372,920	702,920
2021	340,000	366,300	706,300
2022	350,000	356,100	706,100
2023-2036	6,990,000	2,884,050	9,874,050
Total	8,650,000	4,744,470	13,394,470

Measure A Lease Revenue Bonds - Swim Center Project

The El Cerrito Public Financing Authority issued 2002 Lease Revenue Bonds, which consisted of \$4,615,000 in bonds bearing interest at 3.00% to 4.75%. The interest is payable each August 15 and February 15. Principal is payable each August 15, through August 15, 2020. In FY 2012-13, the 2002 Lease Revenue Bonds were refinanced at a rate of 1.80% on a refunded principal amount of \$2,516,500 with the first principal payment due on September 1, 2013. The interest is payable each September 1 and March 1 through September 1, 2020.

The bonds are secured by a pledge, security interest in, and a first and exclusive lien on all base rental payments and other payments paid by the City and received by the Authority and the monies in the funds and accounts established pursuant to the Bond Indenture of Trust. The payment of bond principal and interest is also covered by a financial guaranty insurance policy.

Table 13-3
2012 Measure A - Swim Center Lease Revenue Refunding Bonds

	Original Issue Amount	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019
2012 Measure A - Swim Center Lease Refunding Bonds	\$2,516,500	\$879,100	\$0	\$343,500	\$535,600

Table 13-4**Future scheduled annual minimum debt service requirements for the 2012 Measure A - Swim Center Lease Revenue Refunding Bonds**

Fiscal Year Ending June 30	Principal	Interest	Total
2020	350,400	7,064	357,464
2021	185,200	1,815	187,015
Total	535,600	8,879	544,479

2017 Certificates of Participation (2006 City Hall Lease Refinancing)

In FY 2016-17, \$7.04 million of Certificates of Participation (COPs) were issued to refinance the outstanding portion of the original \$9.61 million El Cerrito Public Financing Authority issued 2006 Lease Revenue Bonds. The proceeds of the 2006 Bonds were primarily used for construction of a new City Hall and improvements to certain City facilities. The annual principal and interest component of the aggregate lease payment with respect to the COPs is payable each January 15th with the final payment on January 15, 2036.

The COPs are secured by a pledge, security interest in, and a first and exclusive lien on all lease payments and other payments paid by the City and received by the Authority.

Table 13-5**2017 City Hall Lease Revenue Certificates of Participation**

	Original Issue Amount	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019
2017 City Hall Lease Revenue Refunding Bonds	\$7,040,000	\$7,040,000		\$280,000	\$6,760,000

Table 13-6**Annual lease Payments on 2017 City Hall Lease Revenue Certificates of Participation**

Fiscal Year Ending June 30	Principal	Interest	Total
2020	285,000	294,163	579,163
2021	295,000	285,612	580,612
2022	300,000	276,762	576,762
2023-2036	5,880,000	2,154,624	8,034,624
Total	6,760,000	3,011,161	9,771,161

CAPITAL LEASE OBLIGATIONS

Solar Equipment Capital Lease

On December 5, 2012, the City entered into a capital lease agreement in the amount of \$1,595,000 at 2.75% interest with Green Campus Partners to finance the purchase and installation of solar equipment on City facilities. The term of the lease provides for semi-annual principal and interest payments of \$65,236 on December 1 and June 1 through December 1, 2027.

Table 13-7
Solar Equipment Capital Lease

	Original Issue Amount	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019
Solar Equipment Capital Lease	\$1,595,300	\$1,084,296		\$101,346	\$982,950

Table 13-8
Future Debt Service Payments on Solar Equipment Capital Lease

Fiscal Year Ending June 30	Principal	Interest	Total
2020	104,153	26,320	130,473
2021	107,036	23,436	130,472
2022	110,000	20,472	130,472
2023-2028	661,761	55,837	717,598
Total	982,950	126,065	1,109,015

Master Equipment Lease- Fire Trucks, Recycling Trucks and Toters

Between FY 2005-06 and FY 2009-10, the City entered into lease agreements to finance the acquisition of three fire trucks. The leases interest rates varied from 3.90% to 4.80% with annual payments of about \$165,000 through 2017.

In FY 2008-09 and FY 2009-10, the City entered into lease agreements to finance the acquisition of recycling trucks and Toters (carts used for curbside recycling services). The lease interest rates varied from 3.980% to 4.85% with annual payments of about \$183,000 through 2018.

In FY 2012-13, the City entered into a single master equipment lease agreement with Chase Bank to refinance the leases for the fire trucks, recycling trucks, and Toters. The lease arrangement bears interest at a yield of 1.98% with interest payments due on July 25 and January 25 through July 25, 2019.

The Internal Service Fund receives 51.74% of the Master Equipment Lease cost and the Enterprise Fund receives the balance 48.26%.

Table 13-9
Master Equipment Lease for Internal Service Fund 601

	Original Issue Amount	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019
Master Equipment Lease for Internal Service Fund 51.74%	\$842,416	\$189,416		\$125,716	\$63,700

Table 13-10
Future Debt Service Payments on Master Equipment Lease for Internal Service Fund 601

Fiscal Year Ending June 30	Principal	Interest	Total
2020	63,700	567	64,267
Total	63,700	567	64,267

Table 13-11
Master Equipment Lease for Enterprise Fund 501

	Original Issue Amount	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019
Master Equipment Lease for Enterprise Fund 601 48.26%	\$785,756	\$176,676		\$117,261	\$59,415

Table 13-12
Future Debt Service Payments on Master Equipment Lease for Enterprise Fund 501

Fiscal Year Ending June 30	Principal	Interest	Total
2020	59,415	529	59,944
Total	59,415	529	59,944

Recycling Center Capital Lease

On November 1, 2010, the City entered into a capital lease agreement in the amount of \$3,500,000 at 3.88% interest with Holman Capital to finance the reconstruction of the Recycling Center. The term of the lease provided for quarterly principal and interest payments of \$80,225 through October 1, 2025.

In July 2012, the Recycling Center Capital Lease was refinanced reducing the interest rate from 3.88% to 2.50%. The interest is payable each July 1, October 1, January 1, and April 1 through October 1, 2025.

Table 13-13
2012 Recycling Center Refunding Capital Lease

	Original Issue Amount	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019
2012 Recycling Facility Refunding	\$3,405,600	\$2,096,200	\$0	\$258,000	\$1,838,200

Table 13-14
Future Debt Service Payments on 2012 Recycling Center Refunding

Fiscal Year Ending June 30	Principal	Interest	Total
2020	264,400	42,271	306,671
2021	270,800	35,788	306,588
2022	277,400	29,148	306,548
2023-2036	1,025,600	47,344	1,072,944
Total	1,838,200	154,551	1,992,751

2018 Recycling Center Trash Truck Capital Lease

On January 19, 2018, the City entered into an equipment lease purchase agreement in the amount of \$551,498 at 2.887% interest with Capital One Public Funding, LLC to finance the purchase of two trash trucks. Semiannual principal and interest payments of \$43,790 are due each July and January 19 through January 19, 2025

Table 13-15
2018 Recycling Center Trash Truck Capital Lease

	Original Issue Amount	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019
2018 Recycling Center Trash Truck	\$551,498	\$551,498	\$0	\$72,175	\$479,323

Table 13-16
Future Debt Service Payments on 2018 Recycling Center Trash Truck Capital Lease

Fiscal Year Ending June 30	Principal	Interest	Total
2020	74,273	13,305	87,578
2021	76,434	11,146	87,580
2022	78,656	8,924	87,580
2023-2025	249,960	12,779	262,739
Total	479,323	46,154	525,477

2019 Public Works and Recreation Department Vehicles Capital Lease

On January 15, 2019, the City entered into an equipment lease purchase agreement in the amount of \$116,121 with KS State Bank to finance the purchase of two public works trucks and one recreation van. Semi-annual principal and interest payments of \$25,758 are due each July and January 15 through January 15, 2023

Table 13-17
2019 Public Works and Recreation Department Vehicles Capital lease

	Original Issue Amount	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019
2019 PW and Recreation Vehicle Capital Lease	\$116,121	\$0	\$116,121	\$25,157	\$90,964

Table 13-18
Future Debt Service Payments on 2019 Public Works and Recreation Department Vehicles Capital lease

Fiscal Year Ending June 30	Principal	Interest	Total
2020	21,049	4,709	25,758
2021	22,139	3,619	25,758
2022	23,285	2,473	25,758
2023	24,491	1,267	25,758
Total	90,964	12,068	103,032

2019 Recreation Paratransit Capital Lease

On June 5, 2019, the City entered into an equipment lease purchase agreement with Wells Fargo Bank in the amount of \$47,667. Monthly principal and interest payments of \$1,087 are due 30th of the month till June 5, 2023

Table 13-19
2019 Recreation Department Paratransit Capital Lease

	Original Issue Amount	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019
2019 Recreation Paratransit Capital Lease	\$47,667	\$0	\$47,667	\$0	\$47,667

Table 13-20
Future Debt Service Payments on 2019 Recreation Paratransit Capital Lease

Fiscal Year Ending June 30	Principal	Interest	Total
2020	11,235	1,809	13,044
2021	11,579	1,465	13,044
2022	12,135	909	13,044
2023	12,718	326	13,044
Total	47,667	4,509	52,176

2020 Recreation Department Starcraft Capital Lease

On December 8, 2019, the City entered into an equipment lease purchase agreement with Wells Fargo Bank in the amount of \$67,426. Yearly principal and interest payments of \$18,030 are due 8th of the year till December 8th, 2022.

Table 13-21
2020 Recreation Starcraft Capital Lease

	Original Issue Amount	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019
2020 Recreation Starcraft Capital Lease	\$67,426	\$0	\$0	\$0	\$0

Table 13-22
Future Debt Service Payments on 2020 Recreation Starcraft Capital Lease

Fiscal Year Ending June 30	Principal	Interest	Total
2020	18,030		18,030
2021	15,718	2,312	18,030
2022	16,454	1,576	18,030
2023	17,224	806	18,030
Total	67,426	4,694	72,120

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2019 was summarized as follows:

	<i>Original Issue Amount</i>	<i>Balance June 30, 2018</i>	<i>Additions</i>	<i>Retirements</i>	<i>Balance June 30, 2019</i>
Revenue Bonds:					
2017 Sales Tax Revenue Refunding	8,650,000	8,335,000		325,000	8,010,000
2012 Measure A- Swim Center Lease Revenue Refunding Bonds	2,516,500	879,100		343,500	535,600
2017 City Hall Lease Revenue Refunding	7,040,000	7,040,000		280,000	6,760,000
Total Revenue Bond	18,206,500	16,254,100		948,500	15,305,600
Capital Lease Obligations:					
Solar Lease	1,595,300	1,084,296		101,346	982,950
Master Equipment Lease (51.74%)	842,416	189,416		125,716	63,700
Master Equipment Lease (48.26%)	785,755	176,676		117,261	59,415
2012 Recycling Center	3,405,600	2,096,200		245,700	1,850,500
2018 Recycling Trash Trucks	551,498	551,498		72,175	479,323
2019 PW and Recreation Vehicles	116,121		116,121	25,157	90,964
2019 Recreation Paratransit	47,667				
2020 Recreation Starcraft	67,426				
Total Capital Lease Obligations	7,411,783	4,098,086	116,121	687,355	3,526,852

Deferred Debt Expense

Bond issuance costs and Bond premiums are amortized over the terms of the respective bonds using a method that approximates the effective interest method.

To Be Updated

SECTION 14: APPENDICES AND STATISTICS

APPENDIX 1:	GLOSSARY OF BUDGET TERMS
APPENDIX 2:	DEMOGRAPHIC PROFILE
APPENDIX 3:	EMPLOYEE BENEFIT SCHEDULE
APPENDIX 4:	FINANCIAL POLICIES
APPENDIX 5:	BOARDS AND COMMISSIONS
APPENDIX 6:	DEPARTMENT LINE ITEM BUDGETS
APPENDIX 7:	CITY COUNCIL RESOLUTIONS



To: Karen Pinkos, City Manager

From: Nancy Hetrick, Vice President
Steve Toler, Partner

Subject: El Cerrito Recession Forecast and Fiscal Response Plan Memorandum

Date: August 27, 2020

Background

In the fall of 2019 Management Partners was engaged by the City of El Cerrito to assist with updating the City's strategic plan. Activities to engage staff and the community included focus groups, interviews, an online community survey and an open house that was hosted by the City. In addition, Management Partners conducted a fiscal analysis to understand the financial realities of the City. This independent analysis affirmed the concerns of staff and community members regarding a lack of reserves and structural budget deficit that left the City in an unsustainable position. The result of this work was a set of proposed goals with the highest priority placed on long-term financial sustainability.

In early March of 2020 Management Partners facilitated a workshop with the senior management team that presented the environmental scan and fiscal analysis, the results of engagement efforts, and draft goals and strategies. With input from the team, Management Partners finalized the proposed goals and strategies and prepared for a Council strategic planning workshop.

The week we were scheduled to meet with the City Council, Bay Area health officials declared a shelter-in-place order in response to the spread of the new coronavirus, COVID-19. This order postponed the Council workshop and later altered the scope and emphasis of the strategic planning efforts.

In light of the immediate and anticipated impacts of COVID-19 and the lack of reserves to soften the blow, the City took action to freeze positions and determine additional short-term measures. The City requested that Management Partners amend our scope to repurpose the remaining portion of the contract to assist in two areas:

1. **Recession Forecast.** Management Partners was asked to prepare a recession forecast to assess the fiscal impacts on the General Fund and determine the scale of reductions

required for the City to maintain solvency and achieve fiscal sustainability, including the rebuilding of reserves to weather future economic downturns or emergencies.

2. **Budget Strategies.** Management Partners worked closely with City management and the Council to identify potential budget solutions that would solve the fiscal gap.

This memo presents the process and key outcomes of this work and will be used by staff as it prepares a revised City budget for Council consideration in September.

Organization of this Memorandum

This memorandum consists of the following sections:

- **Baseline and Recession Forecasts.** This section summarizes the City's baseline forecast pre-COVID and then addresses the impacts related to the COVID-19 pandemic recession and provides an updated recession forecast used for planning purposes.
- **Budget Strategies Framework.** This section explains the process used to identify and evaluate potential budget strategies.
- **Strategies Selected for Implementation.** This section presents the selected strategies and the direction provided by Council during the August 11 Special Study Session.

Baseline and Recession Forecasts

Our analysis included a review of the City's existing forecast prepared as part of the FY 2020 budget (baseline forecast) and a new long-term forecast we developed for the City's future use based on the recessionary impacts stemming from the COVID-19 pandemic (recession forecast).

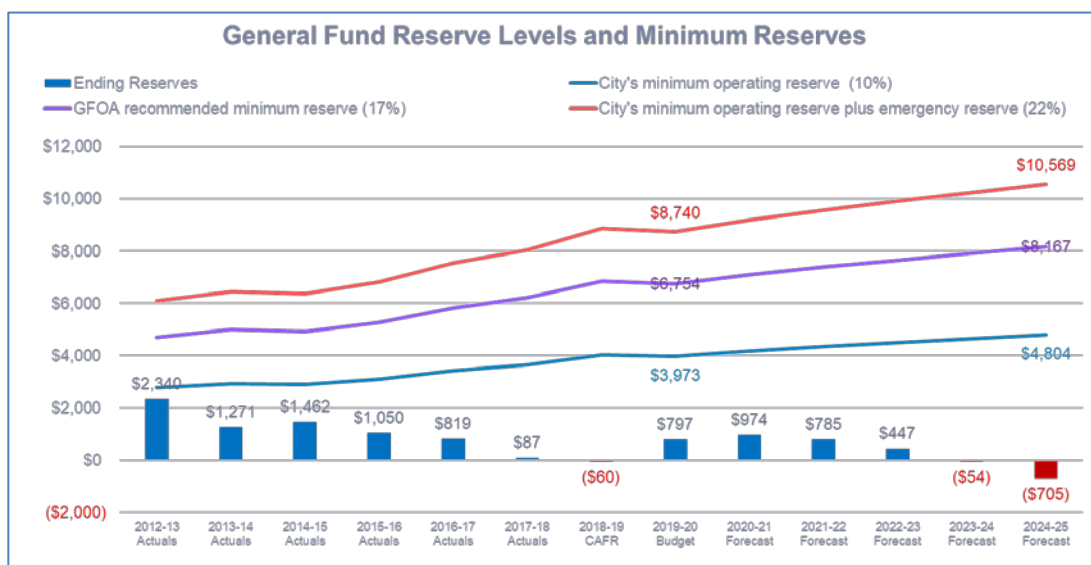
Baseline Forecast

City staff prepared a five-year forecast as part of developing the FY 2020 budget in May 2019. The forecast projected an annual budget deficit starting in FY 2022 that would grow to \$650,000 by FY 2025 without corrective action. This projected deficit was in spite of additional revenue anticipated from Measure V (passed by voters in 2018) that would allow the City to collect real property transfer taxes to help provide resources necessary to support General Fund operations.

The City closed its books for FY 2019 in November 2019 and determined that the General Fund ended the fiscal year with a reserve balance that was \$57,000 overdrawn. Projected General Fund reserves in the original baseline forecast is shown in Figure 1. The City would once again deplete reserves by FY 2024 without corrective action. The City recognized that it needed to take action to address the depletion of reserves and the projected long-term structural gap.



Figure 1. City's Pre-Recession Baseline Forecast



COVID-19 Pandemic Recession Impacts on the City's Financial Forecast

The region, the nation and the world are responding to the impacts of the COVID-19 pandemic. Shelter-in-place orders were issued in the State of California and Contra Costa County in March 2020 as a means of combatting the spread of the pandemic and saving lives. This has had a dramatic impact on people's lives, commerce, and local governments throughout the region. Many businesses were shut down temporarily during the stay home orders, and some businesses closed for good. Federal aid in the form of the CARES Act, enacted by Congress and signed into law in April, provided some relief to individuals, businesses, and local agencies.

The pandemic has manifested into a deep recession that is much more severe than the City's initial forecast ever anticipated. It is likely we will see a prolonged recession that will form what economists call an "L-shaped" recovery where revenues will be impacted over the next four to five years. The significant impacts on unemployment and the fact that the virus is beginning to see a resurgence in only this first wave of the pandemic makes for a long recession that will have significant impacts on elastic (economically volatile) revenue sources.

Until such time that a vaccine is in place that provides immunity, which the Center for Disease Control and other epidemiology experts are indicating may take 12 to 18 months to develop and deploy to the general population, we are likely to see resurgence of the virus that will require further shelter-in-place orders to protect lives. In short, this will likely not be a "V-shaped" recovery that impacts only FY 2021. Given the City's limited reserves and the uncertainties surrounding economic recovery at this stage the only prudent approach is to assume a relatively serious recessionary event.



El Cerrito, like most other cities in California, saw immediate negative impacts in sales tax, transient occupancy tax, real property transfer tax, development fees, and other elastic revenue sources.

These events led the City to the realization that it needed to implement budget reductions strategies immediately to maintain solvency and address the structural gap in anticipation of developing a revised forecast to understand the impacts from the recession. Starting in FY 2021, the City implemented \$2.7 million in ongoing cost savings, as well as nearly \$1 million in one-time savings to attempt to counteract the projected fiscal gap and the impacts of the pandemic-induced recession. The actions taken by the City are summarized in Table 1.

Table 1. Cost Savings Implemented by City for FY 2021

Cost Saving Strategy	Fiscal Impact
Ongoing cost savings (FY 2021 and beyond)	
Reductions to department budgets identified by staff	\$1,632,000
Renegotiated Management and Confidential compensation and benefits plan	\$316,000
Elimination of cost of living adjustments from renegotiated memoranda of understanding with labor groups	\$750,000
Total ongoing cost savings	\$2,698,000
One-time savings (FY 2021 only)	
Furloughs totaling 13 days through December 31, 2020	\$659,000
Furloughs of managers for an additional 13 days through June 30, 2021	\$300,000
Total one-time savings	\$959,000

From a revenue elasticity perspective, the City's General Fund revenue sources are fairly diverse, however, there is a reliance on elastic revenue sources to provide fiscal sustainability for the City. Before the pandemic, the largest revenue source, property tax, comprised about 26% of total General Fund revenues. There is the potential for Proposition 8 assessment appeals under a prolonged recession scenario that may impact property tax revenues by 2% in FY 2022.

Sales tax revenues totaled 18% of General Fund revenues before the recession. The City experienced about a 10% decline in sales tax in FY 2020 and is expecting an additional decline of 13% in FY 2021. It is expected that sales tax revenues will not recover fully until FY 2024.

The City suspended its recreation programs in March and has yet to fully restore services as the nation and the region grappled with a resurgence in the virus. Recreation revenues declined by about 25% in FY 2020 and the City is expecting to see a 20% drop from original projections in FY 2021 due to the prolonged shutdown and continuing preventative measures to combat the virus.



Recession Model Assumptions and Forecast

To prepare a recessionary forecast for the City, Management Partners applied several key assumptions, which are shown in Table 2.

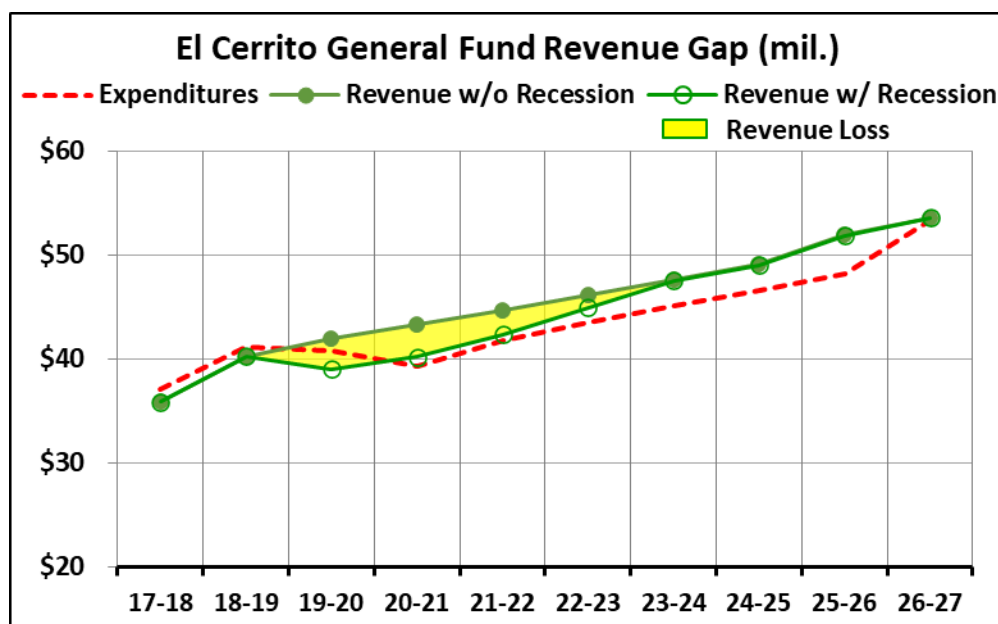
Table 2. Key Assumptions Used in Recession Forecast for FY 2021 to FY 2027

General Assumptions	Reserves
• Recession – Prolonged recessionary impact in elastic revenue sources and slight impairment of property taxes from FY 2021 to FY 2024 • Service levels – Maintain existing service levels	• Minimum reserves – General Fund reserve policy of two months (17%) of annual operating expenditures
Revenues	Expenditures
• Property taxes – Baseline growth of 4%, minor adjustments for development-related activity for projects already under construction (\$100,000 in additional property taxes starting in FY 2022); modest 2% decline in FY 2022 due to recession impacts • Sales taxes – Growth of 2% per year, with an average reduction of 10% from baseline forecast over a four-year period starting from FY 2020, not recovered until FY 2024 • Utility tax – Growth of 3% with no significant reductions anticipated throughout the recession • Transient occupancy taxes – Baseline growth of 3% per year based on historical trends, an average reduction of 15% from baseline forecast over a four-year period starting from FY 2020, not recovered until FY 2024 • Redevelopment Agency final dissolution – Increase in property tax revenues starting in FY 2026 totaling nearly \$1.3 million per year upon final payment of enforceable obligations by, and dissolution of, the successor agency • Recreation services – Shutdown of many recreation services through Summer 2020, resulting in 20% reduction of revenues from original baseline projections through FY 2024, partially offset by reduction in part-time seasonal staff costs • Other – modest growth of 2% to 3% of other revenue sources	• Salaries – Known increases based on existing MOUs, plus a 3% placeholder increase starting in FY 2022 • Pension Costs – Gain of 4.7% in investment portfolio as of June 30, 2020; assumed discount rate of 7% throughout the forecast period, with potential reduction in the rate beyond the FY 2027 forecast period; assumed investment return rates equal discount rate in future years • Other Benefits – Growth in health benefits of 3% per year, other salary-based benefits based on salary increases • Non-personnel operating costs – growth based on inflationary impacts of 3% per year • City-Implemented Cost Savings – Assumes \$2.7 million in ongoing cost savings implemented by the City starting in FY 2021, plus \$959,000 in one-time savings as a result of furloughs in FY 2021 only • Tax revenue anticipation note (TRAN) financing – Assumes the City will continue to need TRAN financing until which time reserves are above the minimum reserve policy, and that financing will continue to be available to the City

The revenue impacts from the pandemic recession indicate a \$10 million loss in General Fund revenues through FY 2024 as shown in Figure 2.



Figure 2. Anticipated Revenues Losses from COVID-19 Pandemic Recession



The recession forecast model indicates a combined deficit of \$1.1 million in FY 2022 and 2023, with surpluses starting in FY 2024 that grow to \$2.2 million per year in FY 2027, as shown in Figure 3.

Figure 3. Projected General Fund Surplus (Deficit) Recession Forecast

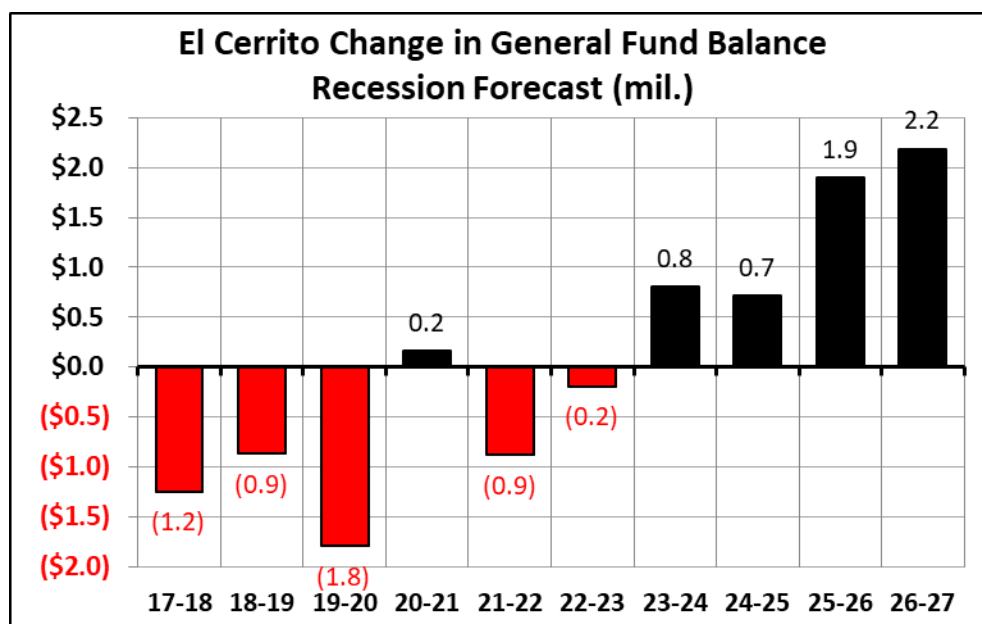
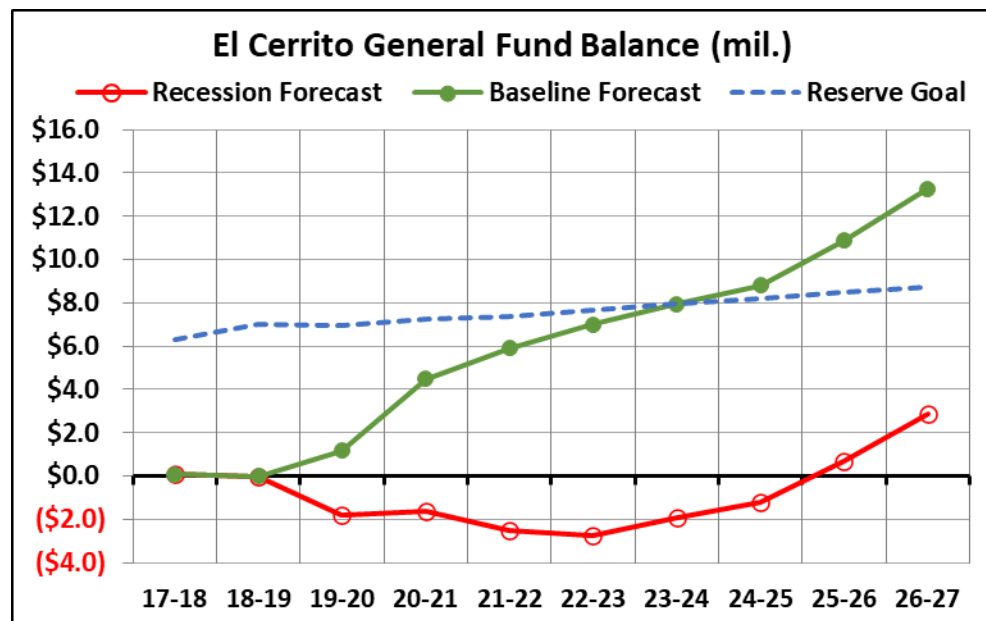


Figure 4 below compares the reserve levels in the baseline forecast (pre-recession) to the recessionary forecast, which indicates that General Fund reserves start below zero at the end of



FY 2020, would stay below zero until FY 2026, and never reach the minimum reserve goal of 17% throughout the forecast period without corrective action.

Figure 4. *Projected General Fund Reserves – Pre- and Post-COVID-19 Pandemic Recession*



The situation depicted in Figures 3 and 4 cannot be allowed to occur as the City would continually face the threat of insolvency with no cushion in the case of another emergency. The figures show the current financial trajectory, absent any change, and reveal the need for immediate action.

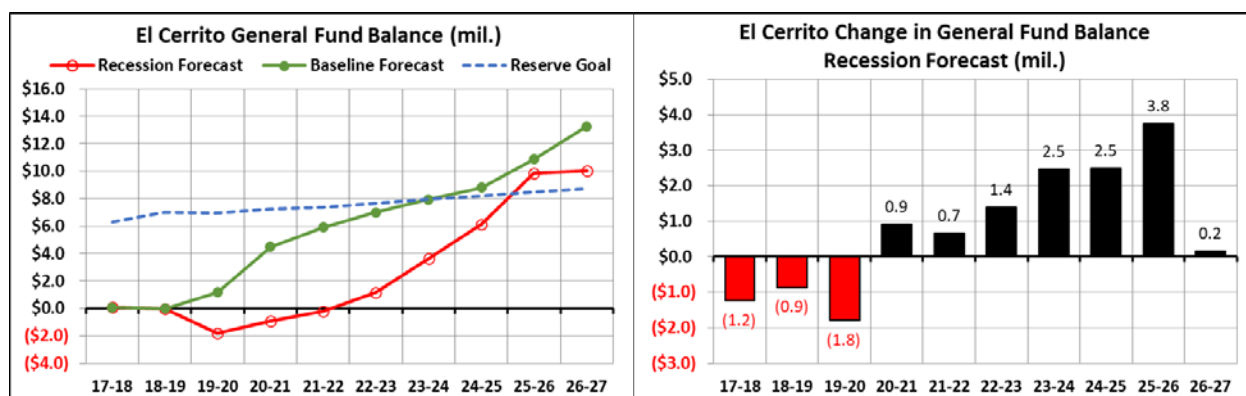
Budget Strategies Required

To address the fiscal gap in this recessionary environment and to restore General Fund reserves to the minimum reserve goal of two months (17%) of annual operating expenditures, the City will need to implement budget strategies of \$1.5 million in annual budget savings– beyond the actions it has already taken – to resolve the fiscal gap starting in FY 2021. Once reserves were restored above the 17% minimum reserve goal by FY 2026, the City could then restore up to \$4 million in budget reductions starting in FY 2027. *This assumes that the City maintains the existing budget reductions, as well as the newly identified budget strategies, through FY 2026 and does not add new services or increase staffing levels that would negatively impact the General Fund's reserve levels during that time.*

Making \$1.5 million in reductions in FY 2021 will restore General Fund reserves above zero by FY 2023 and to the minimum reserve goal of 17% by FY 2026, as shown in Figure 5.



Figure 5. Projected General Fund Surplus (Deficit) and Reserves Incorporating Budget Strategies



Budget Strategies Framework

The following analytical framework was developed by Management Partners to assist City leaders with the evaluation of potential budget reduction strategies for a fiscal response plan to be implemented in FY 2021. The approach considered two primary factors:

1. Citywide priorities
2. Basic program attributes

Each proposed budget reduction strategy was evaluated and scored using the factors presented below. The resulting composite score informed Council deliberation and direction regarding strategies to include in the fiscal response plan. The strategies that received a lower overall score were the starting point for inclusion in the plan. Ultimately, the total savings generated through proposed budget reduction strategies needed to achieve the fiscal target of \$1.5 million in order to provide short- and mid-term fiscal solvency to the City.

Criteria #1: Citywide Priorities

The first set of criteria reflected the set of top service priorities identified through the strategic planning engagement process. These are listed in Table 3 below along with the proposed degree of priority in the short-, mid- and long-term.

Table 3. Citywide Priorities Criteria

Strategic Goals	Applicability		
	Short-term (6 months)	Mid-term (18 months)	Long-term (5 years)
1. Secure the financial health and long-term sustainability of the City	High	High	High
2. Ensure public safety and emergency preparedness	High	High	High
3. Develop, maintain and rehabilitate public facilities and infrastructure	Mid	Mid	High
4. Sustain quality of life and sense of place	Low	Mid	High
5. Foster environmental sustainability citywide	Low	Mid	High

Criteria #2: Program/Service Attributes

The second set of criteria included program attributes that were defined in Table 4 below. These attributes reflect key factors for evaluating the necessity and importance of specific programs or services. In addition to the relevance to citywide goals, each budget reduction strategy was evaluated using these attributes.

Table 4. Program/Service Attribute Criteria

Basic Program Attributes	Description
A. Mandated to provide the program	The City is required to provide this program under 1) federal, state or county law; 2) contractual obligation without the ability to terminate; or 3) by City ordinance that would require a vote of the people to change.
B. Community reliance on the City to provide the program	Programs for which residents, businesses and visitors can look only to the City to obtain the service vs. programs that may be similarly obtained from another intergovernmental agency or a private business.
C. Cost recovery of the program	Programs that demonstrate the ability to “pay for themselves” through user fees, intergovernmental grants or other specifically dedicated revenues vs. programs that generate limited or no funding to cover their cost.
D. Demand for the program	Programs demonstrating high levels of current or anticipated demand or usage vs. programs that show little demand or usage.
E. Portion of the community served	Programs that benefit or serve a larger segment of the City’s residents, businesses and/or visitors vs. programs that benefit or serve only a small segment of these populations.

Rating scale

Each of the budget reduction strategies was then evaluated using the rating scale outlined in Table 5.

Table 5. Rating Scale for Each Budget Strategy

Scoring	Description
4	Program has an essential or critical role in achieving the desired results/outcomes (i.e., the City most likely could not achieve this overall result without the existence of this program)
3	Program has a strong influence on achieving the result
2	Program has some degree of influence on achieving the result
1	Program has minimal influence on achieving the result
0	Program has no influence on achieving the result



Strategies Selected for Implementation

Budget Strategy Identification Process

Based on the magnitude and timing of the recession forecast solutions that would be required, Management Partners conducted an independent analysis of the City's revenues and costs of service delivery relative to the General Fund to develop options, or strategies, for addressing the challenge. Our analysis was informed by discussions with City leaders and best practices and strategies used by other California cities with a proven track record of success that would be applicable to El Cerrito's operating environment.

Given the need to immediate impact in FY 2021 and the effects being felt by residents and businesses amidst the ongoing pandemic recession, revenue enhancement strategies were not considered unless they reflected improving cost recovery of a certain program. The strategies were grouped into four categories:

- A. Reduce service delivery to minimum standards,
- B. Reduce/shift program service levels,
- C. Reduce or implement contracted services, and
- D. Eliminate less critical programs.

Strategies Identified for Implementation

Management Partners independently evaluated and scored strategies we identified as part of our analysis. We then conferred with the City Council to review the strategies to develop a final scoring and selection of the strategies that the City can pursue to resolve the fiscal gap. The goal was to select strategies that would provide \$1.5 million in ongoing budget reductions to the City's General Fund.

The City Council reviewed and discussed an array of budget options. At the Council special meeting on August 11, 2020 the Council provided direction to staff to pursue budget reduction strategies consistent with those presented in Table 6. Staff will incorporate these changes into the revised budget that will be brought to Council for review and adoption in September.



Table 6. Budget Strategies for Implementation Starting in FY 2021

Budget Strategy	Department	Estimated Annual Fiscal Impact
Reduce city administration	City Administration	\$345,000
Change service delivery approach of finance functions	Finance	\$25,000
Restructure fire management functions	Fire	\$210,000
Restructure police operations	Police	\$595,000
Reduce/shift funding for landscape maintenance costs	Public Works (Parks)	\$165,000
Reduce recreation administrative functions	Recreation	\$166,000
Total Budget Strategies		\$1,506,000
Goal		\$1,500,000

Recommendation

Given the structural imbalance in revenues and expenditures, and the depletion of reserves over time and as a result of the pandemic recession, City leaders must quickly implement solutions for the General Fund to remain solvent. Budget strategies totaling \$1,506,000 have been identified and selected for implementation. These strategies must be implemented and maintained through at least 2026 for the City to restore reserves in the General Fund and reduce the threat of insolvency.





SUPPLEMENTAL AGENDA MATERIALS

CITY COUNCIL MEETING

September 15, 2020

(Revised September 16, 2020)

PUBLIC COMMENT INDEX

1. Public Comments received by 4:00 p.m. September 15, 2020
2. Public Comments received after 4:00 p.m.

AGENDA ITEM 7B – FY 2020-21 AMENDED BUDGET

1. Presentation



**PUBLIC COMMENT INDEX
REGULAR CITY COUNCIL MEETING
September 15, 2020**

The following Public Comments were **received by 4:00 p.m. 9/15/2020**, were provided directly to City Councilmembers in advance of the meeting, and were posted online as supplemental materials at www.el-cerrito.org/CouncilMeetingMaterials.

Public Comments – Items Not on the Agenda

1. Cordell Hindler
2. Cathy Hanville
3. Donald Simon

Agenda Item 4F – Approval of Letter Requesting Governor’s Signature on SB 1349

1. Donald Simon

Agenda Item 4H – El Cerrito Del Norte Transit-Oriented Development Complete Streets Improvement Program – Cooperative Agreement

1. Donald Simon

Agenda Item 7B – FY 2020-21 Amended Budget

1. Sarah Klauer
2. Leslie Adams
3. Richard Bell
4. Sherry Drobner (resubmitted)
5. Sue and Paul Duncan
6. Cathy Hanville
7. Nick Zamorano

From: [Cordell Hindler](#)
To: [Holly Charléty](#)
Subject: ORAL COMMUNICATIONS FROM THE PUBLIC
Date: Thursday, September 10, 2020 9:20:25 PM

hello Holly, i have a couple of comments to go into the Record

1. i think that the public should be able to return to the meetings because how will the Council make important decisions without community input.

2. also i had been in conversation with the Owner of ATLAS LIQUORS and i had asked him how much do you pay a month to lease his Business, and he said between 15,000 to 20.000 dollars a month, and i was shocked that business owners would pay so much

Sincerely
Cordell

From: [Cathy Hanville](#)
To: [City Clerk](#)
Subject: Public Comment Item Not on the Agenda
Date: Tuesday, September 15, 2020 3:12:15 PM

I would like to request that all City Council members go on the record as to whether they are supporting Contra Costa's proposed Measure X which would increase the sales tax by .05%. For El Cerrito that would mean a sales tax of 10.25%.

It seems to me in a city that is struggling with economic development that a sales tax that is amongst the highest in the state would not attract new businesses. So if council members support this I would love to hear from them as to how the payoff would be better than the consequences of this sales tax.

Thank you,
Cathy Hanville
El Cerrito

From: [Shakti Das](#)
To: [City Clerk](#)
Subject: Item Not on the Agenda
Date: Tuesday, September 15, 2020 3:59:41 PM

Dear Mayor and City Council,

For many months we have been waiting for the surgical cuts that the City Manager was to take to eliminate excess staff salaries and hires. When will that ACTION occur?

Thank you for your help

Donald Simon,
El Cerrito Resident

From: [Shakti Das](#)
To: [City Clerk](#)
Subject: public comments –agenda item #4F
Date: Tuesday, September 15, 2020 3:49:50 PM

Re: ITEM #4F
SB 1349 Letter

I wish the Mayor and City Council to reconsider asking the governor to approve more tax hikes in El Cerrito beyond the current 2% cap . Please no more tax hikes to cover our preexisting financial mess due to past financial mismanagement. Instead take responsibility. Do not sign.

Thank you,

Donald Simon, El Cerrito Resident

From: [Shakti Das](#)
To: [City Clerk](#)
Subject: Agenda Item #4.H
Date: Tuesday, September 15, 2020 3:55:48 PM

Dear City Council and Mayor

Times have changed since the Shelter in Place. UC is telecommuting; so are Yahoo, Youtube, Facebook, Google, etc. Students and Hi-tech employees, which have traditionally driven upward affordable housing costs are leaving.

Post pandemic recessionary economics is a new reality demanding an intelligent response. Do not vote to pay Caltrans over a quarter million USD for a doomed TOD plan. Wait.

sincerely,

Donald Simon, Resident

From: [Sarah Klauer](#)
To: [City Clerk](#)
Subject: Public Comment for Item 7B
Date: Tuesday, September 15, 2020 1:19:08 PM

Hi Holly:

I'd like to submit the following public comment for today's meeting. Thank you!

Thank you for the opportunity for public comment. After following the budget process for the past several months, I am deeply disappointed in the latest proposal. Early on, I was encouraged by what seemed like openness to create real change in how we address public safety in El Cerrito, but I do not see real change addressed in this budget. It seems like the savings we're achieving in the police department are from reducing expansion, like not filling vacant positions. This is passive, not active. I have heard about police restructuring, and how police have minimized responses for some types of calls. How is this reflected in the budget? How does the restructuring save money or create efficiency and better responses? Are we creating a runway for non-police responses to non-violent issues? I hope you will take this opportunity to re-examine the budget and to think critically about how the budget reflects the values of El Cerrito. Thank you for your time.

Sarah Klauer, El Cerrito Resident

Sarah Klauer
she/her/hers



[Portfolio](#)

From: [leslie dibenedetto](#)
To: [City Clerk](#)
Subject: Public Comment for Item 7B
Date: Tuesday, September 15, 2020 3:02:24 PM

15 September 2020

Dear City Manager Pinkos, City Council Members, and Mayor Lyman,

Over the past several months many residents of El Cerrito have organized and spoken out, protested and marched - urgently calling to reimagine policing. Many people have engaged with our city and began learning more about how our funds are distributed and prioritized. It is clear that people want change, yet, these calls have fallen on the deaf ears of the city management and officials. What we have heard from our leaders has not been innovative, or even introspective, to date. Given the city's budget problems, why haven't the ECPD taken their fair share of the reductions, at the very least? Our city budget reflects the values of our city. As a symbolic example, look at our BLM mural, small by comparison – to Oakland, to San Leandro, to Richmond who are making meaningful changes to public safety, who are engaging in the process with the residents of their city.

Please keep thinking about this issue; many people are ready for change and want to envision a better city and world for everyone. We can do this together.

Thanks,

Leslie D Adams

From: [Richard Bell](#)
To: [City Clerk](#)
Subject: Public comment for item 7b
Date: Tuesday, September 15, 2020 3:09:49 PM

Mayor, Council members, and Staff,

Disappointing is the polite term I can think of concerning the proposed budget.

The City's values (among others) include; innovation and creativity, responsiveness, transparency and open communications.

I'm not seeing much of this in the current budget proposal. I have a feeling I'm not the only one.

The cuts appear disproportionate. The city is facing an unprecedented crisis. And the response seems to be same old, same old. We will re-structure, we will eliminate low level, part time workers, we will de-prioritize environmental concerns, we will borrow.

I was hoping for better.

Richard Bell
El Cerrito

From: [Sherry Drobner](#)
To: [City Clerk](#)
Subject: Re: Public Comment- Budget Discussion on the Agenda
Date: Tuesday, September 15, 2020 7:12:58 PM

Hi Holly, I noticed that I sent you a draft. Not sure if this can be corrected by here is the correct version.

Sherry

Sherry Drobner <

3:57 PM (3 hours ago)



to City



Dear Mayor and City Council Members,

I have reviewed the budget book, as well as attended all the meetings pertaining to the discussion of the budget for the last 6 months-maybe even longer.

My comments are the following:

You have failed to take seriously any real action when it comes to "reimagining public safety", as reflected in the fact that the police will continue to expend over 31% of the General Fund Budget. Because the police have had the luxury of maintaining vacancies, of which you have authorized more than necessary for the police, they are simply slowing their expansion. Reorganizing people will not address the need for non-sworn personnel- basically a crisis intervention team- to address some of the calls in our community. Having the City Manager review complaints is a gimmick, not a real effort to address citizen concerns. Sorry, but an independent outside body, or person with expertise is necessary.

On the issue for the Fire Department - I fear that in two years or even next year, people will look at the budget and shake their heads, wondering why you added 3 full time positions. This is a costlier long term prospect. Where was the research, what was the study done to make this move? Wasn't the issue of overtime and issue that needed study..not simply a replacement of paid personnel.

Finally, the entire process has been one where we have seen time and time again Council ask questions and questions not being answered, or answers that were not part of the question.

Very disappointed - a lot of hours of work.

Sherry Drobner.

On Tue, Sep 15, 2020 at 3:57 PM Sherry Drobner  wrote:

Dear Mayor and City Council Members,

I have reviewed the budget book, as well as attended all the meetings pertaining to the discussion of the budget for the last 6 months-maybe even longer.

My comments are the following:

From: [Sue Duncan](#)
To: [City Clerk](#)
Subject: Agenda Item 5 A and B
Date: Tuesday, September 15, 2020 3:40:50 PM

Sue and Paul Duncan, El Cerrito

City Council Members,

As you continue the very difficult task of budget cuts, please keep wildfire prevention, emergency preparedness and public safety near the top of priorities for the city.

Thank you,

Sue and Paul Duncan

Make El Cerrito Fire Safe

Sent from my iPad

From: [Cathy Hanville](#)
To: [City Clerk](#)
Subject: Public Comment Agenda Item 7B
Date: Tuesday, September 15, 2020 3:26:12 PM

Like most people right now I am spending a lot of time on a Zoom like platform. It is how I work as a therapist right now. So I have to say my ability to listen/watch council meetings has been severely compromised. Especially when you have an epic 5-hour meeting.

I say this because I have probably (along with many residents) missed some information covered in meetings.

As you well know I have been actively following the budget for well over a year. And I continue to find the information that the city puts out to be vague and not transparent. I was told in the last meeting there was some specific talk about the budget cuts that were recommended in the ECPD and city administration. However, I could not find that information in the very long packet. I feel like some simple fact sheets that could be posted on the website would be so helpful for residents, If I have a challenge finding things I know others won't find it.

I still would love a detailed explanation of why the choice was made to add firefighters now after years of saying it was not cost-effective. I heard some of that discussion and it sounded like there were some short term benefits but long term costs. I would love to see those laid out specifically using data.

When I have requested this information from public records I was not able to get anything that was very clear.

When I looked at Chart C I am still seeing increases in some areas.

<https://elcerritocommitteeforresponsiblegovernment.com/2020/09/14/new-proposed-budget-book-is-out/>

I also see rec cuts that I heard were temporary and COVID related so I am wondering how this will all play out if we ever get back to a time with no SIP. It appears like there are some short term cuts which is something positive but I am wondering how this gets us to a strong financial position in 5-7 years again. I think we all can see the economic effects of the SIP will be with us for a long time. Many businesses won't make it.

It also seemed to me even with cuts made that the ECFD and ECPD are bigger pieces of the pie than before. (See above link again). I would love to hear more about how that is happening.

So this is my public comment once again pleading for more easily accessible information for residents that do not have a financial background which includes real data with lots of specifics.

Thank you,
Cathy Hanville
El Cerrito

From: [nick zamorano](#)
To: [City Clerk](#)
Subject: Agenda Item 7B
Date: Tuesday, September 15, 2020 4:01:56 PM

I am writing in support of maintaining the current funding levels for all city departments as proposed in the amended budget from the finance department. It is more than evident from the recent wildfires throughout California that all cities and counties must be fully funded to adequately prepare for a mega fire and any other natural disaster. It is imperative that the fire department maintain all its resources for fire prevention and that our police department be funded to assist in all emergency preparedness procedures including evacuations.

My wife and I came to our home in Lake Tahoe last week to escape from the smoke and unhealthy air quality in El Cerrito. Throughout our stay in Tahoe we have been engulfed in dense smoke and poor air quality. When we arrived at our home we were greeted by the Meeks Bay fire chief who was conducting a neighborhood canvassing of residents due to the red flag warnings in the Tahoe basin. He was making sure that all residents were aware of the strict fire restrictions (May-November) and resident's plans for a rapid evacuation. He gave us a brochure on evacuation plan and provided contact information for the Sheriff and local fire departments in case we required assistance with evacuation.

Due to the existing climate crisis all California residents are at risk for a mega fire and there is a clear and present danger of this happening in El Cerrito. If at any time the city council feels any political pressure to divert funds from the police department, these funds should be redirected to the fire department for resident outreach, substantial efforts toward vegetation management and enforcement, and evacuation route planning and implementation.

Nick Zamorano
El Cerrito Resident



**PUBLIC COMMENT INDEX
REGULAR CITY COUNCIL MEETING
September 15, 2020**

The following Public Comments were **received after 4:00 p.m. 9/15/2020**, were forwarded to City Council when received.

Public Comments – Items Not on the Agenda

1. Jean Lang
2. Matthew Estioco

Agenda Item 4F – Approval of Letter Requesting Governor’s Signature on SB 1349

1. Donald Simon

Agenda Item 7B – FY 2020-21 Amended Budget

1. Marlene George
2. Joe Getsy

From: [Jean Lang](#)
To: [City Clerk](#)
Subject: Public Comments – Not on the Agenda
Date: Tuesday, September 15, 2020 4:25:07 PM

Honorable mayor, City Council members, city staff and fellow citizens,

Lately there were many car rallies organized by residents throughout California to oppose proposition 16, one was held in our city on 9/5. I was in the rally and learned that Prop 16 is aiming to repeal Prop 209, part of California constitution, which clearly prohibits the state from discriminating against, or granting preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting. Yet the state wants to repeal it. If Prop 16 passes in the Nov election, it means we the Californians allow the state to discriminate against all of us based on our race, gender or color and allow special treatment by the state in college admissions, jobs and contracting. This is totally unconstitutional and against the American value of equal rights.

Furthermore, I have learned that the ballot label was written in a very misleading fashion. It says Prop 16 allows diversity as a factor in public employment, education and contracting decisions. The legislators are playing word games with the voters. They replaced the word “discrimination” with the word “diversity”. This is discrimination in the name of “diversity”.

Let’s all not be misled by the ballot label. We should all say no to discrimination and most of all discrimination from the state level. Please vote NO on Prop 16 in Nov!

Please read out my comments in the meeting, thank you!

Jean

From: [Matthew Estioco](#)
To: [City Clerk](#)
Subject: Public Comments – Not on the Agenda
Date: Tuesday, September 15, 2020 4:38:44 PM

Dear mayor and council members,

As the election season is coming up, I would like to draw your attention to Prop 16 which is about government preferences.

The California Constitution says: "The State SHALL NOT discriminate against, or grant PREFERENTIAL treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting.

Proposition 16 will strike out and eliminate this language from the California Constitution. No substitute is provided.

However, the summary being put forth to voters is this: "ALLOWS DIVERSITY AS A FACTOR IN PUBLIC EMPLOYMENT, EDUCATION, AND CONTRACTING DECISIONS. LEGISLATIVE CONSTITUTIONAL AMENDMENT."

If diversity is the goal (according to the summary) why eliminate the Constitution that says you cannot benefit one race/gender over another? Why not propose a proposition that says it? If you specifically benefit one race/gender over another isn't THAT discrimination?

Some people say that this Proposition will hurt one or two races specifically because of their higher performances in College admissions, which I don't agree with. In the long run, it hurts everyone and it hurts our state because Prop 16 will eliminate equal opportunity and fair competition which made California one of the most prosperous and diversified states in the whole country.

Therefore, I urge the city council to take a position to oppose Prop 16. Prop 16 will legalize discrimination and waste tax money to fund the bureaucracy. Our city doesn't need it. California doesn't need it!

Thank you

From: [Marlene George](#)
To: [City Clerk](#)
Subject: Agenda Item 7 B/ Public Comment
Date: Tuesday, September 15, 2020 5:44:55 PM

I think it is rich that police reform advocates are asking for "research and studies on the fire department adding 3 full time positions" when they have not demonstrated any justification for police reforms in El Cerrito. No data or studies have been provided for police reforms in El Cerrito; the only justification is based on data from large metropolitan police departments.

The 3 fire department positions were not "added" they were existing vacant positions filled because the community was concerned regarding the costs of overtime. The assumption is that filling positions will reduce overtime costs.

We live in an era of mega fires as recently stated by the head of Cal Fire. The El Cerrito hills is designated by Cal Fire to be Very High Fire Hazard Severity Zone and based on the dynamics of mega fires this places all of El Cerrito at risk of a catastrophic fire.

Based on this risk, there is no justification for cutting the fire department budget and in fact given the current environment a case could be made to increase the fire department budget.

Those who live in the hills pretty much are the financial backbone of the city paying substantial property and sales taxes but proportionately do not receive a commiserate level of direct services. If the advocates think San Pablo is over policed then send police to the hills; we welcome their presence to reduce crime. Where is the crime in El Cerrito coming from, who is committing it and why? Why should police budgets be reduced to fund social services when no need has been established. Should El Cerrito have a reduced police department to provide services from those who may be coming from out of town?

Make no mistake, I believe in racial and social justice, Black Lives Matter and systemic racism. I do not want fire or police reformed unless El Cerrito data and studies suggest there is a problem.

Marlene George
El Cerrito resident

From: [Joe Getsy](#)
To: [City Clerk](#)
Subject: Public comment for item 7B
Date: Tuesday, September 15, 2020 7:52:56 PM

Hello,

I am concerned that the new budget does not reflect the growing sentiment that the police budget needs to be reduced further.

While their budget will be reduced in dollars in this proposed budget, it will grow as a percentage of the new budget because of the massive cuts to recreation.

If we need to save money, why can't we reduce their budget more?

Thank you,

Joe

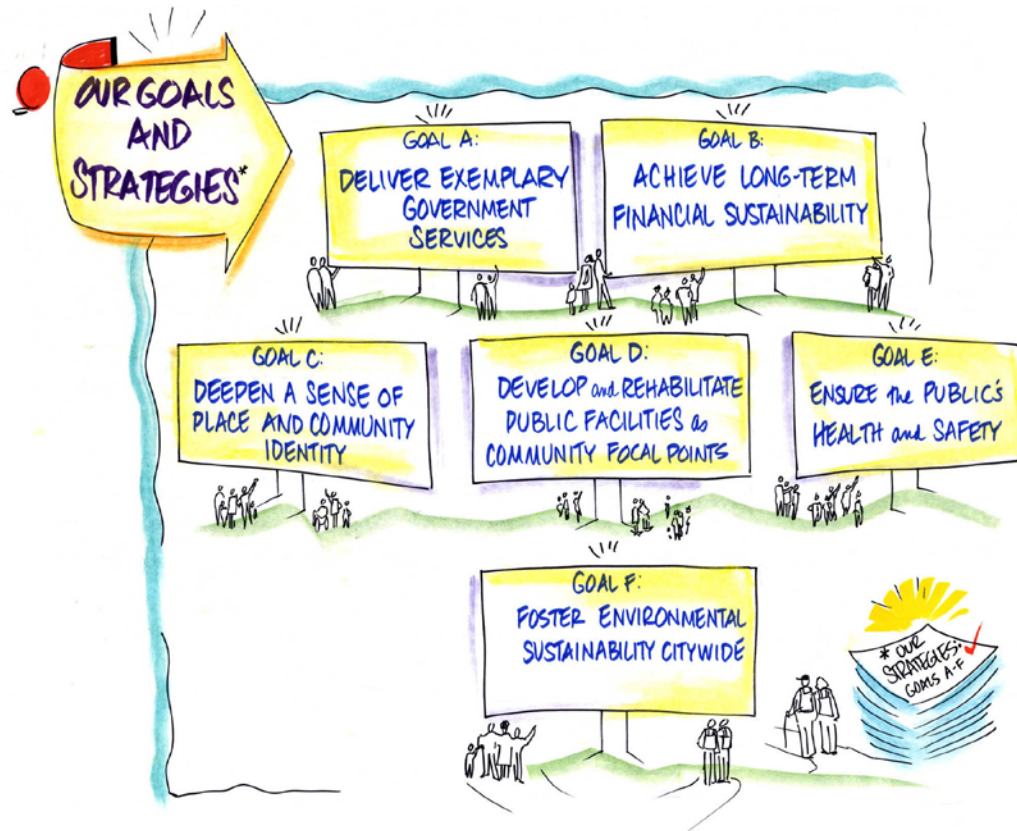
FY 2020-21 PROPOSED AMENDED BUDGET



FY 2020-21 Proposed Amended Budget Draft Budget Document



FY 2020-21 Proposed Amended Budget Focus



Achieve Long-term Financial Sustainability

- General Fund Reserve
- Fiscal Response Plan
- Constant Monitoring of Financial Position
- Fiscal Discipline

FY 2020-21 Proposed Amended Budget

- The “baseline” for the Proposed FY 2020-21 General Fund Budget was presented to the City Council in February 2020
 - Projected General Fund Revenues of \$42.7 million and Expenditures of \$42.6 million
- Based on financial position in addition to the COVID-19 pandemic and its effect on City revenues, staff presented City Council with expenditure reductions of approximately \$4 million in April 2020
- City Council directed staff to prepare a one-year, preliminary proposed budget for adoption by July 1, 2020 to be amended by October 2020 with prepared line-item budget document
 - City Council adopted preliminary budget on June 16, 2020
- Staff is proposing a General Fund Budget of \$39.3 million in revenues and \$38.7 million in expenses for FY 2020-21.
 - Strategies from Fiscal Response Plan are incorporated into proposed amended budget
- All funds combined, the Proposed Amended FY 2020-21 budget recommends total expenditures of \$53.2 million and provides funding for all City services

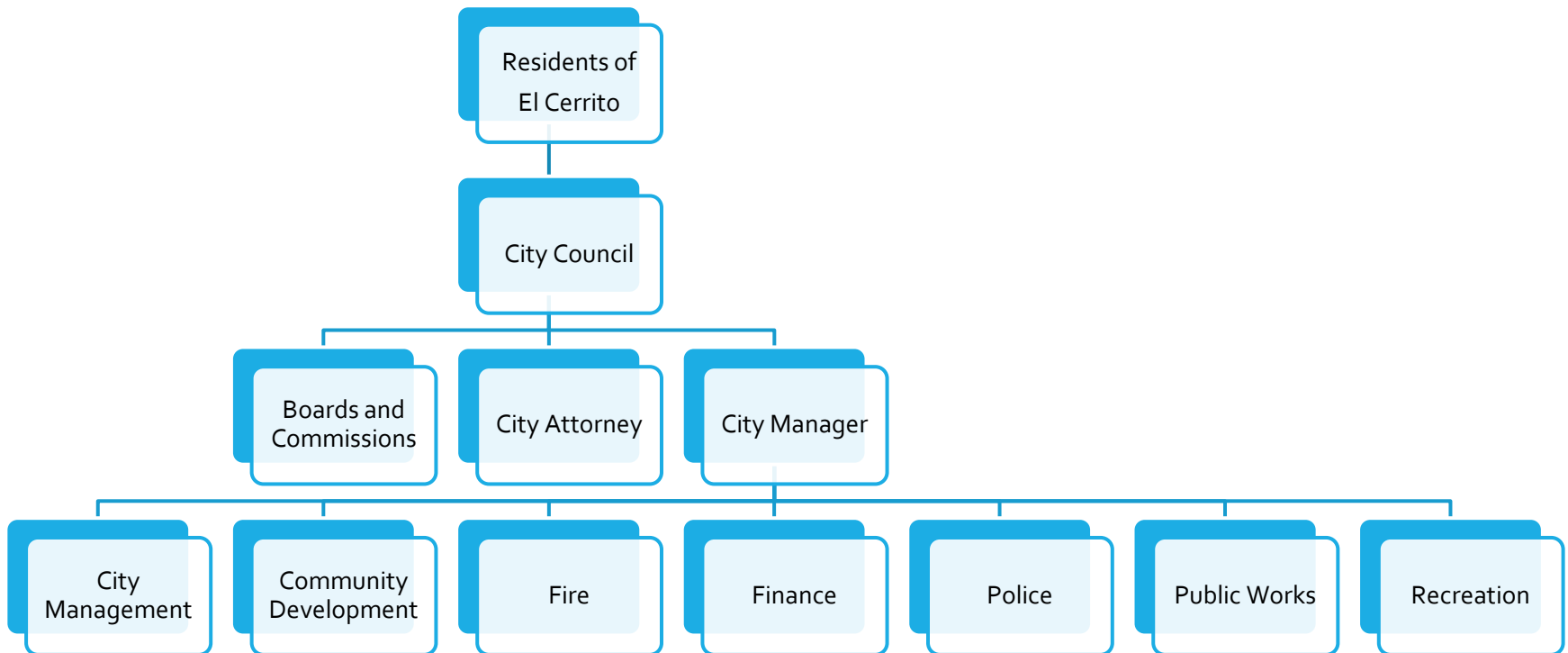
Fiscal Response Plan

Budget Strategy	Department	Estimated Annual Fiscal Impact
Reduce city administration	City Administration	\$345,000
Change service delivery approach of finance functions	Finance	\$25,000
Restructure fire management functions	Fire	\$210,000
Restructure police operations	Police	\$595,000
Reduce/shift funding for landscape maintenance costs	Public Works (Parks)	\$165,000
Reduce recreation administrative functions	Recreation	\$166,000
Total Budget Strategies		\$1,506,000
Goal		\$1,500,000

Implementation of Fiscal Response Plan and COVID-19 Assumptions

- Reduced Recreation Programs and Services, including all programs at the Midtown Activity Center, through 2020
- Elimination of three full-time positions and two part-time in City Management and Recreation Departments
- Considering filling vacant positions in Community Development to save increased contract costs and temporary staff
- Reduction of overtime in Fire Department by filling three vacant positions
 - Overtime shift – averaging \$1750/day
 - Cost of 3 firefighters - \$400,000
 - Eliminate estimated 325 overtime shifts - \$568,750
- Restructuring of Police Department Operations
- Personnel reductions/savings effective January 1, 2021

City Organization



Proposed Staffing

Department	FY 2019-20 (Authorized)	FY 2020-21 (Authorized)	FY 2020-21 (Actual)	Vacant
City Council	5.0	5.0	5.0	0.0
City Management	11.5	10.0	10.0	0.0
Finance Department	6.0	6.0	6.0	0.0
Community Development	14.0	15.0	14.0	1.0
Fire	37.0	37.0	37.0	0.0
Police	56.0	56.0	51.0	5.0
Public Works	25.0	25.0	25.0	0.0
Recreation	23.0	21.0	21.0	0.0
Total	177.5	175.0	169.0	6.0

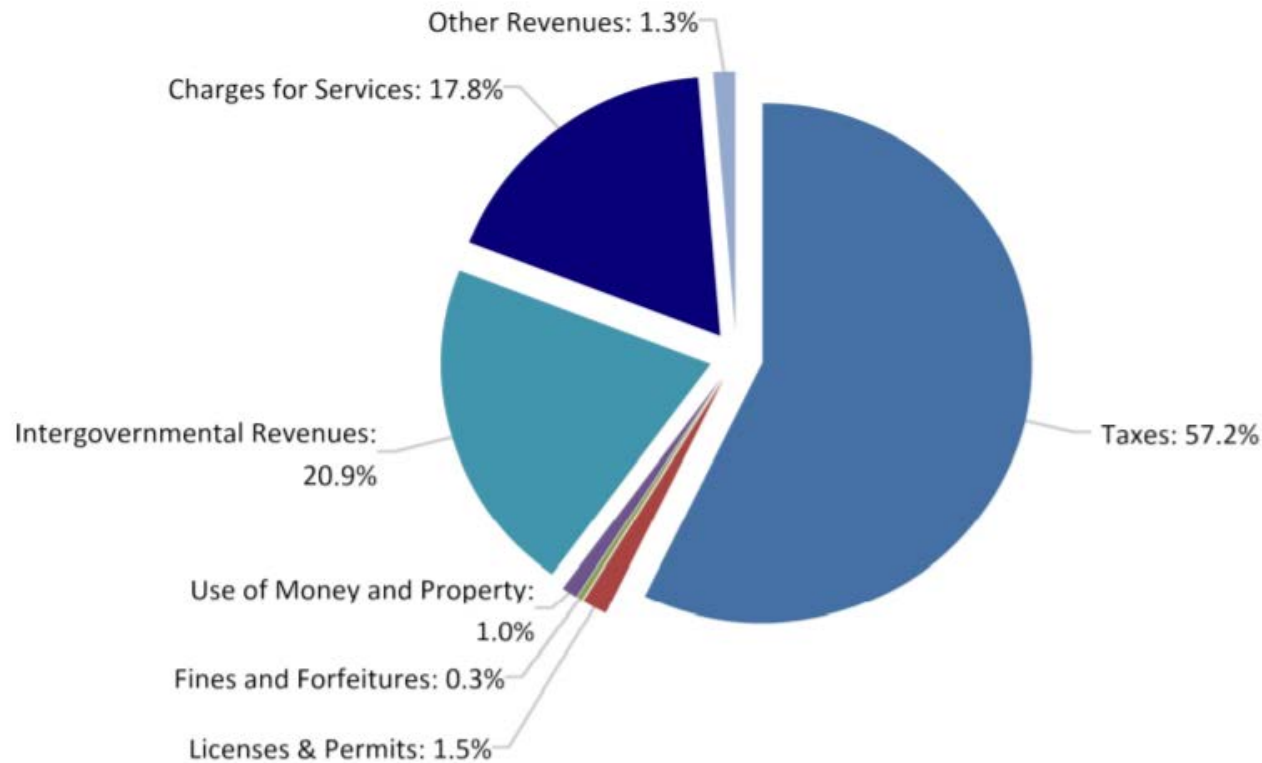
FY 2020-21 Proposed Amended Budget

Citywide Revenues

All Funds

Revenue Category	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Taxes					
Property Taxes	\$ 9,382,909	\$ 11,034,598	\$ 13,308,665	\$ 12,440,001	\$ 12,840,001
Sales Taxes	8,048,376	9,176,136	7,169,255	7,899,721	7,894,721
Utility Users Taxes	2,965,675	3,207,892	3,078,740	3,200,000	3,200,000
Local Parcel Taxes	2,130,082	2,112,686	2,099,845	2,114,891	2,115,891
Franchise Taxes	1,279,037	1,243,985	1,575,216	1,250,000	1,250,000
Business License Taxes	846,900	910,104	918,799	850,000	850,000
Other Taxes	745,699	778,705	268,297	652,200	632,700
Total Taxes	\$ 25,398,678	\$ 28,464,106	\$ 28,418,817	\$ 28,406,813	\$ 28,783,313
Licenses & Permits	765,705	775,876	784,982	800,000	758,512
Fines and Forfeitures	222,172	218,684	226,597	200,000	170,000
Use of Money and Property	532,817	609,808	627,286	536,350	486,355
Intergovernmental Revenues	8,552,000	12,326,295	8,746,061	10,137,425	10,495,080
Charges for Services	8,052,055	8,670,289	7,539,012	9,737,061	8,965,693
Other Revenues	853,138	1,393,711	634,439	542,800	660,800
Total Revenues before Transfers	\$ 18,977,887	\$ 23,994,663	\$ 18,558,377	\$ 21,953,636	\$ 21,536,440
Interfund Transfers	2,436,063	3,420,883	2,725,753	2,647,755	2,517,498
Total	\$ 46,812,628	\$ 55,879,652	\$ 49,702,947	\$ 53,008,204	\$ 52,837,251

FY 2020-21 Proposed Amended Budget Citywide Revenues All Funds



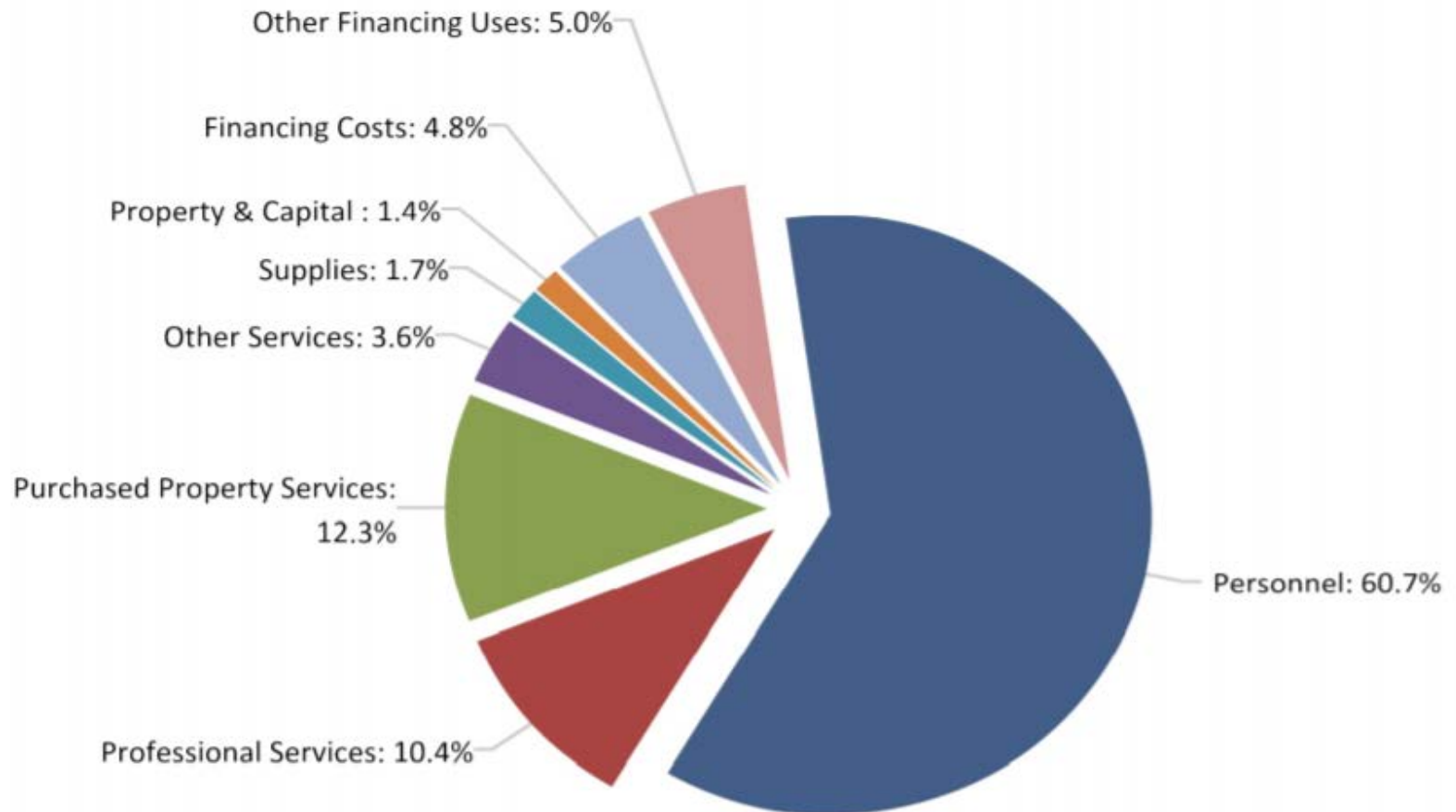
FY 2020-21 Proposed Amended Budget

Citywide Expenditures

All Funds

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Personnel	\$ 30,060,227	\$ 32,739,391	\$ 33,456,460	\$ 32,796,981	\$ 32,305,382
Professional Services	5,537,032	5,109,812	4,849,770	3,730,345	5,543,892
Purchased Property Services	8,792,435	4,858,699	4,746,452	7,656,853	6,570,306
Other Services	2,031,534	1,894,137	2,019,136	1,927,019	1,927,535
Supplies	919,198	899,540	932,752	865,421	922,039
Property & Capital	458,803	983,551	507,837	758,859	724,389
Financing Costs	1,979,205	2,318,147	2,323,521	2,640,498	2,567,863
Other Financing Uses	2,436,063	3,420,883	2,826,963	2,802,255	2,671,998
Total	\$52,214,497	\$52,224,160	\$51,662,891	\$53,178,231	\$53,233,404

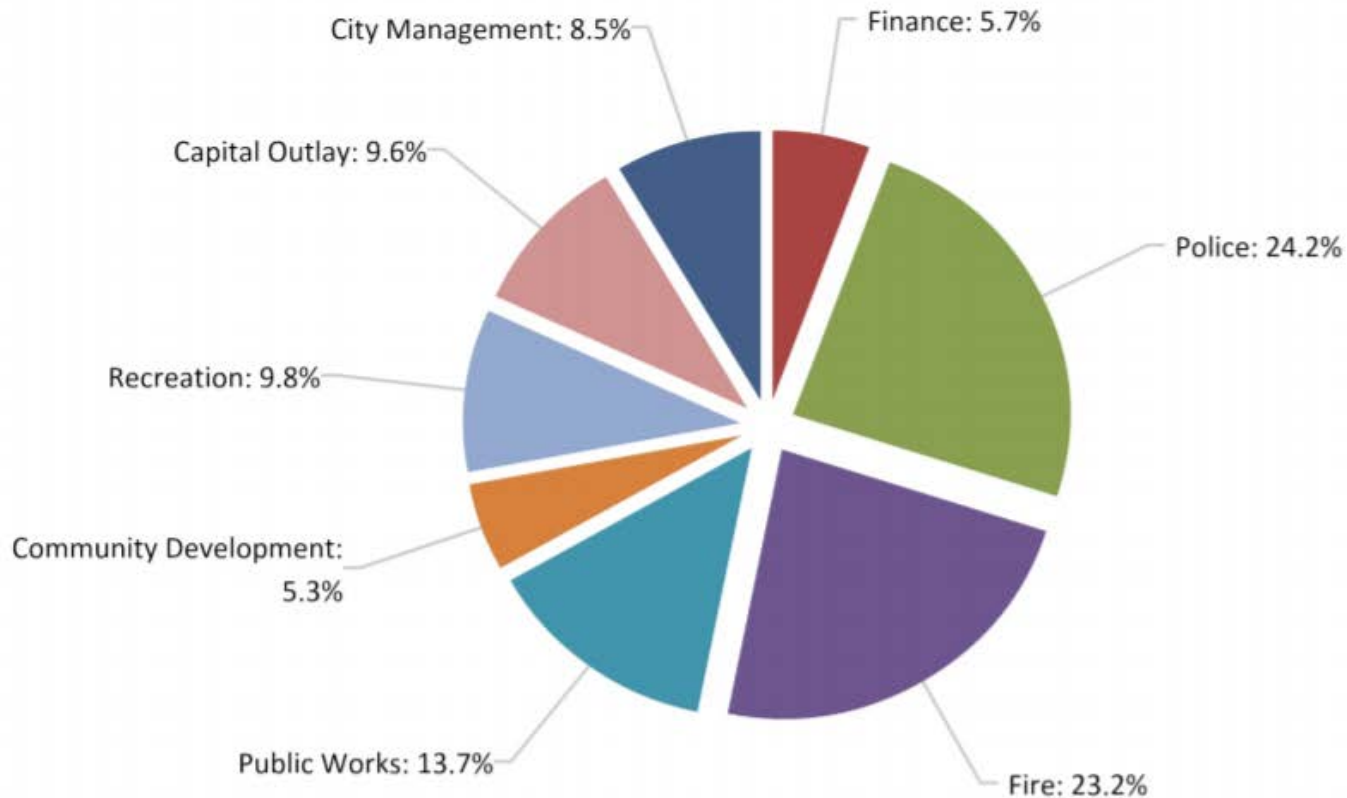
FY 2020-21 Proposed Amended Budget Citywide Expenditures by Type All Funds



FY 2020-21 Proposed Amended Budget

Citywide Spending by Department

All Funds



FY 2020-21 Proposed Amended Budget Summary of All Funds

Description	Projected at June 30, 2020	Proposed Revenue	Proposed Expenditures	Operating Transfers In	Operating Transfers Out	Net Change	Est. Balance at June 30, 2021
General Fund	(\$2,367,469)	\$39,377,869	\$38,714,837	\$938,572	\$665,612	\$663,032	(\$1,704,437)
Special Revenue Funds							
Gas Tax Fund	(93,332)	610,297	520,968	—	100,000	89,329	(4,003)
Nat. Pollutant Discharge Elim.	232,988	330,074	404,808	—	75,000	(74,734)	158,254
Low & Moderate Inc. Housing	5,070,372	164,800	196,730	—	—	(31,930)	5,038,442
Landscape and Lighting	65,834	791,500	827,379	—	160,000	(35,879)	29,955
Measure J Return to Source	48,130	384,200	384,076	—	83,000	124	48,254
Measure J Storm Drain	403,615	702,000	670,527	—	74,000	31,473	435,088
Measure A Parcel Tax-Swim Ctr.	485,754	—	637,014	—	187,014	(637,014)	(151,260)
Measure H Parcel Tax-Swim Ctr.	—	632,891	632,891	—	50,000	—	—
Street Improvement Fund	1,025,560	1,449,721	1,780,193	—	706,300	(330,472)	695,088
SB-1 Road Repair & Account.	414,269	437,555	614,020	—	—	(176,465)	237,804
Federal, State & Local Grants	4,070	—	—	—	—	—	4,070
City Housing Trust	2,835,000	—	—	—	—	—	2,835,000
C.O.P.S. Grant	48,547	130,000	30,000	—	—	100,000	148,547
Asset Seizure	309,262	—	—	—	—	—	309,262
Vehicle Abatement	393,867	30,000	30,900	—	—	(900)	392,967
Park in Lieu Fund	—	—	—	—	—	—	—
Public Art	140,000	—	100,000	—	—	(100,000)	40,000
Paratransit	140,902	116,500	106,939	—	34,000	9,561	150,463
Subtotal Special Revenue Funds	\$11,524,838	\$5,779,538	\$6,936,445	\$—	\$1,469,314	(\$1,156,907)	\$10,367,931
Capital Improvements	312,217	2,218,500	2,464,911	20,000	—	(246,411)	65,806
Subtotal Capital Funds	\$312,217	\$2,218,500	\$2,464,911	\$20,000	\$—	(\$226,411)	\$85,806
Finance Authority- Swim Ctr.	—	187,014	187,014	187,014	—	—	—
Finance Authority-City Hall	—	580,763	580,763	580,612	—	—	—
Finance Authority-Street Impr.	—	706,300	706,300	706,300	—	—	—
Subtotal Debt Service Funds	\$—	\$1,474,077	\$1,474,077	\$1,473,926	\$—	\$1,473,926	\$1,473,926
Integrated Waste Mgmt	1,388,963	3,766,067	3,421,934	—	382,572	344,133	1,733,096
Vehicle/Equip Replacement	728,183	136,200	136,200	—	—	—	728,183
Subtotal Enterprise Funds	\$2,117,146	\$3,902,267	\$3,558,134	\$—	\$382,572	\$344,133	\$2,461,279
Employees' Pension Trust	4,545	85,000	85,000	85,000	—	—	4,545
Subtotal Fiduciary Funds	\$ 4,545	\$ 85,000	\$ 85,000	\$ 85,000	\$ —	—	4,545
Total All Funds	\$11,591,277	\$52,837,251	\$53,233,404	\$2,517,498	\$2,517,498	(\$396,153)	\$11,195,124

FY 2020-21 Proposed Amended Budget

General Fund Revenues

Revenue Category	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Adopted	FY 2020-21 Proposed
Taxes					
Property Taxes	\$9,382,909	\$9,932,036	\$9,744,133	\$10,440,001	\$10,440,001
Sales Taxes	6,458,291	7,545,310	5,416,568	6,450,000	6,450,000
Utility Tax	2,965,675	3,207,892	3,078,740	3,200,000	3,200,000
Real Property Transfer Tax	0	1,102,562	3,467,532	2,000,000	2,400,000
Franchise Taxes	1,279,037	1,192,630	1,534,512	1,250,000	1,250,000
Business License Tax	846,900	961,459	959,504	850,000	850,000
Other Tax	147,202	149,485	102,364	136,000	136,000
Total Taxes	\$21,080,014	\$24,091,374	\$24,303,353	\$24,326,001	\$24,726,001
Licenses & Permits	765,705	775,876	784,982	800,000	758,512
Fines and Forfeitures	222,172	218,684	226,597	200,000	170,000
Use of Money and Property	373,955	387,903	432,906	399,999	350,004
Intergovernmental Revenues	6,615,285	6,744,665	6,721,400	6,600,000	6,958,654
Charges for Services	5,488,761	6,933,840	4,530,452	5,999,999	5,223,126
Other Revenues	377,386	1,118,266	141,172	150,000	253,000
Interfund Transfers	915,214	1,117,990	940,851	915,671	938,572
Total	\$35,838,492	\$41,388,598	\$38,081,713	\$39,391,670	\$39,377,869

FY 2020-21 Proposed Amended Budget

General Fund Revenue Assumptions

- **Property Taxes: \$10,440,000**
 - Same level as in FY 2019-20
- **Sales Taxes: \$6,450,000**
 - 10% reduction
- **Real Property Transfer Tax Revenue: \$2,400,000**
 - Conservative estimate, based on trend data
- **Utility User Taxes (UUT), Franchise Taxes, Business License Taxes and other taxes: \$5,436,000**
 - Based on trends and the possibility that some businesses may not survive the pandemic closures
- **Licenses and Permits, Fines & Forfeitures: \$928,512**
 - Based on past trends and impact of a recession on development activities
- **Charges for Services: \$5,223,126**
 - Based on trends and expectation that social distancing will limit revenues from Recreation programs

FY 2020-21 Proposed Amended Budget

General Fund Expenditures

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited Actual	FY 2020-21 Proposed
Personnel	\$27,292,782	\$29,862,092	\$30,264,014	\$29,490,258
Professional Services	4,080,678	4,357,827	3,807,312	3,534,494
Purchased Property Services	1,818,280	1,902,199	2,198,785	1,813,791
Other Services	1,932,079	1,813,762	1,884,751	1,832,920
Supplies	712,945	723,804	609,566	611,025
Property & Capital	422,401	348,378	432,557	310,268
Financing Costs	423,116	478,198	494,233	456,469
Other Financing Uses	439,134	2,046,600	701,272	665,612
Total	\$37,121,415	\$41,532,860	\$40,392,490	\$38,714,837

FY 2020-21 Proposed Amended Budget General Fund Expenditure Assumptions

- **Personnel: \$28,890,000**

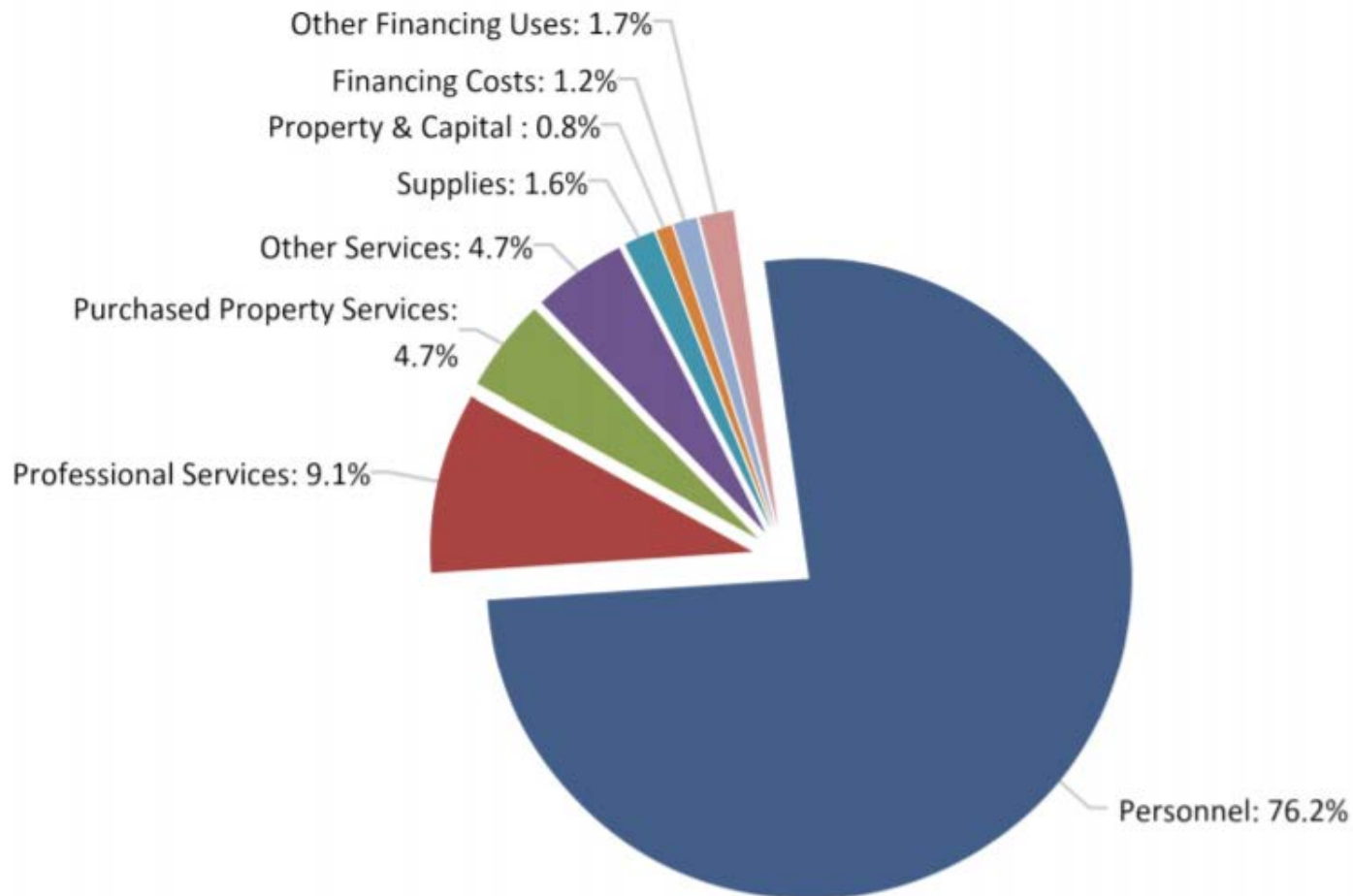
- 10% reduction from baseline budget due to agreements with bargaining units:

Bargaining Unit	Action	Cost Savings
Local 1230 Firefighters	Deferred COLA	\$177,684
Public Safety Management Association - Battalion Chiefs:	Deferred COLA	\$38,523
SEIU Local 1201	Deferred COLA, furloughs*	\$740,104
Police Employees Association	Deferred COLA	\$213,597
Public Safety Management Association - Police Management	Deferred COLA*	\$40,217
Public Safety Management Association - Police Chief	Deferred COLA*	\$12,445
Management/Confidential; City Manager	No COLA, no auto allowance, increased contribution to CalPERS, furloughs	\$1,189,480
Total		\$2,412,050

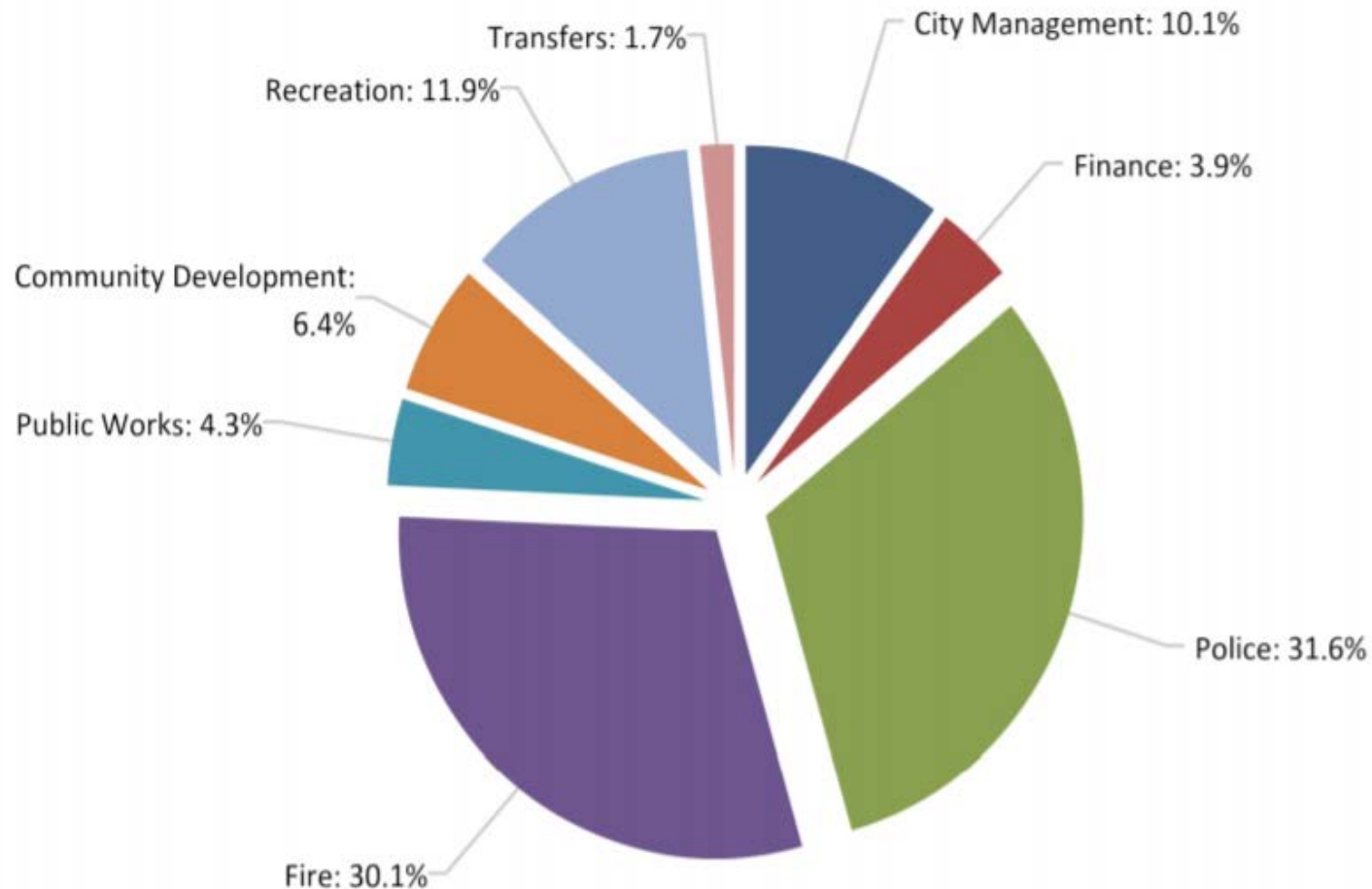
- **Non-Personnel: \$8,712,000**

- Professional, property and other services, supplies, capital, financing costs and other financing uses

FY 2020-21 Proposed Amended Budget General Fund Expenditures



FY 2020-21 Proposed Amended Budget General Fund Expenses by Department



FY 2020-21 Proposed Amended Budget

General Fund Overview

General Fund Summary	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited	FY 2020-21 Adopted	FY 2020-21 Proposed
Beginning Restricted Fund Balance	1,004,947	2,321,077	1,650,928		
Beginning Unassigned Fund Balance	(186,227)	(2,233,507)	(1,707,620)	(2,367,469)	(2,367,469)
Total Beginning Fund Balance	818,720	87,570	(56,692)	(2,367,469)	(2,367,469)
Total Revenues	35,838,504	41,388,598	38,081,713	39,391,670	39,377,869
Personnel	25,199,770	29,862,092	30,264,014	29,890,761	29,490,258
Non-Personnel	11,369,884	11,670,768	10,128,476	8,710,240	9,224,579
Total Expenses	36,569,654	41,532,860	40,392,490	38,601,001	38,714,837
Annual Surplus/(Deficit)	(731,150)	(144,262)	(2,310,777)	790,669	663,032
Ending Total Fund Balance	87,570	(56,692)	(2,367,469)	(1,576,800)	(1,704,437)
Ending Reserve Percent	0.2%	-0.1%	-5.9%	-4.1%	-4.4%

FY 2020-21 Proposed Amended Budget

Capital Improvement Program Funds

	<u>Project #</u>	<u>Category</u>	<u>Proposed 2020-21</u>
205 Measure J Storm Drain			
Storm Drain Program	C5036	SD	200,000
SUBTOTAL Measure J Storm Drain			<u>200,000</u>
206 Measure A Swim Center			
Swim Center Capital Enhancements	C3050	FA	200,000
SUBTOTAL Measure A Swim Center			<u>200,000</u>
207 Measure H Parks & Recreation Facilities			
Parks & Recreation Facilities Master Plan Program	tbd	PK	35,475
SUBTOTAL Measure H Parks & Rec			<u>35,475</u>
211 Measure A Street Improvements**			
Annual Street Improvement Program	C3027	ST	740,000
Traffic Safety & Management Program	C3070	ST	33,600
Central Ave and Carlson Blvd Street Imprvmnts	C3077	ST	85,000
Local Match - Potential Federal Stimulus Funds	tbd	ST	60,000
SUBTOTAL Measure A Street Improvements			<u>918,600</u>

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Capital Improvement Program Funds - Continued

212 SB 1 - Road Maintenance and Rehabilitation Account Fund			
Annual Street Improvement Program	C3027	ST	100,000
Access Modifications - Streets & Sidewalks	C3024	ST	230,000
Del Norte TOD Infrastructure Imprvmnts	C4014	ST	36,680
San Pablo Avenue Complete Streets	C5035	ST	20,000
Active Transportation Program	tbd	ST	20,000
Central Ave and Carlson Blvd Street Imprvmnts	C3077	ST	15,000
Carlson Bl & San Diego St Crosswalk Imprv	C5048	ST	30,000
Local Roadway Safety Plan	tbd	ST	15,000
SUBTOTAL SB 1 - Road Maintenance and Rehabilitation Account			466,680
301 Capital Improvement Fund (A, Other Sources - Secure)			
Energy & Water Efficiency Program	C3043	AD	54,500
Hillside Natural Area (HNA) Improvements	C3075, C5046	PK	131,767
HNA Trail Entry & Signage Improvements	C5038	PK	56,600
Ohlone Greenway Impr - Hill to Blake	C3069	CR	65,000
Annual Street Improvement Program	C3027	ST	200,000
Del Norte TOD Infrastructure Imprvmnts	C4014	ST	1,646,320
Central Ave and Carlson Blvd Street Imprvmnts	C3077	ST	644,000
Carlson Bl & San Diego St Crosswalk Imprv	C5048	ST	75,000
Local Roadway Safety Plan	tbd	ST	72,000
SUBTOTAL Capital Improvement Fund (A, Other Sources - Secure)			2,945,187
Total Capital Improvement Program Budget Appropriations			\$ 4,765,942

FY 2020-21 Proposed Amended Budget Next Steps

- Questions and Comments
- FAB Meeting September 22, 2020
- Finalize budget document
- Present amended budget for adoption at next regular City Council Meeting on October 6, 2020

FY 2020-21 Proposed Amended Budget

Special thanks to.....

- Residents and businesses of El Cerrito
- City Council
- Financial Advisory Board
- City Staff for their hard work and commitment
- Executive Team for their leadership and dedication
- Mark, Alex, Shannon, Lucy, Maya for the hard work on the budget document