AGENDA

REGULAR CITY COUNCIL MEETING
February 2, 2021 – 7:00 p.m.

Members:
Mayor Paul Fadelli

Mayor Pro Tem Gabe Quinto · Councilmember Janet Abelson
Councilmember Lisa Motoyama · Councilmember Tessa Rudnick

Join Via WebEx:
https://elcerrito.webex.com/elcerrito/onstage/g.php?MTID=ec9e60cc610d95c6efa465e47e5078a19

Event Number: 146 926 9036
Event Password: Join0202
or
Dial In: 1-408-418-9388
Access Code: 146 926 9036

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. ORAL 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. Black History Month Proclamation

Action Proposed: Pass a motion to approve a proclamation declaring February as Black History Month in the City of El Cerrito.
Contact: Alexandra Orologas, Assistant City Manager, City Management

B. Lunar New Year Proclamation

Action Proposed: Pass a motion to approve a proclamation recognizing the cultural and historical significance of Lunar New Year in the City of El Cerrito.
Contact: Alexandra Orologas, Assistant City Manager, City Management

C. **Modification to Climate Action Subcommittee Assignment**

Action Proposed: Pass a motion to assign Councilmember Rudnick to serve on the Climate Action Subcommittee with Councilmember Abelson in place of former Councilmember Lyman.

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

D. **2nd Reading and Adoption of Ordinance amending Section 2.04.050 and 2.04.220 regarding Rules of Order**

Action Proposed: Pass a motion to waive the second reading and adopt Ordinance 2021-01 amending Section 2.04.050 and 2.04.220 regarding Rules of Order.

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

E. **Urban Forest Committee Reappointment**

Action Proposed: Approve an Urban Forest Committee recommendation to reappoint Robin Mitchell to the Urban Forest Committee, effective March 1, 2021.

Contact: Stephen Pree, Environmental Programs Manager; Will Provost, Operations + Environmental Services Manager; Yvetteh Ortiz, Public Works Director/City Engineer, Public Works Department

F. **Adopt a Resolution to Set Urban Forest Committee Term Limits**

Action Proposed: At the direction of the City Council on 1/19/2021, adopt a resolution setting the term limits for the Urban Forest Committee to three full four-year terms.

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

5. PRESENTATIONS

6. PUBLIC HEARINGS

7. POLICY MATTERS

A. **FY 2020-21 General Fund Budget Update for December 2020**

Action Proposed: Receive and file an update on City General Fund revenues and expenses for FY 2020-21 through December 2020 and direct staff on mid-year budget modifications to the FY 2020-21 Adopted Budget.

Contact: 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 Tuesday, February 16, 2021 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 11:00 p.m., unless extended to a specific time determined by a majority of the Council.

EL CERRITO CITY COUNCIL PROCLAMATION
Recognizing February as Black History Month in the City of El Cerrito

WHEREAS, much of the City of El Cerrito's honor, strength and distinction can be attributed to the diversity of cultures and traditions that are celebrated by our residents; and

WHEREAS, African Americans have played a significant role in the history of our nation and California's economic, cultural, spiritual, and political development while working tirelessly to promote their culture and history; and

WHEREAS, as a result of their determination, hard work, and perseverance, African Americans have made valuable and lasting contributions to our community and our state, achieving exceptional success in all aspects of society including business, education, politics, science, and the arts; and

WHEREAS, in 1976, Black History Month was formally adopted to honor and affirm the importance of Black History throughout our American experience, and is full of individuals who took a stance against prejudice, advanced the cause of civil rights, strengthened families, communities, and our nation; and

WHEREAS, all Americans are encouraged to reflect on past successes and challenges of African Americans and look to the future to improve society so that we live up to the ideals of freedom, equality, and justice.

NOW THEREFORE, the City Council of the City of El Cerrito does hereby declare February as Black History Month in the City of El Cerrito, and invites everyone to recognize this month to celebrate the diversity and character of our community and highlight the importance of sharing our culture, customs and traditions with those around us.

Dated: February 2, 2021

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Paul Fadelli, Mayor

CITY COUNCIL OF THE CITY OF EL CERRITO PROCLAMATION
Recognizing the Cultural and Historical Significance of Lunar New Year in the City of El Cerrito

WHEREAS, Lunar New Year begins on the second new moon following the winter solstice, or the first day of the new year according to the lunisolar calendar, and extends until the full moon 15 days later; and

WHEREAS, February 12, 2021, marks the first day of Lunar New Year for calendar year 2021; and

WHEREAS, Lunar New Year began in China more than 4,000 years ago and is widely celebrated in East and Southeast Asia; and

WHEREAS, Lunar New Year is often referred to as Spring Festival in various Asian countries; and

WHEREAS, the Asian diaspora has expanded the Lunar New Year celebration into an annual worldwide event; and

WHEREAS, Lunar New Year is celebrated by Asian Americans and many non-Asian Americans in El Cerrito and throughout California and the entire United States; and

WHEREAS, participants celebrating Lunar New Year travel to spend the holiday reuniting with family and friends, enjoying community activities and cultural performances; and

WHEREAS Lunar New Year is traditionally a time to wish others good fortune, health, prosperity, and happiness.

NOW, THEREFORE, the City of El Cerrito recognizes the cultural and historical significance of Lunar New Year; in observance of Lunar New Year, expresses its deepest respect for Asian Americans and all individuals in El Cerrito and throughout the world who celebrate this significant occasion; and wishes Asian Americans and all individuals who observe this holiday a happy and prosperous new year.

Dated: February 2, 2021

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Paul Fadelli, Mayor

ORDINANCE NO. 2021-01

AN ORDINANCE OF THE CITY OF EL CERRITO AMENDING SECTION 2.04.050 AND 2.04.220 REGARDING RULES OF ORDER

WHEREAS, on February 18, 2020 the City Council formed a subcommittee consisting of Mayor Lyman and Mayor Pro Tem Fadelli to review Council policy; and

WHEREAS, the subcommittee discussed and reviewed the most commonly used rules of parliamentary procedure; and

WHEREAS, Rosenburg's Rules of Order are the most aligned with the needs of a local legislative body and is aligned with the City Council's common practices in conducting public meetings; and

WHEREAS, the subcommittee agreed that the guidance for boards, commissions, and committees should align with the procedures used by City Council.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF EL CERRITO DOES HEREBY ORDAIN AS FOLLOWS:

Section 1: Incorporation of Recitals. The City Council finds that the above Recitals are true and correct and are incorporated herein by reference.

Section 2: Section 2.04.050 (Rules of Order) of the El Cerrito Municipal Code is hereby amended as follows (additions show in *italics* and deletions show in ~~strikethrough~~):

> In case of conflict over parliamentary procedure, the council shall be governed by ~~*Sturgis* Standard Code of Parliamentary Procedure~~ *Rosenburg's Rules of Order*. No ordinance, resolution, proceeding or other action of the council shall be invalidated, or the legality thereof affected, by the failure or omission to observe or follow said guide.

Section 3: Section 2.04.220(B)(7) (Conduct of Business) of the El Cerrito Municipal Code is hereby amended as follows (additions show in *italics* and deletions show in ~~strikethrough~~):

> The conduct of board or commission business shall be by ~~Sturgis Standard Code of Parliamentary Procedure~~ *Rosenburg's Rules of Order*, or by rules of procedure adopted by the board or commission. Failure to follow the applicable rules of procedure shall not invalidate an otherwise valid action of a board or commission.

Section 4: Severability. If any section, subsection, sentence, clause or phrase of this chapter is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this chapter. The city council hereby declares that it would have passed the ordinance codified in this chapter, and each and every section, subsection, sentence, clause or phrase not declared invalid or unconstitutional without regard to whether any portion of this chapter would be subsequently declared invalid or unconstitutional.

Section 5: Effective Date. This Ordinance shall take effect and be enforced thirty days after the date of its adoption. Prior to the expiration of fifteen days from the passage thereof, the ordinance or a summary thereof shall be posted or published as may be required by law, and thereafter the same shall be in full force and effect.

THE FOREGOING ORDINANCE was introduced at a regular meeting of the City Council on January 19, 2021 and passed by the following vote:

AYES:	Mayor Fadelli; Mayor Pro Tem Quinto; Councilmembers Abelson, Motoyama and Rudnick
NOES:	None
ABSENT:	None
ABSTAIN:	None

ADOPTED AND ORDERED published at a regular meeting of the City Council held on February 2, 2021 and passed by the following vote:

AYES:	Councilmembers
NOES:	Councilmembers
ABSENT:	Councilmembers
ABSTAIN:	Councilmembers

APPROVED:

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Paul Fadelli, Mayor

ATTEST:

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Holly M. Charléty, City Clerk

ORDINANCE CERTIFICATION

I, Holly M. Charléty, City Clerk of the City of El Cerrito, do hereby certify that this Ordinance is the true and correct original Ordinance No. 2021-01 of the City of El Cerrito; that said Ordinance was duly enacted and adopted by the City Council of the City of El Cerrito at a meeting of the City Council held on the 2nd day of February, 2021; and that said Ordinance has been published and/or posted in the manner required by law.

WITNESS my hand and the Official Seal of the City of El Cerrito, California, this ______ day of February, 2021.

____
Holly M. Charléty, City Clerk

AGENDA BILL

Agenda Item No. 4.E.

Date: February 2, 2021
To: El Cerrito City Council
From: Stephen Pree, Environmental Programs Manager; Will Provost, Operations + Environmental Services Manager; Yvetteh Ortiz, Public Works Director/City Engineer, Public Works Department
Subject: Urban Forest Committee Reappointment

ACTION PROPOSED

Approve an Urban Forest Committee recommendation to reappoint Robin Mitchell to the Urban Forest Committee, effective March 1, 2021.

BACKGROUND

On January 4, 2021, the City received an application from Robin Mitchell for reappointment to the Urban Forest Committee (UFC). At its regular meeting on January 11, 2021, the UFC voted unanimously in favor of a motion to recommend to the City Council that Ms. Mitchell be reappointed to the UFC.

ANALYSIS

Ms. Mitchell has served on the Urban Forest Committee since September 2019, filling a partial UFC term vacated by a previous UFC member. She has been an active committee participant in planning UFC activities, serving on ad-hoc subcommittees, and adding her perspective as a native plant and ecology enthusiast.

Ms. Mitchell has been an El Cerrito resident for over eighteen years, during this time, she has demonstrated her commitment to serving the community through her two terms on the City's Park and Recreation Commission, as well as her work with the El Cerrito Community Garden Network and the El Cerrito Garden Club. She participates regularly in City events to promote education about gardening and the natural world. Ms. Mitchell is interested in the "ecosystem benefits of trees" as well as the positive effects that trees and the urban forest have on human health and she hopes to help improve the condition of the City's urban forest for the benefit of all. Her skills include managing software development projects, plus organizational and communication skills. She has a Bachelor of Arts degree in Science, Technology and Public Affairs and a Master of Architecture degree; she currently serves as the Recording Secretary of the East Bay Chapter of the California Native Plant Society.

STRATEGIC PLAN CONSIDERATIONS

The work of the UFC members helps the City achieve Goal C of the El Cerrito Strategic Plan to "Deepen a sense of place and community identity" and Goal F to "Foster environmental sustainability citywide."

As stated in its enabling Resolution 2007-96, the Committee was established to assist the City in its “stewardship of its urban forest, including establishing a citywide commitment to a healthy, growing forest, and creating a coordinated, high quality forestry management program.”

ENVIRONMENTAL CONSIDERATIONS
The Urban Forest Committee supports the City in developing programs and policies that help protect the local environment, while also engaging in activities that have a direct impact on trees and environmental quality (e.g. tree planting).

FINANCIAL CONSIDERATIONS
This section is not applicable to this agenda item.

LEGAL CONSIDERATIONS
This section is not applicable to this agenda item.

Reviewed by:

Karen Pinkos, City Manager

Attachments:
Application(s) on file with the City Clerk

Agenda Item No. 4.F.

RESOLUTION NO. 2021-XX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CERRITO SETTING TERM LIMITS OF THE URBAN FOREST COMMITTEE

WHEREAS, the Urban Forest Committee (formerly named the Tree Committee) was established in 2007; and

WHEREAS, the City Council established the Urban Forest Committee (Committee) to serve in an advisory capacity to the City Council and residents the proper planting, growth and maintenance of trees throughout the City; and

WHEREAS the duties and responsibilities of the Tree Committee also include recommending programs, policies, and ordinances to implement the Urban Forest Management Plan and to foster public awareness, education, interest, and support for urban forestry efforts; and

WHEREAS, terms of service are set by the City's Municipal Code section 2.04.220(B)(3) at four years commencing on March 1, and limited to two consecutive full four-year terms, unless otherwise specified in the enabling legislation; and

WHEREAS, on January 19, 2021 the City Council discussed term limits of the Committee at the request of the current members and the council liaison and provided staff direction to return with a modification to term limits for the Committee.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of El Cerrito hereby sets the term limits for the Urban Forrest Committee to three full four-year terms.

BE IT FURTHER RESOLVED, that this Resolution shall become effective immediately upon its passage and adoption.

I CERTIFY that at a regular meeting on February 2, 2021 the City Council of the City of El Cerrito passed this Resolution by the following vote:

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

IN WITNESS of this action, I sign this document and affix the corporate seal of the City of El Cerrito on February 2, 2021.

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Holly M. Charléty, City Clerk

APPROVED:

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Paul Fadelli, Mayor

AGENDA BILL

Agenda Item No. 7.A.

Date: February 2, 2021
To: El Cerrito City Council
From: Mark R. Rasiah, Finance Director/City Treasurer, Finance Department
Subject: FY 2020-21 General Fund Budget Update for December 2020

ACTION PROPOSED

Receive and file an update on City General Fund revenues and expenses for FY 2020-21 through December 2020 and direct staff on mid-year budget modifications to the FY 2020-21 Adopted Budget.

BACKGROUND

The El Cerrito City Council adopted an Annual Budget for FY 2020-21 on June 16, 2020, followed by an Amended Budget on October 6, 2020. The Council has been closely monitoring the City's budget and financial position over the past several months during the COVID-19 closure of the City and has directed staff to provide a monthly General Fund budget update which is to include an Income Statement, Balance Sheet, and Cash Flow projection. This report will discuss material variances if any, from the Amended Budget and the City's fiscal position. Staff is proposing a draft list of budget modifications to the Adopted Budget at mid-year as shown in Attachment 4. These modifications are being proposed based on revenue and expenditure trends in the first six months of the fiscal year. Staff is seeking City Council guidance in preparing the final list of budget modifications for Council approval at the February 16th City Council meeting.

ANALYSIS

The General Fund Income Statement in Attachment 1 provides a summary of the major General Fund Revenue and Expenditure categories through December 2020. Monthly revenue and expenditure projections are based on the Amended Budget for the year and known revenue trends for the major revenue components. The draft General Fund Balance Sheet and Cash Flow Forecast statements are presented in Attachments 2 and 3. Draft proposed budget modifications are shown in Attachment 4.

The following are some of the highlights on a cash basis through December with 50% of the year complete:

1. Total revenue was $17.5 million or 44% of budget. This compares with an average of $15.0 million for the same time frame over the preceding 3 years. The increase is mainly due to higher than budgeted Real Property Transfer Tax revenues in 2020.

2. Total expenditure was $19.5 million or 50% of budget, compared with a three year average of $19.8 million.

3. Personnel costs of $15.7 million include reimbursable Fire Department OES overtime costs of $850,000 versus a budget of $350,000. The budget for this cost and the corresponding reimbursement will be amended at mid-year as shown in Attachment 4. OES reimbursements are expected in Spring 2021 and have been factored into the Cash Flow Forecast in Attachment 3.

4. On an adjusted budget basis, recognizing the timing lags in revenue sources, revenues were $1.0 million under budget and expenses were $398,000 under budget.

5. Real Property Transfer Tax receipts through December continue to exceed expectations by $800,000. Receipts have been trending at a monthly average of nearly $335,000, versus an expectation of $200,000 per month.

6. Charges for Services are currently running $1.0 million behind expectations, mainly due to lagging Recreation program revenues ($838,000 to date), which are trending significantly behind budget due to the ongoing pandemic related restrictions. The Recreation Director presented a revised revenue forecast to City Council in December. The forecast anticipated $2.4 million in revenues versus a budget of $3.9 million - a $1.5 million shortfall. This will be partly mitigated by Recreation Department expenditure reductions to the tune of $0.9 million as shown in Attachment 4, leaving a $0.6 million shortfall.

7. The Cash Flow Forecast has been amended to reflect revised revenue and expenditure estimates that will be brought back to Council at mid-year on February 16th.

8. The amended Cash Flow Forecast projects a cash balance of $9.3 million at the end of the fiscal year and a projected General Fund surplus of $0.3 million.

Impact on General Fund Balance

The City has been working with Badawi Associates, our independent auditor, to complete the Comprehensive Annual Financial Report (CAFR) for FY 2019-20, which will be presented to the City Council within the next month. The General Fund Balance will once again be in a deficit position, as expected, because of the impacts of COVID-19. However, the deficit is much lower than was originally projected: staff had projected a deficit of at least -$2.3 million, yet the audited ending fund balance will be -$110,000. This is due to better than expected deferred sales tax revenue receipts (largely thanks to the City's share of the County pool for online sales), the Real Property Transfer Tax revenues exceeding expectations, and the expense reductions implemented by staff prior to the end of FY 2019-20. While this is a positive development, the fact remains that the General Fund Balance is still in a deficit position.

With the proposed FY 2020-21 mid-year budget adjustments as outlined in Attachment 4, because of the $657,000 gap the surplus would fall from $664,000 to $303,000, meaning that the ending General Fund Balance for FY 2020-21 would be $192,000. This could change if more revenues are realized, however with the uncertainty that still exists with respect to the pandemic, staff has attempted to be as conservative as possible with revenue projections.

The City must consider several issues with respect to the General Fund Balance. In order to restore the General Fund Balance to the recommended reserve goals outlined in the Fiscal Response Plan, the City must continue to implement budget strategies that will achieve these goals by 2026 or sooner. The more quickly the City is able to restore its financial health, the better our position will be for funding and providing services to our residents. Another issue that the City must consider is the $1.3 million in non-spendable funds that has been a subject of litigation with the state as a result of the dissolution of the Redevelopment Agency, which is currently unresolved. Additionally, the ongoing impacts of COVID-19 still present major uncertainties with respect to projecting current and future budgets. These issues all point to the City continuing to carefully monitor the budget and make adjustments accordingly.

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 General Fund Balance at the end of FY 2019-20 was a negative $110,000 versus a projected $2.3 million deficit. This represents an improvement of about $2.2 million over projections made in April 2020, mainly due to higher than expected deferred sales tax and Transfer tax revenues.
- The General Fund is projected to end the year with a $657,000 net deficit (revenue less expenses) due to the continuing pandemic closures and restrictions that are impacting the Recreation Department.
- The projected year-end General Fund surplus for the year is $303,000 which incorporates the above net deficit. The original budgeted surplus was $664,000.
- The proposed mid-year modifications take into account all Personnel and non-Personnel cost reductions taken through the end of January 2020.
- Should the City Council wish to maintain the original budgeted surplus of $664,000 as adopted in the FY 2020-21 budget, City staff will prepare further reductions to be included with the mid-year budget adjustments.

LEGAL CONSIDERATIONS

This section is not applicable to this agenda item.

Reviewed by:

Karen Pinkos, City Manager

Attachments:

1. General Fund Income Statement
2. General Fund Balance Sheet
3. General Fund Cash Flow Forecast
4. Proposed Budget Modifications

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

Revenues ($000s)	**FY 2018-19 Audited**	**FY 2019-20 Draft Audited**	**Actuals July-Dec 2020**	**Year to Date Budget Expectations**	**Variance from Budget Expectations Fav./(Unfav.)**	**FY 2020-21 Adopted Budget**	***Year to date actuals as a % of Budget***	**Comments**
Taxes								
Property Taxes	10,182	9,840	5,070	5,160	(90)	10,440	*49%*	$3.5 million in April. Bal in Jan & June
Sales Taxes	7,545	6,975	3,026	3,250	(224)	6,450	*47%*	Through November with est. December
Utility Tax	3,208	3,166	1,228	1,350	(122)	3,200	*38%*	Through November
Property Transfer Taxes	1,102	3,467	2,008	1,200	808	2,400	*84%*	Through Dec.
Franchise Taxes	1,244	1,587	377	520	(143)	1,250	*30%*	Through Nov.
Business License Tax	910	919	821	850	(29)	850	*97%*	Trickles in through June
Other Tax	149	173	46	46	-	136	*34%*	Through Oct. Next TOT in January
Total Taxes	**$24,340**	**$26,127**	**$12,576**	**$12,376**	**$200**	**$24,726**	**51%**	
Licenses & Permits	776	785	322	380	(58)	758	*42%*	
Fines and Forfeitures	219	227	68	85	(17)	170	*40%*	
Use of Money and Property	157	465	134	175	(41)	350	*38%*	
Intergovernmental Revenues	6,744	6,729	2,205	2,300	(95)	6,958	*32%*	$2.8m VLF, $1.7m Kensington: Jan-June.
Charges for Services	6,934	4,748	1,675	2,700	(1,025)	5,223	*32%*	Through Dec.
Other Revenues	182	118	48	48	-	253	*19%*	
Interfund Transfers	2,036	1,024	476	476	-	938	*51%*	Quarterly cost allocation
Total	**$41,388**	**$40,222**	**$17,504**	**$18,540**	**($1,036)**	**$39,376**	***44%***	

Expenditures ($000s)	**FY 2018-19 Audited**	**FY 2019-20 Unaudited**	**Actuals July-Dec 2020**	**Year to Date Budget Expectations**	**Variance from Budget Expectations Fav./(Unfav.)**	**FY 2020-21 Adopted Budget**	***Year to date actuals as a % of Budget***	
Personnel	29,862	30,383	15,664	15,245	(419)	29,490	*53%*	Through Dec. Includes $850k OES O/T
Professional Services	4,487	3,702	1,163	1,600	437	3,534	*33%*	Through Dec.
Purchased Property Services	2,300	2,152	603	900	297	1,814	*33%*	Through Dec.
Other Services	1,840	1,806	1,033	900	(133)	1,833	*56%*	Through Dec.
Supplies	726	606	133	300	167	611	*22%*	Through Dec.
Property & Capital	422	413	173	228	55	456	*38%*	Through Dec.
Financing Costs	478	536	161	155	(6)	310	*52%*	Through Dec.
Other Financing Uses	1,416	697	602	602	-	665	*91%*	City Hall Debt Svc. Retiree Pension.
Total	**$41,531**	**$40,294**	**$19,532**	**$19,930**	**$398**	**$38,713**	***50%***	
Net Change in Fund Balance ($000s)	($143)	($72)	($2,028)	($1,390)		$663		

City of El Cerrito DRAFT General Fund - Balance Sheet	Audited 6/30/19.	Draft Audited 6/30/20.	Unaudited 12/31/20 Est.
Assets			
Cash and Investments	4,349,089	9,016,794	4,463,637
Taxes Receivable	2,113,059	1,882,887	614,865
Accounts Receivable Net	-	32,158	21,401
Due from other funds	2,590,773	2,011,397	2,011,397
Inventory	11,772	27,737	26,670
Prepaid Expense	-	3,278	25,340
Total Assets	**9,064,693**	**12,974,251**	**7,163,310**
Liabilities			
Accounts Payable	888,579	844,570	(1,288)
Accrued Payroll	1,231,945	1,227,263	286,530
Other Accrued Liabilities	-	324,585	67,393
Short Term Note	6,000,000	9,000,000	8,659,545
Unearned Revenues	80,381	82,890	82,890
Deposit Payable	804,162	1,604,964	1,608,444
Total Liabilities	**9,005,067**	**13,084,272**	**10,703,514**
Deferred inflows of Resources			
Deferred Inflows of Resources - Unavailable Revenue	116,319	-	-
Total deferred Inflows of Resources	116,319	-	-
Fund Balances	(56,693)	(110,022)	(3,540,204)
Total Liabilities, Deferred Inflows of Resources and Fund balance	**9,064,693**	**12,974,251**	**7,163,310**

DRAFT

FY 2020-21 Projected General Fund Cash Flows - December 2020

(Currency: $000s)	ACTUALS July	ACTUALS August	ACTUALS September	ACTUALS October	ACTUALS November	ACTUALS December	FORECAST January	FORECAST February	FORECAST March	FORECAST April	FORECAST May	FORECAST June	PROJECTED YEAR END	FY21 Adopted Budget
Beginning Balance	$9,017	$6,789	$5,451	$4,552	$4,393	$3,269	$6,102	$6,886	$6,080	$5,097	$7,785	$7,894	$9,017	
Cash Receipts														
Property Tax	-	-	-	261	-	4809	290	-	-	$3,430	-	$1,450	$10,240	10,440
Sales Tax	-	585	556	554	845	486	535	535	535	535	535	550	6,251	6,450
Transfer Tax	-	311	-	664	418	615	200	200	200	200	200	200	3,208	2,400
Franchise Tax	-	-	95	29	253	-	112	112	112	112	112	112	1,049	1,250
Business Licenses	505	106	89	62	16	43	-	-	-	-	-	-	821	850
Utility Users Tax	87	173	134	342	234	258	300	300	300	300	300	306	3,034	3,200
Licenses and Permits	37	59	44	84	22	76	67	67	67	67	67	82	739	758
Fines and Forefeitures	13	1	6	17	14	17	5	5	5	5	5	5	98	170
Use of Property	15	33	14	40	12	20	30	30	33	35	35	35	332	350
Other Government Reimb.	-	-	742	766	108	476	300	300	300	300	300	300	3,892	3,708
Fire OES Overtime Reimbursements	-	-	-	-	-	113	-	-	-	-	900	-	1,013	450
In-Lieu Fees	-	-	-	-	-	-	1,400	-	-	-	-	1,400	2,800	2,800
Fees for Service - Other	170	17	194	287	58	110	68	68	68	68	68	69	1,245	1,245
Fees for Service - Recreation	118	73	222	53	122	251	125	145	145	374	350	436	2,414	3,978
Other Revenues/Taxes	-	8	-	22	64	-	42	42	42	42	42	45	349	389
Transfers In	-	-	-	-	-	476	-	-	-	-	-	465	941	938
TRAN Proceeds	8,660	-	-	-	-	-	-	-	-	-	-	-	8,660	
Total Cash Receipts	$9,605	$1,366	$2,096	$3,181	$2,166	$7,750	$3,474	$1,804	$1,807	$5,468	$2,914	$5,455	$47,086	39,376
Cash Disbursements														
Personnel	$2,129	$2,210	$2,172	$2,226	$2,320	$3,758	$2,165	$2,165	$2,165	$2,165	$2,165	$3,252	$28,892	29,140
Fire OES Overtime		$133	421	236	59	$0	-	-	-	-	-	-	$849	350
Professional Services	91	213	222	249	109	279	262	262	262	262	262	264	2,737	3,534
Property/Other Services	408	105	141	315	66	601	297	297	297	297	297	297	3,418	3,646
Supplies	8	25	14	23	25	38	43	43	43	43	43	60	408	611
Financing Costs and Debt Service	-	18	-	36	120	12	0	-	-	-	-	124	310	310
Property and Capital	-	-	5	125	11	32	23	23	23	23	23	23	311	456
CIP - Cash Flow	-	-	20	150	150	325	225	45	45	35	50	-	1,045	1,045
CIP - Reimbursement	-	-	-	(20)	(150)	150	(325)	(225)	(45)	(45)	(35)	(50)	(1,045)	(1,045)
Transfers Out	-	-	-	-	580	22	-	-	-	-	-	60	662	665
TRAN Principal Payment	9,000	-	-	-	-	-	-	-	-	-	-	-	9,000	
TRAN Interest Payment	196	-	-	-	-	-	-	-	-	-	-	-	196	
Total Cash Disbursements	$11,832	$2,704	$2,995	$3,340	$3,290	$4,917	$2,690	$2,610	$2,790	$2,780	$2,805	$4,030	$46,783	38,712
Net Cash Flow Surplus/(Deficit)	($2,227)	($1,338)	($899)	($159)	($1,124)	$2,833	$784	($806)	($983)	$2,688	$109	$1,425	$303	$664
Ending Balance	$6,789	$5,451	$4,552	$4,393	$3,269	$6,102	$6,886	$6,080	$5,097	$7,785	$7,894	$9,319	$9,319	

DRAFT

Proposed FY 2020-21 Mid-Year General Fund Budget Amendments

			($000s)	Comment
Fire Department				
	Source	Personnel Cost Savings	530	Retirement and FF vacancies until filled
	Use	Regular Overtime and One time payouts	-530	coverage for COVID-19, FMLA, vacancies & injuries.
		Net effect on General Fund	0	
	Source	Additional OES Overtime reimbursement	550	Increase budget by $550k from $450k to $1million
	Use	Additional OES Overtime cost	-450	Increase budget by $450k from $350k to $800k
		OES Equipment Mtce.	-100	Equipment, supplies and repairs on OES incidents
		Net effect on General Fund	0	
Police Department				
	Source	Personnel Cost Savings	30	Vacancies
		Body worn camera lease	45	Pay for lease from C.O.P.S funds instead of GF
	Use	Reduced Fines & Citations revenue	-75	Covid-19 impacted
		Net General Fund Effect	0	
Recreation Department				
	Source	Personnel Cost savings	91	from staff reductions
		Non Personnel Cost savings	817	professional & other services, supplies,
			908	
	Use	Reduce Charges and Program Revenues	-1565	Charges for services, use of property, program revenue
		Net General Fund Effect	-657	
Revenue Adjustments				
	Source	Personnel cost savings	600	Staff reductions effective January 2021
	Use	Property Tax	-200	Based on prior year trends
		Sales Tax	-200	Based on 6 month trends
		Franchise Tax	-200	Based on 6 month trends
		Net General Fund Effect	0	
		Combined Net General Fund Effect	-657	

THE CITY OF EL CERRITO

SUPPLEMENTAL AGENDA MATERIALS

REGULAR CITY COUNCIL MEETING
February 2, 2021
(Revised February 3, 2021)

PUBLIC COMMENT INDEX

1. Public Comments received by 4:00 p.m. February 2, 2021 and Public Comments received after 4:00 p.m.

AGENDA ITEM 7A – FY 2020-21 General Fund Budget Update for December 2020

1. Presentation

SUPPLEMENTAL AGENDA MATERIALS
PUBLIC COMMENT INDEX

CONCURRENT SPECIAL MEETING OF THE EL CERRITO REDEVELOPMENT AGENCY SUCCESSOR AGENCY AND REGULAR CITY COUNCIL MEETING
FEBRUARY 2, 2021

The following Public Comments were **received by 4:00 p.m. 2/2/2021**, were provided directly to City Councilmembers in advance of the meeting, and were posted online as supplemental materials at www.el-cerrito.org/CouncilMeetingMaterials

REGULAR Meeting Public Comments – Items Not on the Agenda

1. Cordell Hindler
2. Gary Prost
3. Cathy Hanville

Received after the deadline listed above

4. Sue Duncan

REGULAR Meeting Agenda Item 7A – FY 2020-21 General Fund Budget Update for December 2020

1. Nicol U
2. Anna Misharina
3. Yann Jacob
4. Leah Katz Ahmadi
5. Sara and Mark Haller
6. Maia Bazjanac
7. Mary
8. Joshua Sassman
9. Daniel Schulman
10. Sarah Klauer
11. Justine Clifford
12. Leslie Adams

From: Cordell Hindler
To: City Clerk
Subject: ORAL COMMUNICATIONS FROM THE PUBLIC
Date: Thursday, January 28, 2021 9:27:51 PM

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hello Holly, i have a couple of comments for the Record

1, i think that the public should be able to come back to the meetings because when it comes to how the council deals with the budget.

2. also i am requesting that the general manager should provide an update on the future of BART

sincerely
Cordell

From: Gary Prost
To: City Clerk
Subject: Public Comments, NOT ON AGENDA: Regarding Wildfire Safety Issues
Date: Tuesday, February 2, 2021 11:51:02 AM

El Cerrito Regular City Council Meeting, 2 Feb 2021

Mayor Fadelli, City Council,

As new Councilmembers are seated, and while we are still in our short rainy season, this is a good time to remind ourselves that our fire season begins in a month and that we need to remain vigilant.

To that end we would like to re-emphasize the need to keep Fire Station 72 open, to continue and expand enforcement of the vegetation code as it pertains to overgrown properties, to practice fire evacuation drills, and to post signs indicating emergency evacuation routes.

We would also like to request that Council impose "no parking on red flag days" on all streets narrower than 20 feet, as has been done in communities across California that are faced with urban-wildland fires.

These low or no-cost actions will have a long-lasting positive impact on our community.

Thank you,

Gary Prost
Make El Cerrito Fire Safe
[redacted]

From:	Cathy Hanville
To:	City Clerk
Subject:	Comment Item Not on the Agenda
Date:	Tuesday, February 2, 2021 1:52:26 PM

Hello Council,

I am writing about the culture of the relationship between council and staff and the community. For many years the culture has been that the City Manager has told the council what to do and the council has done it almost always without questions. This has been part of the issue that has landed the city in deep financial straits.
Now in the last year council members have been asking more questions which is appreciated. However, the culture with the community is still not positive. As a community activist I can tell you in my world we feel very unheard by both city staff and council. Emails are not acknowledged or returned. Requests for meetings are ignored. Two current council members are fairly responsive but others I have never once received a return email from. I do not expect council members to respond to every email sent but I do expect that they will acknowledge all members of our community and that they will listen as hard to the residents that have differing opinions as they listen to the ones that agree with them.

There is a culture of distrust of the city government due to the lack of transparency and lack of respect for all community members. I would like to see staff and council find some ways to address that. A newsletter from the council, some Zoom meetings with small groups, and one or more members of council (I know Brown Act is an issue here). Responses to emails from community members that disagree with the council. We have just seen what happens when the government is authoritarian and doesn't listen to or represent all people. I believe we can do better in El Cerrito and I hope this new council in this new year commits to a higher level of transparency and communication with the residents of our city.

Thank you,
Cathy Hanville
El Cerrito

From:	Sue Duncan
To:	City Clerk
Subject:	Public Comment, Not on Agenda
Date:	Tuesday, February 2, 2021 5:22:02 PM

City Council Members,

With even less rainfall so far this year than last and last year's total was just over half of normal and just before it started raining the vegetation dryness was at a record low, please remind residents that it is imperative to remove hazardous vegetation from their property. The first 5 feet from any point of the house whether the house proper or a deck or porch, should be clear of most vegetation. Also, please remind them to try to keep vegetation away from the edge of their streets so if they have to evacuate in a fire, there is less chance of flames close to the edge of the road.

Thank you,
Sue Duncan
Make El Cerrito Fire Safe

From: Nicol U
To: City Clerk; Karen Pinkos; Paul Fadelli; Gabe Quinto; Lisa Motoyama; Janet Abelson
Subject: Please SAVE Recreation Programs for Children & Youth
Date: Monday, February 1, 2021 7:52:24 AM

Dear City Council Members,

Any further reductions to the Recreation Department will be a strike against equity in our city, where the most vulnerable of our families will be hurt. I ask that you please prioritize people over property, popular sports, pre-school support, and parent-lifelines over policing. As someone with two young children who have greatly benefitted and utilized the El Cerrito Recreation programs several times in the last years, and especially during these difficult times caused by Covid, I am a huge proponent of the EC Recreation services/programs.

Best regards,

Nicol U
[redacted]

From:	Anna Misharina
To:	City Clerk
Subject:	Strike Against Community
Date:	Monday, February 1, 2021 8:46:09 AM

Dear City Council Members,

Any further reductions to the Recreation Department will be a strike against the equity in our city - the most vulnerable of our families will be hurt. Please prioritize people over the property and police!

Thanks,
Anna Misharina

From: Yann Jacob
To: City Clerk; Karen Pinkos; Paul Fadelli; Gabe Quinto; Lisa Motoyama; Janet Abelson
Subject: Please SAVE Recreation Programs for Children & Youth
Date: Monday, February 1, 2021 10:10:03 AM

Dear City Council Members,

Any further reductions to the Recreation Department will be a strike against equity in our city, where the most vulnerable of our families will be hurt. I ask that you please prioritize people over property, popular sports, pre-school support, and parent-lifelines over policing. As someone with two young children who have greatly benefitted and utilized the El Cerrito Recreation programs several times in the last years, and especially during these difficult times caused by Covid, I am a huge proponent of the EC Recreation services/programs.

Best regards,

Yann Jacob
[redacted]

From:	Leah Katz Ahmadi
To:	Karen Pinkos; Paul Fadelli; Gabe Quinto; Tessa Rudnick; Lisa Motoyama; Janet Abelson; City Clerk
Subject:	Parent perspective on Recreation program (relating to 2/2/21 Council meeting agenda item)
Date:	Monday, February 1, 2021 11:53:51 AM

Dear City Council Members,

It came to my attention that there are major cuts to the Recreation Department on the table, including layoff and program cuts. I want to share that the Recreation Department has been a true life-line for our family and many families over the past four years. As a two working parent family, we relied on aftercare programs for our eldest, elementary-age child since 2017. The staff of these programs spent almost as many hours with my child as his teacher, providing a safe and welcoming environment that met the needs of so many children. They provided social-emotional learning skills that kids need to thrive.

In Covid-times, the El Cerrito Rec Department was the first entity to get it together to provide a safe, outdoor camp environment with safety-protocols that I felt confident in. Director Eden O'Brien Brenner was responsive, receptive, and reassuring to me as a parent and to our community, as were her staff. They provided a place where the mental health of my child was elevated for the first time in months - having the opportunity to have safe, in-person interactions. They continued to hone their protocols when the mask-mandate was put in place, leading the way for other camps in the Bay Area to adopt the same practice.

This school year, we have participated in the learning pod and all-day childcare at Harding. My child thrives in this setting in a way that has been essential to his learning and social development. And honestly for me, as the sole parent with the ability to work from home, it has enabled me to keep my job. Without the Recreation Dept's offerings, either my son or I would be flailing because it is impossible to work full time effectively and supervise distance learning at this age level.

Any further reductions to the Recreation Department will be a true strike against equity in our city - the most vulnerable of our families will be hurt, and families of middle incomes will also be left without any modicum of real alternatives. We cannot afford to lose this precious public resource.

Sincerely,

Leah Katz Ahmadi

[redacted]

From: Sara Haller
To: City Clerk; Karen Pinkos; Paul Fadelli; Gabe Quinto; Tessa Rudnick; Lisa Motoyama; Janet Abelson; Taylor Melton; Chris Jones; Mailbox Recreation
Subject: Parent perspective on Recreation program (relating to 2/2/21 Council meeting agenda item)
Date: Monday, February 1, 2021 12:20:03 PM

Dear City Council Members,

It came to my attention that there are major cuts to the Recreation Department on the table, including layoff and program cuts. I want to share that the Recreation Department has been a true life-line for our family and many families over the past five years. As a two working parent family, we have relied on afternoon recreation programs for our eldest, elementary-age child since 2016. We have also relied on the wonderful various Summer Camps options that our city is known for. The staff of these programs has provided a consistent, safe and welcoming environment that met the needs of so many children. Taylor Melton, Recreation Supervisor, has been helpful, available, attentive to any questions that have come up for us regarding the programs being offered these past few years. Through creative thinking and hard work planning, they have not only provided childcare, but also the social-emotional learning skills that kids need to thrive.

During Covid-times, the El Cerrito Rec Department was the first entity to get it together to provide safe, indoor and outdoor camp environments with safety-protocols that I felt confident in. We have been participating in the afternoon gymnastics camps since their inception in September 2020. They have provided a place where the mental health of my child was elevated for the first time in months - having the opportunity to have safe, in-person interactions. They continued to hone their protocols when the mask-mandate was put in place, leading the way for other camps in the Bay Area to adopt the same practice.

Prior to my daughter beginning the gymnastics program, her engagement with online zoom school had diminished and her depressed/agitated mood was noticeable. Once she started back up in camp, everything improved. For our family, and I'm sure many others with school age children, this program and others have provided much needed full and part time childcare that is not being offered by public schools or many private entities in our area. Additionally, research has shown how vital physical activity is for growing children, especially when they're stuck in front of screens for most of their school day.

My child thrives in this setting in a way that has been essential to her learning and social development. And honestly for me, even as a parent with the fortunate ability to work from home, it has enabled me to keep up with my job responsibilities. Without the Recreation Dept's offerings, either my daughter or I would be flailing because it is impossible to work full time effectively and supervise/facilitate recreation or learning activities at this age level.

Any further reductions to the Recreation Department will be a true strike against equity in our city - the most vulnerable of our families will be hurt, and families of middle incomes will also be left without any modicum of real alternatives. We cannot afford to lose this precious public resource.

Sincerely,

Sara and Mark Haller

[redacted]

El Cerrito Homeowners/Residents for the past 10 years

From: Maia Bazjanac
To: City Clerk
Cc: Karen Pinkos; Paul Fadelli; Gabe Quinto; Tessa Rudnick; Lisa Motoyama; Janet Abelson
Subject: Recreation Department Funding
Date: Monday, February 1, 2021 3:16:16 PM

Dear City Council,
I'm writing to express my concerns about cutting funds for the El Cerrito Recreation Center. I've lived in El Cerrito for over a decade and have used the Rec Department for adult and kid classes/services many, many times. El Cerrito's Recreation Department is a shining star and a rare city-managed program that stands out as adding tangible value to living in this town. The staff and the services provided are exceptional. I truly believe the El Cerrito Recreation Department is one of the outstanding features of this city and seeing it diminished would be to the great detriment of our community.

Maia Bazjanac
[redacted]

From: Maryna Levchenko
To: City Clerk
Subject: SAVE RECREATION PROGRAMS FOR CHILDREN AND YOUTH !
Date: Monday, February 1, 2021 3:29:56 PM

Dear City Council Members,
Any further reductions to the Recreation Department will be a strike against equity in our city- the most vulnerable of our families will be hurt. Please prioritize people over property, popular sports, pre-school support, and parent life-lines over policing.

This is all about our kids, about our families, about health. It is so important for us. Especially at this difficult time.

Sincerely,
Mary

From:	Joshua Sussman
To:	City Clerk
Subject:	El Cerrito Rec Department.
Date:	Monday, February 1, 2021 3:52:50 PM

Please do not mess with the Rec Dept. (i.e., make additional funding cuts). The El Cerrito Rec Dept is truly unique and exceptional! There are so many high quality programs--my kids enjoy them and I feel comfortable leaving my kids in care. Please don't undermine something that makes El Cerrito such a special place to live and grow!

Thank you,
Josh Sussman

--
Joshua Sussman, Ph.D.
Research Scientist
Berkeley Assessment and Evaluation Research (BEAR) Center
Graduate School Of Education
University of California, Berkeley

From: Dan Schulman
To: City Clerk
Subject: Public Comments - Agenda Item #7A
Date: Monday, February 1, 2021 6:35:52 PM

Dear City Council,

I hope you will consider the following suggestions:

1) It is unclear to me if staff is suggesting we should make additional cuts to stabilize the budget, or if they think we will be OK and avoid bankruptcy by continuing on the current course of action. I hope you will ask questions until you feel confident in your belief regarding more cuts being needed or not.

2) If more cuts are needed, has staff presented you with a clear picture of the tradeoffs in terms of cuts by department? In other words, what specifically would be impacted if the fire department cut more from its budget? What about PD, what specifically would be impacted? What about public works, recreation, etc? I have tried to follow this issue myself, and I do not have a clear understanding of the specific tradeoffs.

3) The last page of the agenda packet is very confusing. Did all of the fire department "savings" get put back into overtime, so the city didn't actually realize any savings in its budget? Have we not been able to realize more savings from the Police Department with their new approach to not respond to as many types of calls? I hope you will obtain more details.

Thank you,
Daniel Schulman
El Cerrito

From: Sarah Klauer
To: City Clerk
Subject: Public Comment / Special City Council Meeting 2/1/2021
Date: Monday, February 1, 2021 8:01:42 PM

Hi Holly:

I'd like to submit the following public comment for tomorrow's meeting. Thank you!

Sarah

To the City Council:

As you evaluate funding cuts to accommodate the City's funding challenges, please consider the impact each proposed change will have on the community El Cerrito serves. Recreation Department cuts hurt families, they hurt community-building, and they hurt those that rely on those services. It's time to prioritize people over policing. Please support those programs that proactively build community and provide support. The way you address our budget challenges has a direct impact on the type of community we're creating in El Cerrito.

Thank you for the opportunity to comment,
Sarah Klauer, El Cerrito Resident

Sarah Klauer
she/her/hers

[redacted]

From:	Justine Clifford
To:	City Clerk
Subject:	Public Comment on City Rec Department
Date:	Monday, February 1, 2021 9:49:43 PM

Dear El Cerrito city council,
Please share this with those involved. We just wanted to add our voice to say how important the city's rec department is for the city of El Cerrito.
Families in El Cerrito truly rely on these programs. It's one of the very special things about our city. I hope there will be a way to avoid cuts to this important programs. I know these are hard times all around but these services are really vital for the well being of our community.
Warmly,
Justine Clifford

Sent from my iPhone

From: leslie dibenedetto
To: City Clerk
Subject: Public Comment - Agend item 7A
Date: Tuesday, February 2, 2021 12:18:15 PM

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2 February 2021

Dear Mayor Fadelli, Councilmembers Abelson, Quinto, Motoyama, & Rudnick and City Manager Pinkos,

I am writing to express and reiterate concerns with the direction and focus on addressing our city budget by making massive cuts to our recreation department with little to no reductions to our police department's budget.

As you know, this past year a new movement for real and meaningful change has emerged, and calls for rethinking how we define public safety are being designed and implemented. We are in the midst of change, for reinvention, and equity for all, that El Cerrito elected officials and management are ignoring.

All around the country, cities and organizations are working together to implement anti-racist policies and programming, redesigning budgets and prioritizing new interpretation of public safety and quality of life for its residents, visitors, learners, workers and business owners.

El Cerrito officials are following old and tone-deaf guidelines and structures by not addressing our police budget and focusing on doing away with much needed programs that enhance quality of life which are offered through our recreation department. Covid isolation is another reason to find ways our community members can interact safely which falls under the purview of our recreation department. This would be money well spent in terms of bolstering people.

I have lived in El Cerrito with my family for 15 years and don't plan on going anywhere soon but must say that change is overdue, and I would love to see our city making bold and innovative moves.

Thanks for your time, Leslie Adams

Agenda Item No. 7.A.

City Council Meeting

February 2, 2021

FY 2020-21
GENERAL FUND UPDATE
STUDY SESSION

THE CITY OF
EL CERRITO

Agenda

- FY 2020-21 Amended Budget
  - Review of actions taken to date
- General Fund Balance Forecast
- Monthly Reports: December 2020
  - General Fund Income Statement (Attachment 1)
  - General Fund Balance Sheet (Attachment 2)
  - General Fund Cash Flow Forecast (Attachment 3)
- FY 2020-21 Midyear Budget Adjustments – February 16 City Council Meeting
  - Proposed Budget Modifications (Attachment 4)
- City Council Discussion and Direction

FY 2020-21 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

Cost Savings Implemented for FY 2020-21

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**

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

- Per County regulations, reduced Recreation programs and services, including all programs at the Midtown Activity Center, through end of FY 2020-21
- Elimination of three full-time positions and two part-time in City Management and Recreation Departments (effective January 1, 2021)
- Reduction of overtime in Fire Department by filling three vacant positions
- Restructuring of Police Department Operations
  - Reduced sworn staff to 37 officers, eliminate Special Operations Division
- Personnel reductions/savings effective January 1, 2021
- Additional vacant positions – 3 full-time resignations/retirements in City Management and Recreation (effective February 2021)
- Police Employees Association Revised MOU
  - Deferred COLA from January to July
- Major Events cancelled due to COVID-19
  - Earth Day
  - July 4 Festival
- Other expense reductions due to COVID-19

General Fund Forecast

General Fund Summary	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Unaudited	FY 2020-21 Adopted
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)
Total Beginning Fund Balance	**818,720**	**87,570**	**(56,692)**	**(2,367,469)**
Total Revenues	35,838,504	41,388,598	38,081,713	39,377,869
Personnel	25,199,770	29,862,092	30,264,014	29,490,258
Non-Personnel	11,369,884	11,670,768	10,128,476	9,224,579
Total Expenses	36,569,654	41,532,860	40,392,490	38,714,837
Annual Surplus/(Deficit)	(731,150)	(144,262)	(2,310,777)	663,032
Ending Total Fund Balance	**87,570**	**(56,692)**	**(2,367,469)**	**(1,704,437)**
Ending Reserve Percent	**0.2%**	**-0.1%**	**-5.9%**	**-4.4%**

- FY 2019-20 CAFR will be presented to City Council with presentation from Badawi Associates at February 16, 2021 City Council Meeting
- **Actual Audited Ending Total Fund Balance: -$110,000**
- Provides chance to end FY 2020-21 with positive Fund Balance

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

Revenues ($000s)	FY2018-19 Audited	FY2019-20 Draft Audited	Actuals July-Dec 2020	Year to Date Budget Expectations	Variance from Budget Expectations Fav./(Unfav.)	FY2020-21 Adopted Budget	*Year to date actuals as a % of Budget*	Comments
Taxes								
Property Taxes	10,182	9,840	5,070	5,160	(90)	10,440	*49%*	$3.5 million in April. Bal in Jan & June
Sales Taxes	7,545	6,975	3,026	3,250	(224)	6,450	*47%*	Through November with est. December
Utility Tax	3,208	3,166	1,228	1,350	(122)	3,200	*38%*	Through November
Property Transfer Taxes	1,102	3,467	2,008	1,200	808	2,400	*84%*	Through Dec.
Franchise Taxes	1,244	1,587	377	520	(143)	1,250	*30%*	Through Nov.
Business License Tax	910	919	821	850	(29)	850	*97%*	Trickles in through June
Other Tax	149	173	46	46	-	136	*34%*	Through Oct. Next TOT in January
Total Taxes	**$24,340**	**$26,127**	**$12,576**	**$12,376**	**$200**	**$24,726**	**51%**	
Licenses & Permits	776	785	322	380	(58)	758	*42%*	
Fines and Forfeitures	219	227	68	85	(17)	170	*40%*	
Use of Money and Property	157	465	134	175	(41)	350	*38%*	
Intergovernmental Revenues	6,744	6,729	2,205	2,300	(95)	6,958	*32%*	$2.8m VLF, $1.7m Kensington: Jan-June.
Charges for Services	6,934	4,748	1,675	2,700	(1,025)	5,223	*32%*	Through Dec.
Other Revenues	182	118	48	48	-	253	*19%*	
Interfund Transfers	2,036	1,024	476	476	-	938	*51%*	Quarterly cost allocation
Total	**$41,388**	**$40,222**	**$17,504**	**$18,540**	**($1,036)**	**$39,376**	***44%***	

Expenditures ($000s)	FY2018-19 Audited	FY2019-20 Unaudited	Actuals July-Dec 2020	Year to Date Budget Expectations	Variance from Budget Expectations Fav./(Unfav.)	FY2020-21 Adopted Budget	*Year to date actuals as a % of Budget*	Comments
Personnel	29,862	30,383	15,664	15,245	(419)	29,490	*53%*	Through Dec. Includes $850k OES O/T
Professional Services	4,487	3,702	1,163	1,600	437	3,534	*33%*	Through Dec.
Purchased Property Services	2,300	2,152	603	900	297	1,814	*33%*	Through Dec.
Other Services	1,840	1,806	1,033	900	(133)	1,833	*56%*	Through Dec.
Supplies	726	606	133	300	167	611	*22%*	Through Dec.
Property & Capital	422	413	173	228	55	456	*38%*	Through Dec.
Financing Costs	478	536	161	155	(6)	310	*52%*	Through Dec.
Other Financing Uses	1,416	697	602	602	-	665	*91%*	City Hall Debt Svc. Retiree Pension.
Total	**$41,531**	**$40,294**	**$19,532**	**$19,930**	**$398**	**$38,713**	***50%***	
Net Change in Fund Balance ($000s)	($143)	($72)	($2,028)	($1,390)		$663		

City of El Cerrito DRAFT General Fund - Balance Sheet	Audited 6/30/19.	Draft Audited 6/30/20.	Unaudited 12/31/20 Est.
Assets			
Cash and Investments	4,349,089	9,016,794	4,463,637
Taxes Receivable	2,113,059	1,882,887	614,865
Accounts Receivable Net	-	32,158	21,401
Due from other funds	2,590,773	2,011,397	2,011,397
Inventory	11,772	27,737	26,670
Prepaid Expense	-	3,278	25,340
Total Assets	**9,064,693**	**12,974,251**	**7,163,310**
Liabilities			
Accounts Payable	888,579	844,570	(1,288)
Accrued Payroll	1,231,945	1,227,263	286,530
Other Accrued Liabilities	-	324,585	67,393
Short Term Note	6,000,000	9,000,000	8,659,545
Unearned Revenues	80,381	82,890	82,890
Deposit Payable	804,162	1,604,964	1,608,444
Total Liabilities	**9,005,067**	**13,084,272**	**10,703,514**
Deferred Inflows of Resources			
Deferred Inflows of Resources - Unavailable Revenue	116,319	-	-
Total deferred Inflows of Resources	116,319	-	-
Fund Balances	(56,693)	(110,022)	(3,540,204)
Total Liabilities, Deferred Inflows of Resources and Fund balance	**9,064,693**	**12,974,251**	**7,163,310**

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FY 2020-21 Projected General Fund Cash Flows - December 2020

(Currency: $000s)	ACTUALS July	ACTUALS August	ACTUALS September	ACTUALS October	ACTUALS November	ACTUALS December	FORECAST January	FORECAST February	FORECAST March	FORECAST April	FORECAST May	FORECAST June	PROJECTED YEAR END	FY21 Adopted Budget
Beginning Balance	$9,017	$6,789	$5,451	$4,552	$4,393	$3,269	$6,102	$6,886	$6,080	$5,097	$7,785	$7,894	$9,017	
Cash Receipts														
Property Tax	-	-	-	261	-	4809	290	-	-	$3,430	-	$1,450	$10,240	10,440
Sales Tax	-	585	556	554	845	486	535	535	535	535	535	550	6,251	6,450
Transfer Tax	-	311	-	664	418	615	200	200	200	200	200	200	3,208	2,400
Franchise Tax	-	-	95	29	253	-	112	112	112	112	112	112	1,049	1,250
Business Licenses	505	106	89	62	16	43	-	-	-	-	-	-	821	850
Utility Users Tax	87	173	134	342	234	258	300	300	300	300	300	306	3,034	3,200
Licenses and Permits	37	59	44	84	22	76	67	67	67	67	67	82	739	758
Fines and Forefeitures	13	1	6	17	14	17	5	5	5	5	5	5	98	170
Use of Property	15	33	14	40	12	20	30	30	33	35	35	35	332	350
Other Government Reimb.	-	-	742	766	108	476	300	300	300	300	300	300	3,892	3,708
Fire OES Overtime Reimbursement	-	-	-	-	-	113	-	-	-	-	900	-	1,013	450
In-Lieu Fees	-	-	-	-	-	-	1,400	-	-	-	-	1,400	2,800	2,800
Fees for Service - Other	170	17	194	287	58	110	68	68	68	68	68	69	1,245	1,245
Fees for Service - Recreation	118	73	222	53	122	251	125	145	145	374	350	436	2,414	3,978
Other Revenues/Taxes	-	8	-	22	64	-	42	42	42	42	42	45	349	389
Transfers In	-	-	-	-	-	476	-	-	-	-	-	465	941	938
TRAN Proceeds	8,660	-	-	-	-	-	-	-	-	-	-	-	8,660	
Total Cash Receipts	$9,605	$1,366	$2,096	$3,181	$2,166	$7,750	$3,474	$1,804	$1,807	$5,468	$2,914	$5,455	$47,086	39,376
Cash Disbursements														
Personnel	$2,129	$2,210	$2,172	$2,226	$2,320	$3,758	$2,165	$2,165	$2,165	$2,165	$2,165	$3,252	$28,892	29,140
Fire OES Overtime		$133	421	236	59	$0	-	-	-	-	-	-	$849	350
Professional Services	91	213	222	249	109	279	262	262	262	262	262	264	2,737	3,534
Property/Other Services	408	105	141	315	66	601	297	297	297	297	297	297	3,418	3,646
Supplies	8	25	14	23	25	38	43	43	43	43	43	60	408	611
Financing Costs and Debt Service	-	18	-	36	120	12	0	-	-	-	-	124	310	310
Property and Capital	-	-	5	125	11	32	23	23	23	23	23	23	311	456
CIP - Cash Flow	-	-	20	150	150	325	225	45	45	35	50	-	1,045	1,045
CIP - Reimbursement	-	-	-	(20)	(150)	150	(325)	(225)	(45)	(45)	(35)	(50)	(1,045)	(1,045)
Transfers Out	-	-	-	-	580	22	-	-	-	-	-	60	662	665
TRAN Principal Payment	9,000	-	-	-	-	-	-	-	-	-	-	-	9,000	
TRAN Interest Payment	196	-	-	-	-	-	-	-	-	-	-	-	196	
Total Cash Disbursements	$11,832	$2,704	$2,995	$3,340	$3,290	$4,917	$2,690	$2,610	$2,790	$2,780	$2,805	$4,030	$46,783	38,712
Net Cash Flow Surplus/(Deficit)	($2,227)	($1,338)	($899)	($159)	($1,124)	$2,833	$784	($806)	($983)	$2,688	$109	$1,425	$303	$664
Ending Balance	$6,789	$5,451	$4,552	$4,393	$3,269	$6,102	$6,886	$6,080	$5,097	$7,785	$7,894	$9,319	$9,319	

Proposed FY 2020-21 Mid-year Budget Adjustments

Revenue Adjustment	Amount
OES Reimbursement	$550,000
Fines & Citations	(75,000)
Charges for service	(1,565,000)
Property Tax	(200,000)
Sales Tax	(200,000)
Franchise Tax	(200,000)
Total Revenue Adjustments	**($1,690,000)**

Expense Adjustment	Amount
Personnel Savings - Fire	($530,000)
Regular OT- Fire	530,000
OES OT - Fire	450,000
OES Equipment - Fire	100,000
Personnel Savings - Police	(30,000)
Body Worn Camera Lease	(45,000)
Personnel Savings - Recreation	(91,000)
Professional Services Savings - Rec	(817,000)
Personnel Savings - Staff reductions	(600,000)
Total Expense Adjustments	**($1,033,000)**

- Net General Fund Impact: $657,000
- Projected General Fund Surplus: $303,000
  - Adopted Budget General Fund Surplus: $664,000
- Projected General Fund Balance ending FY 2020-21: $193,000
  - Staff recommends further reductions to meet Adopted General Fund Budget Surplus

Proposed FY 2020-21 Mid-Year General Fund Budget Amendments

			($000s)	Comment
Fire Department				
	Source	Personnel Cost Savings	530	Retirement and FF vacancies until filled
	Use	Regular Overtime and One time payouts	-530	coverage for COVID-19, FMLA, vacancies & injuries.
		Net effect on General Fund	0	
	Source	Additional OES Overtime reimbursement	550	Increase budget by $550k from $450k to $1million
	Use	Additional OES Overtime cost	-450	Increase budget by $450k from $350k to $800k
		OES Equipment Mtce.	-100	Equipment, supplies and repairs on OES incidents
		Net effect on General Fund	0	
Police Department				
	Source	Personnel Cost Savings	30	Vacancies
		Body worn camera lease	45	Pay for lease from C.O.P.S funds instead of GF
	Use	Reduced Fines & Citations revenue	-75	Covid-19 impacted
		Net General Fund Effect	0	
Recreation Department				
	Source	Personnel Cost savings	91	from staff reductions
		Non Personnel Cost savings	817	professional & other services, supplies,
			908	
	Use	Reduce Charges and Program Revenues	-1565	Charges for services, use of property, program revenue
		Net General Fund Effect	-657	
Revenue Adjustments				
	Source	Personnel cost savings	600	Staff reductions effective January 2021
	Use	Property Tax	-200	Based on prior year trends
		Sales Tax	-200	Based on 6 month trends
		Franchise Tax	-200	Based on 6 month trends
		Net General Fund Effect	0	
		Combined Net General Fund Effect	-657	

Next Steps

- Discussion and Direction
- FAB Meeting February 9, 2021
- Present CAFR and Mid-year Budget Adjustments for adoption at next regular City Council Meeting on February 16, 2021