



Office of the City Manager

CONSENT CALENDAR
July 13, 2010

To: Honorable Mayor and Members of the City Council
From: *PK* Phil Kamlarz, City Manager
Submitted by: Tracy Vesely, Budget Manager
Subject: Schedule Work Session: Citywide Workplan in Light of Staffing and Budget Reductions and authorize the City Manager to respond to State Budget Actions during Council Recess

RECOMMENDATIONS

Schedule a Work Session in October, 2010 to discuss the Citywide Workplan in light of staffing and budget reductions; and authorize the City Manager to respond to State budget actions during Council recess, including increasing any pass-through surcharges to compensate for increases imposed by the State.

FISCAL IMPACTS

Possible increase to pass-through surcharges should the State increase such fees. Actual amount uncertain at this time.

CURRENT SITUATION AND ITS EFFECTS

Given the recent budget reductions and impending State budget actions, it is necessary to review the impacts of these in the context of the citywide work plan. Additionally the approximately \$2 million contributed by City employees to defer lay-offs will have service impacts due to the increased number of Voluntary Time Off days necessary in order to implement those savings. With the reduction in resources, it will be difficult for City staff to take on new projects and initiatives. The proposed Work Session in October will discuss the status of the citywide work plan. In addition, if the State has passed a budget by that time, the work session will include an update on the impacts of State actions on Berkeley's budget.

Should the State take action while the City Council is on recess, the City Manager requests the authority to increase any pass-through surcharges should the State impose such increases. If necessary, the City Manager will request a special meeting of the City Council to accommodate these changes. This will allow the City to respond in a timely manner to avoid further erosion of local revenues.

CONTACT PERSON

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