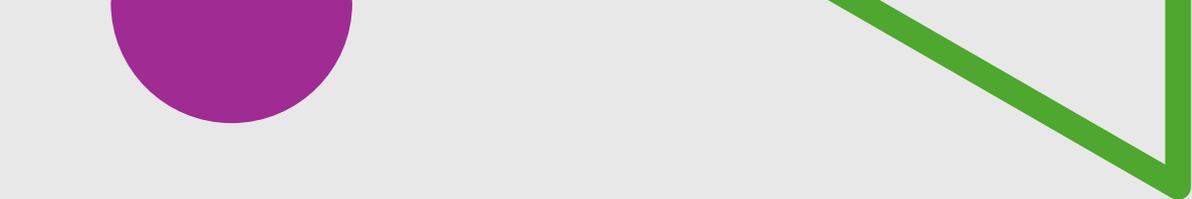


# FY 2025/26 BUDGET RECOMMENDATION

RENT STABILIZATION BOARD

By: Shamika Cole, Finance Director

JUNE 16, 2025



## Key Points for Discussion:

- How much money are we starting FY 2026 with?
  - How much FY 2026 revenue is projected?
  - What cost increases are anticipated for the upcoming fiscal year?
  - What new expenditures are required or necessary?
  - What is the Board's anticipated target reserve level for next year?
- 

# HOW MUCH MONEY ARE WE STARTING WITH?



**\$ 8.3 M**

Projected  
Expenditures

**\$ 7.3 M**

Preliminary Year End  
Actuals

# Current Staffing Model

29.0 FTE

Accounting Office Specialist  
(Finance)

4.0 Existing Vacancies

Assistant Management  
Analyst (Finance)

Principal Program Mgr  
(EO)

Community Services  
Specialist III (PIU)

Q:  
HOW MUCH MONEY  
ARE WE STARTING  
WITH?

A:  
FY 2025 YEAR-END  
PROJECTIONS

**Year-End Uncommitted Reserve:  
\$2,100,000**

**Capital Reserve Fund: \$0**

Anticipated  
Expenditures:



# FY 2025 YEAR-END PROJECTIONS



Salary Savings



Focused Budget Planning



<b>RevenueType</b>	<b>FY 2025 Units</b>	<b>FY 2025 Total</b>	<b>FY 2026 Units</b>	<b>FY 2026 Total</b>
<b>Fully Covered</b>	20,000 x \$344	\$6.88 Million	21,500 x \$344	\$7.39 Million
<b>Partially Covered</b>	5,200 x \$212	\$1.12 Million	6,000 x \$212	\$1.27 Million
<b>TOTALS</b>	25,200 units	\$8.2 Million	27,500 units	\$8.66 Million

How much FY 26 revenue is projected?

# FY 2026 REVENUE PROJECTIONS BY TYPE

Revenue Type	FY 2026 Projected Revenue
Fully Covered	\$7,396,000
Partially Covered	\$1,272,000
Penalties	\$250,000
Fair Chair Ord.	\$41,575
Misc Fees	\$2,000
<b>Total</b>	<b>\$8,961,575</b>

Q:  
WHAT COSTS ARE  
INCREASING?

A:  
FY 2026 NON-  
NEGOTIABLE COST  
INCREASES

**Salary and COLA increases**

**Staffing Model Changes**

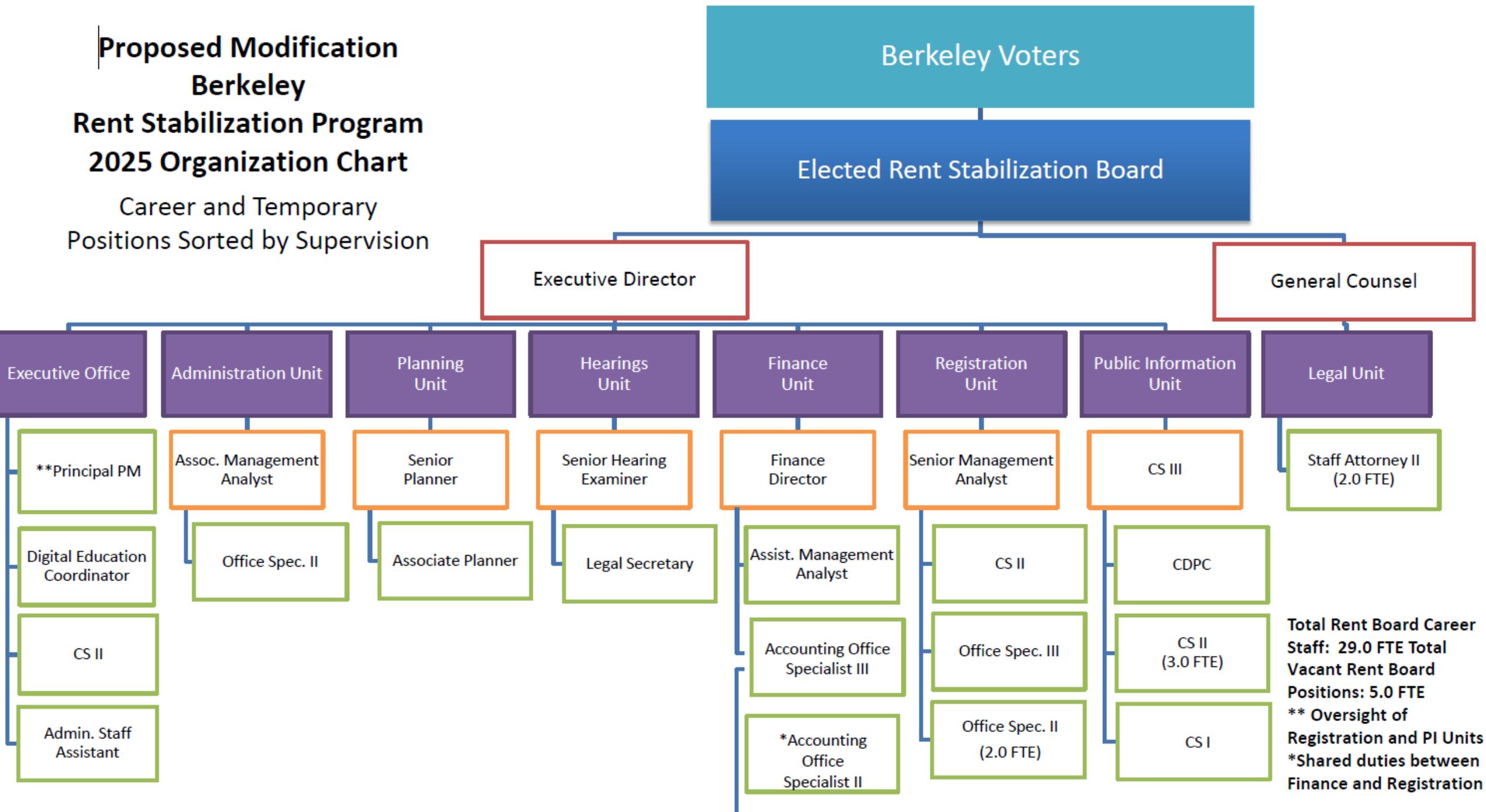
- **Principal Program Manager**
- **Accounting Office Specialist II**

**Tenant Improvement Cost**

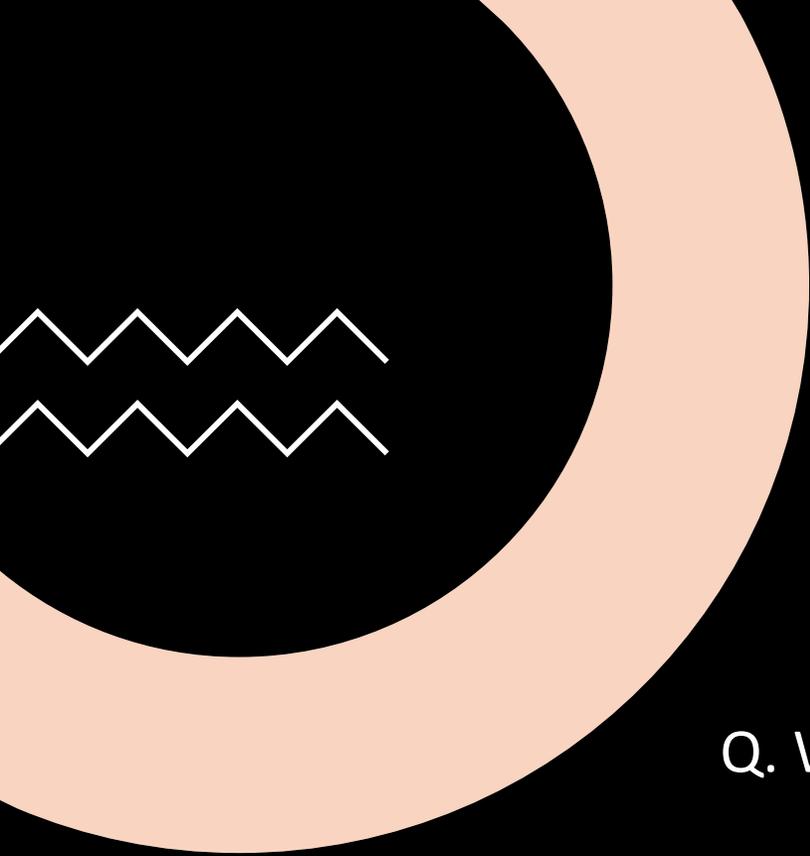
**Rental/Property Expenses**

**Proposed Modification  
Berkeley  
Rent Stabilization Program  
2025 Organization Chart**

Career and Temporary  
Positions Sorted by Supervision



**Total Rent Board Career Staff: 29.0 FTE**  
**Total Vacant Rent Board Positions: 5.0 FTE**  
**\*\* Oversight of Registration and PI Units**  
**\*Shared duties between Finance and Registration**



Q. What are new expenditures that are required or needed?

**A. Outside Legal Services**



# FY 2025/26 Budget Outlook

Projected Revenues = \$8,961,575

An orange rounded rectangular bar containing the text 'Projected Revenues = \$8,961,575'. A light pink arrow points downwards from the right side of the bar.

Projected Expenditures = \$9,017,005

A green rounded rectangular bar containing the text 'Projected Expenditures = \$9,017,005'. A light grey arrow points downwards from the right side of the bar.

Projected FY 2026 Budget Deficit = (\$55,430)

A dark green rounded rectangular bar containing the text 'Projected FY 2026 Budget Deficit = (\$55,430)'. This bar is the final element in the downward flow.

<b>Recurring Expenditure Subtotal</b>	<b>8,076,605</b>	<b>6,585,782</b>	<b>8,727,005</b>
Outside Legal Counsel/Services		258,200	250,000
Special Projects (Executive Evaluations/Contracts, 3DI)	256,313	408,313	40,000
<b>Total Authorized Fund Expenditures*</b>	<b>8,332,918</b>	<b>7,248,295</b>	<b>9,017,005</b>
	<b>Adopted FY 2025</b>	<b>Preliminary Year End FY 2025</b>	<b>Proposed FY 2026</b>
Fully-covered Unit Revenue	6,880,000	6,630,610	7,396,000
Measure MM Revenue	1,120,000	1,062,025	1,272,000
Registration Penalties	250,000	599,148	250,000
Fair Chance Ord. Administration	41,575	41,575	41,575
Misc. Fees (Admin)	2,000	2,000	2,000
<b>Total Authorized Fund Revenue*</b>	<b>8,293,575</b>	<b>8,335,356</b>	<b>8,961,575</b>
Annual Surplus/Shortfall	(39,343)	1,087,061	(55,430)
<b>TOTAL UNCOMMITTED FUND BALANCE</b>	<b>1,398,105</b>	<b>2,485,166</b>	<b>2,429,736</b>
<b>TOTAL CAPITAL RESERVE FUND BALANCE</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>

\* Note: this report only reflects charges & revenues against the Rent Board Fund (Fund 440 and Fund 601) and does not include services charged to or received from other funds

## BOARD UNCOMMITTED RESERVE POLICY

Q:

WHAT IS THE BOARD'S PROPOSED RESERVE LEVEL FOR  
FY 2026?

A:

Budget & Personnel Committee and Staff recommend  
a 24% Reserve Level

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# RENT STABILIZATION BOARD FY 2025/26 BUDGET ADOPTION

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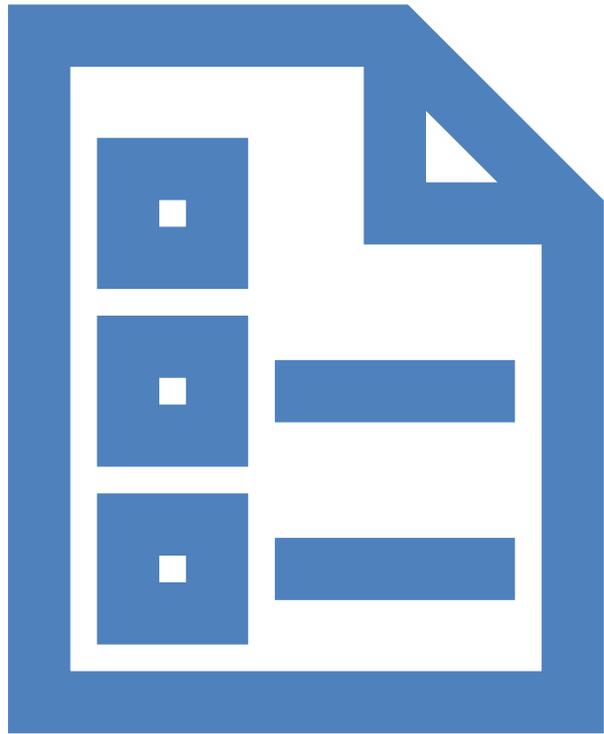
FY 2026 revenue projection of **\$8,961,575**

Proposed FY 2026 Expenditures of **\$9,017,005**

Allocation from the uncommitted reserve of **\$500,000**

Staff proposes to target 24% Reserve

Rent Stabilization Board Adopt FY 2026  
Budget



Questions?