



Elaine Howle  
California State Auditor  
621 Capitol Mall, STE 1200  
Sacramento, CA 95814

Dear Ms. Howle:

This letter represents transmittal of the City's Corrective Action Plan in response to your Report Number 2020-803 regarding the City of El Cerrito under the California State Auditor Local High Risk Program published on March 16, 2021. This Corrective Action Plan (CAP) has been prepared with the intent to outline the specific actions that the City of El Cerrito will perform to address the risk areas identified in the Report and the proposed timing for undertaking those actions.

The CAP shows a matrix of State Auditor High Risk Areas and Recommendations, the City Administration's response to the Recommendations, and the Corrective Action that the City has or will take on the Recommendation. The City has also included documentation in Attachment 1 as noted in the matrix.

The CAP was presented to the El Cerrito City Council in draft format on April 20, 2021. The Council reviewed the proposed actions, provided comments, and committed to the creation of a Fiscal Recovery Plan as recommended. In addition, the City Council appointed a subcommittee of Councilmembers Lisa Motoyama and Tessa Rudnick to work directly with staff over the course of the next six months to monitor the various actions outlined in the CAP, in anticipation of the first required written update to the State Auditor outlining the City's progress in implementing the CAP by November 2021.

The City Council has continued to review the City's budget and financial condition through continued policy discussions and monthly updates at their regular City Council meetings. The City held a Community Town Hall meeting to discuss the budget on April 10, 2021, and held a Community Workshop on May 8, 2021 to engage the public regarding long-term budget strategies within the context of a Fiscal Recovery Plan. The City is currently developing its FY 2021-22 Proposed Budget and will be holding study sessions and budget hearings in May and June. City staff has continued to respond to the impacts created by the ongoing COVID-19 pandemic, both operational and financial, and has taken specific steps to address these impacts in preparing the budget so that the City's financial condition will continue to improve.

The City looks forward to reporting in November 2021 with a written progress update on the CAP, and in providing the State Auditor a report on the recommendations that will serve to satisfy the identified issues and ensure the City's continued improvements.

Respectfully,

A handwritten signature in blue ink that reads "Karen E. Pinkos". The signature is written in a cursive style.

Karen E. Pinkos, ICMA-CM  
City Manager, City of El Cerrito



**CITY OF EL CERRITO  
CORRECTIVE ACTION PLAN – STATE AUDIT 2020-803**

**High Risk Issue # 1  
Financial Condition and General Fund Reserves**

Overview: The City Council and City staff are determined to restore the City to fiscal health, increasing the General Fund reserves, and provide appropriate levels of service with respect to revenues. City staff will continue to monitor revenues and expenditures closely and work with the City Council to determine adjustments in a timely manner, if warranted.

<b>High Risk Area #1 - State Auditor Recommendations</b>	<b>Response</b>	<b>Corrective Action</b>
<p>1. To eliminate its reliance on short-term loans, El Cerrito should address its overspending and its revenue shortfalls as discussed throughout this report</p>	<p><b>The Administration Agrees with this Recommendation</b> – The Administration goal is to not have to rely on a TRAN (Tax &amp; Revenue Anticipation Note) in the future. The City will continue to work with the City Council on implementing strategies to achieve the GFOA recommended reserve levels that will eliminate the need for a TRAN.</p>	<ul style="list-style-type: none"> <li>• The City has adjusted its budget to reflect reduced revenue and expenditure levels, and is projected to end FY 2020-21 with a small surplus in addition to receiving American Rescue Plan Act funding. The City will continue to adjust revenues and expenditures in response to the pandemic and is prioritizing increasing General Fund reserves. <b>Estimated completion: June 2021, and ongoing. Responsible staff: City Management/Finance Department.</b></li> <li>• Because of progress in increasing General Fund reserve levels, staff projects a decreased TRAN amount for FY 2021-22 of \$6-7 million and will seek to continue to decrease size of TRAN as General Fund reserves increase. <b>Estimated completion: July 2021, and ongoing. Responsible staff: Finance Department/City Management.</b></li> <li>• City management and Finance staff have implemented stricter policies for staff to monitor revenues and expenditures and will continue to report monthly to City Council on budget performance. <b>Completed. (See Attachment)</b></li> </ul>



		<ul style="list-style-type: none"> <li>Funding from the American Rescue Plan Act (pending regulations) will be used to backfill lost revenues and replenish General Fund reserves. Funding of \$4.8 million is expected to be received over a 2 year period. <b>Estimated completion: July 2021/July 2022. Responsible staff: City Management/Finance Department.</b></li> </ul>
<p>2. To ensure that its rising pension costs do not jeopardize the City’s ability to provide services to its residents or contribute to potential insolvency, El Cerrito should identify and use alternative methods of paying for the obligation, such as establishing a trust funded by the City or through employee contributions that invests amounts that can be used to pay for future pension benefits and reduce future pension costs</p>	<p><b>The Administration Agrees with this Recommendation</b> – As a first step, the Administration has been focused building its reserve levels. Establishing a Section 115 Trust would be an extension of those efforts. The Administration intends to work with the City Council to recommend establishing a Section 115 Trust or consider other methods to fund CalPERS obligations.</p>	<ul style="list-style-type: none"> <li>City staff is exploring the establishment of a Section 115 Trust, including the research of vendors and recommended funding policy for the City Council’s consideration (note: American Rescue Plan Act funding is prohibited from being spent on pensions). <b>Expected completion: FY 2022-23. Responsible staff: City Management/Finance Department/Human Resources.</b></li> <li>City Management will also explore working with employees, including speaking with all bargaining units, to discuss/negotiate increased contributions to CalPERS. <b>Estimated completion: to be determined. Responsible staff: City Management/Human Resources.</b></li> </ul>
<p>3. To ensure that its policy of allowing individuals to remain as members of City-sponsored health care plans upon retirement does not result in additional costs for the City, El Cerrito should calculate the subsidy it provides to those retirees and charge them for the difference in cost resulting from their inclusion in the health care pool</p>	<p><b>The Administration Agrees with this Recommendation</b> – The Administration intends to work with its benefits broker to determine the cost of the implicit subsidy that is provided to retirees by allowing them to stay on the City’s plan (at the retiree’s cost), and work with the City Council on implementing this subsidy fee to those respective retirees.</p>	<ul style="list-style-type: none"> <li>City staff is working with the City’s benefits broker on these costs and will work to implement fees. <b>Estimated completion: FY 2021-22. Responsible staff: Human Resources/City Management.</b></li> </ul>



**High Risk Issue # 2  
Budget Development and Monitoring**

Overview: The City is committed to continuous improvement in implementing policies and procedures that conform with best practices in local government, and to provide information to the City Council and the community in order to make informed and educated decisions.

<b>High Risk Area #2 - State Auditor Recommendations</b>	<b>Response</b>	<b>Corrective Action</b>
<p>1. El Cerrito should adopt GFOA budgeting best practices that specifically include the following:</p> <ul style="list-style-type: none"> <li>○ Using historical trends and analysis as the basis for financial projections.</li> <li>○ Expanding its monthly revenue and expenditure budget updates to include comparisons to actual results to minimize overspending</li> <li>○ Establishing procedures to prevent, detect, and correct deviations from adopted budgets during the fiscal year to ensure that departments do not significantly overspend.</li> </ul>	<p><b>The Administration Agrees with this Recommendation</b> – The Administration believes in continuous improvement. The Administration is committed to implementing procedures that hold departments accountable in keeping with best practices.</p> <p>The Administration does adhere to GFOA Budgeting Best Practices (such as using historical trends analysis as the basis for projections, monthly updates do include comparison to actuals) and has consistently been awarded the GFOA Distinguished Budget Presentation Award.</p>	<ul style="list-style-type: none"> <li>• The City is following GFOA best practices to use historical trends and analysis as the basis for financial projections. Current pandemic conditions continue to provide uncertainty within the projections, however staff has worked with our tax consultants and department directors to provide the most up-to-date estimates possible for the FY 2021-22 budget process. City Council was presented with five-year budget projections in March 2021 and staff will continue to update projections as the pandemic subsides. <b>In progress, estimated completion June 2021/ongoing. Responsible staff: Finance Department/City Management.</b></li> <li>• The City will improve monthly reporting to City Council to include department updates and trends. Estimated completion: <b>July 2021. Responsible staff: Finance Department/City Management.</b></li> <li>• City Management and the Finance Director have implemented stricter policies for department staff to monitor revenues and expenditures. <b>Completed. (See Attachment)</b></li> </ul>
<p>2. To ensure accountability in the budget development process, city management should document the assumptions and data used to</p>	<p><b>The Administration Agrees with this Recommendation</b> – The Administration plans to provide documentation of assumptions and data for Department</p>	<ul style="list-style-type: none"> <li>• City Management and the Finance Director have implemented procedures to document assumptions and data for each department’s projections for the FY</li> </ul>



<p>develop each department’s projections of financial activity for the fiscal year. This information should be made available to the city council during the budget review and approval process.</p>	<p>projections to the City Council. Each Department will continue to be required to submit assumptions with revenue and expense projections as appropriate.</p>	<p>2021-22 budget process. <b>In progress, estimated completion June 2021. Responsible staff: City Management/Finance.</b></p> <ul style="list-style-type: none"> <li>Departments will present proposed budgets to City Council for FY 2021-22 budget process. <b>Estimated completion: June 2021. Responsible staff: Department Directors/City Management.</b></li> </ul>
<p>3. To ensure accountability in monitoring the budget, city management should present monthly updates to the city council on the current status of departmental budgets and comparisons to prior year budgeted and actual amounts. City management should promptly seek approval of proposed budget adjustments by department when warranted. City management should also prepare and provide supporting documentation to justify any budget increases.</p>	<p><b>The Administration Agrees with this Recommendation</b> – The Administration will consult with the Financial Advisory Board (FAB) to review the City’s current Comprehensive Financial Policy, which calls for budgeting by Fund, to consider the impacts of budgeting by Department. If the FAB recommends and the City Council approves this policy change, the information provided to the City Council will provide justification by Department (including revenues, expenditures, and adjustments).</p>	<ul style="list-style-type: none"> <li>City Management and Finance are improving monthly reporting to City Council to include department updates and trends. <b>Estimated completion: July 2021. Responsible staff: City Management/Finance Department.</b></li> <li>City staff will research financial policies and work with the Financial Advisory Board and City Council to determine any recommended updates to the policy that would change from the current policy of budgeting by fund. <b>Estimated completion: FY 2021-22. Responsible staff: Finance Department/City Management.</b></li> </ul>
<p>4. To ensure that it fulfills its duty to guard the fiscal health of the city, the city council should direct staff to provide the information described above and regularly review such documents.</p>	<p><b>The Administration Agrees with this Recommendation</b> – The City Council has directed staff to provide monthly financial reports, and this has been done since mid-2020. The Administration is committed to continuing this practice that includes the recommendations from the State Auditor that are contained in this risk area.</p>	<ul style="list-style-type: none"> <li>The City provides a monthly General Fund report to the City Council and is working to improve this monthly reporting to include department updates and trends. <b>Estimated completion: July 2021. Responsible staff: Finance Department/City Management.</b></li> </ul>
<p>5. To ensure that departments do not exceed their budgeted spending authority, the city should establish and enforce safeguards within its financial system that prevent expenditure from being</p>	<p><b>The Administration Agrees with this Recommendation</b> -- The current financial policy and the adopted budget gives the City spending authority at the fund level, which permits departments to balance funding</p>	<ul style="list-style-type: none"> <li>City Management and the Finance Director have implemented stricter policies for departments to monitor revenues and expenditures and hold staff accountable. Finance staff have been directed to return payment requests to departments not in</li> </ul>



<p>incurred without appropriate budget authorization.</p>	<p>needs with available budgeted funds within the line-item budget. In the short term, the Administration will hold departments accountable to prevent the total departmental budget being exceeded. In the long term, departments will continue to be required to analyze their line item budgets to ensure there are adequate funds before submitting payment requests to Finance, and/or submit a budget transfer request to Finance moving funds where available to cover the expense</p>	<p>compliance and report discrepancies to the Finance Director. Departments are being monitored by City Management to ensure appropriate spending within departments as well as compliance with the current financial policy to ensure spending authority by fund is not exceeded. <b>Completed. (See Attachment)</b></p>
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<p align="center"><b>High Risk Issue # 3 Fiscal Recovery Plan</b></p>		
<p>Overview: The City will develop and implement a Fiscal Recovery Plan that will focus on financial sustainability and accountability.</p>		
<p><b>High Risk Area #3 - State Auditor Recommendations</b></p>	<p><b>Response</b></p>	
<p>1. To ensure accountability in its fiscal recovery process, El Cerrito should develop and adopt a financial recovery plan by July 2021 that describes its goals and intended corrective actions, prioritizes its resources, identifies individuals responsible for monitoring its progress in implementing each action, and outlines when it anticipates completing key milestones related to each action. City management should also inform the city council quarterly of its progress in implementing the plan.</p>	<p><b>The Administration Agrees with this Recommendation</b> – The Administration will expand upon the City’s existing Fiscal Response Plan to include the State Auditor’s recommended additions. This will be a living document that will continue to serve as the City’s roadmap to financial stability in FY 2025-26. The City Council will be informed quarterly on implementation progress.</p>	<ul style="list-style-type: none"> <li>• City staff is working with local government consultant Management Partners on a process to develop a Fiscal Recovery Plan that will focus on financial sustainability and accountability as recommended. A public workshop is scheduled for May 8, 2021. <b>Estimated completion: Summer 2021. Responsible staff: City Management.</b></li> </ul>



**High Risk Issue # 4  
Reducing Costs**

Overview: The City will work to ensure that expenses, particularly in personnel, are at appropriate levels within the City's resources while allowing the City to recruit and retain a talented staff to provide services. City management will work with all bargaining units to ensure fair and reasonable compensation that is consistent with ensuring the financial sustainability of the City.

<b>High Risk Area #4 - State Auditor Recommendations</b>	<b>Response</b>	<b>Corrective Action</b>
<p>1. To identify potential savings and efficiencies, El Cerrito should perform the following tasks:</p> <ul style="list-style-type: none"> <li>○ By September 2021, conduct an analysis of the organizational structure of the city and assess the functions it needs to achieve its goals</li> <li>○ Based on the results of the organizational structure study, conduct an analysis of the duties and responsibilities assigned to each of the city's current staff positions to identify any overlapping areas of responsibility and inefficiencies.</li> <li>○ Using the results of its organizational structure study and its analysis of duties and responsibilities, conduct a compensation study by comparing total compensation for its staff positions with compensation paid by other cities. Based on the results of this study, implement personnel and salary changes that would result in ongoing cost reductions</li> </ul>	<p><b>The Administration Agrees with this Recommendation -</b> A comprehensive study of the City's classification and compensation structure (including total compensation – not just base salaries) would be beneficial to the City. However, costs are expected to exceed \$100,000. If the City Council directed the Administration to allocate funding for a comprehensive classification and compensation study, staff believes this cannot be completed by September 2021. A study of this magnitude must be completed by an industry expert. A Request for Qualifications (RFQ) would have to be developed, issued and a subsequent selection process would follow. In addition, the consultant's work would take several months of extensive research of comparing classifications and the intricacies of total compensation before the City would be provided with preliminary findings.</p>	<ul style="list-style-type: none"> <li>● Because of limited staff resources and funding, plans to issue an RFQ/RFP will be delayed until at least the end of calendar year 2021. Based on the cost, staff will then determine with the City Council if funding is available, if budget amendments would be necessary to fund the study, or if the study should wait until the following fiscal year. It is not likely that this study will be completed in FY 2021-22. <b>Estimated completion: FY 2022-23.</b> <b>Responsible staff: Human Resources/City Management.</b></li> </ul>



<p>2. To better control its salary costs, El Cerrito should end its practice of providing city management authority to pay certain employees over the threshold established in its salary ranges</p>	<p><b>The Administration Agrees with this Recommendation</b> - The Administration would study management compensation as part of the classification and compensation study recommended by the State Auditor.</p> <p>In 2020, the Administration suspended this practice for Management &amp; Confidential employees and will consider eliminating this when the Management &amp; Confidential Resolution is updated this fiscal year. However, this practice was not suspended for members of the Public Safety Management Association (PSMA) as they are a bargaining unit, therefore, the City would have to engage in a meet and confer to discuss the possibility. The Administration cannot unilaterally impose the elimination of this practice to the PSMA.</p>	<ul style="list-style-type: none"> <li>• This practice has been suspended for the Management and Confidential group, with a permanent change to be considered pending the completion of a classification/compensation study. This study may also be used as a basis for discussions on compensation during future negotiations with the PSMA . <b>Estimated completion: FY 2022-23. Responsible staff: Human Resources/City Management.</b></li> </ul>
<p>3. Based on the results of its comprehensive analysis, El Cerrito should do the following:</p> <ul style="list-style-type: none"> <li>○ Freeze salary increases for management with salaries above those of comparable cities until they are in line with those salaries. For positions with salaries above those of comparable cities that are represented by bargaining units, the City should not agree to additional salary</li> </ul>	<p><b>The Administration Partially Agrees with this Recommendation</b> – The Administration would study management compensation as part of the classification and compensation study recommended by the State Auditor.</p> <p>The Administration has already taken action to freeze salaries, as no unrepresented employees have received merit increases this fiscal year and received no COLAs. In addition, the</p>	<ul style="list-style-type: none"> <li>• The City has frozen salary increases for Management/Confidential; PSMA’s salaries have also remained the same as they agreed to defer their COLAs for FY 2020-21. The City intends to continue freezing salary increases for Management/Confidential through FY 2021-22. The City has reached out to PSMA to open lines of communication regarding their closed contract. <b>Completed.</b></li> <li>• Staff will consider conducting updated salary/benefits surveys for positions within the Management group to confirm that compensation is within the market of comparable</li> </ul>





<p>increases until those positions' salaries are in line with salaries in comparable cities</p> <ul style="list-style-type: none"> <li>○ Seek to eliminate or consolidate positions that have overlapping responsibilities</li> </ul>	<p>Administration imposed 26 non-paid furlough days (roughly a 10% reduction in pay) for FY 2020-21 for unrepresented Management employees.</p>	<p>cities/agencies; however due to limited staff resources this will likely not take place until at least the end of calendar year 2021. <b>Estimated completion: FY 2021-22.</b></p>
<p>4. To reduce its fire department's costs, El Cerrito should develop a timeline by July 2021 for controlling the department's personnel expenditures, such as through negotiated salary reductions or freezes.</p>	<p><b>The Administration Partially Agrees with this Recommendation</b> – The Administration continues to look into personnel cost reduction options Citywide, however, the Administration has no ability to impose salary reductions or freezes on the two bargaining groups that represent sworn members of the Fire Department. Any proposals from the Administration are subject to meet and confer and there is no obligation from the labor groups to accept. In 2020, the Administration negotiated an elimination of a 3% COLA set to take place in July 2020. In addition, the City filled three long-standing vacancies to reduce the amount of overtime in the Fire Department.</p>	<ul style="list-style-type: none"> <li>• The City has opened lines of communication with the bargaining units that represent Fire Department employees to discuss the City's current financial situation and this recommendation; however, the bargaining units are under no obligation to do so as they currently have closed contracts. <b>Estimated completion: unknown. Responsible staff: Human Resources/City Management.</b></li> </ul>
<p>5. To reduce its police department's costs, El Cerrito should perform the following by December 2021:</p> <ul style="list-style-type: none"> <li>○ Assess the services provided by the police department to identify opportunities to reduce its staffing levels</li> <li>○ Negotiate with its police union to increase the overtime threshold for</li> </ul>	<p><b>The Administration Partially Agrees with this Recommendation</b> – The Administration continues to look into personnel cost reduction options Citywide, however, the Administration has no ability to impose salary reductions or freezes on the two bargaining groups that represent sworn members of the Police</p>	<ul style="list-style-type: none"> <li>• The City has opened lines of communication with the bargaining units that represent Police Department employees to discuss the City's current financial situation and this recommendation; however, the bargaining units are under no obligation to do so as they currently have closed contracts. <b>Estimated completion: unknown. Responsible staff: Human Resources/City Management.</b></li> </ul>



<p>sworn officers to 86 hours over 14 days to 80 hours over 14 days.</p>	<p>Department. Any proposals from the Administration (including those regarding overtime) are subject to meet and confer and there is no obligation from the labor groups to accept. In 2020, the Administration negotiated an elimination of a 3% COLA set to take place in January 2020 and another 3% COLA set to take place in January 2021. In addition, the Police Chief has conducted several assessments and implemented a restructuring of the Police Department in order to achieve cost savings while still maintaining critical public safety service within the community.</p>	
<p>6. To identify all available options to reduce its costs for its fire and police services, El Cerrito should perform an analysis by December 2021 to determine whether it would be more cost-effective to contract with nearby fire or police departments for services.</p>	<p><b>The Administration Does Not Agree with this Recommendation</b> – The Administration would study public safety personnel costs as part of the classification and compensation study recommended by the State Auditor. Per conversations with the State Auditor, the intent of this recommendation was for the City to “receive a cost estimate.” However, the Administration believes that it is professionally necessary that this analysis of this magnitude must be a comprehensive study completed by an industry expert(s) to extensively evaluate the detailed service delivery impacts in contemplating an outsourcing of both of the</p>	<ul style="list-style-type: none"> <li>• City Management will discuss this recommendation with the City Council and the community to determine if exploring a contractual relationship with other agencies is desired. <b>Estimated completion: June 2021. Responsible staff: City Management.</b></li> </ul>



	<p>City's Public Safety Departments. There would be significant impacts to current sworn employees that would have to be extensively evaluated. The amount of work necessary plus the costs involved to complete such an analysis is not realistic by December 2021. After the City Council is informed by the classification and compensation study, the City Council can determine if this is an area they would like the Administration to study, and allocate the appropriate resources to complete.</p>	
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**High Risk Issue # 5  
Increasing Revenues**

Overview: The City continues to explore all opportunities for increasing revenues through various fees within all departments, in addition to the recommendations listed. The Master Fee Schedule for FY 2021-22 is currently being developed for City Council approval in May 2021, where increases will be reviewed and considered. City staff also continuously seeks and utilizes grant opportunities to supplement revenues.

<b>High Risk Area #5 State Auditor Recommendations</b>	<b>Response</b>	<b>Corrective Action</b>
<p>1. To more fully recover costs at its swim center after the pandemic, the city should perform the following:</p> <ul style="list-style-type: none"> <li>○ Conduct an analysis to identify the demand for the swim center under normal conditions at different times – including holidays, weekends, and when the public has restricted access to neighboring swim centers – and</li> </ul>	<p><b>The Administration Agrees with this Recommendation</b> – The Administration plans to conduct an analysis during normal conditions (not during the current pandemic). The Administration has concerns over the potential disproportionate accessibility impacts to minority and low-income communities as a result of further increasing swim center fees.</p>	<ul style="list-style-type: none"> <li>● Staff will conduct an analysis on swim center demand and cost recovery once normal operations resume and a typical season can be conducted. Since the pandemic is ongoing, the date of completion cannot be estimated at this time. <b>Estimated completion: to be determined. Responsible staff: Recreation Department.</b></li> </ul>



<p>determine whether increasing single-use fees during these hours could better cover the costs of operating the swim center</p> <ul style="list-style-type: none"> <li>○ Establish separate single-use fees in its master fee schedule for nonresidents at the swim center, in order to increase revenue</li> </ul>		
<p>2. To more fully recover costs for its senior services, the city should do the following:</p> <ul style="list-style-type: none"> <li>○ By August 2021, assess free and low-fee senior activities and prepare an analysis for the city council that includes a plan for recovering the full cost of these activities</li> <li>○ Continue to seek opportunities to sublease its modular buildings and move senior activities to the city-owned community center or clubhouses</li> </ul>	<p><b>The Administration Agrees with this Recommendation</b> – The Administration plans to conduct an analysis during normal conditions (not during the current pandemic) to appropriately understand the current demand for service. Senior Services have been closed for the past year and will not likely be reopened before August. The Administration has racial equity concerns that increasing fees for Senior Services could have serious implications for the City’s most vulnerable residents, most of whom are on fixed incomes. The Administration also agrees with the State Auditor’s recommendation regarding subleasing its costly modular buildings and moving senior activities to city-owned spaces.</p>	<ul style="list-style-type: none"> <li>• Staff will conduct an analysis on demand for senior services once normal operations resume and a typical operation can be conducted. Since the pandemic is ongoing, the date of completion cannot be estimated at this time. <b>Estimated completion: to be determined. Responsible staff: Recreation Department.</b></li> <li>• Staff continues to explore subleasing the modular buildings, though due to the pandemic and lack of interest, it is more likely that the buildings will be removed once the lease expires. <b>Estimated completion: FY 2022-23. Responsible staff: Recreation Department/City Management.</b></li> </ul>
<p>3. To more fully recover the costs of the emergency medical services it provides, El Cerrito should conduct an analysis by July 2021 to identify the cost to the city of providing such services. Using this analysis, El Cerrito should consider the following:</p>	<p><b>The Administration Agrees with this Recommendation</b> – The Administration has completed a preliminary investigation on this issue and will provide this information in written form to the City Council. The City can conduct a more robust and finalized analysis if directed by the City Council.</p>	<ul style="list-style-type: none"> <li>• Staff will provide information to the City Council regarding increasing emergency fees and upon direction will initiate further analysis. <b>Estimated completion: Summer 2021. Responsible staff: Fire Department/City Management.</b></li> </ul>



<ul style="list-style-type: none"><li>○ Determine whether it can renegotiate its contract with Contra Costa County</li><li>○ Determine whether charging fees for its services would be cost-effective considering any additional administrative costs it may incur</li><li>○ Pursue other options to generate revenue</li></ul>	<p>Regarding additional revenue opportunities, the Administration is currently developing an analysis reviewing various Fire Department fees to determine if fees align with actual costs. Recommendations will be brought forward to the City Council as a part of the budget process.</p>	
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