

CITY OF
OAKLAND

Oakland Police Department FY 2025-27 Budget

Floyd Mitchell, Chief of Police
May 28, 2025
Budget Hearing Presentation



Approach and Prioritization

- Continue efforts to reduce crime to improve public safety.
- Maintain community trust.
- Attempt to sustain compliance with the Negotiated Settlement Agreement (NSA).
- Prepare for the future of police service delivery.

Service Impacts

Sworn Personnel – FY 2025-27 Proposed Budget:

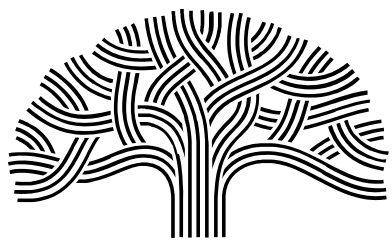
Under the Mayor's Proposed Budget for FY 2025-27, the total number of sworn personnel remains at 678 positions, consistent with the FY 2024-25 Adopted Budget. However, internal adjustments were made within the sworn classifications. To comply with federal court requirements, OPD established an additional Deputy Chief position to oversee the Internal Affairs Bureau and reduced the number of Captain positions by one to support its creation. Please note that the proposed budget does not comply with Measure NN requirements, which mandate that OPD maintain a sworn staffing level of at least 700 personnel.

Professional Staff – FY 2025-27 Proposed Budget Position Reductions:

At the beginning of FY 2024-25, OPD was allocated funding for 306.5 professional staff positions, totaling \$56,956,937. However, as of March 21, 2025, 241 positions were filled. Under the Mayor's Proposed Budget for FY 2025-26, funding is allocated for 266.5 positions, totaling \$48,645,798, representing a 13% reduction from the previous FY, which includes 41 frozen positions. For FY 2026-27, the proposed budget increases funding to 271.5 positions for a total of \$49,293,125, unfreezing five positions while continuing to freeze 36. Please note that these reductions will have significant repercussions for both the Department and the community, substantially impacting the range of services the Department is able to provide.

Service Impacts (continued)

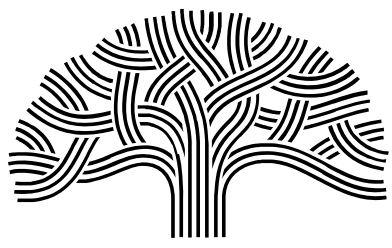
- **Overtime Reductions:** A 25% reduction from the FY 2024-25 allocation of \$44,638,900 would yield savings of \$11,071,614, bringing the FY 2025-26 total allocation to \$33,567,286. However, this reduction would limit funding to only support backfill, extension of shift, and reimbursable overtime for third-party special events, which would be directed back into the General Purpose Fund (GPF). This would directly impact officers' ability to respond to calls for service, increasing risks to public safety. Additionally, citywide special operations, including burglary, robbery, and vice suppression details, would be significantly curtailed or eliminated, further compromising community safety. Thirty-day crime plans, sideshow enforcement, and encampment responses would also be adversely impacted. In FY 2026-27, an increase of \$4,639,386 is anticipated to accommodate sworn personnel raises, resulting in a total allocation of \$38,206,672.
- **Operations and Maintenance (O&M):** A 57% increase from the FY 2024-25 allocation, totaling \$33,685,543, is necessary to address ongoing inflationary costs to ensure the Department can continue to provide critical operational supplies, personnel training, and fulfill contractual obligations with external vendors. Additionally, the proposed funding includes an allocation for three police academies. The total proposed increase across all funds amounts to \$12,291,769.
- **Police Academies (Restored):** The proposed budget funds three Police Academies in FY 2025-26, with the first academy funded for 20 Police Officer Trainees (POTs) and the remaining academies funded for 35 POTs. Three police academies are planned for FY 2026-27.



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Department of Violence Prevention

FY2025-27 Budget

Holly Joshi, Chief of Violence Prevention
May 28, 2025
Budget Hearing Presentation



Approach and Prioritization

The DVP's approach to the budget centered the Department's City Charter mandates. They direct the DVP to reduce homicides and shootings, incidents of gender-based violence, and address trauma associated with those forms of violence

To this end we prioritized:

- The **Ceasefire** Strategy- movement toward full implementation of this research based, data-driven focused deterrence strategy.
 - Life coaches
 - Violence Interrupters
 - Client Incentives and Supports
- Continuing an investment in the important **non-profit services** working directly with Oakland's high-risk, vulnerable populations (as required by Measure NN legislation).
 - Group violence
 - GBV-intimate partner violence and commercial sexual exploitation
 - Healing supports

Service Impacts

GENDER-BASED VIOLENCE

- > **Employment is decreasing from \$175K to \$0.**
 - 30 fewer people served by employment services.
- > **Healing is decreasing from \$1.15 million to \$945K**
 - 325 fewer support groups held for girls at Skyline, Tech, and West Oakland Middle School; 30 fewer children aged 0-5 served by therapy for survivors of domestic violence.
 - *Note: Beginning next school year, Skyline and Tech will have the School VIP Program on campus, which includes a GBV specialist.*
- > **Legal services are decreasing from \$650K to \$530K**
 - 100 fewer individuals provided with legal services.
- > **Transitional housing is decreasing from \$300k to \$150k while emergency housing is increasing from \$800K to \$850K.**
 - 15 fewer survivors served by transitional housing while 15 more survivors will be served by emergency shelter.
- > **Hotline services are decreasing from \$200K to \$100K**
 - 125 fewer hotline calls answered, and survivors supported with safety planning and service referrals.

GROUP VIOLENCE

- > **Employment is decreasing from \$750K to \$700K.**
 - 8 fewer people served by employment services.
- > **Family support is decreasing from \$905K to \$835K while healing supports is increasing from \$370K to \$640K**
 - 90 fewer neighborhood healing events hosted while 175 individuals at the center of group violence will now receive therapy.
- > **Violence interruption services are decreasing from \$1.8M to \$1.65M**
 - 1 fewer violence interrupter funded, and 50 fewer violence interruption conversations held.

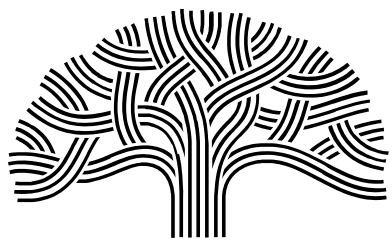
SCHOOL VIP PROGRAM

- > **Restorative justice services are decreasing from \$350K to \$0.**
 - 100 fewer healing/support groups held for students at Castlemont and Rudsdale.

Additional Context

In the coming year, we will hold ourselves and our non-profit partners to high standards, prioritizing our responsibilities to be reliable stewards of public dollars and dependable public safety partners working to reduce crime and increase safety through:

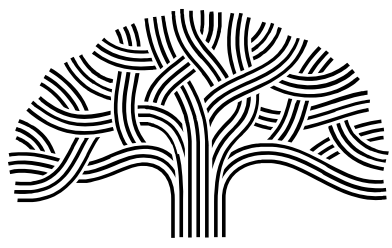
- Ensuring services are focused on individuals at highest risk for group/gun violence, intimate partner violence, and commercial sexual exploitation in Oakland.
- Realigning services with evidence-based models and promising practices.
- Initiating independent evaluations of the Ceasefire strategy (implementation, progress, and outcomes).
- Expanding our capacity to assess participant experience and transformation.
- Enhancing the City's ability to evaluate the impact of Measure-NN-funded services.
- Improving fiscal accountability practices for all contracted agencies through audits, clarified indirect cost rates, and standardized fiscal sponsorship fees.



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Oakland Fire Department

FY2025-27 Budget

Chief Damon Covington, Fire Department
May 28, 2025
Budget Hearing Presentation



Approach and Prioritization

- **Opportunity for position right-sizing throughout the department**
 - Each division reviewed vacancies for conversion into the positions needed going forward, in this new economic climate/reality
- **Evaluated expenses for fund shifts where appropriate**
- **Continuing to provide services, even if reduced due to staffing challenges**
 - Medical Services, Emergency Management Services, Fire Prevention
- **Defer major purchases (Apparatus)**
 - Fire has an aging fleet with significant apparatus replacement needs. A consistent budget over multiple years vs uneven large sum budgeting would allow for more effective fleet replacement.
- **Reviewing civilian positions (freezing, add/deletions)**
- **Final Resort: Evaluate Brownouts**
 - Fire initially presented a budget proposal with 3 brownouts continuing into FY 26 and FY 27 to try to meet initial department targets for GPF 1010 allocations
 - Currently, 1 brownout is proposed.
 - While 1 is 1 too many, OFD appreciates the Mayor and Councils prioritization of the safety of the Oakland community

Service Impacts

- Any Brownouts are a reduction in community safety
- Uncertain funding for major apparatus replacement
- **Civilian positions frozen/deleted - Not eliminating any services – but impacted**
 - FASD
 - Fire Prevention
 - Admin staff cuts impact plan check review, inspection turnarounds
 - MACRO – not maximizing approved positions will mean less outreach, intervention, outcomes. Balancing vacancies against remaining grant funds and reducing need for GPF 1010 additional support.
 - Emergency Management Services
 - Outreach, training, emergency response (EMSD)
- **Fire Payroll Resources**
- **Critical to be able to Hire Budgeted Vacancies**

Additional Consideration

Minimum Staffing & SAFER

- Current Operational Sworn FTE (Filled): 432
- SAFER Requirement for minimum staffing: 477
 - Fall Academy hope to yield 30-35 new Firefighters
- Measure NN Requirement for minimum staffing: 480

Measure MM

- Fire or OPW lead/budget allocation decision (only \$100k to Fire for outreach in proposed)

Measure NN (former Z)

- Elevated Funding will support:
 - Safety Equipment Needs: Turnouts & Helmets with new safety technology
 - EKG/Defibrillator & Lucas Machines Replacement

Additional Consideration

Payroll Support and Clarity on Centralization

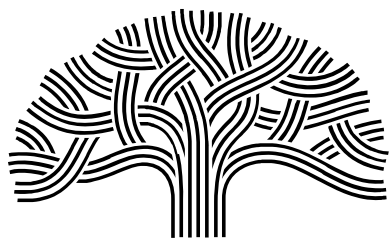
- Fire needs at least one more full-time payroll clerk assigned. An Account Clerk III vacancy in Fire FASD was proposed to be deleted in exchange for an additional Payroll Clerk position in Finance/Payroll. The New Payroll Clerk III position added to Finance/Payroll's position count is critical to be allocated to Fire Payroll and to keep in the budget.

MACRO

- State Grant funding (funds most positions) will be exhausted end of Q3 FY2026.
- GPF 1010 is proposed to pick up through FY 2027
- New grant opportunities are being pursued to continue MACRO

Fleet Needs

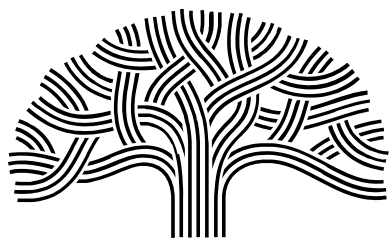
- OFD has ongoing unfunded needs to replace a very aging fleet.
- \$5.0M is budgeted in each of FY 25-26 and FY 26-27 for Public Safety Vehicles.
- \$2.5M/yr over next 4 years would allow OFD to order 3 Trucks and 3 engines



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Office of the Inspector General

FY 2025-27 Budget

Zurvohn A. Maloof, Inspector General
May 28, 2025
Budget Hearing Presentation

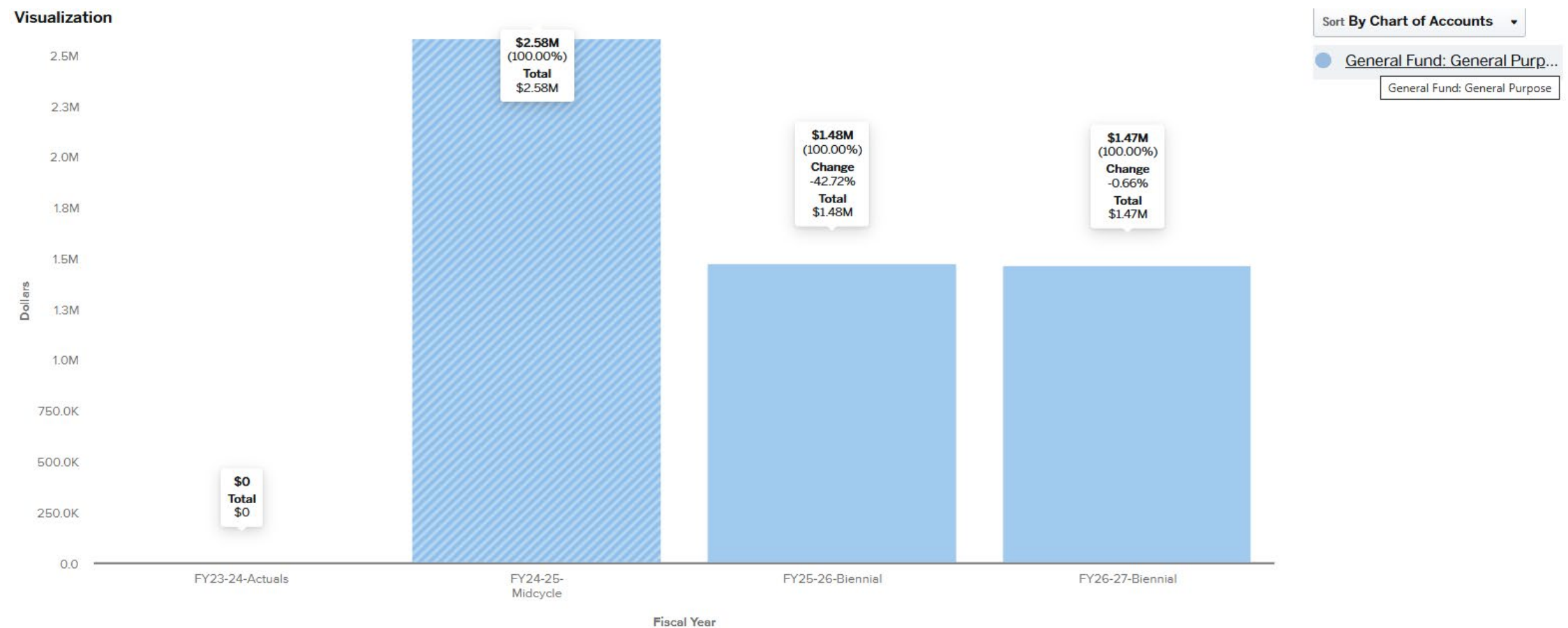


Approach and Prioritization

- The OIG suggested the two (2) Program & Performance Auditor positions get frozen in exchange for a two-year contract of \$245,000 for a qualified auditing firm.
- The Office of Inspector General (OIG) did not prioritize or suggest the pending proposed budget reductions to Freeze four (4) FTEs from the OIG:

- Policy Analyst
- Program & Performance Audit Manager
- Program & Performance Auditor
- Program & Performance Auditor

- ❖ FY 25-27 = \$1.1M (43%) in reduction
- ❖ \$2,582,057 to \$1,477,680
 - One of the most significant department cuts
 - Other departments faced cuts of less than 30%



Data

	FY23-24-Actuals	FY24-25-Midcycle	FY25-26-Biennial	FY26-27-Biennial
General Fund: General Purpose	\$ 0	\$ 2,582,075	\$ 1,478,906	\$ 1,469,118
Total	\$ 0	\$ 2,582,075	\$ 1,478,906	\$ 1,469,118

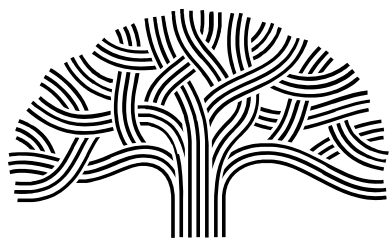
Service Impacts

Reducing the OIG budget by 43% including freezing four (4) positions would have significant service impacts, particularly on police oversight, accountability, and public safety in Oakland. Here's how the cuts would affect operations:

- 1. Reduction in Policy Reviews:** The OIG has provided 10 reports with 33 policy recommendations. Deleting the policy analyst position will significantly limit the OIG's capacity to provide critical policy recommendations that improve **public safety** and police operations.
- 2. Weakened Police Oversight & Accountability:** Limiting the OIG's capabilities can have a disproportionate effect on marginalized communities who have historically been subject to OPD's ineffective policies, practices, and procedures.
- 3. Delay the Continuation of Audits:** The entire audit staff of the OIG was frozen in 2024. The proposed budget offers two years of contracting with an auditing firm. Once the proposed contract ends, a deletion (rather than freezing) in the auditing staff will delay hiring staff and the continuation of audits.

Consequences to proposed budget changes:

- **Hinders Ability to Address Systemic Issues:** The OIG is the only City department that is authorized to conduct performance audits of OPD policies, practices, and procedures and make recommendations that address systemic issues.
- **Limits Assessments of OPD's compliance with the Negotiated Settlement Agreement (NSA):** A lack of resources will limit the OIG's abilities to monitor OPD's compliance with policy reforms and make recommendations that improve public safety and police operations.
- **Hinders Long-term Accountability:** While the Independent Monitoring Team (IMT) transitions out of Oakland, the OIG's role in auditing and evaluating OPD policies is essential for long-term accountability and sustainability.
- **Reduced Public Trust & Transparency:** Measure S1 established the OIG to independently audit OPD. Current proposed reductions might hinder the OIG's ability to address systemic issues so that OPD operates fairly and transparently.
- **Slows Potential to Save Oakland Money with Continued Policy Reforms:** If policy reforms can result in a reduction in civil payouts, the OIG's continued recommendations for policy reform can support a reduction in civil lawsuits and potentially save the City of Oakland money.



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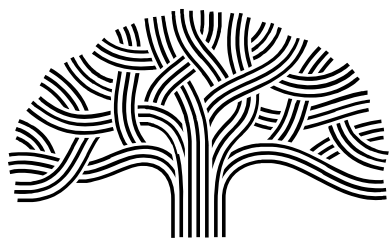
Thank you

Zurvohn A. Maloof, Inspector General

May 28, 2025

Budget Hearing Presentation





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Oakland Public Works

FY2025-27 Budget

Josh Rowan, Interim Public Works Director
May 28, 2025
Budget Hearing Presentation

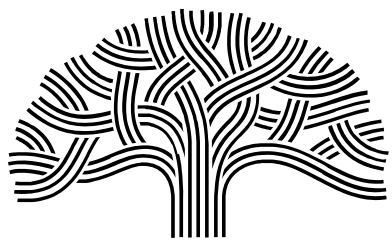


Approach and Prioritization

- Legal mandates
- Equity in service delivery
 - minimize disproportionate impacts on vulnerable and underserved populations
 - find operational efficiencies, e.g., illegal dumping
- Preserve and maintain as best as possible functions that are essential to overall City service delivery
- Continue delivering important capital projects via voter-approved Measures U/KK

Service Impacts

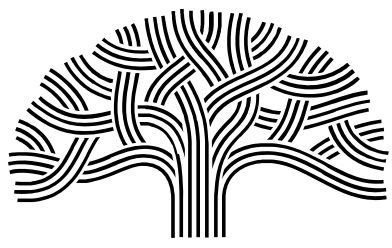
- All eliminated positions are vacant.
- O&M has been reduced to bare minimum.
- There are no redundancies and no cushion. No additional security, no special event setup and clean-up, etc.
- Tree services admin staff eliminated. Length of time to respond to tree removal permits will grow significantly, which will cause delays to building permits.
- Existing challenges continue, e.g., Equipment Services loses 7.0 FTE (all vacant) while the backlog of out-of-service vehicles grows... and outsourcing repairs is more expensive.
- **Find new approaches**



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Department of Transportation FY2025-27 Budget

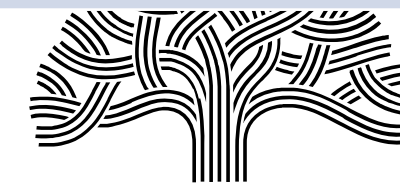
May 28, 2025
Budget Hearing Presentation



OakDOT Budget

Approximately \$111M annual operating budget

Source	Associated Funds	Annual Amount	Primary Uses
General Purpose Funds	1010, 1750	FY26 - \$33M FY27 - \$34M	On-street and off-street parking management and enforcement (revenue-generating)
Measure BB/VRF	2215, 2218, 2219	FY26 - \$33M FY27 - \$34M	Traffic safety, traffic operations, bicycle and pedestrian programs, abandoned auto removal
State Gas Tax	2230, 2232	\$23M	Pavement and sidewalk repair, streetlights
Development Services Fund	2415	\$14M	Permitting and inspection for private construction in the public ROW
Other special funds	2310, 2416, 2425	FY26 - \$8M FY27 - \$9M	Streetlighting, crossing guards, private sidewalk repair,



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Enhanced Parking Management

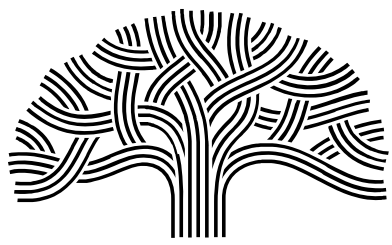
- Approx. **\$5M** in additional expenses to expand operations
 - Add 13 FTE Parking Control Technicians
 - 400 new parking meters and expanded meter operations
 - Unfreeze 2 FTE Parking Meter Repair Workers
- Use additional resources for revenue-generating activities
 - Fewer broken meters
 - Sunday parking meters (12pm-6pm)
 - Add parking enforcement graveyard and swing shifts
 - Increase parking fines consistent with inflation

Capital Budget

- **\$192M** total capital budget proposed, including **\$158M** of Measure U bonds
 - Citywide resurfacing (paving) - \$117M
 - Accessible sidewalks and curb ramps - \$23M
 - Complete Streets and grant matching - \$35M
 - Emergency repairs and bridges - \$7.5M
 - Bike, pedestrian and traffic safety - \$8M

Cost-Recovery Funds

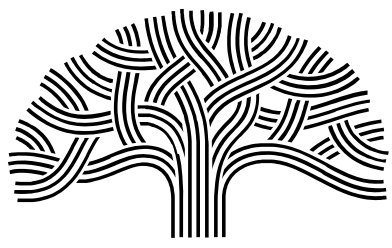
- *Development Services Fund (2415)*
 - Increase fees based on comprehensive fee study
 - Freeze targeted vacancies to reflect current permitting volume
- *Right-of-Way Repair and Maintenance Fund (2425)*
 - New fund to administer “Notice to Repair” sidewalk program
 - Anticipate need to scale-up program for ADA compliance
 - 13 FTE (new and existing) associated with fund



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Housing and Community Development

FY2025-27 Budget

Emily Weinstein, Director

May 28, 2025

Budget Hearing Presentation



Approach & Prioritization

STAFFING STRATEGY

- No Staffing Cuts:** No cuts to HCD's 73 existing filled positions.
 - Housing Development & Preservation: Maintain staff responsible for managing existing affordable housing projects under construction, loan closings of pipeline projects and asset management.
 - Generating Resources: Maintain staff dedicated to applying for resources and increasing funding sources for affordable housing development and preservation.
- 13.5 Frozen Positions:** Freezing 13.5 FTEs vacant positions will yield **\$3.4M of gross saving each year** but will result in lower service levels in RAP services, reliance on consultants, increases risks of non-compliance and longer administrative processes.
- Proposal maintains over **\$6M in Fund 1870** for staffing costs including executive leadership, HCD administration, housing development and preservation staff, RAP staff, etc.

Approach & Prioritization

PROGRAM STRATEGY

- RAP Fiscal Solvency:** Transfer 2.41 FTE / \$860+K of RAP staffing to Affordable Housing Trust Fund 1870 to maintain RAP's fiscal solvency.
- HUD/CDBG Compliance:** Proposal maintains staff that administer federal HUD grants and ensure compliance. Transfer 5.18 FTEs or \$1.35M of staffing for CDBG activities not-covered by HUD grant to Affordable Housing Trust Fund 1870 to maintain compliance with HUD CDBG grant.
- Funding for Homelessness Prevention & Eviction Defense:** Propose no capital funding from Affordable Housing Trust Fund 1870. Instead propose \$1.8+M and \$2.3M for targeted homelessness prevention and \$1.1+M and \$1.3M for eviction defense. This is prioritized as the most economical and evidenced based way to reduce homelessness.
- RLS Program Delivery Improvements:** Increase impact of residential lending services by freezing 3.5 FTE vacant positions and contracting program elements to outside contractor to serve low-income homeowners.
- Inclusion of \$180 M of Measure U Funds:** Original budget proposal did not include Measure U bond proceeds. Current budget includes \$100M in FY 25-26 and \$80M in FY 26-27. Budget proceeds will allow HCD to proceed with loan closings with new construction projects awarded through NC NOFA funds and the partnership with the Housing Accelerator Fund for preservation.

Service Impacts (1/2)

13.5 Frozen FTEs will result in the following service impacts:

RAP Service Reductions:

- Additional 36-48 hours of response time per inquiry for over 4,200 housing counseling inquiries received annually
- Approx. 320 fewer rent adjustment petitions responded to per year
- 84 fewer rent mediations settled per year
- Longer processing time for rent registry forms-includes phone and e-mail inquiries, workshops/seminars, filing on behalf of clients-in-need, and more
- Fewer tenant and property owner educational workshops offered

****MFS includes a proposal to increase RAP Fee (\$101/unit to \$137/unit) not reflected in budget proposal***

Service Impacts (2/2)

Housing Development, Preservation & Asset Management Service Reductions:

- Reduced capacity to underwrite or close construction for 15+ new affordable housing projects and manage project construction draws.
- Delay in implementing housing funding programs including predevelopment loan program, R2H2/homeless housing, and asset management funding.
- Increased risk of non-compliance with state and federal funds e.g. Homekey, HOME, IIGC, and more

•HCD Administrative Service Reductions:

- Decreased external communications
- Extended timelines to respond to Public Records Requests.
- Longer timelines for contract management and funding requests

•Residential Lending Increased Service Levels

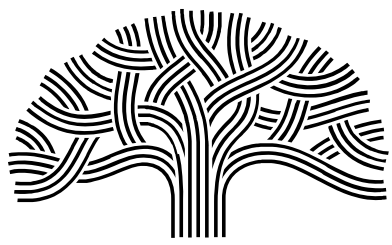
- Residential lending services (RLS) will contract elements of the low-income homeowner rehabilitation program to serve more households
- Allows HCD to maintain spending ratios for CDBG compliance.

Other

HCD Funding Highlights:

- HCD Funding does not include General Fund (Fund 1010)
- HCD Funding is primarily restricted to capital expenses
- CDBG Funds are restricted by service and administrative caps
- Fund 1870 pays for approx. \$6M-\$7M for staffing to maintain compliance with program restrictions and fiscal solvency across funds
- Proposal includes \$180M Measure U funds for capital investments in housing development and preservation over the next two fiscal years

Fund and Desc	Category	FY25-26	FY26-27
1870 - Affordable Housing Trust Fund	Budget CF - O&M	-1.00	
	ISF	1.07	1.07
	O&M	7.16	6.51
	Personnel & OH	7.14	6.82
	Utilities	.04	.04
1870 - Affordable Housing Trust Fund Total		14.41	14.43
1871 - Jobs Housing Impact Fee Fund	O&M	1.39	1.68
1871 - Jobs Housing Impact Fee Fund Total		1.39	1.68
1872 - Affordable Housing Impact Fee Fund	O&M	3.12	2.09
1872 - Affordable Housing Impact Fee Fund Total		3.12	2.09
2108 - HUD-CDBG	Budget CF - Per & OH	.00	.00
	O&M	3.14	3.16
	Personnel & OH	3.47	3.54
2108 - HUD-CDBG Total		6.61	6.70
2109 - HUD-Home	Budget CF - Per & OH	-.32	-.32
	O&M	2.87	2.87
	Personnel & OH	.65	.65
2109 - HUD-Home Total		3.19	3.20
2144 - California Housing and Community Development	Budget CF - Per & OH	-.20	-.20
	O&M	.00	.00
	Personnel & OH	.20	.20
2144 - California Housing and Community Development Total		.00	.00
2413 - Rent Adjustment Program Fund	Budget CF - O&M		
	ISF	.54	.53
	O&M	1.28	1.24
	Personnel & OH	5.88	5.85
	Utilities	.02	.02
2413 - Rent Adjustment Program Fund Total		7.72	7.64
2430 - Lead Settlement 2022	Budget CF - O&M	-.18	
	O&M	.18	
2430 - Lead Settlement 2022 Total		.00	
2826 - Mortgage Revenue	O&M	.03	.03
	Personnel & OH	.73	.73
	Utilities	.01	.01
2826 - Mortgage Revenue Total		.77	.77
2830 - Low and Moderate Income Housing Asset Fund	O&M	5.99	6.00
2830 - Low and Moderate Income Housing Asset Fund Total		5.99	6.00
5341 - Measure U: Affordable Housing GOB Series	Budget CF - Per & OH	-1.21	.00
	Personnel & OH	1.21	
5341 - Measure U: Affordable Housing GOB Series 2023A-2 (Taxable) Total		.00	.00
5343 - Measure U: Affordable Housing & Infrastructure	ISF		
	O&M	100.19	78.63
	Personnel & OH		1.37
5343 - Measure U: Affordable Housing & Infrastructure Series 2024B-2 GOB(Taxable) Total		100.19	80.00
Grand Total		143.40	122.51



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Human Services

FY 2025-27 Budget

LaTonda Simmons, Assistant City Administrator
Robin Love, Department Point of Contact
May 28, 2025
Budget Study Session Presentation



SERVING COMMUNITIES, SUPPORTING GENERATIONS



Division	Service/Function
Aging & Adult Services	Delivers services that support independence, safety, health, and active living for seniors. In conjunction with community partners, services include nutrition, care management, job training, volunteering, recreation and transportation assistance as well as community-based case management for low-income seniors focused on mental health, wellness support and healthcare enrollment assistance. Operates of 4 Senior Centers throughout Oakland. Staffs Mayor's Commission on Aging .
Alameda County-Oakland Community Action Partnership	Alleviating poverty and working toward institutional change to enhance the ability of low-income residents to achieve self-sufficiency in Oakland and throughout Alameda County (excluding the City of Berkeley). Priority focus areas are: family self-sufficiency, entrepreneurship/job training and employment placement, low income housing, community economic development, supportive services, civic engagement, advocacy, and capacity building. Staffs AC-OCAP Administering Board .
Children & Youth Services - OFCY	As the largest grant-funding program within the City, OFCY's funding for community-based programs and services provides critical support to Oakland's most vulnerable children, youth and families to support 4 goals: healthy development of young children, children's success in school from elementary to high school/post secondary student success, youth development & violence prevention and successful transitions to adulthood. Staffs Planning and Oversight Commission and Youth Advisory Commission .
Community Homelessness Services	Strengthens Oakland's homelessness safety net services and works with partners to provide housing services for homeless and at-risk populations. Services include: Emergency Housing Program, Winter Relief Program, Emergency Winter Shelter, Homeless Mobile Outreach Program, Housing Opportunities for Persons with AIDS (HOPWA), and more. Formerly Community Housing Services; liaises with MACRO program.
Early Childhood & Family Services	Head Start/Early Head Start is a free early childhood education program that promotes school readiness for children from birth to age five. Program also offers family services to low-income Oakland residents, including health Services; nutrition services & food distribution, disability Services and mobile classroom Intensive early childhood services. Staffs Advisory Board and Parent Policy Council .
ReCAST	Promotes resiliency, healing, belonging, joy, and equity for Oakland's high-risk youth and families, focusing on those most affected by the interrelated challenges of violence, civil unrest, and trauma, including trauma resulting from the disparate impact of the COVID-19 pandemic. This includes residents of low-income, high-stress neighborhoods in East and West Oakland; youth attending high-stress schools; victims of violence; African American youth and families; and Indigenous and other vulnerable populations of color. Expand the usage of trauma-informed practices and increase alignment of plans to promote trauma-informed systems across City agencies and local service provider networks.
HSD Administration	Provides executive support to all 6 HSD divisions; coordinates and monitors Department's legislative work; plans and executes special projects that extend beyond the scope of other HSD divisions; provides contract coordination and monitoring for the 6 HSD divisions, which includes 50% of all City grants; conducts all Department personnel and recruitment functions for 275+ employees; and monitors Department data collection and analysis.
HSD Fiscal & Budget	Manages HSD budget and fiscal functions, grant coordination and oversight for 55% of the City's grants, regulatory direction as well as monitoring and compliance advisory; and provides purchasing, accounts payable and accounts receivable services to all 6 HSD Divisions.

Approach, Prioritization, & Service Impacts



DIVISION	APPROACH & PRIORITIZATION	SERVICE IMPACTS
Aging & Adult Services (AAS)	<p>Approach: Focused on maintaining service continuity and minimizing the impact on staffing and critical services while seeking sustainable funding solutions.</p> <p>Prioritization</p> <ul style="list-style-type: none"> • Preservation of In-Person Assistance • Empowering Choice • Revenue Expansion 	<ul style="list-style-type: none"> • Increased Vulnerability: The reduction in senior center hours and days significantly impacts the ability of vulnerable seniors to receive the hands-on support necessary for navigating services. • Limited Access to Services: Without adequate in-person guidance from I&A specialists, seniors are at risk of not receiving the services they need, leading to potential health and safety risks. • Increased Burden on Seniors: Seniors may experience increased frustration, confusion, and isolation due to a lack of proper guidance in accessing services. • Long-Term Harm: Without these vital services, seniors may suffer immeasurable harm, including unmet health and social needs.
Community Homelessness Services (CHS)	<p>Approach: Focused on reducing reliance on General Purpose Funds (GPF) by utilizing alternative funding sources and realigning program services to maintain homelessness services despite fiscal challenges.</p> <p>Prioritization</p> <ul style="list-style-type: none"> • Maintaining Essential Services • Minimizing Program Cuts • Staff Retention and Support • Service Continuity 	<ul style="list-style-type: none"> • Program Closures & Reductions: Continued budget cuts and reliance on alternate funding sources may lead to program closures, affecting the unsheltered population and leading to increased encampments and unsafe living conditions. • Reduced Hygiene Support: Budget cuts may lead to the reduction of hygiene supports for unsheltered individuals. • Staffing Challenges & Increased Workload: A 40% vacancy rate and the absence of key managerial positions, such as the CHS Division Manager and Health and Human Services Planner, lead to limited oversight, overworked staff, and reduced operational capacity, resulting in burnout and decreased efficiency. • Data Analysis Limitations: Freezing the Data Analyst III position limits the division's ability to conduct robust reviews of data and assess program outcomes effectively.

Greatest Barriers to Delivering Mission

The Human Services Department **promotes the health, education, and well-being of Oakland children, youth, their families and older adults** by providing free programs and building strong communities through grassroots leadership and civic engagement.

We collaborate with a diverse group of local organizations to help address inequities, eliminate racial disparities and address the emerging needs of the community.

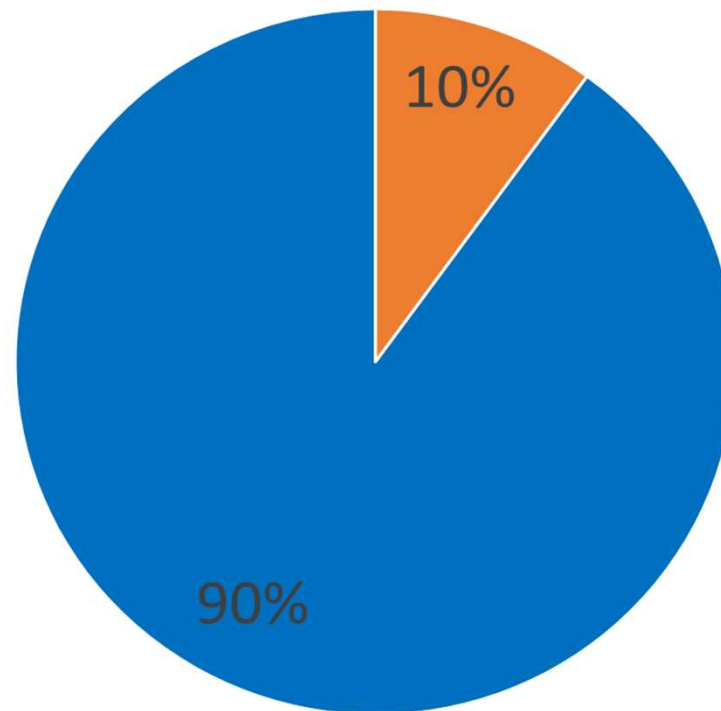
- Given the need for **reduced reliance upon General Purpose funds**, HSD has not proposed increases needed to meet the costs of providing existing services. Combined with **inflation, increased personnel, operations and materials costs** experienced by community partners and grantees, maintaining the same level of GPF allocations will result in **service decreases**. This will have **disproportionate impact on the vulnerable communities** the Department serves.
- **One-time funds dedicated to homeless emergency and interim interventions** divert the focus away from **long range planned responses**. Without a **sustainable plan**, there is **no stability of purpose** for a City that currently lacks a **sufficient amount of shelter space** and **extremely low-income housing units**.
- The **pace of City of Oakland internal processes** does not allow HSD to match the **pace of community need**. **Contracting requirements create delays** in our ability to distribute funding as it is available, which impacts HSD's ability **to deliver on the City's commitment to its grantees and contractors**.
- The **lengthy process to hire full-time professional staff** makes it difficult for the Department to meet **time sensitive, performance-based grant obligations**. **With a vacancy rate above 25%, the Department faces a significant staffing shortfall.** (i.e., **The shortage of early education teachers** is a national, state, county, and City crisis. In particular, the Early Childhood and Family Services program has a **35% vacancy rate** among teaching staff, directly affecting the program's ability to **maintain and expand essential services**).

CHALLENGES & OPPORTUNITIES



CHALLENGES	OPPORTUNITIES
<u>STAFFING & OPERATIONAL EFFICIENCY</u> <ul style="list-style-type: none"> ▪ Elevated vacancy levels ▪ Current staff absorbing tasks carried over from vacant positions ▪ Delays in contract execution, resulting in delayed service implementation and timely payments to vendors ▪ Lack of formal training and support with changing city process, such as contracts, purchasing, A/P, and hiring 	<u>PARTNERSHIPS, PLANNING, & ADVOCACY</u> <ul style="list-style-type: none"> ▪ Collaboration with C.B.O.'s to increase advocacy & community resiliency projects ▪ Improve strategic partnerships with Alameda County Social Services Agency (<i>Upon Hiring of HSD Director</i>) ▪ HUD Technical Assistance Support for Strategic Planning, System's Improvement, and Leverage for Coordination with Alameda County
<u>FUNDING & RESOURCE CONSTRAINTS</u> <ul style="list-style-type: none"> ▪ Over-reliance on one-time limited duration funding ▪ Ongoing reductions of City funds ▪ Insufficient Support and Distribution of ALCO Resources for homeless community needs ▪ Issues with the CoCs Prioritization of Community Needs ▪ Issues with Coordinated Entry System ▪ Lack of Service Providers to Support the Intervention and Capital Project Support 	<u>FUNDING & RESOURCE DEVELOPMENT</u> <ul style="list-style-type: none"> ▪ Increase capacity to apply for new funding (when dept. is fully staffed, and HSD Director is hired) ▪ Expand Med-CAL billing for eligible programs ▪ Measure W Funding From Alameda County ▪ State Legislation – Senate Bill 16; Providing for County funding of City Shelter programming
<u>BOARDS & COMMISSIONS</u> <ul style="list-style-type: none"> ▪ Board member recruitment and retention ▪ Consistent attendance for action items (Quorum) 	<u>COMMUNITY ENGAGEMENT & CAPACITY BUILDING</u> <ul style="list-style-type: none"> ▪ Oakland ReCAST will continue partnering across East & West Oakland to strengthen community resilience to create a more trauma-informed and responsive network of services

HSD BUDGET FY 24/25 - After 12/2024



■ GENERAL PURPOSE FUNDS

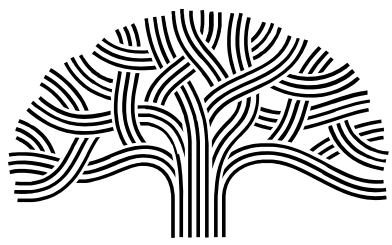
■ GRANTS & MEASURE FUNDS



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Thank you





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Workplace and Employment Standards

FY2025-27 Budget

Emylene Aspilla,
Department of Workplace and Employment
Standards (DWES)
May 28, 2025
Budget Hearing Presentation



Approach and Prioritization

Past and Present

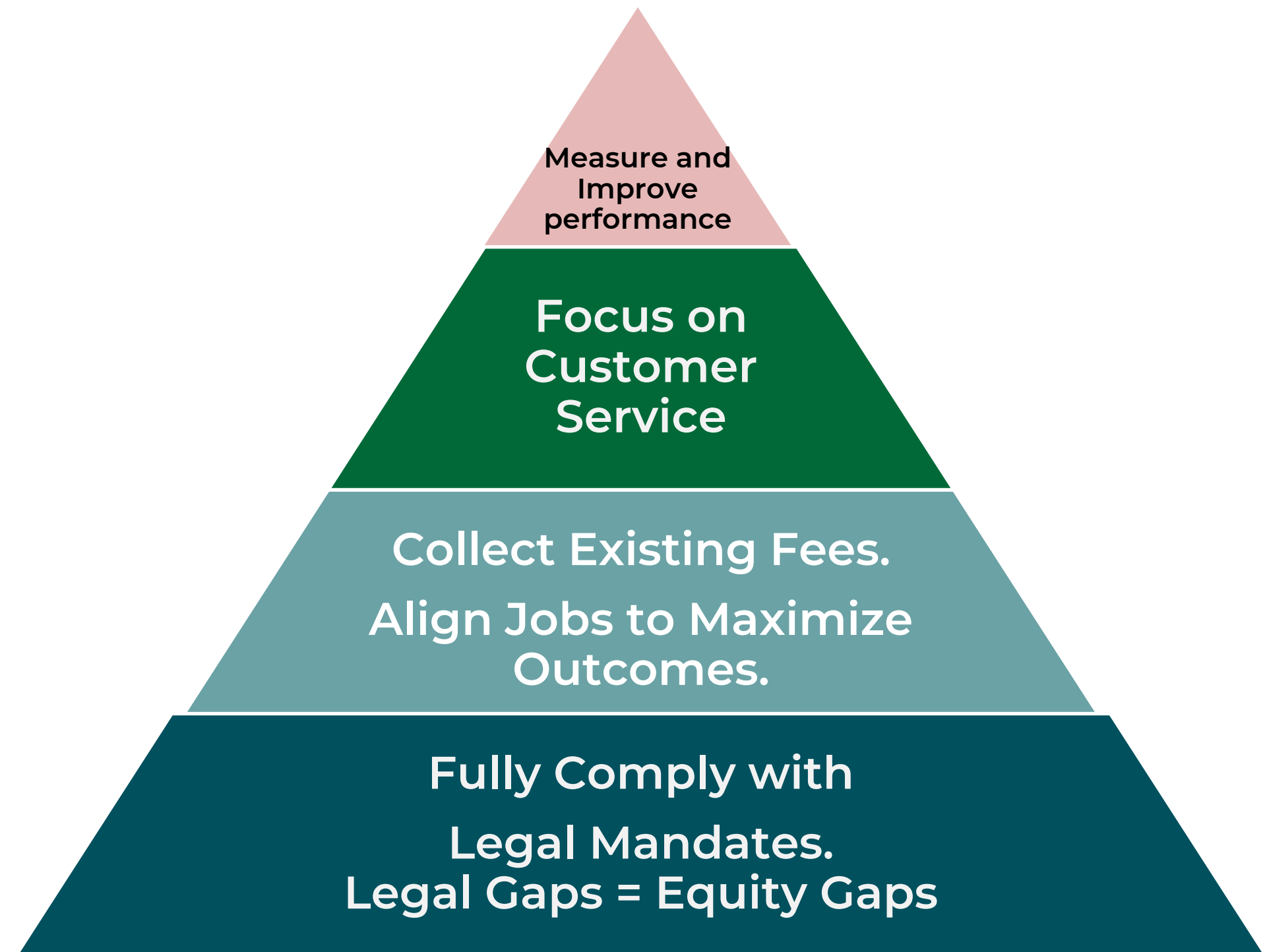
DWES never fully formed as a new City Department.

Approach

Re-organize processes, people, and technology to maximize meeting the minimum with a smaller budget – do more with less.

Prioritization

Start with fully implementing legal mandates.



Service Impacts

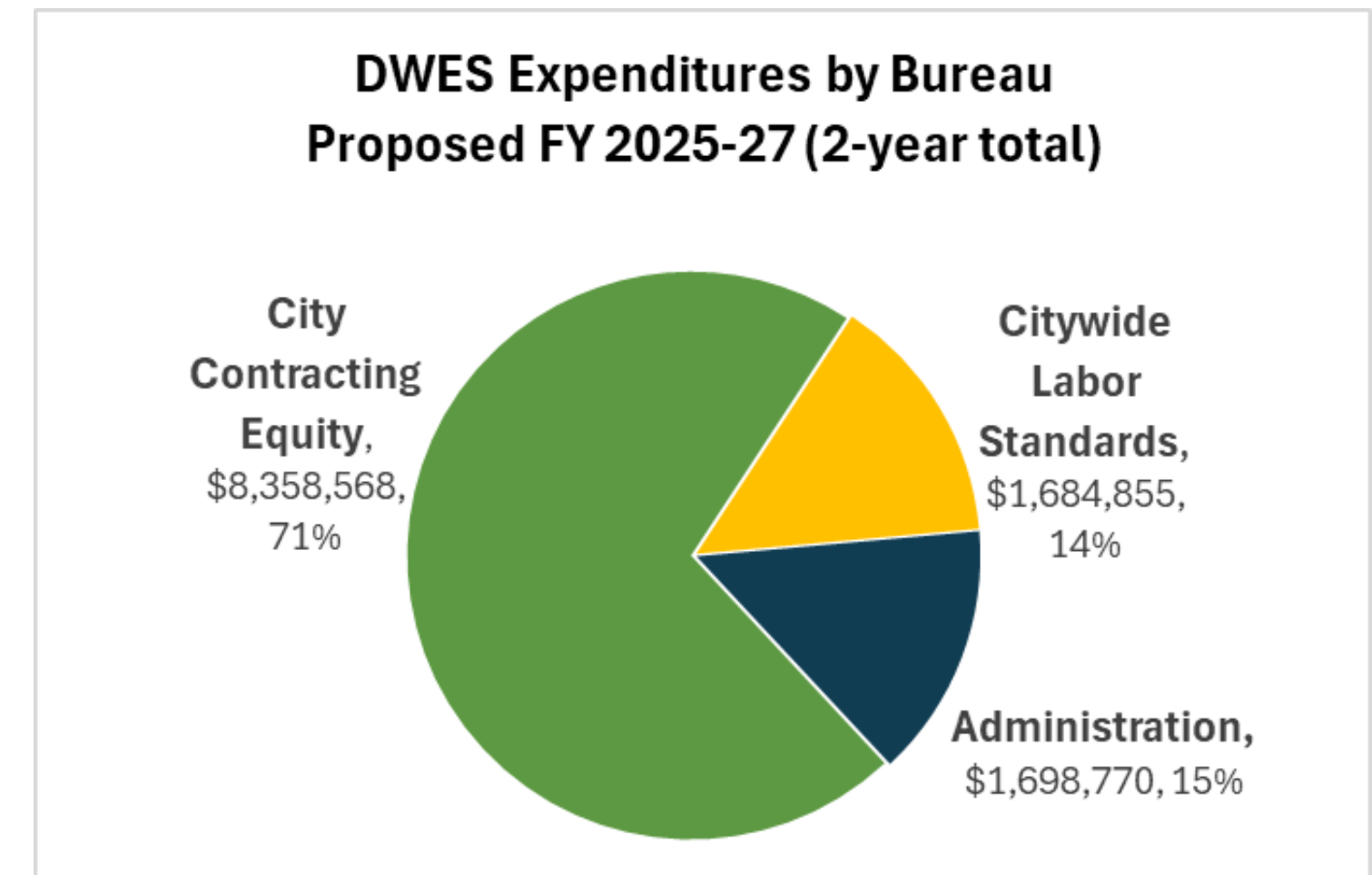
Expenditures reduced from \$6.82 million (FY 24-25) to \$5.88 million (FY 25-26) and \$5.86 million (FY 26-27)

Citywide Labor Standards

- **Impact:** Limited capacity to investigate complaints will continue. Low-wage workers are at risk of wage theft during an economic downturn.
 - Collect fees already on the books.
 - Restore Fair Labor Oakland (FLO) for outreach.
 - Reorganize positions from Contract Compliance Officers to Labor Investigators.

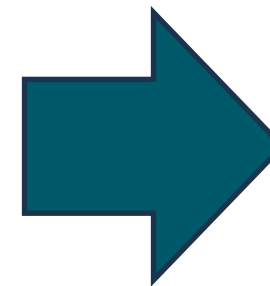
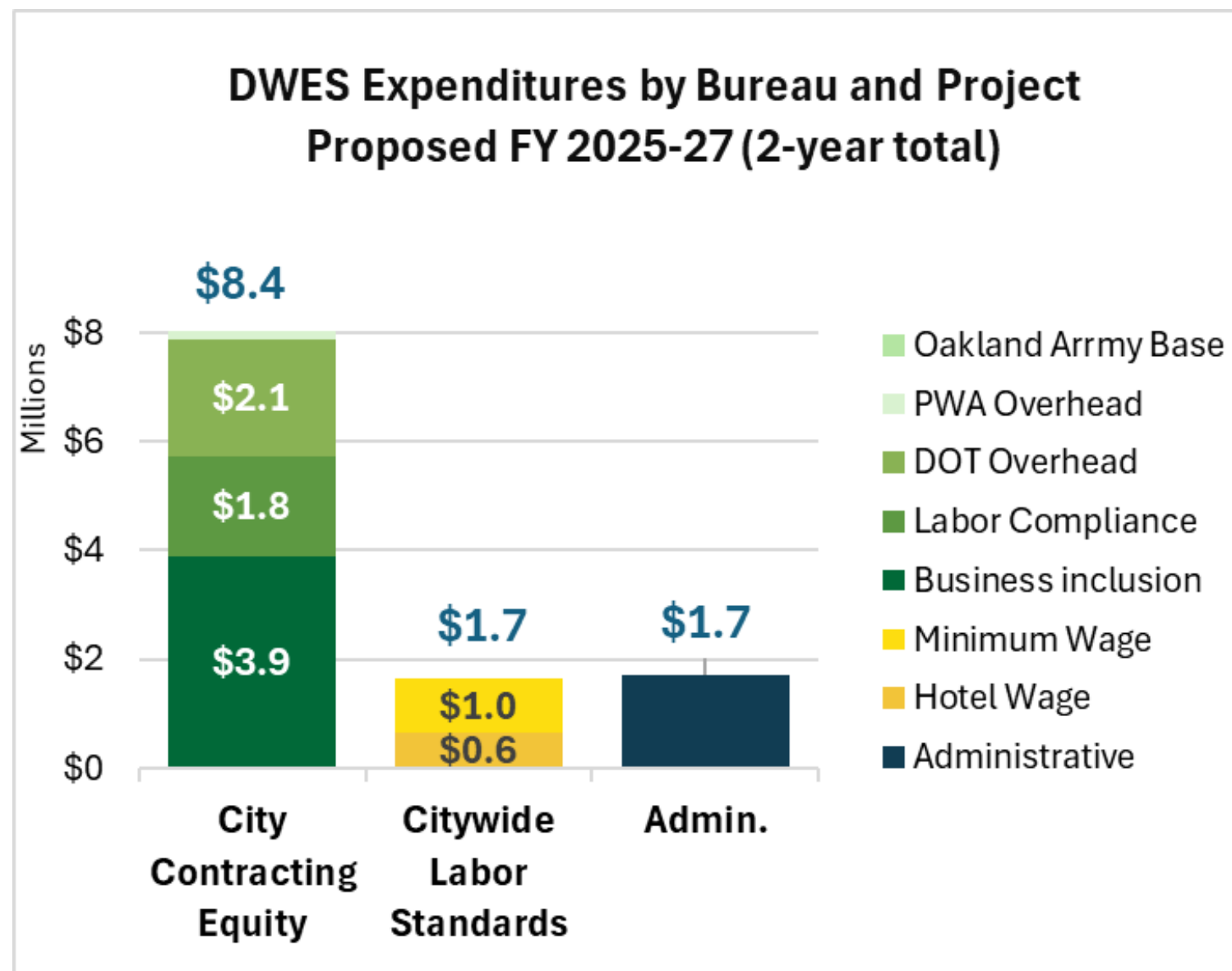
Citywide Contracting Equity

- **Impact:** Build out administrative capacity to assess and develop programmatic operations and policies.
 - Internal Funding Sources: “Customers” also include City Departments – they pay for DWES bottlenecks.
 - Local Hire does not help employ residents or contractors due to many waivers.
 - Local/Small Local Business Inclusion: Outreach is not aligned with the services the city buys. Results in setting requirements to 0%. Using the default 50% results in failed solicitations.



Performance Management

Proposed Budget Inputs



Planned: Measure Results + Disaggregate by Race and Industry

How much?

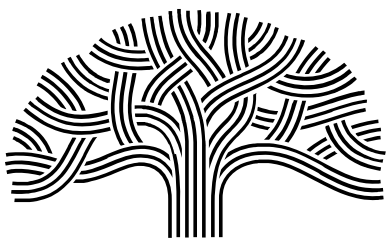
Workers
Residents
Businesses
Dept Requests

How Well?

Closed investigations
Residents employed
Businesses working
on City contracts
Depts requests done
efficiently and
effectively

Better off?

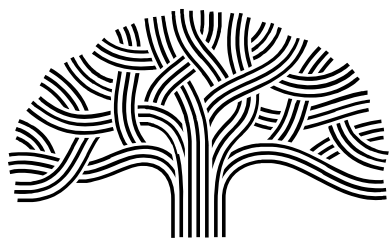
\$ Worker Restitution
\$ Quality Jobs and Career Mobility
\$ Oakland Businesses Grow and Graduate
\$ Wealth Creation
City Projects executed efficiently and effectively



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Thank you





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Economic & Workforce Development Department FY2025-27 Budget

Ashleigh Kanat, EWDD Director
May 28, 2025
Budget Hearing Presentation



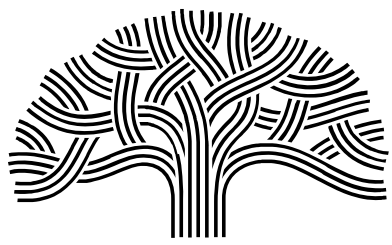
Approach and Prioritization

1. **Revenue:** Identify revenue adjustments
2. **Labor:** Document core services and identify staff and labor costs needed to deliver core services, consistent with the Economic Development Action Plan (EDAP); account for known retirements/resignations; shift staff to non-1010, non-56xx funds to the extent possible
3. **Contracts:** Identify ongoing contract obligations and future contract needs
4. **O&M:** Identify opportunities to consolidate and streamline O&M expenses
5. **Non-Departmental Expenses:** Identify and describe critical non-departmental expenses and projects managed by EWD that require financial support

Service Impacts

- Budget proposal prioritizes maintaining the staff needed to deliver on our Department's core services
 - Prioritizing staff means fewer resources for grants, programs, contracts, O&M
- Shifting some staff costs to 56xx funds highlights that we are facing finite resources in these funds, and we need to identify new sources to pay for PPD and Real Estate staff
- Frozen Special Event Permit Coordinator reduces staff resources to support Fairs and Festivals and eliminates a revenue-generating position in 25/26
- Deleted Admin. Assistant in Workforce eliminates admin support for the Board; work will need to be absorbed by staff
- Reduced funding requires that Cultural Affairs identifies a clear work program for 25/26 and 26/27
 - Cultural Funding Program will off-ramp direct grant funding and focus on Cultural Districts, Cultural Facilities and Assets, and Technical Assistance

- If there are any realized savings, EWDD will prioritize the following revenue-generating positions:
 1. Funding for the Special Activity Permits Coordinator to unfreeze this position in 25/26
 2. Funding for a Special Activity Inspector starting in 25/26 rather than 26/27
- The next priorities could be the Summer Youth Employment Program, the Day Laborer Program, restoring the \$5 after 5 parking program, or additional funding for Corridor Safety Ambassador Programs.



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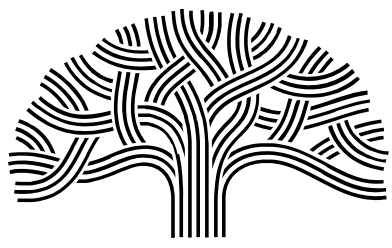
Thank you



EWD Core Role/Responsibilities



- 1. Business Development** – sustains, attracts and grows businesses; increases investment in Oakland.
- 2. Cultural Affairs** – supports and enhances the role of culture in creating a just and equitable City through cultural facilities and festivals, public art, and technical assistance and artist professional development. Staffs the Cultural Affairs Commission and Public Art Advisory Committee.
- 3. Public/Private Development** – negotiates and implements real estate development on City-owned land, with a focus on affordable housing.
- 4. Real Property Asset Management** – manages acquisition, dispositions and activations of City properties in partnership with all departments for a variety of uses including homelessness interventions.
- 5. Special Activity Permits** – promotes equitable ownership and employment opportunities within the cannabis industry; issues and enforces permits for special events, special uses, and film production.
- 6. Workforce Development** – oversees workforce investments and job creation initiatives in the City; staffs the Oakland Workforce Development Board (OWDB).



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Planning & Building

FY2025-27 Budget

William Gilchrist, PBD
March 28, 2025
Budget Hearing Presentation



Service Impacts

- At this time, PBD is not proposing any reductions in service. As one of the revenue generating departments responsible for City development services, the fiscal budget is critical toward improving the department's service level.
- By maintaining the current fiscal year's budget amount for the fiscal year 25-27 budget cycle, PBD will be able to continue improving services to the public by filling the vacant positions we are currently in the process of recruiting. These recruitments, along with process improvements, will allow us to better support the development necessary to help address the City's current fiscal challenges.

Approach and Prioritization

- Principal focus is to improve permitting, enforcement and development services.
- Based on the PBD fee increases that Council adopted this fiscal year, and the revenue PBD has collected to date, we are forecasting our revenue to be an additional \$9,000,000 on top of the target that was provided by the Finance department.
- PBD proposes using approximately \$22,000,000 of fund balance for each fiscal year.
- PBD proposes using approximately \$2,000,000 of carry-forward funds for each fiscal year.
- PBD is expecting to enter 3 contracts totaling \$970,000.

Other

- PBD is prioritizing both digital and in-person services:
 - Extending Office Hours
 - Working with ITD and other Permitting Departments to enhance our software services for easier public interaction
 - Working with ITD to enhance software to track and manage transaction times and staff performance
 - Management and Technical Training
- Continued sourcing for on-call services to assist in processing permits, plan reviews, and inspections as needed during continued staffing shortages.



To: Honorable Members of the Oakland City Council
From: Budget Advisory Commission
Subject: Recommendations on the FY 2025-27 Proposed Policy Budget

Statement of Purpose

The Consolidated Fiscal Policy (“CFP”) (13279 C.M.S.) requests that the Budget Advisory Commission (“BAC”) or “Commission”) submit a published, written report on the City of Oakland’s biennial budget each year, prior to June 1st. If submitted, the statement shall be published as part of the next budget report to the City Council.

This report is prepared pursuant to the CFP. A preliminary draft was published on May 9th, 2025. At its May 14th, 2025 meeting, the BAC authorized the ad-hoc subcommittee to incorporate feedback and updated budget information, and submit and present to Council on behalf of the entire BAC.

Recommendation

The BAC recommends that prior to adopting the FY 2025-27 Proposed Policy Budget, Council request additional information and make appropriate budgetary adjustments for the following items:

- Prioritize the use of general purpose funds to comply with mandatory voter-approved measures, including funding for public libraries, the City Auditor, and parks maintenance. Use additional GPF funding to rebuild depleted reserves.
- Request additional information on the uses of proposed contracts and grants in cases where details are light or absent. Make deliberate trade-offs to re-allocate grants and contracts away from general purpose fund (GPF) monies to restricted funds where permissible, in order to free up GPF monies for complying with mandatory voter-approved measures.
- Develop contingency strategies in case of an economic downturn, or if anticipated revenues do not materialize.
- Review proposed staffing levels and classifications for appropriateness and operational needs.

Background and Overview

Oakland has faced an ongoing budget crisis since 2020. Pandemic-driven reductions in revenues (from business taxes, hotel taxes, parking taxes, etc) and increased



expenses, including unbudgeted police overtime, led to a \$30.42 million deficit in the 2019-20 budget¹. While this amount was patched with about \$40 million in federal funding, the reduction in revenue continued to present persistent budget challenges, with a projected \$62.3 million deficit in the 2020-21 budget, a projected \$81.3 million deficit in the 2021-22 budget, and a projected \$68.5 million deficit in the 2022-23 budget, according to a January 2021 staff report². Half of this 2020-21 budget shortfall was closed with \$29 million in administratively ordered cuts to public safety services, hiring freezes, and reductions in senior staff pay³. The remaining 2020-21, 2021-22, and 2022-23 budget gaps were subsequently closed with one-time COVID relief funding from the American Rescue Plan Act (ARPA), including \$87 million in 2021-22⁴ and \$68 million in 2022-23⁵. While ARPA funds could continue to be used through 2024, the City used all of its available ARPA funding before June 30, 2023⁶.

Despite this ongoing reliance on one-time COVID relief funds to plug persistent and continuous revenue shortfalls, the City continued to budget as though revenues would recover in 2023-24 to levels sufficient to offset the loss of federal funds. No precautions were taken to keep expenses in check – even as revenue continued to come in under projections (by up to 16%), the City budgeted for new, ongoing, increased expenses; depleted reserve funds (from \$140 million in 2022 to \$20 million in 2024); and continued to violate its CFP (as identified in the BAC's [June 2024 Midcycle Budget Report](#)).

Between 2020-21 and 2024-25, the General Purpose Fund (GPF) revenue grew only 10%, from \$687 million to \$756 million. After accounting for inflation, this is a net *decrease* in GPF revenues, equivalent to nearly a \$100 million per year reduction. Major funding sources, including the Real Estate Transfer Tax (RETT), business license tax, transient occupancy tax, and service charges continue to come in lower than their inflation-adjusted 2019-20 levels, as well as lower than anticipated in previous budget cycles.

¹<https://oaklandside.org/2020/12/07/oaklands-current-budget-crisis-called-worse-than-the-great-recession/>

²<https://oaklandside.org/2021/01/26/oaklands-budget-deficits-are-getting-worse/>

³<https://www.oaklandca.gov/news/city-administration-directs-29-million-in-immediate-cuts-to-curb-projected-62-million-deficit>

⁴<https://cao-94612.s3.us-west-2.amazonaws.com/documents/City-of-Oakland-ARPA-SLFRF-Recovery-Plan-2022-informational-memo-7-26-22-signed.pdf>

⁵<https://cao-94612.s3.us-west-2.amazonaws.com/documents/City-of-Oakland-ARPA-SLFRF-Recovery-Plan-2023-informational-memo-7-17-23.pdf>

⁶<https://cao-94612.s3.us-west-2.amazonaws.com/documents/SLFRF-Recovery-Plan-Performance-Report-City-of-Oakland-June-14-2024.pdf>



At the same time, GPF expenses have grown at twice the rate of revenue, increasing by 21%: from \$697 million in 2020-21 to \$843 million in 2024-25. This included additional staff for general city operations, as well as new labor contracts with higher pay and benefits. Some of these contracts were approved outside of the standard budget process and without financial analysis provided to Council, all while the City's revenues continued to come in short. This expense growth far outpaced the growth in revenues; while the gaps were filled with one-time funds, emergency reserves, and the prospect of the Coliseum sale, no significant efforts were made to reduce expenses.

The BAC has previously reported on the sources and causes of this structural deficit, including in BAC's [June 2024 Mid-Cycle Budget Report](#) and [January 2025 presentation to Council](#). Ultimately, Oakland has fewer financial resources available today, after adjusting for inflation, than it had available prior to the COVID-19 pandemic. One-time revenue sources have run out, financial reserves have run out, and revenues have not recovered. Council must budget conservatively to help rebuild the city's financial health.

Guiding Principles for BAC Recommendations

The Budget Advisory Commission has been providing support to City Council since 1999. In providing these recommendations, the BAC aims to follow consistent general guiding principles to inform fiscal priorities. A full listing of BAC findings and recommendations [was presented to Council in June 2024](#), and BAC previously issued [recommendations on the FY 2023-25 budget](#). This memo restates a selection of these priorities as they apply to the FY 2025-26 Proposed Policy Budget.

- **Adherence to the Consolidated Fiscal Policy.** The CFP sets forth a number of budgeting practices, including: adopting a balanced budget; allocating excess RETT stabilization funds and paying off debt obligations; using one-time revenues solely for one-time expenditures, including unassigned GPF revenue; and maintaining a healthy Vital Services Stabilization Fund balance of at least 15% of GPF revenues. The adopted budget should adhere to these requirements.
- **Focus spending on community priorities.** The CFP requires a public survey to inform community priorities in the budgeting process. This year, the survey was completed by the BAC; 2025 priorities include safety, cleanliness, and housing. The adopted budget should reflect these community priorities. For the complete survey results, [see the February 2025 presentation here](#).



- **Adherence to the requirements of voter-approved measures.** Oakland's budget is supported, and constrained, by a wide variety of voter-approved measures. Many of these measures contain "maintenance of effort" requirements, obligating the City to make particular budget decisions to continue to receive the benefits of the tax. While these measures can be suspended in times of fiscal emergency, consistent with the CFP requirements to focus spending on community priorities, the BAC believes that these voter-approved requirements reflect core community priorities, and that these legal mandates should be prioritized over other initiatives to the greatest extent feasible.
- **Following best practices and lessons learned from other cities.** Oakland is not unique in its service provided, community concerns, or its fiscal challenges. While our challenges may be of a larger scale, best practices applied in other cities are also relevant to Oakland.
- **Keep equity considerations at the forefront of decision-making.** Oakland is home to many diverse and long-underserved communities. Equitable budget practices means that after ensuring the city's long-term financial health and meeting legal obligations, additional revenue should be allocated in ways that ensure *all* members of the community access and benefit from City services equitably. Sound financial practices help ensure that lifeline programs for disadvantaged communities can be continued even in times of budget shortfalls.

Review and Findings in the FY 2025-27 Proposed Policy Budget

BAC has conducted a careful review of the FY 2025-27 Proposed Policy Budget, including reviewing the Mayor's Message, Budget Priorities, Service Impacts, Significant Budgetary Changes reports, department-level budgets and changes, and proposed contracts and grants spending. Below we present our findings and short-term recommendations for the current proposed budget. A later section discusses long-term recommendations for Council, staff, and BAC to explore further, with the potential to improve the budget in future cycles.

Positive: The Proposed Budget is a balanced budget that minimizes layoffs, preserves core city services, and generally follows the CFP.

The Corrected Proposed Budget projects \$2.166 billion in both revenues and expenses in FY 2025-26, and \$2.201 billion in 2026-27. This represents an increase from the 2023-24 actual spend of \$2.023 billion, of roughly \$143 million in 2025-26 and \$178 million in 2026-27. The Corrected Proposed Budget is revised upwards (by a few million dollars) compared to the original budget, by increasing interfund



transfers, transfers from fund balances, and service charges, but without otherwise increasing other revenue projections.

Relative to 2024-25, the General Purpose Fund is proposed to *decrease*, from \$807 million to \$788.1 million in 2025-26, before increasing to \$856.2 million in 2026-27. This increase of roughly \$69 million in general fund expenditures between 2025-26 and 2026-27 is dependent on an as-yet-proposed \$40 million per year local tax. It also depends upon significant increases in assessed property tax values (from \$307 million in 2024-25 to \$322 million in 2025-26, and \$332 million in 2026-27). Sales taxes are also projected to increase significantly, attributable to the passage of Measure A: growing from \$61.7 million in 2023-24 to \$84.1 million projected in 2025-26, followed by \$94.5 million in 2026-27, consistent with revenue projections included in the measure language.

This budget maintains conservative estimates for volatile tax revenue: RETT is projected at just \$68.3 and \$70.3 million for 2025-26 and 2026-27, respectively, in line with 2023-24 actuals of \$57.5 million. In contrast, the adopted 2023-25 budget had originally anticipated over \$110 million in RETT in 2023-24, a major contributor to the unanticipated shortfalls these past two years. This re-leveling of expected RETT revenues

Because of the anticipated new revenue source, the budget is able to maintain alignment with community-wide priorities around public safety, cleanliness, and housing. Staff layoffs are almost nonexistent: instead, vacant positions are frozen or eliminated, reducing the need to budget for those vacancies. Lastly, the budget also avoids the use of one-time funds for ongoing expenses, breaking with troubling past practice and better aligning with the CFP.

However, the proposed budget has structural risks in the event of an economic downturn.

Recommendation: Budget cautiously, and consider ways to further reduce spending should revenue projections be missed.

The Proposed Budget makes assumptions about future revenues that depend upon significant growth in assessed property taxes, a new voter-approved parcel tax, and sustained strength in sales tax revenue. Notably, the Proposed Budget projects 5.1% growth in assessed property taxes for the GPF in FY 2025-26, while these revenues grew by just 2.5% from FY 2023-24 to 2024-25. The draft Five-Year Financial Forecast states that “In FY 2025-26, the growth is projected to be 3.0% over the estimated FY



2024-25 amount.” In FY 2026-27, it assumes a more conservative 3.1% growth. The draft Five-Year Financial Forecast assumes that this growth will occur as a result of “New construction... at the estimated annual construction average from 2017 to 2024 excluding outlying years.” However, new construction has virtually halted in Oakland due to elevated interest rates and a soft real estate market. In addition, the Proposed Budget and Five-Year Financial Forecast project weak RETT revenues, at roughly \$70 million. Due to Prop 13, property tax appreciation is restricted to 2% per year unless the property is sold; as a result, RETT revenues should correlate with the growth in assessed property values. It is unclear what, if any, indicators suggest that a 5.1% growth in property tax revenues is realistic for FY 2025-26. If realized assessment growth is instead 2.5%, comparable to FY 2024-25, it would result in an immediate revenue shortfall of at least \$7 million and put the city behind on revenue projections for FY 2026-27.

In addition, changes to federal trade policy or other unpredictable events could result in an economic downturn later in 2025 or 2026, potentially causing other revenue projections to be missed and resulting in a greater budget deficit. City Council should prepare a list of priority budget changes should anticipated revenue fail to materialize.

Issue: The Proposed Budget fails to meet the requirements of Measure NN.

The proposed budget only funds 678 sworn officers, rather than the minimum of 700 required in Measure NN. While the un-freezing of 78 sworn positions and restoration of 3 full police academies is an improvement over previous budgets, ongoing attrition will mean that the city is likely to maintain, rather than increase, existing staffing numbers. Additional funding and more police academies are necessary to see staffing growth over time.

Recommendation: Improve compliance with other voter-approved measures

While many voter-approved measures are being complied with, Measure NN and others have fallen by the wayside and compliance is not being met. These include:

- **\$2.8 million annual shortfall in library funding.** Under Measures C & D, the City is required to budget for \$14.5 million in general purpose funds for the Library Department. Under the FY 2025-26 Proposed Policy Budget, GPF allocations to the Library Department are \$11.7 million in each fiscal year, resulting in a \$2.8 million annual shortfall in the required appropriations.
- **2-5 FTE shortfall in the City Auditor’s office (estimated \$0.4-1 million).** Under Measure X, the City Charter requires the budget for the City Auditor to be sufficient to hire at least fourteen (14) full-time equivalent (“FTE”) employees of



relevant classifications. The FY 2025-27 Proposed Policy Budget funds 9 or 10 FTE in 2025-26 (errata proposes adding one FTE, but this is not reflected in the table) and 12 FTE in 2026-27, falling short of the required 14 FTE in each year.

- \$4 million annual shortfall in Democracy Dollars Fund. Under Measure W, the City is required to allocate \$4 million annually to the Democracy Dollars Fund to support public financing of elections, increasing with inflation. This initiative aims to reduce the influence of, and dependence on, outsized independent expenditures on elections. The FY 2025-27 Proposed Policy Budget allocates \$0 to this fund.
- \$2.2 million shortfall in parks maintenance required by Measure Q funds. Measure Q's maintenance of effort provisions places a limitation on the maximum amount of measure funding that can be spent maintaining services at their FY 2019-20 levels. For FY 2025-26, this amount is roughly \$12.09 million. Instead, the Proposed Budget includes \$14.29 million for maintaining existing parks services, by cutting spending for the new services intended in the measure.

Issue: At least \$62 million in proposed contracts and grants lack details, require oversight

The FY 2025-27 Proposed Policy Budget includes roughly \$230 million budgeted for contracts and grants each fiscal year, with nearly 900 independent contracts or grants proposed. Most of these contracts are well-defined, with a clear purpose, and assigned to an appropriate fund. While many have "TBD" or undefined as the vendor, this is to be expected for contracts and grants that go through a competitive bidding process, where no vendor can be identified prior to issuing the request for proposals.

However, some 77 grants and contracts were submitted without descriptions provided (either blank or "TBD"), ranging from just a few thousand dollars to as much as \$5 million each. These amount to a total of \$27 million in FY 2025-26 and \$35 million in FY 2026-27, overwhelmingly from the Human Services Department (\$26 million and \$33.9 million for each fiscal year, respectively). An uncounted number of other grants and contracts are proposed with minimal descriptions - due to time constraints, all line items have not yet been reviewed. As a matter of best practice, Council should not approve millions of dollars for unspecified purposes, and should receive descriptions for each line item from Human Services and other departments prior to approving these fund allocations.



Recommendation: Review proposed contracts and grants to identify funding opportunities to meet voter-approved measures

A total of \$33.6 million in contracts and grants spending in FY 2025-26 is proposed to be met with general purpose funds (fund 1010). While much of this is for GPF-funded departments like police, fire, and general government departments, some of these proposed expenditures would likely be suitable candidates for restricted funds. This includes \$190k from the Department of Violence Prevention (DVP) for “Third Party: Grant Contracts”, \$500k from Economic & Workforce Development Department (EWDD) for the Corridor Ambassador program, and \$2.9 million from Human Services for “(blank)” (most of these grants appear earmarked for nonprofits providing homeless and children’s services). The DVP and EWDD funding are suitable candidates for Measure NN funds, while the Human Services programs are likely eligible for a range of other restricted funds (some of the same grantees are listed under multiple different funding sources).

This is not free money: moving these GPF allocations to restricted funds requires equal reductions in those restricted funds, which are already proposed to be fully allocated. For example, Council adopted a resolution on May 20th fully allocating the Measure NN grant funds for FY 2025-26. Moving the EWDD Corridor Ambassador program to Measure NN for FY 2026-27 would require reducing other DVP grant awards by the same amount. Evaluating performance metrics for grants across both GPF and restricted funds may help identify suitable opportunities for re-allocation. Other sources of funding may also come available, e.g. for homeless services from the countywide Measure W, newly unlocked after resolving legal challenges.

Ultimately, Council must evaluate trade-offs and decide whether to meet the legal requirements of voter-approved measures, or to fund other essential and nonessential services. As outlined previously, one of BAC’s guiding principles is that these legal mandates should be prioritized over other initiatives to the greatest extent feasible; this is likely to help build voter trust and ensure support for future revenue measures to bolster funding for other services.

Issue: Review proposed FTE allocations to ensure appropriate staff classifications and levels

In many areas of the budget, vacant positions are frozen or deleted to keep staffing costs down, and opportunities for promotions are limited. However, the FY 2025-27 Proposed Policy Budget breaks with this trend for the Office of the Mayor: instead of freezing or reducing vacant positions, all twelve (12) FTE staff positions reporting directly to the Mayor are promoted to [Special Assistant to the Mayor III](#), a class



specification that pays between roughly \$150k - \$250k annually. Most of these positions are currently vacant. In the 2024-25 budget, the 11.5 FTE for the Mayor's office were divided across a combination of Special Assistant I (3.5 FTE, pay of \$91,137 to \$157,822), Special Assistant II (3.0 FTE, pay of \$111,558 - \$181,756), and Special Assistant III (5.0 FTE). No justification is offered for this increase in classification level. The GPF allocation to the Office of the Mayor is increasing from \$4.0 million in FY 2023-24 to \$5.7 million in FY 2025-26.

At the same time, the Police budget proposes to freeze 41 FTE non-sworn positions across crucial divisions including Patrol, Records, Crime Lab, Criminal Investigation, Property and Evidence, Human Resources, and Crime Analysis. As noted in the proposed policy budget, "These cuts are expected to **decrease** efficiency and affect service delivery" (emphasis added), "...including responsiveness to emergency and non-emergency calls for service." The cuts would reduce staff availability and are likely to "...lead to delays in investigations and court cases... a backlog of cases... longer wait times for trials and impacting the rights of the accused to a timely trial." In addition, "The impact on employee health and wellness and the negative effect on morale could lead to employees seeking jobs outside of the City of Oakland, further burdening the remaining staff." Instead of having non-sworn positions providing support, these cuts will increase the burden on the remaining sworn officers, decreasing our police departments' efficiency and reducing our officers' effectiveness.

Lastly, the Human Services Department is currently without a director and the vacant position is reportedly frozen. As evidenced by the missing information for the departments' proposed contracts and grants, this lack of leadership presents challenges for operational efficiency and effectiveness. While the proposed budget restores a deputy director position to the department, no justification is provided as to why the director-level role remains frozen and unfilled over other positions.

These and other proposed staffing levels should be reviewed for appropriateness in classifications based on the work and responsibilities of the position, and needs of the department. Adjusting staffing levels is best achieved when roles are vacated due to ordinary turnover and requires a long-term strategy.

Suggested Long-Term Improvements

While our short-term recommendations focus on cost savings and reallocations, the BAC believes that long-term financial sustainability will come from a combination of new and expanded revenue streams and fiscal prudence and efficiency over the next



few years. Our commission has identified the following areas for potential exploration, and looks forward to partnering with the Mayor, Council, and staff to evaluate the feasibility and impact of these strategies:

- Implement the strategic plan in alignment with the 5-year financial forecast. Oakland's strategic plan calls for alignment between city priorities and fiscal policy. Currently, the lack of a strategic plan has meant that budget allocations were made without identifying long-term goals. The current strategic plan recommends Council identify and determine priorities, and prepare the budget accordingly.
- Fully implement the City Auditor's recommendations in the police overtime audit. While significant improvements have been made, there remain outstanding and unresolved issues with police overtime budgeting and practices. Thirteen of the City Auditor's 21 recommendations remain open, and police overtime has exceeded its budget for 16 of the last 18 years, forcing mid-cycle adjustments to other departments. Though some improvements have been made, better cost controls and more efficient police operations are needed to both support public safety and provide a more consistent and predictable budget.
- Explore new revenue opportunities, like the proposed parcel tax. The FY 2025-27 Proposed Policy Budget includes a new \$40 million new parcel tax supporting the GPF. BAC can help engage with the community to gauge support and buy-in for new tax measures. In the meantime, we urge Council to prioritize funding for existing voter-approved requirements in order to build trust and support with the public prior to proposing any new measures.
- Evaluate and benchmark pension and benefit costs, and explore cost-savings opportunities. With contract negotiations coming up, BAC can help evaluate employee benefits in comparable and neighboring jurisdictions. In addition, while the City has large unfunded liabilities in these areas, there may be opportunities to help meet or reduce these liabilities through proposals such as refinancing the CalPERS debt, adjustment of post-employment benefits, new cost-neutral taxes to replace the expiring PFRS Override Tax, or other strategies to ensure sustainable progress in reducing the unfunded liabilities.
- Explore the allocation of services between the City and the County. Oakland has significant expenditures associated with homeless services and affordable housing, which may fall under the County's jurisdiction. In addition, there may



be opportunities for cost savings through integrating ambulance services with the Oakland Fire Department like Berkeley. Exploring potential reallocation of responsibilities could free up budgets, overhead, or other resources for core City services.

- Establish metrics and evaluate performance of grant programs. The FY 2025-27 Proposed Policy Budget includes \$159 million in grants over the two-year period. However, the criteria for awarding these grants, and the performance metrics for the service providers, are not always well-specified and tracked, even though the intention of grant programs is to generally achieve specific and measurable outcomes. Fully staffing the City Auditor's office, as required in the City Charter, could help provide additional oversight and evaluation to ensure grant monies are being spent appropriately. Identifying citywide priorities, as recommended in the strategic plan, can help outline goals and expectations for this grant money to enable this evaluation process.
- Improve investments in Oakland's operational infrastructure, including IT and HR. Oakland's dedicated civil servants are the backbone of the city's operations, and they all rely on modern IT solutions to do their jobs effectively and efficiently. Unfortunately, the FY 2025-27 Proposed Policy Budget includes slight reductions in both HR and IT staffing, resulting in less capacity to recruit talented staff and fill vacancies, and equip them with the necessary technology to achieve exceptional performance. A preliminary review of other similarly sized California cities (Long Beach and Sacramento) suggests Oakland may be comparatively under-staffed in IT; additional research is needed to fully understand how Oakland's staffing levels benchmark against other cities. Effective use of modern technology is critical to improving performance and outcomes across City service delivery.
- Support the Economic & Workforce Development Department (EWDD) and the updated Economic Development Action Plan (EDAP). A long-term, consistent economic development strategy is key to growing Oakland's tax base and ensuring sustainable long-term revenue. However, the FY 2025-27 budget for EWDD is reduced from \$35.2 million in 2024-5 to \$24.9 million in 2025-26, and further reduced to \$24.2 million in FY 2026-27. EWDD is preparing an updated EDAP, which will help to attract, retain, and grow Oakland businesses; create a positive environment and image for Oakland business; and promote workforce development to create jobs for Oaklanders



and help Oaklanders find employment. Supporting these efforts, maintaining a robust and effective EWDD, and other Council actions to help small and large businesses thrive in Oakland, will help bolster long-term revenue growth and better enable the city to provide services to residents.

- Update the CFP to more accurately reflect the variability in real estate transfer tax (RETT) revenues. As evidenced over the past 15-20 years of economic cycles, the RETT is a highly volatile and unreliable source of funds. The current CFP establishes a clear requirement that no more than 15% of the GFP should be budgeted for from RETT revenue, but that level has not been updated to reflect the changing structure of the GFP over time and real-world data on RETT variability. Updating the CFP to set a dollar value threshold – rather than a percentage threshold – for RETT revenues available for GFP purposes can help smooth out the City's budget during economic downturns, and provide additional revenues during economic upcycles to help pay down long-term liabilities, invest in infrastructure, or save for a rainy day.

BAC will be working on these and other items per our work plan. Additional strategies and recommendations that have been discussed at recent BAC meetings can be found in the [March 2025](#) and [April 2025](#) BAC meetings packets.

Contact Information

Jane Yang, Budget Advisory Commission Chair

Mike Forbes, Budget Advisory Commission Vice-Chair

Mike Petouhoff, Budget Advisory Commission Ad-Hoc Committee

Ben Gould, Budget Advisory Commission Ad-Hoc Committee

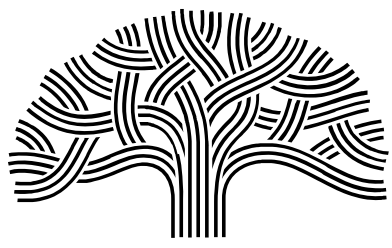
Additional References:

[2021 GPF Revenues and Expenditures](#)

[2024-25 Estimated GPF Rev and Exp - Q2 R&E](#)

[GPF Revenues vs Forecast - Presented in Oakland Report](#)

[Decline in Reserve Funds - See P12](#)



CITY OF
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Parks, Recreation, & Youth Development FY2025-27 Budget

Fred Kelley, OPRYD
May 2025
Budget Hearing Presentation



Approach and Prioritization

Service Reduction Prioritization

- **Neighborhood Need & Equity:** Decisions were guided by equity factors, community demographics, and proximity to alternative facilities.
- **Staff-to-Youth Ratios:** Program adjustments ensure compliance with established policies to maintain safe and effective supervision.



Service Impacts

Services that will be eliminated or reduced.

- **Recreation Centers:** Reduced hours for non- Town Afterschool Program (TAP) sites.
- **Youth & Afterschool Programs:** Potential consolidation of TAP recreation center sites.
- **Afterschool Sports & Arts:** Reduction of after-school sports and adult programs.
- **Park & Building Safety:** Reduction of security services at major parks and recreation centers.
- **Safety & Compliance Voids:** Gaps created by reduced permanent supervisory staffing.



Service Impacts cont'd...*

Youth Program Capacity Reductions: fewer youth served due to deletion or freezing of critical staff positions, affecting:

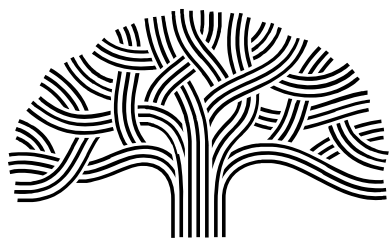
- Town Afterschool Program & Afterschool Sports
- Town Camp & Town Camp + Swim
- Studio One Summer Camp
- Oakland Fine Arts Summer School

Decreased supervisory personnel and increased supervisory workload:

- Administrative Analyst II - Frozen
- Recreation Services Manager - Frozen
- Recreation General Supervisor - Frozen
- Recreation Supervisor – Frozen

Partnerships Reductions: Partner-led programs at City owned sites will be impacted.

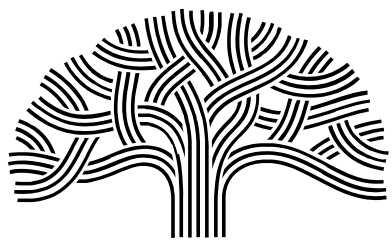




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LIBRARY

FY2025-27 Budget

Jamie Turbak, Oakland Public Library
May 28, 2025
Budget Hearing Presentation



Approach and Prioritization

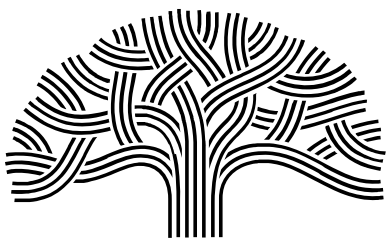
- OPL's General Purpose Fund budget was reduced by approximately \$890,000 in year 1 and year 2 of the biennial and costs were transferred to Library funds Measures C and D.
- OPL's total General Purpose Fund budget is approximately \$11.7m each year, which is \$2.8m below the minimum maintenance of effort (MOE) requirement of \$14.5m for Measure C. OPL's FY2025-2027 General Fund appropriation represents 1.43% of the City's total General Fund budget.
- In recent years OPL has utilized Measure C and D reserves to cover General Fund costs without impacting service. However, this cannot be sustained in the long-term without reduction to services.
- A total of 8.54 FTE vacant positions were frozen and 0.60 FTE were deleted across all funds to balance the biennial budget.

Service Impacts

- Cost transfers from the General Fund into Measures C and D have resulted in numerous position deletions and freezes in Library funds over the years.
- In FY20 OPL had a budgeted FTE count 269.18 FTE, compared to 226.45 FTE in the current proposed budget. This amounts to a reduction of 42.73 FTE or 16% in OPL's workforce over a 7-year period of mostly vacant part-time positions.
- The impact of freezing temporary part-time positions is that library locations may not have sufficient on-call employees to work when permanent employees are on leave or call out sick. As a worst case, this could cause closures of libraries. However, Library Management would first attempt to redeploy employees from fully staffed locations.
- Freezing positions also limits OPL's ability to expand service delivery, which will remain stagnant until positions can be budgeted and filled.

Greatest Barriers to Delivering OPL's Mission:

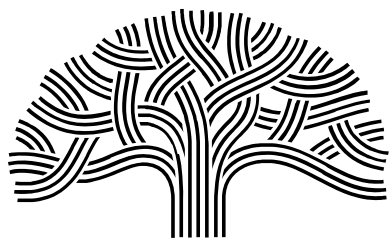
- Insufficient Capital Improvement Project Management support, deferred maintenance, and custodial services from the Public Works Department due to that department's unfilled vacancies and small maintenance budget.
- Staff at Oakland Public Library, and at public libraries nationwide, are increasingly called upon to manage and respond to patrons who may be experiencing mental health crises and/or exhibiting threatening behavior.
- Slow hiring process for funded positions. The Library Department needs approximately eight recruitments now. We currently average about two recruitments a year. This puts us on a 4 year timeline to fill some existing funded positions.



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Oakland Animal Services

FY2025-27 Budget

Joe DeVries, Oakland Animal Services
May 28, 2025
Budget Hearing Presentation



Approach and Prioritization: OAS

- **The OAS priority is to maintain the ability to meet *State and City mandated services* including:**
 - Sheltering and providing medical care to animals in OAS's care
 - Dog licensing, rabies vaccination and isolation of biting animals
 - Emergency veterinary care to sick and injured animals
 - Managing the disposition of potentially dangerous and vicious dogs
 - Accepting owner surrendered animals, and identifying people to adopt animals, and redeeming stray animals reclaimed by owners
- **The primary cost reduction approach:** Freeze all vacant positions and reduce leadership staffing by eliminating the Director position to maintain frontline staff that care for animals. Freezing the Director position will reduce the annual budget by \$455,000
- **Secondary approach:** Increase reliance on outside funding and staffing by Friends of Oakland Animal Services (FOAS) to meet non-mandated services and to cover certain O&M costs such as food for sheltered animals
- **Additional strategy:** OAS is bringing forward a revision to the Animal Control Ordinance that will create operational efficiencies that will reduce costs over time (by an unknown amount)

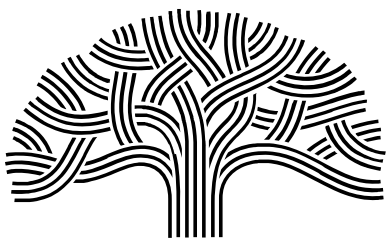
Service Impacts: OAS

- **Recent reductions due to budget and staffing shortfalls that will remain in effect include:**
 - Reducing the hours the shelter is open to drop-in customers to 5 days per week. On Tuesdays and Wednesdays visits are by appointment only
 - Animal Control Officer availability for standby emergency calls reduced from 24/7 to only being available from 9am to 7pm
 - The Director position is filled by a Deputy City Administrator which slows the pace of certain management and policy functions including rewriting the municipal code, implementing new contracts that could increase revenue, and addressing internal protocols to improve operations
- **Anticipated service reductions due to administrative changes or as part of the rewrite of the municipal code include:**
 - Reduction in hold times for stray dogs to allow their disposition to be determined after 72 hours instead of one week
 - New limits on the acceptance of stray cats in the shelter that present as healthy but have no identified owner
 - New discretion regarding the acceptance of owner-surrendered animals
- **The services on the following page are being performed by a staff that has been reduced by approximately 40% since the last budget cycle, these positions will remain frozen**

Mandated Services: OAS

- **These services are mandated under state law or local ordinance and cannot be reduced**

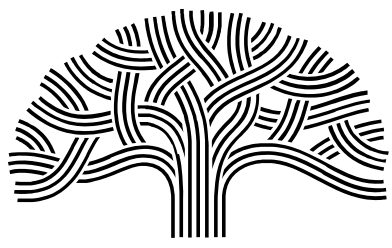
Animal Care for State Mandated Animals	Clean and care for over 3,800 animals housed annually in the shelter, including vaccination and disease observation for stray dogs and sick or injured cats.
Animal Care for OMC Mandated Animals	Clean and care for over 3,400 animals housed annually in the shelter, including vaccination and disease observation for owner surrendered dogs, cats and other species
Veterinary Care for State Mandated Animals	Provide triage medical care for animals in distress, spay/neuter services for over 3,800 shelter animals, oversee use of controlled substances and protocols for individual animal care and public health. Provide after hours emergency care for sick and injured stray dogs and cats.
Veterinary Care for OMC Mandated Animals	Provide triage medical care for animals in distress, spay/neuter services for over 3,400 animals, oversee use of controlled substances and protocols for individual animal care and public health.
Animal Placement	Provide live outcomes for animals, through adoption, transfer, and return-to-home/field.
Customer Services	Respond to phone calls and in-person requests for entry to provision of services, such as intake, adoptions, returns to owner, license sales.
Field Services, Public Safety	Respond to exigent needs in the community regarding sick, injured, and potentially dangerous animals. Including police backup when animals are present. Transportation of animals, patrol, and dispatch across City 24/7.
Field Services, Public Health	Quarantine rabies vector animals for bites to humans. Report State and Federally monitored diseases to appropriate Public Health Department. Coordinate with Public Health Departments regarding response to disease detections and outbreaks.
Field Services	Respond to public requests to assist approximately 1,100 injured wildlife, pick up stray or deceased animals and respond to barking dog complaints.
Field Services, Legal Cases	Respond to potential violations of State and Oakland animal welfare laws, including animal cruelty. Investigate and prepare proper legal documentation, including court appearances, coordinating with City Attorney and District Attorney offices.
Euthanasia Services	Provide humane euthanasia for sheltered animals when elected as the most humane and safest outcome and properly dispose of deceased animals.
Volunteer Services	Oversight of approximately 250 shelter volunteers, development of policies and procedures for volunteer programming



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Race & Equity

FY2025-27 Budget

Darlene Flynn, Department of Race & Equity
May 29, 2025
Budget Hearing Presentation



Approach and Prioritization

Proposal #1 - Cut Department Executive Assistant

Justification:

- Addressing the structural deficit with a staff reduction and associated salary and benefit savings
- Required to meet 2023/25 FY balancing target that carries over to 2025/27 FY

Prioritization:

- No flexibility due to department size; only way to reduce budget and still have ability to cover necessary administrative functions.
- Remaining technical staff can perform administrative duties without violating MOU limitations on working above their class
- EA would not have been able to perform technical/Program Analyst functions without violating MOU limitations

Service Impacts

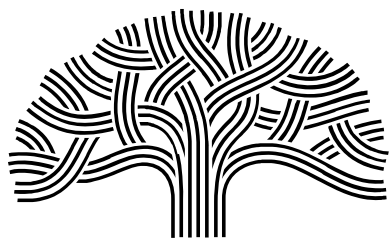
Cutting the DRE Executive Assistant results in the need for the remaining three technical staff to absorb the following administrative activities that are essential to Department operations:

- Equity training and meeting coordination and scheduling
- Communication/program promotion material preparation and distribution
- Project related administrative activity
- Maintenance of DRE internet page and intranet site
- P-card reconciliation, bill processing
- Purchasing requisitions
- Department Director's schedule coordination
- SPOC responsibilities

Transfer of these duties to remaining staff results in a 25% reduction in total technical support capacity for; equity skill building and training services, racial equity impact analysis support, equity network building activities, equity project work, strategic and action planning and equity problem solving support across City departments. This will have a meaningful impact on the support for and the pace at which the City can advance its equity mission.

MISSION STATEMENT: (Municipal Code) 2.29.170.1. Through adoption of the ordinance from which this Section derives, the City of Oakland and the establishment of the Department of Race and Equity, the City of Oakland will intentionally integrate, on a Citywide basis, the principle of "fair and just" in all the City does in order to achieve equitable opportunities for all people and communities.

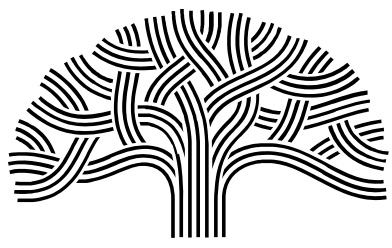
For questions, please contact Darlene Flynn, Director - dflynn2@oaklandca.gov, (510) 238-2904



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City Administrator's Office

FY2025-27 Budget

Jestin D. Johnson, City Administrator
May 29, 2025
Budget Hearing Presentation

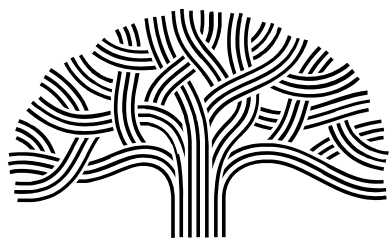


Approach and Prioritization

- Maintain decisions from December 17, 2024 Balancing Actions
- Shift costs away from General Purpose Fund / 1010 where appropriate
- Further reduce O&M where possible
- Keep external consultant contracts to minimum

Service Impacts

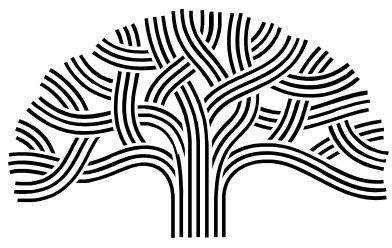
- **ADA:** Deletes 1.00 FTE Program Analyst III in the ADA Programs Division; position is proposed to be added (transferred) in the Department of Transportation. Also freezes 1.00 FTE Architectural Associate (Field) position until grant funding is secured.
 - Impacted performance measure: ADA programs and compliance.
- **Communications:** Eliminates 1.00 FTE City Administrator Analyst position in the Communications & Engagement Division which managed multiple Citywide software subscriptions and contracts and provided technical support to departments utilizing these tools to develop and issue public communications, media campaigns, and engage with residents.
 - Impacted performance measures: Strategic communications, digital services, inclusive community engagement.
- **Neighborhood Services:** Elimination of Neighborhood Services program – discontinues ongoing support for Neighborhood Councils, community outreach and events such as National Night Out. Deletes 1.00 FTE Assistant to the City Administrator position responsible for convening and/or managing multiple interdepartmental and inter-agency working groups.
 - Impacted performance measure: Neighborhood services, inclusive community outreach; capacity for managing and convening internal & external working groups
- **Homelessness:** Deletes 1.00 FTE Assistant City Administrator position responsible for Encampment Management; Adds a Project Manager III in Homelessness Division to support this work.
 - Impacted performance measure: Executive level coordination on encampment management.



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Finance Department

FY2025-27 Budget

Erin Roseman, Director of Finance
May 29, 2025
Budget Hearing Presentation



Approach and Prioritization

- **Strengthen Fiscal Oversight to Support Bond Market Access**

Preserve critical financial oversight functions to maintain creditworthiness, ensure debt compliance, and uphold the City's fiscal integrity—foundational for successful bond market participation.

- **Enhance Revenue Generation and Tax Compliance**

Prioritize reliable, cost-effective revenue collection through optimized tax compliance strategies and expanded revenue enhancement efforts.

- **Centralize Core Financial Functions for Efficiency**

Improve operational effectiveness by centralizing core financial processes, reducing redundancy, and reinforcing internal controls.

- **Modernize Purchasing and Align with Strategic Goals**

Streamline procurement, eliminate labor-intensive processes, and address audit findings to drive efficiency, transparency, and long-term sustainability.

Service Impacts

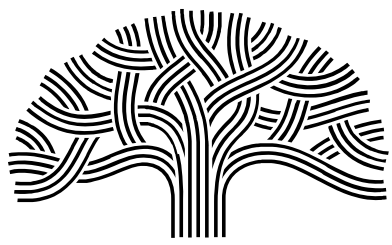
- **More Efficient and Strategic Revenue Collection** – By aligning tax compliance functions within each revenue-generating unit, we are strengthening enforcement, improving efficiency, and ensuring a more seamless revenue collection process that better serves the city’s financial health. Integrating the Tax Compliance Team into the Business Tax Division, Citywide Liens Division, and Citywide Collections Division allows each unit to oversee the entire compliance-to-collection process, ensuring a more direct, accountable, and efficient workflow including adherence to lien enforcement and small claims court procedures. Additionally, transitioning Fire Vegetation Inspections and Sidewalk Repair from an invoicing-based methodology to property liens ensures that fire service fees and sidewalk repair are collected through a more dependable and enforceable mechanism, reducing outstanding balances and maximizing overall revenue recovery.
- **Streamlined and More Transparent Procurement Processes** – The Procurement & Contracts Bureau’s implementation of the Purchasing and Contracting Review Study (March 2024) recommendations, accompanied with investments in procurement automation software, will continue to reduce inefficiencies, enhance contract oversight, and accelerate the contracting process, ensuring that vendors and departments experience a fair, competitive, responsive and accountable procurement system.

Positions Eliminated or Frozen	O&M Eliminated
15.0 FTE	\$2 Million

Required Future Considerations

Oracle Enhancements and Possible ERP Reconfiguration

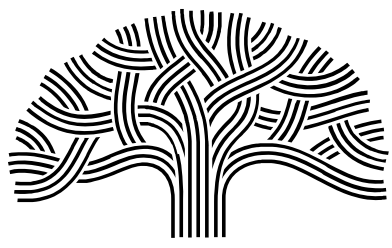
- As the city's financial and revenue systems continue to evolve, there will be a need to enhance and upgrade the current Oracle system or implement new Enterprise Resource Planning (ERP) to support more efficient operations and data management. This is a required process anticipated in an estimated 3-4 years. Preparing for this upgrade will require comprehensive planning, including a thorough assessment of current workflows and system requirements, and a dedicated project manager essential to oversee the implementation, ensuring coordination between departments, managing timelines, and addressing any challenges that arise. Proper preparation and leadership will be critical to ensuring a smooth transition and maximizing the benefits of the upgraded ERP system mitigating any service disruptions to the entire city.



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Human Resources Management FY2025-27 Budget

Mary Hao, Director of Human Resources
May 29, 2025
Budget Hearing Presentation



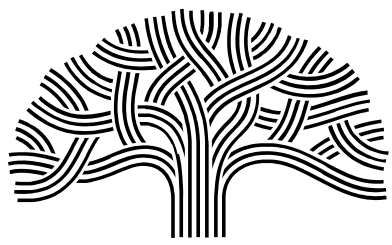
Approach and Prioritization

- Assume relative reduction in citywide recruitments due to ongoing hiring freeze.
- Eliminate use of temporary staff and redistribute work to existing staff.
- Reduce training contracts by 50%.
- Eliminate unutilized O&M funds.

Service Impacts

Recruitment and Classification Services

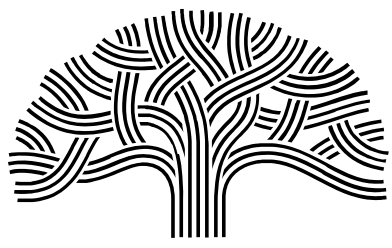
- All of the position deletions and freezes will impact the Recruitment and Classification Team. Deleting and/or freezing positions will impact the volume of recruitments that can be performed by the remaining staff and supervision and oversight of the recruitment team's work.
 - **Delete 1.0 FTE Principal Human Resources Analyst** – Shift supervision to other staff, which may impact the remaining staff's bandwidth to perform recruitments.
 - **Delete 1.0 FTE Human Resources Manager** – Lose a Human Resources manager to oversee the recruitment and classification staff and functions, including data analysis, support for the Civil Service Board, and process improvement.
 - **Delete 1.0 FTE Human Resources Technician** – Deleting this position will reduce the support provided for recruitment activities, including, but not limited to, the timely processing of new hire paperwork and the maintenance of position control work.
 - **Delete 1.0 FTE Administrative Assistant II** – Deleting this position will either eliminate or shift duties to other staff in the areas of supporting the Civil Service Board, especially for appeals, administrative support for the recruitment division, and overseeing the subpoena response process.
 - **Freeze 1.0 FTE Senior Human Resources Analyst** – Freezing this position will prevent the department from hiring additional staff to support advanced journey level recruitment and classification activities.



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OAKLAND

Information Technology Department FY2025-27 Budget

Department Head Name, Department
May 28, 2025
Budget Hearing Presentation



Approach and Prioritization

- The proposal reduces **nearly \$6 million** from the overall ITD budget through the termination of **existing contracts, planned projects, ALL vacant positions, and some filled/planned separations.**
- The approach included a **comprehensive review of all contracts and services and prioritized only core, mission critical Citywide and multidepartment services that are in full operational capacity.**
- This approach reflects a **“keep the lights on budget”**

Vacancy Position Impacts

Administrative Analyst II.AP106	FD_4200	OR_46111	PJ_1000011	PG_IP62	-0.25	-52,704
Administrative Analyst II.AP106	FD_4210	OR_46111	PJ_1000011	PG_IP62	-0.25	-52,704
Administrative Analyst II.AP106	FD_4300	OR_46111	PJ_1000011	PG_IP62	-0.25	-52,704
Administrative Analyst II.AP106	FD_4600	OR_46111	PJ_1000011	PG_IP62	-0.25	-52,704
Business Analyst II.AP117	FD_2415	OR_46361	PJ_1003971	PG_IP49	-2	-439,356
Telephone Services Specialist.AP340	FD_4210	OR_46271	PJ_1000011	PG_IP62	-1	-216,895
Reprographic Assistant.SS180	FD_4300	OR_46121	PJ_1000011	PG_IP64	-1	-112,179
Information Systems Specialist I.AP242	FD_4600	OR_46251	PJ_1000011	PG_IP62	-2	-364,511

VACANCIES TOTAL -1,343,757

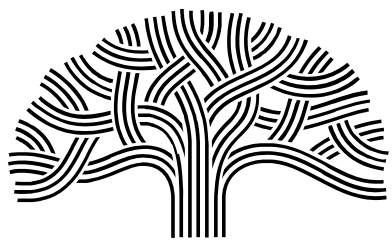
Filled Positions (including separations)	3	\$-651,602
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Service Impacts (Vacancies)

- **Elimination of Business Analyst II positions:** less staffing for Accela Permitting team, less resources to assign to permitting improvements, enhancements, and projects, slower completion times
- **Elimination of Administrative Analyst position :** More limited resources for IT contracting, procurements, invoicing, internal reviews, project management, etc.
- **Major O&M Reductions** across operating funds

Service Impacts (O&M)

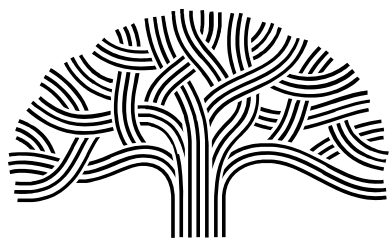
- \$2M increase for critical public safety upgrades and enhancements
- **O&M Reductions** will limit ability to respond and resolve network outages/maintenance; database support, and maintain and upgrade Citywide IT systems
 - Reduces \$458,158 in year 1 and \$521,845 in year 2 in Radio Shop.
 - Reduces approximately \$75,000 over both years in Telecommunications.
 - Reduces \$127,252 in year 1 and \$182,160 in year 2 in Reprographics. Unable to acquire the necessary supplies required to meet City Department printing needs.
 - OakWifi (outdoor network) maintenance and support eliminated.



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Public Ethics Commission

FY 2025-2027 Budget

Nicolas Heidorn, Executive Director
Public Ethics Commission

May 29, 2025
Budget Hearing Presentation



Approach and Prioritization

The Proposed Budget prioritizes the following for the PEC:

- Maintains core services
- Minimizes workforce impacts
- Strengthens critically understaffed Enforcement Unit
- Postpones launch of Democracy Dollars Program for 2026, while preserving necessary resources to prepare for 2028 implementation

Service Impacts - Reductions

Eliminates all campaign public financing in Oakland for the 2026 election, including:

- Not Reinstating the Limited Public Financing (LPF) Program
- Postponing launch of the Democracy Dollars (DD) Program for 2026

Impacts:

1. Increases the risk or appearance of corruption
2. Eliminates financial support to participating Council District candidates by \$20,000-\$35,000 (LPF; more for DD), increasing candidate reliance on large donors
3. Removes restrictions on campaign spending and candidate self-financing limits
4. Disadvantages candidates who are not wealthy or connected to networks of wealth, likely impacting candidates whose support is from low-income communities of color the most

The Commission **opposes** this reduction, as it eliminates a 20-year+ core service and is contrary to Measure W (2022)'s goal of strengthening public financing

Service Impacts - Enhancements

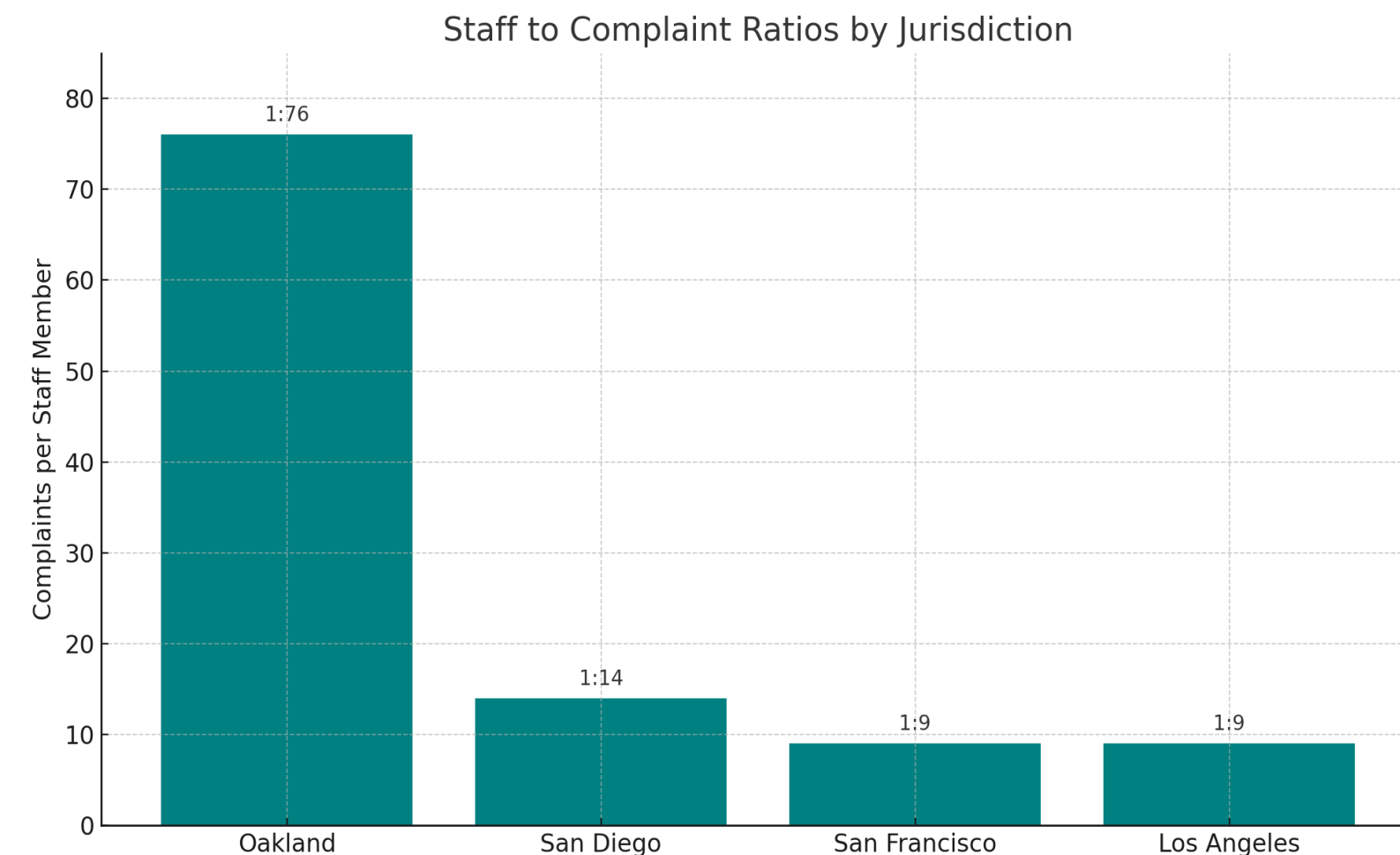
Strengthens the Enforcement Unit by adding +1 FTE Investigator, consistent with Measure OO (2024), and +0.1 FTE Law Clerk to assist with enforcement of Oakland’s anti-corruption laws.

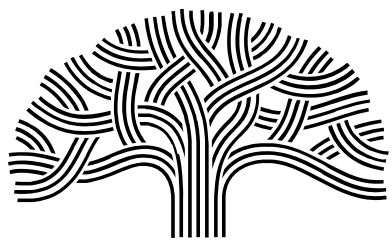
Impacts:

1. Increases Commission’s capacity to investigate and resolve complaints by increasing investigative staff from 1 FTE to 2 FTEs
2. Improves Commission’s ability to deter violations of ethics laws and impose fines
3. Decreases the time it takes to resolve complaints

The PEC’s Enforcement Unit **remains critically understaffed** for its caseload, which will require the Commission to close a significant number of complaints without investigation.

PEC Staff estimates a min. of 3 FTE Investigators and 1 Staff Attorney are required to meet ongoing caseload and make progress on its backlog.

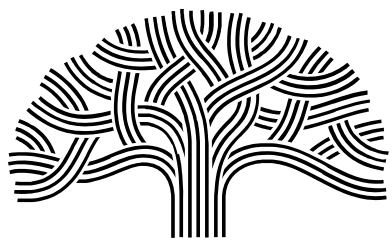




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Office of the City Auditor

FY2025-27 Budget

Michael C. Houston, City Auditor

May 29, 2025

Budget Hearing Presentation



Approach and Prioritization

Legal Opinions & Charter Mandates

Legal Opinions

A [2006 formal legal opinion](#) by the City Attorney's Office concluded *"The City Council must provide minimum funding so that the City Auditor may perform, without material impairment, his Charter mandated duties."*

A [2010 formal legal opinion](#) commissioned by the City Attorney's Office concluded that ***at that time*** (15 years ago), estimated a minimum staffing threshold of 8.0 auditor FTEs.

City Charter Mandates

The 2023 amendments to [Section 403 of the City Charter](#) (Measure X) overwhelmingly supported by Oakland voters, updated the Office's minimum staffing needs to fulfill its Charter mandates to 14 FTE and states: *"the minimum staffing budget set-aside may be suspended, for a fiscal year or a two-year budget cycle, upon a finding in the budget resolution that the City is facing an extreme fiscal necessity..."*

Approach and Prioritization

Identify Cost Savings

- **Freeze 3.0 FTEs**
 - 1.0 FTE Performance Audit Manager for FY25-27
 - 2.0 FTE Performance Auditor for FY25-26.
- **Identify restricted funds that support the services and contain the revenues that are the subject of mandated recurring audits.** These restricted funds could support contract work and/or personnel costs. Possible **\$561,317** in *ongoing* GPF savings.

Approach and Prioritization

Meet Our Charter Mandated Responsibilities

- **Contract with an outside agency** to complete mandated recurring audits. Cost approximately **\$337,261K** to conduct the following audits
 1. Measure M – Emergency Medical Services
 2. Measure N – Paramedic Services
 3. Measure Y – Oakland Zoo, Animal Care, Education, and Improvement Fund
 4. Measure D – Kids First! Fund (OFCY)
 5. Measure Q – Parks Preservation, Litter Reduction and Homelessness Support
 6. Measure Z – Oakland Public Safety and Services Violence Prevention Act
 7. Measure D – Library Parcel Tax
- **Hire Graduate Fellows** to assist with conducting our audits timely. **\$25K** in O&M per fiscal year.

Approach and Prioritization

Address the City's Highest Risks

Projects Currently in Progress

1. Kids First! Oakland Fund for Children and Youth Act (Measure D)
2. The Oakland Police Commission, Community Police Review Agency, Office of Inspector General
3. Vacant Property Tax (Measure W)
4. Emergency Response Times – Police
5. Illegal Dumping
6. Financial Management of Capital Improvement Projects
7. Finance Department's Revenue Bureau (Contract)
8. Information Technology Cybersecurity (Contract)
9. Budget Sustainability (Contract)

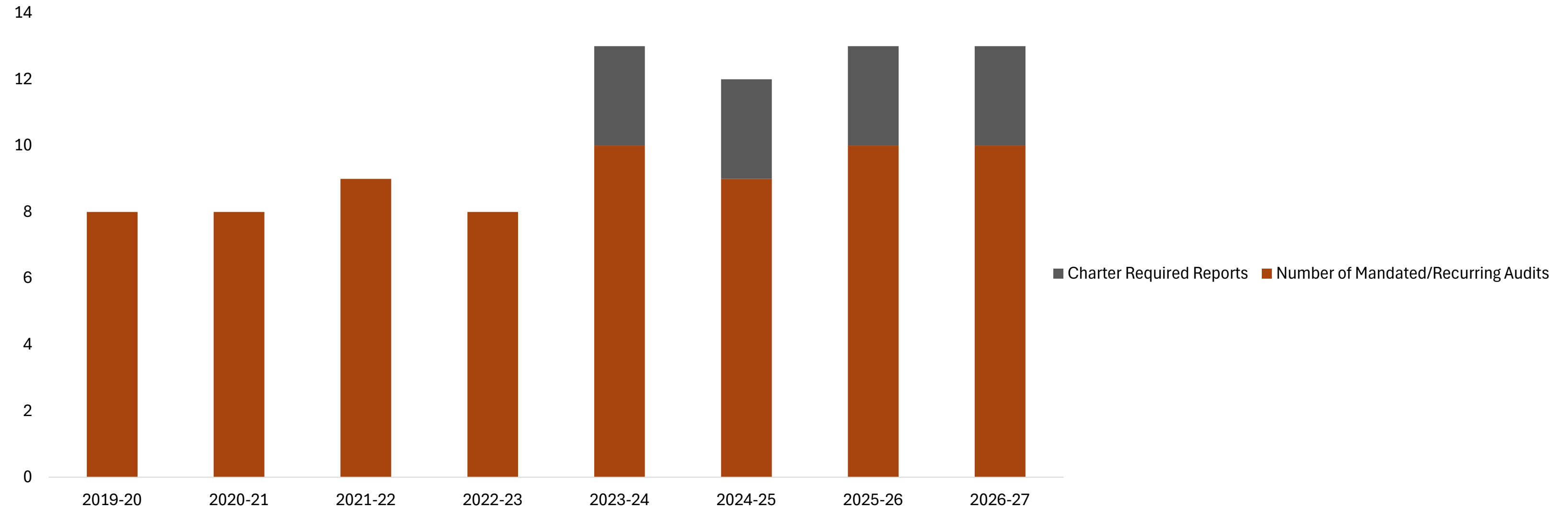
Priority Projects to Launch in 2025

- Citywide Personnel Investigations (pending staffing resources)
- Emergency Response Times – Fire
- Requests from the City Council and/or Mayor

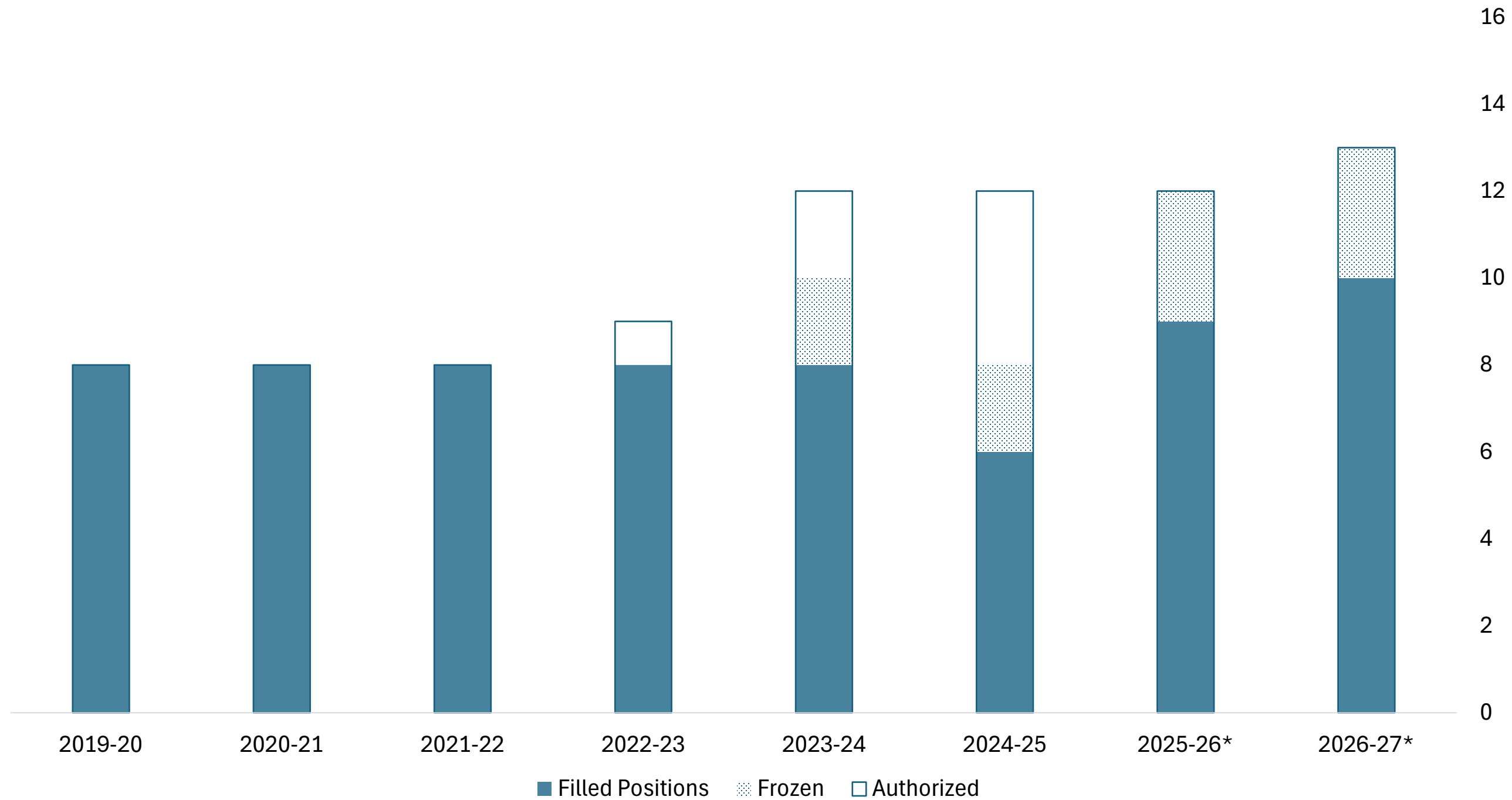
Service Impacts

1. **Performance Audits (recurring)** – Some will not be conducted and all will be delayed
 - Goal 100% completed, only 43% were completed in FY24-25
2. **Performance Audits (one-time)** – Some will not be conducted and all will be delayed
 - Goal: Complete 11-12 audits - 5 audits were completed in FY24-25
3. **Semi-Annual Recommendation Follow-up Report** – Will be delayed
4. **Special Council Requests** – Will be delayed
5. **Whistleblower Hotline** – Response times will suffer
 - 131 complaints filed in FY 2023-24, 104 were closed
6. **Whistleblower Investigations** – Some will be delayed
 - Goal: 100% of the cost of the program is covered by fiscal impact of the whistleblower investigations
7. **Ballot Measure Analyses** – Will be delayed and endangered
8. **Annual Reports (Audit Work Plan, Annual Report, Whistleblower Annual Report)** – None

Historical Trends: Growing Mandates

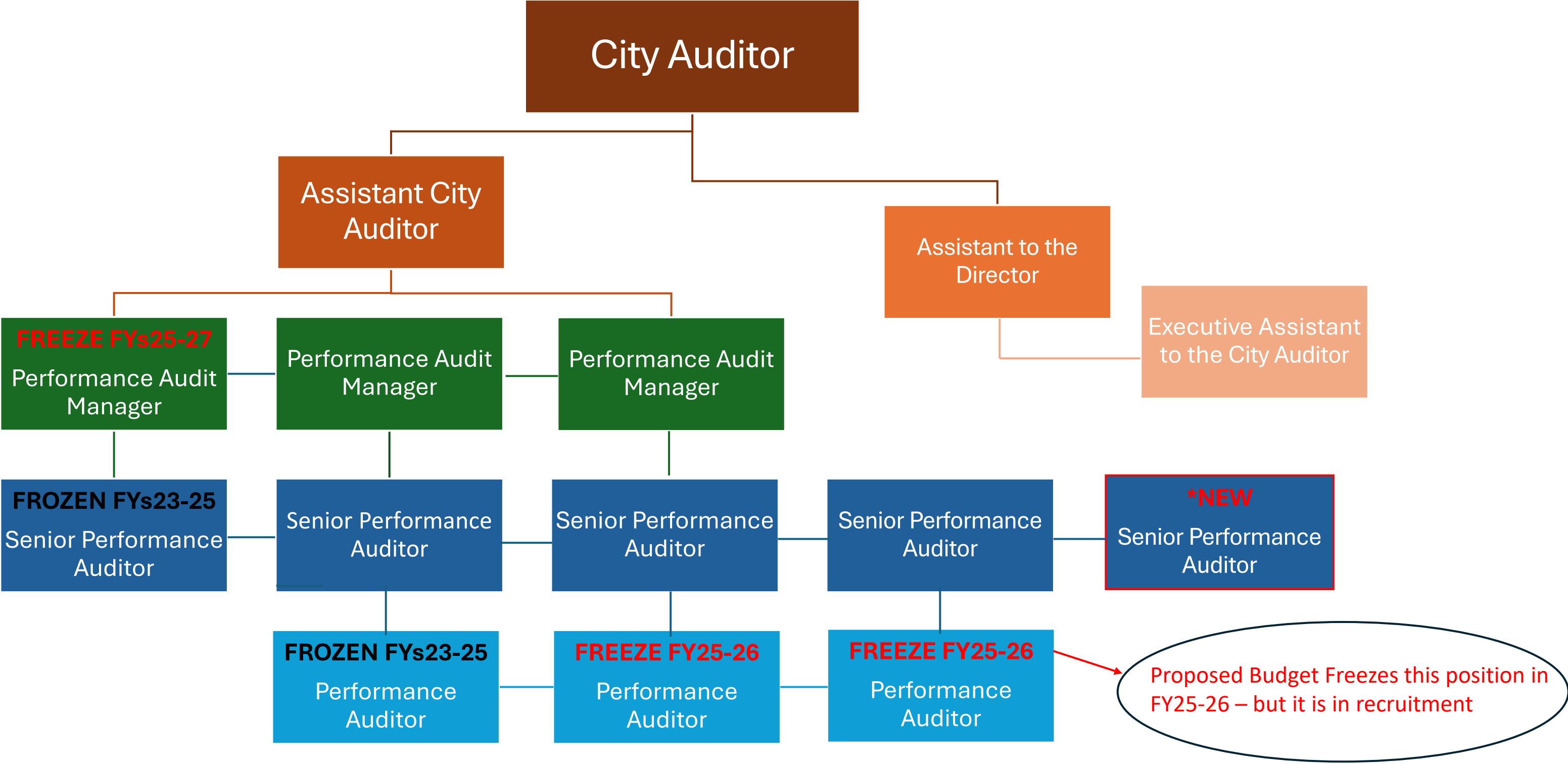


Historical Trends: Staff



FY25-27 Position Impacts: Freeze 2

additional positions



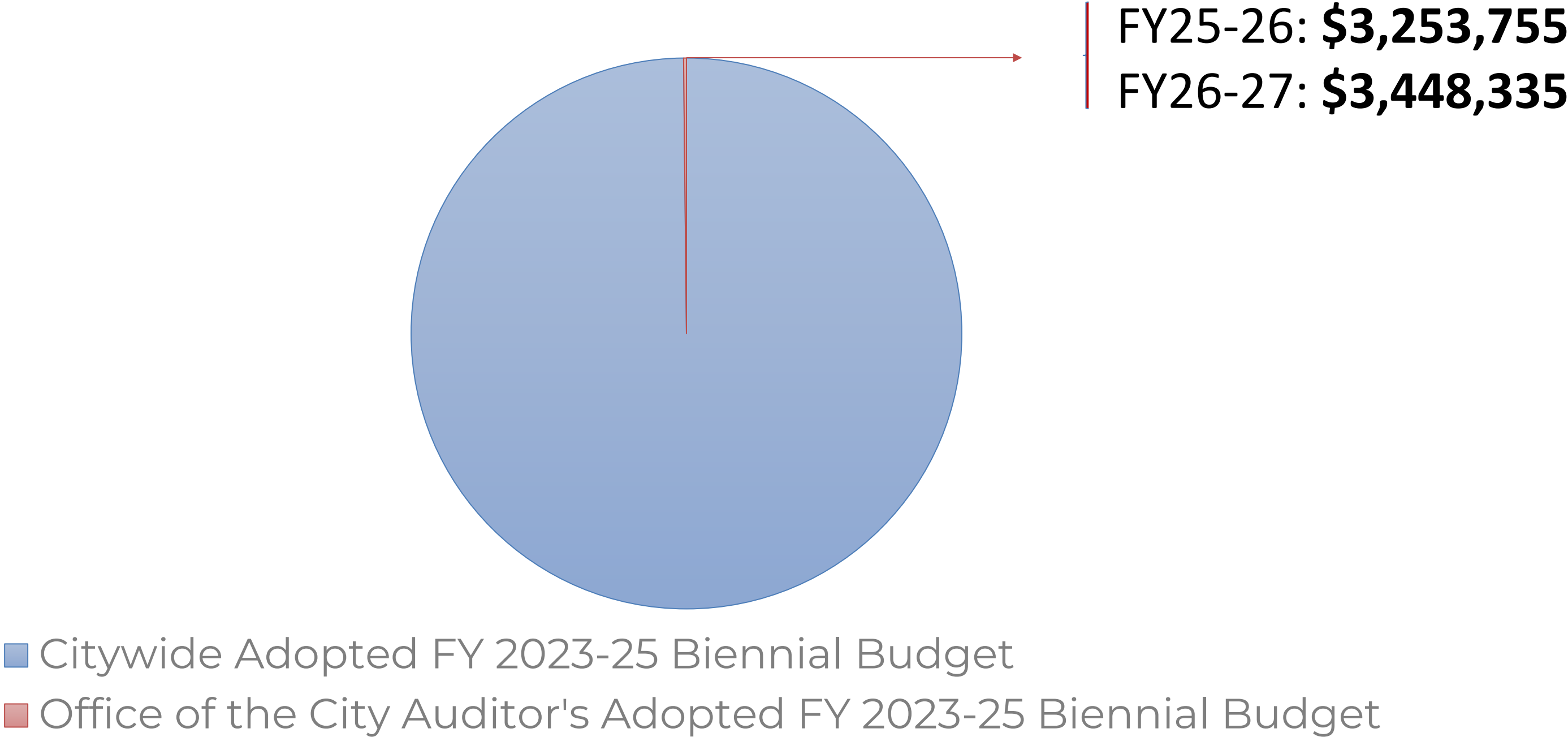
Proposed Budget Freezes this position in FY25-26 – but it is in recruitment

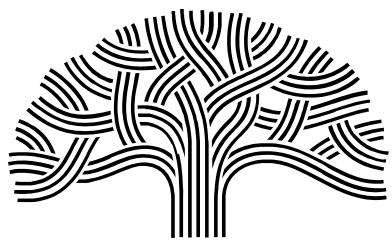
*The “Oakland Community Violence Reduction and Emergency Response Act of 2024,” passed by voters in November 2024 as Measure NN, requires the establishment of a new “Budget Auditor” position within the City Auditor’s Office in FY26-27. We have determined the appropriate position to be Senior Performance Auditor.

Outstanding Needs for FY25-26

1. Unfreeze 1.0 FTE Performance Auditor position: **+\$170K**
2. Additional **\$108K** in O&M to cover contracting expenses

Cutting the Office of the City Auditor to balance the budget is futile





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