



MEMORANDUM



TO:	Honorable Mayor, City Council & Members of the Public	FROM:	Nikki Fortunato Bas Council President, District 2
SUBJECT:	FY 2024-2025 Midcycle Budget	DATE:	June 6, 2024

Dear Mayor, Council Colleagues and Members of the Public,

This particular Midcycle Budget process is tougher than any other in recent years, due to significant revenue shortfalls. We are working to close a projected \$177 Million deficit in our General Purpose Fund (GPF) in the next fiscal year starting July 1, 2024 in order to balance Oakland's \$2.2 Billion FY 2024-2025 budget.

Just a year ago, we closed a historic \$360 Million deficit by making hard decisions and adopting a balanced FY 2023-2025 budget that reduced expenditures while avoiding layoffs, maintaining critical services, and making record investments in affordable housing with funds from Measure U.

I am working with Councilmembers Dan Kalb (D1), Carroll Fife (D3) and Kevin Jenkins (D6) on my budget team. We are still reviewing the Mayor and Administrator's proposed budget, released two weeks ago; listening to constituent feedback; and getting answers to questions.

At first review, critical city services are preserved in the proposed budget, including community safety (Ceasefire, Crime Reduction Teams, Violence Prevention, MACRO and 911 improvements), services for clean streets and neighborhoods (Keep Oakland Clean & Beautiful, abandoned autos), and hours of operation at libraries, parks, and recreation and senior centers. Significant infrastructure funding for affordable housing and capital improvements through Measure U will continue.

In order to propose thoughtful amendments to approve a balanced budget, we will continue to listen to additional constituent feedback as we also get answers to our questions. We hope this will ensure that our amendments are more inclusive of input from both the public and our colleagues on the Council.

These are the **values and priorities** that will guide our work as we prepare amendments over the next week for the Special Council meeting on June 18th at 1:30pm.

Special City Council
June 12, 2024

- A commitment to instill more equity in our budgeting process
- A commitment to deliver core services for a clean, safe and thriving city
- A commitment to supporting our valued workforce
- A commitment to an effective and accountable government
- Increased attention and focus on revenue collection, as well as revenue generation through supporting local workers and businesses, and through sustainable economic development
- A commitment to addressing our structural deficit

With our serious fiscal challenges, there are limits to what we will be able to propose. That said, we are considering amendments that:

- Improve delivery of critical, core city services
- Improve community safety
- Improve revenue collection/generation

To members of the public, please note the following budget resources:

- Proposed Midcycle Budget ([oaklandca.gov/budget](https://www.oaklandca.gov/budget)) with links to the online budget portal and questions & answers. Our budget team's initial questions & answers are memo #2 here:
<https://www.oaklandca.gov/documents/fy-24-25-midcycle-council-budget-questions-and-responses>
- Council President's Budget Webinar recording: click on the Zoom recording link (bit.ly/D2OakBudgetWebinar2024) and enter the passcode: 5h!A8eF+
 - Interpretation in Cantonese, Mandarin, Vietnamese, and Spanish are also included in the video recording.

Thank you to all of our City staff for your hard work and commitment to our city. We look forward to our budget discussions among our colleagues and with the public.

Respectfully submitted,



Nikki Fortunato Bas
Council President, District 2