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CITY OF OAKLAND



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To: City Councilmembers
From: Zac Wald, Chief of Staff to Jane Brunner, City Council District 1
Date: November 8, 2011
Re: CED Item #7: Fourth Quarter Revenue & Expenditure Results and Year-End Summary

At the end of fiscal year 2009/2010, the City Council Offices agreed to take a 15% budget reduction in order to help balance the budget. Each Council office was asked by the City's Budget Office to submit a reduction plan. Council District 1 submitted a plan which laid-off one staff member and reduced other staff hours significantly in order to achieve the necessary budget reductions.

After the implementation of this plan, we checked in regularly with the budget office to ensure that we were on track to achieve the necessary reductions.

- After the first quarter revenue and expenditure results came in October 2010, the budget office projected that we would have a surplus of \$15,931 by the end of the fiscal year.
- After the second quarter revenue and expenditure results came in February 2011, the budget office projected that we would have a slight deficit of approximately \$5,386 by the end of the year.
- Despite repeated requests, our office was not given additional projections after the second quarter. Because we anticipated a significant leave of absence in our office in the spring, we understood that we were in a good position to finish the year with a balanced budget.

It came as a surprise and was alarming that we ended the year with a significant deficit, as outlined in the 4th Quarter Revenue and Expenditure report.

We do not believe that the budget office provided our office with the correct numbers in the projections that we were given. Had we been given the correct numbers, we would have been able to make the necessary reductions.

We request that the Budget Office review all correspondence and projections with our office over the course of the last fiscal year.

Item 7
CED Committee
November 8, 2011