



CITY OF OAKLAND

# AGENDA REPORT

**TO:** Edward D. Reiskin  
City Administrator

**FROM:** Erin Roseman  
Director of Finance

**SUBJECT:** FY 2021-23 Use of One-time  
Revenues to Balance Biennial Budget

**DATE:** October 5, 2021

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City Administrator Approval

Date: Oct 6, 2021

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## **RECOMMENDATION**

**Staff Recommends That The City Council Adopt A Resolution Amending And Superseding Resolution No. 88718 C.M.S., Which Authorized The Use Of One-Time Revenues To Balance The Fiscal Years 2021-23 Biennial Budget Pursuant To Section 1, Part D Of The City Of Oakland Consolidated Fiscal Policy (Ordinance No. 13487 C.M.S.), To Update The Amount Of One-Time Revenue The City Received Under The American Rescue Plan Act And The Amount Of One-Time Revenue Used To Balance The Fiscal Years 2021-23 Biennial Budget.**

## **EXECUTIVE SUMMARY**

Adoption of the proposed resolution will amend legislation that authorized the use of one-time revenues to balance the Fiscal Year (FY) 2021-23 Budget, with updated final dollar amounts. The original legislation was adopted on June 24, 2021 in draft form (Resolution No. 88718 C.M.S.) however the amounts included in the resolution need to be updated to reflect the final American Rescue Plan Act (ARPA) allocation, the final amount of ARPA allocated to the biennial budget, and the final amount of other one-time revenues allocated to fund ongoing expenses. Noticing rules require that the Resolution be amended and superseded.

## **BACKGROUND / LEGISLATIVE HISTORY**

On April 12, 2021, City Council approved Resolution No. 88574 C.M.S., which accepted and appropriated an estimated ARPA allocation of \$192,084,105. Resolution No. 88721 C.M.S., approved on June 24, 2021, amended Resolution No. 88754 C.M.S., to reflect the final ARPA allocation of \$188,081,700. The resolution also revised the portion of the allocation authorized for balancing deficits in several funds in FY 2020-21.

On June 24, 2021, City Council adopted the FY 2021-23 Biennial Budget (Resolution No. 88717 C.M.S.). The adopted biennial budget includes \$155,024,418 of ARPA funds to replace projected revenue losses experienced by the City due to COVID-19 pandemic and to fund eligible governmental services. It also includes the use of \$35,347,364 in other one-time revenues to fund ongoing expenses.

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The Consolidated Fiscal Policy (CFP) (Ordinance No. 13487 C.M.S.) Section 1, Part D of the Consolidated Fiscal Policy provides that any unrestricted one-time revenues shall be used to fund one-time expenditures, to fund debt retirement and unfunded long-term obligations such as negative fund balances, Police and Fire Retirement System (PFRS) unfunded liabilities, CalPERS pension unfunded liabilities, paid leave unfunded liabilities, and Other Post-Employment Benefits (OPEB) unfunded liabilities or shall remain as fund balance. Section 1, Part D of the Consolidated Fiscal Policy provides further that the use of unrestricted one-time revenues for any purpose other than those set forth in Part D must be authorized by City Council resolution.

### **ANALYSIS AND POLICY ALTERNATIVES**

Per Resolution No. 88721 C.M.S, the final ARPA allocation for the City of Oakland is \$188,081,700 and the total authorized for use in FY 2020-21 is \$33,057,282. The remaining \$155,024,418 has been allocated to the adopted FY 2021-23 Biennial Budget to fund critical one-time and ongoing governmental services.

In addition, the adopted FY 2021-23 Biennial Budget allocates \$35,347,364 in other one-time revenues to fund ongoing expenses. This amount was calculated using final budget numbers which was only available after the budget was adopted on June 24, 2021 and all the council amendments were verified and implemented.

Resolution No. 88718 C.M.S. has been amended and superseded to reflect the final amounts above.

### **FISCAL IMPACT**

Approval of this resolution will allow the City to comply with the Consolidated Fiscal Policy (Ordinance No. 13487 C.M.S.) Section 1, Part D.

### **PUBLIC OUTREACH / INTEREST**

No outreach was conducted for this revision to Resolution No. 88718 C.M.S., as it is intended to make technical corrections to reflect final amounts included in the adopted FY 2021-23 Biennial Budget.

### **COORDINATION**

This report and resolution was prepared by the Finance Department, City Attorney's Office and Budget Bureau were consulted in preparation of the legislation.

## **SUSTAINABLE OPPORTUNITIES**

**Economic:** Adoption of this resolution would promote the City's compliance with its Consolidated Fiscal Policy.

**Environmental:** There are no environmental opportunities associated with this action.

**Race & Equity:** Adoption of this resolution would have no direct impacts on race and equity, but does support the adopted FY 2021-23 Biennial Budget which specifically addresses areas of affordable housing and homelessness, jobs and economy, public safety and violence prevention, and clean, healthy and sustainable neighborhoods, all of which have equity considerations.

## **ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Approve A Resolution Amending And Superseding Resolution No. 88718 C.M.S., Which Authorized The Use Of One-Time Revenues To Balance The Fiscal Years 2021-23 Biennial Budget Pursuant To Section 1, Part D Of The City Of Oakland Consolidated Fiscal Policy (Ordinance No. 13487 C.M.S.), To Update The Amount Of One-Time Revenue The City Received Under The American Rescue Plan Act And The Amount Of One-Time Revenue Used To Balance The Fiscal Years 2021-23 Biennial Budget.

For questions regarding this report, please contact Lisa Agustin, Budget Administrator, at (510) 238-2989.

Respectfully submitted,



[Erin Roseman \(Oct 6, 2021 09:29 PDT\)](#)

Erin Roseman  
Finance Director

Prepared by:  
Lisa Agustin, Budget Administrator

