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**CITY OF OAKLAND  
COUNCIL AGENDA REPORT**

TO: Office of the City Manager  
FROM: Budget Office  
DATE: January 27, 2004

RE: QUARTERLY REPORT FROM THE BUDGET ADVISORY COMMITTEE

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**SUMMARY**

This document transmits a quarterly report from the Budget Advisory Committee (BAC). BAC Chairperson Adelle Foley is available to answer questions and/or provide additional information.

**FISCAL IMPACT**

This is an informational report and, therefore, contains no fiscal impacts.

**BACKGROUND**

On March 2, 1999 the Oakland City Council approved Resolution No # 74826 establishing the Budget Advisory Committee (BAC). This action combined the City Council's previously created Citizen's Budget Advisory Committee with the Business Budget Advisory Committee for the purpose of advising the City Council regarding the City's two-year policy budgets.

**STATUS REPORT**

During the Summer and Fall of 2003, the BAC's primary objective was to evaluate the City's budget changes and plan new projects for the new fiscal year. Some of the new projects discussed include evaluating the City's contract process and how it can be improved to generate additional revenue income; and analyzing the City's on-going finances utilizing the City Manager's Quarterly Revenue and Expenditure Reports.

In addition, over the last several months, staff to the committee has worked diligently with the Mayor's Office and City Council staff to fill BAC vacancies. Working with less than a full complement of members impedes the work of the BAC. Oftentimes, a quorum cannot be reached and therefore, official business cannot be conducted. The number of vacant positions on the Committee currently stands at three. Mayor Brown recently filled one of his two vacancies. The Community and Economic Development Committee Chairperson (Councilmember Brunner) and District 5 representative (Council President De La Fuente) each have one vacancy to fill. Staff continues working with the Mayor's Office and the Council to fill the remaining vacancies.

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The Quarterly Report of the Budget Advisory Committee is attached here for your review. BAC Vice-Chairperson Benjamin Fay is available to answer questions and/or provide additional information.

**RECOMMENDATION**

Staff recommends acceptance of this report.

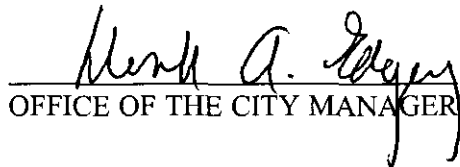
Respectfully submitted,



MARIANNA A. MARYSHEVA  
Budget Director

Prepared by:  
Scarlet Ku  
Principal Financial Analyst, Budget Office

Approved for forwarding to  
*Finance & Management Committee*



OFFICE OF THE CITY MANAGER

Attachment: Quarterly Report from the BAC

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BUDGET ADVISORY COMMITTEE  
Report to the Finance and Management Committee  
October 28, 2003

Chairperson Wan and Members of the Committee:

In the second quarter of 2003, the Budget Advisory Committee completed its short-term project analyzing trends in staffing and personnel costs, with a particular focus on overtime expenses. The Committee concluded that the City has consistently failed to adequately budget for these costs and needs to include more realistic estimates of these costs in future budgets. These findings and conclusions were presented to the City Council.

The Committee has now begun to review the City's methods and procedures for contracting for goods and services. This arose out of the concern that the City may be paying too much for some contracts and may not be subjecting enough contracts to competitive review. We plan to review the City's process and to evaluate both the good and bad aspects of the current practices. The focus of this review will be on the contracting process in general, and not on any specific contract.

The terms of many committee members expired in May. Thus, turnover was planned at the height of the budget review process. The Committee will review alternatives to this schedule to facilitate its work.

There are currently three vacancies on the Committee at the time of this report. We hope all vacancies can be filled in the near future.

Respectfully Submitted,

*Ben Fay*

Benjamin Fay, Vice Chair

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