



AGENDA REPORT

TO: Jestin D. Johnson
City Administrator

FROM: Jamie Turbak
Director of Library Services
Erin Roseman
Director of Finance

SUBJECT: SUPPLEMENTAL – 2024 Library
Commission Annual Report

DATE: April 19, 2025

City Administrator Approval


Jestin Johnson (Apr 18, 2025 10:49 PDT)

Date: Apr 18, 2025

RECOMMENDATION

Staff Recommends That City Council Receive An Informational Report From The Oakland Public Library Commission (LC) For Fiscal Year 2023-2024.

REASON FOR SUPPLEMENTAL

At the [September 24, 2024 Life Enrichment Committee meeting](#), the Committee approved to continue this Informational Report with a request for a supplemental report. Here is the following responsive information:

1. Information from the Finance Department document reporting to include the reduction in the appropriation to the library fund and the steps to return the funds that decreased as a result of the past budget.

Maintenance of Effort requirements for Measure C were suspended in [Resolution 90327 C.M.S.](#) for the FY 2024-25 Mid-Cycle budget. Therefore, reductions in the appropriation to the Library Fund will not be returned. Following the presentation of the City Auditor audit, if any prior year under appropriation not authorized by the Maintenance of Effort waiver is found to have occurred, then that amount will be trued up in supplemental appropriation in the subsequent annual budget.

2. How to best include the library commission on budgetary decisions before they are made versus after.

This is a policy maker decision for the Mayor and City Council. Under the Charter and Consolidated Fiscal Policy the Mayor is responsible for proposing a balanced budget. Any decision making and consultation prior to that proposal is the Mayor's prerogative. Under the Charter and Consolidated Fiscal Policy the Council is responsible for adopting a balanced budget. Any decision making and consultation following the proposed budget and before adoptions is the Council's prerogative, subject to all the required public meeting legal

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requirements. Staff cannot commit the Mayor or Council to any consultative process but is available to support policy makers in any such consultation.

3. Timetable For How and When, And If, the funds can be replaced, and how we can be in compliance with the ballot measure requirements.

General Purpose Fund appropriations that have been properly waived by resolution of the Council pursuant to the provisions of Measures C & D will not be replaced. Following the presentation of the City Auditor audit, if any prior year under appropriation not authorized by the Maintenance of Effort waiver is found to have occurred, then that amount will be trued up in supplemental appropriation in the subsequent annual budget.

The decision to allow the waiver of the Maintenance of Effort provisions as defined in the Measure is ultimately a policy maker decision. However, returning to a state where such decisions are not required necessitates the resolution of the City's ongoing General Purpose Fund structural deficit. This resolution will likely require a combination of significant new sources of revenues, substantial cost sharing and cost containment solutions, and stability in the general macro economy.

4. 311 request in the immediate areas regarding public safety, homelessness, and homelessness encampments specifically for the library.

See Attachment A.

5. Definition of extreme fiscal emergency that lead to the funds being able to be utilize, and addressing the budget deficit

In the FY 2024-25 Budget Adoption and Resolution 90327 C.M.S. which waived the maintenance of effort requirements, the Council elected to define a state of Extreme Fiscal Necessity as:

An intervening step of fiscal austerity, such as when total projected General Purpose Fund revenues will be less than the current year's revenues, where there is an actual or projected reduction in total General Purpose Fund revenues, or when expenditure growth dramatically outpaces revenue growth, or when there is an actual or projected deficit exceeding 10% of the current fiscal year's adopted budget. It is the lessor of a catastrophic situation where the City entity would need to suspend provisions of local laws related to enhanced public services, such as Maintenance of Effort provisions or to prevent a dramatic decrease in essential services, , relating to health, safety, and welfare; may include using Vital Services Stabilization Fund "Rainy Day Funds" , suspension of Use of One-time Revenues policy, or suspension of accelerated liability repayments, or layoffs to achieve cost savings must be considered in order to sustain City Services but short of accessing emergency reserve monies. A dramatic reduction is defined as a more pronounced decrease in City services characterized by substantial disruptions or limitation in service availability which may result in layoffs, and service

closures to essential services that lead to noticeable hardships for residents and businesses.

While this definition is designed to provide guidance and articulate the thinking of policy makers in declaring a state of extreme fiscal necessity, a definition is not required under Measure C and D. The declaration of a state of extreme fiscal necessity is not contingent on this definition.

Staff wish to clarify that the City Council did not appropriate Measure C & D revenues outside the Library. Such an action would indeed violate the allowable uses of these Measures. The Council action has waived Maintenance of Effort requirements resulting in lower General Fund Appropriations to OPL.

6. Explanation of how this was used and the severe financial impact on these libraries.

Measure C & D revenues have been essential in maintaining Library Services despite the ongoing GPF deficit. There have not been significant not reduced Library hours or core services due to the support of these revenues. It should be noted that the COVID-19 pandemic and Capital Construction have affected Library Hours and Services. Given the City's fiscal condition, absent these revenues its is much more likely (though ultimately this is a policy maker decision) that the OPL would have seen significant reductions to hours and services. The main effect of the waived Maintenance of Effort requirements is that Library hours and services have not been expanded to the levels that otherwise would be afforded by the Measures and GPF support.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That City Council Receive An Informational Report From The Oakland Public Library Commission (LC) For Fiscal Year 2023-2024.

For questions regarding this report, please contact

Respectfully submitted,



Jamie Turbak (Apr 18, 2025 09:10 PDT)

Jamie Turbak
Director of Library Services



Erin Roseman (Apr 18, 2025 09:15 PDT)

Erin Roseman
Director of Finance

Attachment A: 311 Information