



CITY OF OAKLAND

AGENDA REPORT

TO: Edward D. Reiskin
City Administrator

FROM: Erin Roseman
Director of Finance

SUBJECT: FY 2021-23 Proposed Budget
Legislation

DATE: May 13, 2021

City Administrator Approval 

Date: May 20, 2021

RECOMMENDATION

Staff Recommends That The City Council Adopt The Following Pieces of Legislation:

1. **A Resolution:**
 - a. **Adopting The Biennial Budget For Fiscal Years 2021-23 And Appropriating Funds To Cover Expenditures Approved By Said Budget; and**
 - b. **Creating The General Purpose Fund Emergency Reserve Fund (Fund 1011) As Directed By City Council In Resolution No. 88574 C.M.S.; and**
 - c. **Authorizing The City Administrator To Transfer Funds Between Departments, Programs And Funds As Necessary To Support Departmental Reorganization As Set Forth In The Adopted Biennial Budget For Fiscal Years 2021-23; and**
2. **A Resolution Authorizing 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.); and**
3. **A Resolution Awarding Grant Agreements To Family Bridges, Spanish Speaking Unity Council Of Alameda County, Inc., Vietnamese American Community Center Of The East Bay, Vietnamese Community Development Inc., Eden I&R Inc., Youth Together, Oakland Children's Fairyland Inc., Chabot Space & Science Center, Oakland Parks And Recreation Foundation, Friends Of Peralta Hacienda Historical Park, East Bay Zoological Society, Oakland Asian Cultural Center, Oakland Promise, And Centro Legal In A Total Amount Not To Exceed \$1,993,215.00 For Fiscal Year 2021-22 And \$1,843,215.00 For Fiscal Year 2022-23; and**
4. **An Ordinance Amending Chapter 2.29 Of The Oakland Municipal Code Entitled "City Agencies, Departments And Offices" To Establish The Department Of Animal Services As A Standalone Department.**

Special City Council
May 26, 2021

EXECUTIVE SUMMARY

The Mayor and City Administrator’s FY 2021-23 Proposed Policy Budget was published on May 7, 2021. This proposed two-year spending plan appropriates more than \$3.8 billion over Fiscal Years 2021-22 and 2022-23. Approval of the proposed resolutions will invest in the City Council shared priorities (Affordable Housing & Homelessness Solutions, Public Safety & Violence Prevention, Good Jobs & Vibrant Economy, and Clean, Healthy, Sustainable Neighborhoods), reinstates some of the City’s prudent fiscal policies, and stabilizes existing service levels.

BACKGROUND / LEGISLATIVE HISTORY

Per Section 801 of the Oakland City Charter, the City Council is required to adopt a budget by June 30 to authorize expenditures for the following fiscal year. If a budget is not adopted by June 30, the appropriations of the previous fiscal year are deemed to be effective until the new budget and appropriation measures are adopted.

ANALYSIS AND POLICY ALTERNATIVES

The FY 2021-23 Proposed Policy Budget totals more than \$3.85 billion over the next two years (see **Table 1**). This Proposed Budget results in no layoffs, adds a net 34 and 29 total FTEs respectively over two years, and reinstates the City’s prudent fiscal policies of paying down unfunded liabilities and restoring the City’s Rainy Day Fund and Reserves. In addition to stabilizing existing service levels, the Proposed Budget invests in the four City Council Priorities: Affordable Housing & Homelessness Solutions, Public Safety & Violence Prevention, Good Jobs & Vibrant Economy, and Clean, Healthy, Sustainable Neighborhoods.

Table 1: Revenues, Expenditures, & Full-time Equivalent Positions

	Midcycle FY 2020-21	FY 2021-22	FY 2022-23
General Purpose Fund	\$644,092,166	\$775,813,222	\$726,578,328
Restricted Special Funds	\$1,069,051,241	\$1,220,599,561	\$1,133,062,330
Total – All Funds	\$1,713,143,407	\$1,996,412,783	\$1,859,640,658
Full-Time Equivalent Positions – GPF	2,410.61	2,379.87	2,364.10
Full-Time Equivalent Positions – All Funds	4,491.30	4,525.52	4,520.42

Please see the FY 2021-23 Proposed Budget document for details on the proposed budget. The FY 2021-23 Proposed Budget may be accessed in its new online interactive budget book format on the FY 2021-23 Budget website (<https://www.oaklandca.gov/topics/fiscal-year-2021-2023-budget>).

FISCAL IMPACT

The fiscal impacts are described in the FY 2021-23 Proposed Budget.

PUBLIC OUTREACH / INTEREST

The budget development process includes various opportunities for community input. The process began with a scientifically conducted poll on community priorities, which was conducted and presented to the City Council in March 2021. A public meeting was held (the City Council Retreat) on March 30, 2021 to discuss individual Councilmembers and shared budget priorities.

The Mayor held a town hall budget meeting in March 2021. Community Budget Forums are planned in the month of May on the proposed budget. Several special budget meetings are scheduled for May and June in City Hall.

See the City's Budget website for additional information: www.oaklandca.gov/budget.

COORDINATION

The Finance Department worked with all City departments in preparing the FY 2021-23 Proposed Budget.

SUSTAINABLE OPPORTUNITIES

Economic: The City's Budget represents over \$3.8 billion in expenditures into the local economy over the next two years. There could be significant economic impacts depending on the decisions made by the Mayor and Council.

Environmental: The impact of the City's appropriation can have a considerable effect on the local environment impacts depending on the decisions made by the Mayor and Council.

Race & Equity: The budget is a significant tool for improving equity. Budgetary decisions were made with equity as a focus with the intent to mitigate the inequitable circumstances of Oakland residents. The Proposed Budget 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

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4. An Ordinance Amending Chapter 2.29 Of The Oakland Municipal Code Entitled "City Agencies, Departments And Offices" To Establish The Department Of Animal Services As A Standalone Department.

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

Respectfully submitted,

Erin Roseman

[Erin Roseman \(May 20, 2021 11:59 PDT\)](#)

Erin Roseman
Finance Director

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Special City Council
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