

# Oakland Roadmap to Fiscal Health

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# What is the Roadmap?

- A multi-year plan to improve the City's financial position and the quality of the services it provides.
- Complicated strategic projects with aggressive but achievable timelines.
- Transparent work, with regular public updates and recommendations to the Council and Mayor to provide feedback and direction.



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# Restoring the City's Fiscal Health

## **Oakland's finances have been strained in recent years:**

- Pandemic impacts on tax revenue base + high-inflation driving costs
- Use of one-time funds to cover ongoing financial problems
- Five-year structural budget gap of \$130M annually

## **Recent progress has been real:**

- Quick action to close last year's mid-year budget gap
- Passage of a sales tax increase in May
- Adoption of a more structurally balanced budget

**But returning to full financial health will take sustained effort and action over several years**



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# Input Requested on Workplan

## 4. Multi-year plan to meet voter-adopted service mandates

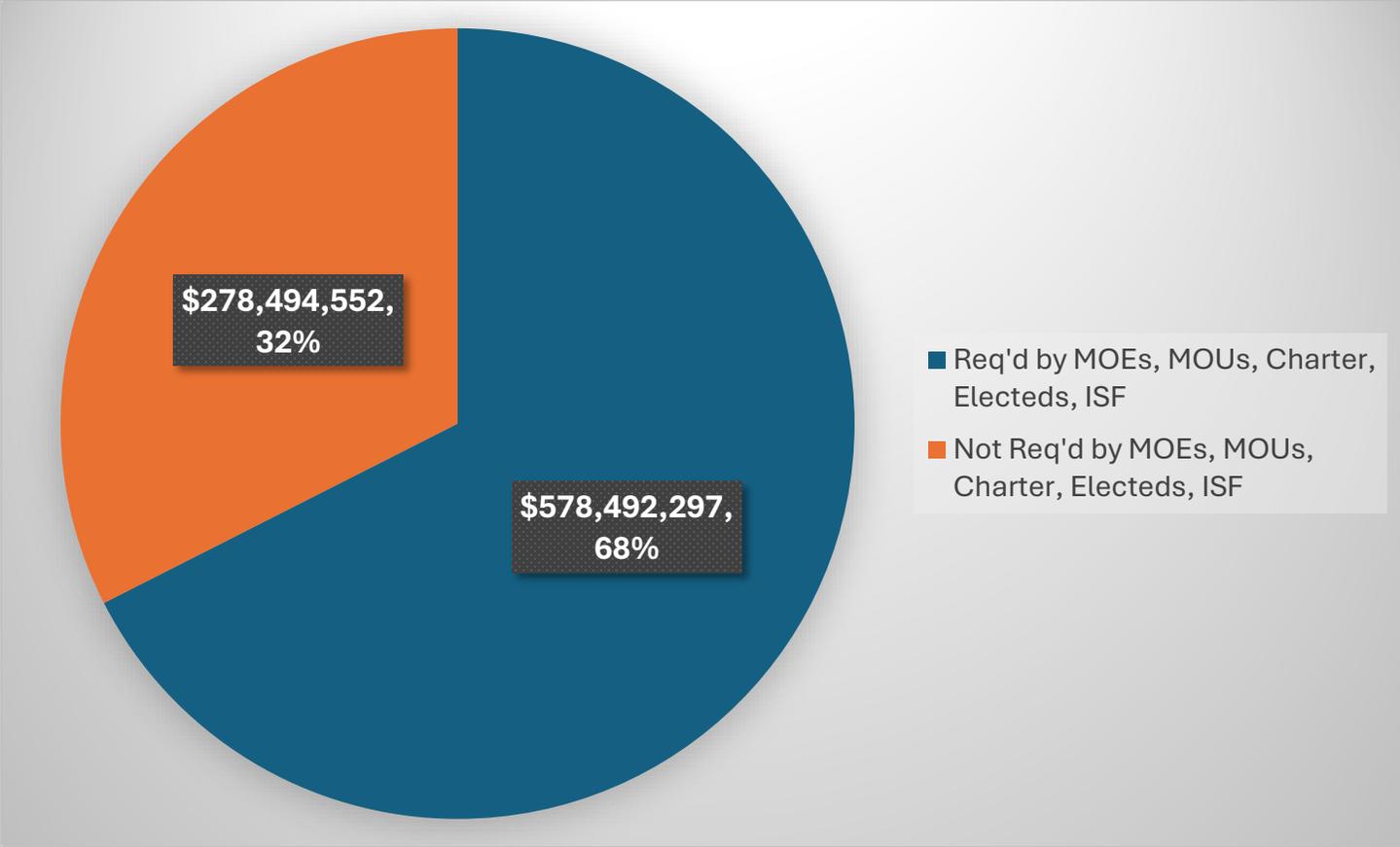
*Phased plan to Council by January 2026*

*Informs biannual budget update (and beyond)*



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# FY 2026-27 GPF Budget as Baseline Discussion



Additional Amount Needed to be in  
Compliance with all MOEs:  
**\$38.8 Million**



# 7 of 21 Measure MOEs Not Met in FY 2026-27

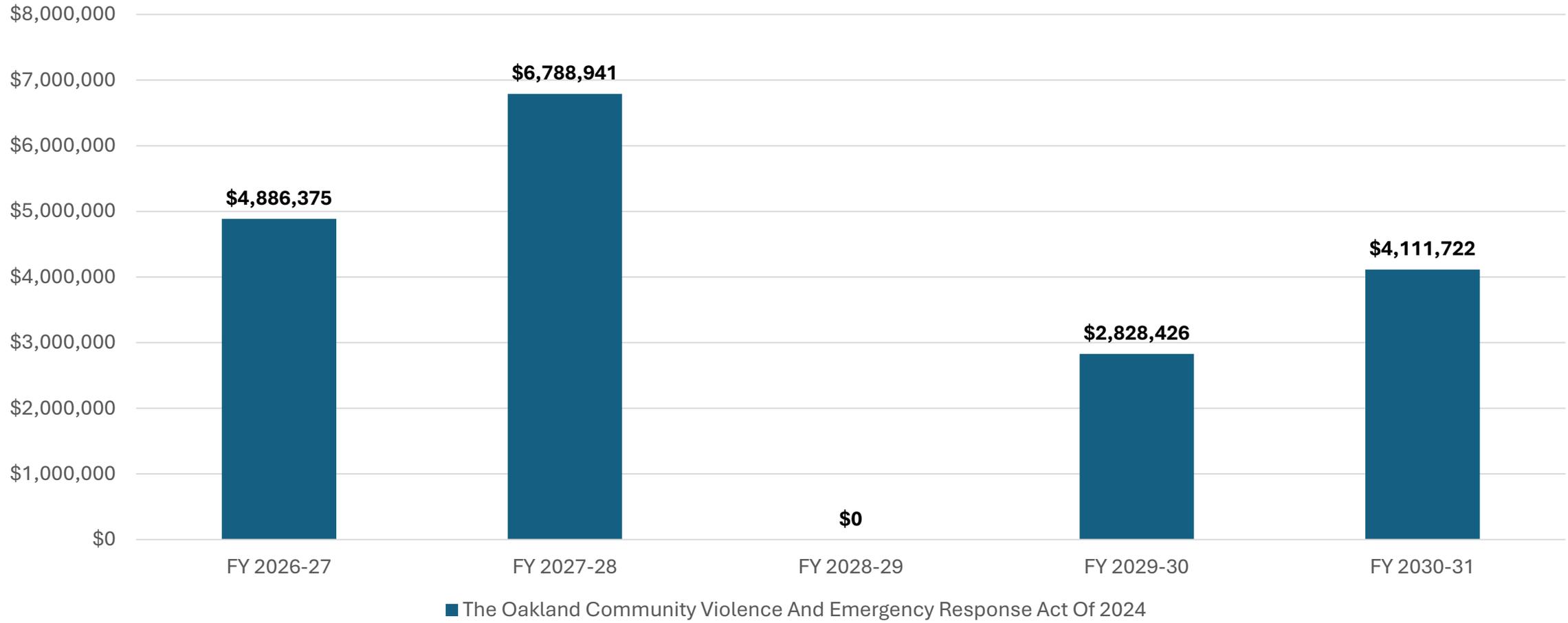
## Total Additional Amount Needed: **\$38,819,611**

Fund - Measure Description	MOE Met (Y/N)	Add'l Amt Needed
1030 - Measure HH (SSBDT)	N	4,007,472
1780 - Kid's First Oakland Children's Fund	Y	-
1870 - Affordable Housing Trust Fund	N	6,237,177
2241 - Measure Q/C-Library Services Retention & Enhancement*	N	2,752,267
2243 - Measure D: Parcel Tax to Maintain, Protect & Improve Library Services*	N	-
2244 - OPR Preservation, Litter Reduction, Homelessness Support Act Measure Q	N	2,040,870
2250 - Measure N: Fund	Y	-
2253 - Oakland Zoo Fund	Y	-
2254 - Measure MM - Wildfire Protection Zone	Y	-
2255 - Measure NN - Community Violence & Emergency Response Act of 2024	N	18,615,464
2261 - Measure AA - Oversight	Y	-
2262 - Measure AA - Early Education	Y	-
2263 - Measure AA - Oakland Promise	Y	-
2270 - Vacant Property Tax Act Fund (Measure W)	Y	-
2412 - Alameda County: Emergency Dispatch Service Supplemental Assessment (Measure M)	Y	-
2419 - Measure C: Transient Occupancy Tax (TOT) Surcharge	Y	-
Measures Funded by 1010	MOE Met (Y/N)	Add'l Amt Needed
Public Ethics - Measure W (Democracy Dollars)	N	4,997,283
Public Ethics - Measure OO	Y	-
Auditor - Measure X (Minimum Staffing)	N	169,078
Police Commission - LL & S1	Y	-
Fire MOU	Y	-
	<b>TOTAL</b>	<b>38,819,611</b>

\*The \$2,752,267 shown for Measure Q/C represents the full amount needed to bring both Measure Q/C and Measure D into compliance. Amount for Measure D is not shown as an additional need in order to avoid overstating the total funding required.

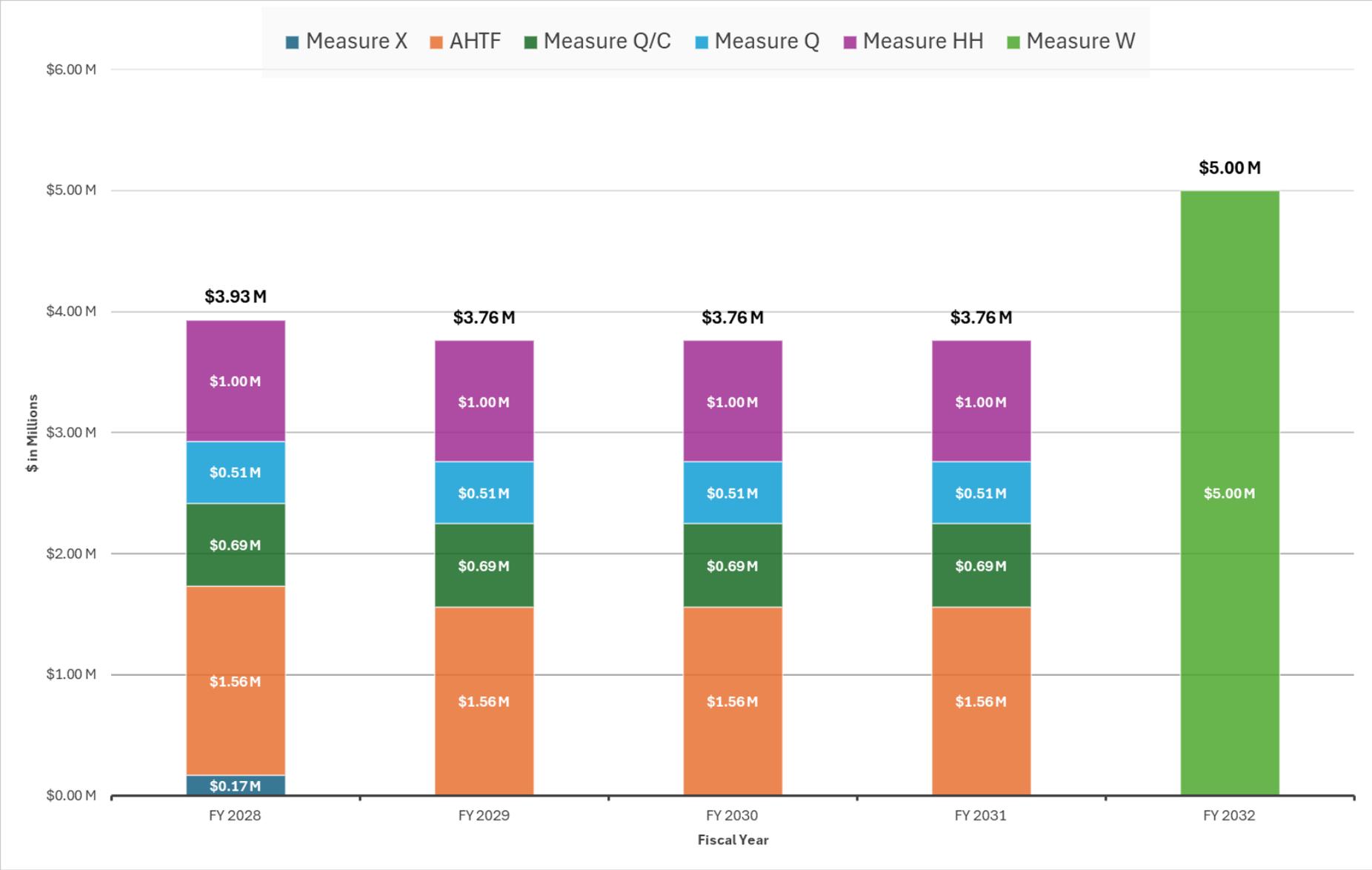
# Measure NN Over 5 Years – New Additions in Each FY

The Oakland Community Violence And Emergency Response Act Of 2024



**Assumes 7 Police Academies Each Biennial**

# Other Measures Over 5 Years – New Additions in Each FY



# By FY Total Cumulative Add Starts in 26-27

<b>Fund - Measure Description</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>	<b>FY 2030-31</b>	<b>FY 2031-32</b>
1030 - Measure HH (SSBDT)		1,001,868	2,003,736	3,005,604	4,007,472	4,007,472
1870 - Affordable Housing Trust Fund		1,559,294	3,118,589	4,677,883	6,237,177	6,237,177
2241 - Measure Q/C-Library Services Retention & Enhancement		688,067	1,376,134	2,064,200	2,752,267	2,752,267
2243 - Measure D: Parcel Tax to Maintain, Protect & Improve Library Services		-	-	-	-	-
2244 - OPR Preservation, Litter Reduction, Homelessness Support Act Measure Q		510,218	1,020,435	1,530,653	2,040,870	2,040,870
2255 - Measure NN - Community Violence & Emergency Response Act of 2024	4,886,375	11,675,316	11,675,316	14,503,742	18,615,464	18,615,464
<b>Measures funded by 1010</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>	<b>FY 2030-31</b>	<b>FY 2031-32</b>
Public Ethics - Measure W (Democracy Dollars)						4,997,283
Auditor - Measure X (Minimum Staffing )		169,078	169,078	169,078	169,078	169,078
	<b>4,886,375</b>	<b>15,603,841</b>	<b>19,363,287</b>	<b>25,951,160</b>	<b>33,822,328</b>	<b>38,819,611</b>

# Risks and Uncertainties

## Labor and Benefit Growth

- Most employee agreements up for renegotiation in next year
- Salary/benefit increases (esp. healthcare) rising faster than revenues
- Modest adjustments could consume major share of MOE resources

## Federal and State Funding Instability

- Many programs (homelessness, youth, early childhood education) rely on grants
- Policy shifts, cuts, or restrictions could reduce/eliminate funding
- City may need to backfill with GPF → delays MOE progress

## Revenue Performance and Market Conditions

- New revenue measures for MOE carry risks from real estate, inflation, and economy
- Sustained (ongoing) revenues needed; shortfalls could disrupt implementation timeline

# Conclusion