

CITY OF OAKLAND

BUDGET ADVISORY COMMISSION

Meeting of the City of Oakland Budget Advisory Commission (BAC) held Wednesday, October 11, 2023, at 6:00 PM.

The Budget Advisory Commission meeting was held in Hearing Room 4 in City Hall.

Commission Members:

Armand Bryan, Larisa Casillas, Guadalupe Garcia, Margaret Grimsley, Reisa Jaffe, Mike Petouhoff, Caitlin Prendiville, Sarah Price

City's Representative(s):

Nathan Bassett– *Finance Department*

Meeting Agenda:

1. Administrative Matters [5 minutes]
 - Welcome & Attendance
 - i. Present: Commissioners Casillas, Garcia, Grimsley, Petouhoff, Prendiville, Price and City of Oakland staff member Bassett. Absent: Commissioners Bryan, and Jaffe. Quorum was met for duration of meeting.
 - ii. Meeting was called to order by BAC Vice Chair Grimsley at approximately 6:10 PM.
2. Approval of Prior Meeting Minutes [5 minutes]
 - Minutes of BAC Meeting held July 12, 2023
 - Minutes of BAC Meeting held September 13, 2023
 - i. Commissioners reviewed the prior meeting minutes. Petouhoff requested one change to the meeting minutes from the September 13, 2023 BAC meeting, which was the addition of the following wording to the minutes under Item 5 in regards to the Revise and approve final recommendation to Council:

“and add an item to a future BAC agenda to invite the Department of Race & Equity to present on the City’s racial equity in budgeting efforts in lieu of adding that to the report,”

in the final paragraph of the section at the end of the first sentence. Grimsley asked if any other Commissioners had adjustments to the prior meeting minutes, and then stated that she would entertain a motion to approve the prior meeting minutes with the amendment. Petouhoff motioned to approve the minutes with the amendment to the meeting minutes of the September

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13, 2023 meeting minutes, with Casillas seconding, and all present Commissioners voting aye.

3. Commissioners' protocol [5 minutes]

- Commissioner Application review
 - i. Grimsley asked Bassett to update the Commission on the status of any applications to join, to which Bassett noted that there had been a resident that had contacted him about joining, but that the Mayor's office had indicated there were no new applications for the Committee to review.
- Onboarding & Exit / Recruitment – Open spots
 - i. Bassett noted the departure of Former BAC Chairperson John McKenna as he had decided not to seek reappointment. Bassett noted the high number of vacancies, given that 8 of the 15 positions are vacant, and Petouhoff noted the specific positions by appointer that were currently vacant. Grimsley suggested that the Commission could mention the vacancies during the presentation to the Finance & Management Committee (FMC) members in November. Grimsley then inquired of Bassett if he had spoken with the City Council about the number of vacancies on the Commission. Bassett stated that he hadn't spoken with any members of the City Council, but that he was planning to meet with the Mayor's Policy Director that is responsible for BAC appointments. Commissioners discussed the vacancies for a few more minutes, and Bassett mentioned that they could make a plea to the City Council members at the FMC presentation to fill the vacancies, based on Grimsley's prior suggestion.

4. Finance Dept Update [5 Minutes]

- Grimsley inquired if Bassett had any updates from the Finance Department to provide to the BAC. Bassett stated that the next meeting would be back in Hearing Room 2, rather than in Hearing Room 4 where the October meeting took place. He then noted the current projects that the Budget Bureau was working on, including prior year carry forwards, the FY2022-23 Q4 / FY2023-24 Q1 Report, and that the Budget Bureau is currently working on contract negotiations with OpenGov to continue using their software.

Petouhoff then asked a question about the amount of carry forwards and salary savings anticipated in FY2022-23, to which Bassett replied that salary savings are not considered for carry forward. [Staff Note: A Carry Forward is a prior year budget amount (in this instance, FY2022-23) that has not previously been expended, or an over-expenditure, brought forward into the current year budget (FY2023-24) for the purpose of completing/continuing work on a specified project.] Petouhoff clarified that his interest was in learning how the FY2022-23 salary savings compared to the estimates used, and then also requested that comparisons of revenue estimates to actuals be provided, with particular interest in seeing whether the shortfalls predicted were as large as anticipated. Price asked if that information was even available yet, to which Bassett replied that the Budget Bureau is starting work on the R&E report, and that would likely be presented to City Council in December.

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Petouhoff asked an additional question about the schedule of when the hearing would be held for the BAC Budget Evaluation Presentation. Bassett noted that he needed to draft the Transmittal Letter, and that the materials would be submitted for the agenda process this week.

Petouhoff noted past precedent for presentations with regard to having multiple potential speakers. Bassett inquired whether the BAC presentation Petouhoff gave to the FMC in June was presented to the City Council, to which Petouhoff responded that he only presented to the FMC, and not to Council. Bassett noted that his interest was in determining whether the presentation was received as part of the consent agenda, to which Petouhoff noted that the budget process had extended rather late into June, and that the BAC did not have the opportunity to present to City Council this time but had in the past.

Grimsley queried if Bassett had any further items, to which Bassett replied that Casillas had drafted a PowerPoint presentation to accompany the report to City Council, and that Bassett had received it. He noted there were only two items on the presentation that needed to be updated, regarding the number of vacancies on the BAC, and the term length of BAC members. Casillas added that she had included a slide about the Commission and could nudge the FMC members about the number of vacancies on the BAC. Bassett noted that it has not been noticed for this meeting, so he wouldn't be able to share it, but that he could notice it as part of the November meeting.

5. Election of Commission Positions [30 Minutes]

- Grimsley moved on to item 5, election of new leadership for the BAC. She expressed a concern about conducting the election with multiple members of the Commission missing, given Bryan and Jaffe's absences. Grimsley then asked Petouhoff if he had any thoughts on the election of the Chair and leadership positions. Petouhoff suggested that the BAC work hard to find value in what the other BAC members are saying, and that Commissioners would be served by moving to "and," rather than "or."

Grimsley concurred with Petouhoff's observation and went on to note that the BAC Commissioners that are more vocal need to be cognizant of their contributions and make room for the contributions of quieter members, She noted that in 2022 the roles were assigned by default based on who expressed an interest and did not require an election given the lack of interest, which explained her role as Vice Chair. Grimsley stated the BAC should start the conversation by asking if any members are interested and determine how to proceed based on interest, specifying that she wanted to know if the absent members were interested in leadership roles and would prefer to delay the conversation until at least the next meeting.

Bassett responded he had read the ordinance creating the BAC, which stipulates that the BAC should choose their leadership at the first meeting in October, but that the ordinance does not stipulate how said leadership would be chosen. Grimsley asked Bassett if that needed to be done during the October meeting, to which Bassett responded that that was the best course of action, and that there may be an option to change the Chairperson or Vice Chairperson during the year. Petouhoff asked Grimsley if she was interested in either role for the next year, to which she

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responded that she was not interested. Price expressed an interest in the Chair role, and Petouhoff expressed an interest in either role.

Grimsley then asked Bassett if he would recommend selection during the current meeting and how to proceed given the absence of Bryan and Jaffe. Bassett responded that he wasn't clear on how flexible the BAC leadership selection process was within the ordinance. Commissioners discussed how to proceed with the selection of leadership, and Casillas expressed her interest in the Vice Chair position. Commissioner suggestions included deferral to subsequent meetings, scheduling a special meeting specifically to select leadership.

Commissioners then agreed to select leadership during the current meeting and discussed the three leadership positions. Leadership was then selected via secret ballot counted by staff for the October 2023 through October 2024 term, with no member expressing interest in the Liaison position.

- Chairperson – Sarah Price was elected Chair.
- Vice-Chairperson – Larisa Casillas was elected Vice Chair.
- Liaison to the Finance and Management Committee – No members expressed an interest in the position.

6. Police Staffing and Resources Study Questions [10 Minutes]

- Bassett noted that he had sent out a list of questions that were included in the meeting minutes from the September 13 BAC meeting, and that he hadn't received any additional questions from Commissioners, but that he wanted to confirm there were no further questions during the October meeting. Petouhoff stated that the Inspector General, Michelle Phillips, will not be able to attend the meeting, which Bassett confirmed. Bassett then noted that the scope of the Police Department staffing study had already been determined, and that the BAC Commissioners questions would need to have been received prior to June 2023 in order to have been considered as part of the scope. He continued that this would be a baseline study and would potentially last for 2 years, and that the study would commence in the 2024 calendar year.

Grimsley then inquired whether a data analyst position that the BAC had recommended for the Office of the Inspector General (OIG) had been included in the FY2023-24 budget and hired. Bassett replied that he thought there was an analyst position that was in the hiring process, but he wasn't sure. [Staff Note: In the FY2023-25 Proposed Budget, an Administrative Analyst II position in the OIG was frozen. City Council reactivated the position for the FY2023-25 Adopted Budget, and the OIG has completed a few of the initial steps for the requisition to move forward.] Grimsley then requested that the BAC continue to be updated on the status of the Police Department Staffing and Resource Study, as well as request the scope of the study be provided by the OIG to the BAC.

Bassett then noted that the OIG had invited BAC Commissioners to a community healing event and that he had forwarded the invitation to the Commissioners. In addition, the OIG had provided a report from the OIG to the Police Commission in September to the BAC, and that the OIG was intending to provide all future reports

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to the BAC for review. Bassett noted that the Commissioners requested that they be provided with the executive summaries from the reports sent by the OIG.

7. Agenda Items for Next Meeting [10 minutes]

- Commissioners discussed the items that should be added to the agenda for the November BAC meeting, and the following items were requested:
 - i. Status of the OIG analyst position
 - ii. Request for scope of Police Staffing and Resource Study from the OIG
 - iii. Work plan and ad hoc study groups
 1. Price requested that staff provide a timeline of the Budget Bureau's deliverable items and the required items from BAC.
 - iv. Invitation to Department of Race & Equity (DRE) to present to BAC
 1. Petouhoff stated that he wanted to see how equity is incorporated into the budget process, given that it isn't clearly shown in the presentations. He also asked if DRE could respond to how equity is incorporated into the labor agreement negotiations, and how it impacts the decision-making processes in the budget. Bassett noted that staff had presented on the incorporation of equity into the budget process, and Casillas interjected that this request is also part of the BAC recommendations to inform the public about the measures taken to incorporate equity into the budget process. She continued that a presentation by DRE should provide an analysis of the operational equity of the City, whether services and revenue generation are distributed equitably, what the impact of departmental mergers would be on racial equity, and whether any of these items were part of DRE's current workplan.
 - v. Invitation to Department of Economic Workforce & Development (EWD) to present to BAC
 1. Bassett noted that Bryan had requested this item and was not present to elaborate on the request. Petouhoff volunteered that the request was related to revenue generation, and what EWD was doing to drive growth in the City. Where does EWD anticipate revenue shortfalls? In what areas do they see potential for revenue growth in the budget? How do EWD initiatives impact public safety, and is economic outcome a greater driver of public safety than adding additional police officers?

8. Open Forum [5 minutes]

- No Commissioners had items for the Open Forum section.

9. Adjournment

- Commissioner Petouhoff motioned to adjourn, with Garcia seconding and all Commissioners voting in favor. The meeting adjourned at approximately 7:10 PM.

ATTACHMENTS: Draft Meeting Minutes of BAC Meeting held July 12, 2023; Draft Meeting Minutes of BAC Meeting held September 13, 2023; Approved BAC Budget Process Evaluation Report for Biennial Budget 2023-25