

# CITY OF OAKLAND

## BUDGET ADVISORY COMMISSION

Notice is hereby given that a meeting of the City of Oakland Budget Advisory Commission (BAC) is scheduled for **Wednesday, March 13, 2024, at 6:00 PM.**

The Budget Advisory Commission will be held in Hearing Room 2 in City Hall.

Members of the Public have the following options to observe the meeting:

1. Watch the meeting on KTOP using Granicus.
2. Use the Zoom link attached to this agenda to remotely observe the meeting.

### **Commission Members:**

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

### **City's Representative(s):**

Nathan Bassett – *Finance Department*

### **Meeting Agenda:**

1. Administrative Matters [5 minutes]
  - Welcome & Attendance
2. Approval of Prior Meeting Minutes [5 minutes]
  - Minutes of BAC Meeting held November 8, 2023
3. Department of Race & Equity Presentation [45 Minutes]
4. Commissioners' protocol [5 minutes]
  - Commissioner Application review
  - Onboarding & Exit / Recruitment – Open spots
5. Finance Dept Update [5 Minutes]
  - Form 700 Filing
6. 2024 Work Plan Update and Ad Hoc Study Groups [10 minutes]
7. Office of the Inspector General / Police Staffing Study Response Discussion (15 minutes)
8. Agenda Items for Future Meetings [10 minutes]
9. Open Forum [5 minutes]
10. Adjournment

**CITY OF OAKLAND  
BUDGET ADVISORY COMMISSION**

**ATTACHMENTS:** Draft Meeting Minutes of BAC Meeting held February 21, 2024;

Hi there,

You are invited to a Zoom webinar.

When: Oct 11, 2023 06:00 PM Pacific Time (US and Canada)

Topic: Meeting of the City of Oakland Budget Advisory Commission (BAC)

Please click the link below to join the webinar:

<https://us06web.zoom.us/j/81584763954>

Or One tap mobile :

+16694449171,,81584763954# US

+16699006833,,81584763954# US (San Jose)

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

+1 669 444 9171 US

+1 669 900 6833 US (San Jose)

+1 346 248 7799 US (Houston)

+1 719 359 4580 US

+1 253 205 0468 US

+1 253 215 8782 US (Tacoma)

+1 929 205 6099 US (New York)

+1 301 715 8592 US (Washington DC)

+1 305 224 1968 US

+1 309 205 3325 US

+1 312 626 6799 US (Chicago)

+1 360 209 5623 US

+1 386 347 5053 US

+1 507 473 4847 US

+1 564 217 2000 US

+1 646 931 3860 US

+1 689 278 1000 US

Webinar ID: 815 8476 3954

International numbers available: <https://us06web.zoom.us/j/kc4erTBb6i>

# CITY OF OAKLAND

## BUDGET ADVISORY COMMISSION

Special Meeting of the City of Oakland Budget Advisory Commission (BAC) held  
**Wednesday, February 21, 2024, at 6:00 PM.**

The Budget Advisory Commission was held in Hearing Room 2 in City Hall.

### **Commission Members:**

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

### **City's Representative(s):**

Nathan Bassett – *Finance Department*

### **Meeting Agenda:**

1. Administrative Matters [5 minutes]
  - Welcome & Attendance
    - i. Present: Commissioners Bryan, Casillas (as of 6:31 PM), Prendiville, Price, Yang; and City of Oakland staff member Bassett. Absent: Commissioners Garcia, Grimsley, Jaffe, and Petouhoff. Quorum was met beginning at 6:31 PM with Commissioner Casillas's arrival and for the remainder of meeting.
    - ii. Meeting was called to order by BAC Chair Price at approximately 6:12 PM, and staff member Bassett conducted roll-call.
    - iii. Chair Price asked if there was any other welcome information needed, to which Bassett replied that this was Commissioner Yang's first meeting after her appointment earlier in the month. Chair Price invited Yang to introduce herself, to which Commissioner Yang discussed her background, followed by introductions from Chair Price, Commissioner Prendiville, and Commissioner Bryan.
    - iv. Chair Price then inquired as to what the training procedures for new Commissioners included, to which Bassett replied that staff had conducted a training with Commissioner Yang, including a review of the City's Consolidated Fiscal Policy, information on the Brown Act, the mission and background of the BAC, and Form 700 filing.
2. Approval of Prior Meeting Minutes [5 minutes]
  - Minutes of BAC Meeting held November 8, 2023
    - i. After some discussion around the ability to approve minutes based on attendance, Commissioner Yang noted that only a majority of the members present need to vote to approve an item. Price motioned to approve the

**CITY OF OAKLAND  
BUDGET ADVISORY COMMISSION**

minutes, to which Prendiville seconded, and all Commissioners present voted aye.

- Minutes of BAC Meeting held January 10, 2024
  - i. Price requested a motion to which Casillas motioned, Price seconded, and all Commissioners present voted aye.

3. Commissioners' protocol [5 minutes]

- Commissioner Application review
  - i. Chair Price requested that they move to item 3 after item 1 to give Commissioner Casillas time to arrive, and asked Bassett if he had any further information on appointments. Bassett replied that he hadn't received any further inquiries, but that he had been in contact with the City Auditor's Office and that they were anticipating appointment of a Commissioner in March.
- Onboarding & Exit / Recruitment – Open spots
  - i. Chair Price then inquired as to which seats were still vacant. Bassett noted that the seats appointed by Council Members for Districts 4, 5, and 6 were empty, since the District 4 seat was pending reappointment of Commissioner Petouhoff, and one seat each needing appointment by the Mayor, Chair of the Finance & Management Committee, and Chair of the Economic and Workforce Development Committee, with the City Auditor's appointment pending.
  - ii. Price stated that she would like to get more Commission seats filled, and inquired if staff were in direct communication with the Council Members to get appointments made. Bassett noted that staff have not communicated directly with the Council Members, but that Commissioner Casillas had mentioned the vacancies during a presentation to the Finance & Management Committee in November 2023. Chair Price asked if there was any potential for her to help, to which Bassett replied that the Mayor's Office had sent an application to Council Member Gallo's office and had not heard back after an extended period.
  - iii. Chair Price then suggested that they promote the Commission on LinkedIn to find potential applicants. Commissioner Yang inquired as to whether there were specific skillsets they should target for the Commission, to which Chair Price noted that Commissioners needed some familiarity with how to read a budget document, but that she would welcome any additional applicants. Yang asked if there was any specific viewpoint the Commission was looking for, to which Bassett suggested that applicants be curious about municipal government and research would be useful. He noted that sometimes staff have limited capacity to respond to questions, and that applicants interested in comparative best practices for budgeting from other municipal governments would be what he would look for. Commissioner Bryan noted that having savvy, being able to navigate government systems, and also providing push back was commendable in a candidate.
  - iv. Price requested that Bassett send a blurb to the Commissioners for them to post on their LinkedIn, to which Bassett replied that the City Auditor's Office has a quality description of the Budget Advisory Commission that he will be

**CITY OF OAKLAND  
BUDGET ADVISORY COMMISSION**

requesting their permission to send to the Commissioners to post on their LinkedIn profiles.

- v. Price then asked whether there were any additional applications, to which Bassett said that there may be, but that he wasn't aware of them. Bryan expressed some concerns about the process for appointment. Yang noted that the description of service on the Commission should also provide some details of how the appointment process works, noting that after she applied to the Commission in August, she received notice of the interview for December, and only received an update that she had been appointed after Finance staff had emailed her to notify her of her appointment to the BAC. Price noted that she would be willing to communicate to appointees as they proceed through the process given how opaque the appointment process is, to which Bassett stated that he would give Chair Price's information to the individual that had contacted him about the District 5 Commission seat. Bassett then inquired of the Commissioners what the communication had been like during their appointments, to which Price replied that there had been a gap in communication during the appointment process.
- vi. Bassett then described the appointment process to the Commissioners, and the roles that the Mayor's Office and Council Member's Office play in the appointment process. Commissioners then discussed if there was some potential to change how they are appointed to which Bassett noted that it is set forth in an ordinance. Chair Price noted that this would likely not be able to change in the near future, at which point Commissioner Casillas arrived (6:31 PM). Commissioners then moved to Item 2.

4. Finance Dept Update [5 Minutes]

- Budget Kickoff
  - i. Staff member Bassett noted that the Budget Bureau has conducted the budget kickoff for the FY24-25 Midcycle Budget Process, and that departments would be meeting with members of the City Administrator's Office that week, and discussing the impacts of the deficit on the process.
- Staff Member Bassett then noted that the Budget Bureau was working on the FY23-24 Q2 Revenue and Expenditure Report, which would be going to the Finance and Management Committee in March. Price inquired as to whether the BAC would receive their presentation on the FY23-24 Q2 Revenue and Expenditure Report in March as well, to which Bassett noted that it would likely need to wait until April.
- Chair Price then noted that Commissioner Yang had provided a useful budget calendar that could be shared with the rest of the Commissioners. Bassett pulled up the calendar on screen for the Commissioners and proceeded to provide some details on the calendar.

5. FY2023-24 Q1 R&E Report Discussion [10 minutes]

- Chair Price noted that during the previous meeting that staff had presented on the FY22-23 Q4 details, but had not provided the details on the FY23-24 Q1 information. Bassett began reviewing slides, taking a moment to review the historical Real Estate Transfer Tax for context on the Q4 results that had not been previously provided.

**CITY OF OAKLAND  
BUDGET ADVISORY COMMISSION**

- He provided high level information on the Q1 update, including a projection that expenditures would exceed revenues by \$129.5 million based on current budget bureau estimates. He reviewed the planned use of fund balance for the year, and noted that the revenues in Q2 that would be presented in March would include a revised number. He then explained some of the details on the revenue side, including a discussion of the budgeted FY23-24 miscellaneous revenue for the planned sale of the Raiders' training facility, and then noted that they had revised the projection down on Real Estate Transfer tax by \$20 million in Q1. Commissioner Bryan inquired if there was any benchmarking against similarly situated municipalities and their revenue performance, to which Bassett noted that there are Best Practices around revenue forecasting to keep your forecasted revenues within 10% of actual revenues.
- Commissioner Yang then noted that there was a dramatic decline in the Real Estate Transfer Tax, and inquired as to whether the increase was due to large transactions in prior years. Bassett noted that he is unsure of what assumptions were made to determine the revenue for FY23-24, but did note that the revenue projections had come from a consultant. Commissioner Yang then inquired as to whether sales data was public record, to which Bassett responded that he would be speculating in his reply, but that the information was likely available through the County Recorder's Office, and that in his previous organization in Maryland, there had been a local development journal that would detail all of the major transactions in their bi-weekly newsletter.
- Chair Price stated that she was frustrated by the Budget Bureau's presentations to City Council, as the big picture of the severity of the City's current budget deficit situation is not visible from the reports that the budget bureau provides. She also noted that the City often uses short-term fixes and one-time funds to balance the budget, and that leadership needs to consider longer-term solutions and cuts to resolve the deficit issue.
- Commissioner Bryan then discussed how the City's messaging focused on the impact of interest rate increases on the Real Estate Transfer Tax, with little explanation of the fiscal difficulties the City was experiencing aside from that. Bassett responded that the rise in interest rates over the prior three years was unprecedented, and that this had had a severe impact on the transfer tax, to which Commissioner Bryan questioned if there were additional details relevant to the City's fiscal situation that could help explain the deficit. Chair Price noted that she understood the impacts from the interest rate increases, but that the decision makers continued to use one-time cuts and other short term fixes to smooth over the current fiscal deficit. Bassett replied that from the Budget Bureau side, staff understand the severity of the fiscal situation and are attempting to get staff to address the fiscal situation in a more permanent fashion. He then noted that from the staff side, there is a balance that the staff need to strike between having the information be transparent and provide the level of detail necessary, while also being easy to interpret for a standard reader.
- Staff continued to discuss the department details, and noted how the projections work to predict whether a department would be overspent at year end, noting that the department most likely to overspend in FY23-24 was the Oakland Police

**CITY OF OAKLAND  
BUDGET ADVISORY COMMISSION**

Department due to their overtime spending. He then reviewed fund balances, and noted that on the current trajectory, the City's General Fund would be overspent by \$70 million. He then noted the changes to the FY24-25 revenue budget shown during the Committee. Chair Price noted that during the Committee meeting, all the Council Member questions were geared toward one-time solutions.

- Commissioner Yang then inquired as to when the numbers for the Revenue & Expenditure reports were available to the public, and whether they get uploaded to the City's OpenData portal. Bassett noted that they only update the data portal annually, and that the OpenData portal (OpenGov) does not directly interface with the City's financial systems. Commissioner Yang offered to help staff with data visualization if they were able to provide a spreadsheet for use. Bassett responded that he would inquire with Budget Administrator Johnson to determine if they can provide that information. Commissioner Casillas then inquired as to whether there is something that the Commissioners can provide such as a letter or memo to the Mayor and City Council to encourage them to make the difficult decisions needed to rectify the City's fiscal situation, or provide support in this arena, to which Chair Price noted that one of the prior Chair's had constantly communicated this to the City's leadership. Commissioner Casillas noted that having a Commissioner attend the Finance and Management Committee on a rotating basis would be useful to ensure that the Commission is being heard by Council Members.

6. 2024 Work Plan Update and Ad Hoc Study Groups [30 minutes]

- Chair Price stated that Bassett had received no prior communication on ad hoc committees, but then noted that she thought the ad hoc group on Community Engagement had met previously. Commissioner Casillas replied that they were planning to meet with a community group in the next month to discuss community engagement.
- Commissioner Bryan stated that he had previously sent some questions to the other Commissioners for the Director of Economic and Workforce Development, to which Bassett responded that he had meant to contact Bryan about leading the ad hoc group on Economic and Workforce Development, and that staff were planning to contact the Director of Workforce and Economic Development after the ad hoc group had more time to review and consider questions together, so they could determine their direction as a group.
- Chair Price added that the ad hoc groups should work independently on their topics, and come up with collective questions to send through staff to the required recipients. She noted that ad hoc groups only needed to bring back topics to the whole Commission when they had specific requests or recommendations to be made, until a few months down the road when they would have recommendations or desired communications for City Council. Chair Price then noted that she had a request out to staff on OPEB and pension obligations, which was pending response from the Budget Administrator.
- Commissioner Yang then inquired as to whether the ad hoc groups had specific focuses or objectives, to which Chair Price noted that the ad hoc groups do not have a prescriptive objective. Price then questioned which ad hoc groups Commissioner

**CITY OF OAKLAND  
BUDGET ADVISORY COMMISSION**

Yang would be interested in, to which Yang noted that she would like to join Grimsley on Housing, and also join the May group for the response to the Mayor's Proposed Budget. She then noted she would also like to contribute to the Community Engagement group, to which Casillas replied that she would be welcome to join.

7. Agenda Items for Future Meetings [10 minutes]

- City Clerk Presentation – Form 700 Filing
  - i. Bassett noted that this item would likely not come before the Commission this year, as Form 700 filing would be due by April 2, 2024.
- Update on Police Staffing and Resource Study / OIG Analyst Position
  - i. Bassett noted that he had received responses from the Office of the Inspector General to the BAC questions and that he had provided a copy of the study requirements as part of the review packet.
- Departmental Presentation Invitations – Race & Equity and Workforce & Economic Development
  - i. Chair Price then moved on to future agenda items, noting that the Director of Race & Equity would be joining in March to discuss their department's work. She inquired to staff whether they had questions lined up, to which Bassett noted that the Commissioners had not previously developed a list of questions for the presentation. He noted that staff would request that Director Flynn present on race and equity in the budget, how it aligns with the budget process, as well as an elevator pitch on what the department does. Bassett then stated that he would send out an email to the Commissioners to request their questions for the Department of Race and Equity and request a reminder from Chair Price.
  - ii. Commissioner Yang inquired about whether or not there is a shared data repository for the Commission, to which Bassett noted that there isn't one, but that members often use their own shared drives. Casillas inquired about the number of people allowed on an ad hoc, to which Chair Price noted that it must be less than the number required for quorum.

8. Open Forum [5 minutes]

- Commissioner Bryan asked if there was any effort on the City side to discuss the City's macro situation and provide more transparency. Bassett responded that he wasn't aware of any internal effort or initiative on this, but that there were efforts underway internally to communicate the severity of the situation in the City. Commissioner Bryan noted anecdotally that conditions in the City had deteriorated and wondered if there was acknowledgement of that in the Finance department or at the City's administrative levels. Bassett noted that he could only share that he had heard concerns from other City staff, but did not have any official statements that he could communicate to the BAC Commissioners.
- Commissioner Yang inquired if any of the other Commissioners had experience with the OpenOakland community, or with other OpenData and civic tech organizations in the area. Chair Price noted that the Commission had pulled back in influence in the prior years, and that staffing difficulties contributed to this.



**CITY OF OAKLAND  
BUDGET ADVISORY COMMISSION**

9. Adjournment

- Chair Price adjourned at approximately 7:35 PM.

**ATTACHMENTS:** Draft Meeting Minutes of BAC Meeting held November 8, 2023; and Draft Meeting Minutes of BAC Meeting held January 10, 2024

DRAFT

# CITY OF OAKLAND

## BUDGET ADVISORY COMMISSION

Office of the Inspector General responses provided by email to Finance Staff to Budget Advisory Commission Inquiries. Commissioner questions and comments are bolded.

### 1. Are these items included in the scope of the OPD staffing study?

- **Review of self-initiated calls, which Commissioner Grimsley stated constitute 60% of Police worktime in Oakland, according to information previously provided to her.**
  - i. The Study will review all calls for service dispatched and self-initiated.
- **Crime solving (case closure) rate**
  - i. The staffing study will include closure rates.
- **Police Overtime usage**
  - i. **Commissioner Petouhoff expressed a concern that the vacancy savings used in prior years would not be available in the FY23-25 biennial**
    - 1. The Study will review overtime usage and staffing resources, what would be needed to provide an optimal public service response and what we have. Alternately, they will also look at options for civilianization of some sworn units.
- **How is the overall OPD budget being spent?**
  - i. Fiscal or financial audits are under the purview of the City Auditor, this study is focused on OPD performance and resource allocation. We will look at budget trends but will not do a deep dive.
- **Patrol draw – the determination of OPD shifts and locations by seniority which determines deployment of officers and may impact the efficacy of policing.**
  - i. The consultants will review the associated memorandum of understanding, conduct an analysis, and provide any recommendations, if any.
- **Number of officers on scene during an incident.**
  - i. This will attempt to be captured in the study but it is also based on the quality of data provided by OPD and ITD.
- **Racial equity and bias training of officers, previously conducted by professor Eberhardt of Stanford University.**
  - i. This will not be a focus of this study but based on finding may be a subsequent analysis. This study is primarily focusing on what resources we have and what resources we need, and possible alternatives to OPD responses by departments, such as MACRO.
- **Crime rate versus the number of officers, and the marginal return.**
  - i. This will be reviewed.
- **Crime rate versus (un)employment statistics**

**CITY OF OAKLAND  
BUDGET ADVISORY COMMISSION**

- i. This is not a part of the scope but based on the data provided, the OIG can provide this information.
  - **What units will be included in the study and why?**
    - i. **Will this include Measure Z, special unit, and task force sworn officers?**
    - ii. All Patrol Units, Investigative Units and Special Units will be looked at specifically and sworn vs. non-sworn more generally as some sworn members are assigned to administrative functions. We are looking at the Department as a whole. Funding sources of particular units were not taken into consideration as we are focusing on the public service response to community as a whole. If there are disparities in calls for service responses in particular locations a more focused audit or evaluation will dive into those disparities if they are identified.
- 2. Is this study or audit building on previous studies or audits?**
- This was based on recommendations from reimagining public safety. The consultants have been provided the prior studies that focused on particular units and have been informed about the grand jury report regarding 911 dispatch. This study will not focus specifically on 911 dispatch as the Mayor and City Council have an alternative response to the grand jury report going on.
- 3. What is the timeline for the Police Audit and Study? When will it begin and end?**
- It launched late last month (January 2024) and data requests have been provided to OPD and ITD. Those requests are being filled as the data is gathered. The anticipated end of the study will be in December 2024, contingent upon how quickly the requests for data are fulfilled .

**SCHEDULE A**  
**SCOPE OF SERVICES**

1. Document the organization and briefly summarize the key responsibilities of primary divisions of the Department.
2. Document the budgeted and actual sworn and civilian employees in each unit of the Department (as of a given date mutually agreed upon by vendor and City of Oakland) 5 years (if feasible)
3. Document and summarize key aspects of the three main Department Collective Bargaining Agreements with employees.
4. Document employee shift schedule(s). Specific focus on sworn members, patrol units, and investigations to include Internal Affairs Unit and Criminal Investigations Unit. A general high-level review of specialty units such as the Marine unit should be documented, if feasible.
5. Document employee paid time off. Particular focus should be on types of time used in order or identify frequency and type.
6. Document the personnel and non-personnel costs of each unit of the Department (using current year adopted budget and any projected changes thereto).
  - Vehicle resources allocations and maintenance
7. Document overtime utilization if feasible, focus should be on sworn members in the patrol and investigations units
  - Total departmental overtime utilization by type
  - For each unit within the Department, document overtime utilization by:
    - Employee title for sworn and civilian staff (e.g., Officer, Sergeant, Lieutenant, Captain, etc.).
    - Type of overtime (mandatory/forced, court, special detail, etc.).
    - Assignment location by beat or command area
8. Document reported crime in Oakland, using federal data (UCR, NIBRS) and Departmental data.
9. Document drivers and outcomes of Department activity and key performance indicators:
  - Department response to resident-generated calls for service at different intervals (call to dispatch, dispatch to arrival, arrival to clear) for each precinct (if sufficient data is available);
  - Department self-initiated time of task, by type; Arrests;
  - Specialized/tactical unit responses.
  - Documented partnerships with other City agencies such as the Department of Violence Prevention and Neighborhood Services as well as direct collaboration

- with community partners
  - Case closures -- Clearances by type; and
10. Compare the Departments current resource allocation with similarly sized cities, with similar calls for service volume
- If feasible Resource comparisons should include organizational structure, civilian and non-sworn staff, clearance rates, Part 1 crimes per officer, Internal Investigations requirements
11. Assess gross patrol staffing and investigative requirements for the immediate future.
- Use a workload-based approach to determine the number of field patrol officers and supervisors currently required to enable the department to:
  - Respond to emergency and non-emergency resident-generated calls for service in a timely manner;
  - Conduct prevention and other proactive/self-initiated patrol tasks effectively, including community-oriented policing and problem solving;
  - Conduct all other necessary patrol tasks effectively, including traffic control and special missions;
  - Allow officers to meet all administrative requirements satisfactorily, including report writing, training, court, etc.; and
  - Promote the safety of the public and police officers.
  - Use a workload-based approach to determine the number of investigative staff and supervisors currently required to enable the department to:
  - Assign and investigate current caseloads in a sustainable and effective manner
  - Proactively investigate major criminal activities
  - Allow officers to meet all administrative requirements satisfactorily, including report writing, training, court, etc.; and
  - Promote the safety of the public and police officers
12. Prepare a detailed Microsoft PowerPoint report summarizing findings.
13. As directed, brief elected and appointed officials on findings through two presentations.