


City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. 88137 C.M.S.

**RESOLUTION AUTHORIZING THE USE OF ONE-TIME REVENUES TO
BALANCE THE FISCAL YEAR 2020-21 BUDGET PURSUANT TO
SECTION 1, PART D OF THE CITY OF OAKLAND CONSOLIDATED
FISCAL POLICY (ORDINANCE NO. 13487 C.M.S.)**

WHEREAS, on March 4, 2020, Gavin Newsom, Governor of the State of California, proclaimed a state of emergency to exist in California as a result of the threat of COVID-19 (Proclamation of State of Emergency, March 4, 2020); and

WHEREAS, on March 16, 2020, in response to the COVID-19 pandemic, Alameda County issued a "shelter-in-place" order effective March 17, 2020 – April 7, 2020, directing individuals to stay at home except to provide or receive essential services; and

WHEREAS, on March 19, 2020, Governor Newsom issued Executive Order N-33-20, directing individuals to stay at home except as needed to maintain continuity of operations of the federal critical infrastructure sectors; and

WHEREAS, on March 31, 2020, Alameda County issued Order No. 20-04, which clarified, strengthened and extended the March 16, 2020 shelter-in-place order through May 3, 2020; and

WHEREAS, on April 29, 2020, Alameda County issued Order No. 20-10, which extended the shelter-in-place order through May 31, 2020; and

WHEREAS, FY 2020-21 General Purpose Fund revenues are projected to be \$646.23 million; and

WHEREAS, FY 2020-21 General Purpose Fund expenditures are budgeted at \$684.55 million, resulting in a projected operating budget shortfall of approximately \$38.32 million in FY 2020-21; and

WHEREAS, on December 9, 2014, City Council adopted the City of Oakland Consolidated Fiscal Policy (Ordinance No. 13279 C.M.S.); and

WHEREAS, on May 15, 2018, the Consolidated Fiscal Policy was amended to establish and modify the financial policies and budgeting practices of the City of Oakland (Ordinance No. 13487 C.M.S.); and

WHEREAS, the Consolidated Fiscal Policy sets forth, among other things, guidelines for the use of one-time revenues; and

WHEREAS, Section 1, Part D of the Consolidated Fiscal Policy provides that any unrestricted one-time revenues shall be used to fund one-time expenditures, to fund debt retirement and unfunded long-term obligations such as negative fund balances, Police and Fire Retirement System (PFRS) unfunded liabilities, CalPERS pension unfunded liabilities, paid leave unfunded liabilities, and Other Post-Employment Benefits (OPEB) unfunded liabilities or shall remain as fund balance; and

WHEREAS, Section 1, Part D of the Consolidated Fiscal Policy provides further that the use of unrestricted one-time revenues for any purpose other than those set forth in Part D must be authorized by City Council resolution; and

WHEREAS, it is necessary for the City to use one-time revenues to balance the budget and maintain existing services in light of the projected budget deficit in FY 2020-21 caused by the COVID-19 crisis; now, therefore be it

RESOLVED, that the City Council finds and determines that the foregoing recitals are true and correct; and be it

FURTHER RESOLVED, that the City Council hereby authorizes the use of one-time revenues to balance the budget and maintain existing services in light of the adverse financial conditions caused by the COVID-19 crisis; and be it

FURTHER RESOLVED, the City plans to return to using one-time revenues for the purposes set forth in Section 1, Part D of the Consolidated Fiscal Policy once the City's revenues have recovered.

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IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE: **JUN 02 2020**

AYES - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR, THAO AND
PRESIDENT KAPLAN - 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST:



LATONDA SIMMONS
City Clerk and Clerk of the Council of the
City of Oakland, California