



News from
Office of the Mayor

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MAYOR DELLUMS SUBMITS MIDCYCLE BUDGET PROPOSALS

Facing \$15 Million Deficit, Proposals Save Oakland Jobs & Preserve City Services

OAKLAND – May 29, 2008 - In an effort to balance the city of Oakland's budget amidst a \$15 million deficit, Mayor Ron Dellums and City Administrator Deborah Edgerly made proposals securing Oakland jobs and maintaining city services.

“This was a very difficult process, but in collaboration with city department heads, I have put forth a series of budget proposals to ensure that Oakland maintains its ability to provide the highest quality services for our residents and businesses,” said Mayor Dellums. “Faced with a \$15 million deficit, it was our responsibility to make specific personnel adjustments to help ease the fiscal burden and to avoid widespread layoffs. This was an extremely tough conclusion to reach, but at the end of the day we had to strike a balance between fiscal responsibility and sustaining Oakland jobs. Working with city staff, we concluded that shutting down non-essential services for one day-a-month around holidays when employees would welcome an extra day off was the most responsible way to proceed.”

The submitted proposals allow the city to maintain funding for programs and services in the FY 08-09 budget and recommend a 12-day scheduled shutdown of non-essential city services, which would save the city more than \$4 million.

Mayor Dellums has worked to bring in more dollars to supplement Oakland's limited budget, including working with philanthropy, various governments and seeking other funding opportunities. As of last week, property owners passed the Landscaping and Lighting Assessment District (LLAD) increase, relieving the General Purpose Fund of continuing to subsidize these services or make additional expenditure reductions totaling approximately \$9.8 million. The LLAD provides a funding source for the operation and maintenance of public landscaping, fountains, general lighting, recreational, playground, park facilities and street lighting in defined benefit zones throughout the city of Oakland.

“I appreciate the hard work of the Budget Office and department heads who sharpened their pencils and found ways to cut \$15 million from the budget without sacrificing services to the community,” said Edgerly. “Passage of the LLAD increase has helped avert nearly \$10 million of additional cuts; the increase will allow the city to bridge the gap in rising maintenance costs due to higher utility bills and maintain amenities such as streetlights, trees and parks, which have expanded in the past 15 years.”

This midcycle adjustment is due primarily to a major downturn in the Real Estate Transfer Tax (RETT). For more information on the city’s midcycle budget proposals, please go to: www.oaklandnet.com.

www.mayorrondellums.org

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