



OFFICE OF THE CITY AUDITOR
COURTNEY A. RUBY, CITY AUDITOR

CONTACT: Dena Shupe
(510) 238-3378 Office
dshupe@oaklandca.gov

OAKLAND AUDITOR RELEASES REPORT ON THE CITY OF OAKLAND'S FINANCIAL CONDITION PRIOR TO COVID-19

Report highlights serious financial challenges facing the City of Oakland – issues that will likely be compounded by the COVID-19 pandemic

OAKLAND, Calif. (April 16, 2020): Today, Oakland City Auditor Courtney Ruby released a report on Oakland's Financial Condition for Fiscal Years 2012-13 to 2018-19 that highlights serious long term financial challenges facing the City. One prominent theme that stands out in the report is that Oakland does not rank favorably in most financial indicators when compared to similar-sized California cities. This is not a new revelation - the State Auditor recently ranked Oakland as the 13th top city facing fiscal challenges in California and the COVID-19 pandemic will likely dramatically compound these issues. Consequently, the City will need to rethink its fiscal strategies.

Prior to the COVID-19 global pandemic, Oakland's financial health was relatively stable. Based on the City Auditor's financial analysis through FY 2018-19, revenues had increased, debt was down, the City had a balanced annual budget, and the City's liquidity and credit ratings were strong. However, this report prepared prior to COVID-19 illustrates the City needs to do more to address its increasing pension and Other Post Employment Benefit (OPEB) liabilities, quantify its unmet infrastructure needs, and prepare for the future in which, according to the City's five-year forecast issued in March 2019, expenses are expected to outpace revenues.

The impetus for this report was twofold: to provide the public and City leaders with an easily digestible account of the City's financial health, and assist decision makers in visualizing the City's course, consider options, and to adjust and improve the City's long-term financial condition.

"This is a critical time for our City, and this report will hopefully serve as a baseline for assessing the financial impacts of the COVID-19 pandemic," City Auditor Ruby said. "It is my sincere hope that we seize this moment as an opportunity to engage with stakeholders and innovators at every level of government. We must ask more thought-provoking questions and harness our collective will to seek novel solutions to transform the City's financial future."

To read the full report please click [here](#).

###



ABOUT OAKLAND CITY AUDITOR COURTNEY RUBY

City Auditor Courtney A. Ruby, CPA, CFE, was re-elected in November 2018, and took office in January 2019. She previously served as Oakland's City Auditor for eight years, between 2007 and 2014. In 2014, Courtney was recognized by the American Center for Government Auditing as one of the most influential professionals in Government Auditing. In April 2019, an Association of Local Government Auditors peer review team found the Office of the City Auditor met the highest standards in performance auditing. Performance audits of the City's Police Commission and Community Policing Review Agency, Measure D and Q, Oakland Fire Prevention Bureau, and Homeless Services are in progress. Earlier reports reviewed OPD Overtime, Business Tax Refunds, Limited Public Financing Act for the November 2018 election, and a recommendation follow-up report for the Rent Adjustment Program Audit issued in 2016.

Visit: www.OaklandAuditor.com to learn more about Oakland's Office of the City Auditor.