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2013 JUN 21 AM 8:56

AGENDA REPORT

TO: DEANNA J. SANTANA
CITY ADMINISTRATOR

FROM: Donna Hom
Budget Director

SUBJECT: Supplemental Report to FY 2013-15
Proposed Policy Budget

DATE: June 21, 2013

City Administrator
Approval

Deanna Santana

Date

6/21/13

SUPPLEMENTAL

The Administration is transmitting the following items for the Special City Council Meeting on June 27, 2013 regarding the FY 2013-14 Proposed Policy Budget:

- 1) Responses to City Council Questions, dated June 21, 2013
- 2) Six Information Memos, issued via email Citywide as well as posted at the same time on the City Administrator's homepage for public viewing, located at:
<http://www2.oaklandnet.com/w/OAK041476>
 - a) *Kids First 3% True-Up Calculation and Adjustment of Proposed Budget for Kids First FY 2013-14 and FY 2014-15*, dated and distributed June 18, 2013 (Attachment 2A)
 - b) *Results of City of Oakland 2013-14 Tax and Revenue Anticipation Notes Market Pricing*, dated and distributed June 18, 2013 (Attachment B)
 - c) *FY 2013-2015 Proposed Policy Budget "Questions and Answers"*, dated and distributed June 12, 2013. (Attachment C)
 - d) *Affordable Housing in the Mayor's FY 2013-15 Proposed Policy Budget*, dated and distributed June 11, 2013 (Attachment D)
 - e) *Federal and State Budgetary Actions Standing Report*, dated and distributed June 10, 2013 (Attachment E)
 - f) *Update on CalPERS New Rate Increases Due to Amortization and Smoothing Policy Changes Adopted by CalPERS on April 17, 2013*, dated and distributed June 7, 2013 (Attachment F)

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CITY OF OAKLAND

AGENDA REPORT

TO: DEANNA J. SANTANA
CITY ADMINISTRATOR

FROM: Donna Hom

SUBJECT: FY 2013-2015 Proposed Policy Budget

DATE: June 21, 2013

City Administrator
Approval

Deanna Santana

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6/21/13

SUPPLEMENTAL

The purpose of this memorandum is to transmit to the full City Council a fifth set of responses to questions raised by City Councilmembers regarding the Fiscal Year (FY) 2013-2015 Proposed Policy Budget. To the extent that any additional information becomes available on any of the below questions or questions in past supplemental memorandums, we will continue to update the City Council accordingly.

DISCUSSION

General

- 1) Which Funds are not able to fund COLAs (Cost of Living Adjustments) or Wage Increases?

The fiscal impact to provide funding for COLAs for those funds that currently have a negative fund balance is \$3,984,869 plus approximately \$900,000 in overhead costs for FY 2013-14 and \$4,063,485 plus approximately \$900,000 for overhead costs for FY 2014-15. Please refer to Attachment A for a detailed calculation by fund. Other non-negative funds would need to be rebalanced to absorb/fund a COLA.

Revenue

- 1) Will the Administration Provide Another Revenue Update?

The revenue figures in the Mayor's proposed budget are generally updated after the close of the 3rd quarter of the fiscal year in conjunction with the quarterly expenditure and revenue report. The next general update of projected revenues and expenditures will be following the close of the current fiscal year, concurrent with the conclusion of the City's annual financial audit of the

Comprehensive Annual Financial Report (CAFR) estimated to be completed by October 2013. If there are significant specific changes to revenue or expenditure projections prior to the adoption of the FY 2013-15 budget, the City Council will be notified by informational memorandum as we have done in the past, for example, with the upward adjustments in parking revenues, and additional required spending for Kid's First.

2) When will the Administration Issue Business Delinquency Notices? How much would be the Projected Revenue?

The business tax delinquency notices are scheduled to go out on July 8, 2013. The revenue for the delinquencies (NODs) is estimated to be \$600,000 and will be accrued for FY 2012-13 per the City's accrual policy and have already been factored in the FY 2012-2013 budget.

Public Safety—Fire

1) Provide clarification on the SAFER Grant Budget in relation to the General Purpose Fund.

The SAFER grant was awarded to the City in a total amount of \$7.8 million to be used over a two year period. This funding is restricted to fund only newly hired firefighters. It is anticipated that 24 new firefighters will fill existing vacancies in July 2013 upon completion of the academy. Because the grant funding will off-set the cost to the existing vacant General Purpose (GPF) funded positions (24.00 FTE), the \$7.8M was reduced from the General Purpose Fund (\$3.9 million each fiscal year). The SAFER grant is reimbursable, therefore the costs associated with the newly hired firefighters will charge directly to the grant fund, and then be reimbursed in that same fund. The result of the City receiving this grant funding is a direct savings to the General Purpose Fund (GPF), in which the savings has already been accounted for in the FY 2013-15 Proposed Policy Budget (Page E-24). Please note that this is reflective of a standard grant accounting practice. This savings in the Fire Department's GPF budget is primarily off-set by the increase in the cost of both fringe and retirement in FY 13-14, as well as the sunset of concessions in FY 14-15 (e.g., 8.85% salary reduction, etc.).

In July 2013, the SAFER grant amount will be appropriated in the grant fund as approved by the City Council resolution #84241 C.M.S. Please refer to the report and resolution, which can be accessed at the below link:

<http://oakland.legistar.com/LegislationDetail.aspx?ID=1282924&GUID=E9786BB4-1C00-4CC3-BDF3-3A1DE98C4B41&Options=ID|Text|&Search=SAFER>

The ability to use this SAFER grant and adhere to standard grant accounting practices avoided \$7.8 million of additional cuts.

Human Services

1) Provide clarification on the Senior Companion Position.

The first Senior Services Supervisor was in the Multipurpose Senior Services Program (MSSP), only involved grant funds, and took effect for both years of the budget. Due to staffing changes and sequestration, DHS requested to rescind this reduction and provide an alternate cost neutral grant reduction of a Senior Employment Coordinator instead— as described in Errata #4.

A second Senior Services Supervisor in the Senior Companion/ Foster Grandparent program was proposed as General Purpose Fund reduction in Year 2 of the Mayor's Proposed Budget and would result in the loss of this grant program as these General Purpose Funds are needed to match and operate the program. This impact was described in the Errata dated May 23, 2013. Restoration would allow the Department of Human Services to maintain the program but is not yet restored.

Housing

1) Provide clarification on the Affordable Housing Staff in Year 1 and Year 2.

Errata #1, which was published on April 17, 2013, stated the following:

- o “The City anticipates up to \$2.6 million in one-time revenues from the county. Those one-time funds can be used in the short term to secure and stabilize housing program staff in year one.”
- o “When boomerang property tax funds stabilize, and new funds become available for appropriation, we can then supplement the one-time revenues and sustainably fund housing staff by allocating 20% of those funds.”

It needs to be clarified that “triple flip” funds potentially received from the County will be used for affordable housing in year two, not year one. As such, if the Mayor's Proposed Policy Budget is adopted, there will be sufficient funds to cover affordable housing staff for both years. In addition, it should be noted that the Mayor wishes to revise the proposal to allocate boomerang property tax funds on an on-going basis from 20% to 20% - 25%. For more detailed information, please view the information memo in the following link:

<http://www2.oaklandnet.com/oakca1/groups/cityadministrator/documents/agenda/oak041523.pdf>

It should also be noted that the City Council took action to reduce the total amount potentially collected from the County for the “triple flip” and has a claim for these funds that needs to be resolved.

Public Works

1) With respect to Graffiti Enforcement, provide how many permanent FTE positions could function with a potential \$500,000 investment (as opposed to overtime and supply costs).

\$500,000 potential investment in Graffiti Enforcement would create 2 FTE positions. However, please note that the Administration also recommends funding for Operations and Maintenance (O&M). Below is the detail of the recommended positions and O&M:

- 1-FTE Specialty Combination Inspector (Planning and Building) for private property code enforcement: \$ 116,163 (FY 13-14); \$118,984 (FY 14-15).
- 1-FTE Program Analyst II (Public Works) to coordinate all aspects of graffiti program development including working with Code Enforcement, Cultural Arts, Volunteers and City Painters: \$ 107,189 (FY 13-14); \$109,792 (FY 14-15).
- Operation and Maintenance Funding: Funding for graffiti prevention, murals, public outreach materials, graffiti abatement supplies (brushes, pans, rollers and graffiti abatement kits for volunteers), paint vouchers, etc.: \$276,648 (FY 13-14); \$271,224 (FY 14-15).

Respectfully submitted,

/s/

DONNA HOM
Budget Director

Attachment (1)

A) List of Funds with a Negative Fund Balance

ATTACHMENT A

Impact of 3% COLA on Negative Funds - FY 2013-15

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| Fund | FY 2014-15 Estimated Ending Fund Balance Post 3% COLA & Errata Items | 3% COLA Y1 * | 3% COLA Impact in Y2 * |
|---|---|------------------|------------------------------|
| 1100 - Self Insurance Liability | (17,030,336) | 96,991 | 99,344 |
| 1150 - Worker's Compensation Insurance Claims | (120,042) | 59,324 | 60,719 |
| 1610 - Successor Redevelopment Agency Reimbursement Fund | (349,230) | 172,680 | 176,550 |
| 1700 - Mandatory Refuse Program | (4,439,397) | 50,597 | 51,824 |
| 1730 - Henry J Kaiser Convention Center | (1,751,813) | - | 0 |
| 1750 - Multipurpose Reserve | (3,876,198) | 48,966 | 49,827 |
| 1760 - Telecommunications Reserve | (61,441) | 39,248 | 40,195 |
| 1791 - Contract Administration Fee | (1,203,949) | - | 0 |
| 1820 - OPRCA Self Sustaining Revolving Fund | (1,081,081) | 135,425 | 136,909 |
| 2102 - Department of Agriculture | (159,446) | 10,966 | 11,021 |
| 2103 - HUD-ESG/SHP/HOPWA | (3,265,538) | 3,292 | 3,354 |
| 2107 - HUP-108 | (2,504,353) | - | 0 |
| 2108 - HUD-CDBG | (47,091) | 129,683 | 132,375 |
| 2114 - Department of Labor | (119,481) | 40,546 | 40,610 |
| 2123 - US Dept of Homeland Security | (86,340) | 42,736 | 43,604 |
| 2124 - Federal Emergency Management Agency (FEMA) | (49,807) | 6,321 | 6,394 |
| 2128 - Department of Health and Human Services | (1,537,031) | 443,340 | 451,621 |
| 2138 - California Department of Education | (41,636) | - | 0 |
| 2148 - California Library Services | (559,427) | 1,726 | 1,726 |
| 2159 - State of California Other | (881,916) | 14,243 | 14,533 |
| 2163 - Metro Transportation Com: Program Grant | (556,698) | 553 | 553 |
| 2172 - Alameda County: Vehicle Abatement Authority | (31,168) | 2,835 | 2,900 |
| 2190 - Private Grants | (362,502) | 102 | 102 |
| 2195 - Workforce Investment Act | (4,062) | 43,896 | 44,766 |
| 2241 - Measure Q-Library Services Retention & Enhancement | (533,695) | 351,389 | 365,756 |
| 2242 - Measure Q Reserve- Library Services Retention & Enhancement | (41,960) | - | 0 |
| 2251 - Measure Y: Public Safety Act 2004 | (2,759,239) | 38,226 | 40,118 |
| 2310 - Lighting and Landscape Assessment District | (838,218) | 212,835 | 217,080 |
| 2411 - False Alarm Reduction Program | (38,122) | 27,503 | 28,131 |
| 2412 - Alameda County: Emergency Dispatch Service Suppl | (85,200) | 42,684 | 43,610 |
| 2415 - Development Service Fund | (824,801) | 603,496 | 610,267 |
| 2990 - Public Works Grants | (668,052) | 7,597 | 7,732 |
| 4100 - Equipment | (4,685,882) | 225,258 | 229,667 |
| 4300 - Reproduction | (1,102,910) | 11,910 | 12,199 |
| 4400 - City Facilities | (19,888,011) | 370,405 | 377,123 |
| 4500 - Central Stores | (3,901,061) | 9,154 | 9,377 |
| 4550 - Purchasing | (489,859) | 22,018 | 22,553 |
| 6063 - General Obligation Bonds: Series 2005 | (21,223,132) | - | 0 |
| 6311 - Measure G: 2006 Zoo, Museum | (1,808,610) | - | 0 |
| 6312 - GOB Series 2012-Refunding Bonds | (12,150,178) | - | 0 |
| 6321 - Measure DD: 2009B Clean Water, Safe Parks & Open Space | (9,029,000) | - | 0 |
| 6555 - Piedmont Pines 2010 Utility Underground Phase I - Debt Service | (320,761) | - | 0 |
| 6570 - JPFA Pooled Assessment: 1996 Revenue Bonds - Assessment | (143,909) | - | 0 |
| 6587 - 2012 Refunding Reassessment Bonds-Debt Service | (520,441) | 1,679 | 1,720 |
| 7130 - Employee Deferred Compensation | (115,229) | 3,458 | 3,542 |
| 7760 - Grant Clearing | (604,048) | 713,785 | 725,683 |
| Grand Total | | 3,984,869 | 4,063,485 |

* assumes 3% COLA in Y1 only

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CITY OF OAKLAND

2013 JUN 21 AM 8:57

MEMORANDUM

TO: HONORABLE MAYOR & CITY COUNCIL FROM: Osborn K. Solitei
Controller

SUBJECT: Kid's First 3% True-Up Calculation and Adjustment of Proposed Budget for Kids First FY 2013-14 and FY 2014-15 DATE: June 18, 2013

| City Administrator | Date |
|--------------------------------|---------|
| Approval /s/ Deanna J. Santana | 6/18/13 |

INFORMATION

This information memorandum provides a clarification on the Kid's First 3 % Calculation True-Up for FY 2009-10, 2010-11 and 2011-12 and adjustment for Kid's First allocation as noted in Errata Number 4 issued last week. The FY 2013-15 amendments are based on additional revenues projected for the next two fiscal years based upon updated General Purpose Fund revenue trends as reported in the FY 2012-13 Third Quarter Revenue and Expenditure Report and reported during the May 23, 2013 Special Budget Meeting for the FY 2013-15 Proposed Policy Budget.

Article XIII, Section 1300 of the Oakland City Charter mandates, effective July 1, 2009 and continuing through June 30, 2021, that the City set-aside three percent (3.0%) of the City's annual actual unrestricted General Purpose Fund (Fund 1010) revenues for the KIDS First! [The Oakland Fund for Children and Youth (the "Kids First! Fund" or "Kids First!")]. The actual funds deposited in the Fund pursuant to this Act shall only come from actual unrestricted General Purpose Fund (Fund 1010) revenues of the City of Oakland.

In accordance with the Charter requirement, the annual amount of actual unrestricted General Purpose Fund (Fund 1010) revenues shall be estimated by the City Administrator and verified by the City Auditor. Errors or adjustments in calculation for a fiscal year shall be corrected by an adjustment in the set aside depending upon whether the actual, unrestricted General Purpose Fund (Fund 1010) revenues are greater or less than the estimate.

The City performs an estimated annual calculation of the Kids First! Set-aside based on the budgeted unrestricted General Purpose Fund (GPF) revenues, and then performs a true-up calculation based on audited actual unrestricted GPF revenues. The calculation of the set-aside is to be made on the "*unrestricted General Purpose Fund revenue.*" The City's determination of what constitutes unrestricted General Purpose Fund revenue is based primarily on United States

To: Honorable Mayor & City Council

Subject: Kids First 3% True-Up Calculation and Adjustment of Proposed Budget for Kids First FY 2013-14 and FY 2014-15

Date: June 18, 2013

Page 2

Generally Accepted Accounting Principles ("GAAP"), and City Attorney opinions interpreting City Charter Article XIII. GAAP is the professional financial reporting standard for governmental accounting, and the basis for the City's audited annual financial statements, the Comprehensive Annual Financial Report (CAFR).

The City performed the Kid's First set-aside true-up calculation of the unrestricted revenue of the General Purpose Fund based on audited financial statements of the City for FY 2009-10 and FY 2010-11 and determined that the City overpaid the Kid's First fund and, therefore, no adjustment was required to true-up the Kids First fund for FY 2009-10 and 2010-11. On the Calculation of the FY 2011-12, the City determined that it has underpaid the Kid's First Fund. The following table summarizes the budgeted 3% transfer amount and the total Kids First unrestricted revenue 3% allocation:

| Description | FY 2009-10 Calculation Set-Aside Basis | FY 2010-11 Calculation Set-Aside Basis | FY 2011-12 Calculation Set-Aside Basis |
|---|---|---|---|
| Unrestricted GPF Revenue Subject to Kids First! Set-Aside | \$379,996,801 | \$375,769,510 | \$393,517,632 |
| Total Kids First Unrestricted Revenue Allocation (3%) | 11,399,904 | 11,273,085 | 11,805,529 |
| Kids First Budgeted Actual Allocation (Transfer) | 11,451,580 | 11,515,710 | 10,928,487 |
| Due to / (From) Kid's First | \$ (51,676) | \$ (242,625) | \$ 877,042 |
| NET Due to / (From) Kid's First FY 2010 - FY 2012: \$582,741 | | | |

As indicated in the table above, since the City overpaid in FY 2009-10 and then again in FY 2010-11 due to the budgeted unrestricted revenues being lower than the final actuals in each year, the City had to adjust the overpayments in FY 2011-12, after the audit was completed. Therefore, the City was not late in funding the Kid's First fund per Article XIII of the City Charter, but had actually overpaid the fund until which time the City could make the adjustment in a subsequent year when the City underpaid the fund. Since the City underpaid for FY 2011-12, this is the first time that the City can make the necessary "true-up" to recoup the overpaid funds. As a result, this true-up calculation will fully fund the Kids First fund for FY 2011-12.

To: Honorable Mayor & City Council

Subject: Kids First 3% True-Up Calculation and Adjustment of Proposed Budget for Kids First FY 2013-14 and FY 2014-15

Date: June 18, 2013

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The following table summarizes an update on the estimated budgeted 3% transfer amount and the total Kids First unrestricted revenue 3% allocation:

| Description | FY 2013-14 Estimated Calculation Set-Aside Basis | FY 2014-15 Estimated Calculation Set-Aside Basis |
|---|---|---|
| Unrestricted GPF Revenue Subject to Kids First! Set-Aside | \$406,054,159 | \$416,250,516 |
| Total Kids First Unrestricted Revenue Allocation (3%) | 12,181,625 | 12,487,515 |
| Kids First Budgeted Allocation (Transfer) – Proposed Budget | 11,763,186 | 12,125,533 |
| Adjustment to Proposed Budget for Kid's First | \$ 418,439 | \$ 361,982 |
| NET Adjustment to FY 2013-15 Proposed Policy Budget for Kid's First : \$780,421 | | |

The adjustment for the Proposed FY 2013-15 Policy Budget for Kids First is the result of the revised General Fund revenue trends as identified in the FY 2012-13 Third Quarter Revenue and Expenditure Report, as reported during the May 23, 2013 Special Budget Meeting. As reported in the 3rd Quarter, *"The City continues to experience modest economic recovery and growth and, however, anticipated additional expenditures accompany this new revenue"*. Staff updated the estimated FY 2013-14 and FY 2014-15 3% Kids First unrestricted General Purpose Fund 3% allocation and therefore, recommends adjusting the Kids First proposed budget.

As indicated above, the City's determination of what constitutes unrestricted General Purpose Fund revenue is based primarily on Generally Accepted Accounting Principles ("GAAP"), and the City Attorney opinions interpreting City Charter Article XIII. During the City Auditor's audit of the Kids First allocation, questions have come up by the City Auditor and the City Administration that warranted a request for a review and legal analysis by the City Attorney in which the legal opinions could impact the amount due to Kids First per the Charter.

As the issues have been discussed between the City Administration and the City Auditor during the course of the audit, on April 22, 2013, a meeting was held by the City Auditor with representatives from the City Attorney's Office and the City Administration. During the meeting and subsequent follow-up discussions, the City Administration raised certain issues regarding the Kids First 3% Set-aside calculation and the City Attorney agreed to issue an opinion. The following are some of the items that the City Administration requested for the City Attorney's opinion on Kids First 3% Set-aside calculation that may have an impact on the amount of the final allocation from the City:

- Measure Q – Library Services Retention and Enhancement Act – Per City Resolution No. 78223 C.M.S. section 8, *"For any year during which this tax is in effect, the City Council may collect this tax only if the General Fund appropriation for Library services is maintained at a level that is no lower than the General Fund appropriation for fiscal year 2000-01. The General Fund appropriation for Library services for fiscal year 2000-*

To: Honorable Mayor & City Council

Subject: Kids First 3% True-Up Calculation and Adjustment of Proposed Budget for Kids First FY 2013-14 and FY 2014-15

Date: June 18, 2013

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01 was \$9,059,989". Question posed to the City Attorney's Office: Should the revenue allocated to the minimum Library appropriation prerequisite at fiscal year 2000-01 level be treated as restricted revenue, and therefore be excluded from the Kids First 3% Set-aside calculation?

- GAAP provides that in some specific instances, that increases in current financial resources are to be reported as "other financing sources," and not revenue. The list below according to GAAP should not be considered revenue, but instead be classified as "other financing sources":
 - o The issuance of long-term debt (face amount and premium)
 - o The inception on capital lease
 - o Debt service on demand bonds reported as fund liabilities
 - o Sale of capital assets
 - o Insurance recoveries
 - o Transfers

Question posed to the City Attorney's Office: Should the above categories be restricted per GAAP definition, and therefore be excluded from the Kids First 3% Set-aside calculation?

Rental Income received for business around the "City Administration Building". The City currently has debt on the Administration building "OAKLAND JOINT POWERS FINANCING AUTHORITY, LEASE REVENUE REFUNDING BONDS (OAKLAND ADMINISTRATION BUILDINGS) 2008 SERIES B.

Question posed to the City Attorney's Office: Should the City restrict the rental Income received from the leased properties around City Administration Building as defined in the bond document for Debt Service Payment, and therefore be excluded from the Kids First 3% Set-aside calculation?

- Notes and Loans Receivables, should the funds received for notes and loan repayment be subject to Kid's First 3% Set-aside?
- City Officers – According to the City Charter, some offices are required to be formed, for example, City Council, Mayor, City Administrator, City Attorney, City Auditor, City Clerk and department heads. Should the GPF revenue allocated to the minimum operation of these offices be restricted and removed from the Kids First 3% Set Aside Calculation?

The City Attorney has not provided a final legal opinion on the above items and this could affect the Kids First true-up calculation from FY 2010 through FY 2013 as well as future Kids First 3% allocation amounts.

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Subject: Kids First 3% True-Up Calculation and Adjustment of Proposed Budget for Kids First FY 2013-14 and FY 2014-15

Date: June 18, 2013

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For questions regarding this report, please contact Osborn K. Solitei, Controller, at 510-238-3809.

Respectfully submitted,

/s/

OSBORN K. SOLITEI
Controller

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CITY OF OAKLAND

MEMORANDUM

TO: HONORABLE MAYOR &
CITY COUNCIL

FROM: Katano Kasaine

SUBJECT: Results of City of Oakland 2013-14
Tax and Revenue Anticipation Notes
Market Pricing

DATE: June 18, 2013

City Administrator

Date

Approval

/s/ **Scott P. Johnson**

6/18/13

INFORMATION

The purpose of this informational report is to provide the City Council with an update on the recent pricing for the \$78,230,000 City of Oakland 2013-2014 Tax and Revenue Anticipation Notes (TRAN) (the "2014 Notes").

The City continues to experience gradual economic improvement and produce stable financial results. On June 6, 2013 the City competitively sold its 2014 Notes through MuniAuction, an online bidding platform.

With the generally improved market tone and reception for the City's debt, it was not until last year (2013) that the City was able to make use of the competitive sale process for the 2013 Tax and Revenue Anticipation Notes, which resulted in participation by eleven (11) bidders with the lowest all-in true interest cost of 0.209%.

During the period surrounding the 2008 financial crisis, negotiated sale (through a selected financial institution(s)), was the predominant method of sale for bonds and notes due to the general lack of liquidity and financial market volatility. The turmoil in the market had created a shortage of buyers of notes. Therefore, in order to ensure a successful sale, until its 2013 TRAN sale, the City had sold its TRANs through a negotiated sale during that time, which is not the most economically efficient process and which may have resulted in higher borrowing costs to the City.

The City has demonstrated strong financial management practices to investors over the years and has continued to maintain high credit ratings for the 2014 Notes, which resulted in participation by eleven (11) bidders who submitted a total of thirty-eight (38) bids. RBC Capital Markets was the winning bid with an all-in true interest cost (TIC) of 0.178% – the second lowest cost of funds compared to other comparable California municipalities that have priced in the market since the note season began in early June 2013. Below is a schedule summarizing the bid results,

HONORABLE MAYOR AND CITY COUNCIL

Subject: City of Oakland 2013-14 Tax and Revenue Anticipation Notes Market Pricing

Date: June 18, 2013

Page 2

which demonstrate the competitiveness of the bids by such a tight spread in interest rates between the top bidders.

| \$78,230,000* | | |
|--|---------------------|--------------------------|
| City of Oakland, California | | |
| 2013-14 Tax and Revenue Anticipation Notes | | |
| Bid | Firm | True Interest Cost (TIC) |
| 1 st | RBC Capital Markets | 0.17816% |
| 2 nd | Citigroup | 0.18092% |
| 3 rd | Wells Fargo Bank | 0.1946% |
| 4 th | Bank of America | 0.19878% |
| 5 th | Goldman Sachs | 0.20009% |
| 6 th | JP Morgan | 0.2009% |
| 7 th | Barclays | 0.20044% |
| 8 th | Morgan Stanley | 0.20394% |
| 9 th | Mitsubishi | 0.20407 |
| 10 th | Jefferies & Co. | 0.21826% |
| 11 th | Piper Jaffray | 0.28402% |

* Preliminary, subject to change

The 2014 Notes were issued to finance General Fund expenditures secured by future tax revenues to facilitate availability of cash flows (primarily due to the timing of the receipt of property tax revenues) including current expenses, capital expenditures and the discharge of other obligations of the City. The closing on the 2014 Notes will occur on July 2, 2013.

Respectfully submitted,

/s/

KATANO KASAINÉ
Treasurer, Treasury Division

For questions, please contact Katano Kasaine, Treasurer, at 510-238-2989.

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MEMORANDUM

TO: HONORABLE MAYOR &
CITY COUNCIL

FROM: Donna Hom

SUBJECT: FY 2013-2015 Proposed Policy Budget

DATE: June 12, 2013

| City Administrator | Date |
|--------------------------------|---------|
| Approval /s/ Deanna J. Santana | 6/12/13 |

The purpose of this memorandum is to transmit to the full City Council a fourth set of responses to questions raised by City Councilmembers regarding the Fiscal Year (FY) 2013-2015 Proposed Policy Budget. We have answered as many questions as possible; however, some questions still require more staff analysis, and as such, we will answer any remaining questions through additional supplemental memos. To the extent that any additional information becomes available on any of the below questions or questions in past supplemental memorandums, we will continue to update the City Council accordingly.

DISCUSSION

General

1) Provide information about the proposed Graphic Design Specialist Position.

As a background, Graphic Design Specialist is currently vacant and was cut during the FY 2013-15 Policy Budget development process. However, legal counsel advised staff that the City will not be able to bring any graphic design work to outside vendors if the position is not fully funded. Staff has requested \$80,000 from the General Purpose Fund for portion of the position. The balance of the funding of \$34,298 in year one and \$37,072 in year two will come from the non-General Purpose Fund.

2) Provide the base cost for each and every new/additional/add/delete/upgraded position in the Proposed Budget

The detailed list of newly added and deleted positions in comparison with the Adopted Amended FY 2012-13 Policy Budget is displayed in Attachment A. Please note that the cost to add positions and related saving from deleting positions reflect net salary savings/costs only (does not include benefits, pension, and overhead related costs).

3) Of the nearly 1,400 Temporary Part-Time (TPT) employees, how many have been in their positions for the last two years? How much would it cost for the Administration to conduct an evaluation to determine which TPT positions should more logically and fairly

HONORABLE MAYOR AND CITY COUNCIL

Subject: Proposed FY 13-15 Proposed Policy Budget

Date: June 12, 2013

be classified as Permanent Part-Time positions? If half of the TPT positions were converted into PPT positions effective January 2015 (with commensurate benefits), how much would it cost the city in this two year budget cycle (and as on-going additional expenses going forward)? Given the City's budget realities, how would the Administration recommend phasing in such a transition over time?

Temporary Part-Time (TPT) employee counts change throughout the year. Listed below are the counts by classification and by departments as of January, 2013. As indicated below, most of the TPT are in Parks and Receptions followed by the Library. Please note that the positions listed below are head counts, not full-time equivalent (FTE).

| DEPT | TITLE | Count of EMP# |
|---------------------------------|----------------------------------|---------------|
| Community Services | | |
| | Administrative Assistant I, PT | 1 |
| | Crossing Guard, PT | 6 |
| | Custodian, PT | 13 |
| | Facility Security Assistant, PT | 1 |
| | Food Program Driver, PT | 8 |
| | Food Program Monitor, PT | 8 |
| | Lifeguard, PT | 75 |
| | Maintenance Mechanic, PT | 2 |
| | Park Attendant, PT | 13 |
| | Pool Manager, PT | 14 |
| | Recreation Aide, PT | 159 |
| | Recreation Attendant I, PT | 82 |
| | Recreation Attendant II, PT | 6 |
| | Recreation Leader I, PT | 253 |
| | Recreation Leader II, PT | 56 |
| | Recreation Specialist I, PT | 62 |
| | Recreation Specialist II, PT | 36 |
| | Recreation Specialist III, PT | 12 |
| | Sports Official, PT | 54 |
| | Stagehand, PT | 1 |
| | Van Driver, PT | 9 |
| | Water Safety Instructor, PT | 24 |
| Community Services Total | | 895 |
| Fire Department | | |
| | Administrative Assistant I, PT | 1 |
| | Fire Suppression Dist Inspect PT | 5 |
| | Office Assistant I, PT | 1 |
| | Office Assistant II, PT | 4 |

| | | |
|--------------------------------------|---------------------------------|-------------|
| Fire Department Total | | 11 |
| Library | | |
| | Librarian I, PT | 52 |
| | Librarian II, PT | 11 |
| | Librarian, Senior, PT | 1 |
| | Library Aide, PT | 117 |
| | Library Assistant, PT | 62 |
| | Literacy Assistant, PT | 2 |
| | Museum Guard, PT | 7 |
| Library Total | | 252 |
| Planning & Building | | |
| | Administrative Assistant I, PT | 1 |
| Planning & Building Total | | 1 |
| Police Department | | |
| | Animal Care Attendant, PT | 16 |
| | Crossing Guard, PT | 52 |
| | Parking Control Technician, PT | 52 |
| Police Department Total | | 120 |
| Public Works | | |
| | Custodian, PT | 33 |
| | Facility Security Assistant, PT | 1 |
| | Park Attendant, PT | 55 |
| Public Works Total | | 89 |
| Grand Total | | 1368 |

To assess how many TPT can be converted to permanent part time (PPT) positions, staff would need to assessment the operational needs of each department. Furthermore, if the funding capacity is not able to absorb increase cost in personnel, reduction in other areas would have to be assessed. Staff needs to examine this matter and formulate a work plan before committed to the timeline and magnitude of costs. As staff is fully engaged in labor negotiation, budget development, and fiscal year-end closing, it is more realistic to report back in late fall on this matter. There is no capacity at this time to do this analysis.

Revenue

1) It has come to my attention that Oakland has approximately 15,000 scoftlaw drivers (those that qualify for booting), and an unused special camera for reading license plates sufficient to identify scoftlaws. If the city were to maximize the use of this additional camera with necessary personnel, how much more additional revenue (beyond the \$2 million already identified in the proposed budget) could the city realize? How much would it cost the City to set up an in-house booting program sufficient to identify additional

scofflaws beyond those identified by our current outside contractor? Would such an in-house program more than pay for itself?

The additional license plate reader is being employed as a component of the previously noted booting programs already accounted for in the budget. The \$2 million reflected in the budget (revised to \$2.5 million in an June 4 information memorandum) is due to the synchronization of boot eligible lists between Oakland and other jurisdictions. This revenue increase is independent of ongoing enforcement via booting.

The following analysis demonstrates the impacts of adding additional boot crews. These estimates are over-and-above those assumed in the budget. There is a diminishing return to additional crews. The diminishing return is caused by a decrease in the number of vehicles eligible for booting as other crews will have already taken enforcement actions. The analysis assumes that booting crews are completely dedicated to boot parking enforcement efforts and are not routinely redeployed to address other traffic and vehicle concerns such as special events and abandoned automobiles. Further boot crews (and thus revenues) would not likely be available until FY 2014-15 due to the time required to hire a boot crews (2 police service technicians) and the requirements that these employees undergo background checks and receive required training.

| No. of Crews | Conservative Estimates | | |
|--------------|------------------------|----------------|--------------------|
| | Annual Revenue | Annual Expense | Annual Net Revenue |
| 1 Crew | \$ 971,520 | \$ 178,618 | \$ 792,902 |
| 2 Crews | \$ 1,700,160 | \$ 357,235 | \$ 1,342,925 |
| 3 Crews | \$ 2,185,920 | \$ 535,853 | \$ 1,650,067 |

To view a copy of the June 4, 2013 information memorandum on the update on FY 2014-15 Projected Parking Citation Revenue Estimates, please follow the below link:

<http://www2.oaklandnet.com/oakcal/groups/cityadministrator/documents/agenda/oak041383.pdf>

2) At what level will the residential parking permit fee be cost-recovery?

Preliminary analysis suggests that the average residential parking permit fee (\$19) would need to be raised to an average \$104.50 to be cost covering (550% increase). This would represent an increase of roughly \$925,000 in revenue assuming that the volume of permit seekers remained constant. However, it should be noted that this analysis is preliminary and a more rigorous cost recovery analysis would be required to ensure that any fee increases comply with Proposition 26.

3) How much money would be saved/available if the schedules for Fund 1100 (Self-Insurance Liability) and Fund 4100 (Equipment) are adjusted to reach a zero balance (or perhaps a \$20,000 positive balance)? Please provide a table with a detailed accounting of the currently scheduled repayment amount from each fund into 1100 and 4100, per year across each of their entire payment schedule. In addition, please break down the current

1100 and 4100 negative balances in terms of the specific total amounts owed by other funds into each negative balance.

In FY 2008-09, the External Auditor's issued a material weakness finding on the Internal Service Funds (ISF) deficit because the City's accumulated internal borrowings have reached \$50.8 million as of June 30, 2009. The Auditor's recommended *"that the City monitor the progress of its restructured repayment plan very closely to ensure its feasibility. If it is determined that the plan is not feasible and the City does not intend to or cannot recover the full cost of providing goods or services within a reasonable period of time, then the use of Internal Service Funds is no longer appropriate under GAAP and should not be used for financial reporting purposes"* (refer to Attachment B). The City has been able to maintain its repayment plan and in the FY 2010-11 audit, the Auditors considered the repayment plan implemented. BY the end of FY 2012-13, the City will have reduced deficit from the high of \$50.8 in FY 2008-09 to \$31.4 million (projected). That is approximately \$19.4 million in repayment to the ISF deficit.

At this time, the City Administration considers the current repayment plan prudent and good for the long-term fiscal stability for the City. As such, it is recommended that the City maintains the repayment plan. It should be noted that if the City chooses not to continue with the repayment plan, the External Auditors will recommend for the City to discontinue the use of Internal Service Funds for financial reporting purpose because they would no longer be appropriate under GAAP (Generally Acceptable Accounting Principles). For example, if this occurred in FY 2012-13 with the ISF's accumulated borrowing or deficit at the estimated \$31.4 million, the General Purpose Fund (GPF) would have to absorb approximately 60% or (\$18.84 million of the \$31.4 million) of the ISF's deficit and hence would have to reduce GPF fund balance in one year instead of participating in the gradual repayment plan.

Attachment C accounts for the detail accounting of currently scheduled repayment for Self-Insurance Liability Fund (Fund #1100) and Equipment Fund (Fund #4100). The City Council adopted the negative fund balance repayment plan in FY 2009-11 for 10 years. It was projected by 2020-21, Fund #1100 will net zero. However, expenditures have exceeded revenue in this fund since 2009. As proposed in the FY 2013-15 Policy Budget, the fund balance of fund #1100 is projected to be negative 1,904,953, and by 2020-21, the fund balance is projected to be positive \$583,222.

Of note, the Mayor's Proposed Policy Budget includes three additional positions for the City Attorney's Office from Fund #1100, which will cost the City \$615,000 each year and it has not been factor into this fund's expenditure. Without changing the repayment plan, the fund is projected to be negative at the end of FY 2020-21 unless the City Attorney's Office reduces outside counsel costs. This fund has been in negative fund balance for at least the last ten years. The all-time high was negative \$28 million.

For the Equipment Fund (Fund #4100), City Council adopted the repayment plan in FY 2009-11 to repay the negative fund balance back to zero by FY 2020-21. The current proposed FY 2013-15 Policy Budget projected the fund balance will be positive \$754,388. At the City Council's

direction, staff can revise the repayment plan, and one option is to smooth the amount of \$754,388 over four year.

Of note, fund #4100 should have been paying for vehicle replacement and the amount has not been factored in the expenditure. If we slow down the repayment, it will hinder the City's ability to achieve the goal to include vehicle replacement in this fund.

4) On p. D-61, regarding Miscellaneous General Purpose Fund (GPF) revenue. Please explain the fluctuations and overall decreases in revenues.

The following table provides the major miscellaneous revenues in the General Purpose Fund by source. Please note that there are various other small revenues in this category that together amount to less than \$200,000. The fluctuations are largely driven by the timing of one time revenues most notably sale of land and property.

| General Purpose Fund Miscellaneous Revenues | Audited Actuals FY 2010-11 | Audited Actuals FY 2011-12 | Year End Projection FY 2012-13 | Proposed Budget FY 2013-14 | Proposed Budget FY 2014-15 | Five-Year Forecast FY 2015-16 | Five-Year Forecast FY 2016-17 | Five-Year Forecast FY 2017-18 |
|--|----------------------------------|----------------------------------|--------------------------------------|----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Sales of Land/Property | \$ 4,470,000 | \$ 31,391,518 | \$ 325,000 | \$ - | \$ 4,000,000 | \$ - | | |
| Coliseum Revenue | \$ 136,666 | \$ 165,408 | \$ 160,679 | \$ 165,408 | \$ 165,408 | \$ 165,408 | \$ 165,408 | \$ 165,408 |
| Billboard Revenue On Going | \$ - | \$ - | \$ - | \$ 475,000 | \$ 475,000 | \$ 475,000 | \$ 475,000 | \$ 475,000 |
| Billboard Revenue One-Time | \$ - | \$ - | \$ - | \$ 475,000 | \$ - | \$ - | \$ - | \$ - |

5) On p. E-32 of the Proposed Budget, "Collections/Mandatory Garbage" (described on p. E-34 – Includes Business Tax & Code Enforcement) is shown as dropping from 13 to 11 FTE from FY 12-13 to 13-14. On p. E-33, "Collections/Mandatory Garbage" is shown as having a budget cut (expenditures dropping from 1,408,202 in 12-13 to 1,337,486 in 13-14) but also an expected revenue spike (158,600 in 12-13 to 264,591 in 13-14). Why is a spike in collections revenue expected when FTE and expenditures are dropping? Are there other uncollected collections amounts not handled by Collections/Mandatory Garbage?

The revenue increase reflects revenue adjustments due to increases that were observed in prior year actuals—to clarify, the spike in revenue collections is not related to changes in staffing or expenditure levels.

Any uncollected revenues that are subject to a lien process are not handled by Collections /Mandatory Garbage. False alarm fees and collections of parking citation revenues are also not handled by Collections/Mandatory Garbage, the latter are provided by ACS-Xerox, the City's parking citations management contractor through methods including tax intercepts, DMV registration holds, and other processes.

Public Works

1) With respect to the enforcement of Illegal Dumping and Graffiti, is this work that civilian staff can do?

At this time, staff is working to explore what options exist with respect to enforcement of illegal dumping and graffiti. Staff respectfully requests time to gather the appropriate staff to research best practices and come back to the City Council in the fall to report out on findings and potential options for the City Council to consider.

Code Enforcement

1) In the Proposed Budget, Code Enforcement's FTEs are being reduced but Code Enforcement's revenues are being projected to substantially increase. Why are the revenues being projected to substantially increase when the staff assigned to generating that revenue is being decreased?

The current fund balance in the Development Service Fund (2415) is negative by \$2.0 million. The proposed budget has a budgeted surplus of \$32,767 in FY13-14 and \$905,587 in FY14-15, and that could be used toward paying back the negative fund balance (debt).

The Proposed Budget, as presented in the published document, is by program. Our focus in this budget cycle is to balance the department budget by the overall fund 2415. Each of the programs in fund 2415 (i.e., Code Enforcement, Development Permit Inspection) is not necessarily balanced or cost covering; the overall fund 2415 is, however, balanced. Another reason for a decrease in FTEs for Code Enforcement is because we moved Code Enforcement staff to the Permit Counter to provide higher priority services.

Respectfully submitted,

/s/

DONNA HOM
Budget Director

Attachments:

Attachment A: Add/Delete Positions since Adoption of FY 2012-13

Attachment B: Management Letter from External Auditor

Attachment C: Repayment Schedule for Funds # 1100 and 4100

Base/Raw Cost for New/Additional/Add/Delete Upgraded Positions

| SUMMARY OF FTE changes - Midcycle FY 13 to Proposed FY 13-15 (Does not include changes reflected in Errata versions 1-3) | | | | | |
|---|---------------------------------------|--|------------------------|---|------------------------|
| Midcycle FY 2012-13 | Midcycle to Baseline Change (A) | Baseline to Proposed Y1 Change (B) | Proposed FY 2013-14 | Proposed Y1 to Proposed Y2 Change (C) | Proposed FY 2014-15 |
| 3,680.69 | 189.44 | (36.37) | 3,833.36 | 12.00 | 3,875.76 |

DETAIL BY CLASSIFICATION:

| Affected Class | ID | FTE Change | | | Annual Raw Salary per 1.0 FTE |
|-------------------|-------|-------------------------|-----------------------------------|--------------------------------------|-------------------------------------|
| | | Midcycle to Baseline | Baseline to Proposed Y1 (A) | Proposed Y1 to Proposed Y2 (B) | |
| Account Clerk II | 26498 | - | (1.00) | - | 42,601 |
| Account Clerk II | 30704 | - | (1.00) | - | 42,601 |
| Account Clerk III | 33951 | 1.00 | - | - | 46,617 |
| Account Clerk III | 34309 | - | 1.00 | - | 48,560 |
| Accountant II | 21259 | - | 0.14 | - | 66,877 |
| Accountant II | 25428 | - | 0.07 | - | 66,878 |
| Accountant II | 25428 | 0.00 | 0.68 | - | 66,878 |

| NOTES on FTE change | | | |
|---------------------|---|---|--|
| (A) | (B) | (C) | |
| | Transfer to Fund 1820 | Transfer to Fund 1820 | |
| | Frozen | Frozen | |
| Add/delete | | | |
| | Position added | Position added | |
| | | Reduction & Transfer from 1010; .14 to 2103 & .12 to 2108 | |
| | | Reduction & Transfer from 1010; .14 to 2103 & .12 to 2108 | |
| | Transfer in .07 | Transfer in .07 | |
| | Transfer in 0.68 FTE from Fund 2160, 2103, 2108 | Transfer in 0.68 FTE from Fund 2160, 2103, 2108 | |
| | Transfer in 0.68 FTE from Fund 2160, 2103, 2108 | Transfer in 0.68 FTE from Fund 2160, 2103, 2108 | |

| Affected Class | ID | FTE Change | | |
|----------------|-------|-----------------------|-----------------------------|--------------------------------|
| | | Maley to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Accountant II | 25428 | (0.00) | (0.37) | - |
| Accountant II | 31508 | 1.00 | - | - |
| Accountant II | 3183 | 0.50 | - | - |
| Accountant III | 1283 | (0.50) | - | - |
| Accountant III | 2132 | 0.25 | - | - |
| Accountant III | 2132 | (0.25) | - | - |
| Accountant III | 2652 | - | 0.17 | - |
| Accountant III | 5652 | (0.00) | 0.17 | - |
| Accountant III | 17552 | (0.20) | - | - |
| Accountant III | 17552 | 0.20 | - | - |
| Accountant III | 26050 | (0.10) | - | - |
| Accountant III | 32290 | 0.50 | - | - |
| Accountant III | 31268 | (0.40) | - | - |
| Accountant III | 31268 | 0.40 | - | - |
| Accountant III | 33660 | - | (1.00) | - |
| Accountant III | 33660 | - | 1.00 | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|---------------------|--|--|-------------------------------|
| (A) | (B) | (C) | |
| | Transfer .37 from fund 2108 to 1010 & 2170 | Transfer .37 from fund 2108 to 1010 & 2120 | 66,878 |
| | Baseline clean-up - correct PTEs | | 60,746 |
| | Transfer 0.50 PTE to GPF due to SRA reduction | | 67,727 |
| | Transfer 0.50 PTE to GPF due to SRA reduction | | 67,727 |
| | SRA reduction | | 67,728 |
| | - | Transfer .17 from fund 2195 to 1610 | 75,046 |
| | - | Transfer .17 from fund 2195 to 1610 | 75,046 |
| | Reallocate 0.20 FTE to GPF due to reduction in Fund 1610 | | 76,231 |
| | Reallocate 0.20 FTE to GPF due to reduction in Fund 1610 | | 76,231 |
| | Transfer 0.10 FTE to GPR due to SRA reduction | | 75,046 |
| | Transfer 0.10 FTE to GPR due to SRA reduction | | 75,046 |
| | Add/delete | | 71,290 |
| | - | Eliminated | 73,044 |
| | - | Eliminated | 73,044 |

| Affected Class | ID | FTE Change | | |
|---------------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Accounting Supervisor | 34147 | 1.00 | (1.00) | - |
| Accounting Supervisor | 34150 | 0.00 | 0.00 | 0.00 |
| Admin Analyst II, PPT | 33786 | 0.50 | (0.50) | - |
| Administrative Analyst I | 22697 | 0.20 | - | - |
| Administrative Analyst I | 22697 | 0.20 | - | - |
| Administrative Analyst I | 28070 | 0.00 | (0.85) | - |
| Administrative Analyst I | 28070 | 0.00 | (0.85) | - |
| Administrative Analyst I | 30782 | 0.00 | (0.00) | - |
| Administrative Analyst II | 3395 | (0.20) | - | - |
| Administrative Analyst II | 3395 | (0.20) | - | - |
| Administrative Analyst II | 3927 | (0.20) | - | - |
| Administrative Analyst II | 3927 | (0.20) | - | - |
| Administrative Analyst II | 3927 | (0.20) | - | - |
| Administrative Analyst II | 20648 | (1.00) | - | - |
| Administrative Analyst II | 21842 | (0.20) | - | - |
| Administrative Analyst II | 21842 | 0.20 | - | - |
| Administrative Analyst II | 21842 | 0.20 | - | - |
| Administrative Analyst II | 30082 | 0.00 | (0.30) | - |
| Administrative Analyst II | 30082 | 0.00 | (0.30) | - |
| Administrative Analyst II | 30673 | (1.00) | - | - |
| Administrative Analyst II | 34138 | 0.80 | - | - |
| Administrative Analyst II | 34138 | 0.80 | (0.50) | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|--|---------------------------------|---------------------------------|-------------------------------|
| (A) | (B) | (C) | |
| | Frozen | Frozen | 101,724 |
| | Frozen | Frozen | 89,724 |
| ADD | Eliminated | Eliminated | 62,497 |
| Transfer 0.20 FTE from 1610 to 1010 | | | 60,819 |
| Transfer 0.20 FTE from 1610 to 1010 | | | 60,819 |
| | Transfer from fund 1610 to 2105 | Transfer from fund 1610 to 2105 | 57,778 |
| | - | Transfer from fund 1610 to 2105 | 57,778 |
| | Eliminated | Eliminated | 57,778 |
| Reallocate 0.20 FTE to GPF due to reduction in Fund 1610 | | | 61,320 |
| Reallocate 0.20 FTE to GPF due to reduction in Fund 1610 | | | 61,320 |
| Reallocate 0.20 FTE to GPF due to reduction in Fund 1610 | | | 67,947 |
| Reallocate 0.20 FTE to GPF due to reduction in Fund 1610 | | | 67,947 |
| Technical Clean up | | | 60,362 |
| Transfer 0.20 FTE to GPF due to SRA | | | 67,947 |
| Transfer 0.20 FTE to GPF due to SRA | | | 67,947 |
| Eliminated | Eliminated | Eliminated | 66,891 |
| Eliminated | Eliminated | Eliminated | 66,891 |
| Add/delete | | | 60,362 |
| Add/delete | | | 59,189 |
| Add/delete | | | 59,189 |
| Eliminated | Eliminated | Eliminated | 62,522 |

| Affected Class | ID | FTE Change | | |
|------------------------------------|-------|----------------------|-------------------------|----------------------------|
| | | Midcycle to Baseline | Baseline to Proposed Y1 | Proposed Y1 to Proposed Y2 |
| Administrative Assistant I | 15671 | 1.00 | - | - |
| Administrative Assistant I | 15671 | (1.00) | - | - |
| Administrative Assistant I | 27657 | - | (1.00) | - |
| Administrative Assistant I | 35285 | (0.00) | - | - |
| Administrative Assistant II | 24509 | - | 0.67 | - |
| Administrative Assistant II | 24509 | (0.00) | (0.23) | - |
| Administrative Assistant II | 24509 | (0.00) | (0.34) | - |
| Administrative Assistant II | 24509 | - | (1.00) | - |
| Administrative Assistant II | 31543 | 1.00 | - | - |
| Administrative Assistant II | 31543 | - | (0.00) | - |
| Administrative Services Manager I | 3874 | (0.20) | - | - |
| Administrative Services Manager I | 3874 | (0.00) | - | - |
| Administrative Services Manager I | 10238 | - | (1.00) | - |
| Administrative Services Manager I | 24273 | 1.00 | - | - |
| Administrative Services Manager II | 32449 | - | (1.00) | - |
| Administrative Services Manager II | 32449 | - | (1.00) | - |
| Agency Director, Admin Services | 33683 | - | (1.00) | - |
| Agency Director, Admin Services | 33683 | - | (1.00) | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|---|---|---|-------------------------------|
| (A) | (B) | (C) | |
| Transfer 1 FTE from 3100 to 7760 | | | 46,005 |
| Transfer 1 FTE from 2100 to 7760 | | | 46,005 |
| | ADD/DELETE | ADD/DELETE | 46,005 |
| | | | 46,005 |
| | Transfer .67 from fund 2211, 2416 | Transfer .67 from fund 2211, 2416 | 51,406 |
| | Transfer .67 from fund 2211, 2416 to 2231 | Transfer .67 from fund 2211, 2416 to 2231 | 51,406 |
| | Transfer .34 from fund 2416 to 2231 | Transfer .34 from fund 2416 to 2231 | 51,406 |
| | Eliminated | Eliminated | 45,277 |
| Baseline clean-up - correct FTEs | | | 48,035 |
| | Position added | Position added | 50,437 |
| 0.80 FTE transferred from 1010 to fund 1150 | | | 94,116 |
| 0.80 FTE transferred from 1010 to fund 1150 | | | 94,116 |
| | Eliminated | Eliminated | 95,602 |
| | | | 95,602 |
| | Eliminated | Eliminated | 93,405 |
| | ADD/DELETE | ADD/DELETE | 179,675 |
| | ADD/DELETE | ADD/DELETE | 179,114 |
| | | | 44,705 |

| Affected Class | ID | FTE Change | | |
|----------------------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Assist to the City Administrator | 13155 | (0.10) | - | - |
| Assist to the City Administrator | 13155 | (0.10) | - | - |
| Assist to the City Administrator | 32850 | (0.10) | - | - |
| Assist to the City Administrator | 32850 | (0.10) | - | - |
| Assist to the City Administrator | 34307 | - | 1.00 | - |
| Assist to the City Administrator | 41 | (0.02) | - | - |
| Assistant City Administrator | 41 | 0.02 | - | - |
| Assistant City Administrator | 32842 | 0.17 | - | - |
| Assistant City Administrator | 32842 | 0.17 | - | - |
| Assistant City Administrator | 32842 | 0.50 | - | - |
| Assistant City Administrator | 32842 | 0.50 | - | - |
| Auto Equipment Mechanic | 2855 | 1.00 | - | - |
| Auto Equipment Mechanic | 2855 | 1.00 | - | - |
| Battalion Chief | 30902 | (1.00) | - | - |
| Battalion Chief | 30971 | (1.00) | - | - |
| Battalion Chief | 30971 | 0.75 | - | - |
| Supervisor Operations | 30971 | 0.75 | - | - |

| NOTES on FTE change | | |
|--|------------------|----------------|
| (A) | (B) | (C) |
| Reallocate to GPF due to reduction in Fund 1610 | | |
| | | |
| Reallocate 0.10 FTE to GPF due to Reduction in Fund 1610 | | |
| | | |
| | - Position added | Position added |
| | | |
| Reallocate 0.02 PTE to GPF due to reduction in Fund 1610 | | |
| | | |
| Add/delete | | |
| | | |
| | | |
| | ADD/DELETE | ADD/DELETE |
| Unfreeze | | |
| | | |
| Technical Clean-up | | |
| | | |
| Add/delete | | |
| Reallocate 0.02 PTE to GPF due to reduction in Fund 1610 | | |

| Annual Raw Salary per 1.0 FTE |
|-------------------------------|
| 110,112 |
| 110,112 |
| 123,699 |
| 123,699 |
| 100,739 |
| 191,459 |
| 191,459 |
| 208,000 |
| 208,000 |
| 208,000 |
| 208,000 |
| 57,368 |
| 139,438 |
| 139,437 |
| 139,437 |

| Affected Class | ID | FTE Change | | |
|------------------------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Budget & Operations Analyst III | 4929 | 0.10 | - | - |
| Budget & Operations Analyst III | 30632 | 0.10 | - | - |
| Budget & Operations Analyst III | 30632 | 0.10 | - | - |
| Business Analyst III | 32505 | - | - | 0.20 |
| Buyer | 34321 | - | 1.00 | - |
| Cable Operations Technician | 19424 | (0.20) | - | - |
| Cable Operations Technician | 19424 | 0.20 | - | - |
| Cable Operations Technician | 19424 | - | 1.00 | - |
| Cable TV Production Assistant, PPT | 22202 | (0.19) | - | - |
| Cable TV Production Assistant, PPT | 22202 | 0.19 | - | - |
| Cable TV Production Assistant, PPT | 22203 | (0.19) | - | - |
| Cable TV Production Assistant, PPT | 22203 | 0.19 | - | - |
| Captain of Fire Department | 33635 | 1.00 | - | - |
| Captain of Fire Department | 33635 | (1.00) | - | - |
| Case Manager I | 28151 | - | 0.20 | - |
| Case Manager I | 3817 | - | 0.20 | - |
| Case Manager II | 3809 | - | (1.00) | - |

| NOTES on FTE change | | |
|---|----------------------|----------------------|
| (A) | (B) | (C) |
| | | |
| Transfer .10 FTE to GPF due to SRA reduction | | |
| | | Eliminated Position |
| - | Position added | Position added |
| Reallocate 0.20 FTE to 1760 due to reduction in Fund 1610 | | |
| | Eliminated | Eliminated |
| Reallocate 0.19 FTE to 1760 due to reduction in Fund 1610 | | |
| | | |
| | | |
| Add/delete | | |
| Non-Funded | | |
| | Increase by 0.20 FTE | Increase by 0.20 FTE |
| | Increase by 0.20 FTE | Increase by 0.20 FTE |
| | Eliminated | Eliminated |

| Annual Raw Salary per 1.0 FTE |
|-------------------------------|
| 86,712 |
| 86,712 |
| 86,712 |
| 86,712 |
| 61,849 |
| 78,645 |
| 78,645 |
| 78,645 |
| 38,756 |
| 38,756 |
| 38,756 |
| 38,756 |
| 127,185 |
| 127,185 |
| 39,725 |
| 39,725 |
| 63,694 |

| Affected Class | ID | FTE Change | | |
|----------------------------|--------|-----------------|-----------------------------|--------------------------------|
| | | Baseline to (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| City Administrator | 534 | (0.20) | - | - |
| City Administrator Analyst | 11318 | (0.20) | - | - |
| City Administrator Analyst | 32454 | (1.00) | - | - |
| City Administrator Analyst | 33027 | 0.75 | - | - |
| City Administrator Analyst | 33028 | 0.50 | - | - |
| City Administrator Analyst | 34310 | - | 1.00 | - |
| City Administrator Analyst | 34312 | - | 1.00 | - |
| City Administrator Analyst | 327210 | (0.20) | - | - |
| City Attorney | 2147 | (0.20) | - | - |

| NOTES on FTE change | | |
|--|----------------------|----------------------|
| (A) | (B) | (C) |
| | Decrease by 0.20 FTE | Increase by 0.20 FTE |
| Reallocate 0.20 FTE to GPF due to reduction in Fund 1610 | | |
| | | |
| Add/delete | | |
| | | |
| Reallocate 0.75 FTE to GPF due to Reduction in Fund 1610 | | |
| Reallocate 0.50 FTE to GPF due to Reduction in Fund 1610 | | |
| Reallocate 0.50 FTE to GPF due to Reduction in Fund 1610 | | |
| | Position added | Position added |
| | Position added | Position added |
| Add/delete | | |
| | | |
| Transfer 0.20 FTE from 1610 to 1010 | | |

| Annual Raw Salary per 1.0 FTE |
|-------------------------------|
| 210,604 |
| 83,170 |
| 72,158 |
| 95,944 |
| 95,944 |
| 95,944 |
| 101,002 |
| 71,588 |
| 95,944 |
| 207,349 |

| Affected Class | ID | FTE Change | | |
|--------------------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| City Attorney | 2447 | (0.10) | - | - |
| City Clerk | 1663 | (0.10) | - | - |
| City Clerk | 1663 | (0.10) | - | - |
| City Clerk, Assistant | 31975 | (0.20) | - | - |
| City Clerk, Assistant | 31975 | (0.20) | - | - |
| City Councilmember's Assistant | 2075 | (0.20) | - | - |
| City Councilmember's Assistant | 2075 | (0.20) | - | - |
| City Councilmember's Assistant | 10498 | (0.20) | - | - |
| City Councilmember's Assistant | 10498 | (0.20) | - | - |
| City Councilmember's Assistant | 14367 | (0.20) | - | - |
| City Councilmember's Assistant | 14367 | (0.20) | - | - |
| City Councilmember's Assistant | 14404 | (0.20) | - | - |
| City Councilmember's Assistant | 14404 | (0.20) | - | - |
| City Councilmember's Assistant | 14411 | (0.20) | - | - |
| City Councilmember's Assistant | 14411 | (0.20) | - | - |
| City Councilmember's Assistant | 14416 | (0.20) | - | - |
| City Councilmember's Assistant | 14416 | (0.20) | - | - |
| City Councilmember's Assistant | 25432 | (0.20) | - | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|-------------------------------------|-----|-----|-------------------------------|
| (A) | (B) | (C) | |
| Transfer 0.10 FTE from 1610 to 1010 | | | 141,949 |
| Transfer 0.10 FTE from 1610 to 1010 | | | 141,949 |
| Transfer 0.20 FTE from 1610 to 1010 | | | 93,723 |
| Transfer 0.20 FTE from 1610 to 1010 | | | 93,723 |
| | | | 81,497 |
| Transfer 0.20 FTE from 1610 to 1010 | | | 81,497 |
| Transfer 0.20 FTE from 1610 to 1010 | | | 81,497 |
| Transfer 0.20 FTE from 1610 to 1010 | | | 81,497 |
| Transfer 0.20 FTE from 1610 to 1010 | | | 81,497 |
| Transfer 0.20 FTE from 1610 to 1010 | | | 81,497 |
| Transfer 0.20 FTE from 1610 to 1010 | | | 81,497 |
| Transfer 0.20 FTE from 1610 to 1010 | | | 81,497 |
| Transfer 0.20 FTE from 1610 to 1010 | | | 81,497 |
| Transfer 0.20 FTE from 1610 to 1010 | | | 81,497 |

| Affected Class | ID | FTE Change | | Proposed Y1 to Proposed Y2 |
|--------------------------------|-------|------------|-----------------------------|----------------------------|
| | | Baseline | Baseline to Proposed Y1 (A) | |
| City Councilmember's Assistant | 25437 | (0.20) | - | - |
| Citywide Records Manager | 27923 | (0.20) | - | - |
| Clean Community Supervisor | 18857 | - | (1.00) | - |
| Construction Inspector (Field) | 322 | - | (1.00) | - |
| Construction Inspector (Field) | 936 | - | (1.00) | - |
| Construction Inspector (Field) | 1899 | - | (1.00) | - |
| Construction Inspector (Field) | 15668 | - | (1.00) | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|-------------------------------------|---|---|-------------------------------|
| (A) | (B) | (C) | |
| Transfer 0.20 FTE from 1610 to 1010 | | | 81,497 |
| Transfer 0.20 FTE from 1610 to 1010 | | | 81,497 |
| Transfer 0.20 FTE from 1610 to 1010 | | | 86,482 |
| | Eliminated | Eliminated | 77,393 |
| | Transfer from 3100 to 2415 (Cost Neutral) | Transfer from 3100 to 2415 (Cost Neutral) | 58,418 |
| | Transfer from 3100 to 2415 (Cost Neutral) | Transfer from 3100 to 2415 (Cost Neutral) | 58,418 |
| | Transfer from 3100 to 2415 (Cost Neutral) | Transfer from 3100 to 2415 (Cost Neutral) | 58,418 |
| | Transfer from 3100 to 2415 (Cost Neutral) | Transfer from 3100 to 2415 (Cost Neutral) | 58,418 |
| | Transfer from 3100 to 2415 (Cost Neutral) | Transfer from 3100 to 2415 (Cost Neutral) | 58,418 |
| | Transfer from 3100 to 2415 (Cost Neutral) | Transfer from 3100 to 2415 (Cost Neutral) | 58,418 |

| Affected Class | ID | FTE Change | | |
|---|-------|--|-----------------------------------|--------------------------------------|
| | | Baseline to Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Construction Inspector (Field) | 15669 | | (1.00) | - |
| Construction Inspector (Field) | 15671 | | (1.00) | - |
| Construction Inspector (Field) | 15570 | - | (1.00) | - |
| Construction Inspector (Field) | 15736 | - | (1.00) | - |
| Construction Inspector, Sr (Field) | 19188 | - | (1.00) | - |
| Construction Inspector, Sr (Field) | 19188 | - | (1.00) | - |
| Contract Compliance Office Assistant | 10403 | - | (1.00) | - |
| Contract Compliance Officer | 303 | - | (1.00) | - |
| Contract Compliance Officer | 303 | - | (1.00) | - |
| Contract Compliance Officer, Sr | 34368 | (1.00) | | |
| Contract Compliance Officer, Sr | 34368 | - | 1.00 | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|---------------------|---|---|-------------------------------------|
| (A) | (B) | (C) | |
| | Transfer from 3100 to 2415 (Cost Neutral) | Transfer from 3100 to 2415 (Cost Neutral) | 58,418 |
| | Transfer from 3100 to 2415 (Cost Neutral) | Transfer from 3100 to 2415 (Cost Neutral) | 58,418 |
| | Transfer from 3100 to 2415 (Cost Neutral) | Transfer from 3100 to 2415 (Cost Neutral) | 58,418 |
| | Transfer from 3100 to 2415 (Cost Neutral) | Transfer from 3100 to 2415 (Cost Neutral) | 58,418 |
| | Transfer from 3100 to 2415 (Cost Neutral) | Transfer from 3100 to 2415 (Cost Neutral) | 58,418 |
| | Transfer from 3100 to 2415 (Cost Neutral) | Transfer from 3100 to 2415 (Cost Neutral) | 70,959 |
| | Transfer from 3100 to 2415 (Cost Neutral) | Transfer from 3100 to 2415 (Cost Neutral) | 70,959 |
| | Transfer from 2400 | Transfer from 2400 | 61,629 |
| | Transfer to GPF | Transfer to GPF | 61,629 |
| | Transfer from fund 1010 to 5671 | Transfer from fund 1010 to 5671 | 77,160 |
| | Transfer from fund 1010 to 5671 | Transfer from fund 1010 to 5671 | 77,160 |
| | ADD/DELETE | ADD/DELETE | 96,912 |

| Affected Class | ID | FTE Change | | |
|------------------------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Deputy City Attorney II | 27221 | (0.50) | - | - |
| Deputy City Attorney II | 15353 | (1.00) | - | - |
| Deputy City Attorney III | 15358 | (1.00) | - | - |
| Development/Redevelopment Prgm MGR | 25044 | 0.00 | - | (0.25) |
| Development/Redevelopment Prgm MGR | 31540 | - | (1.00) | - |
| Development/Redevelopment Prgm MGR | 32856 | (0.00) | (0.25) | - |
| Director of Development | 34277 | - | 1.00 | - |
| Director of Housing & Comm Dev | 33650 | (0.00) | (0.50) | - |
| Director of Personnel Res Mgmt | 1642 | - | 0.10 | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|--|---|---|-------------------------------|
| (A) | (B) | (C) | |
| | | | 111,996 |
| | | | 136,377 |
| Transfer 1 FTE from 1610 to 1010 | | | 136,377 |
| | Transfer from 7130 to 7130 | Eliminated | 88,435 |
| Technical Baseline Clean-up | | | 93,405 |
| Transfer from 2105 to 2105 | Transfer from 2105 to 2105 | Eliminated | 108,958 |
| Added to maintain ratio due increase in Police Officers due to Academies | Eliminated | Eliminated | 108,958 |
| | Reallocate between Fund 2195 and Fund 5671 | Reallocate between Fund 2195 and Fund 5671 | 100,740 |
| | | | 167,664 |
| | - ADD/DELETE | ADD/DELETE | 126,028 |
| | - Transfer from fund 1610 to 2105 | Transfer from fund 1610 to 2105 | 134,222 |
| | - Transfer from 1010; .20 to 1150 & .10 to 7130 | Transfer from 1010; .20 to 1150 & .10 to 7130 | |

| Affected Class | ID | FTE Change | | |
|---------------------------------|-------|-------------------------|-----------------------------|--------------------------------|
| | | Midyear to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Early Childhood Center Director | 13469 | 0.10 | - | - |
| Early Childhood Center Director | 27994 | 0.20 | - | - |
| Early Childhood Center Director | 31481 | 1.00 | - | - |
| Early Childhood Center Director | 31482 | 1.00 | - | - |
| Early Childhood Instructor | 57 | 0.20 | - | - |
| Early Childhood Instructor | 175 | 0.20 | - | - |
| Early Childhood Instructor | 529 | 0.10 | - | - |
| Early Childhood Instructor | 1119 | 0.10 | - | - |
| Early Childhood Instructor | 1229 | 0.20 | - | - |
| Early Childhood Instructor | 1361 | 0.20 | - | - |
| Early Childhood Instructor | 1362 | 0.10 | - | - |
| Early Childhood Instructor | 1622 | 0.10 | - | - |
| Early Childhood Instructor | 2596 | 0.10 | - | - |
| Early Childhood Instructor | 3029 | 0.20 | - | - |
| Early Childhood Instructor | 3702 | 0.20 | - | - |
| Early Childhood Instructor | 3784 | 0.10 | - | - |
| Early Childhood Instructor | 3705 | 0.20 | - | - |
| Early Childhood Instructor | 3782 | 0.20 | - | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|----------------------------------|-----|-----|-------------------------------|
| (A) | (B) | (C) | |
| Baseline clean-up - correct FTEs | | | 45,658 |
| Baseline clean-up - correct FTEs | | | 35,471 |
| Baseline clean-up - correct FTEs | | | 44,444 |
| Baseline clean-up - correct FTEs | | | 44,444 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 34,021 |
| Baseline clean-up - correct FTEs | | | 34,021 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 34,021 |
| Baseline clean-up - correct FTEs | | | 34,021 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 34,021 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 30,241 |

| Affected Class | ID | FTE Change | | |
|----------------------------|------|-------------------------|-----------------------------|--------------------------------|
| | | Midyear to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Early Childhood Instructor | 3707 | 0.10 | - | - |
| Early Childhood Instructor | 3709 | 0.20 | - | - |
| Early Childhood Instructor | 3710 | 0.10 | - | - |
| Early Childhood Instructor | 3712 | 0.10 | - | - |
| Early Childhood instructor | 3713 | 0.20 | - | - |
| Early Childhood Instructor | 3714 | 0.20 | - | - |
| Early Childhood Instructor | 3715 | 0.20 | - | - |
| Early Childhood Instructor | 3716 | 0.20 | - | - |
| Early Childhood Instructor | 3718 | 0.20 | - | - |
| Early Childhood Instructor | 5285 | 0.10 | - | - |
| Early Childhood Instructor | 5286 | 0.20 | - | - |
| Early Childhood Instructor | 5287 | 0.20 | - | - |
| Early Childhood Instructor | 6115 | 0.20 | - | - |
| Early Childhood Instructor | 6116 | 0.20 | - | - |
| Early Childhood Instructor | 6117 | 0.20 | - | - |
| Early Childhood Instructor | 6119 | 0.10 | - | - |
| Early Childhood Instructor | 6119 | 0.20 | - | - |
| Early Childhood Instructor | 6119 | 0.20 | - | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|----------------------------------|-----|-----|-------------------------------|
| (A) | (B) | (C) | |
| Baseline clean-up - correct FTEs | | | 34,021 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 30,577 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 26,724 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 26,724 |
| Baseline clean-up - correct FTEs | | | 27,294 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 30,241 |

| Affected Class | ID | FTE Change | | |
|----------------------------|-------|--|-----------------------------------|--------------------------------------|
| | | Baseline to Budget to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Early Childhood Instructor | 13999 | 0.20 | - | - |
| Early Childhood Instructor | 14000 | 0.20 | - | - |
| Early Childhood Instructor | 14001 | 0.20 | - | - |
| Early Childhood Instructor | 14185 | 0.20 | - | - |
| Early Childhood Instructor | 14186 | 0.20 | - | - |
| Early Childhood Instructor | 14227 | 0.20 | - | - |
| Early Childhood Instructor | 17762 | 0.10 | - | - |
| Early Childhood Instructor | 22383 | 0.20 | - | - |
| Early Childhood Instructor | 22384 | 0.20 | - | - |
| Early Childhood Instructor | 22385 | 0.20 | - | - |
| Early Childhood Instructor | 30713 | 0.20 | - | - |
| Early Childhood Instructor | 30714 | 0.20 | - | - |
| Early Childhood Instructor | 31483 | 1.00 | - | - |
| Early Childhood Instructor | 31484 | 1.00 | - | - |
| Early Childhood Instructor | 31485 | 1.00 | - | - |
| Early Childhood Instructor | 31486 | 1.00 | - | - |
| Early Childhood Instructor | 31487 | 1.00 | - | - |
| Early Childhood Instructor | 31488 | 1.00 | - | - |

| NOTES on FTE change | | | Annual Row Salary per 1.0 FTE |
|-------------------------------------|-----|-----|-------------------------------------|
| (A) | (B) | (C) | |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 30,241 |
| Baseline clean-up - correct FTEs | | | 34,021 |
| Baseline clean-up - correct FTEs | | | 27,890 |
| Baseline clean-up - correct FTEs | | | 27,890 |
| Baseline clean-up - correct FTEs | | | 27,294 |
| Baseline clean-up - correct FTEs | | | 27,294 |
| Baseline clean-up - correct FTEs | | | 31,471 |
| Baseline clean-up - correct FTEs | | | 31,471 |
| Baseline clean-up - correct FTEs | | | 29,893 |
| Baseline clean-up - correct FTEs | | | 31,471 |
| Baseline clean-up - correct FTEs | | | 31,471 |

| Affected Class | ID | FTE Change | | |
|----------------------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Early Childhood Instructor | 31489 | 1.00 | - | - |
| Early Childhood Instructor | 31491 | 1.00 | - | - |
| Early Childhood Instructor | 31492 | 1.00 | - | - |
| Early Childhood Instructor | 31493 | 1.00 | - | - |
| Early Childhood Instructor | 31494 | 1.00 | - | - |
| Early Childhood Instructor | 31499 | 1.00 | - | - |
| Electrical Const & Maint Planner | 2293 | - | 0.33 | - |
| Electrical Const & Maint Planner | 2295 | 0.00 | 0.33 | - |
| Electrical Engineer II | 31156 | 0.50 | - | - |
| Electrical Engineer II | 31155 | 0.50 | - | - |
| Electrical Engineer III | 2615 | - | 1.00 | - |
| Electrical Engineer III | 2615 | - | 1.00 | - |
| Electrical Engineer III | 3573 | - | 1.00 | - |
| Electrical Engineer III | 3573 | - | 1.00 | - |
| Electrical Supervisor | 158 | - | 0.50 | - |
| Electrical Supervisor | 159 | - | 0.50 | - |
| Electrical Supervisor | 2444 | - | 0.50 | - |
| Electrical Supervisor | 2444 | - | 0.50 | - |
| Electrician | 181 | - | 1.00 | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------|
| (A) | (B) | (C) | |
| Baseline clean-up - correct FTEs | | | 31,471 |
| Baseline clean-up - correct FTEs | | | 31,471 |
| Baseline clean-up - correct FTEs | | | 31,471 |
| Baseline clean-up - correct FTEs | | | 29,893 |
| Baseline clean-up - correct FTEs | | | 29,893 |
| - | Transfer .33 from fund 2211 to 2231 | Transfer .33 from fund 2211 to 2231 | 81,300 |
| - | Transfer .33 from fund 2211 to 2231 | Transfer .33 from fund 2211 to 2231 | 81,300 |
| Transfer 0.50 FTE from 7760 to 4450 | | | 81,658 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 104,747 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 104,747 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 104,747 |
| - | Transfer .50 from fund 2211 to 2231 | Transfer .50 from fund 2211 to 2231 | 81,270 |
| - | Transfer .50 from fund 2211 to 2231 | Transfer .50 from fund 2211 to 2231 | 81,270 |
| - | Transfer .50 from fund 2211 to 2231 | Transfer .50 from fund 2211 to 2231 | 81,270 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 62,019 |

| Affected Class | ID | FTE Change | | Proposed Y1 to Proposed Y2 (C) |
|----------------|-------|-------------------------|-----------------------------|--------------------------------|
| | | Baseline to Midyear (A) | Baseline to Proposed Y1 (B) | |
| Electrician | 925 | - | 1.00 | - |
| Electrician | 926 | - | 1.00 | - |
| Electrician | 986 | - | 1.00 | - |
| Electrician | 1114 | - | 1.00 | - |
| Electrician | 1144 | - | 1.00 | - |
| Electrician | 1123 | - | 1.00 | - |
| Electrician | 1529 | - | 1.00 | - |
| Electrician | 2386 | - | 1.00 | - |
| Electrician | 2898 | - | 1.00 | - |
| Electrician | 5083 | - | 1.00 | - |
| Electrician | 5085 | - | 1.00 | - |
| Electrician | 5084 | - | 1.00 | - |
| Electrician | 5084 | - | 1.00 | - |
| Electrician | 5084 | - | 1.00 | - |
| Electrician | 5655 | - | 1.00 | - |
| Electrician | 5829 | - | 1.00 | - |
| Electrician | 5840 | - | 1.00 | - |
| Electrician | 5906 | - | 1.00 | - |
| Electrician | 32300 | - | 1.00 | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|---------------------|---------------------------------|---------------------------------|-------------------------------|
| (A) | (B) | (C) | |
| - | - | - | 62,019 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 61,355 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 61,355 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 62,019 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 62,019 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 61,355 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 61,355 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 62,019 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 62,019 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 62,019 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 62,019 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 62,019 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 61,355 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 61,355 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 62,019 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 62,019 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 59,157 |

| Affected Class | ID | FTE Change | | |
|------------------------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Electrician Helper | 3569 | - | 1.00 | - |
| Electrician Helper | 3568 | - | (1.00) | - |
| Electrician Leader | 2480 | - | 1.00 | - |
| Electrician Leader | 3570 | - | 1.00 | - |
| Electrician Leader | 3579 | - | (1.00) | - |
| Emergency Planning Coordinator, Sr | 34297 | - | 1.00 | - |
| Emergency Planning Coordinator, Sr | 34298 | - | 1.00 | - |
| Employee Assist Svcs Coordinator | 5973 | (0.50) | - | - |
| Engineer Assistant (Office) | 3432 | (1.00) | - | - |
| Engineer, Civil (Office) | 3432 | - | (1.00) | - |
| Engineer, Civil (Office) | 32046 | 0.00 | (0.10) | - |
| Engineer, Civil Supv (Office) | 15940 | - | 1.00 | - |
| Engineer, Civil Supv (Office) | 15940 | - | (1.00) | - |
| Engineer, Civil Supv (Office) | 12840 | 0.00 | 0.50 | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|---------------------|--|--|-------------------------------|
| (A) | (B) | (C) | |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 44,645 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 44,645 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 71,682 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 71,682 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 71,825 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 71,825 |
| - | ADD | ADD | 83,298 |
| - | ADD | ADD | 83,298 |
| Add/delete | | | 50,189 |
| Add/delete | | | 76,854 |
| - | Eliminated | Eliminated | 89,481 |
| - | Transfer from fund 2211 to 3100 | Transfer from fund 2211 to 3100 | 80,761 |
| - | Transfer .10 from fund 2211 to 3100 | Transfer .10 from fund 2211 to 3100 | 80,761 |
| - | Transfer from 3100 to 2415 | Transfer from 3100 to 2415 | 109,991 |
| - | Transfer from 3100 to 2415 | Transfer from 3100 to 2415 | 109,991 |
| - | Transfer 0.50 FTE from 2416 to 1750 and 7760 | Transfer 0.50 FTE from 2416 to 1750 and 7760 | 89,480 |

| Affected Class | ID | FTE Change | | |
|---|-------|----------------------------|-----------------------------------|--------------------------------------|
| | | Mid-yl- to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Engineer, Transportation | 18040 | | | |
| Engineer, Transportation | 26178 | 0.00 | 0.50 | - |
| Engineer, Transportation | 26178 | | | |
| Engineer, Transportation Supv | 10365 | - | 1.00 | - |
| Engineer, Transportation Supv | 12792 | | | |
| Engineer, Transportation Supv | 12792 | - | 0.50 | - |
| Engineer, Transportation Supv | 12792 | | | |
| Exec Assist to Asst City Administrator | 33850 | 1.00 | - | - |
| Exec Assist to the City Administrator | 2188 | | | |
| Exec Assist to the City Administrator | 2188 | 0.20 | - | - |
| Exec Assist to the City Attorney | 1759 | | | |
| Exec Assist to the City Attorney | 1759 | 0.20 | - | - |
| Exec Assistant to Agency Director | 1053 | | | |
| Exec Assistant to Agency Director | 1053 | 0.20 | (1.00) | - |
| Exec Assistant to Agency Director | 1053 | | | |
| Facility Security Assistant, PT | 30801 | - | 0.50 | - |

| NOTES on FTE change | | |
|---|--|--|
| (A) | (B) | (C) |
| | Transfer .50 FTE from fund 2416 to 1750 and 1750 to 1760 | Transfer .50 FTE from fund 2416 to 1750 and 1750 to 1760 |
| | Transfer .50 from fund 2416 to 1750 | Transfer .50 from fund 2416 to 1750 |
| | Transfer .50 from fund 2416 to 1750 | Transfer .50 from fund 2416 to 1750 |
| - | Transfer from 1750 fund to 7760 | Transfer from 1750 fund to 7760 |
| | Transfer from 1750 fund to 7760 | Transfer from 1750 fund to 7760 |
| - | Transfer .50 from fund 2416 to 2211 | Transfer .50 from fund 2416 to 2211 |
| | Transfer .50 from fund 2416 to 2211 | Transfer .50 from fund 2416 to 2211 |
| Add/delete | | |
| Eliminated 0.20 FTE to GPF due to SRA reduction | | |
| | | |
| Transfer 0.20 FTE from 1010 to 1010 | | |
| Transfer 0.20 FTE from 1010 to 1010 | | |
| Transfer 0.20 FTE from 1010 to 1010 | | |
| Transfer 0.20 FTE to GPF due to SRA reduction | Eliminated | Eliminated |
| | | |
| | Transfer .50 from fund 1010 to 1820 | Transfer .50 from fund 1010 to 1820 |

| Annual Raw Salary per 1.0 FTE |
|-------------------------------|
| 83,488 |
| 89,480 |
| 89,480 |
| 109,991 |
| 109,991 |
| 109,992 |
| 109,992 |
| 72,902 |
| 73,111 |
| 73,111 |
| 68,366 |
| 68,366 |
| 63,694 |
| 63,694 |
| 21,222 |

| Affected Class | ID | FTE Change | | |
|-------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Family Advocate | 31201 | | (1.00) | |
| Family Advocate | 404 | 0.20 | - | - |
| Family Advocate | 559 | 0.20 | - | - |
| Family Advocate | 779 | 0.20 | - | - |
| Family Advocate | 1510 | 0.20 | (1.00) | |
| Family Advocate | 1372 | 0.20 | (1.00) | - |
| Family Advocate | 1732 | 0.20 | - | - |
| Family Advocate | 1825 | 0.20 | - | - |
| Family Advocate | 2532 | 0.20 | - | - |
| Family Advocate | 3729 | 0.10 | - | - |
| Family Advocate | 5130 | 0.50 | - | - |
| Family Advocate | 5912 | 0.20 | (1.00) | - |
| Family Advocate | 5914 | 0.10 | - | - |
| Family Advocate | 6111 | 0.20 | - | - |
| Family Advocate | 21485 | 0.00 | - | - |
| Family Advocate | 31497 | - | 1.00 | - |
| Family Advocate | 31497 | 1.00 | (1.00) | - |
| Financial Analyst | 17376 | 0.50 | - | - |
| Financial Analyst | 26400 | (0.05) | 0.30 | - |

| NOTES on FTE change | | |
|--|--|--|
| (A) | (B) | (C) |
| | Transfer 0.5 FTE from Fund 1010 to 1610 | Transfer 0.5 FTE from Fund 1010 to 1610 |
| Baseline clean-up - correct FTEs | | |
| | | |
| Baseline clean-up - correct FTEs | Eliminated | Eliminated |
| Baseline clean-up - correct FTEs | | |
| Baseline clean-up - correct FTEs | | |
| Baseline clean-up - correct FTEs | | |
| Baseline clean-up - correct FTEs | | |
| Baseline clean-up - correct FTEs | Eliminated | Eliminated |
| Baseline clean-up - correct FTEs | | |
| Baseline clean-up - correct FTEs | | |
| Baseline clean-up - correct FTEs | Eliminated | Eliminated |
| Baseline clean-up - correct FTEs | | |
| Baseline clean-up - correct FTEs | | |
| Baseline clean-up - correct FTEs | - | Transfer funding to GPF from 2128 |
| Baseline clean-up - correct FTEs | Transfer funding to GPF | Transfer funding to GPF |
| Transfer 0.50 FTE to GPF due to SRA reduction | | |
| Transfer 0.05 FTE to GPF due to reduction in SRA | Transfer from fund 2105 to 1610 and 1010 | Transfer from fund 2105 to 1610 and 1010 |

| Annual Raw Salary per 1.0 FTE |
|-------------------------------|
| 34,228 |
| 34,184 |
| 34,184 |
| 34,228 |
| 30,476 |
| 34,184 |
| 34,184 |
| 38,458 |
| 34,184 |
| 31,402 |
| 38,458 |
| 34,184 |
| 34,184 |
| 35,573 |
| 35,573 |
| 84,939 |
| 84,939 |
| 80,691 |

| Affected Class | ID | FTE Change | | |
|------------------------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Financial Analyst | 26400 | 0.00 | (0.20) | - |
| Financial Analyst | 26400 | 0.00 | - | - |
| Financial Analyst | 27340 | (1.00) | - | - |
| Financial Analyst, Principal | 24910 | (0.20) | (0.10) | - |
| Financial Analyst, Principal | 24910 | (0.20) | 0.30 | - |
| Financial Analyst, Principal | 24910 | 0.00 | (0.20) | - |
| Financial Analyst, Principal | 24910 | 0.20 | - | - |
| Financial Analyst, Principal | 24910 | 0.00 | - | - |
| Fire Fighter | 28089 | 1.00 | - | - |
| Fire Marshal, Assistant | 24910 | (0.20) | - | (1.00) |
| Fire Prevent Bureau Inspect, Civil | 21523 | - | (1.00) | - |
| Fire Prevent Bureau Inspect, Civil | 21523 | 0.10 | - | - |
| Food Service Worker | 514 | 0.11 | - | - |
| Food Service Worker | 883 | 0.11 | - | - |
| Food Service Worker | 3727 | 0.11 | - | - |
| Grants Coordinator | 32098 | - | (1.00) | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|---|--|---|-------------------------------|
| (A) | (B) | (C) | |
| Transfer .05 to GPF due to reduction in SRA | Transfer from fund 2105 to 1610 and 1010 | Transfer from fund 2105 to 1610 and 1010 | 80,691 |
| | Transfer from fund 2105 to 1610 and 1010 | Transfer from fund 2105 to 1610 and 1010 | 84,945 |
| | Transfer .20 from fund 2105 to 1610 | Transfer .30 from fund 2105, 2108 to 1610 | 108,959 |
| | Transfer .20 from fund 2105 to 1610 | Transfer .30 from fund 2105, 2108 to 1610 | 108,959 |
| Transfer 0.20 FTE to GPF due to SRA reduction | | | 108,959 |
| | | | 74,555 |
| | Frozen | Frozen | 69,570 |
| | | | 33,560 |
| | | | 30,282 |
| | | | 33,560 |
| | Eliminated | Eliminated | 84,939 |

| Affected Class | ID | FTE Change | | |
|-------------------------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Graphic Design Specialist | 49 | (0.00) | (0.50) | - |
| Head Start Driver Courier | 3815 | 0.11 | - | - |
| Head Start Driver Courier | 14713 | 0.11 | - | - |
| Headstart Program Coordinator | 3735 | - | (1.00) | - |
| Headstart Program Coordinator | 31499 | 1.00 | - | - |
| Headstart Program Coordinator | 33398 | 1.00 | - | - |
| Health & Human Svcs Prgm Planner | 33890 | 0.62 | (0.12) | (0.25) |
| Health & Human Svcs Prgm Planner | 33890 | 0.13 | (0.13) | - |
| Housing Development Coordinator III | 289 | - | (1.00) | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|----------------------------------|--|--|-------------------------------|
| (A) | (B) | (C) | |
| | Eliminated | Eliminated | 63,692 |
| Baseline clean-up - correct FTEs | | | 39,256 |
| Baseline clean-up - correct FTEs | | | 39,256 |
| Baseline clean-up - correct FTEs | | | 55,028 |
| | Eliminated | Eliminated | 55,028 |
| Baseline clean-up - correct FTEs | | | 51,413 |
| Baseline clean-up - correct FTEs | | | 48,843 |
| Baseline clean-up - correct FTEs | | | 76,150 |
| Baseline clean-up - correct FTEs | Transfer from fund 2112 & 2159 to 2251 | Transfer from fund 2112 & 2159 to 2251 | 76,150 |
| ADD | Transfer from fund 2112 & 2159 to 2251 | Transfer from fund 2112 & 2159 to 2251 | 76,150 |
| | Eliminated | Eliminated | 73,748 |

| Affected Class | ID | FTE Change | | |
|-------------------------------------|-------|------------|-----------------------------|--------------------------------|
| | | Baseline | Baseline to Proposed Y1 (A) | Proposed Y1 to Proposed Y2 (B) |
| Housing Development Coordinator III | 3795 | | (0.36) | - |
| Housing Development Coordinator III | 3795 | | (0.36) | - |
| Housing Development Coordinator III | 3823 | | 1.00 | (1.00) |
| Housing Development Coordinator III | 3823 | | (1.00) | - |
| Housing Development Coordinator III | 5323 | 0.00 | 0.03 | - |
| Housing Development Coordinator III | 5323 | | (0.03) | - |
| Housing Development Coordinator III | 18847 | | (1.00) | - |
| Housing Development Coordinator IV | 166 | | (0.35) | (0.35) |
| Housing Development Coordinator IV | 166 | | (0.35) | - |
| Housing Development Coordinator IV | 3786 | | 1.00 | (1.00) |
| Housing Development Coordinator IV | 3786 | | (1.00) | - |
| Housing Development Coordinator IV | 26729 | | 1.00 | (1.00) |
| Housing Development Coordinator IV | 26729 | | (1.00) | - |
| Housing Development Coordinator IV | 31574 | | 1.00 | (1.00) |
| Housing Development Coordinator IV | 31574 | | (1.00) | - |
| Human Res Systems Analyst, Supv | 34143 | 1.00 | - | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|---------------------|-----------------------------------|-----------------------------------|-------------------------------|
| (A) | (B) | (C) | |
| | Reduce to .40 FTE | Reduce to .40 FTE | 73,748 |
| | Eliminated | Eliminated | 68,748 |
| | Transfer from fund 1610 to 1884 | Eliminated Second Year | 70,059 |
| | Transfer from fund 1610 to 1884 | Eliminated Second Year | 70,059 |
| | Transfer in .03 FTE from 2108 | Transfer In .03 FTE from 2108 | 73,748 |
| | Transfer out .03 FTE to fund 1610 | Transfer out .03 FTE to fund 2108 | 73,748 |
| | Eliminated | Eliminated | 70,059 |
| | Transfer from fund 1610 to 1884 | Eliminated Second Year | 85,148 |
| | Eliminated | Eliminated Second Year | 85,148 |
| | Transfer from fund 1610 to 1884 | Eliminated Second Year | 85,147 |
| | Transfer from fund 1610 to 1884 | Eliminated Second Year | 89,632 |
| | Transfer from fund 1610 to 1884 | Eliminated Second Year | 89,632 |
| | Transfer from fund 1610 to 1884 | Eliminated Second Year | 73,010 |
| | Transfer from fund 1610 to 1884 | Eliminated Second Year | 73,010 |
| Add/delete | | | 95,944 |

| Affected Class | ID | FTE Change | | |
|-----------------------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Human Resource Analyst, Principal | 14695 | (0.10) | - | - |
| Human Resource Technician | 5740 | (0.20) | - | - |
| Human Resources Manager | 1106 | - | (1.00) | - |
| Latent Print Examiner III | 34230 | 1.00 | - | - |
| Legal Administrative Assistant | 2407 | (0.50) | - | - |
| Legislative Recorder | 646 | 0.10 | - | - |
| Legislative Recorder | 2482 | 0.10 | - | - |
| Legislative Recorder | 31520 | 0.10 | - | - |
| Librarian I, PT | 34280 | - | 1.43 | - |

| NOTES on FTE change | | |
|--|----------------|----------------|
| (A) | (B) | (C) |
| Transfer 0.10 FTE to GPF due to reduction in SRA | | |
| Transfer .20 FTE to GPF due to SRA reduction | | |
| Eliminated | Eliminated | |
| Added per Council Reso | | |
| Reduction of 0.50 FTE in 1610 | | |
| Transfer 0.10 FTE from 1610 to 1010 | | |
| Transfer 0.10 FTE from 1610 to 1010 | | |
| Transfer 0.10 FTE from 1610 to 1010 | | |
| | Position added | Position added |
| | 1010 to 240 | 240 |

| Annual Raw Salary per 1.0 FTE |
|-------------------------------|
| 102,868 |
| 50,696 |
| 50,696 |
| 82,854 |
| 63,718 |
| 54,026 |
| 60,467 |
| 54,026 |
| 84,938 |
| 67,722 |

| Affected Class | ID | FTE Change | | Proposed Y1 to Proposed Y2 (C) |
|------------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | |
| Librarian II | 2213 | - | (1.00) | - |
| Librarian II | 13415 | - | (1.00) | - |
| Librarian II | 13418 | - | (1.00) | - |
| Librarian II | 17395 | (1.00) | - | - |
| Librarian II | 17393 | (1.00) | - | - |
| Librarian II | 19080 | - | (1.00) | - |
| Librarian II | 19008 | - | (1.00) | - |
| Librarian II, PT | 1221 | - | (0.50) | - |
| Librarian, Senior | 2720 | - | - | 1.00 |
| Librarian, Senior | 2721 | - | - | 0.50 |
| Librarian, Supervising | 403 | - | 1.00 | - |
| Librarian, Supervising | 403 | - | (1.00) | - |
| Librarian, Supervising | 2530 | - | 1.00 | - |
| Librarian, Supervising | 1920 | - | (1.00) | - |
| Librarian, Supervising | 19515 | 1.00 | (1.00) | - |
| Librarian, Supervising | 19915 | 0.50 | (1.00) | - |
| Library Aide | 3743 | - | (1.00) | - |
| Library Aide | 3743 | - | (1.00) | - |
| Library Aide | 30306 | - | (1.00) | - |
| Library Aide, PT | 1221 | - | (0.50) | - |

| NOTES on FTE change | | |
|----------------------------------|---------------------------------|--|
| (A) | (B) | (C) |
| | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 |
| | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 |
| | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 |
| Transfer 1 FTE from 2241 to 1010 | | |
| Transfer 1 FTE from 2241 to 1010 | | |
| | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 |
| - | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 |
| | Eliminated | Eliminated |
| - | | Transfer from fund 1010 to 2241 in Second Year |
| | | Transfer from fund 1010 to 2241 in Second Year |
| - | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 |
| | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 |
| | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 |
| Transfer 1 FTE from 2241 to 1010 | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 |
| Transfer 1 FTE from 2241 to 1010 | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 |
| | Eliminated | Eliminated |
| - | Eliminated | Eliminated |

| Annual Raw Salary per 1.0 FTE |
|-------------------------------|
| 67,752 |
| 67,752 |
| 67,752 |
| 67,752 |
| 67,752 |
| 67,752 |
| 67,752 |
| 67,752 |
| 67,752 |
| 77,128 |
| 77,128 |
| 85,335 |
| 85,335 |
| 77,005 |
| 77,005 |
| 77,017 |
| 77,017 |
| 32,704 |
| 32,704 |
| 32,704 |

| Affected Class | ID | FTE Change | | |
|---------------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Library Aide, PPT | 15439 | - | (0.60) | - |
| Library Aide, PPT | 17692 | - | (0.60) | - |
| Library Aide, PPT | 19042 | - | (0.60) | - |
| Library Aide, PPT | 33710 | - | (0.60) | - |
| Library Aide, PPT | 34282 | - | 0.60 | - |
| Library Aide, PT | 34283 | - | 1.00 | - |
| Library Aide, PT | 34283 | - | 0.70 | - |
| Library Aide, PT | 34283 | - | 0.59 | - |
| Library Aide, PT | 34287 | - | 0.77 | - |
| Library Aide, PT | 34288 | - | 0.90 | - |
| Library Aide, PT | 34290 | - | 1.35 | - |
| Library Aide, PT | 34291 | - | 0.77 | - |
| Library Aide, PT | 34292 | - | 0.75 | - |
| Library Assistant | 93 | - | 1.00 | - |
| Library Assistant | 93 | - | (1.00) | - |
| Library Assistant | 504 | - | 1.00 | - |
| Library Assistant | 504 | - | (1.00) | - |
| Library Assistant | 1213 | - | 1.00 | - |
| Library Assistant | 1213 | - | (1.00) | - |
| Library Assistant | 26659 | - | (1.40) | - |
| Library Assistant, PT | 34285 | - | 0.95 | - |
| Library Assistant, PT | 34285 | - | 0.65 | - |
| Library Assistant, PT | 34293 | - | 0.80 | - |
| Library Assistant, PT | 34293 | - | 0.95 | - |
| Library Assistant, Senior | 5576 | - | - | 1.00 |
| Library Assistant, Senior | 5576 | - | - | (1.00) |
| Library Asst, PPT | 19559 | - | (0.60) | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|---------------------|---------------------------------|---|-------------------------------|
| (A) | (B) | (C) | |
| - | Eliminated | Eliminated | 17,714 |
| - | Eliminated | Eliminated | 19,622 |
| - | Eliminated | Eliminated | 17,714 |
| - | Eliminated | Eliminated | 17,714 |
| - | Position added | Position added | 18,568 |
| - | Position added | Position added | 21,663 |
| - | Position added | Position added | 21,663 |
| - | Position added | Position added | 23,829 |
| - | Position added | Position added | 23,829 |
| - | Position added | Position added | 41,778 |
| - | Position added | Position added | 23,210 |
| - | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 | 52,646 |
| - | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 | 52,646 |
| - | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 | 52,646 |
| - | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 | 52,646 |
| - | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 | 52,646 |
| - | Eliminated | Eliminated | 47,531 |
| - | Eliminated | Eliminated | 66,517 |
| - | PT Position Added | PT Position Added | 17,714 |
| - | Position added | Position added | 47,313 |
| - | Position added | Position added | 39,842 |
| - | Position added | Position added | 39,842 |
| - | - | Transfer from fund 1010 to 2241 Second Year | 64,032 |
| - | - | Transfer from fund 1010 to 2241 Second Year | 64,032 |
| - | Eliminated | Eliminated | 28,518 |

| Affected Class | ID | FTE Change | | |
|--------------------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Lifeguard, PT | 24967 | - | (0.46) | - |
| Lifeguard, PT | 24968 | - | (0.46) | - |
| Loan Servicing Administrator | 10060 | - | 0.50 | (0.50) |
| Loan Servicing Administrator | 10060 | - | (0.50) | - |
| Maintenance Mechanic | 34357 | - | 1.00 | - |
| Maintenance Mechanic | 34359 | - | 1.00 | - |
| Maintenance Mechanic, PPT | 33875 | 1.00 | - | - |
| Maintenance Mechanic, PPT | 33876 | 1.00 | - | - |
| Maintenance Mechanic, PT | 33412 | 1.00 | - | - |
| Management Assistant | 18287 | - | (1.00) | - |
| Management Intern, PT | 28104 | - | (0.50) | - |
| Manager, Agency Administrative | 13816 | 0.20 | - | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|---------------------|---|---|-------------------------------|
| (A) | (B) | (C) | |
| - | Reduce by 0.46 FTE in 1010 transfer .46 FTE to 1820 | Reduce by 0.46 FTE in 1010 transfer .46 FTE to 1820 | 92,676 |
| - | Reduce by 0.46 FTE in 1010 transfer .46 FTE to 1820 | Reduce by 0.46 FTE in 1010 transfer .46 FTE to 1820 | 92,676 |
| - | Transfer .50 from Fund 1610 to 1884 | Transfer .50 from Fund 1610 to 2826 | 85,364 |
| - | Transfer .50 from Fund 1610 to 1884 | Transfer .50 from Fund 1610 to 2826 | 85,364 |
| - | Position added | Position added | 36,317 |
| - | Position added | Position added | 36,317 |
| - | Position added | Position added | 36,317 |
| - | Eliminated | Eliminated | 30,171 |
| - | Eliminated | Eliminated | 30,171 |
| - | Baseline clean-up - correct FTEs | | 4,266 |
| - | Transfer from fund 1720 to 3100 | Transfer from fund 1720 to 3100 | 77,422 |
| - | Transfer from fund 1720 to 3100 | Transfer from fund 1720 to 3100 | 77,422 |
| - | Eliminated | Eliminated | 11,776 |
| - | Eliminated | Eliminated | 11,776 |
| | | | 108,130 |

| Affected Class | ID | FTE Change | | |
|--------------------------------------|-------|-------------------------|-----------------------------|--------------------------------|
| | | Midyear to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Manager, Building Services | 34354 | 0.00 | 0.00 | - |
| Manager, Building Services | 34365 | - | 0.48 | - |
| Manager, Building Services | 34366 | - | 0.50 | - |
| Manager, Contact & Employ Svcs | 31037 | 1.00 | (1.00) | - |
| Manager, Electrical Services | 263 | - | 0.33 | - |
| Manager, Electrical Services | 263 | (0.00) | (0.33) | - |
| Manager, Treasury | 2314 | - | 0.10 | - |
| Manager, Treasury | 2314 | 0.00 | (0.10) | - |
| Manager, Treasury | 2314 | 0.00 | 0.15 | - |
| Mayor | 32402 | 0.10 | - | - |
| Mayor | 32402 | 0.10 | - | - |
| Microcomputer Systems Specialist III | 27956 | (0.20) | - | - |
| Microcomputer Systems Specialist III | 27956 | (0.20) | - | - |
| Museum Collections Coordinator | 32185 | (1.00) | - | - |
| Museum Guard | 17353 | 0.50 | - | - |
| Museum Guard, PT | 17353 | - | 0.35 | - |
| Nurse Case Manager | 2859 | - | (1.00) | - |
| Nurse Case Manager | 2859 | - | (1.00) | - |
| Office Assistant I | 30715 | - | 1.00 | - |
| Office Assistant I | 30715 | - | 1.00 | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|---------------------|-------------------------------------|---------------------------------|-------------------------------|
| (A) | (B) | (C) | |
| | Position added | Position added | 116,620 |
| | Position added | Position added | 116,620 |
| Technical Cleanup | ADD/DELETE | ADD/DELETE | 137,465 |
| | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 124,870 |
| | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 124,870 |
| | Reallocate | Reallocate | 153,311 |
| | Reallocate | Reallocate | 153,311 |
| | Reallocate | Reallocate | 153,311 |
| | Transfer 1.00 FTE from 2211 to 2231 | | 137,547 |
| | | | 137,547 |
| | Prorata | Prorata | 91,047 |
| Add/delete | | | 91,047 |
| | | | 63,544 |
| Add/delete | Eliminated | Eliminated | 22,174 |
| Add/delete | | | 57,484 |
| | Eliminated | Eliminated | 57,484 |
| | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 | 31,123 |
| | Transfer from fund 1010 to 2241 | Transfer from fund 1010 to 2241 | 31,123 |

| Affected Class | ID | FTE Change | | |
|-----------------------------------|-------|---------------------------|-----------------------------------|--------------------------------------|
| | | Change to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Office Assistant II | 1317 | - | 1.00 | - |
| Office Assistant II | 1317 | - | 1.00 | - |
| Office Assistant II | 17516 | - | 1.00 | (1.00) |
| Office Assistant II | 17516 | - | 1.00 | - |
| Office Assistant II | 32731 | - | (1.00) | - |
| Office Assistant II | 32731 | - | (1.00) | (1.00) |
| Office Assistant II | 34139 | 1.00 | - | - |
| Office Manager | 25316 | 1.00 | - | - |
| Operations Support Specialist | 26048 | (0.20) | - | - |
| Operations Support Specialist | 26048 | (0.20) | - | - |
| Outreach Developer | 32970 | - | 0.30 | - |
| Outreach Developer | 32970 | - | 0.30 | - |
| Outreach Developer | 34266 | - | 1.00 | - |
| Painter | 34380 | - | 1.00 | - |
| Painter | 34380 | - | 1.00 | - |
| Parking Control Technician, PT | 25581 | 12.28 | - | - |
| Parking Control Technician, PT | 25581 | 12.28 | - | - |
| Payroll Personnel Clerk II | 1690 | (1.00) | - | - |
| Payroll Personnel Clerk II | 1690 | (1.00) | - | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|--------------------------------------|---|--|-------------------------------------|
| (A) | (B) | (C) | |
| - | Transfer from fund 4550 to 1010 | Transfer from fund 4550 to 1010 | 35,736 |
| - | Transfer from fund 4550 to 1010 | Transfer from fund 4550 to 1010 | 35,736 |
| - | Transfer from fund 1610 to 2826 | Eliminated Second Year | 39,606 |
| - | Transfer from fund 1610 to 2826 | Eliminated Second Year | 39,606 |
| - | Eliminated | Eliminated | 35,607 |
| - | | Eliminated Second Year | 35,607 |
| Unfreeze | | | 41,535 |
| Transfer 0.20 FTE to GPF from SRA | | | 49,605 |
| Transfer 0.20 FTE to GPF from SRA | | | 49,605 |
| - | | | 58,893 |
| - | Position added from fund 2154 to 2154 | Position & transfer from fund 2154 to 2154 | 58,893 |
| - | Position added | Position added | 72,311 |
| - | Position added | Position added | 72,311 |
| - | 4-11 Position Added | 4-11 Position Added | 61,984 |
| - | 4-11 Position Added | 4-11 Position Added | 61,984 |
| Re-org | | | 560,939 |
| Re-org | | | 560,939 |
| Add/delete | | | 42,424 |
| Transfer 0.20 FTE to GPF from SRA | | | 42,424 |

| Affected Class | ID | FTE Change | | |
|----------------------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Payroll Personnel Clerk II | 26473 | 0.20 | - | - |
| Payroll Personnel Clerk II | 26483 | 0.20 | - | - |
| Payroll Personnel Clerk II | 32483 | 0.20 | - | - |
| Payroll Personnel Clerk II | 32485 | 0.08 | - | - |
| Payroll Personnel Clerk III | 3885 | 0.08 | - | - |
| Payroll Personnel Clerk II | 34415 | - | (1.00) | - |
| Planner I | 25780 | - | (1.00) | - |
| Planner II | 17428 | - | (0.50) | - |
| Planner III | 17428 | - | 0.50 | - |
| Planner II | 17428 | - | (0.50) | - |
| Police Communications Dispatcher | 268 | - | 1.00 | - |
| Police Communications Dispatcher | 268 | - | (1.00) | - |
| Police Communications Dispatcher | 34308 | - | 5.00 | - |
| Police Officer (COP) | 34308 | (4.00) | - | (4.00) |
| Police Officer Trainee | 34146 | 50.00 | - | - |
| Police Records Supervisor | 34124 | 1.00 | - | - |
| Police Records Supervisor | 34124 | 1.00 | - | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|--|-------------------------------------|-------------------------------------|-------------------------------|
| (A) | (B) | (C) | |
| Transfer .20 FTE to GPF due to SRA reduction | | | 42,601 |
| Transfer .20 FTE to GPF due to SRA reduction | | | 36,536 |
| Transfer .20 FTE to GPF due to SRA reduction | | | 36,536 |
| Transfer .20 FTE to GPF due to SRA reduction | | | 49,881 |
| Baseline dean-up - correct FTEs | | | 49,881 |
| - | Positions added | Positions added | 48,569 |
| - | Eliminated | Eliminated | 55,029 |
| - | Eliminated | Eliminated | 68,634 |
| - | Transfer .50 from fund 4450 to 2415 | Transfer .50 from fund 4450 to 2415 | 73,748 |
| - | Transfer .50 from fund 4450 to 2415 | Transfer .50 from fund 4450 to 2415 | 73,748 |
| - | Transfer from fund 1010 to 2411 | Transfer from fund 1010 to 2411 | 65,721 |
| - | Transfer from fund 1010 to 2411 | Transfer from fund 1010 to 2411 | 65,721 |
| - | Positions added | Positions added | 335,920 |
| Academies | | | 58,825 |
| Academies | | | 1,487,766 |
| Technical Clean-up | | | 60,643 |
| Technical Clean-up | | | 60,643 |

| Affected Class | ID | FTE Change | | |
|-------------------------------|-------|-------------------------|-----------------------------|--------------------------------|
| | | Midvale to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Police Services Technician II | 34125 | 20.00 | - | - |
| Program Analyst I | 17227 | - | (1.00) | - |
| Program Analyst I | 20784 | 0.00 | (0.08) | - |
| Program Analyst I | 20784 | 0.00 | (0.08) | - |
| Program Analyst I | 34361 | - | 1.00 | - |
| Program Analyst II | 120 | - | (0.50) | - |
| Program Analyst II | 19926 | - | (0.50) | - |
| Program Analyst II | 25017 | (0.00) | 0.08 | - |
| Program Analyst II | 25017 | 0.00 | (0.08) | - |
| Program Analyst II | 33785 | 1.00 | - | - |
| Program Analyst III | 27703 | 0.50 | - | - |
| Program Analyst III | 32570 | 0.33 | - | - |
| Program Analyst III | 33677 | (1.00) | - | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|--|---|---|-------------------------------|
| (A) | (B) | (C) | |
| Added per Council Reso | - | - | 50,501 |
| - | Eliminated | Eliminated | 47,058 |
| - | Transfer in .08 FTE from Fund 2108 | Transfer to .08 FTE from Fund 2103 | 52,139 |
| - | Transfer out .08 FTE to Fund 2103 | Transfer out .08 FTE to Fund 2103 | 52,139 |
| - | Position added | Position added | 56,232 |
| - | Transfer .50 from fund 1780 to 1820 | Transfer .50 from fund 1780 to 1820 | 66,892 |
| - | Transfer .50 from fund 2195 to 5671 | Transfer .50 from fund 2195 to 5671 | 66,892 |
| - | Transfer in .08 FTE from 2108 | Transfer in .08 FTE from 2108 | 66,891 |
| - | Transfer in .08 FTE from 2108, 2160 | Transfer in .08 FTE from 2108, 2160 | 66,891 |
| - | Transfer out .08 FTE to Fund 2108, 2160 | Transfer out .08 FTE to Fund 2108, 2160 | 66,891 |
| ADD | | | 65,792 |
| - | Eliminated | Eliminated | 61,843 |
| Add/delete | | | 78,644 |
| Reallocate to 1750 due to reduction in Fund 1610 | | | 81,497 |
| Add/delete | | | 81,497 |
| Add/delete | | | 71,588 |

| Affected Class | ID | FTE Change | | |
|---------------------------------|-------|----------------------|-------------------------|----------------------------|
| | | Midcycle to Baseline | Baseline to Proposed Y1 | Proposed Y1 to Proposed Y2 |
| Program Analyst III | 33916 | 1.00 | - | - |
| Program Analyst III | 33919 | 1.00 | - | - |
| Program Analyst III | 34076 | 1.00 | - | - |
| Project Manager | 33787 | 0.60 | - | - |
| Project Manager II | 25964 | (0.00) | (0.50) | - |
| Project Manager II | 34213 | 1.00 | - | - |
| Public Information Officer II | 34231 | - | 1.00 | - |
| Public Information Officer II | 34231 | 1.00 | (1.00) | - |
| Public Service Employee 14, PT | 4762 | 0.75 | - | - |
| Public Service Representative | 1073 | - | (1.00) | - |
| Public Service Representative | 25363 | 1.00 | - | - |
| Public Service Representative | 25363 | (1.00) | - | - |
| Public Service Representative | 26363 | 1.00 | - | - |
| Public Service Representative | 26363 | (1.00) | - | - |
| Public Service Representative | 33254 | 1.00 | - | - |
| Public Works Maintenance Worker | 593 | 0.66 | - | - |
| Public Works Maintenance Worker | 33940 | 1.00 | - | - |

| NOTES on FTE change | | |
|----------------------------------|-------------------------------------|-------------------------------------|
| (A) | (B) | (C) |
| Add/delete | | |
| Add/delete | | |
| Add/delete | | |
| Add/delete | | |
| | Transfer .50 from fund 1610 to 2999 | Transfer .50 from fund 1610 to 2999 |
| | Transfer from fund 1010 to 1760 | Transfer from fund 1010 to 1760 |
| Baseline clean-up - correct FTEs | | |
| | Transfer from fund 3100 to 1720 | Transfer from fund 3100 to 1720 |
| | Transfer from fund 3100 to 2415 | Transfer from fund 3100 to 2415 |
| | Transfer from fund 3100 to 2415 | Transfer from fund 3100 to 2415 |
| | Transfer 1 FTE from 7760 to 3100 | Transfer from fund 3100 to 2415 |
| | Transfer 1 FTE from 7760 to 3100 | |
| | Transfer 0.66 FTE from 3100 to 2231 | |
| | Transfer 1.00 FTE from 3100 to 2231 | |
| ADD | | |

| Annual Raw Salary per 1.0 FTE |
|-------------------------------|
| 72,351 |
| 72,351 |
| 87,896 |
| 96,710 |
| 126,129 |
| 126,129 |
| 87,896 |
| 37,498 |
| 12,098 |
| 45,813 |
| 45,813 |
| 46,005 |
| 46,005 |
| 46,005 |
| 46,532 |
| 46,532 |
| 69,056 |

| Affected Class | ID | FTE Change | | |
|-------------------------------|-------|------------|-------------------------|----------------------------|
| | | Baseline | Baseline to Proposed Y1 | Proposed Y1 to Proposed Y2 |
| | | (A) | (B) | (C) |
| Real Estate Agent | 500 | (0.00) | - | (0.14) |
| Recreation Center Director | 34232 | 1.00 | - | - |
| Recreation Leader I, PT | 4190 | - | (0.40) | - |
| Recreation Leader II, PPT | 31067 | (2.25) | - | - |
| Recreation Leader II, PPT | 33620 | 0.75 | - | - |
| Recreation Leader II, PPT | 34135 | 0.75 | - | - |
| Recreation Leader II, PT | 19544 | - | 0.35 | - |
| Recreation Program Director | 27474 | (1.00) | - | - |
| Recreation Specialist I, PT | 15825 | - | (0.25) | - |
| Recreation Specialist II, PPT | 27423 | - | (0.14) | - |

| NOTES on FTE change | | |
|----------------------|----------------------------------|--|
| (A) | (B) | (C) |
| | | Transfer 0.14 from fund 1010 to 1770 Second Year |
| | | Transfer .14 from fund 1010 to 1770 Second Year |
| Add/delete | | |
| | Transfer 0.40 FTE from Fund 1820 | Transfer 0.40 FTE from Fund 1010 |
| | Transfer 0.40 FTE to Fund 1820 | Transfer 0.40 FTE to Fund 1820 |
| Add/delete | Eliminate 1.00 FTE | Eliminate 1.00 FTE |
| Add/delete | | |
| Technical correction | | |
| Add/delete | | |
| Add/delete | | |
| | Eliminate 1.00 FTE | Eliminate 1.00 FTE |
| | Transfer from fund 1010 to 1820 | Transfer from fund 1010 to 1820 |
| | Transfer from fund 1010 to 1820 | Transfer from fund 1010 to 1820 |
| Add/delete | | |
| | Transfer from fund 1010 to 1820 | Transfer from fund 1010 to 1820 |
| | Transfer from fund 1010 to 1820 | Transfer from fund 1010 to 1820 |
| | Transfer from fund 1010 to 1820 | Transfer from fund 1010 to 1820 |

| Annual Raw Salary per 1.0 FTE |
|-------------------------------|
| 79,343 |
| 59,748 |
| 10,997 |
| 463,736 |
| 23,333 |
| 24,305 |
| 10,820 |
| 45,877 |
| 25,344 |
| 25,344 |

| Affected Class | ID | FTE Change | | |
|-------------------------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Recreation Specialist II, PPT | 27423 | - | (0.75) | - |
| Recreation Specialist II, PPT | 13708 | - | (0.25) | - |
| Recreation Specialist II, PT | 13718 | - | (0.18) | - |
| Recreation Supervisor | 28411 | - | (1.00) | - |
| Recycling Specialist | 17668 | (0.00) | (0.70) | - |
| Recycling Specialist, Senior | 33881 | 0.70 | - | - |
| Rehabilitation Advisor III | 28065 | - | (1.00) | - |
| Revenue Assistant | 27088 | (1.00) | - | - |
| Revenue Operations Supervisor | 33855 | 0.60 | - | - |
| Senior Employment Coordinator | 14490 | - | 0.60 | - |
| Senior Services Prgm Assistant, PPT | 6082 | (0.00) | 0.51 | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------|
| (A) | (B) | (C) | |
| - | Transfer from fund 1780 to 1820 | Transfer from fund 1780 to 1820 | 35,524 |
| - | Transfer from fund 1010 to 1820 | Transfer from fund 1010 to 1820 | 15,462 |
| - | Transfer 1.0 FTE to 1820 | Transfer 1.0 FTE to 1820 | 66,862 |
| - | Eliminated | Eliminated | 66,891 |
| Add/delete | | | 80,139 |
| - | Transfer from fund 1610 to 2999 | Transfer from fund 1610 to 2999 | 66,718 |
| - | Transfer from fund 1010 to 2120 | Transfer from fund 1010 to 2120 | 27,777 |
| Transfer from CAO to Admin Services | | | 51,326 |
| - | Eliminate 1.00 FTE | Eliminate 1.00 FTE | 79,730 |
| - | Transfer .60 from fund 2195 to 1010 | Transfer .60 from fund 2195 to 1010 | 60,366 |
| - | Transfer .51 from fund 1010 to 2120 | Transfer .51 from fund 1010 to 2120 | 27,777 |

| Affected Class | ID | FTE Change | | |
|------------------------------------|-------|--|-----------------------------------|--------------------------------------|
| | | Baseline to Fiscal Year Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Senior Services Supervisor | 2721 | - | (1.00) | - |
| Senior Services Supervisor | 2722 | (0.00) | (0.00) | (0.00) |
| Senior Services Supervisor | 5269 | 0.00 | - | (0.59) |
| Sergeant of Police | 22440 | (0.00) | - | - |
| Sergeant of Police (PERS) | 22440 | 5.00 | - | - |
| Special Assistant to Mayor | 32195 | (0.10) | - | - |
| Special Assistant to the Mayor | 32195 | (0.10) | - | - |
| Special Assistant to the Mayor | 32225 | (0.10) | - | - |
| Special Assistant to the Mayor | 32226 | (0.10) | - | - |
| Special Assistant to the Mayor | 32226 | (0.10) | - | - |
| Specialty Combination Insp, Senior | 23259 | - | (1.00) | - |
| Specialty Combination Inspector | 2327 | - | (1.00) | - |
| Specialty Combination Inspector | 5309 | - | (1.00) | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|--|----------------|------------------------|-------------------------------------|
| (A) | (B) | (C) | |
| | Eliminated | Eliminated | 71,291 |
| | Eliminated | Eliminated Second Year | 75,046 |
| | - | Eliminated Second Year | 75,046 |
| Transfer 0.10 FTE from 1610 to 1010 | | | 118,649 |
| Add to maintain Sergeant to Police Officer ratio | | | 118,789 |
| | Proposed added | Proposed added | 87,470 |
| Transfer 0.10 FTE from 1610 to 1010 due to SRA reduction | | | 87,470 |
| Transfer 0.10 FTE from 1610 to 1010 due to SRA reduction | | | 122,548 |
| | | | 122,548 |
| Transfer 0.10 FTE from 1610 to 1010 | | | 122,549 |
| Transfer 0.10 FTE from 1610 to 1010 | | | 122,549 |
| | Eliminated | Eliminated | 75,454 |
| | Eliminated | Eliminated | 74,579 |
| | Eliminated | Eliminated | 74,579 |
| | Eliminated | Eliminated | 74,579 |

| Affected Class | ID | FTE Change | | |
|-------------------------------------|-------|----------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline | Baseline to Proposed Y1 (A) | Proposed Y1 to Proposed Y2 (C) |
| Storekeeper II | 3579 | - | (1.00) | - |
| Student Trainee, PT | 18806 | - | (1.00) | - |
| Student Trainee, PT | 31498 | (0.00) | (0.18) | - |
| Student Trainee, PT | 32369 | - | (0.50) | - |
| Student Trainee, PT | 34268 | - | 1.00 | - |
| Systems Analyst III | 932 | 1.00 | - | - |
| Tax Auditor III | 32493 | (1.00) | - | - |
| Tax Enforcement Officer II | 33856 | 0.90 | - | - |
| Tax Enforcement Officer III | 32489 | (1.00) | - | - |
| Telecommunication Systems Engineer | 11625 | 1.00 | (1.00) | - |
| Temporary Recreation Spec I, Sr, PT | 18953 | - | 0.40 | - |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|---------------------|-------------------------------------|---------------------------------|-------------------------------|
| (A) | (B) | (C) | |
| - | Eliminated | Eliminated | 52,382 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 40,664 |
| - | Transfer from fund 2211 to 2231 | Transfer from fund 2211 to 2231 | 40,664 |
| - | Eliminated | Eliminated | 14,496 |
| - | Eliminated | Eliminated | 7,971 |
| - | ADD | ADD | 21,237 |
| - | ADD | ADD | 24,219 |
| - | Transfer In from PWA | | 83,750 |
| - | Transfer from CAO to Admin Services | | 71,292 |
| - | Transfer from CAO to Admin Services | | 60,747 |
| - | Transfer from CAO to Admin Services | | 71,292 |
| - | Unfreeze | Eliminated | 87,239 |
| - | Transfer from fund 1010 to 1820 | Transfer from fund 1010 to 1820 | 13,721 |
| - | Transfer from fund 1010 to 1820 | Transfer from fund 1010 to 1820 | 13,721 |

| Affected Class | ID | FTE Change | | |
|-------------------------------------|-------|--------------------------|-----------------------------|--------------------------------|
| | | Midcycle to Baseline (A) | Baseline to Proposed Y1 (B) | Proposed Y1 to Proposed Y2 (C) |
| Temporary Recreation Specialist, PT | 27160 | - | 0.04 | - |
| Temporary Recreation Specialist, PT | 27160 | - | (0.04) | - |
| Treasury Analyst | 3003 | (0.40) | - | - |
| Treasury Analyst (A) | 3003 | 0.40 | - | - |
| Urban Economic Analyst I | 33615 | - | (1.00) | - |
| Urban Economic Analyst I | 33615 | - | (1.00) | - |
| Urban Economic Analyst II | 34148 | 1.00 | - | - |
| Urban Economic Analyst II | 34148 | - | 1.00 | - |
| Urban Economic Analyst II | 34149 | 1.00 | (1.00) | - |
| Urban Economic Analyst II | 34149 | - | 1.00 | - |
| Urban Economic Coordinator | 34073 | 1.00 | - | - |
| Urban Director, PT | 33628 | 1.00 | - | - |
| Watershed Program Supervisor | 3399 | - | 0.04 | (0.04) |
| Watershed Program Supervisor | 3399 | - | (0.04) | 0.04 |
| Youth Sports Program Coordinator | 10920 | - | (0.50) | - |
| Youth Sports Program Coordinator | 10920 | - | 0.50 | - |
| Grand Total | | 189.44 | (36.37) | 42.00 |

| NOTES on FTE change | | | Annual Raw Salary per 1.0 FTE |
|----------------------|---|---|-------------------------------|
| (A) | (B) | (C) | |
| | Transfer .04 FTE from GPF | Transfer .04 FTE from GPF | 1,210 |
| | Transfer .04 FTE to Fund 1820 | Transfer .04 FTE to Fund 1820 | 1,210 |
| | | | 77,422 |
| Approved and Trained | | | 56,380 |
| | - ADD/DELETE | ADD/DELETE | 56,380 |
| | ADD/DELETE | ADD/DELETE | 72,311 |
| Add/delete | | | 72,311 |
| | Technical correction - originally inputted incorrectly in GPF | Technical correction - originally inputted incorrectly in GPF | 72,311 |
| Add/delete | | | 101,248 |
| | | | 89,632 |
| Add/delete | | | 89,632 |
| | Transfer 0.50 FTE to Fund 1820 | Transfer 0.50 FTE to Fund 1820 | 60,670 |
| | Transfer 0.50 FTE to Fund 1820 | Transfer 0.50 FTE to Fund 1820 | 60,670 |

ATTACHMENT B

CITY OF OAKLAND

Required Communications and Recommendations

**Fiscal Year Ended
June 30, 2009**

CITY OF OAKLAND
Required Communications and Recommendations
Fiscal Year Ended June 30, 2009

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MACIAS GINI & O'CONNELL LLP
Certified Public Accountants & Management Consultants

OAKLAND
505 14th Street, 5th Floor
Oakland, CA 94612
510.273.8974

SACRAMENTO

WALNUT CREEK

LOS ANGELES

NEWPORT BEACH

SAN DIEGO

Honorable Mayor and Members of the City Council
City of Oakland, California

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Oakland (the City) as of and for the year ended June 30, 2009, and have issued our report thereon dated November 25, 2009. Our opinions on the financial statements, insofar as they relate to the Oakland Redevelopment Agency (ORA), are based solely on the report of other auditors. This report does not include communications related to the audit of the ORA. Additionally, although we performed the audit of the Port of Oakland (the Port), the City's discretely presented component unit, this report does not include the communications related to that audit because separate communication is made to the Port's Board of Port Commissioners. In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2009, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described as comment 2009-1 to be a material weakness.

The City's written response to the finding identified in our audit is described in the Schedule of Recommendations and Responses. We did not audit the City's response and, accordingly, we express no opinion on it. In addition, we have already discussed our comment and recommendation with various City personnel, and we would be pleased to discuss it in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendation.

Additionally, we have included in this letter a report on communications with the City Council as required by auditing standards generally accepted in the United States of America.

This communication is intended solely for the information and use of management, City Council, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

MACIAS GINI & O'CONNELL LLP

Macias Gini & O'Connell LLP

Certified Public Accountants
Oakland, California

November 25, 2009

CITY OF OAKLAND

**Required Communications and Recommendations
Fiscal Year Ended June 30, 2009**

REQUIRED COMMUNICATIONS

Professional standards require that we provide you with the following information related to our audit

I The Auditor's Responsibility Under U.S. Generally Accepted Auditing Standards and OMB Circular A-t33

As stated in our engagement letter dated February 26, 2009, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with OMB Circular A-133, we will examine, on a test basis, evidence about the City's compliance with the types of compliance requirements described in the U.S Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* applicable to each of its major federal programs for the purpose of expressing an opinion on the City's compliance with those requirements. While our audit will provide a reasonable basis for our opinion, it will not provide a legal determination on the City's compliance with those requirements. Our reports required under OMB A-133 are in process and those reports will be provided to you when they have been issued.

II Other Information in Documents Containing Audited Financial Statements

During the year, the City included audited financial statements for the year ended June 30, 2008 in various debt offering documents (e.g., Official Statements.) We do not have an obligation to perform any procedures to corroborate other information contained in such debt offering documents. We were not associated with and did not have any involvement with such documents. Accordingly, we did not perform any procedures on these documents and provide no assurance as to the other information contained in the debt offering documents.

Our responsibility for other information in documents containing the City's financial statements and our report thereon does not extend beyond financial information identified in our report, and we have no obligation to perform any procedures to corroborate other information contained in these documents. We have, however, read the other information included in the City's comprehensive annual financial report; and no matters came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or its manner of presentation, appearing in the financial statements.

CITY OF OAKLAND

Required Communications and Recommendations Fiscal Year Ended June 30, 2009

REQUIRED COMMUNICATIONS (Continued)

III. Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on July 22, 2009.

IV. Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 2 to the basic financial statements. As described in Note 12 to the basic financial statements, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, effective July 1, 2008.

In addition, the City presents the Port of Oakland (Port) in a unique manner as compared to other local governmental entities with port operations. All local government entities we sampled reflect their ports as departments of the organization rather than as a discretely presented component unit. Some of these ports have similar management structures with a Board of Commissioners appointed by the sponsoring city's mayor/city council to oversee the operations of the port. Management's representation to us was that the Port operates with a separate legal standing (i.e. using its own corporate powers) under the Charter, which would allow for this presentation. In addition, the City Attorney's Office has represented that the Port operates very similar to a corporation with the Charter acting as its Articles of Incorporation and By-Laws. Ultimately, the City's presentation of the Port makes it less comparable to other cities that have port operations, thus, being a unique presentation.

We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- *Fair value of investments.* The City's investments are generally carried at fair value, which is defined as the amount that the City could reasonably expect to receive for an investment in a current sale between a willing buyer and a willing seller and is generally measured by quoted market prices.
- *Estimated unbilled sewer service revenue.* The estimates for unbilled sewer service revenue are based on an evaluation of the EBMUD reports, cash flows, monthly billing cycles and historical billings.
- *Estimated allowance for losses on accounts receivable.* The allowance for losses on accounts receivable was based on management's estimate regarding the likelihood of collectibility.

CITY OF OAKLAND

Required Communications and Recommendations Fiscal Year Ended June 30, 2009

REQUIRED COMMUNICATIONS (Continued)

- *Estimated allowance for losses on loans receivable.* The allowance for losses on loans receivable was based on the types of loan (e.g., forgivable, deferred, grant or amortizing) and management's estimate regarding the likelihood of collectibility based on loan provisions and collateral.
- *Useful life estimates for capital assets.* The estimated useful lives of capital assets were based on management's estimate of the economic life of the assets.
- *Valuation of the net pension asset.* The net pension asset is the amount that exceeded the City's actuarially determined annual required contribution, which is based upon certain approved actuarial assumptions. This amount is then amortized over the amortization period used by the actuary to recognize the excess contribution as pension costs over time.
- *Estimated claims liabilities.* Reserves for estimated claims liabilities were based on actuarial evaluations using historical loss, other data and attorney judgment about the ultimate outcome of the claims.
- *Annual required contributions to pension and other postemployment benefit plans.* The City is required to contribute to its pension plans at an actuarially determined rate and to measure other postemployment benefit costs based upon certain approved actuarial assumptions.

We evaluated the key factors and assumptions used to develop these accounting estimates in determining that they are reasonable in relation to the financial reporting units that collectively comprise the City's basic financial statements.

Difficulties Encountered In Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 25, 2009.

CITY OF OAKLAND

**Required Communications and Recommendations
Fiscal Year Ended June 30, 2009**

REQUIRED COMMUNICATIONS (Continued)

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Finding or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

CITY OF OAKLAND

Required Communications and Recommendations Fiscal Year Ended June 30, 2009

SCHEDULE OF RECOMMENDATIONS AND RESPONSES

Comment No. 2009-1 – Material Weakness Internal Service Fund Deficits

Governments often use internal service funds to centralize certain services and then allocate the costs of those services within the government. U.S. generally accepted accounting principles (GAAP) permit the use of internal service funds to report any activity that provides goods or services to the government on a cost-reimbursement basis. That is, the goal of an internal service fund should be to measure the full cost (including cost of capital assets) of providing goods or services for the purpose of fully recovering that cost through fees or charges. Accumulating significant deficits or excess net assets are indicative of the internal service activity not being operated on a cost-reimbursement basis. Under such circumstances, it may no longer be appropriate to report the activity in an internal service fund under GAAP.

The City has not set user fees to recover the full cost of services. Due to the deficiency in charges for services, the internal service funds have essentially borrowed monies from the General Fund in order to maintain operations. While the City made an improvement in the Equipment Fund, reducing its deficit by more than half, the deficit increased in the Facilities and Central Stores Funds. The overall net assets deficit of internal service funds grew by \$3.1 million and the overall borrowings from the General Fund grew by \$1.7 million.

The City has acknowledged this matter as significant and has made an effort to take corrective measures. The City prepared a "rebalancing plan" for its internal service funds, which was first adopted through the fiscal year 2005-07 policy budget, which attempted to cure the internal service fund deficit by fiscal year 2014-15. However, the rebalancing plans put in place in fiscal years 2006 and 2007 were not followed correctly due to the lack of general fund resources to make the required annual payments. As such, the City restructured its rebalancing plan as part of the recently adopted fiscal year 2009-11 budget. This newly restructured rebalancing plan has been modified to cure the net assets deficit of internal service funds by fiscal year 2018-19. In addition, the City adopted a financial policy that requires one-half of any one-time revenues received to be used specifically to reduce the net assets deficit of internal service funds.

The need for the City to restructure its initial rebalancing plan, and in light of current economic pressures affecting the City, brings into question its ability to manage its internal service funds on a cost-reimbursement basis, as its accumulated borrowings have reached \$50.8 million as of June 30, 2009. We recommend that the City monitor the progress of its restructured rebalancing plan very closely to ensure its feasibility. If it is determined that the plan is not feasible and that the City does not intend to or cannot recover the full cost of providing goods or services within a reasonable period of time, then the use of internal service funds is no longer appropriate under GAAP and should not be used for financial reporting purposes.

Management Response:

During the 2009-11 budget, the City revised the repayment plan for the internal service funds to eliminate the funds net asset deficit by 2018-19. In addition, the City adopted a financial policy during the 2009-11 budget that requires half of one-time revenues received to be used specifically to reduce the net assets deficits of internal service funds. Receipt of such one-time assets – and their subsequent deposit into the internal service funds, as required by the financial policies and barring any fiscal emergencies – will, in essence, expedite the "repayment" of the negative internal service balances.

It is management's intent to take every step possible to ensure such an expedited repayment in advance of FY 2018-19. Currently, the City is reviewing all of its surplus real estate assets to determine the feasibility of sale in the next one to three years.

CITY OF OAKLAND

Required Communications and Recommendations Fiscal Year Ended June 30, 2009

STATUS OF PRIOR YEARS' RECOMMENDATIONS

2007-2 Comment:

Internal Service Funds

Condition/Effect/
Recommendation:

The City reports five internal service funds, Equipment, Radio, Facilities, Reproduction and Central Stores. Governments often use internal service funds to centralize certain services and then allocate the costs of those services within the government. U.S. generally accepted accounting principles permit the use of internal service funds to be used to report any activity that provides goods or services to the government on a cost reimbursement basis. That is, the goal of an internal service fund should be to measure the full cost (including cost of capital assets) of providing goods or services for the purpose of fully recovering that cost through fees or charges. Therefore, if the City does not intend to recover the full cost of providing goods or services, then the use of internal service funds would not be appropriate.

As discussed the last two years, we are becoming increasingly concerned with the growth in both the deficits of certain internal service funds and the interfund loans used to support those services. The City has attempted to cure the internal service fund deficits by increasing the charges to the departments; however, those increases have not kept up with the increases in actual costs. Therefore, we recommended the City review its current budget repayment plan and revise it to cure the deficit over a reasonable period of time, such as three to five years.

The City's response was to maintain the current rebalancing plan for internal service funds in its adopted the FY 2007-09 policy budget, which cures the deficits by FY 2014-15.

Status:

The position of the City's internal service funds continued to worsen, and the rebalancing plan has been restricted. See current year finding at 2009-01.

2008-1 Comment:

Accounting for the City's Sewer Service Revenues

Condition/Effect/
Recommendation:

We were unable to complete our documentation of internal controls over sewer service revenues, as we were unable to meet with Community and Economic Development Agency (CEDA) staff. While we were able to document certain controls, such as the development of user rates and recording of receipts from East Bay Municipal Utility District (EBMUD), we were not able to determine whether the City has adequate controls over the monitoring of EBMUD services. Due to a lack of cooperation by CEDA, we assumed that controls and control documentation did not exist. Therefore, internal controls over the collection of sewer service revenues was considered a material weakness, as we were unable to determine the adequacy of internal controls and whether or not they were operating effectively. We were able to mitigate this audit risk by conducting substantive procedures, which included confirming cash receipts with EBMUD and application of analytical procedures.

CITY OF OAKLAND

**Required Communications and Recommendations
Fiscal Year Ended June 30, 2009**

STATUS OF PRIOR YEARS' RECOMMENDATIONS (Continued)

During our substantive procedures, we determined that the City did not have an adequate understanding of the EBMUD collection process and the timing of remittances to the City.

We recommended that the City document its internal controls over sewer service revenues, which included (1) performing risk assessments; (2) establishing controls, such as monitoring the billing and collecting activities performed by EBMUD; (3) establishing proper communication within the City Departments; and (4) establishing accrual procedures at year-end that capture all billed receivables and a basis for estimating the unbilled receivables.

Status: Management held a meeting among CEDA, the Public Works Agency, and the Finance and Management Agency to identify the most appropriate way to monitor the sewer system revenues collected by EBMUD on behalf of the City. The inter-agency meeting resulted in a monitoring process that was implemented during fiscal year 2008-09.

This has been fully implemented.

2008-2 Comment: *Accounting for the City's Net Pension Asset*

Condition/Effect/Recommendation: During our review of the Oakland Police and Fire Retirement System (PFRS) financial statements for the year ended June 30, 2008, we noticed a change in reporting of actuarial information. The FY2008 PFRS report disclosed a six-year trend of actuarial required contribution (ARC) requirements in its required supplementary information, which had previously been reported as zero in past PFRS reports.

Upon further investigation, it was determined that the past PFRS reports were incorrect and that there has been past ARC requirements for the City which were not communicated or considered in its calculation of the net pension asset on the statement of net assets of its governmental activities. The net pension asset is the result of City contribution to PFRS that exceeded the actuarially determined annual required contribution, which originated from the bond proceeds of the 1997 Pension Obligation Bonds. This amount should then be amortized along with impact of subsequent annual ARC requirements to recognize the effects of excess/deficient contributions as pension costs over time.

We recommended going forward that the City's Finance and Management Agency accounting and retirement staff work with the PFRS actuary to calculate the annual pension cost and changes to net pension assets.

Status: This has been fully implemented.

ATTACHMENT C

Detail of Repayment Schedules for Funds 1100 and 4100

SELF-INSURANCE FUND (1100) FINANCIAL PROJECTION

| Beginning Fund Deficit \$ (21,171,561) | Revenues | | | | Amount of Transfer | | | | | |
|--|----------|----------------|-------------------|--------------------|------------------------------------|-----------------------|-------------------|------------------|--------------------|---------------------|
| | Fund | % of Total Rev | Total Revenues | Total Expenditures | Total Contribution to Fund Balance | Year-End Fund Balance | GPF Portion | Non-GPF Portion | Change in Transfer | Increase in Subsidy |
| 2013-14 | | | 22,979,358 | 20,771,353 | 2,208,005 | (18,963,556) | 19,454,567 | 3,524,791 | 1,964,731 | 9% |
| | 1720 | 0.87% | 200,000 | - | - | - | - | - | - | - |
| | 2310 | 1.43% | 327,904 | - | - | - | - | - | - | - |
| | 3100 | 8.71% | 2,001,863 | - | - | - | - | - | - | - |
| | 4100 | 2.05% | 479,025 | - | - | - | - | - | - | - |
| | 4400 | 0.14% | 32,701 | - | - | - | - | - | - | - |
| | 7760 | 2.10% | 483,298 | - | - | - | - | - | - | - |
| | 1010 | 84.66% | 19,454,567 | - | 2,208,005 | - | - | - | - | - |
| 2014-15 | | | 22,979,358 | 20,849,803 | 2,129,555 | (16,834,001) | 19,454,567 | 3,524,791 | - | 0% |
| | 1720 | 0.87% | 200,000 | - | - | - | - | - | - | - |
| | 2310 | 1.43% | 327,904 | - | - | - | - | - | - | - |
| | 3100 | 8.71% | 2,001,863 | - | - | - | - | - | - | - |
| | 4100 | 2.06% | 479,025 | - | - | - | - | - | - | - |
| | 4400 | 0.14% | 32,701 | - | - | - | - | - | - | - |
| | 7760 | 2.10% | 483,298 | - | - | - | - | - | - | - |
| | 1010 | 84.66% | 19,454,567 | - | 2,129,555 | - | - | - | - | - |
| 2015-16 | | | 22,749,422 | 20,261,247 | 2,488,175 | (14,345,827) | 19,337,008 | 3,412,413 | (229,936) | -1% |
| | 1720 | 0.81% | 185,148 | - | - | - | - | - | - | - |
| | 2310 | 1.37% | 311,772 | - | - | - | - | - | - | - |
| | 3100 | 8.66% | 1,968,981 | - | - | - | - | - | - | - |
| | 4100 | 2.03% | 461,381 | - | - | - | - | - | - | - |
| | 4400 | 0.09% | 19,523 | - | - | - | - | - | - | - |
| | 7760 | 2.05% | 465,611 | - | - | - | - | - | - | - |
| | 1010 | 85.00% | 19,337,008 | - | 2,488,175 | - | - | - | - | - |
| 2016-17 | | | 23,707,969 | 21,219,794 | 2,488,175 | (11,857,652) | 20,151,773 | 3,556,195 | 958,547 | 4% |
| | 1720 | 0.81% | 192,949 | - | - | - | - | - | - | - |
| | 2310 | 1.37% | 324,908 | - | - | - | - | - | - | - |
| | 3100 | 8.66% | 2,051,944 | - | - | - | - | - | - | - |
| | 4100 | 2.03% | 480,821 | - | - | - | - | - | - | - |
| | 4400 | 0.09% | 20,345 | - | - | - | - | - | - | - |
| | 7760 | 2.05% | 485,229 | - | - | - | - | - | - | - |
| | 1010 | 85.00% | 20,151,773 | - | 2,488,175 | - | - | - | - | - |
| 2017-18 | | | 24,770,056 | 22,281,881 | 2,488,175 | (9,369,477) | 21,054,547 | 3,715,508 | 1,062,087 | 4% |
| | 1720 | 0.81% | 201,593 | - | - | - | - | - | - | - |
| | 2310 | 1.37% | 339,464 | - | - | - | - | - | - | - |
| | 3100 | 8.66% | 2,143,868 | - | - | - | - | - | - | - |
| | 4100 | 2.03% | 502,361 | - | - | - | - | - | - | - |
| | 4400 | 0.09% | 21,257 | - | - | - | - | - | - | - |
| | 7760 | 2.05% | 506,967 | - | - | - | - | - | - | - |
| | 1010 | 85.00% | 21,054,547 | - | 2,488,175 | - | - | - | - | - |
| 2018-19 | | | 25,728,177 | 13,240,002 | 2,488,175 | (6,381,303) | 21,868,950 | 3,359,326 | 958,121 | 4% |
| | 1720 | 0.81% | 209,390 | - | - | - | - | - | - | - |
| | 2310 | 1.37% | 352,594 | - | - | - | - | - | - | - |

EQUIPMENT FUND (4100) FINANCIAL PROJECTION

| Beginning Cash Debit | Revenues | | | Change in Pond Balance | Year-End | Impact | Rate | |
|-------------------------|--|------------------|-----------------------|---------------------------------------|---------------------|--------------------|------------------|-----------|
| | % of Total Rev | Total Revenue | Total Expenditures | Total \$ Contribution to Repayment | Fund Balance | on CPF | Inc. | |
| | | 19,623,320 | 18,270,840 | 1,352,480.00 | (5,706,897) | 9,826,147 | 17% | |
| \$ (7,059,377) | 2013-14 | | | | | | | |
| | 1010 - General Fund: General Purpose | 50.07% | 9,826,147 | | 677,238.47 | | | |
| | 1710 - Recycling Program | 0.03% | 4,972 | | 342.68 | | | |
| | 1720 - Comprehensive Clean-up | 16.64% | 3,266,031 | | 225,103.02 | | | |
| | 1740 - Hazardous Materials Inspections | 0.01% | 1,041 | | 71.75 | | | |
| | 1750 - Multipurpose Reserve | 0.08% | 15,907 | | 1,096.34 | | | |
| | 1760 - Telecommunications Reserve | 0.03% | 6,019 | | 414.84 | | | |
| | 1884 - 2006 Housing Bond Proceeds | 0.02% | 3,247 | | 223.79 | | | |
| | 2102 - Department of Agriculture | 0.00% | 19 | | LSI | | | |
| | 2108 - HUD-CDBG | 0.15% | 29,462 | | 2,030.58 | | | |
| | 2128 - Department of Health and Human Services | 0.80% | 156,991 | | 10,820.15 | | | |
| | 2172 - Alameda County: Vehicle Abatement Authority | 0.14% | 28,044 | | 1,932.85 | | | |
| | 2211 - Measure B: ACTIA | 0.02% | 4,629 | | 319.04 | | | |
| | 2230 - State Gas Tax | 6.42% | 1,259,010 | | 86,773.59 | | | |
| | 2231 - State Gas Tax-Prop 42 Replacement Funds | 0.09% | 18,057 | | 1,244.53 | | | |
| | 2251 - Measure Y: Public Safety Act 2004 | 0.95% | 186,960 | | 12,685.67 | | | |
| | 2310 - Lighting and Landscape Assessment District | 10.39% | 2,038,443 | | 140,493.73 | | | |
| | 2411 - False Alarm Reduction Program | 0.04% | 7,920 | | 545.86 | | | |
| | 2415 - Development Service Fund | 1.04% | 204,726 | | 14,110.14 | | | |
| | 2416 - Traffic Safety Fund | 0.12% | 22,656 | | 1,561.50 | | | |
| | 3100 - Sewer Service Fund | 6.98% | 1,368,936 | | 94,350.05 | | | |
| | 3200 - Golf Course | 0.10% | 20,236 | | 1,394.71 | | | |
| | 4100 - Equipment | 2.93% | 575,004 | | 39,685.51 | | | |
| | 4200 - Radio / Telecommunications | 0.14% | 26,780 | | 1,845.73 | | | |
| | 4400 - City Facilities | 1.99% | 391,134 | | 26,957.77 | | | |
| | 4500 - Central Stores | 0.04% | 6,962 | | 479.84 | | | |
| | 7760 - Grant Clearing | 0.78% | 153,165 | | 10,556.45 | | | |
| | 2014-15 | | 19,919,058 | 18,443,117 | 1,475,941.00 | (4,230,956) | 9,839,829 | 2% |
| | 1010 - General Fund: General Purpose | 49.40% | 9,839,829 | | 729,101.10 | | | |
| | 1710 - Recycling Program | 0.03% | 5,239 | | 360,169.15 | | | |
| | 1720 - Comprehensive Clean-up | 16.68% | 3,362,024 | | 177,920.20 | | | |
| | 1740 - Hazardous Materials Inspections | 0.01% | 1,129 | | 67,890.92 | | | |
| | 1750 - Multipurpose Reserve | 0.06% | 16,815 | | 43,417.30 | | | |
| | 1760 - Telecommunications Reserve | 0.03% | 6,366 | | 21,447.74 | | | |
| | 1884 - 2006 Housing Bond Proceeds | 0.00% | 0 | | 10,594.98 | | | |
| | 2102 - Department of Agriculture | 0.00% | 13 | | 5,233.32 | | | |
| | 2108 - HUD-CDBG | 0.15% | 29,239 | | 2,385.46 | | | |
| | 2128 - Department of Health and Human Services | 0.30% | 158,382 | | 1,277.19 | | | |
| | 2172 - Alameda County: Vehicle Abatement Authority | 0.14% | 28,044 | | 630.92 | | | |
| | 2211 - Measure B: ACTIA | 0.02% | 3,876 | | 311.67 | | | |
| | 2230 - State Gas Tax | 6.46% | 1,286,256 | | 153.96 | | | |
| | 2231 - State Gas Tax-Prop 42 Replacement Funds | 0.10% | 19,098 | | 76.06 | | | |
| | 2251 - Measure Y: Public Safety Act 2004 | 0.94% | 186,960 | | 37.57 | | | |
| | 2310 - Lighting and Landscape Assessment District | 10.59% | 2,109,710 | | 16.56 | | | |
| | 2411 - False Alarm Reduction Program | 0.04% | 7,920 | | 9.17 | | | |
| | 2415 - Development Service Fund | 1.07% | 212,974 | | 4.53 | | | |

EQUIPMENT FUND (4100) FINANCIAL PROJECTION

| Beginning Cash Deficit | Revenues | | Total Expenditures | Change in Prmd Balance | Year-End | Impact | Rate |
|---|---------------|--------------------|--------------------|------------------------------------|--------------------|-------------------|-----------|
| | Total Revenue | Total Expenditures | | Total \$ Contribution to Repayment | Fund Balance | on GPF | lac |
| \$ (7,059,377) | | | | | | | |
| 2416 - Traffic Safety Fund | 0.11% | 22,656 | | 2.24 | | | |
| 3100 - Sewer Service Fund | 7.03% | 1,399,362 | | 1.11 | | | |
| 3200 - Golf Course | 0.11% | 21,419 | | 0.55 | | | |
| 4100 - Equipment | 1.77% | 353,264 | | 0.27 | | | |
| 4200 - Radio / Telecommunications | 0.14% | 26,131 | | 0.13 | | | |
| 4400 - City Facilities | 3.27% | 651,507 | | 0.07 | | | |
| 4500 - Central Stores | 0.04% | 7,204 | | 0.03 | | | |
| 7760 - Grant Clearing | 0.61% | 161,641 | | 0.02 | | | |
| 2015-16 | | 20,512,540 | 19,180,042 | 1,331,698.16 | (2,899,258) | 10,188,105 | 3% |
| 1010 - General Fund: General Purpose | 49.40% | 9,839,829 | | | | | |
| 1710 - Recycling Program | 0.03% | 5,239 | | | | | |
| 1720 - Comprehensive Clean-up | 16.08% | 3,362,024 | | | | | |
| 1740 - Hazardous Materials Inspections | 0.01% | 1,129 | | | | | |
| 1750 - Multipurpose Reserve | 0.08% | 16,015 | | | | | |
| 1760 - Telecommunications Reserve | 0.03% | 6,366 | | | | | |
| 1884 - 2006 Housing Bond Proceeds | 0.00% | 0 | | | | | |
| 2102 - Department of Agriculture | 0.00% | 13 | | | | | |
| 2108 - HUD-CDBG | 0.15% | 29,239 | | | | | |
| 2128 - Department of Health and Human Services | 0.30% | 158,382 | | | | | |
| 2172 - Alameda County Vehicle Abatement Authority | 0.14% | 26,044 | | | | | |
| 2211 - Measure B: ACTIA | 0.02% | 3,376 | | | | | |
| 2230 - State Gas Tax | 6.46% | 1,286,256 | | | | | |
| 2221 - State Gas Tax-Prop 42 Replacement Funds | 0.10% | 19,098 | | | | | |
| 2251 - Measure Y: Public Safety Act 2004 | 0.94% | 186,960 | | | | | |
| 2310 - Lighting and Landscape Assessment District | 10.39% | 2,109,710 | | | | | |
| 2411 - False Alarm Reduction Program | 0.04% | 7,920 | | | | | |
| 2415 - Development Service Fund | 1.07% | 212,974 | | | | | |
| 2416 - Traffic Safety Fund | 0.11% | 22,656 | | | | | |
| 3100 - Sewer Service Fund | 7.03% | 1,399,362 | | | | | |
| 3200 - Golf Course | 0.11% | 21,419 | | | | | |
| 4100 - Equipment | 1.77% | 353,264 | | | | | |
| 4200 - Radio / Telecommunications | 0.14% | 26,131 | | | | | |
| 4400 - City Facilities | 6.25% | 1,244,989 | | | | | |
| 4500 - Central Stores | 0.04% | 7,204 | | | | | |
| 7760 - Grant Clearing | 0.31% | 161,641 | | | | | |
| 2016-17 | | 21,123,826 | 19,948,075 | 1,175,750.79 | (1,723,508) | 10,493,748 | 3% |
| 1010 - General Fund: General Purpose | 49.40% | 9,839,829 | | | | | |
| 1710 - Recycling Program | 0.03% | 5,339 | | | | | |
| 1720 - Comprehensive Clean-up | 16.38% | 3,362,024 | | | | | |
| 1740 - Hazardous Materials Inspections | 0.01% | 1,129 | | | | | |
| 1750 - Multipurpose Reserve | 0.08% | 16,815 | | | | | |
| 1760 - Telecommunications Reserve | 0.03% | 6,366 | | | | | |
| 1884 - 2006 Housing Bond Proceeds | 0.00% | 0 | | | | | |
| 2102 - Department of Agriculture | 0.00% | 13 | | | | | |
| 2108 - HUD-CDBG | 0.15% | 29,239 | | | | | |

EQUIPMENT FUND (4100) FINANCIAL PROJECTION

| Beginning Cash Deficit | Revenues | | Change to Fund Balance | Year-End | Impact | Rate |
|--|------------------|-----------------------|---------------------------------------|---------------------|------------------|----------------------|
| | Total Revenue | Total Expenditures | Total \$ Contribution to Repayment | Fund Balance | on GPF | Inc. |
| \$ (7,059,377) | | | | | | |
| 2128 - Department of Health and Human Services | 0.80% | 158,282 | | | | |
| 2172 - Alameda County: Vehicle Abatement Authority | 0.14% | 28,044 | | | | |
| 2211 - Measure B: ACTIA | 0.02% | 3,876 | | | | |
| 2230 - State Gas Tax | 6.46% | 1,286,256 | | | | |
| 2231 - State Gas Tax-Prop 42 Replacement Funds | 0.10% | 19,098 | | | | |
| 2251 - Measure Y: Public Safety Act 2004 | 0.94% | 186,960 | | | | |
| 2310 - Lighting and Landscape Assessment District | 10.59% | 2,109,710 | | | | |
| 2411 - False Alarm Reduction Program | 0.04% | 7,920 | | | | |
| 2415 - Development Service Fund | 1.07% | 212,974 | | | | |
| 2416 - Traffic Safety Fund | 0.11% | 22,656 | | | | |
| 3100 - Sewer Service Fund | 7.03% | 1,399,362 | | | | |
| 3200 - Golf Course | 0.11% | 21,419 | | | | |
| 4100 - Equipment | 1.77% | 353,264 | | | | |
| 4200 - Radio / Telecommunications | 0.14% | 26,191 | | | | |
| 4400 - City Facilities | 9.82% | 1,856,275 | | | | |
| 4500 - Central Stores | 0.04% | 7,204 | | | | |
| 7760 - Grant Clearing | 0.81% | 161,641 | | | | |
| 2017-18 | | 21,963,326 | 20,745,998 | 1,217,327.62 | (506,180) | 10,913,498 4% |
| 1010 - General Fund: General Purpose | 49.40% | 9839829 | | | | |
| 1710 - Recycling Program | 0.03% | 5,239 | | | | |
| 1720 - Comprehensive Clean-up | 16.08% | 3,862,024 | | | | |
| 1740 - Hazardous Materials Inspections | 0.01% | 1,129 | | | | |
| 1750 - Multipurpose Reserve | 0.06% | 16,215 | | | | |
| 1760 - Telecommunications Reserve | 0.03% | 6,866 | | | | |
| 1884 - 2006 Housing Bond Proceeds | 0.00% | 0 | | | | |
| 2102 - Department of Agriculture | 0.00% | 13 | | | | |
| 2108 - HDD-CDBG | 0.15% | 29,239 | | | | |
| 2128 - Department of Health and Human Services | 0.00% | 158,262 | | | | |
| 2172 - Alameda County: Vehicle Abatement Authority | 0.14% | 28,044 | | | | |
| 2211 - Measure B: ACTIA | 0.02% | 3,876 | | | | |
| 2230 - State Gas Tax | 6.46% | 1,286,256 | | | | |
| 2231 - State Gas Tax-Prop 42 Replacement Funds | 0.10% | 19,098 | | | | |
| 2251 - Measure Y: Public Safety Act 2004 | 0.94% | 166,960 | | | | |
| 2310 - Lighting and Landscape Assessment District | 10.59% | 2,109,710 | | | | |
| 2411 - False Alarm Reduction Program | 0.04% | 7,920 | | | | |
| 2415 - Development Service Fund | 1.07% | 212,974 | | | | |
| 2416 - Traffic Safety Fund | 0.11% | 22,656 | | | | |
| 3100 - Sewer Service Fund | 7.03% | 1,399,362 | | | | |
| 3200 - Golf Course | 0.11% | 21,419 | | | | |
| 4100 - Equipment | 1.77% | 353,264 | | | | |
| 4200 - Radio / Telecommunications | 0.14% | 28,131 | | | | |
| 4400 - City Facilities | 13.33% | 2,695,775 | | | | |
| 4500 - Central Stores | 0.04% | 7,204 | | | | |
| 7760 - Grant Clearing | 0.01% | 161,641 | | | | |
| 2018-19 | | 22,836,406 | 21,575,888 | 1,260,567.52 | 754,388 | 11,550,088 4% |

EQUIPMENT FUND (4100) FINANCIAL PROJECTION

| Beginning Cash Deficit | Revenues | | Change in Fund Balance | | Year-End Fund Balance | Impact on GPF | Rate Inc. |
|--|------------------|-----------------------|---------------------------------------|--|--------------------------|------------------|--------------|
| | Total Revenue | Total Expenditures | Total \$ Contribution to Repayment | | | | |
| \$ (7,059,377) | | | | | | | |
| 1010 - General Fund: General Purpose | 49.40% | 9,039,829 | | | | | |
| 1710 - Recycling Program | 0.03% | 5,339 | | | | | |
| 1720 - Comprehensive Clean-up | 16.88% | 3,362,024 | | | | | |
| 1740 - Hazardous Materials Inspections | 0.01% | 1,129 | | | | | |
| 1750 - Multipurpose Reserve | 0.08% | 16,315 | | | | | |
| 1760 - Telecommunications Reserve | 0.03% | 6,366 | | | | | |
| 1884 - 2006 Housing Bond Proceeds | 0.00% | 0 | | | | | |
| 2102 - Department of Agriculture | 0.00% | 13 | | | | | |
| 2108 - HUD-CDBG | 0.15% | 29,339 | | | | | |
| 2128 - Department of Health and Human Services | 0.80% | 158,382 | | | | | |
| 2172 - Alameda County: Vehicle Abatement Authority | 0.14% | 28,044 | | | | | |
| 2211 - Measure B: ACTIA | 0.02% | 3,876 | | | | | |
| 2230 - State Gas Tax | 6.46% | 1,266,356 | | | | | |
| 2231 - State Gas Tax-Prop 42 Replacement Funds | 0.10% | 19,098 | | | | | |
| 2251 - Measure Y: Public Safety Act 2004 | 0.94% | 186,960 | | | | | |
| 2310 - Lighting and Landscape Assessment District | 10.89% | 2,109,710 | | | | | |
| 2411 - False Alarm Reduction Program | 0.04% | 7,920 | | | | | |
| 2415 - Development Service Fund | 1.07% | 212,974 | | | | | |
| 2416 - Traffic Safety Fund | 0.11% | 22,656 | | | | | |
| 3100 - Sewer Service Fund | 7.03% | 1,399,362 | | | | | |
| 3200 - Golf Course | 0.11% | 21,419 | | | | | |
| 4100 - Equipment | 1.77% | 353,364 | | | | | |
| 4200 - Radio / Telecommunications | 0.14% | 28,131 | | | | | |
| 4400 - City Facilities | 17.92% | 3,568,355 | | | | | |
| 4500 - Central Stores | 0.04% | 7,304 | | | | | |
| 7760 - Grant Clearing | 0.81% | 161,641 | | | | | |

FILED
OFFICE OF THE CITY CLERK
OAKLAND

DISTRIBUTION DATE: 6/11/13

2013 JUN 21 AM 8:58



MEMORANDUM

TO: HONORABLE MAYOR &
CITY COUNCIL

FROM: Donna Hom

SUBJECT: Affordable Housing in the Mayor's
FY 2013-15 Proposed Policy Budget

DATE: June 11, 2013

| | |
|--------------------------------|---------|
| City Administrator | Date |
| Approval /s/ Deanna J. Santana | 6/11/13 |

REVISED - INFORMATION

The purpose of this information memorandum is to clarify the status of funding in the Mayor's FY 2013-15 Proposed Policy Budget and at the direction of Mayor Quan, provide her latest proposal regarding affordable housing.

The affordable housing program is one of the programs that suffered both from the dissolution of the redevelopment agency as the result of state law changes and the sequestration as a result of the federal budget reduction. Since 2011, funding for affordable housing has decreased by 85%, from \$13 million to \$2 million per fiscal year. Rising operating costs also contributes to the reduction in funding available for projects. To date, with the dissolution of redevelopment, local governments have been relatively on their own to provide for affordable housing programs, both by covering the costs of staff and policy goals.

The Mayor's FY 2013-15 Proposed Policy Budget requested to utilize \$1.8 million one-time bond funds to pay for 7 staff in year one. The Mayor further proposed to use up to \$2.6 million in one-time revenue to pay for the housing staff for year two.

Additionally, there will be no additional funding available for programs except for funds allocated by the U.S. Department of Housing and Urban Development (HUD) through the HOME Partnership grant. The City received notification that it will receive \$2,259,656 in HOME Partnership grant funds for HUD in FY 2013-14. This is \$1.7 million less than in prior years where the City received \$3.9 million. The majority of these funds will underwrite the City's Annual Notice of Funding Availability (NOFA) for affordable housing development. The City will allocate \$2 million of the HOME funds for the NOFA for affordable housing projects in FY 2013-14. This is a decrease of overall funding available for affordable housing. This is a continuous decreased funding compared with prior years (See table below):

Summary of City of Oakland's Investment in Affordable Housing & return on the Investment from July 1, 2010 to June 30, 2013

May 24, 2013 v. 4

| | Year | | | Total |
|--|----------------|---------------|---------------|----------------|
| | 2010-2011 | 2011-2012 | 2012-2013 | |
| Basic Investment | | | | |
| City of Oakland NOFA investmem in Oaldand affordable housing projects (1) | \$ 23,663,000 | \$ 4,345,000 | \$ 3,960,000 | \$ 31,968,000 |
| Total Investment | | | | |
| Total investment in Oakland affordable housing projects including funding from other sources (1) | \$ 139,705,726 | \$ 17,833,291 | \$ 46,055,357 | \$ 203,594,374 |
| Direct Return on Investment | | | | |
| Affordable units (1) | 433 | 185 | 154 | 772 |
| Affordable bedrooms (1) | 934 | 247 | 162 | 1,343 |
| Oakland resident construction jobs (FTE annual equivalent) (2) | 411 | 52 | 135 | 599 |
| Indirect Return on Investment (3) | | | | |
| Taxes, permit fees, business license fees and other revenue for local government | \$9,628,053 | \$ 1,229,011 | \$ 3,173,982 | \$ 14,031,046 |
| Local wages & salaries (4) | \$ 64,963,163 | \$ 8,292,480 | \$ 21,415,741 | \$ 94,671,384 |

Notes:

1) Data from the City's Housing & Community Development Department includes both new construction and rehabilitation projections.

2) Oakland residents construction jobs total based on an estimate of \$85,000/annum average wage rate for construction workers and 30% of total construction jobs were performed by Oakland Residents.

3) Indirect Return on Investment data from National Association of Home Builders "Local Impact of Home Building In Typical Metro Area" Report, dated June 2009

4) Local wages & salaries include primary & secondary jobs in construction, professional services, wholesale & retail trade, medical, transportation and other support industries.

HONORABLE MAYOR AND CITY COUNCIL

Subject: Affordable Housing in the Mayor's FY 2013-15 Proposed Policy Budget

Date: June 11, 2013

Page 3

As the result of the dissolution of redevelopment agency and federal budget sequestration, there will be a related reduction in services: there will be no new units built next year in comparison to 154 units for FY 12-13; 185 units for FY 11-12; and 433 units for FY 10-11.

If the affordable housing program does not have the stable staff and some level of program funding, it would also impact the First Time Homebuyers program and result in the potential loss of 50 new homebuyers per fiscal year. Any Oakland projects competing for State Tax Credits would not be competitive given the small amount of local contribution to the projects. The City will also lose its ability to leverage private financing due to the small amount of local contribution to the projects.

The Mayor proposed (1) to use City claim of the "triple flip" administrative fee overpayment fund for the housing staff for year 2; (2) to adopt a policy to allocate 20%-25% of the on-going boomerang funds for the affordable housing program; and (3) to allocate 20%-25% of one-time boomerang funds for the affordable housing program.

In summary, if City Council approves the Mayor's proposal as part of the FY 2013-15 Policy Budget, it will stabilize the housing staff for two years only. If the City Council also adopts the policy to allocate 20% to 25% boomerang funds for the housing program, there will be on-going funds for affordable housing staff and projects in addition to the HOME funds to contribute to the NOFA which will allow the city to increase its affordable housing stock. If the City Council further adopts the policy to allocate 20% to 25% of one-time boomerang funds for the affordable housing program, there will be additional funds for the program.

Of note, if the proposed policy is enacted in FY 2015-16, there will be approximately \$3 million to \$4 million available to support this policy priority, depending on the property revenue level, each year of the General Purpose Fund commitment earmarked for the Affordable Housing program. If the proposed policy is enacted in FY 2013-14, the amount required to be set aside for Affordable Housing will have to come from current proposed budget, which will create a funding gap, and the calculation is indicated below.

- 20% of the "boomerang" fund for Y1 is \$13M x 20% = \$2.6M; 25% is \$3.25M; a difference of \$650K; and,
- 20% of the "boomerang" fund for Y2 is \$17M x 20% = \$3.4M; 25% is \$4.25M; a difference of \$850K.

Respectfully submitted,

/s/

DONNA HOM
Budget Director

HONORABLE MAYOR AND CITY COUNCIL

Subject: Affordable Housing in the Mayor's FY 2013-15 Proposed Policy Budget

Date: June 11, 2013

Page 4

For questions please contact Michele Byrd, Director, Department of Housing and Community Development, at 238-3714.



2013 JUN 21 AM 8:58

MEMORANDUM

TO: HONORABLE MAYOR &
CITY COUNCIL

FROM: Donna Hom
Budget Director

SUBJECT: Federal and State Budgetary Actions
Standing Report

DATE: June 10, 2013

| | |
|--------------------------------------|----------------|
| City Administrator | Date |
| Approval /s/ Scott P. Johnson | 6/10/13 |

INFORMATION

During the May 14, 2013 and May 28, 2013 Finance and Management Committee, the Assistant City Administrator verbally reported the latest known Federal and State budgetary actions that may have financial implications to the City of Oakland. This memorandum memorialized the presentation as well as provides additional detail that has recently become available.

Federal:

Sequestration

Federal government allows each agency to have flexibility to meet the target budget reduction from Sequestration. The measures range from furloughs (Internal Revenue Service) to operational cost cuts (Information Technology). We had previously provided information in April 2013 on fiscal impacts derived from sequestration due to reduced federal funding available to our Head Start and Housing programs. Below is additional details related to the impacts of our Head Start Program.

Head Start

The impact from sequestration to the City of Oakland Head Start program is approximately \$954,467, which will take effect on September 1, 2013. Currently, the City matches approximately \$250,000 to the Head Start grant of \$18,352,486. The City also supports the program through an annual waiver of the City's Central Service costs in the amount of approximately \$2 million. The Central Service Costs include indirect support to the program from internal services such as Controller's office, payroll, human resources, legal, etc.

Currently, the program serves 1,778 children (slots). As the result of sequestration and service cost increases, the proposed Policy Budget for FY 2013-15 assumes the closure of the San Antonio and Eastmont Centers in which 102 slots of enrollment reduction would occur. However, the Mayor and City Administrator's FY 2013-15 Proposed Policy Budget proposed to

keep the Eastmont Center open, which will save 34 of slots. If the proposal is approved by the City Council, the service level will be 1,710 slots, resulting in a decrease of 68 slots.

Of note, there will not be any impacts to children who are currently registered with the program. The service impact lies on the reduction of future enrollment.

State:

In April, the State collected more income tax than expected; however, it is projected that the extra revenue will be allocated to community college and k-12 in accordance to Proposition 98.

The Governor's Office has released the May Revision to the Governor's FY 2013-14 Proposed Budget. The highlights of the revised proposal are listed below:

Overview:

- It reflects the continuation of the state's economic and budget recovery
- The national economic outlook has dimmed since the Governor's Budget and recent federal actions have slowed the pace of the state's economic growth
- In the past four months, the state has experienced a multibillion dollar increase in current-year cash receipts. Yet, it should be noted that most, if not all of this increase will be allocated to schools as well as from the implementation of the Local Control Funding Formula.

Revenue:

- Personal income growth was adjusted downward from a 4.3% growth rate to 2.2% due to the federal government's action on not extending the 2% payroll tax reduction.
- Personal Income Tax is adjusted downwards by 4.8%; Tobacco tax downward by 2.2%; Motor Vehicle Fee downward by 20.7%; "others" downwards by 42.4%
- Sales Tax is adjusted upward by 13.6%; Corporate Tax upward by 13.3%, Insurance Tax upward by 2%; and Liquor Tax upward by 2.2%

Expenditures:

- \$2.9 billion expenditure upward adjustment for K-12 due to Prop. 98 formula
- \$467 million expenditure upward adjustment for Medi-Cal costs due to federal and court actions
- The state improved fiscal condition reduces the cost of borrowing by \$484 million.
- Expenditure upward adjustment to the CalWORKs for job training program
- \$72 million additional appropriation to counties for assisting the state in reducing its prison population

HONORABLE MAYOR AND CITY COUNCIL

Subject: Federal and State Budgetary Action Standing Report

Date: June 10, 2013

Page 3

Risks:

- Increase Special Fund for Economic Uncertainties from \$232 million in the current year to \$1.11 billion in FY 2013-14
- The pace of the economic and revenue recovery is still uncertain
- Federal court actions on prison health care provision
- Rising health care costs on Medi-Cal and State employees and retirees
- There are more than 70 active pending court actions associated with former redevelopment agencies
- Federal budget action may further impact state's budget
- Projecting between now and FY 2016-17, the cost for retired state employees' health care will rise by 59%
- Still need to address significant amount of unfunded liabilities

For the entire document, see link below:

http://www.dof.ca.gov/documents/2013-14_May_Revision.pdf

Respectfully submitted,

/s/

Donna Hom
Budget Director

For questions, please contact Donna Hom, Budget Director, at (510) 238-2038.

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2013 JUN 21 AM 8:58

DISTRIBUTION DATE: 6/7/13



CITY OF OAKLAND

MEMORANDUM

TO: HONORABLE MAYOR &
CITY COUNCIL

FROM: Katano Kasaine

SUBJECT: SEE BELOW

DATE: June 7, 2013

City Administrator

Date

Approval

/s/ Deanna J. Santana

6/7/13

REVISED INFORMATION

SUBJECT: Update on CalPERS New Rate Increases Due to Amortization and Smoothing Policy Changes Adopted by CalPERS on April 17, 2013

This information memorandum provides an update on CalPERS recent changes to its new smoothing and amortization policy that was approved on April 17, 2013. Under the new smoothing and amortization policy changes as provided in CalPERS circular letter dated April 26, 2013, investment gains and losses would be recognized over a fixed 30-year period with the increases or decreased in the rate spread directly over a 5-year period. According to CalPERS, this action will result in an increase in employer rates in the near term but lower contributions rates in the long term. The smoothing will increase the employer rate volatility in normal years but a much reduced chance of very large rate increase in extreme years if there was a large investment loss. In addition, the adoption of this new amortization and smoothing method will improve funding levels, which would reduce the funding level risk and ultimately achieve a fully funded status for its plans in thirty years. The adopted policy changes intend to protect the beneficiaries and reduce the long-term cost of benefits for all. This new change will be implemented in the June 30, 2013 actuarial valuations. A copy of the CalPERS circular letter dated April 26, 2013 is attached to this memo.

On April 5, 2013, Staff provided an information memorandum on CalPERS newly adopted actuarial assumptions being implemented with the June 30, 2011 valuation and the impact to the City's contribution. This memorandum is revising the figures to reflect the newly adopted CalPERS' rates and the new information issued by CalPERS on projected impacts on future rates effective FY 2015-16.

HONORABLE MAYOR AND CITY COUNCIL

Subject: CalPERS New Rate Increases Due to Amortization and Smoothing Policy Changes Adopted by CalPERS on April 17, 2013

Date: June 7, 2013

Page 2

Current and New Rates from CalPERS and Projected Costs

In the previous information memorandum dated April 5, 2013, it was projected that the City's retirement contributions to CalPERS costs will increase by 20.5% in FY 2013-14 and 5.25 % in FY 2014-15 respectively. Based on updated budget data, as presented in the FY 2013-15 proposed policy budget, the cost will increase by 19.5% in FY 2013-14 and an additional 8.6% is projected to increase in FY 2014-15, respectively. The table below provides the detail of the City's employer contribution rates and projected annual costs based on the FY 2013-15 Proposed Policy Budget and CalPERS' new smoothing and amortization policy changes, as well as historical rates and costs.

Table 1

| | MISCELLANEOUS | | FIRE | | POLICE | | Total Annual Cost | Cumulative % Change* |
|-----------------------------|---------------|--------|---------------|-----------------------|---------------|-----------------------|-------------------|----------------------|
| | Annual Cost | Rate | Annual Cost | Rate ⁽³⁾ | Annual Cost | Rate ⁽³⁾ | | |
| 2006-2007 | 38,013,933.26 | 17.480 | 13,799,911.54 | 27.280 | 27,415,317.53 | 27.280 | 79,229,162.33 | |
| 2007-2008 | 42,934,740.16 | 19.200 | 14,357,867.10 | 26.660 | 30,244,078.80 | 26.660 | 87,536,686.06 | |
| 2008-2009 | 41,909,512.12 | 19.550 | 14,799,733.04 | 27.090 | 35,228,553.86 | 27.090 | 91,937,799.02 | |
| 2009-2010 | 28,609,780.59 | 19.590 | 14,450,896.34 | 27.448 | 34,554,042.38 | 27.448 | 77,614,719.31 | |
| 2010-2011 | 23,436,093.61 | 19.890 | 14,175,460.08 | 27.682 | 30,221,552.26 | 27.682 | 67,833,105.95 | |
| 2011-2012 | 31,440,003.39 | 23.604 | 13,113,234.90 | 28.561 | 21,058,342.21 | 28.561 | 65,611,580.50 | |
| 2012-2013 ⁽⁷⁾ | 33,044,376.00 | 25.115 | 12,465,077.00 | 26.479 ⁽⁴⁾ | 21,784,707.00 | 30.479 ⁽⁵⁾ | 67,294,160.00 | |
| 2013-2014 ⁽¹⁾⁽⁶⁾ | 41,076,011.00 | 27.300 | 15,960,302.00 | 28.857 | 23,397,368.00 | 32.857 | 80,433,681.00 | |
| 2014-2015 ⁽¹⁾⁽⁶⁾ | 43,525,191.00 | 29.100 | 18,128,464.00 | 30.410 | 25,717,197.00 | 34.410 | 87,370,852.00 | |
| 2015-2016 ⁽⁷⁾ | 47,508,102.00 | 31.200 | 19,380,749.00 | 32.510 | 28,563,822.00 | 36.510 | 95,452,673.00 | 9.25% |
| 2016-2017 ⁽⁷⁾ | 50,705,762.00 | 33.300 | 20,632,658.00 | 34.610 | 30,206,770.00 | 38.610 | 101,545,191.00 | 16.22% |
| 2017-2018 ⁽⁷⁾ | 53,903,426.00 | 35.400 | 21,884,568.00 | 36.710 | 31,849,718.00 | 40.710 | 107,637,709.00 | 23.20% |
| 2018-2019 ⁽⁷⁾ | 57,101,084.00 | 37.500 | 23,136,477.00 | 38.810 | 33,492,666.00 | 42.810 | 113,730,227.00 | 30.17% |
| 2019-2020 ⁽⁷⁾ | 60,298,745.00 | 39.600 | 24,388,386.00 | 40.910 | 35,135,614.00 | 44.910 | 119,822,745.00 | 37.14% |

⁽¹⁾ Projections⁽²⁾ Covered Payroll is based on FY 2014-2015.⁽³⁾ Net of Port's payment (approximately 0.489%)⁽⁴⁾ Police rate change from 29.064% to 30.479% on 8/31/12⁽⁵⁾ Fire rate changed from 29.064% to 26.479% on 8/31/12⁽⁶⁾ Computed on baseline payroll, projected as of April 12, 2013⁽⁷⁾ Projections based on CalPERS new policy change date April 26, 2013 circular letter

Note: total may not add up due to rounding

* Represents % changed due to PERS new policy on amortization and smoothing methods effective FY 2015-16

For questions please contact Katano Kasaine, Treasurer, at (510) 238-2989.



California Public Employees' Retirement System
P.O. Box 942709
Sacramento, CA 94229-2709
(888) CalPERS (or 888-225-7377)
TTY: (877) 249-7442
www.calpers.ca.gov

Reference No.:
Circular Letter No.: 200-019-13
Distribution: VI
Special:

Circular Letter

April 26, 2013

TO: ALL PUBLIC AGENCY EMPLOYERS

**SUBJECT: EMPLOYER RATE INCREASES DUE TO AMORTIZATION
AND SMOOTHING POLICY CHANGES**

The purpose of this Circular Letter is to inform you of recent changes to the CalPERS amortization and smoothing policies. These changes are expected to increase employer contribution rates in the near term but result in lower contribution rates in the long term.

Background

At the April 17, 2013 meeting, the CalPERS Board of Administration approved a recommendation to change the CalPERS amortization and smoothing policies. Prior to this change, CalPERS employed an amortization and smoothing policy which spread investment returns over a 15-year period with experience gains and losses paid for over a rolling 30-year period. After this change, CalPERS will employ an amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period.

The new amortization and smoothing policy will be used for the first time in the June 30, 2013 actuarial valuations. These valuations will be performed in the fall of 2014 and will set employer contribution rates for the Fiscal Year 2015-16.

Analysis

The current amortization and smoothing policy was designed to reduce volatility in employer contribution rates. The policy has accomplished this goal fairly well since its adoption, however a number of concerns have developed:

- The use of an actuarial value of assets corridor can lead to significant single year increases to rates in years when there are large investment losses.
- The use of long asset smoothing periods and long rolling amortization periods result in slow progress toward full funding.
- The use of an actuarial value of assets requires the disclosure of two different funded statuses and unfunded liability numbers in actuarial valuation reports. This adds confusion and inhibits transparency.
- The use of rolling amortization and long asset smoothing periods makes it difficult for employers to predict when contribution rates will peak and how high that peak will be.

- The use of rolling amortization and asset smoothing periods may result in additional calculations for the new accounting standards. These calculations would be avoided with a quicker funded status recovery.

The adoption of the new smoothing and amortization policies will change future employer contribution rates. Changes are as follows:

- Funding levels will improve, which will reduce the funding level risk. The new methods will put your plan on a path to be fully funded in 30 years.
- Your plan will experience more rate volatility in normal years, but a much reduced chance of very large rate increases in years when there are large investment losses.
- Contribution rates in the near term will increase.
- Long term contribution rates will be lower.
- There will be greater transparency about the timing and impact of future employer contribution rate changes.
- The new policy eliminates the need for an actuarial value of assets. As a result, there will be only one funded status and unfunded liability in actuarial reports.
- There will be less confusion when the new accounting standards are implemented since there will be no need for extra liability calculations.

Expected Rate Increases Due to Changes

The following table can be used to gauge your agency's expected increase in employer contribution rates under the new amortization and smoothing policy.

The illustrated rates are based on public agency asset volatility ratios. The asset volatility ratio (AVR) is an agency's assets divided by their annual payroll. This ratio provides a measure of how sensitive an agency's contribution rate will be due to investment returns. For pooled plans, the AVR is the asset volatility ratio of the pool. Your plan's AVR is provided in the risk analysis section of your annual actuarial report. The table shows the projected increases in employer contribution rates for Fiscal Years 2015-16 through 2019-20, assuming CalPERS earns 7.50 percent after 2011-12. Projections for Fiscal Year 2014-15 are not affected. As an extreme example, we have included a plan with an AVR of 15.

Cumulative Projected Increase in Employer Contribution Rate beyond the Projected Fiscal Year 2014-15 Rate

| Fiscal Year | AVR of 4 | AVR of 6 | AVR of 8 | AVR of 10 | AVR of 15 |
|-------------|----------|----------|----------|-----------|-----------|
| 2015 – 2016 | 1.1% | 1.7% | 2.2% | 2.8% | 4.2% |
| 2016 – 2017 | 2.2% | 3.4% | 4.4% | 5.6% | 8.4% |
| 2017 – 2018 | 3.3% | 5.1% | 6.6% | 8.4% | 12.6% |
| 2018 – 2019 | 4.4% | 6.8% | 8.8% | 11.2% | 16.8% |
| 2019 – 2020 | 5.5% | 8.5% | 11.0% | 14.0% | 21.0% |

Circular Letter No.: 200-019-13

April 26, 2013

Page 3

For example, suppose your agency has an estimated 2014-15 contribution rate of 14.5 percent and an AVR of 4. Referring to the table above, under the AVR of 4 column, you can expect to see a 1.1 percent increase in your current employer contribution rate for 2015-16 resulting in a 15.6 percent rate, a 2.2 percent increase for 2016-17 for a 16.7 percent rate, and so forth until the rate reaches an expected maximum of 20.0 percent in Fiscal Year 2019-20.

Be aware these are only estimates since we do not know the final return on investments beyond June 30, 2012. Your employer rate will also differ due to your own plans demographic experience, or if you are in a pool, due to the pool's demographic experience.

Overall, these contribution increases will result in your plan being better funded in time and will ultimately result in lower contribution rates.

If you have any questions, please call our CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

ALAN MILLIGAN
Chief Actuary