

CITY OF OAKLAND
AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2010 FEB 25 PM 8:01

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Budget Office
DATE: March 2, 2010

RE: **Supplemental Report and Resolution to Implement Budget Balancing Measures to Address FY 2009-10 Budget Shortfalls in the Measure B (Alameda County Transportation Improvement Authority) Fund (2211) and the Development Services Fund (2415)**

SUMMARY

This report presents revised financial information on budget balancing measures for Fiscal Year 2009-10 for the Measure B (Alameda County Transportation Improvement Authority) Fund (2211), and the Development Services Fund (2415).

FISCAL IMPACT

The revised financials for the Measure B fund are shown on *Exhibit A*. The projected FY 2009-10 year-end operating deficit for the Measure B Fund is \$3.5 million, and an operating deficit is also anticipated for FY 2010-11. *Exhibit A* details spending reductions for FY 2009-10 of \$2.4 million. Staff will return with additional balancing measures for Measure B for FY 2010-11 at the time of the Midcycle budget.

Revised financials for the Development Services Fund are shown on *Exhibit B*. The projected FY 2009-10 year-end operating deficit for the Development Services Fund is also \$3.5 million, and an operating deficit is anticipated for FY 2010-11. *Exhibit B* details spending reductions for FY 2009-10 of approximately \$830,000. Staff will return with additional balancing measures for the Development Services Fund for FY 2010-11 at the time of the Midcycle budget

Item: _____
City Council Meeting
March 2, 2010

ACTION REQUESTED OF THE CITY COUNCIL

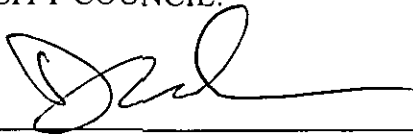
Adopt a resolution amending the City of Oakland's FY 2009-11 Biennial Budget per Resolution No. 82102, C.M.S. to approve balancing measures for the projected FY 2009-10 Measure B Fund operating deficit, and for the projected FY 2009-10 Development Services Fund (2415) operating deficit.

Respectfully submitted,



Cheryl Taylor, Budget Director

APPROVED AND FORWARDED TO THE
CITY COUNCIL:



Office of the City Administrator

Item: _____

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DRAFT

Approved as to Form and Legality

OAKLAND CITY COUNCIL

City Attorney

RESOLUTION No. _____ C.M.S.

RESOLUTION AMENDING THE CITY OF OAKLAND'S FY 2009-10 ADOPTED BUDGET, WHICH WAS AMENDED PURSUANT TO RESOLUTION NO 82519 C.M.S., TO APPROVE BALANCING MEASURES FOR THE PROJECTED FY 2009-10 OPERATING DEFICITS IN THE MEASURE B FUND (INCLUDES ONE-HALF CENT SALES TAX FOR TRANSPORTATION-RELATED PROJECTS) AND DEVELOPMENT SERVICES FUND

WHEREAS, on June 30, 2009, in accordance with City Charter section 800, the City Council adopted the biennial policy budget by passing Resolution No. 82102 C.M.S.; and

WHEREAS, on July 28, 2009 and December 17, 2009, the City Council approved amendments to the adopted budget, via Resolutions No. 82235 C.M.S. and 82519 C.M.S., respectively; and

WHEREAS, continued weakness in the sales tax revenue has led to a \$3.5 million projected year-end operating deficit in Fiscal Year 2009-10 for the Measure B Fund, which is financed through a one-half cent sales tax approved by voters and pays for transportation-related activities; and

WHEREAS, lack of building construction activity has led to reduced revenue to the Development Services Fund, which is projected to have a year-end \$3.5 million operating deficit for Fiscal Year 2009-10; and

WHEREAS, administration has developed budget balancing measures for the Measure B Fund and the Development Services Fund to fully offset the projected Fiscal Year 2009-10 operating deficits, as reflected in **Exhibits A and B**; therefore be it

RESOLVED: That the City's Fiscal Year 2009-10 Budget is hereby amended to balancing measures reflected in **Exhibits A and B**, included with and made a part of this resolution, subject to additional amendments that may be presented and adopted on the floor at the March 2, 2010 meeting; and be it further

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RESOLVED: That the City Council directs the City Administrator to implement the aforementioned as amended with all deliberate speed.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2010

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT BRUNNER

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

FUND 2211 - Measure B: ACTIA**BALANCING SUMMARY**

FY 2009-10	Budget Amount	Reduction	%	Budget FTEs	FTE Reduction
City Administrator - ADA Program	97,500	-	0%	0.70	-
CEDA - Engineering & Construction *	1,984,830	600,000	30%	5.95	4.00
CEDA - Capital Improvement Projects *	5,775,020	1,260,020	22%	6.49	1.05
Public Works Agency	2,983,620	520,756	17%	29.32	12.00
Total	10,840,970	2,380,776	22%	42.46	17.05

* 4.05 FTE will be shifted to other funds/projects.

Fund 2415
Staffing Reduction

Position	Vacant / Filled	FTE	FY 2009-10 Savings (in millions) *
<u>Planning/Zoning Services Division</u>			
Deputy Director/City Planner	Filled	(1.00)	(\$0.07)
Project Manager	Filled	(1.00)	(\$0.06)
Management Assistant	Vacant	(1.00)	\$0.00
Administrative Assistant I	Filled	(1.00)	(\$0.02)
Planner III, Historic Preservation **	Filled	(1.00)	(\$0.03)
Planner IV ***	Filled	(6.00)	(\$0.23)
Add: Planner III		4.00	\$0.11
Shift Planner III to ORA fund (7780) ****	Filled	-	(\$0.04)
		(7.00)	(\$0.35)
<u>Building Services Division</u>			
Specialty Combination Inspector	Vacant	(6.00)	\$0.00
Specialty Combination Inspector	Filled	(1.00)	(\$0.03)
Add: Paralegal		1.00	\$0.03
Engineering Intern, PT	Vacant	(0.50)	\$0.00
Administrative Assistant II	Filled	(1.00)	(\$0.03)
Construction Inspector Sup (Field)	Filled	(1.00)	(\$0.04)
Management Assistant	Filled	(1.00)	(\$0.04)
Engineer, Civil Supv (Office)	Filled	(1.00)	(\$0.06)
Office Manager	Filled	(1.00)	(\$0.03)
Process Coordinator II	Filled	(1.00)	(\$0.04)
Permit Technician II	Filled	(1.00)	(\$0.03)
Engineering Technician II (Office)	Filled	(1.00)	(\$0.03)
Principal Inspection Supv	Filled	(1.00)	(\$0.05)
Engineer, Assistant II (Office)	Filled	(1.00)	(\$0.04)
Engineer, Civil (Office)	Filled	(1.00)	(\$0.05)
Public Service Representative	Filled	(2.00)	(\$0.05)
		(19.50)	(\$0.49)
Total		(26.50)	(\$0.83)

NOTES:

* Costing assumes April 2, 2010 implementation

** 0.25 FTE funded in ORA fund (7780)

*** 1.20 FTE funded in ORA fund (7780)

**** Through June 30, 2011 using previously allocated **one-time** project funds