

FILED
OFFICE OF THE CITY CLERK
OAKLAND

CITY OF OAKLAND

AGENDA REPORT

2010 MAY 13 PM 6:32

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Budget Office
DATE: May 25, 2010

RE: **Report on FY 2009-10 Third Quarter Revenue and Expenditure Results and Year-End Projections For Four Selected Funds - General Purpose Fund (1010), Landscape & Lighting Assessment District Fund (2310), Equipment Fund (4100) and Facilities Fund (4400); Overtime Analysis for the General Purpose Fund (1010) and All Funds; and Status of Implementing FY 2009-10 Budget Measures**

SUMMARY

This supplemental report provides a *quarterly update on the financial results* in four selected funds. It discusses the actual collection of revenues and expenditures, as well as year-end projections, for the General Purpose Fund (GPF) the Landscape and Lighting Assessment District-LLAD Fund (2310), the Equipment Fund (4100) and the Facilities Fund (4400). The report discusses *spending of overtime*, and includes a *status of implementing key balancing measures* for Fiscal Year 2009-10. There are no major differences in the third quarter forecast from that reflected in the April 29, 2010 budget report. The highlights of the report are presented below.

The General Purpose Fund (1010), should end the fiscal year nearly balanced, after the City Council's budget balancing actions at its April 29th special meeting. The year end balance however is precarious; overspending in the Police Department is likely unless immediate measures are taken to control costs.

In the Lighting and Landscape Assessment District (LLAD) Fund (2310), a **slight shortfall of \$0.2 million is anticipated by year-end**, as already reported in the second quarter R&E. This projected deficit is mainly due to over-spending in the Public Works Agency of \$0.3 million, due to overtime work in the Tree Services division related to emergency tree removal. Public Works has limited overtime spending for emergency response.

In the Equipment Fund (4100), a **very slight decrease to the negative cash balance** is projected by year-end as a result of the resumed negative fund repayment plan, implemented as part of FY 2009-11 budget adoption and careful spending. This projection is similar to the second quarter forecast.

In the Facilities Fund (4400), a **decrease of \$0.5 million in the negative cash balance** is projected by year-end due to higher than anticipated vacancies. This projection is similar to the second quarter forecast.

Item:

Overtime spending citywide, on an all funds basis is projected to reach \$32.7 million by the end of FY 2009-10, exceeding budget by \$14.2 million. Nearly the entire overspending (\$11.7 million) is in the General Purpose Fund and driven by Police and Fire overtime spending. The Police Department is projected to overspend its General Purpose Fund overtime appropriation by \$2.1 million by year-end, mainly due to higher than budgeted Special Events, MOU and NSA required backfill and administrative investigations. The Fire Department, while overspending in the overtime category, will save considerably on regular salaries, overall staying within their budget by year-end.

A summary of the status of implementing FY 2009-10 budget measures is provided in *Attachment F*. The measures that have not been implemented include:

1. A portion of "replacement revenues" Council approved after it rolled back parking meter hours from 8:00 pm to 6:00 pm will not be realized in the current year. These include:
 - *Garage automation revenues of \$0.1 million* – implementation of garage automation will occur for at least one garage by year-end, but will yield none of the anticipated revenue in FY 2009-10. This revenue loss is reflected in the third quarter projection.
Opening of Pacific Renaissance garage for night use to generate \$0.08 million – garage operator has determined that no additional revenues could materialize, as there would be additional costs to operate the garage in the evening that would not be offset by revenues. This revenue loss is reflected in the second quarter projection.
Sell advertising space on the back of parking receipts – both companies identified to handle sale of advertising space have gone out of business. Staff is searching for alternative providers.
2. As staff had noted in several reports regarding the General Purpose Fund budget, the \$4.5 million Coliseum ticket surcharge anticipated in the adopted budget will not materialize. It was factored into the FY 2009-10 anticipated year-end deficit, on which the City Council took final balancing action at its April 29th special budget meeting.
3. To date, there has been no revenue generated from the new mergers and acquisitions application to the Real Estate Transfer Tax. Nonetheless, staff believes that there will be a modest surplus in RETT by year-end due to a one-time long-term lease (see GPF revenue section of this report for discussion).
4. Although the field training officer premium had been eliminated from the FY 2009-10 as part of June-July 2009 budget balancing, a portion of it is needed for lateral academy training officers. This portion (\$0.09 million) was factored into the FY 2009-10 anticipated year-end deficit, on which the City Council took final balancing action at its April 29th special budget meeting.

Item: _____

FISCAL IMPACT

Fund summaries, comparing the adjusted budget to year-end projections for the GPF and second quarter forecast to the current third quarter forecast for all other funds, are presented below and on the following page. For illustrative purposes we have also included the adopted budget, to demonstrate the year-to-date change in revenue and expenditures.

**FY 2009-10 REVENUE AND EXPENDITURE ANALYSIS
 Through Third Quarter (July 1, 2009 through March 31, 2010)**

Summary (\$ in millions)

GENERAL PURPOSE FUND (1010)

| | <u>FY 2009-10 Adopted Budget</u> | <u>FY 2009-10 Adjusted Budget</u> | <u>FY 2009-10 Q3 Year- End Forecast</u> | <u>Year-End \$ Over / (Under) v Adj. Budg.</u> |
|--------------------------------|--|---|---|--|
| Gross Fund Balance | 17.6 | 17.6 | 17.6 | |
| Net Revenue** | 421.0 | 425.2 | 425.2 | 0.0 |
| Net Expenditures** | 421.0 | 425.2 | 425.3 | 0.0 |
| Carryforwards and Encumbrances | 0.0 | 7.3 | 7.3 | |
| Surplus/(Shortfall) | (0.0) | (0.0) | (0.0) | 0.0 |
| Net Fund Balance | 17.6 | 10.2 | 10.2 | |

LANDSCAPING & LIGHTING ASSESSMENT DISTRICT FUND (2310)

| | <u>FY 2009-10 Adopted Budget</u> | <u>FY 2009-10 Q2 Year-End Forecast</u> | <u>FY 2009-10 Q3 Year- End Forecast</u> | <u>Year-End \$ Over / (Under) v. Q2 Fcst</u> |
|--------------------------------|--|--|---|--|
| Gross Fund Balance | (6.0) | (6.0) | (6.0) | |
| Net Revenue | 18.4 | 18.4 | 18.4 | 0.0 |
| Net Expenditures | 18.4 | 18.8 | 18.6 | (0.1) |
| Carryforwards and Encumbrances | 0.0 | 0.2 | 0.2 | |
| Surplus/(Shortfall) | 0.0 | (0.4) | (0.2) | (0.1) |
| Net Fund Balance | (6.0) | (6.6) | (6.4) | |

**FY 2009-10 REVENUE AND EXPENDITURE ANALYSIS
 Through Third Quarter (July 1, 2009 through March 31, 2010)**

Summary (\$ in millions)

EQUIPMENT FUND (4100)

| | FY 2009-10 Adopted Budget | FY 2009-10 Q2 Year-End Forecast | FY 2009-10 Q3 Year- End Forecast | Year-End \$ Over / (Under) v. Q2 Fcst |
|--------------------------------|---------------------------------|---------------------------------------|---|--|
| Gross Cash Balance | (15.5) | (15.5) | (15.5) | |
| Net Revenue | 16.7 | 16.7 | 16.7 | 0.0 |
| Net Expenditures | 17.0 | 16.5 | 16.6 | 0.0 |
| Carryforwards and Encumbrances | 0.0 | 2.9 | 2.9 | |
| Surplus/(Shortfall) | (0.3) | 0.1 | 0.1 | |
| Net Cash Balance | (15.8) | (15.4) | (15.4) | 0.1 |

FACILITIES FUND (4400)

| | FY 2009-10 Adopted Budget | FY 2009-10 Q2 Year-End Forecast | FY 2009-10 Q3 Year- End Forecast | Year-End \$ Over / (Under) v. Q2 Fcst |
|--------------------------------|---------------------------------|---------------------------------------|---|--|
| Gross Cash Balance | (31.4) | (31.4) | (31.4) | |
| Net Revenue | 21.8 | 21.8 | 21.8 | 0.0 |
| Net Expenditures | 21.8 | 21.0 | 21.3 | 0.3 |
| Carryforwards and Encumbrances | 0.0 | 0.8 | 0.5 | |
| Surplus/(Shortfall) | (0.0) | 0.8 | 0.5 | |
| Net Cash Balance | (31.4) | (30.6) | (30.9) | 0.3 |

DISCUSSION

This section is organized by fund and begins with an overview of the economy and relevant political/legal issues. Each section provides an overview of actual revenues collected and expenditures incurred during the first half of the fiscal year and projects year-end results.

1. GENERAL ECONOMIC OVERVIEW

The US Gross Domestic Product (GDP) has grown for three straight quarters since fourth quarter 2009 – evidence that the economy is in recovery. This good news, however, is tempered by persistent high unemployment and slow job growth. The City’s major GPF revenues – property tax, sales tax, real estate transfer tax, business license tax, and services charges (parking meters) – are impacted by economic forces. Consumer spending is up, but possibly precariously so, as real income growth has been stagnant and unemployment in California remains in the double-digits. Jerry Nickelsburg of the UCLA Anderson Forecast expects to see unemployment remain

in the double-digits through 2012. While job growth is anticipated this year and next throughout the state, real reductions in unemployment are not likely as discouraged workers (who have left the workforce) and delayed entrants (recent college graduates who sat out the recession) will rejoin the workforce upon their realization of improved labor markets. The housing sector showed some signs of life, buoyed by the home buyer tax credit. In April 2010, the National Association of Realtors (NAR) reported that existing home sales rose 6.8 percent in March from February, and was 16.1 percent above the level in March 2009. This increase most likely reflected the prospective homebuyers' rush to take advantage of the federal home buyer tax credit before it ended in April. The risks and the uncertainty facing any real estate recovery are still high, due to the ending of the home buyer tax credit, significant numbers of foreclosures and non-performing mortgages, and commercial real estate impacted by higher vacancies and lower rents.

Outlook -- Economists continue to forecast a modest growth path that will be slowed considerably by high unemployment that is expected to continue through 2010. Christopher Thornberg, principal economist at Beacon Economics and Chief Economist for the California Department of Finance has indicated that business spending and exports due to the global economic recovery will contribute towards an eventual recovery. Overall, according to a recent consensus survey of economists, the current US forecast is for continued slow economic growth. For California specifically, little or no growth is projected for 2010, then picking up some pace in the first half of 2011, which is anticipated to drive modest positive growth in employment. Still, Thornberg offers a dim outlook for local governments: recovery will come but revenues will be anemic and will not likely reach the levels experienced in the mid-2000s.

2. CURRENT POLITICAL/LEGAL ISSUES

State General Fund Budget

The Governor's 2010-11 budget deficit is estimated to be \$18.9 billion. Some of the recent developments, however, suggest it could be made worse:

- ***April Personal Income Tax Collections.*** The State's personal income tax collections for the month of April were \$3.3 billion less than anticipated. It is expected the Governor will factor this lower revenue level into his May Revise.
- ***Tranquillion Ridge.*** In the wake of April's oil spill in the Gulf of Mexico, Governor Schwarzenegger withdrew his support of the Tranquillon Ridge oil drilling project (commonly referred to as T-Ridge). In the Governor's January budget, the revenues from T-Ridge were estimated to be \$100 million for the 2010-11 fiscal year with an additional \$1.8 billion over the next 14 years.
- ***Gas Sales Tax and Excise Tax Swap.*** The Governor signed into law the gas sales tax and excise tax swap on March 22, 2010. The legislation will not immediately affect the local share of the gas sales tax. However, the City's share is now subordinate as revenues will first be allocated to transportation debt service. Thus, if the State's debt service were to increase, a larger share of the revenues would be diverted from cities.

Item: _____

Finance & Management Committee

May 25, 2010

Additional state budget items for consideration:

- **Local Taxpayer, Public Safety and Transportation Protection Act** - The Local Taxpayer, Public Safety and Transportation Protection Act of 2010, a proposed constitutional amendment to close loopholes to prevent the state from taking, diverting or borrowing local government, transportation and public transit funds, will likely qualify for the November 2010 ballot.
- **Redevelopment Agency Take-Away Actions** - Sacramento Superior Court Judge Lloyd Connelly upheld AB X4 26, requiring redevelopment agencies statewide to transfer \$2.05 billion in local redevelopment funds over the next two years to the state. For the Oakland Redevelopment Agency (ORA), this takeaway amounts to \$41 million in the current year and \$8.5 million in FY 2010-11. The transfer was anticipated and monies were held in reserve, as a result no further budgetary action is needed.
- **Transient Occupancy Tax Update on Senate Bill SBX6 2** - Creates a special exemption to the "pay first" rule for various online travel companies. The "pay first" requirement mandates those that seek to contest the validity of a tax, shall first pay the tax before they seek judicial remedy. Although the bill author's staff had informed the League of California Cities that there were no plans to move this vehicle, the bill was recently referred to the Senate Revenue and Taxation Committee and should be carefully watched.

A. GENERAL PURPOSE FUND FINANCIALS

(Attachments A-1 and A-2)

REVENUE HIGHLIGHTS

Through the third quarter of FY 2009-10, the City received revenue of \$273.4 million or 65.1 percent of the net adjusted budget. Revenue collections are on track to reach adjusted budget targets. Revenue results and year-end projections are provided in *Attachment A-1* and discussed below.

Property Tax: \$129.8 million

Property Tax, the largest source of revenue to the City's General Purpose Fund, is projected to reach the adjusted budget of \$129.8 million by year end, a reduction of \$0.4 million from the original budget. Actual collections through April 2010 reached \$113.8 million, which is consistent with the April projection (presented in the April 1st staff report for the special City Council meeting on the budget). Total collections-to-date mostly reflect both tax installments paid by property owners. The remaining uncollected revenue is anticipated to come from the final clean-up payments from the County and from the Oakland Redevelopment Agency pass-through to the General Fund.

Item: _____

Sales Tax: \$33.4 million

Revenue from Sales Tax is expected to reach the adjusted budget of \$33.4 million by year end, a reduction of \$8.3 million from the original budget. Through April 30th, \$26.7 million or 80 percent has been collected, which is consistent with the April projection.

• Utility Consumption Tax (UCT): \$50.5 million

Utility Consumption Tax revenue is projected to reach the adjusted budget of \$50.5 million, a reduction of \$3.95 million from the original budget. Year to date through March 31st, \$35 million has been collected, which is consistent with the April projection.

Real Estate Transfer Tax (RETT): \$28.5 million

Real Estate Transfer Tax revenue is projected to end the year at the adjusted budget of \$28.5 million, an increase of \$1.1 million from the original budget. Year to date through March 31st, \$23 million has been collected, which is consistent with the April projection.

While sales prices have risen significantly in March 2010, as compared to February 2010 and March of the prior year, there is still significant uncertainty about the housing sector. Year over year home sales in Alameda County in March 2010 increased by nearly 25%; over the same period sales prices rose by 28%. The government housing stimulus likely drove the majority of the real estate transactions. The future impact of government programs, like the home buyer tax credit, will likely diminish as programs sunset. Additionally, there are major downside risks to a recovery, such as threats of higher mortgage rates, additional distressed properties entering the market, and continued high unemployment.

Transient Occupancy Tax (TOT): \$8.4 million

Transient Occupancy Tax revenue is projected to reach the adjusted budget of \$8.4 million, a reduction of \$1.7 million from the original budget. Year-to-date through March 31st, \$5.4 million has been collected, which is consistent with the April projection.

The economic slowdown has directly affected the hotel industry, pushing rates and average daily occupancy down. According to the Smith Travel Services, Inc. report published by California Tourism, occupancy in Oakland increased by 12.2 percent in March 2010 from last year, while average daily room rates dropped by 9 percent. The Oakland Convention and Visitors Bureau expects that this trend will continue.

Parking Tax: \$7.2 million

Parking tax revenue is projected to reach the adjusted budget of \$7.2 million, a reduction of \$1.0 million from the original budget. Year to date through March 31st, \$4.6 million has been collected, which is consistent with the April projection.

Item: _____

Parking revenues:

Parking Meters: \$12.3 million

Parking Citations \$26.4 million

Parking Meter revenue -- nearly one-third of the Service Charges category -- is projected to reach the adjusted budget of \$12.3 million, a reduction of \$1.3 million from the adopted budget. Year to date through March 31st, \$8.8 million has been collected, which is consistent with the April projection.

Parking citation revenue is projected to reach the adjusted budget of \$26.4 million, a reduction of \$1.7 million from the adopted budget. Year to date through March 31st, \$17.5 million has been collected, which is consistent with the April projection.

Interest Income: \$1.6 million

Interest income is projected to reach the adjusted budget of \$1.6 million, a reduction of \$0.4 million from the adopted budget. Year to date through April 30th, \$0.3 million has been collected. The remaining uncollected interest revenue is projected to come from various sources such as Tax and Revenue Anticipation Notes, and cash investments.

Service Charges Excluding Parking Meters (\$33.4 million)

Service Charges excluding parking meter revenue are projected to reach the adjusted budget of \$33.4 million, a reduction of \$1 million from the adopted budget. Year to date through March 31st, \$18.1 million has been collected, which is consistent with the April projection. The remaining uncollected amount is anticipated to come from various Service Charge categories such as Port revenue (\$5.3 million); franchise fees (\$7 million); and miscellaneous charges (\$3 million).

Carryforwards (Drawdown of Fund Balance)

At the end of each fiscal year, the City has unspent appropriations that can potentially be carried forward into the next fiscal year. These exist either in projects or as non-project encumbrances. For the General Purpose Fund in FY 2009-10, \$7.4 million in projects and encumbrances were carried forward from FY 2008-09 and represent funds reserved in the fund balance to pay for the project activities (or encumbered items) not spent in the prior year. By year-end, it is projected that the entire \$7.4 million of project and encumbrance carryforward funding will be expended.

EXPENDITURE HIGHLIGHTS

The majority of Departments are expected to spend within their GPF appropriation. For those departments in which there is a variance between their third quarter projection and the adjusted budget, a brief explanation is provided.

Police Services (OPD)

Police Services is expected to remain within its Adjusted Budget by year end. The 2nd Quarter projected deficit (\$3.7 million) included funding for the lateral and Alameda County Sheriff

Item: _____

Academy (\$1.7 million), the new Independent Monitoring Team contract (\$0.7 million), and anticipated overtime (\$2.6 million). Of these spending increases, \$1.3 million was assumed to be offset by savings in other areas or transfers to other funds. However, the department is **at high risk of exceeding its appropriation** due to unforeseen public safety response unless immediate corrective action is implemented to reduce personnel spending.

Community & Economic Development Agency (CEDA)

CEDA is projected to end the year with GPF savings totaling \$0.11 million. From the second quarter, forecast expenditures decreased by \$0.23 million. The change from prior forecasts, which is expected to result in savings, is due primarily to lower than anticipated lease payments.

Office of the City Attorney

The Office of the City Attorney expects to exceed its budget by \$0.14 million by year-end. The projected deficit is due to budget appropriations that do not include costs that the memorandum of understanding (MOUs) and applicable law mandate. The MOUs require that the City Attorney pay acting pay and provide merit and step increases; however, these costs are not included in the budget. Per the Deputy City Attorney MOU, all eligible attorneys received the minimum 2.5% merit increase for FY 2009-10 unless they are at the top of the salary range. In addition the City Attorney Office employees took less leave than the budget projects, resulting in higher salary costs.

B. OVERTIME

(Attachment B)

Attachment B provides details on Citywide overtime spending through year-end by agency / department, for the General Purpose Fund and all funds. The majority of GPF overtime spending is in public safety departments (Fire Department spending of \$9.6 million and Police Department spending of \$13.8 million). While *Fire* (OFD) overtime spending is greater than the budgeted amount, its overall personnel costs are anticipated to remain within budget. OFD fills mandatory shifts with overtime instead of hiring additional sworn personnel, thereby creating savings over a fully loaded salary. *Police* (OPD) spending, however, is anticipated to remain neither within its overall GPF budget nor within its overtime budget. OPD is expected to rein in some current year (FY 2009-10) overtime spending to \$13.8 million, as compared to the prior fiscal year (FY 2008-09 - \$16.6 million and second quarter projection of the current year which was \$14.3 million). Of the \$13.8 million projected overtime spending by OPD, approximately \$9 million is mandated by either the City-Oakland Police Officers' Association Memorandum of Understanding (MOU) or the Negotiated Settlement Agreement (NSA) including the Internal Affairs Division.

C. LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT FUND

(Attachments C-1 and C-2)

The Landscaping and Lighting Assessment District fund (LLAD) was formed in 1989 and subsequently approved by the voters of the City. The LLAD is a "direct benefit" assessment that provides a funding source for the following Public Works Agency programs: Parks, Grounds and Medians, Ball Field Maintenance, Open Space, Custodial Services at Park Enterprise Facilities, Streetlight Outage Repairs, Tree Services, and Free Standing Restrooms at Parks and Ball Fields. The LLAD also supports activities located outside the Public Works Agency such as General Government functions, Community Gardens and Museum Landscape Maintenance.

FUND BALANCE

The LLAD Fund has a beginning negative fund balance of \$5.98 million. Without the use of one-time revenues and projected overspending, the negative fund balance is projected to grow to \$6.4 million. As a result of increasing costs, the LLAD fund will require further cuts to services and positions in future years unless an alternative revenue source is identified.

REVENUE HIGHLIGHTS

Revenues are estimated to come in at the budgeted amount of \$18.39 million, a \$0.03 million increase from 2nd quarter projections.

EXPENDITURE HIGHLIGHTS

LLAD fund expenditures through the third quarter are at \$12.91 million. Year-end actual expenditures are estimated at \$18.65 million, compared to the adjusted budget of \$18.39 million. Though over appropriation, the expenditures have decreased slightly from the second quarter forecast where spending was anticipated to be \$0.1 million higher. The Public Works Agency projected overspending is attributed to:

1. Overtime expenditures in Tree Services. Given the reduction in routine maintenance of the City's urban forest (due to staff reductions), as well as storm-related events, an increase in emergency calls have resulted in third quarter over-expenditures of \$0.19 in Tree Services overtime.
2. Personnel expenditures are not meeting the five percent vacancy factor applied to Public Works. Low actual position vacancies in Public Works yielded no net dollar savings.

STRATEGIES TO ADDRESS FORECASTED OVERSPENDING

As demonstrated through the reduction in projected overspending, Public Works has had some success in reducing costs by restricting overtime, and limiting O&M expenditures. The Agency intends to keep a tight rein on overtime, though a delayed response time to service requests including potentially critical hazards may result due to reduced staffing hours. PWA also plans to reduce O&M spending in the miscellaneous supplies and materials category (including

Item: _____

anticipated savings in utilities at year-end). PWA has provided specific direction to its divisions and will continue to monitor progress.

D. EQUIPMENT FUND

(Attachments D-1 and D-2)

The Equipment Fund is an Internal Service Fund (ISF). The Equipment Services Division (ESD) of the Public Works Agency (PWA) is responsible for equipment services, including vehicle and equipment acquisition and disposal, maintenance and repair, governmental and environmental compliance, vehicle and equipment specification and modification development repair part acquisition, motor pool services, the purchase and management of fuel for City-owned vehicles and equipment, and specialized services such as vehicle wash and outside vehicle/equipment rental.

CASH BALANCE

Per audited actuals, the beginning negative cash balance for FY 2009-10 is \$15.54 million. This balance is expected to decrease by year-end by \$0.09 million due to position vacancies.

REVENUE HIGHLIGHTS

FY 2009-10 revenues for the Equipment Fund are budgeted at \$16.68 million; year-end actual revenues are estimated to be \$16.67 million. Though this is up \$0.02 million from the second quarter forecast, Street and Curb permit fees remain less than anticipated. The primary source of revenue for the Equipment Fund is internal service charges to outside departments. The internal service charge component is expected to realize at budget for FY 2009-10. See *Attachment D-1* for Equipment Fund revenue details.

EXPENDITURE HIGHLIGHTS

The Equipment Fund operating expenditures are budgeted at \$16.97 million; year-end expenditures are estimated to reach \$16.6 million up \$0.07 million from the second quarter forecast. This slight decrease to projected savings is attributed to a small increase in personnel expenditures. The overall projected savings are primarily attributed to position vacancies in the Equipment Division. Six out of fifty-six positions are currently vacant, translating into a 10.3% vacancy rate. While position vacancies are expected to yield savings in this fund, service delivery to internal customers has suffered. Staffing declines, combined with an over-aged equipment fleet, overtime restrictions, mandatory furloughs and the addition of taxi cab inspections contribute to service demands that continue to outpace resources.

Item: _____

E. FACILITIES FUND

(Attachments E-1 and E-2)

The Facilities Fund is also an Internal Service Fund (ISF). The Facilities Services Division provides client agencies "direct tenant services" which include all custodial services, building engineering, security access controls, monitoring air quality, responding to emergencies, and property management and leasing. This division is also responsible for preparing new building operating estimates, design, and project oversight for all minor maintenance and maintenance-related capital improvements.

CASH BALANCE

Since FY 2002-03, the negative cash balance has increased from \$7.9 million to \$31.4 million due to multiple years of budgetary imbalances. The fund is currently on a "repayment schedule", and its negative balance is expected to decrease by \$0.53 million by year-end.

REVENUE HIGHLIGHTS

Revenue for the Facilities Fund is budgeted at \$21.80 million, consistent with the second quarter forecast year end revenue estimates are projected to be at budget. Refer to *Attachment E-1* for Facilities Fund revenue details.

EXPENDITURE HIGHLIGHTS

As shown in Attachment E-2, the Facilities Fund operating expenditures are budgeted at \$21.8 million, year-end actuals are anticipated to reach \$21.27 million, an increase of \$0.29 million from the second forecast due to adjustments to correct personnel charges in other funds. Overall projected savings are attributed to position vacancies in the Park Maintenance and Custodial divisions. There are currently ten vacancies, two of which are related to the Golden Handshake. Similar to the Equipment Fund, though budget savings is associated with the vacancies, a delay in facility maintenance response time has resulted due to the decline in resources.

SUSTAINABLE OPPORTUNITIES

There are no direct sustainable opportunities associated with this report.

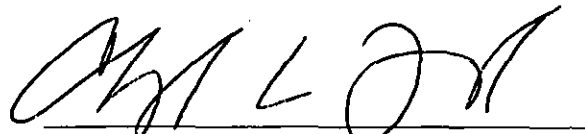
DISABILITY AND SENIOR ACCESS

There are no direct disability and senior access opportunities associated with this report.

ACTION REQUESTED OF THE CITY COUNCIL

Accept this informational report.

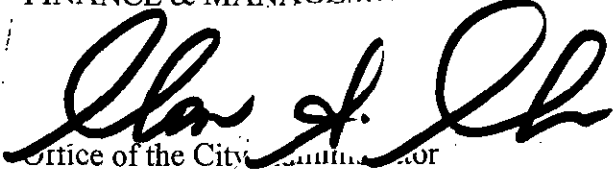
Respectfully submitted,



CHERYL L. TAYLOR
Budget Director

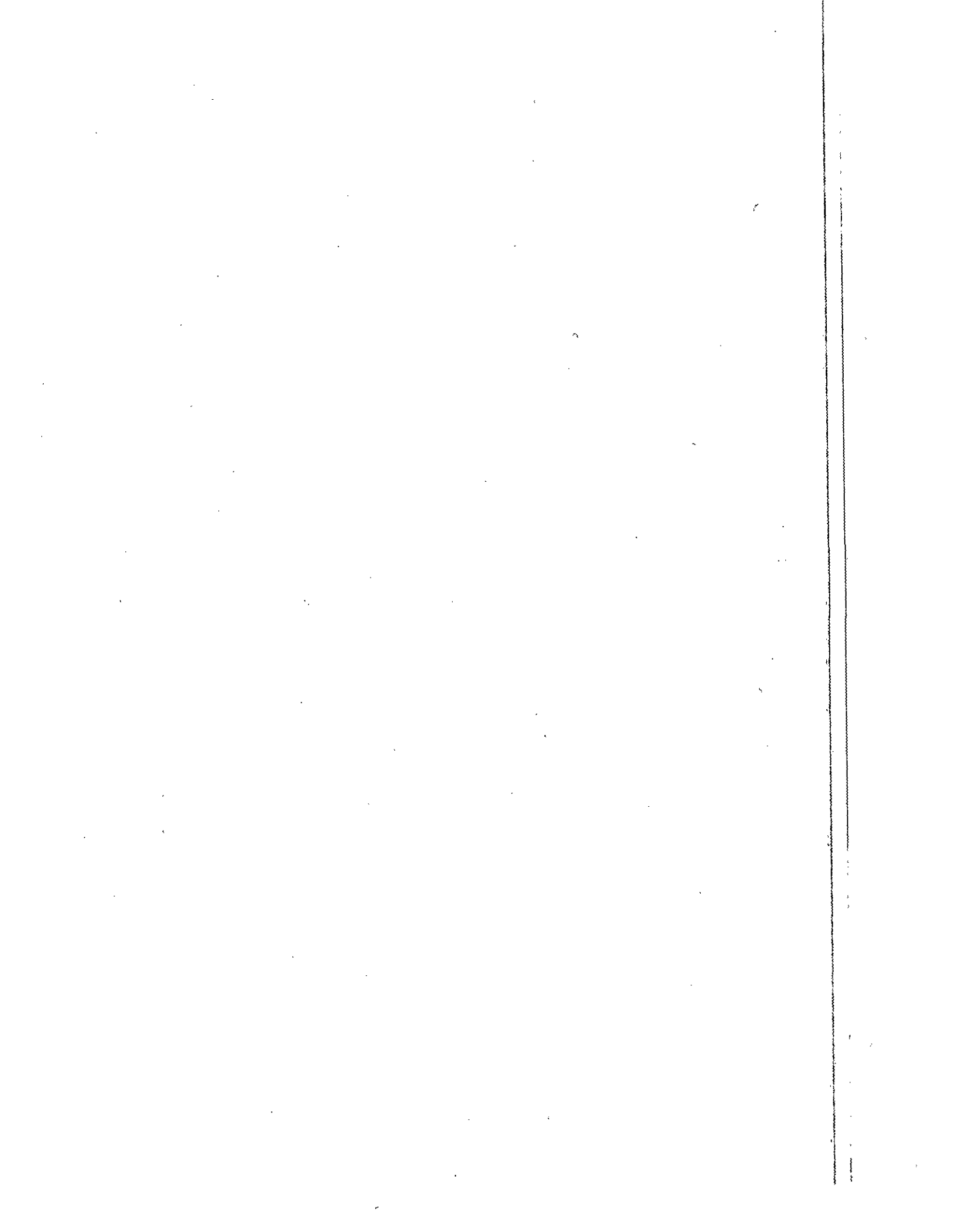
Prepared by:
Budget Office staff

APPROVED FOR FORWARDING TO THE
FINANCE & MANAGEMENT COMMITTEE


Office of the City Auditor

Attachments:

- A-1: *General Purpose Fund Revenues*
- A-2: *General Purpose Fund Expenditures*
- A-3: *General Purpose Fund Delineation of Projected Year-End Deficit*
- B: *Overtime Analysis*
- C-1: *Landscape and Lighting Assessment District Fund Revenues*
- C-2: *Landscape and Lighting Assessment District Fund Expenditures*
- D-1: *Equipment Fund Revenues*
- D-2: *Equipment Fund Expenditures*
- E- 1: *Facilities Fund Revenues*
- E- 2: *Facilities Fund Expenditures*
- F: *Status of Implementing FY 2009-10 Budget Measures*



FY 2009-10 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2009 through March 31, 2010)
GENERAL PURPOSE FUND REVENUES (\$ in millions)

| Revenue Category | FY 2008-09 Q3 Adjusted Budget | FY 2008-09 Q3 Actuals | FY 2008-09 Percent to Audited Year End Actuals | FY 2008-09 Audited Year End Actuals | FY 2009-10 Adopted Budget | FY 2009-10 Adjusted Budget | FY 2009-10 Q3 Actuals | FY 2009-10 Q3 Percent to Date | FY 2009-10 Q3 Year-End Forecast | Year-End Over / (Under) Adj Budg | Explanation of Over / (Under) Collection Compared to Q3 Forecast | Yr-to-Yr Growth Q3 to Q3 | Yr-to-Yr Growth End to Yr- End |
|---|-------------------------------------|--------------------------|---|---|---------------------------------|----------------------------------|--------------------------|-------------------------------------|---------------------------------------|---|--|--------------------------------|---|
| PROPERTY TAX | 138.3 | 78.4 | 56.7% | 134.47 | 130.20 | 129.8 | 79.8 | 61.5% | 129.8 | 0.0 | | 1.8% | -3.4% |
| SALES TAX | 48.1 | 29.1 | 60.5% | 46.12 | 41.73 | 33.4 | 21.4 | 63.9% | 33.4 | 0.0 | | -26.5% | -27.5% |
| VEHICLE LICENSE FEE (VLF) - TAX & BACKFILL | 1.8 | 0.9 | 50.6% | 1.28 | 1.09 | 1.1 | 0.7 | 61.1% | 1.1 | 0.0 | | -27.3% | -15.0% |
| BUSINESS LICENSE TAX | 52.0 | 46.9 | 90.1% | 54.29 | 52.00 | 52.1 | 44.0 | 84.5% | 52.1 | 0.0 | | -6.1% | -4.0% |
| UTILITY CONSUMPTION TAX | 54.0 | 39.5 | 73.2% | 52.70 | 54.45 | 50.5 | 34.9 | 66.0% | 50.5 | 0.0 | | -11.5% | -4.2% |
| REAL ESTATE TRANSFER TAX | 34.1 | 27.2 | 79.8% | 34.27 | 27.39 | 28.5 | 22.8 | 80.1% | 28.5 | 0.0 | | -16.0% | -16.9% |
| TRANSIENT OCCUPANCY TAX | 12.7 | 8.2 | 64.3% | 10.6 | 10.1 | 8.4 | 5.4 | 63.4% | 8.4 | 0.0 | | -34.3% | -20.4% |
| PARKING TAX | 8.5 | 5.1 | 60.3% | 7.7 | 8.1 | 7.2 | 4.6 | 64.6% | 7.2 | 0.0 | | -10.1% | -6.5% |
| LICENSES & PERMITS | 1.6 | 0.8 | 47.2% | 1.3 | 1.4 | 1.3 | 0.9 | 61.4% | 1.3 | 0.0 | | 16.7% | 1.0% |
| FINES & PENALTIES | 29.3 | 15.9 | 54.2% | 25.7 | 29.5 | 28.2 | 17.5 | 59.0% | 28.2 | 0.0 | | 10.0% | 9.5% |
| INTEREST INCOME | 2.4 | 0.3 | 12.9% | 1.7 | 2.0 | 1.6 | 0.1 | 5.5% | 1.6 | 0.0 | | -69.9% | -3.9% |
| SERVICE CHARGES | 47.6 | 29.2 | 61.3% | 43.9 | 49.2 | 45.7 | 26.8 | 56.2% | 45.7 | 0.0 | | -8.0% | 4.3% |
| GRANTS & SUBSIDIES | 2.0 | 2.6 | 132.9% | 4.3 | 0.0 | 0.5 | 0.5 | 0% | 0.5 | 0.0 | | -80.0% | -87.7% |
| MISCELLANEOUS | 11.4 | 1.7 | 15.3% | 11.3 | 0.8 | 9.5 | 0.9 | 65.0% | 9.5 | 0.0 | | -48.1% | -15.6% |
| FUND TRANSFERS | 23.4 | 17.7 | 75.7% | 38.7 | 13.0 | 27.2 | 13.1 | 76.3% | 27.2 | 0.0 | | -100.0% | -29.6% |
| Net Revenue | \$467.2 | \$303.5 | 65.0% | 468.2 | 421.0 | \$425.2 | \$273.4 | 66.3% | \$425.2 | \$0.0 | | -100.0% | -9.2% |
| DRAWDOWN FROM FUND BALANCE TO FUND PRIOR YEAR ENCUMBRANCES & PROJECT CARRYFORWARDS | | | | 9.6 | | | | 0.0% | 7.3 | | | | -23.5% |
| Gross Revenue | \$467.2 | \$303.5 | 65.0% | 477.8 | 421.0 | \$425.2 | \$273.4 | 65.1% | \$432.6 | \$0.0 | | -100.0% | -9.5% |

FY 2009-10 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2009 through March 31, 2010)
GENERAL PURPOSE FUND EXPENDITURES (\$ in millions)

| Agency / Department | FY 2008-09 Q3 Adjusted Budget | FY 2008-09 Q3 Actuals | FY 2008-09 Percent to Date | FY 2008-09 Audited Year-End Actuals | FY 2009-10 Adopted Budget | FY 2009-10 Adjusted Budget | FY 2009-10 Q3 Actuals | Percent of Adj. Budget | FY 2009-10 Q3 Year-End Forecast | Year-End (Over) Under Adj. Budget | Explanation of (Overspending) / Savings Compared to Adjusted Budget | Yr-to-Yr Growth Q3 to Q3 | Yr-to-Yr Growth Year-End to Year-End |
|-----------------------------|-------------------------------|-----------------------|----------------------------|-------------------------------------|---------------------------|----------------------------|-----------------------|------------------------|---------------------------------|-----------------------------------|---|--------------------------|--------------------------------------|
| MAYOR | 2.7 | 2.1 | 78.4% | 2.8 | 1.80 | 1.8 | 1.5 | 85.8% | 1.8 | 0.0 | | -27.8% | -37.2% |
| CITY COUNCIL | 3.9 | 2.9 | 73.9% | 3.3 | 3.25 | 3.4 | 2.5 | 74.5% | 3.4 | 0.0 | | -11.3% | 2.9% |
| CITY ADMINISTRATOR | 6.8 | 5.4 | 79.7% | 6.9 | 6.50 | 6.5 | 4.4 | 67.5% | 6.5 | 0.0 | | -18.3% | -6.0% |
| CITY ATTORNEY | 8.1 | 6.2 | 76.6% | 5.9 | 3.64 | 3.6 | 4.6 | 130.2% | 3.7 | (0.1) | Due to personnel reductions, staff have been taking less paid leave than budgeted. | -25.7% | -37.1% |
| CITY AUDITOR | 1.9 | 1.2 | 62.1% | 1.6 | 1.34 | 1.5 | 1.0 | 67.0% | 1.5 | 0.0 | | -11.7% | -3.6% |
| CITY CLERK | 2.6 | 1.3 | 49.0% | 1.9 | 2.63 | 3.5 | 2.0 | 56.6% | 3.5 | 0.0 | | 53.7% | 88.5% |
| CONTRACTING & PURCHASING | 1.9 | 1.4 | 74.2% | 1.9 | 1.87 | 1.9 | 1.5 | 80.5% | 1.9 | 0.0 | | 6.7% | -2.5% |
| INFORMATION TECHNOLOGY | 9.1 | 7.7 | 85.2% | 10.3 | 8.00 | 8.0 | 5.4 | 67.5% | 8.0 | 0.0 | | -30.6% | -22.7% |
| FINANCE & MANAGEMENT | 23.6 | 17.2 | 73.0% | 23.4 | 18.22 | 20.5 | 15.1 | 73.4% | 20.5 | 0.0 | | -12.3% | -12.1% |
| HUMAN RESOURCES | 4.9 | 4.5 | 91.7% | 5.9 | 3.82 | 3.8 | 3.2 | 83.2% | 3.8 | 0.0 | | -29.6% | -35.7% |
| POLICE SERVICES | 201.3 | 155.3 | 77.1% | 206.3 | 183.32 | 187.4 | 187.4 | 100.0% | 187.4 | 0.0 | The department is at high risk of exceeding its Adjusted Budget unless immediate corrective action is taken to reduce personnel service spending. | 20.7% | -9.1% |
| FIRE SERVICES | 106.1 | 77.9 | 73.4% | 105.1 | 97.6 | 97.7 | 97.7 | 100.0% | 97.7 | 0.0 | | 25.4% | -7.1% |
| MUSEUM | 6.0 | 4.7 | 79.2% | 6.5 | 6.3 | 6.3 | 4.7 | 74.4% | 6.3 | 0.0 | | -1.0% | -3.6% |
| LIBRARY SERVICES | 10.6 | 7.9 | 74.1% | 10.6 | 10.9 | 9.1 | 7.3 | 80.4% | 9.1 | 0.0 | | -6.7% | -13.8% |
| PARKS & RECREATION | 12.9 | 10.3 | 80.0% | 13.0 | 12.7 | 12.6 | 9.9 | 78.6% | 12.6 | 0.0 | | -3.8% | -3.0% |
| HUMAN SERVICES | 7.1 | 4.0 | 56.6% | 5.8 | 5.8 | 6.4 | 3.6 | 55.9% | 6.4 | 0.0 | | -10.6% | 10.3% |
| PUBLIC WORKS | 2.3 | 2.1 | 89.0% | 2.6 | 4.4 | 3.9 | 2.4 | 61.7% | 3.9 | (0.0) | | 16.0% | 46.0% |
| COMM & ECON DEVELOPMENT | 2.7 | 1.5 | 56.3% | 2.1 | 3.1 | 3.3 | 1.5 | 45.4% | 3.2 | 0.1 | Savings will primarily result from underspending in Real Estate lease account. | -3.9% | 49.5% |
| NON-DEPARTMENTAL | 61.7 | 45.2 | 73.2% | 60.1 | 45.4 | 50.6 | 35.5 | 70.0% | 50.6 | 0.0 | | -21.5% | -15.8% |
| SUBTOTAL | 476.2 | 358.7 | 75.3% | 478.1 | 420.6 | 431.7 | 391.1 | 90.6% | 431.8 | (0.0) | | 9.0% | -9.3% |
| CAPITAL IMPROVEMENT PROGRAM | 1.3 | 0.7 | 49.9% | 0.8 | 0.4 | 0.8 | 0.2 | 29.5% | 0.8 | 0.0 | | -63.0% | 9.9% |
| GROSS EXPENDITURES | \$477.5 | \$359.4 | 75.3% | \$478.9 | \$421.0 | \$432.5 | \$391.3 | 90.5% | \$432.6 | \$(0.0) | | 8.9% | -9.3% |
| PROJECT CARRYFORWARDS | | | | | | 7.3 | 6.0 | 0% | 7.3 | 0.00 | | 0.00 | |
| NET EXPENDITURES | \$477.5 | \$359.4 | 75.3% | \$478.9 | \$421.0 | \$425.2 | \$385.4 | 90.0% | \$428.3 | \$(0.0) | | 0.0% | -10.8% |

FY 2009-10 REVENUE AND EXPENDITURE ANALYSIS
 Through Third Quarter (July 1, 2009 through March 31, 2010)

OVERTIME ANALYSIS (in Dollars)

GENERAL PURPOSE FUND

| Agency / Department | FY 2008-09 Q3 Adjusted Overtime Budget | FY 2008-09 Q3 Overtime Actuals | FY 2008-09 Q3 Overtime Percent To Date | FY 2008-09 Year-End Overtime Actuals | FY 2009-10 Adopted Budget | FY 2009-10 Q3 Adjusted Budget | FY 2009-10 Q3 Overtime Actuals | FY 2009-10 Q3 Overtime Percent Exp To Date | FY 2009-10 Year-End Overtime Estimate | Year-End (Over) / Under Adjusted Budget | Explanation of Over / (Under) Spending | Yr-to-Yr Growth Q3 to Q3 | Yr-to-Yr Growth End to End |
|-----------------------------|--|--------------------------------|--|--------------------------------------|---------------------------|-------------------------------|--------------------------------|--|---------------------------------------|---|---|--------------------------|----------------------------|
| MAYOR | 8,414 | 0 | 0.0% | 0 | 8,960 | 8,960 | 203 | 2% | 1,000 | 7,960 | | 0.0% | 0.0% |
| CITY COUNCIL | 0 | 113 | 0% | 113 | 0 | 0 | 203 | 0% | 203 | (203) | | 80.4% | 80.4% |
| CITY ADMINISTRATOR | 0 | 19,529 | 0% | 25,969 | 0 | 0 | 4,849 | 0% | 7,000 | (7,000) | Overtime spending is associated Comp time earned in the Citizen's Police Review Board division | -76.2% | -73.0% |
| CITY ATTORNEY | (534) | 15,420 | -2890.2% | 19,746 | (570) | (570) | 1,029 | -180.6% | 1,029 | (1,599) | Mandatory attendance by claims investigators and paralegals to small claims hearings held at night. | -93.3% | -94.8% |
| CITY AUDITOR | 0 | 1,551 | 0% | 2,350 | 0 | 0 | 0 | 0% | 0 | 0 | | -100.0% | -100.0% |
| CITY CLERK | 44,885 | 9,809 | 21.8% | 30,091 | 48,280 | 48,280 | 17,524 | 37.9% | 48,280 | 0 | | 78.6% | 53.8% |
| CONTRACTING & PURCHASING | 0 | 1,984 | 0% | 2,540 | 0 | 0 | 693 | 0% | 693 | (693) | Overspending due to procure to pay system implementation | -65.1% | -72.7% |
| INFORMATION TECHNOLOGY | 1,856 | 33,086 | 1782.7% | 55,927 | 2,040 | 2,040 | 20,314 | 995.8% | 27,051 | (25,011) | Overspending is attributed to response to outages during weekends and off hours for the Public Safety applications and for Systems Database Administration is mostly related to CEDA's AS 400 application | -38.6% | -51.6% |
| FINANCE & MANAGEMENT | 88,750 | 59,667 | 67.2% | 112,657 | 98,220 | 98,220 | 130,109 | 132.5% | 146,516 | (48,296) | Spending associated with vacancies and workload issues in the cost-covered areas of liens collections and parking enforcement; met with salary savings | 118.1% | 30.1% |
| HUMAN RESOURCES | 23,849 | 3,381 | 14.2% | 3,295 | 26,390 | 26,390 | 3,849 | 14.6% | 5,125 | 21,265 | Spending associated with time sensitive activities in retirement, classifications, and employee relations units. | 13.8% | 55.5% |
| POLICE SERVICES | 15,120,285 | 9,966,292 | 65.9% | 16,633,780 | 11,669,430 | 11,717,235 | 10,137,459 | 86.9% | 13,800,000 | (2,130,570) | Higher than budgeted overtime relating to Special Events contribute to the projected overspending. Also exceeding their allocation are Targeted Enforcement and Special operation due to crackdown on gangs, guns and drugs | 1.7% | -17.0% |
| FIRE SERVICES | 3,046,333 | 6,624,004 | 217.3% | 12,195,626 | 135,890 | 304,354 | 7,192,160 | 5268.7% | 8,600,000 | (8,464,010) | Overspending in OT covered by savings to personnel costs, department will stay within GPF budget | 8.6% | -21.3% |
| MUSEUM | 17,706 | 18,703 | 105.6% | 28,513 | 19,250 | 19,250 | 17,397 | 90.4% | 22,989 | (3,739) | Spending is associated with security and custodial services; met with salary savings due to museum closure | -7.0% | -19.4% |
| LIBRARY SERVICES | 5,662 | 1,702 | 30.1% | 2,174 | 6,260 | 6,260 | 3,406 | 54.4% | 6,260 | 0 | Spending is associated with Branch and Main Library services; will remain within overall budget authority | 100.1% | 187.9% |
| PARKS & RECREATION | 0 | 7,747 | 0% | 14,779 | 0 | 0 | 3,448 | 0% | 4,556 | (4,556) | Spending is associated with security services; anticipated to remain within overall budget authority | -55.5% | -89.2% |
| HUMAN SERVICES | (4,579) | 10,147 | -221.6% | 6,764 | 0 | 0 | 8,851 | 0% | 11,787 | (11,787) | Spending is attributed to accounting functions related to audits, and events at Senior Centers | -12.8% | 74.3% |
| PUBLIC WORKS | 27,351 | 8,224 | 30.1% | 32,588 | 27,480 | 27,480 | 77,058 | 280.4% | 102,614 | (75,134) | Spending is associated with maintenance services in the Tree Division | 837.1% | 214.9% |
| COMMUNITY & ECONOMIC DEV | 0 | 1,281 | 0% | 1,246 | 290 | 290 | 3,399 | 1172.1% | 4,532 | (4,242) | Amount over budget is less than \$5,000. | 185.3% | 263.7% |
| NON-DEPARTMENTAL | 500 | 408 | 81.6% | 408 | 0 | 0 | 0 | 0% | 0 | 0 | | -100.0% | -100.0% |
| CAPITAL IMPROVEMENT PROGRAM | 0 | 130 | 0% | 130 | 0 | 0 | 0 | 0% | 0 | 0 | | -100.0% | -100.0% |
| TOTAL | \$18,382,490 | \$16,783,177 | 91.3% | \$29,168,974 | \$12,040,020 | \$12,256,189 | \$17,621,752 | 146.4% | \$23,787,635 | (\$11,747,615) | | 174.0% | 18.4% |

| Agency / Department | FY 2008-09 Q3 Adjusted Overtime Budget | FY 2008-09 Q3 Overtime Actuals | FY 2008-09 Overtime Percent To Date | FY 2008-09 Year-End Overtime Actuals | FY 2009-10 Amended Budget | FY 2009-10 Q3 Adjusted Budget | FY 2009-10 Q3 Overtime Actual | FY 2009-10 Overtime Percent To Date | FY 2009-10 Year-End Overtime Estimate | Year-End \$ (Over) Under Adjusted Budget | | Yr-to-Yr Growth Q3 to Q3 | Yr-to-Yr Growth Year-End to Year-End |
|-----------------------------|--|--------------------------------|-------------------------------------|--------------------------------------|---------------------------|-------------------------------|-------------------------------|-------------------------------------|---------------------------------------|--|---|--------------------------|--------------------------------------|
| MAYOR | 8,414 | 0 | 0.0% | 0 | 8,960 | 8,960 | 0 | 0.0% | 0 | 8,960 | | 0.0% | 0.0% |
| CITY COUNCIL | 0 | 113 | 0% | 113 | 0 | 0 | 0 | 0% | 0 | 0 | | -100.0% | -100.0% |
| CITY ADMINISTRATOR | 200 | 57,378 | 28689.1% | 116,357 | 0 | 37,359 | 53,118 | 0% | 75,000 | (75,000) | Overtime spending is associated with KTOP production and "Weed and Seed" under Neighborhood Services | -7.4% | -35.5% |
| CITY ATTORNEY | (534) | 15,420 | -2890.2% | 19,746 | (570) | (570) | 5,178 | -908.4% | 5,178 | (5,748) | Mandatory attendance by claims investigators and paralegals to small claims hearings held at night. | -66.4% | -73.8% |
| CITY AUDITOR | 0 | 1,570 | 0% | 2,369 | 0 | 0 | 0 | 0% | 0 | 0 | | -100.0% | -100.0% |
| CITY CLERK | 44,895 | 9,809 | 21.8% | 30,081 | 48,280 | 48,280 | 26,148 | 56.5% | 48,280 | 0 | | 166.5% | 53.8% |
| CONTRACTING & PURCHASING | 2,712 | 4,576 | 168.7% | 4,627 | 2,890 | 2,890 | 1,513 | 52.4% | 2,890 | 0 | Spending associated with procure to pay implementation and purchasing functions; spending estimated within overall budget authority | -66.9% | -37.5% |
| INFORMATION TECHNOLOGY | 10,002 | 54,527 | 545.2% | 87,506 | 10,710 | 10,710 | 44,715 | 417.5% | 59,544 | (48,834) | Overpending is attributed to response to outages during weekends and off hours for the Public Safety applications and for Systems Database Administration is mostly related to CEDA's AS 400 application and service maintenance for applications such as Ora | -18.0% | -32.0% |
| FINANCE & MANAGEMENT | 91,087 | 68,498 | 75.2% | 126,234 | 100,710 | 100,710 | 176,786 | 175.5% | 200,000 | (99,290) | Spending associated with vacancies and workload issues in the cost-covered areas of liens collections and parking enforcement; met with salary savings | 158.1% | 58.4% |
| HUMAN RESOURCES | 23,849 | 10,662 | 44.7% | 10,577 | 26,390 | 26,390 | 5,568 | 21.1% | 7,412 | 18,978 | Spending associated with time sensitive activities in retirement, classifications, and employee relations units | -47.8% | -29.9% |
| POLICE SERVICES | 18,023,754 | 11,099,573 | 61.8% | 18,582,955 | 12,542,210 | 14,602,691 | 8,279,389 | 66.0% | 16,685,456 | (4,143,246) | Higher than budgeted overtime relating to Special Events contributes to the projected overpending. Also exceeding their allocation are Targeted Enforcement and Special operation due to crackdown on gangs, guns and drugs | -25.4% | -10.2% |
| FIRE SERVICES | 7,160,809 | 8,780,640 | 122.6% | 16,533,656 | 4,256,520 | 4,463,843 | 7,143,906 | 167.8% | 13,759,719 | (9,503,199) | Overpending in OT covered by savings to personnel costs, department will stay within budget | -18.6% | -16.8% |
| MUSEUM | 58,917 | 20,862 | 35.4% | 30,844 | 63,120 | 63,120 | 23,037 | 36.5% | 30,442 | 32,678 | Spending is associated with security and custodial services; met with salary savings due to museum closure | 10.4% | -1.3% |
| LIBRARY SERVICES | 5,662 | 5,095 | 90.0% | 7,719 | 6,260 | 6,260 | 6,339 | 101.3% | 6,260 | 0 | Spending is associated with Branch and Main Library services; will remain within overall budget authority | 24.4% | -18.9% |
| PARKS & RECREATION | 0 | 8,169 | 0% | 15,223 | 0 | 0 | 4,422 | 0% | 5,844 | (5,844) | Spending is associated with security services; anticipated to remain within overall budget authority | -45.9% | -61.6% |
| HUMAN SERVICES | (4,579) | 24,220 | -528.9% | 37,638 | 0 | 0 | 13,526 | 0% | 18,012 | (18,012) | Spending is attributed to accounting functions related to audits, and events at Senior Centers | -44.2% | -52.1% |
| PUBLIC WORKS | 804,120 | 741,667 | 92.2% | 1,337,760 | 1,036,230 | 1,036,230 | 1,188,574 | 114.7% | 1,361,626 | (325,396) | Overtime spending is attributed to maintenance services; primarily Tree and Sewer maintenance, and graffiti abatement | 60.3% | 1.8% |
| COMMUNITY & ECONOMIC DEV | 384,789 | 373,004 | 96.9% | 576,927 | 405,630 | 405,630 | 304,233 | 75.0% | 405,429 | 201 | | -18.4% | -29.7% |
| NON-DEPARTMENTAL | 500 | 408 | 81.6% | 408 | 0 | 0 | 0 | 0% | 0 | 0 | | -100.0% | -100.0% |
| CAPITAL IMPROVEMENT PROGRAM | 0 | 130 | 0% | 130 | 0 | 0 | 0 | 0% | 0 | 0 | | -100.0% | -100.0% |
| TOTAL | \$26,614,597 | \$21,276,342 | 79.9% | \$37,520,680 | \$18,505,340 | \$20,810,303 | \$17,276,447 | 93.4% | \$32,669,091 | (\$14,163,751) | | -16.8% | -12.9% |

FY 2009-10 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2009 through March 31, 2010)
LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT REVENUES (\$ in millions)

| Revenue Category | FY 2008-09 Q3 Actuals | FY 2008-09 Q3 Actuals | FY 2008-09 Percent to Date | FY 2008-09 Audited Year-End Actuals | FY 2009-10 Adopted Budget | FY 2009-10 Q2 Year-End Forecast | FY 2009-10 Q3 Actuals | FY 2009-10 Q3 Percent to Date | FY 2009-10 Q3 Year-End Forecast | Year-End \$ Over/ (Under) Q2 Fcst | Explanation of Over/ (Under) Collection Compared to Q2 Forecast | Yr-to-Yr Growth Q3 to Q3 Yr-End to Yr-End | Yr-to-Yr Growth Q3 to Q3 Yr-End to Yr-End |
|---|-----------------------|-----------------------|----------------------------|-------------------------------------|---------------------------|---------------------------------|-----------------------|-------------------------------|---------------------------------|-----------------------------------|---|---|---|
| Tax Revenues | 17.8 | 11.6 | 64.8% | 20.0 | 18.2 | 18.2 | 11.9 | 65.3% | 18.2 | 0.0 | | 2.9% | -8.9% |
| Licenses and Permits | 0.0 | 0.0 | 84.7% | 0.0 | 0.0 | 0.0 | 0.0 | 87.1% | 0.0 | 0.0 | | 2.8% | -11.1% |
| Interest | 0.0 | (0.1) | 0% | 0.0 | 0.0 | (0.0) | (0.0) | 0% | 0.0 | 0.0 | | -83.4% | 0% |
| Service Charges | 0.2 | 0.1 | 45.8% | 0.1 | 0.2 | 0.2 | 0.1 | 62.6% | 0.1 | (0.0) | | -1.3% | -3.0% |
| Internal Service | 0.0 | 0.0 | 0% | 0.0 | 0.0 | 0.0 | 0.0 | 0% | 0.0 | 0.0 | | 0% | 0% |
| Other | 4.8 | (0.0) | -0.3% | (0.0) | 0.0 | 0.0 | 0.0 | 0% | 0.0 | 0.0 | | -220.2% | -177.3% |
| Operating Transfers | 0.0 | 0.0 | 0% | 0.0 | 0.0 | 0.0 | 0.0 | 0% | 0.0 | 0.0 | | 0% | 0% |
| NET REVENUE | \$22.9 | \$11.5 | 50.3% | \$20.1 | 18.4 | 18.4 | \$12.0 | 65.3% | \$18.4 | \$0.0 | | 4.2% | -8.6% |
| CARRYFORWARDS & PRIOR YEAR ENCUMBRANCES | 0.1 | 0.0 | 0.0% | 0.0 | 0.0 | 0.2 | 0.0 | 0.0% | 0.2 | 0.0 | | 0% | 0% |
| GROSS REVENUE | \$23.0 | \$11.5 | 50.1% | \$20.1 | 18.4 | 18.5 | \$12.0 | 65.0% | \$18.6 | \$0.0 | | 4.2% | -7.6% |

FY 2009-10 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2009 through March 31, 2010)

LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT EXPENDITURES (in \$millions)

| Agency/Department | FY 2008-09 Q3 Adjusted Budget | FY 2008-09 Q3 Actuals | FY 2008-09 Percent To Date | FY 2008-09 Audited Year-End Actuals | FY 2009-10 Adopted Budget | FY 2009-10 Q2 Year-End Forecast | FY 2009-10 Q3 Actuals | Percent of Adj Budget | FY 2009-10 Q3 Year-End Forecast | Year-End \$(Over)/Under Q2 Forecast | Explanation of (Overspending)/Savings | Yr-to-Yr Growth Q3 to Q3 | Yr-to-Yr Growth Yr-End to Yr-End |
|-------------------------------------|-------------------------------|-----------------------|----------------------------|-------------------------------------|---------------------------|---------------------------------|-----------------------|-----------------------|---------------------------------|-------------------------------------|---------------------------------------|--------------------------|----------------------------------|
| CITY ADMINISTRATOR | 0.1 | 0.1 | 52.7% | 0.1 | 0.1 | 0.1 | 0.0 | 33.9% | 0.0 | 0.1 | Position vacancies | -37.2% | -53.0% |
| CITY ATTORNEY | 0.2 | 0.1 | 76.3% | 0.2 | 0.2 | 0.2 | 0.1 | 77.1% | 0.2 | 0.0 | | 2.9% | 0.0% |
| FINANCE AND MANAGEMENT AGENCY | 0.0 | 0.1 | 315.0% | 2.1 | 0.0 | 0.0 | 0.0 | 1.0% | 0.0 | 0.0 | | -99.6% | 0.0% |
| MUSEUM | 0.3 | 0.3 | 93.4% | 0.3 | 0.2 | 0.3 | 0.2 | 59.6% | 0.2 | 0.1 | Salary savings due to Museum closure | -42.3% | -18.1% |
| CEDA | 0.0 | 0.0 | -401.9% | 0.0 | 0.0 | 0.0 | 0.0 | 0% | | | | | |
| PUBLIC WORKS | 14.7 | 11.6 | 78.8% | 15.9 | 13.7 | 14.2 | 9.5 | 66.8% | 14.2 | 0.0 | | -18.4% | -0.2% |
| OFFICE OF PARKS AND RECREATION | 3.3 | 1.8 | 55.7% | 3.4 | 4.2 | 4.2 | 3.1 | 73.8% | 4.2 | 0.0 | | 66.4% | 0.0% |
| GROSS EXPENDITURE | 18.7 | 14.0 | 75.1% | 22.1 | 18.4 | 18.9 | 12.9 | 68.2% | 18.6 | \$0.1 | | -7.9% | -0.7% |
| CARRYFORWARDS & PRIOR YEAR ENCUMBRA | 0.1 | 0.0 | 0.0% | 0.0 | 0.0 | 0.2 | 0.0 | | 0.2 | 0.0 | | 0% | 0.0% |
| NET EXPENDITURE | 18.8 | 14.0 | 74.7% | 22.1 | 18.4 | 18.8 | 12.9 | 16.7% | 18.6 | \$0.1 | | -7.9% | -0.7% |

FY 2009-10 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2009 through March 31, 2010)
EQUIPMENT FUND REVENUES (\$ in millions)

| Revenue Category | FY 2008-09 3rd Qtr Adjusted Budget | FY 2008-09 3rd Qtr Actuals | FY 2008-09 Percent To Date | FY 2008-09 Audited Year-End Actuals | FY 2009-10 Adopted Budget | FY 2009-10 Q2 Year-End Forecast | FY 2009-10 3rd Qtr Actuals | FY 2009-10 Percent To Date (Q2 Fcst) | FY 2009-10 Q3 Year-End Forecast | Year-End \$ Over/ (Under) Q2 Fcst | Explanation of Over / (Under) Collection | Yr-to-Yr % Growth 2nd Qtr | Yr-to-Yr % Growth Yr-End to Yr-End |
|---|---|----------------------------------|----------------------------------|--|---------------------------------|--|----------------------------------|---|--|--|---|---------------------------------|---|
| FINES & PENALTIES | 0.0 | 0.0 | 0.0% | 0.0 | 0.0 | 0.0 | 0.0 | 0% | 0.0 | 0.0 | | 0% | -100.0% |
| INTEREST INCOME | 0.0 | -0.3 | 0% | -0.3 | -1.0 | -1.0 | 0.0 | 4.5% | -1.0 | 0.0 | | -85.1% | 189.1% |
| INTERNAL SERVICE | 16.3 | 14.2 | 87.4% | 20.9 | 16.6 | 16.6 | 13.2 | 79.4% | 16.6 | 0.0 | | -7.2% | -20.7% |
| LICENSES & PERMITS | 0.0 | 0.0 | 0% | 0.0 | 0.1 | 0.1 | 0.0 | 53.5% | 0.0 | 0.0 | | 0% | 0% |
| SERVICE CHARGES | 0.0 | 0.1 | 0% | 0.0 | 0.2 | 0.2 | 0.2 | 116.0% | 0.2 | 0.0 | | 199.8% | 0% |
| MISCELLANEOUS | 0.1 | 0.2 | 270.0% | 0.2 | 0.8 | 0.8 | 0.1 | 9.1% | 0.8 | 0.0 | | -58.1% | 404.3% |
| NET REVENUE | \$16.4 | \$14.1 | 86.5% | \$20.8 | \$16.7 | \$16.7 | \$13.4 | 80.6% | \$16.7 | \$0.0 | | -6.2% | -19.7% |
| CARRYFORWARDS & PRIOR YEAR ENCUMBRANCES | 0.0 | 0.0 | 0% | 0.0 | 0.0 | 2.9 | 0.0 | 0.0% | -2.9 | -5.7 | | 0% | 0% |
| GROSS REVENUE | \$16.4 | \$14.1 | 86.5% | \$20.8 | \$16.7 | \$19.6 | \$13.4 | 68.8% | \$13.8 | \$(5.7) | | -5.2% | -33.5% |

FY 2009-10 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2009 through March 31, 2010)
EQUIPMENT FUND EXPENDITURES (\$ in millions)

| Agency/Department | FY 2008-09 3rd Qtr Adjusted Budget | FY 2008-09 3rd Qtr Actuals | FY 2008-09 Percent To Date | FY 2008-09 Audited Year-End Actuals | FY 2009-10 Adopted Budget | FY 2009-10 Q2 Year- End Forecast | FY 2009-10 3rd Qtr Actuals | FY 2009-10 Percent To Date (Q2 Fcst) | FY 2009-10 Q3 Year-End Forecast | Year-End \$ (Over)/ Under Q2 Fcst | Explanation of (Overspending)/Savings | Yr-to-Yr Growth Q3 to Q3 | Yr-to-Yr Growth YrEnd to YrEnd |
|-----------------------------|---|----------------------------------|----------------------------------|--|---------------------------------|---|----------------------------------|---|---------------------------------------|--|--|--------------------------------|---|
| INFORMATION TECHNOLOGY | 0.1 | 0.0 | 0.0% | 0.0 | 0.1 | 0.1 | 0.1 | 93.4% | 0.1 | 0.0 | | 0% | 0% |
| FIRE SERVICES | 0.0 | 0.0 | 0% | 0.0 | 0.0 | 0.0 | 0.0 | 0% | 0.0 | 0.0 | | -100.0% | -100.0% |
| PUBLIC WORKS | 21.5 | 14.4 | 66.8% | 20.1 | 16.9 | 19.3 | 10.8 | 56.0% | 19.3 | (0.0) | | -24.8% | -3.9% |
| PARKS & RECREATION | 0.0 | 0.0 | 0% | 0.0 | 0.0 | 0.0 | 0.0 | 0% | 0.0 | 0.0 | | -100.0% | -100.0% |
| COMMUNITY & ECONOMIC DEV | 0.0 | 0.0 | 0% | 0.0 | 0.0 | 0.0 | 0.0 | 0% | 0.0 | 0.0 | | -100.0% | -100.0% |
| NON-DEPARTMENTAL | 0.0 | 0.0 | 0% | (2.4) | 0.0 | 0.0 | 0.0 | 0% | 0.0 | 0.0 | | 0% | -100.0% |
| CAPITAL IMPROVEMENT PROGRAM | 0.0 | 0.0 | 0% | 0.3 | 0.0 | 0.0 | 0.0 | 0% | 0.0 | 0.0 | | 0% | -100.0% |
| GROSS EXPENDITURE | \$21.6 | \$14.4 | 66.6% | \$18.1 | \$17.0 | \$19.4 | \$10.9 | 56.2% | \$19.4 | \$(0.0) | | -24.2% | -7.4% |
| Less: | | | | | | | | | | | | | |
| CARRYFORWARDS & PRIOR YEAR | 1.3 | 0.0 | 0.0 | 0.0 | 0.0 | 2.9 | 0.0 | 0.0 | 2.9 | 0.0 | | | |
| ENCUMBRANCES | | | | | | | | | | | | | |
| Depreciation | | | | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | | |
| Use of Trustee Cash | | | | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | | |
| Addbacks: | | | | | | | | | | | | | |
| Debt payment | | | | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | | |
| NET EXPENDITURE | \$20.3 | \$14.4 | 71.0% | \$18.1 | \$17.0 | \$16.5 | \$10.9 | 65.9% | \$16.6 | \$(0.0) | | -24.2% | -8.4% |

*Gross expenditure includes carryforwards and prior year encumbrances of \$2.86 million in the adjusted budget; approximately \$2.7 million of carryforward and encumbrances from prior years is reflected in the actual expenditures above.

FY 2009-10 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2009 through March 31, 2010)
FACILITIES FUND REVENUES (\$ in millions)

| Revenue Category | FY 2008-09 3rd Qtr Adjusted Budget | FY 2008-09 3rd Qtr Actuals | FY 2008-09 Percent To Date | FY 2008-09 Audited Year-End Actuals | FY 2009-10 Adopted Budget | FY 2009-10 3rd Qtr Year-End Forecast | FY 2009-10 3rd Qtr Actuals | FY 2009-10 Percent To Date (Q2 Fcst) | FY 2009-10 Q3 Year-End Forecast | Year-End \$ Over/ (Under) Q2 Fcst | Explanation of Over/(Under) Collection | Yr-to-Yr Growth Q1 to Q1 | Yr-to-Yr Growth Yr-End to Yr-End |
|----------------------------|---|----------------------------------|----------------------------------|--|---------------------------------|---|----------------------------------|---|---------------------------------------|--|---|--------------------------------|---|
| INTEREST INCOME | 0.0 | (0.4) | -2131.3% | (0.6) | (1.6) | (1.6) | (0.0) | 0.0 | (1.6) | 0.0 | | -93.2% | 164.0% |
| SERVICE CHARGES | 0.0 | 0.0 | 99.4% | 0.1 | 0.2 | 0.2 | 0.0 | 0.0 | 0.2 | 0.0 | | -76.6% | 53.5% |
| INTERNAL SERVICE | 18.3 | 9.3 | 50.6% | 18.5 | 23.1 | 23.1 | 17.5 | 0.0 | 23.1 | 0.0 | | 89.2% | 24.9% |
| MISCELLANEOUS | 0.0 | (0.1) | 0% | (0.2) | 0.0 | 0.0 | 0.1 | 0% | 0.0 | 0.0 | | -208.0% | -100.0% |
| GRANTS & SUBSIDIES | 0.1 | 0.1 | 50.0% | 0.0 | 0.0 | 0.0 | 0.1 | 0% | 0.0 | 0.0 | | 0.0% | 0% |
| NET REVENUE | \$18.5 | \$8.8 | 47.9% | \$17.9 | \$21.8 | \$21.8 | \$17.6 | 80.96% | \$21.8 | \$0.0 | | 99.7% | 121.6% |
| CARRYFORWARDS & PRIOR YEAR | 0.0 | 0.0 | 0.0% | 0.0 | 0.0 | 0.5 | 0.0 | 0.0 | 0.5 | 0.0 | | 0% | 16227569.6% |
| GROSS REVENUE | \$18.5 | \$8.8 | 47.9% | \$17.9 | \$21.8 | \$22.3 | \$17.6 | 78.99% | \$22.3 | \$0.0 | | 99.7% | 124.6% |

FY 2009-10 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2009 through March 31, 2010)
FACILITIES FUND EXPENDITURES (\$ in millions)

| Agency/Department | FY 2008-09 3rd Qtr Adjusted Budget | FY 2008-09 3rd Qtr Actuals | FY 2008-09 Percent To Date | FY 2008-09 Audited Year-End Actuals | FY 2009-10 Adopted Budget | FY 2009-10 Q2 Year- End Forecast | FY 2009-10 Q3 Actuals | FY 2009-10 Percent To Date (Q2 Fcst) | FY 2009-10 Year-End Forecast | Year-End (Over/ Under Q2 Fcst) | Explanation of (Overspending/ Savings) | Yr-to-Yr Growth Q1 to Q1 | Yr-to-Yr Growth Yr-End to Yr-End |
|-----------------------------|---|----------------------------------|----------------------------------|--|---------------------------------|---|--------------------------|---|------------------------------------|---|--|--------------------------------|---|
| INFORMATION TECHNOLOGY | 0.1 | 0.1 | 86.0% | 0.1 | 0.1 | 0.1 | 0.0 | 50.7% | 0.1 | 0.0 | | -58.3% | -34.7% |
| POLICE | 0.1 | 0.1 | 86.6% | 0.1 | 0.0 | 0.0 | 0.0 | 101.3% | 0.0 | 0.0 | | -96.0% | -96.9% |
| PUBLIC WORKS | 23.5 | 16.3 | 69.2% | 22.4 | 21.7 | 21.5 | 14.8 | 68.9% | 21.7 | 0.3 | Projected savings attributed to position vacancies. | -9.2% | -2.9% |
| NON-DEPARTMENTAL | 0.0 | 0.0 | 0.0% | (0.3) | 0.0 | 0.0 | 0.0 | 0% | 0.0 | 0.0 | | 0% | -100.0% |
| CAPITAL IMPROVEMENT PROGRAM | 0.0 | 0.0 | 0.0% | 0.0 | 0.0 | 0.0 | 0.0 | 0% | 0.0 | 0.0 | | -100.0% | -100.0% |
| GROSS EXPENDITURE | \$23.7 | \$16.5 | 69.4% | \$22.3 | \$21.8 | \$21.8 | \$14.8 | 68.8% | \$21.8 | \$0.3 | | -10.0% | -2.3% |
| Less: | | | | | | | | | | | | | |
| CARRYFORWARDS & PRIOR YEAR | | | | | 0.0 | 0.5 | 0.0 | 0.0% | 0.5 | 0.0 | | | |
| ENCUMBRANCES | | | | | | | | | | | | | |
| Depreciation | | | | | - | - | - | - | - | - | | | |
| Use of Trustee Cash | | | | | - | - | - | - | - | - | | | |
| Addbacks: | | | | | | | | | | | | | |
| Debt payment | | | | | | | | | | | | | |
| NET EXPENDITURE | \$23.7 | \$16.5 | 69.4% | \$22.3 | \$21.8 | \$21.0 | \$14.8 | 70.6% | \$21.3 | \$0.3 | | -10.0% | -4.7% |

ATTACHMENT F

Status of Implementing Key FY 2009-11 Adopted & Amended Budget Items

General Purpose Fund (GPF) Revenue Items

| Budget Item | Mayor Proposal? | Council Amendment? | FY 09-10 Budgeted Revenue | FY 10-11 Budgeted Revenue | FY 09-10 Revenue to Date (through March 31, 2010) | Percent Collected | Status |
|---|-----------------|--------------------|---------------------------|---------------------------|---|-------------------|--|
| July 21 special election results and their impact on the FY 2009-11 budget. | Yes | | 3,603,929 | 3,659,006 | 1,346,561 | 37% | Ballot measures passed. \$300K; Cannabis Tax (collect in 3rd qtr.) \$550K; RPTT Mergers & Acq. (no collection yet). \$2.75M; Hotel Tax (Non-GPF fund - YTD collections \$187.3K) |
| New revenue collection programs (business tax amnesty program and collection; enhanced tax collection). | Yes | | 725,000 | 225,000 | 668,750 | 92% | Business Tax Amnesty has been implemented; Additional anticipated revenue from the newly-hired Tax Auditor III is on target. |
| Anticipated Coliseum Parking Tax Revenue (September 1 implementation) | | Yes | 810,833 | 973,000 | 544,207 | 67% | Collection from July through March 2010. |
| <i>Parking revenues:</i> | | | | | | | |
| Accept proposed California Vehicle Code fine increases (except bus zone violation) | Yes | Yes | 170,000 | 170,000 | 121,125 | 71% | Implemented. |
| Double fines for illegal truck parking | Yes | Yes | 33,000 | 33,000 | 23,513 | 71% | Implemented. |
| Include anticipated diesel truck parking tax revenue (9-months only, per Council direction 6/16/09) | | Yes | 162,000 | 216,000 | - | 0% | Revenue Division is pursuing collection |
| Implement vehicle "boot" program | | Yes | 500,000 | 800,000 | 416,667 | 83% | Implemented. |

ATTACHMENT F

Status of Implementing Key FY 2009-11 Adopted & Amended Budget Items

General Purpose Fund (GPF) Revenue Items

| Budget Item | Mayor Proposal? | Council Amendment? | FY 09-10 Budgeted Revenue | FY 10-11 Budgeted Revenue | FY 09-10 Revenue To Date (through March 31, 2010) | Percent Collected | Status |
|---|-----------------|--------------------|---------------------------|---------------------------|---|-------------------|--|
| Raise parking meter rate \$1.50 to \$2.00 / hour | | Yes | 2,200,000 | 2,200,000 | 1,485,000 | 68% | Implemented. |
| Extend meter hours to 8 pm | Yes | Yes | 330,000 | 330,000 | - | 100% | |
| Revenue to replace the revenue loss from the rollback of the extended meter hours | | | 1,000,000 | 1,000,000 | | | Parking Meter budget revised from \$1.33M to \$0.33M to reflect 10/6/09 Council action of rolling back parking enforcement hours from 8pm to 6pm. |
| Additional revenue from the authorization of future billboard agreements | | | \$494,250 | \$494,250 | \$0 | | Terms are being finalized with EBMUD, the land owner. |
| Add 250 metered stalls to locations citywide | Yes | | \$145,750 | \$145,750 | \$0 | | Item approved at the May 4, 2010 City Council meeting. City Council directed staff to return with a future report for alternative meter locations and price points for Districts 2, 6, and 7. Resolution amended to keep parking meter locations for Districts 1, 3, 4, and 5. |

ATTACHMENT F

Status of Implementing Key FY 2009-11 Adopted & Amended Budget Items

General Purpose Fund (GPF) Revenue Items

| Budget Item | Mayor Proposal? | Council Amendment? | FY 09-10 Budgeted Revenue | FY 10-11 Budgeted Revenue | FY 09-10 Revenue To Date (through March 31, 2010) | Percent Collected | Status |
|--|-----------------|--------------------|---------------------------|---------------------------|---|-------------------|--|
| Create a program with OPD and Parking Enforcement to Increase enforcement against illegal use of disabled parking placards | Yes | | \$150,000 | \$150,000 | \$0 | | Approved at the 4/20/10 City Council meeting. [Ordinance No: 13000 C.M.S.] Parking enforcement staff (non-sworn) authorized to impose a fine of \$510 for "Misuse or Abuse of Distinguishing Placards and Special License Plates"; \$368 for "Disabled Person Parking Space"; and \$313 for "3 Feet from Sidewalk Access Ramp". |
| Re-direct a portion of the revenue from parking garage automation to the General Fund | Yes | | \$100,000 | \$100,000 | \$0 | | No additional revenue from garage automation is anticipated in the current year. Garage automation is expected by the end of the current fiscal year for at least one garage. |
| Open the Pacific Renaissance garage for residential use at night | | | \$80,000 | \$80,000 | \$0 | | Revenue will not be actualized as additional funding will be required to operate residential nightly parking. |
| Sell advertising space on the back of parking receipts | | | \$30,000 | \$30,000 | \$0 | | Both companies identified to implement budget item have gone out of business. |

ATTACHMENT F

Status of Implementing Key FY 2009-11 Adopted & Amended Budget Items

General Purpose Fund (GPF) Revenue Items

| Budget Item | Mayor Proposal? | Council Amendment? | FY 09-10 Budgeted Revenue | FY 10-11 Budgeted Revenue | FY 09-10 Revenue To-Date (through March 31, 2010) | Percent Collected | Status |
|---|-----------------|--------------------|---------------------------|---------------------------|---|-------------------|--|
| Additional revenue/expenditure savings | | | \$0 | \$330,000 | \$0 | | To be identified revenue/expenditure savings; included in calculation of FY 2010-11 shortfall. |
| Lake Merritt Parking Change proposal to \$2 for 2-hrs and \$10 for all day parking on weekdays, \$5 for all day pass on the weekends. | | Yes | (40,000) | (40,000) | (40,000) | 100% | New rates have been implemented; revenue budget adjusted. |
| Increase off-street parking lot hourly rates to the same as the meters and selected garage hourly fees (Clay St. and Dalziel garages) | | Yes | 300,000 | 300,000 | 300,000 | 100% | Implemented in July 2009. Funds have been transferred from Fund 1750. |
| Public education regarding parking enforcement. | | Yes | - | - | | | Press release issued and Frequently Asked Questions developed; flyers distributed. |

ATTACHMENT F

Status of Implementing Key FY 2009-11 Adopted & Amended Budget Items

General Purpose Fund (GPF) Expenditure Items

| Budget Item | Mayor Proposal? | Council Amendment? | FY 09-10 Budgeted Savings | FY 10-11 Budgeted Savings | Savings Achieved through March 31, 2010 | Percent To-Date | Status |
|---|-----------------|--------------------|---------------------------|---------------------------|---|-----------------|--|
| Implementation of position reductions and layoffs included in the budget. | Yes | Yes | 3,600,000 | 3,600,000 | 3,600,000 | 100.0% | Implemented. A total of 213 employees have been affected, with 64 released through layoff or termination. |
| Implementing retirement 5% pick up included in union contracts. | Yes | | 3,300,000 | 3,300,000 | 2,475,000 | 75.0% | Implemented. |
| Implementing the Citywide mandatory business shutdown. | Yes | | 3,440,000 | 3,440,000 | 2,866,667 | 83.3% | Mandatory shutdown days (MBS) have been scheduled for FY09-10. Ten MBS days have lapsed as of Jan 31, 2010 (Aug 14, Sept 8, Oct 23, Nov 30, Dec 28-31, Jan 15, and Mar 31). |
| Status on the Golden Handshake retirement program. | Yes | Yes | 2,265,812 | 2,265,812 | 1,699,359 | 75.0% | Year-end Golden Handshake savings are anticipated to meet budget. |
| Status on the COPS grant fund | Yes | | 6,582,372 | 6,582,372 | 6,582,372 | 100.0% | Awarded \$19,747,117 for three years. |
| Status on the Byrne Memorial Justice Assistance Grant (JAG) grant funding and impact on OPD budget. | Yes | | 828,000 | N/A | 828,000 | 100.0% | City Council Reso. Indicates seeking \$3.3M for 4 years or (\$828K/year). Grant has been awarded and appropriated |
| Savings from budgeted vacancy rates. | Yes | Yes | 2,300,000 | 2,370,000 | 1,531,254 | 66.6% | Vacancy factors of 3.5% for small departments and 5% for large departments (excluding sworn positions) is assumed in the budget. The actual vacancy rate for civilian GPF positions for all departments was 4.15% as of March 8, 2010. |

ATTACHMENT F

Status of Implementing Key FY 2009-11 Adopted & Amended Budget Items

General Purpose Fund (GPF) Expenditure Items

| Budget Item | Mayor Proposal? | Council Amendment? | FY 09-10 Budgeted Savings | FY 10-11 Budgeted Savings | Savings Achieved through March 31, 2010 | Percent To Date | Status |
|--|-----------------|--------------------|---------------------------|---------------------------|---|-----------------|--|
| Rangers -- Reinstate two | | Yes | (260,000) | (260,000) | (260,000) | 100.0% | Implemented, however, all remaining Ranger positions were eliminated by Council on February 16, 2010 per resolution #82582 C.M.S. as part of balancing anticipated the FY 2009-10 year-end deficit and FY 2010-11 deficit. |
| Parks & Recreation -- Restore Oakland Fine Arts programs (one-year only) | | Yes | (50,000) | - | (50,000) | 100.0% | Implemented. |
| Library -- Do not accept proposed Branch pairing | | Yes | (380,000) | (380,000) | (380,000) | 100.0% | Implemented: Council did not accept branch pairing. Funding restored. |
| Public Works -- Addback PWA FTEs (4 Tree, 3 gardener crews that will perform litter pick-up) | | Yes | (1,200,000) | (1,200,000) | (192,198) | 100.0% | Implemented. |
| Library -- Reduce book budget by 10%, transfer FY 08-09 carryforward for supplies to Measure Q (one-time) in order to offset materials reduction | | Yes | 260,000 | - | 260,000 | 100.0% | Implemented. |
| Library -- Rent out 2nd Start facility | | Yes | 90,000 | 90,000 | - | 0.0% | Current tenant has yet to vacate, so leasing out is not yet possible. |
| Public Works -- Forego \$1.45m in new vehicle purchases; transfer \$200k to ORA | | Yes | 1,650,000 | 2,000,000 | 412,500 | 100.0% | Implemented. |
| Public Works -- Removal of 100 vehicles; eliminate vacant Equipment Mechanic and vacant Automotive Equipment Service Worker | | Yes | 294,160 | 294,160 | 294,160 | 100.0% | Implemented. A total of 126 vehicles have been removed to date. Positions have been eliminated. |

ATTACHMENT F

Status of Implementing Key FY 2009-11 Adopted & Amended Budget Items

General Purpose Fund (GPF) Expenditure Items

| Budget Item | Mayor Proposal? | Council Amendment? | FY 09-10 Budgeted Savings | FY 10-11 Budgeted Savings | Savings Achieved through March 31, 2010 | Percent To-Date | Status |
|---|-----------------|--------------------|---------------------------|---------------------------|---|-----------------|---|
| Eliminate Take-Home Vehicles for OPD except for Commanders, Tactical Team Leaders and Intel Officers; Downgrade two Accountant III positions to Account Clerk III; Reduce O&M | | Yes | 80,000 | 80,000 | 80,000 | 100.0% | Take-Home vehicles have been turned in and position downgrade has been processed. |
| Police -- Eliminate Field Training Officer (FTO) Premium Pay (one-year only) due to delayed academies | | Yes | 916,430 | - | 821,930 | 89.7% | This was implemented and removed from the budget, however approximately \$94,500 will be needed for FTO pay for Lateral Academy Training Officers. This additional spending had been factored into FY 2009-10 deficit projections, on which the City Council took final balancing action on April 29th at its special budget meeting. |
| Police -- Transfer 4 NSCs out of GPF October 1st if City receives anticipated grant funding | | Yes | 270,000 | 360,000 | - | 0.0% | Grant funding did not materialize. FTEs remain funded by the General Purpose Fund. This additional spending had been factored into FY 2009-10 deficit projections, on which the City Council took final balancing action on April 29th at its special budget meeting. |
| Police -- Eliminate Facilities Manager | | Yes | 110,000 | 110,000 | 110,000 | 100.0% | Implemented. |
| Fire -- Employee Concessions (subject to negotiations) | | Yes | 6,100,000 | 6,100,000 | 6,100,000 | 100.0% | Implemented. |

ATTACHMENT F

Status of Implementing Key FY 2009-11 Adopted & Amended Budget Items

General Purpose Fund (GPF) Expenditure Items

| Budget Item | Mayor Proposal | Council Amendment? | FY 09-10 Budgeted Savings | FY 10-11 Budgeted Savings | Savings Achieved through March 31, 2010 | Percent To-Date | Status |
|--|----------------|--------------------|---------------------------|---------------------------|---|-----------------|---|
| Mayor's Office -- 20% reduction out of exempt positions budget, and elimination of FY 09-10, FY 10-11 and prior year Pay-Go | | Yes | 411,454 | 367,008 | 207,000 | 50.3% | Implemented - Elimination of Pay Go. On March 16th, the City Council approved resolution no. 82646 approving 15% reductions in elected offices' appropriations, prorated from May through year-end. These figures are not reflected in this table. |
| City Attorney's Office -- 10% reduction | | Yes | 714,790 | 714,790 | 714,790 | 100.0% | Reductions made for Deputy City Attorney V (1.0 FTE) and Deputy City Attorney IV (2.0 FTE). On March 16th, the City Council approved resolution no. 82646 approving 15% reductions in elected offices' appropriations, prorated from May through year-end. These figures are not reflected in this table. |
| Auditor -- 4.4% reduction | | Yes | 66,630 | 66,630 | 66,630 | 100.0% | Reduction in budget made. On March 16th, the City Council approved resolution no. 82646 approving 15% reductions in elected offices' appropriations, prorated from May through year-end. These figures are not reflected in this table. |
| City Administrator -- Eliminate Asst to the City Administrator (Measure Y) and authorize \$76,760 Measure Y dollars for staff support for the Measure Y Committee. | | Yes | - | - | - | 100.0% | Budgeted FTE reduction has been implemented. |

ATTACHMENT F

Status of Implementing Key FY 2009-11 Adopted & Amended Budget Items

General Purpose Fund (GPF) Expenditure Items

| Budget Item | Mayor Proposal? | Council Amendment? | FY 09-10 Budgeted Savings | FY 10-11 Budgeted Savings | Savings Achieved through March 31-2010 | Percent to-Date | Status |
|--|-----------------|--------------------|---------------------------|---------------------------|--|-----------------|--|
| Elected Officials -- Voluntarily take 10% annual pay compensation reduction | | Yes | 106,000 | 106,000 | 43,718 | 41% | Most of elected officials have opted for pay compensation reduction. |
| City Council -- 20% reduction (including elimination of FY 2009-11 Pay-Go) | | Yes | 430,600 | 280,000 | 107,650 | 100% | Implemented. |
| Human Resources -- Eliminate 5 FTEs (Public Service Rep, 1 HR Analyst, 2 HR Clerks, HR Mgr) | | Yes | 484,110 | 484,110 | 484,110 | 100.0% | Implemented. |
| Eliminate Human Rights Commission (currently inactive) | | Yes | 50,000 | 50,000 | 50,000 | 100% | Implemented. |
| Marketing -- Increase Cultural Funding Program Coordinator position from 0.5 FTE to 1.0 FTE and reduce arts grants by \$55k to offset and make revenue neutral | | Yes | - | - | - | 100% | Implemented. |
| Special Events & Festivals -- Do not restore | | Yes | 171,500 | 171,500 | 171,500 | 100% | Implemented. |
| One Work Place Business Incentive Agreement (revenue anticipated if deal approved as proposed) | | Yes | 400,000 | 400,000 | - | - | |
| City/County Collaboration -- Eliminate unspent carryforward from 08/09 (one-year only) | | Yes | 265,000 | - | 265,000 | 100% | Implemented. |
| Reduce Contingency Reserves (Council and City Administrator's) by 50% | | Yes | 200,000 | 200,000 | 200,000 | 100% | Implemented. |
| Prefund Miscellaneous Employee portion of PERS | | Yes | (422,288) | (422,288) | (104,655) | 100% | Implemented. |
| Reduce supplies across all agencies by 20% (Finance Committee to track) | | Yes | 1,300,000 | 1,300,000 | 1,300,000 | 100.0% | Implemented. |

ATTACHMENT F

Status of Implementing Key FY 2009-11 Adopted & Amended Budget Items

General Purpose Fund (GPF) Expenditure Items

| Budget Item | Mayor Proposal? | Council Amendment? | FY 2009-10 Budgeted Savings | FY 10-11 Budgeted Savings | Savings Achieved through March 31, 2010 | Percent To-Date | Status |
|--|-----------------|--------------------|-----------------------------|---------------------------|---|-----------------|---|
| Renegotiate outstanding contracts for 5-10% reduction (Finance Committee to track) | | Yes | 532,000 | 432,580 | 66,000 | 12.4% | Letters seeking contract concessions have been sent to all City contractors and vendors, as well as follow-up reminder and thank you letters. Nonetheless, savings achieved to date are only \$66,000 in GPF and \$1,122,000 across all funds |
| Suspend repayment on old negative fund balances (one-year only) | | Yes | 3,000,000 | - | 3,000,000 | 100% | Implemented. |
| Zoo -- Reduce subsidy 10% | | Yes | 100,000 | 100,000 | 100,000 | 100% | Implemented, subsidy agreements executed. |
| Boating Center -- Reduce subsidy 10% | | Yes | 17,000 | 17,000 | 17,000 | 100% | |
| Chabot Space & Science -- Reduce subsidy 10% | | Yes | 59,500 | 59,500 | 59,500 | 100% | |
| School of the Arts -- Reduce subsidy 50% | | Yes | 175,000 | 175,000 | 175,000 | 100% | |
| Hacienda Peralta -- Reduce subsidy 10% | | Yes | 18,000 | 18,000 | 18,000 | 100% | |
| Vietnamese Senior Services -- Reduce subsidy 10% | | Yes | 6,000 | 6,000 | 6,000 | 100% | |
| Cypress-Mandela Training Center -- Reduce subsidy | | Yes | 28,000 | 28,000 | 28,000 | 100% | |
| Symphony in the Schools -- Reduce subsidy 10% | | Yes | 10,000 | 10,000 | 10,000 | 100% | |
| Women's Business Initiative -- Reduce subsidy 10% | | Yes | 15,000 | 15,000 | 15,000 | 100% | |
| Oakland Asian Cultural Center -- Reduce subsidy 10% | | Yes | 10,000 | 10,000 | 10,000 | 100% | |
| CEDA -- Day Laborers Program -- Reduce 10% | | Yes | 19,000 | 19,000 | 19,000 | 100% | Implemented. |
| Human Services -- Academies Program -- Reduce 25% | | Yes | 50,000 | 50,000 | 50,000 | 100% | Implemented. The budget has been eliminated. |
| IT -- Restore City Administrator Analyst (Web Support) | | Yes | (128,556) | (131,187) | (36,680) | 100% | Implemented. |

ATTACHMENT F

Status of Implementing Key FY 2009-11 Adopted & Amended Budget Items

General Purpose Fund (GPF) Expenditure Items

| Budget Item | Mayor Proposal | Council Amendment | FY 09-10 Budgeted Savings | FY 10-11 Budgeted Savings | Savings Achieved Through March 31, 2010 | Percent To-Date | Status |
|--|----------------|-------------------|---------------------------|---------------------------|---|-----------------|--|
| City Administrator -- Include initial funding for "OakStat" Performance Management system. Scheduled for September discussion in Finance Committee | | Yes | (20,000) | (20,000) | (20,000) | 100% | Funding has been included in adopted budget. |
| Resolution that before an Early Retirement position can be filled, City Administrator to come to CC for approval | | Yes | - | - | | | Implemented per resolution 82236 C.M.S. on July 28, 2009. |
| Analysis of consolidation and implementation plan of Police and Fire 911 dispatch | | Yes | - | - | | | At the September 29th Public Safety Committee meeting, the Committee directed staff to search for potential grant funding opportunities to study the issue of efficiency in combining the Dispatch centers. No further action has occurred since September 29th Public Safety Committee meeting. |
| Parks & Recreation -- Increase fees at Studio One in order to become cost covering | | Yes | - | - | | | City Council granted OPR/Studio One the authority to increase fees. OPR is developing fee structures. |
| City Administrator to direct Port, as a department of the City, to move forward with prefunding PERS for misc. employees | | Yes | - | - | | | Implemented. |
| Transfer Oaklanders Assistance Center from the Mayor's Office to the City Administrator's Office | | Yes | - | - | | N/A | Implemented. A total of 5.0 FTE have been transferred to the City Administrator's Office. |

ATTACHMENT F

Status of Implementing Key FY 2009-11 Adopted & Amended Budget Items

General Purpose Fund (GPF) Expenditure Items

| Budget Item | Mayor Proposal | Council Amendment? | FY 09-10 Budgeted Savings | FY 10-11 Budgeted Savings | Savings Achieved through March 31, 2010 | Percent To-Date | Status |
|--|----------------|--------------------|---------------------------|---------------------------|---|-----------------|---|
| Funding for Instant Runoff Voter education to be added in the fall, if necessary, after more information available from the County and State | | Yes | - | - | | | Voters passed Rank Choice Voter initiative; the City Council approved transfer of \$100K from Public Campaign Finance to community education/outreach on May 4, 2010. |
| Analysis of transfer of traffic control activities from OPD to Parking Control scheduled to Committee for discussion | | Yes | - | - | | | Request withdrawn by Council member Reid. |

ATTACHMENT F

Status of Implementing Key FY 2009-11 Adopted & Amended Budget Items

Changes to Other Funds

| Budget Item | Mayor Proposal? | Council Amendment? | FY 09-10 Budgeted Savings | FY 09-10 Savings To-Date (through March 31, 2010) | Percent To-Date | Status |
|---|-----------------|--------------------|---------------------------|---|-----------------|--|
| Relocate City employee parking from Clay Street and Dalziel to City Center West | | Yes | 233,000 | - | - | To ensure additional spaces for the paying public, City staff with free parking have been transferred to the Clay Street garage basement. |
| Implementing budget changes in Park Maintenance Funds | Yes | | | | | Implemented. |
| Implementing budget changes in Traffic & Transportation Funds | Yes | | | | | Implemented. |
| Clearing negatives in all funding sources. | Yes | | | | | Staff presented status report on clearing negative funds to the March 9th Finance & Management Committee meeting. Staff to return with semiannual report in September 2010. Internally, Finance & Management Agency and Budget Office staff are meeting with departments quarterly to monitor progress and provide assistance on clearing negative balances. |

Organizational Restructuring

| | | | | | | |
|---|--|--|--|--|--|--------------|
| Create the Department of Human Resources | | | | | | Implemented. |
| Move the ,Oaklanders Assistance Center to the City Administrator's Office | | | | | | Implemented. |
| Move Marketing to the Community and Economic Development Agency. | | | | | | Implemented. |

