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OAKLAND

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## AGENDA REPORT

**TO:** FRED G. BLACKWELL  
CITY ADMINISTRATOR

**FROM:** Osborn K. Solitei  
Director of Finance/Controller

**SUBJECT:** FY 2013-14 Q3 R&E Report

**DATE:** May 5, 2014

City Administrator  
Approval

Date

5/16/14

**COUNCIL DISTRICT:** City-Wide

### RECOMMENDATION

Staff recommends that the Finance & Management Committee accept this informational report on the FY 2013-14 Third Quarter Revenue and Expenditure Results For Four Selected Funds - General Purpose Fund (GPF, 1010), Landscape & Lighting Assessment District Fund (2310), Equipment Fund (4100) and Facilities Fund (4400); and Overtime Analysis for the General Purpose Fund (1010) and All Funds.

### OUTCOME

This is an informational report related to the City's financial activities, the acceptance of which does not create any policy or compel any action.

### EXECUTIVE SUMMARY

The third quarter projected revenue has decreased by \$6.07 million as compared to the second quarter, mainly due to a \$3.45 million projected decrease in revenue received from the Redevelopment Property Tax Trust Fund ("RPTTF"). The decrease in the projected revenues is off-set by a projected expenditures decreased of approximately \$7.30 million, primarily attributed to salary savings from vacancies and the mid-year budget balancing Resolution (#84897) adopted by Council on March 28, 2014 which appropriated approximately \$7.75 million.

As presented in the FY 2013-14 Second Quarter Revenue and Expenditure Report to Council, the projected year-end unaudited fund balance for the General Purpose Fund (GPF) was approximately \$15.52 million (excluding the Council appropriated reserves). Based on the results of the third quarter for FY 2013-14, the projected available fund balance (excluding the Council appropriated reserves) at year-end is estimated to be **\$15.76 million** (subject to further change in the fourth quarter). If Council appropriates from this available fund balance, the 7.5% reserve would have to increase accordingly. Additionally, Real Estate Transfer Tax in excess of

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\$40 million is restricted by City Council Ordinance 13170 C.M.S which states the excess is considered one-time revenue and must be appropriated in accordance with this Ordinance (details discussed in the Revenue Highlights section).

This report provides analysis and details on the projected fiscal year-end revenues and expenditures in the General Purpose Fund (GPF; 1010), Landscaping and Lighting Assessment District Fund (LLAD, 2310), Equipment Fund (4100) and City Facilities Fund (4400) based on data through the end of the third quarter of the fiscal year (July 1 – March 31, 2014). Revenues,

expenditures and overtime for these funds, as well as overtime for all funds, are presented in this report, and are compared to the FY 2013-14 Adjusted Budget. The following table shows the adjustments and project carryforward added to the GPF adopted budget since July 1, 2013, resulting in a total adjusted expenditure budget of **\$495.18 million**, and adjusted revenue budget of **\$477.63 million** (see table below).

**FY 2013-14 GF Adjustments to the Adopted Budget (\$ in millions)**

DESCRIPTION	REV	EXP	NET VAR
FY 2013-14 Adopted Budget	\$455.29	\$455.29	-
<b>Adjustments &amp; Project Carryforward<sup>1</sup>:</b>			
Project & Encumbrance Carryforward Balances	-	\$27.49	(\$27.49)
Council Approved Increases	\$4.22	\$4.64	(\$0.43)
Budget Balancing Reso #84897	\$18.12	\$7.75	\$10.37
<b>FY 2013-14 Adjusted Budget</b>	<b>\$477.63</b>	<b>\$495.18</b>	<b>(17.55)</b>

<sup>1</sup> Detail balances are listed in Tables 3 and 4

Below are highlights of this FY 2013-14 third quarter revenue and expenditure report:

- The GPF is forecasted to end the fiscal year with a net operating surplus of \$7.30 million (*Attachment A-2*); Citywide departmental projected savings is \$7.35 million in several Departments or Divisions, while the projected overspending in others is \$0.055 million, resulting in the net projected savings of \$7.30 million;
- GPF revenues are forecasted to be lower than the second quarter adjusted budget by \$6.07 million (*Attachment A-1*); Adjustments to Property and Business License Tax (\$5.83 million), Service Charges (\$1.15 million), and Fines & Penalties (\$0.42 million) are partially offset by increases in other categories, resulting in the net decrease of \$6.07 million;
- Citywide overtime expenditures, across all funds, is forecasted at \$49.91 million, exceeding the adjusted budget by \$29.08 million, of which \$26.98 million is in the GPF (*Attachment B*); and
- The three other funds analyzed for this report have historically shown negative fund, or cash, balances; all three are forecasted to end the fiscal year with improved balances as a result of the following projected surpluses (Attachments C-1 to E-2):

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- LLAD \$0.81 million
- Equipment Fund \$2.34 million
- Facilities Fund \$2.22 million

The year-end available GPF fund balance is estimated to be **\$15.76 million** (*Table 1*). It should be noted that this balance reflects the net difference between the revenue and expenditure results, as well as, a number of adjustments made for (1) FY 2013-14 amounts funded by GPF fund balance as authorized in the FY 2013-15 Adopted Budget, and (2) FY 2014-15 amounts funded by GPF fund balance as authorized in the FY 2013-15 Adopted Budget. Additionally, the FY 2013-15 Adopted Policy Budget added \$3.96 million of one-time revenue for Reserve Contributions. Additionally, if all projected spending is assumed, the City Council Policy to establish a 7.5% GPF Reserve requires an increase from \$34.15 million to \$35.08 million, for a total designated reserve balance of \$39.04 million, or 8.35% of the net adjusted budget (*Table 1*).

**Table 1: FY 13-14 Projected Year-End Available GPF Fund Balance**

<b>Gross Audited Fund Balance</b>	<b>\$95.25</b>
FY 13-14 Projected FYE Revenues	\$471.56
FY 13-14 Projected FYE Expenditures <sup>3</sup>	(487.88)
Fund Balance Amounts Used in FY 13-14 Adopted Budget	(13.33)
Fund Balance Amounts Used in FY 14-15 Adopted Budget	(10.00)
<b>Subtotal Fund Balance</b>	<b>\$55.60</b>
CIP Reserve - Boiler Install/ Retrofit Reso # 84890	(0.80)
<b>Subtotal Amounts from FB Approved Jan 1 - Mar 31, 2014</b>	<b>(0.80)</b>
FY 13-15 Adopted Budget ( <i>Reserve Contribution</i> )	(3.96)
7.5% GPF Required Reserve <sup>1</sup>	(35.08)
<b>Subtotal Designated Reserves</b>	<b>(39.04)</b>
<b>Estimated Ending Available Fund Balance<sup>2</sup></b>	<b>\$15.76</b>

<sup>1</sup> See Reserve Calculation table below for detailed calculation

<sup>2</sup> If Council appropriates any of the available fund balance, the reserve policy requires that the 7.5% GPF Required Reserve must increase

<sup>3</sup> Includes \$27.89 in project and encumbrance carryforward (CF)

**FY 13-14 Reserve Calculation (7.5%) - Adopted vs. Adjusted Expenditures**

Reserve Calculation (7.5%)	Adopted	Adjusted
FY 2013-14 Expenditures	\$455.29	\$495.18
Less Project & Encumbrance CF	\$0.00	(27.49)
<b>Net Adjusted Budget</b>	<b>\$455.29</b>	<b>\$467.68</b>
7.5% GPF Required Reserve	\$34.15	\$35.08

Generally, the receipts of revenue in FY2013-14 reflect continued growth in the local economy and recovery from the global recession and housing crisis. Notably, an improved local real-estate market has led to strong growth in real-estate transfer tax (RETT) revenues (both nonrecurring

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sales and on-going revenues), as well as an increase transient occupancy tax (TOT) receipts. Details of unaudited revenues in comparison to budget are listed in *Attachment A-1*.

The estimated projected year-end expenditures for the GPF total \$487.88 million which is approximately \$7.30 million less than the adjusted budget (*Table 4*) and is primarily attributed to salary savings from vacancies and the mid-year budget balancing Resolution (#84897) adopted by Council on March 28, 2014 which appropriated approximately \$7.75 million, based on additional forecasted revenue, to off-set projected overspending (\$6.03 million) and several unfunded items (*Table 2*). Expenditures by department are listed in *Attachment A-2*.

**Table 2: FY 2013-14 GF Adjustments to the Adopted Expenditure Budget**

DESCRIPTION	AMT (mil)	RESO #	DATE
FY 2013-14 Adopted Expenditure Budget	\$455.29		
Project & Encumbrance Carryforward Balances <sup>1</sup>	\$27.49		
<b>Subtotal Carryforward Balances</b>	<b>\$27.49</b>		
Urban Shield Red Command 2013	\$0.20	84649	Oct-13
Cannabis Coop Project	\$0.71	84680	Nov-13
Issuance Cost for Series 2014 TRAN	\$0.23	84389	May-13
2013 Lateral Academy	\$0.09	84713	Nov-13
OPRI -OHA to 1st Place FY13/14	\$0.01	83702	Feb-12
Honor Guard <sup>2</sup>	\$0.01	79717	Feb-06
External Police Academy	\$0.18	84792	Jan-14
Parking Citations Collection Fee	\$2.80	84776	Jan-14
Goldman Sachs Debarment Proceeding	\$0.23	84586	Jul-13
Miscellaneous Technical Adjustments <sup>3</sup>	\$0.19		
<b>Subtotal Council Approved Increases</b>	<b>\$4.64</b>		
Citywide Projected Overspending	\$6.03	84897	Mar-14
OPD Wellness Program	\$0.20		
Citywide Website	\$0.08		
Civilian Fire Marshall	\$0.03		
Grant Writing Assistant	\$0.08		
Animal Shelter Trxfr & Costs	\$0.15		
Kids First Set Aside	\$0.37		
NSA Monitor Contract	\$0.08		
CD Racial Profiling Mitigation	\$0.25		
Safety & Svcs Measure Election Costs	\$0.50		
<b>Subtotal FY 2013-14 2nd Quarter Adjustments:</b>	<b>\$7.75</b>		
<b>FY 2013-14 Adjusted Budget</b>	<b>\$495.18</b>		

<sup>1</sup> Detail balances are listed in Attachment G

<sup>2</sup> This was a donation using the resolution for donations less than \$50,000 (#79717)

<sup>3</sup> Adjustments made to position costs (Council salary increase / true-up, etc.)

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**Table 3: FY 2013-14 GF Adjustments Added to the Adopted Revenue Budget**

DESCRIPTION	AMT (mil)	RESO #	DATE
FY 2013-14 Adopted Revenue Budget	\$455.29		
<b>Adjustments:</b>			
Urban Shield Red Command 2013	\$0.20	84649	Oct-13
Cannabis Coop Project	\$0.49	84680	Nov-13
Issuance Cost for Series 2014 TRAN	\$0.23	84389	May-13
2013 Lateral Academy	\$0.09	84713	Nov-13
Honor Guard	\$0.01	79717	Feb-06
External Police Academy	\$0.18	84792	Jan-14
Parking Citations Collection Fee	\$2.80	84776	Jan-14
Goldman Sachs Debarment Proceeding	\$0.23	84586	Jul-13
<b>Subtotal Council Approved Increases</b>	<b>\$4.22</b>		
FY 2013-14 2nd Quarter Adjustment	\$18.12	84897	Mar-14
<b>FY 2013-14 Adjusted Budget</b>	<b>\$477.63</b>		

It is important to note that while the GPF available fund balance exceeds the Council-mandated 7.5% GPF reserve funding level, and the other three funds reflected in this report (LLAD and the Internal Service Funds) are improving, the City has several funds with negative balances and the City budget relies on one-time funds to fund on-going expenditures in an estimated amount of \$5.04 million. Over time, consistent with the City Council fiscal policies, the structural imbalance of using one-time funds for on-going expenditures requires further review.

**BACKGROUND/LEGISLATIVE HISTORY**

In June 2013, Council adopted the FY 2013-15 Policy Budget which restored some essential services, provided an allocation for employee compensation, as well as added graduates from three police academies to further strengthen the sworn staff. Subsequent to the budget adoption, Council authorized participation in an additional, external, police academy beginning in March, 2014, which is expected to net 25 graduates for the City.

On March 28, 2014, Council adopted a mid-year balancing Resolution (#84897), based on the second quarter forecasted revenue, which authorized \$7.75 million in expenditure appropriations and \$18.12 million in revenue appropriations. The majority of the \$7.75 million (\$6.03) was allocated for projected fiscal year-end overspending in various departments (*Tables 2 & 3*).

This report contains projected year-end budget information for FY 2013-14, including items that were set-aside for the FY 2014-15 budget as adopted in the FY 2013-15 biennial budget.

**ANALYSIS**

**General Purpose Fund**

The General Purpose Fund (1010) projected ending fund balance is approximately **\$15.76 million** (excluding the 7.5% reserve and FY 2013-15 allocations, as shown in *Table 1*).

The FY 2013-14 General Purpose Fund adjusted revenue budget is \$477.63 million. Third Quarter revised projections for fiscal year-end estimates total \$471.56 million, which represents a decrease of \$6.07 million as compared to the second quarter adjusted budget. Of this amount, \$3.45 million decrease is due to a variance of revenues received from the Redevelopment Property Tax Trust Fund. The remainder of the variance, \$2.62 million, is due to lower than projected receipts in Prior Year Secured Property Tax, Service Charges, and Business License Tax. This is discussed in more detail in the Revenue Highlights section of this report.

The projected year-end expenditures are estimated to be **\$487.88 million** which is **\$7.30 million** less than the adjusted budget due primarily to salary savings from vacancies and the mid-year budget balancing Resolution (#84897) adopted by Council on March 28, 2014, which appropriated approximately \$7.75 million to off-set projected overspending (\$6.03 million) and several unfunded items (see *Table 2* for a detailed list). The second quarter projected overspending of \$6.03 million was due to a variety of conditions, including the expenditures in sworn overtime, premiums, and allowances associated with overtime.

While the GPF is projected to have a surplus overall, it is important to note that overtime expenditures are projected to exceed the adjusted budget by \$26.99 million (*Attachment B*), which is primarily attributed to Public Safety. Additionally, salary savings in each of these departments are projected to offset these costs overall as shown in the table below.

***FY 2013-14 GPF Projected Net Overtime (OT) Overspending and Salary Savings<sup>1</sup>***

<b>DEPT</b>	<b>Projected Salary Savings / (Overspending)</b>	<b>Projected OT Savings (Overspending)</b>	<b>NET Savings / (Overspending)</b>
City Auditor	(\$56,130)	(\$1,584)	<b>(\$57,714)</b>
City Clerk	(\$1,580)	(\$1,911)	<b>(\$3,491)</b>
Economic & Workforce Development Department	\$219,297	(\$7,609)	<b>\$211,688</b>
Fire Department	\$12,956,534	(\$13,825,380)	<b>(\$868,846)</b>
Human Resources Management Department	\$419,885	(\$6,333)	<b>\$413,552</b>
Human Services Department	\$288,136	(\$2,815)	<b>\$285,321</b>
Information Technology Department	\$520,254	(\$114,185)	<b>\$406,069</b>
Oakland Public Works Department	\$180,602	(\$59,519)	<b>\$121,083</b>
Police Department	\$14,454,249	(\$13,020,258)	<b>\$1,433,991</b>
<b>Grand Total<sup>2</sup></b>	<b>\$28,981,248</b>	<b>(\$27,039,595)</b>	<b>\$1,941,653</b>

<sup>1</sup> Table reflects departments projected to overspend OT; Refer to Attachment B for all departments.

<sup>2</sup> The Net Savings / Overspending will vary from Attachment A-2 due to O&M variances not captured above.

The audited FY 2013-14 gross beginning fund balance is \$95.25 million – a slight decrease from the unaudited ending fund balance included in the FY 2012-13 Fourth Quarter Revenue and Expenditure Report. Importantly, this amount represents the City Council appropriated reserves discussed earlier in this report (\$39.04 million), the current year additional appropriations, and the remainder reflects the total uncommitted ending fund balance that needs to be used to fund expenditures that are beyond revenues; therefore, the beginning fund balance is different from the available year-end fund balance. The year-end available fund balance is estimated to be approximately \$15.76 million, after including estimated year end revenues and expenditures and adjusting for amounts budgeted in FY 2013-15 (*Table 1*). The City's General Purpose Fund reserves are set at \$39.04 million, which includes City Council appropriated reserves and the required 7.5% GPF reserve, totaling 8.35% of the net adjusted budget.

#### Landscaping and Lighting Assessment District Fund (LLAD)

In the Landscaping and Lighting Assessment District Fund (2310), forecasted revenue and expenditure results show the fund will have a slight surplus of \$0.81 million. This further adds to the fund balance by reducing the negative to \$0.28 million. Projected revenues are \$21.78 million, an increase from the \$20.62 million adjusted budget; projected expenditures are anticipated at \$21.23 million, slightly more than the adjusted budget. The overspending in Oakland Public Works (OPW) of approximately \$0.36 million is due to the delay in PG&E audits for the LED street lighting project. Once the audits are completed, PG&E will adjust the rates charged to the City and LLAD will realize the cost savings for the new energy efficient street lights. The LLAD has steadily improved its negative fund balance from approximately \$6 million in FY 2008-09 to its projected negative balance of \$0.28 million (*Table 4*). Expenditure savings, furloughs, and staff's diligent expenditure controls in recent fiscal years contributed to eliminating this negative fund balance (*Attachments C-1 & C2*).

#### Equipment Fund

This fund is reported on a cash basis (excluding the value of the equipment). Projected results for the Equipment Fund (4100) indicate that revenues will exceed expenditures by approximately \$2.34 million. It is important to note that the repayment amount specified in the Adopted Budget will effectively be increased from \$1.49 million to \$2.34 million based on these projections, thus reducing the negative cash balance of \$4.25 million to negative \$1.92 million (*Table 4*). The revenue reflects actual charges to departments for equipment maintenance, as well as the reduction in aging fleet through auction sales. The Equipment Fund has steadily improved its cash balance from approximately negative \$16 million in FY 2007-08 to its projected negative balance of \$1.92 million. Discipline in adhering to repayment plans, more accurate departmental billing, furloughs, vacancies, and staff's diligent expenditure control has contributed to reducing this negative balance (*Attachments D-1 & D-2*).

Facilities Fund

This fund is also reported on a cash basis. Projected results for the Facilities Fund (4400) indicate that revenues will exceed expenditures by \$2.22 million. The surplus is due to two factors: (1) the scheduled repayment to Fund Balance (\$1.17 million); and (2) savings in personnel costs due to vacancies. It is important to note that the repayment amount specified in the Adopted Budget will effectively be increased from \$1.17 million to \$2.22 million based on these projections. The value of the cash balance will continue to improve from negative \$21.44 million to negative \$19.22 million (*Table 4*). The Facilities Fund has steadily improved its fund balance from approximately negative \$31 million in FY 2008-09 to its projected negative of \$19.22 million. Discipline in adhering to repayment plans, furloughs, vacancies, and staff's diligent expenditure monitoring has contributed to helping reduce this negative fund balance (*Attachments E-1 & E-2*).

Both the Equipment and Facilities Funds continue on ten-year repayment plans for their negative fund balances. If projected revenues and expenditures continue, both funds remain on track to eliminate their negative balances on, or before, by FY 2018-19.

The summary table shown on the following pages reflects the projected year-end results for all four funds presented in this report.



**Table 4: Summary of FY 2013-14 Projected Year-End Revenues & Expenditures**  
 (\$ in millions)

GENERAL PURPOSE FUND (1010)	FY 2013-14 Adjusted Budget	FY 2013-14 Q3 Projected FYE	Year-End Over / Under Budget
<b>Beginning Fund Balance - Audited</b>	<b>\$95.25</b>	<b>\$95.25</b>	
Revenue	\$477.63	\$471.56	(\$6.07)
Expenditures <sup>1</sup>	(\$495.18)	(\$487.88)	\$7.30
<b>Estimated Current Year Surplus/(Shortfall)</b>	<b>(\$17.55)</b>	<b>(\$16.32)</b>	
<b>Subtotal Fund Balance [A]</b>	<b>\$77.70</b>	<b>\$78.93</b>	
<b>Fund Balance Amounts Used in FY 13-14 Adopted Budget:</b>			
169th & 170th pre-academy costs	(\$1.51)	(\$1.51)	
Affordable Housing Programs	(\$1.81)	(\$1.81)	
Other FY 2013-14 Budget Items <sup>2</sup>	(\$10.01)	(\$10.01)	
<b>Fund Balance Amounts Approved Jan 1 2014 - Mar 31, 2014:</b>			
CIP Reserve - Boiler Install/ Retrofit Reso # 84890	(\$0.80)	(\$0.80)	
<b>Fund Balance Amounts Used in FY 14-15 Adopted Budget:</b>			
One-Time Expenditures	(\$10.00)	(\$10.00)	
<b>Designated / Mandated Reserves:</b>			
7.5% GPF Required Reserve	(\$35.08)	(\$35.08)	
Contribution to GPF Reserve - FY 13-15 Budget Adoption	(\$3.96)	(\$3.96)	
<b>Projected Ending Available Fund Balance [B]</b>	<b>\$14.54</b>	<b>\$15.76</b>	

<sup>1</sup> The adjusted budget includes \$7.75 mil adopted by Council Resolution 84897 for mid-year budget balancing, and \$27.89 in project and encumbrance carryforward (CF)

<sup>2</sup> Detailed balances are listed in Attachment F

**Table 4: Summary of FY 2013-14 Projected Year-End Revenues & Expenditures (con't)**

(\$ in millions)

OTHER FUNDS	FY 2013-14 Adjusted Budget	FY 2013-14 Q3 Projected FYE	Year-End Over / Under Budget
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**LANDSCAPING & LIGHTING ASSESSMENT DISTRICT FUND (2310)**

<b>Beginning Fund Balance - Audited</b>	<b>(\$1.09)</b>	<b>(\$1.09)</b>	
Revenue	\$20.62	\$21.78	\$1.16
Expenditures	(\$20.88)	(\$21.23)	(\$0.35)
Budgeted Fund Balance Repayment	\$0.26	\$0.26	
<b>Estimated Current Year Surplus/(Shortfall)</b>	<b>\$0.00</b>	<b>\$0.81</b>	
<b>Subtotal Fund Balance [A]</b>	<b>(\$1.08)</b>	<b>(\$0.28)</b>	
<b>Ending Fund Balance (est.) [B]</b>	<b>(\$1.08)</b>	<b>(\$0.28)</b>	

**EQUIPMENT FUND (4100)**

<b>Gross Beginning Cash Balance</b>	<b>(\$4.25)</b>	<b>(\$4.25)</b>	
Revenue	\$19.66	\$21.53	\$1.87
Expenditures	(\$21.31)	(\$20.68)	\$0.63
Budgeted Fund Balance Repayment	\$1.49	\$1.49	
<b>Estimated Current Year Surplus/(Shortfall)</b>	<b>(\$0.16)</b>	<b>\$2.34</b>	
<b>Subtotal Cash Balance [A]</b>	<b>(\$4.42)</b>	<b>(\$1.92)</b>	
<b>Ending Cash Balance (est.) [B]</b>	<b>(\$4.42)</b>	<b>(\$1.92)</b>	

**FACILITIES FUND (4400)**

<b>Gross Beginning Cash Balance</b>	<b>(\$21.44)</b>	<b>(\$21.44)</b>	
Revenue	\$26.60	\$26.85	\$0.24
Expenditures	(\$27.56)	(\$25.79)	\$1.77
Budgeted Fund Balance Repayment	\$1.17	\$1.17	
<b>Estimated Current Year Surplus/(Shortfall)</b>	<b>\$0.21</b>	<b>\$2.22</b>	
<b>Subtotal Cash Balance [A]</b>	<b>(\$21.23)</b>	<b>(\$19.22)</b>	
<b>Ending Cash Balance (est.) [B]</b>	<b>(\$21.23)</b>	<b>(\$19.22)</b>	

[A] GPF and LLAD projected fiscal year-end fund balances. Equipment and Facilities projected fiscal year-end cash balances.

[B] GPF and LLAD estimated ending fund balance, net of adopted use of fund balance, bond proceeds for LED replacement project, and budgeted transfers from fund balance. Equipment and Facilities estimated ending cash balance includes estimated reductions based on scheduled repayment plans.

**GENERAL PURPOSE FUND**  
*(Attachments A-1 & A-2)*

**REVENUE HIGHLIGHTS**

The FY 2013-14 adjusted General Purpose Fund revenue budget is \$477.63 million. Third Quarter revenues are projected to end the fiscal year at \$471.56 million, which represents a decrease in on-going revenue of \$6.07 million when compared to the second quarter adjusted budget. The City is still experiencing an increase of \$16.38 million in RETT, including \$12.11 million that was generated by the sale of several large commercial properties during the fiscal year (*Table 6*). It should be noted that per Ordinance 13170 C.M.S. all receipts of RETT in excess of \$40 million are considered to be one-time revenues. Significant projected variances, compared to the second quarter adjusted budget, in each revenue category are shown below:

*(\$ in millions)*

CATEGORY	Increase / (Decrease)
Property Tax	(4.83)
Business Tax	(1.00)
Utility Consumption Tax	\$0.87
Parking Tax	\$0.29
Fines & Penalties	(0.42)
Service Charges	(1.15)

*Attachment A-1* provides details of third quarter revenue collection in comparison to budget. Highlights are provided below.

Property Tax: (\$4.83) million

A \$3.45 million reduction is due to a decrease in Redevelopment Property Tax Trust Fund (RPTTF) property tax dollars (former tax increment revenue). As a reminder, the City as one of the taxing entities, receives approximately 39 percent of any residual RPTTF left after obligations approved on the Recognized Obligation Payment Schedule (ROPS) are met. So to the extent the City/ORSA is successful getting ROPS obligations approved, there is a reduction in residual RPPTF available for distribution to the taxing entities. Several assumptions used to forecast FY 2013-15 have changed:

- \$1.7 million – Housing Project staff costs were approved in late June 2013, which allowed a one-time true-up for those costs going back to ROPS III (Jan-June 2013)
- \$1.9 million – Reimbursement of the erroneous sweep of Low-Mod Housing restricted bond funds in the Housing DDR payment
- \$4.2 million – One-time true-up of Central District tax increment rebate payments for funds not requested, but due during ROPS III, and ongoing tax increment rebate payments erroneously left out of the RPTTF forecast

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- \$1.3 million – Higher amounts requested and approved compared to the original forecast for property management and remediation based on knowledge of certain property being transferred from the City back to the Agency as part of the State Controller’s “clawback” order.

Any unused RPTTF amounts from one ROPS period are discounted against the requested RPTTF in the next ROPS, which is six months after actuals are reported.

A decrease of \$1.38 million is anticipated in Prior Year Secured Property Tax revenues. This is a result of fewer property tax delinquencies, which is reflective of an improving economy. The table below shows the property tax trends, and relative volatility, by category.

*GPF Revenue: Property Tax*

CATEGORY	FY 2011-12	FY 2012-13	(Projected) FY 2013-14
Property Tax: Other (includes Secured)	\$120.81	\$123.21	\$126.21
Redevelopment Property Tax Trust Fund (RPTTF)	\$13.03	\$12.89	\$9.23
AB 1290 Statutory Pass Through	\$4.96	\$6.05	\$6.62
Due Diligence Review (DDR) - Former RDA	-	\$11.98	-
<b>Total Property Tax</b>	<b>\$138.80</b>	<b>\$154.14</b>	<b>\$142.06</b>

*Business Tax: (\$1.00) million*

Business tax receipts received through the third quarter totaled \$50.41 and are projected to end the year at \$58.85 million. Based on third quarter data, this is a projected 1.67% decrease from the revised adopted budget. This decrease is reflective of approximately 790 fewer businesses across all business tax categories. Specifically, there were approximately 220 fewer landlords remitting business tax in 2014 compared to 2013. Furthermore, the City experienced a decrease in the number of business tax certificates issued in retail and business/personal business tax categories.

*Utility Consumption Tax: \$0.87 million*

Utility Consumption Tax revenue received through the third quarter totaled \$34.16 million and is projected to end the fiscal year at \$50 million. Based upon third quarter data, this is a projected 1.77% increase from the adopted budget. Staff is concerned about on-going leakage of this revenue category due to prepaid cell phones and calling cards, and more energy efficient buildings. Staff will continue to monitor this category closely.

*Real Estate Transfer Tax: No Change*

There is no change in the year end forecast for Real Estate Transfer Tax since the adoption of the adjusted budget in February 2014. Real Estate Transfer Tax revenue received through March 2014 totaled \$39.43 and is still projected to end the fiscal year at the adjusted budget of \$56.75 million as reported in the second quarter. As noted in Table 5 below, total real estate transactions have decreased 12.82% from the previous year to date, however, RETT is growing. This projected increase is due to strong increases in sale prices as the residential real estate market stabilizes and the sale of commercial real estate maintains moderate growth.

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**Table 5: Real Estate Transactions**

TYPE	(Jul - Feb)	(Jul - Feb)	(Jul - Feb)
	FY 2011-12	FY 2012-13	FY 2013-14
Residential	3,378	3,697	3,223
Commercial	76	110	147
Vacant Lot/Other	162	280	306
<b>Total Properties</b>	<b>3,616</b>	<b>4,087</b>	<b>3,676</b>

Of the projected RETT increase, \$12.11 million is considered nonrecurring revenues derived from the sale of large commercial properties (Table 6). Real Estate Transfer Tax is highly volatile and revenues can increase and decrease rapidly with changing market conditions or as a result of the sale of high value properties. Furthermore, RETT in excess of \$40 million is restricted by City Council Ordinance 13170 C.M.S., thus \$16.75 million of the projected \$56.75 million are considered one-time revenues and must be appropriated in accordance with the Ordinance.

**Table 6: FY 2013-14 Property Sales (non-recurring revenue)**

Current Owner	Property Address	Date of Knowledge*	Sales Tax (mil)
Alta City Walk LLC	1307 Jefferson Street	October 24, 2013	\$1.55
OCC Venture LLC	1300 Clay Street	October 24, 2013	\$0.53
555 Twelfth Street Venture LLC	555 12th Street	October 24, 2013	\$2.00
OCC Venture LLC	TBD	December 21, 2013	\$2.33
OCC Venture LLC	500 12th Street, 110	January 25, 2014	\$0.91
DWF IV 1999 HARRISON LLC	1956 Webster Street	February 27, 2014	\$2.10
BRE Properties	TBD	April 9, 2014	\$1.50
TBD	TBD	April 9, 2014	\$1.20
<b>Total</b>			<b>\$12.11</b>

\* Date the City receives property specific information from the County.

Parking Tax: \$0.29 million

Parking Tax revenue received through the third quarter totaled \$5.44 million and is projected to end the fiscal year at \$8.23 million. Based upon third quarter data, this is a projected 3.6% increase from the second quarter adjusted budget.

Fines & Penalties: (\$0.42) million

Fine and Penalties revenue received through the third quarter totals \$14.34 million and is projected to end the year at \$24.63 million. This is a projected decrease of \$0.42 million from the revised adjusted budget due to the "5 minute parking meter grace period," the "no sweep, no cite" policy, parking holidays, and the ability for meter patrons to use their cell phones or credit

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cards to tender payment at the City's parking meters. Also, the budget was revised in January 2014 when the City Council adopted Resolution No. 84776 C.M.S., which authorized a technical adjustment upward of \$2.8 million in both revenues and expenditures to bring the City's parking citations collections contract in line with Generally Accepted Accounting Practices.

Service Charges: (\$1.15) million

Service Charges received through the third quarter totaled \$25.19 million and is projected to end the fiscal year at \$42.97 million. The anticipated decrease is of \$1.15 million due to a projected decrease of \$.77 million in fees charged by the Fire Department, a decrease of \$0.25 million in projected credit card convenience fees, and a mixture of projected decreases in various other fees across several departments.

**EXPENDITURE HIGHLIGHTS**

As outlined in *Attachment A-2*, the FY 2013-14 GPF Third Quarter Adjusted Budget is \$495.18 million. The General Purpose Fund (GPF) projected expenditures, based on data through March 31, 2014, are estimated to be \$487.88 million, resulting in a surplus of \$7.30 million primarily due to salary savings and increased spending authority discussed in the Analysis section of this report. Additionally, this attachment summarizes department-level spending. The breakdown of projected overtime spending by department through the fiscal year-end for the General Purpose Fund and All Funds can be found in *Attachment B*.

Subsequent to the FY 2013-14 Second Quarter Revenue & Expenditure Report, Council adopted Resolution (#84897) on March 28, 2014, which appropriated approximately \$6.03 million, based on additional forecasted revenue, to off-set projected overspending. The second quarter projected overspending of \$6.03 million was due to variety of conditions, including the expenditures in sworn overtime, premiums, and allowances associated with overtime. The table below shows the allocations by department, which have been included in the third quarter projections.

***FY 2013-14 GPF Appropriation Increases for  
Overspending (Reso #84897)***

DEPT	AMT
Treasury	\$36,287
City Clerk	\$132,523
Revenue	\$558,844
Police	\$5,302,307
<b>FY 2013-14 Q2 Adjustment Total</b>	<b>\$6,029,960</b>

Provided below is a discussion of each departments projected savings or overspending in the GPF at year-end.

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Mayor's Office

The Mayor's Office is projected to stay within the Adjusted Budget.

City Administrator

The City Administrator's Office is projected to have savings totaling \$1.71 million associated with the amount designated for CPRB, as well as salary savings in Administration due to several vacancies.

City Council

The City Council is projected to stay within the Adjusted Budget.

City Attorney

The City Attorney's Office is projected to stay within the Adjusted Budget.

City Auditor

The City Auditor is projected to overspend the Adjusted Budget by approximately \$0.06 million which includes a small amount of unbudgeted overtime.

City Clerk

The Office of the City Clerk is projected to stay within the Adjusted Budget.

Economic Workforce & Development (EWD)

EWD is projected to end the fiscal year with a surplus of \$0.21 million from salary savings as a result of vacancies.

Finance Department

Finance's (Administration, Treasury, Controller, and Revenue Management) projected expenditures are estimated at \$18.54 million compared to the Adjusted Budget of \$20.93 million. The under-spending of \$2.21 million is primarily due to lower than anticipated personnel costs in the Controller's Office (\$0.19 million) and the forfeiture of escheat parking refunds in Revenue Management (\$1.60 million).

Information Technology Department (ITD)

ITD is projected to spend \$11.51 million of their \$12.02 million Adjusted Budget. The savings, attributed to vacancies, offsets the projected overtime overspending of \$0.11 million.

Human Resources Department (HRD)

Human Resources is projected to have a surplus of \$0.43 million from salary savings as a result of vacancies.

Human Services Department (HSD)

Human Services is projected to stay within the Adjusted Budget.

Oakland Police Department (OPD)

OPD is forecasted to spend \$196.60 million compared to its Adjusted Budget of \$197.46 million. The surplus of \$0.86 million is primarily due to the additional allocation provided based on the second quarter projections (see table above), and lower than anticipated overtime (OT) costs. OPD is projected to spend approximately \$26.93 million in OT. The projected over expenditure of approximately \$13.02 million in overtime is offset by one-time salary savings associated with the number of vacancies, which are all on an accelerated hiring path. The table below shows the overtime spending by category in the General Purpose Fund.

**FY 2013-14 OPD Overtime Spending by Category (GPF)**

Category	FY 2013-14 YTD <sup>1</sup>	FY 2013-14 Projected
Acting Higher Rank	\$0.47	\$0.62
Administrative Investigation	\$0.48	\$0.63
Backfill	\$5.91	\$7.88
Callback	\$0.90	\$1.20
Canine	\$0.02	\$0.02
Community Meetings	\$0.06	\$0.07
Comp Time Earned	\$0.16	\$0.21
Court	\$0.31	\$0.42
Extension of Shift	\$2.92	\$3.89
FLSA	\$0.31	\$0.41
Holiday	\$1.65	\$2.20
Recruiting/Background	\$0.59	\$0.79
Special Enforcement	\$3.06	\$4.08
Special Events	\$1.65	\$2.80
Training	\$1.28	\$1.71
<b>Grand Total</b>	<b>\$19.75</b>	<b>\$26.93</b>

<sup>1</sup> Based on Payroll data July 5, 2013 - April 4, 2014

Oakland Fire Department (OFD)

The Fire Department is projected to stay within their overall adjusted budget. OFD is projected to spend approximately \$14.06 million in overtime. The projected over expenditure of

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approximately \$13.83 million in overtime is a result of backfilling the estimated 96 vacant sworn positions, therefore salary savings is projected to cover the overtime costs.

Oakland Public Library (OPL)

The Library is projected to stay within the Adjusted Budget.

Oakland Parks & Recreation (OPR)

OPR is projected to stay within the Adjusted Budget.

Planning & Building

Planning is projected to end the fiscal year with a surplus of \$0.48 million from salary savings as a result of vacancies in Inspections. Code Enforcement Inspectors added during the FY 2013-15 Adopted Budget resulted in salary savings due to priority recruitments; positions are now filled.

Oakland Public Works

Public Works is projected to have salary savings of \$0.11 million. New positions added in the FY 2013-15 Adopted Budget resulted in salary savings due to priority recruitments.

**FUND BALANCE ANALYSIS**

The audited FY 2013-14 gross beginning fund balance is **\$95.25 million** – a slight decrease from the unaudited ending fund balance included in the FY 2012-13 Fourth Quarter Revenue and Expenditure Report. Importantly, this amount represents the City Council appropriated reserves discussed earlier in this report (\$39.04 million), the current year additional appropriations, and the remainder reflects the total uncommitted ending fund balance that needs to be used to fund expenditures that are beyond revenues, therefore, the beginning fund balance is different from the available year-end fund balance. The year-end available fund balance is estimated to be approximately **\$15.76 million**, after including estimated year end revenues and expenditures and adjusting for amounts budgeted in FY 2013-15 (*Table 1*). The City's General Purpose Fund reserves are set at \$39.04 million which includes City Council appropriated reserves and the required 7.5% GPF reserve.

As noted in the FY 2013-14 Second Quarter Revenue & Expenditure Report, the impact of the 2% COLA on the non-GPF funds is being closely monitored. Due to the changes in personnel and vacancies the full impact will not be known until year-end, at which time adjustments will be made if necessary.

It is important that the City continues to plan for this contingency and cautiously approach the projected GPF fund balance presented in this report, especially in light of large unfunded liabilities, negative fund balances, anticipated expenditures in the very near future, unanticipated

expenditures, which appear naturally reoccurring without a funding source, and other risks that may impact the fund balance this year.

It is also important to note the progress the City continued to make in FY 2012-13 on its funds that had negative fund balances. Over the past decade, many Non-GPF have been depleted creating financial pressures on the GPF. They are largely attributable to historical overspending and/or under-recovery and transfers to the GPF for budget balancing measures.

The last three Adopted Policy Budgets (FY 2009-2015) included repayment plans for the City to repay itself for the use of pooled cash for both Program Funds and Internal Service Funds (ISFs). The Repayment Plan has been monitored closely by staff, and staff has also instituted more frequent draw-downs of grant funds, as well as increased oversight and management of expenditures for funds with negative balances. Since FY 2009-10, **over \$33 million has been repaid**, reducing the negative balances and mitigating the accumulation of negative interest. Continued commitment to repayment is strongly encouraged to ensure the necessary financial progress as a commitment to external auditors. Negative balances continue to draw resources from other funds, and ultimately become the responsibility of the GPF.

#### **PUBLIC OUTREACH/INTEREST**

Not applicable.

#### **COORDINATION**

This report was prepared in coordination between the City Administrator's Budget Office, the Controller's Office, the City Attorney's Office and various departments.

#### **COST SUMMARY/IMPLICATIONS**

This report presents the projected year-end results for the General Purpose Fund and three key City funds for the 2013-14 fiscal year beginning July 1, 2013 and ending June 30, 2014.

#### **SUSTAINABLE OPPORTUNITIES**

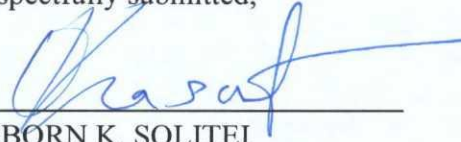
***Economic***: No direct economic opportunities have been identified.

***Environmental***: No direct environmental impacts have been identified.

***Social Equity***: No social equity opportunities have been identified.

For questions regarding this report, please contact Osborn K. Solitei, Director of Finance/Controller, at 238-3809.

Respectfully submitted,



OSBORN K. SOLITEI  
Director of Finance/Controller

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***Attachments:***

- A-1: General Purpose Fund Revenues*
- A-2: General Purpose Fund Expenditures*
- 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: Detail Use of Fund Balance*
- G: Detail List of Project & Encumbrance Carryforward*

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**FY 2013-14 REVENUE AND EXPENDITURE ANALYSIS**  
**Through Third Quarter (July 1, 2013 - March 31, 2014)**  
**GENERAL PURPOSE FUND REVENUES (\$ in millions)**

Revenue Category	FY 2013-14 Adjusted Budget	FY 2013-14 Q3 YTD Actuals	FY 2013-14 Percent to Date	FY 2013-14 Year-End Estimate	FY 2013-14 Year-End \$ Over / (Under) Adi. Bud.	Explanation of Over / (Under) Collection
PROPERTY TAX	146.89	84.15	57.3%	142.06	(4.83)	RPTTF down by \$3.5mil, Prior Secured taxes down by \$1.4m
SALES TAX	48.89	28.35	58.0%	49.06	0.17	Increase due to County pool allocation.
BUSINESS LICENSE TAX	59.85	50.41	84.2%	58.85	(1.00)	
UTILITY CONSUMPTION TAX	49.13	34.16	69.5%	50.00	0.87	Up 0.5% YTD
REAL ESTATE TRANSFER TAX	56.75	39.43	69.5%	56.75	0.00	
TRANSIENT OCCUPANCY TAX	14.57	9.68	66.5%	14.57	0.00	
PARKING TAX	7.95	5.44	68.5%	8.23	0.29	Up 3.6% YTD
LICENSES & PERMITS	1.91	0.91	47.5%	1.91	0.00	
FINES & PENALTIES	25.05	14.51	57.9%	24.63	(0.42)	
INTEREST INCOME	0.74	0.25	34.0%	0.74	0.00	
SERVICE CHARGES	44.11	25.19	57.1%	42.97	(1.15)	Under-collection from Fire, OPR, and Police departments
INTERNAL SERVICE FUNDS	0.00	0.06	0.0%	0.00	0.00	
GRANTS & SUBSIDIES	0.13	0.17	129.0%	0.13	0.00	
MISCELLANEOUS	0.35	0.73	209.1%	0.35	0.00	
INTER-FUND TRANSFERS	0.18	0.00	0.0%	0.18	0.00	
<b>Sub-Total Revenue</b>	<b>\$456.50</b>	<b>\$293.44</b>	<b>64.3%</b>	<b>\$450.42</b>	<b>(6.07)</b>	
TRANSFERS FROM FUND BALANCE	21.14	0.00	0.0%	21.14	0.00	
<b>Total Revenue</b>	<b>\$477.63</b>	<b>\$293.44</b>	<b>64.3%</b>	<b>\$471.56</b>	<b>(6.07)</b>	

**FY 2013-14 REVENUE AND EXPENDITURE ANALYSIS**
**Through Third Quarter (July 1, 2013 - March 31, 2014)**
**GENERAL PURPOSE FUND EXPENDITURES (\$ in millions)**

Agency / Department	FY 2013-14 Adjusted Budget	FY 2013-14 Q3 YTD Actuals	FY 2013-14 Percent To Date	FY 2013-14 Year-End Estimate	FY 2013-14 Year-End \$ (Over) / Under Adjusted Budget	FY 2013-14 Year-End (Over) / Under as % of Adjusted Budget	Explanation of Overspending / Savings
MAYOR	2.04	1.39	68.5%	2.04	0.00	0.0%	
CITY COUNCIL	3.92	2.72	69.5%	3.92	0.00	0.0%	
CITY ADMINISTRATOR	12.67	6.60	52.1%	10.96	1.71	13.5%	Salary savings in Administration, Budget and CPRB (pending Director appointment)
CITY ATTORNEY	11.95	3.62	30.3%	11.95	0.00	0.0%	
CITY AUDITOR	1.59	1.21	76.6%	1.64	(0.06)	(3.5%)	Overspending due to higher than anticipated personnel costs / unrealized adopted reductions
CITY CLERK	2.53	1.30	51.3%	2.52	0.01	0.3%	\$133k added in Q2 budget balancing resolution 84897
FINANCE DEPARTMENT							
ADMINISTRATION	0.84	0.57	67.4%	0.84	0.00	0.0%	
CONTROLLER	3.75	2.14	57.1%	3.56	0.19	5.1%	Salary savings due to vacancies; recruitments and interviews in progress
REVENUE MANAGEMENT	13.29	8.41	63.3%	11.09	2.21	16.6%	\$550k added in Q2 budget balancing resolution 84897; \$1.6 due to escheat parking refunds forfeiture
TREASURY	3.05	1.66	54.5%	3.05	0.00	0.0%	\$36k added in Q2 budget balancing resolution 84897
INFORMATION TECHNOLOGY	12.02	6.02	50.1%	11.51	0.51	4.2%	Salary savings due to vacancies; recruitment and testing in progress
HUMAN RESOURCES	4.36	2.48	56.8%	3.93	0.43	10.0%	Salary savings due to vacancies
POLICE DEPARTMENT	197.46	140.29	71.0%	196.60	0.86	0.4%	\$5.03 mil added in Q2 budget balancing resolution 84897
FIRE DEPARTMENT	97.03	71.66	73.9%	97.03	0.00	0.0%	
LIBRARY	9.19	6.60	71.8%	9.19	0.00	0.0%	
PARKS & RECREATION	13.72	10.24	74.7%	13.72	0.00	0.0%	
HUMAN SERVICES	8.01	4.41	55.1%	8.01	0.00	0.0%	
ECONOMIC WORKFORCE & DEVELOPMENT	3.32	1.68	50.6%	3.11	0.21	6.4%	Salary savings due to vacancies
HOUSING & COMMUNITY DEVELOPMENT	1.81	0.00	0.0%	1.81	0.00	0.0%	
PLANNING & BUILDING	1.00	0.00	0.2%	0.52	0.48	48.2%	Code Enforcement Inspectors added during the FY13-15 Adopted Budget resulted in salary savings due to priority recruitments; positions are now filled
PUBLIC WORKS	3.40	1.47	43.2%	3.29	0.11	3.3%	New positons added in the FY13-15 Adopted Budget resulted in salary savings due to priority recruitments
NON-DEPARTMENTAL	87.27	56.02	64.2%	86.64	0.63	0.7%	
SUBTOTAL	494.22	330.52	66.9%	486.92	7.30	0.0%	
CAPITAL IMPROVEMENT PROGRAM	0.95	0.08	8.7%	0.95	0.00	0.0%	
<b>Total Expenditures*</b>	<b>\$495.18</b>	<b>\$330.60</b>	<b>66.8%</b>	<b>\$487.88</b>	<b>\$7.30</b>		

\* The FY 2013-14 Year-End Estimate of \$491.18 million includes project carryforward of \$27.49 million

**FY 2013-14 REVENUE AND EXPENDITURE ANALYSIS**  
**Through Third Quarter (July 1, 2013 - March 31, 2014)**
OVERTIME ANALYSIS (in Dollars)GENERAL PURPOSE FUND

Agency / Department	FY 2013-14 Adjusted Budget	FY 2013-14 Q3 YTD Overtime Actuals	FY 2013-14 Percent To Date	FY 2013-14 Year-End Estimate	FY 2013-14 Year-End \$ (Over) / Under Adjusted Budget	FY 2013-14 Year-End (Over) / Under as % of Adjusted Budget	Explanation of Over / (Under) Collection
MAYOR	8,960	0	0.0%	0	8,960	100.0%	
CITY ADMINISTRATOR	7,726	13,025	168.6%	17,367	(9,641)	(124.8%)	
CITY ATTORNEY	0	480	0.0%	640	(640)	0.0%	
CITY AUDITOR	0	1,188	0.0%	1,584	(1,584)	0.0%	
CITY CLERK	11,570	10,111	87.4%	13,481	(1,911)	(16.5%)	
FINANCE DEPARTMENT							
ADMINISTRATION	550	0	0.0%	0	550	100.0%	
CONTROLLER	55,808	0	0.0%	0	55,808	100.0%	
REVENUE MANAGEMENT	15,560	11,394	73.2%	15,192	368	2.4%	
TREASURY	0	2,168	0.0%	2,890	(2,890)	0.0%	
INFORMATION TECHNOLOGY	2,040	87,169	4273.0%	116,225	(114,185)	(5597.3%)	
HUMAN RESOURCES	26,390	24,542	93.0%	32,723	(6,333)	(24.0%)	
POLICE DEPARTMENT	13,910,089	19,747,760	142.0%	26,930,347	(13,020,258)	(93.6%)	
FIRE DEPARTMENT	237,965	10,547,508	4432.4%	14,063,345	(13,825,380)	(5809.8%)	
LIBRARY	6,260	1,384	22.1%	1,845	4,415	70.5%	
PARKS & RECREATION	0	2,186	0.0%	2,915	(2,915)	0.0%	
HUMAN SERVICES	0	2,111	0.0%	2,815	(2,815)	0.0%	
ECONOMIC WORKFORCE & DEVELOPMENT	13,790	16,049	116.4%	21,399	(7,609)	(55.2%)	
PUBLIC WORKS	3,550	47,302	1332.4%	63,069	(59,519)	(1676.6%)	
<b>TOTAL</b>	<b>\$14,300,258</b>	<b>\$30,514,378</b>	<b>213.4%</b>	<b>\$41,285,837</b>	<b>(\$26,985,579)</b>	<b>(188.7%)</b>	

**FY 2013-14 REVENUE AND EXPENDITURE ANALYSIS**  
**Through Third Quarter (July 1, 2013 - March 31, 2014)**
OVERTIME ANALYSIS (in Dollars)**ALL FUNDS**

Agency / Department	FY 2013-14 Adjusted Budget	FY 2013-14 Q3 YTD Overtime Actuals	FY 2013-14 Percent To Date	FY 2013-14 Year-End Estimate	FY 2013-14 Year-End \$ (Over) / Under Adjusted Budget	FY 2013-14 Year-End (Over) / Under as % of Adjusted Budget	Explanation of Over / (Under) Collection
MAYOR	8,960	0	0.0%	0	8,960	100.0%	
CITY COUNCIL			0.0%		0	0.0%	
CITY ADMINISTRATOR	7,726	23,431	303.3%	31,242	(23,516)	(304.4%)	
CITY ATTORNEY	0	1,023	0.0%	1,365	(1,365)	0.0%	
CITY AUDITOR	0	1,188	0.0%	1,584	(1,584)	0.0%	
CITY CLERK	11,570	11,176	96.6%	14,901	(3,331)	(28.8%)	
FINANCE DEPARTMENT							
ADMINISTRATION	550	0	0.0%	0	550	100.0%	
CONTROLLER	58,978	4,473	7.6%	5,964	53,014	89.9%	
REVENUE MANAGEMENT	15,560	11,709	75.2%	15,612	(52)	(0.3%)	
TREASURY	0	2,168	0.0%	2,890	(2,890)	0.0%	
INFORMATION TECHNOLOGY	10,710	132,903	1240.9%	177,204	(166,494)	(1554.6%)	
HUMAN RESOURCES	26,390	24,839	94.1%	33,119	(6,729)	(25.5%)	
POLICE DEPARTMENT	14,388,411	20,579,526	143.0%	28,039,368	(13,650,957)	(94.9%)	
FIRE DEPARTMENT	4,559,495	13,882,890	304.5%	18,510,520	(13,951,025)	(306.0%)	
LIBRARY	6,260	2,986	47.7%	3,981	2,279	36.4%	
PARKS & RECREATION	0	6,661	0.0%	8,882	(8,882)	0.0%	
HUMAN SERVICES	0	24,961	0.0%	33,281	(33,281)	0.0%	
ECONOMIC WORKFORCE & DEVELOPMENT	13,790	33,142	240.3%	44,189	(30,399)	(220.4%)	
HOUSING & COMMUNITY DEVELOPMENT	0	22,015	0.0%	29,353	(29,353)	0.0%	
PLANNING & BUILDING	307,520	442,958	144.0%	590,611	(283,091)	(92.1%)	
PUBLIC WORKS	1,412,765	1,776,624	125.8%	2,368,832	(956,067)	(67.7%)	
NON-DEPARTMENTAL			0.0%		0	0.0%	
CAPITAL IMPROVEMENT PROGRAM			0.0%		0	0.0%	
<b>TOTAL</b>	<b>\$20,828,685</b>	<b>\$36,984,673</b>	<b>177.6%</b>	<b>\$49,912,898</b>	<b>(\$29,084,212)</b>	<b>-139.6%</b>	

**FY 2013-14 REVENUE AND EXPENDITURE ANALYSIS**

Through Third Quarter (July 1, 2013 - March 31, 2014)

**LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT FUND REVENUES (\$ in millions)**

Revenue Category	FY 2013-14 Adjusted Budget	FY 2013-14 Q3 YTD Actuals	FY 2013-14 Percent To Date	FY 2013-14 Year-End Estimate	FY 2013-14 Year-End \$ Over / (Under) Adj. Bud.	Explanation of Over / (Under) Collection
TAX LEVY	18.97	12.30	64.8%	18.97	0.00	
LICENSES & PERMITS	0.01	0.04	316.5%	0.05	0.04	
INTEREST INCOME	0.00	(0.00)	0.0%	(0.00)	(0.00)	
SERVICE CHARGES	0.17	0.12	68.2%	0.16	(0.02)	
MISCELLANEOUS	1.46	1.95	133.3%	2.60	1.14	
<b>Total Revenue</b>	<b>\$20.62</b>	<b>\$14.40</b>	<b>69.8%</b>	<b>\$21.78</b>	<b>\$1.16</b>	



**FY 2013-14 REVENUE AND EXPENDITURE ANALYSIS**  
**Through Third Quarter (July 1, 2013 - March 31, 2014)**
**LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT FUND EXPENDITURES (\$ in millions)**

Agency / Department	FY 2013-14 Adjusted Budget	FY 2013-14 Q3 YTD Actuals	FY 2013-14 Percent To Date	FY 2013-14 Year-End Estimate	FY 2013-14 Year-End \$ (Over) / Under Adjusted Budget	FY 2013-14 Year-End (Over) / Under as % of Adjusted Budget	Explanation of (Overspending) / Savings
CITY ADMINISTRATOR	0.06	0.02	32.3%	0.06	0.00	0.00%	
FINANCE DEPARTMENT							
CONTROLLER	0.01	0.00	0.0%	0.01	0.00	0.00%	
REVENUE MANAGEMENT	0.04	0.03	79.3%	0.05	(0.00)	(7.36%)	
PARKS & RECREATION	4.11	3.07	74.8%	4.10	0.01	0.23%	
PUBLIC WORKS	29.49	22.35	75.8%	29.84	(0.36)	(1.22%)	
NON-DEPARTMENTAL	0.26	0.00	0.0%	0.26	0.00	0.00%	
<b>Total Expenditures</b>	<b>\$33.97</b>	<b>\$25.48</b>	<b>75.0%</b>	<b>\$34.32</b>	<b>(\$0.35)</b>	<b>(1.04%)</b>	
Less:							
Bond Proceeds	(13.09)	(11.43)		(13.09)	0.00	0.00%	LED Replacement Project
<b>NET EXPENDITURE</b>	<b>\$20.88</b>	<b>\$14.05</b>		<b>\$21.23</b>	<b>(0.35)</b>	<b>(1.69%)</b>	

**FY 2013-14 REVENUE AND EXPENDITURE ANALYSIS**  
**Through Third Quarter (July 1, 2013 - March 31, 2014)**  
**EQUIPMENT FUND REVENUES (\$ in millions)**

Revenue Category	FY 2013-14 Adjusted Budget	FY 2013-14 Q3 YTD Actuals	FY 2013-14 Percent to Date	FY 2013-14 Year-End Estimate	FY 2013-14 Year-End \$ Over / (Under) Adj. Bud.	Explanation of Over / (Under) Collection
LICENSES & PERMITS	0.08	0.03	42.0%	0.05	(0.04)	
FINES & PENALTIES	0.00	0.00	0.0%	0.00	0.00	
INTEREST INCOME	(0.10)	(0.00)	3.8%	(0.01)	0.09	
INTERNAL SERVICE	19.64	15.59	79.4%	20.79	1.15	
MISCELLANEOUS	0.03	0.52	1569.1%	0.69	0.66	
<b>Total Revenue</b>	<b>\$19.66</b>	<b>\$16.15</b>	<b>82.1%</b>	<b>\$21.53</b>	<b>\$1.87</b>	

**FY 2013-14 REVENUE AND EXPENDITURE ANALYSIS**  
**Through Third Quarter (July 1, 2013 - March 31, 2014)**  
**EQUIPMENT FUND EXPENDITURES (\$ in millions)**

Agency / Department	FY 2013-14 Adjusted Budget	FY 2013-14 Q3 YTD Actuals	FY 2013-14 Percent to Date	FY 2013-14 Year-End Estimate	FY 2013-14 Year-End \$ (Over) / Under Adjusted Budget	FY 2013-14 Year-End (Over) / Under as % of Adjusted Budget	Explanation of (Overspending) / Savings
HUMAN RESOURCES	0.05	0.05	114.6%	0.08	(0.03)	(59.72%)	
POLICE DEPARTMENT	0.00	0.00	0.0%	0.00	(0.00)	0.00%	
PARKS & RECREATION	0.00	0.00	0.0%	0.00	(0.00)	0.00%	
PUBLIC WORKS	31.62	17.82	56.4%	32.63	(1.00)	(3.17%)	Expenditures exceeding budget are associated with depreciation expense and is adjusted for below
NON-DEPARTMENTAL	1.49	0.00	0.0%	1.49	0.00	0.00%	Depreciation expense
CAPITAL IMPROVEMENT PROGRAM	0.00	0.09	0.0%	0.13	(0.13)	0.00%	
<b>Total Expenditures</b>	<b>\$33.16</b>	<b>\$17.97</b>	<b>54.2%</b>	<b>\$34.32</b>	<b>(\$1.16)</b>	<b>(3.50%)</b>	
Less:							
Depreciation	0.00	(1.34)	0.0%	(1.79)	1.79	0.00%	
Bond Proceeds	(11.85)	(4.2)	35.5%	(11.85)	0.00	0.00%	
<b>NET EXPENDITURE</b>	<b>\$21.31</b>	<b>\$12.43</b>	<b>58.3%</b>	<b>\$20.68</b>	<b>\$0.63</b>	<b>2.97%</b>	

**FY 2013-14 REVENUE AND EXPENDITURE ANALYSIS**  
**Through Third Quarter (July 1, 2013 - March 31, 2014)**  
**FACILITIES FUND REVENUES (\$ in millions)**

Revenue Category	FY 2013-14 Adjusted Budget	FY 2013-14 Q3 YTD Actuals	FY 2013-14 Percent to Date	FY 2013-14 Year-End Estimate	FY 2013-14 Year-End \$ Over / (Under) Adj. Bud.	Explanation of Over / (Under) Collection
FINES & PENALTIES	0.00	(0.00)	0.0%	(0.00)	(0.00)	
INTEREST INCOME	(0.08)	(0.03)	42.3%	(0.04)	0.03	
SERVICE CHARGES	0.11	0.43	382.7%	0.57	0.46	
INTERNAL SERVICE	25.87	19.47	75.3%	25.87	0.00	
GRANTS & SUBSIDIES	0.12	0.00	0.0%	0.00	(0.12)	
MISCELLANEOUS	0.57	0.33	58.0%	0.44	(0.13)	
<b>Total Revenue</b>	<b>\$26.60</b>	<b>\$20.20</b>	<b>75.9%</b>	<b>\$26.85</b>	<b>\$0.24</b>	

**FY 2013-14 REVENUE AND EXPENDITURE ANALYSIS**  
**Through Third Quarter (July 1, 2013 - March 31, 2014)**  
**FACILITIES FUND EXPENDITURES (\$ in millions)**

Agency / Department	FY 2013-14 Adjusted Budget	FY 2013-14 Q3 YTD Actuals	FY 2013-14 Percent to Date	FY 2013-14 Year-End Estimate	FY 2013-14 Year-End \$ (Over) / Under Adjusted Budget	FY 2013-14 Year-End (Over) / Under as % of Adjusted Budget	Explanation of (Overspending) / Savings
MAYOR	0.00	0.01	0.0%	0.01	(0.01)	0.00%	
FINANCE DEPARTMENT							
TREASURY	(0.00)	0.00	0.0%	(0.00)	0.00	0.00%	
HUMAN RESOURCES	0.01	0.01	99.5%	0.01	0.00	0.00%	
PUBLIC WORKS	26.35	16.60	63.0%	24.58	1.77	6.71%	
NON-DEPARTMENTAL	1.17	0.00	0.0%	1.17	0.00	0.00%	
CAPITAL IMPROVEMENT PROGRAM	0.04	0.01	25.3%	0.05	(0.01)	(33.73%)	
<b>Total Expenditures</b>	<b>\$27.56</b>	<b>\$16.63</b>	<b>60.3%</b>	<b>\$25.82</b>	<b>\$1.74</b>	<b>6.31%</b>	

**FY 2013-14 Q3 Projected Revenue and Expenditure Report  
General Purpose Fund (GPF)**

ATTACHMENT F

**USE OF FUND BALANCE FY 2013-14 BUDGET**

<b>NAME</b>	<b>AMT</b>	<b>TRACKING PROJECT</b>
Capital IT licensing & Maint.	\$1,500,000	
Clear Backlog of Background Checks	\$400,000	A468512
Community-Based Crime Prevention Plan	\$150,000	A468513
County Sheriff + CHP Contract	\$2,600,000	A468511
Enhanced Parks Maintenance	\$408,861	A468517
Graffiti Enforcement	\$182,057	A468518
Head Start Programs	\$1,516,000	
Homeless encampment	\$120,000	A468530
Murals/Green Walls (\$50k/council district )	\$400,000	
NLC - Graffiti Abatement and Illegal Dumping	\$300,000	A468519
NSC Community Outreach	\$75,000	A468514
OFCY FY 09-12 True-up	\$582,741	
Restore Cultural Funding	\$200,000	A468520
Restore Vietnamese Senior Center Cuts	\$7,344	
Revenue Collection System/backlog	\$326,000	A468510
Street Patching Crew Equipment	\$725,000	A468516
West Oakland Job Center	\$300,000	
Wildfire District Formation	\$213,000	A468515
<b>TOTAL</b>	<b>\$10,006,003</b>	

**FY 2013-14 Q3 Revenue and Expenditure Report  
General Purpose Fund (GPF)**

ATTACHMENT G

**GPF PROJECT & ENCUMBRANCE CARRYFORWARD BALANCES**

PROJECT NAME	AMT
166th -168th POLICE ACADEMY	\$3,659,979
2009 JAG (STIMULUS)-LABOR	\$54,564
ADA AUXILIARY AIDES & SERVICE PROJECT	\$16,417
ADA REASONABLE ACCOMODATIONS	\$14,950
AGENDA MANAGEMENT	\$67,000
ANIMAL POPULATION CONTROL	\$7,327
ANIMAL SHELTER DONATIONS	\$97,071
ARROYO VIEJO	\$52,430
BALLOT MEASURES COORDINATOR	\$51,115
BEACON ECONOMICS	\$5,000
BUDGET BOOK PRINTING	\$13,191
BUSINESS IMPROVEMENT DISTRICT (BID)-NCR	\$56,191
CAO CONTINGENCY FUNDS	(\$658)
CHILDCARE CENTER DOWNTOWN	\$158,969
CHORUS	\$47
CITY-SCHOOL PARTNERSHIP	\$18,742
CITYWIDE RECORDS MGT	\$12,770
CITYWIDE ROOF REPAIRS - FY2006-07	(\$0)
CITY-WIDE TRAINING	\$68,497
COLISEUM	\$888,075
COLISEUM CITY SPECIFIC PLAN - F1010	\$149,732
COMM. PROM PRG FOR SRVC ORG (CPPSO) FY 2	\$5,508
COMMISN ON DISABLED PERSONS	(\$0)
COMPLIANCE DIRECTOR	(\$182,701)
COMPLIANCE DIRECTOR COMP STAFF RAP COSTS	\$4,814,610
CSS CRIME PREVENTION PROGRAM	(\$32)
CULTURAL ARTS FUNDING FY08-09	\$307,408
DAY LABORERS	\$169,930
DEEMED APPROVED ALCOHOL CONTRO	\$105,369
District One Pay-Go Projects	\$2,705
DOJ FINGERPRINT FEE TRUST	\$2,017
DOWNTOWN OAK SR CTR 98-99	\$4
DOWNTOWN OAKLAND SENIOR CENTER-TRUST FUN	(\$3,650)
EAST OAK SR CTR FY98-99	(\$15,276)
ELECTION FUNDINGS	\$342,360
EMERGENCY HOUSING PROGRAM FY 0809	\$4,946
EMERGENCY HOUSING PROGRAM FY01-03	\$12,939
EMERGENCY HOUSING PROGRAM FY09/10	\$21,996
EMERGENCY HOUSING PROGRAM FY10/11	\$26,035
FGP/FED FUNDRAISING FY12/13	(\$3,890)
FINE REV FOR SENIORS AGING DPT	(\$4,724)

**FY 2013-14 Q3 Revenue and Expenditure Report  
General Purpose Fund (GPF)**

ATTACHMENT G

**GPF PROJECT & ENCUMBRANCE CARRYFORWARD BALANCES**

PROJECT NAME	AMT
FUND 1010 PAY-GO AT LARGE	\$600
FUND 1010 PAY-GO DIST 1	\$2,757
FUND 1010 PAY-GO DIST 2	\$12,307
FUND 1010 PAY-GO DIST 3	\$267
FUND 1010 PAY-GO DIST 4	\$17,581
FUND 1010 PAY-GO DIST 5	\$4,730
FUND 1010 PAY-GO DIST 6	\$286
FUND 1010 PAY-GO DIST 7	\$846
FY06-07 COUNCIL PRIORITIES - DISTRICT 2	\$51,737
FY06-07 COUNCIL PRIORITIES - DISTRICT 3	\$37,500
FY06-07 COUNCIL PRIORITIES - DISTRICT 4	\$327
FY06-07 COUNCIL PRIORITIES - DISTRICT 5	\$1,749
FY06-07 COUNCIL PRIORITIES - DISTRICT 7	\$2,084
FY06-07 COUNCIL PRIORITIES - SENIOR FUND	(\$4,610)
FY11 DNA BACKLOG REDUCTION PROGRAM	(\$4,736)
FY11/12 EMERGENCY HOUSING PRGM	\$459
FY12/13 EMERGENCY HOUSING PRGM	\$271,011
FY12/13 COMMUNITY PROMOTIONS	\$11,698
HDL CONTRACT-BUDGET OFFICE SHARE	\$6,000
HOMELESS MOBILE OUTRCH FY12/13	\$15,087
HOMELESS MOBILE OUTREACH FY09/10	\$2,983
HOMELESS MOBILE OUTREACH FY10/11	\$3,310
HS PY 37 CITY IN-KIND FY 07/08	(\$0)
HS PY42 FY 1213 CITY IN KIND	\$76,804
HS PY42 FY 1213 T & TA	\$0
HUNGER PROGRAM MAYOR'S FOOD PROGRAM	(\$0)
IMPOUND SPAY & NEUTER PROJECT	\$8,945
LABOR NEGOTIATIONS PROJECT	\$100,000
LEONA QUARRY DEVELOPMENT - PWA - 1010	\$278,968
LION AND TEMESCAL POOL ADA UPGRADES	\$247,880
MAYOR FOOD PRGM FY12/13	\$7,120
MAYOR'S TOY DRIVE FY2007-2008	(\$628)
MDT SET ASIDE	\$650,000
MERCHANT ORGANIZING-SHOP OAKLAND	\$64,222
MISDEMEANOR PROSECUTION	(\$0)
MOU NEGOTIATIONS	(\$1,978)
MSR Y- RESERVE FUNDS	(\$4,948)
MUSEUM MINOR CIP	\$11,765
NATIONAL NIGHT OUT	\$6,099
NEIGHBORHOOD LAW CORP - FOR COST TRACKIN	\$62,038
NORTH OAK SR CTR 98-99	\$3,307



**FY 2013-14 Q3 Revenue and Expenditure Report  
General Purpose Fund (GPF)**

ATTACHMENT G

**GPF PROJECT & ENCUMBRANCE CARRYFORWARD BALANCES**

PROJECT NAME	AMT
NSA 2010-2012	\$1,239
O&M FOR 20.0 PST IIS	\$711,300
PARK IMPROVEMENT PROPOSAL - 1010	\$4,466
PENDING LITIGATION EXPENSES & SETTLEMENT	\$7,000,000
PERALTA HACIENDA HISTORICAL PARK PHASE 3	\$1
PERMIT & CODE ENFORC TRACK SYS (FUND 101	(\$0)
PIEDMONT PINES UNDRGRND ASSESMNT-1010	\$48,500
PORT OVERWEIGHT	(\$183,858)
PORT-JLS OT SECURITY SVC	(\$70,189)
PROPERTY SECTION AUCTION REVENUE	\$192
PS RADIO SYS IMPROVEMENTS & 911 UPGRADES	\$3,042,000
PUBLIC ART-LM 12TH STREET - DD	\$43
PUBLIC NUISANCE ORDINANCE PROGRAM	(\$3,725)
RAIDERS SURCHARGE (FORMERLY ENHANCED BAL	\$372,855
RED LIGHT CAMERA ENFRGMT-FUND 2416	(\$83)
REDISTRICTING PROJECT	\$40,000
RENT ARBITRATION	(\$91,008)
RETAINED RENTAL BENEFIT - DOWNTOWN SENIO	\$98,197
RETAINED RENTAL BENEFIT - EAST SENIOR CE	\$15,098
RETAINED RENTAL BENEFIT - NORTH SENIOR C	\$43,893
RETAINED RENTAL BENEFIT - WEST SENIOR CE	\$29,675
RETAINED RENTAL REV	\$0
SCP/FED/CITY MATCH FY10/11	(\$1,746)
SCP/FED/CITY MATCH FY12/13	\$402
SENIOR AIDES CITY MATCH FY05/06	(\$0)
SENIOR AIDES/CITY MATCH FY 12/13	\$7,745
SENIOR AIDES/CITY MATCH FY0809	(\$0)
SENIOR AIDES/CITY MATCH FY09/10	(\$256)
SENIOR AIDES/CITY MATCH FY10/11	(\$17)
SIERRA SYSTEMS	\$900,000
SISTER CITIES	\$34,748
SOBRANTE PARK RESTROOM	\$514
STOP Project	\$373
TASER PROJECT	\$6,483
VIETNAMESE COMM DEV	\$4,588
WEST OAK SR CTR 98-99	\$3,359
WEST OAKLAND SENIOR CENTER - TRUST FUND	(\$832)
WHISTLEBLOWER PROGRAM	(\$0)
WILDFIRE ASSESSMENT RENEWAL 2013	\$35,000
WILLOW PARK TOT LOT SURF REPAIR	\$10,000
WOODMINSTER THEATHER ADA UPGRADES 5200	\$207,917

**FY 2013-14 Q3 Revenue and Expenditure Report  
General Purpose Fund (GPF)**

ATTACHMENT G

**GPF PROJECT & ENCUMBRANCE CARRYFORWARD BALANCES**

<b>PROJECT NAME</b>	<b>AMT</b>
YOUTH POLICY INITIATIVE	(\$6,225)
Misc Encumbrances	\$2,293,591
<b>TOTAL</b>	<b>\$27,494,768</b>