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CITY OF OAKLAND



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June 24, 2013

To: President Patricia Kernighan, District 2
Vice Mayor Latry Reid, District 7 and, Members of the Oakland City Council
Honorable Desley Brooks, District 6
Honorable Noel Gallo, District 5
Honorable Libby Schaaf, District 4

RE: Proposed "ALL-IN" Inclusive Budget 2013 - 15

Dear Colleagues:

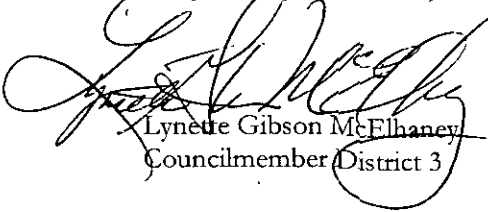
We are pleased to present for your consideration a budget proposal that weaves together the tremendous work that has been done by the Mayor, members of this Council and staff to provide for improved public safety, enhanced economic prosperity and a clean and livable city. Rather than presenting something new, this proposal builds on and integrates the priorities established by the Mayor, the Administration, this Council and the Public in the numerous public hearings and discussions.

In brief, this ALL-IN Budget Proposal:


- Invests in a Comprehensive Public Safety Strategy – including investing in four (4) new police academies, additional 911 dispatchers, increased code compliance and blight abatement, improved integration and coordination with Community-based Organizations while maintaining a commitment to the reforms identified by Chief Whent, the Court-appointed Compliance Director and the Wasserman/Bratton Consultant team.
- Is Fiscally responsible – makes important contributions to the City's reserve and pays down long-term liabilities and makes revenue capture a priority
- Protects our Vulnerable Populations – wisely invests one-time funds to limit the impacts of Federal cuts to Head Start (an important safety-net program for poor children), provides critical funding to the Affordable Housing Trust fund (to protect current projects that serve very low and low income residents), and eliminates proposed cuts to senior, youth and recreation centers.

The ALL-IN Budget is a reflection of our collective priorities and our values. As such it is our hope is that each Member will be able to see their top priorities reflected in this proposal such that we can be united in our adoption of the 2013 – 15 Budget.

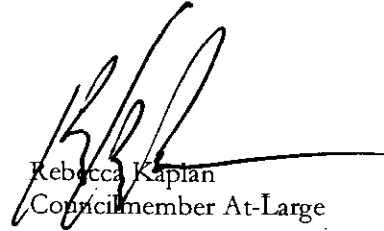
Respectfully submitted,



Lynette Gibson McElhaney
Councilmember District 3



Dan Kalb
Councilmember District 1



Rebecca Kaplan
Councilmember At-Large

Notes Accompanying the Inclusive Budget Proposal 2013-15

This All-In Budget is a compilation of financial forecasts that amend the General Purpose Funds portion of the Budget Forecast released by Mayor Jean Quan and the Administration and incorporates proposed amendments offered by President Kemighan and Councilmembers Brooks, Gallo and Reid. These notes accompany the Financial Projections Spreadsheet.

Rationale:

On April 23, Mayor Jean Quan released a Proposed Budget for 2013-15. In accordance with the Budget Transparency Ordinance, Council President Kemighan released a Proposal on June 3 and Councilmembers Brooks-Gallo-Reid (BGR) released an alternative proposal that same day.

From the outset, Councilmember Gibson McElhaney encouraged the Council to debate the budget priorities with the goal of establishing a final Budget that reflects the collective wisdom of the public's priorities and prudent financial management. Recognizing the merits of each of the 3 proposals under consideration, at the conclusion of the June 13 Budget Hearing, Councilmembers Gibson McElhaney, Kalb and Kaplan met to discuss how best to integrate the three proposals, the concerns expressed by our public service workers and the general public.

Values/Guiding Principals

The All-In Budget Proposal is guided by ALL of the following Principals and Values:

As adopted and put forward by Mayor Jean Quan		As Proposed by CM Brooks (D6) and adopted by the City Council
<ul style="list-style-type: none"> ➤ Invest in public safety ➤ Create jobs and promote economic development ➤ Bolster job-training services so that Oaldanders are a competitive and thriving workforce 	↔	<ul style="list-style-type: none"> ▪ A Safe City - <i>A City in which safety is defined by more than just police.</i>
<ul style="list-style-type: none"> ➤ Build and restore our infrastructure and the physical environment of Oakland 	↔	<ul style="list-style-type: none"> ▪ A Clean City - <i>A City in which we swiftly address quality of life issues such as graffiti, blight, and illegal dumping in all of our neighborhoods.</i>
<ul style="list-style-type: none"> ➤ Foster Oakland youth and care for our most vulnerable populations 	↔	<ul style="list-style-type: none"> ▪ A Livable City - <i>A City that respects and provides safe spaces for its children and seniors.</i>
<ul style="list-style-type: none"> ➤ Achieve long-term fiscal stability for the City 		
		<ul style="list-style-type: none"> ▪ A City that honors and respects its employees - <i>Restoring Employee Contributions and Furlough Days</i>

The All-In Budget Proposal incorporates each of these priorities and establishes a framework for future revenue allocation as described in detail below.

HIGHLIGHTS

REVENUE & FISCAL RESPONSIBILITY

In keeping with the guiding principal to Achieve long-term fiscal stability for the City, the ALL-IN Budget Proposal maintains a conservative use of one-time revenues and the programming of excess Real Estate Transfer Taxes (RETT). The ALL-IN Budget proposal incorporates revenue that was not identified at the time the Mayor and Administration released their draft budget proposal in April 2013 but has since been verified by the City’s Budget and Revenue Division. While the Administration’s projections are conservative, the ALL-IN Budget relies upon the projections provided by the Administration, leaving any future programming discussion to the mid-cycle review.

In recognition of the financial challenges and uncertainties detailed in the Administration’s Budget, the ALL-IN Proposal establishes as a RETT priority the following:

- Set aside at least **35%** to fund increased contributions to the **GPF Reserve** above the required 7.5%
- Set aside at least **15%** to fund increased contribution to the **Capital Improvement Projects Reserve Fund** for deferred infrastructure projects
- Set aside at least **10%** to pay down long-term liabilities
- **Reduced dependency on the use of one-time funds** for on-going costs

Boomerang Funds: The City Administrator has confirmed that the City has received \$9.5M in “boomerang funds” as a result of the State’s dissolution of the Redevelopment Agency. The ALL-IN Budget proposal allocates these funds as follows:

- Set aside 22% to fund increased contributions to the **GPF Reserve**, this is an additional \$2,090,000 contribution to the GPF reserve.

Taken together, these actions would significantly increase the GPF Reserve by approximately \$4M, increases the reserve for critical capital improvement projects to make the City safe and allocates at least \$.5M to pay down long term liabilities.

	SOURCE	Boomerang Funding	%	RETT	%
USES		\$9,500,000	100%	\$5,345,000	100%
▪ GPF Reserve Fund Contribution		\$2,090,000	22%	\$1,870,750	40%
▪ Set aside for one-time uses		\$7,410,000	78%	\$2,138,000	40%
▪ 15% to CIP Reserve Fund for deferred infrastructure projects				\$801,750	15%
▪ 10% set aside for long-term liabilities				\$534,500	10%
Other Fiscal Priorities:					
➤ Complete a Nexus Study with support from regional partners to implement Impact Fee Schedule competitive with other jurisdictions (Item #16)				\$500,000	
➤ Complete dynamic parking smdy for “fair priced” parking and reduce penalties to residents and visitors (Item #14)				\$200,000	

Priority #1 - Making Our City Safe

In addition to the increased investments in OPD as proposed by the Administration, this ALL-IN Budget proposal makes a significant investment in the Oakland Police Department to increase staffing and improve performance.

- Includes funding for four (4) police academies to bring the total number of officers to 700 over the next two years (Mayor's Budget, \$11,885,505.00
- Adds five (5) 911 dispatchers to reduce call wait and response times [Item#11] \$1,119,621
- Increases the investment in civilian positions beyond the Administration's request to: \$3,776,102
 - Add four (4) additional Police Evidence Technicians
 - Expand the Crime lab by four (4) Criminalists in the Crime Lab (IIs & IIIs) and one (1) additional CODIS Investigator
 - Add one (1) additional Fingerprint Examiner to reduce backlog and improve evidence gathering
 - Strengthen community policing by adding one (1) additional Neighborhood Service Coordinator (NSC) to align with new Area (District) assignments; and
 - Adds back the Specialty Code Enforcement and Specialty Combination Inspectors to reduce grime and environmental crimes against residents and businesses
- Establishes policy priority and provides funding to eliminate the hiring backlog of civilian and sworn personnel and support the expeditious civilianization of appropriate OPD staff (Item #20 & #21) \$582,968
- Community Policing/Restorative Justice: Invests in strengthening the capacity and effectiveness of community-based organizations and governmental agencies in evidenced-based prevention, intervention and restorative justice strategies. (Item #33) \$300,000

Oaldanders overwhelmingly support a comprehensive approach to public safety and have consistently demanded that the approach include prevention, intervention and suppression. In addition to challenges within the department that led to mandated reforms through a Negotiated Settlement Agreement (NSA) with the Federal courts, the department has suffered significant loss of man-power that began with the unprecedented layoff of 80 officers in 2010.

The ALL-IN Budget fully funds the Compliance Director and Chief's requests and supports the Mayor's commitment to four (4) police academies over the 2013-15 budget cycle with the goal to increase the force to 700 officers. Further, the ALL-IN Budget also incorporates the public's demand that we increase the number of sworn officers to patrol our neighborhoods by restoring civilian positions and incorporating needed investments identified by the Wasserman/Bratton consultants retained by the City to improve departmental practices and efficiencies.

Priority #2: Protecting our Quality of Life (Clean City Priorities)

Illegal dumping, potholes, graffiti and other environmental crimes have drastically increased since such services were cut in prior years - costing Oakland residents and business hundreds of thousands of dollars and threatening the quality of life for all Oaklanders. Each of the 3 budget proposals under consideration includes increasing the investment in public works to address this criminal activity. The ALL-IN Budget makes strategic investments to restore funding cuts in OPD and the Public Works Department to combat these crimes, and to protect public investment in roadways, parks and recreation centers. In addition to the Mayor's Proposal, the ALL-IN budget adds the following:

- Expands the number of Code Enforcement Inspectors – Specialty Combination Inspectors to enhance enforcement of blight and graffiti laws on public and private property (Item #32) and directs the Administration to fund aggressive abatement of blight and graffiti through an established single-purpose fund, and realizing a \$3M savings in the General Purpose Fund (GPF) (PD-6) \$1,067,708
- Partially restores funding for park and median landscape maintenance (Item #36 & #38) \$783,832
- Adds one Street Patching Crew leveraging Measure B funds to fix deteriorating and dangerous streets and roads (Item #37) \$1,638,081
- Expands Neighborhood Law Corps to prosecute illegal dumping and graffiti crimes. Successful prosecution will help deter future offenders. (Item #40) \$300,000

Priority #3 – Protecting our Vulnerable Populations for Safety & Security

A safe and secure city is one that ensures a good quality of life for all of its residents – especially those, such as our youth, elderly and low-income residents, who are vulnerable to being or becoming victims or perpetrators of crime. The ALL-IN Budget recognizes that addressing elder abuse, homeless encampments, truancy and lack of safe places for youth contribute to a better quality of life for all Oaklanders. Therefore, the ALL-IN Budget eliminates proposed cuts and restores or adds funding for these vulnerable populations.

- Eliminates cuts to Recreation Center Hours, and Senior Centers (Items #42,46,49,50) \$322,035
- Guarantees one year of full funding (one-time) for Head Start to cover Congressional cuts (Item #45) \$1,516,000
- Prioritizes funding for Youth in violent communities (East and West Oakland Youth Centers), Teen Leadership Development (Youth Commission) and eliminates proposed cuts to the OUSD academies (Item #13,19,48 & 53) \$1,071,385
- Restores funding to the Affordable Housing Trust eliminated by Redevelopment Agency dissolution to complete critical projects (Item #47) \$1,814,766
- Restores funding to the programs that work to abate and deter homeless encampments (Item #44) \$120,000

Priority #4 – Promoting Economic, Workforce Development and Job Creation

Oakland's economy is showing steady signs of modest recovery. Our housing market is hot, and key economic indicators are trending in a positive direction: revenue is rising, unemployment is down and many long awaited projects (like the development of a Trade & Logistic Center at the former Oakland Army Base, Oak Knoll and Brooklyn Basin) are coming online. But this economic recovery is fragile in its infancy.

In recognizing that Oakland's economic recovery must be nurtured in order to be sustained, the ALL-IN Budget proposal includes investments to develop Oakland's workforce, encourage business development and supports the Administration's efforts to secure grants and foster economic development initiatives.

▪ Supports the development of a Job Resource Center in West Oakland for employers and job seekers in connection with the construction and permanent jobs at the new Trade and Logistic Center at the former Oakland Army Base (Item #19)	\$370,000
▪ Provides funding to support an East Oakland Day Laborer Center and maintain grant funding (Item #15)	\$170,000
▪ Supports allocating funding to create add 1.00 FTE City Administrator Analyst in Economic Workforce Development to support business attraction & retention. (Mayor's Budget, Page E-12)	\$336,638
▪ Supports allocating funding to add 1.00 FTE City Administrator Analyst to seek and secure grants, matching funds and additional resources and partnerships (Mayor's Budget, Page E-30)	\$238,603
▪ Sets aside funds for employee consideration, <i>subject to pending negotiations</i> (Item #22)	\$6,000,000

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2013

PASSED BY THE FOLLOWING VOTE:

AYES– BROOKS, GALLO, GIBSON McELHANEY, KALB, KAPLAN, REID, SCHAAF, AND PRESIDENT KERNIGHAN

NOES–

ABSENT–

ABSTENTION–

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

Council
June 27, 2013
ITEM: _____

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ALL-IN Budget Proposal			FY 2013 - 14 Proposed Expenditures	FY 2014 - 15 Proposed Expenditures	One-Time	Totals	Notes
Item #	Type	REVENUE					
1	Confirmed	Boomerang Funds	\$ -	\$ -	\$ 9,500,000	\$ 9,500,000	Use of 1x funds for 1x expenditures including additional payment to reserve fund.
2	ADD	Excess RETT			\$ 5,345,000	\$ 5,345,000	Confirmed by the Revenue Division \$3 mil FY 12-13; \$365k FY 13-14; \$1.98 mil FY 14-15
3	ADD	DOF Redevelopment Appeal Funds			\$849,314	\$ 849,314	Per memo from June 24, freed up funds from DOF Redevelopment appeal
Subtotal of Boomerang & RETT			\$ -	\$ -	\$ 15,694,314	\$ 15,694,314	

Item #	Purpose	Revenue Reductions: Reserve Contributions & Programming (New)	FY 2013 - 14 Proposed Expenditures	FY 2014 - 15 Proposed Expenditures	One-Time	Totals	Notes
1a	Reserve Contribution	Reserve Contribution	\$ -	\$ -	\$ (2,090,000)	\$ (2,090,000)	Based on 22% of Boomerang fund
2a	Reserve	15% added to CIP Reserve Fund for deferred infrastructure projects	\$ -	\$ -	\$ (801,750)	\$ (801,750)	Based on 15% of projected RETT
2b	Reserve	10% set aside for long-term liabilities	\$ -	\$ -	\$ (534,500)	\$ (534,500)	Based on 10% of projected RETT
2c	Reserve	35% added to GPF Reserve	\$ -	\$ -	\$ (1,870,750)	\$ (1,870,750)	Based on 35% of projected RETT
3	Reduced Reduction	Cuts to elected offices: Council, Mayor, City Attorney's reduction by 2% each year	\$ (311,103)	\$ (711,218)	\$ (139,162)	\$ (1,161,483)	Based on Kernighnn Proposal; restore 3% in Y1 and 8% in Y2; Partial cut expires to City Attorney's office
			\$ (311,103)	\$ (711,218)	\$ (5,436,162)	\$ (6,458,483)	

ADDITIONAL REVENUE PROJECTIONS							
Item #	Status						
4	Confirmed	Enhanced Parking Enforcement (PER CAO Memo 6/12, p4); adds 4 PST II in OPD	\$ -	\$ -	\$ 1,700,160	\$ 1,700,160	Based on Labor recommendation; confirmed by Revenue Division
5	Confirmed	Increased Projections of Parking Revenues	\$ -	\$ 250,000	\$ 500,000	\$ 750,000	Confirmed by Revenue Division
6	Confirmed	Revised Revenue Projections as of 3 rd Quarter Report (as of 5/22/13)	\$ 3,020,000	\$ 2,460,000	\$ -	\$ 5,480,000	Revised per OFCY True-up included as an expense below.
7	Confirmed	Triple Flip Funds	\$ -	\$ -	\$ 2,100,000	\$ 2,100,000	Confirmed by Revenue Division \$2.1M 1x
8	Confirmed	Undesignated Fund Balance from the FY '12-'13	\$ -	\$ 1,578,802	\$ -	\$ 1,578,802	Based on Appendix B in Q3 R&E.
Subtotal of Additional Revenues			\$ 3,020,000	\$ 4,288,802	\$ 4,300,160	\$ 11,608,962	

Funds Available for Programming (before add backs)	\$ 2,708,897	\$ 3,577,584	\$ 14,558,312	\$ 20,844,793
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ALL-IN Budget Proposal			FY 2013 - 14	FY 2014 - 15			
Item #	Change Type	Proposed Budget (Add Backs)	Proposed Expenditures	Proposed Expenditures	One-Time	Totals	Notes
9	CUT	Phased Timing of the temporary contract with CHP	\$ -	\$ -	\$ 1,400,000	\$ 1,400,000	Allocates \$2.6M of \$4M requested by Mayor, assumes reduction of CHP as (4) OPD academies come online.
10	CUT	Errata clarification re OPD Swap of Account Clerk II w/Administrative Assistant 1	\$ 17,000	\$ 17,000		\$ 34,000	Confirmed by Revenue Division.
11	ADD BACK	Alternative: Savings from lag time while hiring takes place/5.00 FTE Newly Proposed Police Communications Dispatchers (PG. E-21)	\$ 92,182			\$ 92,182	Consistent with Kernighan proposal. Assumes savings in FY13-14 based on pro rata of annual wages based on 2 month lead time on hiring.
12	CUT	Add 1.00 FTE Special Assistant to the Mayor (E-5)	\$ 117,870	\$ 120,733	\$ -	\$ 238,603	Consistent with BGR Proposal
		Total Reprogramming Savings	\$ 227,052	\$ 137,733	\$ 1,400,000	\$ 1,764,785	Total reprogramming of Mayor's budget
		Funds Available for Programming	\$ 2,935,949	\$ 3,715,317	\$ 15,958,312	\$ 22,609,578	

Item #	Purpose	EXPENDITURES	FY 2013 - 14 Proposed Expenditures	FY 2014 - 15 Proposed Expenditures	One-Time	Totals	Notes
13	Economic Development & Job Creation	ADD BACK: OUSD Academies	\$ -	\$ -	\$ 112,000	\$ 112,000	Consistent with Kernighan Proposal & Administration buy back memo
14	Economic Development & Job Creation	ADD: Dynamic Parking Study			\$ 200,000	\$ 200,000	To promote economic development in our neighborhoods and commercial corridors.
15	Economic Development & Job Creation	Funding for Day Labor Program			\$ 170,000	\$ 170,000	Compromise: Informed by BGR2 proposal
16	Economic Development & Job Creation	Nexus Study to support Impact Fees (supplement with grants)			\$ 500,000	\$ 500,000	Consistent with Kernighan Proposal; reduced to be offset by grants
17	Economic Development & Job Creation	Reduce Taxi Permit Fee consistent with level of service provided.			\$ 118,900	\$ 118,900	Introduced by Vice Mayor Reid, approved by Council 6/18/13.
18	Economic Development & Job Creation	Restore Grade – Administrative Services Manager 1 in Contract Compliance (PG E-12)	\$ 88,935	\$ 91,095	\$ -	\$ 180,030	Consistent with BGR proposal
19	Economic Development & Job Creation	West Oakland Job Center	\$ 70,000	\$ -	\$ 300,000	\$ 370,000	Consistent with both President Kernighan and BGR proposal
20	HR	ADD: 1 FTE HR Analyst	\$ 60,017	\$ 122,951		\$ 182,968	Addresses concerns raised RE: BACKLOG of filling vacancies. Assumes 1/1/14 Start (50% funding in Yr1)

ALL-IN Budget Proposal			FY 2013 - 14 Proposed Expenditures	FY 2014 - 15 Proposed Expenditures	One-Time	Totals	Notes
Item #	Purpose	EXPENDITURES					
21	HR	ADD: Clear Backlog of Background Checks/Improve Hiring Time (one time)			\$ 400,000	\$ 400,000	Addresses concerns raised regarding implementation of hiring policies consistent with budget priorities
22	HR	Civilian Employee Consideration (Subject to bargaining)			\$ 6,000,000	\$ 6,000,000	Consistent with BGR proposal
23	Other Admin	Restore Graphic Design Specialist, PPT	\$ 80,000	\$ 80,000		\$ 160,000	Consistent with Kernighan Proposal
24	Public Safety	Add 1 Neighborhood Services Coordinator	\$ 99,139	\$ 101,531		\$ 200,670	Consistent with Kernighan Proposal
26	Public Safety	Add: CODIS Investigators/Criminalist IIs for Crime Lab [1]	\$ 62,535	\$ 128,109		\$ 190,644	Consistent with Kernighan, CM Schaaf
26	Public Safety	Add: Criminalist IIs for Crime Lab [2]	\$ 144,746	\$ 296,524		\$ 441,270	Consistent with Kernighan, CM Schaaf
27	Public Safety	Add: Criminalist IIs for Crime Lab [2] Per CAO Memo 6/7/13 Attach I	\$ 125,069	\$ 256,218		\$ 381,287	Consistent with Kernighan, CM Schaaf
28	Public Safety	Add: Latent Print Examiner II for Crime Lab [1]	\$ 59,563	\$ 122,020		\$ 181,583	Consistent with Kernighan Proposal, CM Schaaf
29	Public Safety	Add: Police evidence technicians [4]	\$ 194,992	\$ 389,984		\$ 584,976	Consistent with Kernighan, CM Schaaf
30	Public Safety	ADD: Police Service Technician (PST) [2]	\$ -	\$ 178,618		\$ 178,618	Recommend assigning 2 of the 20 PSTs approved in 1/2013 to parking enforcement
31	Public Safety	Animal Control Officer (1 FTE Non-Sworn) (pg E-21)	\$ 73,777	\$ 75,569		\$ 149,346	Consistent with both President Kernighan and BGR proposal
32	Public Safety	Expand Code Enforcement Inspectors - Specialty Combination Inspectors (ensure that they do blight on private property and graffiti enforcement)	\$ 527,534	\$ 540,174		\$ 1,067,708	Consistent with both President Kernighan and BGR proposals informed by staff recommendations.
33	Public Safety	Hire Consultant to Craft Comprehensive Community-based Intervention & Prevention Services Plan to improve public safety.			\$ 300,000	\$ 300,000	BGR1: Funds research, needs assessment, asset mapping and integration strategy for community-based crime prevention & intervention strategies for targeted populations and re-entry services/programs.
34	Public Safety	NSC Community Outreach for Public Safety			\$ 100,000	\$ 100,000	Based on staff recommendation to restore prior year cuts to enhance public outreach.
35	Public Safety	Wildfire Prevention Assessment District - Mello Roos Legal			\$ 213,000	\$ 213,000	Consistent with Administration request; confirmed by Revenue Division
36	Quality of Life	Add 1 Litter Mitigation Crew	\$ 170,032	\$ 173,800	\$ 40,000	\$ 383,832	Consistent with Kernighan Proposal; pg A-3
37	Quality of Life	Add: 1 Street Patching Crew (3 FTE): Hire crew supplementing Measure B Local Street & Road funds	\$ 453,461	\$ 459,620	\$ 725,000	\$ 1,538,081	Consistent with Kernighan Proposal

ALL-IN Budget Proposal			FY 2013 - 14	FY 2014 - 15				
Item #	Purpose	EXPENDITURES	Proposed Expenditures	Proposed Expenditures	One-Time	Totals	Notes	
38	Quality of Life	Enhanced Parks Maintenance	\$ -	\$ -	\$ 400,000	\$ 400,000	In response to community concerns about neighborhood parks.	
39	Quality of Life	Graffiti Enforcement and Abatement / Graffiti Abatement - Integrated Budget Includes: \$150,000 for painting staff, \$400,000 for Murals/Green Walls (\$50k/council district)	\$ 150,000	\$ 150,000	\$ 400,000	\$ 700,000	Consistent with both President Kernighan and BGR proposals informed by staff recommendations.	
40	Quality of Life	Neighborhood Law Corps support for Graffiti Abatement and Illegal Dumping	\$ -	\$ -	\$ 300,000	\$ 300,000	Consistent with both President Kernighan and BGR proposals informed by staff recommendations.	
41	Quality of Life	Restore cuts to Peralta Hacienda & Oakland Asian Cultural Center	\$ -	\$ -	\$ 19,380	\$ 19,380	Consistent with Kernighan Proposal	
42	Quality of Life	Restore Cuts to Recreation Center Hours	\$ 106,653	\$ 106,653	\$ -	\$ 213,306	Consistent with Kernighan Proposal	
43	Quality of Life	Restore Funding for Cultural Festivals	\$ -	\$ -	\$ 200,000	\$ 200,000	In recognition of public input for neighborhood festivals, cultural events.	
44	Quality of Life	Restore funding to Abate & Deter Homeless Encampments.			\$ 120,000	\$ 120,000	Consistent with Kernighan Proposal	
45	Vulnerable Populations	Head Start			\$ 1,516,000	\$ 1,516,000	Compromise: Backfills 100% of Federal funding cuts for one year; PAGE A-4	
46	Vulnerable Populations	No cuts to senior centers O&M (PG. D-10)	\$ -	\$ -	\$ 20,000	\$ 20,000	Consistent with both President Kernighan and BGR proposal	
47	Vulnerable Populations	Preserve Affordable Housing Programs			\$ 1,814,765	\$ 1,814,765	Consistent with Kernighan Proposal	
48	Vulnerable Populations	Rainbow Teen Center/DACA	\$ 150,000	\$ 150,000	\$ -	\$ 300,000	Consistent with both President Kernighan and BGR proposal; Page A-5	
49	Vulnerable Populations	Restore Vietnamese Senior Center Cuts	\$ -	\$ -	\$ 7,344	\$ 7,344	Consistent with Kernighan proposal	
50	Vulnerable Populations	Senior Services Supervisor (.59 FTE)			\$ 81,385	\$ 81,385	Restoring this .59 position is consistent with both President Kernighan and BGR proposal (See also Errata #3); Funds to be used to restore 2nd year cuts to senior services staff	
51	Vulnerable Populations	Set Aside for OFCY per city charter for new revenue	\$ -	\$ -	\$ 1,363,162	\$ 1,363,162	Consistent with Administration ERRATA #4	
52	Vulnerable Populations	West Oakland Youth Center	\$ 195,000	\$ 195,000	\$ 80,000	\$ 470,000	Consistent with BGR proposal; staff had revised costing from \$190K/yr to \$235K/yr; page A-5, one-time funds will be used for materials and furniture.	
53	Vulnerable Populations	Youth Commission Staff (E-49)	\$ 93,556	\$ 95,829		\$ 189,385	In recognition of the critical role youth leaders play in safety and civic engagement; Page E-49	
Subtotal of Expenditures			\$ 2,905,009	\$ 3,713,695	\$ 15,500,937	\$ 22,119,641		
Surplus (Deficit) after modifications			\$ 30,940	\$ 1,622	\$ 457,375	\$ 489,937		

ALL-IN Budget Proposal

Other Policy Directives:		FY 2013 - 14 Proposed Expenditures	FY 2014 - 15 Proposed Expenditures	One-Time	Totals	Notes	
PD-1	Charter Mandate	Restore Council Member salary cut and CPI Adjust. Per City Charter 202 (c)	\$ 159,231	\$ 159,231			The Public Ethics Commission has approved the restoration of Council salary adjust with 7-0 vote; the City Charter mandated that the adjustment will automatically take place in July 2013. Subject to Council rejection by vote.
PD-2	Public Service	2 Attorneys + 1 Paralegal in self insurance liability fund (7/1/14 start)		\$ 615,652			As funding becomes available, we urge the Administration to prioritize staffing the CAO to reduced dependence and expense of outside Counsel.
PD-3	Public Service	Return funding to KTOP from PIO in OPD - (Telecommunications Fund) to KTOP for public access; restore the cut to Cable Operations Technician	\$ 144,721	\$ 148,237			We urge the Administrator to maintain KTOP funding to strengthen and expand public access (e.g. covering additional commissions etc.).
PD-4	HR	Due to addition of 1 FTE for Youth Commission (above), existing 1 FTE for PEC/Youth Commission/CPRB assigned to PEC only. Further, existing .50 FTE at PEC to be transferred to CPRB.					After discussions with staff, we urge the Administration to reassign personnel to ensure adequate coverage of these important functions. Youth Commission requires extensive time in order to be effective.
PD-5	HR	Policy Statement on Labor Negotiations					Funds identified in this proposal are recommended as a one-time set aside, subject to bargaining. Funding level is based on BGR1 proposal and is not meant to replace any future or current negotiations.
PD-6	Quality of Life	Illegal Dumping Mitigation	\$ 500,000	\$ 500,000	\$ 150,000	\$ 1,150,000	Consistent with both President Kernighan and BGR proposal. Revenue Division identified use of Fund #1720 for these costs but not on-going. As the revenue grows, the Administration to identify permanent funding for these essential services for health and safety. Consistent with both President Kernighan and BGR proposal, move to Fund #1720, see line#78.
PD-7	Vulnerable Populations	Earmark 25% of future unbudgeted boomerang funds to Affordable Housing Trust fund.					We urge the Council to adopt a policy to prioritize funding the Affordable Housing Trust consistent with a commitment under Redevelopment
PD-8	Economic Development	Direct the City Administrator to come back to the City Council with a report within 90 days with an action plan to aggressively pursue potentially uncollected revenues from "Parking Scofflaws."					Consistent with the BGR Proposal

PD-9 Economic Development Direct the City Administrator to come back to the City Council within 4 months with an action and implementation plan to repair broken parking meters in the City which could be generating revenue. *Consistent with the BGR Proposal*

PD-10 Financial Accountability Direct the City Administrator to schedule monthly "Budget Implementation and Tracking Reports/Matrices" to be presented to the appropriate committees for the respective department impacted by the budget changes. *Consistent with the BGR Proposal*

PD-11 Financial Accountability Direct the City Administrator to schedule bi-annual reports to the Finance Committee that list all contracts authorized by the City Administrator under the City Administrator's contracting authority. *Consistent with the BGR Proposal, with an extended timeline.*

PD-12 Public Safety Direct the City Administrator to work with OPD to develop an officer retention program and report back to the Public Safety Committee within 6 months. *Consistent with the BGR Proposal, with the addition of a timeline.*

PD-13 Public Safety Direct the City Administrator to begin a process for civilianizing positions within OPD that are currently held by sworn officers but can be done by civilian employees and provide a status report to the Council within 6 months. *Consistent with the BGR Proposal, with an extended timeline.*

PD-14 Financial Accountability Direct the City Administrator to report back to the Finance Committee every 3 months on the status of one-time fund balances. *Consistent with the BGR Proposal*

CITY OF OAKLAND



CITY HALL - 1 FRANK H. OGAWA PLAZA - OAKLAND - CALIFORNIA 94612-

To: Oakland City Councilmembers and Members of the Public

From: Councilmembers Gibson McElhaney, Kalb, and Kaplan

Date: June 20, 2013

Subject: Budget projections and proposal for allocation Excess Real Estate Transfer Tax (RETT)

FILED
 OFFICE OF THE CITY CLERK
 OAKLAND
 13 JUN 24 PM 1:19

I. Projections for Excess RETT in FY 13-14 and FY 14-15

Immediate (FY 12-13)	FY 13-14	FY 14-15
\$3,000,000	\$365,000	\$1,980,000

*Total Excess RETT = \$5,345,000**

*We believe that the actual "Excess RETT" in FY 13-14 and FY 14-15 is likely to be significantly greater than the projections indicated here. Nevertheless, we are using the Administration's conservative projections.

II. Appropriation of Excess RETT

We propose for your consideration the following recommended FYs 13-15 budget proposal for excess Real Estate Transfer Tax (RETT) as identified pursuant to Ordinance 13134 CMS, presuming successful passage of the recent amendments on second reading at the June 27, 2013 Council meeting. This proposal is for excess RETT identified in FY 12-13, as well as excess RETT projected for FY 13-14 and FY 14-15. Pursuant to the uses authorized by Section D of that Ordinance, and in the interest of balancing immediate needs with fiscal responsibility, we recommend that these funds be allocated amongst the following uses by the noted percentages:

Item #	Appropriation	% of Annual Excess RETT	\$ Allocation
1	Added to the Capital Improvements Reserve Fund for deferred infrastructure projects.	15%	\$801,750
2	Set aside for payment of long-term liabilities (Other Post-Employment Retirement Benefits (OPEB) trust and Police and Fire Retirement System (PFERS)), with exact amounts allocated toward OPEB and/or PFERS to be proposed by the City Administrator and approved by the Council on an annual basis.	10%	\$534,500
3	Added to the General Purpose Funds (GPF) Reserve for litigation or other unanticipated purposes, unless such Reserve has reached 9% of current budgeted year GPF appropriations, in which case Item #3 funds shall be distributed equally amongst and added to the uses identified for Items 1, 2, & 4.	35%	\$1,870,750
4	Programmed into proposed budget for one-time uses as determined by Council pursuant to Section D of Ordinance 13134.	40%	\$2,138,000

Grand total Excess RETT = \$5,345,000

Respectfully submitted,

Lynette Gibson McElhaney, Councilmember

Dan Kalb, Councilmember

Rebecca Kapan, Council President Pro Tem