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OFFICE OF THE CITY CLERK
OAKLAND

CITY OF OAKLAND
AGENDA REPORT

2011 OCT -6 PM 1:58

TO: Oakland City Council
FROM: Deanna J. Santana
DATE: October 18, 2011

RE: Resolution Ratifying Action Taken By The Mayor During The Oakland City Council 2011 Annual Recess In Conformance With Council's Rules Of Procedure, Resolution No. 82580 C.M.S., Dated March 10, 2010

SUMMARY

This document transmits the staff report and resolution (*Attachment A*) regarding the action taken during the City Council 2011 Annual Recess Fixing the Rate of Property Tax and Levying a Tax on Real and Personal Property in the City of Oakland.

Respectfully submitted,



Deanna J. Santana
City Administrator

Prepared by:
Marjo R. Keller
Assistant to the City Administrator

Item: _____
City Council
October 18, 2011

ATTACHMENT A

CITY OF OAKLAND

FILED
OFFICE OF THE CITY CLERK
OAKLAND

AGENDA REPORT

2011 AUG 11 PM 4:40

TO: Office of the City Administrator
ATTN: Deanna Santana
FROM: Finance & Management Agency
DATE: August 23, 2011

RE: A Resolution Fixing the Rate of Property Tax and Levying a Tax on Real and Personal Property in the City of Oakland For Fiscal Year 2011-2012 for Voter-Approved Indebtedness

SUMMARY

A resolution has been prepared to set the property tax rates for fiscal year (FY) 2011-2012 for voter-approved indebtedness, including the City's general obligation bonds and pension obligation bonds. The proceeds generated from these property tax rates will be used towards paying debt service on the City's voter-approved indebtedness.

The resolution is submitted during summer recess in order to meet the schedule for property tax rate submittal established by the County of Alameda (County). All tax rates must be submitted to the County by August 31, 2011 for inclusion in FY 2011-2012 property tax bill.

FISCAL IMPACT

Passage of this resolution will permit the City to collect the FY 2011-2012 revenues included in the FY 2011-13 Adopted Policy Budget for the payment of debt service for the outstanding general obligation and pension obligation bonds.

BACKGROUND

In order to provide for the debt service for the City's general obligation and pension obligation bonds, the City must annually set levy rates based on the assessed valuation subject to taxation, and must inform the County of these rates by August 31st for inclusion on that year's property tax bill.

The resolution has been prepared pursuant to California Government Code and Article VIII, Section 802, of the Oakland City Charter, setting the FY 2011-2012 property tax rate for voter-approved indebtedness. Article XIII A of the California Constitution (Proposition 13) precludes the adoption of a City-wide property tax rate. A County-wide one percent (1%) property tax rate is assessed by Alameda County and apportioned to cities and special districts in accordance with state law.

Item: _____
Mayor's Summer Recess Agenda
August 23, 2011

KEY ISSUES AND IMPACTS

For the City's general obligation bonds, the levy rates are calculated each year to yield the necessary debt service amount based on the assessed valuation of property within the City.

The following property tax rates are required to satisfy the City of Oakland's 2011-2012 voter-approved indebtedness for the indicated general obligation bond series, based upon the current assessed valuation as reported by the County of Alameda:

Bond Issue	Property Tax Rate
\$38,000,000 General Obligation Bonds (Measure G), Series 2002A	0.00656%
\$71,450,000 General Obligation Bonds (Measure DD), Series 2003A	0.01143%
\$122,476,014 General Obligation Refunding Bonds, Series 2005	0.02847%
\$21,000,000 General Obligation Bonds (Measure G), Series 2006	0.00343%
\$64,545,000 General Obligation Bonds (Measure DD), Series 2009B	0.01177%

For the City's Police and Fire pension liability, the property tax rate required to satisfy the City's 2011-2012 voter-approved indebtedness for the indicated pension obligation bonds is 0.1575%.

SUSTAINABLE OPPORTUNITIES

Economic: There are no economic opportunities associated with this report.

Environmental: There are no environmental opportunities associated with this report.

Social Equity: There are no social equity opportunities associated with this report.

DISABILITY AND SENIOR CITIZEN ACCESS

There are no disability or senior citizen access issues contained in this report.


RECOMMENDATION(S) AND RATIONALE

Staff recommends passage of this resolution as it is required to generate the revenues needed to pay debt service on the City's general obligation and pension obligation bonds.

ACTION REQUESTED OF THE CITY COUNCIL

Council is requested to approve the resolution specifying the property tax levy rates for FY 2011-2012. In the event of any changes to the County's assessed valuation data, the proposed resolution allows the City Administrator or his designee to approve any necessary adjustments in the rates for the General Obligation Bonds, Series 2002A, 2003A, 2005, 2006, and 2009B Bonds prior to the County's preparation of the tax bills. Council will be notified of any significant changes to the rates estimated above.

Respectfully submitted,



Joseph T. Yew, Jr.
Finance Director/City Treasurer

Prepared by:
Katano Kasajite, Treasury Manager
Treasury Division

**APPROVED AND FORWARDED TO THE
CITY COUNCIL**



Office of the City Administrator

City of Oakland
General Obligation Bonds

Levy Calculations for Fiscal Year 2011-2012

Bond Description	Series 2002A (Measure G)	Series 2003A (Measure DD)	Series 2005 (Refunding)	Series 2008 (Measure G)	Series 2009B (Measure DD)	GO TOTAL
Fund Number	6310	6320	6063 (Baby Bonds)	6311	6321	
Cash Available for DS as of 6/30/11						
Cash Held by Treasury	\$ 711,629	\$ 1,201,140	\$ 1,667,321	\$ 386,350	\$ 1,680,999	\$ 5,647,439
Cash Held by Trustee	12	21	3	32	25	93
Total Cash	711,641	1,201,161	1,667,324	386,382	1,681,024	5,647,532
Debt Service Payments through 12/31/12						
FY 2011-2012 DS Payments	2,541,750	4,417,880	11,119,734	1,322,762	4,612,181	24,014,307
DS Payment in 07/15/12	795,750	1,364,396	-	435,181	1,744,741	4,340,068
DS Payment in 12/15/12	-	-	1,972,387	-	-	1,972,387
Bank & Bonds	9,500	11,500	6,000	6,000	6,000	39,000
Total DS Payments through 12/31/12	3,347,000	5,793,776	13,098,121	1,763,943	6,362,922	30,365,762
Total Debt Service Shortfall	2,635,359	4,592,615	11,430,797	1,377,561	4,881,898	24,718,230
Add: Reserve (6% of FY 11/12 DS)	152,505	265,073	667,184	79,366	276,731	1,440,858
Add: Projected Delinquencies (Unsecured Roll: 11.5%)	26,237	45,732	113,551	13,606	43,692	242,819
Less: Projected Unitary Tax Collected FY 11-12	382,214	665,936	1,653,089	198,102	636,277	3,535,617
Balance to be levied on Tax Roll	\$ 2,431,888	\$ 4,237,484	\$ 10,558,444	\$ 1,272,431	\$ 4,366,044	\$ 22,866,291
Secured Tax Rate ⁽¹⁾	0.00656%	0.01143%	0.02847%	0.00343%	0.01177%	0.06165%
Assessed Valuation ⁽²⁾	37,084,801,270	37,084,801,270	37,084,801,270	37,084,801,270	37,084,801,270	37,084,801,270
Last Year's Secured Tax Rate	0.00683%	0.01190%	0.02954%	0.00354%	0.01137%	0.06318%
DIFFERENCE	-0.00027%	-0.00047%	-0.00107%	-0.00011%	0.00041%	-0.00152%

Note: Totals may not add up due to rounding

(1) Expected Unitary Tax Revenue for FY 2011-2012 not factored into the secured tax rate given the uncertainty of the value of receipt; it will be taken into account for FY 2012-2013 tax roll once the monies from County are received.

(2) AV is net of 6% in secured roll delinquencies

M. Menden

OFFICE OF THE CITY CLERK
OAKLAND

2011 AUG 11 PM 4:41

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION FIXING THE RATE OF PROPERTY TAX AND LEVYING A TAX ON REAL AND PERSONAL PROPERTY IN THE CITY OF OAKLAND FOR FISCAL YEAR 2011-2012 FOR VOTER-APPROVED INDEBTEDNESS

WHEREAS, the City of Oakland must annually set property tax levy rates, based on the assessed valuation subject to taxation, and must inform the County of Alameda of these rates by August 31st for inclusion on that year's property tax bill; and

WHEREAS, passage of this resolution will permit the City of Oakland to collect the Fiscal Year 2011-2012 revenues for the payment of debt service for the outstanding voter approved general obligation and pension obligation bonds; and now therefore be it

RESOLVED: that a tax of 0.1575% is hereby fixed and levied for Fiscal Year 2011-2012 on taxable property, real and personal, within the corporate limits of the City of Oakland, and the tax so levied and the money arising therefrom, when collected, shall be and is hereby identified and expended for payments to the Police and Fire retirement systems as approved by the voters of the City of Oakland; and be it

FURTHER RESOLVED: that an estimated tax of 0.00656% is hereby fixed and levied for Fiscal Year 2011-2012 on taxable property, real and personal, within the corporate limits of the City of Oakland, and the tax so levied and the money arising therefrom, when collected, shall be and is hereby identified and expended for debt service payments related to the City of Oakland, General Obligation Bonds, Series 2002A, as approved by the voters of the City of Oakland; and be it

FURTHER RESOLVED: that an estimated tax of 0.01143% is hereby fixed and levied for Fiscal Year 2011-2012 on taxable property, real and personal, within the corporate limits of the City of Oakland, and the tax so levied and the money arising therefrom, when collected, shall be and is hereby identified and expended for debt service payments related to the City of Oakland, General Obligation Bonds, Series 2003A, as approved by the voters of the City of Oakland; and be it

FURTHER RESOLVED: that an estimated tax of 0.02847% is hereby fixed and levied for Fiscal Year 2011-2012 on taxable property, real and personal, within the corporate limits of the City of Oakland, and the tax so levied and the money arising therefrom, when collected, shall be and is hereby identified and expended for debt service payments related to the City of Oakland, General Obligation Refunding Bonds, Series 2005, as approved by the voters of the City of Oakland; and be it

FURTHER RESOLVED: that an estimated tax of 0.00343% is hereby fixed and levied for Fiscal Year 2011-2012 on taxable property, real and personal, within the corporate limits of the City of Oakland, and the tax so levied and the money arising therefrom, when collected, shall be and is hereby identified and expended for debt service payments related to the City of Oakland, General Obligation Bonds, Series 2006, as approved by the voters of the City of Oakland; and be it

FURTHER RESOLVED: that an estimated tax of 0.01177% is hereby fixed and levied for Fiscal Year 2011-2012 on taxable property, real and personal, within the corporate limits of the City of Oakland, and the tax so levied and the money arising therefrom, when collected, shall be and is hereby identified and expended for debt service payments related to the City of Oakland, General Obligation Bonds, Series 2009B, as approved by the voters of the City of Oakland; and be it

FURTHER RESOLVED: that if the estimated General Obligation Bond rates of 0.00656%, 0.01143%, 0.02847%, 0.00343%, and 0.01177% for Series 2002A, 2003A, 2005, 2006, and 2009B respectively, need to be adjusted to reflect the actual figures for the assessed valuations, the City Administrator or his designee is hereby authorized to make the necessary adjustments; and be it

FURTHER RESOLVED: that this Resolution shall take effect immediately upon its passage.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2011

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIHGAN, NADEL, SCHAAF, and PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

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

M. M. Menden

OFFICE OF THE CITY CLERK
CITY OF OAKLAND

2011 AUG 11 PM 4:41

OAKLAND CITY COUNCIL

RESOLUTION NO. 83525 C.M.S.

RESOLUTION FIXING THE RATE OF PROPERTY TAX AND LEVYING A TAX ON REAL AND PERSONAL PROPERTY IN THE CITY OF OAKLAND FOR FISCAL YEAR 2011-2012 FOR VOTER-APPROVED INDEBTEDNESS

WHEREAS, the City of Oakland must annually set property tax levy rates, based on the assessed valuation subject to taxation, and must inform the County of Alameda of these rates by August 31st for inclusion on that year's property tax bill; and

WHEREAS, passage of this resolution will permit the City of Oakland to collect the Fiscal Year 2011-2012 revenues for the payment of debt service for the outstanding voter approved general obligation and pension obligation bonds; and now therefore be it

RESOLVED: that a tax of 0.1575% is hereby fixed and levied for Fiscal Year 2011-2012 on taxable property, real and personal, within the corporate limits of the City of Oakland, and the tax so levied and the money arising therefrom, when collected, shall be and is hereby identified and expended for payments to the Police and Fire retirement systems as approved by the voters of the City of Oakland; and be it

FURTHER RESOLVED: that an estimated tax of 0.00656% is hereby fixed and levied for Fiscal Year 2011-2012 on taxable property, real and personal, within the corporate limits of the City of Oakland, and the tax so levied and the money arising therefrom, when collected, shall be and is hereby identified and expended for debt service payments related to the City of Oakland, General Obligation Bonds, Series 2002A, as approved by the voters of the City of Oakland; and be it

FURTHER RESOLVED: that an estimated tax of 0.01143% is hereby fixed and levied for Fiscal Year 2011-2012 on taxable property, real and personal, within the corporate limits of the City of Oakland, and the tax so levied and the money arising therefrom, when collected, shall be and is hereby identified and expended for debt service payments related to the City of Oakland, General Obligation Bonds, Series 2003A, as approved by the voters of the City of Oakland; and be it

FURTHER RESOLVED: that an estimated tax of 0.02847% is hereby fixed and levied for Fiscal Year 2011-2012 on taxable property, real and personal, within the corporate limits of the City of Oakland, and the tax so levied and the money arising therefrom, when collected, shall be and is hereby identified and expended for debt service payments related to the City of Oakland, General Obligation Refunding Bonds, Series 2005, as approved by the voters of the City of Oakland; and be it

FURTHER RESOLVED: that an estimated tax of 0.00343% is hereby fixed and levied for Fiscal Year 2011-2012 on taxable property, real and personal, within the corporate limits of the City of Oakland, and the tax so levied and the money arising therefrom, when collected, shall be and is hereby identified and expended for debt service payments related to the City of Oakland, General Obligation Bonds, Series 2006, as approved by the voters of the City of Oakland; and be it

FURTHER RESOLVED: that an estimated tax of 0.01177% is hereby fixed and levied for Fiscal Year 2011-2012 on taxable property, real and personal, within the corporate limits of the City of Oakland, and the tax so levied and the money arising therefrom, when collected, shall be and is hereby identified and expended for debt service payments related to the City of Oakland, General Obligation Bonds, Series 2009B, as approved by the voters of the City of Oakland; and be it

FURTHER RESOLVED: that if the estimated General Obligation Bond rates of 0.00656%, 0.01143%, 0.02847%, 0.00343%, and 0.01177% for Series 2002A, 2003A, 2005, 2006, and 2009B respectively, need to be adjusted to reflect the actual figures for the assessed valuations, the City Administrator or his designee is hereby authorized to make the necessary adjustments; and be it

FURTHER RESOLVED: that this Resolution shall take effect immediately upon its passage.


IN COUNCIL, OAKLAND, CALIFORNIA, AUG 23 2011, 2011

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIHGAN, NADEL, SCHAAF, and PRESIDENT REID

NOES -
ABSENT -
ABSTENTION -

APPROVED DURING CITY COUNCIL RECESS
PURSUANT TO RESOLUTION NO. 82580 CMS
C.M.S. DATED 03-02-10

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