



# AGENDA REPORT

**TO:** G. Harold Duffey  
Interim City Administrator

**FROM:** Erin Roseman  
Director of Finance

**SUBJECT:** FY 2022-23 Q2 R & E Report

**DATE:** March 2, 2023

City Administrator Approval 

Date: Mar 2, 2023

## RECOMMENDATION

**Staff Recommends That The City Council Receive An Informational Report On Fiscal Year (FY) 2022-23 Second Quarter Revenue and Expenditure (R&E) Results And Year-End Estimates For The General Purpose Fund (GPF, 1010) and Select Funds.**

## EXECUTIVE SUMMARY

This report details the City of Oakland's (the City) unaudited Second Quarter (Q2) financial results for FY 2022-23 in the General Purpose Fund (GPF) and other special revenue funds. It also contains preliminary FY 2022-23 projected year-end revenues and expenditures based on **Second Quarter (Q2)** trends. The second quarter reflects 31.5% of collected adopted revenue budget and expenditures reflect 40.1% of adopted expenditure budget. Our projections are conservative in nature due to the broader economy fluctuating from historical patterns. The projections in this report are made with limited information since less revenue data is collected in the first 6 months of the fiscal year due to seasonality of certain revenue categories, and the volatility and unpredictability of the economy due to the ongoing inflationary trends and fears of a post-pandemic recession. The purpose of the quarterly revenue and expenditure (R&E) report is to guide the City in managing its ongoing budget as more financial data becomes available.

**Table 1: FY 2021-2 Q2 GPF Revenues and Expenditures Budget to Actuals (\$ in millions)**

	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Year-End Actuals Estimate	Use of Fund Balance and ARPA Funds	FY 2022-23 Year-End Adjusted	FY 2022-23 Year-End \$ Over / Under Adjusted Budget	Projected Year-End % Over / Under Adopted Budget
FY 2022-23 Revenues	917.95	289.46	724.99	188.76	913.75	(4.20)	(0.5)%
FY 2022-23 Expenditures	917.95	368.35	845.65	68.00	913.65	(4.30)	(0.5)%
<b>Operating (Shortfall) / Surplus</b>		<b>(78.88)</b>	<b>(120.66)</b>	<b>120.76</b>	<b>0.1</b>	<b>0.1</b>	<b>-%</b>

In the Second Quarter of FY 2022-23, analysis of projected revenues and expenditures through December 31, 2022 suggests that the GPF may run an operating deficit in the current year. Sensitive revenue categories in the GPF have been revised to lower revenue projections to reflect recent real estate trends. Specifically for the Real Estate Transfer Tax, the collection rate

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is down compared to the previous year reflecting decreased sales volume. GPF departmental expenditure projections are projected to come in below the Adjusted Budget by \$88.30 million after accounting for \$68.00 million in anticipated eligible expenditures that will be transferred to and covered by the American Rescue Plan Act (ARPA) Fund by year-end. Overall, when comparing actual revenue projections to actual expenditure projections, the reduced revenues will produce an operating deficit of \$120.66 million at year-end. This leads to a projected Fund Balance at the end of FY 2022-23, after accounting for fund obligations, to be reduced from \$147.20 million to an estimated \$22.07 million. Heightened monitoring and caution will be exercised in the coming months as trends develop further. Details are found in Attachment A.

This report also highlights non-GPF funds beginning with **Table 11** through **Table 74 of Attachment A: Report Details** that are of particular interest to the City due to their special revenue source (local measure, local tax) or because of particular expenditure restrictions. A fund summary for all other non-GPF funds, grouped by fund type, is captured at the end of **Attachment A: Report Details** beginning with **Table 75** through **Table 81**.

## **BACKGROUND / LEGISLATIVE HISTORY**

On November 1, 2022, the City Council adopted Resolution No. [89482 CMS](#) which authorized the City to accept a Community Oriented Policing Services (COPS) grant from the United States Department of Justice (USDOJ). The Resolution also authorized the City to appropriate thirteen million thirty-three thousand four hundred and nineteen dollars (\$13,033,419) to cover the local match requirement; and authorized the General Purpose Fund (Fund 1010) to subsidize the Central Services Overhead costs of nine hundred ninety-two thousand seven hundred dollars (\$992,700) for a total City of Oakland contribution of fourteen million twenty six thousand one hundred and nineteen dollars (\$14,026,119).

## **ANALYSIS AND POLICY ALTERNATIVES**

### **General Purpose Fund (GPF)**

#### **Revenues**

Based on economic conditions and revenue collections through the first six months of FY 2022-23, overall GPF revenues are tracking below the budgeted estimates, with a significant decrease in the estimated revenue for the Real Estate Transfer Tax category and other notable decreases outlined below. There may be effects to the timing and amount of revenue collections in the third quarter due to the IT Outage experienced by the City; staff are unsure at this time regarding the magnitude of effects on year end revenues.

- Real Estate Transfer Tax ("RETT"): RETT is projected to decrease by an estimated \$23.70 million from the adopted budget of \$112.20 million. The rise in interest rates continue to negatively impact the number of property sales subject to RETT. The number of properties sold through the first six months dropped by 31.4%, or 946 less properties, compared to the number of properties sold in the same time period in the prior year. Additionally, there have been no high-dollar commercial real estate sales through the first six months.

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- **Transient Occupancy Tax ("TOT"):** Although TOT has recovered from the historic low of FY 2020-21, it has yet to recover to the same level prior to the pandemic. The projected decrease of approximately \$3.16 million from the adopted budget of \$23.99 million is largely due the declining revenues from business travel, including declines at hotels near the Oakland International Airport.
  - **Parking Tax ("PT"):** Similar to TOT, PT is mostly recovered from the Covid-19 pandemic, but it is still heavily dependent on the traveling public, both business and personal travel, utilizing parking garages, especially at or near the airport. The rise in traveling public relying on ride-hailing companies contributes to the volatility of this revenue source. For the remainder of this fiscal year, Parking Tax is projected to decrease approximately \$1.38 million from the adopted budget of \$12.39 million.
  - **Licenses & Permits:** When developing the revenue forecast for the License & Permits category, it was assumed that special events that require activities permits would increase significantly following a complete halt due to the pandemic. Many of those events did not materialize. For this reason, the revenue for the License & Permits is projected to decrease by approximately \$3.26 million from the adopted budget of \$6.08 million. This will be addressed in the upcoming biennial budget. This revenue category is likely to be affected by the IT outage, however we do not currently know the magnitude of any lost revenue.
  - **Service Charges:** The combined decrease of approximately \$7.35 million from the adopted budget of \$55.55 million consists of approximately \$1.3 million for on-street parking revenue due to lower than projected parking activities and other activities associated with the recovery of fees based on the Master Fee Schedule. This revenue category is likely to be affected by the IT outage, however we do not currently know the magnitude of any lost revenue.

Partially offsetting the lower projected estimated revenues from the above sources are the growths in Property Tax, Sales Tax, Utility Users Tax, Business License Tax and Fines & Penalties category.

- **Property Tax** revenues are projected to exceed the budgeted estimate by approximately \$8.99 million based on most recent collection received from the Alameda County and the overall growth of taxable value of approximately 8.2% when compared to the prior year.
- **Sales Tax** revenue is projected to exceed the budgeted estimate by approximately \$3.55 million as consumers paying the highest prices ever at the pump during the summer months and rising prices across many taxable goods, especially the building and construction materials.
- **Utility Users Tax** revenues are projected to grow by approximately \$8.17 million from the adopted budget due to increases in the demand because of the cooler than normal temperatures this winter compared to the same months last winter and in the utility rates charged to customers.
- **Business License Tax:** The increase in Business License Tax category is a result of the passage of Measure T in November 2022 General Election. Measure T changes the business tax rate structure into a progressive, tiered rate system and becomes effective in the second half of this fiscal year. The projected revenue attributable to Measure T is

an increase of approximately \$19.12 million in FY 2022-23. However, the current year revenue projection, inclusive of the additional revenue from Measure T, is revised to a \$11.33 million projection increase overall due to collection trends of Business Tax as a whole. Absent the newly forecasted revenue from Measure T, the Business License Tax revenue would have otherwise been projected to come in \$10.70 million lower compared to the Adopted Budget.

1. Fines & Penalties: The increase of approximately \$2.61 million is mostly driven by the increase of parking enforcement activities that resulted in parking citations. This revenue category is likely to be affected by the IT outage, however we do not currently know the magnitude of any lost revenue.

Based on the aforementioned lower projected revenue for some categories but partially offsetting by higher revenues for other categories, the overall GPF tax revenue is projected with a net decrease of \$4.20 million. Additionally, the Adjusted Budget assumes \$77.77 million in use of fund balance, \$42.99 million in prior year carryforwards, and an interfund transfer from ARPA that will remain in the ARPA fund instead, therefore reducing the GPF revenue forecast to \$724.99 million from the Adjusted Budget of \$917.95 million. Table 2 below highlights revenue categories with projection changes when compared to the FY2022-23 Adopted Budget.

**Table 2: FY 2021-2 Q2 GPF Revenue Categories Budget to Actuals (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Property Tax	265.49	140.80	274.48	8.99	3.4%
Real Estate Transfer Tax	112.20	38.94	88.50	(23.70)	(21.1)%
Business License Tax	111.88	9.92	123.21	11.33	10.1%
Interfund Transfers	2.90	—	2.90	—	—
Sales Tax	62.60	22.99	66.15	3.55	5.7%
Service Charges	55.55	16.74	48.20	(7.35)	(13.2)%
Utility Consumption Tax	54.40	25.99	62.57	8.17	15.0%
Transient Occupancy Tax	23.99	10.37	20.83	(3.16)	(13.2)%
Fines & Penalties	19.00	9.36	21.61	2.61	13.7%
Parking Tax	12.39	5.20	11.01	(1.38)	(11.1)%
Licenses & Permits	6.08	0.54	2.83	(3.26)	(53.5)%
Miscellaneous Revenue	2.22	7.85	2.22	—	—%
Interest Income	0.48	0.18	0.48	—	—%
Grants & Subsidies	—	0.57	—	—	N / A
<b>Total</b>	<b>729.19</b>	<b>289.46</b>	<b>724.99</b>	<b>(4.20)</b>	<b>(0.5)%</b>

### FY2022-23 Q2 Expenditures

The GPF expenditures are forecasted to come in at \$845.65 million, which is lower by \$72.30 million when compared to the Adjusted Budget of \$917.95 million. The forecast accounts for a \$68.00 million accounting adjustment that will transfer eligible costs out of the GPF and into the ARPA Fund, otherwise the total expenditures in the GPF would be forecasted to end the year at \$913.65 million or \$4.31 million under budget. The Mid-cycle Adopted Budget assumed the programming of the remaining ARPA dollars as well as a use of fund balance in the amount of \$77.77 million to balance the expenditures as budgeted. This follows a trend in recent years, during which funding one time funding was needed in the balancing of the expenditures. Of the GPF expenditure budget, only 40% of expenditures have been made at the end of Q2, replicating the seasonality of spending. The budgeted vacancy factor assumed in the FY 2022-23 Mid-Cycle Budget is 10.25% across most City Departments, recognizing the trend and capturing vacancy savings. Expenditure monitoring is heightened as citywide hiring is a large focus, and current inflationary trends and federal monetary policy are likely to continue throughout the fiscal year and may have an impact on spending trends by year end. **Table 2** below breaks down the FY2022-23 Expenditures by Department.

**Table 3** below summarizes GPF's FY 2022-23 expenditures budget to actuals at year end, adjusted to reflect the impact of the expenditures transferred out to the ARPA Fund. Per the City's Consolidated Fiscal Policy, Departments projected to overspend in the General Purpose Fund by more than one percent (1%), shall bring an informational report to the City Council within 60 days following acceptance of the Revenue & Expenditure report by the City Council. The report shall list the actions the Administration is taking to bring the expenditures into alignment with the budget.

**Table 3: FY 2022-23 Q2 GPF Expenditures Budget to Actuals (\$ in millions)**

Department	FY 2022-23 Adopted Budget	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Capital Improvement Projects	3.44	4.66	0.22	4.66	—	—%
City Administrator	9.90	11.32	4.12	10.83	0.48	4.3%
City Attorney	21.04	22.45	8.65	20.68	1.78	7.9%
City Auditor	3.12	3.12	1.19	2.47	0.65	20.7%
City Clerk	10.37	11.52	3.92	11.18	0.34	3.0%
City Council	7.32	7.42	3.43	6.66	0.76	10.2%
Department of Transportation	22.69	24.53	7.90	21.12	3.41	13.9%
Department of Violence Prevention	13.57	18.42	4.64	17.46	0.95	5.2%
Department of Workplace and Employment Standards	5.96	6.32	1.82	4.43	1.89	29.9%

Economic and Workforce Development Department	16.46	21.27	6.56	19.79	1.48	7.0%
Finance Department	28.92	30.18	10.51	28.51	1.67	5.5%
Fire Department	179.82	185.41	88.74	193.73	(8.32)	(4.5%)
Housing and Community Development Department	2.18	2.68	—	2.68	—	—%
Human Resources Management Department	8.72	8.60	4.20	8.40	0.20	2.3%
Human Services Department	51.54	50.68	6.00	50.54	0.14	0.3%
Information Technology Department	19.40	19.97	5.87	19.12	0.85	4.3%
Mayor	4.54	4.37	2.01	3.82	0.55	12.6%
Non Departmental and Port	77.13	88.45	12.74	86.64	1.81	2.0%
Oakland Animal Services	6.16	6.27	2.79	5.41	0.87	13.8%
Oakland Parks and Recreation Department	21.98	22.43	9.98	21.02	1.41	6.3%
Oakland Public Library Department	14.44	14.44	8.63	13.34	1.10	7.6%
Oakland Public Works Department	2.26	5.33	1.10	5.05	0.28	5.3%
Planning and Building Department	—	—	—	—	—	N / A
Police Commission	8.19	8.20	2.05	5.22	2.98	36.3%
Police Department	329.67	336.34	170.09	348.40	(12.06)	(3.6%)
Public Ethics Commission	1.81	1.96	0.73	1.37	0.60	30.4%
Race and Equity Department	1.46	1.62	0.43	1.12	0.49	30.5%
<b>Subtotal</b>	<b>872.09</b>	<b>917.96</b>	<b>368.32</b>	<b>913.65</b>	<b>4.31</b>	<b>0.5%</b>
ARPA Adjustment	—	—	—	(68.00)	68.00	N / A
<b>Total</b>	<b>872.07</b>	<b>917.95</b>	<b>368.35</b>	<b>845.65</b>	<b>72.30</b>	<b>7.9%</b>

The City's number of vacancies is a contributing factor to projected expenditure savings in the GPF. At Q2, the GPF's vacancy rate (net positions that are frozen as part of the FY 2022-23 Adopted Budget), is 23.83% as shown in **Table 4** below. The vacancy rate assumed in the FY 2022-23 Adopted Budget is 10.25% across most City Departments, which is approximately half of the actual vacancy rate reported at Q2.

**Table 4: FY 2022-23 Q2 GPF Filled and Vacant Positions (Percent %)**

Status as of Q2 FY 2022-2023	Percent (%)
Filled or Encumbered	76.2 %
Vacant	23.8 %

### Fund Balance

**Table 5** below shows mandated reserves required by City Ordinances and the City Charter (mandated emergency & OMERS reserves) totaling \$2.36 million, and a COPS Grant Match authorized through City Council Resolution 89482 in the amount of \$2.10 million, decreasing the estimated FY2022-23 year-end available fund balance from \$26.53 million to \$22.07 million. The estimated Note that \$10.80 million of the mandated FY 2022-23 emergency reserves is included in the projected year-end expenditures in Table 7 below (as a committed transfer to the designated reserve GPF Emergency Reserve Fund (Fund 1011)). The estimated FY 2022-23 available Fund Balance is the amount of unobligated funding available to the City in the GPF.

**Table 5: Summary of FY 2022-23 Fiscal Situation with GPF Fund Balance (\$ in millions)**

GENERAL PURPOSE FUND (1010)	FY 2022-23 Q2 Projected FYE
<b>Estimated FY 2022-23 Beginning Audited Fund Balance</b>	<b>147.20</b>
<b>FY2022-23 Performance</b>	
Revenue	724.99
Expenditures	845.65
<b>FY 2022-23 Operating Surplus / Deficit</b>	<b>(120.66)</b>
<b>Unaudited Ending Fund Balance</b>	<b>26.53</b>
<b>Obligations Against Ending Fund Balance</b>	<b>(4.46)</b>
OMERS Reserves (Reso. No. 85098 C.M.S)	<b>(2.36)</b>
COPS Grant Match (Reso No. 89482 C.M.S)	<b>(2.10)</b>
<b>Estimated FY 2022-23 Ending Available Fund Balance</b>	<b>22.07</b>

### Summary

FY 2022-23 Q2 projections indicate that GPF revenues will come in below expenditures by approximately \$120.66 million, after accounting for a \$68.00 million dollar transfer of eligible costs out of the GPF and into the ARPA Fund. Several of the City revenues are projected to come in below budget, led by Real Estate Transfer Tax which is projected to come in at \$88.50 million, or \$23.70 million under the adjusted budget of \$112.20 million. Expenditure savings are mainly attributable to Citywide vacancies in addition to the costs covered by the one-time

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federal ARPA aid in the amount of \$68.00 million. Overall, FY2022-23 projected revenues and expenditures through Q2 suggests that the GPF operating deficit in the current year will be mitigated with the use of fund balance which was budgeted in the amount of \$77.77 million to balance budgeted expenditures, plus \$42.99 million assumed to support Carryforwards. This structural budget imbalance is not sustainable as the one-time funding from ARPA is projected to be exhausted by year-end, and the available fund balance in the GPF is projected to be reduced to \$22.07 million as we move into next year's budget which projects to have similar shortfalls.

Second quarter estimates are generally subject to possible error due to their early timing. In the current cycle a number of factors and causes increase the likelihood of error. Specifically, there is significant additional risk to revenues due to the unknown ongoing effects of the high interest rate environment and the possibility of lost revenues due to the IT outage period. For expenditures there is a significant risk of increased spending compared to these projections due to the time delay to hire positions that we newly added at midcycle, and continue pressures to provide police and fire services, and costs to resolve the IT outage.

#### Non-GPF Funds

The selected non-GPF Funds that are analyzed on this report reflect an overall reduction in available fund balance and appropriations in the FY 2021-23 Biennial Budget. **Table 6 below** shows the impact of this year's estimated year-end totals on the fund balance of these selected funds.

*This section has been intentionally left blank.*

**Table 6: FY2022-23 Q2 Beginning and Year End Estimate Fund Balance (\$ in millions)**

FUND	FY 2022-23 Audited Beginning Balance	FY 2022-23 Revenue Projected Year-End	FY 2022-23 Expenditure Projected Year-End	FY 2022-23 Estimated Ending Balance
Measure HH - Sugar Sweetened Beverage Distribution Tax (SSBT) Fund (1030)	8.93	7.39	15.25	1.07
Self-Insurance Liability Fund (1100)	(1.74)	62.78	47.85	13.18
Recycling Program Fund (1710)	3.56	6.51	6.73	3.34
Comprehensive Clean-Up Fund (1720)	3.64	24.15	27.41	0.38
Multipurpose Reserve Fund (1750)	(3.87)	10.94	9.93	(2.85)
OPRCA Self Sustaining Revolving Fund (1820)	3.76	11.01	8.41	6.36
Affordable Housing Trust Fund (1870)	49.40	17.33	63.63	3.10
Measure B/BB and Measure F Funds (2211, 2212, 2213, 2215, 2216, 2217, 2218, 2219, 2220)	43.38	34.24	67.21	10.41
State Transportation (Gas Tax) Funds (2230, 2232)	7.99	20.47	22.09	6.36
Measure Q - OPR Preservation, Litter Reduction, Homelessness Support Act Fund (2244)	16.41	29.29	39.86	5.83
Measure Z -Violence Prevention and Public Safety Act of 2014 Fund (2252)	7.57	29.33	32.03	4.87
Vacant Property Tax Fund (2270)	1.07	5.89	5.46	1.50
Landscaping & Lighting Assess. District Fund (LLAD) (2310)	0.45	19.58	19.75	0.28
Development Service Fund Fund (2415)	133.28	54.74	120.02	68.00
Measure C - Transient Occupancy Tax (TOT) Surcharge Fund (2419)	0.14	6.56	7.27	(0.57)
Reproduction Fund (4300)*	(0.68)	2.32	1.17	0.46
City Facilities Fund (4400)*	2.55	43.83	48.39	(2.01)
Central Stores Fund (4500)*	(2.82)	3.27	0.59	(0.14)
Purchasing Fund (4550)*	(0.20)	1.98	1.79	(0.01)
Information Technology Fund (4600)	6.80	21.34	27.40	0.74
Measure KK Funds (5330, 5331, 5332, 5333, 5335)	234.10	122.05	241.30	114.84

\* FY 2022-23 Beginning Cash Balance is used for Internal Service Funds.

## Conclusion

The City has faced tremendous economic challenges since FY 2020-21, but one-time Federal relief funding from American Rescue Plan Act (ARPA) of \$188 million prevented the City's fiscal crisis at a time when residents have been especially reliant on City services. Despite the fortune of receiving these one-time funds, the City still faces a structural imbalance and projects major shortfalls in the coming years in the GPF and other funds. Macroeconomic trends are placing pressure on expenditures while vacancies in staffing throughout the City are offsetting it, but at the expense of providing necessary services. The City's short-term and long-term fiscal outlook will depend on nimble but cautious management in the current and coming years.

### **PUBLIC OUTREACH / INTEREST**

No outreach was deemed necessary for this informational report beyond the standard City Council agenda noticing procedures.

### **COORDINATION**

This report was prepared in coordination between the Finance Department, the City Administrator's Office and various departments.

### **SUSTAINABLE OPPORTUNITIES**

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

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

***Race & Equity:*** No direct Race & Equity opportunities have been identified in this informational report.

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**ACTION REQUESTED OF THE CITY COUNCIL**

Staff recommends that City Council receive an informational report on the unaudited Fiscal Year (FY) 2022-23 Second Quarter Revenue and Expenditure (R&E) results and year-end summaries for the General Purpose Fund (GPF, 1010) and other funds.

For questions regarding this report, please contact Bradley Johnson, Budget Administrator, at (510) 238-6119.

Respectfully submitted,



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Erin Roseman  
Director of Finance  
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Attachments:

A: *FY 2022-23 Q2 Detailed Report*

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## **Attachment A: FY 2022-23 Q2 Detailed Report**

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The report has the following major sections:

1. Summary of FY 2022-23 Q2 GPF Revenues & Expenditures
2. General Purpose Fund Q2 Revenues
3. General Purpose Fund Q2 Expenditures
4. General Purpose Fund - Q2 Fund Balance
5. Reserves
6. Select Non-GPF Q2 Analysis
7. All Other Funds - Fund Balance Summary

Appendixes:  
Consolidated Fiscal Policy

**I. SUMMARY OF FY 2022-23 Q2 GPF REVENUES & EXPENDITURES**

FY2022-23 GPF Revenue is projected to come in \$192.96 million under the Adjusted Budget of \$917.95 million. GPF Expenditures are estimated to come in \$72.30 million under the Adjusted Budget of \$917.95 million. **Table 1** below shows the FY2022-23 General Purpose Fund revenue and expenditures Adjusted Budget, Q2 year to date actuals, and year end estimates which currently project a year end operating shortfall of \$120.66 million.

**Table 1: Summary of FY 2022-23 Q2 GPF Revenues & Expenditures Budget to Estimated Year-End Actuals (\$ in millions)**

	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Year-End Actuals Estimate	Budgeted Use of Fund Balance / ARPA Funds Adjustments	FY 2022-23 Year-End Adjusted	FY 2022-23 Year-End \$ Over / Under Adjusted Budget	Projected Year-End % Over / Under Adopted Budget
FY2022-23 Revenues	917.95	289.46	724.99	188.76	913.75	(4.20)	(0.5)%
FY 2022-23 Expenditures	917.95	368.35	845.65	68.00	913.65	4.30	0.5%
<b>Operating (Shortfall) / Surplus</b>	—	<b>(78.88)</b>	<b>(120.66)</b>	<b>120.76</b>	<b>0.1</b>	<b>0.1</b>	<b>-</b>

**II. GENERAL PURPOSE FUND Q2 REVENUES**

This section of the report provides an assessment of the City's revenue condition in the current fiscal year as compared to the FY 2022-23 Adjusted Budget based on actual performance during the first six months of FY 2022-23 and quarterly trends established in prior fiscal years. Based on this analysis, the overall GPF tax revenue is projected with a net decrease of \$4.20 million. The Adjusted Budget also assumes \$77.77 million in use of fund balance, \$42.99 million in prior year carryforwards, and an interfund transfer from ARPA that will remain in the ARPA fund instead, therefore reducing the GPF revenue forecast to \$724.99 million from the Adjusted Budget of \$917.95 million.

Overall, the effects of persistent high inflation, high gas prices, high interest rates, decreased consumer confidence, and well-publicized layoff notices in the in the technology sector may pose risks to City revenues. The timing and magnitude of future rate hikes may continue to negatively affect real estate transfer taxes by reducing demand and price of properties on the market. Elevated interest rates also increase the cost of financing a car for prospective buyers and consequently affect the sales of automobiles. For these reasons, the Administration will continue closely monitor economic conditions and the performance of all City funds, bringing forward adjustments, as warranted, by way of the Third Quarter Revenue & Expenditure Report.

**Q2 REVENUE HIGHLIGHTS**

**Property Tax:** The largest revenue source for the City is projected to exceed the adjusted budget totaling \$274.48 million from the adjusted budget of \$265.49 million. The projected increase of \$8.99 million is driven by the overall increase in taxable values of approximately 8.2% and therefore the increase in the amount of property tax assessments. The overall

increase in taxable value of 8.2% is made-up of prior year transfers of ownership (4.04%) that reflected on the FY 2022-23 Property Tax rolls, Prop 13 growth (2%), newly developed and occupied commercial property (1.06%), newly developed and occupied residential property (0.64%) and other increases (0.46%).

**Business License Tax:** The second largest revenue source is projected to increase by 10% or \$11.33 million over the mid-cycle budget. There are two significant factors contributing to the increase in revenue projection. Recent economic conditions, such as the increase commercial vacancy rates, the rise in borrowing interest rate, the decline in personal income and taxable sales, are putting downward pressure on tax revenues. As a result, the revised forecast for the current fiscal year is a decreased by \$10.7 million from the midcycle adopted. However, with the passage of 2022 Measure T, the projected revenue includes \$19.12M directly form the measure.

**Real Estate Transfer Tax (RETT):** The third largest revenue source for the City is projected to decrease by an estimated \$23.70 million from the adjusted budget of \$112.20 million. The significant reduction is attributable to rising interest rates that impact the affordability factor and consequently the number of property sales subject to RETT. The number of properties sold through the first six months dropped by 31.34%, or 946 less properties, compared to the number of properties sold in the same time period in the prior year. Additionally, there have been no high-dollar commercial real estate sales through the first six months.

**Table 2: RETT Growth Rate (\$ in millions)**

Sale Price	FY 2021-22		FY 2022-23		Year-Over-Year Variance Thru Q2	
	Gross Sales	Volume	Gross Sales	Volume	Gross Sales	Volume
\$300,000 or below	\$ 36.44	215	\$19.80	126	(45.7) %	(41.4) %
\$300,001 to \$2 Million	\$ 2,284.85	2,557	\$1,615.42	1,765	(29.3) %	(31.0) %
\$2 million to \$5 Million	\$ 573.33	211	\$415.13	151	(27.6) %	(28.4) %
\$5 - 10 Million	\$ 119.96	18	\$104.77	15	(12.7) %	(16.7) %
\$10 - 50 Million	\$ 306.13	13	\$251.05	11	(18.0) %	(15.4) %
\$50.01-100 Million	\$ 65.00	1	\$147.65	2	— %	— %
Over \$100 Million	\$ 327.50	1	\$0.00	\$ —	(100.0)%	(100.0) %
<b>Total</b>	<b>\$ 3,713.21</b>	<b>3,016</b>	<b>\$2,553.80</b>	<b>2,070</b>	<b>(31.2)%</b>	<b>(31.4) %</b>

**Sales Tax:** The fourth largest revenue source for the City is projected to exceed the adopted budget by approximately by \$3.55 million, totaling \$66.15 million from the adjusted budget of \$62.60 million for FY 2022-23 for the period of July 2022 through September 2022 and broken down by the Major Industry Group, as shown in **Table 3** below, the City experienced a net positive gain of 6.70% when compared against the same period in the prior year. The gain was mostly driven by the highest gas prices on records across the state during the summer months of 2022 with Oakland [averaging \\$6.55 per gallon for regular unleaded gasoline](#) exceptionally strong sale of building and construction materials, and the rising prices, especially restaurant menu prices. Since then, gas prices have dipped below its highest with Oakland [averaging \\$4.63 per gallon for regular unleaded gasoline](#), inflation eases but continues to persist, and increased interest rates, all of which will limit economic growth and a gradual change in consumer behavior away from taxable goods to non-taxable items such as services and travel.

For the reasons above, the fourth largest revenue source for the City is projected to exceed the adopted budget by approximately by \$3.55 million, totaling \$66.15 million from the adjusted budget of \$62.60 million for FY 2022-23.

**Table 3: Sales Tax Comparison by Category FY2021-22 and FY 2022-23 (\$ in millions)**

Category	Thru Q1 FY 2021-22	Thru Q1 FY 2022-23	Inc/Dec
State/County Pools & Transfers	\$ 2.94	\$ 2.98	1.23%
Restaurants & Hotels	\$ 2.46	\$ 2.74	11.3 %
Autos & Transportation	\$ 2.28	\$ 2.35	3.2 %
Fuel & Service Stations	\$ 1.61	\$ 2.27	40.9 %
Business & Industry	\$ 1.54	\$ 1.42	-7.3%
Building & Construction	\$ 1.46	\$ 1.68	14.6%
General Consumer Goods	\$ 1.43	\$ 1.38	-3.9%
Food & Drugs	\$ 1.43	\$ 1.35	-5.4%
<b>Average</b>	<b>\$ 1.89</b>	<b>\$ 2.02</b>	<b>6.7 %</b>

**Service Charges:** This fifth largest revenue source for the City is projected to meet the adjusted budget of \$55.55 million. Service charges are primarily parking meter revenue, franchise fees, and other fees, which include fire inspection.

**Interfund Transfers & Transfers from Fund Balance:** The adjusted budget assumes \$77.77 million in use of fund balance to balance budgeted expenditures and \$42.99 million in use of fund balance to support carryforward expenditures. Additionally, there is \$70.91 million budgeted in anticipated interfund transfers. Of which, \$68.00 million that were anticipated to transfer over from the ARPA Fund (2072) will not be transferred. Instead, an accounting adjustment will be made to transfer eligible expenditures out of the GPF and into the ARPA Fund, since Federal guidelines require ARPA funds to be allocated separately.

**All Other Revenue Sources:**

All of the other revenue sources, representing 16% excluding Interfund Transfers and Carryforwards, of the General Purpose Fund show actuals that are performing with expectations and trends in line with the budget. The year-end projections have not been adjusted.

Table 4 below summarizes the FY2022-23 GPF revenues by category.

**Table 4: FY2022-23 Q2 Adopted Budget to Actuals and Year End Estimate (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Property Tax	265.49	140.80	274.48	8.99	3.4%
Real Estate Transfer Tax	112.20	38.94	88.50	(23.70)	(21.1)%
Business License Tax	111.88	9.92	123.21	11.33	10.1%
Interfund Transfers	2.90	—	2.90	—	—
Sales Tax	62.60	22.99	66.15	3.55	5.7%
Service Charges	55.55	16.74	48.20	(7.35)	(13.2)%
Utility Consumption Tax	54.40	25.99	62.57	8.17	15.0%
Transient Occupancy Tax	23.99	10.37	20.83	(3.16)	(13.2)%
Fines & Penalties	19.00	9.36	21.61	2.61	13.7%
Parking Tax	12.39	5.20	11.01	(1.38)	(11.1)%
Licenses & Permits	6.08	0.54	2.83	(3.26)	(53.5)%
Miscellaneous Revenue	2.22	7.85	2.22	—	—%
Interest Income	0.48	0.18	0.48	—	—%
Grants & Subsidies	—	0.57	—	—	N / A
<b>Total</b>	<b>729.19</b>	<b>289.46</b>	<b>724.99</b>	<b>(4.20)</b>	<b>(0.5)%</b>

**III. GENERAL PURPOSE FUND Q2 EXPENDITURES**

**GENERAL PURPOSE FUND EXPENDITURE HIGHLIGHTS**

The GPF expenditures are forecasted to come in at \$845.65 million, which is a decrease of \$72.30 million, compared to the Adjusted Budget of \$917.95 million. However, the Adopted Budget assumed a use of fund balance in the amount of \$77.77 million to balance the expenditures as budgeted. This follows a trend in recent years, during which funding was needed in the balancing of the FY2019-20, FY2020-21, FY2021-22 and FY2022-23 expenditures in the budget by programming CARES dollars (\$36.99 million), ARPA dollars (\$188 million), and use of VSSF (\$14.65 million) for a total of \$239.64 million, which would equal 26% of FY2022-23 GPF budgeted expenditures. The budgeted personnel expenditures also assume a vacancy factor of 10.25 %, expediting hiring to a large degree could change the outcome. Overall, the increase in the appropriations level compared to previous years merits further consideration as it reflects the current global inflationary trend affecting the economy.

**Table 5** below reflects the GPF expenditures forecasted to come in at \$845.65 million or \$72.30 million under the adjusted budget of \$917.95 million. This is primarily due to an anticipated adjustment that will transfer \$68.00 million in eligible costs out of the GPF and into the ARPA Fund. Otherwise, the GPF would project to end the year at \$913.65 million, which would be \$4.31 or 0.5% under budget.

**Table 5: Summary of FY 2022-23 Q2 GPF Expenditures Budget to Actuals (\$ in millions)**

	FY 2022-23 Adopted Budget	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
<b>FY 2022-23 Expenditures</b>	<b>872.07</b>	<b>917.95</b>	<b>368.35</b>	<b>845.65</b>	<b>72.30</b>	<b>7.9%</b>

*\*The adjusted budget includes Council Budget Amendment per Resolutions 88784 C.M.S adopted on July 26, 2021, 88942 C.M.S (Police Academies), 88940 C.M.S. (Head Start) and \$28.07 million in Carryforwards*

*This section has been intentionally left blank.*

**Department Level Spending Trends**

**Table 6** below reflects department level spending and the impact on projected year-end GPF expenditures.

**Table 6: Summary of FY 2022-23 GPF Projected Expenditure Variance (\$ in millions)**

Department	FY 2022-23 Adopted Budget	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Capital Improvement Projects	3.44	4.66	0.22	4.66	—	—%
City Administrator	9.90	11.32	4.12	10.83	0.48	4.3%
City Attorney	21.04	22.45	8.65	20.68	1.78	7.9%
City Auditor	3.12	3.12	1.19	2.47	0.65	20.7%
City Clerk	10.37	11.52	3.92	11.18	0.34	3.0%
City Council	7.32	7.42	3.43	6.66	0.76	10.2%
Department of Transportation	22.69	24.53	7.90	21.12	3.41	13.9%
Department of Violence Prevention	13.57	18.42	4.64	17.46	0.95	5.2%
Department of Workplace and Employment Standard	5.96	6.32	1.82	4.43	1.89	29.9%
Economic and Workforce Development Department	16.46	21.27	6.56	19.79	1.48	7.0%
Finance Department	28.92	30.18	10.51	28.51	1.67	12.1%
Fire Department	179.82	185.41	88.74	193.73	(8.32)	(4.5%)
Housing and Community Development Department	2.18	2.68	—	2.68	—	—%
Human Resources Management Department	8.72	8.60	4.20	8.40	0.20	2.3%
Human Services Department	51.54	50.68	6.00	50.54	0.14	0.3%
Information Technology Department	19.40	19.97	5.87	19.12	0.85	4.3%
Mayor	4.54	4.37	2.01	3.82	0.55	12.6%

Non Departmental and Port	77.13	88.45	12.74	86.64	1.81	2.0%
Oakland Animal Services	6.16	6.27	2.79	5.41	0.87	13.8%
Oakland Parks and Recreation Department	21.98	22.43	9.98	21.02	1.41	6.3%
Oakland Public Library Department	14.44	14.44	8.63	13.34	1.10	7.6%
Oakland Public Works Department	2.26	5.33	1.10	5.05	0.28	5.3%
Planning and Building Department	—	—	—	—	—	N / A
Police Commission	8.19	8.20	2.05	5.22	2.98	36.3%
Police Department	329.67	336.34	170.09	348.40	(12.06)	(3.6)%
Public Ethics Commission	1.81	1.96	0.73	1.37	0.60	30.4%
Race and Equity Department	1.46	1.62	0.43	1.12	0.49	30.5%
<b>Subtotal</b>	<b>872.09</b>	<b>917.96</b>	<b>368.32</b>	<b>913.65</b>	<b>4.31</b>	<b>0.4%</b>
ARPA Adjustment (will adjust sworn OFD Costs)	—	—	—	(68.00)	68.00	N / A
<b>Total</b>	<b>872.07</b>	<b>917.95</b>	<b>368.35</b>	<b>845.65</b>	<b>72.31</b>	<b>7.9%</b>

Per the City’s Consolidate Fiscal Policy, Departments projected to overspend in the General Purpose Fund by more than one percent (1%), shall bring an informational report to the City Council within 60 days following acceptance of the Revenue & Expenditure report by the City Council. The report shall list the actions the Administration is taking to bring the expenditures into alignment with the budget. The following section details projected GPF savings or overspending by Department, as compared to the Q2 FY 2022-23 Adjusted Budget.

Capital Improvement Program (CIP)

The Capital Improvement Program is projected to end the fiscal year at its adjusted budget of \$4.66 million.

City Administrator (CAO)

The City Administrator’s Office is projected to underspend by \$0.48 million, or 4% of their budget due to vacancies.

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City Attorney

The City Attorney is projected to underspend by \$1.78 million, or 8% of their budget. due to vacancies.

City Auditor

The City Auditor is projected underspend by \$0.65 million, or 21% of their budget due to vacancies.

City Clerk

The Office of the City Clerk is projected to underspend their budget by \$0.34 million, or 3% of their budget due to vacancies.

City Council

The City Council is projected to underspend their budget by \$0.76 million, or 10% of their budget due to vacancies.

Department of Transportation (DOT)

The Department of Transportation is projected to underspend by \$3.41 million, or 13.9% of their budget due to vacancies.

Violence Prevention (DVP)

The Department of Violence Prevention is projected to underspend by \$0.95 million or 5% of their budget due to vacancies.

Department of Workplace & Employment Standards (DWES)

The Department of Workplace & Employment Standards is projected to underspend by \$1.89 million, or 30% of their budget, due to vacancies

Economic & Workforce Development (EWD)

Economic & Workforce Development is projected to underspend by \$1.48 million, or 7% of their budget, due to vacancies.

Finance Department

The Finance Department is projected to underspend by \$1.67 million, or 12% of their budget, due to vacancies.

Fire Department

The Oakland Fire Department is projected to overspend by \$8.32 million, or 4.5% of their budget. The projected OFD GPF Personnel cost overspending will be reduced by \$1.5 million in remaining available Measure Z overtime budget, and approximately \$600K in anticipated CalOES mutual aid reimbursements. A contributing factor for the projected overspending can be attributed to is the vacancy rate that was increased from 4.0% to 10.25% for FY 2022-23, which for sworn FTE, resulted in over \$8.00 million less for budgeted FTE than had the Vacancy discount rate remained at 4.0%. The vacancy rate increase was added to accommodate the additional wage increases agreed in July 2022 for sworn firefighters and civil fire personnel.

Housing & Community Development (HCD)

Housing & Community Development is projected to end the fiscal year at the adjusted budget of \$2.68 million.

Human Resources Management (HRM)

Human Resources Management is projected to underspend by \$0.20 million, or 2% of their budget, due to underspending in Personnel.

Human Services Department (HSD)

Human Services Department is projected to come in just under budget by \$0.14 million, or —% of their budget due to vacancies.

Information Technology (ITD)

The Information Technology Department is projected to underspend by \$0.85 million, or 4.3% of their budget due to vacancies.

Mayor's Office

The Mayor's Office is projected to underspend by \$0.55 million, or 13% of their budget, due to vacancies.

Non-Departmental

Non-Departmental is projected to underspend by \$1.81 million, or 2% of the budget due to savings to funding authorized by Resolution 89377 C.M.S. to cover the increased cost of MOU labor agreements. The actual cost is projected to be lower than budgeted due to the current number of citywide vacancies. These savings are partially offset by under-recovery in central service overhead.

Oakland Animal Services

The Department of Animal Services is projected to underspend by \$0.87 million, or 14% of their budget, due to vacancies.

Oakland Parks, Recreation and Youth Development (OPRYD)

Oakland Parks, Recreation and Youth Development is projected to underspend by \$1.41 million, or 6% of their budget, due to vacancies.

Oakland Public Library (OPL)

Oakland Public Library is projected to underspend by \$1.10 million, or 8% of their budget, due to vacancies.

Oakland Public Works (OPW)

Oakland Public Works is projected to have savings of \$0.28 million, or 5% of their budget, due to vacancies.

Police Commission

The Police Commission is projected to have savings of \$2.98 million, or 36% of their budget, due to vacancies.

Police Department

The Police Department is projected to overspend by \$12.06 million, or 3.6% of their budget, due to overtime overspending. The overspending in overtime derives from OPD implementing a 30-day crime plan to reduce violent crime in the city of Oakland in Q1. This plan required overtime by sworn personnel. In Q2 the Department implemented and extended plans for a Holiday Safety Strategy, which required more officers to be present on city streets, business districts, and tourist areas. Other factors that required additional overtime usage include a one-time special operation spanned both Q1 and Q2 and increased the amount of overtime worked by Homicide staff, an increase in overtime spending in the Special Operations Section which resulted in OPD recovering 100 firearms and making more than 130 arrests, and an increase in overtime spending in the Training Division. For additional details please refer to the Public Safety Cost Analysis section.

Public Ethics Commission (PEC)

The Public Ethics Commission is projected to have savings of \$0.60 million, or 30% of their budget, due to vacancies.

Race & Equity

The Department of Race & Equity is projected to have savings of \$0.49 million, which is 30% of their budget, due to vacancies.

**Public Safety Costs & Analysis**

**Table 7** below shows the personnel expenditures, including overtime, for Public Safety in the GPF. Once all other personnel costs are accounted for, Oakland Police Department currently shows a projected year-end budget to be overspent by \$8.55 million and Oakland Fire Department currently shows a projected year-end budget to be overspent by \$5.22 million for personnel in the General Purpose Fund. Details are provided in **Table 7** below.

**Table 7: FY 2022-23 Public Safety GPF Personnel Expenditures (\$ in millions)**

Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Year-End Estimate	Year-End \$ (Over) / Under Budget	Year-End % Over / Under Budget
<b>Police Department**</b>					
<i>Overtime (OT)</i>	30.90	26.42	50.88	(19.98)	(65.0)%
<i>Reimbursable OT (Special Events, etc.)</i>	—	(2.47)	(2.47)	2.47	—%
<i>All Other Personnel (non-OT)</i>	251.91	128.76	242.95	8.96	4.0%
<b>OPD Total Personnel</b>	<b>282.81</b>	<b>152.70</b>	<b>291.35</b>	<b>(8.55)</b>	<b>(3.0)%</b>
<b>Fire Department</b>					
<i>Overtime (OT)</i>	10.62	16.34	31.47	(20.85)	(196.0)%
<i>All Other Personnel (non-OT)</i>	141.94	65.86	126.31	15.63	11.0%
<b>OFD Total Personnel</b>	<b>152.56</b>	<b>82.20</b>	<b>157.78</b>	<b>(5.22)</b>	<b>(185.0)%</b>

Police

As shown on **Table 7** above, OPD is projected to overspend their overtime budget by \$19.98 million or by \$17.51 million after accounting for reimbursable overtime that resulted from coverage of special events. In Q1 the Department implemented a 30-day crime plan to reduce violent crime in the city of Oakland. This plan required overtime by sworn personnel and increased spending in the Homicide Section, the Ceasefire Division, and the Violent Crime Operation Center (VCO). As a result of this crime plan, OPD recovered more than 80 firearms and made 120 arrests of violent individuals.

During the summer months, the Homicide Section undertook an Electronic Surveillance (wiretap) Operation into a High-Profile Homicide that occurred in the city of Oakland. This one-time special operation spanned both Q1 and Q2 and increased the amount of overtime worked by Homicide staff. The operation consisted of investigators, surveillance officers, and close-cover arrest team personnel working seven days a week, 12-18 hours a day, for nearly 30 days.

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In Q2, the Department implemented and extended plans for a Holiday Safety Strategy, which required more officers to be present on city streets, business districts, and tourist areas. As a result of this plan, homicides and shootings declined by 50%. This safety strategy contributed to an increase in overtime spending in the Homicide Section.

In addition to the above crime reduction strategies, the Department added eight permanent officers to the Criminal Investigation Division (CID). This increase in staffing will ultimately lead to conducting more criminal investigations and a higher number of solved cases, in turn keeping violent offenders from committing additional crimes in the city of Oakland. The additional officers have led to an increase in overtime spending in the Criminal Investigation Division.

To assist with combating crime there has also been an increase in overtime spending in the Special Operations Section. This has resulted in OPD recovering 100 firearms and making more than 130 arrests, for a total of 1,318 firearms recovered in 2022, which is 119 more than last year. There has also been an increase in special events post-COVID, which has contributed to an increase in Special Operations Section overtime. Special events overtime is normally reimbursable. The total of reimbursable overtime for Q1 is \$1,463,640 and \$1,008,700 for Q2.

In order to provide adequate training to Police Officer Trainees there has been an increase in overtime spending in the Training Division. This overtime is related to officers assigned to various units in the Department assisting Training Division staff with teaching and serving as role-players in the academy.

This year fewer police academy graduates and higher attrition rates have led to current salary savings due to vacancies and has also contributed the need for additional overtime. For further details, please see the OPD Quarterly Overtime Reports which has an in-depth analysis on this matter.

### Fire

The Oakland Fire Department is projected to overspend in its annual personnel budget in the General Purpose Fund by \$5.22 million, primarily due to overtime, which is projected to be overspent by \$20.85 million. A contributing factor for the overspending as projected was the increased vacancy rate assumed in the FY2022-23 Budget, which increased from 4.0% to 10.25% for FY 2022-23. This resulted in over \$8.0 million less for budgeted FTE than if the vacancy discount rate had remained at 4.0% for sworn FTE. Fire's overtime budget has also been affected by staff out due to injury, staff out due to Covid-19, and extreme weather events which has made it difficult for Fire to maintain its minimum staffing levels. A historical analysis of Fire's budget is shown in **Table 8** below.

*This section has been intentionally left blank.*

**Table 8: Year-Over-Year Comparison of Public Safety GPF Personnel Expenditures (\$ in millions)**

<b>Police Department</b>					
<b>Overtime (OT)</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>FY 2021-22</b>	<b>FY2022-23</b>
Adjusted Budget	14.05	16.56	15.39	33.36	30.90
Actuals (FY23 Proj)	36.36	35.07	29.18	34.35	50.88
<b>(Over)/Under</b>	<b>(22.31)</b>	<b>(18.51)</b>	<b>(13.79)</b>	<b>(0.99)</b>	<b>(19.98)</b>
<b>All Other Personnel (non-OT)</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>FY 2021-22</b>	<b>FY2022-23</b>
Adjusted Budget	211.35	232.95	239.29	245.01	251.91
Actuals (FY23 Proj)	212.68	242.01	244.23	234.29	242.95
<b>(Over)/Under</b>	<b>(1.33)</b>	<b>(9.06)</b>	<b>(4.94)</b>	<b>10.71</b>	<b>8.96</b>
<b>Total Personnel</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>FY 2021-22</b>	<b>FY2022-23</b>
Adjusted Budget	225.40	249.51	254.68	278.37	282.81
Actuals (FY23 Proj)	249.04	277.08	273.41	264.27	291.35
<b>(Over)/Under</b>	<b>(23.64)</b>	<b>(27.57)</b>	<b>(18.73)</b>	<b>14.09</b>	<b>(8.55)</b>
<b>Fire Department</b>					
<b>Overtime (OT)</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>FY 2021-22</b>	<b>FY2022-23</b>
Adjusted Budget	3.34	2.37	4.22	19.83	10.62
Actuals (FY23 Proj)	19.65	20.63	24.22	29.83	31.47
<b>(Over)/Under</b>	<b>(16.31)</b>	<b>(18.26)</b>	<b>(20.00)</b>	<b>(10.00)</b>	<b>(20.85)</b>
<b>All Other Personnel (non-OT)</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>FY 2021-22</b>	<b>FY2022-23</b>
Adjusted Budget	128.90	142.70	144.73	132.44	141.94
Actuals (FY23 Proj)	117.84	123.59	126.99	119.50	126.31
<b>(Over)/Under</b>	<b>11.06</b>	<b>19.11</b>	<b>17.74</b>	<b>12.94</b>	<b>15.63</b>
<b>Total Personnel</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>FY 2021-22</b>	<b>FY2022-23</b>
Adjusted Budget	132.24	145.07	148.95	152.27	152.56
Actuals (FY23 Proj)	137.49	144.22	151.21	149.33	157.78
<b>(Over)/Under</b>	<b>(5.25)</b>	<b>0.85</b>	<b>(2.26)</b>	<b>2.94</b>	<b>(5.22)</b>

Historical Police Overtime

As **Table 8** above shows, Police has overspent its overtime budget on each of the prior 4 years shown. In FY 2018-19, Police's total overtime overspending amounted to being \$22.31 million over their budget, in FY 2019-20 it was \$18.51 million over budget in FY 2020-21 police personnel overspending was \$13.79 million over budget. FY 2021-22 overspent in overtime by \$0.99 million but there was a savings of \$14.09 million in personnel costs overall since higher

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attrition rates led to salary savings due to vacancies. The savings were despite rising salary and benefit costs from the City's contract-mandated COLA increase to Sworn employees. In FY 2022-23, Police projects to overspend its Personnel budget by \$8.55 million at year end due to overspending in Overtime in the amount of \$19.98 million

In FY 2019-20, the Police spent \$15.62 million in Special Enforcement overtime, which accounted for 37.98% of the total overtime for that year. Of this \$15.62 million, police coverage of demonstrations and protests accounted for \$2.63 million, sideshows enforcement accounted for \$1.54 million, patrol covered \$1.35 million, and Uptown walking patrol accounted for \$1.11 million. To meet the FY 2020-21 midyear reductions, the Police Department began to curtail its Special Enforcement overtime in January of 2021, which dropped to \$11.9 million for FY 2020-21. In comparison to FY 2019-20, police coverage of demonstrations and protests dropped to \$0.95 million, sideshows enforcement decreased to \$1.11 million, patrol was reduced to \$0.70 million, and the Uptown walking patrol became \$0.34 million.

A significant portion of Police's personnel policies are mandated from the Negotiated Settlement Agreement (NSA), which therefore also impacts the Police Department's overtime use. Of pertinence, two of NSA mandates on Police have particular impact on patrol overtime. The first is that a patrol sergeant may not supervise more than eight officers. The second is that Police cannot use acting sergeants in patrol. Taken together, a significant amount of overtime is generated because Police must have five regular permanent (not temporary acting) sergeants in patrol for every shift to supervise the minimum of 35 officers. The NSA requires the City to therefore expend a portion of its overtime for "backfill" and "extension of shift" overtime to meet this mandate.

The work of the Reimagining Public Safety Task Force and continued public dialogue around police spending initiated the Police Department in undergoing an overhaul of its budgeting for personnel costs, including and especially overtime use, during the FY 2021-23 Biennial Budget.

As a part of the FY 2021-23 Biennial Budget process, the Police Department provided for the first time a detailed breakdown of its overtime allocations and limited or eliminated several categories for FY 2021-22 and FY2022-23. In an effort to realign OPD service levels, there was a careful assignment of available personnel to units and sub-unit for each sworn and professional staffing positions. A new staffing plan was created which primarily focused on sworn police officers' assignments based on current service level demands in the City of Oakland.

Please refer to the Police Department's Q2 Overtime Report for additional details.

#### Historical Fire Overtime

Overspending in overtime continues to be an issue for Fire. As **Table 8** above shows, Fire's overtime went over its budgeted amount by \$16.31 million in FY 2018-19, \$18.26 million in FY 2019-20, \$20.00 million in FY 2020-21, \$10.00 million in FY 2021-22, and projects to overspend by \$20.85 million in FY 2022-23. This overtime overspending has been mostly offset with savings in all other personnel (non-OT) pay over the years. The savings in FY2022-23 project to be in the amount of \$15.63 million reducing the overall Personnel overspending in the GPF to \$5.22 million.

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Fire's overtime use is due to three main causes: their staff vacancy level with unfilled positions, their compliance with the Local 55 MOU for minimum staffing provisions, and a reduced number of Fire Academies in recent years.

Fire has been able to balance their overtime use with salary savings across their total personnel budget from the number of vacancies they currently have. At this point, due to Local 55 MOU, the majority of Fire's overtime is used to backfill required Fire Suppression minimum service levels. Since FY 2020-21, the increase in services due to the COVID-19 pandemic resulted in the highest level of overtime Fire has had in recent years. What also contributes to Fire's higher use of overtime is that a higher level of sworn staff is on paid disability leave, which has forced the department to utilize overtime to backfill. In addition, due to the pandemic, Fire was unable to conduct its FY 2020-21 academy to recruit more staff, which has also led to a higher usage of overtime to meet current service demands. Until Fire has more staff, this is anticipated to be a reoccurring problem. Fire has been managing it in part through its overall vacancy savings.

#### **IV. GENERAL PURPOSE FUND - FUND BALANCE**

The City's GPF Fund Balance, net obligations, is projected to end the year at \$22.07 million in FY 2022-23. Obligations are reserves required by City Ordinances and the City Charter (mandated emergency & OMERS reserves). Note that \$10.80 million of the mandated FY 2021-22 emergency reserves is included in the projected year-end expenditures in **Table 9** below (as a committed transfer to the designated reserve GPF Emergency Reserve Fund (Fund 1011)).

**Table 9** below shows mandated reserves required by City Ordinances and the City Charter (mandated emergency & OMERS reserves) totaling \$2.36 million, and a COPS Grant Match authorized through City Council Resolution 89482 in the amount of \$2.10 million, decreasing the estimated FY2022-23 year-end available fund balance from \$26.66 million to \$22.07 million. The estimated FY 2022-23 available Fund Balance is the amount of unobligated funding available to the City in the GPF.

**Table 9: FY 2022-23 Year-End Available GPF Fund Balance**

<b>GENERAL PURPOSE FUND (1010)</b>	<b>FY 2022-23 Q2 Projected FYE</b>
<b>Estimated FY 2022-23 Beginning Audited Fund Balance</b>	<b>147.20</b>
<b>FY2022-23 Performance</b>	
Revenue	724.99
Expenditures	845.65
<b>FY 2022-23 Operating Surplus / Deficit</b>	<b>(120.66)</b>
<b>Unaudited Ending Fund Balance</b>	<b>26.53</b>
<b>Obligations Against Ending Fund Balance</b>	<b>(4.46)</b>
OMERS Reserves (Reso. No. 85098 C.M.S)	<b>(2.36)</b>
COPS Grant Match (Reso No. 89482 C.M.S)	<b>(2.10)</b>
<b>Estimated FY 2022-23 Ending Available Fund Balance</b>	<b>22.07</b>

*This section has been intentionally left blank.*

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## V. RESERVES

On December 9, 2014 Council Ordinance No. 13279 amended the City's [Consolidated Fiscal Policies](#) to include designated reserves for both the Vital Services Stabilization Fund and for the acceleration of long term obligations, in addition to the mandated 7.5% GPF Emergency Reserve (*refer to City of Oakland Consolidated Fiscal Policy, Section I, Part C: Use of Excess Real Estate Transfer Tax<sup>11</sup>*). It is important to note that while these balances are designated each fiscal year, reserve appropriations adopted in subsequent fiscal years may include any prior year true-ups.

### Emergency Reserve

The City's GPF Emergency Reserve, calculated by multiplying 7.5% by \$872.07 million, is reserved and funded at \$65.41 million based on the FY 2022-23 Adopted Budget (Table 6). The reserve is equivalent to almost one month of FY 2022-23 Adopted Budget of \$872.07 million in the GPF. This reserve will be held in Fund 1011 as directed by Council in Resolution 88717 C.M.S. The reserve requirement, pursuant to the CFP has been met.

However, the emergency reserve policy level of 7.5% is inadequate to sustain city services in an economic downturn as evidenced by the events of the last 2 years. The recommended policy level is 16.7% or two months of operating expenditures. This recommended level is supported by best practices outlined by the Government Finance Officer's Association's (GFOA). Additionally, this recommended level can be witnessed in the levels of funding needed in the balancing of the City's Budget since FY2019-20 budget by programming CARES dollars (\$36.99 million), ARPA dollars (\$188.00 million) and use of VSSF (\$14.65 million) for a total of \$239.64 million. Finally, the City Auditor's [Financial Condition for Fiscal Years 2012-13 through 2019-20](#) Report cites the need for additional reserves to bolster the city's financial standing.

### Vital Services Stabilization Fund

The Vital Services Stabilization Fund (VSSF) was established in 2014 by City Council after the Great Recession to serve as the City's "Rainy Day" fund. Per the Consolidated Fiscal Policy, 25% of excess RETT revenue is intended to go into the VSSF. The beginning balance in FY 2022-23 for the VSSF is \$2.58 million, after accounting for the FY 2022-23 GPF budgeted transfer of \$7.69 million, the balance is \$10.27 million. The target funding level per the City's Consolidated Fiscal Policy is \$130.81 million, or 15% of the GPF revenues.

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<sup>11</sup> **The 7.5% GPF reserve is not a cumulative balance.**

**Table 10: FY 2022-23 Q2 Reserve Balances (\$ in millions)**

Description	FY 2022-23 Beginning Balances	FYE Estimated 2022-2023 Balances
Mandated Emergency Reserves FY 2022-23 <sup>1</sup>	54.61	65.41
Vital Services Stabilization Fund	2.58	10.27
OMERS Reserves (Reso. No. 85098 C.M.S)	2.36	2.36
<b>Total Reserves</b>	<b>59.55</b>	<b>78.04</b>

**VI. SELECTED Q2 NON-GPF**

This section of the Q2 report contains additional analysis on selected non-GPF funds. For additional fund descriptions, please visit:

<https://stories.opengov.com/oaklandca/published/swOMphN6lwF>.

This Q2 report discusses selected funds that are of special interest to the City because the revenue comes from a special tax or local measure, or because of the particular revenue or expenditure restrictions.

For these funds, the revenue tables below will show the adopted budget, the revenue received for the fund through Q2 and the projected budget. The expenditure tables in this section compares the FY 2022-23 Adjusted Budget to FY 2022-23 year-end estimates based on Q2 expenditure actuals for these funds.

The fund balance tables compare the FY 2021-22 audited beginning fund balance to the FY 2022-23 projected ending fund balance for these funds. Please note that some of the fund tables below show a budgeted transfer from fund balance. These amounts represent either approved obligated carryforward from the prior year or dollars designated to balance the Adopted Budget.

All other funds are summarized in **Table 75** through **Table 81**.

**Measure HH - Sugar Sweetened Beverage Distribution Tax (SSBT) Fund (1030)**

Measure HH - SSBT Fund (1030) is a City of Oakland ballot initiative approved by voters on November 8, 2016, that established a general tax of one cent per fluid ounce on the sugar sweetened beverage products. The tax is imposed upon the first non-exempt distribution of sugar-sweetened beverage products in the City. While this revenue is not restricted by State statute, City Council has elected to restrict it by policy and separate it into its own fund because the primary purpose of the tax is to raise revenue to support programs designed to discourage sugar consumption and to reduce the growing burden of obesity and non-communicable diseases.

The measure formed a nine-member Community Advisory Board, appointed by the Mayor, and approved by City Council. The Board is responsible for:

- 1) Making recommendations to City Council on use of funding/programs that will reduce the health consequences from consuming sugar-sweetened beverages (final allocations are still determined by City Council).
- 2) Publishing an annual report regarding the implementation of the Board's recommendations and the impact on the use of these funds.

**Revenues** - Although this revenue source has continued to decline at a rate of about 10% each year since its inception in FY 2017-2018, the revenue collection through the first six months of this year is trending higher than the same period in prior year. The increase is mostly attributable to an [11.6% increase in nonalcoholic beverage prices within the last 12-month](#) and the outreach efforts carried out by the Administration to ensure businesses are aware of the tax obligations.

For the above reasons, revenues are projected to exceed the FY 2022-23 Adjusted Budget by approximately \$0.35 million and thereby increasing the projected revenue to \$7.26 million for this fiscal year, excluding the budgeted transfer from fund balance in the amount of \$1.16 million to support expenditures as budgeted and use of fund balance in the amount of \$8.17 million assumed to support carryforward expenditures.

**Table 11: FY 2022-23 Measure HH (SSBT) Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Project Offsets & Carryforwards	8.17	—	—	(8.17)	(100.0)%
Local Tax	6.91	3.37	7.26	0.35	5.0 %
Transfers from Fund Balance	1.16	—	—	(1.16)	(100.0)%
Interest Income	—	0.02	0.02	0.02	N / A
Miscellaneous Revenue	—	0.11	0.11	0.11	N / A
<b>Total Revenue</b>	<b>16.25</b>	<b>3.50</b>	<b>7.39</b>	<b>(8.86)</b>	<b>(54.5)%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

**Expenditures** - The FY 2022-23 year-end expenditures are projected to come in at \$15.25 million, which is a savings of \$0.99 million, compared to the adjusted budget of \$16.25 million. The savings is primarily due to underspending in personnel costs.

**Table 12: FY 2022-23 Measure HH (SSBT) Fund Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Capital Improvement Projects	2.40	0.03	2.41	—	(0.2)%
City Administrator	0.34	0.12	0.22	0.12	35.2%
Economic and Workforce Development Department	0.45	0.14	0.40	0.05	11.2%
Finance Department	0.33	0.09	0.34	(0.01)	(2.8)%
Human Services Department	8.80	0.98	7.99	0.82	9.3 %
Non Departmental and Port	0.50	—	0.50	—	— %
Oakland Parks and Recreation Department	3.23	2.07	2.83	0.40	12.4%
Oakland Public Library Department	0.12	—	0.12	—	— %
Oakland Public Works Department	0.08	0.14	0.46	(0.38)	(495.0)%
<b>Total</b>	<b>16.25</b>	<b>3.55</b>	<b>15.25</b>	<b>0.99</b>	<b>6.1%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

**Fund Balance** - FY 2022-23 revenue is projected to end the year at \$7.39 million. Expenditures are projected to end the year at \$15.25 million. As a result of the projected use of fund balance to support carryforwards in the amount of \$7.86 million, the fund balance in the Measure HH (SSBT) projecting to decrease from \$8.93 million in FY 2021-22 to \$1.07 million in FY 2022-23.

**Table 13: Measure HH (SSBT) Fund Year-End Available Fund Balance (\$ in millions)**

MEASURE HH SSBT (1030)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>8.93</b>
Revenue	7.39
Expenditures	15.25
Use of Fund Balance to Support Carryforwards	(7.86)
<b>Estimated Ending Fund Balance</b>	<b>1.07</b>

**Self-Insurance Liability Fund (1100)**

The Self-Insurance Liability Fund (1100) receives contributions from the General Purpose Fund and select funds to cover costs associated with liability claims and settlements, insurance premiums, outside legal services, and court costs. Projecting these costs, particularly the settlements, are difficult as they are driven by being sued sporadically and with varying settlement values. Additionally, Insurance costs continue to increase over time due to market factors within the national insurance environment. Fixes will be in arrears as the negative balances must be trued up.

**Revenues** - FY 2022-23 year-end revenues are projected to come in at \$62.78 million, which is a decrease of \$1.70 million, compared to the adjusted budget of \$64.48 million. The adjusted budget assumes \$0.57 million in use of fund balance to balance to support carryforward expenditures.

**Table 14: FY 2022-23 Self-Insurance Liability Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Interfund Transfers	63.90	—	63.90	—	— %
Project Offsets & Carryforwards	0.57	—	—	(0.57)	(100.0) %
Interest Income	—	(0.03)	(0.03)	(0.03)	N / A
Miscellaneous Revenue	—	(1.10)	(1.10)	(1.10)	N / A
<b>Total Revenue</b>	<b>64.48</b>	<b>(1.12)</b>	<b>62.78</b>	<b>(1.70)</b>	<b>(2.6) %</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

**Expenditures** - FY 2022-23 year-end expenditures are projected to come in at \$47.85 million, which is a savings of \$16.62 million, compared to the adjusted budget of \$64.48 million. The savings are attributable to a contribution to fund balance budgeted as an expenditure in the amount of \$17.27 million.

**Table 15: FY 2022-23 Self-Insurance Liability Fund Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
City Attorney	3.43	0.29	4.08	(0.65)	(18.9)%
Fire Department	1.93	—	1.93	—	— %
Non Departmental and Port	48.91	27.69	31.64	17.27	N / A
Oakland Parks and Recreation Department	0.59	—	0.59	—	— %
Oakland Public Works Department	4.64	0.10	4.64	—	35.3%
Police Department	4.97	0.68	4.97	—	35.3%
<b>Total Expenditures</b>	<b>64.48</b>	<b>28.76</b>	<b>47.85</b>	<b>16.62</b>	<b>25.8%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

**Fund Balance** - FY 2022-23 revenue is projected to end the year at \$62.78 million. Expenditures are projected to end the year at \$47.85 million. As a result of the projected operating surplus of \$14.92 million, the fund balance in the Self-Insurance Liability Fund (1100) is projecting to increase from negative \$1.74 million in FY 2021-22 to \$13.18 million in FY 2022-23.

**Table 16: FY 2022-23 Self-Insurance Liability Fund Year-End Available Fund Balance (\$ in millions)**

SELF-INSURANCE LIABILITY FUND (1100)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>(1.74)</b>
Revenue	62.78
Expenditures	47.85
Estimated Current Year Contribution to Fund Balance	14.92
<b>Estimated Ending Fund Balance</b>	<b>13.18</b>

**Recycling Program Fund (1710)**

The Recycling Program Fund (1710) collects revenues from a special surcharge on refuse collection bills to cover costs associated to the City's recycling program and related activities.

Revenues: FY 2022-23 year-end revenues are projected to come in at \$6.51 million, which is a decrease of \$0.89 million, compared to the adjusted budget of \$7.40 million. The adjusted budget assumes the use of fund balance in the amount of \$0.04 million to support expenditures as adopted plus \$0.90 million to support carry-forward expenditures.

**Table 17: FY 2022-23 Recycling Program Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Service Charges	5.08	2.23	5.08	—	— %
Grants & Subsidies	1.37	0.32	1.37	—	— %
Project Offsets & Carryforwards	0.90	—	—	(0.90)	(100.0) %
Transfers from Fund Balance	0.04	—	—	(0.04)	(100.0) %
Fines & Penalties	—	0.01	0.01	0.01	N / A
Interest Income	—	0.01	0.01	0.01	N / A
Miscellaneous Revenue	—	0.05	0.05	0.05	N / A
<b>Total Revenue</b>	<b>7.40</b>	<b>2.62</b>	<b>6.51</b>	<b>(0.89)</b>	<b>(12.0) %</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Expenditures - FY 2022-23 year-end expenditures are projected to come in at \$6.73 million, which is a savings of \$0.66 million, compared to the adjusted budget of \$7.40 million. The savings is primarily due to underspending in personnel costs.

**Table 18: FY 2022-23 Recycling Program Fund Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Oakland Public Works Department	6.99	3.00	6.52	0.47	6.7 %
City Administrator	0.34	0.06	0.15	0.20	57.6%
Fire Department	0.05	0.04	0.05	—	— %
Economic and Workforce Development Department	0.02	—	0.02	—	— %
<b>Total Expenditures</b>	<b>7.40</b>	<b>3.09</b>	<b>6.73</b>	<b>0.66</b>	<b>9.0 %</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Fund Balance - FY 2022-23 revenue is projected to end the year at \$6.51 million. Expenditures are projected to end the year at \$6.73 million. As a result of the projected operating shortfall of \$0.22 million, the projected fund balance in the Recycling Program Fund (1710) is projected to decrease from \$3.56 million in FY 2021-22 to \$3.34 million in FY 2022-23.

**Table 19: FY 2022-23 Recycling Program Fund Year-End Available Fund Balance (\$ in millions)**

RECYCLING PROGRAM FUND (1710)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>\$3.56</b>
Revenue	6.51
Expenditures	6.73
Estimated Current Year Use of Fund balance	<b>(0.22)</b>
<b>Estimated Ending Fund Balance</b>	<b>3.34</b>

**Comprehensive Clean-Up Fund (1720)**

The Comprehensive Clean-Up Fund (1720) collects revenues from a special surcharge on refuse collection bills to cover costs associated to illegal dumping enforcement, street sweeping, custodial services, and other clean-up activities.

Revenues - FY 2022-23 year-end revenues are projected to come in at \$24.15 million, which is a decrease of \$3.89 million, compared to the adjusted budget of \$28.04 million. The adjusted budget assumes a budgeted contribution from fund balance in the amount of \$3.66 million to support budgeted expenditures and \$0.08 million to support carryforward expenditures.

**Table 20: FY 2022-23 Comprehensive Clean-Up Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Service Charges	24.09	11.81	24.09	—	— %
Transfers from Fund Balance	3.66	—	—	(3.66)	(100.0)%
Project Offsets & Carryforwards	0.27	—	—	(0.27)	(100.0)%
Fines & Penalties	0.02	0.02	0.02	—	— %
Interest Income	—	0.01	0.01	0.01	N / A
Miscellaneous Revenue	—	0.03	0.03	0.03	N / A
<b>Total Revenue</b>	<b>28.04</b>	<b>11.87</b>	<b>24.15</b>	<b>(3.89)</b>	<b>(13.9)%</b>

*\*The Adjusted Budget includes Council Budget Amendments and Carryforwards*

Expenditures - FY 2022-23 year-end expenditures are projected to come in at \$27.41 million, which is a savings of \$0.63 million, compared to the adjusted budget of \$28.04 million. The savings is primarily due to underspending in personnel costs.

**Table 21: FY 2022-23 Comprehensive Clean-Up Fund Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
City Administrator	0.10	0.01	0.10	—	(4.2)%
Fire Department	0.07	0.01	0.06	—	4.7 %
Non Departmental and Port	0.08	—	—	0.08	100.0%
Oakland Public Works Department	27.80	11.31	27.24	0.55	2.0 %
<b>Total Expenditures</b>	<b>28.04</b>	<b>11.32</b>	<b>27.41</b>	<b>0.63</b>	<b>2.2 %</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Fund Balance - FY 2022-23 revenue is projected to end the year at \$24.15 million. Expenditures are projected to end the year at \$27.41 million. As a result of the projected use of fund balance of \$3.26 million to balance expenditures, the fund balance in the Comprehensive Clean-Up Fund (1720) is projected to decrease from \$3.64 million in FY 2021-22 to \$0.38 million in FY 2022-23.

**Table 22: FY 2022-23 Comprehensive Clean-Up Fund Year-End Fund Balance (\$ in millions)**

COMPREHENSIVE CLEAN-UP FUND (1720)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>\$3.64</b>
Revenue	24.15
Expenditures	27.41
Estimated Current Year Use of Fund balance	<b>(3.26)</b>
<b>Estimated Ending Fund Balance</b>	<b>0.38</b>

**Multipurpose Reserve Fund (1750)**

The Multi-Purpose Reserve Fund (1750) collects fees from City-owned off-street parking facilities, and other revenues at Council discretion. The off-street parking facilities revenue is not derived from a special, restricted revenue source, it is restricted by Council policy to use for parking facility construction and operation. All other revenue may be spent at Council discretion.

Revenue - FY 2022-23 year-end revenues are projected to come in at \$10.94 million, which is a decrease of \$0.69 million, compared to the adjusted budget of \$11.63 million. The adjusted budget assumes the use of fund balance in the amount of \$0.02 million to support budgeted expenditures and \$0.67 million to balance carryforward expenditures.

**Table 23: FY 2022-23 Multipurpose Reserve Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Service Charges	9.93	3.67	9.93	—	— %
Miscellaneous Revenue	1.01	0.09	1.01	—	— %
Project Offsets & Carryforwards	0.67	—	—	<b>(0.67)</b>	<b>(100.0)%</b>
Transfers from Fund Balance	0.02	—	—	<b>(0.02)</b>	<b>(100.0)%</b>
Fines & Penalties	—	0.01	0.01	0.01	N / A
Interest Income	—	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	N / A
<b>Total Revenue</b>	<b>11.63</b>	<b>3.75</b>	<b>10.94</b>	<b>(0.69)</b>	<b>(5.9)%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Expenditures - FY 2022-23 year-end expenditures are projected to come in at \$9.93 million, which is a savings of \$1.70 million, when compared to the adjusted budget of \$11.63 million.

**Table 24: FY 2022-23 Multipurpose Reserve Fund Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Capital Improvement Projects	0.03	—	0.03	—	— %
City Administrator	0.11	0.04	0.07	0.04	33.7%
Department of Transportation	8.14	2.11	6.56	1.58	19.4%
Economic and Workforce Development Department	0.01	—	0.01	—	— %
Finance Department	0.43	0.05	0.35	0.08	18.6%
Non Departmental and Port	2.90	—	2.90	—	— %
<b>Total Expenditures</b>	<b>11.63</b>	<b>2.20</b>	<b>9.93</b>	<b>1.70</b>	<b>14.6%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

**Fund Balance** - FY 2022-23 revenue is projected to end the year at \$10.94 million. Expenditures are projected to end the year at \$9.93 million. As a result of the projected operating surplus of \$1.01 million, the fund balance in the Multipurpose Reserve Fund (1750) is projected to improve from negative \$3.87 million in FY 2021-22 to negative \$2.85 million in FY 2022-23.

**Table 25: FY 2022-23 Multipurpose Reserve Fund Year-End Available Fund Balance (\$ in millions)**

MULTIPURPOSE RESERVE FUND (1750)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>(3.87)</b>
Revenue	10.94
Expenditures	9.93
Estimated Current Year Contribution to Fund Balance	1.01
<b>Estimated Ending Fund Balance</b>	<b>(2.85)</b>

**OPRCA Self Sustaining Revolving Fund (1820)**

The OPRCA Self Sustaining Revolving Fund (1820) is a fee-based fund that supports Oakland Parks, Recreation and Youth Development's (OPRYD) recreation, cultural arts, science, sports, and aquatics programs for families in Oakland. Revenues in this fund have been significantly impacted by COVID-19 which decreased the availability of provided services.

Revenues - Projected revenues are \$11.01 million, which is a decrease of \$0.21 million, compared to the adjusted budget of \$11.23 million. The adjusted budget assumes \$0.26 million in use of fund balance to balance carryforward expenditures.

**Table 26: FY 2022-23 OPRCA Self Sustaining Revolving Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Service Charges	5.70	2.47	5.70	—	— %
Interfund Transfers	5.20	—	5.20	—	— %
Project Offsets & Carryforwards	0.26	—	—	(0.26)	(100.0)%
Miscellaneous Revenue	0.03	0.07	0.07	0.04	151.9%
Interest Income	0.03	0.01	0.03	—	— %
Fines & Penalties	0.01	—	0.01	—	— %
<b>Total Revenue</b>	<b>11.23</b>	<b>2.55</b>	<b>11.01</b>	<b>(0.21)</b>	<b>(1.9)%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Expenditures - Projected expenditures are \$8.41 million, which is a savings of \$2.79 million, when compared to the adjusted budget of \$11.20 million. The savings are primarily due to underspending in personnel costs.

**Table 27: FY 2022-23 OPRCA Self Sustaining Revolving Fund Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Non Departmental and Port	0.05	—	—	0.05	100.0%
Oakland Parks and Recreation Department	11.16	4.05	8.41	2.75	24.6%
<b>Total Expenditures</b>	<b>11.20</b>	<b>4.05</b>	<b>8.41</b>	<b>2.79</b>	<b>24.9%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Fund Balance - FY 2022-23 revenue is projected to end the year at \$11.01 million. Expenditures are projected to end the year at \$8.41 million. As a result of the projected operating surplus of \$2.60 million, the fund balance in the OPRCA Self Sustaining Revolving Fund (1820) is projected to increase from \$3.76 million in FY 2021-22 to \$6.36 million in FY 2022-23.

**Table 28: FY 2022-23 OPRCA Self Sustaining Revolving Fund Year-End Available Fund Balance (\$ in millions)**

OPRCA SELF SUSTAINING REVOLVING FUND (1820)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>3.76</b>
Revenue	11.01
Expenditures	8.41
Estimated Current Year Contribution to Fund Balance	2.60
<b>Estimated Ending Fund Balance</b>	<b>6.36</b>

**Affordable Housing Fund (1870)**

The Affordable Housing Trust Fund (1870) receives revenue from jobs/housing impact fees, affordable housing impact fees, fines and penalties, and redevelopment dissolution funds from the County's Real Property Tax Trust Fund (RPTTF). RPTTF is a unrestricted property tax revenue source collected by the County, however, City Council has chosen to restrict 25% of its value for uses related to affordable housing. Fund 1870 revenues are then provided as loans and grants for the development of rental and owner-occupied affordable housing within the City.

Revenues - FY 2022-23 year-end revenues are projected to come in at \$17.33 million, which is a decrease of \$49.48 million, compared to the adjusted budget of \$66.81 million. The adjusted budget assumes \$8.42 million in use of fund balance to support budgeted expenditures and \$41.85 million in use of fund balance to support carryforward expenditures.

**Table 29: FY 2022-23 Affordable Housing Fund (1870) Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Project Offsets & Carryforwards	41.85	—	—	(41.85)	(100.0)%
Property Tax	13.31	6.06	13.31	—	— %
Transfers from Fund Balance	8.42	—	—	(8.42)	(100.0)%
Service Charges	3.22	1.30	3.22	—	— %
Interest Income	—	0.10	0.10	0.10	N / A
Miscellaneous Revenue	—	0.70	0.70	0.70	N / A
<b>Total Revenue</b>	<b>66.81</b>	<b>8.17</b>	<b>17.33</b>	<b>(49.48)</b>	<b>(74.1)%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Expenditures - FY 2022-23 year-end expenditures are projected to come in at \$63.63 million, which is a savings of \$3.18 million, when compared to the adjusted budget of \$66.81 million. The savings are primarily due to underspending in personnel costs.

**Table 30: FY 2022-23 Affordable Housing Fund (1870) Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
City Administrator	0.24	0.14	0.27	(0.03)	(12.6)%
City Attorney	0.20	0.10	0.20	—	0.7 %
Finance Department	0.42	0.19	0.37	0.05	11.6%
Housing and Community Development Department	65.52	6.38	62.42	3.10	4.7 %
Human Resources Management Department	0.14	0.04	0.08	0.06	41.7%
Planning and Building Department	0.30	0.04	0.30	—	— %
<b>Total Expenditures</b>	<b>66.81</b>	<b>6.90</b>	<b>63.63</b>	<b>3.18</b>	<b>4.8 %</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

**Fund Balance** - FY 2022-23 revenue is projected to end the year at \$17.33 million. Expenditures are projected to end the year at \$63.63 million. As a result of the projected use of fund balance of \$46.30 million to balance expenditures and support carryforwards, the fund balance in the Affordable Housing Trust Fund (1870) is projected to decrease from \$49.40 million in FY 2021-22 to \$3.10 million in FY 2022-23.

**Table 31: FY 2022-23 Affordable Housing Trust Fund Balance (\$ in millions)**

AFFORDABLE HOUSING TRUST FUND (1870)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>49.40</b>
Revenue	17.33
Expenditures	63.63
Estimated Current Year Use of Fund Balance	(46.30)
<b>Estimated Ending Fund Balance</b>	<b>3.10</b>

**Measures B, BB & F Funds (2211, 2212, 2213, 2215, 2217, 2218, 2219, 2220)**

Measure BB and F Funds are administered by the Alameda County Transportation Commission (Alameda CTC) which manages the following three local fund sources:

1. Measure B, passed by voters in 2000, authorized a special half-cent sales tax and will be in effect for 20 years. Sales tax collection began on April 1, 2002, and sunset on March 31, 2022. Uses of funds supported traffic and transportation projects, including street and signal

construction, bicycle and pedestrian, paratransit, roads maintenance and repair. Measure BB shown below supplemented the funding from Measure B at its sunset.

2. Measure BB, passed by voters in November 2014, authorized collection of the initial half-cent transportation sales tax by the Board of Equalization. Collection began on April 1, 2015, and will extend through March 31, 2022. The full one-cent sales tax authorized by Measure BB will begin April 1, 2022, and will extend through March 31, 2045. Starting in July 2015, Alameda CTC began making monthly direct local distribution payments to local jurisdictions and transit agencies, per the 2014 Transportation Expenditure Plan, for the following programs: local streets and roads (including county bridges), bicycle and pedestrian, transit, and paratransit.

3. Measure F, approved by voters in November 2010, authorizes the collection of \$10 per year per vehicle registration fee to fund the Local Road Improvement & Repair Program and other congestion relief, transportation technology, and pedestrian/bicyclist safety programs in Alameda County.

Revenues - FY 2022-23 year-end revenues are projected to come in at \$34.24 million, which is a decrease of \$38.79 million, compared to the adjusted budget of \$73.03 million. The adjusted budget assumes \$19.80 million in use of fund balance to support budgeted expenditures and \$19.98 million to support carry forward expenditures.

**Table 32: FY 2022-23 Measure B, BB & F Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Sales Tax	31.31	11.39	31.31	—	— %
Project Offsets & Carryforwards	19.98	—	—	(19.98)	(100.0)%
Transfers from Fund Balance	19.80	—	—	(19.80)	(100.0)%
Grants & Subsidies	1.81	—	1.81	—	— %
Service Charges	0.12	0.06	0.12	—	— %
Interest Income	—	0.08	0.08	0.08	N / A
Miscellaneous Revenue	—	0.92	0.92	0.92	N / A
<b>Total Revenue</b>	<b>73.03</b>	<b>12.46</b>	<b>34.24</b>	<b>(38.79)</b>	<b>(53.1)%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Expenditures - FY 2022-23 year-end expenditures are projected to come in at \$67.21 million, which is a savings of \$5.82 million, compared to the adjusted budget of \$73.03 million. The savings are primarily due to underspending in personnel costs.

**Table 33: FY 2022-23 Measure B/BB/F Funds Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Capital Improvement Projects	30.28	1.50	30.36	(0.08)	(0.3)%
City Administrator	0.29	0.11	0.24	0.05	17.8%
City Attorney	0.05	0.01	0.02	0.03	52.4%
Department of Transportation	34.38	9.02	28.69	5.69	16.5%
Finance Department	0.10	0.05	0.10	—	4.8 %
Human Services Department	5.99	0.96	4.98	1.01	16.8%
Mayor	0.23	0.11	0.21	0.03	11.6%
Non Departmental and Port	0.43	—	0.34	0.09	20.3%
Oakland Public Works Department	1.28	0.61	2.27	(0.99)	(77.3)%
<b>Total Expenditures</b>	<b>73.03</b>	<b>12.39</b>	<b>67.21</b>	<b>5.82</b>	<b>8.0 %</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

**Fund Balance** - FY 2022-23 revenue is projected to end the year at \$34.24 million. Expenditures are projected to end the year at \$67.21 million. As a result of the projected use of fund balance of \$32.97 million to balance expenditures and support carryforwards, the fund balance in the Measure B/BB and Measure F Funds (2211, 2212, 2213, 2215, 2217, 2218, 2219, 2220) is projected to decrease from \$43.38 million in FY 2021-22 to \$10.41 million in FY 2022-23.

**Table 34: FY 2022-23 Measure B/BB/F Funds Year-End Available Fund Balance (\$ in millions)**

Measure B/BB and Measure F Funds (2211, 2212, 2213, 2215, 2216, 2217, 2218, 2219, 2220)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>43.38</b>
Revenue	34.24
Expenditures	67.21
Estimated Current Year Use of Fund Balance	(32.97)
<b>Estimated Ending Fund Balance</b>	<b>10.41</b>

**State Transportation Gas Tax Funds (2230, 2232)**

The State of California imposes a per-gallon excise tax on gasoline and diesel fuel, sales taxes on gasoline and diesel fuel, and registration taxes on motor vehicles with allocations dedicated to transportation purposes. The local (city and county) portions of these allocations flow through the Highway Users Tax Account (HUTA) into the Gasoline Tax Fund (2230) and the Road

Maintenance and Rehabilitation Account (RMRA) (Fund 2232), which allocates much of the revenue from the Road Repair and Accountability Act of 2017.

Revenues - FY 2022-23 year-end revenues are projected to come in at \$20.47 million, which is a decrease of \$9.92 million, compared to the adjusted budget of \$30.39 million. The actual deficit in Gas Tax is \$2.13 million. The remaining deficit is attributed to \$5.21 million in use of fund balance assumed in the adjusted budget to support budgeted expenditures and \$2.59 million in use of fund balance assumed to support carryforward expenditures

**Table 35: FY 2022-23 State Transportation Gas Tax Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Gas Tax	22.44	9.78	20.31	(2.13)	(9.5)%
Transfers from Fund Balance	5.21	—	—	(5.21)	(100.0)%
Project Offsets & Carryforwards	2.59	—	—	(2.59)	(100.0)%
Grants & Subsidies	0.14	—	0.14	—	— %
Service Charges	0.01	—	0.01	—	— %
Miscellaneous Revenue	—	—	—	—	(278.8)%
Interest Income	—	0.02	0.02	0.02	N / A
<b>Total Revenue</b>	<b>30.39</b>	<b>9.79</b>	<b>20.47</b>	<b>(9.92)</b>	<b>(32.6)%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Expenditures - FY 2022-23 year-end expenditures are projected to come in at \$22.09 million, which is a savings of \$8.30 million when compared to the adjusted budget of \$30.39 million. The savings are primarily due to underspending in personnel costs.

**Table 36: FY 2022-23 State Transportation Funds Gas Tax Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Capital Improvement Projects	2.64	—	2.64	—	— %
City Administrator	0.18	0.05	0.15	0.03	17.4%
Department of Transportation	27.42	6.28	19.28	8.14	29.7%
Economic and Workforce Development Department	0.01	—	0.01	—	— %
Finance Department	0.08	—	—	0.08	100.0%
Non Departmental and Port	0.04	—	—	0.04	100.0%
<b>Total Expenditures</b>	<b>30.39</b>	<b>6.34</b>	<b>22.09</b>	<b>8.30</b>	<b>27.3%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Fund Balance - FY 2022-23 revenue is projected to end the year at \$20.47 million. Expenditures are projected to end the year at \$22.09 million. As a result of the projected use of fund balance in the amount of \$1.62 million to balance expenditures and support carryforwards, the fund balance in the State Transportation Gas Tax Funds (2230, 2232) is projected to decrease from \$7.99 million in FY 2020-21 to \$6.36 million in FY 2022-23.

**Table 37: FY 2022-23 State Transportation Funds Year-End Available Fund Balance (\$ in millions)**

State Transportation (Gas Tax) Funds (2230, 2232)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>\$7.99</b>
Revenue	20.47
Expenditures	22.09
Estimated Current Year Use of Fund Balance	<b>(1.62)</b>
<b>Subtotal Fund Balance</b>	<b>6.36</b>

**Measure Q - OPR Preservation, Litter Reduction, Homelessness Support Act Fund (2244)**

Measure Q, the 2020 Oakland Parks and Recreation, Preservation, Litter Reduction, and Homelessness Support Act Fund (2244), is a City of Oakland ballot initiative approved by voters on March 3, 2020, that established an annual special parcel tax for 20 years. This measure, which passed by more than a two-thirds majority, imposes a special parcel tax for the purpose of raising revenue to provide services for parks, landscape maintenance, and recreational

services; to address homelessness and enable unsheltered and unhoused residents to access temporary shelters, transitional, supportive, and permanent housing; and to address water quality and litter reduction, including the maintenance and cleaning of stormwater trash collection systems.

Revenues - FY 2022-23 year-end revenues are projected to come in at \$29.29 million, which is a decrease of \$15.63 million, compared to the adjusted budget of \$44.92 million. The adjusted budget assumes \$15.93 million in use of fund balance to balance carryforward expenditures.

**Table 38: FY 2022-23 Preservation, Litter Reduction, Homelessness Support Act Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Local Tax	28.99	14.87	28.99	—	— %
Project Offsets & Carryforwards	15.93	—	—	(15.93)	(100.0)%
Interest Income	—	0.03	0.03	0.03	N / A
Miscellaneous Revenue	—	0.27	0.27	0.27	N / A
<b>Total Revenue</b>	<b>44.92</b>	<b>15.18</b>	<b>29.29</b>	<b>(15.63)</b>	<b>(34.8)%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Expenditures - FY 2022-23 year-end expenditures are projected to come in at \$39.86 million, which is a savings of \$5.06 million when compared to the adjusted budget of \$44.92 million. The savings are primarily due to underspending in personnel costs.

**Table 39: FY 2022-23 Measure Q - OPR Preservation, Litter Reduction, Homelessness Support Act Fund Expenditures(\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Capital Improvement Projects	1.20	0.15	1.20	—	— %
City Administrator	5.40	0.07	5.32	0.09	1.6 %
Finance Department	0.08	—	0.08	—	— %
Human Services Department	10.12	1.57	10.00	0.11	1.1 %
Non Departmental and Port	0.92	—	0.92	—	— %
Oakland Parks and Recreation Department	0.24	0.10	0.24	—	— %
Oakland Public Works Department	26.97	9.54	22.11	4.86	18.0%
<b>Total Expenditures</b>	<b>44.92</b>	<b>11.43</b>	<b>39.86</b>	<b>5.06</b>	<b>11.3%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

**Fund Balance** - FY 2022-23 revenue is projected to end the year at \$29.29 million. Expenditures are projected to end the year at \$39.86 million. As a result of the projected use of fund balance in the amount of \$10.57 million to support carryforwards, the fund balance in the Measure Q Fund (2252) is projected to decrease from \$16.41 million in FY 2021-22 to negative \$5.83 million in FY 2022-23.

**Table 40: FY 2022-23 Measure Q Year-End Fund Balance (\$ in millions)**

MEASURE Q (2244)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>16.41</b>
Revenue	29.29
Expenditures	39.86
Estimated Current Year Shortfall	<b>(10.57)</b>
<b>Estimated Ending Fund Balance</b>	<b>5.83</b>

**Measure Z - Public Safety and Services Violence Prevention Act of 2014 Fund (2252)**

Measure Z, the Public Safety and Services Violence Prevention Act of 2014 Fund (2252), is a City of Oakland ballot initiative approved in November 2014 that provides annual funding for 10 years for violence prevention programs, police officers, fire services, and evaluation services. Measure Z requires a citizen's oversight commission to oversee the proper administration of the revenue collection, spending, and implementation of the strategies funded through the measure.

Measure Z has two revenue sources: a parcel tax which is stable and grows with inflation, and an 8.5% parking tax which is subject to economic pressures.

Revenues - FY 2022-23 year-end revenues are projected to come in at \$29.33 million, which is a decrease of \$7.16 million, compared to the adjusted budget of \$36.49 million. The adjusted budget assumes \$7.29 million in use of fund balance to support carryforward expenditures.

**Table 41: FY 2022-23 Public Safety and Services Violence Prevention Act of 2014 Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Local Tax	19.60	10.07	19.60	—	— %
Parking Tax	9.60	4.40	9.60	—	— %
Project Offsets & Carryforwards	7.29	—	—	(7.29)	(100.0)%
Interest Income	—	0.01	0.01	0.01	N / A
Miscellaneous Revenue	—	0.11	0.11	0.11	N / A
<b>Total Revenue</b>	<b>36.49</b>	<b>14.59</b>	<b>29.33</b>	<b>(7.16)</b>	<b>(19.6)%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Expenditures - FY 2022-23 year-end expenditures are projected to come in at \$32.03 million, which is a savings of \$4.46 million when compared to the adjusted budget of \$36.49 million. The savings are primarily due to underspending in personnel costs.

**Table 42: FY 2022-23 Measure Z Fund Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
City Administrator	1.48	—	1.56	(0.08)	(5.1)%
Department of Violence Prevention	15.57	3.11	13.69	1.88	12.1%
Finance Department	0.37	0.16	0.37	—	— %
Fire Department	2.00	0.50	0.96	1.04	52.0%
Human Services Department	0.48	—	0.51	(0.03)	(6.7)%
Police Department	16.59	7.53	14.93	1.65	10.0%
<b>Total Expenditures</b>	<b>36.49</b>	<b>11.30</b>	<b>32.03</b>	<b>4.46</b>	<b>12.2%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Fund Balance - FY 2022-23 revenue is projected to end the year at \$29.33 million. Expenditures are projected to end the year at \$32.03 million. As a result of the projected use of fund balance

in the amount of \$2.70 million to support carryforwards, the fund balance in the Measure Q Fund (2252) is projected to decrease from \$7.57 million in FY 2021-22 to \$4.87 million in FY 2022-23.

**Table 43: FY 2022-23 Measure Q Year-End Fund Balance (\$ in millions)**

Measure Z -Violence Prevention and Public Safety Act of 2014 Fund (2252)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>7.57</b>
Revenue	29.33
Expenditures	32.03
Estimated Current Year Use of Fund Balance	<b>(2.70)</b>
<b>Estimated Ending Fund Balance</b>	<b>4.87</b>

**Vacant Property Tax Fund (2270)**

Measure W - Vacant Property Tax Fund (2270) is a City of Oakland ballot initiative approved by voters on November 6, 2018, that established an annual special tax on vacant property for 20 years to raise revenue necessary to support and fund homelessness programs and services, affordable housing, code enforcement, and clean-up of blighted properties and illegal dumping. A property is considered vacant if it is not in-use for at least 50 days in a calendar year. "Use" is defined as the performance of a function or operation. The per-parcel tax rates are \$6,000 for vacant properties or lots and \$3,000 for vacant condominium, duplex, townhouse and commercial ground floor commercial spaces. The tax is included in the secured property tax bill administered by the Alameda County.

Revenues - Revenues are projected to come in at \$5.89 million which is decrease of \$0.99 million compared to the the FY 2022-23 adjusted budget of \$6.89 million. The adjusted budget assumes \$1.51 million in use of fund balance to balance carryforward expenditures.

**Table 44: FY 2022-23 Vacant Property Tax Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Local Tax	5.38	3.82	5.88	0.50	9.3 %
Project Offsets & Carryforwards	1.51	—	—	<b>(1.51)</b>	<b>(100.0)%</b>
Miscellaneous Revenue	—	0.02	0.02	0.02	N / A
<b>Total Revenue</b>	<b>6.89</b>	<b>3.84</b>	<b>5.89</b>	<b>(0.99)</b>	<b>(14.4)%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Expenditures - FY 2022-23 year-end expenditures are projected to come in at \$5.46 million, which is a savings of \$1.43 million, compared to the adjusted budget of \$6.89 million primarily due to vacancies.

**Table 45: FY 2022-23 Vacant Property Tax Fund Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
City Administrator	0.04	—	—	0.04	100.0%
Finance Department	0.78	0.40	0.67	0.11	14.0%
Housing and Community Development Department	—	0.01	—	—	N / A
Human Services Department	0.21	0.04	0.19	0.02	8.0 %
Oakland Public Works Department	5.86	1.77	4.60	1.26	21.5%
<b>Total Expenditures</b>	<b>6.89</b>	<b>2.21</b>	<b>5.46</b>	<b>1.43</b>	<b>20.7%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Fund Balance - FY 2022-23 revenue is projected to end the year at \$5.89 million. Expenditures are projected to end the year at \$5.46 million. As a result of the projected operating surplus of \$0.43 million, the fund balance in the Development Service Fund (2415) is projected to increase from \$1.07 million in FY 2021-22 to \$1.50 million in FY 2022-23.

**Table 46: FY 2022-23 Vacant Property Tax Fund Year-End Available Fund Balance (\$ in millions)**

Vacant Property Tax Fund (2270)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>1.07</b>
Revenue	5.89
Expenditures	5.46
Estimated Current Year Contribution to Fund Balance	0.43
<b>Estimated Ending Fund Balance</b>	<b>1.50</b>

**Landscaping and Lighting Assessment District (LLAD) Fund (2310)**

The Landscaping and Lighting Assessment District (LLAD) Fund (2310) revenue is generated through a direct benefit assessment, or special assessment and is restricted by statute to be used for street lighting, landscaping, and public parks and recreation facility maintenance, and multi-use fields.

Revenues - FY 2022-23 year-end revenues are projected to come in at \$19.58 million, which is a decrease of \$0.54 million, compared to the adjusted budget of \$20.12 million. The adjusted budget assumes \$0.68 million in use of fund balance to support carryforward expenditures.

**Table 47: FY 2022-23 Landscaping and Lighting Assessment District (LLAD) Fund Revenue (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Local Tax	19.16	9.52	19.16	—	— %
Project Offsets & Carryforwards	0.68	—	—	(0.68)	(100.0)%
Service Charges	0.21	—	0.21	—	— %
Licenses & Permits	0.08	0.06	0.08	—	— %
Grants & Subsidies	—	0.13	0.13	0.13	N / A
Miscellaneous Revenue	—	0.01	0.01	0.01	N / A
<b>Total Revenue</b>	<b>20.12</b>	<b>9.72</b>	<b>19.58</b>	<b>(0.54)</b>	<b>(2.7)%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Expenditures - FY 2022-23 year-end expenditures are projected to come in at \$19.75 million, which is a savings of \$0.37 million, compared to the adjusted budget of \$20.12 million.

**Table 48: FY 2022-23 Landscaping and Lighting Assessment District (LLAD) Fund Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Department of Transportation	2.71	1.57	2.86	(0.16)	(5.8)%
Finance Department	0.02	—	0.02	—	— %
Non Departmental and Port	5.04	—	5.03	0.01	0.3 %
Oakland Parks and Recreation Department	3.97	3.97	3.97	—	— %
Oakland Public Works Department	8.38	3.89	7.87	0.51	6.1 %
<b>Total Expenditures</b>	<b>20.12</b>	<b>9.42</b>	<b>19.75</b>	<b>0.37</b>	<b>1.8 %</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Fund Balance - FY 2022-23 revenue is projected to end the year at \$19.58 million. Expenditures are projected to end the year at \$19.75 million. As a result of the projected use of fund balance in the amount of \$0.17 million to support carryforwards, the fund balance in the Landscaping

and Lighting Assessment District (2310) is projected to decrease from \$0.45 million in FY 2021-22 to \$0.28 million in FY 2022-23.

**Table 49: FY 2022-23 Landscaping and Lighting Assessment District (LLAD) Fund Balance (\$ in millions)**

Landscaping & Lighting Assess. District Fund (LLAD) (2310)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>0.45</b>
Revenue	19.58
Expenditures	19.75
Estimated Current Year Surplus/(Shortfall)	<b>(0.17)</b>
<b>Estimated Ending Fund Balance</b>	<b>0.28</b>

**Development Service Fund (2415)**

The Development Service Fund (2415) was created on June 20, 2006, by Ordinance No. 12741 C.M.S. This fund collects revenues from licenses, fees, and permits from housing and commercial planning and construction-related activities to support planning and zoning services, construction inspections and permit approvals, building code enforcement, plan checks and engineering services. Furthermore, this fund is required to keep a minimum 7.5% reserve of annual budgeted revenues for its balance, which would be \$8.10 million.

**Table 50: Historical Revenue for Fund 2415**

Fiscal Year	Budgeted Revenue	Actual Revenue
FY 2021-22	63.98	73.94
FY 2020-21	47.33	50.25
FY 2019-20	61.58	60.71
FY 2018-19	49.92	63.20
FY 2017-18	45.14	90.13
FY 2016-17	38.03	77.15

Revenues - FY 2022-23 year-end revenues are projected to come in at \$54.74 million, which is a decrease of \$94.16 million, compared to the adjusted budget of \$148.90 million. The adjusted budget assumes \$96.66 million in use of fund balance, \$42.47 million to balance budgeted expenditures and \$54.19 million to balance carryforward expenditures.

**Table 51: FY 2022-23 Development Service Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Project Offsets & Carryforwards	54.19	—	—	(54.19)	(100.0)%
Transfers from Fund Balance	42.47	—	—	(42.47)	(100.0)%
Service Charges	30.05	15.16	30.05	—	— %
Licenses & Permits	21.34	17.64	21.34	—	— %
Fines & Penalties	0.62	0.75	0.75	0.13	20.6%
Miscellaneous Revenue	0.23	2.29	2.29	2.06	902.2%
Interest Income	—	0.30	0.30	0.30	N / A
<b>Total Revenue</b>	<b>148.90</b>	<b>36.15</b>	<b>54.74</b>	<b>(94.16)</b>	<b>(63.2)%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Expenditures - FY 2022-23 year-end expenditures are projected to come in at \$120.02 million, which is a savings of \$26.38 million, compared to the adjusted budget of \$146.40 million primarily due to vacancies. The adjusted budget assumes a budgeted contribution to fund balance in the amount of \$0.16 million.

**Table 52: FY 2022-23 Development Service Fund Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
City Administrator	3.10	1.30	2.92	0.18	5.8 %
City Attorney	3.51	1.76	3.30	0.21	6.0 %
City Auditor	0.04	0.02	0.03	0.01	32.0%
Department of Transportation	27.31	5.81	23.08	4.23	15.5%
Economic and Workforce Development Department	0.80	0.40	0.80	—	—%
Finance Department	1.64	0.60	1.38	0.26	15.8%
Fire Department	15.07	3.46	7.93	7.13	47.3%
Human Resources Management Department	1.13	0.18	0.33	0.80	71.0%

Information Technology Department	2.11	0.82	1.58	0.53	25.2%
Mayor	0.35	0.20	0.37	(0.02)	(4.7)%
Non Departmental and Port	6.62	—	6.45	0.16	2.5 %
Oakland Public Works Department	4.99	0.64	4.49	0.50	10.1%
Planning and Building Department	79.72	21.29	67.35	12.37	15.5%
<b>Total Expenditures</b>	<b>146.40</b>	<b>36.48</b>	<b>120.02</b>	<b>26.38</b>	<b>18.0%</b>

\*The adjusted budget includes Council Budget Amendments and Carryforwards

**Fund Balance** - The large fund balance, \$133.28 million at the end of FY 2021-22, has accumulated over the life of the fund due to revenues exceeding the budget as well as longstanding underspending or delays in expenditures attributed to a high number of vacancies within the Planning and Building Department. Furthermore, this fund is required to keep a minimum 7.5% reserve of annual budgeted revenues for its balance, which would be \$8.10 million.

FY 2022-23 revenue is projected to end the year at \$54.74 million. Expenditures are projected to end the year at \$120.02 million. As a result of the projected use of fund balance in the amount of \$65.28 million to balance expenditures and support carryforwards, the fund balance in the Development Service Fund (2415) is projected to decrease from \$133.28 million in FY 2021-22 to \$68.00 million in FY 2022-23.

**Table 53: FY 2022-23 Development Service Fund Year-End Available Fund Balance (\$ in millions)**

<b>Development Service Fund Fund (2415)</b>	<b>FY 2022-23 Q2 Year-End Estimate</b>
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<b>Beginning Fund Balance - Audited</b>	<b>133.28</b>
Revenue	54.74
Expenditures	120.02
Estimated Current Year Use of Fund Balance	<b>(65.28)</b>
<b>Estimated Ending Fund Balance</b>	<b>68.00</b>

**Transient Occupancy Tax (Measure C) Fund (2419)**

The Transient Occupancy Tax (Hotel Tax) Fund (2419) is a City of Oakland initiative approved by voters in July 2009 that imposed a 3% special transient occupancy tax on the privilege of renting a hotel room in the City. The revenue generated by this special tax is allocated as

follows: 50% to the Oakland Convention and Visitor’s Bureau for its expenses and promotion of tourism activities, and 12.5% each to the Oakland Zoo, the Oakland Museum of California, the Chabot Space and Science Center and the City’s Cultural Arts Programs and Festivals.

Revenues - FY 2022-23 year-end revenues are projected to come in at \$6.56 million, which is a decrease of \$0.81 million, compared to the adjusted budget of \$7.36 million. The Adjusted Budget assumes \$0.82 million in use of fund balance to balance expenditures.

**Table 54: FY 2022-23 Transient Occupancy Tax (Measure C) Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Transient Occupancy Tax	6.54	2.83	6.54	—	— %
Project Offsets & Carryforwards	0.82	—	—	(0.82)	(100.0)%
Miscellaneous Revenue	—	0.02	0.02	0.02	N / A
<b>Total Revenue</b>	<b>7.36</b>	<b>2.85</b>	<b>6.56</b>	<b>(0.81)</b>	<b>(10.9)%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Expenditures - FY 2022-23 year-end expenditures are projected to come in at \$7.27 million, which is an increase of \$0.09 million, compared to the adjusted budget of \$7.36 million.

**Table 55: FY 2022-23 Transient Occupancy Tax (Measure C) Fund Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Economic and Workforce Development Department	0.83	0.11	0.74	0.09	10.7%
Non Departmental and Port	6.53	1.86	6.53	—	— %
<b>Total Expenditures</b>	<b>7.36</b>	<b>1.96</b>	<b>7.27</b>	<b>0.09</b>	<b>1.2 %</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Fund Balance - FY 2022-23 revenues are projected to end the year at \$6.56 million. Expenditures are projected to end the year at \$7.27 million. As a result of the projected use of fund balance in the amount of \$0.72 million to support carryforwards, the fund balance in the Measure C Fund (2419) is projected to decrease from \$0.14 million in FY 2021-22 to negative \$0.57 million in FY 2022-23 .

**Table 56: FY 2022-23 Transient Occupancy Tax (Measure C) Fund Year-End Available Fund Balance (\$ in millions)**

Measure C - Transient Occupancy Tax (TOT) Surcharge Fund (2419)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>0.14</b>
Revenue	6.56
Expenditures	7.27
Estimated Current Year Shortfall	<b>(0.72)</b>
<b>Estimated Ending Fund Balance</b>	<b>(0.57)</b>

**Reproduction Fund (4300)**

The Reproduction Fund (4300) is reported on a modified full accrual basis to reflect current assets and liabilities. Revenues are generated from equipment rental and services charges to operating departments for personnel, maintenance and replacement of equipment in the City's print shop.

Revenues - FY 2022-23 revenues are projected to end the year at \$2.32 million, which is a decrease of \$0.04 million, compared to the adjusted budget of \$2.36 million. The adjusted budget assumes \$0.04 million in use of fund balance to balance carryforward expenditures.

**Table 57: FY 2022-23 Reproduction Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Internal Service Funds	1.67	—	1.67	—	— %
Interfund Transfers	0.66	—	0.66	—	— %
Project Offsets & Carryforwards	0.04	—	—	<b>(0.04)</b>	<b>(100.0)%</b>
Miscellaneous Revenue	—	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	N / A
<b>Total Revenue</b>	<b>2.36</b>	<b>(0.01)</b>	<b>2.32</b>	<b>(0.04)</b>	<b>(1.8)%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Expenditures - FY 2022-23 expenditures are projected to end the year at \$1.17 million, which is a decrease of \$1.19 million, compared to the adjusted budget of \$2.36 million. The adjusted budget assumes \$0.96 million as an expenditure budgeted as a contribution to fund balance.

**Table 58: FY 2022-23 Reproduction Fund Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Information Technology Department	1.40	0.47	1.17	0.22	16.0%
Non-Departmental and Port	0.96	—	—	0.96	100.0%
<b>Total Expenditures</b>	<b>2.36</b>	<b>0.47</b>	<b>1.17</b>	<b>1.19</b>	<b>50.2%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Fund Balance - FY 2022-23 revenue is projected to end the year at \$2.32 million. Expenditures are projected to end the year at \$1.17 million. As a result of the projected operating surplus of \$1.14 million, the fund balance in the Reproduction Fund (4300) is projected to Increase from a negative \$0.68 million in FY 2021-22 to \$0.46 million in FY 2022-23.

**Table 59: FY 2022-23 Reproduction Fund Year-End Available Fund Balance (\$ in millions)**

Reproduction Fund (4300)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>(0.68)</b>
Revenue	2.32
Expenditures	1.17
Estimated Current Year Contribution to Fund Balance	1.14
<b>Estimated Ending Fund Balance</b>	<b>0.46</b>

**City Facilities Fund (4400)**

The Facilities Fund (4400) is reported on a modified full accrual basis to reflect current assets and liabilities. The Fund supports the Citywide function for building maintenance and janitorial services of City-owned facilities. Revenues are generated by charges to internal user departments.

Revenues - FY 2022-23 revenues are projected to end the year at \$43.83 million, which is a decrease of \$7.13 million, compared to the adjusted budget of \$50.96 million. The adjusted budget assumes \$2.49 million in use of fund balance to balance budgeted expenditures and \$4.74 million in use of fund balance to cover carryforward expenditures.

**Table 60: FY 2022-23 City Facilities Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Internal Service Funds	41.87	41.87	41.87	—	— %
Project Offsets & Carryforwards	4.74	—	—	(4.74)	(100.0)%
Transfers from Fund Balance	2.49	—	—	(2.49)	(100.0)%
Miscellaneous Revenue	1.31	1.41	1.41	0.10	7.7 %
Service Charges	0.55	0.35	0.55	—	— %
<b>Total Revenue</b>	<b>50.96</b>	<b>43.63</b>	<b>43.83</b>	<b>(7.13)</b>	<b>(14.0)%</b>

\*The adjusted budget includes Council Budget Amendments and Carryforwards

Expenditures - FY 2022-23 expenditures are projected to end the year at \$48.39 million, which is a savings of \$1.26 million, compared to the adjusted budget of \$49.65 million. The adjusted budget assumes an expenditure in the amount of \$0.11 million as a contribution to fund balance.

**Table 61: FY 2022-23 City Facilities Fund Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Capital Improvement Projects	1.13	—	1.13	—	— %
City Administrator	0.41	0.17	0.34	0.07	16.5%
Department of Transportation	—	0.01	0.01	(0.01)	N / A
Human Resources Management Department	0.02	—	0.02	—	— %
Human Services Department	0.86	0.26	0.55	0.31	35.7%
Non-Departmental and Port	0.42	—	0.31	0.11	26.9%
Oakland Parks and Recreation Department	0.20	—	0.20	—	— %
Oakland Public Works Department	46.61	20.95	45.82	0.79	1.7 %
<b>Total Expenditures</b>	<b>49.65</b>	<b>21.39</b>	<b>48.39</b>	<b>1.26</b>	<b>2.5 %</b>

\*The adjusted budget includes Council Budget Amendments and Carryforwards

Fund Balance - FY 2022-23 revenue is projected to end the year at \$43.83 million. Expenditures are projected to end the year at \$48.39 million. As a result of the projected use of fund balance in the amount of \$4.55 million to support carryforwards, the fund balance in the Reproduction Fund (4400) is projected to decrease from \$2.55 million in FY 2021-22 to negative \$2.01 million in FY 2022-23.

**Table 62: FY 2022-23 Facilities Fund Year-End Available Fund Balance (\$ in millions)**

City Facilities Fund (4400)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>2.55</b>
Revenue	43.83
Expenditures	48.39
Estimated Current Year Use of Fund Balance	<b>(4.55)</b>
<b>Estimated Ending Fund Balance</b>	<b>(2.01)</b>

**Central Stores Fund (4500)**

The Central Stores Fund (4500) is reported on a modified full accrual basis to reflect current assets and liabilities. The Central Stores operation and facility was closed during a restructuring of the inventory model in Public Works. This fund now supports the Citywide mail room function and revenues are generated by charges to internal user departments.

Revenues - FY 2022-23 revenues are projected to end the year at \$3.27 million, which is a decrease of \$0.05 million, compared to the adjusted budget of \$3.32 million.

**Table 63: FY 2022-23 Central Stores Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Interfund Transfers	2.02	—	2.02	—	— %
Internal Service Funds	1.30	—	1.30	—	— %
Interest Income	—	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	N / A
Miscellaneous Revenue	—	<b>(0.04)</b>	<b>(0.04)</b>	<b>(0.04)</b>	N / A
<b>Total Revenue</b>	<b>3.32</b>	<b>(0.05)</b>	<b>3.27</b>	<b>(0.05)</b>	<b>(1.5)%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Expenditures - FY 2022-23 expenditures are projected to end the year at \$0.59 million, which is a savings of \$2.73 million, compared to the adjusted budget of \$3.32 million. The adjusted budget assumed a budgeted contribution to fund balance in the amount of \$2.79 million.

**Table 64: FY 2022-23 Central Stores Fund Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Finance Department	0.49	0.28	0.55	(0.06)	(12.0)%
Non-Departmental and Port	2.83	—	0.04	2.79	98.6%
<b>Total Expenditures</b>	<b>3.32</b>	<b>0.28</b>	<b>0.59</b>	<b>2.73</b>	<b>82.2%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Fund Balance - FY 2022-23 revenue is projected to end the year at \$3.27 million. Expenditures are projected to end the year at \$0.59 million. As a result of the projected operating surplus of \$2.68 million, the fund balance in the Reproduction Fund (4500) is projected to improve from negative \$2.82 million in FY 2021-22 to negative \$0.14 million in FY 2022-23.

**Table 65: FY 2022-23 Central Stores Fund Year-End Available Fund Balance (\$ in millions)**

Central Stores Fund (4500)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>(2.82)</b>
Revenue	3.27
Expenditures	0.59
Estimated Current Year Contribution to Fund Balance	2.68
<b>Estimated Ending Fund Balance</b>	<b>(0.14)</b>

**Purchasing Fund (4550)**

The Purchasing Fund (4550) is reported on a modified full accrual basis to reflect current assets and liabilities. The Purchasing Fund supports the Citywide purchasing function for good and services. Revenues are generated by charges to internal user departments.

Revenues - FY 2022-23 revenues are projected to end the year at \$1.98 million, which is a decrease of \$0.34 million compared to the adjusted budget of \$2.32 million. The adjusted budget assumes \$0.31 million in use of fund balance to balance budgeted expenditures and \$0.03 million in use of fund balance to support carryforward expenditures.

**Table 66: FY 2022-23 Purchasing Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Internal Service Funds	1.79	—	1.79	—	— %
Transfers from Fund Balance	0.31	—	—	(0.31)	(100.0)%
Interfund Transfers	0.19	—	0.19	—	— %
Project Offsets & Carryforwards	0.03	—	—	(0.03)	(100.0)%
<b>Total Revenue</b>	<b>2.32</b>	<b>—</b>	<b>1.98</b>	<b>(0.34)</b>	<b>(14.6)%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Expenditures - FY 2022-23 expenditures are projected to end the year at \$1.79 million, which is a savings of \$0.53 million, compared to the adjusted budget of \$2.32 million.

**Table 67: FY 2022-23 Purchasing Fund Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Finance Department	2.13	0.93	1.79	0.34	15.9%
Non-Departmental and Port	0.19	—	—	0.19	100.0%
<b>Total Expenditures</b>	<b>2.32</b>	<b>0.93</b>	<b>1.79</b>	<b>0.53</b>	<b>22.8%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Fund Balance - FY 2022-23 revenue is projected to end the year at \$1.98 million. Expenditures are projected to end the year at \$1.79 million. There is a budgeted contribution to fund balance in the amount of \$0.19 million. As a result of the projected operating surplus of \$0.19 million, the negative fund balance in the Purchasing Fund (4550) is projected to improve from negative \$0.20 million in FY 2021-22 to negative \$0.01 million in FY 2022-23.

**Table 68: FY 2022-23 Purchasing Fund Year-End Available Fund Balance (\$ in millions)**

Purchasing Fund (4550)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>(0.20)</b>
Revenue	1.98
Expenditures	1.79
Estimated Current Year Contribution to Fund Balance	0.19

<b>Estimated Ending Fund Balance</b>	<b>(0.01)</b>
--------------------------------------	---------------

**Information Technology Fund (4600)**

The Information Technology Fund (4600) is reported on a modified full accrual basis to reflect current assets and liabilities. The Purchasing Fund supports the Citywide Software - Licensing, and Maintenance. Revenues are generated by charges to internal user departments.

Revenues - FY 2022-23 revenues are projected to end the year at \$21.34 million, which is a decrease of \$11.11 million, compared to the adjusted budget of \$32.45 million. The adjusted budget assumes \$11.27 million in use of fund balance to support carryforward expenditures.

**Table 69: FY 2022-23 Information Technology Fund Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Internal Service Funds	17.68	—	17.68	—	— %
Project Offsets & Carryforwards	11.27	—	—	(11.27)	(100.0)%
Interfund Transfers	3.50	—	3.50	—	— %
Interest Income	—	0.02	0.02	0.02	N / A
Miscellaneous Revenue	—	0.14	0.14	0.14	N / A
<b>Total Revenue</b>	<b>32.45</b>	<b>0.16</b>	<b>21.34</b>	<b>(11.11)</b>	<b>(34.2)%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Expenditures - FY 2022-23 expenditures are projected to end the year at \$27.40 million, which is a savings of \$5.05 million, compared to the adjusted budget of \$32.45 million.

**Table 70: FY 2022-23 Information Technology Fund Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Capital Improvement Projects	3.66	—	3.66	—	— %

City Administrator	0.83	0.38	1.02	(0.19)	(22.8)%
Finance Department	2.54	0.05	2.54	—	— %
Fire Department	0.65	0.11	0.23	0.42	64.1%
Human Resources Management Department	0.23	0.10	0.23	—	— %
Information Technology Department	16.69	6.31	16.20	0.50	3.0 %
Non-Departmental and Port	7.64	0.74	3.32	4.32	56.6%
Race and Equity Department	0.20	—	0.20	—	— %
<b>Total Expenditures</b>	<b>32.45</b>	<b>7.70</b>	<b>27.40</b>	<b>5.05</b>	<b>15.6%</b>

*\*The adjusted budget includes Council Budget Amendments and Carryforwards*

Fund Balance - FY 2022-23 revenue is projected to end the year at \$21.34 million. Expenditures are projected to end the year at \$27.40 million. As a result of the projected use of fund balance in the amount of \$6.06 million to support carryforwards, the fund balance in the Information Technology Fund (4600) is projected to decrease from \$6.80 million in FY 2021-22 to \$0.74 million in FY 2022-23.

**Table 71: FY 2022-23 Information Technology Fund Year-End Available Fund Balance (\$ in millions)**

Information Technology Fund (4600)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>\$6.80</b>
Revenue	21.34
Expenditures	27.40
Estimated Current Year Surplus/(Shortfall)	<b>(6.06)</b>
<b>Estimated Ending Fund Balance</b>	<b>0.74</b>

**Measure KK Funds (5330, 5331, 5332, 5333, 5335)**

In 2016, Oakland voters passed, with a two-thirds majority, the Measure KK bond measure which allowed the issuance of \$600 million in general obligations bonds to finance City infrastructure projects and affordable housing. Per the ballot, Measure KK funds could be spent on affordable housing development, facilities improvements, and street maintenance.

Revenues - FY 2022-23 year-end revenues are projected to end the year at \$122.05 million, which is a decrease of \$119.26 million, compared to the adjusted budget of \$241.31 million. The adjusted budget assumes \$120.92 million in use of fund balance to support carryforward expenditures.

**Table 72: FY 2022-23 Measure KK Funds Revenues (\$ in millions)**

Revenue Category	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ Over / (Under) Adjusted Budget	Year-End % Over / (Under) Adjusted Budget
Project Offsets & Carryforwards	120.92	—	—	(120.92)	(100.0)%
Miscellaneous Revenue	120.39	0.04	120.39	—	— %
Interest Income	—	1.58	1.58	1.58	N / A
Service Charges	—	0.09	0.09	0.09	N / A
<b>Total Revenue</b>	<b>241.31</b>	<b>1.71</b>	<b>122.05</b>	<b>(119.26)</b>	<b>(49.4)%</b>

\*The adjusted budget includes Council Budget Amendments and Carryforwards

Expenditures - FY 2022-23 expenditures are projected to end the year at the adjusted budget of \$241.31 million.

**Table 73: FY 2022-23 Measure KK Funds Expenditures (\$ in millions)**

Agency / Department	FY 2022-23 Adjusted Budget	FY 2022-23 Q2 YTD Actuals	FY 2022-23 Q2 Year-End Estimate	Year-End \$ (Over) / Under Adjusted Budget	Year-End % (Over) / Under Adjusted Budget
Capital Improvement Projects	219.49	11.85	219.49	—	— %
City Administrator	(0.04)	—	(0.04)	—	— %
Department of Transportation	(1.71)	4.52	(1.71)	—	— %
Housing and Community Development Department	24.42	2.42	24.42	—	— %
Oakland Public Works Department	(0.38)	1.37	(0.38)	—	— %
Police Department	(0.47)	0.11	(0.47)	—	— %
<b>Total Expenditures</b>	<b>241.31</b>	<b>20.28</b>	<b>241.31</b>	<b>—</b>	<b>—%</b>

\*The adjusted budget includes Council Budget Amendments and Carryforwards

Fund Balance - FY 2022-23 revenue is projected to end the year at \$122.05 million. Expenditures are projected to end the year at \$241.31 million. As a result of the projected use of fund balance of \$119.26 million to support carryforwards, the fund balance in the Reproduction Fund (5330, 5331, 5332, 5333, 5335) is projected to decrease from \$234.10 million in FY 2021-22 to \$114.84 million in FY 2022-23.

**Table 74: FY 2022-23 Measure KK Funds Year-End Available Fund Balance (\$ in millions)**

Measure KK Funds (5330, 5331, 5332, 5333, 5335)	FY 2022-23 Q2 Year-End Estimate
<b>Beginning Fund Balance - Audited</b>	<b>234.10</b>
Revenue	122.05
Expenditures	241.31
Estimated Current Year Use of Fund Balance	<b>(119.26)</b>
<b>Estimated Ending Fund Balance</b>	<b>114.84</b>

**VII. All Other Funds - Fund Balance Summary**

**Table 75: FY 2022-23 All Other General Funds Year-End Available Fund Balances (\$ in millions)**

Fund Description	FY22-23 Beg Audited Fund Balance	FY22-23 Year End Rev Projections	FY22-23 Year End Exp Projections	FY22-23 Year End Avail Fund Balance (Unaudited)
1011 - General Purpose Emergency Reserve	53.97	10.80	—	64.77
1020 - Vital Services Stabilization F	2.80	7.69	—	10.49
1150 - Worker's Compensation Insurance	—	0.12	9.92	(9.81)
1200 - Pension Override Tax Revenue	246.43	118.08	110.46	254.05
1600 - Underground District Revolving	(0.73)	0.19	—	(0.55)
1610 - Successor Redevelopment Agency	(0.08)	1.19	1.15	(0.04)
1700 - Mandatory Refuse Program	0.68	2.41	2.60	0.49
1760 - Telecommunications Reserve	(0.76)	1.58	1.55	(0.73)
1770 - Telecommunications Land Use	0.97	0.86	0.63	1.20
1780 - Kid's First Oakland Children's	8.59	21.32	27.79	2.12
1791 - Contract Administration Fee	—	—	—	—
1830 - Central District Project Area	1.90	—	1.42	0.48
1882 - Multi Service Center/Rent	—	0.11	0.14	(0.03)

**Table 76: All Other Special Revenue Funds (\$ in millions)**

Fund Description	FY22-23 Beg Audited Fund Balance	FY22-23 Year End Rev Projections	FY22-23 Year End Exp Projections	FY22-23 Year End Avail Fund Balance (Unaudited)
2063 - FEMA Declarations	(1.09)	0.54	(0.52)	(0.04)

Fund Description	FY22-23 Beg Audited Fund Balance	FY22-23 Year End Rev Projections	FY22-23 Year End Exp Projections	FY22-23 Year End Avail Fund Balance (Unaudited)
2072 - American Rescue Act Plan	68.00	1.61	69.62	—
2102 - Department of Agriculture	(0.27)	0.68	0.97	(0.56)
2103 - HUD-ESG/SHP/HOPWA*	(9.81)	13.91	30.15	(22.21)
2108 - HUD-CDBG	(8.96)	8.30	14.37	(15.03)
2109 - HUD-Home	2.17	3.38	23.18	(17.63)
2112 - Department of Justice	(0.88)	—	2.71	(3.59)
2113 - Department of Justice - COPS H	(1.23)	2.15	0.13	0.78
2120 - Federal Action Agency*	0.07	0.48	0.62	0.03
2123 - US Dept of Homeland Security	(0.28)	1.10	5.55	(4.73)
2124 - Federal Emergency Management A	(1.66)	4.17	6.16	(3.64)
2128 - Department of Health and Human*	0.33	27.64	31.63	(2.75)
2138 - California Department of Educa	2.14	3.02	1.87	3.29
2139 - California Department of Conse	(3.50)	0.43	17.33	(20.40)
2144 - California Housing and Communi	0.01	30.80	35.77	(4.96)
2148 - California Library Services	0.10	4.01	4.35	(0.24)
2152 - California Board of Correction	(4.04)	10.41	7.74	(1.37)
2159 - State of California Other	7.40	65.40	104.41	(31.61)
2160 - County of Alameda: Grants	1.49	0.65	1.84	0.30
2172 - Alameda County: Vehicle Abatem	(0.16)	0.57	0.55	(0.13)
2190 - Private Grants*	0.04	0.06	0.15	0.22
2195 - Workforce Investment Act	0.73	3.30	6.40	(2.37)
2241 - Measure Q-Library Services Ret	8.60	19.62	20.05	8.17
2242 - Measure Q Reserve-Library Services Retention &	0.88	—	0.89	(0.01)
2243 - Measure D - Parcel Tax to Main	8.95	15.17	13.74	10.38
2250 - Measure N: Fund	1.09	1.93	2.33	0.69
2260 - Measure WW: East Bay Regional	(0.65)	—	0.68	(1.33)
2261 - Measure AA - Oversight	—	2.62	2.15	0.47

Fund Description	FY22-23 Beg Audited Fund Balance	FY22-23 Year End Rev Projections	FY22-23 Year End Exp Projections	FY22-23 Year End Avail Fund Balance (Unaudited)
2262 - Measure AA - Early Education	—	23.18	23.18	—
2263 - Measure AA - Oakland Promise	—	11.59	11.59	—
2320 - Fire Suppression Assessment Di	0.03	—	0.03	—
2330 - Werner Court Vegetation Mgmt D	0.05	—	—	0.05
2331 - Wood Street Community Faciliti	0.56	0.09	0.16	0.49
2332 - Gateway Industrial Park	0.53	0.97	1.11	0.39
2333 - Brooklyn Basin Public Services	(0.01)	0.50	0.52	(0.03)
2411 - False Alarm Reduction Program	(3.20)	2.26	1.88	(2.83)
2412 - Measure M - Alameda County: Em	0.74	2.43	2.73	0.44
2413 - Rent Adjustment Program Fund	2.83	9.47	11.63	0.66
2416 - Traffic Safety Fund	0.13	1.09	1.04	0.18
2417 - Excess Litter Fee Fund	1.72	0.56	0.86	1.42
2420 - Transportation Impact Fee	8.25	1.61	6.91	2.96
2421 - Capital Improvements Impact Fe	4.46	0.99	3.91	1.54
2826 - Mortgage Revenue	2.00	1.67	1.79	1.88
2990 - Public Works Grants*	(1.02)	0.54	0.23	0.17
2992 - Parks and Recreation Grants	(1.54)	0.46	—	(1.08)
2996 - Parks and Recreation Grants 20	0.09	0.02	0.04	0.07
2999 - Miscellaneous Grants	10.66	2.66	13.24	0.09

\*Includes funds with historical unrecoverable amounts that have been discounted for the purpose of estimating the projected ending fund balance

**Table 77: All Other Enterprise Funds (\$ in millions)**

Fund Description	FY22-23 Beg Audited Fund Balance	FY22-23 Year End Rev Projections	FY22-23 Year End Exp Projections	FY22-23 Year End Avail Fund Balance (Unaudited)
3100 - Sewer Service Fund	94.90	68.98	150.80	13.08
3200 - Golf Course	0.07	0.61	0.49	0.19

**Table 78: All Other Internal Service Funds (\$ in millions)**

Fund Description	FY22-23 Beg Audited Fund Balance	FY22-23 Year End Rev Projections	FY22-23 Year End Exp Projections	FY22-23 Year End Avail Fund Balance (Unaudited)
4100 - Equipment	25.23	47.62	55.19	17.66
4200 - Radio / Telecommunications	7.08	10.09	12.67	4.50
4210 - Telephone Equipment and Softwa	0.66	0.93	0.95	0.64
4450 - City Facilities Energy Conserv	0.20	—	0.58	(0.38)

\* FY 2021-22 Beginning Cash Balance is used for Internal Service Funds.

**Table 79: All Other Capital Project Funds (\$ in millions)**

<b>Fund Description</b>	<b>FY22-23 Beg Audited Fund Balance</b>	<b>FY22-23 Year End Rev Projections</b>	<b>FY22-23 Year End Exp Projections</b>	<b>FY22-23 Year End Avail Fund Balance (Unaudited)</b>
5012 - JPFA Admin Building: Series 19	(1.03)	0.31	—	(0.73)
5322 - Measure DD: 2017C Clean Water,	12.32	0.10	14.47	(2.05)
5330 - Measure KK: Infrastructure and	6.92	—	7.88	(0.97)
5331 - Measure KK: Affordable Housing	11.53	0.18	9.61	2.10
5333 - Measure KK: Affordable Housing 2020	15.10	0.12	13.53	1.69
5335 - 5335 - Measure KK: Infrastructure 2022	76.30	120.39	196.45	100.24
5500 - Municipal Capital Improvement	(4.07)	1.03	—	(3.04)
5505 - Municipal Capital Improvement:	2.46	0.74	1.39	1.81
5510 - Capital Reserves	(0.88)	3.30	2.31	0.12
5610 - Central District Projects	25.60	0.20	11.52	14.29
5614 - Central District: TA Bonds Se	8.63	1.07	7.02	2.68
5638 - BMSP: TA Bond Series 2006C-T	0.50	—	0.18	0.32
5643 - Central City East TA Bonds Ser	19.50	—	7.20	12.30
5650 - Coliseum Projects	5.19	0.10	4.00	1.29
5656 - Coliseum: TA Bonds Series 2006	46.82	0.03	7.90	38.95
5671 - OBRA: Leasing & Utility	53.40	1.10	4.14	50.36
5999 - Miscellaneous Capital Projects	(1.33)	5.33	6.08	(2.08)

**Table 80: All Other Debt Service Funds (\$ in millions)**

<b>Fund Description</b>	<b>FY22-23 Beg Audited Fund Balance</b>	<b>FY22-23 Year End Rev Projections</b>	<b>FY22-23 Year End Exp Projections</b>	<b>FY22-23 Year End Avail Fund Balance (Unaudited)</b>
6013 - 2013 LED Streetlight Acquisiti	0.23	1.50	1.50	0.23
6029 - Taxable Pension Obligation Bon	7.06	17.90	17.90	7.06
6032 - Taxable Pension Obligation: Se	0.30	53.15	53.14	0.32
6064 - GO Refunding Bonds, Series 201	4.54	13.71	13.71	4.53
6322 - Measure DD: 2017C Clean Water,	0.78	1.45	1.46	0.78
6330 - Measure KK: 2017A-1 (TE) Infra	1.57	2.25	2.25	1.57
6331 - Measure KK: 2017A-2 (Taxable)	1.53	4.14	4.14	1.53
6332 -Measure KK: 2020B-1 GOB	2.59	3.94	3.94	2.59
6333 - Measure KK: 2020B-2 GOB	2.01	4.96	4.97	2.01
6334 - 2020 GOB Refunding	1.76	5.81	5.81	1.76
6335 - Measure KK: Infrastructure Series 2022C-1	16.27	19.95	19.95	16.27
6540 - Skyline Sewer District - Redem	0.03	—	0.04	(0.01)
6557 - Piedmont Pines P1 2018 Reasses	0.21	0.11	0.12	0.20
6587 - 2012 Refunding Reassessment Bo	1.07	0.42	0.45	1.04
6613 - JPFA Lease Revenue Refunding B	(0.01)	8.34	8.34	(0.01)

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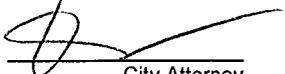
**Table 81: All Other Fiduciary Funds/Trust & Agency Funds (\$ in millions)**

<b>Fund Description</b>	<b>FY22-23 Beg Audited Fund Balance</b>	<b>FY22-23 Year End Rev Projections</b>	<b>FY22-23 Year End Exp Projections</b>	<b>FY22-23 Year End Avail Fund Balance (Unaudited)</b>
7100 - Police and Fire Retirement Sys	401.49	20.43	3.27	418.65
7130 - Employee Deferred Compensation	0.01	0.20	0.05	0.16
7320 - Police and Fire Retirement Sys	41.94	4.48	4.48	41.94
7540 - Oakland Public Library Trust	0.92	0.51	0.76	0.68
7640 - Oakland Public Museum Trust	0.75	0.01	0.73	0.04
7760 - Grant Clearing	(4.47)	0.53	6.42	(10.36)
7999 - Miscellaneous Trusts	2.33	0.36	1.68	1.01

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2018 APR 13 AM 9:29

APPROVED AS TO FORM AND LEGALITY

  
City Attorney

**OAKLAND CITY COUNCIL**  
**ORDINANCE NO. 13487 C.M.S.**

**ORDINANCE AMENDING THE CITY OF OAKLAND  
CONSOLIDATED FISCAL POLICY**

**WHEREAS**, the City Council adopted Ordinance No. 13279, known as the Consolidated Fiscal Policy, on December 9, 2014; and,

**WHEREAS**, the Government Finance Officers Association (GFOA) recommends that local governments adopt formal policies in the areas of financial management, planning, revenues, and expenditures; and

**WHEREAS**, the Consolidated Fiscal Policy sets forth guidelines for budget balancing, use of volatile revenues, use of one-time revenues, process for carryforward appropriations, long-term financial planning, and transparency & public participation; and

**WHEREAS**, the Consolidated Fiscal Policy establishes reserve funds for emergencies, insurmountable and unanticipated hardship, and for capital improvement; and

**WHEREAS**, the Consolidated Fiscal Policy establishes a reserve fund to stabilize the provision of vital services, and protect against service reductions, layoffs, furloughs, and similar measures in times of economic hardship; and

**WHEREAS**, the Consolidated Fiscal Policy provides for accelerated debt repayment and pay-down of unfunded long-term obligations; and

**WHEREAS**, City staff recommends the definition of excess Real Estate Transfer Tax should be modified based on historical experience; and

**WHEREAS**, the Consolidated Fiscal Policy will include the policies on budgeting practices, reserve funds, and budget process, fiscal planning, transparency, and public participation; now, therefore

**THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:**

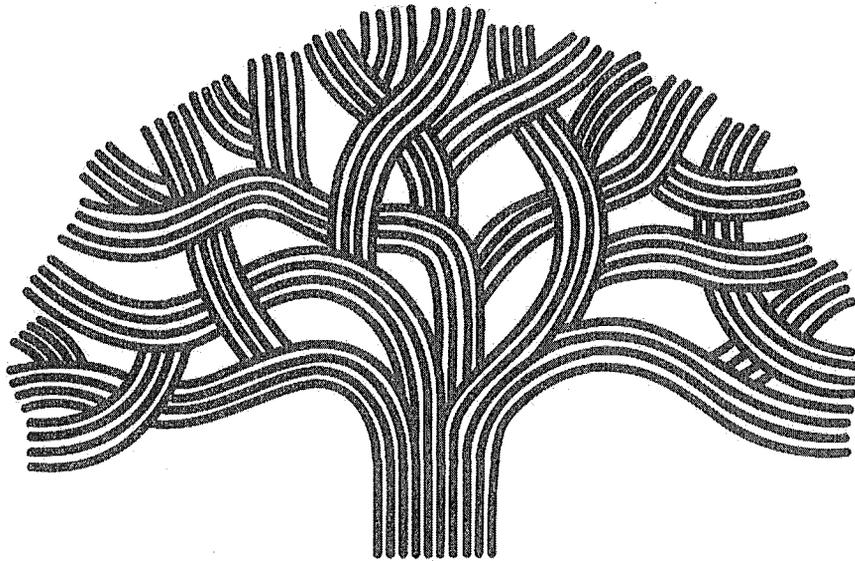
**Section 1.** The Council does find, determine and declare the foregoing recitals to be true and correct and hereby adopts and incorporates them into this Ordinance.

**Section 2.** The City of Oakland Consolidated Fiscal Policy is hereby, amended, approved, and adopted in the form attached hereto as Exhibit 1.



# CITY OF OAKLAND

## CONSOLIDATED FISCAL POLICY



## **Section 1. Budgeting Practices**

### **Part A. General Provisions**

The City's Fiscal Year shall begin on July 1<sup>st</sup> of each year and end on June 30<sup>th</sup> of the subsequent year. The City shall adopt a two-year biennial policy budget by June 30<sup>th</sup> of odd-numbered calendar years. The City shall amend its biennial policy budget (midcycle) by June 30<sup>th</sup> of even-numbered years. The budget and midcycle amendments shall be adopted by resolution of the City Council as required by the City Charter.

### **Part B. Policy on Balanced Budgets**

The City shall adopt a balanced budget that limits appropriations to the total of estimated revenues and unallocated fund balances projected to be available at the close of the current fiscal year. The City Administrator shall be responsible for ensuring that the budget proposed to the City Council by the Mayor, adheres to the balanced budget policy.

This policy entails the following additional definitions and qualifications:

1. The budget must be balanced at an individual fund level.
2. City policies on reserve requirements for individual funds must be taken into account. The appropriated expenditures included in the balanced budget equation must include the appropriations necessary to achieve or maintain reserve targets.
3. Appropriated revenues can include transfers from unallocated fund balance where such fund balance is reasonably expected to exist by the end of the fiscal year preceding the year of the adopted budget. Transfers from fund balance are not to be counted as revenue if the fund balance is not reasonably expected to exist by the end of the fiscal year preceding the year of the adopted budget. (Note: The precise definition of 'fund balance' will vary from fund to fund, depending on the fund's characteristics and accounting treatment.)
4. Appropriated expenditures can include transfers to fund balance or to reserves.

From time to time the City Council may present changes in policy and consider additional appropriations that were not anticipated in the most recently adopted budget. Amendments by the City Council shall maintain a balanced budget.

Each fiscal year the City Administrator shall report to the City Council on actual revenues and expenditures in the General Purpose Fund and other funds as deemed necessary.

### **Part C. Use of Excess Real Estate Transfer Tax (RETT) Revenues**

To ensure adequate levels of the General Purpose Fund reserves and to provide necessary funding for municipal capital improvement projects and one-time expenses, the City shall require that excess Real Estate Transfer Tax revenues be defined and used as follows:

1. The excess Real Estate Transfer Tax (RETT) revenue is hereby defined as any amount of projected RETT revenues that exceed 15% of General Purpose Fund Tax Revenues (inclusive of RETT).
2. The excess Real Estate Transfer Tax, as described in this section, shall be used in the following manner and appropriated through the budget process:
  - a. At least 25% shall be allocated to the Vital Services Stabilization Fund, until the value in such fund is projected to equal to 15% of total General Purpose Fund revenues over the coming fiscal year; and
  - b. At least 25% shall be used to fund debt retirement and unfunded long-term obligations such as negative fund balances, Police and Fire Retirement System (PFRS) unfunded liabilities, CalPERS pension unfunded liabilities, paid leave unfunded liabilities, and Other Post-Employment Benefits (OPEB) unfunded liabilities; and
  - c. The remainder shall be used to fund one-time expenses or to augment reserves.
3. Use of the excess RETT revenues for purposes other than those established in this section must be authorized by City Council resolution. The resolution shall explain the need for using excess RETT revenues for purposes other than those established in this section. The resolution shall also include steps the City will take to return to using excess RETT revenues pursuant to this section.
4. Following the completion of the annual audit, excess RETT revenues will be analyzed to determine whether the transfers to the Vital Services Stabilization Fund or expenditures to fund debt retirement and unfunded long-term obligations were sufficient. If insufficient funds were transferred, a true-up payment shall be made in the next fiscal year. If the transfers exceed the actual requirement, the amounts in excess may be credited against allocations in the next fiscal year.

#### **Part D. Use of One-Time Revenues**

1. One-time revenues are defined as resources that the City cannot reasonably expect to receive on an ongoing basis, such as proceeds from asset sales and debt refinancing. This part shall not apply to the use of excess RETT revenues pursuant to Section 1. Part C.
2. Fiscal prudence requires that any unrestricted one-time revenues be used for one-time expenses. Therefore, one-time revenues shall be used in the following manner, unless they are legally restricted to other purposes: to fund one-time expenditures, to fund debt retirement and unfunded long-term obligations such as negative fund balances, Police and Fire Retirement System (PFRS) unfunded liabilities, CalPERS pension unfunded liabilities, paid leave unfunded liabilities, and Other Post-Employment Benefits (OPEB) unfunded liabilities; or shall remain as fund balance.

3. Use of one-time revenues for purposes other than those established in in this section must be authorized by City Council resolution. The resolution shall explain the need for using one-time revenues for purposes other than those established in this section. The resolution shall also include steps the City will take to return to using one-time revenues pursuant to this section.

#### **Part E. Use of Unassigned General Purpose Fund Balance**

Any unassigned General Purpose Fund balance, as projected in the 3rd Quarter Revenue and Expenditure Report, and not budgeted for other purposes, shall be used in accordance with Section 1, Part D.

#### **Part F. Analysis of Funding for Debt or Unfunded Long-Term Obligations From Certain Revenues**

When excess RETT or other one-time revenues are used to fund accelerated debt retirement or unfunded long-term obligations, the City Administrator shall present his or her analysis and recommendations to the Council based on the best long-term financial interest of the City.

#### **Part G. Criteria for Project Carryforwards and Encumbrances**

Previously approved but unspent project appropriations ("carryforwards") and contingent liability reserves for current purchases or contracts that are paid in the following fiscal year ("encumbrances") are financial obligations against reserves. Fiscal prudence requires that such obligations be limited.

Each fiscal year, the Finance Department will submit a list of eligible carryforwards and encumbrances to all departments for evaluation for all funds, including the General Purpose Fund. Departments may request to retain some or all carryforwards and encumbrances when such balances are:

1. Deemed essential to the delivery of active city projects, programs and services; or
2. If the liquidation of such balances would be in violation of legislative or legal requirements.

A departmental request to retain project carryforwards and/or encumbrances must be submitted to the Finance Department. Departments shall provide specific reasons for requested project carryforwards and encumbrance carryforwards, including, but not limited to, those reasons outlined above. Carryforward of project appropriations in funds with negative balances will only be allowed on an exception basis.

The Finance Department will recommend to the City Administrator an action on the departmental requests. The City Administrator shall make a final determination on project carryforward and encumbrances, and will direct the Finance Department to make carryforwards

available to the appropriate department.

#### **Part H. Grant Retention Clauses**

Prior to the appropriation of revenues from any grant outside of the budget process, the City Council shall be informed of any retention clauses that require the City to retain grant-funded staff, services, programs, or operations beyond the term of the grant. The fiscal impacts of such retention clauses shall be disclosed. During the biennial budget process staff shall report to the Council the ongoing projected fiscal impacts of such retention clauses.

#### **Part I. Alterations to the Budget**

Substantial or material alterations to the adopted budget including shifting the allocation of funds between departments and substantial or material changes to funded service levels, shall be made by resolution of the City Council.

The Finance Department will include departmental expenditure projections for the General Purpose Fund in the Second Quarter Revenue & Expenditure Report. In the event that a department is projected to overspend in the General Purpose Fund by more than one percent (1%), the City Administrator shall bring an informational report to the City Council within 60 days following acceptance of the Revenue & Expenditure report by the City Council. The report shall list the actions the Administration is taking to bring the expenditures into alignment with the budget.

#### **Part J. Transfers of Funds between accounts.**

The City Administrator shall have the authority to transfer funds between personnel accounts, and between non-personnel accounts within a department. The City Administrator shall have the authority to transfer funds allocated to personnel accounts to non-personnel accounts within a department provided that cumulative transfers within one fiscal year do not exceed 5% of the original personnel account allocation of that department. The City Administrator shall have the authority to transfer funds from non-personnel accounts to personnel accounts within a department. The City Administrator shall have the authority to transfer funds allocated to personnel accounts to non-personnel accounts if the transfer is required to meet the conditions of or maximize the funding derived from a grant that has been approved by the City Council. For the purposes of this section accounts for the provision of temporary personnel services shall be considered personnel accounts.

#### **Part K. Pay-Go Account Expenditures, Priority Project Fund Expenditures, and Grants**

The City Council hereby finds and determines that it is in the public interest to spend Pay-go account fund to facilitate and support programs & services of the City of Oakland, capital improvement projects of the City of Oakland, and programs & capital improvement projects of the public schools and other public entities within the City of Oakland. The Council authorizes Pay-Go account funds to be used for the following purposes:

## Capital Improvements:

1. To pay for or augment funding for a City of Oakland capital improvement project including planning and pre-construction services for projects such as, but not limited to, feasibility studies and design, landscaping, architectural and engineering services and all services and materials needed to construct a capital improvements such as, but not limited to, contractor services, lumber, concrete, gravel, plants and other landscape materials, fountains, benches, banners, signs, affixed artwork and any other design and decorative elements of the project; and
2. To provide a grant to a public school, including a school chartered by the State of California or Oakland Unified School District, or other public entity for use on capital improvement project within the City of Oakland, including planning and pre-construction services for projects such as, but not limited to, feasibility studies and design, landscaping, architectural and engineering services and all services and materials needed to construct a capital improvements such as, but not limited to, contractor services, lumber, concrete, gravel, plants and other landscape materials, fountains, benches, banners, signs, affixed artwork and any other design and decorative elements of the project; and

## Furniture &amp; Equipment:

3. To pay for or augment funding for purchase of furniture and equipment, including computer equipment and software, to be used by participants in a program operated by the City of Oakland; and
4. To provide a grant to a public school, including a school chartered by the State of California or Oakland Unified School District, or another public entity to be used for furniture and equipment, including computer equipment and software, to be used by participants in a program operated by the public school or public entity.

Pay-go purposes stated above shall operate as restrictions on Pay-go expenditures or Pay-go grants, regardless of the Pay-go account funding source.

Pay-go purposes stated above shall apply to any and all Pay-go expenditures or grants made by the Mayor and each City Councilmember. All Pay-go expenditures and grants shall be administered by the City Administrator on behalf of the city, and grant agreements shall be required for all such grants.

In accord with the City Council's motion approving the initial allocation of Councilmember Priority Project funds on June 8, 2006, the City Councilmembers must obtain City Council approval for all Priority Project expenditures.

All Priority Project fund grants approved by the City Council and shall be administered and executed by the City Administrator on behalf of the city, and grant agreements shall be required for all such grants.

## Section 2. Reserve Funds

### Part A. General Purpose Fund Emergency Reserve Policy

1. Council hereby declares that it shall be the policy of the shall City of Oakland maintain in each fiscal year a reserve equal to seven and one-half (7.5%) of the General Purpose Fund (Fund 1010) appropriations as adopted in the biennial or midcycle budget, and not including prior year carryforwards, encumbrances, or appropriations to Fund Balance for, such fiscal year (the "General Purpose Fund Emergency Reserve Policy"),
2. Each year, upon completion of the City's financial audited statements, the City Administrator shall report the status of the General Purpose Funds Emergency Reserve to the City Council and on the adequacy of the of the 7.5% reserve level. If in any fiscal year the General Purpose Fund Reserve Policy is not met, the City Administrator shall present to Council a strategy to meet the General Purpose Funds Emergency Reserve Policy. Each year, the City Administrator shall determine whether the 7.5% reserve level requires adjustment and recommend any changes to the City Council.
3. The amounts identified as the General Purpose Funds Emergency Reserve may be appropriated by Council only to fund unusual, unanticipated and seemingly insurmountable events of hardship of the City, and only upon declaration of fiscal emergency. For the purposes of this Ordinance, "fiscal emergency" may be declared (1) by the Mayor and approved by the majority of the City Council, or (2) by a majority vote of the City Council.
4. Prior to appropriating monies from the General Purpose Funds Emergency Reserve, the City Administrator shall prepare and present such analysis to the City Council. Upon review and approval of the proposed expenditure by the City Council, and appropriate fiscal emergency declaration necessary for the use of GPF reserve, the City Administrator will have the authority to allocate from the reserves.

### Part B. Vital Services Stabilization Fund Reserve Policy

1. Council hereby declares that it shall be the policy of the City of Oakland to maintain a Vital Services Stabilization Fund (VSSF) with a target funding level of 15% of General Purpose Fund Revenues. The funding of the Vital Services Stabilization Fund shall be made pursuant to Section 1, Part C concerning excess Real Estate Transfer Tax.
2. In years when the City forecasts that total General Purpose Fund revenues will be less than the current year's revenues, or anytime significant service reductions, such as layoffs or furloughs, are contemplated due to adverse financial conditions, use of this fund must be considered to maintain existing services.
3. Use of the VSSF must be authorized by City Council resolution. The resolution shall explain the need for using the VSSF. The resolution shall also include steps the City will take in order to replenish the VSSF in future years.

**Part C. Capital Improvements Reserve Fund**

1. Council hereby declares that it shall be the policy of the City of Oakland to maintain a Capital Improvements Reserve Fund.
2. Revenue received from one time activities, including the sale of Real Property, shall be deposited into the Capital Improvements Reserve Fund, unless otherwise directed by a majority vote of the City Council. Interest earnings on monies on deposit in the Capital Improvements Reserve Fund shall accrue to said fund and be maintained therein.
3. Monies on deposit in the Capital Improvements Reserve Fund may be appropriated by Council to fund unexpected emergencies, major capital maintenance, repair costs to City-owned facilities and to fund capital improvement projects through the Five-Year Capital Improvement Program.

### **Section 3. Budget Process, Fiscal Planning, Transparency, and Public Participation**

Unless otherwise noted all timelines apply only to budget development years, normally odd numbered years and not to mid-cycle revisions to an adopted two-year budget.

#### **1. Assessment of Stakeholder Needs, Concerns and Priorities**

**Timeline:** Budget Advisory Committee review prior to survey release. Survey completion by December 5<sup>th</sup> of even-numbered years. Results publicly available within three weeks of survey's close.

**Requirements:** The City Administrator should develop or secure a statistically valid survey for assessing the public's concerns, needs and priorities prior to the development of the biennial budget. Whenever feasible, the City should conduct a professional poll administered to a statistically relevant and valid sample of residents that is representative of Oakland's population in terms of race, income, neighborhood, age, profession, family size, homeownership/renter-ship, etc. If that's not possible, then demographic information should be collected and reported out with the survey results.

Prior to release, the survey questions shall be submitted to the Budget Advisory Committee by September 1st of even numbered years for review of bias, relevance, consistency in administration, inclusion of benchmark questions, and ability to assess concerns, needs and priorities. The survey instrument, method of dissemination, and any instructions for administration shall be publicly available. The survey should be conducted following the November election and before December 5<sup>th</sup>.

If the City cannot afford a professional survey, an informal survey shall be made available for broad dissemination by the Mayor and Councilmembers through community list serves and other communication channels. Furthermore, the City Administrator shall take steps to promote participation, such as issuing a Flyer promoting participation in the survey and methods of participation (survey internet link, email, phone number) and posting such Fliers near publicly available computers in all City libraries, Recreation Centers, and Senior Centers. A list of those dissemination channels should be publicly available along with survey results.

Survey results should be publicly available within three weeks of the completion and analysis of the survey. Survey results should be made widely available, shared on social media, and published on the City's Budget website. In the event that City's statistically valid survey has been completed, the Mayor and City Administrator shall include in their proposed budget a summary of the survey data and a statement regarding how the data was or was not incorporated into the final proposed budget. Informal surveys and their results shall be made public but not included in their proposed budget document.

The City Administrator shall development a standardized and diverse means of collecting resident input via other means prior to budget development.

#### **2. Council Initial Budget Briefing and Priorities Discussion**

**Timeline:** February

**Requirements:** The Mayor and City Council will hold a bi-annual budget workshop soon after the commencement of the Council term. The workshop will include briefings on estimated baseline expenditures, revenue projections and an overview of the City's budgeting process. The workshop will provide the Mayor and Council with the opportunity to begin discussing priorities for the next budget year based on the Assessment of Stakeholder Needs, Concerns and Priorities.

### 3. Five-Year Forecast

**Timeline:** Produced and heard by the Council's Finance & Management Committee or the full City Council in February or March. Forecast Fact Sheets should be distributed to City community centers and Forecast data should be available on Open Data Portal within two weeks of the Council hearing.

**Requirements:** Each Budget Cycle, the City Administrator must prepare a Five-Year Forecast.

The Five-Year Financial Forecast ("Forecast") is a planning tool that estimates the City's likely revenues and expenditures over five-years, based on appropriate financial, economic, and demographic data. The purpose of the Forecast is to surface all major financial issues and estimate future financial conditions to support informed long-term decision making. Such planning provides for greater financial stability, signals a prudent approach to financial management, and is consistent with best practices.

The Forecast shall contain the two-year baseline budget for the forthcoming budget period, clearly reflecting projected expenditures to maintain existing service levels and obligations, plus an additional three-year forecast of revenues and expenditures. The Baseline Budget shall consist of projected expenditures necessary to maintain existing staffing and service levels, plus an estimate of anticipated revenues for the two-year period.

The Forecast shall also contain information on the variance between prior forecasts and actual amounts, including the factors that influenced these variances. Revenue estimates shall be based on the most current data available; minimally revenue projections shall take into account projected revenue for the current fiscal year, as reflected in the 2nd quarter Revenue and Expenditure Report, with appropriate trending into future years and an explanation as to how such revenue projections were derived.

The report shall include a Five-Year Forecast "Fact Sheet" document, which summarizes the Forecast's key findings with simplified text and graphics to make this important budgetary information more accessible to the general public. Within two weeks after the Forecast is heard by the City Council, the City Administrator shall print and distribute the Forecast Fact Sheet to all City libraries, recreation centers and senior centers, including in languages required by Oakland's Equal Access Ordinance. The full Forecast shall also be posted on the City of Oakland's website. Forecast data shall be available in open data format on Oakland's data portal.

#### 4. Statement of Councilmember Priorities

**Timeline:** Written submission due by March 15th.

**Requirements:** City Council Members will have the opportunity to advise the Mayor and City Administrator publicly of their priorities. Each Councilmember shall be invited to submit up to seven expenditure priorities in ranked and/or weighted order for changes to the baseline budget as presented in the Five-Year Forecast. Councilmember priority statements must be submitted as part of a report to be heard by the City Council and/or in a publicly available writing to the Mayor and City Administrator by March 15. In addition to the priorities, Councilmembers may also submit other suggestions, including revenue suggestions.

#### 5. Administrator's Budget Outlook Message & Calendar Report

**Timeline:** Heard by City Council before April 15th.

**Requirements:** The City Administrator shall bring as a report to the City Council a Budget Outlook Message & Calendar no later than April 15th that provides an overview of the budget development process and lists all key dates and estimated dates of key budget events, including, but not limited to the release of the Mayor and Administrator's Proposed Budget, Community Budget Forums, Council meetings, and formal budget passage dates. This publication shall be posted on the City's website and by other means determined by the City Administrator.

#### 6. Release of Mayor & Administrator's Proposed Budget & Fact Sheet

**Timeline:** Published and publicly available by May 1st. Heard by City Council and Fact Sheet distributed by May 15th.

**Requirements:** The Proposed Budget must be released by May 1st and shall clearly indicate any substantive changes from the current baseline budget, including all changes to service levels from the current budget. The Proposed Budget shall indicate staffing by listing the number of positions in each classification for each Department, including a listing of each position proposed for addition or deletion. The Council shall hold a public meeting to present the Proposed Budget no later than May 15th in budget adoption years. The full proposed budget document shall be made available online from the City's website, and printed copies shall be available in all City libraries. Additionally, the proposed budget data shall be available in open data format on the City's open data portal by May 1st. Every effort should be made to thoroughly respond to any public request for departmental budget details, such as line item budgets. The requested information shall also be made available on the City's website and open data portal within a reasonable time following the request.

The Proposed Budget must include a Budget Fact Sheet with easy-to-understand graphics and text explaining the City's overall finances, the Proposed Budget and that year's Budget Calendar. The Fact Sheet shall be published in languages required by Oakland's Equal Access Ordinance. The Fact Sheet shall be printed and made available in all City Recreation Centers and Senior Centers as well as all City libraries by May 15th or the presentation to the Council, whichever is

sooner.

## 7. Community Budget Forums

**Timeline:** During the months of May and June of odd-numbered years

**Requirements:** The Administration and Council shall hold at least one (1) Community Budget Forum in each council district. These forums, organized by the City Administrator's Office in partnership with Councilmembers shall be scheduled to maximize residents' access. The forums should include sufficient time for a question and answer period in a format that maximizes community participation, as well as a presentation of budget facts by City staff. One or more of the forums must be scheduled in the evening. Another must be scheduled on the weekend. These meetings shall also be scheduled so that Councilmembers have sufficient opportunity to attend a meeting close to their council district. Every member of the City Council shall make their best effort to attend the Community Budget Forum in their council district. Sufficient Fact Sheets in all available languages shall be available at all Forums.

These forums should be publicized in social media and via other means in a manner that is linguistically and culturally appropriate. City Council staff shall work with community-based, faith-based, identity based, and district specific organizations to ensure that a representative and broad group of residents is aware and encouraged to attend each forum.

## 8. Ongoing Public Education

**Timeline:** During the months of May and June of even-numbered years

**Requirements:** Beginning with the first even-numbered year following adoption of this ordinance, the Administration and City Council shall hold at least three (3) Community Budget Education Presentations in different neighborhoods throughout the City and outside of City Hall. These presentations shall seek to increase Oakland residents understanding and awareness of the City Budget and Budget process.

## 9. Budget Advisory Commission's Report

**Timeline:** June 1st

**Requirements:** The Budget Advisory Committee (BAC) shall be requested to submit published, written report to the full City Council regarding the proposed budget with any suggested amendments no later than June 1 in budget adoption years. If submitted, the statement shall be published as part of the next budget report to the City Council. The BAC is encouraged to provide similar statements during the mid-cycle budget revise and any other significant budget actions.

## 10. Council President's Proposed Budget

**Timeline:** June 17th

**Requirements:** The City Council President, on behalf of the City Council, shall prepare a proposed budget for Council consideration to be heard at a Special City Council Budget Hearing occurring on or before June 17th. The Council President may delegate the duty to prepare a budget proposal to another member of the Council. The Finance Department will provide a costing analysis for proposed amendments. The City Council may schedule additional Special City Council Budget Hearings or Workshops as needed.

## 11. Council Budget Amendments

**Timeline:** No later than up to three (3) days prior to final budget adoption for public noticing

**Requirements:** In addition to the Council President's proposed budget, any Councilmember or group of Councilmembers may submit proposed budget amendments at any time during the budget process. However, the adopted budget shall not contain substantive amendments made on the floor by Councilmembers at the final meeting when the budget is adopted. All substantive amendments must have been published in the City Council agenda packet for at least three days prior to the budget's final adoption and posted on the City's budget website. This shall not preclude Council members from combining elements from various proposals, provided each element considered has been published in the City Council agenda packet as a component of one proposal. This three-day noticing requirement may be waived by a vote of Council upon a finding that (1) new information impacting the budget by at least \$1 million dollars came to the attention of the body after the publication deadline making it not reasonably possible to meet the additional notice requirement and (2) the need to take immediate action on the item is required to avoid a substantial adverse impact that would occur if the action were deferred to a subsequent special or regular meeting, such as employee layoffs.

Councilmembers will present their proposed amendments in an easy to understand, standardized format provided by the City Administrator. The format should allow the proposals to be easily compared to the Mayor's Proposed Budget and to one another. Additions and reductions shall be clearly noted in separate sections.

In order to provide sufficient time to evaluate the cost of proposals, Councilmembers should request costing analyses for proposed budget amendments or line-items within a budget amendment to the City Administrator at least six (6) working days prior to the City Council meeting where that amendment will be considered.

## 12. Process Feedback & Continual Improvement

**Timeline:** September 30<sup>th</sup> following budget adoption

**Requirements:** The Budget Advisory Commission (BAC) shall be requested to submit an Informational Report to the Council's Finance and Management Committee and City Council containing their analysis of the budget adoption process including, but not limited to: 1) the informational quality of the Proposed Budget; 2) the City Administration's and City Council's attention to engaging the public and its impacts on the budget process and product; 3) the level of

transparency and open dialogue in all public meetings dedicated to the budget; and 4) opportunities for improving the process in future years. In assessing opportunities for continually improving public participation in the budget process, the Administration, City Council and BAC shall be requested to consider the following guiding principles:

- **Inclusive Design:** The design of a public participation process includes input from appropriate local officials as well as from members of intended participant communities. Public participation is an early and integral part of issue and opportunity identification, concept development, design, and implementation of city policies, programs, and projects.
- **Authentic Intent:** A primary purpose of the public participation process is to generate public views and ideas to help shape local government action or policy.
- **Transparency:** Public participation processes are open, honest, and understandable. There is clarity and transparency about public participation process sponsorship, purpose, design, and how decision makers will use the process results.
- **Inclusiveness and Equity:** Public participation processes identify, reach out to, and encourage participation of the community in its full diversity. Processes respect a range of values and interests and the knowledge of those involved. Historically excluded individuals and groups are included authentically in processes, activities, and decision and policymaking. Impacts, including costs and benefits, are identified and distributed fairly.
- **Informed Participation:** Participants in the process have information and/or access to expertise consistent with the work that sponsors and conveners ask them to do. Members of the public receive the information they need, and with enough lead time, to participate effectively.
- **Accessible Participation:** Public participation processes are broadly accessible in terms of location, time, and language, and support the engagement of community members with disabilities.
- **Appropriate Process:** The public participation process uses one or more engagement formats that are responsive to the needs of identified participant groups; and encourage full, authentic, effective and equitable participation consistent with process purposes. Participation processes and techniques are well- designed to appropriately fit the scope, character, and impact of a policy or project. Processes adapt to changing needs and issues as they move forward.
- **Use of Information:** The ideas, preferences, and/or recommendations contributed by community members are documented and given consideration by decision-makers. Local officials communicate decisions back to process participants and the broader public, with a description of how the public input was considered and used.
- **Building Relationships and Community Capacity:** Public participation processes invest in and develop long-term, collaborative working relationships and learning opportunities with community partners and stakeholders. This may include relationships with other temporary or ongoing community participation venues.
- **Evaluation:** Sponsors and participants evaluate each public participation process with the collected feedback and learning shared broadly and applied to future public participation efforts.

**AN ORDINANCE AMENDING ORDINANCE NO. 13279 C.M.S. (THE CITY OF OAKLAND CONSOLIDATED FISCAL POLICY, OR “CFP”) TO ESTABLISH AND MODIFY THE FINANCIAL POLICIES OF THE CITY OF OAKLAND.**

**NOTICE AND DIGEST**

This Ordinance authorizes an amendment to Ordinance Number 13279 C.M.S. (The Consolidated Fiscal Policy, “CFP”), to establish and modify the financial policies and budgeting practices of the City of Oakland. The first public reading of this ordinance is scheduled at a public hearing on 5/1/18 and second on 5/15/18. The location is at City Council Chambers located on the Third Floor of City Hall, One Frank H. Ogawa Plaza, Oakland, California, at 5:30pm. The CFP will be effective upon final adoption of the Ordinance and will remain in effect until further notice.