



FILED
OFFICE OF THE CITY CLERK
OAKLAND

2015 FEB 11 AM 11:23

AGENDA REPORT

TO: JOHN A. FLORES
INTERIM CITY ADMINISTRATOR

FROM: Osborn K. Solitei

SUBJECT: FY 2014-15 Q2 R&E Report

DATE: February 5, 2015

City Administrator
Approval

Date

2/11/15

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Staff recommends that the Finance & Management Committee accept this informational report on the FY 2014-15 Second Quarter Revenue and Expenditure Results For Four Selected Funds - General Purpose Fund (GPF, 1010), Landscape & Lighting Assessment District Fund (2310), Equipment Fund (4100) and Facilities Fund (4400); and Overtime Analysis for the General Purpose Fund (1010) and All Funds.

OUTCOME

This is an informational report related to the City's financial activities, the acceptance of which does not create any policy or compel any action. The information contained herein incorporates the first two quarters of FY 2014-15.

EXECUTIVE SUMMARY

Based on the results of the second quarter for FY 2014-15, the projected available fund balance (excluding the 7.5% GPF Emergency Reserve and set-asides) at year-end is estimated to be **\$8.02 million** (Table 4). The ongoing revenues are projected to grow approximately \$13.94 million over the FY 2014-15 Adjusted Budget estimations. If Council appropriates from this available fund balance, the 7.5% GPF Emergency Reserve would have to increase in accordance with the Consolidated Fiscal Policy.

Highlights of this FY 2014-15 second quarter revenue and expenditure report include:

- The fiscal year-end GPF revenues are projected at **\$515.28 million**, which exceeds the Adjusted Budget by approximately \$13.94 million (*Attachment A-1*);
- The fiscal year-end GPF expenditures are projected at **\$528.91 million**, which exceeds the Adjusted Budget by approximately \$5.94 million (*Attachment A-2*),

Item: _____
Finance and Management Committee
February 24, 2015

- The GPF projected ending available fund balance is estimated to be **\$8.02 million** (excluding the 7.5% GPF Emergency Reserve and set-asides, as shown in *Table 4*),
- Citywide overtime (OT) expenditures across all funds is \$60.17 million, exceeding the Adjusted Budget by \$36.48 million, of which \$34.02 is in the GPF, and is mostly absorbed by salary savings as shown in *Table 2*; overtime spending by department is listed in *Attachment B*; and
- The total designated reserve balance (including the 7.5% GPF Emergency Reserve and other Council set-asides) is \$41.21 million, which is **8.27%** of the net FY 2014-15 Amended Midcycle Budget as shown below

FY 2014-15 Reserves and Set-Asides

Description	FY 14-15	% of Total FY 14-15
7.5% GPF Emergency Reserve	\$37.38	
Library Contingency Set-Aside	\$1.00	
Parks & Recreation Contingency Set-Aside	\$0.80	
Subtotal GPF (1010)	\$39.18	
FY 14-15 Establishment of the Vital Services Stabilization Fund	\$2.02	
Subtotal Vital Services Stabilization Fund	\$2.02	
Total Reserves	\$41.21	8.27%

The year-end projected available fund balance is estimated to be **\$8.02 million** (*Table 4*). It should be noted that this balance reflects the net difference between the revenue and expenditure projections, as well as, adjustments made for (1) FY 2014-15 amounts funded by GPF fund balance as authorized in the FY 2014-15 Amended Midcycle Budget, and (2) items authorized by Council Resolution after July 1, 2014 (*Table 5*).

Generally, the receipts of revenue in FY 2014-15 reflect continued growth in the local economy and recovery from the global recession and housing crisis. Notably, an improved local real-estate market has led to strong growth in real-estate related revenues, including property tax, real estate transfer tax, and landlord business tax receipts. The City's assessed valuation increased \$2.6 billion (5.85%), \$2 billion of which due to either re-appraisal of property upon transfer of ownership or recaptured value under Proposition 8. Details of unaudited revenues in comparison to budget are listed in *Attachment A-1*.

The estimated projected year-end expenditures for the GPF total \$528.91 million which is approximately \$5.94 million, or less than 2%, over the Adjusted Budget (*Table 6*) and is primarily attributed to an increase in sworn overtime associated with unanticipated protests (Ferguson and New York City grand jury verdicts, etc.). Expenditures by department are listed in *Attachment A-2*.

The three other funds analyzed for this report have historically shown negative fund, or cash, balances, two are projected to end the fiscal year with improved, or positive, balances as a result of projected salary savings associated with vacancies and scheduled repayments; while the

LLAD fund is projected to overspend due to a delay in PG&E audits for the LED street lighting project and increasing utility rates as shown below (*Attachments C-1 to E-2*):

- o LLAD (\$1.03) million
- o Equipment Fund \$2.33 million
- o Facilities Fund \$0.36 million

It is important to note that while the GPF available fund balance exceeds the Council-mandated 7.5% GPF Emergency Reserve funding level, and the two Internal Service Funds reflected in this report are improving, the City has several funds with negative balances and the City budget relies on one-time funds to fund on-going expenditures. Over time, consistent with the City Council fiscal policies, the structural imbalance of using one-time funds for on-going expenditures requires further review. The Unfunded Liabilities report and the Five Year Financial Plan for FY 2016-2020 will be presented at the Special Council Meeting on March 2, 2015.

BACKGROUND/LEGISLATIVE HISTORY

In June 2013, Council adopted the FY 2013-15 Policy Budget which restored some essential services, provided an allocation for increased employee compensation, as well as added graduates from three police academies to further strengthen the sworn staff.

On July 1, 2014, Council adopted the FY 2014-15 Amended Midcycle Budget of \$493.71 million, including a transfer of \$30.46 million from fund balance.

As presented in the FY 2013-14 Fourth Quarter Revenue & Expenditure Report on October 28, 2014, the unaudited available fund balance was estimated at \$11.25 million, the majority of which was allocated based on the following actions:

- November 18, 2014, Resolution #85281 was adopted appropriating \$6.83 million, including a Library Reserve of \$114,845 for a number of critical funding needs (*Table 5*), and increasing the 7.5% GPF Emergency Reserve by \$0.41 million,
- December 9, 2014, Resolution #85308 was adopted appropriating \$1.54 million for the COPs 2014 Grant matching funds;
- January 6, 2015, Resolution #85336 was adopted appropriating \$0.80 million for the Oakland Parks & Recreation Youth Program and \$0.39 million for the Oakland Public Library Reserve.

This report contains fiscal year-end projections for FY 2014-15, including items that were set-aside in the FY 2014-15 Amended Midcycle Budget.

ANALYSIS

GENERAL PURPOSE FUND

The FY 2014-15 adjusted General Purpose Fund revenue budget is **\$501.34 million**. Due to a continued growth in the economy, revenues are projected to end the fiscal year at **\$515.28 million**, which represents a net increase of **\$13.94 million**. This is derived from **on-going** revenue sources, which are projected to continue through FY 2015-16

Table 1: Summary of Projected GPF Revenue Variance:

Description	FY 2014-15 Revenue
FY 2014-15 Amended MidCycle Budgeted Revenue	\$501.34
Projected Increases/(Decreases)	
Property Tax	\$9.55
Business License Tax	\$7.07
Parking Tax	\$1.19
All other	(\$3.87)
FY 2014-15 Projected FYE Revenue	\$515.28
Net GPF Revenue Growth	\$13.94

The projected year-end expenditures are estimated to be **\$528.91 million** which is **\$5.94 million** over the Adjusted Budget. The overspending is primarily attributed to sworn overtime costs associated with unanticipated protests (Ferguson and New York City grand jury verdicts, etc.). While the GPF is projected to have a net surplus overall, it is important to note that overtime expenditures exceeded the Adjusted Budget by \$34.02 million (**Attachment B**), which is primarily attributed to Public Safety. However, salary savings largely offset the majority of these costs with the exception of the Oakland Police Department, again due to the high levels of unanticipated protests in the first two quarters of the fiscal year. Comparison of salary savings to overtime overspending is shown in *Table 2* on the following page.

Table 2: FY 2014-15 GPF Net Overtime (OT) Overspending and Salary Savings¹:

DEPT	Projected Year-End Salary Savings / (Overspending)	Projected Year-End OT Overspending	NET Savings / (Overspending)
City Administrator	\$1,437,227	(\$55,347)	\$1,381,880
City Attorney	\$75,201	(\$207)	\$74,994
City Clerk	(\$150,277)	(\$1,656)	(\$151,933)
Revenue	(\$154,362)	(\$14,190)	(\$168,552)
Treasury	\$0	(\$4,942)	(\$4,942)
Information Technology	\$819,312	(\$85,820)	\$733,492
Police Department	\$4,343,757	(\$13,940,480)	(\$9,596,723)
Fire Department	\$20,775,355	(\$19,957,550)	\$817,806
Parks & Recreation	\$0	(\$10,565)	(\$10,565)
Human Services	(\$117,771)	(\$2,840)	(\$120,611)
Economic & Workforce Development	\$110,048	(\$34,594)	\$75,454
Grand Total²	\$27,138,490	(\$34,108,191)	(\$6,969,701)

¹ Table reflects only departments overspending in OT. Refer to Attachment B for all departments

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

As mentioned above, the projected OT overspending in the Police Department is due to costs associated with unanticipated protests and special enforcement as detailed in Table 3 below.

Table 3: FY 2014-15 Projected GPF OT Expenditures by Category - Police Department:

DESCRIPTION	ACTUAL EXP		Projected FYE
	Jul 1 -	Dec 31	
Protests & Special Enforcement¹		\$5.07	\$10.13
Ferguson Protest	\$1.25		
NYC Grand Jury Protest	\$0.79		
Port Protests ²	\$0.31		
Day of Anger Millions March Oakland	\$0.20		
Urban Shield Protest	\$0.10		
Stop Police Brutality	\$0.07		
Berkeley/Oakland Protest	\$0.06		
Oct Sideshow Enforcement	\$0.06		
All Other	\$2.24		
Reimbursable Events		\$1.48	\$2.96
Operational Overtime³		\$8.70	\$17.40
TOTAL		\$15.25	\$30.49

¹ The projection for protests assumes the same level of activity in the last six months of the fiscal year

² The City has billed the Port for reimbursement

³ Overtime related to backfilling beats, vacancies, extension of shift, etc

The audited FY 2014-15 gross GPF beginning fund balance is **\$110.76 million** – a slight increase from the unaudited ending fund balance included in the FY 2013-14 Fourth Quarter Revenue and Expenditure Report. Importantly, this amount includes the City Council appropriated reserves discussed earlier in this report and the current year additional appropriations. The remainder reflects the total uncommitted ending fund balance, which is projected to be approximately **\$8.02 million**, net of estimated year end revenues and expenditures. The City’s General Purpose Fund reserves are set at \$39.18 million which includes City Council appropriated reserves, set-asides, and 7 5% GPF Emergency Reserve. Additionally, the Vital Services Stabilization Fund is set at \$2.02 million.

Table 4: FY 2014-15 Projected Year-End Available GPF Fund Balance

Gross Audited Fund Balance	\$110.76
FY 14-15 Projected FYE Revenues	515 28
FY 14-15 Projected FYE Expenditures	(528 91)
Project Carryforwards	(14 24)
FY 14-15 Use of Fund Balance	
<i>FY 2014-15 MidCycle Adopted Budget</i>	(30 46)
<i>FY 2014-15 MidCycle Adopted Budget (transfers to fund balance)</i>	4 19
<i>FY 2014-15 Council Adopted Resolutions¹</i>	(9 44)
Set-aside in FY 14-15 Adopted Budget	
<i>Library Contingency Set-Aside</i>	(1 00)
<i>Parks & Recreation Contingency Set-Aside</i>	(0 80)
Subtotal Available Fund Balance	\$45.39
7 5% GPF Emergency Reserve <i>(based on FY 14-15 adopted expenditures)</i>	(37 38)
Estimated Ending Available Fund Balance²	\$8.02

¹ Detail shown in Table 5

² If Council appropriates any of the available fund balance, the reserve policy requires that the 7 5% GPF Emergency Reserve must increase

Table 5: FY 2014-15 Detailed Use of Available GPF Fund Balance

DESCRIPTION	Council Resolution	DATE	AMT
Accelerate 172nd Academy to April 2015	85281	11/18/2014	\$0 98
Disparity Study	85281	11/18/2014	\$0 50
EBRCSA Transition (consultant)	85281	11/18/2014	\$0 20
Election Costs	85281	11/18/2014	\$1 00
Fund 173rd Academy recruitment & background expenses	85281	11/18/2014	\$0 40
Internal Personnel Assessment System Phase 2 (IPAS)	85281	11/18/2014	\$0 89
Oracle Release 12 Upgrade	85281	11/18/2014	\$1 30
Self Insurance Liability Fund (pay down neg fund balance)	85281	11/18/2014	\$1 19
Establish Funds for Legal Protection of Unaccompanied Children (unaccompanied minors)	85281	11/18/2014	\$0 20
Vegetation Inspector (1 0 FTE for 6 months)	85281	11/18/2014	\$0 05
Subtotal Resolution Number 85281			\$6.72
Establish Funds for Legal Protection of Unaccompanied Children (unaccompanied minors)	85218	10/21/2014	\$0 38
2014 COPs Grant Matching Funds	85308	12/9/2014	\$1 54
Two Lateral Police Academies (PSC February 10, 2015)	pending	pending	\$0 81
TOTAL			\$9.44

Table 6: Summary of FY 2014-15 Projected Year-End Available Fund Balance

\$ Increases / (Decreases) in millions

GENERAL PURPOSE FUND (1010)	FY 2014-15 Adjusted Budget	FY 2014-15 Q2 Projected FYE	Year-End Over / Under Budget
Beginning Fund Balance - Audited	\$110.76	\$110.76	
Revenue	\$501.34	\$515.28	\$13.94
Expenditures	(\$522.97)	(\$528.91)	(\$5.94)
Estimated Current Year Surplus/(Shortfall)	(\$21.63)	(\$13.62)	
Subtotal Fund Balance	\$89.13	\$97.13	
Budgeted Amounts Carried Forward (CF) to FY 14-15.			
AFFORDABLE HOUSING PROGRAM	(\$1.81)	(\$1.81)	
PENDING LITIGATION EXPENSES & SETTLEMENT	(\$3.85)	(\$3.85)	
EMPLOYEE COLA FY 2013-15	(\$1.80)	(\$1.80)	
Other FY 2013-14 CF Items ¹	(\$6.77)	(\$6.77)	
Subtotal CF	(\$14.24)	(\$14.24)	
FY 14-15 Use of Fund Balance			
FY 2014-15 Amended MidCycle Budget (Resolution No. 85085 C M S Exhibit 1)	(\$30.46)	(\$30.46)	
FY 2014-15 Amended MidCycle Budget Transfers to Fund Balance	\$4.19	\$4.19	
FY 2014-15 Council Adopted Resolutions ²	(\$9.44)	(\$9.44)	
Designated / Mandated Reserves			
7.5% GPF Required Reserve	(\$37.38)	(\$37.38)	
Library Contingency Set-Aside	(\$1.00)	(\$1.00)	
Parks & Recreation Contingency Set-Aside	(\$0.80)	(\$0.80)	
Estimated Ending Available Fund Balance	\$0.02	\$8.02	

¹ Detailed carryforward balances for FY 2014-15 are listed in Attachment F

² Details shown in Table 5

GENERAL PURPOSE FUND
(Attachments A-1 and A-2)

REVENUE HIGHLIGHTS

The FY 2014-15 adjusted General Purpose Fund revenue budget is **\$501.34 million**. Second Quarter year-end projections total **\$515.28 million**, which represents a net increase of **\$13.94 million** in on-going revenue.

Attachment A-1 provides details of second quarter revenue collection and year-end projections in comparison to the Adjusted Budget. Staff is paying close attention to several *possible* commercial real estate transactions that could generate additional Real Estate Transfer Tax (RETT) above current projections. Adjustments, if necessary, to the RETT, will be addressed in the Third Quarter update when staff has more information. Significant projected variances for other revenue categories are detailed below.

Property Tax +\$9 55 million

Property Tax revenue received through the second quarter totaled \$69 63 million and is projected to end the fiscal year at \$158 40 million. Based upon second quarter data, this is a projected 6.42% increase over the adopted budget. The projected increase is due to a strengthening real estate market resulting in improved assessed property values. According to the City's Property Tax consultants, HDL, "There was \$913 million in Proposition 8 values restored to the assessment roll. This accounted for 42% of the overall GPF growth of 7.6% experienced by the City in FY 2014-15."

Sales Tax +1 07 million

Sales Tax revenue received through the second quarter totaled \$20 78 million, and is projected to end the fiscal year at \$51.43 million. Based upon second quarter data, this is a projected 2 12% increase from the FY 2014-15 Amended Midcycle Budget. All of the City's major business groups, except for business and industry, posted gains, including the City's three largest business groups, which posted double digit increases. Strong new car sales aided by two newer car dealerships, and a recently opened used car dealer produced the gain in autos and transportation. A large piece of the growth was offset by the relocation, out of the City, of a large electrical supply company.

Business License Tax +\$7 07 million

Business License Tax revenue is projected to end the fiscal year at \$67.69 million, a projected 11.66% increase over the FY 2014-15 Amended Midcycle Budget. However, as noted in the FY 2013-14 Fourth Quarter report, the projection for FY 2014-15 was known to be too low due to Fiscal Year 2013-14 Business License revenues not being fully accounted for until the Fourth Quarter. Thus, the Fiscal Year 2014-15 projection would be adjusted as part of the Fiscal Year 2014-15 Second Quarter analysis. The new analysis anticipates a 7.6% increase over previous

year's revenues due to an anticipated strong increase in Landlord Business Tax remittance and steady growth in all other Business Tax categories.

Transient Occupancy Tax +\$0.87 million

Transient Occupancy Tax (TOT) revenue received through the second quarter totaled \$7.88 million and is projected to end the fiscal year at \$15.75 million. Based upon second quarter data, this is a projected 5.83% increase over the adopted budget. The increase in TOT is being felt across the Bay Area as the demand for hotel lodging increases due to the improved business climate and an influx of foreign travelers, which also increases room rates based upon simple supply and demand. According to data obtained from Visit Oakland, the City's hotel occupancy was 77.7% from October 2013 through September 2014, which is a 5.2% increase over the same period last year; and the average daily room rate was \$119.58, which was a 10.4% increase compared to the prior year.

Parking Tax +\$1.19 million

Parking Tax revenue received through the second quarter totaled \$3.99 million, and is projected to end the fiscal year at \$9.37 million. Based upon second quarter data, this is a projected 14.6% increase from the FY 2014-15 Amended Midcycle Budget. This increase largely due to strong growth of parking tax revenues generated at the airport, as well as growth due to the new management of several of the City's garages by Oakland Parking Partners.

Miscellaneous -\$3.70 million

Miscellaneous revenue is a category that includes, amongst other items, revenue derived from settlements, land sales, and bond sales. Generally, many items in this category are not budgeted unless staff is certain that the revenue will be received during the fiscal year. For example, if the City is issuing bonds, the anticipated revenue can be budgeted. However, revenues received from settlements are not normally budgeted due to the inconsistency of remittance. In the Amended Midcycle Budget, there is \$4 million that was budgeted to be received in FY 2014-15 but based upon updated information will not be realized.

EXPENDITURE HIGHLIGHTS

As outlined in *Attachment A-2*, the FY 2014-15 Q2 Adjusted Budget is \$522.97 million. The fiscal year-end General Purpose Fund (GPF) projected expenditures based on data through December 31, 2014 are estimated to be \$528.91 million, resulting in an over-spending of \$5.94 million primarily due to an increase in sworn overtime during recent protests. Additionally, this attachment also summarizes department-level spending. The breakdown of projected fiscal year-end overtime spending for the General Purpose Fund and All Funds is provided in *Attachment B*.

Provided below is a discussion of each department's projected savings or overspending in the GPF at year-end as compared to the Adjusted Budget, net of unspent carryforward amounts.

Mayor's Office

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

City Administrator

The City Administrator's Office is projected to have savings associated with vacancies in Administration, Citizens' Police Review Board, Employee Relations, and Animal Services.

City Council

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

City Attorney

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

City Auditor

The City Auditor is projected to exceed the Adjusted Budget by \$0.05 million due to unrealized budget reductions.

City Clerk

The Office of the City Clerk is projected to spend \$3.22 million compared to the Adjusted Budget of \$3.09 million, a difference of \$0.13 million. The projected overspending is due to full staffing; therefore the vacancy rate cannot be met.

Economic Workforce & Development (EWD)

EWD is projected to end the fiscal year with net under-spending of \$0.06 million from salary savings as a result of vacancies; as positions are filled the projected savings may not be fully realized at year end.

Finance Department

Finance's (Administration, Treasury, Controller, and Revenue Management) fiscal year-end expenditures are projected to be \$22.94 million compared to the net Adjusted Budget of \$23.41 million. The projected under-spending of \$0.47 million is due to lower than anticipated personnel costs in the Controller's Bureau resulting from vacancies;

Information Technology Department (ITD)

ITD is projected to spend \$11.13 million of their \$12.13 million Adjusted Budget. The projected savings of \$1.00 million, attributed to vacancies, may not be fully realized at year end as positions are filled.

Human Resources Department (HRD)

Human Resources is projected to have a surplus of \$0.10 million from salary savings as a result of vacancies; as positions are filled the projected savings may not be fully realized at year end

Human Services Department (HSD)

Human Services is projected to over-spend by approximately \$0.05 million as compared to their Adjusted Budget, due to higher than anticipated personnel costs

Oakland Police Department (OPD)

OPD is projected to spend \$218.13 million compared to its Adjusted Budget of \$207.82 million. The projected overspending of \$10.31 million is primarily due to overtime (OT) costs associated with unanticipated protests (Ferguson and New York City grand jury verdicts, etc.), and vehicle repairs. OPD spent approximately \$15.16 million in OT as of December 31, 2014, as compared to their annual budget of \$16.38 million, of which \$5.07 million is associated with the recent protests. The projected fiscal year-end OT expenditures are approximately \$30.32 million as shown in **Attachment B**. This projection assumes that the level of protests and un-reimbursed special enforcement continues at the same rate as the first two quarters of the fiscal year (refer to *Table 3*). The projected over expenditure of approximately \$13.94 million in overtime is partially offset by one-time salary savings associated with vacancies (*Table 2*).

Oakland Fire Department (OFD)

The Fire Department is projected to stay within their Adjusted Budget of \$115.17 million. Overtime spending in OFD is projected to end the fiscal year at \$20.11 million. The projected over-expenditure of approximately \$19.96 million in overtime is a result of backfilling the estimated 92 vacant sworn positions, all of which will be off-set by salary savings as shown in *Table 2*. The savings from vacant positions are used to fund the overtime for mandated staff levels and for Fire Academy recruitment and training.

Oakland Public Library (OPL)

The Library is projected to end the year with a surplus of \$0.21 million associated with savings in operations and maintenance and personnel savings; as positions are filled the projected savings may not be fully realized at year end.

Oakland Parks & Recreation (OPR)

OPR is projected to stay within the Adjusted Budget.

Planning & Building

Planning is projected to end the fiscal year overspent by approximately \$0.01 million due to full staffing; therefore the vacancy rate cannot be met.

Oakland Public Works (OPW)

Public Works is projected to spend \$6.16 million as compared to their Adjusted Budget of \$6.03 million. The over-spending of \$0.13 million is attributed to the continuing pothole program and Parking Meter repairs

Citywide COLA

As noted in the FY 2013-14 Third Quarter Revenue & Expenditure Report, the impact of the 2% COLA on the non-GPF funds was reviewed at year-end. Those funds that were able to absorb the increased personnel costs did not require a GPF subsidy. As a result of net operating savings, the majority of non-GPF funds did not require a subsidy from the GPF in FY 2013-14. Funds are continuing to be monitored throughout FY 2014-15 until the full impact of the COLA (2% in FY 13-14 and 1% in FY 14-15) is known and adjustments will be made at year end if necessary.

OTHER FUNDS
(Attachments C-1 through E-2)

Landscaping and Lighting Assessment District Fund (LLAD)

In the LLAD Fund (2310), projected year-end revenue and expenditure results show a deficit of \$1.03 million (*Attachments C-1 & C2*). This is primarily attributed to the delay in PG&E audits for the LED street lighting project. Once the audits are completed, PG&E will adjust the rates charged to the City and LLAD will realize the cost savings for the new energy efficient street lights. The LLAD has steadily improved its negative fund balance from approximately \$6 million in FY 2008-09, however rapidly increasing utility rates for both electricity and water has prevented the City from reaching its goal of maintaining the positive fund balance. Public Works will continue to carefully manage personnel and O&M expenses with this goal in sight. Unfortunately, without an alternative funding source for Park and Tree maintenance, service levels will continue to decline since the assessment rate cannot be adjusted without voter approval.

\$ Increases / (Decreases) in millions

LANDSCAPING & LIGHTING ASSESSMENT DISTRICT FUND (2310)	FY 2014-15 Adjusted Budget	FY 2014-15 Q2 Projected FYE	Year-End Over / Under Budget
Gross Beginning Fund Balance	\$1.56	\$1.56	
Revenue	\$20.74	\$19.53	(\$1.21)
Expenditures	(\$22.19)	(\$21.83)	\$0.36
Estimated Current Year Surplus/(Shortfall)	(\$1.45)	(\$2.30)	
Subtotal Fund Balance	\$0.11	(\$0.74)	
Less Net Bond Proceeds		(\$0.29)	
Ending Fund Balance (est)	\$0.11	(\$1.03)	

Equipment Fund

The Equipment Fund (4100) is reported on a cash basis (excluding the value of the equipment). Revenues are projected to end the fiscal year at approximately \$21.29 million which is \$1.37 million higher than the Adjusted Budget. Additionally, expenditures are projected to be slightly less (\$0.27 million) than the Adjusted Budget of \$20.62 million (*Attachments D-1 & D-2*). It is important to note that the repayment amount specified in the FY 2014-15 Amended Midcycle Budget will effectively be increased from \$1.39 million to \$2.33 million based on these results, thus reducing the negative cash balance of \$1.58 million to a positive \$0.75 million. The revenue reflects actual charges to departments for equipment maintenance, as well as the reduction in aging fleet through auction sales.

\$ increases / (Decreases) in millions

EQUIPMENT FUND (4100)	FY 2014-15 Adjusted Budget	FY 2014-15 Q2 Projected FYE	Year-End Over / Under Budget
Gross Beginning Cash Balance	(\$1.58)	(\$1.58)	
Revenue	\$19.92	\$21.29	\$1.37
Expenditures	(\$20.62)	(\$20.35)	\$0.27
Budgeted Fund Balance Repayment	\$1.39	\$1.39	
Estimated Current Year Surplus/(Shortfall)	\$0.69	\$2.33	
Subtotal Cash Balance	(\$0.89)	\$0.75	
Ending Cash Balance (est.)	(\$0.89)	\$0.75	

Facilities Fund

This fund is also reported on a cash basis. Projected results for the Facilities Fund (4400) indicate that revenues will exceed expenditures by \$0.36 million (*Attachments E-1 & E-2*). The surplus is due to the scheduled repayment to Fund Balance (\$1.68 million). It is important to note that the repayment amount specified in the FY 2014-15 Amended Midcycle Budget will effectively be decreased from \$1.68 million to \$0.36 million based on these results. The value of the cash balance is projected to improve from negative \$18.32 million to negative \$17.96 million. The Facilities Fund, on a repayment plan through 2019, has steadily improved its fund balance from approximately negative \$31 million in FY 2008-09 to its projected year-end negative of \$17.96 million. The Facilities Fund continues on the ten-year repayment plan for the negative fund balance and is on track to eliminate the negative balance on, or before, FY 2018-19.

\$ Increases / (Decreases) in millions

FACILITIES FUND (4400)	FY 2014-15 Adjusted Budget	FY 2014-15 Q2 Projected FYE	Year-End Over / Under Budget
Gross Beginning Cash Balance	(\$18.32)	(\$18.32)	
Revenue	\$27.95	\$28.02	\$0.07
Expenditures ¹	(\$29.27)	(\$29.34)	(\$0.07)
Budgeted Fund Balance Repayment	\$1.68	\$1.68	
Estimated Current Year Surplus/(Shortfall)	\$0.36	\$0.36	
Subtotal Cash Balance	(\$17.96)	(\$17.96)	
Ending Cash Balance (est)	(\$17.96)	(\$17.96)	

¹ Includes project carryforward of \$1.69 million for Facilities Minor CIP

It is important to note that the City continues to make progress in FY 2014-15 on its funds that have negative fund balances. Over the past decade, many Non-GPF have been depleted creating financial pressures on the GPF. They are largely attributable to historical overspending and/or under-recovery and transfers to the GPF for budget balancing measures. It is important that the City continues to plan for this contingency and cautiously approach the actual GPF fund balance presented in this report, especially in light of large unfunded liabilities, negative fund balances, unanticipated expenditures, and other risks that may impact the fund balance this year.

The last three Adopted Policy Budgets (FY 2009-2015) included repayment plans for the City to repay itself for the use of pooled cash for both Program Funds and Internal Service Funds (ISFs). The Repayment Plan has been monitored closely by staff, and staff has also instituted more frequent draw-downs of grant funds, as well as increased oversight and management of expenditures for funds with negative balances. Since FY 2009-10, **over \$39 million has been repaid**, reducing the negative balances and mitigating the accumulation of negative interest (Table 7). Continued commitment to repayment is strongly encouraged to ensure the necessary financial progress as a commitment to external auditors. Negative balances continue to draw resources from other funds, and ultimately become the responsibility of the GPF.

Table 7: Negative Fund Balance Summary FY 2009-10 Through FY 2013-14

Negative Fund Category	Fund Balance FY 2009-10	Fund Balance FY 2010-11	Fund Balance FY 2011-12	Fund Balance FY 2012-13	Fund Balance FY 2013-14
1 Negative Funds with Repayment Plan	(98,175,474)	(94,379,909)	(78,072,482)	(67,926,367)	(62,278,619)
2 Reimbursable Negative Funds ¹	(22,448,746)	(13,525,732)	(18,629,957)	(30,450,879)	(22,871,116)
3 Non-Reimbursable Negative Funds without Repayment Plan	(17,542,656)	(13,441,408)	(14,091,416)	(13,447,067)	(13,519,597)
Total Negative Funds	(138,166,876)	(121,347,049)	(110,793,855)	(111,824,313)	(98,669,332)
FY 2010-11 through FY 2013-14 repayment amount	39,497,544				

¹ As of June 30, 2013 the City has spend approximately \$4.1 million of former Redevelopment 3rd Party Contracts that the State Department of Finance (DOF) has disallowed. On July 29, 2013 the Oversight Board approved the Bond Expenditure Agreement between the City and Oakland Redevelopment Successor Agency (ORSA) to reimburse these funds. These amounts are excluded from the above totals in FY 2012-13, and included the totals in FY 2013-14

PUBLIC OUTREACH/INTEREST

Not applicable.

COORDINATION

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

COST SUMMARY/IMPLICATIONS

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

SUSTAINABLE OPPORTUNITIES

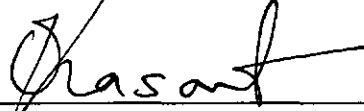
Economic No direct economic opportunities have been identified

Environmental: No direct environmental impacts have been identified.

Social Equity: No social equity opportunities have been identified.

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

Respectfully submitted,



OSBORN K. SOLITEI
Director of Finance /Controller

Prepared by

Kirsten LaCasse
Assistant Controller
Controller's Bureau

Margaret O'Brien
Principle Revenue Analyst
Revenue Management Bureau

Contributors

Kiran Bawa
Budget Director
City Administrator's Office

Sarah Schlenk
Agency Administrative Manager
City Administrator's Office

Attachments:

- A-1 *General Purpose Fund Revenues*
- A-2 *General Purpose Fund Expenditures*
- B *Overtime Analysis*
- C-1 *Landscape and Lighting Assessment District Fund Revenues*
- C-2 *Landscape and Lighting Assessment District Fund Expenditures*
- D-1 *Equipment Fund Revenues*
- D-2 *Equipment Fund Expenditures*
- E- 1 *Facilities Fund Revenues*
- E- 2 *Facilities Fund Expenditures*
- F *Detail List of Project & Encumbrance Carryforward*

FY 2014-15 REVENUE AND EXPENDITURE ANALYSIS
Through Second Quarter (July 1, 2014 - December 31, 2014)
GENERAL PURPOSE FUND REVENUES (\$ in millions)

Revenue Category	FY 2014-15 Adjusted Budget	FY 2014-15 Q2 YTD Actuals	FY 2014-15 Percent to Date	FY 2014-15 Year-End Estimate	FY 2014-15 Year-End \$ Over (Under) Adj. Bud	Explanation of Over / (Under) Collection
PROPERTY TAX	148.85	69.63	46.8%	158.40	9.55	Larger than anticipate growth in assessed valuation due to property sales and Prop 8 recoverses
SALES TAX	50.36	20.78	41.3%	51.43	1.07	Significant in car sales, hospitality, & construction tempered by a decrease in gas prices and the loss of a top 25 tax payer
VEHICLE LICENSE FEES	0.00	0.18	0.0%	0.18	0.18	
BUSINESS LICENSE TAX	60.62	3.78	6.2%	67.69	7.07	As noted in FY14 Q4 report, BT was under projected due to booking error Also anticipating higher gross receipts due to increased revenue from Landlords as rental market sees double digit growth
UTILITY CONSUMPTION TAX	50.00	20.52	41.0%	50.00	0.00	
REAL ESTATE TRANSFER TAX	53.00	25.97	49.0%	53.00	0.00	
TRANSIENT OCCUPANCY TAX	14.88	7.88	52.9%	15.75	0.87	Increase in revenue due to high occupancy and increased nightly room rates
PARKING TAX	8.18	3.99	48.8%	9.37	1.19	Successful partnership with Oakland Parking Partners has increased occupancy and revenue at several of the City's parking garages
LICENSES & PERMITS	1.94	0.80	41.5%	1.67	(0.27)	
FINES & PENALTIES	23.27	9.02	38.8%	23.27	(0.00)	
INTEREST INCOME	0.74	0.18	24.2%	0.74	0.00	
SERVICE CHARGES	46.96	17.33	36.9%	44.96	(2.01)	
GRANTS & SUBSIDIES	0.12	0.29	243.1%	0.12	0.00	
MISCELLANEOUS	4.35	0.65	14.9%	0.65	(3.70)	This revenue is anticipated to be realized in FY15
INTER-FUND TRANSFERS	0.00	0.00	0.0%	0.00	0.00	
Sub-Total Revenue	\$463.26	\$181.01	39.1%	\$477.20	\$13.94	
TRANSFERS FROM FUND BALANCE	38.08	0.00	0.0%	38.08	0.00	
Total Revenue	\$501.34	\$181.01	39.1%	\$515.28	\$13.94	

FY 2014-15 REVENUE AND EXPENDITURE ANALYSIS
Through Second Quarter (July 1, 2014 - December 31, 2014)
GENERAL PURPOSE FUND EXPENDITURES (\$ in millions)

Agency / Department	FY 2014-15 Adjusted Budget	FY 2014-15 Q2 YTD Actuals	FY 2014-15 Percent To Date	FY 2014-15 Year-End Estimate	FY 2014-15 Year-End \$ (Over) / Under Adjusted Budget	FY 2014-15 Year-End (Over) / Under as % of Adjusted Budget	Explanation of Overspending / Savings
MAYOR	2.00	1.01	50.3%	2.00	0.00	0.0%	
CITY COUNCIL	3.85	1.83	47.5%	3.85	0.00	0.0%	
CITY ADMINISTRATOR	17.93	5.82	32.5%	16.22	1.71	9.6%	Position vacancies in Admin, CPRB, Employee Relations, and Animal Services
CITY ATTORNEY	5.23	2.53	48.3%	5.23	0.00	0.0%	
CITY AUDITOR	1.57	0.79	50.0%	1.62	(0.05)	(3.0%)	Overspending due to higher than anticipated personnel costs / unrealized adopted reductions
CITY CLERK	3.09	1.02	32.9%	3.22	(0.13)	(4.2%)	Overspending due to full staffing
FINANCE DEPARTMENT							
ADMINISTRATION	0.88	0.40	45.0%	0.88	0.00	0.0%	
CONTROLLER	4.13	1.33	32.3%	3.66	0.47	11.4%	Under spending due to vacancies, as positions are filled the projected savings may not be fully realized at year end
REVENUE MANAGEMENT	15.26	5.79	37.9%	15.26	0.00	0.0%	
TREASURY	3.15	1.39	44.3%	3.15	0.00	0.0%	
INFORMATION TECHNOLOGY	12.13	4.44	36.6%	11.13	1.00	8.2%	Under spending due to vacancies, as positions are filled the projected savings may not be fully realized at year end
HUMAN RESOURCES	4.77	2.02	42.4%	4.65	0.10	2.2%	Under spending due to vacancies, as positions are filled the projected savings may not be fully realized at year end
POLICE DEPARTMENT	207.82	105.45	50.7%	218.13	(10.31)	(5.0%)	projected to exceed its authorized FY 2014-15 budget by approximately \$10 million primarily due to costs associated with the response to recent and unanticipated protests and special enforcement activities
FIRE DEPARTMENT	115.17	56.20	48.8%	115.17	0.00	0.0%	
LIBRARY	9.27	4.46	48.2%	9.06	0.21	2.2%	Under spending due to vacancies, as positions are filled the projected savings may not be fully realized at year end
PARKS & RECREATION	13.87	7.30	52.6%	13.87	0.00	0.0%	
HUMAN SERVICES	6.67	2.87	43.0%	6.72	(0.05)	(0.8%)	
ECONOMIC WORKFORCE & DEVELOPMENT	3.74	1.43	38.2%	3.68	0.06	1.5%	Under spending due to vacancies, as positions are filled the projected savings may not be fully realized at year end
HOUSING & COMMUNITY DEVELOPMENT	0.00	0.00	0.0%	0.00	0.00	0%	
PLANNING & BUILDING	0.51	0.26	51.3%	0.52	(0.01)	(2.6%)	Overspending due to full staffing
PUBLIC WORKS	6.03	1.84	30.5%	6.16	(0.13)	(2.1%)	Overspending due to higher than anticipated personnel costs due to pothole repairs and parking meter repairs
NON-DEPARTMENTAL	81.02	53.24	65.7%	79.82	1.20	1.5%	Reduced cost of issuance for the TRAN
SUBTOTAL	518.09	261.41	50.5%	524.03	(5.94)	0.0%	
CAPITAL IMPROVEMENT PROGRAM	4.88	0.60	12.3%	4.88	0.00	0.0%	
Total Expenditures*	\$522.97	\$262.01	50.1%	\$528.90	(\$5.94)		

FY 2014-15 REVENUE AND EXPENDITURE ANALYSIS
Through Second Quarter (July 1, 2014 - December 31, 2014)

OVERTIME ANALYSIS (in Dollars)

GENERAL PURPOSE FUND

Agency / Department	FY 2014-15 Adjusted Budget	FY 2014-15 Q2 YTD Overtime Actuals	FY 2014-15 Percent To Date	FY 2014-15 Year-End Estimate	FY 2014-15 Year-End \$ (Over) / Under Adjusted Budget	FY 2014-15 Year-End (Over) / Under as % of Adjusted Budget	Explanation of Over / (Under) Collection
MAYOR	8,960	0	0 0%	0	8,960	100 0%	
CITY COUNCIL	0	0	0 0%	0	0	0 0%	
CITY ADMINISTRATOR	70,494	62,920	89 3%	125,840	(55,347)	(78 5%)	
CITY ATTORNEY	0	103	0 0%	207	(207)	0 0%	
CITY AUDITOR	0	0	0 0%	0	0	0 0%	
CITY CLERK	11,570	6,613	57 2%	13,226	(1,656)	(14 3%)	
FINANCE DEPARTMENT	0	0	0 0%	0	0	0 0%	
ADMINISTRATION	550	0	0 0%	0	550	100 0%	
CONTROLLER	37,411	2,629	7 0%	5,258	32,153	85 9%	
REVENUE MANAGEMENT	15,560	14,875	95 6%	29,750	(14,190)	(91 2%)	
TREASURY	0	2,471	0 0%	4,942	(4,942)	0 0%	
INFORMATION TECHNOLOGY	2,040	43,930	2153 4%	87,860	(85,820)	(4206 9%)	
HUMAN RESOURCES	26,390	6,473	24 5%	12,946	13,444	50 9%	
POLICE DEPARTMENT	16,377,168	15,158,824	92 6%	30,317,648	(13,940,480)	(85 1%)	
FIRE DEPARTMENT	147,490	10,052,520	6815 7%	20,105,040	(19,957,550)	(13531 5%)	
LIBRARY	6,260	1,304	20 8%	2,607	3,653	58 4%	
PARKS & RECREATION	0	5,283	0 0%	10,565	(10,565)	0 0%	
HUMAN SERVICES	0	1,420	0 0%	2,840	(2,840)	0 0%	
ECONOMIC WORKFORCE & DEVELOPMENT	0	17,297	0 0%	34,594	(34,594)	0 0%	
HOUSING & COMMUNITY DEVELOPMENT	0	0	0 0%	0	0	0 0%	
PLANNING & BUILDING	0	0	0 0%	0	0	0 0%	
PUBLIC WORKS	184,550	78,153	42 3%	156,307	28,243	15 3%	
NON-DEPARTMENTAL	0	0	0 0%	0	0	0 0%	
CAPITAL IMPROVEMENT PROGRAM	0	0	0 0%	0	0	0 0%	
TOTAL	\$16,888,443	\$25,454,815	150 7%	\$50,909,630	(\$34,021,187)	(201 4%)	

FY 2014-15 REVENUE AND EXPENDITURE ANALYSIS
Through Second Quarter (July 1, 2014 - December 31, 2014)

OVERTIME ANALYSIS (in Dollars)

ALL FUNDS

Agency / Department	FY 2014-15 Adjusted Budget	FY 2014-15 Q2 YTD Overtime Actuals	FY 2014-15 Percent To Date	FY 2014-15 Year-End Estimate	FY 2014-15 Year-End \$ (Over) / Under Adjusted Budget	FY 2014-15 Year-End (Over) / Under as % of Adjusted Budget	Explanation of Over / (Under) Collection
MAYOR	8,960	0	0 0%	0	8,960	100 0%	
CITY COUNCIL	0	0	0 0%	0	0	0 0%	
CITY ADMINISTRATOR	70,494	71,379	101 3%	142,758	(72,264)	(102 5%)	
CITY ATTORNEY	0	424	0 0%	848	(848)	0 0%	
CITY AUDITOR	0	0	0 0%	0	0	0 0%	
CITY CLERK	11,570	7,348	63 5%	14,696	(3,126)	(27 0%)	
FINANCE DEPARTMENT	0	0	0 0%	0	0	0 0%	
ADMINISTRATION	550	0	0 0%	0	550	100 0%	
CONTROLLER	40,581	5,594	13 8%	11,188	29,393	72 4%	
REVENUE MANAGEMENT	15,560	16,578	106 5%	33,156	(17,596)	(113 1%)	
TREASURY	0	2,471	0 0%	4,942	(4,942)	0 0%	
INFORMATION TECHNOLOGY	10,710	76,866	717 7%	153,732	(143,022)	(1335 4%)	
HUMAN RESOURCES	26,390	6,531	24 7%	13,062	13,328	50 5%	
POLICE DEPARTMENT	16,897,115	15,851,043	93 8%	31,702,086	(14,804,970)	(87 6%)	
FIRE DEPARTMENT	4,476,130	12,245,473	273 6%	24,490,946	(20,014,817)	(447 1%)	
LIBRARY	6,260	2,758	44 1%	5,516	744	11 9%	
PARKS & RECREATION	0	10,475	0 0%	20,950	(20,950)	0 0%	
HUMAN SERVICES	0	2,401	0 0%	4,803	(4,803)	0 0%	
ECONOMIC WORKFORCE & DEVELOPMENT	83	46,095	55369 1%	92,189	(92,106)	(110638 1%)	
HOUSING & COMMUNITY DEVELOPMENT	0	22,856	0 0%	45,711	(45,711)	0 0%	
PLANNING & BUILDING	307,520	346,723	112 7%	693,445	(385,925)	(125 9%)	
PUBLIC WORKS	1,816,821	1,371,022	75 5%	2,742,044	(925,223)	(50 9%)	
TOTAL	\$23,688,744	\$30,086,036	127 0%	\$60,172,073	(\$36,483,329)	-154 0%	

FY 2014-15 REVENUE AND EXPENDITURE ANALYSIS
Through Second Quarter (July 1, 2014 - December 31, 2014)

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

Revenue Category	FY 2014-15 Adjusted Budget	FY 2014-15 Q2 YTD Actuals	FY 2014-15 Percent To Date	FY 2014-15 Year-End Estimate	FY 2014-15 Year-End \$ Over / (Under) Adj Bud	Explanation of Over / (Under) Collection
TAX LEVY	18.97	9.61	50.6%	18.97	0.00	
LICENSES & PERMITS	0.01	0.02	194.8%	0.05	0.04	
INTEREST INCOME	0.00	(0.01)	0.0%	(0.01)	(0.01)	
SERVICE CHARGES	0.17	0.04	24.2%	0.08	(0.09)	
MISCELLANEOUS	1.46	0.15	10.5%	0.31	(1.16)	
Sub-Total Revenue	\$20.62	\$9.82	47.6%	\$19.40	(1.22)	

FY 2014-15 REVENUE AND EXPENDITURE ANALYSIS
Through Second Quarter (July 1, 2014 - December 31, 2014)
LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT FUND EXPENDITURES (\$ in millions)

Agency / Department	FY 2014-15 Adjusted Budget	FY 2014-15 Q2 YTD Actuals	FY 2014-15 Percent To Date	FY 2014-15 Year-End Estimate	FY 2014-15 Year-End \$ (Over) / Under Adjusted Budget	FY 2014-15 Year-End (Over) / Under as % of Adjusted Budget	Explanation of (Overspending) / Savings
CITY ADMINISTRATOR	0.06	0.01	11.6%	0.06	0.00	0.00%	
FINANCE DEPARTMENT							
CONTROLLER	0.01	0.00	0.0%	0.01	0.00	0.00%	
REVENUE MANAGEMENT	0.03	0.01	54.8%	0.03	(0.00)	(9.53%)	
PARKS & RECREATION	4.33	2.13	49.2%	4.27	0.06	1.42%	
PUBLIC WORKS	17.74	7.15	40.3%	17.44	0.30	1.66%	
NON-DEPARTMENTAL	0.02	0.00	0.0%	0.02	0.00	0.00%	
Total Expenditures	\$22.19	\$9.30	41.9%	\$21.83	\$0.35	1.60%	

FY 2014-15 REVENUE AND EXPENDITURE ANALYSIS
Through Second Quarter (July 1, 2014 - December 31, 2014)
EQUIPMENT FUND REVENUES (\$ in millions)

Revenue Category	FY 2014-15 Adjusted Budget	FY 2014-15 Q2 YTD Actuals	FY 2014-15 Percent to Date	FY 2014-15 Year-End Estimate	FY 2014-15 Year-End \$ Over / (Under) Adj Bud.	Explanation of Over / (Under) Collection
LICENSES & PERMITS	0.08	0.02	28.3%	0.05	(0.04)	
INTEREST INCOME	(0.10)	(0.00)	2.5%	(0.00)	0.10	
INTERNAL SERVICE	19.94	10.62	53.3%	21.25	1.31	
MISCELLANEOUS	15.73	0.06	0.4%	15.73	0.00	
Sub-Total Revenue	\$35.65	\$10.70	30.0%	\$37.02	\$1.37	
Less						
Lease Proceeds	(15.73)	0.00	0.0%	(15.73)	0.00	
Total Revenue	\$19.92	\$10.70	30.0%	\$21.29	\$1.37	

FY 2014-15 REVENUE AND EXPENDITURE ANALYSIS
Through Second Quarter (July 1, 2014 - December 31, 2014)
EQUIPMENT FUND EXPENDITURES (\$ in millions)

Agency / Department	FY 2014-15 Adjusted Budget	FY 2014-15 Q2 YTD Actuals	FY 2014-15 Percent to Date	FY 2014-15 Year-End Estimate	FY 2014-15 Year-End \$ (Over) / Under Adjusted Budget	FY 2014-15 Year-End (Over) / Under as % of Adjusted Budget	Explanation of (Overspending) / Savings
HUMAN RESOURCES	0 02	0 00	0 0%	0 02	0 00	0 00%	
PUBLIC WORKS	41 86	11 97	28 6%	41 59	0 27	0 63%	
NON-DEPARTMENTAL	1 39	0 00	0 0%	1 39	0 00	0 00%	
Total Expenditures	\$43 27	\$11 97	27 7%	\$43 00	\$0 27	0 61%	
Less							
Lease Proceeds	(22 65)	0 0	0 0%	(22 65)	0 00	0 00%	
NET EXPENDITURE	\$20 62	\$11 97	58 0%	\$20 35	\$0 27	1 29%	

FY 2014-15 REVENUE AND EXPENDITURE ANALYSIS
Through Second Quarter (July 1, 2014 - December 31, 2014)
FACILITIES FUND REVENUES (\$ in millions)

Revenue Category	FY 2014-15 Adjusted Budget	FY 2014-15 Q2 YTD Actuals	FY 2014-15 Percent to Date	FY 2014-15 Year-End Estimate	FY 2014-15 Year-End \$ Over / (Under) Adj Bud	Explanation of Over / (Under) Collection
INTEREST INCOME	(0.08)	(0.03)	37.8%	(0.06)	0.02	
FINES & PENALTIES			0.0%		0.00	
SERVICE CHARGES	0.11	0.24	216.1%	0.49	0.37	
INTERNAL SERVICE	27.29	13.56	49.7%	27.29	0.00	
GRANTS & SUBSIDIES	0.12	0.00	0.0%	0.00	(0.12)	
MISCELLANEOUS	0.50	0.15	30.5%	0.30	(0.20)	
Total Revenue	\$27.95	\$13.93	49.8%	\$28.02	\$0.08	

FY 2014-15 REVENUE AND EXPENDITURE ANALYSIS
Through Second Quarter (July 1, 2014 - December 31, 2014)
FACILITIES FUND EXPENDITURES (\$ in millions)

Agency / Department	FY 2014-15 Adjusted Budget	FY 2014-15 Q2 YTD Actuals	FY 2014-15 Percent to Date	FY 2014-15 Year-End Estimate	FY 2014-15 Year-End \$ (Over) / Under Adjusted Budget	FY 2014-15 Year-End (Over) / Under as % of Adjusted Budget	Explanation of (Overspending) / Savings
PUBLIC WORKS	26.65	12.28	46.1%	26.72	(0.07)	(0.27%)	
NON-DEPARTMENTAL	1.68	0.00	0.0%	1.68	0.00	0.00%	
CAPITAL IMPROVEMENT PROGRAM	0.94	0.16	17.2%	0.94	0.00	0.11%	
Total Expenditures	\$29.27	\$12.44	42.5%	\$29.34	(\$0.07)	(0.24%)	

**FY 2014-15 Q2 Revenue and Expenditure Report
General Purpose Fund (GPF)**

ATTACHMENT F

PROJECT CARRYFORWARD BALANCES

PROJECT-NAME	AMT
166th Oak Police Acd	\$ 234,604
170TH POLICE ACADEMY	\$ 395,570
911 COMM CTRS	\$ 161,581
ADA Auxil Aides & Se	\$ 13,062
ADA REASONABLE ACCOM	\$ 8,325
AFG WELLNESS MATCH	\$ 25,390
AGENDA MANAGEMENT	\$ 72,000
ANIMAL POPULATI-P035	\$ 236
ANIMAL SHELTER -P444	\$ 35,466
ARROYO VIEJO	\$ 52,251
BALLOT MEASRE CRDNTR	\$ 27,934
BEACON ECONOMICS	\$ 5,000
BUDGET BOOK PRINTING	\$ 2,007
BUSINESS IMPROV DIST	\$ 33,046
Cannabis Cooperative	\$ 124,112
CAO CONTINGNCY FNDS	\$ 63,595
CAO-ECONOMIC DEVELOP	\$ 75,001
CHILDCARE CENTE-P421	\$ 42,068
CITY - SCHOOL PARTNE	\$ 56,250
CITY-WIDE TRAINING	\$ 153,938
COMM BASED CRIME PRE	\$ 59,288
COMP DIR COMP RAP	\$ 5,671
CULTRL FNDG-1ST FRIS	\$ 50,000
Cultural Arts Fundin	\$ 42,252
Dist 3 Council Prior	\$ 37,500
Dist2 Ccil Priority	\$ 25,790
Dist4 Council Prior	\$ 327
Dist5 Council Prior	\$ 1,149
Dist6 Council Prior	\$ 1,156
Dist7 Council Prior	\$ 2,084
DISTRICT ONE PA-B005	\$ 2,705
Election Project	\$ 518,702
ENHANCED PRK MAINT.	\$ 165,746
FIN MGMT AUDITS	\$ 148,323
Fund 1010 Pay-Go Dis	\$ 267
Fund 1010 Pay-Go Dis	\$ 286
Fund 1010 Pay-Go Dis	\$ 850
Fund 1010 Pay-Go Dis	\$ 2,542
Fund 1010 Pay-Go Dis	\$ 4,340
Fund 1010 Pay-Go Dis	\$ 17,581
Fund 1010-Pay-Go Dis	\$ 7,407

**FY 2014-15 Q2 Revenue and Expenditure Report
General Purpose Fund (GPF)**

ATTACHMENT F

PROJECT CARRYFORWARD BALANCES

PROJECT NAME	AMT
Fund-1010 Pay-Go-At	\$ 602
GOLDMAN SACHS DEBAR	\$ 154,618
GRAFFITI ENFRMNT EQ	\$ 74,412
GWIN COMM FAC UPGRAD	\$ 500,000
HDL CNTRCT-BDGT OFF	\$ 6,000
IMPOUND SPAY & -P814	\$ 18,371
LABOR NEGTHS PROJ	\$ 40,294
Leona Quarry Develop	\$ 275,490
MDT SET ASIDE	\$ 360,745
MEASURE Y RENEWAL	\$ 300,000
Miscellaneous Encumbrances	\$ 355,141
NEIGH LAW CORP	\$ 51,855
NEXUS STUDY	\$ 500,000
NLC GRAFFITI ABTMNT	\$ 32,755
OPD WELLNESS UNIT	\$ 200,000
Public Campaign Fina	\$ 14,271
REV COLL SYS BACKLOG	\$ 190,551
SAFETY SVCS MEAS	\$ 400,000
SENECA COMM FAC	\$ 500,000
SISTER CITIES-P443	\$ 45,558
Sobrante Park	\$ 134
STATE LOBBYIST-P493	\$ 15,708
WILDFIRE DIST FORM	\$ 31,015
WILLOW PRK RPR	\$ 10,000
WO RESOURCE CENTER	\$ 20,792
TOTAL	\$ 6,773,714