



CITY OF OAKLAND

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AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Katano Kasaine
Finance Director

SUBJECT: FY 2017-18 Q3 R&E Report

DATE: May 7, 2018

City Administrator Approval

Date:

5/10/18

RECOMMENDATION

Staff Recommends That City Council Receive An Informational Report On Fiscal Year (FY) 2017-18 Third Quarter Revenue and Expenditure Results And Year-End Summaries For The General Purpose Fund (GPF, 1010) and Seven Selected Funds; And Overtime Analysis For The General Purpose Fund (GPF, 1010) And All Funds.

EXECUTIVE SUMMARY

This report details the City of Oakland's (the "City") projected Third Quarter Financial Results for Fiscal Year ("FY") 2017-18 in the General Purpose Fund ("GPF") and other selected funds. The following points highlight key findings from the City's projected year-end results (discussed in more detail in the Policy and Analysis Alternatives section of this report beginning on page 4).

General Purpose Fund

- Revenue growth in the GPF is projected to exceed the FY 2017-18 Adjusted Budget by \$3.39 million; one-time revenues will increase by \$5.03 million, for a total of \$8.42 million over budget (**Table 1**); Generally, forecasted receipt of revenue in FY 2017-18 reflects modest growth in the local economy. (**Attachment A-1**).
- The projected expenditures total \$588.15 million, which exceeds the Adjusted Budget by approximately \$7.56 million, (**Table 1**). Spending by department is listed in **Attachment A-2**.
- On February 20, 2018, the City Council adopted Resolution No. 87062 C.M.S. moving revenues and expenditures for the sugar sweetened beverage distribution tax from the GPF to a sub-fund within the General Fund group.
- Citywide overtime (OT) expenditures across all funds is estimated to be \$57.01 million, exceeding the Adjusted Budget by \$36.11 million, of which \$29.64 million is in the GPF. Overtime spending by department is listed in **Attachment B**.

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Table 1: Summary of GPF Budget to Projected Actual Results

(\$ in millions)

Description	FY 2017-18 Adopted Budget	FY 2017-18 Projected Actuals Q3	FY 2017-18 Over / Under Adjusted Budget
Revenue	\$580.59	\$589.01	\$8.42
Expenditures ¹	\$580.59	\$588.15	\$7.56
Estimated Contribution to Fund Balance	\$0.00	\$0.86	\$0.86

¹ The subtotal does not include estimated carryforward expenditures of \$22.94 million in FY 17-18 which are supported from prior year revenues in the GPF fund balance.

- The year-end available GPF fund balance is estimated to be a deficit \$1.88 million (**Table 2**). This balance reflects the net difference between the revenue and expenditure projections, including adjustments such as FY 2017-18 carryforward, the FY 2017-19 Adopted Budget, and reserves (shown in **Table 7**).

Table 2: Summary of GPF Estimated Year-End Available Fund Balance

(\$ in millions)

GENERAL PURPOSE FUND (1010)	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 Projected FYE
Beginning Fund Balance - Audited	\$78.22	\$78.22
Revenue	\$580.59	\$589.01
Expenditures	\$580.59	\$588.15
Estimated Current Year Surplus/(Shortfall)	\$0.00	\$0.86
Subtotal Fund Balance	\$78.22	\$79.08
FY 2017-19 Obligated Fund Balance	(\$35.06)	(\$35.06)
Designated / Mandated Reserves	(\$45.90)	(\$45.90)
Estimated Ending Available Fund Balance	(\$2.74)	(\$1.88)

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Non-GPF Funds

- The seven (7) non-GPF funds analyzed for this report have historically shown negative fund, or cash, balances (**Attachments C-1 to I-2**). The FY 2017-18 projected ending fund balance/(deficit) compared to FY 2016-17 is shown in **Table 3** below.
- The negative fund balance in the LLAD Fund (2310) continues to increase, as a result of rising costs and stagnant revenues. The Multipurpose Reserve Fund (1750) ending fund balance is projected to improved due to the informal repayment plan, as well as lower than anticipated operating expenditures.
- Three Internal Service Funds (Reproduction Fund, Central Stores Fund, and Purchasing Fund) have been added to the quarterly report and will be placed on repayment plans in the FY 2019-21 biennial budget (per Resolution No. 87140 C.M.S).
- The fund balance in both the Facilities Fund (4400) and the Self-Insurance Liability Fund (1100) are projected to continue improving primarily because of the budgeted repayment plans.

Table 3: FY 2017-18 Projected Ending Fund Balance for Non-GPF Funds:

(\$ in millions)

FUND	FY 2016-17 Audited Ending Balance	FY 2017-18 Projected Ending Balance
Self-Insurance Liability Fund	(\$10.31)	(\$6.38)
Multipurpose Reserve	(\$0.61)	\$0.31
LLAD	(\$0.66)	(\$1.38)
Reproduction Fund	(\$1.85)	(\$2.31)
Facilities Fund	(\$8.27)	(\$3.72)
Central Stores Fund	(\$4.23)	(\$4.23)
Purchasing Fund	(\$0.58)	(\$0.56)

The remainder of this report provides details on the projected fiscal year-end revenue and expenditures in the GPF and selected funds based on Third Quarter data (July 1, 2017 – March 31, 2018).

BACKGROUND / LEGISLATIVE HISTORY

On June 26, 2017, Council adopted the biennial FY 2017-19 Policy Budget of \$584.07 million (both revenues and expenditures) in the General Purpose Fund for FY 2017-18, and \$588.15 million in FY 2018-19. This budget includes a transfer of \$8.68 million from fund balance in FY 2017-18. On February 20, 2018, the City Council adopted Resolution No. 87062 C.M.S. moving revenues and expenditures for the sugar sweetened beverage distribution tax from the GPF to a sub-fund within the General Fund group.

During FY 2017-18 additional appropriations were added to the budget based on Council Resolutions as well as from authorized carryforward. The Adjusted Budget for FY 2017-18 is the cumulative total of the Adopted Policy Budget and all other authorized additions. This report contains the projected fiscal year-end results for FY 2017-18.

ANALYSIS AND POLICY ALTERNATIVES

GENERAL PURPOSE FUND

I. REVENUES

As reflected in **Attachment A-1**, the FY 2017-18 adjusted revenue budget is \$580.59 million. Fiscal Year-end revenues including use of fund balance are forecasted to be \$589.01 million, which represents a net increase of \$8.42 million over the FY 2017-18 Adjusted Budget.

As the Fiscal Year progresses and better data becomes available, revenue projections are updated and provided to the City Council at the end of the second and third quarter. As shown in **Table 4** below, the Fiscal Year 2017-18 year-end revenues are forecasted to be \$589.01 million. Revenues, when compared to the adjusted budget are forecasted to increase \$8.42 million, of which \$5.03 million is considered one-time revenue.

Table 4: Summary of GPF Revenue Variance to FY 2017-18 Adjusted Budget:

(\$ In millions)	
Description	FY 2017-18 Revenue
FY 2017-18 Adjusted Revenue Budget	\$580.59
Increases/(Decreases):	
Property Tax	\$1.73
Business License Tax	\$1.38
Utility Consumption Tax	\$2.44
All Other	\$2.86
Net Projected GPF Revenue Growth	\$8.42
Total FY 2017-18 Projected Revenue	\$589.01

II. EXPENDITURES

The projected year-end expenditures are estimated at \$588.15 million, which is \$7.56 million over the net Adjusted Budget Citywide (**Attachment A-2**). The overspending is primarily attributed to sworn overtime costs in the Public Safety.

Table 5: Summary of FY 2017-18 GPF Projected Expenditure Variance:

(\$ in millions)			
Department	Adjusted Budget (Q3 less CF)	Projected Year-End Actuals	Year-End (Over) / Under Budget
FY 2016-17 Expenditures	\$580.59	\$588.15	(\$7.56)
MAYOR	\$2.88	\$2.82	\$0.07
CITY COUNCIL	\$5.17	\$4.84	\$0.33
CITY ADMINISTRATOR	\$15.34	\$15.30	\$0.04
CITY ATTORNEY	\$12.04	\$12.11	(\$0.07)
CITY AUDITOR	\$1.96	\$1.98	(\$0.01)
CITY CLERK	\$2.45	\$2.43	\$0.01
POLICE COMMISSION	\$2.46	\$2.45	\$0.00
PUBLIC ETHICS COMMISSION	\$0.95	\$1.03	(\$0.08)
FINANCE DEPARTMENT	\$26.30	\$25.99	\$0.31
INFORMATION TECHNOLOGY	\$9.71	\$10.04	(\$0.33)
RACE & EQUITY	\$0.44	\$0.47	(\$0.02)
HUMAN RESOURCES	\$5.86	\$5.68	\$0.18
DEPARTMENT OF VIOLENCE PREVENTION	\$0.26	\$0.26	\$0.00
POLICE DEPARTMENT	\$244.65	\$248.62	(\$3.97)
FIRE DEPARTMENT	\$128.94	\$134.90	(\$5.96)
OAKLAND PUBLIC LIBRARY	\$13.00	\$12.68	\$0.33
PARKS & RECREATION	\$16.53	\$15.68	\$0.85
HUMAN SERVICES	\$12.92	\$12.92	\$0.00
ECONOMIC WORKFORCE & DEVELOPMENT	\$4.06	\$3.27	\$0.78
HOUSING & COMMUNITY DEVELOPMENT	\$0.00	\$0.00	\$0.00
PLANNING & BUILDING	\$0.02	\$0.02	\$0.00
OAKLAND PUBLIC WORKS	\$2.74	\$2.47	\$0.27
TRANSPORTATION	\$11.77	\$10.56	\$1.20
NON-DEPARTMENTAL	\$59.12	\$60.61	(\$1.49)
CAPITAL IMPROVEMENT PROGRAM	\$1.03	\$1.03	\$0.00

As part of a comprehensive review of the City's financial policies and in an effort to address departmental overspending in the General Purpose Fund, staff presented recommended modifications to the Consolidated Fiscal Policy at the April 23, 2018 Finance and Management Committee. The modifications include the requirement that "departments that are projected to overspend in the GPF by more than 1.0% to develop a corrective action plan to bring their budget into balance (Section 1, Part I) in order to improve expenditure controls for personnel and non-personnel costs, including overtime". The full proposed Consolidated Fiscal Policy changes can be found on the City's website:

(<https://oakland.legistar.com/LegislationDetail.aspx?ID=3477757&GUID=AB2ED501-97F1-4D65-A283-8EDDB7FA1C4F>).

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GPF overtime expenditures exceeded the overtime Adjusted Budget by \$29.64 million (**Attachment B**), which is primarily attributed to Police and Fire. **The overtime projections for OPD show a marked improvement over the Q2 forecast.** Additional details on the factors contributing to Police and Fire overtime projections and cost containment strategies were presented and filed at the Finance and Management Committee on April 24, 2018. The reports are available on the City's website:

<https://oakland.legistar.com/LegislationDetail.aspx?ID=3472622&GUID=6C9AE9F3-579F-4442-B9F7-ACC06AF0AB4D&Options=ID|Text|&Search=overtime>.

Table 6 below shows the projected GPF total Public Safety personnel costs and shows the OT expenditures are partially absorbed by other personnel savings associated with vacancies.

Table 6: FY 2017-18 Public Safety GPF Projected Personnel Expenditures

(\$ in millions)

Department	FY 2017-18 Adjusted Budget	FY 2017-18 Projected Actuals	Year-End (Over) / Under Budget
Police Department			
Overtime (OT)	\$14.16	\$27.16	(\$13.00)
All Other Personnel (non-OT)	\$198.23	\$187.48	\$10.76
OPD Total Personnel	\$212.40	\$214.64	(\$2.24)
Fire Department			
Overtime (OT)	\$1.48	\$18.11	(\$16.63)
All Other Personnel (non-OT)	\$114.02	\$104.52	\$9.50
OFD Total Personnel	\$115.50	\$122.63	(\$7.13)

III. FUND BALANCE

The audited FY 2017-18 GPF beginning fund balance was \$78.22 million. Importantly, this amount includes the City Council appropriated reserves discussed later in this report, as well as project and encumbrance balances carried forward.

The projected year-end available fund balance is estimated to be a deficit of \$1.88 million, after projecting for year-end revenues and expenditures, project and encumbrance carryforward, and amounts budgeted in FY 2017-19 (**Table 7**). The City's 7.5% GPF Emergency Reserve is set at \$43.54 million in FY 2017-18. Based on projected year-end results for FY 2017-18, the GPF Fund Balance will be negative \$1.88 million which would result in a reduced GPF Emergency Reserve balance of **7.3%**. If projections hold, per the City's Consolidated Fiscal Policy, the City Administrator will present a strategy to Council on how the City will achieve restoring the balance to 7.5%.

Table 7: FY 2017-18 Projected Year-End Available GPF Fund Balance

(\$ in millions)

GENERAL PURPOSE FUND (1010)	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 Projected FYE	Year-End Over / Under Budget
Beginning Fund Balance - Audited	\$78.22	\$78.22	
Revenue	\$580.59	\$589.01	\$8.42
Expenditures	\$580.59	\$588.15	\$7.56
Estimated Current Year Surplus/(Shortfall)	\$0.00	\$0.86	\$0.86
Subtotal Fund Balance	\$78.22	\$79.08	
Use of Fund Balance in FY 2017-18:			
Projects Carried Forward (CF) to FY 2017-18	(\$18.24)	(\$18.24)	
Encumbrances Carried Forward (CF) to FY 2017-18	(\$4.70)	(\$4.70)	
FY 2017-18 Adopted Policy Budget	(\$8.68)	(\$8.68)	
FY 2017-18 Adopted Council Resolutions	(\$0.88)	(\$0.88)	
25% Excess RETT for OPEB (FY16-17 True-Up)	(\$1.28)	(\$1.28)	
25% Excess RETT for Vital Services Stabilization Fund (FY16-17 True-Up)	(\$1.28)	(\$1.28)	
Subtotal Use of Fund Balance	(\$35.06)	(\$35.06)	
Designated / Mandated Reserves:			
7.5% GPF Required Reserve	(\$43.54)	(\$43.54)	
OMERS Reversion of Assets (held with Trustee; Resolution 85098)	(\$2.36)	(\$2.36)	
Subtotal Reserves	(\$45.90)	(\$45.90)	
Estimated Ending Available Fund Balance	(\$2.74)	(\$1.88)	

IV. FY 2017-18 GENERAL PURPOSE FUND CARRYFORWARD

In September 2017, all City Departments were asked to review and provide justification for more than \$35 million in previously approved, but unspent, project and encumbrance appropriations, referred to as "carryforwards," in the GPF. Given that departmental expenditures of carryforward drawdown available fund balance, fiscal prudence requires caution in approving carryforward. The carryforward requests were further examined by finance staff and the City Administrator, and changes were made to departmental carryforward requests. Of the total \$35.67 million available for carryforward, \$18.24 million of project balances and encumbrances of \$4.70 million were authorized to carryforward into FY 2017-18. The remainder of \$12.73 million was returned to fund balance.

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*). The summary below provides the adjusted total set-asides, including any additional contributions based on the projected excess RETT in the FY 2017-18 Third Quarter results. 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. As stated previously, the City's 7.5% GPF Emergency Reserve is set at \$43.54 million based on the FY 2017-18 Adjusted Budget.

Table 8: FY 2017-18 Projected Year-End Reserve Balances

(\$ in millions)	
Description	Projected FYE 2017-18 Balances
7.5% GPF Required Reserve ¹	\$43.54
Vital Services Stabilization Fund	\$14.15
Total Reserves	\$57.69

¹ The 7.5% GPF reserve is not a cumulative balance

Total budgeted reserves and set-asides of \$57.69 million are equivalent to just over one month of FY 2017-18 operating expenditures of \$588.15 million in GPF (9.81%). **The Government Finance Officers Association ("GFOA") recommends maintaining unrestricted budgetary fund balance in the general fund of no less than two months of operating expenditures (16.7%) which equates to \$98.19 in the GPF.**

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

REVENUE HIGHLIGHTS

The FY 2017-18 Third Quarter year-end projections are \$589.01 million. This represents a net increase of \$8.42 million over the FY 2017-18 Adjusted Budget, of which \$5.03 million is considered one-time revenue. It is important to note that on February 20, 2018, the City Council adopted Resolution No. 87062 C.M.S. moving revenues and expenditures for the sugar sweetened beverage distribution tax from the GPF to a sub-fund within the General Fund group. As a result the GPF revenue budget was adjusted down by \$5.90 million therefore projected revenues were reduced by \$10.63 million compared to Q2.

Attachment A-1 provides details of Third Quarter revenue forecast and comparison to the FY 2017-18 Adopted Budget.

Property Tax: +\$1.73 million compared to FY 2017-18 Adopted Budget

Property Tax revenues are forecasted to exceed FY 2017-18 Adopted Budget by \$1.73 million due to an estimated 7.13% growth in general property tax receipts based upon new County Assessor data as well as the forecasted receipt of additional Residual Property Tax Trust Fund ("RPTTF") revenues. Starting in FY 2011-12, the City began receiving a portion of the RPTTF as the result of the dissolution of the Redevelopment Agency. The RPTTF is the portion of property tax increment, less wind-down funding obligations, that would have gone to redevelopment agencies if they had not been dissolved. Net of RPTTF, Property Tax revenues increased 6.56% when compared to Fiscal Year 2016-17.

Table 9: Historical Property Tax Revenue: FY 2011-12 through FY 2017-18

Category	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2016-17	FY 2017-18 Q3 Forecasted FYE
Property Tax	\$125.77	\$129.27	\$133.12	\$141.03	\$160.98	\$172.45
Property Tax - RPTTF	\$13.03	\$24.88	\$9.71	\$18.33	\$10.50	\$11.99
Total Property Tax	\$138.80	\$154.15	\$142.83	\$159.36	\$171.48	\$184.44

During the depths of the Great Recession, the City lost \$2.59 billion in assessed valuation. For the past 4 years, Oakland's assessed valuation has experienced significant growth. Since FY 2011-12, the City's assessed valuation has grown \$17.15 billion.

Table 10: Assessed Valuation: FY 2009-2010 through FY 2017-18

FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
-2.91%	-3.09%	1.67%	2.15%	5.15%	5.85%	7.56%	7.47%	7.21%

Sales Tax: +\$2.69 million

Revenue derived from sales tax is forecasted to be \$58.68 million, of which \$2.69 million is considered one-time revenues. The increase in sales tax is largely due to one-time bus purchases by Alameda County Transit and an increase in sales tax derived from fuel sales.

Table 11: Sales Tax

(\$ in millions)

Industry Group	FY 2016-17 YTD Q3	FY 2017-18 YTD Q3	Increase / (Decrease)
Auto & Transport	\$6.99	\$6.82	(\$0.17)
Building & Construction	\$3.86	\$4.24	\$0.38
Business & Industry	\$4.55	\$5.28	\$0.73
Food & Drugs	\$3.85	\$4.18	\$0.33
Fuel & Service Stations	\$4.10	\$4.84	\$0.74
General Consumer Goods	\$3.91	\$4.41	\$0.50
Restaurants & Hotels	\$7.51	\$7.86	\$0.35
Total	\$34.77	\$37.63	\$2.86

Real Estate Transfer Tax: Held at Budget

Third Quarter FY 2017-18-year end real estate transfer tax (RETT) forecast is anticipated to be **at budget**. When compared to Fiscal Year 16-17, revenues derived from RETT are anticipated to decline 4.11% from \$79.07 million to \$75.82 million. **The revenue derived from baseline property sales through the Third Quarter decreased 1.86% when compared to last fiscal year;** while revenue derived from larger property transactions is down 17.53% through the end of the Third Quarter (*Table 12*).

Real Estate Transfer Tax is highly volatile and revenues can increase and decrease rapidly with changing market conditions or as a result of the sale of high value properties. When certain high value commercial properties are sold, they can skew revenues upward. Furthermore, depending upon how the property is transferred and/or what type of entity is purchasing the property, the application of the City's RETT may not apply. The sale of large commercial properties listed in *Table 13*.

Table 12: RETT Growth Rate Q3

Category	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18 through Q3
RETT	7.97%	15.69%	20.16%	4.03%	-1.86%
RETT - Larger Commercial Properties	434.42%	-33.30%	172.52%	-61.68%	-17.53%

Table 13: FY 2017-18 YTD Large Property Sales

(\$ in millions)

Sale Quarter	Property	FY 2016-17 RETT
Quarter 1	405 Oak Tower	\$0.50
Quarter 1	505 14th Street	\$1.09
Quarter 1	1300 Clay Street	\$1.23
Quarter 2	360 22nd Street	\$0.65
Quarter 2	1955 Broadway	\$2.70
Total		\$6.17

Business License Tax: +\$1.38 million compared to FY 2017-18 Adopted Budget

Year-end revenue derived from Business Licenses Tax is forecasted to be \$80.96 million. This is \$1.38 million higher than the Adopted FY 2017-18. The forecast includes the receipt of \$2.34 million from a single taxpayer as the result of a business tax audit that was not included in the original FY 2017-18 Adopted Budget. These audit revenues are considered one-time revenues.

Utility User Tax: +\$2.44 million compared to FY 17-18 Adopted Budget

Year-end revenue derived from Utility User Tax is forecasted to be \$53.14 million, which is 1.00% increase when compared to FY 2016-17 audited receipts.

Fines & Penalties: (\$1.46) million compared to FY 17-18 Adopted Budget

Year-end revenue derived from Fines & Penalties is forecasted to be \$20.97 million. The decrease is largely due to lower than forecasted parking citation revenues.

EXPENDITURE HIGHLIGHTS

As outlined in ***Attachment A-2***, the FY 2017-18 Q3 net Adjusted Budget is \$580.59 million. The fiscal year-end General Purpose Fund (GPF) expenditures are projected to be \$588.15 million, resulting in an over-spending of \$7.56 million primarily due to Public Safety personnel and overtime costs. 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***. Below is a discussion of each department's estimated savings or overspending in the GPF at year-end as compared to the Adjusted Budget.

Mayor's Office

The Mayor's Office is projected to end the fiscal year with approximately \$0.07 million resulting from salary savings.

City Council

The City Council is projected to end the fiscal year with approximately \$0.33 million resulting from salary savings.

City Administrator

The City Administrator's Office is projected to end the fiscal year with an estimated savings of \$0.04 million.

City Attorney

The City Attorney is estimated to overspend by approximately (\$0.07) million primarily associated with personnel costs.

City Auditor

The City Auditor is estimated to have a deficit of (\$0.01) million when compared to the Adjusted Budget due to personnel costs.

City Clerk

The Office of the City Clerk is estimated to have savings of \$0.01 million primarily associated with salary savings.

Police Commission

The Police Commission is projected to end the fiscal year at budget.

Public Ethics Commission (PEC)

The PEC is projected to end the fiscal year with overspending of (\$0.08) million in personnel costs because of full staffing resulting in the inability to achieve the budgeted vacancy savings.

Finance Department

Finance is estimated to have savings of \$0.31 million due to salary savings from vacancies.

Information Technology Department (ITD)

ITD is projected to overspend the Adjusted Budget by (\$0.33) million which is attributed to personnel costs.

Race & Equity

The Race & Equity Department is projected to end the fiscal year overspent by approximately (\$0.02) million because of full staffing resulting in the inability to achieve the budgeted vacancy savings.

Human Resources Department (HRD)

Human Resources is projected to spend \$6.24 million compared to the Adjusted Budget of \$6.42 million, resulting in a savings of \$0.18 million due to vacancies.

Department of Violence Prevention (DVP)

DVP is projected to end the fiscal year at budget.

Oakland Police Department (OPD)

The projected overspending in OPD of (\$3.97 million) is largely due to overtime related to backfill, extension of shift and unanticipated special enforcement. OPD's overtime spending is projected to be \$27.16 million, compared to the adjusted overtime budget of \$14.16 million (**Attachment B**).

Oakland Fire Department (OFD)

The Fire Department is projected to end FY 2017-18 with overspending of approximately (\$5.96 million) primarily due to overtime. Overtime spending in OFD is estimated to be \$17.44 million at fiscal year-end, which is approximately \$15.96 million over the Adjusted Budget.

Oakland Public Library (OPL)

OPL is estimated to end the fiscal year with a savings of \$0.33 million due to salary savings.

Oakland Parks & Recreation (OPR)

OPR is projected to end the fiscal year with a savings of \$0.85 million from salary savings.

Human Services Department (HSD)

Human Services is projected to end the fiscal year at budget.

Economic Workforce & Development (EWD)

EWD is projected to end the fiscal year with underspending of \$0.78 million from salary savings associated with vacancies.

Housing & Community Development (HCD)

Housing is projected to end the fiscal year at budget.

Planning & Building

Planning is projected to end the fiscal year at budget.

Oakland Public Works (OPW)

OPW is projected to end the fiscal year with a savings of \$0.27 million from salary savings.

Department of Transportation (DOT)

DOT is projected to end the fiscal year with a savings of \$1.20 million from salary savings.

Non-Departmental

Non-Departmental is projected to end the fiscal year overspent by approximately (\$1.49) million due to under-recovery of Central Services Overhead costs.

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

Self-Insurance Liability Fund

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.

Expenditures are projected to end the year at budget. Revenues at fiscal year-end are estimated to reach \$24.33 million, which is \$1.58 million higher than the Adjusted Budget (**Attachments C-1 & C-2**). Table A below shows the estimated ending available fund balance improving by fiscal year-end to a negative \$6.38 million primarily due to the budgeted fund balance repayment of \$2.35 million. This fund has maintained its repayment plan and is expected to eliminate the negative fund balance by FY 2021-22.

Table A: FY 2017-18 Self-Insurance Liability Fund Projected Year-End Available Fund Balance

(\$ in millions)

SELF-INSURANCE LIABILITY FUND (1100)	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 Projected FYE	Year-End Over / Under Budget
Beginning Fund Balance - Audited	(\$10.31)	(\$10.31)	
Revenue	\$22.74	\$24.33	\$1.58
Expenditures	\$22.74	\$22.75	(\$0.00)
Estimated Current Year Surplus/(Shortfall)	(\$0.00)	\$1.58	\$1.58
Subtotal Fund Balance	(\$10.31)	(\$8.73)	
Use of Fund Balance in FY 2017-18:			
Budgeted Fund Balance Repayment	\$2.35	\$2.35	
Estimated Ending Fund Balance	(\$7.96)	(\$6.38)	

Multipurpose Reserve Fund

The Multipurpose Reserve Fund (1750) serves as the City's off-street parking and traffic control fund. Fund 1750 is used to budget and record the gross revenue and operating expenses of the City's off-street parking facilities. Revenues are used for staff support, parking operations and maintenance, and authorized contract management services and fees.

Expenditures are projected to end the year less (\$0.13 million) than the net Adjusted Budget of \$9.39 million. Revenues at fiscal year-end are estimated to be \$10.72 million, which is \$1.32 million higher than the Adjusted Budget (**Attachments D-1 & D-2**). Table B below shows the estimated available fund balance improving by fiscal year-end to \$0.31 million.

Table B: FY 2017-18 Multipurpose Reserve Fund Projected Year-End Available Fund Balance

(\$ in millions)

MULTIPURPOSE RESERVE FUND (1750)	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 Projected FYE	Year-End Over / Under Budget
Beginning Fund Balance - Audited	(\$0.61)	(\$0.61)	
Revenue	\$9.39	\$10.72	\$1.32
Expenditures	\$9.39	\$9.26	\$0.13
Estimated Current Year Surplus/(Shortfall)	\$0.00	\$1.46	\$1.46
Subtotal Fund Balance	(\$0.61)	\$0.85	
Use of Fund Balance in FY 2017-18:			
Budgeted Amounts Carried Forward (CF) to FY 2017-18	(\$0.80)	(\$0.80)	
Budgeted Fund Balance Repayment	\$0.27	\$0.27	
Estimated Ending Fund Balance	(\$1.14)	\$0.31	

Landscaping and Lighting Assessment District Fund (LLAD)

In the LLAD Fund (2310), projected year-end revenue and expenditure results show a deficit of \$0.14 million (**Attachments E-1 & E-2**). Additionally, when accounting for obligated amounts carried forward to FY 2017-18 and beginning fund balance deficit of \$0.66 million, the deficit is projected to increase to \$1.38 million. The LLAD fund eliminated its roughly \$6.0 million negative fund balance by FYE 2014-15, however rapidly increasing costs and the inability to adjust the assessment rate has prevented the City from reaching its goal of maintaining a positive fund balance. The assessment rate cannot be adjusted without voter approval; therefore, the City must continue to carefully manage personnel and O&M expenses throughout FY 2017-18 to mitigate any further reductions in the fund balance.

Table C: FY 2017-18 LLAD Projected Year-End Available Fund Balance

(\$ in millions)

LANDSCAPING & LIGHTING ASSESSMENT DISTRICT FUND (2310)	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 Projected FYE	Year-End Over / Under Budget
Beginning Fund Balance - Audited	(\$0.66)	(\$0.66)	
Revenue	\$19.93	\$19.81	(\$0.12)
Expenditures	\$19.93	\$19.95	(\$0.02)
Estimated Current Year Surplus/(Shortfall)	\$0.00	(\$0.14)	(\$0.14)
Subtotal Fund Balance	(\$0.66)	(\$0.80)	
Use of Fund Balance in FY 2017-18:			
Budgeted Amounts Carried Forward (CF) to FY 2017-18	(\$0.74)	(\$0.74)	
Budgeted Fund Balance Repayment	\$0.16	\$0.16	
Estimated Ending Fund Balance	(\$1.24)	(\$1.38)	

Reproduction Fund

This fund is reported on a cash basis. Revenues are generated from equipment rental and services charges to operating departments for maintenance and replacement of City reproduction equipment.

Projected fiscal year-end results for the Reproduction Fund (4300) shown in Table D indicate that revenues will be lower than expenditures by approximately (\$0.46) million (**Attachments F-1 & F-2**). The cash balance at year end is estimated to go further negative to (\$2.31) million primarily due to lower than anticipated of revenues.

Table D: FY 2017-18 Reproduction Fund Projected Year-End Available Fund Balance

(\$ in millions)			
REPRODUCTION FUND (4300)	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 Projected FYE	Year-End Over / Under Budget
Gross Beginning Cash Balance	(\$1.85)	(\$1.85)	
Revenue	\$1.26	\$0.84	(\$0.42)
Expenditures	\$1.26	\$1.30	(\$0.04)
Estimated Current Year Surplus/(Shortfall)	\$0.00	(\$0.46)	(\$0.46)
Subtotal Fund Balance	(\$1.85)	(\$2.31)	
Use of Fund Balance in FY 2017-18:			
Budgeted Amounts Carried Forward (CF) to FY 2017-18	(\$0.00)	\$0.00	
Estimated Ending Fund Balance	(\$1.86)	(\$2.31)	

Facilities Fund

This fund is reported on a cash basis. Projected fiscal year-end results for the Facilities Fund (4400) shown in Table D indicate that revenues will be higher than expenditures by approximately \$2.98 million (**Attachments G-1 & G-2**). The estimated ending cash balance will improve by roughly \$4.55 million due to higher revenues, lower spending, and the budgeted repayment to fund balance of \$4.23 million. Based on FY 2017-18 projections, and despite budgeted amounts carried forward to FY 2017-18 of \$2.66 million, the negative fund balance will be eliminated ahead of the scheduled repayment plan. The projected ending cash balance is a negative \$3.72 million. The FY 2017-19 Adopted Policy Budget allocates additional one-time funding (\$4.23 million) in FY 2108-19 to eliminate the remaining negative cash balance.

Table E: FY 2017-18 Facilities Fund Projected Year-End Available Cash Balance

(\$ In millions)

FACILITIES FUND (4400)	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 Projected FYE	Year-End Over / Under Budget
Gross Beginning Cash Balance	(\$8.27)	(\$8.27)	
Revenue	\$37.92	\$38.18	\$0.26
Expenditures	\$37.92	\$35.20	\$2.72
Estimated Current Year Surplus/(Shortfall)	\$0.00	\$2.98	\$2.98
Subtotal Fund Balance	(\$8.27)	(\$5.29)	
Use of Fund Balance in FY 2017-18:			
Budgeted Amounts Carried Forward (CF) to FY 2017-18	(\$2.66)	(\$2.66)	
Budgeted Fund Balance Repayment	\$4.23	\$4.23	
Estimated Ending Cash Balance	(\$6.70)	(\$3.72)	

Central Stores Fund

This fund is reported on a cash basis. The Central Stores operation and facility was closed during a restructured inventory model in OPW. The negative fund balance resulted primarily from liquidating the physical inventory on hand. This fund now supports the Citywide mailroom function and revenues are generated by charges to internal user departments.

Projected fiscal year-end results for the Central Stores Fund (4500) shown in Table F indicate that revenues and expenditures will be equal at approximately \$0.32 million (**Attachments H-1 & H-2**). The resulting ending cash balance will remain unchanged.

Table F: FY 2017-18 Central Stores Fund Projected Year-End Available Fund Balance

(\$ in millions)

CENTRALS STORES FUND (4500)	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 Projected FYE	Year-End Over / Under Budget
Gross Beginning Cash Balance	(\$4.23)	(\$4.23)	
Revenue	\$0.34	\$0.32	(\$0.02)
Expenditures	\$0.34	\$0.32	\$0.02
Estimated Current Year Surplus/(Shortfall)	\$0.00	\$0.00	\$0.00
Subtotal Fund Balance	(\$4.23)	(\$4.23)	
Use of Fund Balance in FY 2017-18:			
Budgeted Amounts Carried Forward (CF) to FY 2017-18	(\$0.00)	(\$0.00)	
Estimated Ending Fund Balance	(\$4.23)	(\$4.23)	

Purchasing Fund

This fund is reported on a cash basis. The Purchasing supports the Citywide purchasing function for good and services. Revenues are generated by charges to internal user departments.

Projected fiscal year-end results shown in Table G indicate that revenues will be slightly higher than expenditures by approximately \$0.01 million (**Attachments I-1 & I-2**). The estimated ending cash balance will improve to a deficit (\$0.57).

Table G: FY 2017-18 Central Stores Fund Projected Year-End Available Fund Balance

(\$ in millions)

PURCHASING FUND (4550)	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 Projected FYE	Year-End Over / Under Budget
Gross Beginning Cash Balance	(\$0.58)	(\$0.58)	
Revenue	\$1.37	\$1.37	\$0.00
Expenditures	\$1.37	\$1.36	\$0.00
Gross Beginning Cash Balance	\$0.00	\$0.01	\$0.01
Revenue	(\$0.58)	(\$0.57)	
Use of Fund Balance in FY 2017-18:			
Budgeted Amounts Carried Forward (CF) to FY 2017-18	\$0.00	\$0.00	
Estimated Ending Fund Balance	(\$0.58)	(\$0.57)	

NEGATIVE FUND BALANCES

The City ended FY 2016-17 with audited negative balances totaling an estimated \$72.57 million, which is a slight reduction over FY 2015-16. It is important to note that the City continues to make progress in FY 2017-18 on its funds that have negative balances. Two of the funds reported at Third Quarter are projected to achieve a positive fund balance ahead of the repayment schedules.

The last four (4) Adopted Policy Budgets (FY 2009-2017) 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 \$66.2 million has been repaid**, reducing the negative balances and mitigating the accumulation of negative interest (Table 15). The FY 2017-19 Adopted Policy Budget allocates additional one-time funding to eliminate the remaining repayments in the Facilities Fund (4400) to achieve on-going savings across several City funds including the GPF. Negative balances continue to draw resources from other funds, and ultimately become the responsibility of the GPF. Continued commitment to repayment is strongly encouraged to ensure the necessary financial progress as a commitment to external auditors. **On April 17, 2018, Council passed Resolution 87140 C.M.S which removes appropriations from two capital funds (Municipal Capital Improvement and Capital Reserve) which will prevent worsening the already negative fund balances.**

Table 15: Negative Fund Balance Summary FY 2014-15 through FY 2017-18

Audited Ending Fund Balance (as of June 30th each FY)			
\$\$ in millions			
Negative Fund Category	FY 2014-15	FY 2015-16	FY 2016-17
1 Negative Funds with Repayment Plan	(51.74)	(34.45)	(26.90)
2 Reimbursable Negative Funds	(24.09)	(24.47)	(30.99)
3 Non-Reimbursable Negative Funds	(13.92)	(13.96)	(14.68)
Total Negative Funds	(\$89.75)	(\$72.87)	(\$72.57)

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 and the City Administrator's Office and various departments.

SUSTAINABLE OPPORTUNITIES

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

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

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

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends that City Council receive an informational report on the projected Fiscal Year (FY) 2017-18 Third Quarter Revenue and Expenditure results and year-end summaries for the General Purpose Fund (GPF, 1010) and seven selected funds; and overtime analysis for the General Purpose Fund (1010) and All Funds.

For questions regarding this report, please contact Kirsten LaCasse, Controller, at 238-6776.

Respectfully submitted,



KATANO KASAINÉ
Finance Director, Finance Department

Reviewed by:
Adam Benson
Budget Administrator, Budget Bureau

Prepared by:
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Controller, Controller's Bureau

Margaret O'Brien
Revenue & Tax Administrator, Revenue
Management Bureau

Attachments (13):

- A-1: General Purpose Fund Revenues
- A-2: General Purpose Fund Expenditures
- B: Overtime Analysis
- C-1: Self-Insurance Liability Fund Revenues
- C-2: Self-Insurance Liability Fund Expenditures
- D-1: Multipurpose Reserve Fund Revenues
- D-2: Multipurpose Reserve Fund Expenditures
- E-1: Landscape and Lighting Assessment District Fund Revenues
- E-2: Landscape and Lighting Assessment District Fund Expenditures
- F-1: Reproduction Fund Revenues
- F-2: Reproduction Fund Expenditures
- G-1: Facilities Fund Revenues
- G-2: Facilities Fund Expenditures
- H-1: Central Stores Fund Revenues
- H-2: Central Stores Fund Expenditures
- I-1: Purchasing Fund Revenues
- I-2: Purchasing Fund Expenditures

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2017 - March 31, 2018)
GENERAL PURPOSE FUND REVENUES (\$ in millions)

Revenue Category	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Actuals	FY 2017-18 Percent To Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ Over / (Under) Adj. Bud.	Explanation of Over / (Under) Collection
PROPERTY TAX	182.71	122.53	67.1%	184.44	1.73	Property Tax revenues are forecasted to exceed FY 2017-18 Adopted Budget by \$1.73 million due to an estimated 7.13% growth in general property tax receipts based upon new County Assessor data as well as the forecasted receipt of additional RPTTF revenues
SALES TAX	56.00	35.11	62.7%	58.68	2.69	The increase in sales tax is largely due to one-time bus purchases by Alameda County Transit and an increase in sales tax derived from fuel sales.
VEHICLE LICENSE FEES	0.00	0.22	0.0%	0.22	0.22	
BUSINESS LICENSE TAX	79.58	77.96	98.0%	80.96	1.38	The forecast includes the receipt of \$2.34 million from a single taxpayer as the result of a business tax audit that was not included in the original FY 2017-18 Adopted Budget. These audit revenues are considered one-time revenues
UTILITY CONSUMPTION TAX	50.70	34.91	68.8%	53.14	2.44	Utility User Tax is forecasted at a 2.75% increase when compared to FY 2016-17 audited receipts.
REAL ESTATE TRANSFER TAX	75.82	45.37	59.8%	75.82	0.00	RETT is expected to be at budget. The revenue derived from baseline property sales through the Third Quarter decreased 1.86% when compared to last fiscal year
TRANSIENT OCCUPANCY TAX	22.65	15.10	66.7%	22.65	0.00	
PARKING TAX	11.13	7.70	69.2%	11.13	0.00	
LICENSES & PERMITS	2.06	1.84	89.2%	2.06	0.00	
FINES & PENALTIES	22.43	13.28	59.2%	20.97	(1.46)	The decrease is largely due to lower than forecasted parking citation revenues.
INTEREST INCOME	0.74	0.03	3.5%	1.21	0.47	
SERVICE CHARGES	59.50	34.05	57.2%	59.25	(0.25)	
GRANTS & SUBSIDIES	0.12	0.95	798.4%	0.95	0.83	
MISCELLANEOUS	4.50	4.86	108.0%	4.86	0.36	
INTER-FUND TRANSFERS	3.96	2.31	58.3%	3.96	0.00	
Sub-Total Revenue	\$571.91	\$396.22	69.3%	\$580.33	\$8.42	
TRANSFERS FROM FUND BALANCE	8.68			8.68	0.00	
Total Revenue	\$580.59	\$396.22	69.3%	\$589.01	\$8.42	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2017 - March 31, 2018)
GENERAL PURPOSE FUND EXPENDITURES (\$ in millions)

Agency / Department	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Actuals	FY 2017-18 Percent To Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ (Over) / Under Adjusted Budget	Explanation of Overspending / Savings
MAYOR	2.94	1.98	67.4%	2.88	0.07	
CITY COUNCIL	5.27	3.30	62.6%	4.94	0.33	Savings associated with vacancies.
CITY ADMINISTRATOR	16.35	9.02	55.2%	16.30	0.04	
CITY ATTORNEY	12.00	8.68	72.3%	12.07	(0.07)	Overspending due to personnel costs
CITY AUDITOR	1.97	1.30	65.9%	1.98	(0.01)	
CITY CLERK	2.56	1.20	47.0%	2.55	0.01	
POLICE COMMISSION	2.46	1.47	59.8%	2.45	0.00	
PUBLIC ETHICS COMMISSION	0.95	0.75	78.2%	1.04	(0.08)	Overspending attributed to personnel costs due to full staffing; unable to achieve budgeted vacancy rate
FINANCE DEPARTMENT	27.76	16.68	60.1%	27.46	0.31	Savings associated with vacancies.
INFORMATION TECHNOLOGY	9.84	7.53	76.5%	10.17	(0.33)	Overspending due to personnel costs
RACE & EQUITY	0.49	0.33	67.3%	0.52	(0.02)	Overspending attributed to personnel costs due to full staffing; unable to achieve budgeted vacancy rate
HUMAN RESOURCES	6.42	4.14	64.4%	6.24	0.18	Savings associated with vacancies.
DEPARTMENT OF VIOLENCE PREVENTION	0.26	0.07	28.5%	0.26	0.00	
POLICE DEPARTMENT	253.99	183.39	72.2%	257.96	(3.97)	The projected overspending is largely due to overtime related to backfill, extension of shift and unanticipated special enforcement. Additional details on overtime spending was provided in a separate report presented to the Finance and Management Committee on February 27, 2018.
FIRE DEPARTMENT	130.03	99.93	76.9%	135.99	(5.96)	The overspending is primarily attributed to overtime. Details on overtime spending were provided in a separate report presented to the Finance and Management Committee on February 27, 2018.
OAKLAND PUBLIC LIBRARY	13.00	9.12	70.1%	12.68	0.33	Savings associated with vacancies.
PARKS & RECREATION	16.80	10.83	64.4%	15.95	0.85	Savings associated with vacancies.
HUMAN SERVICES	14.32	7.27	50.8%	14.32	0.00	
ECONOMIC WORKFORCE & DEVELOPMENT	4.84	2.48	51.3%	4.05	0.78	Savings associated with vacancies.
HOUSING & COMMUNITY DEVELOPMENT	1.12	0.00	0.0%	1.12	0.00	
PLANNING & BUILDING	0.22	0.05	25.1%	0.22	0.00	
OAKLAND PUBLIC WORKS	5.05	1.90	37.7%	4.78	0.27	Savings associated with vacancies.
TRANSPORTATION	11.55	5.52	47.8%	10.35	1.20	Savings associated with vacancies.
NON-DEPARTMENTAL	60.15	38.53	64.1%	61.64	(1.49)	Projected to end the fiscal year overspent due to under-recovery of Central Services Overhead costs.
SUBTOTAL	600.32	415.47	69.2%	607.89	(7.57)	
CAPITAL IMPROVEMENT PROGRAM	3.20	1.45	45.1%	3.20	0.00	
Subtotal Expenditures	\$603.53	\$416.92	69.1%	\$611.09	(\$7.56)	
Amounts Carried Forward From FY 2016-17 (Project & Encumbrances)	(22.94)			(22.94)	0.00	
Total Expenditures	\$580.59	\$416.92	69.1%	\$588.15	(\$7.56)	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2017 - March 31, 2018)

OVERTIME ANALYSIS (in Dollars)

GENERAL PURPOSE FUND

Agency / Department	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Overtime Actuals	FY 2017-18 Percent To Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ (Over) / Under Adjusted Budget	FY 2017-18 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	1,854	0.0%	2,472	(2,472)	0.0%	Off-set by salary savings
CITY ADMINISTRATOR	1,157	138,369	11954.7%	185,706	(184,548)	(15944.5%)	Off-set by salary savings
CITY ATTORNEY	0	3,428	0.0%	4,601	(4,601)	0.0%	
CITY AUDITOR	0	4,172	0.0%	5,600	(5,600)	0.0%	
CITY CLERK	11,570	18,051	156.0%	24,227	(12,657)	(109.4%)	Off-set by salary savings
POLICE COMMISSION	0	13,907	0.0%	18,665	(18,665)	0.0%	Off-set by salary savings
PUBLIC ETHICS	0	28	0.0%	37	(37)	0.0%	
FINANCE DEPARTMENT	49,901	198,154	397.1%	265,944	(216,043)	(432.9%)	Off-set by salary savings
INFORMATION TECHNOLOGY	0	67,231	0.0%	90,231	(90,231)	0.0%	
HUMAN RESOURCES	26,390	18,852	71.4%	25,301	1,089	4.1%	Off-set by salary savings
POLICE DEPARTMENT	14,164,362	20,348,891	143.7%	27,162,534	(12,998,172)	(91.8%)	Largely due to overtime related to backfill, extension of shift and unanticipated special enforcement. Additional details on overtime spending was provided in a separate report presented to the Finance and Management Committee on April 24, 2018. Partially off-set by savings from vacancies.
FIRE DEPARTMENT	1,484,959	13,574,245	914.1%	17,444,260	(15,959,301)	(1074.7%)	Details on overtime spending were provided in a separate report presented to the Finance and Management Committee on April 24, 2018. Partially off-set by savings from vacancies.
OAKLAND PUBLIC LIBRARY	6,260	2,114	33.8%	2,837	3,423	54.7%	Off-set by salary savings
PARKS & RECREATION	0	21,263	0.0%	28,532	(28,532)	0.0%	Off-set by salary savings
HUMAN SERVICES	0	3,123	0.0%	4,191	(4,191)	0.0%	Off-set by salary savings
ECONOMIC WORKFORCE & DEVELOPMENT	0	12,792	0.0%	17,168	(17,168)	0.0%	Off-set by salary savings
OAKLAND PUBLIC WORKS	0	18,749	0.0%	25,163	(25,163)	0.0%	Off-set by salary savings
TRANSPORTATION	34,550	91,013	263.4%	122,150	(87,600)	(253.5%)	Off-set by salary savings
TOTAL	\$15,788,110	\$34,536,236	218.7%	\$45,429,618	(\$29,641,509)	(187.7%)	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2017 - March 31, 2018)

OVERTIME ANALYSIS (in Dollars)

ALL FUNDS

Agency / Department	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Overtime Actuals	FY 2017-18 Percent To Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ (Over) / Under Adjusted Budget	FY 2017-18 Year-End (Over) / Under as % of Adjusted Budget	Explanation of Over / (Under) Collection
MAYOR	8,910	18	0.2%	25	8,885	99.7%	Off-set by salary savings
CITY COUNCIL	0	1,854	0.0%	2,472	(2,472)	0.0%	Off-set by salary savings
CITY ADMINISTRATOR	1,157	139,219	12028.2%	186,847	(185,689)	(16043.1%)	Off-set by salary savings
CITY ATTORNEY	0	7,106	0.0%	9,537	(9,537)	0.0%	
CITY AUDITOR	0	4,172	0.0%	5,600	(5,600)	0.0%	
CITY CLERK	11,441	48,543	424.3%	65,150	(53,709)	(469.4%)	Off-set by salary savings
POLICE COMMISSION	0	13,907	0.0%	18,665	(18,665)	0.0%	Off-set by salary savings
PUBLIC ETHICS	0	28	0.0%	37	(37)	0.0%	
FINANCE DEPARTMENT	51,126	221,124	432.5%	296,772	(245,645)	(480.5%)	Off-set by salary savings
INFORMATION TECHNOLOGY	2,190	80,911	3693.9%	108,591	(106,401)	(4857.6%)	
HUMAN RESOURCES	26,390	20,520	77.8%	27,541	(1,151)	(4.4%)	Off-set by salary savings
POLICE DEPARTMENT	15,302,265	22,285,280	145.6%	29,745,433	(14,443,168)	(94.4%)	Largely due to overtime related to backfill, extension of shift and unanticipated special enforcement. Additional details on overtime spending was provided in a separate report presented to the Finance and Management Committee on April 24, 2018. Partially off-set by savings from vacancies.
 FIRE DEPARTMENT	 3,777,893	 15,707,808	 415.8%	 20,292,328	 (16,514,436)	 (437.1%)	 Details on overtime spending were provided in a separate report presented to the Finance and Management Committee on April 24, 2018. Partially off-set by savings from vacancies.
OAKLAND PUBLIC LIBRARY	6,260	2,938	46.9%	3,943	2,317	37.0%	Off-set by salary savings
PARKS & RECREATION	0	38,584	0.0%	51,778	(51,778)	0.0%	Off-set by salary savings
HUMAN SERVICES	0	14,094	0.0%	18,915	(18,915)	0.0%	Off-set by salary savings
ECONOMIC WORKFORCE & DEVELOPMENT	0	14,430	0.0%	19,367	(19,367)	0.0%	Off-set by salary savings
HOUSING & COMMUNITY DEVELOPMENT	0	68,041	0.0%	91,318	(91,318)	0.0%	Off-set by salary savings
PLANNING & BUILDING	251,126	808,846	322.1%	1,085,557	(834,431)	(332.3%)	Off-set by salary savings
OAKLAND PUBLIC WORKS	1,119,835	2,062,462	184.2%	2,767,993	(1,648,157)	(147.2%)	Off-set by salary savings
TRANSPORTATION	347,957	982,930	282.5%	1,319,196	(971,240)	(279.1%)	Off-set by salary savings
CAPITAL IMPROVEMENT PROGRAM	0	169,887	0.0%	228,006	(228,006)	0.0%	Off-set by project allocations
TOTAL	\$20,906,551	\$42,692,704	204.2%	\$56,345,071	(\$35,438,520)	(169.5%)	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS**Through Third Quarter (July 1, 2017 - March 31, 2018)****SELF-INSURANCE LIABILITY FUND REVENUES (\$ in millions)**

Revenue Category	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Actuals	FY 2017-18 Percent to Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ Over / (Under) Adj. Bud.	Explanation of Over / (Under) Collection
INTEREST INCOME	0.00	(0.03)	0.0%	(0.04)	(0.04)	
SERVICES CHARGES	0.00	0.00	0.0%	0.00	0.00	
MISCELLANEOUS	0.00	1.22	0.0%	1.63	1.63	Insurance claims / settlements
INTER-FUND TRANSFERS	22.74	13.27	58.3%	22.74	0.00	
Total Revenue	\$22.74	\$14.45	58.3%	\$24.33	\$1.58	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS**Through Third Quarter (July 1, 2017 - March 31, 2018)****SELF-INSURANCE LIABILITY FUND EXPENDITURES (\$ in millions)**

Agency / Department	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Actuals	FY 2017-18 Percent to Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ (Over) / Under Adjusted Budget	Explanation of (Overspending) / Savings
HUMAN RESOURCES	0.01	0.00	12.8%	0.01	0.00	
POLICE DEPARTMENT	5.80	1.29	22.3%	5.80	(0.00)	
FIRE DEPARTMENT	0.94	0.01	1.4%	0.94	0.00	
PARKS & RECREATION	0.41	0.02	4.4%	0.41	0.00	
PUBLIC WORKS	4.85	1.02	21.0%	4.85	0.00	
NON-DEPARTMENTAL	10.74	5.30	49.3%	10.74	0.00	
Total Expenditures	\$22.74	\$7.64	33.6%	\$22.75	(\$0.00)	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS**Through Third Quarter (July 1, 2017 - March 31, 2018)****MULTIPURPOSE RESERVE FUND REVENUES (\$ in millions)**

Revenue Category	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Actuals	FY 2017-18 Percent to Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ Over / (Under) Adj. Bud.	Explanation of Over / (Under) Collection
FINES & PENALTIES	0.00	0.00	0.0%	0.00	0.00	
INTEREST INCOME	0.00	0.00	0.0%	0.01	0.01	
SERVICES CHARGES	9.39	7.53	80.2%	10.04	0.65	Off-street parking revenues
MISCELLANEOUS	0.00	0.50	0.0%	0.67	0.67	Car Share revenue
Total Revenue	\$9.39	\$8.04	80.2%	\$10.72	\$1.32	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2017 - March 31, 2018)
MULTIPURPOSE RESERVE FUND EXPENDITURES (\$ in millions)

Agency / Department	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Actuals	FY 2017-18 Percent to Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ (Over) / Under Adjusted Budget	Explanation of (Overspending) / Savings
CITY ADMINISTRATOR	0.06	0.05	77.0%	0.07	(0.00)	Salary savings due to vacancies
FINANCE DEPARTMENT	2.90	2.08	71.8%	2.90	0.00	
ECONOMIC WORKFORCE & DEVELOPMENT	0.40	0.34	86.5%	0.40	0.00	
PUBLIC WORKS	0.25	0.00	0.2%	0.07	0.18	
TRANSPORTATION	3.66	1.23		3.71		
NON-DEPARTMENTAL	2.90	1.69	58.3%	2.90	0.00	
CAPITAL IMPROVEMENT PROGRAM	0.02	0.00	0.0%	0.02	0.00	
Subtotal Expenditures	\$10.20	\$5.40	53.0%	\$10.06	\$0.18	
Amounts Carried Forward From FY 2016-17	(0.80)	0.00	0.0%	(0.80)	0.00	
Total Expenditures	\$9.39	\$5.40	53.0%	\$9.26	\$0.18	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS**Through Third Quarter (July 1, 2017 - March 31, 2018)****LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT FUND EXPENDITURES (\$ in millions)**

Agency / Department	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Actuals	FY 2017-18 Percent To Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ (Over) / Under Adjusted Budget	Explanation of (Overspending) / Savings
FINANCE DEPARTMENT	0.05	0.03	57.1%	0.06	(0.00)	Overspending personnel costs
PARKS & RECREATION	3.48	2.60	74.6%	3.49	(0.01)	
ECONOMIC & WORKFORCE DEVELOPMENT	0.00	0.00	74.3%	0.00	0.00	
PUBLIC WORKS	12.53	7.31	58.4%	12.53	0.00	
TRANSPORTATION	2.60	2.02	77.8%	2.60	0.00	
NON-DEPARTMENTAL	1.97	0.17	8.5%	1.97	0.00	
SUBTOTAL	20.63	12.13	58.8%	20.65	(0.02)	
CAPITAL IMPROVEMENT	0.04	0.01	24.0%	0.04	0.00	
Subtotal Expenditures	\$20.67	\$12.14	82.8%	\$20.69	(\$0.02)	
Amounts Carried Forward From FY 2016-17	(0.74)	0.00	0.0%	(0.74)	0.00	
Total Expenditures	\$19.93	\$12.14	82.8%	\$19.95	(\$0.02)	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2017 - March 31, 2018)
LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT FUND REVENUES (\$ in millions)

Revenue Category	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Actuals	FY 2017-18 Percent To Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ Over / (Under) Adj. Bud.	Explanation of Over / (Under) Collection
TAX LEVY	19.16	12.98	67.8%	19.16	0.00	
LICENSES & PERMITS	0.05	0.10	191.8%	0.13	0.08	
FINES & PENALTIES	0.00	0.01	0.0%	0.01	0.01	
INTEREST INCOME	0.00	(0.03)	0.0%	(0.04)	(0.04)	
SERVICE CHARGES	0.21	(0.01)	-3.3%	(0.01)	(0.22)	Revenue for invoicing damage to City property
GRANTS & SUBSIDIES	0.00	0.00	0.0%	0.00	0.00	
MISCELLANEOUS	0.00	0.03	0.0%	0.04	0.04	
INTERFUND TRANSFERS	0.51	0.30	58.3%	0.51	0.00	
Total Revenue	\$19.93	\$13.38	67.2%	\$19.81	(0.12)	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2017 - March 31, 2018)
REPRODUCTION FUND REVENUES (\$ in millions)

Revenue Category	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Actuals	FY 2017-18 Percent to Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ Over / (Under) Adj. Bud.	Explanation of Over / (Under) Collection
INTEREST INCOME	0.00	(0.01)	0.0%	(0.01)	(0.01)	
INTERNAL SERVICE	1.26	0.64	50.9%	0.86	(0.41)	
Total Revenue	\$1.26	\$0.63	50.1%	\$0.84	(0.42)	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2017 - March 31, 2018)
REPRODUCTION FUND EXPENDITURES (\$ in millions)

Agency / Department	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Actuals	FY 2017-18 Percent to Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ (Over) / Under Adjusted Budget	FY 2017-18 Year-End (Over) / Under as % of Adjusted Budget	Explanation of (Overspending) / Savings
INFORMATION TECHNOLOGY	1.26	0.80	63.9%	1.29	(0.04)	(2.79%)	
NON-DEPARTMENTAL	0.01	0.00	48.1%	0.01	0.00	0.00%	
Subtotal Expenditures	\$1.26	\$0.81	63.9%	\$1.30	(\$0.04)	(2.78%)	
Amounts Carried Forward From FY 2016-17	(0.00)	0.00	0.0%	(0.00)	0.00		
Total Expenditures	\$1.26	\$0.81	63.9%	\$1.30	(\$0.04)	(2.78%)	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2017 - March 31, 2018)
FACILITIES FUND REVENUES (\$ in millions)

Revenue Category	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Actuals	FY 2017-18 Percent to Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ Over / (Under) Adj. Bud.	Explanation of Over / (Under) Collection
INTEREST INCOME	0.00	(0.03)	0.0%	(0.04)	(0.04)	
SERVICE CHARGES	0.55	0.51	92.5%	0.68	0.13	
INTERNAL SERVICE	33.04	25.27	76.5%	33.04	0.00	
MISCELLANEOUS	0.10	0.21	199.8%	0.27	0.17	Insurance claims / settlements
INTERFUND TRANSFERS	4.23	4.23	100.0%	4.23	0.00	
Total Revenue	\$37.92	\$30.18	79.6%	\$38.18	\$0.26	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2017 - March 31, 2018)
FACILITIES FUND EXPENDITURES (\$ in millions)

Agency / Department	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Actuals	FY 2017-18 Percent to Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ (Over) / Under Adjusted Budget	FY 2017-18 Year-End (Over) / Under as % of Adjusted Budget	Explanation of (Overspending) / Savings
HUMAN RESOURCES	0.11	0.08	76.2%	0.11	0.00	0.00%	Underspending due to vacancies
PUBLIC WORKS	35.48	22.00	62.0%	32.82	2.66	7.50%	
TRANSPORTATION	0.05	0.00	0.4%	0.00	0.04	99.42%	
NON-DEPARTMENTAL	4.33	3.28	75.8%	4.33	0.00	0.00%	
CAPITAL IMPROVEMENT PROGRAM	0.61	0.39	63.0%	0.60	0.02	2.51%	
Subtotal Expenditures	\$40.57	\$25.75	63.5%	\$37.85	\$2.72	6.71%	
Amounts Carried Forward From FY 2016-17	(2.66)	0.00	0.0%	(2.66)	0.00		
Total Expenditures	\$37.92	\$25.75	63.5%	\$35.20	\$2.72	6.71%	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2017 - March 31, 2018)
CENTRAL STORES FUND REVENUES (\$ in millions)

Revenue Category	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Actuals	FY 2017-18 Percent to Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ Over / (Under) Adj. Bud.	Explanation of Over / (Under) Collection
INTEREST INCOME	(0.02)	(0.02)	143.7%	(0.03)	(0.01)	
INTERNAL SERVICE	0.35	0.18	51.2%	0.35	0.00	
MISCELLANEOUS	0.00	(0.00)	0.0%	(0.00)	(0.00)	
Total Revenue	\$0.34	\$0.16	46.8%	\$0.32	(0.02)	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2017 - March 31, 2018)
CENTRAL STORES FUND EXPENDITURES (\$ in millions)

Agency / Department	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Actuals	FY 2017-18 Percent to Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ (Over) / Under Adjusted Budget	FY 2017-18 Year-End (Over) / Under as % of Adjusted Budget	Explanation of (Overspending) / Savings
FINANCE	0.34	0.22	66.6%	0.32	0.02	5.76%	
NON-DEPARTMENTAL	0.00	0.00	46.3%	0.00	0.00	0.00%	
Subtotal Expenditures	\$0.34	\$0.23	66.4%	\$0.32	\$0.02	5.71%	
Amounts Carried Forward From FY 2016-17	(0.00)	0.00	0.0%	(0.00)	0.00	0.00%	
Total Expenditures	\$0.34	\$0.23	66.4%	\$0.32	\$0.02	5.71%	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2017 - March 31, 2018)
PURCHASING FUND REVENUES (\$ in millions)

Revenue Category	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Actuals	FY 2017-18 Percent to Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ Over / (Under) Adj. Bud.	Explanation of Over / (Under) Collection
INTEREST INCOME	(0.00)	(0.00)	266.1%	(0.00)	(0.00)	
INTERNAL SERVICE	1.37	0.73	53.2%	1.37	0.00	
MISCELLANEOUS	0.00	0.00	0.0%	0.00	0.00	
Total Revenue	\$1.37	\$0.73	53.1%	\$1.37	\$0.00	

FY 2017-18 REVENUE AND EXPENDITURE ANALYSIS
Through Third Quarter (July 1, 2017 - March 31, 2018)
PURCHASING FUND EXPENDITURES (\$ in millions)

Agency / Department	FY 2017-18 Adjusted Budget	FY 2017-18 Q3 YTD Actuals	FY 2017-18 Percent to Date	FY 2017-18 Year-End Estimate	FY 2017-18 Year-End \$ (Over) / Under Adjusted Budget	FY 2017-18 Year-End (Over) / Under as % of Adjusted Budget	Explanation of (Overspending) / Savings
FINANCE	1.36	0.97	71.2%	1.35	0.01	1.08%	
NON-DEPARTMENTAL	0.01	0.00	43.9%	0.01	0.00	0.00%	
Subtotal Expenditures	\$1.37	\$0.97	71.0%	\$1.36	\$0.01	1.07%	
Amounts Carried Forward From FY 2016-17	(0.00)	0.00	0.0%	(0.00)	0.00		
Total Expenditures	\$1.37	\$0.97	71.0%	\$1.36	\$0.01	1.07%	