



City of
OAKLAND
California

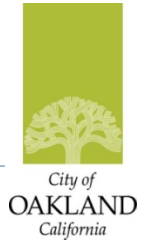


Presentation to Make Oakland Better Now

April 28, 2013



Budget Conditions



Background– Budget Conditions

- ▶ Shortfalls totaling **\$317.8** Million over last 6 years (*does not include \$12.27 and \$35.42M for FYs 2013-2015*)
- ▶ Workforce reduction equivalent to **720** full-time positions (16%) over last 6 years (*does not include the proposed elimination of 86.5 FTEs in FYs 2013-2015*)
- ▶ Service reductions appear not equivalent to staff reductions - challenge trying to sustain traditional service levels with diminishing staff and resources
- ▶ Internal service departments critical to sustaining quality service and have been cut dramatically to preserve front-line services—no longer sustainable service model
- ▶ Employees & residents have been major part of the solution

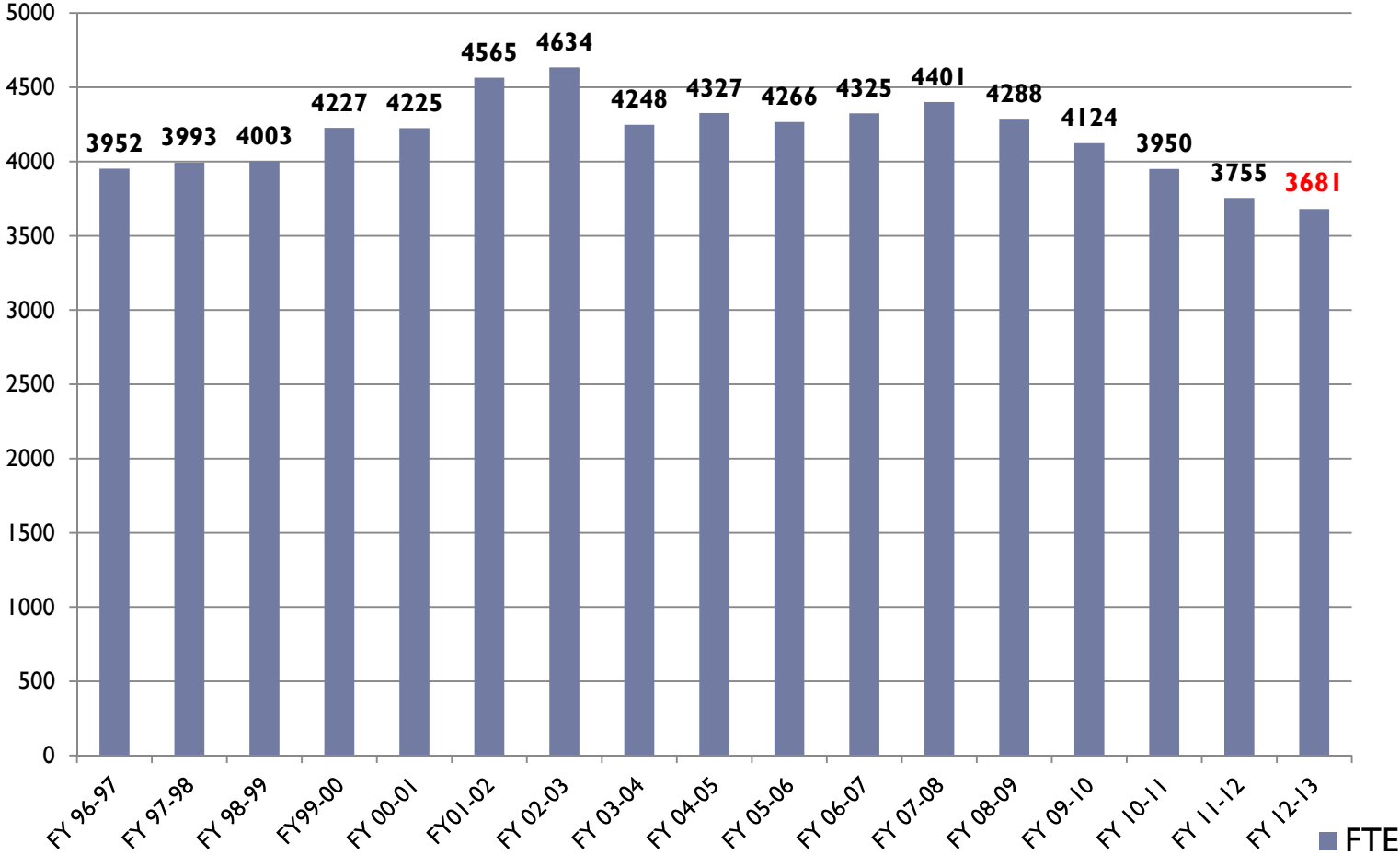
▶ Source: Council meeting materials and adopted budget document



Full-Time Equivalent (FTE) History

4,634 → 3,681 FTEs (All Time Low)*

Totals: 354 layoffs; and, 653 impacted positions



*Source: Adopted Budget documents



Service Reductions—Public Safety

- Closed two fire engine companies—Rolling Brown Outs
 - 2 out of 25 Engines, 7 Trucks remain
- In the last 6 years, sworn/officers reduced **27%** from 837 to 611 officers (*now @ 649 budgeted positions*)
- Civilian OPD workforce reduced **34%** from 394 to 261 (*Does not include Parking Reorganization*)
- Loss of a variety of basic OPD resources:
 - Patrol staffing level
 - Slower Response Time for 911 Calls for Service/Dispatcher Staffing Shortage
 - Horse Mounted Unit Eliminated
 - Traffic Units Eliminated
 - Investigation Staff Reduced

Service Reductions—Comty. Services

- Staff spread “more thin” throughout the City to provide services, especially in the general administrative functions such as IT, HR, Finance/Budget, record keeping, etc. These services are KEY to quality services provided to the community.
- Staffing reductions at Oaklanders Assistance Center
- Reduced branch library hours from 6 to 5 days/week
- Reduced recreation center hours

Service Reductions—Comty. Services

- Paving & Street Repairs
- Code Enforcement Staffing Levels
- Planning Staffing Levels
- Development Staff
- Cultural Arts Staff
- Film Permitting
- Allocations to non-profits
- Façade and Tenant Improvement Grants
- Neighborhood Project Initiative Program
- Graffiti abatement (private property)
- Tough on Blight (Code Enforcement)
- Extra Police Patrols
- Low Mod Housing
- Eliminated Illegal dumping
- Tree Trimming
- Homeless Services
- Street and Sidewalk Maintenance
(potholes and paving)
- Park, Median and Grounds Maintenance
- Building Maintenance and Custodial
- Open Space Maintenance

Past Solutions to Balance the Budget

Short-Term

- Employee contributions
- Deferred Maintenance
- Controlled & reduced expenditures (hiring freeze & selected hiring)
- Restricted travel, reduced training
- Financial assistance (e.g., grants)
- Reduced use of city vehicles
- Rotating Fire Station brownouts
- Funding shifts for expenditures (to mitigate impacts to GPF)
- Issue bond (PFRS)
- Property and land sales

Long-Term

- Service eliminations/reductions (e.g., operating hours for Comty Centers, Libraries, etc.)
- Reduced workforce
- Increase employee's share of retirement contribution
- Two-tier Retirement System
- Reorganized city structure
- Economic development investment & strategies
- Increased fees



Budget Conditions

Fiscal Uncertainties –**Outside of Local Control**

- Potential fiscal impact for reversal of RDA transaction (e.g., land sales, contracts, projects, etc.)
- ROPS denial of \$3M+ staff/program expenditures & more reviews underway (\$800K disputed with Department of Finance unresolved)
- Undesignated cost of NSA mandates
- Modest economic recovery in the global, national and regional climate
- **Sequestration**
 - Head Start
 - Housing
 - Senior Programs

Budget Conditions

Service Challenges:

- Public Safety – Crime Increase AND Sworn Decrease
- Modest Revenue Growth/ But Expenditures Exceed Pace
- Key Ballot Measures Expire (Measure Y, Wildfire Assessment) – Planning underway in CFY to stabilize future budgets
- Deferred Capital Investments
- Deferred Capital Maintenance/Expenditures
- Some projects do not have O&M Budget (e.g. Lake Merritt, West Oakland Youth Center, transferred RDA projects/properties)
- Litigation settlements

Continued Challenges

- ▶ Unfunded and long-term liabilities (e.g. pension, OPEB, accrued leave)
- ▶ Deferred capital investments
- ▶ Negative Fund Balances
- ▶ Gaps between available resources and service demands/
Multi-Year Deficits and Service Reductions/Eliminations
- ▶ Crime and Violence in our Community impact quality of life

Unfunded & Long-Term Liabilities

Unfunded Amount	Descriptions
\$743K	Oakland Municipal Employees Retirement System (OMERS), closed retirement system, unfunded balance as of June 30, 2011
\$743M	California Public Employees Retirement System (Cal PERS), 75% funded. Unfunded balance as of June 30, 2011
\$216M	Police and Fire Retirement System (PFRS), closed retirement system, unfunded balance as of June 30, 2012 was \$426M; issued a bond in July 2012, the current unfunded balance is \$216M, will start the payment in FY 2017-18, \$24.24M
\$520M	Other Post-Employment Benefits (OPEB) has the unfunded actuarial accrued liability (UAAL) of \$520M as of June 30, 2011
\$29.5M	Accrued leaves are funded at 28.7% level, which leaves approximately \$29.5M unfunded as of June 30, 2012 (unaudited)
\$111M	Of the 173 funds, 54 has negative fund balance as of June 30, 2012 (audited). Of which, \$85M is in the repayment schedule, \$26M is not.

GASB Statement 45 requires government employers to measure and report other post-employment benefits (other than pension)

Negative Other Fund Balance Summary

(FYs 2009-10 through 2012-13)

Negative Year-End Fund Balances Summary for FY 2009-10 through FY 2012- 13					
Negative Fund Category		Ending Fund Balances FY 2009-10	Ending Fund Balances FY 2010-11	Ending Fund Balances FY 2011-12	Estimated Fund Balances FY 2012-13
1	Negative Funds with Repayment Plan	(98,175,474)	(94,379,909)	(78,766,947)	(69,755,454)
2	Reimbursable Negative Funds	(22,448,746)	(13,525,732)	(18,692,300)	(14,629,751)
3	Non-Reimbursable Negative Funds without Repayment Plan	(17,542,656)	(13,441,408)	(14,031,629)	(14,531,629)
Total Negative Funds		\$ (138,166,876)	\$ (121,347,049)	\$ (111,490,876)	\$ (98,916,834)
FY 2010-10 to FY 2012-13 repayment amount		\$ (39,250,042)			

Note:

1. Ending Fund Balances for FY 2011-12 in the amount of \$111,490,876 is revised to actual per audit of the FY 11-12 Comprehensive Annual Financial Report (CAFR)

City's Credit Rating

- ▶ The City's underlying ratings for its general obligation bonds are as follows:

Rating Agency	Rating Action Date	Rating	Outlook
Moody's	6/19/2012	Aa2	Stable Outlook
S&P	6/13/2012	AA-	Stable Outlook
Fitch	8/20/2012	A+	Stable Outlook

- ▶ These ratings reflect the City's credit strengths which are embodied in:
 - ✓ Strong financial management practices, many of which are enshrined in council-adopted policy
 - ✓ Very deep and diversified economic base that contributes to and participates in the Bay Area regional economy
 - ✓ Positive views of budget actions that have allowed the City to retain a very strong general fund balance
 - ✓ Cash flows and liquidity levels that are closely monitored and managed throughout the fiscal year and management's emphasis on maintaining healthy general fund reserves
 - ✓ Very strong reserves



Proposed FY 2013-2015 Policy Budget

Proposed FY 2013-2015 Policy Budget

- ▶ Proposing a “Fair Share” budget
- ▶ Oakland is on the Rise
- ▶ Significant Hard Work is Still Ahead

Proposed FY 2013-15 Policy Budget

(in millions)

	FY 2013-14		FY 2014-15	
	Revenue	Expenditure	Revenue	Expenditures
General Fund	\$ 430.16M	\$ 430.16M	\$ 457.40M	\$ 457.40M
All Funds	\$ 1,052.69M	\$ 1,039.01M	\$ 1,071.70M	\$ 1,060.58 M
FTEs		3,833 FTEs		3,875.76 FTEs

Note: The revenue in All-funds exceed the All-Funds expenditures due to Council's policy to amortize the repayment to negative funds created I prior years.

Summary of Balancing Measures

Balancing Measures

	<u>FY 2013-14</u>	<u>FY 2014-15</u>
Revised Projected GPF Revenues	\$429.50M *	\$438.12M*
Revised Baseline GPF Expenditures	<u>\$433.63M</u>	<u>\$454.93M</u>
<i>Baseline GPF Shortfall</i>	<i>(\$ 4.13M)</i>	<i>(\$ 16.81M)</i>
Non-Recovery of OH due to other funds cut	(\$ 1.13M)	(\$ 1.26M)
Increase in Expenditures	(\$ 7.02M)	(\$17.35M)
Total Shortfall:	(\$12.27M)	(\$35.42M)
Expenditure Reductions	\$11.63M	\$16.13M
Increase in Revenues	\$ 1.80M	\$ 7.32M
Utilized Fund Balance:	(\$ 1.16M)	\$11.97M
Net balance:	\$ -0-	\$-0-

**The projected GPF revenue in October 2012 was revised in March 2013 based on latest data available in property tax, sales tax, business license tax, etc. FY 2013-14 projected GPF revenue increased by \$11.51 million and \$8.05 million increased for FY 2014-15.*



Proposed FY 2013-2015 Policy Budget

- Increased revenues in both in one-time and on-going categories— about \$11.5 M in Year 1 and \$8M in Year 2
- Resolves shortfalls of \$12.27M in Y1 and \$35.42M in Y2
- 79.5 FTE positions eliminated in Year 1 and 86.5 FTE positions in Year 2
- Significant reduction in use of one time funds for ongoing expenditures: \$10.83M
- Continues pay down of Negative Fund Balance and strong fiscal mgmt & controls

Proposed FY 2013-2015 Policy Budget

- Proposed budget invests in Capital Improvements
- \$88M is recommended for investment in 27 Projects:
 - ▶ **Buildings and Facilities** — 7 projects, \$1.4 million
 - ▶ **Sewers** — 12 projects, \$29.1 million
 - ▶ **Streets, Sidewalks** — 10 projects, \$19.6 million
 - ▶ **Traffic Improvements** — 5 projects, 4.5 million
 - ▶ **Garage Improvements** — 3 projects, \$33.2 million
(subject to State Approval of Redevelopment disposition)

Audited FY 2011-12 General Fund Balance/FY 2012-13 Undesignated Fund Balance Update

	June 30, 2012 Un-Audited	April 25, 2013 Audited, Council Actions & Proposed Spending
Gross ending Fund Balance	\$ 82,900,000	\$ 84,600,000
Early Recognition of RPTT in Prop Sales	\$ (12,482,521)	\$ (12,482,521)
\$1.8M for Coliseum City EIR contract award (\$250K CDBG)	\$ (1,800,000)	\$ (400,000)
Project Carry Forward & Encumbrance	\$ (5,100,000)	\$ (5,100,000)
Net Available Ending Fund Balance:	\$ 63,517,479	\$ 66,617,479
7.5% mandated reserved level (designated fund balance)	\$ (30,200,000)	\$ (30,200,000)
July 1, 2012 Beginning Fund Balance:	\$ 33,317,479	\$ 36,417,479
Sierra Systems (council action 1/2013)	\$ -	\$ (900,000)
20 PST II & 1 Latent Print Examiner III (council action 1/2013)	\$ -	\$ (809,898)
Contract with Wasserman (council action 1/2013)	\$ -	\$ (250,000)
Contract with Alameda County Sheriff's Office (council action 1/2013)	\$ -	\$ (265,000)
VMA Security Service Contract (council action 1/2013)	\$ -	\$ (100,000)
Low/Mod Housing & Admin. Cost ROPS Denial	\$ -	\$ (3,081,089)
Received Property Tax Distribution (Net \$601,089)	\$ -	\$ 2,480,000
Contract with CHP (council action 2/2013)	\$ -	\$ (162,000)
2-year salary for Compliance Officer per Federal Court Order (benefits not included)	\$ -	\$ (540,000)
General Fund Balance w/ Known Council Action:	\$ 33,317,479	\$ 32,789,492
Potential measures to use the fund balance:		
Reverse \$14.28 M transfer from the fund balance in FY 2012-13		\$ 14,280,000
Projected revenue growth by June 30, 2013 (Q2 report)		\$ 12,720,000
Reverse land sale subject to state review (net)		\$ (31,000,000)
Litigation settlement		\$ (4,300,000)
Police Overtime in FY 2012-13 (per 2nd Q report)		\$ (7,700,000)
Increase Reserved Amount due to higher FY 2013-14 GPF Proposed Budget (7.5% of \$430M)		\$ (2,084,743)
Used for FY 2013-15 budget balance measures (updated 4/14/2013)		\$ (10,810,930)
Subsidize Head Start partial cuts (34 families, Eastmont Ctr)		\$ (300,000)
Compliance Director's Staff and travel expenses (Court Order Dated 4/17/13), \$450K/yr X 2		\$ (900,000)
Expenditures associate w/Compliance Director (Court order Doc#885, 12/12/12, p.7)		TBD
Projected balance as of June 30, 2013		\$ 2,693,819

Notes:	
1 Some fund balance will be required for NSA/Compliance Director-Court Order implementation (e.g., CD staffing, space, compliance initiatives) (\$TBD)	
Fiscal impact of additional State actions regarding DOF/Controller's Office review have a potential impact of approximately \$35M for land sale reversals (not included) and additional ROPS	
2 review may have an additional fiscal impact (\$TBD).	

Five-Year GPF & All-Fund Revenue & Expenditure Projection (as of March 2013)

General Purpose Fund	FY 2013-14 Proposed	FY 2014-15 Proposed	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast
Revenue	\$ 430,155,612	\$ 457,401,684	\$ 449,405,499	\$ 460,300,547	\$ 475,368,929
Expenditures	\$ 430,155,612	\$ 457,401,684	\$ 461,600,000	\$ 474,300,000	\$ 502,100,000
Surplus/(Shortfall)	\$ -	\$ -	\$ (12,194,501)	\$ (13,999,453)	\$ (26,731,071)
Expenditures - Deferred			\$ 99,000,000	\$ 100,400,000	\$ 101,700,000
Surplus/(Shortfall)	\$ -	\$ -	\$ (111,194,501)	\$ (114,399,453)	\$ (128,431,071)

All Funds	FY 2013-14 Proposed	FY 2014-15 Proposed	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast
Revenue	\$ 1,052,690,555	\$ 1,071,696,861	\$ 1,013,617,005	\$ 1,030,810,812	\$ 1,052,534,461
Expenditures	\$ 1,039,006,929	\$ 1,060,583,969	\$ 1,059,300,000	\$ 1,079,300,000	\$ 1,115,300,000
Surplus/(Shortfall)	\$ 13,683,626	\$ 11,112,892	\$ (45,682,995)	\$ (48,489,188)	\$ (62,765,539)
Expenditures - Deferred			\$ 135,000,000	\$ 136,300,000	\$ 137,600,000
Surplus/(Shortfall)	\$ 13,683,626	\$ 11,112,892	\$ (180,682,995)	\$ (184,789,188)	\$ (200,365,539)

Note:

Assumes one police academy per year in FY 2015-16, FY 2016-17, and FY 2017-18;

The police and fire services supported by Measure Y do not have to be backfilled by the General Purpose Fund; and

Salaries are assumed to grow at 1% due to step increases

*This forecast does not adjust for CalPERS 50% increase over 6 years (FY 2015-16), numbers are under development

Five-Year All-Fund Expenditure Forecast

Expenditure Categories	FY 2013-14 Proposed	FY 2014-15 Proposed	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast
Civilian salaries	\$ 170,226,896	\$ 170,379,243	\$ 171,400,000	\$ 173,100,000	\$ 174,800,000
Civilian fringe	\$ 56,451,146	\$ 59,398,702	\$ 62,700,000	\$ 66,400,000	\$ 70,400,000
Civilian retirement	\$ 41,076,011	\$ 43,525,191	\$ 46,900,000	\$ 50,600,000	\$ 54,700,000
Personnel - civilian	\$ 267,754,053	\$ 273,303,136	\$ 280,900,000	\$ 290,200,000	\$ 300,000,000
Sworn salaries	\$ 139,551,088	\$ 153,668,175	\$ 153,900,000	\$ 155,500,000	\$ 157,000,000
Sworn fringe	\$ 42,327,881	\$ 48,123,543	\$ 50,300,000	\$ 53,300,000	\$ 56,600,000
Sworn retirement	\$ 39,357,670	\$ 43,845,661	\$ 47,000,000	\$ 50,800,000	\$ 55,000,000
Personnel - sworn	\$ 221,236,639	\$ 245,637,379	\$ 251,200,000	\$ 259,600,000	\$ 268,600,000
Services and supplies	\$ 70,825,352	\$ 70,116,230	\$ 68,700,000	\$ 68,700,000	\$ 68,700,000
Contract services	\$ 98,349,106	\$ 99,317,103	\$ 99,200,000	\$ 99,200,000	\$ 99,200,000
Internal service/work order	\$ 54,290,850	\$ 55,482,083	\$ 56,700,000	\$ 59,000,000	\$ 62,000,000
Other	\$ 4,367,188	\$ 4,377,390	\$ 4,400,000	\$ 4,400,000	\$ 4,400,000
Operations and maintenance	\$ 227,832,496	\$ 229,292,806	\$ 229,000,000	\$ 231,300,000	\$ 234,300,000
Land, buildings, infrastructure, furniture	\$ 24,910,286	\$ 26,512,786	\$ 26,500,000	\$ 26,500,000	\$ 26,500,000
Equipment/vehicles	\$ 668,755	\$ 668,755	\$ 700,000	\$ 700,000	\$ 700,000
Other fixed assets/computers and software	\$ 800,898	\$ 808,878	\$ 800,000	\$ 800,000	\$ 800,000
Capital acquisitions	\$ 26,379,939	\$ 27,990,419	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000
Debt service	\$ 178,328,061	\$ 173,415,117	\$ 145,200,000	\$ 145,200,000	\$ 145,200,000
Operating transfers	\$ 119,138,950	\$ 112,188,270	\$ 116,400,000	\$ 116,400,000	\$ 116,400,000
Overhead	\$ (1,690,003)	\$ (1,675,520)	\$ (1,700,000)	\$ (1,700,000)	\$ (1,700,000)
Overhead - Project Recoveries	\$ (13,674,482)	\$ (14,129,131)	\$ (14,200,000)	\$ (14,200,000)	\$ (14,200,000)
Bank, bond, loan, and other expenditures	\$ 5,329,749	\$ 5,335,749	\$ 5,100,000	\$ 5,100,000	\$ 5,100,000
Other	\$ 8,371,527	\$ 9,225,744	\$ 9,400,000	\$ 9,400,000	\$ 9,400,000
Debt service, operating transfers, other	\$ 295,803,802	\$ 284,360,229	\$ 260,200,000	\$ 260,200,000	\$ 260,200,000
Deposits to reserve for pension and OPEB liabilities			\$ 10,000,000	\$ 10,000,000	\$ -
Required contribution for PFRS			\$ -	\$ -	\$ 24,200,000
Pay down long term liabilities - required			\$ 10,000,000	\$ 10,000,000	\$ 24,200,000
Subtotal Non-Deferred	\$ 1,039,006,929	\$ 1,060,583,969	\$ 1,059,300,000	\$ 1,079,300,000	\$ 1,115,300,000
Land, buildings, infrastructure, furniture			\$ 78,000,000	\$ 78,000,000	\$ 78,000,000
Equipment/vehicles			\$ 10,200,000	\$ 10,200,000	\$ 10,200,000
Other fixed assets/computers and software			\$ 7,500,000	\$ 7,500,000	\$ 7,500,000
Capital acquisitions - deferred			\$ 95,700,000	\$ 95,700,000	\$ 95,700,000
Deposits to GPF reserves			\$ -	\$ -	\$ -
Net new negative fund balance repayment			\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
OPEB - Net new Police to achieve ARC			\$ 19,900,000	\$ 21,000,000	\$ 22,100,000
OPEB - Net new Fire to achieve ARC			\$ 9,900,000	\$ 10,300,000	\$ 10,700,000
OPEB - Net new Misc to achieve ARC			\$ 6,500,000	\$ 6,300,000	\$ 6,100,000
Pay down long term liabilities - deferred			\$ 39,300,000	\$ 40,600,000	\$ 41,900,000
Subtotal Deferred			\$ 135,000,000	\$ 136,300,000	\$ 137,600,000
Grand Total Including Deferred	\$ 430,155,612	\$ 457,401,684	\$ 560,600,000	\$ 574,700,000	\$ 603,800,000

Five-Year General Purpose Fund Expenditure Forecast

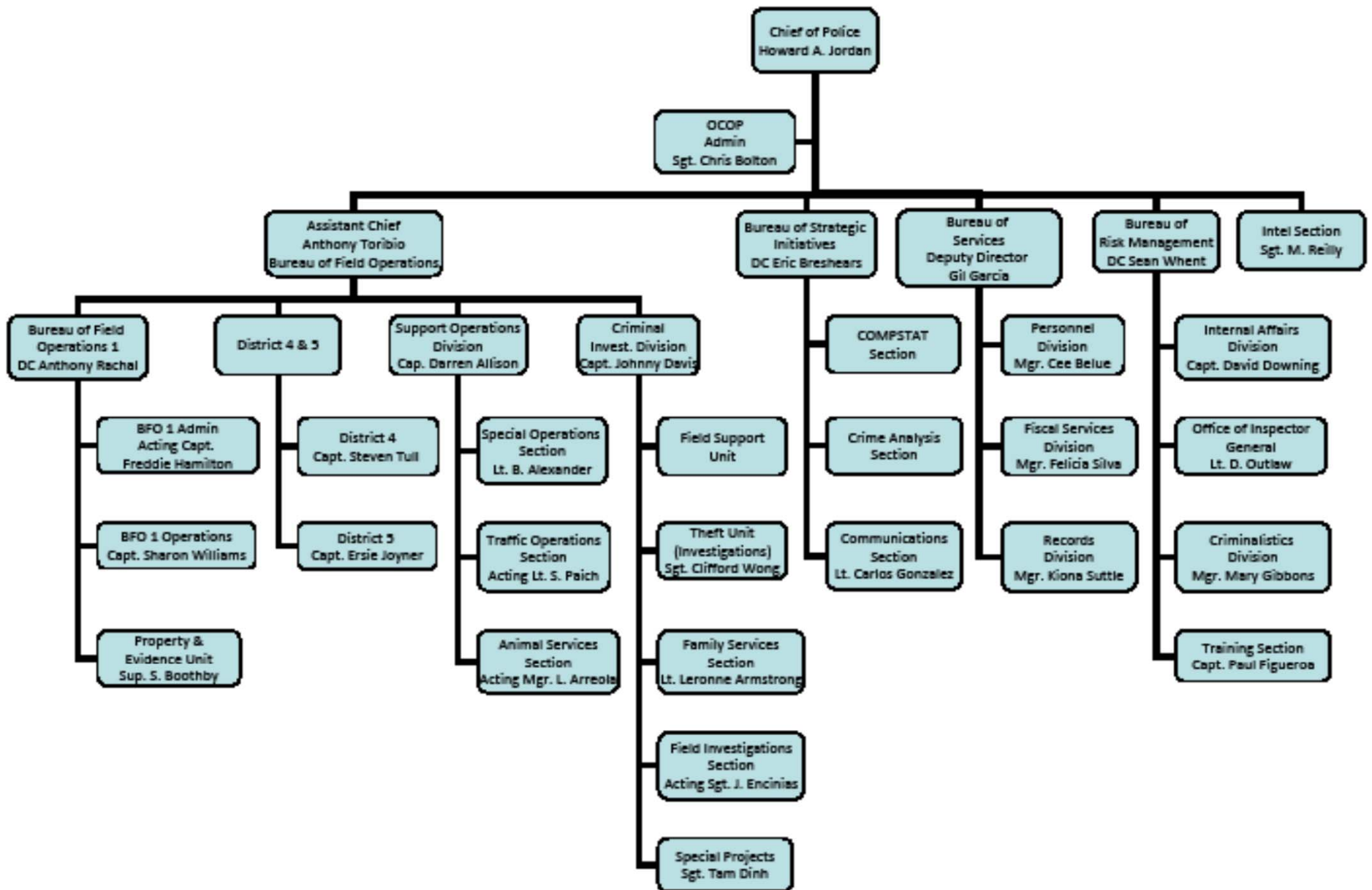
Expenditure Categories	FY 2013-14 Proposed	FY 2014-15 Proposed	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast
Civilian salaries	\$ 66,331,643	\$ 68,054,143	\$ 68,600,000	\$ 69,300,000	\$ 70,000,000
Civilian fringe	\$ 21,995,075	\$ 23,177,677	\$ 24,500,000	\$ 26,000,000	\$ 27,500,000
Civilian retirement	\$ 16,053,933	\$ 17,043,133	\$ 18,400,000	\$ 19,900,000	\$ 21,500,000
Personnel - Civilian	\$ 104,380,651	\$ 108,274,953	\$ 111,500,000	\$ 115,200,000	\$ 119,000,000
Sworn salaries	\$ 126,734,085	\$ 138,909,176	\$ 138,900,000	\$ 140,300,000	\$ 141,700,000
Sworn fringe	\$ 39,156,172	\$ 45,056,939	\$ 47,000,000	\$ 49,900,000	\$ 52,900,000
Sworn retirement	\$ 36,149,911	\$ 40,766,263	\$ 43,600,000	\$ 47,200,000	\$ 51,100,000
Personnel - Sworn	\$ 202,040,168	\$ 224,732,378	\$ 229,600,000	\$ 237,400,000	\$ 245,700,000
Services and supplies	\$ 15,616,347	\$ 14,631,017	\$ 13,700,000	\$ 13,700,000	\$ 13,700,000
Contract services	\$ 19,697,024	\$ 19,736,539	\$ 19,600,000	\$ 19,600,000	\$ 19,600,000
Internal service/work order	\$ 29,285,594	\$ 30,132,571	\$ 30,800,000	\$ 31,900,000	\$ 33,400,000
Other	\$ 1,823,994	\$ 1,824,364	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000
Operations and maintenance	\$ 66,422,959	\$ 66,324,491	\$ 65,800,000	\$ 67,000,000	\$ 68,500,000
Debt service	\$ 35,413,567	\$ 35,033,723	\$ 20,900,000	\$ 20,900,000	\$ 20,900,000
Operating transfers	\$ 35,293,535	\$ 36,237,058	\$ 37,200,000	\$ 37,200,000	\$ 37,200,000
Overhead	\$ (14,278,144)	\$ (14,083,795)	\$ (14,100,000)	\$ (14,100,000)	\$ (14,100,000)
Bank, bond, loan, and other expenditures	\$ 2,220,252	\$ 2,220,252	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Other	\$ (1,337,376)	\$ (1,337,376)	\$ (1,300,000)	\$ (1,300,000)	\$ (1,300,000)
Debt service, operating transfers, other	\$ 57,311,834	\$ 58,069,862	\$ 44,700,000	\$ 44,700,000	\$ 44,700,000
Deposits to reserve for pension and OPEB liabilities			\$ 10,000,000	\$ 10,000,000	\$ -
Required contribution for PFRS			\$ -	\$ -	\$ 24,200,000
Pay down long term liabilities - required			\$ 10,000,000	\$ 10,000,000	\$ 24,200,000
Subtotal Non-Deferred	\$ 430,155,612	\$ 457,401,684	\$ 461,600,000	\$ 474,300,000	\$ 502,100,000
Land, buildings, infrastructure, furniture			\$ 58,500,000	\$ 58,500,000	\$ 58,500,000
Equipment/vehicles			\$ 4,600,000	\$ 4,600,000	\$ 4,600,000
Other fixed assets/computers and software			\$ 3,800,000	\$ 3,800,000	\$ 3,800,000
Capital acquisitions - deferred			\$ 66,800,000	\$ 66,800,000	\$ 66,800,000
Deposits to GPF reserves			\$ -	\$ -	\$ -
Net new negative fund balance repayment			\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
OPEB - Net new Police to achieve ARC			\$ 17,700,000	\$ 18,700,000	\$ 19,700,000
OPEB - Net new Fire to achieve ARC			\$ 9,100,000	\$ 9,500,000	\$ 9,900,000
OPEB - Net new Misc to achieve ARC			\$ 2,400,000	\$ 2,300,000	\$ 2,300,000
Pay down long term liabilities - deferred			\$ 32,200,000	\$ 33,600,000	\$ 34,900,000
Subtotal Deferred			\$ 99,000,000	\$ 100,400,000	\$ 101,700,000
Grand Total Including Deferred	\$ 430,155,612	\$ 457,401,684	\$ 560,600,000	\$ 574,700,000	\$ 603,800,000

Service Impacts by Departments

(Refer to Budget In Brief)

OPD Org Chart

April 2013



Police Sworn Staffing Detail

- Graduate 4 academies over FY 2013-2015
- End FY 2014-2015 at 697 Sworn
- 20 Police Service Technicians
- 1 Latent Print Examiner
- 5 Communications Dispatchers
- Development of Civilian Staffing Plan

Police Staffing

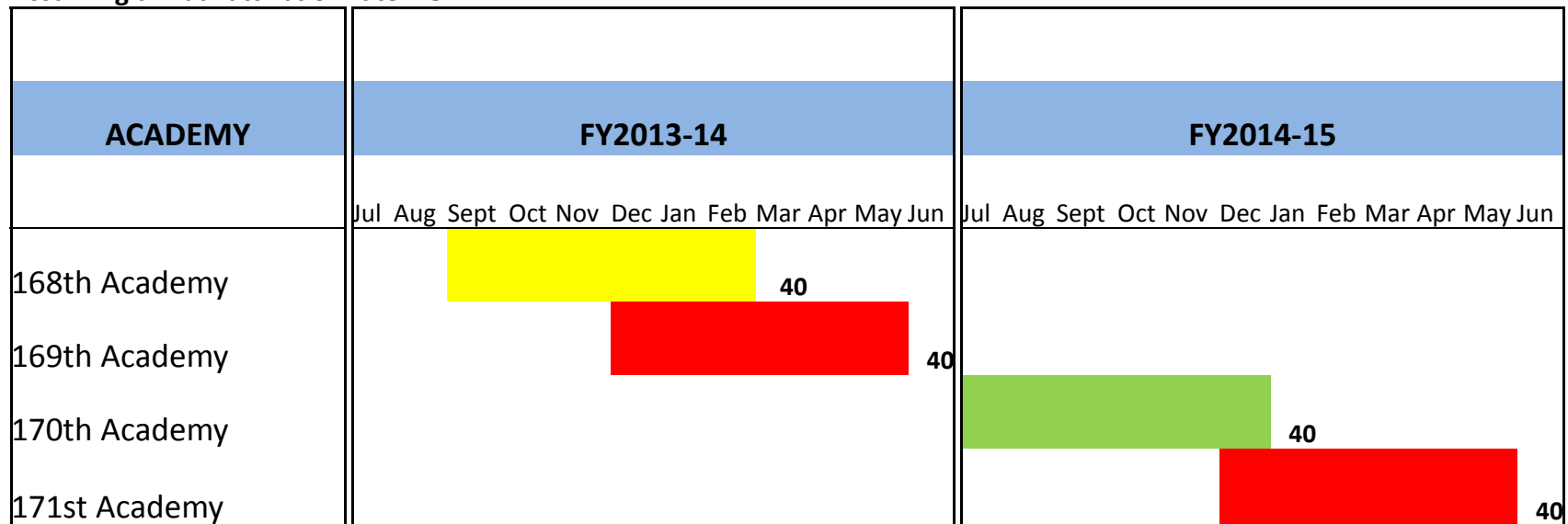
FY 2013-15 POLICE STAFFIG ILLUSTRATION

TWO PER YEAR ACADEMY COSTING (2,2)

FY 2012-13 Staff level: 633 FY 2013-14: (633 +40+40-48) = 665

FY 2014-15: 665 +40+40-48=697

Assuming annual attrition rate: 48



Police Staffing Detail – Civilian Support Staff

Professional Staff (Civilian)	2012-13 Needs Assessment	FY 2013-14 Authorized	Gap to Fill Need
Field Operations			
Police Services Technician II	59	59	0
Police Evidence Technician	29	14	15
Records Management			
Police Records Specialist	59	54	5
Police Records Supervisor	4	3	1
Crime Lab			
Criminalist II	15	13	2
Criminalist III	5	3	2
Latent Fingerprint Examiner II	5	4	1
Communications (911)			
Police Communications Dispatcher	87	70	17-5=12
Police Communications Supervisor	7	4	3
Business Intelligence & Crime Analysis			
Admin Analyst II	30	20	10
Total	300	244	56

Comparison of Regional Police Costing

	San Francisco	Walnut Creek	Fremont	Oakland	San Jose	BART
Annual Base Salary - Bottom	\$88,842	\$76,884	\$77,608	\$73,547	\$62,296	\$49,938
Annual Base Salary - Top	\$112,164	\$93,403	\$94,355	\$102,999	\$97,198	\$79,888
Retirement Program	SFERS 2.2% @ 50 or 3 @ 58	CalPers 3% @ 55	CalPers 3% @ 50	CalPers 3% @ 55	SJP&FRP 3% @ 50	SPERS 3% @ 50
Retirement Contribution	9%	9%	11.25%	9%	19.39%	0%
Net Pay – Bottom	\$80,846	\$69,964	\$68,877	\$66,928	\$50,217	\$49,938
Net Pay – Top	\$102,069	\$84,997	\$83,740	\$93,729	\$78,351	\$79,888

Police Academy Stages

166th Academy

Step	Total
Applications Received	2301
Invited to Written	2165
Invited to Physical Agility	752
Invited to Oral Interview	643
Referred to Department (on eligibility list)	409
Invited to Academy	55
Academy Graduation	39

167th Academy

Step	Total
Applications Received	1805
Invited to Written	1636
Invited to Physical Agility	710
Invited to Oral Interview	494
Referred to Department on eligibility list	231
Invited to Academy	51
Academy Graduation	N/A

Police Services Parcel Tax Options to Support Ongoing Cost of Officers

Number of Officers	700	850 (150)	900 (200)	1,000 (300)	1,200 (500)
Single Family Residential Parcel Tax Rate	\$88 (Measure Y)	\$276	\$338	\$463	\$713

Assumptions: (1) Same exclusions as Measure Y (106,094 covered parcels), (2) proportional increase in non-single family residential rates, (3) \$200K approximate annual salary, benefit, and equipment cost per officer, (4) *single family residential parcel tax rate of \$1.25 per year supports one officer*, and (5) rates above do not include recruitment, training, and initially equipping new officers.

FY 2013-15 Budget Process & Timeline

- **May:** Budget Town Hall Meetings Citywide
 - May 9: District 7, Thursday, 6:30-8:30 pm, Oakland Zoo, Zimmer Auditorium
 - May 13: District 5 & At Large, 6-8 pm, Patten College (location is tentative)
 - May 18: District 1 & 3, Saturday, 12 – 2 pm, Beebe Memorial
 - May 19: District 2 & 4, Sunday, 3:30-5:30 pm, Edna Brewer Middle School, 3748 13th Ave.
 - May 20: District 6, Monday, 6:30-8 pm, Frick Middle School, 2845-64th Ave.
- **May 23:** City Council Budget Hearing, 6:30 p.m. City Council Chambers
- **June 13:** City Council Budget Hearing, 6:30 p.m. City Council Chambers
- **June 27:** Final City Council Budget Hearing/Adoption, 6:30 p.m. City Council Chambers
- **July 1:** Implementation of FY 13-15 Adopted Budget

More Information Available

Proposed Policy Budget document

- ▶ <http://www2.oaklandnet.com/oakca1/groups/cityadministrator/documents/report/oak040606.pdf>

Factsheet in English

- ▶ <http://www2.oaklandnet.com/oakca1/groups/ceda/documents/agenda/oak040426.pdf>

Factsheet in Chinese

- ▶ <http://www2.oaklandnet.com/oakca1/groups/ceda/documents/marketingmaterial/oak040689.pdf>

Factsheet in Spanish

- ▶ <http://www2.oaklandnet.com/oakca1/groups/ceda/documents/marketingmaterial/oak040690.pdf>

