

**Five-Year Forecast**  
**General Purpose Fund**  
**FY10-11 to FY14-15**

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	Comments
Revenue	401.24	397.14	400.31	410.01	420.49	Revenue Assumptions: Revenues collected from property taxes are based on performance in prior years and are expected to decline in FY10-11 due to current economic conditions. Property taxes will also suffer from anticipated falls in commercial property values and consequently will also decline in FY11-12; They are expected to increase slightly in '12-13 and pick up thereafter. Business Tax is expected to increase marginally beginning in 12-13 and pick up moderately thereafter. The Transient Occupancy Tax and Parking Tax are projected to increase from 10-11 rapidly due to the combined effects of higher occupancy and higher market rates. The Real Estate Transfer Tax is projected to remain flat from 09-10 levels thru 11-12 and increase more rapidly thereafter due to recoveries in commercial and residential property values and increased numbers of transactions. Other revenues are projected to increase moderately due to improved economic conditions.
Expenditure	443.81	451.81	459.54	475.31	484.25	Expenditure Assumptions: Union concessions are assumed to continue, such as shutdown and employee retirement contribution. No cost of living allowance increase is assumed on civilian and fire salaries thru FY14-15. Increases in expenditures are due to increases in medical benefits, projected to grow by 7% annually beginning in FY11-12, and increases in retirement benefits rates based on CalPERS projections.  Rapid expenditure growth between FY12-13 and FY13-14 is due to increased retirement costs for public safety and civilians as projected by CalPERS and the beginning of police cost of living adjustments of 4% on January 1, 2013. Police begins 2% pension contribution on 1/1/2013.
<b>Shortfall</b>	<b>(42.57)</b>	<b>(54.67)</b>	<b>(59.23)</b>	<b>(65.30)</b>	<b>(63.77)</b>	
<b>Balanced by Council 4/29/10:</b>						
Revenues	5.5	1.75	1.75	1.75	1.75	Includes one-time revenues, such as lease of Scotlan, and sale of Grand View lots and Silveira properties, and proceeds from billboard revenue in FY10-11; and ongoing revenue from the new parking citation contract
Expenditures	5.59	4.58	4.09	4.09	4.09	Mostly reductions to grants and subsidies (\$1.12 M), position eliminations and/or transfers (29.67 FTE), and transfers of expenditures to non-GPF funds
<b>Balancing Measures Total</b>	<b>11.09</b>	<b>6.33</b>	<b>5.84</b>	<b>5.84</b>	<b>5.84</b>	
<b>Shortfall after Balancing Measure</b>	<b>(31.48)</b>	<b>(48.34)</b>	<b>(53.39)</b>	<b>(59.46)</b>	<b>(57.93)</b>	
Add: ARRA-funded COPS			(6.72)	(6.99)	(7.11)	The \$6.5M is increased based on the rate of increase in sworn costs.
<b>New Projected Shortfall</b>	<b>(31.48)</b>	<b>(48.34)</b>	<b>(60.10)</b>	<b>(66.45)</b>	<b>(65.04)</b>	
<b>Additional Budgetary Considerations, Not Included in the Shortfall</b>						
Annual Cost for OFD that reverts to GPF if Measure Y is Terminated	(4.00)	(4.00)	(4.00)	(4.00)	(4.00)	Note: \$1 Million GPF subsidy required to maintain Measure Y in FY10-11
Vehicle Replacement		(8.00)	(8.00)	(8.00)	(8.00)	Currently budgeted at \$0.3 million. Need additional \$8 million.
Add: Operating Expenditures for New Projects Coming On Line		(1.07)	(1.07)	(1.07)	(1.07)	Projects include: East Oakland Sports Complex, Mandela Parkway, Fire Station 18, Lake Merritt - Boathouse, and Lake Merritt - Embarcadero. Assumes that Year 1 costs are included in current budget.
OPEB (Other Post Employment Benefits)	16.57	18.20	19.85	21.49	23.11	Currently on a pay as you go schedule, which results in ongoing liability
PFRS*		\$43.00	44.10	46.60	48.60	The City's Annual Required Contribution to the Oakland Police & Fire Retirement System is set to resume in FY11-12. The Council and PFRS Board have approved the forming of a team to issue a Pension Obligation Bond and to negotiate an associated City Contribution Holiday in order to reduce GPF's contribution to PFRS.



Revenue Type	Year 1					Five-Year Forecast Assumptions				
	Proposed Midcycle FY2010-11	Year 2 Forecast FY2011-12	Year 3 Forecast FY2012-13	Year 4 Forecast FY2013-14	Year 5 Forecast FY2014-15					
Parking Tax	\$ 7.52	\$ 7.67	\$ 7.83	\$ 8.1	\$ 8.5	Parking tax is likely to recover due to increased economic activity. Higher demand for parking spaces will increase occupancy and allow for increases in parking rates in years 4 and 5. Note: If Measure Y is terminated and associated parking taxes are not collected, parking costs will fall boosting demand, and thus increase GPF parking revenue.				
%Growth from Year to Year	5.1%	2.0%	2.0%	4.0%	4.0%					
Licenses & Permits	\$ 1.36	\$ 1.36	\$ 1.36	\$ 1.39	\$ 1.41	Dependent on Council enacted policy (master fee schedule). Assumed no increases for the next 3 years.				
%Growth from Year to Year	5.3%	0.0%	0.0%	2.0%	2.0%					
Fines & Penalties	\$ 29.97	\$ 29.97	\$ 29.97	\$ 29.97	\$ 29.97	Comprised mostly of revenue from parking citations. FY10-11 is projected at the amended budget, but a positive growth of 7.1% compared to FY09-10 projection. This is due to anticipation of revenues from full implementation of revenue measures approved in FY09-10 such as roving patrol, pay/lock, disabled placard, etc. Out years are projected at flat growth.				
%Growth from Year to Year	7.1%	0.0%	0.0%	0.0%	0.0%					
Interest Income	\$ 1.64	\$ 1.64	\$ 1.64	\$ 1.64	\$ 1.64	No growth is projected due to the volatility of revenues (and operating cash balance).				
%Growth from Year to Year	0.0%	0.0%	0.0%	0.0%	0.0%					
Service Charges	\$ 46.53	\$ 46.53	\$ 46.53	\$ 47.46	\$ 48.41	Assumed based on projected zero growth in parking meters and rapid growth in franchise fees. Dependent on Council enacted policy (master fee schedule).				
%Growth from Year to Year	1.1%	0.0%	0.0%	2.0%	2.0%					
Grants & Subsidies	\$ -	\$ -	\$ -	\$ -	\$ -	No grants or reimbursements are currently anticipated.				
Miscellaneous	\$ 1.20	\$ 0.35	\$ 0.35	\$ 0.4	\$ 0.4	Revenues primarily from Bedroom Tax, and Raiders Ticket Surcharge. FY10-11 includes one-time revenue from Oak Ctr. Loan repayment (\$0.4M) & billboard revenue (\$0.5M). FY11-12 and beyond only anticipates revenues from Bedroom Tax and Raiders Ticket Surcharge. No one-time revenues identified at this time.				
Interfund Transfers	\$ 11.88	\$ 10.72	\$ 10.14	\$ 9.60	\$ 9.09	Transfers primarily from Pension Annuity Fund, and Sewer Fund. Pension Annuity Fund projected to decline by 5.7% based on historical average. FY10-11 includes one-time transfer from Bond Fund.				
Total GPF Revenues	\$ 401.3	\$ 397.1	\$ 400.3	\$ 410.0	\$ 420.5					
% Growth from prior year	-0.2%	-1.0%	0.8%	2.4%	2.6%					

**Five-Year Forecast  
General Purpose Fund Expenditure  
FY10-11 to FY14-15**

	Adopted Budget FY10-11	Forecast FY11-12	Forecast FY12-13	Forecast FY13-14	Forecast FY14-15	Variance FY10/11 vs. FY11/12	Variance FY11/12 vs. FY12/13	Variance FY12/13 vs. FY13/14	Variance FY13/14 vs. FY14/15
<b>Summary</b>									
Salaries	195,967,280	197,607,210	199,266,458	199,266,458	199,266,458	-	1,639,930	1,661,249	-
Overtime	15,858,540	15,858,540	16,036,010	16,215,788	16,215,788	-	177,470	179,777	-
Retirement & Benefits	121,143,090	127,149,120	136,016,320	147,756,796	154,240,379	6,006,030	8,867,200	11,740,477	6,483,583
Misc. Personnel Costs	(1,715,780)	(1,715,780)	(1,738,085)	(1,760,680)	(1,760,680)	-	(22,305)	(22,595)	-
Operation & Maintenance	46,869,290	46,869,290	46,869,290	46,869,290	46,869,290	-	-	-	-
Internal Service Fund	26,135,230	27,134,405	28,384,139	29,709,086	31,113,751	999,175	1,249,734	1,324,947	1,404,665
Fund Transfers	58,968,177	59,970,811	55,781,467	56,668,767	57,727,796	1,002,634	(4,189,343)	887,300	1,059,028
Overhead Recoveries	(19,420,820)	(19,420,820)	(19,420,820)	(19,420,820)	(19,420,820)	-	-	-	-
Other Expenditures									
<b>Total</b>	<b>443,805,007</b>	<b>451,812,846</b>	<b>459,535,531</b>	<b>475,306,685</b>	<b>484,253,961</b>	<b>8,007,839</b>	<b>7,722,685</b>	<b>15,771,154</b>	<b>8,947,276</b>

	Midcycle Budget FY10-11	Forecast FY11-12	Forecast FY12-13	Forecast FY13-14	Forecast FY14-15	Variance FY10/11 vs. FY11/12	Variance FY11/12 vs. FY12/13	Variance FY12/13 vs. FY13/14	Variance FY13/14 vs. FY14/15
<b>Detail</b>									
<b>Personnel Costs</b>									
Civilian	69,818,850	69,818,850	69,818,850	69,818,850	69,818,850	-	-	-	-
Salaries	2,206,980	2,206,980	2,206,980	2,206,980	2,206,980	-	-	-	-
Overtime	12,921,420	13,375,942	14,674,577	16,687,462	16,947,189	454,522	1,298,635	2,012,885	259,727
Retirement	23,066,180	26,820,813	28,696,269	30,707,148	32,866,649	1,794,681	1,877,457	2,008,879	2,149,500
Benefits	126,148,430	127,788,360	127,788,360	129,449,608	129,449,608	-	1,639,930	1,661,249	-
Public Safety	13,651,560	13,651,560	13,829,030	14,008,808	14,008,808	-	177,470	179,777	-
Salaries (Police & Fire)	39,787,500	40,516,516	42,311,197	45,065,586	46,061,986	759,016	1,794,681	3,495,338	255,460
Overtime	43,397,990	46,495,849	50,332,275	54,555,650	58,374,546	3,037,859	3,896,426	4,223,375	3,818,896
Retirement	(1,715,780)	(1,715,780)	(1,738,085)	(1,760,680)	(1,760,680)	-	(22,305)	(22,595)	-
Benefits	46,869,290	46,869,290	46,869,290	46,869,290	46,869,290	-	-	-	-
Misc. Personnel Costs (Mostly Public Safety)	(500,000)	(500,000)	(750,000)	(1,250,000)	(1,250,000)	-	-	-	-
<b>O&amp;M</b>	<b>46,869,290</b>	<b>46,869,290</b>	<b>46,869,290</b>	<b>46,869,290</b>	<b>46,869,290</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Raiders Contribution to the Coliseum Subsidy</b>	<b>(19,420,820)</b>	<b>(19,420,820)</b>	<b>(19,420,820)</b>	<b>(19,420,820)</b>	<b>(19,420,820)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OH Recoveries</b>	<b>6,751,880</b>	<b>7,431,215</b>	<b>7,665,404</b>	<b>7,910,531</b>	<b>8,167,034</b>	<b>679,335</b>	<b>234,189</b>	<b>245,127</b>	<b>256,503</b>
Equipment Fund (4100)	15,725,990	16,045,830	17,061,375	18,141,195	19,289,357	319,840	1,015,545	1,079,820	1,148,162
Facilities Fund (4400)	3,657,360	3,657,360	3,657,360	3,657,360	3,657,360	-	-	-	-
ISF - Other	58,968,177	59,970,811	55,781,467	56,668,767	57,727,796	1,002,634	(4,189,343)	887,300	1,059,028
<b>Fund Transfers</b>	<b>625,540</b>	<b>579,589</b>	<b>579,589</b>	<b>579,589</b>	<b>579,589</b>	<b>(45,951)</b>	<b>-</b>	<b>-</b>	<b>-</b>
10-Year Repayment	265,540	934,692	934,692	934,692	934,692	669,152	(934,692)	-	-
1730 - Kaiser Conv. Ctrs.	630,020	579,605	579,605	579,605	579,605	(50,415)	-	-	-
1760 - Telecomm Fund	17,151,950	17,509,007	18,190,089	18,820,051	19,619,225	357,057	681,082	629,962	789,174
1790 - Contract Compliance	11,515,707	11,214,257	11,391,350	11,667,475	11,956,898	(301,450)	177,094	276,125	289,422
1100 - Self-Insurance Liability	3,681,350	4,089,750	-	-	-	408,400	(4,089,750)	-	-
1780 - Kids First!	14,163,780	14,120,100	14,100,450	14,071,613	14,071,613	(20,505)	(23,175)	(19,650)	(28,837)
2310 - LLAD	9,071,330	9,057,676	9,057,774	9,058,637	9,057,906	(13,654)	98	863	(731)
Museum Lease Payment	148,000	148,000	148,000	148,000	148,000	-	-	-	-
6014 - Convention Ctrs. Lease Payment	160,000	160,000	160,000	160,000	160,000	-	-	-	-
6512 - City Admin Bldg. Lease Payment									
2321 - Wild Fire Prev. District (Authorized thru 7/1/14)									
Raiders Surcharge (based on historical average)									
PPRS Contribution									
OPEB Contribution (66% GPF Contribution)									
Fund 1720 Comprehensive Clean-up									
<b>Total Expenditure</b>	<b>443,805,007</b>	<b>451,812,846</b>	<b>459,535,531</b>	<b>475,306,685</b>	<b>484,253,961</b>	<b>8,007,839</b>	<b>7,722,685</b>	<b>15,771,154</b>	<b>8,947,276</b>
<b>% Change</b>		<b>1.8%</b>	<b>1.7%</b>	<b>3.4%</b>	<b>1.9%</b>				

**Five-Year Forecast  
General Purpose Fund Expenditure  
FY10-11 to FY14-15**

	Adopted Budget FY10-11	Forecast FY11-12	Forecast FY12-13	Forecast FY13-14	Forecast FY14-15	Variance FY10/11 vs. FY11/12	Variance FY11/12 vs. FY12/13	Variance FY12/13 vs. FY13/14	Variance FY13/14 vs. FY14/15
<b>Operating Costs Assumed To be Included in the Budget in year 1</b>									
<b>Capital Projects Operating Expenses (81st Ave. Library, etc.)</b>									
81st Library	187,000	187,000	187,000	187,000	187,000				
East Oakland Sports Center	375,000	375,000	375,000	375,000	375,000				
Mandela Parkway	120,000	120,000	120,000	120,000	120,000				
Fire Station 18	27,000	27,000	27,000	27,000	27,000				
Lake Merritt - Boathouse Lakeshore	220,000	220,000	220,000	220,000	220,000				
Lake Merritt - El Embarcadero	330,000	330,000	330,000	330,000	330,000				

**Major Assumptions:**

- 1) Union concession to continue (salary flat, no COLA, shutdown, OPD & OFD Special Concessions)
- 2) Fringe Benefits projected to increase by 7% per year.
- 3) Projected increases to retirement rates as provided by CalPERS
- 4) Telecommunications Fund (1760) repayment will be completed in FY11/12