

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.
Shortfall	(42.57)	(54.67)	(59.23)	(65.30)	(63.77)	
Balanced by Council 4/29/10:						
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
Balancing Measures Total	11.09	6.33	5.84	5.84	5.84	
Shortfall after Balancing Measure	(31.48)	(48.34)	(53.39)	(59.46)	(57.93)	
Add: ARRA-funded COPS			(6.72)	(6.99)	(7.11)	The \$6.5M is increased based on the rate of increase in sworn costs.
New Projected Shortfall	(31.48)	(48.34)	(60.10)	(66.45)	(65.04)	
Additional Budgetary Considerations, Not Included in the Shortfall						
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
Summary									
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	6,483,563
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									
Total	443,805,007	451,812,846	459,535,531	475,306,685	484,253,961	8,007,839	7,722,685	15,771,154	8,947,276

	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
Detail									
Personnel Costs									
Civilian									
Salaries	69,818,850	69,818,850	69,818,850	69,818,850	69,818,850	-	-	-	-
Overtime	2,206,980	2,206,980	2,206,980	2,206,980	2,206,980	-	-	-	-
Retirement	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
Benefits	25,066,180	26,820,813	28,696,269	30,707,148	32,866,649	1,754,633	1,877,457	2,008,879	2,149,500
Public Safety									
Salaries (Police & Fire)	126,148,430	127,788,360	127,788,360	129,449,608	129,449,608	-	1,639,930	1,661,249	-
Overtime	13,651,560	13,651,560	13,829,030	14,008,808	14,008,808	-	177,470	179,777	-
Retirement	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
Benefits	43,397,990	46,495,849	50,332,275	54,955,650	58,374,546	3,037,859	3,896,426	4,223,375	3,818,896
Misc. Personnel Costs (Mostly Public Safety)	(1,715,780)	(1,715,780)	(1,738,085)	(1,760,680)	(1,760,680)	-	(22,305)	(22,595)	-
O&M	46,869,290	46,869,290	46,869,290	46,869,290	46,869,290	-	-	-	-
Raiders Contribution to the Coliseum Subsidy	(500,000)	(500,000)	(750,000)	(1,250,000)	(1,250,000)	-	-	-	-
OH Recoveries	(19,420,820)	(19,420,820)	(19,420,820)	(19,420,820)	(19,420,820)	-	-	-	-

	Internal Service Funds	Equipment Fund (4100)	Facilities Fund (4400)	ISF - Other	Fund Transfers	10-Year Repayment	1730 - Kaiser Conv. Ctrs.	1760 - Telecomm Fund	1790 - Contract Compliance	1100 - Self-Insurance Liability	1780 - Kids First!	2310 - LLAD	Museum Lease Payment	6014 - Convention Ctrs. Lease Payment	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	Total Expenditure	% Change
6,751,880	7,431,215	15,725,990	3,657,360	58,968,177	59,970,811	55,781,467	579,589	579,589	579,589	17,151,950	11,515,707	3,681,350	4,089,750	14,163,780	9,071,330	148,000	160,000	160,000	1,554,960	443,805,007	1.9%	
7,910,531	8,167,034	18,141,195	3,657,360	57,727,796	57,727,796	56,668,767	579,589	579,589	579,589	18,190,089	11,667,475	4,089,750	4,089,750	14,100,450	9,058,637	148,000	160,000	160,000	1,554,960	484,253,961	3.4%	
679,335	8,167,034	19,289,357	3,657,360	57,727,796	57,727,796	56,668,767	579,589	579,589	579,589	18,190,089	11,667,475	4,089,750	4,089,750	14,100,450	9,058,637	148,000	160,000	160,000	1,554,960	484,253,961	3.4%	
234,189	8,167,034	19,289,357	3,657,360	57,727,796	57,727,796	56,668,767	579,589	579,589	579,589	18,190,089	11,667,475	4,089,750	4,089,750	14,100,450	9,058,637	148,000	160,000	160,000	1,554,960	484,253,961	3.4%	
1,015,545	8,167,034	19,289,357	3,657,360	57,727,796	57,727,796	56,668,767	579,589	579,589	579,589	18,190,089	11,667,475	4,089,750	4,089,750	14,100,450	9,058,637	148,000	160,000	160,000	1,554,960	484,253,961	3.4%	
887,300	8,167,034	19,289,357	3,657,360	57,727,796	57,727,796	56,668,767	579,589	579,589	579,589	18,190,089	11,667,475	4,089,750	4,089,750	14,100,450	9,058,637	148,000	160,000	160,000	1,554,960	484,253,961	3.4%	
245,127	8,167,034	19,289,357	3,657,360	57,727,796	57,727,796	56,668,767	579,589	579,589	579,589	18,190,089	11,667,475	4,089,750	4,089,750	14,100,450	9,058,637	148,000	160,000	160,000	1,554,960	484,253,961	3.4%	
1,079,820	8,167,034	19,289,357	3,657,360	57,727,796	57,727,796	56,668,767	579,589	579,589	579,589	18,190,089	11,667,475	4,089,750	4,089,750	14,100,450	9,058,637	148,000	160,000	160,000	1,554,960	484,253,961	3.4%	
629,962	8,167,034	19,289,357	3,657,360	57,727,796	57,727,796	56,668,767	579,589	579,589	579,589	18,190,089	11,667,475	4,089,750	4,089,750	14,100,450	9,058,637	148,000	160,000	160,000	1,554,960	484,253,961	3.4%	
276,125	8,167,034	19,289,357	3,657,360	57,727,796	57,727,796	56,668,767	579,589	579,589	579,589	18,190,089	11,667,475	4,089,750	4,089,750	14,100,450	9,058,637	148,000	160,000	160,000	1,554,960	484,253,961	3.4%	
863	8,167,034	19,289,357	3,657,360	57,727,796	57,727,796	56,668,767	579,589	579,589	579,589	18,190,089	11,667,475	4,089,750	4,089,750	14,100,450	9,058,637	148,000	160,000	160,000	1,554,960	484,253,961	3.4%	
(19,650)	8,167,034	19,289,357	3,657,360	57,727,796	57,727,796	56,668,767	579,589	579,589	579,589	18,190,089	11,667,475	4,089,750	4,089,750	14,100,450	9,058,637	148,000	160,000	160,000	1,554,960	484,253,961	3.4%	
(28,837)	8,167,034	19,289,357	3,657,360	57,727,796	57,727,796	56,668,767	579,589	579,589	579,589	18,190,089	11,667,475	4,089,750	4,089,750	14,100,450	9,058,637	148,000	160,000	160,000	1,554,960	484,253,961	3.4%	
(731)	8,167,034	19,289,357	3,657,360	57,727,796	57,727,796	56,668,767	579,589	579,589	579,589	18,190,089	11,667,475	4,089,750	4,089,750	14,100,450	9,058,637	148,000	160,000	160,000	1,554,960	484,253,961	3.4%	
8,007,859	8,007,859	8,007,859	8,007,859	8,007,859	8,007,859	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,007,859	8,007,859	1.7%
15,771,154	15,771,154	15,771,154	15,771,154	15,771,154	15,771,154	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,771,154	15,771,154	1.7%
8,947,276	8,947,276	8,947,276	8,947,276	8,947,276	8,947,276	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,947,276	8,947,276	1.9%

**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
Operating Costs Assumed To be Included in the Budget in year 1									
Capital Projects Operating Expenses (81st Ave. Library, etc.)									
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