



City of
OAKLAND
California



City of Oakland Special City Council Meeting

April 2, 2013

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Information presented is to the best of our knowledge as of March 2013 and subject to change.

Past Budget Conditions

Background– Past Budget Conditions

- ▶ Shortfalls totaling **\$317.8** Million over last 6 years
- ▶ Workforce reduction equivalent to **720** full-time positions (16%) over last 6 years
- ▶ 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
- ▶ Employees & residents have been major part of the solution

Source: Council meeting materials and adopted budget document

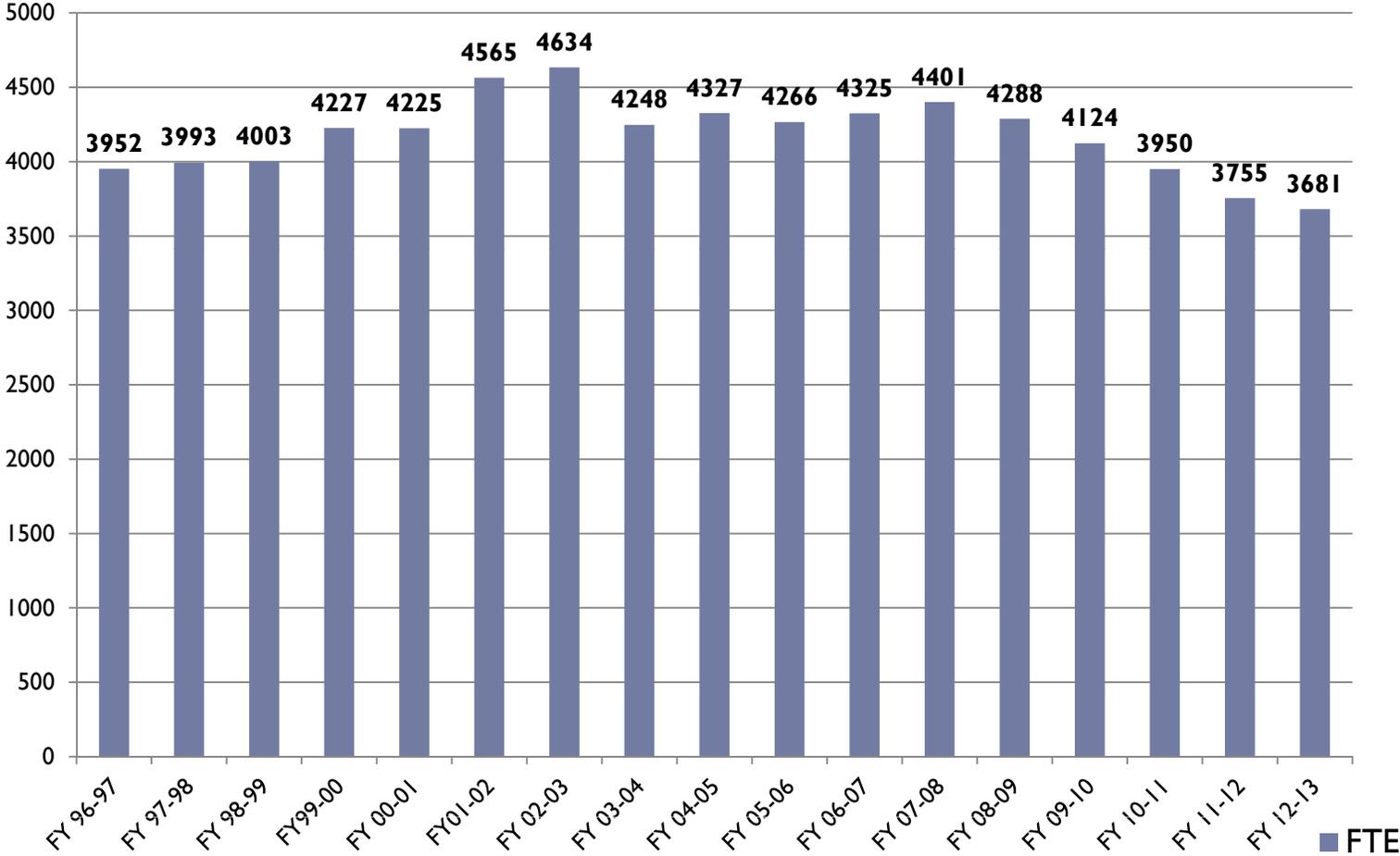


City of
OAKLAND
California

Full-Time Equivalent (FTE) History

4,634 → 3,681 FTEs (All Time Low)*

Totals: 354 layoffs; and, 653 impacted positions



*Source: Adopted Budget documents



Past Challenges

- ▶ All-Funds budget shortfall and position eliminations

	Reduction Amt. (Millions)	FTEs Eliminated*
FY 2007-08	(\$ 7.5)	
FY 2008-09	(\$ 45.3)	(113)
FY 2009-10	(\$ 50.9)	(164)
FY 2010-11	(\$ 52.1)	(174)
FY 2011-12	(\$ 58.0)	(195)
FY 2012-13	(\$ 76.0)	
FY Jan. 2012 (ORA Dissolution)	(\$ 28.0)	(74)
Total:	(\$317.8M)	(720 FTEs)

Source: Council meeting materials and adopted budget documents

Service Reductions—Public Safety

- Closed two fire engine companies—Rolling Brown Outs
 - 2 out of 25 Engines, 7 Trucks remain
- Sworn OPD workforce reduced **27%** from 837 to 611 officers
- Civilian OPD workforce reduced **34%** in the last 6 years from 394 to 261 (*Does not include Parking Reorganization*)
- Loss of a variety of 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

Loss of redevelopment funding and continued shortfalls have resulted in loss of key programs, and resources, for example:

- 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 (NPI)
- 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

Labor Agreements

Employee Contributions Schedule - Estimated All Funds Savings

Contribution	Union	FY 2012-13	FY 2013-14	FY 2014-15
End of Mandatory Leave Without Pay (MLWOP) and Floating Mandatory Leave Without Pay (FMLWOP)	Civilian	\$15.7M	Sunset	Sunset
Salary step freeze	Civilian	\$2.7M	Sunset	Sunset
Additional retirement contribution	Civilian	\$2.7M	Sunset	Sunset
8.85% temporary salary reduction	IAFF	\$8.4M	\$8.8M	Sunset
Vacation reduction	IAFF	\$0.9M	\$1.0M	Sunset
Brown out of two companies	IAFF	\$4.0M	\$4.0M	Sunset
4% COLA delay	OPOA	\$2.2M	\$4.1M	\$1.0M
Suspend reinstatement of holidays	OPOA	\$0.4M	\$0.4M	\$0.4M
Total Expiring Employee Contributions		\$37.0M	\$18.3M	\$1.4M

Note: OPOA 9% employee pension contribution, lower Step one and trainee pay do not sunset after expiration of the current contract.



Labor Agreements–GPF Savings

Employee Contributions Schedule

Contribution	Union	FY 2012-13	FY 2013-14	FY 2014-15
Mandatory Leave Without Pay (MLWOP) and Floating Mandatory Leave Without Pay (FMLWOP)	Misc	\$5.6M	Sunset	Sunset
Salary step freeze	Misc	\$1.5M	Sunset	Sunset
Additional retirement contribution	Misc	\$1.0M	Sunset	Sunset
8.85% temporary salary reduction	IAFF	\$8.3M	\$8.5M	Sunset
Vacation reduction	IAFF	\$0.9M	\$1.0M	Sunset
Brown out of two companies	IAFF	\$4.0M	\$4.0M	Sunset
4% COLA delay	OPOA	\$1.9M	\$3.6M	\$1.0M
Suspend reinstatement of holidays	OPOA	\$0.4M	\$0.4M	\$0.4M
Total Expiring Employee Contributions		\$23.6M	\$17.5M	\$1.4M

Note: OPOA 9% employee pension contribution and lower Step one and trainee pay do not sunset after expiration of the current contract.

Current Budget Conditions FY 2012-2013

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



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)

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)

Audited General Fund Reserve/Undesignated Fund Balance Update

	June 30, 2012 Un-Audited	March 2013 Audited & Council Actions
Gross ending Fund Balance	\$ 82,900,000	\$ 84,600,000
Jun-Dec ROPS Residual Prop Tax Trust (RPTT) already included in 12-13 Budget	\$ (3,700,000)	\$ (3,700,000)
\$8.78M for 12-13 budget (property sales)	\$ (8,782,521)	\$ (8,782,521)
\$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
RESERVE 7.5% GPF PER COUNCIL POLICY	(\$ 30,200,000)	(\$ 30,200,000)
NET AVAILABLE ENDING FB	\$ 33,317,479	\$ 36,417,479
July 1, 2012 Beginning Fund Balance:	\$ 33,317,479	\$ 36,417,479
Sierra Systems (Council action 12/2012)	\$ -	\$ (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)	\$ -	\$ (530,000)
VMA Security Service Contract (Council action 1/2013)	\$ -	\$ (100,000)
Low/Mod Housing & Admin. Cost ROPS Denial	\$ -	\$ (3,081,089)
Received Property Tax Distribution	\$ -	\$ 2,480,000
Contract with CHP (Council action 2/2013)	\$ -	\$ (162,000)
Compliance Director per Federal Court Order (Salary only, Term of NSA is 12/2014)	\$ -	\$ (540,000)
General Fund Balance w/known Council Action:	\$ 33,317,479	\$ 32,524,492

Notes:

1. Some fund balance will be required for NSA/Compliance Director –Court Order Implementation (e.g., CD staffing, space, compliance initiatives) (\$TBD)
2. 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 review may have an additional fiscal impact (\$TBD).
3. Fiscal impact from pending litigation settlement agreements (Minimum is estimated at \$4.3M)
4. City Council has appropriated and/or recognized \$6,372,987 of Undesignated Fund Balance as of July 1, 2012 and will realize \$2,480,000 of Tax Distribution. The Council may return \$14.28M of one-time funds transferred to balance FY 2012-13 budget (as of June 30) due to revenue growth or allocate them as part of the budget process.
5. Anticipate allocating at least approximately \$8M for Police Overtime to close out a balanced FY 2012-13 operating budget.

Budget At A Glance

(as of July 1, 2012)

FY 2012-13 Adopted Budget

	GPF	All Funds
Revenue	\$409 million	\$1,004 million
Expenditure	\$409 million	\$984 million
FTEs		3,680.69

Note: For revised budget figures, see the 2nd Quarter Report that will be heard at the April 9 Finance & Management Committee Meeting.

FY 2012-13 Appropriation by Department

(as of July 1, 2012)

Departments	GPF		All Funds	
	Approrpriations	%	Appropriations	%
Mayor	1,302,162	0.32%	1,546,515	0.16%
City Council	2,898,046	0.71%	3,419,414	0.35%
City Administrator	24,517,450	5.99%	50,431,169	5.12%
City Attorney	4,311,203	1.05%	12,058,374	1.23%
City Auditor	900,535	0.22%	900,535	0.09%
City Clerk	1,930,089	0.47%	2,108,852	0.21%
Administative Services	17,192,769	4.20%	30,909,620	3.14%
Police Services	168,711,136	41.23%	194,952,142	19.81%
Fire Services	95,082,296	23.24%	108,509,408	11.03%
Library	9,059,989	2.21%	24,599,505	2.50%
Community Services	17,290,866	4.23%	75,264,767	7.65%
Public Works	816,207	0.20%	121,211,128	12.32%
Housing & Community Development	-	0.00%	13,312,193	1.35%
Planng, Building & Neighborhood Preservation	-	0.00%	20,708,482	2.10%
Non Departmental	64,654,586	15.80%	290,658,010	29.54%
Capital Improvement	502,000	0.12%	33,512,000	3.41%
Total:	409,169,334	100.00%	984,102,114	100.00%

Note: For revised budget figures, see the 2nd Quarter Report that will be heard at the April 9 Finance & Management Committee Meeting.

Current Budget Conditions

(as of March 15, 2013)

- ▶ Maintains prudent fiscal control & management
- ▶ Carry forwards fund balance from prior year at \$84.6M (**Audited**)
- ▶ Achieves City Council 7.5% Reserve Policy
- ▶ Undesignated Fund Balance at approximately \$30M exists, but fiscal uncertainties exceed the amount of the Undesignated Fund Balance
- ▶ \$6,372,987 (as of 3/15/2013) of Undesignated Fund Balance has been committed after July 1, 2012 and will realize \$2,480,000 of Tax Distribution (Net expenditure of \$3,892,987)
- ▶ Paying down the negative fund balance (\$138M to \$98.9M—projected estimate for FY 2012-13)
- ▶ FY 2012-13 Mid-Cycle Adopted Budget—Reinvested in some essential services:
 - ▶ Community Centers
 - ▶ Senior Center Hours
 - ▶ Paving Crew
 - ▶ OPD Academies



Current Budget Conditions

- ▶ **Strategies to Address Workforce and Community Needs**
 - ▶ Created contingency plan for unanticipated expenditures, which provides a fiscal source to pay for fiscal uncertainties
 - ▶ Public Safety investments
 - ▶ Investment in economic development and job growth
 - ▶ Investment in City's infrastructure and information technology
 - ▶ Continued to stabilize service levels

Current Budget Conditions

Fiscal Uncertainties –Outside of Local Control

- Potential fiscal impact for RDA transaction reversal (land sales)
- ROPS denial of \$3M+ staff/program expenditures & more reviews underway
- Undesignated cost of NSA mandates
- Litigation Settlements
- Sequestration



Current Budget Conditions

Service Challenges

- Public Safety – Crime Increase AND Sworn Decrease
- Modest Revenue Growth/ But Expenditures Exceed Pace
- 5 Year Forecast Shows Structural Budget Gap (with or without academies)
- 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)

Measure Y & Wildfire District Sunset

Measure Y -- Violence Prevention and Public Safety Act of 2004, 10 years (expires on December 31, 2014)

- ▶ Funded two fire engine companies, or 32 FTEs (minimum service level required-25 Engines 7 trucks)
- ▶ No less than 40% of proceeds spent on social service programs, 11.9 FTEs
- ▶ Funded 63 police officers (minimum staff required)
- ▶ Measure BB of 2010
 - ▶ Removed minimum service level for fire service
 - ▶ Removed minimum staffing level for PD
- ▶ Revenue from parcel tax and parking tax total approximately \$20M
- ▶ Property tax will cover until June 30, 2015, but parking tax will end on December 31, 2014

Wildfire Prevention Assessment District, 10 Years (Expires June 30, 2014)

- Goat grazing program
- Chipping program
- Vegetation removal
- Public education
- 1 FTE
- Revenue will end on June 30, 2014, proposal to City Council for a ballot measure to be held in 2013

FY 2012-13 Mid-Cycle Adopted Budget

- ▶ In July 2012, first time in 4 years: no layoffs and no additional cuts in FY 2012-13 Amended Adopted Budget, and the City Council adopted the return of 1 day value of furlough to all unions subject to negotiation with all bargaining groups
- ▶ Restored Some Services: senior centers hours, recreation center hours, day laborer program, etc.
- ▶ Funded additional police academy and other law enforcement strategies
- ▶ Investment in economic development and job growth
- ▶ Replace and expand parking meters



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

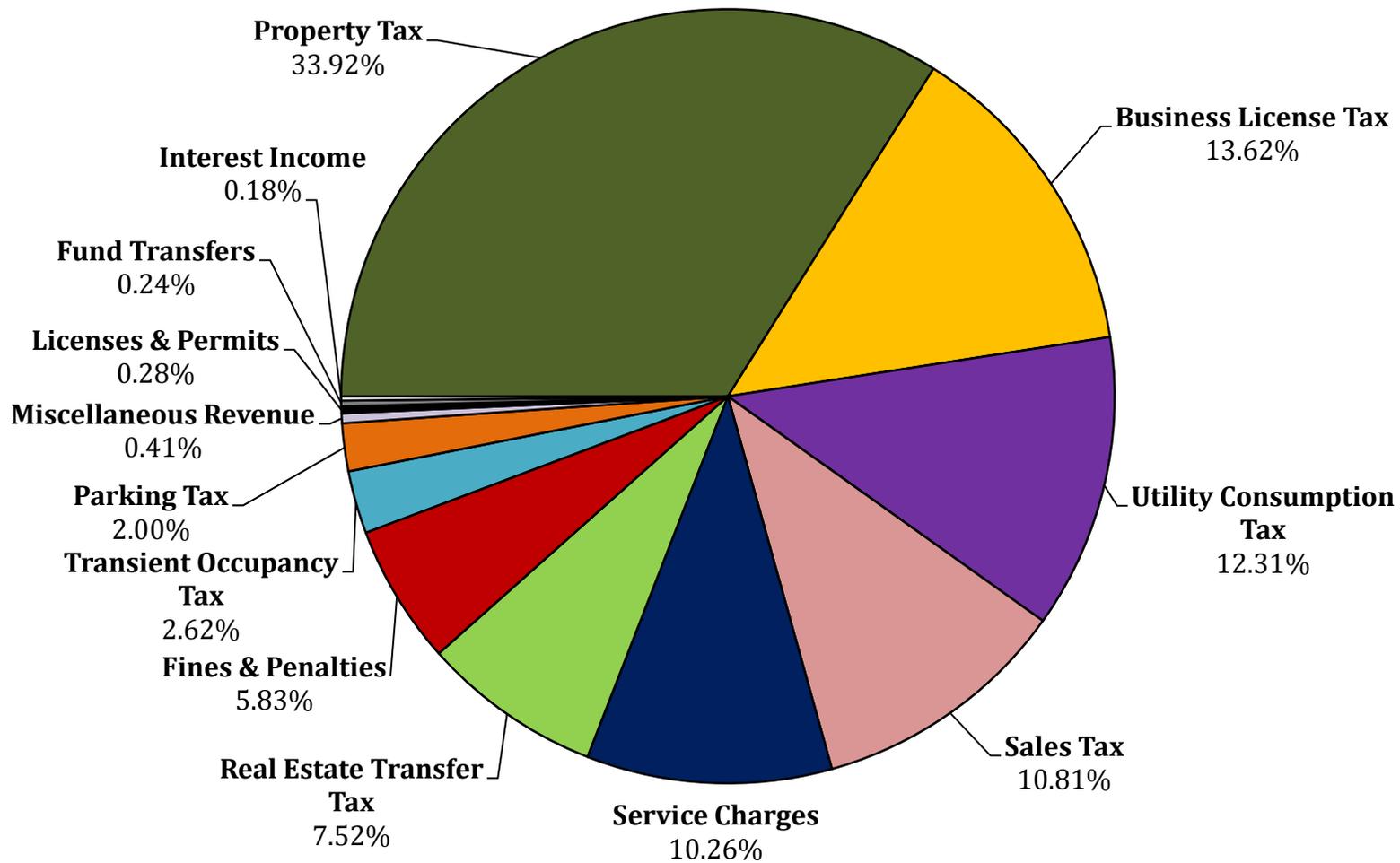
Proposed Budget Baseline FY 2013-2015

FY 2013-14 General Purpose Fund Projected Revenue by Category

Categories	Amount	%
Property Tax	\$ 141,792,163	33.92%
Business License Tax	\$ 56,940,686	13.62%
Utility Consumption Tax	\$ 51,434,031	12.31%
Sales Tax	\$ 45,178,542	10.81%
Service Charges	\$ 42,870,838	10.26%
Real Estate Transfer Tax	\$ 31,429,501	7.52%
Fines & Penalties	\$ 24,387,799	5.83%
Transient Occupancy Tax	\$ 10,949,655	2.62%
Parking Tax	\$ 8,364,124	2.00%
Miscellaneous Revenue	\$ 1,715,986	0.41%
Licenses & Permits	\$ 1,184,140	0.28%
Fund Transfers	\$ 1,008,000	0.24%
Interest Income	\$ 731,942	0.18%
Total:	\$ 417,987,408	100.00%

Five Year Financial Plan - Forecast Revenue

General Purpose Fund Fiscal Year 13-14



Two-Year Budget Projected Shortfall (in Millions)

Descriptions	FY 2013-14	FY 2014-15
Total Projected General Fund Expenditures	See Next Slide*	See Next Slide*
Total Projected General Fund Revenue	\$417.99M	\$430.06M
Projected General Fund Shortfall	See Next Slide	See Next Slide

*These expenditure figures include more precise projections than those included in the Five-Year Financial Plan; ongoing expenditures recently approved by the City Council; and some additional proposed critical expenditures (police academies, IT upgrades, and emergency capital repair) not yet approved by City Council, as detailed on a following slide.

Fund	13-14 Rev	13-14 Exp	FY 13-14 Diff	14-15 Rev	14-15 Exp	FY 14-15 Diff
Multipurpose Res (1750)	\$4.78	\$5.17	(\$.39)	\$4.77	\$5.21	(\$.44)
HUD – CDBG (2108)	\$7.75	\$9.25	(\$1.50)	\$7.75	\$9.35	(\$1.60)
Workforce Inv Act (2195)	\$5.73	\$6.42	(\$.69)	\$5.73	\$6.46	(\$.73)
Develop Serv Fund (2415)	\$24.02	\$25.45	(\$1.43)	\$24.02	\$25.75	(\$1.73)
Non-General Fund Sub-Total:			(\$4.01)			(\$4.50)
Total All-Fund Projected Shortfall			TBD			TBD

Other non-General Purpose Fund concerns:

- Library Measure Q (2241) structural imbalance (fund balance can cover the shortfall in FY 2013-15, but not thereafter)
- Pending litigation (settlements will add to negative fund balance in Self Insurance Liability fund (1100))

Obsolete as of
3/7/2013

Budget Deficit Scenarios

(Based on Policy Goals re: Police Staffing Levels)

Description	FY 2013-14	FY 2014-15
GF Revenue	\$417.99MM	\$430.07M
GF Expenditure: Scenario 1 (168 th Academy and No Additional Academies)	\$436.63M (\$18.64M Shortfall)	\$457.93 (\$27.86M Shortfall)
GF Expenditure: Scenario 2 1 Academy/FY: Y1: 168-Sept. 2013 Y2: 169 th -Sept. 2014	\$438.13M (\$20.14M Shortfall)	\$465.53M (\$35.46M Shortfall)
GF Expenditure: Scenario 3 2 Academies/FY: Y1: 168 th + 169 th ; Y2: 170 th + 171 st	\$447.23M (\$29.24M Shortfall)	\$481.73M (\$51.66M Shortfall)

See next slide for more complete information.

Revised as of
3/18/2013

Budget Deficit Scenarios

(Based on Policy Goals re Police Staffing Levels)

Description	FY 2013-14	FY 2014-15
GF Revenue	\$417.99M	\$430.07M
Scenario 1 = Y1: 665; Y2: 617 Officers Only 1 Academy in 2 years -Y1: 168 th Academy (Sept. 2013) -Y2: No Academies	\$436.63M (18.64M Shortfall)	\$457.93M (27.86M Shortfall)
Scenario 2 = Y1: 665; Y2: 657 Officers 1 Academy/FY -Y1: 168 th (Sept. 2013) -Y2: 169 th (Sept. 2014)	\$437.75M (19.76M Shortfall)	\$465.26M (35.19M Shortfall)
Scenario 3 = Y1: 705; Y2: 737 Officers 2 Academies/FY -Y1: 168 th (Sept. 13) + 169 th (Dec. 13) -Y2: 170 th (July 14) + 171 st (Dec. 14)	\$443.75M (25.76M Shortfall)	\$479.71M (49.64M Shortfall)
Scenario 4 = Y1: 665; Y2: 677 Officers 1 Academy/FY + Lateral -Y1: 168 (Sept. 2013) -Y2: 169 th (Sept. 2014, 20 PO Lateral) (County Sheriff + CHP Contracts)	\$440.15M (22.16M Shortfall)	\$472.90M (42.83M Shortfall)

Police Sworn Staffing Increase - 833

POLICE SWORN STAFF INCREASE TO 833 TOTAL (TWO ACADEMIES PER YEAR, COSTS ABOVE BASELINE BUDGET)						
	FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18	Grand Total
New Officers (Net Attrition of 48 Per Year)	40	32	32	32	32	
Total Sworn at FYE (665 FY 2013-14 baseline)	705	737	769	801	833	
Pre-Academy, Academy, and Field Training	\$4,924,759	\$8,307,409	\$9,466,365	\$9,818,775	\$7,536,461	\$40,053,770
Costs related to new officers first year	\$2,190,583	\$7,235,383	\$7,528,106	\$7,833,393	\$8,370,781	\$33,158,246
On-Going Post Academy Total	\$0	\$7,808,772	\$14,634,908	\$31,016,240	\$51,571,670	\$105,031,590
GRAND TOTAL	\$7,115,342	\$23,351,564	\$31,629,378	\$48,668,409	\$67,478,912	\$178,243,606

Note: The original referral from the Finance & Management Committee requested the costing information for Police Sworn Staffing Increases at 830 Officers and 925 Officers respectively. However, this chart and the chart on the next slide assume Police Sworn Staffing Increase at 833 Officers and 923 Officers respectively because staff assumes each Police Academy starts with 55 individuals, however, only 40 end up actually graduating the Academy. In addition, it is assumed that 48 attributions will occur annually. With these assumptions, staff is using the closest numbers possible—833 (F&M Referral-830) and 923 (F&M Referral-925).

Police Sworn Staffing Increase - 923

POLICE SWORN STAFF INCREASE TO 923 TOTAL (TWO TO FOUR ACADEMIES PER YEAR, COSTS ABOVE BASELINE BUDGET)						
	FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18	Grand Total
New Officers (Net Attrition of 48 Per Year)	40	32	72	72	42	
Total Sworn at FYE (665 FY 2013-14 baseline)	705	737	809	881	923	
Pre-Academy, Academy, and Field Training	\$4,924,759	\$7,874,475	\$15,695,018	\$16,239,323	\$11,392,221	\$56,125,796
Costs related to new officers first year	\$2,190,583	\$7,235,383	\$11,292,159	\$11,750,090	\$10,343,836	\$42,812,051
On-Going Post Academy Total	\$0	\$7,808,772	\$14,634,908	\$38,868,298	\$65,405,283	\$126,717,261
GRAND TOTAL	\$7,115,342	\$22,918,630	\$41,622,084	\$66,857,711	\$87,141,340	\$225,655,107

Note: The original referral from the Finance & Management Committee requested the costing information for a Police Sworn Staffing Increases at 830 Officers and 925 Officers respectively. However, this chart and the chart on the previous slide assume Police Sworn Staffing Increase at 833 Officers and 923 Officers respectively because staff assumes each Police Academy starts with 55 individuals, however, only 40 end up actually graduating the Academy. In addition, it is assumed that 48 attributions will occur annually. With these assumptions, staff is using the closest numbers possible—833 (F&M Referral-830) and 923 (F&M Referral-925).

Police Sworn Staffing Detail

Achieving 705 Sworn in FY 2013-14

- Two of the staffing scenarios enable the City to achieve 705 sworn in FY 2013-14
- Baseline budget assumes 168th Academy graduates in March 2014, and is last academy in two-year budget
 - If 168th is last, will result in 665 sworn in FY 2013-14
- If a scenario includes an additional academy that graduates in FY 2013-14, it will result in 40 additional sworn by year end, $665 + 40 = 705$



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
Police Communications Supervisor	7	4	3
Business Intelligence & Crime Analysis			
Admin Analyst II	30	20	10
Total	300	244	56

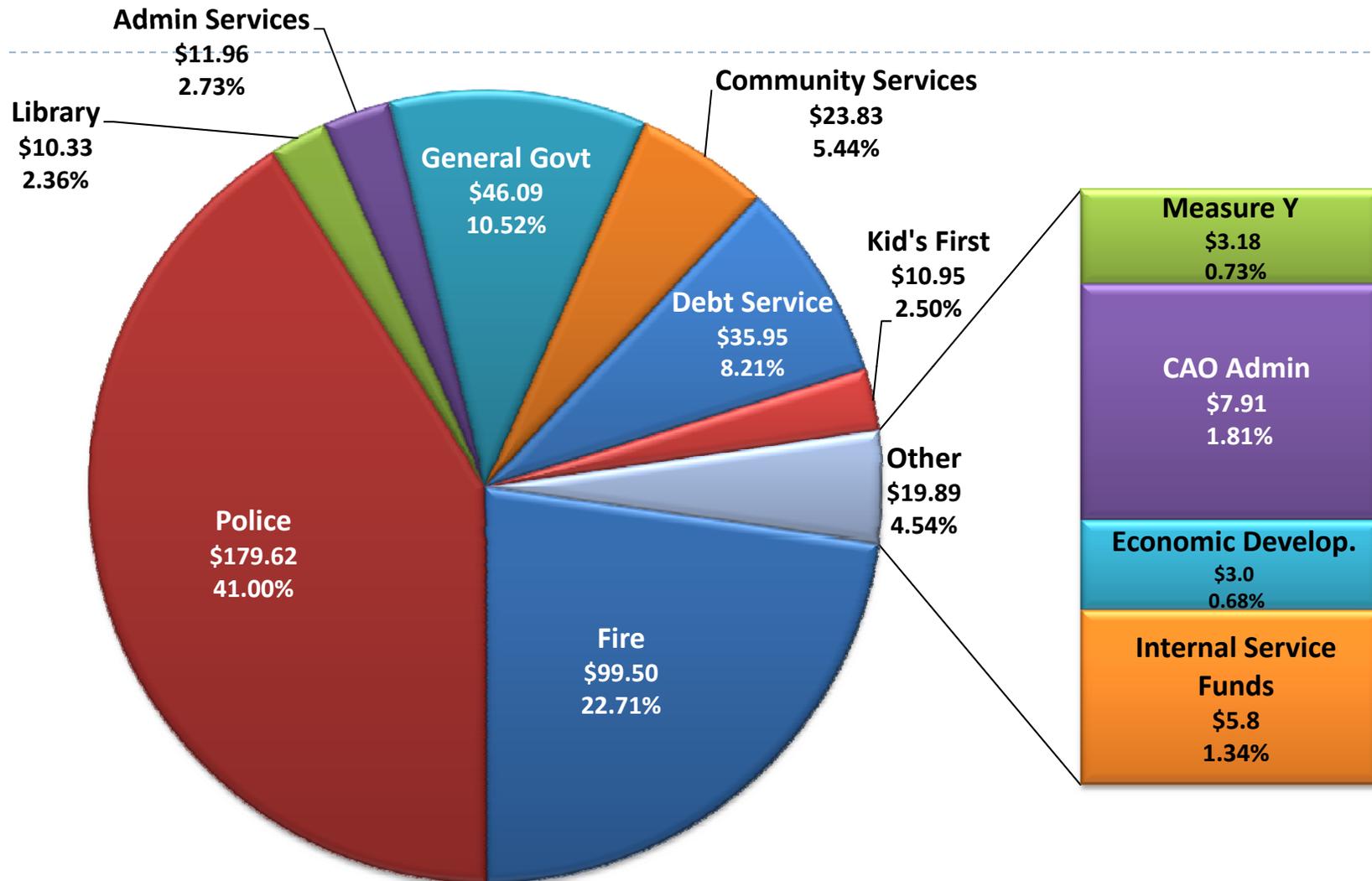
FY 2013-14 GPF Allocation by Service Function

(Assumes Scenario 4)

Service Descriptons	Amount (In Millions)	%
Fire	\$99.50	22.61%
Police	\$181.64	41.27%
Library	\$10.33	2.35%
Admin Services	\$11.96	2.72%
General Govt	\$46.09	10.47%
Community Services	\$23.83	5.41%
Debt Service	\$35.95	8.17%
Kid's First	\$10.95	2.49%
Measure Y	\$3.18	0.72%
CAO Admin	\$7.91	1.80%
Economic Development	\$2.95	0.67%
Internal Service Funds	\$5.84	1.33%
Total GPF:	\$440.15	100.00%



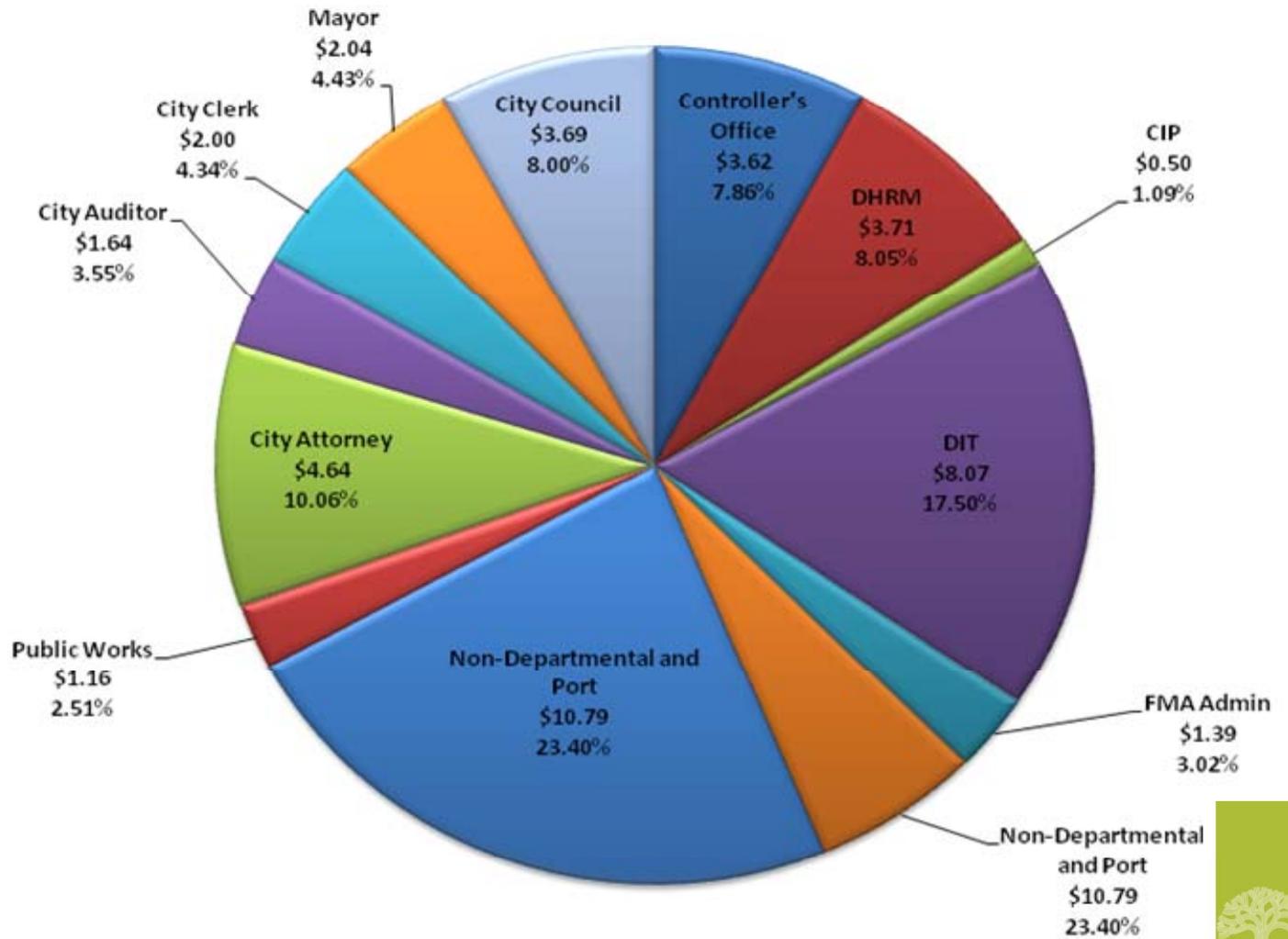
FY 13-14 GF Allocation by Service Functions--\$440.15 Million



*General Government expenditures include Elected Officials' Offices, City Clerk and CAO Administration

** Admin. Serv. Expenditures include finance, human resources, information technology, and various other citywide services.

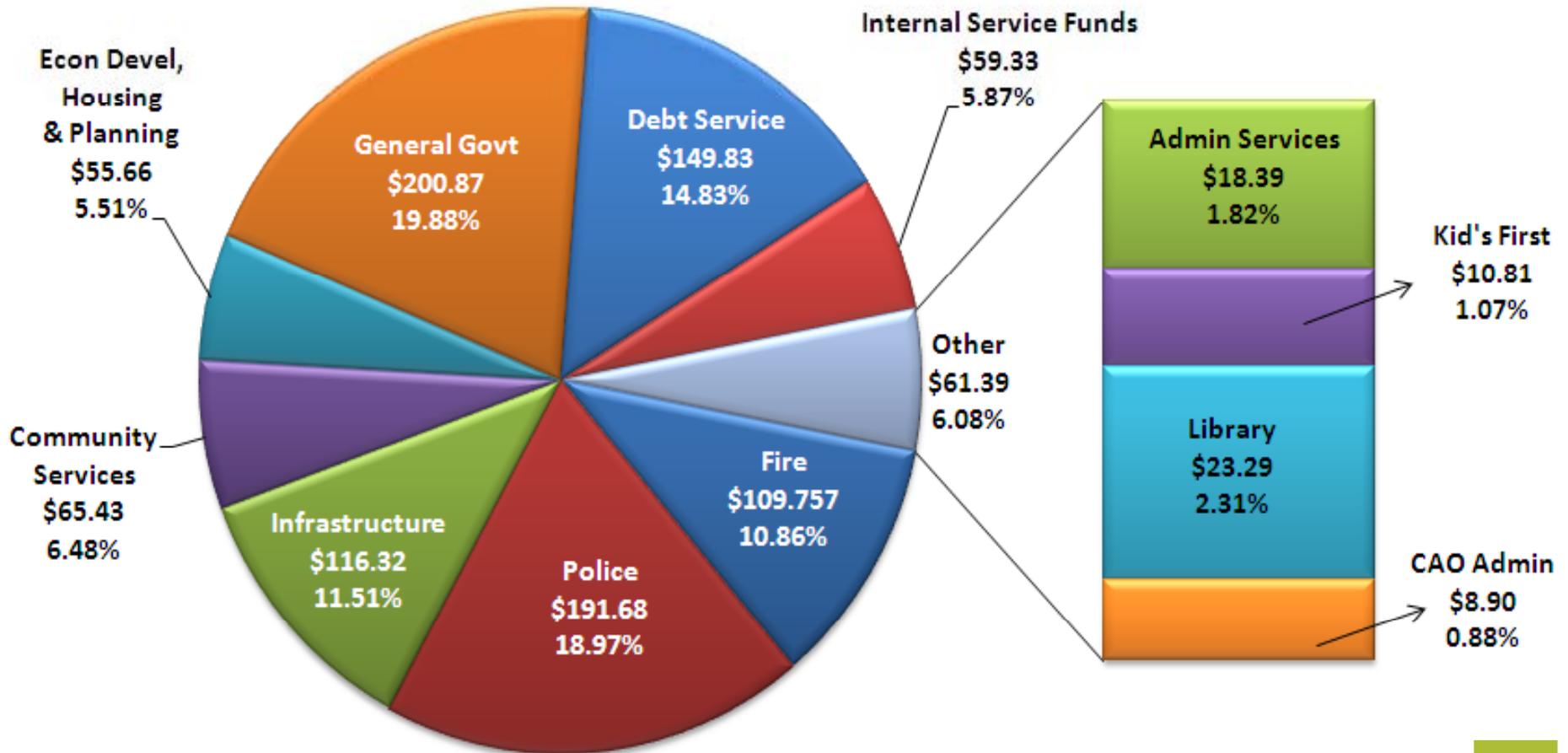
FY 13-14 GF Allocation - General Government - \$46.09 million



FY 13-14 All-Fund Allocation by Service Functions-- \$1,010.28 Million

FY 2013-14 All-Fund by Service	Allocation (in Millions)	%
Fire	\$109.76	10.86%
Police	\$193.70	19.17%
Infrastructure	\$116.32	11.51%
Community Services	\$65.43	6.48%
Econ Devel, Housing & Planning	\$55.66	5.51%
General Govt	\$200.87	19.88%
Debt Service	\$149.83	14.83%
Internal Service Funds	\$59.33	5.87%
Admin Services	\$18.39	1.82%
Kid's First	\$10.81	1.07%
Library	\$23.29	2.31%
CAO Admin	\$8.90	0.88%
Total All-Fund Allocation:	\$1,010.28	100.20%

FY 13-14 Total All-Fund Allocation by Service Areas (\$1,010.28 Millions)

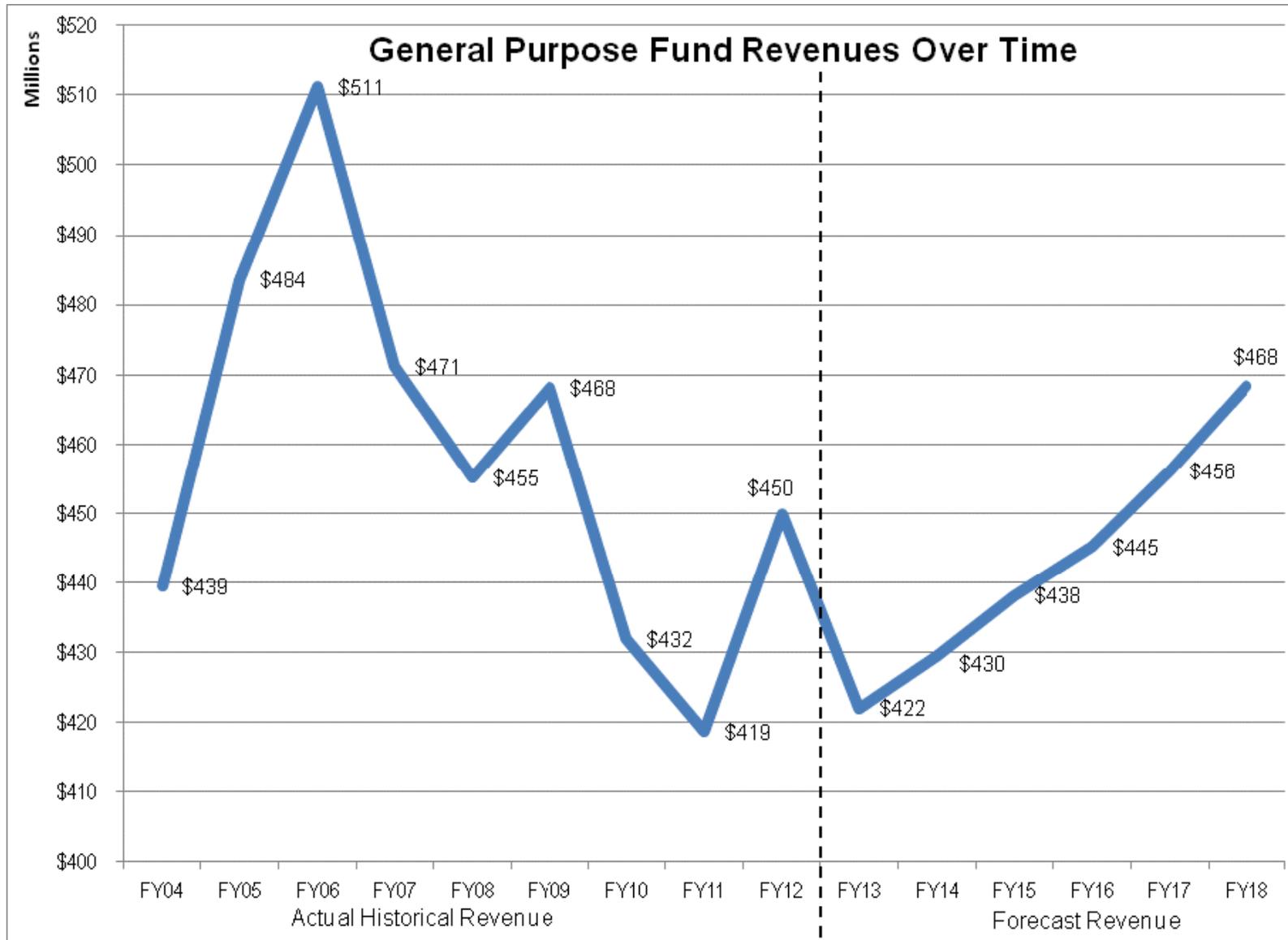


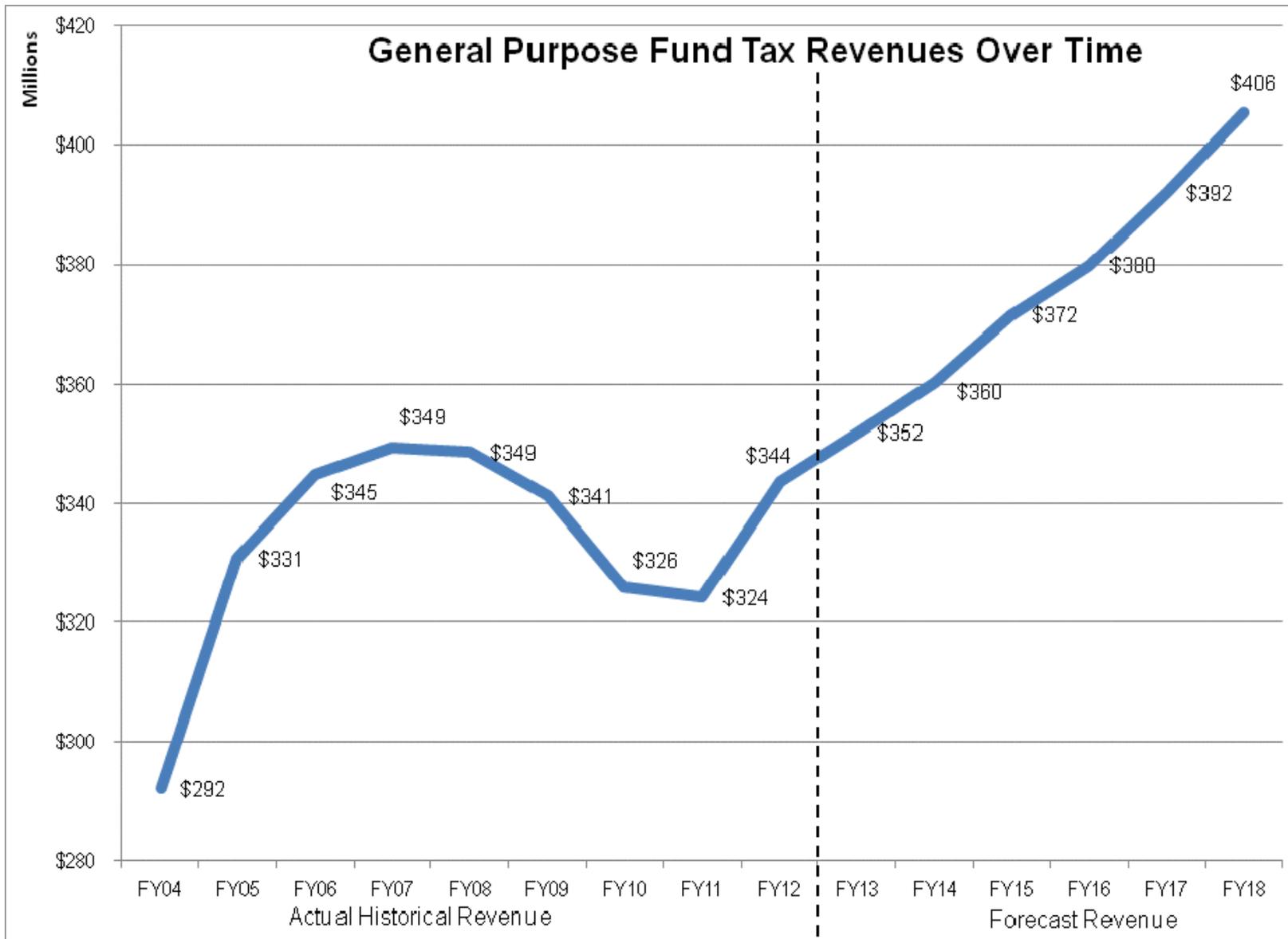
FY 2013-15 Budget Process & Timeline

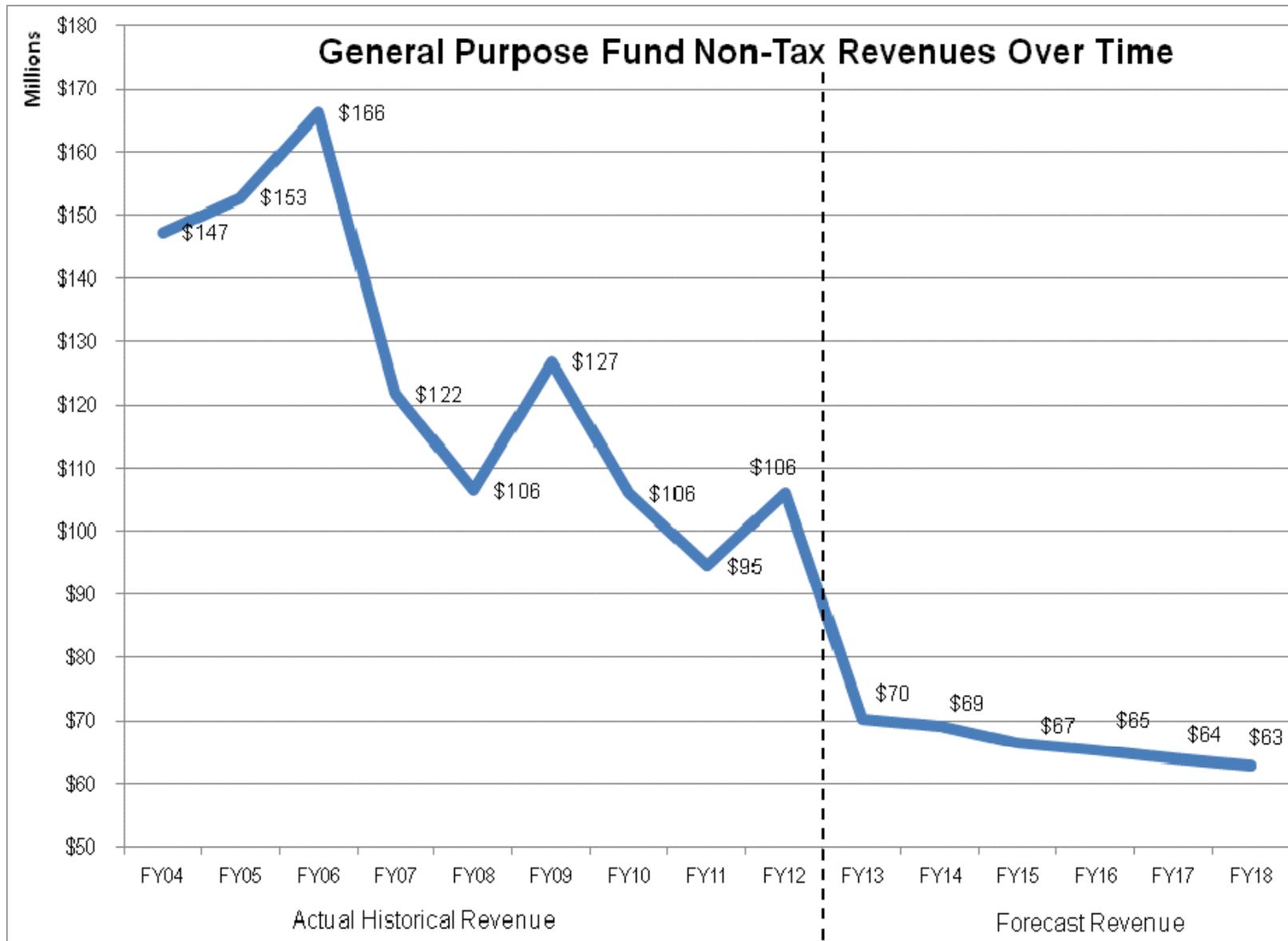
- **April 2:** Council budget workshop; City Employee Feedback Due
- **April 15-19:** Public Release of Proposed Budget
- **April 30:** Presentation of Proposed Budget to City Council
- **May:** Budget Town Hall Meetings Citywide
- **May 30:** Proposed City Council Budget Hearing #1
- **June 13:** Proposed City Council Budget Hearing #2
- **June 27:** Proposed Final City Council Budget Hearing/Adoption
- **July 1:** Implementation of FY 13-15 Adopted Budget

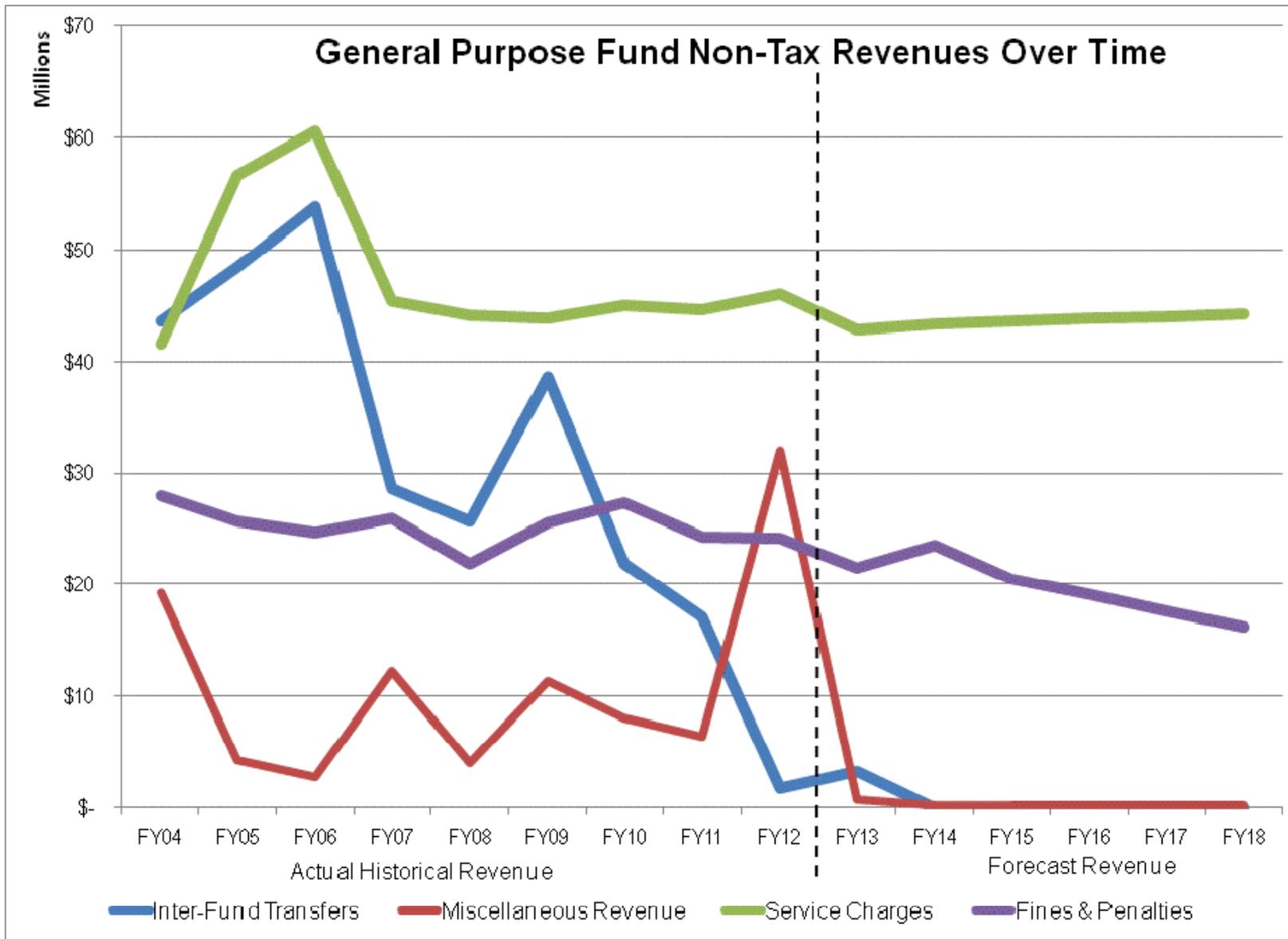


Revenue Update

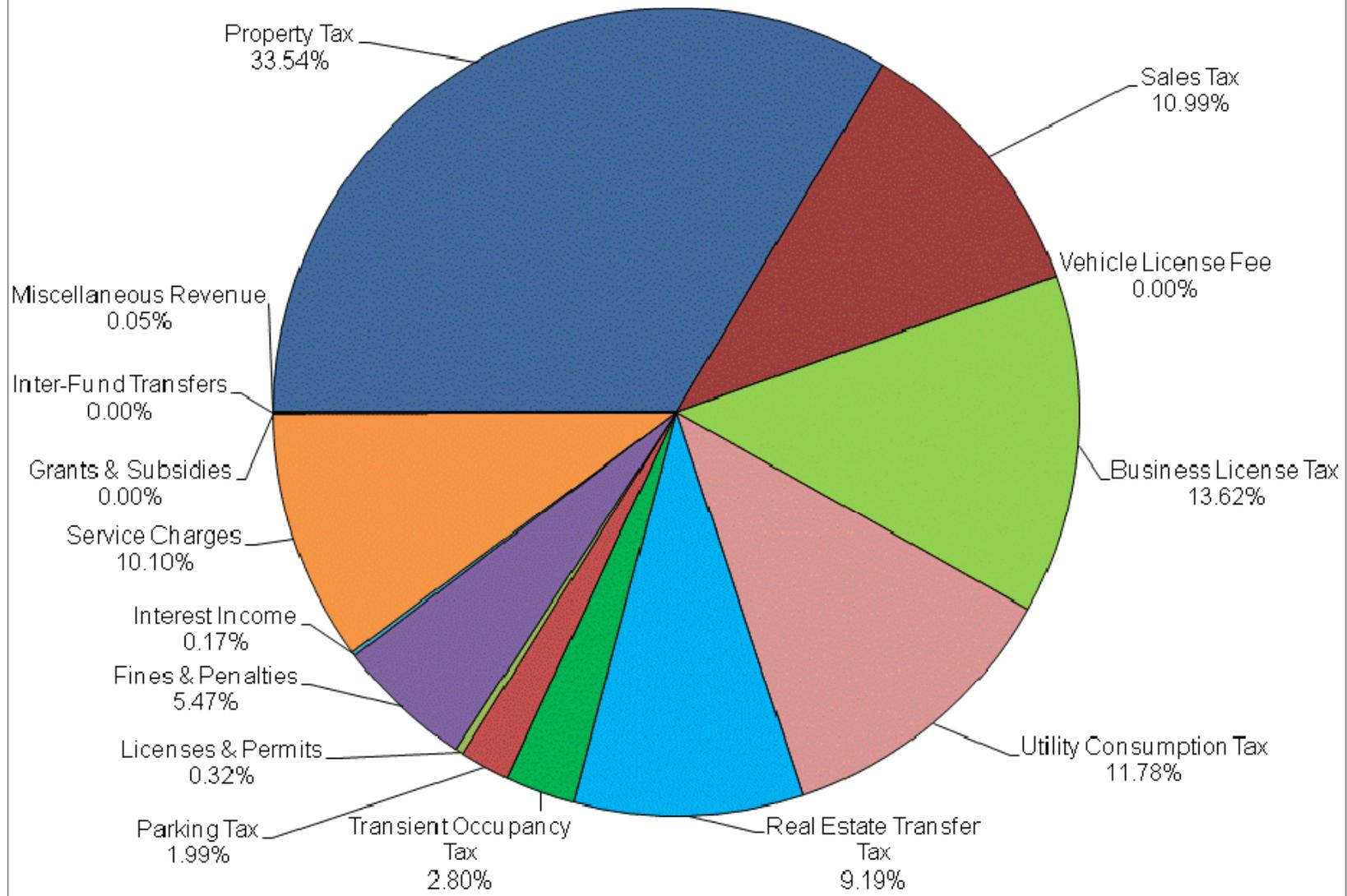




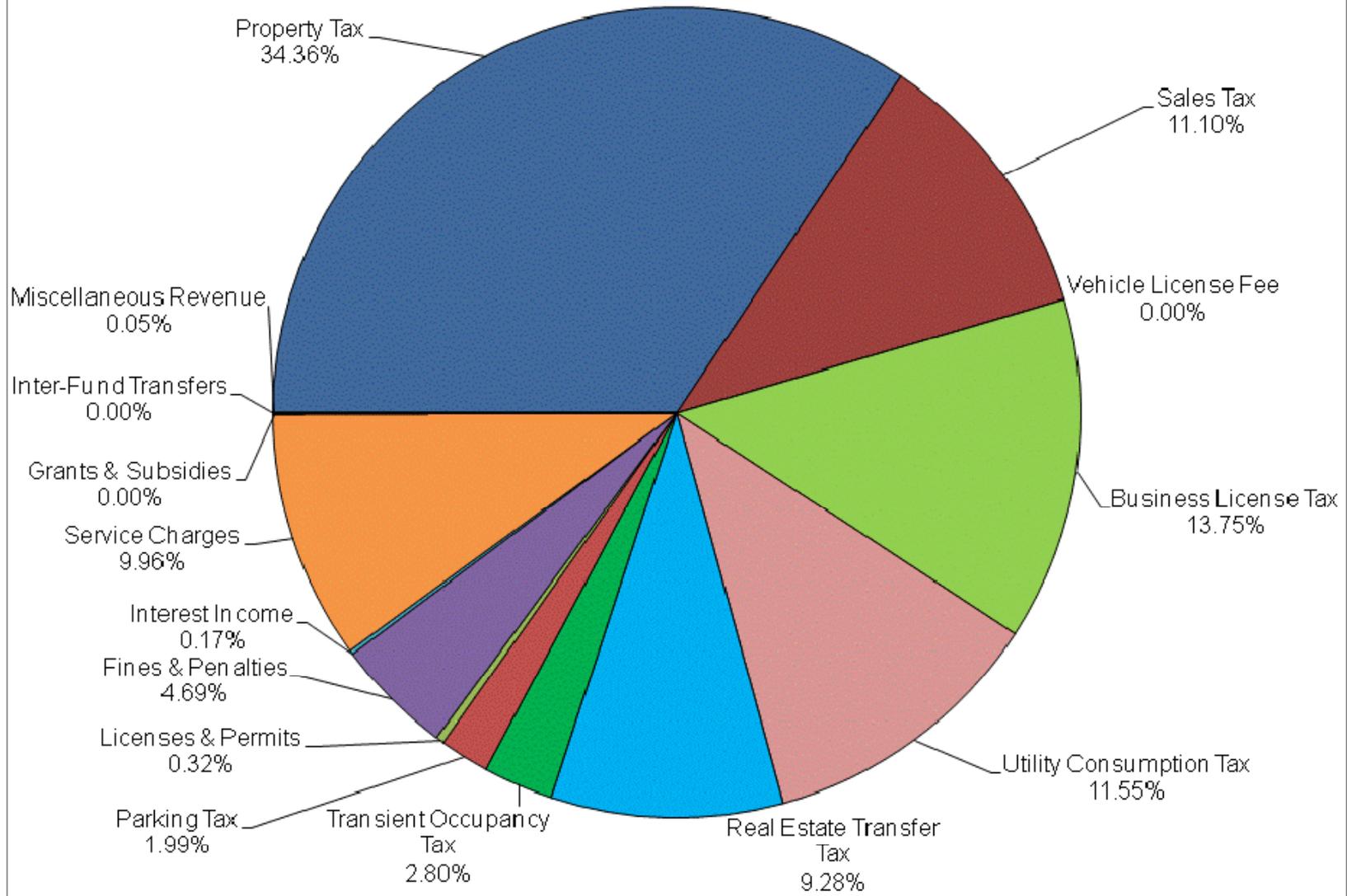




FY 2013-14 General Purpose Fund Revenues by Category



FY 2014-15 General Purpose Fund Revenues by Category



Questions & Answers