City of
OAKLAND
California

FY 2012-13 First and Second Quarter Revenue and Expenditure Report

Revenue and Expenditure (R&E) Report

- Normally issued quarterly
- Estimates year-end revenues, expenditures, and fund balance based on year-to-date actuals
- Covers four important funds
  - General Purpose Fund (GPF)
  - Landscaping and Lighting Assessment District (LLAD) Fund
  - Equipment Fund
  - City Facilities Fund

Summary of GPF Findings

- Compared to amended midcycle budget, a number of General Purpose Fund (GPF) revenues are forecasted to end the year higher than originally budgeted, totaling $27M
  - Some of these increases were anticipated (former Redevelopment "boomerang" property taxes), some are unexpected (real estate transfer tax)
  - Some are ongoing, some are considered one time

- GPF expenditures are forecasted to end the year higher than budgeted, totaling $7.7M

Summary of GPF Findings (cont'd)

- **Major Revenue Changes**
  - Property Tax + $14.5M
    - Primarily former Redevelopment "boomerang"
  - Sales Tax + $3.9M
  - Business License Tax + $2.7M
  - Real Estate Transfer Tax + $11.6M
    - Large share considered one time due to unusually large transactions
  - Fines and penalties and miscellaneous - $5.9M
    - Unrealized parking citation and billboards
- **Single major expenditure overage is police overtime**

GPF Summary

FY 2012-13 Second Quarter

	Amended Midcycle Budget	Adjusted Budget	Year-End Forecast	Forecast v. Adjusted Budget
Operating Revenue	$395.1	$395.1	$422.1	$27.0
Transfers from Fund Balance	$14.3	$14.3	$0	($14.3)
Total Revenue	$409.4	$409.4	$422.1	$12.7
Expenditures	($408.9)	($415.4)	($423.0)	($7.7)
Estimated Current Year Surplus/(Shortfall)	**$0.5**	**($6.0)**	**($1.0)**	**$5.0**

Beginning Fund Balance	**$84.6**	**$84.6**	**$84.6**	**$0**
Estimated Current Year Surplus/(Shortfall)	$0.5	($6.0)	($1.0)	$5.0
Transfers Fund Balance	($14.3)	($14.3)	($0.0)	$14.3
Estimated Ending Fund Balance	**$70.8**	**$64.3**	**$83.6**	**$19.3**

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Summary of Non-GPF Findings

- LLAD Fund
  - $0.6M operating surplus
  - Reduction in negative fund balance

- Equipment Fund
  - $0.7M operating surplus
  - Reduction in negative fund balance

- Facilities Fund
  - $1.4M operating surplus
  - Reduction in negative fund balance

Conclusion

- The increased GPF revenue forecasted for FY 12-13 has been factored into revised estimates for FY 13-14 and FY 14-15
  - $418M -> $430M for FY 13-14
  - $430M -> $438M for FY 14-15

- The forecasted year-end expenditures and fund balance will be updated in the third quarter R&E report to include new appropriations the City Council approved in Jan – March 2013