



City of  
**OAKLAND**  
California

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## News from: City of Oakland, Mayor's Office FOR IMMEDIATE RELEASE

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### Oakland revenues again exceed expectations; Mayor Quan proposes increased public safety & services funding

**Oakland, CA** – Oakland's economy continues booming, with most City revenues continuing strong growth that will help the Administration speed up police academies, rebuild its workforce and restore public services.

The City is benefitting from both a strong economy and strong fiscal management of its own spending. Higher-than-projected revenues and lower-than-projected expenditures over the last fiscal year will allow the City to invest **an additional \$11.25 million** into City services and fiscal reserves.

Mayor Quan and the City Administrator released a report last Friday detailing a plan for allocating the increased funds. Some of the most important priorities include:

- **Funding for accelerating the 172<sup>nd</sup> police academy to be held in April 2015, and holding recruitment of the 173<sup>rd</sup> Police Academy, increasing the goal to three academies before the end of 2015.**
- Increasing the total City reserve balance of slightly more than 8 percent of the net budget. Also including increases to the Oakland Public Library reserves.
- Funding for necessary technology upgrades.

Significant fiscal challenges remain on the horizon. Costs for employee health care and pension systems are expected to see increases in the City's obligations.

However, despite the recent recession, Oakland has balanced four budgets in a row and maintained its bond ratings. The City's strong financial footing, continued work to pay down internal debt, and its end-of-year balances support the City's continued strong evaluations recently noted by the industry's top rating agencies:

**Moody's:** "STRONG LONG-TERM CITY RATING: The city's long-term rating reflects the recovery of the local economy and healthy financial position of the city that should remain stable, though must be closely monitored amid potential challenges to reserves. The city also has manageable outstanding debt that includes general obligation bonds, pension obligation bonds, and lease-backed securities.

**Standard & Poor's:** "Long-term Rating: AA-/Stable: We consider the city's economy very strong... In our opinion, the city's budgetary flexibility is strong, with available reserves at 13.9% of expenditures for fiscal 2013 (\$80.2 million), up slightly from 13.2% in fiscal 2012."

**Fitch Ratings:** "General Obligation Serious at A+; Rating Outlook is Stable... After taxable assessed valuation (TAV) declines in fiscal years 2010 and 2011, the tax base resumed growth which has gradually accelerated during fiscal years 2012-2015. TAV should continue to grow due to the gradual rollout of significant residential and commercial developments."

To view an informational piece on the City's finances, please visit  
<http://www2.oaklandnet.com/w/OAK049878>.

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