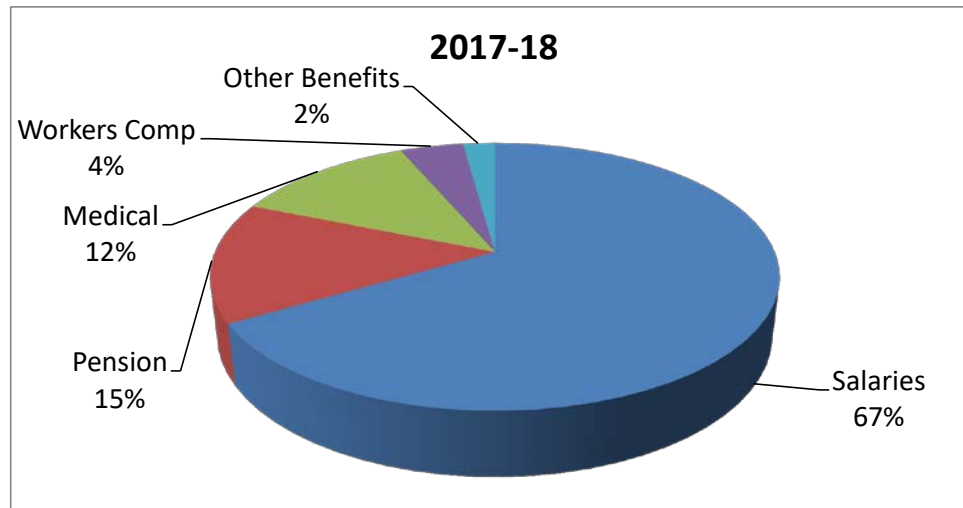


# City-wide Salaries and Benefits

## Cost of Authorized Positions

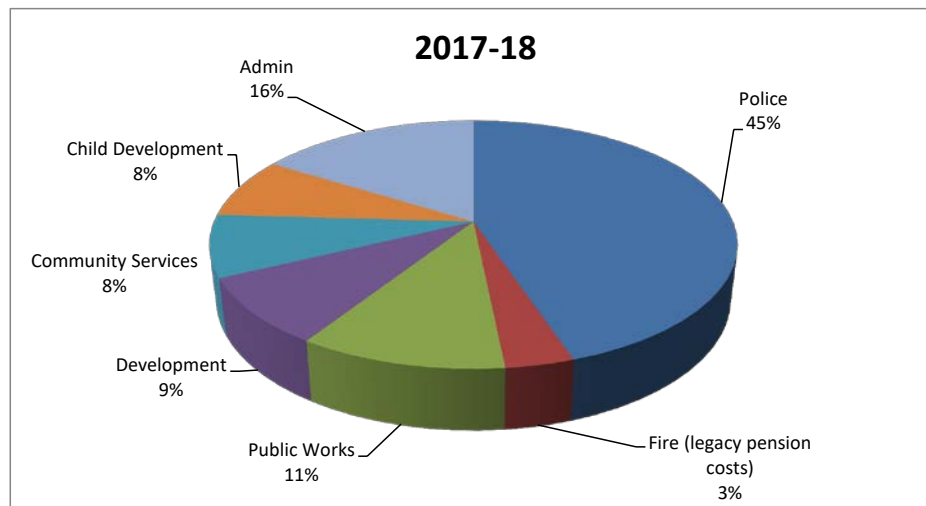
### By Category



|  | <u>2015-16</u><br>Budget | <u>2016-17</u><br>Projection | <u>2017-18</u><br>Projection | <u>2018-19</u><br>Projection | <u>2019-20</u><br>Projection | <u>2020-21</u><br>Projection |
|--|--------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| <b>Full-time Staff Positions</b>       | <b>137</b>               | <b>156</b>                   | <b>156</b>                   | <b>156</b>                   | <b>156</b>                   | <b>156</b>                   |
| <b><u>Salaries</u></b>                 |                          |                              |                              |                              |                              |                              |
| Includes steps, add pays, and overtime | \$ 15,018,754            | \$ 16,003,264                | \$ 17,353,055                | \$ 17,921,446                | \$ 18,441,381                | \$ 18,988,771                |
| % Growth                               |                          | 7%                           | 8%                           | 3%                           | 3%                           | 3%                           |
| <b><u>Benefits</u></b>                 |                          |                              |                              |                              |                              |                              |
| <b><u>Pension</u></b>                  |                          |                              |                              |                              |                              |                              |
| Pension - PERS Normal Cost             | 1,785,630                | 1,762,559                    | 1,899,550                    | 2,036,034                    | 2,206,158                    | 2,486,642                    |
| Pension - Unfunded Liability           | 600,097                  | 1,352,870                    | 1,781,869                    | 2,412,945                    | 3,093,423                    | 3,630,144                    |
| (Estimates pending Actuary update)     |                          |                              |                              |                              |                              |                              |
| Pension - Supplemental Police plan     | 157,085                  | 342,732                      | 113,860                      | 116,132                      | 118,450                      | 120,810                      |
|  | 2,542,812                | 3,458,161                    | 3,795,279                    | 4,565,112                    | 5,418,031                    | 6,237,597                    |
| <b><u>Medical</u></b>                  |                          |                              |                              |                              |                              |                              |
| Medical Insurance, including in lieu   | 2,389,780                | 2,297,139                    | 2,472,291                    | 2,588,777                    | 2,736,551                    | 2,891,714                    |
| Dental/Vision                          | 260,958                  | 296,991                      | 334,127                      | 350,471                      | 367,994                      | 385,689                      |
| Retiree Medical trust contribution     | 176,553                  | 152,213                      | 170,913                      | 180,785                      | 189,824                      | 199,315                      |
| Medicare                               | 206,966                  | 232,829                      | 252,392                      | 254,827                      | 262,265                      | 270,085                      |
|  | 3,034,257                | 2,979,172                    | 3,229,724                    | 3,374,860                    | 3,556,634                    | 3,746,804                    |
| <b><u>Workers Compensation</u></b>     | 455,144                  | 1,019,622                    | 1,117,919                    | 1,161,205                    | 1,198,069                    | 1,232,239                    |
| <b><u>Other</u></b>                    |                          |                              |                              |                              |                              |                              |
| Employee Leave payout                  | 144,192                  | 299,954                      | 308,663                      | 311,364                      | 324,116                      | 333,735                      |
| Compensation Benefit                   | 79,695                   | 73,745                       | 52,020                       | 52,020                       | 52,020                       | 52,020                       |
| Uniform Allowance                      | 46,945                   | 58,685                       | 68,415                       | 68,415                       | 68,415                       | 68,415                       |
| Long-term Disability                   | 38,856                   | 45,746                       | 51,891                       | 53,665                       | 55,638                       | 57,371                       |
| Unemployment, Life, Other              | 47,655                   | 77,383                       | 83,176                       | 83,885                       | 85,439                       | 87,089                       |
| <b>Subtotal, Benefits</b>              | 6,389,556                | 8,012,468                    | 8,707,087                    | 9,670,526                    | 10,758,363                   | 11,815,269                   |
| % Growth                               |                          | 25%                          | 9%                           | 11%                          | 11%                          | 10%                          |
| <b>General Fund Savings vs. Budget</b> | (1,148,966)              | (566,152)                    | -                            | -                            | -                            | -                            |
| <b>Total, Salaries and Benefits</b>    | <u>\$ 20,259,344</u>     | <u>\$ 23,449,579</u>         | <u>\$ 26,060,142</u>         | <u>\$ 27,591,972</u>         | <u>\$ 29,199,744</u>         | <u>\$ 30,804,040</u>         |
| % Growth                               |                          | 16%                          | 11%                          | 6%                           | 6%                           | 5%                           |

# City-wide Salaries and Benefits by Program

## Cost of Authorized Positions



|   | <u>2015-16</u><br>Budget | <u>2016-17</u><br>Projection | <u>2017-18</u><br>Projection | <u>2018-19</u><br>Projection | <u>2019-20</u><br>Projection | <u>2020-21</u><br>Projection |
|---|--------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| <b>Full-time Staff Positions</b>                | <b>137</b>               | <b>156</b>                   | <b>156</b>                   | <b>156</b>                   | <b>156</b>                   | <b>156</b>                   |
| <b><u>General Fund</u></b>                      |                          |                              |                              |                              |                              |                              |
| Police Admin                                    | \$ 3,305,345             | \$ 3,305,846                 | \$ 3,596,798                 | \$ 3,736,820                 | \$ 3,900,042                 | \$ 4,076,040                 |
| Police Field                                    | 6,374,579                | 7,589,838                    | 7,988,251                    | 8,359,551                    | 8,871,087                    | 9,399,238                    |
| Fire Legacy Pension/Retiree Medical             | 644,097                  | 736,680                      | 928,189                      | 1,182,365                    | 1,447,808                    | 1,628,265                    |
| Public Works Admin                              | 762,291                  | 647,202                      | 671,222                      | 717,116                      | 755,742                      | 791,360                      |
| Public Works Maintenance                        | 927,872                  | 945,737                      | 996,523                      | 1,064,725                    | 1,127,076                    | 1,190,531                    |
| Planning  | 632,075                  | 658,826                      | 709,012                      | 748,780                      | 786,461                      | 824,833                      |
| Building  | 497,530                  | 505,331                      | 580,998                      | 614,681                      | 650,700                      | 682,730                      |
| Economic Development and Housing                | 580,539                  | 542,400                      | 594,968                      | 640,733                      | 682,278                      | 725,912                      |
| Community Services Admin                        | 423,076                  | 236,141                      | 239,319                      | 258,362                      | 276,514                      | 296,069                      |
| Community Services Youth                        | 899,139                  | 1,053,441                    | 1,074,242                    | 1,100,249                    | 1,137,780                    | 1,174,468                    |
| Community Services Adult                        | 350,938                  | 667,854                      | 791,827                      | 828,578                      | 862,246                      | 894,569                      |
| City Council                                    | 146,450                  | 158,363                      | 173,814                      | 176,635                      | 179,619                      | 182,752                      |
| City Manager                                    | 649,078                  | 642,964                      | 700,606                      | 686,465                      | 733,289                      | 767,131                      |
| City Clerk                                      | 265,660                  | 480,794                      | 427,913                      | 461,870                      | 483,722                      | 502,737                      |
| Information Technology                          | 622,837                  | 622,078                      | 656,287                      | 690,890                      | 718,078                      | 745,803                      |
| City Attorney                                   | 483,438                  | 486,199                      | 559,799                      | 593,052                      | 620,095                      | 645,094                      |
| Finance   | 873,057                  | 890,785                      | 1,002,169                    | 1,061,287                    | 1,119,806                    | 1,177,148                    |
| Human Resources                                 | 693,297                  | 705,227                      | 689,190                      | 732,353                      | 770,427                      | 810,967                      |
| Budget vs. Actual/Vacancies                     | (1,148,966)              | (566,152)                    | -                            | -                            | -                            | -                            |
|   | <b>17,982,332</b>        | <b>20,309,554</b>            | <b>22,381,129</b>            | <b>23,654,510</b>            | <b>25,122,769</b>            | <b>26,515,647</b>            |
| % change  |                          | 13%                          | 10%                          | 6%                           | 6%                           | 6%                           |
| <b><u>Special Revenue/ Enterprise Funds</u></b> |                          |                              |                              |                              |                              |                              |
| CDBG  | 205                      | 9,700                        | 9,700                        | 9,700                        | 9,700                        | 9,700                        |
| General Plan                                    | 225                      | 221,413                      | 343,897                      | 387,605                      | 399,220                      | 410,988                      |
| Child Development                               | 230                      | 1,667,519                    | 1,885,656                    | 2,240,969                    | 2,397,462                    | 2,540,995                    |
| Police - State COPS program                     | 252                      | 100,000                      | 100,000                      | 100,000                      | 100,000                      | 100,000                      |
| Public Works - Measure D                        | 266                      | 25,000                       | 25,000                       | 25,000                       | 25,000                       | 25,000                       |
| Public Works CIP                                | 475                      | -                            | 369,700                      | 718,705                      | 670,140                      | 706,836                      |
| Marina  | 495                      | -                            | 150,389                      | 169,906                      | 178,482                      | 188,069                      |
| Public Works - Sewer                            | 510                      | 253,380                      | 255,684                      | 285,577                      | 296,972                      | 306,805                      |
| City-wide Total                                 |                          | <b>\$ 20,259,344</b>         | <b>\$ 23,449,579</b>         | <b>\$ 26,060,142</b>         | <b>\$ 27,591,972</b>         | <b>\$ 29,199,744</b>         |
|   |                          |                              |                              | <b>\$ 29,199,744</b>         | <b>\$ 30,804,040</b>         |                              |

# Salary and Benefit Assumptions

| <u>Salaries</u>           |        | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> |
|---------------------------|--------|----------------|----------------|----------------|----------------|----------------|----------------|
| Full-time Staff Positions |        | 137            | 156            | 156            | 156            | 156            | 156            |
| Annual Salary Increase    | Police |                | 3%             | 1%+1%          | 2%             | 2%             | 2%             |
| Annual Salary Increase    | Others |                | 3%             | 3%             | 3%             | 2%             | 2%             |
| Overtime                  | Police | \$ 569,042     | \$ 446,500     | \$ 378,500     | \$ 326,350     | \$ 358,985     | \$ 394,884     |
| Overtime                  | Others | 56,200         | 57,000         | 57,000         | 57,000         | 57,000         | 57,000         |

| <u>Pension, Normal Cost</u>   |           | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> |
|---|-----------|----------------|----------------|----------------|----------------|----------------|----------------|
| Includes City plan rates per August 2016 CalPERS valuations             |           |                |                |                |                |                |                |
| Plus Estimated Impact of Discount Change, from CalPERS Circular 1-19-17 |           |                |                |                |                |                |                |
| Safety  |           |                |                |                | 0.9%           | 1.75%          | 3.5%           |
| Miscellaneous   |           |                |                |                | 0.5%           | 1.0%           | 2.0%           |
| Additional POA Pick up  |           |                |                | -1.0%          | -1.0%          | -1.0%          | -1.0%          |
| <u>Net Budgeted Rates</u>   |           |                |                |                |                |                |                |
| <u>Benefit formula</u>  |           |                |                |                |                |                |                |
| Safety Tier 1   | 3% @ 55   | 18.2%          | 19.3%          | 18.5%          | 19.4%          | 20.3%          | 22.0%          |
| Safety Tier 2   | 3% @ 55   | 17.3%          | 18.3%          | 17.5%          | 18.4%          | 19.3%          | 21.0%          |
| Safety Tier 3   | 2.7% @ 57 | 11.9%          | 12.8%          | 11.7%          | 12.6%          | 13.5%          | 15.2%          |
| Supplemental Police plan  |           |                | 4.3%           | 3.5%           | 3.5%           | 3.5%           | 3.5%           |
| Misc Tier 1   | 2% @ 55   | 9.0%           | 9.3%           | 9.5%           | 10.1%          | 10.6%          | 11.6%          |
| Misc Tier 2   | 2% @ 60   | 7.5%           | 7.8%           | 7.9%           | 8.4%           | 8.9%           | 9.9%           |
| Misc Tier 3   | 2% @ 62   | 6.7%           | 6.9%           | 6.9%           | 7.4%           | 7.9%           | 8.9%           |

| <u>Pension, Unfunded Liability</u> |                                  | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> |
|------------------------------------|----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| (Estimates pending Actuary update) |                                  |                |                |                |                |                |                |
| Police Plans                       | August 2016 CalPERS Report       | \$ 380,959     | \$ 478,640     | \$ 602,854     | \$ 781,413     | 969,899        | 1,082,588      |
|                                    | Estimated Impact, Discount to 7% |                |                |                | 19,535         | 48,495         | 135,324        |
| Fire Plan                          | August 2016 CalPERS Report       | 621,375        | 736,680        | 928,189        | 1,153,527      | 1,378,865      | 1,447,347      |
|                                    | Estimated Impact, Discount to 7% |                |                |                | 28,838         | 68,943         | 180,918        |
| Misc Plans                         | August 2016 CalPERS Report       | 65,625         | 137,550        | 250,826        | 419,153        | 597,353        | 696,860        |
|                                    | Estimated Impact, Discount to 7% |                |                |                | 10,479         | 29,868         | 87,108         |
| Total                              | August 2016 CalPERS Report       | 1,067,959      | 1,352,870      | 1,781,869      | 2,354,093      | 2,946,117      | 3,226,795      |
|                                    | Estimated Impact, Discount to 7% | -              | -              | -              | 58,852         | 147,306        | 403,349        |
|                                    |                                  | \$ 1,067,959   | \$ 1,352,870   | \$ 1,781,869   | \$ 2,412,945   | \$ 3,093,423   | \$ 3,630,144   |

| <u>Active Medical</u>            |    | <u>January 2017</u> |             |                 | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> |
|----------------------------------|----|---------------------|-------------|-----------------|----------------|----------------|----------------|----------------|
| Annual Increase assumption       | 7% | <u>Premium</u>      | <u>City</u> | <u>Employee</u> | <u>City</u>    | <u>City</u>    | <u>City</u>    | <u>City</u>    |
| Assume City pays 80% of increase |    |                     |             |                 |                |                |                |                |
| Employee + family                | \$ | 1,907               | \$ 1,721    | \$ 186.06       | \$ 21,290      | \$ 22,603      | \$ 23,982      | \$ 25,430      |
| Employee +1                      |    | 1,467               | 1,324       | 143             | 16,377         | 17,387         | 18,448         | 19,562         |
| Employee                         |    | 733                 | 662         | 72              | 8,188          | 8,693          | 9,224          | 9,781          |

| <u>Retiree Medical</u>                |                          | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> |
|---------------------------------------|--------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Contribution to Internal Service Fund |                          | \$ 176,553     | \$ 152,213     | \$ 170,913     | \$ 180,785     | \$ 189,824     | \$ 199,315     |
| Police                                | Normal Cost Per Employee |                | 2,719          | 2,855          | 2,998          | 3,148          | 3,305          |
| Other                                 | Normal Cost Per Employee |                | 1,888          | 1,982          | 2,081          | 2,185          | 2,294          |

| <u>Workers Compensation Rates</u> |  | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> |
|-----------------------------------|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Police                            |  | 4.9%           | 12.3%          | 12.3%          | 12.3%          | 12.3%          | 12.3%          |
| Maintenance                       |  | 4.2%           | 10.4%          | 10.4%          | 10.4%          | 10.4%          | 10.4%          |
| Clerical                          |  | 0.5%           | 1.2%           | 1.2%           | 1.2%           | 1.2%           | 1.2%           |
| Child Care                        |  | 9.0%           | 22.6%          | 22.6%          | 22.6%          | 22.6%          | 22.6%          |

| <u>Other Benefits</u>          |              | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> |
|--------------------------------|--------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Dental Insurance, per employee | +5% per year | \$ 1,685       | \$ 1,685       | \$ 1,769       | \$ 1,857       | \$ 1,950       | \$ 2,048       |
| Vision insurance, per employee | +5% per year | \$ 256         | \$ 290         | \$ 304         | \$ 320         | \$ 336         | \$ 352         |
| Long-term disability           |              | 0.5%           | 0.5%           | 0.5%           | 0.5%           | 0.5%           | 0.5%           |
| Life Insurance                 |              | 0.3%           | 0.1%           | 0.1%           | 0.1%           | 0.1%           | 0.1%           |
| Unemployment Insurance         |              | 0.1%           | 0.3%           | 0.3%           | 0.3%           | 0.3%           | 0.3%           |

## General Fund Expenditure Summary By Classification

|  | 2014-15              | 2015-16              | 2016-17              | 2017-18              | 2018-19              | 2019-20              | 2020-21              |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | Actual               | Actual               | Projection           | Projection           | Projection           | Projection           | Projection           |
| <b><u>Salaries and Benefits</u></b>                |                      |                      |                      |                      |                      |                      |                      |
| Current Salaries and Benefits                      | \$ 16,572,961        | \$ 16,914,373        | \$ 18,956,684        | \$ 20,672,132        | \$ 21,366,761        | \$ 22,211,405        | \$ 23,113,953        |
| % Growth   |                      |                      |                      | 9%                   | 3%                   | 4%                   | 4%                   |
| Pension Unfunded Liability                         | -                    | 1,067,959            | 1,352,870            | 1,708,997            | 2,287,749            | 2,911,364            | 3,401,693            |
| Subtotal, Salaries and Benefits                    | 16,572,961           | 17,982,332           | 20,309,554           | 22,381,129           | 23,654,510           | 25,122,769           | 26,515,647           |
| % Growth   |                      |                      |                      | 10%                  | 6%                   | 6%                   | 6%                   |
| <b><u>Fire Contract</u></b>                        | 5,559,643            | 5,580,772            | 6,230,830            | 6,973,946            | 7,125,975            | 7,436,031            | 7,805,257            |
| % Growth   |                      |                      |                      | 12%                  | 3%                   | 4%                   | 5%                   |
| <b><u>Operating Costs</u></b>                      |                      |                      |                      |                      |                      |                      |                      |
| Supplies   | 843,695              | 788,938              | 975,700              | 925,746              | 905,447              | 908,716              | 959,757              |
| Utilities  | 697,563              | 748,771              | 736,920              | 717,020              | 703,810              | 719,413              | 735,446              |
| Maintenance  | 2,004,071            | 1,885,959            | 2,397,259            | 2,477,823            | 2,521,465            | 2,643,348            | 2,723,145            |
| Insurance  | 369,908              | 398,977              | 474,000              | 559,218              | 614,440              | 675,134              | 741,847              |
| Professional Services                              | 3,044,271            | 3,912,091            | 3,530,085            | 3,384,463            | 3,462,556            | 3,542,749            | 3,664,092            |
| Advertising/Printing/Publication                   | 107,921              | 98,600               | 245,250              | 187,000              | 199,139              | 205,366              | 212,280              |
| Education and Training                             | 217,845              | 198,061              | 340,367              | 319,251              | 348,730              | 363,946              | 380,834              |
| Rentals & Leases                                   | 81,668               | 93,641               | 145,587              | 131,226              | 145,479              | 147,612              | 149,794              |
| Fees & Charges                                     | 17,416               | 16,409               | 75,000               | 75,000               | 70,800               | 71,634               | 72,185               |
| Programs/Grants                                    | 13,936               | 14,533               | 30,000               | 30,000               | 30,750               | 31,538               | 32,364               |
| Capital Equipment                                  | 1,845                | 10,006               | 72,000               | 50,000               | 11,000               | 5,000                | 5,000                |
| Other  | (19,790)             | 34,411               | 397,500              | 149,460              | 169,142              | 195,146              | 221,428              |
| % Growth   | 7,380,349            | 8,200,396            | 9,419,668            | 9,006,206            | 9,182,757            | 9,509,601            | 9,898,172            |
|  |                      |                      |                      | -4%                  | 2%                   | 4%                   | 4%                   |
| <b><u>Operating Transfers</u></b>                  |                      |                      |                      |                      |                      |                      |                      |
| 230 Child Development Program Contribution         | 1,052,088            | 303,793              | 1,187,976            | 1,074,805            | 1,243,431            | 1,374,815            | 1,487,536            |
| 805 PBID/Emery-Go-Round                            | 726,000              | -                    | 522,632              | 553,542              | 570,148              | 587,253              | 604,870              |
| 270 Litigation Fund                                | 150,000              | 150,000              | 350,000              | 250,000              | 250,000              | 250,000              | 250,000              |
| 345 COP Debt Service                               | 367,343              | 371,186              | 369,000              | 366,000              | 367,683              | 368,641              | 368,922              |
| 670 Technology                                     | -                    | -                    | 300,000              | -                    | -                    | -                    | -                    |
| 475 General Capital - TI for Corp Yard Remediation | -                    | -                    | -                    | 300,000              | 300,000              | 300,000              | 300,000              |
|  | 2,295,431            | 824,979              | 2,729,608            | 2,544,347            | 2,731,262            | 2,880,709            | 3,011,328            |
| <b><u>Subtotal, Baseline Expenditures</u></b>      | 31,808,384           | 32,588,479           | 38,689,660           | 40,905,629           | 42,694,504           | 44,949,110           | 47,230,404           |
| % Growth   |                      |                      |                      | 6%                   | 4%                   | 5%                   | 5%                   |
| <b><u>One-time Transfers/Reserves</u></b>          |                      |                      |                      |                      |                      |                      |                      |
| 275 Economic Uncertainty                           | -                    | 15,754,352           | -                    | -                    | -                    | -                    | -                    |
| 715 Pension Reserve                                | -                    | 8,820,000            | -                    | -                    | -                    | -                    | -                    |
| 475 General Capital                                | -                    | 6,000,000            | -                    | -                    | -                    | -                    | -                    |
| Other  | 8,553,195            | 1,620,001            | -                    | -                    | -                    | -                    | -                    |
|  | 8,553,195            | 32,194,353           | -                    | -                    | -                    | -                    | -                    |
|  | <b>\$ 40,361,578</b> | <b>\$ 64,782,832</b> | <b>\$ 38,689,660</b> | <b>\$ 40,905,629</b> | <b>\$ 42,694,504</b> | <b>\$ 44,949,110</b> | <b>\$ 47,230,404</b> |
|  | -                    | -                    | -                    | -                    | -                    | -                    | -                    |

## General Fund Expenditure Summary By Department

|  |                                | 2014-15              | 2015-16              | 2016-17              | 2017-18              | 2018-19              | 2019-20              | 2020-21              |
|--|--------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|  |                                | Actual               | Actual               | Projection           | Projection           | Projection           | Projection           | Projection           |
| Police                                 | Salaries and Benefits          | \$ 8,934,404         | \$ 8,883,885         | \$ 10,158,578        | \$ 10,945,309        | \$ 11,213,173        | \$ 11,631,291        | \$ 12,105,573        |
| Police                                 | Unfunded Pension Liability     | -                    | 390,074              | 498,868              | 639,740              | 883,198              | 1,139,838            | 1,369,705            |
| Police                                 | Operating Costs                | 1,266,358            | 1,150,708            | 1,441,600            | 1,521,345            | 1,450,269            | 1,500,274            | 1,552,191            |
| Fire                                   | Alameda County Contract        | 5,559,643            | 5,580,772            | 6,230,830            | 6,973,946            | 7,125,975            | 7,436,031            | 7,805,257            |
| Fire                                   | Unfunded Pension Liability     | -                    | 621,375              | 736,680              | 928,189              | 1,182,365            | 1,447,808            | 1,628,265            |
| Fire                                   | Other Operations               | 12,743               | 18,717               | (33,050)             | 191,356              | 206,055              | 221,440              | 237,653              |
| Public Works                           | Admin/Engineering              | 702,432              | 821,309              | 850,957              | 856,572              | 897,863              | 952,336              | 982,688              |
| Public Works                           | Maintenance and Parking        | 2,054,942            | 2,146,146            | 2,451,358            | 2,221,254            | 2,324,275            | 2,448,242            | 2,569,732            |
| Public Works                           | Reimbursement                  | 176,665              | 177,480              | 250,000              | 50,000               | 50,000               | 50,000               | 50,000               |
| Community Development                  | Planning                       | 667,214              | 708,645              | 735,886              | 749,705              | 791,319              | 830,131              | 869,674              |
| Community Development                  | Reimbursement                  | 372,776              | 514,152              | 200,000              | 50,000               | 50,000               | 50,000               | 50,000               |
| Community Development                  | Building                       | 1,676,409            | 2,348,421            | 1,799,816            | 1,820,698            | 1,888,746            | 1,961,476            | 2,033,824            |
| Community Development                  | Economic Development           | 651,275              | 623,884              | 1,008,858            | 1,189,510            | 1,267,216            | 1,338,946            | 1,414,269            |
| Community Services                     | Administration                 | 525,774              | 561,587              | 790,561              | 790,499              | 819,707              | 866,491              | 915,688              |
| Community Services                     | Recreation                     | 963,734              | 1,189,873            | 1,358,179            | 1,324,992            | 1,360,289            | 1,410,462            | 1,459,901            |
| Community Services                     | Adult                          | 677,615              | 575,530              | 965,086              | 1,171,337            | 1,217,790            | 1,261,113            | 1,303,355            |
| Administration                         | City Council                   | 176,269              | 168,095              | 196,013              | 207,464              | 206,165              | 209,388              | 212,769              |
| Administration                         | City Manager                   | 466,187              | 697,821              | 688,414              | 753,656              | 749,775              | 762,665              | 797,478              |
| Administration                         | Public Information             | 98,169               | 63,518               | 129,000              | 105,000              | 105,000              | 105,000              | 105,000              |
| Administration                         | Information Technology         | 597,598              | 599,679              | 682,078              | 716,287              | 752,335              | 779,676              | 807,560              |
| Administration                         | City Clerk                     | 312,884              | 397,961              | 698,208              | 583,309              | 596,660              | 544,888              | 640,315              |
| Administration                         | City Attorney                  | 547,371              | 410,123              | 520,871              | 709,299              | 717,722              | 744,838              | 769,915              |
| Administration                         | Finance                        | 962,016              | 872,697              | 1,089,885            | 1,176,199            | 1,254,052            | 1,371,829            | 1,378,632            |
| Administration                         | HR                             | 643,172              | 788,534              | 850,827              | 831,790              | 887,243              | 935,567              | 986,327              |
| Non-Department                         | Child Development Contribution | 1,052,088            | 303,793              | 1,187,976            | 1,074,805            | 1,243,431            | 1,374,815            | 1,487,536            |
| Non-Department                         | PBID/Emery-Go-Round            | 726,000              | -                    | 522,632              | 553,542              | 570,148              | 587,253              | 604,870              |
| Non-Department                         | COPS Debt Service              | 367,343              | 371,186              | 369,000              | 366,000              | 367,683              | 368,641              | 368,922              |
| Non-Department                         | Litigation Fund                | 150,000              | 150,000              | 350,000              | 250,000              | 250,000              | 250,000              | 250,000              |
| Non-Department                         | Liability Insurance            | 367,111              | 396,953              | 464,000              | 547,218              | 601,940              | 662,134              | 728,347              |
| Non-Department                         | Library Card Services          | 240,000              | 120,000              | 120,000              | 240,000              | 252,000              | 264,600              | 277,830              |
| Non-Department                         | Technology Fund                | -                    | -                    | 300,000              | -                    | -                    | -                    | -                    |
| Non-Department                         | TI for Corp Yard Remediation   | -                    | -                    | -                    | 300,000              | 300,000              | 300,000              | 300,000              |
| Non-Department                         | Other Admin Costs              | 860,194              | 935,562              | 1,076,548            | 1,066,607            | 1,112,110            | 1,141,938            | 1,167,126            |
| <b>Subtotal, Baseline Expenditures</b> |                                | <b>31,808,384</b>    | <b>32,588,479</b>    | <b>38,689,660</b>    | <b>40,905,629</b>    | <b>42,694,504</b>    | <b>44,949,110</b>    | <b>47,230,404</b>    |
| Non-Department                         | One-time Transfers/Reserves    | 8,553,195            | 32,194,353           | -                    | -                    | -                    | -                    | -                    |
| <b>Total Expenditures</b>              |                                | <b>\$ 40,361,578</b> | <b>\$ 64,782,832</b> | <b>\$ 38,689,660</b> | <b>\$ 40,905,629</b> | <b>\$ 42,694,504</b> | <b>\$ 44,949,110</b> | <b>\$ 47,230,404</b> |
|  |                                | -                    | -                    | -                    | -                    | -                    | -                    | -                    |

## General Fund Revenue Summary

|   | 2014-15              | 2015-16              | 2016-17              | 2017-18              |          | 2018-19              |        | 2019-20              | 2020-21              |
|---|----------------------|----------------------|----------------------|----------------------|----------|----------------------|--------|----------------------|----------------------|
|   | Actual               | Actual               | Projection           | Projection           | Growth   | Projection           | Growth | Projection           | Projection           |
| <b>General Taxes and Fees</b>   |                      |                      |                      |                      |          |                      |        |                      |                      |
| Property Tax  | \$ 2,688,827         | \$ 2,851,258         | \$ 2,908,200         | \$ 2,964,880         | 1.9%     | \$ 3,019,950         | 1.9%   | \$ 3,078,949         | \$ 3,139,128         |
| Residual Tax Increment (25%)  | -                    | -                    | -                    | 1,331,783            | C        | 1,353,339            | 1.6%   | 1,365,581            | 1,377,570            |
| Sales Tax - 1% Bradley Burns  | 8,252,500            | 9,069,513 A          | 8,382,391            | 8,572,884            | 2.3%     | 8,790,803            | 2.5%   | 9,017,392            | 9,252,941            |
| Sales Tax - Oakland agreements  | (325,024)            | (478,919)            | (487,434)            | (498,645)            | 2.3%     | (511,111)            | 2.5%   | (524,400)            | (538,035)            |
| Sales Tax - Prop 172  | 48,593               | 49,329               | 49,000               | 50,000               | 2.0%     | 51,000               | 2.0%   | 52,020               | 53,060               |
| Business License and Card Room  | 7,668,497            | 8,172,325            | 8,246,000            | 8,274,230            | 0.3%     | 8,302,601            | 0.3%   | 8,331,114            | 8,359,770            |
| Transient Occupancy Tax   | 5,911,821            | 6,894,846            | 7,290,790 B          | 7,911,723            | 8.5% B   | 7,990,841            | 1.0%   | 8,070,749            | 8,151,456            |
| Utilities User Tax  | 2,870,024            | 2,975,287            | 3,000,000            | 3,015,000            | 0.5%     | 3,030,075            | 0.5%   | 3,045,225            | 3,060,452            |
| Real Property Transfer Tax  | 1,503,485            | 2,966,774            | 1,130,000 C          | 1,152,600            | 2.0%     | 1,175,652            | 2.0%   | 1,199,165            | 1,205,161            |
| Franchise Tax   | 1,553,715            | 1,642,045            | 1,667,400            | 1,676,900            | 0.6%     | 1,683,430            | 0.4%   | 1,689,993            | 1,696,588            |
| Grant - Transit   | -                    | -                    | -                    | 500,000              |          | 500,000              | 0.0%   | 500,000              | 500,000              |
| Rentals and Leases  | 170,513              | 172,533              | 174,100              | 177,520              | 2.0%     | 177,620              | 0.1%   | 177,620              | 177,620              |
| Mitigation Service Fees   | 297,590              | 301,942              | 306,000              | 310,000              | 1.3%     | 315,000              | 1.6%   | 320,000              | 325,000              |
| Grant - SB 90 State Mandates  | 196,974              | 20,603               | -                    | -                    |          | -                    |        | -                    | -                    |
| Other Fees and Taxes  | 163,068              | 221,003              | 14,300               | 344,400              | D        | 270,400              | -21.5% | 270,400              | 270,400              |
| Interfund Reimbursements  | 335,000              | 335,000              | 285,000              | 65,000               | E        | 61,500               | -5.4%  | 61,500               | 61,500               |
| Investment Earnings   | 384,308              | 471,538              | -                    | -                    |          | -                    |        | -                    | -                    |
|   | <b>31,719,890</b>    | <b>35,665,077</b>    | <b>32,965,747</b>    | <b>35,848,275</b>    | 8.7%     | <b>36,211,099</b>    | 1.0%   | <b>36,655,308</b>    | <b>37,092,611</b>    |
| % Growth  |                      |                      | -7.6%                | 8.7%                 |          | 1.0%                 | 1.0%   | 1.2%                 | 1.2%                 |
| <b>Departmental Fees and Charges</b>                                      |                      |                      |                      |                      |          |                      |        |                      |                      |
| Planning  | 29,691               | 25,905               | 50,400               | 50,400               | 0.0%     | 50,400               | 0.0%   | 50,400               | 50,400               |
| Planning Reimbursables  | 557,220              | 505,621              | 200,000 F            | 50,000               | -75.0% F | 50,000               | 0.0%   | 50,000               | 50,000               |
| Building  | 1,906,055            | 4,967,352            | 3,628,709 F          | 1,933,100            | -46.7% F | 1,685,600            | -12.8% | 1,685,600            | 1,685,600            |
| Police Administration   | 616,180              | 495,038              | 372,200              | 432,200              | 16.1%    | 500,852              | 15.9%  | 509,252              | 517,904              |
| Fire  | 567,765              | 400,204              | 580,800              | 230,600              | -60.3%   | 135,000              | -41.5% | 135,000              | 135,000              |
| Public Works Admin/Engineering  | 27,399               | 18,316               | 26,108               | 20,000               | -23.4%   | 20,000               | 0.0%   | 20,000               | 20,000               |
| Public Works Maintenance  | 34,316               | 665                  | 10,000               | 10,000               | 0.0%     | 10,000               | 0.0%   | 10,000               | 10,000               |
| Public Works Reimbursable   | 154,862              | 104,407              | 250,000 F            | 50,000               | -80.0% F | 50,000               | 0.0%   | 50,000               | 50,000               |
| Community Services Admin  | 44,432               | 30,991               | 134,770              | 209,500              | 55.5%    | 219,000              | 4.5%   | 255,500              | 292,000              |
| Recreation  | 264,993              | 298,635              | 322,000              | 332,000              | 3.1%     | 344,000              | 3.6%   | 363,000              | 382,000              |
| Senior Center   | 185,560              | 151,623              | 166,136              | 192,136              | 15.6%    | 192,136              | 0.0%   | 196,136              | 200,136              |
| Administration  | 55,035               | 52,181               | 53,600               | 54,300               | 1.3%     | 54,900               | 1.1%   | 54,900               | 54,900               |
|   | <b>4,443,509</b>     | <b>7,050,937</b>     | <b>5,794,723</b>     | <b>3,564,236</b>     | -38.5%   | <b>3,311,888</b>     | -7.1%  | <b>3,379,788</b>     | <b>3,447,940</b>     |
| % Growth  |                      |                      | -18%                 | -38%                 |          | -7%                  |        | 2%                   | 2%                   |
| <b>Subtotal, Baseline Revenues</b>  | <b>36,163,400</b>    | <b>42,716,015</b>    | <b>38,760,470</b>    | <b>39,412,511</b>    | 1.7%     | <b>39,522,987</b>    | 0.3%   | <b>40,035,096</b>    | <b>40,540,551</b>    |
| % Growth  |                      |                      | -9.3%                | 1.7%                 |          | 0.3%                 |        | 1.3%                 | 1.3%                 |
| One-time Transfer - Vehicle Fund  | -                    | 1,000,000            | -                    | -                    |          | -                    |        | -                    | -                    |
| <b>Total Revenues</b>   | <b>\$ 36,163,400</b> | <b>\$ 43,716,015</b> | <b>\$ 38,760,470</b> | <b>\$ 39,412,511</b> | 1.7%     | <b>\$ 39,522,987</b> | 0.3%   | <b>\$ 40,035,096</b> | <b>\$ 40,540,551</b> |
| <b>Sensitivity Analysis - Additional Economic Growth or New Revenues?</b> |                      |                      |                      |                      |          |                      |        |                      |                      |
| Value of additional 1%  |                      |                      |                      |                      |          |                      |        |                      | \$ 405,406           |
| Value of additional 5%  |                      |                      |                      |                      |          |                      |        |                      | \$ 2,027,028         |

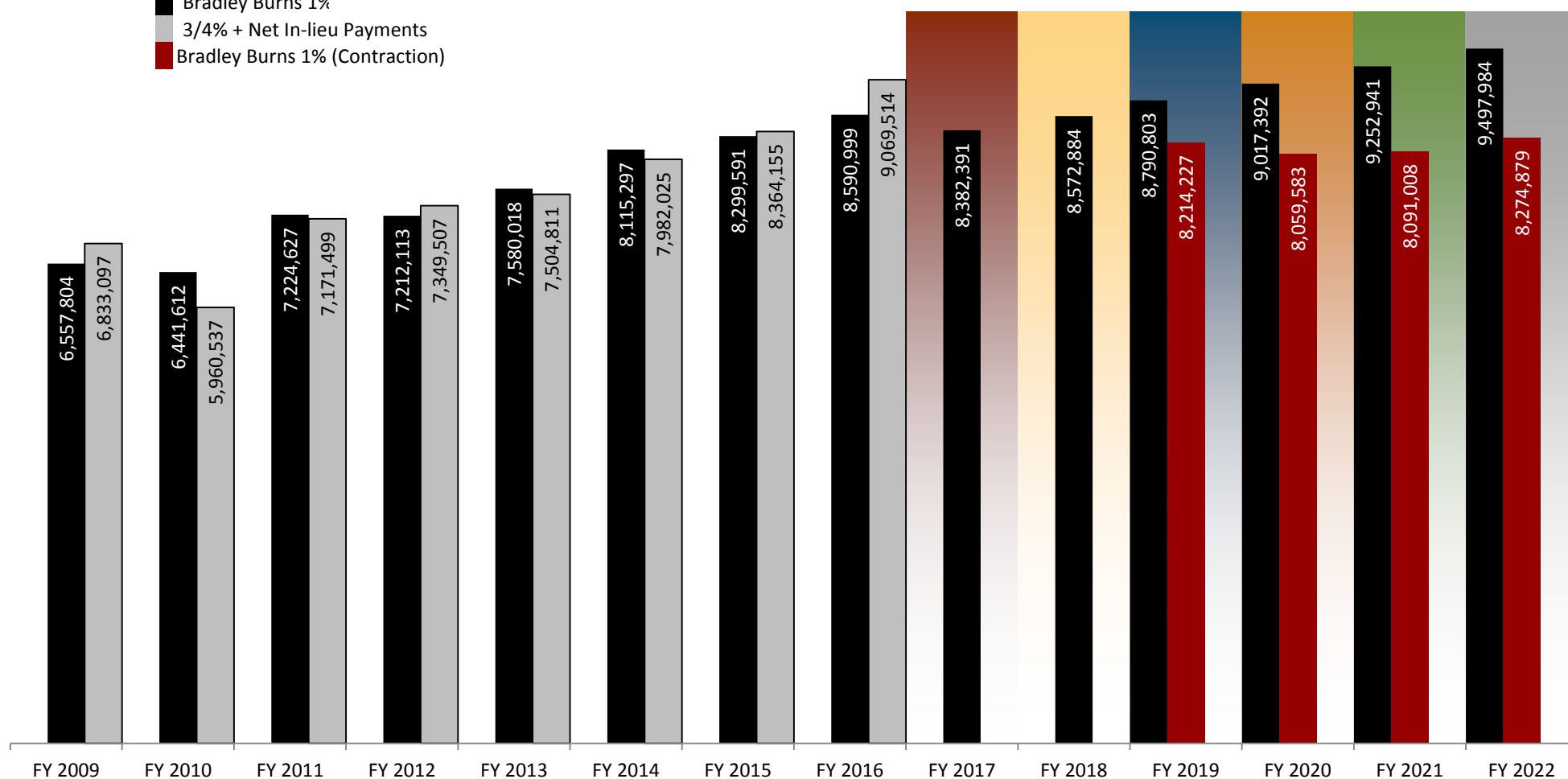
## Notes

- A) One-time 2015-16 Sales Tax pick-up - State Triple Flip Unwind      B) TOT includes partial years of new hotel in 2016-17 and 2017-18  
C) Commercial Property Transfer Tax reallocated to Capital Improvement Program in exchange for 25% Residual Property Tax Increment  
D) Successor Agency Admin Fee - One Time increase in 17-18 based upon State formula  
E) Gas Tax Fund reimbursement is reclassified as expenditure reimbursement to conform with accounting principles beginning in 2017-18  
F) Development Project Fees are generally offset by third party contract expenditures; large projects will be budgeted as they come forward

## City of Emeryville: Sales Tax Forecast by Fiscal Year with Future Contraction

May 24, 2017

- Bradley Burns 1%
- 3/4% + Net In-lieu Payments
- Bradley Burns 1% (Contraction)



|                           | FY 2014   | FY 2015   | FY 2016   | FY 2017   | FY 2018   | FY 2019   | FY 2020     | FY 2021   | FY 2022   |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|-----------|-----------|
| <b>Most Likely 1%</b>     | 8,115,297 | 8,299,591 | 8,590,999 | 8,382,391 | 8,572,884 | 8,790,803 | 9,017,392   | 9,252,941 | 9,497,984 |
| Percent Change            | 7.1%      | 2.3%      | 3.5%      | -2.4%     | 2.3%      | 2.5%      | 2.6%        | 2.6%      | 2.6%      |
| <b>1% Contraction</b>     | 8,115,297 | 8,299,591 | 8,590,999 | 8,382,391 | 8,572,884 | 8,214,227 | 8,059,583   | 8,091,008 | 8,274,879 |
| Percent Change            | 7.1%      | 2.3%      | 3.5%      | -2.4%     | 2.3%      | -4.2%     | -1.9%       | 0.4%      | 2.3%      |
| Annual Variance           |           |           |           |           |           | (576,577) | (957,809)   |           |           |
| Cumulative Variance       |           |           |           |           |           | (576,577) | (1,534,385) |           |           |
| <b>3/4% + Net In-lieu</b> | 7,982,025 | 8,364,155 | 9,069,514 |           |           |           |             |           |           |
| Percent Change            | 6.4%      | 4.8%      | 8.4%      | -100.0%   |           |           |             |           |           |

Note: The Most Likely 1% scenario above does not account for the estimated \$ 500,000 Emeryville pays to Oakland each year according to the East Bay Bridge Sales Tax Revenue Sharing Agreement. That amount would have to be deducted to determine Emeryville's Net Revenue.

## General Fund Fund Balance Projection

|  | <u>2014-15</u><br>Actual | <u>2015-16</u><br>Actual | <u>2016-17</u><br>Projection | <u>2017-18</u><br>Projection | <u>2018-19</u><br>Projection | <u>2019-20</u><br>Projection | <u>2020-21</u><br>Projection |             |
|--|--------------------------|--------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|-------------|
| <b><u>Unassigned Fund Balance</u></b>                              |                          |                          |                              |                              |                              |                              |                              |             |
| <b>Beginning Balance</b>   |                          |                          | <u>\$ 1,029,888</u>          | <u>\$ 1,100,698</u>          | <u>\$ (392,420)</u>          | <u>\$ (3,563,936)</u>        | <u>\$ (8,477,950)</u>        |             |
| <b>Revenues</b>  |                          |                          |                              |                              |                              |                              |                              |             |
| General Taxes and Fees   | 31,719,890               | 35,665,077               | 32,965,747                   | 35,848,275                   | 36,211,099                   | 36,655,308                   | 37,092,611                   |             |
|  |                          |                          |                              | 8.7%                         | 1.0%                         | 1.2%                         | 1.2%                         |             |
| Program Revenues   | <u>4,443,509</u>         | <u>7,050,937</u>         | <u>5,794,723</u>             | <u>3,564,236</u>             | <u>3,311,888</u>             | <u>3,379,788</u>             | <u>3,447,940</u>             |             |
|  | 36,163,400               | 42,716,015               | 38,760,470                   | 39,412,511                   | 39,522,987                   | 40,035,096                   | 40,540,551                   |             |
| % Annual Growth  |                          |                          |                              | 1.7%                         | 0.3%                         | 1.3%                         | 1.3%                         |             |
| % 4 -Year Growth   |                          |                          |                              |                              |                              |                              | 5%                           |             |
|  | -                        | -                        | -                            | -                            | -                            | -                            | -                            |             |
| Memo - Muni Services Estimate of 1% Sales Tax Economic Contraction |                          |                          |                              |                              | (576,576)                    | (957,809)                    | (1,161,933)                  | (2,696,318) |
|  |                          |                          |                              |                              |                              |                              |                              | 3 Years     |
| <b>Expenditures</b>  |                          |                          |                              |                              |                              |                              |                              |             |
|  | -                        | -                        | -                            | -                            | -                            | -                            | -                            |             |
| Salaries and Benefits  | (16,572,961)             | (16,914,373)             | (18,956,684)                 | (20,672,132)                 | (21,366,761)                 | (22,211,405)                 | (23,113,953)                 | 2024-25     |
| Unfunded Pension Liability to 7%                                   | -                        | (1,067,959)              | (1,352,870)                  | (1,708,997)                  | (2,287,749)                  | (2,911,364)                  | (3,401,693)                  | (4,082,032) |
| Pending Actuary Update   |                          |                          |                              |                              |                              |                              |                              |             |
| Fire Contract  | (5,559,643)              | (5,580,772)              | (6,230,830)                  | (6,973,946)                  | (7,125,975)                  | (7,436,031)                  | (7,805,257)                  |             |
| Operations and Transfers   | <u>(9,675,780)</u>       | <u>(9,025,375)</u>       | <u>(12,149,276)</u>          | <u>(11,550,554)</u>          | <u>(11,914,019)</u>          | <u>(12,390,310)</u>          | <u>(12,909,500)</u>          |             |
|  | (31,808,384)             | (32,588,479)             | (38,689,660)                 | (40,905,629)                 | (42,694,504)                 | (44,949,110)                 | (47,230,404)                 |             |
| % Annual Growth  |                          |                          |                              | 6%                           | 4%                           | 5%                           | 5%                           |             |
| % 4 -Year Growth   |                          |                          |                              |                              |                              |                              | 22%                          |             |
|  | -                        | -                        | -                            | -                            | -                            | -                            | -                            |             |
| <b>Net Annual Surplus (Deficit)</b>                                | <u>4,355,016</u>         | <u>10,127,536</u>        | <u>70,810</u>                | <u>(1,493,118)</u>           | <u>(3,171,516)</u>           | <u>(4,914,014)</u>           | <u>(6,689,854)</u>           |             |
| <b>Ending Unassigned Fund Balance</b>                              |                          |                          | <u>\$ 1,100,698</u>          | <u>\$ (392,420)</u>          | <u>\$ (3,563,936)</u>        | <u>\$ (8,477,950)</u>        | <u>\$ (15,167,804)</u>       |             |
| <b>Total Fund Balance, Including Reserves</b>                      |                          |                          | <u>\$ 37,427,696</u>         | <u>\$ 35,934,578</u>         | <u>\$ 32,763,062</u>         | <u>\$ 27,849,048</u>         | <u>\$ 21,159,194</u>         |             |



## General Fund Total Fund Balance Reserves

|  |             | <u>2015-16</u>                           | <u>2016-17</u>   | <u>2017-18</u>   | <u>2018-19</u>     | <u>2019-20</u>     | <u>2020-21</u>      |
|--|-------------|--|------------------|------------------|--------------------|--------------------|---------------------|
|  |             | Actual                                   | Projection       | Projection       | Projection         | Projection         | Projection          |
| <b><u>Total General Fund Balance</u></b>   |             |  |                  |                  |                    |                    |                     |
| <b>As Combined and Reported as "General Fund" in Annual Financial Statements</b> |             |  |                  |                  |                    |                    |                     |
|  | <u>Fund</u> | <u>Audited Balances<br/>CAFR Page 26</u> |                  |                  |                    |                    |                     |
| Economic Uncertainty   | 275         | \$ 20,897,710                            | \$21,265,024     | \$21,265,024     | \$21,265,024       | \$21,265,024       | \$ 21,265,024       |
| % Expenditures - Target 50%  |             | 64%                                      | 55% A            | 52%              | 50%                | 47%                | 45%                 |
| A) Includes repayment of interfund advance                                       |             |  |                  |                  |                    |                    |                     |
| Pension  | 715         | 13,519,592                               | 13,519,592       | 13,519,592       | 13,519,592         | 13,519,592         | 13,519,592          |
| Pending investment strategy to mitigate increasing annual pension costs          |             |  |                  |                  |                    |                    |                     |
| Earthquake   | 277         | 1,344,194                                | 1,344,194        | 1,344,194        | 1,344,194          | 1,344,194          | 1,344,194           |
| Program Reserves   |             |  |                  |                  |                    |                    |                     |
| Anticipated to be drawn over projection period                                   |             |  |                  |                  |                    |                    |                     |
| Economic Development   | 202         | 1,103,114                                |                  |                  |                    |                    |                     |
| Community Programs   | 203         | 400,000                                  |                  |                  |                    |                    |                     |
| Small Business Incentive   | 101         | 100,000                                  |                  |                  |                    |                    |                     |
| Non-spendable loans, prepaids  | 101/275     | 565,502                                  | 198,188          | 198,188          | 198,188            | 198,188            | 198,188             |
| Unassigned   | 101         | <u>1,029,888</u>                         | <u>1,100,698</u> | <u>(392,420)</u> | <u>(3,563,936)</u> | <u>(8,477,950)</u> | <u>(15,167,804)</u> |
|  |             | \$ 38,960,000                            | \$ 37,427,696    | \$ 35,934,578    | \$ 32,763,062      | \$ 27,849,048      | \$ 21,159,194       |