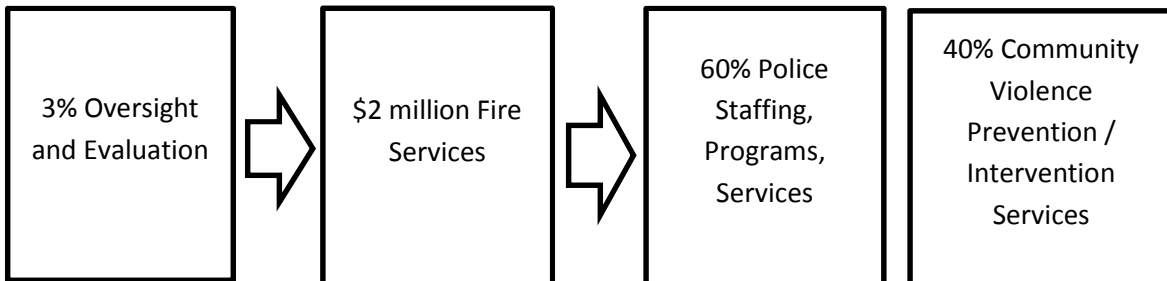


## CITY AUDITOR'S IMPARTIAL FINANCIAL ANALYSIS OF MEASURE Z

Measure Z authorizes the City of Oakland to continue a parcel and parking tax for the next 10 years, FY 2015-16 through FY 2024-25. Measure Z maintains the current taxes for police services and violence prevention strategies to address violent crime and improve public safety in the City.

The Measure requires the City maintain a minimum of 678 officers, with some exceptions, effective July 1, 2016. It prohibits layoffs that will result in fewer than 800 officers. Revenue collected will be allocated as follows:



### Financial Impact

#### **Revenue**

Under Measure Z, the FY 2015-16 tax rate will remain the same as the current rate.

<b>Tax</b>	<b>Type</b>	<b>Current Rate</b>	<b>FY 2015-16 Rate</b>
Parcel <sup>A</sup>	Single-Family Residential	\$99.77	\$99.77
	Multiple-Family Residential	\$68.15	\$68.15
	Non-Residential	\$51.09	\$51.09
Parking		8.5%	8.5%

<sup>A</sup> Increases annually for cost of living

Total projected revenue the City will collect is \$277.2 million.

<b>Year</b>	<b>Parcel Tax Revenue<sup>A</sup></b>	<b>Parking Tax Revenue<sup>A</sup></b>	<b>Total Revenue</b>
2015-16	\$15,558,242	\$8,693,432	\$24,251,675
2016-17	\$15,869,407	\$9,084,637	\$24,954,044
2017-18	\$16,186,795	\$9,493,446	\$25,680,241
2018-19	\$16,510,531	\$9,920,651	\$26,431,182
2019-20	\$16,840,742	\$10,367,080	\$27,207,822

2020-21	\$17,177,557	\$10,833,598	\$28,011,155
2021-22	\$17,521,108	\$11,321,110	\$28,842,218
2022-23	\$17,871,530	\$11,830,560	\$29,702,090
2023-24	\$18,228,960	\$12,362,936	\$30,591,896
2024-25	\$18,593,540	\$12,919,268	\$31,512,807
<b>Total</b>	<b>\$170,358,412</b>	<b>\$106,826,718</b>	<b>\$277,185,130</b>
<small><sup>A</sup> Parcel tax includes cost of living increases. Parking tax includes growth rate. Includes deductions for county collection fees, delinquencies, and exemptions.</small>			

**Cost**

Measure Z will continue to require ongoing City funding of at least \$7.3 million annually, totaling \$73 million between FY 2015-16 and FY 2024-25.

- \$2 million annually for Fire Services: Measure Z reduces the allocation for Fire Services from \$4 million under the previous public safety measure to \$2 million. The City will need to identify \$2 million from elsewhere in the City’s budget or reduce said services. The City has not given any indication of reducing fire services.
- \$5.3 million annually for officers: Measure Z requires that the City maintain 678 officers at all times; otherwise, the City will be unable to collect the Measure’s tax revenue. The Administration estimated that to maintain 678 officers, the City must budget at least 700 officers, costing \$5.3 million for 22 officers above 678. Costs will increase over the course of the Measure. Additionally, more than 700 officers may need to be budgeted to ensure that the 678 minimum is met. Currently, in FY 2013-15, the City budgeted over 700 officers (707 officers). Under Measure Z, the City must continue to sustain this level of officer funding each year, FY 2015-16 through FY 2024-25.

Based on our analysis of the data provided by City staff, the projected revenue appears accurate. This analysis relied on the best data available at the time; however, actual results may vary from these estimates.

s/COURTNEY A. RUBY, CPA, CFE  
City Auditor