

CITY OF OAKLAND CALIFORNIA ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2025



CITY OF OAKLAND, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2025

PREPARED BY THE FINANCE DEPARTMENT

BRADLEY JOHNSON, FINANCE DIRECTOR

POOJA SHRESTHA, CONTROLLER

PRINTED ON RECYCLED PAPER

CITY OF OAKLAND

Annual Comprehensive Financial Report Year Ended June 30, 2025

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INTRODUCTORY SECTION

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December 30, 2025
Residents of the City of Oakland
The Honorable Mayor and
Members of the City Council

The Annual Comprehensive Financial Report of the City of Oakland

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of Oakland, California (City). The Finance Department has prepared this report to present the financial position and the changes in net position for the year ended June 30, 2025, and the cash flows of its proprietary fund types for the same period. The basic financial statements and supporting schedules have been prepared in compliance with Section 809 of the City Charter and in accordance with Generally Accepted Accounting Principles (GAAP) for local governments, as established by the Governmental Accounting Standards Board (GASB). The information presented here should be considered in conjunction with the additional information contained in the Management's Discussion and Analysis (MD&A) in the Financial Section of this report.

The report consists of management's representations concerning the finances of the City. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed to protect the City's assets from loss, theft, or misuse; to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP; and to comply with applicable laws and regulations. As the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. We believe this ACFR to be complete and reliable in all material respects.

The City contracted with Macias Gini & O'Connell LLP, a firm of Certified Public Accountants licensed to practice in the State of California, to perform the annual independent audit. The auditors expressed an opinion that the City's financial statements for the year ended June 30, 2025 are fairly stated and in accordance with accounting principles generally accepted in the United States. This is the most favorable conclusion and is commonly known as an "unmodified" opinion. The independent auditor's report is included in the Financial Section of this report.

In addition, Macias Gini & O'Connell LLP is auditing the City's major program expenditures of federal funds for compliance with the Federal Single Audit Act Amendments of 1996, the Office of Management and Budget (OMB) Uniform Guidance regulating uniform administrative requirements, cost principles, and audit requirements for Single Audits, and the standards applicable to financial audits contained in the Government Auditing Standards issued by the Comptroller General of the United States. The report of the Single Audit is published separately from this ACFR and may be obtained upon request from the City's Finance Department.

The Reporting Entity and Its Services

The City has defined its reporting entity in accordance with GAAP that provides guidance for determining which governmental activities, organizations, and functions should be included in the reporting entity. The basic financial statements present information on the activities of the City and its component units.

GAAP requires that the component units be separated into blended, discretely presented, or included in the fiduciary funds financial statements for reporting purposes. Although legally separate entities, blended component units are, in substance, part of the City's operations. Therefore, they are reported as part of the Primary Government. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City's operations. Component units that are fiduciary in nature are reported in the fiduciary funds financial statements.

Accordingly, we have included the operations of the Oakland Joint Powers Financing Authority as a blended component unit. The Oakland Redevelopment Successor Agency is included as a fiduciary component unit. The operations of the Port of Oakland (including the Oakland International Airport) are presented discretely. The Oakland-Alameda County Coliseum Authority (Authority) is a Joint Venture owned and operated by the City and the County of Alameda. The Joint Venture agreement and operations are disclosed on Note II, part J. of the basic financial statements.

The Oakland Housing Authority, the Oakland Unified School District, and the Peralta Community College District were not included in the basic financial statements because they have limited relationships with the City and, therefore, did not meet the criteria for inclusion in the reporting entity. The City is also represented in seven regional agencies that are excluded from the City's reporting entity. These agencies are the San Francisco Bay Area Rapid Transit District (BART), Alameda-Contra Costa County Transit District (AC Transit), Bay Area Air Quality Management District, Association of Bay Area Governments (ABAG), East Bay Regional Park District, East Bay Municipal Utility District (EBMUD), and Metropolitan Transportation Commission (MTC).

Profile of the Government

The City of Oakland was chartered as a city in 1852. It is situated on the eastern side of the Oakland/San Francisco Bay in the County of Alameda. Its western border offers nineteen miles of coastline, while the rolling hills to the east present views of the Bay and the Pacific Ocean. In between are traditional, diverse neighborhoods, a progressive downtown with numerous high-rise projects under construction, and superior cultural and recreational amenities. It is the administrative site for the County of Alameda, the regional seat for the federal government, the district location of primary state offices, and the transportation hub of commerce for the Bay Area.

Legislative authority is vested in the City Council and executive authority is vested in the Mayor. The City Administrator, appointed by the Mayor and approved by the City Council, has administrative authority to manage the day-to-day administrative and fiscal operations of the City. The City Auditor and the City Attorney are both elected officials and serve four-year terms.

The Mayor and City Council are the governing body of the City. The City Council is comprised of eight elected officials. One Council member is elected "at large", while the other seven Council members represent specific geographic districts. The Mayor and City Council are elected to serve four-year terms.

The City provides a full range of services contemplated by statute or charter, including those functions delegated to cities under state law. These services include public safety (police and fire), sanitation and environmental health, economic development, community involvement and empowerment, public-private

partnerships, library, recreational and cultural activities, public improvements, planning, zoning, and general administrative services.

Economic Condition and Fiscal Outlook

The City of Oakland continued to navigate a challenging post-COVID-19 pandemic economic environment characterized by an uneven and slower than anticipated recovery. In Fiscal Year (FY) 2024-25, economic activity remained below pre-COVID-19 pandemic levels, particularly in sectors tied to tourism, downtown commercial activity, and office occupancy. While these conditions presented ongoing challenges, they also underscored the importance of the City's long-term strategy focused on fiscal discipline, economic diversification, and sustainable recovery.

Several revenues closely tied to local activity and tourism, including transient occupancy tax (TOT) and parking tax trended downward reflecting reduced visitor activity and absence of parking revenue from baseball games following the departure of the Oakland A's. Sales tax revenue also declined slightly reflecting continued weakness in consumer spending; however, a recently adopted sales tax rate increase, which will not take effect until next fiscal year, is expected to help increase sales tax revenue. Business tax revenues increased primarily due to the City's enhanced recovery efforts targeting past-due business tax delinquencies rather than growth in new business activity.

Despite challenges in tourism and business activity related revenues, Oakland's underlying economic base remains strong. Real estate transfer tax (RETT) collections, excluding a one-time large property transaction, increased by 19%, reflecting continued activity in the property market. Assessed property values also continued to rise, supporting long-term stability in the City's property tax base. Since FY 2018-19 General Fund property taxes and combined general and voter-approved property taxes exclusive of RETT increased by 29% and 33% respectively. For FY 2024-25, property tax collections decreased, but it was due to a reduction in the portion of the tax rate dedicated to pension obligations, rather than a decline in underlying economic value. Together, these trends demonstrate that Oakland's broad and diverse tax base, anchored by continuing growth in assessed property values, provides a solid stable foundation for sustainable revenue growth over time.

Unemployment rates remained moderate at 5.2% in June 2025, reflecting only a modest increase from 5.1% in June 2024. While citywide employment losses due to large-scale layoffs and closures increased from 623 jobs in FY 2023-24 to 1,286 jobs in FY 2024-25, these job losses were concentrated among employers associated with the departure of a major professional sports franchise. Overall, these figures compare favorably to the City's experience during COVID-19 period and reflect one-time factors rather than a broad-based weakening of the local labor market.

In the years immediately following the COVID-19 pandemic, the City's finances were supported by significant federal relief funding. Between fiscal years 2020-21 and 2022-23, the City received approximately \$188 million in direct federal subsidies, which were used to offset revenue shortfalls resulting from reduced economic activity. As economic activity has remained below pre-pandemic levels and federal relief funding has ended, these conditions contributed to the emergence of a structural budget imbalance. In response, the City implemented a series of corrective actions aimed at addressing structural imbalances, restoring reserves, and stabilizing its financial position. These actions include a hiring freeze, travel moratorium, reductions in discretionary spending, deferral of certain costs and contracts, voter approval of Measure A increasing the sales tax rate effective October 2025, enhanced enforcement of fines and penalties, audits and collection of delinquent business taxes, and increases to parking fees. Together, these measures have positively impacted the City's near-term outlook and positioned it to better manage future economic uncertainty.

The City's fiscal outlook is also influenced by broader macroeconomic conditions. During FY 2024-25, the U.S. economy experienced moderating but generally stable growth, with inflation continuing to ease and the Federal Reserve signaling a shift toward monetary easing. While national growth remained slow and some forecasts highlighted elevated recession risks, the economy avoided a broad downturn. Following these national trends, local economic growth in Oakland was also slow, shaped by long-term post-pandemic structural shifts. Downtown office utilization remained low as hybrid and remote work arrangements reduced demand for traditional office space, placing pressure on commercial property values and surrounding economic activity. Residential market dynamics also evolved, as remote work expanded housing options beyond the City. Collectively, these conditions continue to influence the City's revenue base and underscore the importance of maintaining fiscal discipline in a post-pandemic economic environment.

Despite the long-term structural challenges shaped by post-pandemic shifts, Oakland's geographic location, diverse economy, and strong regional connections provide a foundation for resilience. The City's proximity to major employment centers, ports, transportation corridors, and innovation hubs positions it to benefit from regional economic activity and attract businesses and residents over time. While certain revenue streams continue to face pressure, these inherent advantages support the City's ability to adapt, pursue strategic investments, and navigate uncertainty in the years ahead.

Significant Events and Accomplishments

During FY 2024-25, the City advanced several organizational and policy initiatives focused on public safety, housing and homelessness, fiscal stabilization, and long-term community investments.

In the area of public safety, the City emphasized interagency coordination, targeted enforcement efforts, and operational improvements. The City continued its collaboration with the California Highway Patrol as part of a regional joint law enforcement operation focused on vehicle theft, organized retail crime, sideshow activity, and gun violence. These efforts were supported by expanded use of enforcement technology, including automated vehicle identification systems that enhanced investigative capacity and real-time coordination. In parallel, the City advanced complementary public safety investments, including continued funding for police academies, expansion of the Ceasefire gun violence reduction program through federal funding, deployment of the Mobile Assistance Community Responders of Oakland (MACRO) program to address non-violent, non-emergency calls, and approval of speed safety pilot program at high-risk locations to reduce traffic-related injuries and fatalities.

With respect to housing and homelessness, the City continued to prioritize the delivery of housing-related services through a range of programs and actions. Notable activities in support of these goals in FY 2024-25 included the following:

- The City successfully transitioned residents from Lake Merritt Lodge—a former dormitory converted to housing during the COVID-19 pandemic—into alternative housing placements, following the lease expiration. The transition supported a strategic shift from City-leased shelter sites to partner-operated housing and shelter models.
- The City acquired a hotel property, formerly operated as Extended Stay America, to provide interim housing and supportive services for individuals relocating from three large encampments, including East 12th Street, Mosswood Park, and the Martin Luther King Jr. Way corridor. This acquisition, supported by state and grant funding, expanded the City's capacity to transition unsheltered residents into indoor settings.
- The City completed the closure of a long-standing encampment along East 12th Street, successfully relocating 70 residents to Mandela House, the interim housing program established in the recently acquired Extended Stay America property.

The City also advanced both near-term fiscal stabilization efforts and long-term community investments. In the near term, the City strengthened local revenue streams by implementing enhancements to recover delinquent business license taxes and adopting a new sales tax rate, providing resources to sustain City services and support economic resilience. For the long-term, the City made strategic infrastructure investments to improve quality of life and support sustainable growth. These investments include renovations to the Downtown Oakland Senior Center, upgrades to nine neighborhood mini parks, installation of 244 public EV charging stations in downtown parking facilities, and the launch of the \$16 million “Oakland Connect” broadband initiative to expand high-speed internet access to over 2,500 households in historically underserved areas.

Budget Process and Controls

The City’s budget is a detailed operating plan that identifies estimated costs in relation to estimated revenues. The budget includes:

- Programs, projects, services, and activities to be carried out during the fiscal year;
- Estimated revenue available to finance the operating plan; and
- Estimated spending requirements for the operating plan.

The budget represents a process where policy decisions by the Mayor and the City Council are adopted, implemented and controlled. The notes to the required supplementary information summarize the budgetary roles of various City officials and the timetable for their budgetary actions per the City Charter.

The City Charter prohibits expending monies for which there is no legal appropriation. Therefore, the City is required to adopt budgets for all City funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level, although for management purposes, the line item budget is controlled at the departmental level within funds. The City Administrator is authorized to administer the budget and may transfer monies from one activity, program, or project to another within the same agency and fund. Supplemental appropriations or transfers of appropriations between funds or agencies must be approved by the City Council.

The City also maintains an encumbrance accounting system to provide budgetary controls for governmental funds. Encumbrances which would result in an overrun of an account balance are suspended in the system until additional funding is made available via budget change requests or withdrawn due to lack of funding. Encumbrances outstanding at June 30 and carried forward are reported as assigned of the appropriate governmental fund’s fund balance since they do not constitute expenditures or liabilities. Encumbrances that do not lapse but are brought forward to the new fiscal year are incorporated as part of the budget adopted by the City Council for that year.

The City Council receives quarterly reports on the City’s revenues and expenditures compared to budget as a management tool to pro-actively monitor the City’s fiscal condition. The City continues to meet its responsibility for sound financial management as demonstrated by the statements and schedules included in the financial section of this report.

On June 11, 2025, the City Council adopted the Biennial Budget for FY 2025-27. The \$4.37 billion budget closed a two-year projected deficit of \$265 million while prioritizing public safety and the delivery of core municipal services. The gap was addressed through targeted spending reductions, streamlining operations, continued hiring freeze, and elimination of more than 400 primarily vacant or frozen positions, while avoiding layoffs of filled positions to minimize service disruptions. The budget assumes continuation of existing federal and state funding and includes contingency planning should those resources change. Funding supports police, fire, and violence prevention services, reflecting the City’s commitment to public safety as its top priority.

The FY 2025–27 budget represents a shift toward more sustainable fiscal practices by balancing ongoing General Purpose Fund expenditures with ongoing revenues, rather than relying on one-time funding sources. The budget is also accompanied by a multi-year Roadmap to Fiscal Health that outlines strategies to restore financial stability, improve accountability, and position the City to meet future service obligations and financial challenges. Looking ahead, the City remains focused on long-term fiscal sustainability through continued expenditure discipline, diversification of the revenue base through future voter-approved measures, and targeted economic development efforts.

The Five-Year Financial Forecast

In May 2025, the City issued a Five-Year Financial Forecast for Fiscal Years 2025-26 through 2029-30. The purpose of the Five-Year Financial Forecast is to help the City of Oakland make informed financial and operational decisions by better anticipating long-term future revenues, expenditures, and financial risks. The forecast issued in May 2025 was a point in time projection and highlighted significant and growing fiscal challenges driven by structural imbalances between ongoing revenues and expenditures. Addressing these challenges will require continued fiscal discipline, structural reforms, and thoughtful long-term planning.

Consolidated Fiscal Policy

On December 9, 2014, the City Council passed Ordinance No. 13279 C.M.S. amending the City's Financial Policy to add the Rainy Day Policy and consolidate all the City's fiscal policies into a single Consolidated Fiscal Policy (CFP). This amendment allowed the City to establish a reserve fund (Vital Services Stabilization Reserve) to stabilize the provision of vital services, protect against service reductions, and prevent layoffs, furloughs, and similar measures in times of economic hardship. Additionally, this policy addressed procedures that allow for accelerating debt repayment and paying down unfunded long-term obligations by modifying the definition of excess Real Estate Transfer Tax. The CFP includes policies on budgeting practices, reserve funds, the budget process, fiscal planning, and public participation.

On May 15, 2018, the City Council passed Ordinance No. 13487 C.M.S. amending provisions related to the use of excess Real Estate Transfer Tax (RETT), adding new requirements intended to reduce the potential for future increases in negative fund balances, and revising various budget procedures.

These City policies include provisions for the use of reserves during emergencies. As of June 30, 2025, the Vital Services Stabilization Reserve had a balance of close to \$0. These funds were previously utilized to preserve vital services and address the projected deficit for the FY 2023-25 Biennial Budget. The City expects to restore the Vital Services Stabilization Reserve from future one-time revenues.

On June 24, 2021, the City Council passed Resolution No. 88717 C.M.S., establishing the General Purpose Fund Emergency Reserve as a separate subfund of the City's General Fund. The resolution also appropriated an amount equal to 7.5% of FY 2021-22 GPF appropriations to this new fund. Prior to the adoption of this resolution the City measured its emergency reserve as the unassigned fund balance in the GPF, its chief operating subfund within the General Fund. As of June 30, 2025, the City's standalone General Purpose Fund Emergency Reserve has a balance of \$63.8 million and unassigned fund balance in the GPF is \$34.6 million, resulting in total General Fund reserves of \$98.4 million, exceeding the minimum reserve required under the City's CFP.

OPEB Funding Policy

On February 26, 2019, the City Council adopted Resolution No. 87551 C.M.S. establishing the Other Post-Employment Benefits Funding Policy, which provides for ongoing prefunding contributions of 2.5%

of payroll. With the exception of a one-year pause during the COVID pandemic, the City has maintained this schedule since its inception and made \$14.8 million of prefunding contributions in FY 2024-25. These amounts are in addition to pay-as-you-go requirements and are intended to support the sustainability of the City's retiree medical program.

Single Audit

As a recipient of Federal, State, and County financial assistance, the City is responsible for providing assurance that adequate internal controls are in place to ensure compliance with applicable laws and regulations. These controls are periodically evaluated by management, the City Auditor's Office (internal), and the City's independent auditors (external).

As part of the City's single audit procedures, tests are performed to determine the effectiveness of the internal controls over major federal award programs and the City's compliance with applicable laws and regulations related to these federal award programs.

Debt Management and Credit Ratings

The City's Debt Management Policy is reviewed and adopted annually by the City Council. The goal of the Debt Management Policy is to set prudent guidelines to ensure that the City's debt portfolio is fiscally stable. It is in place to maintain long-term financial flexibility while ensuring that the City's capital needs are adequately supported. The Debt Management Policy establishes the following equally important objectives:

- To achieve the lowest possible cost of capital for the City;
- To achieve the highest practical credit rating;
- Maintain full and complete financial disclosure and reporting;
- Ensure timely repayment of debt;
- Maintain a prudent level of financial risk;
- Utilize local and disadvantaged banking and financial firms, whenever possible; and
- Ensure compliance with applicable State and Federal laws.

The City is committed to securing its long-term financial health by taking direct actions to address unfunded liabilities. These actions include: improving the funded ratios of CalPERS Safety and Miscellaneous pension plans, reducing the City's unfunded liability for other postemployment benefits through ongoing prefunding contributions and benefit reforms, and continued progress in reducing longstanding negative fund balances.

The City's general obligation bond credit ratings of Aa2/AA-/A from Moody's Ratings, S&P Global Ratings, and Fitch Ratings, respectively, reflect recent rating actions taken in response to projected structural imbalances and reserve pressures, while continuing to recognize the City's large and diverse tax base and management's ongoing efforts to stabilize its financial position. The MD&A section of this report provides additional information on the City's credit ratings.

Awards

The City was awarded a Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024 by the Government Finance Officers Association of the United States and Canada (GFOA). The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized ACFR whose contents

conform to program standards. The ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. The City of Oakland has received a Certificate of Achievement annually for more than 30 years. The City's Fiscal Year 2024-25 ACFR will be submitted to GFOA for consideration for the Certificate of Achievement for Excellence in Financial Reporting.

Acknowledgments

The preparation of this ACFR represents the culmination of a concerted team effort by the entire staff of the Finance Department, most particularly the Controller's Bureau, Treasury Bureau, City Administrator's Office, City Attorney's Office, and other departmental staff, who have demonstrated their professionalism, dedication and efficiency in the preparation of this report. We also thank Macias Gini & O'Connell LLP for their assistance and guidance.

Finally, we wish to express our sincere appreciation to the Mayor and the members of the City Council for providing policy direction and their interest and continuing support in planning and conducting the City's financial operations in a fiscally responsible and progressive manner.

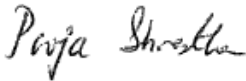
Respectfully submitted,



JESTIN D. JOHNSON
City Administrator



BRADLEY JOHNSON
Director of Finance



POOJA SHRESTHA
Controller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Oakland
California**

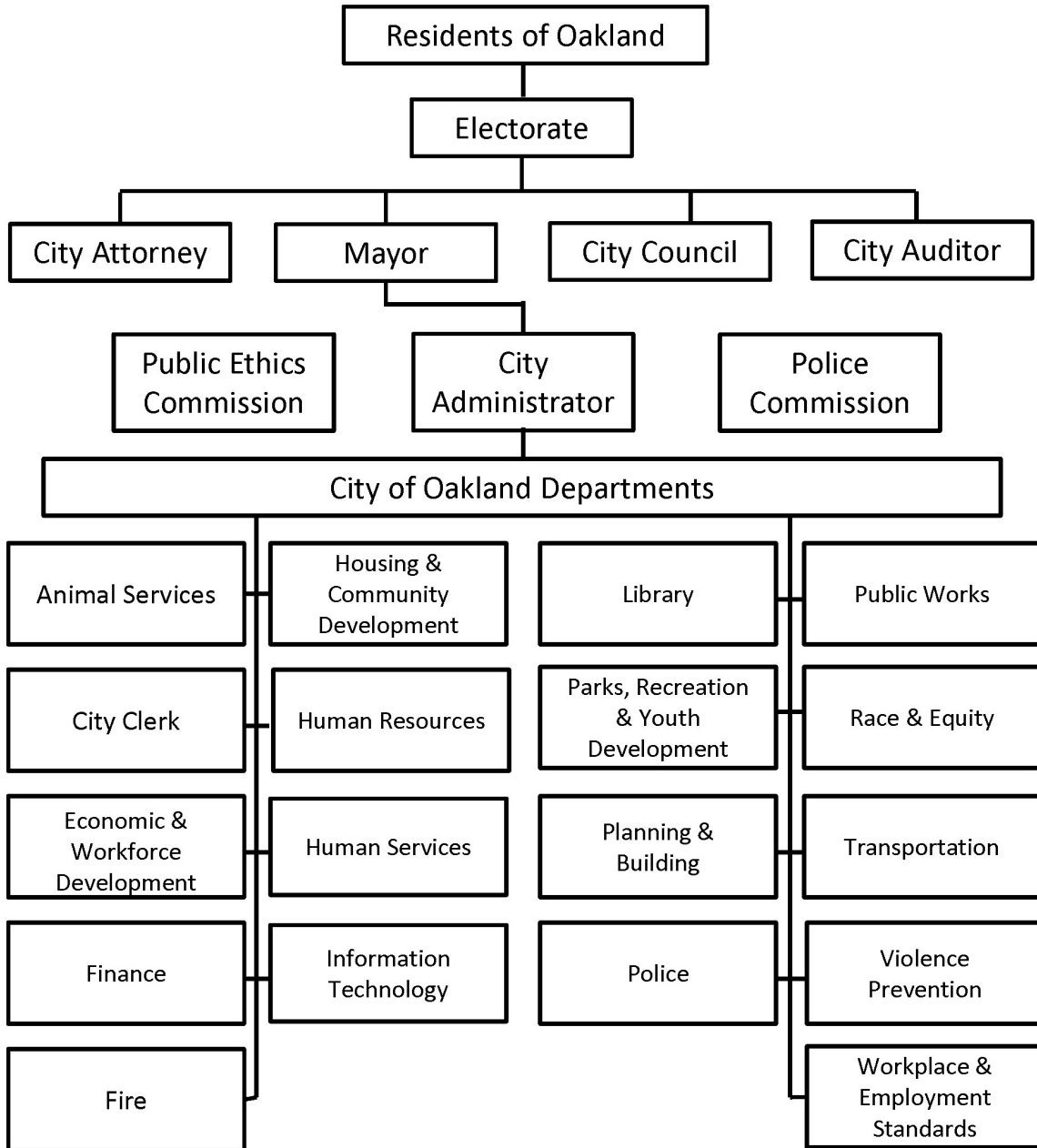
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

CITY OF OAKLAND ORGANIZATION CHART



CITY OF OAKLAND

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2025

Mayor
Barbara Lee

Members of the City Council

Kevin Jenkins (District 6)
Council President

Noel Gallo (District 5)
President Pro Tempore

Rowena Brown (At-Large) **Janani Ramachandran** (District 4)
Carroll Fife (District 3) **Zac Unger** (District 1)
Ken Houston (District 7) **Charlene Wang** (District 2)

City Administrator
Jestin D. Johnson

Prepared by the Finance Department

Bradley Johnson
Finance Director

Laura Gonzalez-Woodward
Contracts & Purchasing Administrator

David Jones
Treasury Administrator

Anjali Saxena
Payroll Administrator

Pooja Shrestha
Controller

Rina Stabler
Acting Budget Administrator

Nicole Welch
Revenue & Tax Administrator

Controller's Bureau Staff

Alex Auza
Dorothy Bieneman
Helen Cherkis
Carol Gloria
Audrey Lamb

Pat Lee
Jia Liu
Maribel Manila
Xiaohuan Ouyang
Madhur Singh

Vy Tran
Donna Treglown
Michelle Wong
Andy Yang

Elected Officers

Ryan Richardson, City Attorney

Michael Houston, City Auditor

Administration

Jestin D. Johnson, City Administrator

Chuck Baker, Assistant City Administrator

Michelle Phillips, Assistant City Administrator

Elizabeth Lake, Assistant City Administrator

Monica Davis, Deputy City Administrator

Directors

Joe DeVries

Animal Services

Emily Weinstein

Housing & Community
Development

James Beere

Police Commission

Asha Reed

City Clerk

Mary Hao

Human Resources

Suzanne Doran

Public Ethics
Commission

Sean Maher

Communications

Jason H. Lester

Human Services

Darlene Flynn

Race & Equity

Ashleigh Kanat

Economic & Workforce
Development

Tony Batalla

Information Technology

Josh Rowan

Transportation & Public
Works

Bradley Johnson

Finance

Jamie Turbak

Library

Holly Joshi

Violence Prevention

Damon Covington

Fire

Myka Hammock

Parks, Recreation &
Youth Development

Emylene Aspilla

Workplace &
Employment Standards

William Gilchrist

Planning & Building

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FINANCIAL SECTION

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Independent Auditor's Report

Honorable Mayor and Members of the City Council
City of Oakland, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Oakland, California (City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Oakland Police and Fire Retirement System were not audited in accordance with *Government Auditing Standards*.

Emphasis of Matter

As discussed in Note I.E to the financial statements, effective July 1, 2024, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of changes in net pension liability and related ratios, the schedules of employer pension contributions, the schedules of changes in net other postemployment benefits liability and related ratios, the schedules of employer other postemployment benefits contributions, and the budgetary comparison schedules of the General Fund and the Other Special Revenue Fund as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City's basic financial statements. The combining financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

The City's management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Macias Gini & O'Connell LLP". The signature is written in a cursive, flowing style.

Walnut Creek, California
December 30, 2025

CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

This section of the City of Oakland's (the City) Annual Comprehensive Financial Report provides an overview and analysis of the financial activities of the City for the year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the additional information contained in the City's financial statements and related notes and our letter of transmittal that precedes this section.

FINANCIAL HIGHLIGHTS

The government-wide statement of net position for the City's governmental and business-type activities indicates that as of June 30, 2025, total assets and deferred outflows of resources exceed total liabilities and deferred inflows of resources by \$1.4 billion compared to a net position of \$982.8 million at June 30, 2024:

- \$1.3 billion of net position represents the City's investment in capital assets, less any related outstanding debt and related deferred outflows and inflows of resources used to acquire those assets (*net investment in capital assets*). These capital assets are used to provide services to citizens and are not available for future spending.
- \$930.5 million represents resources that are subject to restrictions on their use and are available to meet the City's ongoing obligations for programs, of which \$460.7 million is restricted for Housing and Community Development programs, \$359.6 million pertains to Low and Moderate Income Housing Redevelopment, and \$41.3 million is restricted for debt service.
- \$0.9 billion represents a deficit in unrestricted net position that has primarily resulted from the underfunding of the pension and other postemployment benefits (OPEB) liabilities, and other unfunded long-term liabilities (*unrestricted net position*). The net pension and OPEB liability deficits are the biggest contributing factors at \$1.8 billion and \$0.6 billion, respectively. The remaining changes in net position are discussed below.
- \$188.4 million of the \$414.7 million improvement in net position is attributable to prior period restatements. Specifically, a \$199.9 million increase to the beginning balance resulted from the reclassification of employee benefit liabilities, offset by an \$11.5 million decrease from the implementation of GASB Statement No. 101. The remaining improvement in net position reflects results of current year operations derived mostly from increase in revenues including \$85.3 million in operating grants stemming from growth and timing of affordable housing and Caltrans grants, \$35.6 million in real estate transfer tax resulting from a one-time boost from PG&E property sale, and \$9.3 million in legal settlements, offset by a decline of \$70.8 million in property tax due to a lower PFRS liability rate. \$37.6 million is due to reduction in expenditure to address the budget deficit.
- The government-wide increase in net position was also supported by a \$16.4 million increase in net position from the business-type activities, mainly the Sewer-related activities.

Total fund balances for the City's governmental funds of \$1.6 billion represents an increase of 8.8 percent, or \$132.6 million, compared to the prior fiscal year. This increase results primarily due to restatement of the beginning balance to reclassify employee benefit liabilities. Total general revenues increased compared to prior fiscal year, while total expenditures decreased mostly due to Council-approved budget-balancing actions. The General Purpose Fund Emergency Reserve, a subfund of the General Fund, decreased to \$63.8 million, which together with unassigned General Purpose Fund balance of \$34.6 million raised General Purpose Fund reserves to \$98.4 million, exceeding the amount required under the City's Consolidated Fiscal Policy of 7.5 percent of FY 24-25 General Purpose Fund appropriations, or \$59.9 million.

CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to introduce the City's basic financial statements. The City's basic financial statements consist of four components:

- Government-wide Financial Statements
- Fund Financial Statements
- Notes to the Basic Financial Statements
- Required Supplementary Information

In addition, this report also contains other supplementary information.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to the financial statements for a private-sector business.

The *statement of net position* presents information on all the City's assets, deferred outflows and inflows of resources, and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to earned but unused vacation and sick leave.

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, community and human services, community and economic development, and public works and transportation. The business-type activities of the City include the sewer service system and the parks and recreation. The government-wide financial statements do not include the fiduciary funds, which comprise the private-purpose trust funds, pension trust funds, and custodial fund. Resources in the fiduciary funds are not available to support the City's own programs.

The government-wide financial statements include the primary government of the City and the Port of Oakland (Port), as a discrete component unit. Financial information for the Port is reported separately from the financial information presented for the primary government. Further information about the Port can be obtained from the Port Financial Services Division, 530 Water Street, Oakland, CA 94607 or visit the website at www.portofoakland.com.

CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

Fund Financial Statements

The fund financial statements are designed to report information about groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into the following three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are reported in governmental funds. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains several individual governmental funds organized according to their type (Special Revenue, Capital Projects, Debt Service, and General Fund). Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General fund, the Federal/State Grant Fund, the Low and Moderate Income Housing Asset Fund (LMIHF), the Municipal Capital Improvement Fund, and the Other Special Revenue Fund, all of which are considered to be major funds. Data from the remaining funds are combined in a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its governmental funds. A budgetary comparison schedule has been provided for the General Fund and the Other Special Revenue Fund in the required supplementary information to demonstrate compliance with this budget.

Proprietary Funds. Proprietary funds are generally used to account for services for which the City charges customers, either outside customers or internal units or departments of the City. Proprietary funds provide the same type of information shown in the government-wide statements only in more detail.

The City maintains the following two types of proprietary funds:

- (1) **Enterprise Funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the operations of the Sewer Service System and the Parks and Recreation operations. The sewer service fund is considered to be a major fund of the City.
- (2) **Internal Service Funds** are used to report activities that provide services and supplies for certain City programs and activities. The City uses internal service funds to account for its fleet of vehicles, radio and communication equipment, facilities management, printing and reproduction, central stores, purchasing, information technology, and personnel management. Because these

CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of employees and parties outside the City. The Police and Fire Retirement System (PFRS) Fund is reported as a pension trust fund. The private-purpose trust funds along with the custodial fund are also reported as fiduciary funds since their resources are not available to support the City's own programs. For this reason, they are not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

The required supplementary information includes the budgetary schedule for the General Fund and the Other Special Revenue Fund, schedules of changes in the net pension liability and related ratios and pension plan contributions, and schedules of changes in the net OPEB liability and related ratios and OPEB plan contributions.

Other Information

In addition, this report presents combining statements and schedules referred to earlier in connection with nonmajor governmental funds, internal service funds, and fiduciary funds that immediately follow the required supplementary information.

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of the City's financial condition. As of June 30, 2025, total assets and deferred outflows of resources exceed the total liabilities and deferred inflows of resources by \$1.4 billion compared to a net position of \$982.8 million at June 30, 2024, which represents an increase in net position of \$414.7 million. Current and other assets increased by \$62.9 million, primarily due to growth in business license tax, real estate transfer tax, voter-approved special tax, and legal settlements. Additionally, capital assets increased by \$64.7 million. The City's net position also reflects the net investment in capital assets of \$1.3 billion for governmental and business-type activities. Of the remaining balance, \$930.5 million of net position is subject to external restrictions on how it may be used. The unrestricted net position of negative \$0.85 billion is comprised of a deficit balance of \$0.94 billion for governmental activities, and a positive balance of \$85.3 million for business-type activities. As of June 30, 2025, unrestricted net position for governmental and business-type activities increased by \$309.4 million as compared to balances at June 30, 2024.

CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

Condensed Statements of Net Position
June 30, 2025 and 2024 (In thousands)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets:						
Current and other assets	\$ 2,808,845	\$ 2,764,316	\$ 137,344	\$ 118,968	\$ 2,946,189	\$ 2,883,284
Capital assets	1,598,234	1,528,586	246,166	251,139	1,844,400	1,779,725
TOTAL ASSETS	4,407,079	4,292,902	383,510	370,107	4,790,589	4,663,009
Deferred Outflows of Resources:						
Losses on refunding of debt	7,288	8,533	—	—	7,288	8,533
Pensions	411,626	547,002	8,185	12,232	419,811	559,234
OPEB	126,973	174,814	2,376	3,208	129,349	178,022
TOTAL OUTFLOWS	545,887	730,349	10,561	15,440	556,448	745,789
Liabilities:						
Long-term liabilities	1,102,532	1,179,526	14,307	17,510	1,116,839	1,197,036
Other liabilities	288,885	500,824	2,707	3,409	291,592	504,233
Net pension liability	1,728,216	1,834,077	46,394	48,568	1,774,610	1,882,645
Net OPEB liability	545,291	539,538	9,638	9,438	554,929	548,976
TOTAL LIABILITIES	3,664,924	4,053,965	73,046	78,925	3,737,970	4,132,890
Deferred Inflows of Resources:						
Gains on refunding of debt	1,821	2,062	158	197	1,979	2,259
Leases	43,706	40,104	—	—	43,706	40,104
Pensions	17,854	19,033	186	522	18,040	19,555
OPEB	144,130	225,883	3,658	5,264	147,788	231,147
TOTAL INFLOWS	207,511	287,082	4,002	5,983	211,513	293,065
Net Position:						
Net investment in capital assets	1,089,717	1,074,554	231,701	233,432	1,321,418	1,307,986
Restricted	930,515	838,677	—	—	930,515	838,677
Unrestricted (deficit)	(939,701)	(1,231,028)	85,322	67,203	(854,379)	(1,163,825)
TOTAL NET POSITION	\$ 1,080,531	\$ 682,203	\$ 317,023	\$ 300,635	\$ 1,397,554	\$ 982,838

Governmental activities: The City's net position in governmental activities increased by \$398.3 million.

Total assets increased by \$114.2 million, or 2.7 percent, to \$4.4 billion. The significant changes in assets occurred in the following areas:

- *Current and other assets* increased by \$44.5 million, primarily due to increase in notes and loans receivable resulting from issuance of new loans, largely associated with affordable housing and development activities.
- *Capital assets* increased by \$69.6 million, primarily due to the completion of infrastructure projects.

Total liabilities decreased by \$389.0 million, or 9.6 percent to \$3.7 billion. The significant changes in liabilities occurred in the following areas:

- *Long-term liabilities* decreased by \$77.0 million primarily due to scheduled debt service payments that reduced outstanding debt liabilities.
- *Net pension liability* decreased by \$105.9 million due primarily to strong investment performance.
- *Net OPEB liability* increased by \$5.8 million as healthcare cost and interest cost trended upwards.

CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

Net position increased by \$398.3 million to \$1.1 billion as of June 30, 2025 from \$682.2 million at June 30, 2024. The City's net position can be divided into three categories: net investment in capital assets, restricted, and unrestricted.

- \$1.1 billion of net position reflects the City's *investment in capital assets* (e.g., land, buildings infrastructure, facilities and equipment), net of any related outstanding debt and debt-related deferred outflows and inflows of resources used to acquire those assets. The City uses these capital assets to provide a variety of services to citizens. These assets, therefore, are not available for future spending.
- \$930.5 million of net position represents resources that are subject to restrictions on how they may be used and are therefore restricted.
- \$939.7 million of net position represents a deficit in unrestricted net position that has primarily resulted from the underfunding of pension and OPEB liabilities.

CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

The following table indicates the changes in net position for governmental and business-type activities:

Condensed Statements of Activities
Years Ended June 30, 2025 and 2024
(In thousands)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues						
Charges for services	\$ 197,803	\$ 186,254	\$ 76,969	\$ 76,657	\$ 274,772	\$ 262,911
Operating grants and contributions	221,484	136,147	—	—	221,484	136,147
Capital grants and contributions	7,672	14,568	—	—	7,672	14,568
Total program revenues:	<u>426,959</u>	<u>336,969</u>	<u>76,969</u>	<u>76,657</u>	<u>503,928</u>	<u>413,626</u>
General revenues:						
Property taxes	477,300	548,087	—	—	477,300	548,087
State taxes:						
Sales and use taxes	94,092	95,200	—	—	94,092	95,200
Gas tax and motor vehicle in-lieu	24,373	23,092	—	—	24,373	23,092
Local taxes:						
Business license	129,666	123,482	—	—	129,666	123,482
Utility consumption	70,753	66,217	—	—	70,753	66,217
Real estate transfer	93,220	57,613	—	—	93,220	57,613
Transient occupancy	20,866	24,093	—	—	20,866	24,093
Parking	22,362	22,323	—	—	22,362	22,323
Voter-approved special tax	152,094	145,707	—	—	152,094	145,707
Franchise	14,676	14,517	—	—	14,676	14,517
Interest and investment income	72,979	85,815	5,028	4,966	78,007	90,781
Other	27,650	18,400	—	—	27,650	18,400
Total revenues	<u>1,626,990</u>	<u>1,561,515</u>	<u>81,997</u>	<u>81,623</u>	<u>1,708,987</u>	<u>1,643,138</u>
Expenses:						
General government	259,802	294,276	—	—	259,802	294,276
Public safety	586,880	592,035	—	—	586,880	592,035
Community and human services	106,941	182,920	—	—	106,941	182,920
Community and economic development	247,693	157,414	—	—	247,693	157,414
Public works and transportation	188,579	190,206	—	—	188,579	190,206
Interest on long-term debt	28,393	34,923	—	—	28,393	34,923
Sewer	—	—	63,467	66,850	63,467	66,850
Parks and recreation	—	—	871	1,586	871	1,586
Total expenses	<u>1,418,288</u>	<u>1,451,774</u>	<u>64,338</u>	<u>68,436</u>	<u>1,482,626</u>	<u>1,520,210</u>
Changes in net position before transfers	208,702	109,741	17,659	13,187	226,361	122,928
Transfers	1,271	918	(1,271)	(918)	—	—
Changes in net position	<u>209,973</u>	<u>110,659</u>	<u>16,388</u>	<u>12,269</u>	<u>226,361</u>	<u>122,928</u>
Net Position:						
Beginning of year, as previously reported	682,203	571,544	300,635	288,366	982,838	859,910
Changes in accounting principle	(11,548)	—	—	—	(11,548)	—
Cumulative effect of accounting change	199,903	—	—	—	199,903	—
Beginning of year	<u>870,558</u>	<u>571,544</u>	<u>300,635</u>	<u>288,366</u>	<u>1,171,193</u>	<u>859,910</u>
End of year	<u>\$ 1,080,531</u>	<u>\$ 682,203</u>	<u>\$ 317,023</u>	<u>\$ 300,635</u>	<u>\$ 1,397,554</u>	<u>\$ 982,838</u>

CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

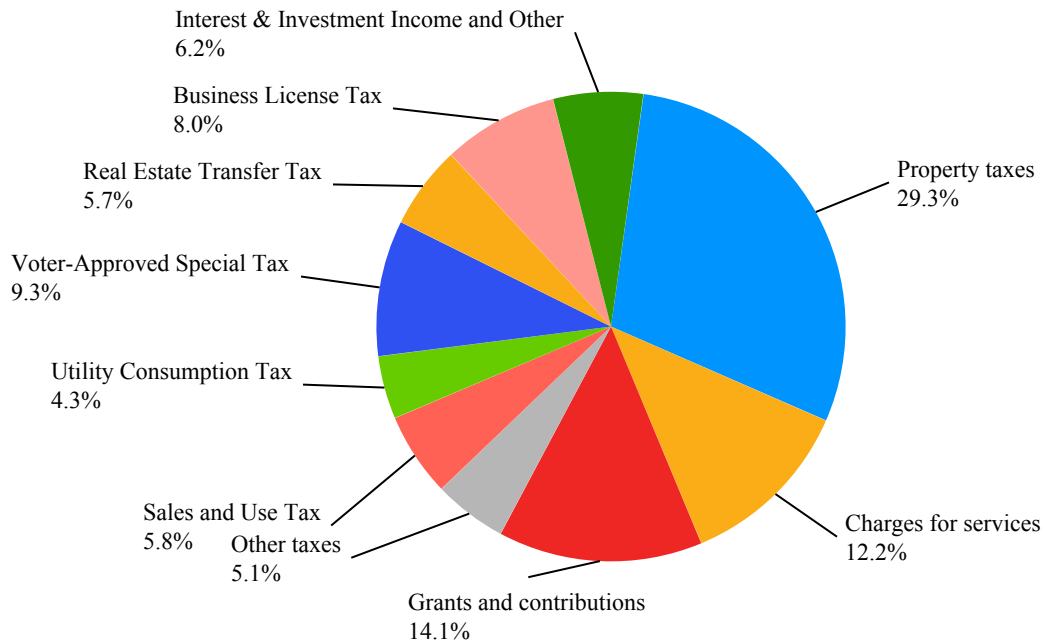
Governmental activities: Net position for governmental activities increased by \$398.3 million during fiscal year 2024-25. Total revenue increased by 4.2 percent and total expenses decreased by 2.3 percent. For comparison, during fiscal year 2023-24, revenues increased at a rate of 0.7 percent and expenses increased by 15.9 percent.

Changes in net position for governmental activities are attributed to the following significant elements:

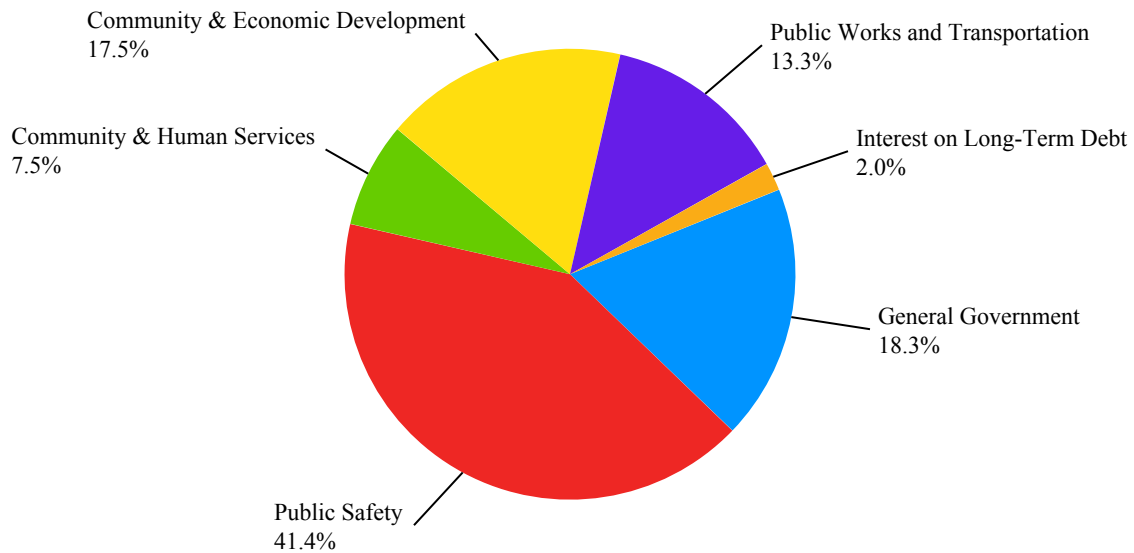
- Several factors contributed to the increase in total revenues. Operating grants and contributions increased by \$85.3 million or 62.7 percent, supporting ongoing affordable housing programs. Real estate transfer tax increased by \$35.6 million, or 61.8 percent, due to a one-time boost from PG&E property transfer. Other revenues increased by \$9.3 million, due to a one-time Coliseum payment and legal settlements. Voter-approved special tax increased by \$6.4 million, due to increase in assessed values. Other increases in revenue include \$6.2 million increase in business license tax due to the City's enhanced recovery efforts targeting past-due business tax delinquencies and \$4.5 million increase in utility consumption tax due to driven by rate increases approved by the California Public Utilities Commission (CPUC). Offsetting these gains, property taxes decreased by \$70.8 million, or 12.9 percent, due to a lower PFRS liability rate, reflecting reduced property tax levy requirements to fund the City's PFRS obligations. Interest and investment income decreased by \$12.8 million, due to lower investment yields. Transient occupancy tax decreased by \$3.2 million, primarily due to lower hotel operations.
- *Community and Human Services* expenses decreased by \$76.0 million, or (41.5)% due to reduced personnel spending, discretionary spending reductions, and deferral of certain costs including contracts, as part of actions taken to address the City's budget deficits.

CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

Revenues By Source - Governmental Activities



Expenses - Governmental Activities



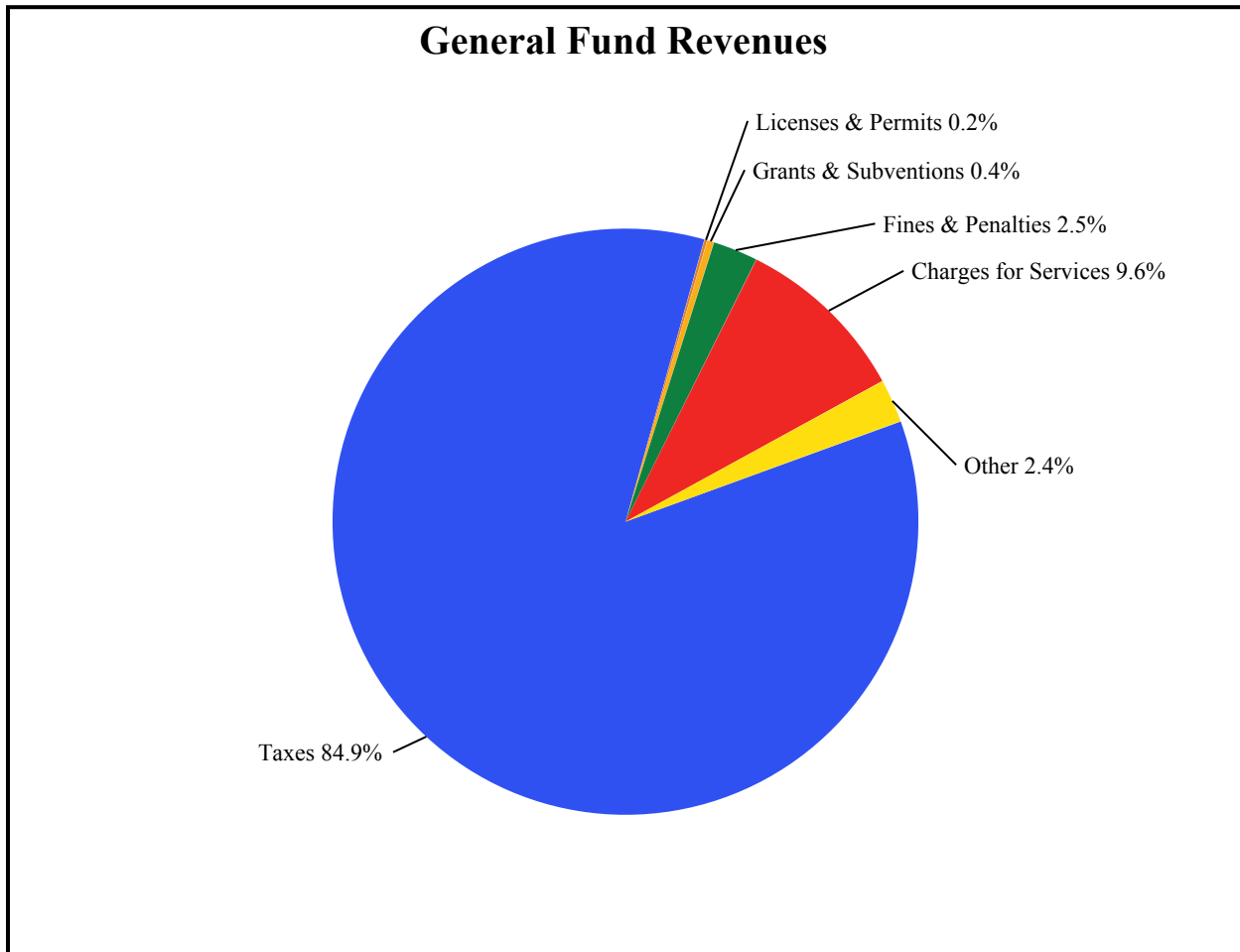
CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

Business-type activities: Business-type activities ended the fiscal year with an increase in net position of \$16.4 million due primarily to positive operating results in the Sewer Fund of \$15.8 million, which are intended to support future capital projects.

Financial Analysis of the Governmental and Proprietary Funds

Governmental funds: The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

General Fund: The General Fund is the chief operating fund of the City. At June 30, 2025, its unassigned fund balance is \$191.2 million or 20.7 percent of the \$922.7 million total General Fund balance.



CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

For the year ended June 30, 2025 and 2024, revenues for the General Fund are distributed as follows (in thousands):

	General Fund		Increase / (Decrease)	
	2025	2024	Amount	%
Revenues:				
Taxes:				
Property taxes	\$ 403,829	\$ 462,551	\$ (58,722)	-12.7 %
State taxes:				
Sales and use taxes	59,999	61,740	(1,741)	-2.8 %
Motor vehicle in-lieu tax	683	535	148	27.7 %
Local taxes:				
Business license	129,666	123,482	6,184	5.0 %
Utility consumption	70,753	66,217	4,536	6.9 %
Real estate transfer	93,220	57,613	35,607	61.8 %
Transient occupancy	16,388	18,930	(2,542)	-13.4 %
Parking	11,236	11,871	(635)	-5.3 %
Voter-approved special tax	6,255	6,813	(558)	-8.2 %
Franchise	14,526	14,346	180	1.3 %
License and permits	1,516	1,436	80	5.6 %
Fines and penalties	23,686	18,759	4,927	26.3 %
Charges for services	91,660	86,552	5,108	5.9 %
Federal and state grants and subventions	3,590	3,390	200	5.9 %
Annuity income	—	4,591	(4,591)	-100.0 %
Interest and other	51,770	36,673	15,097	41.2 %
Total revenues	\$ 978,777	\$ 975,499	\$ 3,278	0.3%

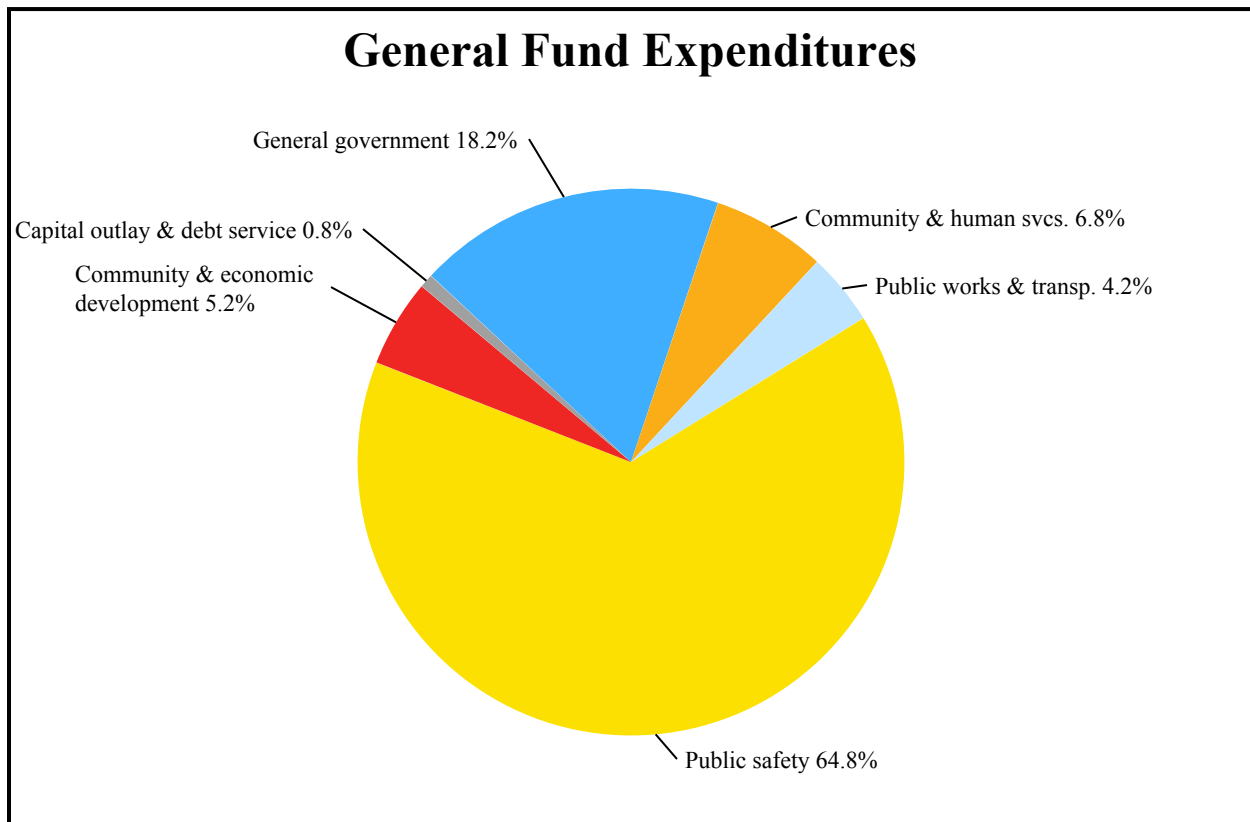
General Fund Revenues: Significant change in revenues include:

- *Property taxes* decreased by \$58.7 million, or 12.7 percent. This is mainly due to decrease in PFRS liability rate, reflecting reduced property tax levy requirements to fund the City's PFRS obligations.
- *Business license tax* increased by \$6.2 million, or 5.0 percent, primarily due to City's enhanced recovery efforts targeting past-due business tax delinquencies.
- *Real estate transfer tax* increased by \$35.6 million, or 61.8 percent, primarily due to a single, exceptionally large PG&E property transfer.
- *Charge for services* increased by \$5.1 million or 5.9 percent, primarily due to higher parking meter fee collections resulting from a 50 percent increase in hourly parking rates.
- *Interest and other* revenues increased by \$15.1 million, or 41.2 percent, primarily due to a one-time Coliseum payment and legal settlements.

CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

For the years ended June 30, 2025 and 2024, expenditures for the General Fund by function are distributed as follows (in thousands):

	General Fund		Increase / (Decrease)	
	2025	2024	Amount	%
Expenditures:				
Current:				
General Government	\$ 150,456	\$ 207,843	\$ (57,387)	-27.6 %
Public Safety	534,937	550,640	(15,703)	-2.9 %
Community and Human Services	55,909	74,304	(18,395)	-24.8 %
Community and Economic Development	42,819	36,290	6,529	18.0 %
Public Works and Transportation	35,105	53,354	(18,249)	-34.2 %
Capital outlay	4,610	2,871	1,739	60.6 %
Debt Service:				
Principal repayment	1,763	1,636	127	7.8 %
Interest charges	349	380	(31)	-8.2 %
Total Expenditures	\$ 825,948	\$ 927,318	\$ (101,370)	-11.3%



CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

General Fund Expenditures: Significant changes in expenditures are as follows:

- *General government* decreased by \$57.4 million, or 27.6 percent, due to reduced personnel spending driven by vacancy management and delayed hiring, reduced discretionary spending, and deferral of certain costs including contracts, as part of actions taken to address the City's budget deficits.
- *Public safety* decreased by \$15.7 million, or 2.9 percent, due to reduced personnel spending driven by vacancy and overtime management and delayed hiring, as part of actions taken to address the City's budget deficits.
- *Community and human services* decreased by \$18.4 million, or 24.8 percent, due to reduced personnel spending driven by vacancy management and delayed hiring, reduced discretionary spending, and deferral of certain costs including contracts, as part of actions taken to address the City's budget deficits.
- *Community and economic development* increased by \$6.5 million, or 18.0 percent, due to increased City expenditures for affordable housing projects.
- *Public works and transportation* decreased by \$18.2 million, or 34.2 percent, primarily due to reduced personnel spending driven by vacancy management and delayed hiring, reduced discretionary spending, and deferral of certain costs including contracts, as part of actions taken to address the City's budget deficits.

Federal/State Grant Fund: The Federal/State Grant Fund has a fund balance of negative \$28.4 million as of June 30, 2025 which represents a deterioration of \$11.0 million from the prior fiscal year and is primarily due to delays in reimbursement of eligible expenditures. The deficit is expected be cured through grant drawdowns in future years.

Low and Moderate Income Housing Asset Fund (LMIHF): Upon the dissolution of the Former Redevelopment Agency, the City retained the housing activities previously funded by the Former Agency, created LMIHF, and transferred the assets and affordable housing activities of the low and moderate income fund to the City. The ending fund balance as of June 30, 2025 was \$51.8 million and the fund's net loans receivable balance was \$305.9 million. The fund balance decrease of \$9.4 million is attributable to issuance of new loans to developers for affordable housing projects.

Municipal Capital Improvement Fund: The Municipal Capital Improvement Fund had a fund balance of \$358.2 million as of June 30, 2025 that represents an decrease of \$103.4 million, or 22.4 percent, from the prior fiscal year. This decrease is primarily due to increased expenditures related to affordable housing, street and infrastructure projects.

The Other Special Revenue Fund accounts for activities of several special revenue funds, including the following local measures; Measure Z – Violence Prevention and Public Safety Act of 2014; Measure C – Oakland Hotel Tax; Measure Q (2004) – Library Services Retention and Enhancement; Measure WW – East Bay Regional Park District local grant program; Measure N – Paramedics Services Act; Measure Q (2020) – Oakland Parks and Recreation Preservation, Litter Reduction, and Homelessness Support Act; Measure AA - Oakland Children's Initiative, Oakland Kid's First Fund; Development Service Fund; and other miscellaneous special revenue programs. The ending fund balance as of June 30, 2025 was \$232.6 million, which decreased \$7.9 million from the previous fiscal year. This result primarily reflects increases in expenditures for Measure AA projects.

CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

Proprietary Funds: The City's proprietary funds provide the same type of information found in the government-wide financial statements under the business-type column but in more detail. The portion of net position invested in capital assets, excluding internal service funds, was \$231.7 million as of June 30, 2025, compared to \$233.4 million for the previous fiscal year. The decrease of \$1.7 million is primarily due to depreciation and capital asset retirements exceeding capital asset additions in the Sewer Fund.

General Fund Budgetary Highlights

During the year ended June 30, 2025, the General Fund had a \$6.6 million increase in budgeted revenues between the original and final amended operating budget due to the increase in charges for services. Actual budgetary basis revenues of \$978.8 million were \$57.8 million higher than the final amended budget due primarily to higher business license tax and real estate transfer tax revenues.

Appropriations increased by \$46.8 million between the original and final amended operating budget for the General Fund. The increase in appropriation is primarily due to the carryforward of unspent prior year appropriations.

Actual budgetary basis expenditures of \$825.9 million were \$127.9 million less than the final amended budget due to a combination of Council-approved budget balancing measures, including aggressive vacancy and hiring controls, discretionary spending reductions, and deferral of certain costs including contracts.

Capital Assets

The City's capital assets, net of depreciation/amortization, totaled \$1.84 billion as of June 30, 2025 compared to \$1.78 billion as of June 30, 2024, an increase of \$64.7 million, or 3.6 percent. Governmental activities additions included \$140.0 million in capital assets from construction in progress which met the City's threshold for capitalization, and were offset by retirements and depreciation. Major construction projects underway include roadway and traffic improvements and park and recreation center upgrades.

Business activities, primarily in the Sewer Fund, decreased capital assets by \$5.0 million due to depreciation. See Note II, part D to the financial statements for more details on capital assets.

Construction Commitments

As of June 30, 2025 the City had construction commitments of \$61.6 million. Major commitments include \$51.5 million for street and sidewalk improvements and \$3.7 million for building, facilities and infrastructure. See Note III, part C.1 for more details on construction commitments.

Debt Administration:

General Obligation Bonds and Other Bond Ratings

A credit rating is a value assigned by one or more of the recognized rating agencies that "grade" a jurisdiction's credit, or financial trustworthiness. The three primary rating agencies are Moody's Ratings (Moody's), S&P Global Ratings (S&P), and Fitch Ratings (Fitch). These rating agencies serve as independent assessors of municipal and corporate credit strength. Rating agencies generally focus on four major areas when assigning credit ratings: finances, management, economy and outstanding debt. The City has consistently maintained strong credit ratings on the City's existing general obligation bonds from all three national rating agencies. However, on November 27, 2024, Fitch downgraded Oakland's Issuer Default Rating from AA- to A, with the rating outlook revised from stable to negative. On December 5, 2024, Moody's downgraded the City's issuer, general obligation bond, and pension obligation bond ratings from Aa1 to Aa2. Moody's also downgraded the City's lease revenue bonds from Aa2 to Aa3 and

CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

revised its ratings outlook from stable to negative. On February 19, 2025, S&P downgraded the City's pension obligation bond and general obligation bond ratings from AA+ to AA-. S&P also downgraded the City's lease revenue bonds from AA to A+ and revised its ratings outlook from stable to negative. These rating actions followed the City's publication of financial projections on November 19, 2024 citing ongoing imbalances between General Fund revenues and expenditures that have reduced available reserves. Subsequent to fiscal year end 2025, in connection with the bond issuance, Moody's and S&P affirmed the City's existing ratings and maintained negative outlooks.

The City of Oakland's underlying ratings for its bonds as of June 30, 2025 were as follows:

Type of Bond	Ratings		
	Moody's	S&P	Fitch
General obligation bonds	Aa2 ¹	AA- ²	A ³
Lease revenue bonds	Aa3 ¹	A+ ²	N/A
Pension obligation bonds	Aa2 ¹	AA- ²	N/A
Tax Allocation bonds ⁴	A1	A+/AA-/AA/AA ⁵	N/A

¹Ratings reflect downgrade on December 5, 2024.

²Ratings placed on Credit Watch Negative on November 20, 2024. The Credit Watch placement reflects S&P's view that there is at least a one-in-two chance of a lower rating, potentially by multiple notches, in the following 90 days.

³Issuer Default Rating reflects downgrade on November 27, 2024.

⁴Ratings vary by series

⁵Insured Rating

General Fund Bonded Debt Limit

At the end of the current fiscal year, the City's debt limit (3.75 percent of property valuation, net of exemptions subject to taxation) was \$3.3 billion. The total amount of debt applicable to the debt limit was \$706.8 million. The resulting legal debt margin was \$2.6 billion.

Long-Term Obligations

As of June 30, 2025, the City had total long-term obligations of \$1.1 billion compared to \$1.2 billion outstanding for the prior fiscal year, a decrease of 7.6 percent. Of this amount, \$706.8 million is general obligation bonds backed by the full faith and credit of the City. The remaining \$410.0 million is comprised of various long-term debt instruments listed below plus accruals of year-end estimates for other long-term liabilities (in thousands):

CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligation bonds	\$ 706,815	\$ 735,565	—	\$ —	\$ 706,815	\$ 735,565
Lease revenue bonds	15,850	23,195	—	—	15,850	23,195
Pension obligation bonds	53,605	104,000	—	—	53,605	104,000
Special assessment debt district bonds	1,065	1,460	—	—	1,065	1,460
Sewer bonds	—	—	12,935	15,795	12,935	15,795
Unamortized premium and discounts	37,659	40,207	1,372	1,715	39,031	41,922
Total bonds payable	814,994	904,427	14,307	17,510	829,301	921,937
Financed purchase obligations payable	4,852	8,433	—	—	4,852	8,433
Right-to-use liabilities	10,734	17,711	—	—	10,734	17,711
Other long-term liabilities	271,952	260,503	—	—	271,952	260,503
Total long-term obligations	\$1,102,532	\$1,191,074	\$ 14,307	\$ 17,510	\$1,116,839	\$ 1,208,584

The City's long-term obligations decreased by \$91.7 million compared to the prior fiscal year balance. The decrease is primarily attributable to the repayment of long-term debt.

Additional information on the City's long-term debt obligations can be found in Note II, part G to the financial statements.

Economic Factors and Next Year's Budget

Economic conditions in the City of Oakland remained challenging during FY 2024-25, with recovery efforts continuing; however, economic activity did not materially deteriorate further from the post-pandemic levels experienced in the prior fiscal year. The City's large and diverse tax base continues to provide a foundation for moderate growth over time. While economic conditions remained constrained, the City's financial position improved during the fiscal year as a result of immediate and decisive actions taken after a projected budget deficit was identified during FY 2024-25. On the revenue side, the City experienced increases in business tax and fine revenues driven by enhanced recovery efforts targeting past-due business tax delinquencies and the enforcement of stricter fines. In addition, voters approved an increase to the sales tax rate; however, the revenue impact will not be realized until the subsequent fiscal year. On the expenditure side, the City implemented cost-containment measures to address budgetary pressures, including reductions in personnel costs through vacancy management and delayed hiring, limits on discretionary spending, and the deferral of certain costs, including contracts. Collectively, these actions stabilized the City's financial position and allowed General Purpose Fund reserves to be replenished to levels exceeding the minimum required thresholds.

While the balancing actions taken during FY 2024-25 materially strengthened the City's year-end financial position, they provided near-term relief and did not fully resolve the City's underlying structural budget challenges. Certain operational and staffing needs deferred during the fiscal year are expected to re-emerge in future periods, and rising costs related to insurance, medical benefits, and pension obligations will continue to place pressure on the City's finances. In addition, uncertainty related to federal and state funding presents ongoing fiscal risk.

Nevertheless, the City is well positioned to address these challenges by building on its underlying strengths, including a well-established infrastructure, a large and diverse tax base, and a strategic location within the San Francisco Bay Area near major centers of innovation. By leveraging its geographic, cultural, and economic assets, and through disciplined financial management and forward-looking

CITY OF OAKLAND
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2025

strategies, the City can support economic growth, maintain essential services, and work toward long-term fiscal sustainability.

Requests for Information

This financial report is designed to provide a general overview of the City of Oakland's finances for all those with an interest in the City's fiscal and economic affairs. Requests for additional financial information should be addressed to the Finance Department, Controller's Bureau, City of Oakland, 150 Frank H. Ogawa Plaza, Suite 6353; Oakland, California 94612-2093. This report is also available online at <https://www.oaklandca.gov/>.

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BASIC FINANCIAL STATEMENTS

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City of Oakland
Statement of Net Position
June 30, 2025
(In thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Port of Oakland
ASSETS				
Cash and investments	\$ 1,400,980	\$ 116,069	\$ 1,517,049	\$ 675,421
Receivables (net of allowance for uncollectibles of \$19,634 for the City and \$2,379 for the Port)				
Accrued interest	16,078	1,087	17,165	—
Property taxes	28,136	—	28,136	—
Accounts receivable	101,276	20,218	121,494	51,534
Grants receivable	74,178	—	74,178	—
Lease receivable	44,153	—	44,153	1,013,069
Due from Port	8,657	—	8,657	—
Due from Oakland Redevelopment Successor Agency (ORSA)	2,124	—	2,124	—
Due from custodial funds	129	—	129	—
Internal balances	763	(763)	—	—
Due from other governments	12,786	—	12,786	—
Inventories	1,773	—	1,773	—
Restricted cash and investments	263,862	660	264,522	135,198
Property held for resale	125,892	—	125,892	—
Notes and loans receivable (net of allowance for uncollectibles of \$210,218)	719,532	—	719,532	—
Prepaid expenses	8,525	73	8,598	7,852
Other	—	—	—	20,411
Capital assets:				
Nondepreciable	377,929	2,521	380,450	650,206
Depreciable, net	1,220,306	243,645	1,463,951	1,230,384
TOTAL ASSETS	4,407,079	383,510	4,790,589	3,784,075
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized losses on refunding of debt	7,288	—	7,288	5,273
Pensions	411,626	8,185	419,811	42,673
OPEB	126,973	2,376	129,349	32,909
TOTAL DEFERRED OUTFLOWS OF RESOURCES	545,887	10,561	556,448	80,855
LIABILITIES				
Accounts payable and other current liabilities	147,019	2,674	149,693	76,778
Accrued interest payable	12,557	27	12,584	2,353
Due to other governments	513	—	513	—
Due to primary government	—	—	—	8,657
Unearned revenue	102,015	—	102,015	9,513
Other	26,781	6	26,787	3,521
Non-current liabilities:				
Due in one year				
Liabilities due within one year	202,846	3,343	206,189	82,017
Due in more than one year				
Liabilities due in more than one year	899,686	10,964	910,650	481,005
Net pension liability	1,728,216	46,394	1,774,610	196,848
Net OPEB liability	545,291	9,638	554,929	87,258
TOTAL LIABILITIES	3,664,924	73,046	3,737,970	947,950
DEFERRED INFLOWS OF RESOURCES				
Unamortized gains on refunding of debt	1,821	158	1,979	—
Leases	43,706	—	43,706	948,369
Pensions	17,854	186	18,040	4,600
OPEB	144,130	3,658	147,788	599
TOTAL DEFERRED INFLOWS OF RESOURCES	207,511	4,002	211,513	953,568
NET POSITION				
Net investment in capital assets	1,089,717	231,701	1,321,418	1,411,882
Restricted for:				
Debt service	41,336	—	41,336	—
Housing and community development	460,678	—	460,678	—
Low and moderate income housing redevelopment	359,637	—	359,637	—
Other purposes	68,864	—	68,864	81,675
Unrestricted (deficit)	(939,701)	85,322	(854,379)	469,855
TOTAL NET POSITION	\$ 1,080,531	\$ 317,023	\$ 1,397,554	\$ 1,963,412

The notes to the basic financial statements are an integral part of this statement.

City of Oakland
Statement of Activities
Year Ended June 30, 2025
(In thousands)

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	Port of Oakland
Primary government:								
Governmental activities:								
General government	\$ 259,802	\$ 14,367	\$ 8,455	\$ 7,672	\$ (229,308)	\$ —	\$ (229,308)	
Public safety	586,880	27,056	11,278	—	(548,546)	—	(548,546)	
Community and human services	106,941	7,274	84,100	—	(15,567)	—	(15,567)	
Community and economic development	247,693	65,160	62,350	—	(120,183)	—	(120,183)	
Public works and transportation	188,579	83,946	55,301	—	(49,332)	—	(49,332)	
Interest on long-term debt	28,393	—	—	—	(28,393)	—	(28,393)	
TOTAL GOVERNMENTAL ACTIVITIES	1,418,288	197,803	221,484	7,672	(991,329)	—	(991,329)	
Business-type activities:								
Sewer	63,467	75,933	—	—	—	12,466	12,466	
Parks and recreation	871	1,036	—	—	—	165	165	
TOTAL BUSINESS-TYPE ACTIVITIES	64,338	76,969	—	—	—	12,631	12,631	
TOTAL PRIMARY GOVERNMENT	\$ 1,482,626	\$ 274,772	\$ 221,484	\$ 7,672	(991,329)	12,631	(978,698)	
Component unit:								
Port of Oakland	\$ 438,441	\$ 428,769	\$ 2,691	\$ 31,157				\$ 24,176
General revenues:								
Property taxes					477,300	—	477,300	—
State taxes (unrestricted intergovernmental revenues):								
Sales and use taxes					94,092	—	94,092	—
Gas tax					23,690	—	23,690	—
Motor vehicle in-lieu					683	—	683	—
Local taxes (own source revenues):								
Business license					129,666	—	129,666	—
Utility consumption					70,753	—	70,753	—
Real estate transfer					93,220	—	93,220	—
Transient occupancy					20,866	—	20,866	—
Parking					22,362	—	22,362	—
Voter-approved special tax					152,094	—	152,094	—
Franchise					14,676	—	14,676	—
Interest and investment income					72,979	5,028	78,007	70,853
Other					27,650	—	27,650	23,393
Transfers					1,271	(1,271)	—	—
TOTAL GENERAL REVENUES AND TRANSFERS					1,201,302	3,757	1,205,059	94,246
Changes in net position					209,973	16,388	226,361	118,422
Net position - beginning, as previously reported					682,203	300,635	982,838	1,844,990
Change in accounting principle					(11,548)	—	(11,548)	—
Cumulative effect of accounting change					199,903	—	199,903	—
Net position - beginning, as restated					870,558	300,635	1,171,193	1,844,990
NET POSITION - ENDING					\$ 1,080,531	\$ 317,023	\$ 1,397,554	\$ 1,963,412

The notes to the basic financial statements are an integral part of this statement.

City of Oakland
Balance Sheet
Governmental Funds
June 30, 2025
(In thousands)

	General Fund	Federal/ State Grant Fund	Low and Moderate Income Housing Asset Fund	Municipal Capital Improvement Fund	Other Special Revenue Fund	Other Governmental Funds	Total
ASSETS							
Cash and investments	\$ 888,740	\$ 24,776	\$ 19,630	\$ 39,574	\$ 274,198	\$ 101,302	\$ 1,348,220
Receivables (net of allowance for uncollectibles of \$17,735)							
Accrued interest	9,342	120	231	2,167	2,609	876	15,345
Property taxes	7,790	—	—	—	16,852	3,494	28,136
Accounts receivable	78,782	189	3	1,006	12,530	8,675	101,185
Grants receivable	—	69,117	—	—	157	4,904	74,178
Lease receivable	17,665	—	—	26,144	—	—	43,809
Due from Port	7,996	—	—	—	—	661	8,657
Due from ORSA trust fund	560	—	1,437	127	—	—	2,124
Due from custodial funds	129	—	—	—	—	—	129
Due from other funds	2,227	—	—	—	—	—	2,227
Due from other governments	12,717	—	—	—	69	—	12,786
Notes and loans receivable (net of allowance for uncollectibles of \$210,218)	52,322	221,228	305,863	139,323	796	—	719,532
Restricted cash and investments	23,453	—	1,802	232,325	—	6,282	263,862
Property held for resale	2	—	30,677	95,213	—	—	125,892
Prepaid items	943	5,321	—	—	408	—	6,672
TOTAL ASSETS	\$ 1,102,668	\$ 320,751	\$ 359,643	\$ 535,879	\$ 307,619	\$ 126,194	\$ 2,752,754
LIABILITIES							
Accounts payable and accrued liabilities	\$ 80,128	\$ 23,935	\$ 3	\$ 8,180	\$ 18,954	\$ 7,140	\$ 138,340
Due to other funds	—	—	—	—	—	1,458	1,458
Due to other governments	—	50	—	463	—	—	513
Unearned revenue	5,001	68,681	—	—	28,333	—	102,015
Other	6,968	4,305	4	766	11,770	2,965	26,778
TOTAL LIABILITIES	92,097	96,971	7	9,409	59,057	11,563	269,104
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property tax	8,395	—	—	—	15,059	2,573	26,027
Unavailable revenue - notes and loans	52,322	221,228	306,358	141,360	796	—	722,064
Unavailable revenue - grants and others	10,284	30,950	—	198	77	1,948	43,457
Unavailable revenue - loans to ORSA	—	—	1,437	127	—	—	1,564
Leases	16,852	—	—	26,543	—	—	43,395
TOTAL DEFERRED INFLOWS OF RESOURCES	87,853	252,178	307,795	168,228	15,932	4,521	836,507
FUND BALANCES							
Nonspendable	945	5,321	—	—	408	—	6,674
Restricted	420,809	—	51,841	358,242	—	100,432	931,324
Committed	249,281	—	—	—	27,137	1,823	278,241
Assigned	60,476	—	—	—	205,085	9,297	274,858
Unassigned	191,207	(33,719)	—	—	—	(1,442)	156,046
TOTAL FUND BALANCES	922,718	(28,398)	51,841	358,242	232,630	110,110	1,647,143
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,102,668	\$ 320,751	\$ 359,643	\$ 535,879	\$ 307,619	\$ 126,194	\$ 2,752,754

The notes to the basic financial statements are an integral part of this statement.

City of Oakland
Reconciliation of the Governmental Funds Balance Sheet to the
Statement of Net Position for Governmental Activities
June 30, 2025
(In thousands)

Fund balances - total governmental funds (page 25)		\$ 1,647,143
Amounts reported for governmental activities in the statement of net position are different due to the following:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Primary government capital assets, net of depreciation/amortization	1,598,235	
Less: internal service funds' capital assets, net of depreciation/amortization	<u>(37,407)</u>	1,560,828
Interest payable on long-term debt does not require the use of current financial resources and, therefore, is not accrued as a liability in the governmental funds.		
Interest payable on long-term debt of the primary government	(12,557)	
Less: interest payable on long-term debt of the internal service funds	<u>50</u>	(12,507)
Deferred inflows of resources recorded in governmental fund financial statements resulting from activities in which revenues were earned but funds were not available are reclassified as revenues in the government-wide financial statements.		
		793,112
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Long-term liabilities	(1,102,532)	
Less: long-term liabilities for internal service funds	<u>8,417</u>	(1,094,115)
Deferred outflows of resources in governmental activities related to losses on refunding of debt are not financial resources and, therefore, are not reported in the governmental funds.		
		7,288
Deferred inflows of resources in governmental activities related to gains on refunding of debt are not financial resources and, therefore, are not reported in the governmental funds.		
		(1,821)
Net pension liability, net OPEB liability, and deferred outflows of resources and deferred inflows of resources related to pensions and OPEB on the government-wide statement of net position are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Net pension liability	(1,663,806)	
Deferred outflows of resources related to pensions	393,616	
Deferred inflows of resources related to pensions	(17,644)	
Net OPEB liability	(534,576)	
Deferred outflows of resources related to OPEB	123,442	
Deferred inflows of resources related to OPEB	<u>(139,688)</u>	(1,838,656)
Internal service funds are used by the City to charge the costs of providing supplies and services, fleet and facilities management, and use of radio and communications equipment to individual funds. Assets, deferred outflows, liabilities, and deferred inflows of resources of internal service funds are included in governmental activities in the statement of net position.		
		<u>19,259</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES (page 23)		<u><u>\$ 1,080,531</u></u>

The notes to the basic financial statements are an integral part of this statement.

City of Oakland
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2025
(In Thousands)

	General Fund	Federal/ State Grant Fund	Low and Moderate Income Housing Asset Fund	Municipal Capital Improvement Fund	Other Special Revenue Fund	Other Govern- mental Funds	Total
REVENUES							
Taxes:							
Property	\$ 403,829	\$ —	\$ —	\$ —	\$ 22,672	\$ 49,046	\$ 475,547
Sales and use	59,999	—	—	—	—	34,093	94,092
Motor vehicle in-lieu	683	—	—	—	—	—	683
Gas	—	—	—	—	—	23,690	23,690
Local taxes	342,044	150	—	—	141,915	19,528	503,637
Licenses and permits	1,516	—	—	—	30,138	42	31,696
Fines and penalties	23,686	94	—	—	3,502	775	28,057
Interest and investment income	28,880	2,891	2,429	16,728	12,590	5,953	69,471
Charges for services	91,660	201	—	5,536	40,511	141	138,049
Federal and state grants and subventions	3,590	212,219	—	—	1,224	4,452	221,485
Other	22,890	—	1,230	—	—	2,087	26,207
TOTAL REVENUES	978,777	215,555	3,659	22,264	252,552	139,807	1,612,614
EXPENDITURES							
Current:							
General government	150,456	20,221	—	10,815	62,994	4,953	249,439
Public safety	534,937	15,795	—	447	30,198	—	581,377
Community and human services	55,909	76,447	10	60	83,529	13,708	229,663
Community and economic development	42,819	68,092	13,003	48,274	57,086	181	229,455
Public works and transportation	35,105	11,994	—	9,311	42,925	64,358	163,693
Capital outlay	4,610	33,563	—	56,374	5,079	11,237	110,863
Debt service:							
Principal repayment	1,763	404	—	—	630	88,273	91,070
Interest charges	349	—	—	—	15	31,936	32,300
TOTAL EXPENDITURES	825,948	226,516	13,013	125,281	282,456	214,646	1,687,860
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	152,829	(10,961)	(9,354)	(103,017)	(29,904)	(74,839)	(75,246)
OTHER FINANCING SOURCES (USES)							
Transfers in	10,559	—	—	—	23,565	60,455	94,579
Transfers out	(82,242)	—	—	(432)	(1,535)	(2,409)	(86,618)
TOTAL OTHER FINANCING SOURCES (USES)	(71,683)	—	—	(432)	22,030	58,046	7,961
NET CHANGE IN FUND BALANCES	81,146	(10,961)	(9,354)	(103,449)	(7,874)	(16,793)	(67,285)
Fund balances - beginning	641,669	(17,437)	61,195	461,691	240,504	126,903	1,514,525
Cumulative effect of accounting change	199,903	—	—	—	—	—	199,903
Fund balances - beginning, as restated	841,572	(17,437)	61,195	461,691	240,504	126,903	1,714,428
FUND BALANCES - ENDING	\$ 922,718	\$ (28,398)	\$ 51,841	\$ 358,242	\$ 232,630	\$ 110,110	\$1,647,143

The notes to the basic financial statements are an integral part of this statement.

City of Oakland
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities of Governmental Activities
Year Ended June 30, 2025
(In thousands)

Net change in fund balances - total governmental funds (page 27) \$ (67,285)

Amounts reported for governmental activities in the statement of activities are different due to the following:

Government funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated lives and reported as depreciation expense.

Primary government:

Capital asset acquisition	152,038	
Capital asset retirement	(10)	
Depreciation/amortization	(80,607)	71,421

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This represents the change in the deferred inflows during the current period 145,052

Some expenses such as claims, workers' compensation, and vacation and sick leave reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. (12,792)

The repayment of principal of long-term debt consumes the current financial resources of the governmental funds. This is the amount by which principal retirement reduces the liabilities in the statement of net position. 91,070

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the government funds.

Amortization of bond premiums and discounts	2,548	
Amortization of deferred outflows of refunding losses and inflows of refunding gains	(1,004)	
Changes in accrued interest on bonds and notes payable	2,660	
Changes in Coliseum Authority pledged obligation	1,177	
Changes in mandated environmental remediation obligations	166	
Change in net pension liability and deferred outflows and inflows of resources related to pensions	(31,308)	
Change in net OPEB liability and deferred outflows and inflows of resources related to OPEB	26,483	722

Net revenues of activities of internal service funds are reported with governmental activities (18,215)

CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES (page 24) **\$ 209,973**

The notes to the basic financial statements are an integral part of this statement.

City of Oakland
Statement of Fund Net Position
Proprietary Funds
June 30, 2025
(In thousands)

	Business-type Activities - Enterprise Funds			Governmental Activities
	Sewer Service Fund	Nonmajor Fund Parks and Recreation	Total	Internal Service Funds
ASSETS				
Current assets:				
Cash and investments	\$ 116,069	\$ —	\$ 116,069	\$ 52,760
Interest receivable	1,087	—	1,087	733
Accounts receivable (net of allowance for uncollectibles of \$1,445 for the enterprise funds)	20,212	6	20,218	91
Lease receivable	—	—	—	344
Inventories	—	—	—	1,773
Restricted cash and investments	—	660	660	—
Prepaid expenses	73	—	73	1,853
Total current assets	137,441	666	138,107	57,554
Capital assets:				
Nondepreciable	2,160	361	2,521	12,756
Depreciable, net	242,866	779	243,645	24,651
Total capital assets	245,026	1,140	246,166	37,407
TOTAL ASSETS	382,467	1,806	384,273	94,961
DEFERRED OUTFLOWS OF RESOURCES				
Pensions	8,161	24	8,185	18,010
OPEB	2,345	31	2,376	3,531
TOTAL DEFERRED OUTFLOWS OF RESOURCES	10,506	55	10,561	21,541
LIABILITIES:				
Current liabilities:				
Accounts payable and accrued liabilities	2,667	7	2,674	8,679
Accrued interest payable	27	—	27	50
Due to other funds	—	763	763	6
Other liabilities	6	—	6	3
Bonds, financed purchase obligations, notes and other payables	3,343	—	3,343	2,092
Total current liabilities	6,043	770	6,813	10,830
Non-current liabilities:				
Bonds, financed purchase obligations, notes and other payables	10,964	—	10,964	6,325
Net pension liability	45,992	402	46,394	64,410
Net OPEB liability	9,554	84	9,638	10,715
Total non-current liabilities	66,510	486	66,996	81,450
TOTAL LIABILITIES	72,553	1,256	73,809	92,280
DEFERRED INFLOWS OF RESOURCES				
Unamortized gains on refunding of debt	158	—	158	—
Leases	—	—	—	311
Pensions	89	97	186	210
OPEB	3,616	42	3,658	4,442
TOTAL DEFERRED INFLOWS OF RESOURCES	3,863	139	4,002	4,963
NET POSITION				
Net investment in capital assets	230,561	1,140	231,701	28,990
Unrestricted (deficit)	85,996	(674)	85,322	(9,731)
TOTAL NET POSITION	\$ 316,557	\$ 466	\$ 317,023	\$ 19,259

The notes to the basic financial statements are an integral part of this statement.

City of Oakland
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Year Ended June 30, 2025
(In thousands)

	Business-type Activities - Enterprise Funds			Governmental Activities
	Sewer Service Fund	Nonmajor Fund Parks and Recreation	Total	Internal Service Funds
OPERATING REVENUES				
Rental	\$ —	\$ 1,036	\$ 1,036	\$ —
Sewer services	75,926	—	75,926	—
Charges for services	—	—	—	145,643
Other	7	—	7	—
TOTAL OPERATING REVENUES	75,933	1,036	76,969	145,643
OPERATING EXPENSES				
Personnel	25,338	140	25,478	55,728
Supplies	771	468	1,239	11,506
Depreciation and amortization	8,250	58	8,308	11,314
Contractual services and supplies	4,225	—	4,225	9,814
Repairs and maintenance	11,797	—	11,797	13,037
General and administrative	10,449	191	10,640	18,351
Rental	2,236	14	2,250	1,779
Other	—	—	—	40,838
TOTAL OPERATING EXPENSES	63,066	871	63,937	162,367
OPERATING INCOME (LOSS)	12,867	165	13,032	(16,724)
NON-OPERATING REVENUES (EXPENSES)				
Interest and investment income (loss)	5,062	(34)	5,028	3,507
Interest expense	(401)	—	(401)	(297)
Insurance claims and settlements	—	—	—	1,951
Other	—	—	—	39
TOTAL NON-OPERATING REVENUES (EXPENSES)	4,661	(34)	4,627	5,200
INCOME (LOSS) BEFORE TRANSFERS	17,528	131	17,659	(11,524)
Transfers in	—	427	427	—
Transfers out	(1,697)	(1)	(1,698)	(6,690)
Change in net position	15,831	557	16,388	(18,214)
Net position - beginning	300,726	(91)	300,635	37,473
NET POSITION - ENDING	\$ 316,557	\$ 466	\$ 317,023	\$ 19,259

The notes to the basic financial statements are an integral part of this statement.

City of Oakland
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2025
(In thousands)

	Business-type Activities - Enterprise Funds			Governmental Activities
	Sewer Service Fund	Nonmajor Fund Parks and Recreation	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from interfund services provided	\$ —	\$ —	\$ —	\$ 145,646
Cash received from customers and users	74,874	—	74,874	—
Cash received from tenants for rents	—	1,036	1,036	—
Cash from other sources	7	—	7	1,990
Cash paid to employees	(24,375)	(140)	(24,515)	(60,377)
Cash paid to suppliers	(30,206)	(677)	(30,883)	(95,452)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	20,300	219	20,519	(8,193)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Proceeds from (repayment of) interfund loans	—	(233)	(233)	(57)
Transfers in	—	427	427	—
Transfers out	(1,697)	(1)	(1,698)	(6,690)
NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES	(1,697)	193	(1,504)	(6,747)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(3,334)	—	(3,334)	(10,929)
Long-term debt:				
Repayment of long-term debt	(2,860)	—	(2,860)	(4,986)
Interest paid on long-term debt	(791)	—	(791)	(421)
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	(6,985)	—	(6,985)	(16,336)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received (paid)	5,124	(35)	5,089	3,649
NET CHANGE IN CASH AND CASH EQUIVALENTS	16,742	377	17,119	(27,627)
Cash and cash equivalents - beginning	99,327	283	99,610	80,387
CASH AND CASH EQUIVALENTS - ENDING	\$ 116,069	\$ 660	\$ 116,729	\$ 52,760
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 12,866	\$ 165	\$ 13,031	\$ (16,724)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY(USED IN) OPERATING ACTIVITIES				
Depreciation and amortization	8,250	58	8,308	11,314
Miscellaneous non-operating revenues	—	—	—	1,990
Changes in assets, liabilities, and deferred outflows and inflows of resources:				
Accounts receivable	(1,052)	—	(1,052)	4
Lease receivable	—	—	—	253
Inventories	—	—	—	(280)
Other assets	(34)	—	(34)	(1,023)
Accounts payable and accrued liabilities	(693)	(4)	(697)	1,176
Deferred inflow of resources related to leases	—	—	—	(254)
Net pension liability and related pension deferred items	1,537	—	1,537	(2,972)
Net OPEB liability and related OPEB deferred items	(574)	—	(574)	(1,677)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 20,300	\$ 219	\$ 20,519	\$ (8,193)
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF FUND NET POSITION				
Cash and investments	\$ 116,069	\$ —	\$ 116,069	\$ 52,760
Restricted cash and investments	—	660	660	—
TOTAL CASH AND CASH EQUIVALENTS	\$ 116,069	\$ 660	\$ 116,729	\$ 52,760
NON-CASH CAPITAL FINANCING ACTIVITIES ITEMS:				
Amortization of bond premiums	\$ 343	\$ —	\$ 343	\$ —

The notes to the basic financial statements are an integral part of this statement.

City of Oakland
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025
(In thousands)

	Pension Trust Fund	Private- Purpose Trust Funds	Custodial Fund
ASSETS			
Cash and investments	\$ 10,412	\$ 27,381	\$ —
Receivables:			
Accrued interest and dividends	1,373	478	—
Accounts receivable	—	—	601
Investments and others	71,673	—	—
Prepaid expenses	—	1,069	—
Restricted:			
Cash and investments:			
Short-term investments	15,577	15,636	—
U.S. government, corporate, and other government bonds	175,309	—	—
Domestic equities and mutual funds	189,536	—	—
International equities and mutual funds	72,903	—	—
Alternative investments	23,952	—	—
Total restricted cash and investments	477,277	15,636	—
Securities lending collateral	45,689	—	—
Loans receivable, net of allowance for uncollectibles of \$4,349	—	3,037	—
Property held for resale	—	2,818	—
TOTAL ASSETS	606,424	50,419	601
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized losses on refunding of debt	—	9,337	—
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	84,088	44	—
Accrued interest payable	—	3,166	—
Due to other funds of the City	—	2,124	129
Securities lending liabilities	45,681	—	—
Other	—	53	—
Total current liabilities	129,769	5,387	129
Non-current liabilities:			
Due within one year	—	11,286	—
Due in more than one year	—	178,078	—
Total non-current liabilities	—	189,364	—
TOTAL LIABILITIES	129,769	194,751	129
DEFERRED INFLOWS OF RESOURCES			
Unamortized gains on refunding of debt	—	219	—
NET POSITION RESTRICTED FOR:			
Employees' pension benefits	476,653	—	—
Redevelopment dissolution and other purposes	—	(135,214)	472
TOTAL NET POSITION	\$ 476,653	\$ (135,214)	\$ 472

The notes to the basic financial statements are an integral part of this statement.

City of Oakland
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2025
(In thousands)

	Pension Trust Fund	Private- Purpose Trust Funds	Custodial Fund
ADDITIONS:			
Trust receipts	\$ —	\$ 21,799	\$ —
Contributions:			
Employer	34,845	—	—
Investment income:			
Net appreciation in fair value of investments	34,524	—	—
Interest income	6,362	1,495	(6)
Dividends	3,436	—	—
Securities lending	97	—	—
TOTAL INVESTMENT INCOME	44,419	1,495	(6)
Less investment expenses:			
Investment expenses	1,487	—	—
NET INVESTMENT INCOME	42,932	1,495	(6)
Federal and state grants	—	106	—
Other income	—	591	—
TOTAL ADDITIONS	77,777	23,991	(6)
DEDUCTIONS:			
Benefits to members and beneficiaries:			
Retirement	29,364	—	—
Disability	18,411	—	—
Death	1,509	—	—
TOTAL BENEFITS TO MEMBERS AND BENEFICIARIES	49,284	—	—
Administrative expenses	1,848	1,332	—
Economic and workforce development	—	600	—
Interest on debt	—	10,158	—
TOTAL DEDUCTIONS	51,132	12,090	—
Change in net position	26,645	11,901	(6)
Net position - beginning	450,008	(147,115)	478
NET POSITION - ENDING	\$ 476,653	\$ (135,214)	\$ 472

The notes to the basic financial statements are an integral part of this statement.

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NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF OAKLAND
Notes to the Basic Financial Statements
Year Ended June 30, 2025

I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Primary Government

The City of Oakland, California (the City or Primary Government) was incorporated on May 25, 1852, by the State of California and is organized and exists under and pursuant to the provisions of State law. The Mayor/Council form of government was established in November 1998 through Charter amendment. The legislative authority is vested in the City Council and the executive authority is vested in the Mayor with administrative authority resting with the City Administrator.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Component units are classified as blended, discretely presented or fiduciary. Blended component units, although legally separate entities, are, in substance, part of the City's operations and are combined with the data of the Primary Government within the governmental activities column in the government-wide financial statements and governmental funds in the fund financial statements.

Blended Component Unit

Oakland Joint Powers Financing Authority (JPFA) - JPFA was formed to assist in the financing of public capital improvements. JPFA is a joint exercise agency organized under the laws of the State of California and was composed of the City and the Former Agency. The Oakland City Council serves as the governing board for JPFA. JPFA transactions are reported in other governmental funds. Related debt is included in the long-term obligations of the City in the governmental activities column of the statement of net position.

Discretely Presented Component Unit

Port of Oakland (Port) – The Port is a legally separate component unit established in 1927 by the City. Operations include the Oakland International Airport and the Port of Oakland Marine Terminal Facilities. Although the Port has a significant relationship with the City, it is fiscally independent and does not provide services solely to the City and, therefore, is presented discretely. All interfund transactions have been eliminated. The Port is governed by a seven-member Board of Port Commissioners (Board of Commissioners) that is appointed by the City Council, upon nomination by the Mayor. The Board of Commissioners appoints an Executive Director to administer operations. The Port prepares and controls its own budget, administers and controls its fiscal activities, and is responsible for all Port construction and operations. The Port is required by City charter to deposit its operating revenues in the City Treasury. The City is responsible for investing and managing such funds. The Port is presented in a separate column in the government-wide financial statements.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

The Port's separately issued Annual Comprehensive Financial Report may be obtained as follows:

Port of Oakland
Port Financial Services Division
530 Water Street
Oakland, CA 94607

Fiduciary Activities

Oakland Redevelopment Successor Agency (ORSA) - On June 28, 2011, Assembly Bill X1 26 (AB X1 26) was enacted. This legislation is referred to herein as the Redevelopment Dissolution Law. On December 29, 2011, the California Supreme Court upheld the constitutionality of AB X1 26 and all redevelopment agencies in California were dissolved by operation of law effective February 1, 2012. The legislation provides for successor agencies and oversight boards that are responsible for overseeing the dissolution process and wind down of redevelopment activity. At the City's meeting on January 10, 2012, the City Council affirmed its decision as part of resolution number 83679 C.M.S. to serve as the ORSA, effective February 1, 2012. Also, in the same meeting, the City Council elected as part of resolution number 83680 C.M.S. to retain the housing assets, functions, and powers previously performed by the former Redevelopment Agency of the City of Oakland (Former Agency).

The ORSA was created to serve as a custodian for the assets and to wind down the affairs of the Former Agency. The ORSA is a separate public entity from the City, with the Oakland City Council serving as its governing board, subject to the direction of the County of Alameda Countywide Oversight Board. As such, ORSA is reported as a fiduciary fund of the City. Pursuant to SB 107, there are seven Countywide Oversight Board members as follows:

- One appointed by the County Board of Supervisors,
- One appointed by the City selection committee,
- One appointed by the independent Special District Selection Committee,
- One appointed by the County Superintendent of Education,
- One appointed by the Chancellor of the California Community Colleges,
- One member of the public, and
- One member appointed by the recognized employee organization representing the largest number of successor agency employees in the County.

In general, the ORSA's assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments). ORSA will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the Former Agency until all enforceable obligations of the Former Agency have been paid in full and all assets have been liquidated. Based upon the nature of the ORSA's custodial role, ORSA is reported in a fiduciary fund (private-purpose trust fund) in the City's financial statements.

ORSA's separately issued financial statements may be obtained as follows:

Finance Department, Controller's Bureau
City of Oakland
150 Frank H. Ogawa Plaza, Suite 6353
Oakland, CA 94612

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

B. FINANCIAL STATEMENT PRESENTATION

Government-wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City and its component units. The effect of interfund activity has been removed from these statements except for interfund services provided among funds. *Governmental activities*, which are normally supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the Primary Government is reported separately from its discretely presented component unit for which the Primary Government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and a major individual enterprise fund are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The ***General Fund*** is the City's primary operating fund. It accounts for all financial activities and resources of the general government except those required to be accounted for in another fund. These activities are funded principally by property taxes, sales and use taxes, business license taxes, utility and real estate transfer taxes, other unrestricted local taxes, interest and investment income, and charges for services.

The ***Federal/State Grant Fund*** accounts for various Federal and State grants and certain state allocations used or expended for a specific purpose, activity or program.

The ***Low and Moderate Income Housing Asset Fund (LMIHF)*** is a special revenue fund that was created to administer the housing assets and functions related to the Low and Moderate Income Housing program retained by the City following the dissolution of the Former Agency. Prior to the dissolution of redevelopment agencies, the LMIHF accounted for the Former Agency's affordable housing activities, including the 20% redevelopment property tax revenue set-aside for low and moderate income housing and related expenditures. Upon dissolution of the Former Agency and the City Council's election to retain the housing activities previously funded by the Former Agency, the City created LMIHF and transferred the assets and affordable housing activities.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

The ***Municipal Capital Improvement Fund*** accounts primarily for monies pertaining to capital improvement funds, which includes mainly capital financing projects funds:

- *Oakland Redevelopment Successor Agency* - Unspent bond proceeds transferred to the City. The California Department of Finance (DOF) approved the bond expenditure agreement between ORSA and the City to transfer excess tax allocation bond proceeds to the City. The Bond Spending Plan allows ORSA to utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants.
- *Measure DD* - Capital improvement bond financing funds for clean water, safe parks, and open space trust for the City.
- *Measure KK* - Capital improvement bond financing funds to improve public safety and finance transportation infrastructure improvements, affordable housing, and neighborhood services.
- *Measure U* - Capital improvement bond financing funds for affordable housing and public infrastructure.
- *Measure G* – Capital improvement bond financing funds for Oakland Zoo, Museum and Chabot Space and Science Center improvements.
- *Master Lease Agreement Financing* – Capital improvement for vehicles and equipment, and telecommunications.
- *Other miscellaneous capital improvement funds* - The fund comprises other municipal capital improvement funds, which may be used for the lease, acquisition, construction, or other improvements of public facilities.

The ***Other Special Revenue Fund*** accounts for activities of several special revenue funds, which include mainly the following local measures and funds:

- *Measure Z: The Public Safety and Services Violence Prevention Act of 2014*. The measure provides for the following services: Community Resource Officers, crime reduction teams, fire services, and violence prevention strategies (Oakland Unite).
- *Measure C - Oakland Hotel Tax*. This additional transient occupancy tax was approved to fund the following entities: Oakland Convention and Visitors Bureau 50%, Oakland Zoo 12.5%, Oakland Museum of California 12.5%, Chabot Space and Science Center 12.5%, and the City Cultural Arts Programs and Festivals 12.5%.
- *Measure Q (2004) - Library Services Retention and Enhancement*. In March 2004, the electorate of Oakland approved, by more than a two-thirds majority, the extension of the Library Services and Retention Act, Measure Q (formerly known as Measure O). The act re-authorized and increased a special parcel tax on residential and non-residential parcels for the purpose of raising revenue to retain and enhance library services. The term of the tax is 20 years, commencing July 1, 2004 and ending June 30, 2024.
- *Measure D - Oakland Public Library Preservation Act*. This additional parcel tax was approved by Oakland voters in June 2018, establishing a supplementary funding source for library services, material, and programs. The term of the tax is 20 years, commencing July 1, 2018 and ending June 30, 2038.
- *Measure Q (2020) - Parks and Recreation Preservation, Litter Reduction, and Homelessness Support*. In March 2020, the electorate of Oakland approved, by more than a two-thirds majority, a parcel tax for parks, homeless services, and litter reduction. The term of the tax is 20 years, commencing July 1, 2020 and ending June 30, 2040.
- *Measure W - Vacant Property Tax Act*. In November 2018, the electorate of Oakland approved, by more than a two-thirds majority, a parcel tax on vacant properties to be utilized for homelessness programs and services, affordable housing, code enforcement, and clean-up of

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

blighted properties and illegal dumping. The term of the tax is 20 years, commencing July 1, 2020 and ending June 30, 2040.

- *Measure AA - Oakland Children's Initiative.* In November 2018, the electorate of Oakland approved an amendment to the City's charter to impose a parcel tax for education. The term of the tax is 30 years. Collection of the tax commenced in 2021 and is authorized through June 30, 2049.
- *Measure WW - East Bay Regional Park District local grant program.* The funds are for various Oakland parks and open space renovation projects.
- *Measure N - Paramedics Services Act.* The revenue from the measure increases, enhances, and supports paramedic services in the City.
- *Oakland Kids' First Fund.* The charter requires 3 percent of the City's unrestricted general purpose fund revenues for the fund. The revenues provide additional funding for programs and services benefiting children and youth.
- *Development Services Fund.* The revenue sources for the development service fund will be the fees and penalties for development and enforcement activities, such as land use, permit, inspection, and abatement services for both direct and indirect costs.
- *Other miscellaneous special revenue funds.* Accounts for several other restricted monies that are classified as special revenue funds.

The City reports the following major enterprise fund:

The ***Sewer Service Fund*** accounts for the sewer service charges received by the City based on the use of water by East Bay Municipal Utility District customers residing in the City. The proceeds from the sewer charges are used for the construction and maintenance of sanitary sewers and storm drains and the administrative costs of the fund.

Additionally, the City reports the following funds:

The ***Internal Service Funds*** account for the purchases of automotive and rolling equipment; radio and other communication equipment; the repair and maintenance of City facilities; acquisition, maintenance and provision of reproduction equipment and services; acquisition of inventory provided to various City departments on a cost reimbursement basis; procurement of materials, supplies, and services for City departments; service and maintenance of City information technology systems; and personnel management activities, including payroll support, recruitment and other human resource services.

The ***Pension Trust Fund*** accounts for the closed benefit plan that covers uniformed employees hired prior to July 1976.

The ***Private-Purpose Trust Funds*** include: (a) the Oakland Redevelopment Successor Agency Trust Fund, which accounts for the custodial responsibilities that are assigned to the Oakland Redevelopment Successor Agency with passage of AB X1 26 and (b) the Other Private-Purpose Trust Fund, which accounts for the Telecommunications Sinking Fund, which holds deposits made by the owners of permitted telecommunications facilities to cover the costs of removing the facility if abandoned.

The ***Custodial Fund*** reports fiduciary activities not held in a trust or equivalent arrangement, including the State Asset Trust Fund, which holds funds subject to court disposition, and the

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Neighborhood Crime Prevention Council Trust, which was established to accept donations and grants for community-led organizations.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. The City considers property tax revenues to be available for the year levied and if they are collected within 60 days of the end of the fiscal period. All other revenues are considered to be available if they are collected within 90 days of the end of the fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, state and local taxes, grants, licenses, charges for services, and interest and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Special assessments are recorded as revenues and receivables to the extent installments are considered available. The estimated installments receivable not considered available, as defined above, are recorded as receivables and offset by deferred inflows of resources.

Charges between the City and the Port are not eliminated because the elimination of these charges would distort the direct costs and revenues reported.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges for customer services including: sewers, golf courses, information technology and support, vehicle acquisition and maintenance, radio and telecommunication support charges, charges for facilities maintenance, and reproduction services. Operating expenses for enterprise funds and internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All other revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

D. USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

E. NEW PRONOUNCEMENTS

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of the statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The implementation of this statement resulted in the recognition of additional compensated absences liabilities of \$11.5 million as of June 30, 2024 and a restatement of the beginning net position of the governmental activities. Refer to Note 1, part G, for additional information.

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of the Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The adoption of this statement did not have a material impact on the City's June 30, 2025 financial statements.

The City is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

- In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this statement are effective for the City's fiscal year ending June 30, 2026.
- In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about intangible capital assets and capital assets held for resale. The requirements of this statement are effective for the City's fiscal year ending June 30, 2026.
- In December 2025, the GASB issued Statement No. 105, *Subsequent Events*. The objective of this statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The requirements of this statement are effective for the City's fiscal year ending June 30, 2027.

F. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY

1. Cash and Investments

The City follows the practice of pooling cash of all operating funds for investment, except for the ORSA and the Police and Fire Retirement System (PFRS), whose funds are primarily held by outside custodians. The City measures its investments at fair value and categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

measurement, using observable market transactions or available market information. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year-end, and it includes the effects of these adjustments in income for that fiscal year.

Income earned or losses arising from the investment of pooled cash are allocated on a monthly basis to the participating funds and component units based on their proportionate share of the average daily cash balance.

Proceeds from debt and other cash and investments held by fiscal agents by agreement are classified as restricted assets.

For purposes of the statement of cash flows, the City considers all highly liquid unrestricted and restricted investments with a maturity of three months or less when purchased to be cash equivalents. The proprietary funds' investments in the City's cash and investment pool are, in substance, demand deposits and are therefore considered to be cash equivalents.

2. Property Taxes

The County of Alameda is responsible for assessing, collecting, and distributing property taxes in accordance with enabling state law, and for remitting such amounts to the City. Property taxes are assessed and levied as of July 1 on all taxable property located in the City, and result in a lien on real property on January 1. Property taxes are then due in two equal installments-the first on November 1 and the second on February 1 of the following calendar year and are delinquent after December 10 and April 10, respectively. General property taxes are limited to a flat 1% rate applied to the 1975-76 full value of the property, or 1% of the sales price of the property or of the construction value added after the 1975-76 valuation. Assessed values on properties (exclusive of increases related to sales and construction) can rise a maximum of 2% per year. Taxes were levied at the maximum 1% rate during the year ended June 30, 2025.

3. Due From/Due To Other Funds and Internal Balances

During the course of operations, numerous transactions and borrowings occur between individual funds for goods provided or services rendered and funds that have overdrawn their share of pooled cash and interfund loans. In the fund financial statements, these receivables and payables are classified as "due from other funds" and "due to other funds", respectively. In the government-wide financial statements, these receivables and payables are eliminated within the governmental activities and business-type activities columns. Net receivables and payables between the governmental activities and business-type activities are classified as internal balances.

4. Interfund Transfers

In the fund financial statements, interfund transfers are recorded as transfers in/out except for certain types of transactions that are described below:

- Charges for services are recorded as revenues of the performing fund and expenditures/expenses of the requesting fund. Unbilled costs are recognized as an asset of the performing fund and a liability of the requesting fund at the end of the fiscal year.
- Reimbursements for expenditures, initially made by one fund that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as a reduction of

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

expenditures in the fund that is reimbursed. Reimbursements are eliminated for purposes of government-wide reporting.

5. Original Issue Discounts and Premiums, and Refundings

In the government-wide, proprietary fund, and fiduciary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are amortized using the straight-line method over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Gains or losses from refunding of debt are reported as deferred inflows or outflows of resources and amortized over the shorter of the life of the refunded debt or refunding debt. Amortizations of bond premiums and discounts and gains or losses from refunding of debt are recorded as a component of interest expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

6. Inventories

Inventories, consisting of materials and supplies held for consumption, are stated at cost. Cost is calculated using the average cost method. Inventory items are considered expensed when consumed rather than when purchased.

7. Capital Assets

Capital assets, which include land, museum collections, intangibles, construction in progress, facilities and improvements, furniture, machinery and equipment, infrastructure (e.g., streets, streetlights, traffic signals, and parks), sewers, and storm drains, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary fund statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Capital outlay is recorded as expenditures in the governmental funds and as assets in the government-wide and proprietary financial statements to the extent the City's capitalization threshold is met. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life is not capitalized.

The City has a collection of artwork presented for public exhibition and education that is being preserved for future generations. These items are protected, kept unencumbered, cared for, and preserved by the City. The proceeds from the sale of any pieces of the collection are used to purchase other acquisitions for the collection. However, future acquisitions purchased with authorized budgeted City funds during a fiscal year will be reported as non-depreciable assets in the City's financial statements.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

The City's depreciation of capital assets is provided on the straight-line basis over the following estimated useful lives:

Facilities and improvements	5-40 years
Furniture, machinery and equipment	2-20 years
Sewer and storm drains	50 years
Infrastructure	5-50 years

The Port's depreciation of capital assets is provided on the straight-line basis over the following estimated useful lives:

Building and improvements	5-50 years
Container cranes	25 years
Infrastructure	10-50 years
Other equipment	3-40 years
Software	3-10 years

8. Leases and Subscriptions

As part of normal operations, the City has entered into various agreements as either a lessor, lessee, or subscriber for land, equipment, subscription-based information technology agreements (SBITAs), and other right-to-use asset classes. As a lessee or subscriber, the City recognizes a lease or SBITA liability and an intangible right-to-use lease or SBITA asset. As a lessor, the City recognizes a lease receivable and a deferred inflow of resources. Lease and SBITA liabilities and receivables were calculated based on the net present value of future payments, discounted using an interest rate based on the City's historical borrowing costs. The City defines leases and SBITAs as balances with an initial value of \$200,000 or more. Amortization periods for lease and SBITA assets are based on the shorter of lease and SBITA term or useful life.

9. Property Held for Resale

Property held for resale was primarily acquired as part of the Former Agency's redevelopment program. These properties are both residential and commercial. Costs of administering the projects are charged to the municipal capital improvement fund as expenditures are incurred. A primary function of the redevelopment process is to prepare land for specific private development. For financial statement presentation, property held for resale is stated at the lower of estimated cost or estimated conveyance value. Estimated conveyance value is management's estimate of net realizable value of each property parcel based on its current intended use.

During the period it is held by the City, property held for resale may generate rental or operating income. This income is recognized as it is earned in the City's statement of activities and generally is recognized in the City's governmental funds in the same period depending on when the income becomes available on a modified accrual basis of accounting. The City does not depreciate property held for resale, as it is the intention of the City to only hold the property for a period of time until it can be resold for development.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

10. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will report a separate section for *deferred outflows of resources*. This separate financial statement element represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has deferred outflows of resources related to unamortized losses on refunding of debt as well as deferred outflows related to leases, pension, and OPEB.

In addition to liabilities, the statement of net position and governmental funds balance sheet will report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has deferred inflows of resources related to unavailable revenues reported under the modified accrual basis of accounting in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, notes and loan receivables, grant receivables/advances from the federal government and State, and other sources as appropriate. These amounts are deferred and recognized as revenues in the period the amounts become available. The City also has deferred inflows of resources related to the unamortized gains on refunding of debt as well as deferred inflows related to leases, pension, and OPEB.

11. Compensated Absences – Accrued Vacation, Sick Leave, and Compensatory Time

The City's policy and its agreements with employee groups permit employees to accumulate earned but unused vested vacation, sick leave and other compensatory time. Liabilities for compensated absences are recognized for (a) leave that is attributable to services already rendered, (b) leave that accumulates, and (c) leave that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Compensated absences are reported in the governmental activities of the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they are due and payable.

12. Retirement Plans

The City has three defined benefit retirement plans: Oakland Police and Fire Retirement System (PFRS), and the Miscellaneous and the Public Safety Plans of the California Public Employees' Retirement System (CalPERS) (collectively, the Retirement Plans). For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's Retirement Plans and additions to/ deductions from the Retirement Plans' fiduciary net position have been determined on the same basis as they are reported by PFRS and CalPERS. Employer contributions and member contributions made by the employer to the Retirement Plans are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the provisions of the Retirement Plans. Refer to Note III, part A for additional information.

13. Other Postemployment Benefits (OPEB)

The City's OPEB plan covers the City's police, fire, and other (miscellaneous) employees. City retirees are eligible for retiree health benefits if they meet certain requirements relating to age and service. Retiree health benefits are described in the labor agreements between the City and local unions and in City resolutions. The demographic rates used for CalPERS were public safety employees retirements benefits under a 3 percent at 50 formula and miscellaneous employees

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

retirement benefits under a 2.7 percent at 55 formula. In addition, the Port's Retiree Healthcare Plan covers the Port's employees. Refer to Note III, part B for additional information.

14. Pollution Remediation Obligations

The City and the Port record liabilities related to pollution remediation activities. See Note II, part G and Note III, part C.4 for additional information.

15. Fund Balances

Governmental funds classify fund balances based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which those funds can be spent. Fund balance for the City's governmental funds consists of the following categories:

- *Nonspendable Fund Balance*: includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Items that are not expected to be converted to cash, for example, inventories and prepaid amounts, are included in this classification, as well as property held for sale when no restrictions apply to the use of proceeds.
- *Restricted Fund Balance*: includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers. It also includes a legally enforceable requirement that the resources can only be used for specific purposes enumerated in the law.
- *Committed Fund Balance*: includes amounts that can only be used for the specific purposes determined by City Council ordinance, which is the City's highest level of decision-making authority. Commitments may be changed or lifted only by the City taking the same formal action that imposed the constraint originally.
- *Assigned Fund Balance*: comprises amounts intended to be used by the City for specific purposes that are neither restricted nor committed through City Council budgetary action, which includes appropriations and revenue sources pertaining to the next fiscal year's budget. The City Council adopted a resolution establishing the City's policy budget, which states that assigned fund balances are intended to be used for specific purposes through City Council budgetary actions. Intent is expressed by (a) the City Council or (b) the City Administrator to which the City Council has delegated the authority to assign amounts to be used for specific purposes. This category includes the City's encumbrances, project carry-forwards, and continuing appropriations.
- *Unassigned Fund Balance*: are amounts technically available for any purpose. It is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Other governmental funds may only report a negative unassigned balance that was created after classification of restricted, committed, and assigned fund balance.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Fund balances for all the major and nonmajor governmental funds as of June 30, 2025, were distributed as follows (in thousands):

	General Fund	Federal/State Grant Fund	LMIHF ¹	Municipal Capital Improvement Fund	Other Special Revenue Fund	Other Governmental Funds	Total
Nonspendable:							
Prepaid items	\$ 943	\$ 5,321	\$ —	\$ —	\$ 408	\$ —	\$ 6,672
Property held for resale with no restrictions on use of proceeds	2	—	—	—	—	—	2
Total nonspendable	945	5,321	—	—	408	—	6,674
Restricted for:							
Capital projects	—	—	1,802	263,029	—	59,651	324,482
Pension obligations annuity	23,453	—	—	—	—	—	23,453
Pension obligations PFRS	392,517	—	—	—	—	—	392,517
Debt service	—	—	—	—	—	40,781	40,781
Property held for sale	—	—	30,677	95,213	—	—	125,890
Opioid settlement projects	4,839	—	—	—	—	—	4,839
Housing projects	—	—	19,362	—	—	—	19,362
Total restricted	420,809	—	51,841	358,242	—	100,432	931,324
Committed for:							
Vital services	21	—	—	—	—	—	21
Affordable housing	36,481	—	—	—	—	—	36,481
Measure Q, Library, Kids First, and museum trust	—	—	—	—	27,137	1,823	28,960
Employee Benefit Obligations	212,779	—	—	—	—	—	212,779
Total committed	249,281	—	—	—	27,137	1,823	278,241
Assigned for:							
Measure HH projects	6,727	—	—	—	—	—	6,727
Capital projects	37,894	—	—	—	205,085	—	242,979
General government	6,271	—	—	—	—	—	6,271
Public safety	4,240	—	—	—	—	—	4,240
Community and human services	1,977	—	—	—	—	9,297	11,274
Community and economic development	383	—	—	—	—	—	383
Public works and transportation	2,984	—	—	—	—	—	2,984
Total assigned	60,476	—	—	—	205,085	9,297	274,858
Unassigned	191,207	(33,719)	—	—	—	(1,442)	156,046
Total	\$ 922,718	\$ (28,398)	\$ 51,841	\$ 358,242	\$ 232,630	\$ 110,110	\$ 1,647,143

¹ Low and Moderate Income Housing Asset Fund

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

General Fund Balance Reserve Policy: The City Council approved the original City Reserve Policy on March 22, 1994. Creation of the policy was to help pay any unanticipated expenditures and pay for claims arising from the City's insurance program. In May 2010, the City adopted a revised reserve policy equal to seven and one-half percent (7.5%) for unassigned fund balance of the General Purpose Fund (GPF) appropriation for each fiscal year. The GPF accounts for the City's operating budget that pays for basic programs and services as well as elected offices and municipal business functions. The GPF is reported within the General Fund.

On May 15, 2018, the City Council revised the definition and use of excess Real Estate Transfer Tax (RETT) revenues and the use of one-time revenues (Ordinance No. 13487 C.M.S.). The policy defines excess Real Estate Transfer Tax as any amounts of RETT revenues whose value exceeds 15 percent of the corresponding GPF Tax Revenues (inclusive of RETT). The excess RETT shall be used in the following manner:

- At least 25 percent shall be allocated to the Vital Services Stabilization Fund until the value in such fund is projected to equal to 15 percent of GPF revenues over the coming fiscal year.
- At least 25 percent shall be used to fund accelerated debt retirement and unfunded long-term obligations, including negative fund balances, the PFRS liability, other unfunded retirement and pension liabilities, unfunded paid leave liabilities, and OPEB liabilities.
- The remainder shall be used to fund one-time expenditures, augment the General Purpose Fund Emergency Reserve, and to augment the Capital Improvements Reserve Fund.

Use of the "excess" RETT revenue for purposes other than those established above may only be allowed by majority vote of the City Council through a separate resolution.

The policy also requires the City to conform to the following regarding the use of one-time discretionary revenue:

- Fiscal prudence requires that any unrestricted one-time revenues be used for one-time expenditures. Therefore, one-time revenues shall be used in the following manner, unless they are legally restricted to other purposes: to fund one-time expenditures, to fund debt retirement and unfunded long-term obligations such as negative fund balances, PFRS unfunded liabilities, CalPERS pension unfunded liabilities, paid leave unfunded liabilities, and OPEB unfunded liabilities; or shall remain as fund balance.

Use of "one-time revenues" for purposes other than those established may only be allowed by a majority vote of the City Council through a separate resolution. Additionally, the policy includes the requirement that the City maintain a Vital Services Stabilization Fund (VSSF). In years when the City forecasts that total GPF revenues will be less than the current year's revenues, or anytime significant service reductions, such as layoffs or furloughs, are contemplated due to adverse financial conditions, use of this fund must be considered to maintain existing services. Use of the VSSF must be authorized by City Council resolution. The resolution shall explain the need for using the VSSF. The resolution shall also include steps the City will take in order to replenish the VSSF in future years.

In June 2020, City Council adopted Resolution No. 88174 to make mid-cycle budget adjustments for fiscal year 2020-21. These adjustments included the appropriation of \$14.6 million from the VSSF to support General Fund services. In December 2024, City Council adopted Resolution No. 90585 to unrestrict and authorize the transfer of \$0.5 million from the VSSF to support General Fund services for budget balancing purposes. At June 30, 2025, the General Fund reported Vital Services Stabilization reserve of close to \$0.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

On June 24, 2021, the City Council passed Resolution No. 88717, establishing a separate subfund reported within the General Fund as the General Purpose Fund Emergency Reserve, and appropriated an amount equal to 7.5% of FY 2021-22 GPF appropriations to this new fund. Prior to the adoption of this resolution, the City measured its General Fund reserve as the unassigned fund balance in its GPF. As of June 30, 2025, the City's standalone General Purpose Fund Emergency Reserve has a balance of \$63.8 million. Unassigned fund balance in the General Fund is \$191.2 million, of which \$34.6 million is attributable to the GPF. In combination, the sum of the General Purpose Fund Emergency Reserve fund balance and unassigned GPF fund balance results in total General Fund reserves of \$98.4 million, as shown below (in thousands):

General Purpose Fund Emergency Reserve	\$ 63,810
General Purpose Fund unassigned fund balance	34,632
Total General Fund reserves	<u>\$ 98,442</u>

16. Net Position

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

- *Net Investment in Capital Assets* groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt and debt-related deferred outflows and inflows of resources that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.
- *Restricted Net Position* represents net position that has external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.
- *Unrestricted Net Position* represents net position of the City that is not restricted for any project or purpose.

G. RESTATEMENT OF BEGINNING NET POSITION AND FUND BALANCE

As of July 1, 2024, the City implemented GASB Statement No. 101, Compensated Absences, and restated the beginning the net position of the governmental activities to record the impact of the changes in compensated absences liabilities. The City also restated the beginning fund balance and net position of the General Fund and governmental activities, respectively, to correct an overstatement of accounts payable and other current liabilities as of June 30, 2024 as shown below:

	Net Position/ Fund Balance, Beginning of Year			
	As Previously Reported	GASB Statement No. 101 Implementation	Cumulative effect of accounting change	As Restated
Governmental Activities	\$ 682,203	\$ (11,548)	\$ 199,903	\$ 870,558
General Fund	\$ 641,669	\$ —	\$ 199,903	\$ 841,572

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

II DETAILED NOTES ON ALL FUNDS

A. CASH, DEPOSITS, AND INVESTMENTS

The City maintains a cash and investment pool consisting of City funds and cash held for PFRS and the Port. The City's funds are invested according to the investment policy adopted by the City Council. The objectives of the policy are legality, safety, liquidity, diversity, and yield. The policy addresses soundness of financial institutions in which the City can deposit funds, types of investment instruments permitted by the California Government Code, duration of the investments, and the percentage of the portfolio that may be invested in:

Investment Type	Maximum Maturity	Maximum Portfolio Exposure	Maximum Issuer Exposure	Credit Requirement
U.S. Treasury Securities	5 years	20%	n/a	n/a
Federal Agencies and Instrumentalities	5 years	none	n/a	n/a
Banker's Acceptances	180 days	40%	5%	A1, P1 or F1 or better
Commercial Paper	270 days	40%	10%	A1, P1 or F1 or better
Asset-backed Commercial Paper	270 days	25%	5%	A1, P1 or F1 or better
Local Government Investment Pools	n/a	20%	n/a	Top ranking
Medium Term Notes	5 years	30%	5%	A3, A- or A- or better
Negotiable Certificates of Deposits	5 years	30%	5%	A, A2 or A or better
Repurchase Agreements	360 days	none	5	Collateral limited to U.S. securities
Reverse Repurchase Agreements	92 days	20%	n/a	Limited to primary dealers
Secured Obligations and Agreements	2 years	20%	5%	AA or better
Certificates of Deposit	360 days	n/a	n/a	A, A2 or A or better
Money Market Mutual Funds	n/a	20%	n/a	Top ranking
State Investment Pool (LAIF)	n/a	none	n/a	n/a
Local City/Agency Bonds	5 years	none	5%	A or better
State of California Obligations and Others	5 years	none	5%	n/a
Other Local Agency Bonds	5 years	none	5%	A or better
Deposits - Private Placement	n/a	50%	10%	n/a
Supranationals	5 years	30%	n/a	AA or better
Public Bank Obligations	5 years	none	n/a	n/a

The City's investment policy stipulates that the collateral to back up repurchase agreements be priced at market value and be held in safekeeping by the City's primary custodian. Additionally, the City Council has adopted certain requirements prohibiting investments in nuclear weapons makers and restricting investments in U.S. Treasury bills and notes due to their use in funding nuclear weapons research and production. The City has also adopted divestiture resolutions limiting investments in firms deriving business from tobacco products, fossil fuels, firearms, and immigration enforcement.

Other deposits and investments are invested pursuant to the governing bond covenants, deferred compensation plans, or retirement systems' investment policies. Under the investment policies, the investment counsel is given the full authority to accomplish the objectives of the bond covenants or retirement systems subject to the discretionary limits set forth in the policies.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

As of June 30, 2025, total City cash, deposits, and investments at fair value are as follows (in thousands):

	Primary Government		Fiduciary Funds			Component Unit
	Governmental Activities	Business-type Activities	Pension Trust Fund	Private-Purpose Trust Funds	Total	Port
Cash and investments	\$ 1,400,980	\$ 116,069	\$ 10,412	\$ 27,381	\$ 1,554,842	\$ 675,421
Restricted cash and investments	263,862	660	477,277	15,636	757,435	135,198
Securities lending collateral	—	—	45,689	—	45,689	—
Total	\$ 1,664,842	\$ 116,729	\$ 533,378	\$ 43,017	\$ 2,357,966	\$ 810,619
City pooled deposits					\$ 6,999	\$ —
City pooled investments					1,524,041	765,527
City restricted investments					263,487	—
PFRS restricted investments					522,965	—
ORSA deposits					2,851	—
ORSA investments					37,623	—
Port's cash and investments					—	45,092
Total					\$ 2,357,966	\$ 810,619

Primary Government

Hierarchy of Inputs: The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Fixed income investments are valued using a variety of techniques such as matrix pricing, market corroborated pricing inputs such as yield curve, and other market related data and classified in Level 2 of the fair value hierarchy. Money market mutual funds and LAIF have maturities of one year or less from fiscal year-end and are not subject to classification in the fair value hierarchy.

The City's pooled and restricted investments have the following recurring fair value measurements as of June 30, 2025 (in thousands):

	Level One	Level Two	Level Three	Total
Investment by fair value level:				
U.S. Government Agency Securities	\$ —	\$ 1,792,208	\$ —	\$ 1,792,208
Medium Term Notes	—	10,031	—	10,031
Negotiable Certificates of Deposit	—	20,003	—	20,003
Commercial Paper-Discount	—	49,016	—	49,016
Annuity Contracts	—	—	22,000	22,000
Total investments by fair value level	\$ —	\$ 1,871,258	\$ 22,000	1,893,258
Investments measured at net asset value (NAV):				
Money Market Mutual Funds				584,707
Local Agency Investment Fund (LAIF)				75,090
Total investment measured at fair value				\$ 2,553,055

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a failure of a depository financial institution or counterparty to a transaction, the City may be unable to recover the value of the investments or collateral securities in the possession of an outside party. To protect against fraud and potential losses from the financial collapse of securities dealers, all securities owned by the City shall be held in the name of the City for safekeeping by a third party bank trust department, acting as an agent for the City under the terms of the custody agreement.

At June 30, 2025, the carrying amount of the City's deposits was \$7.0 million. Deposits include checking accounts, interest earning savings accounts, and money market accounts. The bank balance of \$10.2 million was covered by FDIC insurance or collateralized with securities held by the pledging financial institution in the City's name, in accordance with Section 53652 of the California Government Code.

The California Government Code requires that a financial institution secure its deposits made by state or local government units by pledging securities in an undivided collateral pool held by the depository regulated under the State law (unless so waived by the government units). The fair value of the pledged government securities and/or first trust deed mortgage notes held in the collateral pool must be at least 110 percent and 150 percent, respectively, of the deposit amount. The collateral must be held by the pledging financial institution's trust department and is considered held in the City's name.

Credit Risk: Credit risk represents the possibility that the issuer/counterparty to an investment will be unable to fulfill its obligations. The most effective method for minimizing the risk of default by an issuer is to invest in high quality securities. Under the City investment policy, short-term debt shall be rated at least A-1 by S&P Global Ratings (S&P), at the time security is purchased. Long-term debt shall be rated at least A by S&P. Per the California Debt and Management Advisory Commission (CDIAC), it is recommended that the portfolio be monitored, as practical, for subsequent changes in credit rating of existing securities.

The following tables show the City's credit risk for the pooled and restricted investment portfolios as of June 30, 2025 (in thousands):

Pooled Investments

	Fair Value	Ratings as of June 30, 2025				
		AAA/ Aaa	AA+/Aa1	A1/P1	A/A3	Not Rated
U.S Government Agency Securities	\$ 594,893	\$ —	\$ 594,893	\$ —	\$ —	\$ —
U.S Government Agency Securities (Discount)	1,194,315	—	1,194,315	—	—	—
Money Market Mutual Funds	346,220	346,220	—	—	—	—
Local Agency Investments Fund (LAIF)	75,090	—	—	—	—	75,090
Negotiable Certificates of Deposit	20,003	—	—	20,003	—	—
Commercial Paper-Discount	49,016	—	—	49,016	—	—
Commercial Bonds	10,031	—	—	—	10,031	—
Total pooled investments	\$2,289,568	\$346,220	\$ 1,789,208	\$69,019	\$10,031	\$ 75,090

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Restricted Investments

	Fair Value	Ratings as of June 30, 2025			
		AA+/ Aa1	AAA/ Aaa	A-1	Not Rated
U.S Government Agency Securities	\$ 3,000	\$ 3,000	\$ —	\$ —	\$ —
Money Market Mutual Funds	238,487	—	237,527	—	960
Annuity Contracts	22,000	—	—	—	22,000
Total Restricted Investments	\$263,487	\$ 3,000	\$237,527	\$ —	\$ 22,960

Concentration of Credit Risk: The City has an Investment Policy related to the City's cash and investment pool, which is subject to annual review. Under the City's Investment Policy, no more than five percent (5%) of the total investments held by the City may be invested in the securities of any one issuer, except the obligations of the United States government or government-sponsored enterprises, repurchase agreements and reverse purchase agreements, certificates of deposit, money market mutual funds, supranationals, public bank obligations, investment with the Local Agency Investment Fund, and proceeds of or pledged revenues for any tax and revenue anticipation notes. In addition, no more than ten percent (10%) of the total investments held by the City may be privately placed as deposits with one issuer. Per the Investment Policy, investments should conform to Sections 53600 et seq. of the California Government Code and the applicable limitations contained within the policy. Certain other investments are governed by bond covenants, which do not restrict the amount of investment in any one issuer.

Investments in issuers that exceed 5 percent of the City's total pooled and restricted investment portfolio at June 30, 2025 are as follows (in thousands):

Investment Type/Issuer	Amount	Percent of City's Investment Portfolio
U.S. Government Agency Securities:		
Federal Home Loan Bank	\$ 1,281,394	50.2 %
Federal Farm Credit Bank	451,279	17.7 %

Interest Rate Risk: This risk represents the possibility that an interest rate change could adversely affect an investment's fair value. The longer the maturity of an investment, the greater the sensitivity its fair value is to changes in market interest rates.

As a means for limiting its exposure to changing interest rates, Section 53601 of the State of California Government Code and the City's Investment Policy limit certain investments to short-term maturities such as certificates of deposit and commercial paper, whose maturities are limited to 360 days and 270 days, respectively. Also, Section 53601 of the State of California Government Code limits the maximum maturity of any investment to be no longer than 5 years unless authority for such investment is expressly granted in advance by the City Council or authorized by bond covenants. The City continues to purchase a combination of short-term and long-term investments to minimize such risks.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

The City uses the segmented time distribution method of disclosure for its interest rate risk. As of June 30, 2025, the City had the following investments and original maturities (in thousands):

Pooled Investments

Investment Type	Fair Value	Interest Rates (%)	Maturity		
			12 Months or Less	1-3 Years	3-5 Years
U.S. Government Agency Securities	\$ 594,893	0.000-5.280	\$ 288,264	\$244,854	\$61,775
U.S. Government Agency Securities (Discount)	1,194,315	4.017-6.257	1,194,315	—	—
Money Market Mutual Funds	346,220	4.057-4.270	346,220	—	—
Local Agency Investment Fund (LAIF)	75,090	4.269	75,090	—	—
Negotiable Certificates of Deposit	20,003	4.457-4.498	20,003	—	—
Commercial Paper-Discount	49,016	4.412-4.495	49,016	—	—
Corporate Bonds	10,031	4.435	—	10,031	—
Total pooled investments	\$ 2,289,568		\$ 1,972,908	\$254,885	\$61,775

Restricted Investments

Investment Type	Fair Value	Interest Rates (%)	Maturity			
			12 Months or Less	1-3 Years	3-5 Years	5 Years or More
U.S. Government Agency Securities	\$ 3,000	4.303	\$ 3,000	\$ —	\$ —	\$ —
		3.790 -				
Money Market Mutual Funds	238,487	5.230	238,487	—	—	—
Annuity Contracts	22,000	4.350	—	—	—	22,000
Total restricted investments	\$ 263,487		\$241,487	\$ —	\$ —	\$ 22,000

Other Disclosures: As of June 30, 2025, the City's investment in LAIF is \$75.1 million. LAIF is part of the Pooled Money Investment Account (PMIA) with a total portfolio of approximately \$178.1 billion, of which 96.2% is invested in non-derivative financial products. The Local Investment Advisory Board (Advisory Board) has oversight responsibility for LAIF. The Advisory Board consists of five members as designated by State statute. The value of the pool shares in LAIF, which may be withdrawn, is determined on an amortized cost basis that is different from the fair value of the City's position in the pool.

Oakland Police and Fire Retirement System (PFRS)

Deposits in the City's Investment Pool

As of June 30, 2025, cash and cash deposits consisted of cash in treasury held in the City's cash and investment pool as well as cash deposits held in bank and with a custodian. These funds are invested according to the investment policy adopted by the City Council. As of June 30, 2025, PFRS' share of the City's investment pool totaled \$10.5 million. As of June 30, 2025, PFRS also had cash and cash deposits not held in the City's investment pool that totaled negative \$60 thousand.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Investments

PFRS' investment policy authorizes investment in U.S. equities, international equities, U.S. fixed income instruments including U.S. Treasury notes and bonds, government agency mortgage-backed securities, U.S. corporate notes and bonds, collateralized mortgage obligations, Yankee bonds and non-U.S. issued fixed income securities denominated in foreign currencies. PFRS' investment portfolio is managed by external investment managers, except for two iShares ETF which are managed internally. During the year ended June 30, 2025, the number of external investment managers was thirteen and eleven, respectively.

The PFRS investments are also restricted by the City Charter. In November 2006, City voters passed Measure M to amend the City Charter to allow the PFRS Board to invest in non-dividend paying stocks and to change the asset allocation structure from 50 percent equities and 50 percent fixed income to the Prudent Person Standard as defined by the California Constitution.

PFRS' investment policy limits fixed income investments to a maximum average duration of 10 years and a maximum remaining term to maturity (single issue) at purchase of 30 years, with targeted portfolio duration of between 3 to 8 years and targeted portfolio maturity of 15 years. PFRS' investment policy allows the fixed income managers to invest in fixed income investments and some exposure to investments below an investment grade rating, as long as the portfolio maintains an average credit quality of BBB (investment grade using S&P, Moody's, or Fitch ratings).

PFRS' investment policy states that investments in securities known as collateralized mortgage obligations (CMOs) shall be limited to a maximum of 20 percent of a broker account's fair value with no more than 5 percent in any one issue. CMOs are mortgage-backed securities that create separate pools of pass-through rates for different classes of bondholders with varying maturities. The fair value of CMOs are considered sensitive to interest rate changes because they have embedded options.

The investment policy allows for each fixed income asset manager to have a maximum of 10 percent of any single security investment in their individual portfolios with the exception of U.S. government securities, which is allowed to have a maximum of 25 percent in each manager's portfolio.

The following was PFRS' adopted asset allocation as of June 30, 2025:

Asset Class	Target Allocation
Fixed income	61 %
Domestic equity	25
International equity	5
Crisis risk offset	9
Total	100 %

The PFRS Board's target allocation does not include cash and cash equivalents, which are designated for approved administrative budget purposes.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Hierarchy of Inputs: The PFRS has the following recurring fair value measurements as of June 30, 2025 (in thousands):

	Level One	Level Two	Level Three	Total
Investment by fair value level:				
Short-term investments	\$ —	\$ 3,815	\$ —	\$ 3,815
Bonds	12,483	108,137	—	120,620
Domestic equities and mutual funds	73,112	—	—	73,112
International equities and mutual funds	72,879	—	24	72,903
Total investments by fair value level	\$ 158,474	\$ 111,952	\$ 24	\$ 270,450
Investments measured at net asset value (NAV):				
Short-term investment funds				11,761
Fixed income funds				54,690
Domestic equities and mutual funds				116,424
Hedge fund				13,114
Venture capital fund				10,838
Securities lending collateral				45,689
Total investments measured at NAV				252,515
Total				\$ 522,965

Interest Rate Risk: The weighted average duration for PFRS' fixed income investment portfolio excluding fixed short-term investments, foreign currency contracts, and securities lending investments was 6.67 years as of June 30, 2025.

As of June 30, 2025, PFRS had the following fixed income investments by category (in thousands):

Investment Type	Fair Value	Modified Duration (Years)
Short-Term Investment Funds	\$ 11,775	n/a
U.S. Treasury Bills	3,802	0.17
Fixed Income Investments		
Government Bonds		
U.S. Treasuries	22,300	8.32
Government Agencies	37,996	6.98
Total Government Bonds	60,296	
Corporate and Other Bonds		
Corporate Bonds	114,871	6.25
Total Fixed Income Investments*	\$ 175,167	6.67
Securities Lending Collateral	\$ 45,689	

*\$141,212 of exchange-traded swaps are excluded because they are not exposed to interest rate risk.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Fair Value Highly Sensitive to Change in Interest Rates: The terms of a debt investment may cause its fair value to be highly sensitive to interest rate changes. PFRS has invested in CMOs, which are mortgage-backed bonds that pay pass-through rates with varying maturities. The fair values of CMOs are considered sensitive to interest rate changes because they have embedded options, which are triggers related to quantities of delinquencies or defaults in the loans backing the mortgage pool. If a balance of delinquent loans reaches a certain threshold, interest and principal that would be used to pay junior bondholders is instead directed to pay off the principal.

The following table shows PFRS' investments in CMOs as of June 30, 2025:

Securities Name	Weighted Average Coupon Rate	Weighted Average Maturity (Years)	Fair Value	Percent of Total Investments
Mortgage-Backed Securities	3.04 %	22.42	\$ 34,715	6.64 %

Credit Risk: This is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The following tables provide information as of June 30, 2025 concerning credit risk of short-term fixed income securities (in thousands):

Investment Type	S&P/ Moody's/ Fitch Rating	Fair Value
Short-Term Investment Funds	Not Rated	\$ 11,775
U.S. Treasury Bills	N/A	3,802

The following table provides information as of June 30, 2025 concerning the credit risk of long-term fixed income investments (in thousands):

S&P/ Moody's Rating	Fair Value	Percent of Total Fair Value
AAA/Aaa	\$ 17,786	10.2 %
AA/Aa	79,813	45.6 %
A/A	13,921	7.9 %
BBB/Baa	13,528	7.7 %
Not rated*	24,710	14.1 %
N/A**	22,356	12.8 %
Total Fixed Income Investments***	\$ 175,167	100.0 %

*Includes Government Mortgage-Backed Securities such as FNMA and FHLMC. These securities are issued by Government Sponsored Entities and are not rated by the rating agencies. They are implicitly guaranteed by the U.S. Government. Additionally, \$1 million Corporate ABS, MBS, and CMOs are included.

**These include U.S. government obligations (Treasury Bills, Treasury Notes, and GNMA) explicitly guaranteed by the U.S. government which are not considered to have credit risk.

***\$141,212 of exchange-traded swaps are excluded because they are not exposed to credit risk.

As of June 30, 2025, the securities lending collateral of \$45.7 million was not rated.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Custodial Credit Risk:

Custodial credit risk is the risk that, in the event of a failure of a depository financial institution or counterparty to a transaction, there will be an inability to recover the value of deposits, investments, or collateral securities in the possession of an outside party.

The California Government Code requires that governmental securities or first trust deed mortgage notes be used as collateral for demand deposits and certificates of deposit at 110 percent and 150 percent, respectively, of all deposits not covered by federal deposit insurance. As the City holds cash and certificates of deposit on behalf of PFRS, the collateral must be held by the pledging financial institution's trust department and is considered held in the City's name. For all other PFRS deposits, the collateral must be held by the pledging financial institution's trust department and is considered held in the PFRS' name.

The City, on behalf of PFRS, does not have any funds or deposits that are not covered by depository insurance, which are either uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name. PFRS does not have any investments that are not registered in the name of PFRS and are either held by the counterparty or the counterparty's trust department or agent, but not in PFRS' name.

Foreign Currency Risk: Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair values of an investment or deposit. Currency hedging is allowed under the PFRS investment policy for defensive purposes only. The investment policy limits currency hedging to a maximum of 25 percent of the portfolio value.

The following summarizes PFRS' investments denominated in foreign currencies as of June 30, 2025 (in thousands):

<u>Foreign Currency</u>	
Australian Dollar	\$ 1,152
Brazilian Real	1,892
British Pound	6,371
Canadian Dollar	3,154
Danish Krone	610
Euro	11,628
Hong Kong Dollar	5,665
Hungarian Forint	721
Indonesian Rupiah	406
Japanese Yen	7,348
Mexican Peso	543
New Israeli Shekel	418
New Zealand Dollar	310
Singapore Dollar	1,210
South African Rand	772
Swiss Franc	2,217
Thai Baht	919
Total foreign currency	\$ 45,668

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Securities Lending Transactions: PFRS's investment policy authorizes participation in securities lending transactions, which are short-term collateralized loans of PFRS's securities to brokers-dealers with a simultaneous agreement allowing PFRS to invest and receive earnings on the collateral received. All securities loans can be terminated on demand by either PFRS or the borrower, although the average term of such loans is one week.

The administrator of the PFRS's securities lending activities is responsible for maintaining an adequate level of collateral in an amount equal to at least 102 percent of the fair value of loaned U.S. government securities, common stock and other equity securities, bonds, debentures, corporate debt securities, notes, and mortgages or other obligations held in U.S. Dollars. The minimum collateral is 105 percent for any securities held in currencies other than the U.S. Dollar. Collateral received may include cash, letters of credit, or securities. The term to maturity of the loaned securities is generally not matched with the term to maturity of the investment of said collateral. If securities collateral is received, PFRS cannot pledge or sell the collateral securities unless the borrower defaults.

As of June 30, 2025, management believes that PFRS has minimized its credit risk exposure to borrowers because the amounts held by PFRS as collateral exceeded the securities loaned by PFRS. PFRS' contract with the administrator requires it to indemnify PFRS if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities borrowed) or fail to pay PFRS for income distributions by the securities' issuers while the securities are on loan.

The following table summarizes investments in securities lending transactions and collateral received as of June 30, 2025 (in thousands):

	Securities Lending		
	Fair Value of Loaned Securities		
	For Cash Collateral	For Non-Cash Collateral	Total
Securities on Loan for Cash Collateral			
U.S. Government and Agencies	\$ 8,513	\$ 1,283	\$ 9,796
U.S. Corporate Bonds	8,311	326	8,637
U.S. Equities	26,992	13,554	40,546
Non-U.S. Equities	1,023	1,598	2,621
Total investments in securities lending transaction	\$ 44,839	\$ 16,761	\$ 61,600
Collateral Received	\$ 45,681	\$ 17,222	\$ 62,903

Derivative Instruments: PFRS reports its derivative instruments under the provisions of GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. Pursuant to the requirements of this statement, PFRS has provided a summary of derivative instrument activities during the reporting periods presented and the related risks.

As of June 30, 2025, the derivative instruments held by PFRS are considered investments and not hedges for accounting purposes. All investment derivatives are reported as investments at fair value in the statement of fiduciary net position. The gains and losses arising from this activity are recognized as incurred in the statement of changes in fiduciary net position. All investment derivatives discussed below are included within the investment risk schedules, which precede this subsection. Investment derivative instruments are disclosed separately to provide a comprehensive and distinct view of this activity and its impact on the overall investment portfolio valuation methods used by the PFRS are described more in detail in Note 2.c).

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

The fair value of the exchange traded derivative instruments, such as futures, options, rights, and warrants are based on quoted market prices. The fair values of forward foreign currency contracts are determined using a pricing service, which uses published foreign exchange rates as the primary source. The fair values of swaps are determined by PFRS's investment managers based on quoted market prices of the underlying investment instruments.

The table below presents the notional amounts, the fair values, and the related net appreciation (depreciation) in the fair value of derivative instruments that were outstanding at June 30, 2025 (in thousands):

Derivative Type/Contract	Notional Amount	Fair Value	Net Appreciation (Depreciation) in Fair Value
Swaps			
Credit Contracts	\$ 1,920	\$ 141	\$ 69

Counterparty Credit Risk – PFRS is not exposed to credit risk on non-exchange traded derivative instruments that are in liability positions. As of June 30, 2025, PFRS held no forward currency contracts in liability positions.

Custodial Credit Risk – The custodial credit risk disclosure for exchange traded derivative instruments is made in accordance with the custodial credit risk disclosure requirements of GASB Statement No. 40. At June 30, 2025, all of PFRS's investments in derivative instruments are held in PFRS's name and are not exposed to custodial credit risk.

Interest Rate Risk – The table below describes the maturity periods of the derivative instruments exposed to interest rate risk at June 30, 2025 (in thousands):

Derivative Type/Contract	Fair Value	Maturities	
		Less than 1 Year	1-5 years
Swaps			
Credit Contracts	\$ 141	\$ —	\$ 141

Foreign Currency Risk - At June 30, 2025, PFRS had no foreign currency risk.

Contingent Features - At June 30, 2025, PFRS held no positions in derivatives containing contingent features.

Oakland Redevelopment Successor Agency

The ORSA's cash and investments consist of the following at June 30, 2025 (in thousands):

Cash and Investments	Amount
Unrestricted cash and investments	
Demand deposits	\$ 2,851
Investments	21,987
Total unrestricted cash and investments	24,838
Restricted investments	15,636
Total cash and investments	\$ 40,474

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Investments: The ORSA follows the City's Investment Policy, which is governed by provisions of the California Government Code 53600 and the City's Municipal Code. The ORSA also has investments subject to provisions of the bond indentures of the Former Agency's and ORSA's various bond issues. According to the Investment Policy and bond indentures, the ORSA is permitted to invest in the State of California Local Agency Investment Fund (LAIF), obligations of the U.S. Treasury or U.S. government agencies, time deposits, money market mutual funds invested in U.S. government securities, along with various other permitted investments. Under the provisions of the bond indentures, certain accounts with trustees were established for repayment of debt, amounts required to be held in reserve, and temporary investments for unexpended bond proceeds.

The ORSA categorizes its fair value measurements within the fair value hierarchy established by GAAP. At June 30, 2025, the ORSA does not have any of its investments using Level 1 and 3 inputs. The ORSA has the following recurring fair value measurements as of June 30, 2025 (in thousands):

	Significant other observable inputs (Level 2)	Investments measured at the net asset value (NAV)
Unrestricted investments:		
U.S. Government Agency Securities (Discount)	\$ 19,987	\$ —
Money Market Mutual Funds	—	2,000
Restricted investments:		
Money Market Mutual Funds	—	15,636
Total	<u>\$ 19,987</u>	<u>\$ 17,636</u>

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, ORSA will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, ORSA will not be able to recover the value of the investment or collateral securities that are in the possession of another party.

The California Government Code requires that a financial institution secure its deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by the depository regulated under State law (unless so waived by the governmental unit). The fair value of the pledged governmental securities and/or first trust deed mortgage notes held in the collateral pool must be at least 110% and 150% of ORSA's deposits, respectively. The collateral is held by the pledging financial institution's trust department and is held in the ORSA's name.

As of June 30, 2025, the carrying amount of the ORSA's deposits was \$2.9 million. The deposits are insured by the Federal Deposit Insurance Corporation (FDIC) insurance coverage limit of \$0.25 million, and the remaining bank balance of \$2.7 million is collateralized with securities held by the pledging financial institutions as required by Section 53652 of the California Government Code.

ORSA invests in individual investments. Individual investments are evidenced by specific identifiable securities instruments, or by an electronic entry registering the owner in the records of the institution issuing the security, called the book entry system. In order to increase security, the ORSA employs the trust department of a bank or trustee as the custodian of certain ORSA investments, regardless of their form.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Credit Risk: Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This risk is measured by the assignment of a rating by the nationally recognized statistical rating organizations. The ORSA's Investment Policy has mitigated credit risk by limiting investments to the safest types of securities, by prequalifying financial institutions, by diversifying the portfolio and by establishing monitoring procedures.

Interest Rate Risk: Interest rate risk is the risk that changes in market rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market rates. ORSA's Investment Policy has mitigated interest rate risk by establishing policies over liquidity.

As of June 30, 2025, ORSA had the following investments, credit risk ratings, and maturities (in thousands):

Type of Investment	Current Yield (%)	Credit Ratings (S&P)	Maturities
			Less than 1 Year
Unrestricted investments:			
U.S. Government Agency Securities (Discount)	4.69	AA+	\$ 19,987
Money Market Mutual Funds	4.27	AAA	2,000
Total unrestricted investments			<u><u>\$ 21,987</u></u>
Restricted investments:			
Money Market Mutual Funds	4.15	AAA	\$ 15,636
Total restricted investments			<u><u>\$ 15,636</u></u>

Concentration of Credit Risk: Concentration of credit risk is the risk that the failure of any one issuer would place an undue financial burden on ORSA. Investments issued by or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are exempt from this requirement, as they are normally diversified themselves.

The following table shows ORSA's investments in one issuer that exceeds 5 percent of ORSA's total pooled and restricted investment portfolio at June 30, 2025 (in thousands):

Type of Investment/Issuer	Amount	Share of ORSA's Unrestricted Portfolio
Federal Home Loan Bank	\$ 14,988	39.8%
Federal Home Loan Mortgage Corporation	4,999	13.3%

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Component Unit – Port of Oakland

The Port's cash, cash equivalents, and investments consisted of the following at June 30, 2025 (in thousands):

City investment pool	\$ 765,527
Government Securities Money Market Mutual Funds	45,085
Cash	7
Total cash and investments	\$ 810,619

Investments: Under the City Charter, all cash receipts from the operations of the Port are deposited in the City Investment Pool. These funds are managed and invested by the City, pursuant to the City's Investment Policy, that the City administers and reviews annually. For this reason, the Port does not maintain its own investment policy and relies on the City Investment Policy to mitigate the risks described below.

Senior Lien Bonds and Intermediate Lien Bonds reserves are on deposit with the Senior Lien Bonds and Intermediate Lien Bonds trustee, respectively. The investment of funds held by the Senior Lien Bonds and Intermediate Lien Bonds trustee are governed by the Senior Trust Indenture and Intermediate Trust Indenture, respectively, and are invested in Government Securities Money Market Mutual Funds and US Treasury Notes.

At June 30, 2025, the Port had the following cash equivalents and investments (in thousands):

	<u>Fair Value</u>	<u>Fair Value Hierarchy</u>	<u>Credit Ratings per Moody's</u>	<u>Maturity Less than 1 Year</u>
Cash	\$ 7	Exempt	Not Rated	\$ 7
Government Securities Money Market Mutual Funds	45,085	Exempt	Not Rated	45,085
City investment pool	765,527	Exempt	Not Rated	765,527
Total investments	\$ 810,619			\$ 810,619

Investments exempt from fair value treatment consist of cash, Government Securities Money Market Mutual Funds and the City Investment Pool. Government Securities Money Market Mutual Funds are valued at their net asset value, and the City Investment Pool is not subject to fair value measurement in the Port's financial Statements. However, the City Investment Pool's fair value disclosure is presented previously in this note.

Deposits in Escrow: Deposits in escrow consist of amounts received from construction contractors that are deposited into an escrow account in-lieu of retention withheld from construction progress billings. Interest on these deposits accrues to the contractor. As of June 30, 2025, the Port had deposits in escrow of \$1.5 million.

Investments Authorized by Debt Agreements: The following are the types of investments generally allowed under the Senior Trust Indenture and the Intermediate Trust Indenture (Intermediate Trust Indenture, together with the Senior Trust Indenture, are referred to as the Trust Indentures): U.S. Government Securities, U.S. Agency Obligations, obligations of any State in the U.S., prime commercial paper, FDIC insured deposits, certificates of deposit, banker's acceptances, money

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

market mutual funds, long or medium-term corporate debt, repurchase agreements, state-sponsored investment pools, and investment contract agreements.

Interest Rate Risk: This risk represents the possibility that an interest rate change could adversely affect an investment's fair value. Pursuant to the City Charter, all cash receipts from Port operations are deposited in the City Investment Pool. For this reason, the Port does not have a formal policy to manage interest risk. In order to manage interest rate risk:

- Proceeds from bonds are invested in permitted investments, as stated in the Trust Indentures.
- The deposits held by the City Treasury are invested pursuant to the City's Investment Policy, which limits the terms of its investments and establishes minimum allowable credit ratings, as well as other controls. Also, Section 53601 of the State of California Government Code limits the maximum maturity of any investment to be no longer than 5 years unless authority for such investment is expressly granted in advance by the City Council or authorized by bond covenants.

Credit Risk: This risk represents the possibility that the issuer/counterparty to an investment will be unable to fulfill its obligation. Pursuant to the City Charter, all cash receipts from Port operations are deposited in the City Investment Pool. For this reason, the Port does not have a formal policy to manage credit risk.

In order to manage credit risk:

- Provisions of the Trust Indentures prescribe restrictions on the types of permitted investments of the monies held by the trustee in the funds and accounts created under the Trust Indentures, including agreements or financial institutions that must meet certain ratings, such as certain investments that must be rated in either of the two highest ratings by S&P and Moody's.
- The deposits with the City Treasury are invested in short-term debt that is rated at least A-1 by S&P, P-1 by Moody's or F-1 by Fitch Ratings. Long-term debt shall be rated at least A by S&P, A2 by Moody's, and A by Fitch Ratings.

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of a depository financial institution or a counterparty to a transaction, the Port will not be able to recover the value of its investment or collateral securities that are in possession of another party.

To protect against custodial credit risk:

- All securities owned by the Port under the terms of the Trust Indentures are held in the name of the Port for safekeeping by a third party bank trust department, acting as an agent for the Port. The Port had investments held by a third party bank trust department in the amount of \$45.1 million at June 30, 2025.
- All securities the Port has invested with the City are held in the name of the City for safekeeping by a third party bank trust department, acting as an agent for the City under the terms of the custody agreements. The Port had \$765.5 million invested in the City Investment Pool on June 30, 2025.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

As of June 30, 2025, the Port had deposits in escrow totaling \$1.5 million, which were held in Union Bank, California Bank, and Fremont Bank, and of which \$1 million were insured or collateralized with securities held by pledging financial institution's trust department in the Port's name.

Concentration of Credit Risk: The Trust Indentures place no limit on the amount the Port may invest in any one issuer.

Port revenues are deposited in the City Treasury. These and all City funds are pooled and invested in the City Investment Pool.

B. INTERFUND TRANSACTIONS

“Due to” and “due from” balances have primarily been recorded when funds overdraw their share of pooled cash and interfund loans. The amounts due from the Oakland Redevelopment Successor Agency are related to advances and interfund loans made by the City for projects, loans, and services. The receivable amounts of ORSA relate to project advances made by ORSA for the City. The internal service funds’ borrowing will be repaid over a reasonable period of time as described in Note III, part D.

Primary Government

1. Due from/Due to other funds

The amounts payable to the General Fund to cover the other City funds’ overdraft position as of June 30, 2025, is as follows (dollars in thousands):

Payable Fund	Amount
Other Governmental Funds	\$ 1,458
Parks and Recreation Enterprise Fund	763
Internal Service Funds	<u>6</u>
Total Primary Government	<u>2,227</u>
Custodial Fund (Fiduciary Fund)	<u>129</u>
Total due to the General Fund	<u><u>\$ 2,356</u></u>

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

2. Interfund Transfers

The following schedule summarizes the City's transfer activities for the year ended June 30, 2025 (dollars in thousands):

Transfer Out	Transfer In	Amount	
General Fund	Other Governmental Funds	\$ 58,677	(1)
	Other Special Revenue Fund	23,565	(2)
Other Governmental Funds	General Fund	1,063	(3)
	Other Governmental Funds	1,346	(1)
Other Special Revenue Fund	General Fund	1,535	(3) (4)
Municipal Capital Improvement Fund	Other Governmental Funds	432	(5)
Sewer Service Fund	General Fund	1,697	(3)
Nonmajor Parks and Recreation Fund	General Fund	1	(3)
Internal Service Funds	General Fund	6,263	(3) (6)
	Nonmajor Parks and Recreation Fund	427	(7)
	Total	\$ 95,006	

Significant transfers for the year ended June 30, 2025 include the following:

- (1) Transfers of debt service payments.
- (2) Transfers for the Kids' First Children's Program.
- (3) Transfers for the City's claims and liability payments.
- (4) Transfer of Impact Fee Fund balance.
- (5) Transfer of Measure DD closing balance.
- (6) Council Balancing Actions .
- (7) Drawdown of insurance proceeds.

3. ORSA Reimbursements to the City

In FY 2024-25, ORSA incurred a total of \$1.3 million expense in general administrative and project-related overhead. Of this amount, \$0.8 million reimbursed the City for general and administrative overhead and \$0.5 million paid for project-related overhead and operational costs for support services provided by designated City employees.

4. Due to the City

At June 30, 2025, ORSA has a payable to the City in the amount of \$2.1 million, which included the Former Agency's Low and Moderate Housing Fund loan of \$1.4 million to the Central City East Project Funds where the Low and Moderate Housing Funds Assets were transferred to the Housing Successor, a payable of \$0.7 million to the City for support services.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

5. ORSA Transfers of Excess Bond Proceeds

The transfer of excess bond proceeds to the City as requested by ORSA and approved by DOF pursuant to Health and Safety Code section 34179 (h) fulfills ORSA's Bond Expenditure Agreement (BEA) with the City. The BEA authorizes the transfers of "excess" or unobligated bond funds from ORSA to the City. In FY 2024-25, no excess bond proceeds were available; therefore, no transfer of excess bond proceeds occurred.

Component Unit - Port of Oakland (Port)

The City has entered into agreements with the Port for various services such as aircraft rescue and firefighting, Special Services, General Services, and Lake Merritt Trust Services. The City provides these services to the Port.

Special Services include designated police services, personnel, City clerk, legislative programming, and treasury services. General Services includes fire, rescue, police, street maintenance, treasury, and similar services. Lake Merritt Trust Services includes items such as recreation services, grounds maintenance, security, and lighting.

Payments to the City for these services are made upon presentation of supporting documentation and authorizations from the Board of Commissioners.

1. Special Services and Aircraft Rescue & Fire Fighters (ARFF)

Payments for Special Services and ARFF are treated as a cost of Port operations pursuant to City Charter Section 717(3) Clause Third and have priority over certain other expenditures of Port revenues. Special Services and ARFF from the City totaled \$9.2 million and are included in operating expenses. At June 30, 2025, \$4.6 million was accrued as current liability by the Port and as a receivable by the City.

2. General Services and Lake Merritt Trust Services

Payments for General Services provided by the City are payable only to the extent the Port determines annually that surplus monies are available under the Charter for such purposes. As of June 30, 2025, the Port accrued approximately \$1.3 million of payments for General Services. Additionally, the Port accrued approximately \$1.8 million to reimburse the City for Lake Merritt Trust Services in fiscal year 2025. Subject to availability of surplus monies, the Port expects that it will continue to reimburse the City annually for General Services and Lake Merritt Trust Services.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

C. NOTES AND LOANS RECEIVABLE, NET OF ALLOWANCE

Primary Government

The composition of the City's notes and loans receivable for governmental activities, net of the allowance for uncollectible accounts, as of June 30, 2025, is as follows (in thousands):

Type of Loan	General Fund	Federal/ State Grant Fund	LMIHF¹	Municipal Capital Improve- ment Fund	Other Special Revenue Fund	Total
HUD loans	\$ —	\$ 142,883	\$ 443,900	\$ 13,168	\$ —	\$ 599,951
Economic development loans and other	55,188	133,639	—	139,489	1,483	329,799
Less: allowance for uncollectible accounts	(2,866)	(55,294)	(138,037)	(13,334)	(687)	(210,218)
Total notes and loans receivables, net	\$ 52,322	\$ 221,228	\$ 305,863	\$ 139,323	\$ 796	\$ 719,532

¹Low and Moderate Income Housing Asset Fund

Management has determined that certain loans may be forgiven or renegotiated and extended long into the future if certain terms and conditions of these loans are met. As of June 30, 2025, it was determined that \$210.2 million of the loan portfolio is not expected to be ultimately collected.

Prior to the effective date of the Redevelopment Dissolution Law, California Community Redevelopment Law required that at least 20 percent of the incremental tax revenues generated from certain redevelopment project areas be used to increase, improve, and preserve the affordable housing stock for families and individuals with very low, low, and moderate incomes. In response to this former requirement, the City established its 20 percent Housing Program and an additional 5 percent of the former tax increment to offer financial assistance to qualified developers, families, and individuals by providing loans at "below market" rates. Upon dissolution of the Former Agency, the City assumed the housing activity function of the Former Agency. All loans receivable relating to the Low and Moderate Income Housing Program have been transferred from the Former Agency to the LMIHF, which was established as of February 1, 2012 pursuant to City Council Resolution No. 83680 C.M.S.. As of June 30, 2025, loans receivable relating to the LMIHF program totaled approximately \$305.9 million, net of allowance for uncollectible accounts.

Oakland Redevelopment Successor Agency (ORSA)

ORSA received loans from the Former Agency upon its dissolution. These loans bear no interest and mature on various dates up until May 2070. A loan is deemed uncollectible when the property securing the loan is foreclosed by senior lien holder and there is insufficient equity to pay the loan.

Composition of loans receivable as of June 30, 2025 is as follows (in thousands):

Type of Loan	Amount
Housing developments project	\$ 1,462
Economic development	5,924
Gross loans receivable	7,386
Less: allowance for uncollectible	(4,349)
Total loans receivables, net	\$ 3,037

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

D. CAPITAL ASSETS

Primary Government

1. Summary Schedule

The following is a summary of governmental activities capital assets activity for the year ended June 30, 2025 (in thousands):

	Balance June 30, 2024	Additions	Deletions/ Adjustments	Transfers of Completed Construction	Balance June 30, 2025
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 241,399	\$ 278	\$ —	\$ —	\$ 241,677
Intangibles (easements)	2,607	—	—	—	2,607
Museum collections	2,375	—	—	—	2,375
Construction in progress	146,660	140,045	—	(155,435)	131,270
Total capital assets, not being depreciated	393,041	140,323	—	(155,435)	377,929
Capital assets, being depreciated:					
Facilities and improvements	906,340	597	—	17,265	924,202
Furniture, machinery, and equipment	399,904	7,057	(592)	14,377	420,746
Infrastructure	1,367,927	14,990	—	123,793	1,506,710
Total capital assets, being depreciated	2,674,171	22,644	(592)	155,435	2,851,658
Less accumulated depreciation:					
Facilities and improvements	615,732	20,741	—	—	636,473
Furniture, machinery, and equipment	304,080	18,677	(582)	—	322,175
Infrastructure	635,314	47,405	—	—	682,719
Total accumulated depreciation	1,555,126	86,823	(582)	—	1,641,367
Total capital assets, being depreciated, net	1,119,045	(64,179)	(10)	155,435	1,210,291
Lease assets, being amortized (see Note II, part H.)					
Buildings	16,881	—	(1,458)	—	15,423
Less accumulated amortization:	6,211	1,571	(71)	—	7,711
Total lease assets, being amortized, net	10,670	(1,571)	(1,387)	—	7,712
SBITAs, being amortized (see Note II, part H.)					
SBITA assets	12,634	—	—	—	12,634
Less accumulated amortization:	6,804	3,527	—	—	10,331
Total SBITAs, being amortized, net	5,830	(3,527)	—	—	2,303
Governmental Activities - capital assets, net	\$1,528,586	\$ 71,046	\$ (1,397)	\$ —	\$1,598,235

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

The following is a summary of business-type activities capital assets activity for the year ended June 30, 2025 (in thousands):

	Balance June 30, 2024	Additions	Deletions	Transfers of Completed Construction	Balance June 30, 2025
Business-Type Activities:					
Sewer Service Fund:					
Capital assets, not being depreciated:					
Land	\$ 4	\$ —	\$ —	\$ —	\$ 4
Construction in progress	788	1,437	—	(68)	2,157
Total capital assets, not being depreciated	792	1,437	—	(68)	2,161
Capital assets, being depreciated:					
Facilities and improvements	490	—	—	—	490
Furniture, machinery and equipment	10,941	1,897	—	—	12,838
Sewer and storm drains	407,301	—	—	68	407,369
Street work	140	—	—	—	140
Total capital assets, being depreciated	418,872	1,897	—	68	420,837
Less accumulated depreciation:					
Facilities and improvements	364	7	—	—	371
Furniture, machinery, and equipment	9,279	933	—	—	10,212
Sewer and storm drains	160,053	7,304	—	—	167,357
Street work	27	7	—	—	34
Total accumulated depreciation	169,723	8,251	—	—	177,974
Total capital assets, being depreciated, net	249,149	(6,354)	—	68	242,863
Sewer Service Fund, capital assets, net	\$ 249,941	\$ (4,917)	\$ —	\$ —	\$ 245,024
Parks and Recreation Fund:					
Capital assets, not being depreciated:					
Land	\$ 361	\$ —	\$ —	\$ —	\$ 361
Construction in progress	—	—	—	—	—
Total capital assets, not being depreciated	361	—	—	—	361
Capital assets, being depreciated:					
Facilities and improvements	5,102	—	—	—	5,102
Furniture, machinery and equipment	615	—	(2)	—	613
Infrastructure	85	—	2	—	87
Total capital assets, being depreciated	5,802	—	—	—	5,802
Less accumulated depreciation					
Facilities and improvements	4,322	44	—	—	4,366
Furniture, machinery and equipment	556	14	—	—	570
Infrastructure	87	—	—	—	87
Total accumulated depreciation	4,965	58	—	—	5,023
Total capital assets, being depreciated, net	837	(58)	—	—	779
Parks and Recreation Fund, capital assets, net	\$ 1,198	\$ (58)	\$ —	\$ —	\$ 1,140
Business-Type Activities - capital assets, net	\$ 251,139	\$ (4,975)	\$ —	\$ —	\$ 246,164

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

2. Depreciation and Amortization

Depreciation and amortization expense was charged to various governmental and business-type activities of the City for the year ended June 30, 2025 is as follows (in thousands):

Governmental Activities:

General Government	\$ 2,786
Public Safety	4,372
Community and Human Services	6,026
Community and Economic Development	14,041
Public Works and Transportation	53,382
Capital assets held by internal service funds that are charged to various functions based on their usage of the assets	11,314
Total	\$ 91,921

Business-Type Activities:

Sewer	\$ 8,250
Parks and Recreation	58
Total	\$ 8,308

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Component Unit – Port of Oakland

1. Summary Schedule

A summary of changes in capital assets for the year ended June 30, 2025, is as follows (in thousands):

	Balance June 30, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
Capital assets, not being depreciated					
Land	\$ 523,546	\$ —	\$ —	\$ —	\$ 523,546
Intangibles (noise easements and air rights)	25,853	—	—	—	25,853
Construction in progress	61,473	148,055	—	(108,721)	100,807
Total capital assets, not being depreciated	610,872	148,055	—	(108,721)	650,206
Capital assets, being depreciated:					
Building and improvements	1,018,052	—	—	12,347	1,030,399
Container cranes	130,321	—	—	—	130,321
Infrastructure	2,367,356	—	—	87,603	2,454,959
Software	19,671	420	—	2,398	22,489
Right-to-use intangible assets ¹	6,552	1,064	(1,297)	—	6,319
Other equipment	164,713	3,129	(68)	6,373	174,147
Total capital assets, being depreciated	3,706,665	4,613	(1,365)	108,721	3,818,634
Less accumulated depreciation:					
Building and improvements	751,110	19,404	—	—	770,514
Container cranes	114,217	4,187	—	—	118,404
Infrastructure	1,476,723	85,334	25	—	1,562,082
Software	16,176	879	—	—	17,055
Right-to-use intangible assets ¹	2,425	1,209	(981)	—	2,653
Other equipment	108,456	9,153	(68)	—	117,541
Total accumulated depreciation	2,469,107	120,166	(1,023)	—	2,588,250
Total capital assets, being depreciated, net	1,237,558	115,553	342	108,721	1,230,384
Port-capital assets, net	<u>\$1,848,430</u>	<u>\$ 32,502</u>	<u>\$ 342</u>	<u>\$ —</u>	<u>\$1,880,590</u>

For the year ended June 30, 2025, the Port recognized a \$0.2 million loss, which is due to disposal of capital assets offset by cash proceeds from sale of assets.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

E. PROPERTY HELD FOR RESALE

Primary Government

At June 30, 2025, the City has a total of \$125.9 million of property held for resale. During the year ended June 30, 2025, the City sold the Raider's training facility previously classified as property held for resale with book value of \$18 million for \$11.9 million.

Oakland Redevelopment Successor Agency (ORSA)

As of June 30, 2025, ORSA has a total \$2.8 million for properties recorded at the lower of cost or estimated conveyance value. On May 29, 2014, pursuant to HSC Section 34191.4, the California Department of Finance approved the ORSA's Long-Range Property Management Plan addressing the disposition and use of Former Agency properties and authorizing the disposition of properties pursuant to the plan.

F. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Primary Government

Accounts payable and accrued liabilities at June 30, 2025, are as follows (in thousands):

	Accounts Payable	Accrued Payroll/ Employee Benefits	Total
Governmental Activities:			
Governmental Funds:			
General Fund	\$ 53,414	\$ 26,714	\$ 80,128
Federal/State Grant Fund	23,935	—	23,935
Low and Moderate Income Housing Asset Fund	3	—	3
Municipal Capital Improvement Fund	8,180	—	8,180
Other Special Revenue Fund	18,954	—	18,954
Other Governmental Funds	7,140	—	7,140
Total governmental funds	111,626	26,714	138,340
Internal service funds	8,679	—	8,679
Total governmental activities	<u>\$ 120,305</u>	<u>\$ 26,714</u>	<u>\$ 147,019</u>
Business-type Activities:			
Sewer Service Fund	\$ 2,667	\$ —	\$ 2,667
Nonmajor Fund Parks and Recreation	7	—	7
Total business-type activities	<u>\$ 2,674</u>	<u>\$ —</u>	<u>\$ 2,674</u>

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Accounts payable and accrued liabilities for the pension trust fund at June 30, 2025, are as follows (in thousands):

Pension Trust Fund	
Accounts payable	\$ 14
Member benefits payable	4,018
Investments payable	79,678
Investment management fees payable	378
Total pension trust fund	\$ 84,088

G. LONG-TERM AND OTHER OBLIGATIONS

Primary Government

1. Summary Schedule of Long-Term Debt

The following is a summary of long-term obligations of the City as of June 30, 2025 (in thousands):

Governmental Activities			
Type of Obligation	Final Maturity Year	Remaining Interest Rates	Amount
Bonds payable:			
General obligation bonds	2054	1.73 - 6.25%	\$ 706,815
Lease revenue bonds	2027	5.00%	15,850
Pension obligation bonds	2026	4.68%	53,605
City guaranteed special assessment district bonds	2040	3.00 - 3.63%	1,065
Unamortized premiums and discounts, net			37,659
Total bonds payable			\$ 814,994
Financed purchase obligations payable:			
Financed purchase obligations	2030	1.77 - 2.88%	\$ 4,852
Right-to-use liabilities:			
Leases	2033	0 - 5.56%	9,365
SBITAs	2027	2.49 - 2.87%	1,369
Total right-to-use liabilities			\$ 10,734

Business-type Activities			
Type of Obligation	Final Maturity Year	Remaining Interest Rates	Amount
Bonds payable:			
Sewer revenue bonds	2029	5.00%	\$ 12,935
Unamortized bond premium			1,372
Total bonds payable			\$ 14,307

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

2. Summary of Changes in Long-term Obligations

Primary Government

The changes in long-term obligations for the year ended June 30, 2025, are as follows (in thousands):

	Balance at July 1, 2024	Additions	Reductions	Balance at June 30, 2025	Amounts due within one year
Governmental activities:					
Bonds payable:					
General obligation bonds (A)	\$ 735,565	\$ —	\$ 28,750	\$ 706,815	\$ 20,130
Lease revenue bonds (B)	23,195	—	7,345	15,850	7,725
Pension obligation bonds (C)	104,000	—	50,395	53,605	53,605
City guaranteed special assessment district bonds (C)	1,460	—	395	1,065	60
Unamortized premium and discounts, net	40,207	—	2,548	37,659	2,591
Total bonds payable	<u>904,427</u>	<u>—</u>	<u>89,433</u>	<u>814,994</u>	<u>84,111</u>
Financed purchase obligations payable:					
Financed purchase obligations (B) and (D)	8,433	—	3,581	4,852	1,263
Right-to-use liabilities:					
Leases	12,806	—	3,441	9,365	1,736
SBITAs	4,905	—	3,536	1,369	990
Total right-to-use liabilities	<u>17,711</u>	<u>—</u>	<u>6,977</u>	<u>10,734</u>	<u>2,726</u>
Other long-term liabilities:					
Accrued vacation and sick leave (E)	80,819	—	1,215	79,604	61,046
Pledge obligation for Coliseum Authority debt (B)	1,177	—	1,177	—	—
Estimated environmental cost (B)	1,121	63	229	955	400
Self-insurance liability - workers' compensation (B)	88,056	36,197	31,230	93,023	20,149
Self-insurance liability - general liability (B)	89,330	47,448	38,408	98,370	33,151
Total other long-term liabilities	<u>260,503</u>	<u>83,708</u>	<u>72,259</u>	<u>271,952</u>	<u>114,746</u>
Total governmental activities	<u><u>\$ 1,191,074</u></u>	<u><u>\$ 83,708</u></u>	<u><u>\$ 172,250</u></u>	<u><u>\$ 1,102,532</u></u>	<u><u>\$ 202,846</u></u>
Business-type activities:					
Sewer fund - bonds payable	\$ 15,795	\$ —	\$ 2,860	\$ 12,935	\$ 3,000
Unamortized bond premium	1,715	—	343	1,372	343
Total business-type activities	<u><u>\$ 17,510</u></u>	<u><u>\$ —</u></u>	<u><u>\$ 3,203</u></u>	<u><u>\$ 14,307</u></u>	<u><u>\$ 3,343</u></u>

Debt service payments are made from the following sources:

- (A) Property tax recorded in the Debt Service Funds
- (B) Revenues recorded in the General Fund
- (C) Property tax voter-approved debt
- (D) Revenues recorded in the Special Revenue Funds
- (E) Balance at July 1, 2024 was previously reported as \$69,271 and was restated by \$11,548 due to the implementation of GASB Statement No. 101, *Compensated Absences*.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Internal service funds predominantly serve governmental funds and therefore, the long-term liabilities of these funds are included as part of the above totals for governmental activities. At June 30, 2025, \$8.4 million of lease liability, SBITA liability, and financed purchase obligations related to the internal service funds are included in the above amounts.

Pension obligation bonds are serviced by a dedicated pension override property tax. Lease revenue bonds, accrued vacation and sick leaves, environmental liabilities, and self-insurance liabilities are typically liquidated by the General Fund. Governmental activities' share of net pension liability and net OPEB liability (see Note III) are typically liquidated by the General Fund.

3. Annual Requirements to Maturity

Primary Government

The annual repayment schedules for governmental activities' long-term debt as of June 30, 2025, are as follows (in thousands):

Governmental Activities¹						
Year Ending June 30	General Obligation Bonds		Lease Revenue Bonds		Special Assessment District Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 20,130	\$ 26,336	\$ 7,725	\$ 599	\$ 60	\$ 34
2027	20,730	25,705	8,125	203	60	32
2028	23,840	24,971	—	—	60	30
2029	24,660	24,135	—	—	65	29
2030	24,835	23,250	—	—	65	27
2031 - 2035	133,915	100,401	—	—	350	102
2036 - 2040	121,315	75,001	—	—	405	37
2041 - 2045	135,230	52,737	—	—	—	—
2046 - 2050	136,165	27,325	—	—	—	—
2051 - 2054	65,995	5,475	—	—	—	—
Total	\$ 706,815	\$ 385,336	\$ 15,850	\$ 802	\$ 1,065	\$ 291

Year Ending June 30	Financed Purchase Obligations		Pension Obligation Bonds		Total ²	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 1,263	\$ 122	\$ 53,605	\$ 1,253	\$ 82,783	\$ 28,344
2027	1,135	90	—	—	30,050	26,030
2028	845	63	—	—	24,745	25,064
2029	868	39	—	—	25,593	24,203
2030	741	15	—	—	25,641	23,292
2031 - 2035	—	—	—	—	134,265	100,503
2036 - 2040	—	—	—	—	121,720	75,038
2041 - 2045	—	—	—	—	135,230	52,737
2046 - 2050	—	—	—	—	136,165	27,325
2051 - 2054	—	—	—	—	65,995	5,475
Total	\$ 4,852	\$ 329	\$ 53,605	\$ 1,253	\$ 782,187	\$ 388,011

¹ The specific year for payment of other long-term liabilities is not practicable to determine.

² Repayment schedules for leases and SBITAs can be found at Note II., Part H.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

The City's general obligation bonds, pension obligation bonds, and lease revenue bonds do not permit acceleration upon an event of default or provide for other finance-related consequences. The City's financed purchase obligations provide for the return of leased equipment in the event of a termination of the lease by the City. In addition, payments due within the same fiscal year may become immediately due upon an event of default.

The annual repayment schedules for business-type activities' long-term debt as of June 30, 2025, are as follows (in thousands):

Business-Type Activities		
Year Ending June 30	Sewer Revenue Bonds	
	Principal	Interest
2026	\$ 3,000	\$ 647
2027	3,155	497
2028	3,305	339
2029	3,475	174
Total	\$ 12,935	\$ 1,657

The City pledged future net revenues to repay its sewer revenue bonds. The total principal and interest remaining to be paid on the bonds is \$14.6 million. The principal and interest payments made in FY 2024-25 were \$3.7 million and pledged revenues (total net revenues calculated in accordance with the bond indenture) for the year ended June 30, 2025 were \$26.2 million. Debt service payments on the City's sewer bonds are subject to acceleration in the event of default.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Oakland Redevelopment Successor Agency (ORSA)

1. Summary Schedule of Long-Term Debt

The following is a summary of ORSA's long-term debt as of June 30, 2025 (in thousands):

	Original Issued Amount	Issued Year	Maturity Fiscal Year	Interest Rate Range	June 30, 2025 Principal Balance
Tax Allocation Bonds:					
<u>Coliseum Area Redevelopment Project</u>					
Tax Allocation Bonds, Series 2006B-T	\$ 73,820	2006	2036	5.54%	\$ 42,615
<u>Central City East Redevelopment Project</u>					
Tax Allocation Bonds, Series 2006A-T	62,520	2006	2035	5.54%	31,160
<u>Broadway/MacArthur/San Pablo Redevelopment Project</u>					
Tax Allocation Bonds, Series 2006C-T	12,325	2006	2033	5.59%	5,235
Tax Allocation Bonds, Series 2010T	7,390	2010	2041	7.20% - 7.40%	6,620
Subtotal	<u>156,055</u>				<u>85,630</u>
Subordinated Tax Allocation Refunding Bonds:					
Series 2015-TE	22,510	2015	2037	5.00%	22,510
Series 2015-T	66,675	2015	2036	4.16% - 4.92%	34,490
Series 2018-TE	15,190	2018	2032	5.00%	15,190
Series 2018-T	41,765	2018	2040	3.25% - 4.00%	29,285
Subtotal	<u>146,140</u>				<u>101,475</u>
Total long-term debt	<u>\$ 302,195</u>				<u>\$ 187,105</u>

2. Revenues Pledged for the Repayment of Debt Service

Tax Allocation Bonds

The Tax Allocation Bonds (TAB), which are comprised of Series 2006B-T, Series 2006A-T, Series 2006C-T, and Series 2010T Bonds were issued primarily to finance redevelopment projects and are all secured by pledge of redevelopment property tax revenues, consisting of a portion of taxes levied upon all taxable properties within each of the tax increment generating redevelopment project areas, and are equally and ratably secured on a parity with each TABs series.

As of June 30, 2025, the total principal and interest remaining on these TABs was \$116.2 million and the property tax revenues are pledged until the year 2041, the final maturity date of the bonds. Debt service payments are requested through the Recognized Obligation Payment Schedule (ROPS) as enforceable obligations until the debt obligations have been satisfied.

Subordinated Tax Allocation Refunding Bonds

The Subordinated Tax Allocation Refunding Bonds are comprised of Series 2015-TE and Series 2015-T (the Series 2015 Bonds), and Series 2018-TE and Series 2018-T Bonds (the Series 2018 Bonds). These Bonds are limited obligations of the ORSA and payable from and secured by pledged tax revenues. Pledged tax revenues are allocated to the ORSA, excluding tax revenues required to pay debt service on the existing bonds and amounts required to be paid to taxing entities pursuant to the Redevelopment Dissolution Act, unless such payments are subordinated.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

As of June 30, 2025, the total principal and interest remaining on Series 2015 Bonds and Series 2018 Bonds was \$140.6 million and the property tax revenues are pledged until the fiscal year 2040, the final maturity date of the bonds. The ORSA's debt service payments are requested through the ROPS as enforceable obligations until the debt obligations have been satisfied.

Events of Default and Acceleration Clauses

ORSA is considered to be in default if ORSA fails to pay the principal or redemption price of or sinking fund installment for, or interest on, any outstanding bond, when and as the same will become due and payable, whether on the interest payment date, at maturity, by call redemption, or otherwise. If ORSA defaults on its obligations under the bond indenture, the trustee has the right to accelerate the bonds. Each bond insurer will be entitled to control and direct the enforcement of all rights and remedies granted to the bond owners. In the event the maturity of a bond is accelerated, the bond insurer, in its sole discretion, may elect to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by ORSA) and the trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date, the bond insurer's obligations under the insurance policy with respect to the bond shall be fully discharged. However, in the event of a default and such acceleration, there can be no assurance that the trustee will have sufficient moneys available for payment of the bonds.

3. Summary of Changes in Long-Term Obligations

The changes in long-term obligations for the year ended June 30, 2025, are as follows (in thousands):

Oakland Redevelopment Successor Agency				
	Balance at July 1, 2024	Reductions	Balance at June 30, 2025	Amounts due within one year
Tax allocation bonds	\$ 91,460	\$ (5,830)	\$ 85,630	\$ 6,150
Subordinated tax allocation refunding bonds	106,130	(4,655)	101,475	4,825
Less unamortized amounts:				
Issuance premiums	3,251	(354)	2,897	354
Issuance discounts	(681)	43	(638)	(43)
Total ORSA	\$ 200,160	\$ (10,796)	\$ 189,364	\$ 11,286

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

4. Annual Requirements to Maturity

The debt service requirements for all debt are based upon a fixed rate of interest. The annual requirements to amortize outstanding tax allocation bonds outstanding as of June 30, 2025, including mandatory sinking fund payments, are as follows (in thousands):

Oakland Redevelopment Successor Agency				
Year Ending June 30	Tax Allocation Bonds		Subordinated Tax Allocation Refunding Bonds	
	Principal	Interest	Principal	Interest
2026	\$ 6,150	\$ 4,695	\$ 4,825	\$ 4,597
2027	6,490	4,344	5,055	4,364
2028	6,845	3,973	4,575	4,136
2029	7,225	3,581	4,585	3,918
2030	7,620	3,169	4,810	3,688
2031 - 2035	40,820	8,989	31,445	14,568
2036 - 2040	9,030	1,733	46,180	3,848
2041	1,450	54	—	—
Total	\$ 85,630	\$ 30,538	\$ 101,475	\$ 39,119

Component Unit- Port of Oakland

1. Summary Schedule of Long-Term Debt

The following is a summary of long-term debt of the Port as of June 30, 2025 (in thousands):

Component Unit - Port of Oakland			
Type of Obligation	Final Maturity Year	Remaining Interest Rates	Amount
Bonds, notes, and loans payable			
Senior and intermediate lien bonds	2033	1.081-5.00	\$ 458,335
Commercial Paper	2025	2.90-3.45	17,535
Unamortized bond discounts and premiums, net			15,121
Total bonds, notes, and loans payable			\$ 490,991

2. Revenues Pledged for the Repayment of Debt Service

The Port's long-term debt consists of taxable bonds, tax-exempt bonds, and short-term commercial paper notes. All of the Port's outstanding bonds, loans and commercial paper notes have been issued to finance or refinance capital improvements to the Port's aviation, maritime, commercial real estate and utilities infrastructure. All of the Port's outstanding bonds are revenue bonds, which are secured by Pledged Revenues of the Port. Pledged Revenues are substantially all revenues and other cash receipts of the Port, including, without limitation, amounts held in the Port Revenue Fund with the City, but excluding amounts received from certain taxes, certain insurance proceeds, special facilities revenues, and certain other gifts, fees, and grants that are restricted by their terms to purposes inconsistent with the payment of debt service. Pledged revenues amounted to \$496.5 million in fiscal year 2025.

In May 2024, the Port completed a transaction in which \$1.5 million of bonds maturing between November 1, 2024 and November 1, 2029 were defeased. As of June 30, 2025, \$1.3 million of the

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

original \$1.5 million of defeased bonds have not matured or have not been redeemed on their first optional redemption date. A further \$14.7 million of 2020 Series R bonds were redeemed using the "make-whole" call provision of the Port's Senior Trust Indenture. The redemption transaction was undertaken in order to utilize federal grants made available to fund aviation related costs. Ultimately, the Port was able to receive reimbursement of the total transaction cost from those grant funds

Pledged Revenues do not include cash received from passenger facility charges (PFCs) or customer facility charges (CFCs) unless projects included in a financing are determined to be PFC or CFC eligible and bond proceeds are expended on such eligible projects and the Port elects to pledge PFCs or CFCs as supplemental security to such applicable bonds. Currently, the Port has no bonds for which PFCs or CFCs are pledged.

Senior Lien Bonds

The 2020 Series R (collectively, the Senior Lien Bonds) were issued under the Senior Trust Indenture and are paid from Pledged Revenues first. As long as any Senior Lien Bonds remain outstanding, the Port has covenanted to collect rates, tolls, fees, rentals and charges so that Pledged Revenues in each fiscal year will be sufficient to pay all of the following amounts: (i) the sum of principal and interest on the outstanding Senior Lien Bonds; (ii) all other payments required for compliance with terms of the Senior Trust Indenture including, but not limited to, required deposits to any Reserve Fund; (iii) all other payments necessary to meet ongoing legal obligations to be paid from Pledged Revenues; and (iv) operation and maintenance expenses of the Port. In addition, payment of principal and interest on the Senior Lien Bonds when due is secured by a reserve fund held by the trustee. As of June 30, 2025, the reserve fund was invested in government securities money market mutual funds and U.S. Treasury Notes.

The Port has also covenanted in the Senior Trust Indenture that Net Pledged Revenue (Revenues less the Operation and Maintenance Expenses) will be equal to at least 125% of actual debt service for the Senior Lien Bonds (Senior Lien Debt Service Coverage Ratio).

Events of default under the Senior Lien Trust Indenture include, but are not limited to, a failure to pay principal or interest, or a failure to pay the purchase price of a bond when due upon an optional or mandatory tender date. Port bankruptcy, reorganization, receivership, etc., are also considered default events, as is the failure to observe any covenant, provision or condition of the Senior Lien Indenture or the Bonds, which continues for a period of 60 days after notice. Failure to observe the covenant provisions or conditions of any specific debt obligation issued under the Senior Lien Indenture, which continues for a period of 60 days after notice, may also be considered a default event. Finally, pursuant to supplemental indentures the Port will comply with the covenants of the tax certificates of the different bond series issued under the Senior Lien Trust Indenture. Remedies to any default under the Senior Lien Indenture or its supplements can include bringing suit upon the Senior Lien Bonds, or some other legal remedy to enforce the rights of bondholders.

As of June 30, 2025, the outstanding balance of Senior Lien Bonds is \$253.1 million.

Intermediate Lien Bonds

Bonds issued under the Intermediate Trust Indenture are next in payment priority. As of June 30, 2025, the bonds issued under this indenture consist of the 2017 Series D, Series E, and Series G Bonds (Series 2017 Bonds) and the 2021 Series H Bonds (collectively "Intermediate Lien Bonds"). The Intermediate Lien Bonds are paid from the Intermediate Lien Pledged Revenues. The Intermediate Lien Pledged Revenues are the Pledged Revenues after payment of all amounts payable for any Senior Lien Bonds. Payment of principal and interest on the Series 2017 Bonds and 2021 Series H Bonds is secured by a reserve fund held by the trustee, which includes a reserve surety

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

policy as well as a cash deposit of Series 2021 Bond proceeds. As of June 30, 2025, cash deposits of the Series H Bond proceeds were invested in government securities money market mutual funds.

The Port covenanted in the Intermediate Trust Indenture that Net Pledged Revenues will be equal to at least 110 percent of the actual debt service becoming due and payable on the combined Intermediate Lien Bonds and Senior Lien Bonds (Intermediate Lien Debt Service Coverage Ratio).

Events of default under the Intermediate Lien Trust Indenture include, but are not limited to, a failure to pay principal or interest, or a failure to pay the purchase price of a bond when due upon an optional or mandatory tender date. Port bankruptcy, reorganization, etc., are also considered default events, as is the failure to observe any covenant, provision or condition of the Intermediate Lien Indenture or the Bonds, which continues for a period of 180 days after notice. Failure to observe the covenant provisions or conditions of any specific debt obligation issued under the Intermediate Lien Indenture, which continues for a period of 180 days after notice, may also be considered a default event. Finally, pursuant to supplemental indentures the Port will comply with the covenants of the tax certificates of the different bond series issued under the Intermediate Lien Trust Indenture. The Port will also ensure that the tax-exempt status of the bonds is maintained. Remedies to any default under the Intermediate Lien Trust Indenture or its supplements can include bringing suit upon the Intermediate Lien Bonds, or some other legal action to enforce the rights of bondholders.

As of June 30, 2025, the outstanding balance of Intermediate Lien Bonds is \$205.3 million.

Commercial Paper Notes

Commercial Paper Notes (CP Notes) have the lowest payment priority. The Board of Commissioners authorized a \$150.0 million Commercial Paper program in 1998 and a further \$150.0 million was authorized in 1999. The maximum maturity of the CP Notes is 270 days and the maximum interest rate is 12 percent. The Port has classified the CP Notes as long-term debt as the Port intends and has the ability to reissue CP Notes until the expiration of the two irrevocable Letters of Credit (LOC), discussed below. Interest income paid to the holders of the CP Notes may fall under one of three tax treatments: tax-exempt Alternative Minimum Tax (AMT), tax-exempt non-AMT, and taxable.

The Port covenants in both of its LOC and Reimbursement Agreements with Bank of America National Association (BANA) that the Intermediate Lien Debt Service Coverage Ratio will equal to at least 110 percent.

On June 13, 2023, the Port extended the LOCs supporting its ABC Series and DEF Series of CP Notes, both issued by BANA. Specifically, the expiration dates of both LOCs were extended from June 30, 2023 to December 31, 2026. The BANA LOC supporting the DEF Series of CP Notes amounts to \$54.4 million (\$50 million principal and interest of \$4.4 million) and was originally issued on June 13, 2017. The BANA LOC supporting the ABC Series of CP Notes amounts to \$163.3 million (\$150 million principal and interest of \$13.3 million) and was originally issued on June 13, 2016.

As of June 30, 2025, the outstanding balance of CP Notes under the Port's ABC Series of CP Notes is \$2.3 million while the outstanding balance under the Port's DEF Series of CP Notes is \$15.2 million.

The reimbursement agreements between the Port and BANA, which describe the terms and conditions under which BANA issues the commercial LOCs supporting the Port's CP Notes, contain a number of default provisions and remedies. Events of default include the failure to reimburse draws, advances or term loans issued under the LOCs, or to pay LOC related fees to BANA when due. Breaches of any of the covenants, conditions or agreements in the reimbursement agreements and

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

other CP Notes related documents are also considered defaults, as are breaches of the covenants contained in the Senior Lien Indenture or Intermediate Lien Indenture. The reimbursement agreements also contain default provisions for bankruptcy, failure to make payments on other Port debt, the acceleration of other Port debt, legal/administrative changes affecting the Port's ability to pay its debts or comply with its agreements, and material unsatisfied legal judgments. The fee rate in effect in FY 2025 for the LOCs securing the Port's CP notes is 0.385%.

Any of the above defaults can trigger the immediate acceleration of LOC related fees to BANA, the reduction of the LOC stated amounts, and/or suspensions of the Port's ability to issue new CP Notes or make draws under the existing LOCs. Any accelerations or payment failures on other Port debt, failures to pay CP Notes related obligations, bankruptcy or limits to the Port's authority may also trigger a further remedy whereby advances and/or term loans under the LOCs would become immediately due and payable.

3. Summary of Changes in Long-Term Obligations

The changes in the Port's long-term obligations for the year ended June 30, 2025, are as follows (in thousands):

Component Unit - Port of Oakland					
	Balance at June 30, 2024	Additions	Reductions	Balance at June 30, 2025	Amounts due within one year
Bonds and notes payable:					
Senior and intermediate lien bonds	\$ 519,670	\$ —	\$ 61,335	\$ 458,335	\$ 62,970
Notes and loans payable (1)	22,535	—	5,000	17,535	—
Unamortized premium and discounts, net	21,942	—	6,821	15,121	5,521
Total bonds and notes payable	<u>564,147</u>	<u>—</u>	<u>73,156</u>	<u>490,991</u>	<u>68,491</u>
Other long-term liabilities:					
Accrued vacation, sick leave, and compensatory time	10,996	2,412	2,276	11,132	9,195
Environmental remediation	15,936	491	1,343	15,084	1,179
Self-insurance liability - worker's compensation	8,910	351	2,164	7,097	2,164
Other long-term liabilities	9,172	1,953	2,197	8,928	988
Total other long-term liabilities	<u>45,014</u>	<u>5,207</u>	<u>7,980</u>	<u>42,241</u>	<u>13,526</u>
Total component unit	<u>\$ 609,161</u>	<u>\$ 5,207</u>	<u>\$ 81,136</u>	<u>\$ 533,232</u>	<u>\$ 82,017</u>

(1) As of June 30, 2025, under the current LOCs, the Port was authorized to issue an aggregate principal amount of commercial paper notes up to \$200 million.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

4. Annual Requirements to Maturity

The Port's required debt service payments on its Senior Lien Bonds and Intermediate Lien Bonds are due each May 1 and November 1 through May 1, 2033. Commercial Paper has been classified as long-term debt because the Port has the intent and ability to continue to refinance this debt. The Port's required debt service payments for the outstanding long-term debt for the years ending June 30, are as follows (in thousands):

Year Ending June 30	Long-term Obligations		Commercial Paper (1)		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 62,970	\$ 14,660	\$ —	\$ 701	\$ 62,970	\$ 15,361
2027	69,025	12,270	2,923	1,071	71,948	13,341
2028	71,100	9,877	5,845	1,111	76,945	10,988
2029	73,605	7,375	5,845	555	79,450	7,930
2030	76,865	4,119	2,922	69	79,787	4,188
2031-2033	104,770	4,069	—	—	104,770	4,069
Total	\$ 458,335	\$ 52,370	\$ 17,535	\$ 3,507	\$ 475,870	\$ 55,877

(1) For purposes of this schedule, Commercial Paper debt is amortized over four fiscal years, pursuant to the "Term Loan" provisions of the Commercial Paper Reimbursement Agreements and a LOC Bank advance occurs in January 1 2027, after the expiration of the current LOC facility on December 31, 2026. Prior to the term loan period, a 4 percent interest rate for Commercial Paper notes is assumed. For the first 90 days, interest is calculated using the higher of 1) Bank of America National Association (BANA) prime rate plus one percent, or 2) Federal Funds rate plus two percent, or 3) seven percent. Thereafter, the interest rate specified above is increased by one percent.

City-Wide Debt

1. Debt Compliance

There are a number of limitations and restrictions contained in the various bond indentures held by the City, ORSA, and the Port. The City, ORSA, and the Port believe they are in compliance with all significant limitations and restrictions for which noncompliance would adversely affect its ability to pay debt service.

2. Legal Debt Limit and Legal Debt Margin

As of June 30, 2025, the City's debt limit (3.75% of valuation subject to taxation) was \$3.3 billion. The total amount of debt applicable to the debt limit was \$706.8 million. The resulting legal debt margin was \$2.6 billion.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

H. LEASES AND SBITAS

City as Lessor

At June 30, 2025, the City recorded \$44.2 million in lease receivables as lessor. The City leases all or portions of owned properties to generate income, promote local economic development, and support services provided by community partners.

Lease and interest revenues recognized during the year ended June 30, 2025, as well as lease receivable and lease related deferred inflows of resources as of June 30, 2025 are as follows (in thousands):

	Governmental Activities			
	General Fund	Municipal Capital Improvement Fund	Internal Service Fund	Total
Lease revenue	\$ 1,739	\$ 1,346	\$ 27	\$ 3,112
Lease interest revenue	1,374	1,689	32	3,095
Lease receivable	17,665	26,144	344	44,153
Deferred inflow of resources-leases	16,852	26,543	311	43,706

City as Lessee/Subscriber

At June 30, 2025, the City recorded six lease agreements as lessee and nine subscription-based information technology agreements (SBITAs). The City leases building space and enters into SBITAs where such arrangements are determined to be the most effective or feasible method of providing services. The annual debt service requirement for leases and SBITAs is as follows (in thousands):

	Governmental Activities			
	Leases		SBITAs	
Year Ending June 30	Principal	Interest	Principal	Interest
2026	\$ 1,736	\$ 369	\$ 990	\$ 24
2027	1,343	312	379	6
2028	1,256	257	—	—
2029	1,314	199	—	—
2030	1,373	139	—	—
2031 - 2035	2,343	123	—	—
Total	\$ 9,365	\$ 1,399	\$ 1,369	\$ 30

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Component Unit- Port of Oakland

A major portion of the Port's capital assets are leased to others. Leased assets include maritime facilities, aviation facilities, office and commercial space, and land.

1. Maritime Leases

The Port, as a lessor, leases land and facilities at market rates with terms ranging from 1 to 66 years. The leases generally provide for minimum rentals with percentage rent contingent on business sales or activity, and typically include provisions for rent changes based on the consumer price index or other market indexes, resulting in additional variable lease revenues that are not included in the measurement of the lease receivables. Variable lease payment received during the year ended June 30, 2025 was \$18.9 million. Certain maritime facilities are leased under agreements that provide the tenants with preferential, but nonexclusive, use of the facilities. In accordance with GASB No. 87, Maritime leases are based on the minimum fixed rent receivables and discounted to the present value per the lease term.

Minimum future lease revenue for years ending June 30 is as follows:

Year Ending June 30	Lease Revenue	Interest Revenue	Total
2026	\$ 109,486	\$ 20,759	\$ 130,245
2027	109,486	17,744	127,230
2028	107,537	14,545	122,082
2029	105,587	11,226	116,813
2030	90,856	8,153	99,009
2031 - 2035	161,616	14,901	176,517
2036 - 2040	8,285	6,788	15,073
2041 - 2045	5,610	5,686	11,296
2046 - 2050	3,748	4,779	8,527
2051 - 2055	2,507	4,376	6,883
Thereafter	14,541	14,224	28,765
Total	\$ 719,259	\$ 123,181	\$ 842,440

2. Aviation Leases

Aviation leases are mostly with air carriers and concessionaires for food and beverages, gift and news, duty-free, rental car facilities, and advertisements. In general, the agreements with air carriers provide for cancellation on a 30-day notice by either party. However, they are intended to be long-term in nature with renewal options. Accordingly, these agreements are considered short-term leases for purposes of financial reporting.

Other non-cancellable and non-regulated leases are recognized in accordance with GASB 87. Variable lease payments received during the year ended June 30, 2025 were \$58.8 million.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Minimum future lease revenue for years ending June 30 is as follows:

Year Ending June 30	Lease Revenue	Interest Revenue	Total
2026	\$ 20,786	\$ 5,612	\$ 26,398
2027	20,316	4,958	25,274
2028	18,304	4,330	22,634
2029	3,064	3,989	7,053
2030	3,064	3,894	6,958
2031-2035	15,318	17,876	33,194
2036-2040	15,318	14,635	29,953
2041-2045	15,318	10,422	25,740
2046-2050	15,318	4,979	20,297
2051-2052	3,838	217	4,055
Total	\$ 130,644	\$ 70,912	\$ 201,556

3. GASB No. 87 Excluded Leases – Regulated Aeronautical Service Providers

In accordance with the paragraphs 42 and 43 of GASB No. 87, the Port does not recognize lease receivables and deferred inflow of resources for leases between the Oakland Airport and the air carriers and other aeronautical users, which are regulated by the Department of Transportation and the Federal Aviation Administration. The lease amount is set annually on the aviation rates and charges. Regulated leases include various passenger airlines and cargo airline leases with terms ranging from 1 to 10 years.

Airlines who enter into operating lease agreements with the Port is defined as a Signatory Airline. The lease amount is set annually by the aviation rates and charges for its use of the terminals and can be cancelled anytime with 30 days' notice. The rights, services, and privileges, including preferentially assigned gates in connection with the use of the airport and its facilities are taken into the calculations of annual rates and charges.

Other aeronautical users are served through two Fixed Based Operators (FBOs), Kaiser Air and Signature Flight Support. Both provide other aeronautical users with essential aviation support services.

Minimum future lease revenue for years ending June 30 is as follows:

Year Ending June 30	Minimum Lease Revenue
2026	\$ 58,877
2027	37,227
2028	18,334
2029	14,065
2030	14,065
2031-2035	21,097
Total	\$ 163,665

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

4. Commercial Real Estate Leases

The Commercial Real Estate (CRE) Division of the Port leases out almost 19 miles or approximately 837 acres of land and waterfront property, along San Francisco Bay and the Oakland Estuary that is not used for maritime or aviation purposes. Much of the commercial land has been converted through private investment into homes, hotels, offices, shops, restaurants, parks, and industrial flex/research spaces. In most cases, the CRE division of the Port has entered into ground leases with development teams. The Port, as a lessor, leases land and facilities at market rates with terms ranging from 1 to 60 years. The leases generally provide for minimum rentals with percentage rent contingent on business sales or activity, and typically include provisions for rent changes based on the consumer price index or other market indexes, resulting in additional variable lease revenues that are not included in the measurement of the lease receivables. Variable lease payments received during the year ended June 30, 2025 were \$0.7 million.

Minimum future lease revenue for years ending June 30 is as follows:

Year Ending June 30	Lease Revenue	Interest Revenue	Total
2026	\$ 6,819	\$ 3,414	\$ 10,233
2027	6,650	3,255	9,905
2028	5,775	3,108	8,883
2029	5,678	2,947	8,625
2030	5,204	2,791	7,995
2031-2035	22,351	11,764	34,115
2036-2040	16,096	8,589	24,685
2041-2045	8,254	6,425	14,679
2046-2050	5,932	4,936	10,868
2051-2055	5,141	3,388	8,529
Thereafter	8,859	3,991	12,850
Total	\$ 96,759	\$ 54,608	\$ 151,367

5. SBITAs

At June 30, 2025, the Port recorded six qualifying SBITAs in accordance with GASB Statement No. 96. The terms of the agreements range from 2 to 7 years and used the tax-exempt Municipal Market Data (MMD) yield curve rates.

The SBITA asset, net of accumulated amortization is \$3.3 million and the respective subscription liability is \$2.7 million as of June 30, 2025. The Port recorded SBITA asset-related additions of \$0.4 million and amortization expense of \$1.2 million for the fiscal year ended June 30, 2025.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

The Port's required payments for the outstanding SBITA liability for the years ending June 30 are as follows:

Fiscal Year Ending	Cash	Interest Expense	Liability Reduction	Accrued Interest
2026	\$ 1,052	\$ 69	\$ 927	\$ 56
2027	829	39	773	17
2028	463	15	446	2
2029	463	2	461	—
Total	\$ 2,807	\$ 125	\$ 2,607	\$ 75

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

I. ESTIMATED LIABILITY FOR SELF-INSURANCE

Primary Government

The City is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; employee's injuries; natural disasters; unemployment coverage; and providing health benefits to employees, retirees, and their dependents. For the past three years, there have been no significant reductions in any of the City's insurance coverage and the City had one settlement that exceeded commercial insurance coverage.

The City is self-insured for its general liability, malpractice liability, public official's errors and omissions, products and completed operations, employment practices liability, and auto liability up to \$5.0 million retention level and up to \$0.75 million retention level for workers' compensation and has excess insurance with the California State Association of Counties - Excess Insurance Authority as described in the Insurance Coverage section.

1. Property Damage

Property damage risks are covered on an occurrence basis by commercial insurance purchased from independent third parties. All properties are insured at full replacement values after a \$10,000 deductible to be paid by the City. Vehicles are insured at full replacement value after a \$20,000 deductible. Equipment valued at more than \$250,000 is insured at full replacement after a \$100,000 deductible.

2. Workers' Compensation

The City is self-insured for workers' compensation up to a \$0.75 million retention level. Payment of claims is provided through annual appropriations, which are based on claim payment experience and supplemental appropriations. Of the \$93.0 million in claims liabilities as of June 30, 2025, approximately \$20.1 million is estimated to be due within one year.

Changes in self-insurance workers' compensation for the years ended June 30, 2025 and 2024 are as follows (in thousands):

	<u>2025</u>	<u>2024</u>
Self-insurance liability - workers' compensation, beginning of year	\$ 88,056	\$ 72,749
Current year claims and changes in estimates	36,197	45,273
Claims payments	<u>(31,230)</u>	<u>(29,966)</u>
Self-insurance liability - workers' compensation, end of year	<u>\$ 93,023</u>	<u>\$ 88,056</u>

The estimated undiscounted liability for claims and contingencies is based on the results of actuarial studies and includes amounts for claims incurred but not reported and allocated loss adjustment expenses. The estimated liability is calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

3. General Liability

Numerous lawsuits are pending or threatened against the City. The City estimates that as of June 30, 2025, the amount of liability determined to be probable of occurrence is approximately \$98.4 million. Of this amount, claims and litigation approximating \$33.2 million are estimated to be due within one year. The recorded liability is the City's best estimate based on available information and may be revised as further information is obtained and as pending cases are litigated and is discounted at a rate of 2.5 percent. The City and the ORSA are involved in various claims and litigation arising in the ordinary course of its activities. In the opinion of the ORSA's in-house counsel and the City Attorney's Office for the City, none of these claims are expected to have a significant impact on the financial position or changes in financial position of the City and the ORSA. The City has not accumulated or segregated assets or set aside fund balances for the payment of estimated claims and judgments.

Changes in general claims liabilities for the years ended June 30, 2025 and 2024 are as follows (in thousands):

	<u>2025</u>	<u>2024</u>
Self-insurance liability - general liability, beginning of year	\$ 89,330	\$ 92,736
Current year claims and changes in estimates	47,448	60,978
Claims payments	<u>(38,408)</u>	<u>(64,384)</u>
Self-insurance liability - general liability, end of year	<u>\$ 98,370</u>	<u>\$ 89,330</u>

The estimated undiscounted liability for claims and contingencies is based on the results of actuarial studies and includes amounts for claims incurred but not reported and allocated loss adjustment expenses. The estimated liability is calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors.

4. Insurance Coverage

On July 15, 2002, the City entered into a contract with the California State Association of Counties Excess Insurance Authority (CSAC EIA), a joint powers authority, whose purpose is to develop and fund programs of excess insurance for its member counties and cities. In 2020, CSAC EIA was renamed as Public Risk Innovation, Solutions, and Management (PRISM).

Effective July 1, 2024, the self-insured retention levels and purchased insurance per occurrence are as follows:

<u>Type of Coverage</u>	<u>Limits</u>	<u>Purchased Insurance Per Occurrence</u>
General Liability	Up to \$5.0 million	\$5.0 to \$25.0 million
Automobile Liability	Up to \$5.0 million	\$5.0 to \$25.0 million
Public Officials Errors and Omissions	Up to \$5.0 million	\$5.0 to \$25.0 million
Products and Completed Operations	Up to \$5.0 million	\$5.0 to \$25.0 million
Employment Practices Liability	Up to \$5.0 million	\$5.0 to \$25.0 million
Workers' Compensation	Up to \$750,000	\$750,000 to \$100.0 million

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Component Unit – Port of Oakland

1. Workers' Compensation

The Port is self-insured for workers' compensation of the Port's employees. The workers' compensation liability of \$7.1 million at June 30, 2025 is based upon an actuarial study performed as of June 30, 2025 that assumed a probability level of 80 percent and a discount rate of 0.0 percent.

Changes in liability, which is included as part of non-current liabilities, follows (in thousands):

	<u>2025</u>	<u>2024</u>
Self-insurance liability - workers' compensation, beginning of year	\$ 8,910	\$ 8,884
Current year claims and changes in estimates	351	2,078
Claims payments	<u>(2,164)</u>	<u>(2,052)</u>
Self-insurance liability - workers' compensation, end of year	<u>\$ 7,097</u>	<u>\$ 8,910</u>

2. General Liability - Insurance

The Port purchases insurance on certain risk exposures including but not limited to property, automobiles liability, airport liability, umbrella liability, environmental liability, fidelity, fiduciary liability, and public official's liability. Port deductibles for the various insured programs range from \$10,000 to \$2 million each claim. The Port is self-insured for other general liability and liability/litigation-type claims, workers' compensation of the Port's employees and most first party exposures. During fiscal year 2025 the Port carried excess insurance over \$1 million for the self-insured general liability and workers' compensation exposures. There have been no claim payments related to these programs that exceeded insurance limits in the last three years.

3. Capital Improvement Projects

The Port maintains an Owner Controlled Insurance Program (OCIP) and Owner Protective Professional Indemnity Insurance Program (OPPI) for contractors and consultants working on Port Capital Improvement Projects (CIP).

OCIP provides general liability insurance and workers' compensation insurance for contractors working on CIP projects. The Port is responsible for payment of the deductible/self-insured retention, which is currently \$0.25 million for each general liability and workers' compensation claim.

The OPPI protects the Port from the potential error and omission of consultants working on Port CIP projects. Consultants must meet minimum insurance requirements of \$1 million. If consultant's insurance does not respond, the Port would be responsible for a \$0.1 million self-insured retention. There is no actuarial forecast for this coverage.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

J. JOINT VENTURE

Oakland-Alameda County Coliseum

The City is a participant with the County of Alameda in a joint exercise of powers agreement forming the Oakland-Alameda County Coliseum Authority (Coliseum Authority), which was formed on July 1, 1995 to assist the City and the County in the financing of public capital improvements in the Oakland-Alameda County Coliseum Complex (Coliseum Complex) pursuant to the Marks-Roos Local Bond Pooling Act of 1985. The Oakland-Alameda County Coliseum Financing Corporation (Financing Corporation) is reported as a blended component unit of the Coliseum Authority. The eight-member Board of Commissioners of the Coliseum Authority consists of two council members from the City, two members of the Board of Supervisors from the County, two appointees of the City Council, and two appointees of the Board of Supervisors. The Board of Directors of the Financing Corporation consists of the City Manager and the County Administrator.

Stadium Bonds – Background

In August 1995, the Coliseum Authority issued \$9.2 million in Fixed Rate Refunding Lease Revenue Bonds and \$188.5 million in Variable Rate Lease Revenue Bonds (collectively known as the Stadium Bonds) to finance the costs of remodeling the stadium portion of the Coliseum complex as well as relocating the Raiders to the City.

On May 31, 2012, the Coliseum Authority issued \$122.8 million in Refunding Bonds Series 2012 A with coupons of 2 to 5 percent to refund and defease all outstanding variable rate 2000 Series C Refunding Bonds. The bonds were priced at a premium, bringing total proceeds to \$138.1 million. These funds coupled with \$13 million in the 2000 Series C reserve fund generated available funds of \$151.1 million which was used to refund the 2000 C Refunding Bonds of \$137.4 million, fund a reserve fund of \$12.8 million, and to pay underwriter's discount and issuance cost of \$0.9 million. The all-in-interest cost of the 2012A refunding bonds was 3.0 percent.

On December 14, 2021, the Coliseum Authority issued \$23.9 million in Lease Revenue Notes, 2021 Refunding Series A (Stadium Notes) which together with available revenue and existing reserves funded an escrow account to refund all outstanding Stadium Bonds. The Escrow Agent paid the scheduled debt service requirements of the Stadium Bonds on February 1, 2022 and will redeem those Stadium Bonds maturing on February 1, 2023 and thereafter, for all outstanding future debt service payments on the Stadium Bonds.

The Stadium Bonds are limited obligations of the Coliseum Authority payable solely from certain revenues of the Coliseum Authority, including revenues from the Stadium and Arena Complex and base rental payments from the City and the County. In the event that football revenues and other revenues received in connection with the Stadium are insufficient to make base rental payments, the City and the County are obligated to make up the shortfall in the base rental payments from their respective general funds. The City and the County each have covenanted to appropriate \$11.0 million annually to cover such shortfall in revenue; however, the City and the County are jointly and severally liable to cover such shortfall, which means that the City could have to pay up to \$22 million annually in the event of default by the County. Base rental payments are projected to cover one hundred percent of the debt service requirements over the life of the bonds. The obligation of the City and the County to make such payments is reduced to the extent the Coliseum Authority receives revenues generated at the complex to pay debt service and for operations and maintenance. The Stadium Bonds are not general obligations of either the City or the County. On February 1, 2025, the outstanding Stadium Bonds are fully paid off.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Arena Bonds – Background

On August 2, 1996, the Coliseum Authority issued \$70 million Series A-1 and \$70 million Series A-2 Variable Rate Lease Revenue Bonds (Arena Bonds) to finance the costs of remodeling the Coliseum Arena (Arena) and in connection with the retention of the Golden State Warriors (the Warriors) to play professional basketball at the Arena for at least 20 basketball seasons, beginning with the 1997-98 season.

On April 14, 2015, the Authority issued \$79.7 million in Refunding Bonds Series 2015 with coupons of 0.8 to 3.8 percent to refund and defease all outstanding variable rate 1996 Series A-1 and A-2 Bonds. The bonds were sold at par, bringing total proceeds to \$79.7 million.

Under the Bond Agreements, the Arena Bonds are limited obligations of the Coliseum Authority, payable solely from revenues received by the Coliseum Authority on behalf of the City and the County. Revenues consist of base rental payments from the City and the County, including certain payments from the Warriors of up to \$7.4 million annually from premium seating revenues. If necessary to prevent default, additional premium revenues up to \$10.0 million may be pledged to service Arena debt. If the revenues received from the Warriors and from Arena operations are not sufficient to cover the debt service requirements in any fiscal year, the City and the County are obligated to make up the shortfall in the base rental payments from their respective general funds. The County and the City each have covenanted to appropriate up to \$9.5 million annually to cover such shortfalls in revenue; however, the City and the County are jointly and severally liable to cover such shortfall, which means that the City could have to pay up to \$19 million annually in the event of default by the County.

On December 9, 2020, the California Supreme Court denied the Warriors' Petition for Review of lower court rulings that required them to continue to make payments towards debt service on the Arena Bonds following the team's move to San Francisco, consistent with their original agreement with the Authority. Since August 2019, the Warriors have paid the debt service installments that have come due and it is anticipated that they will continue to do so until the Arena Bond debt obligation is satisfied in 2026.

Debt Obligations

Long-term debt outstanding as of June 30, 2025 is as follows (in thousands):

Type of Indebtedness	Maturity	Interest Rate	Authorized and Issued	Outstanding as of June 30, 2025
Arena Bonds:				
2015 Refunding Series A Lease Revenue Bonds	February 1, 2026	3.8%	<u>\$ 79,735</u>	<u>\$ 4,885</u>

Debt payments during the year ended June 30, 2025 were as follows (in thousands):

	Stadium	Arena	Total
Principal	\$ 2,357	\$ 10,000	\$ 12,357
Interest	32	550	582
Total	<u>\$ 2,389</u>	<u>\$ 10,550</u>	<u>\$ 12,939</u>

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

The following is a summary of long-term debt transactions for the year ended June 30, 2025 (in thousands):

Outstanding lease revenue bonds, June 30, 2024	\$ 17,242
Principal repayments	<u>(12,357)</u>
Outstanding lease revenue bonds, June 30, 2025	<u>\$ 4,885</u>
Amount due within one year	<u><u>\$ (4,885)</u></u>

Annual debt service requirements to maturity for the lease revenue bonds, including interest payments, are as follows (in thousands):

Year Ending June 30,	Arena Bonds	
	Principal	Interest
2026	<u>\$ 4,885</u>	<u>\$ 185</u>

The Coliseum Authority relies on the City and the County to make base rental payments in order to fulfill its debt service obligations. The Coliseum Authority would be considered to be in default if one or more of the following events occurs: (1) the City and the County fail to pay any rental payable when it becomes due and payable, (2) the City and the County fail to comply with the terms, covenants and conditions of the Master Lease Agreement and (3) the City or the County declare bankruptcy or insolvency.

If an event of default occurs, the Trustee may declare the principal of all bonds then outstanding and the interest accrued thereon to be due and payable immediately. The Coliseum Authority may (1) terminate the Master Lease and recover certain damages, (2) re-enter or re-let the facilities, or (3) continue to collect rent from the City and the County on an annual basis by seeking a separate judgment each year for that year's defaulted base rental payments. Upon an event of default, there is no remedy of acceleration of the total base rental payments due over the term of the Master Lease.

Management of Coliseum Authority

The Coliseum Authority entered into an agreement with the Oakland Coliseum Joint Venture (OCJV) to manage the entire Coliseum complex beginning July 1, 1998. On January 1, 2001, the Coliseum Authority terminated its agreement with OCJV and reinstated its Operating Agreement with Coliseum Inc. Coliseum Inc. subcontracted all of the operations of the Coliseum Complex to OCJV. The Operating Agreement between the Coliseum Authority and Coliseum Inc. expired, by its terms, on July 31, 2006. The Coliseum Authority entered into a Termination Agreement whereby, in return for certain consideration, the Coliseum Authority agreed to perform the duties of Coliseum, Inc. on and after August 1, 2006. The Coliseum Authority's management agreement with OCJV expired in June 2012. In July 2012, AEG Management Oakland, LLC took over management of the Coliseum Complex after signing a ten-year agreement. The agreement was extended for an additional term of four years commencing July 1, 2022.

Under the joint exercise of power agreement, which formed the Coliseum Authority, the City is responsible for funding up to 50 percent of the Coliseum Authority's operating costs and debt service requirements; to the extent such funding is necessary. During the year ended June 30, 2025, the City made contributions of \$5.0 million to fund its share of operating deficits and debt service payments of the Coliseum Authority.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

The Coliseum Authority has anticipated a deficit for operating costs and repayment of its Stadium Bonds, such that the City and the County will have to contribute to base rental payments. The City has appropriated \$7.5 million in its General Fund for these purposes for the year ending June 30, 2025. The City has not established a contingent liability for the Arena Bonds because management is of the opinion that revenues from the Arena, including payments from the Warriors and revenues from Arena operations, will be sufficient to meet debt service requirements.

Complete financial statements for the Coliseum Authority can be obtained from the County Auditor-Controller's Office at 1221 Oak Street, Room 249, Oakland, CA 94612.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

III OTHER INFORMATION

A. DEFINED BENEFIT PENSION PLANS

1. General Information About the Pension Plans

The City has three defined benefit retirement plans: Oakland Police and Fire Retirement System (PFRS), the California Public Employees' Retirement System (CalPERS) Safety Plan, and the CalPERS Miscellaneous Plan.

PFRS is a closed single employer pension plan that covered employees hired prior to July 1976. Public safety employees hired subsequent to PFRS' closure date and certain employees hired before the closure date who elected to change plans are covered by CalPERS. PFRS issues a publicly available financial report that includes financial statements and required supplementary information for the PFRS Plan. PFRS' standalone financial statements are available by contacting the City Administrator's Office, One Frank Ogawa Plaza, Oakland, CA 94612 or can access the financial statements via the City's website, www.oaklandca.gov.

The CalPERS Safety and Miscellaneous Plans are agent multiple-employer defined benefit pension plans administered by CalPERS. A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the Plans' Annual Actuarial Valuation Reports (funding valuation). Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website at www.calpers.ca.gov.

2. Benefits

PFRS – PFRS provides death, disability, and service retirement benefits to uniformed employees and their beneficiaries. Members who completed at least 25 years of service, or 20 years of service and have reached the age of 55, or have reached the age of 65, were eligible for retirement benefits. The basic retirement allowance equals 50 percent of the compensation attached to the average rank held during the three years immediately preceding retirement, plus an additional allowance of 1-2/3 percent of such compensation for each year of service (up to ten) subsequent to: a) qualifying for retirement, and b) July 1, 1951. Early retirees received reduced benefits based on the number of years of service. Benefit provisions and all other requirements are established by the City Charter (Charter).

CalPERS – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. The cost of living adjustments for the CalPERS plans are applied as specified by the Public Employees' Retirement Law. The California Public Employees' Pension Reform Act (PEPRA), which took effect in January 2013, changes the way CalPERS retirement and health benefits are applied, and places compensation limits on members. As such, members who established CalPERS membership on or after January 1, 2013 are known as "PEPRA" members.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

CalPERS' Miscellaneous Plan provisions and benefits in effect at June 30, 2025 are summarized as follows:

	Hire Date		
	Prior to 6/9/2012	6/9/2012 through 12/31/12	On or After 1/1/2013 ⁽¹⁾
Benefit formula	2.7% @ 55	2.5% @ 55	2.0% @ 62
Retirement age	50-55	50-55	52-67
Monthly benefits, as a % of eligible compensation	2.0% - 2.7%	2.0% - 2.5%	1.0% - 2.5%
Required employee contribution rates	0.0812	0.0812	7.25% - 8.12%
Required employer contribution rates 2025 ⁽²⁾	12.010%	12.010%	10.790% - 12.010%

(1) For "new members" as defined by the Public Employees' Pension Reform Act (PEPRA)

(2) Excludes contribution payments of \$83.3 million for unfunded liability

CalPERS' Safety Plan provisions and benefits in effect at June 30, 2025 are summarized as follows:

	Hire Date		
	Prior to 6/9/2012	6/9/2012 to 12/31/2012	On or After 1/1/2013 ⁽¹⁾
Benefit formula	3.0% @ 50	3.0% @ 55	2.7% @ 57
Retirement age	50	50-55	50-57
Monthly benefits, as a % of eligible compensation	3.0%	2.4% - 3.0%	2.0% - 2.7%
Required employee contribution rates	0.1078	10.8% - 12.0%	10.8% - 11.5%
Required employer contribution rates 2025 ⁽²⁾	19.860%	16.151% - 19.860%	19.860%

(1) For "new members" as defined by the Public Employees' Pension Reform Act (PEPRA)

(2) Excludes contribution payments of \$77.4 million for unfunded liability

Covered Employees - As of June 30, 2024 actuarial valuation, the following employees were covered by the benefit terms of each pension plan:

	PFRS Plan	CalPERS Miscellaneous Plan	CalPERS Safety Plan
Inactive employees or beneficiaries receiving benefits	626	4,096	1,575
Inactive employees entitled to but not yet receiving benefits	—	2,310	501
Active employees	—	3,044	1,128
Total	626	9,450	3,204

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

3. Contributions

For the year ended June 30, 2025, the City's actuarially determined contributions were as follows (in thousands):

PFRS Plan	\$ 34,845
CalPERS Miscellaneous Plan (City)	112,927
CalPERS Miscellaneous Plan (Port)	27,048
CalPERS Safety Plan (City)	108,459
Total	<u><u>\$ 283,279</u></u>

PFRS – The City contributes, at a minimum, such amounts that are necessary, determined on an actuarial basis, to provide assets sufficient to meet benefits to be paid to PFRS members. The City is required to fund all liabilities for future benefits for all members by June 30, 2026. In order to do so, the City makes contributions at rates established by consulting actuaries based upon plan valuations using various assumptions as to salary progression, inflation, and rate of return on investments. The City's contributions are based on a level percentage of all uniformed employees' compensation. Significant actuarial assumptions used to compute actuarially determined contribution requirements are the same as those used to compute the pension benefits.

On July 30, 2012, the City issued additional Pension Obligation Bonds (Series 2012) and contributed \$210.0 million to PFRS. As a result of a funding agreement entered into between the PFRS Board and the City, no additional contributions were required until July 1, 2017. The City resumed contributions to PFRS on July 1, 2017. The City contributed \$34.8 million in the year ended June 30, 2025.

CalPERS – Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

4. Net Pension Liability

The table below shows how the net pension liability as of June 30, 2025, is distributed (in thousands).

Governmental Activities	\$ 1,728,216
Business-type Activities	46,394
Component Unit - Port of Oakland	196,848
Total	<u>\$ 1,971,458</u>

As of June 30, 2025, the City's net pension liability is comprised of the following (in thousands):

PFRS Plan	\$ 47,233
CalPERS Miscellaneous Plan (City)	727,411
CalPERS Miscellaneous Plan (Port)	196,848
CalPERS Safety Plan (City)	999,966
Total	<u>\$ 1,971,458</u>

The City's net pension liability is measured for each plan as the total pension liability, less the pension plan's fiduciary net position. The net pension liability is measured as of June 30, 2024, using an annual actuarial valuation as of June 30, 2023, rolled forward to June 30, 2024, using standard update procedures. The Port's proportionate share of the City's Miscellaneous Plan was determined based on a three-year average of the Port's employer contributions divided by the total employer contributions and was 22.39 percent for the June 30, 2024 measurement date.

The changes in the net pension liability for the PFRS Plan are as follows (in thousands):

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2023 (measurement date)	\$ 533,790	\$ 416,130	\$ 117,660
Change for the year:			
Interest on the total pension liability	29,961	—	29,961
Differences between expected and actual experience	(6,650)	—	(6,650)
Change of assumptions	(9,758)	—	(9,758)
Contributions - employer	—	40,763	(40,763)
Net investment income	—	44,913	(44,913)
Administrative expenses	—	(1,696)	1,696
Benefit payments, including refunds	(50,102)	(50,102)	—
Net changes	(36,549)	33,878	(70,427)
Balance at June 30, 2024 (measurement date)	<u>\$ 497,241</u>	<u>\$ 450,008</u>	<u>\$ 47,233</u>

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

The changes in the net pension liability for each CalPERS plan are as follows (in thousands):

	CalPERS Miscellaneous Plan (including Port*)			CalPERS Safety Plan		
	Increase (Decrease)			Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2023 (measurement date)	\$3,293,550	\$2,316,141	\$ 977,409	\$2,765,569	\$1,764,841	\$1,000,728
Changes for the year:						
Service cost	59,742	—	59,742	55,776	—	55,776
Interest on the total pension liability	225,236	—	225,236	191,129	—	191,129
Differences between expected and actual experience	37,260	—	37,260	45,619	—	45,619
Contributions from the employer	—	131,189	(131,189)	—	102,351	(102,351)
Contributions from employees	—	26,765	(26,765)	—	24,286	(24,286)
Net investment income	—	219,319	(219,319)	—	168,086	(168,086)
Administrative expenses	—	(1,885)	1,885	—	(1,437)	1,437
Benefits payments, including refunds of employee contributions	(192,794)	(192,794)	—	(138,185)	(138,185)	—
Net changes	129,444	182,594	(53,150)	154,339	155,101	(762)
Balance at June 30, 2024 (measurement date)	\$3,422,994	\$2,498,735	\$ 924,259	\$2,919,908	\$1,919,942	\$ 999,966

*The Port is a participant in a cost-sharing plan arrangement with the City's CalPERS Miscellaneous Plan.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

5. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2025, the City and the Port recognized pension expense of \$256.7 million and \$27.3 million, respectively. At June 30, 2025, the City's deferred outflows of resources and deferred inflows of resources related to pension items are from the following sources (in thousands):

	CalPERS							
	PFRS Plan		City Miscellaneous Plan		Safety Plan		Total City	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 34,845	\$ —	\$ 96,748	\$ —	\$ 112,380	\$ —	\$ 243,973	\$ —
Change in assumptions	—	—	1,924	—	31,767	—	33,691	—
Differences between expected and actual experience	—	—	26,637	(587)	54,223	(7,935)	80,860	(8,522)
Net differences between projected and actual earnings on plan investments	—	(9,518)	29,177	—	27,834	—	57,011	(9,518)
Change in proportionate share	—	—	4,276	—	—	—	4,276	—
Total	\$ 34,845	\$ (9,518)	\$ 158,762	\$ (587)	\$ 226,204	\$ (7,935)	\$ 419,811	\$ (18,040)

At June 30, 2025, the City's pension expense was composed of the following amounts by plan (in thousands):

	CalPERS			
	PFRS Plan	City Miscellaneous Plan	Safety Plan	Total City
Pension expense	\$ (7,713)	\$ 117,114	\$ 147,311	\$ 256,712

At June 30, 2025, the Port's deferred outflows of resources and deferred inflows of resources related to pension items are from the following sources (in thousands):

	Port Miscellaneous Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 27,048	\$ —
Change in assumptions	521	—
Differences between expected and actual experience	7,208	(159)
Net differences between projected and actual earnings on plan investments	7,896	—
Change in proportionate share	—	(4,441)
Total	\$ 42,673	\$ (4,600)

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

At June 30, 2025, the City and the Port reported \$244.0 million and \$27.0 million, respectively, as deferred outflows of resources related to contributions subsequent to the measurement date, which will be recognized as a reduction to net pension liability in the subsequent fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows (in thousands):

Measurement Period Ending June 30	Deferred Outflows/(Inflows) of Resources			
	PFRS	City Miscellaneous Plan (including Port)	City Safety Plan	Total
2025	\$ (5,570)	\$ 19,423	\$ 31,800	\$ 45,653
2026	7,983	73,612	73,006	154,601
2027	(7,056)	(8,235)	5,386	(9,905)
2028	(4,875)	(12,348)	(4,303)	(21,526)
Total	\$ (9,518)	\$ 72,452	\$ 105,889	\$ 168,823

6. Actuarial Assumptions

The June 30, 2023 valuation was rolled forward to determine the June 30, 2024 total pension liability, based on the following actuarial methods and assumptions:

	PFRS Plan	CalPERS Miscellaneous and Safety Plans
Valuation date	July 1, 2024	June 30, 2023
Measurement date	June 30, 2024	June 30, 2024
Actuarial cost method	Entry-age normal cost method	Entry-age normal cost method
Discount rate	5.00%	6.90%
Inflation rate	2.75% (U.S.) to 2.85% (Bay Area)	2.30%
Salary increases	n/a	Varies by Entry Age and Service
Post-retirement benefits increases	Police - 3.0 % increase at July 1, 2024 and 2025, 3.25% increase starting at July 1, 2026 Fire - 3.0% increase at July 1, 2024 and 2025, 3.25% increase starting at July 1, 2026	The lesser of contract cost of living adjustment or 2.3% until purchasing power protection allowance floor on purchasing power applies, 2.3% thereafter

For the PFRS Plan, mortality rates for healthy lives were based on the sex distinct 2021 CalPERS Healthy Annuitant Mortality Table, with generational mortality improvements projected from 2017 using Projection Scale MP-2021. Mortality rates for disabled lives were based on the sex distinct 2021 CalPERS Industrial Disability Mortality Table, with generational mortality improvements projected from 2017 using Projection Scale MP-2021. The mortality tables are projected to improve with MP-2021 generational mortality improvement tables, with improvements projected from a base year of 2017 (the mid-point of the CalPERS base tables).

For the CalPERS Miscellaneous and Safety Plans, the mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Change in Assumptions – For the PFRS Plan, the discount rate was reduced from 5.09% to 5.00% and the post-retirement benefits increases were updated.

Discount Rates

PFRS – The long term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

Best estimates of geometric real rates of return for each major class included in the PFRS's target asset allocation as of June 30, 2024 measurement date are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Fixed Income	2.0%
Domestic Equity	5.7%
International Equity	6.1%
Covered Calls	4.2%
Crisis Risk Offset	2.2%
Credit	4.0%
Cash	(0.3)%

The discount rate used to measure the total pension liability was 5.00 percent. The projection of cash flows used to determine the discount rate assumed that the City would contribute to the PFRS Plan based on its July 1, 2012 funding agreement with the PFRS. This agreement had suspended City contributions until the fiscal year beginning July 1, 2017. The City has resumed contributions, with a City Charter requirement that the PFRS Plan's liabilities be fully funded by July 1, 2026. A cash flow projection showed that the projected fiduciary net position would be greater than or equal to the benefit payments projected for each future period. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CalPERS - The discount rate used to measure each of the CalPERS Miscellaneous Plan and Safety Plan total pension liability was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building - block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 basis points. The expected real rates of return by asset class are as follows:

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Asset Class	Assumed Asset Allocation	Real Return ⁽¹⁾⁽²⁾
Global Equity- Cap-weighted	30.00 %	4.54 %
Global Equity- Non-Cap-weighted	12.00 %	3.84 %
Private Equity	13.00 %	7.28 %
Treasury	5.00 %	0.27 %
Mortgage-backed Securities	5.00 %	0.50 %
Investment Grade Corporates	10.00 %	1.56 %
High Yield Bonds	5.00 %	2.27 %
Emerging Market Debt	5.00 %	2.48 %
Private Debt	5.00 %	3.57 %
Real Assets	15.00 %	3.21 %
Leverage	(5.00)%	(0.59)%

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021 Asset Liability Management Study.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's net pension liability for each of the City's retirement plans and the Port's proportionate share of the net pension liability of the City's CalPERS Miscellaneous Plan. The sensitivity of the net pension liability is calculated using the discount rate, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate (in thousands).

	1% Decrease at 5.90%	Measurement Date at 6.90%	1% Increase at 7.90%
CalPERS Miscellaneous Plan (City)	\$ 1,054,789	\$ 727,411	\$ 454,743
CalPERS Miscellaneous Plan (Port proportionate share)	285,441	196,848	123,060
CalPERS Safety Plan (City)	1,410,068	999,966	665,889
	1% Decrease at 4.00%	Measurement Date at 5.00%	1% Increase at 6.00%
PFRS	\$ 84,972	\$ 47,233	\$ 14,009

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

B. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Primary Government

1. Plan Description

The City has three programs in place to partially pay health insurance premiums for certain classes of retirees from City employment. City retirees are eligible for retiree health benefits if they meet certain requirements relating to age and service. The retiree health benefits are described in the labor agreements between the City and local unions and in City resolutions. The demographic rates used for the CalPERS plans were public safety employees retirement benefits under a 3% at 50 formula and miscellaneous employees retirement benefits under a 2.7% at 55 formula.

In 2014, the City began to partially pre-fund the actuarially determined contribution (ADC) to the California Employer's Retiree Benefit Trust (CERBT), an agent multiple-employer defined benefit post-employment healthcare plan administered by CalPERS. The CERBT is an Internal Revenue Code (IRC) Section 115 Trust and an investment vehicle that can be used by all California public employers to prefund future retiree health and OPEB costs.

The City's single-employer defined benefit retiree health plan (Postretirement Health Plan) allows eligible retirees and their dependents to receive employer-paid medical insurance benefits through CalPERS. The medical insurance reimbursement is not to exceed the Kaiser-HMO family plan rate. The Postretirement Health Plan also includes dental and vision benefits and reimbursement of Medicare Part B monthly insurance premium. The Postretirement Health Plan does not issue a separate financial report.

2. Benefits Provided

As provided by the Public Employees' Medical & Hospital Care Act (PEMHCA), the City contracts with CalPERS for medical plan coverage for both active and retired employees. The City pays part of the health insurance premiums for all eligible retirees from City employment receiving a pension annuity earned through City service.

Employees Covered - Based on the July 1, 2023 Actuarial Valuation Report, the following employees were covered by the benefit terms for the OPEB plan:

Inactive retired participants and surviving spouses receiving benefits	2,879
Inactive participants' spouses receiving benefits	1,122
Active employees eligible for retirement benefits	1,022
Active employees not yet eligible for retirement benefits	2,691
Total	<u>7,714</u>

3. Contributions

The annual contribution is based on the actuarially determined contribution. The City pays a portion of retiree benefit expenses on a pay-as-you-go basis to third parties, outside of the CERBT fund, and funds the remaining actuarially determined contribution (ADC) to the CERBT fund. Benefit payments occur in the form of direct payments for premiums and taxes (explicit subsidies) and indirect payments to retirees in the form of higher premiums for active employees (implicit subsidies). On August 9, 2018, the City contributed the second of two one-time payments of \$10.0 million into the CERBT fund to partially prefund the actuarially determined contribution for OPEB,

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

as provided for in the FY 2017-19 Adopted Policy Budget. In addition, on February 26, 2019, City Council adopted an Other Post-Employment Benefits Funding Policy providing for ongoing prefunding contributions of 2.5% of payroll. On June 2, 2020, City Council authorized the postponement of this payment for the years ended June 30, 2020 and June 30, 2021 in response financial challenges arising from the COVID-19 global pandemic. The City resumed contributions to the CERBT fund starting with the fiscal year ended June 30, 2022.

The June 30, 2024 economic assumptions were based on the CERBT Strategy 1 and the Bond Buyer GO 20-year Bond Municipal Bond Index as of June 30, 2024. Since the City has adopted a funding approach, the discount rate used for the June 30, 2024 measurement date reporting was based on a blending of these two rates. The assumed CERBT Strategy 1 rate was 6.00%. The Bond Buyer GO 20-year Bond Municipal Bond Index as of June 2024 was 3.93%. Since the assets accumulated as of the measurement date are not sufficient to pay benefit payments, the depletion test of the expected benefit payments resulted in a blended rate of 4.82%. Benefits and other contributions paid by the City for the year ended June 30, 2025 is shown below.

Explicit contributions	\$	25,585
Implicit contributions		6,697
Trust contributions		14,800
Total	\$	<u>47,082</u>

The amount of implicit contributions paid are reflected as a reduction in (active) employee premiums. The contributions made during the year ended June 30, 2025 are reported as deferred outflows of resources on the statement of net position as discussed below.

Net OPEB Liability

The City's net OPEB liability is measured as the total OPEB liability, less the OPEB plan's fiduciary net position. The net OPEB liability is measured as of June 30, 2024 (measurement date), using an annual actuarial valuation as of July 1, 2023. A summary of principal actuarial assumptions and methods used to determine the total OPEB liability is as follows:

Actuarial valuation date	July 1, 2023
Actuarial cost method	Entry-Age Normal Cost Method
Asset valuation method	Market value
Amortization method	Level percentage of pay, closed period as of June 30, 2020
Inflation	2.70%
Discount rate	4.82%
Rate of salary increase	2.75%
Ultimate rate of medical inflation	4.14%
Years to ultimate rate of medical inflation	54 years
Mortality, termination and disability	Based on the 2021 CalPERS Mortality Table
Postretirement benefit increase	Police - 3.0% increase at July 1, 2024 and 2025 and 3.25% increase starting at July 1, 2026 Fire - 3.0% increase at July 1, 2024 and 2025 and 3.25% increase starting at July 1, 2026

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Discount Rate - Economic assumptions were based on the CERBT Strategy 1 and the Bond Buyer GO 20-Year Bond Municipal Bond Index as of June 30, 2024. Based on this approach the discount rate utilized was 4.70%.

The following table shows the changes in net OPEB liability for the year ended June 30, 2025:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2023 (measurement date)	\$ 611,751	\$ 62,775	\$ 548,976
Changes for the year:			
Service cost	26,201	—	26,201
Interest	28,062	—	28,062
Changes of assumptions	2,273	—	2,273
Contributions from the employer	—	43,179	(43,179)
Net investment income	—	7,439	(7,439)
Administrative expenses	—	(35)	35
Benefit payments	(29,679)	(29,679)	—
Net changes	26,857	20,904	5,953
Balance at June 30, 2024 (measurement date)	\$ 638,608	\$ 83,679	\$ 554,929

Changes in assumptions include an increase in the discount rate applied from 4.70% to 4.82%, and the post-retirement benefit increases were updated. Future assumptions are subject to change and depend, in part, on the City's actual CERBT contributions in future periods.

4. Sensitivity of Liabilities to Changes in the Discount Rate and Healthcare Cost Trend Rate

The discount rate used for the year ended June 30, 2025 is 4.82 percent. The impact of a 1 percent increase or decrease in the discount rate assumption is shown below:

	1% Decrease at 3.82%	Measurement Date at 4.82%	1% Increase at 5.82%
Net OPEB Liability	\$ 632,107	\$ 554,929	\$ 490,560

The following presents the net OPEB liability of the OPEB plan as of the measurement date, as well as what the net OPEB liability would be if they were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current rate (in thousands):

	-1.00%	Baseline	+1.00%
Net OPEB Liability	\$ 498,315	\$ 554,929	\$ 623,662

5. OPEB Plan Fiduciary Net Position

The City's OPEB plan trust fund is included in the CalPERS CERBT agent multiple-employer plan reported in the CalPERS Annual Comprehensive Financial Report.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

6. OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the City recognized an OPEB expense of \$18.0 million. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 46,757	\$ —
Change in assumptions	82,181	(136,939)
Differences between expected and actual experience	—	(10,849)
Net difference between projected and actual earnings on plan investments	411	—
Total	\$ 129,349	\$ (147,788)

The \$46.8 million reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2026. Other amounts reported as deferred inflows of resources will be recognized as future OPEB expense as follows:

Measurement Period Ending June 30	Deferred (Inflows) of Resources
2025	\$ (11,643)
2026	(47,569)
2027	(15,028)
2028	8,665
2029	379
Total	\$ (65,196)

Component Unit – Port of Oakland

1. Plan Description

The Port has established a Retiree Healthcare Plan and participates in the CERBT, an agent multiple-employer defined benefit postemployment healthcare plan administered by CalPERS. The CERBT is an Internal Revenue Code Section 115 trust and an investment vehicle that can be used by all California public employers to prefund future retiree health and OPEB costs.

The Port's Retiree Healthcare Plan allows eligible retirees and their dependents to receive employer paid medical insurance benefits through CalPERS.

Prior to 2011, eligible retirees who had attained the age of fifty or over at the time of retirement, had five or more years of CalPERS service, and were eligible to receive CalPERS retirement benefits, were entitled to receive employer paid medical insurance benefits through CalPERS.

The Port had adopted a resolution on July 21, 2011 that established a Health Benefit Vesting Requirement for employees hired on or after September 1, 2011 (on or after April 1, 2013 for members of SEIU (Service Employees International Union) and IBEW (International Brotherhood of Electrical Workers)). The vesting schedule does not apply to employees that are granted a disability

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

retirement.

Under the adopted vesting schedule, the Port shall pay a percentage of retiree medical coverage for a retiree and his or her eligible dependents based on the provisions of Section 22893 of the California Government Code. Under these rules, a retiree must have at least 10 years of credited service with a CalPERS agency, at least 5 of which are with the City/Port. The Port will pay a percentage of employer contributions for the retiree based upon the following:

Years of Credited Service (at least 5 of which are with the City/Port)	Percentage of Employer Contributions
10	50%
11	55%
12	60%
13	65%
14	70%
15	75%
16	80%
17	85%
18	90%
19	95%
20 or more	100%

Retiree Dental and Vision Coverage - Employees who were hired before October 1, 2009, have attained the age of fifty or over at the time of retirement, have five or more years of CalPERS service, and are eligible to receive CalPERS retirement benefits are entitled to retiree dental and vision coverage.

Employees who are members of the SEIU and IBEW and were hired on or after June 9, 2012 are entitled to retiree dental and vision coverage if the employee has attained the age of fifty or over at the time of retirement, have five or more years of CalPERS service, and are eligible to receive CalPERS retirement benefits.

Employees Covered - As of the June 30, 2024 measurement date, the following current and former employees were covered by the benefit terms under the Port's Retiree Healthcare Plan:

Active employees	450
Inactive employees or beneficiaries currently receiving benefits	619
Total	1,069

2. Contributions

Benefit provisions are established and are amended through negotiations between the Port and the various bargaining units during each bargaining period. The annual contribution is based on the actuarially determined contribution. The Port pays a portion of retiree benefit expenses on a pay-as-you-go basis to third parties and directly to beneficiaries (Pay-go), and funds the remaining actuarially determined contribution to the CERBT fund. For the year ended June 30, 2025, the Port's cash contributions totaling \$14.8 million consisted of \$9.4 million in payments to third parties, \$4.0 million in CERBT fund contribution and estimated implicit subsidy of \$1.4 million.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

3. Net OPEB Liability

The Port's net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2023 based on the following actuarial methods and assumptions:

Actuarial valuation date	June 30, 2023
Measurement date	June 30, 2024
Actuarial cost method	Entry-Age Normal
Discount rate	6.50%
Inflation	2.30%
Medical trend rate (1)	Non-Medicare: 5.83% in 2025, decreasing to 4.00% in 2070 and later years Medicare: 15.25% in 2025, decreasing to 4.0% in 2070 and later years Medicare Part B: 6.00% in 2025, decreasing to 3.75% in 2091 and later years Dental and Vision: 3.00% in 2025 and later years
Investment rate of return (2)	6.50%
Mortality, termination and disability	CalPERS Mortality rates for Miscellaneous Public Agency Employees, projected generationally using 80 percent of Scale MP-2020 starting in 2017

¹ Based on the "Getzen" model published by the Society of Actuaries for purposes of evaluating long-term medical care.

² Net of plan investment expenses.

The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

The following table reflects the target allocations and best estimates of arithmetic real rates of return for each major asset class used for the June 30, 2023 valuation.

CERBT Strategy 1- Asset Class Allocation and Benchmarks as of June 30, 2025.

Asset Class	Target Allocation	Target Range	Benchmark
Global Equity	37.0 %	+/- 5%	MSCI All County World Index IMI (Net)
U.S. Fixed Income	44.0 %	+/- 5%	Bloomberg Long Liability Index
Treasury Inflation - Protected Securities	5.0 %	+/- 3%	Bloomberg US TIPS Index, Series L
Real Estate Investment Trust	14.0 %	+/- 5%	FTSE EPRA/ NAREIT Developed Index (Net)

4. Discount Rate

The discount rate used to measure the total OPEB liability was 6.50%, which is equal to the investment rate of return, which decreased from 6.75% for the prior actuarial valuation.

Under GASB 75, the discount rate should be the single rate that reflects the long-term rate of return on OPEB plan investments that are expected to be used to finance the payment of benefits. To the

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

extent that OPEB plan assets plus expected future earnings and expected future contributions are insufficient to finance all OPEB benefits, the discount rate should be based on 20-year tax-exempt AA or higher Municipal bonds as of the measurement date. The Port is funding the service cost plus an amortized amount of its net OPEB liability each fiscal year. Therefore, all OPEB plan benefits are expected to be financed by OPEB trust investments and contributions from the Port.

5. Changes in the Net OPEB Liability

The changes in the net OPEB liability for the Port's Retiree Healthcare Plan are as follows (in thousands):

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2024	\$ 199,516	\$ 116,145	\$ 83,371
Changes for the year:			
Service cost	4,656	—	4,656
Interest	12,962	—	12,962
Differences between expected and actual experience	13,055	—	13,055
Contributions from the employer	—	13,974	(13,974)
Net investment income	—	12,872	(12,872)
Administrative expenses	—	(60)	60
Benefit payments	(9,674)	(9,674)	—
Net changes	20,999	17,112	3,887
Balance at June 30, 2025	\$ 220,515	\$ 133,257	\$ 87,258

6. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rate

The discount rate used for the fiscal year 2025 is 6.50%. The following presents the net OPEB liability of the Port if it were calculated using a discount rate that is one percentage point lower to one percentage point higher than the current rate, as of June 30, 2025 (in thousands):

	1% Decrease at 5.50%	Measurement Date at 6.50%	1% Increase at 7.50%
Net OPEB Liability	\$ 113,713	\$ 87,258	\$ 65,119

The following presents the net OPEB liability of the Port if it were calculated using healthcare cost trend rates that are one percentage point lower to one percentage point higher than the current rate, as of June 30, 2025 (in thousands):

	-1.00%	Current Healthcare Costs Trend Rate	+1.00%
Net OPEB Liability	\$ 61,834	\$ 87,258	\$ 117,964

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

7. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the Port recognized OPEB expense of \$13.6 million. The Port reported deferred outflows/inflows of resources related to OPEB from the following sources as of June 30, 2025 (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 14,848	\$ —
Net difference between projected and actual earnings on OPEB plan investments	2,097	—
Difference between expected and actual experience	10,005	(563)
Changes of assumptions	5,959	(36)
Total	\$ 32,909	\$ (599)

The OPEB contributions made subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period. Other amounts reported as deferred inflows of resources, will be amortized annually, and recognized as a reduction to OPEB expense, for the years ending June 30 as follows (in thousands):

Measurement Period Ending June 30	Deferred (Inflows) of Resources
2025	\$ 5,204
2026	9,685
2027	2,756
2028	\$ (183)
Thereafter	\$ —
Total	\$ 17,462

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

C. COMMITMENTS AND CONTINGENCIES

Primary Government

1. Construction Commitments

As of June 30, 2025, the City had outstanding construction encumbrances for the acquisition and construction of assets as follows (in thousands):

	General Fund	Federal/ State Grant Fund	Municipal Capital Improvement Fund	Other Special Revenue Fund	Other Governmental Funds	Internal Service Funds	Total Governmental Activities
Building, facilities and infrastructure	\$ 16	\$ 502	\$ 1,098	\$ 53	\$ —	\$ 2,003	\$ 3,672
Parks and open space	20	999	677	85	22	—	1,803
Sewers and storm drains	1,570	111	—	—	—	—	1,681
Streets and sidewalks	60	17,171	22,566	11,711	—	—	51,508
Technology enhancement	85	—	1	9	279	244	618
Traffic improvements	—	362	—	2	—	—	364
Total	\$ 1,751	\$ 19,145	\$ 24,342	\$ 11,860	\$ 301	\$ 2,247	\$ 59,646

The outstanding construction encumbrances for the Sewer fund as of June 30, 2025 is \$1,952.

2. Other Commitments and Contingencies

Recognized Obligation Payment Schedule

As of June 30, 2025, the ORSA had encumbered \$290.1 million for contracted obligations, per the ROPS covering the July 1, 2025 through June 30, 2026 period, which was approved by the DOF.

Opioid Settlements

The City participated in national opioid settlements with several manufacturers, distributors, and pharmacies. In addition, the City has received funding from opioid-related bankruptcy proceedings and anticipates additional funds from future settlements and/or bankruptcy proceedings.

The City estimates receipts in excess of \$10 million through 2039 from these agreements, which restrict the use of the majority of funds to opioid abatement activities. As of June 30, 2025, the City has received \$4.8 million in such revenue, which has been classified as restricted General Fund balance (see Note I, part F.). Future opioid litigation may result in additional settlement agreements or judgements, or suspension and reduction of payments. Receivables have not been recorded for future receipts due to the uncertainty and unavailability of such amounts.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

Component Unit – Port of Oakland

As of June 30, 2025, the Port had construction commitments for the acquisition and construction of assets as follows (in thousands):

Aviation	\$	58,140
Maritime		26,046
Total	\$	84,186

The most significant projects for which the Port has contractual commitments for Aviation are the Procurement of Electric Shuttle Buses and Infrastructure for Electric Bus Charging Station Phase I for \$2.3 million, Runway Pavement Rehabilitative \$19.2 million; Perimeter Dike Seismic Improvement Phase 2 \$31.2 million; and Terminal Restroom Renovation Phase 1 \$4.3 million; for Maritime Port Terminal Pavement Services \$8.0 million; Sanitary Sewer Projects \$2.2 million; Replacement of Fenders and Bollards, and Crane Shops Oil, and Water Separator \$0.1 million; and Switchgear Replacement and Trash Captive Devices \$15.7 million.

1. Power Purchases

The Port purchases electrical power for resale and self-consumption and currently has power purchase agreements with East Bay Municipal Utility District (EDMUD), Western Area Power Administration (WAPA), EDP Renewables, and multiple contracts through the Northern California Power Agency (NCPA).

Counterparty	Contract Ending Year	Contract Structure	Estimated Output	Estimated Annual Cost
EBMUD	2025	Take and Pay - (Pay contract price only if energy is received)	11,300 MWH	Approximately \$1.9 million with no annual escalator from 2017-2025.
WAPA	2054	Monthly Fixed Price Plus Energy Received	17,000 MWH	Approximately \$0.8 million (Changes annually depending on revenue requirement for power generation projects).
EDP Renewables	2027	Take and Pay - (Pay contract price only if energy is received)	1,200 MWH	Approximately \$0.2 million with annual escalator.
NCPA- Antelope Valley Energy Farm	2041	Take and Pay - (Pay contract price only if energy is received)	11,300 MWH	Approximately \$0.4 million with no annual escalator.
NCPA- South Feather Water and Power Agency	2031	Monthly Fixed Price Plus Energy Received	11,781 MWH	Approximately \$0.4 million with no annual escalator.
NCPA-Geysers Power Company, LLC	2036	Take or Pay	20,148 MWH	Approximately \$1.1 million with no escalation.
NCPA-Grace Orchard Energy Center, LLC	2047	Take and Pay	22,724 MWH	Approximately \$1 million with no escalation.
East Bay Municipal Utility District (EBMUD)	2035	Take and Pay (Pay contract price only if Renewable Energy Certificate is received)	11,300 MWH	Approximately \$0.4 million with no escalation.

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

2. Environmental Remediation

The entitlements for the Airport Development Program (ADP) subject the Port to obligations arising from the adopted ADP Mitigation Monitoring and Reporting Program required under the California Environmental Quality Act, permits issued by numerous regulatory agencies including the Regional Water Quality Control Board and the Bay Conservation and Development Commission, and settlement agreements. The majority of these obligations have been met, and monitoring and reporting are ongoing.

A summary of the Port's environmental remediation liability accounts, net of the estimated recoveries, included as an other liability on the statement of net position at June 30, 2025, is as follows (in thousands):

Obligating Event	Liability, Net of Recovery	Estimated Recovery
Pollution poses an imminent danger to the public or environment	\$ 1,285	\$ —
Identified as responsible to clean up pollution	13,010	—
Begins or legally obligates to clean up or post-clean up activities	789	—
Total by obligating event	\$ 15,084	\$ —

The environmental liability accounts in the summary table are listed by the initial obligating event. Due to new information, the obligating event may change from the initial obligating event. Examples of obligating events include: 1) the Port is named, or evidence indicates that it will be named, by a regulator such as the Department of Toxic Substances Control or the Regional Water Quality Control Board, as a responsible party or potentially responsible party for remediation; or 2) the Port has commenced, or legally obligates itself to commence, clean-up activities, monitoring or operation and maintenance of the remediation effort (e.g., by undertaking a soil and groundwater pre-development investigation).

Methods and Assumptions

The Port measured the environmental liabilities for pollution remediation sites on Port-owned property using the Expected Cash Flow technique. The measurements are based on the current value of the outlays expected to be incurred. The cash flow scenarios include each component which can be reasonably estimated for outlays such as testing, monitoring, legal services, and indirect outlays for Port labor instead of ranges of all components. Reasonable estimates of ranges of possible cash flows are limited from a single scenario to a few scenarios. Data used to develop the cash flow scenarios is obtained from outside consultants, Port staff, and the Port's outside legal counsel.

Changes to estimates will be made when new information becomes available. Estimates for the pollution remediation sites will be developed when the following benchmarks or changes in estimated outlays occur:

- Receipt of an administrative order;
- Participation, as a responsible party or a potentially responsible party, in the site assessment or investigation;
- Completion of a corrective measures feasibility study;
- Issuance of an authorization to proceed;

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

- Remediation design and implementation, through and including operation and maintenance and post-remediation monitoring;
- Change in the remediation plan or operating conditions, including but not limited to type of equipment, facilities and services that will be used and price increases;
- Changes in technology; or
- Changes in legal or regulatory requirements.

Recoveries

The environmental liabilities balances listed on the prior page have been reduced by estimated future recoveries. In calculating the estimated future recoveries, Port staff and outside legal counsel reviewed and applied the requirements of GASB Statement No. 49 for accounting for recoveries. For example, if a Port tenant has a contract obligation to reimburse the Port for certain pollution remediation costs, or if an insurance carrier has paid money on a certain claim and the Port is pursuing additional costs from the insurance carrier associated with the claim, then a recovery was estimated. If an insurance carrier has not yet acknowledged coverage, then a recovery was not estimated.

Litigation

The Port at various times is a defendant in various lawsuits arising in the normal course of business, including constructing public improvements or construction related claims for unspecified amounts. The ultimate disposition of these suits and claims is not known and the Port's insurance may cover a portion of any losses, if incurred. Port management may make provision for probable losses if deemed appropriate on the advice of legal counsel.

D. DEFICIT FUND BALANCES/NET POSITION

As of June 30, 2025, the following funds reported deficits in fund balance/net position (in thousands):

Fund	Deficit
Federal/State Grant Fund	\$ (28,398)
Other Governmental Funds	
Lease Financing	(1,442)
Internal Service Funds	
Radio	(3,690)
Facilities	(17,948)
Reproduction	(783)
Central Stores	(708)
Purchasing	(2,452)
Other Private-Purpose Trust Funds:	
Oakland Redevelopment Successor Agency Trust Fund	(137,781)

The deficit in the Federal/State Grant Fund results from expenditures made in advance of grant reimbursement and will be cured through grant drawdowns in future years. The deficit in the Lease Financing Debt Service Fund will be cured from the Landscape and Lighting Assessment District Fund receipts in future years. The City's radio, facilities, reproduction, central stores and purchasing fund deficits are expected to be funded through increased user charges in future years. In addition,

CITY OF OAKLAND
Notes to the Basic Financial Statements (continued)
Year Ended June 30, 2025

the City has allocated one-time funds to address these negative balances at various times over the past several years, which has reduced such balances over time.

At June 30, 2025, ORSA has a negative net position of \$137.8 million. Under the former California Redevelopment Law, the Former Agency issued bonds or incurred long-term debt to finance its redevelopment projects by pledging future tax increment revenues. In general, ORSA's revenues can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

E. SUBSEQUENT EVENTS

Oakland Bulk & Oversized Terminal

Subsequent to year-end, the City's legal case with Oakland Bulk & Oversized Terminal, LLC et al. (OBOT) was resolved. On January 23, 2024, the Superior Court of California, County of Alameda, entered judgment against the City in the case of OBOT v. City of Oakland, which involved a contract dispute regarding the redevelopment of a former Army base facility as a bulk commodity marine terminal. The City appealed, and in June 2025, the California Court of Appeal affirmed the judgment in a published opinion. The City petitioned the California Supreme Court for review, which was denied in September 2025. In November 2025, the City and OBOT entered into a settlement agreement. Under the settlement, the City will ultimately pay \$7.5 million in satisfaction of OBOT's attorneys' fees and costs, including interest, from the City's Self-Insurance Liability Fund.

On March 11, 2024, Insight Terminal Solutions, LLC (ITS), a sub-lessee of OBOT, sued the City in United State Bankruptcy Court, Western District of Kentucky, where ITS had previously filed for bankruptcy. ITS alleges that the City interfered with its sublease to develop the terminal. On October 28, 2025, the bankruptcy court issued an order denying the City's motion for summary judgment and granting ITS's motion on the issue of liability, with a trial to be held later on the issue of damages. On October 31, 2025, the United States District Court granted the City's motion to withdraw the reference from the bankruptcy court, and as a result, no further proceedings will occur before the bankruptcy court. On November 21, 2025, the district court vacated the bankruptcy court's purported judgment against the City. The parties will brief the City's objections to the bankruptcy court's summary judgment order, with the last brief due January 16, 2026. No trial date has been set at this time. While the likelihood of a payout in the ITS case remains uncertain, it is considered to be fairly low.

Debt Issuance – City

General Obligation Bonds, Series 2025 B-1(Measure U), Series 2025 B-2 (Measure U), Series 2025 B-3 (Measure U), General Obligation Refunding Bonds, Series 2025 - On December 18, 2025, the City issued \$94.3 million General Obligation Bonds, Series 2025 B-1 Measure U (Tax- Exempt), \$180.8 million General Obligation Bonds, Series 2025 B-2 Measure U (Taxable), \$10.0 million General Obligation Bonds, Series B-3 Measure U (Taxable) and \$49.3 million General Obligation Refunding Bonds, Series 2025 (Tax-Exempt). The proceeds will be used to finance Measure U capital projects and refund certain outstanding general obligation bonds of the City.

REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liability and Related Ratios –
Police and Fire Retirement System
Last Ten Fiscal Years
(In Thousands)

Fiscal Year	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Measurement period	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Total pension liability										
Service cost	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Interest on the total pension liability	29,961	31,459	33,194	34,680	36,078	37,621	44,320	44,932	42,480	41,263
Changes of assumptions	(9,758)	(3,926)	—	—	—	(1,475)	17,858	—	43,480	34,219
Differences between expected and actual experience	(6,650)	3,821	(7,036)	(7,376)	(5,699)	(7,915)	(10,656)	3,028	6,978	(21,209)
Benefit payments, including refunds of employee contributions	(50,102)	(50,850)	(51,450)	(52,697)	(54,619)	(56,212)	(55,999)	(57,376)	(58,441)	(59,008)
Net change in total pension liability	(36,549)	(19,496)	(25,292)	(25,393)	(24,240)	(27,981)	(4,477)	(9,416)	34,497	(4,735)
Total pension liability, beginning	533,790	553,286	578,578	603,971	628,211	656,192	660,669	670,085	635,588	640,323
Total pension liability, ending	\$ 497,241	\$ 533,790	\$ 553,286	\$ 578,578	\$ 603,971	\$ 628,211	\$ 656,192	\$ 660,669	\$ 670,085	\$ 635,588
Plan fiduciary net position										
Contributions, employer	\$ 40,763	\$ 32,712	\$ 43,820	\$ 43,648	\$ 43,409	\$ 44,821	\$ 44,860	\$ —	\$ —	\$ —
Contributions, employee	—	—	—	—	—	—	—	—	—	—
Net investment income	44,913	34,408	(47,955)	90,191	6,997	21,558	35,446	50,159	(1,419)	15,439
Administrative expenses	(1,696)	(1,626)	(1,461)	(1,585)	(1,523)	(1,446)	(1,543)	(1,261)	(1,376)	(985)
Claims and settlements	—	—	—	1	—	14	9	70	3,593	—
Benefit payments, including refunds of employee contributions	(50,102)	(50,850)	(51,450)	(52,697)	(54,619)	(56,212)	(55,999)	(57,376)	(58,441)	(59,008)
Net change in plan fiduciary net position	33,878	14,644	(57,046)	79,558	(5,736)	8,735	22,773	(8,408)	(57,643)	(44,554)
Plan fiduciary net position, beginning	416,130	401,486	458,532	378,974	384,710	375,975	353,202	361,610	419,253	463,807
Plan fiduciary net position, ending	\$ 450,008	\$ 416,130	\$ 401,486	\$ 458,532	\$ 378,974	\$ 384,710	\$ 375,975	\$ 353,202	\$ 361,610	\$ 419,253
Plan net pension liability	\$ 47,233	\$ 117,660	\$ 151,800	\$ 120,046	\$ 224,997	\$ 243,501	\$ 280,217	\$ 307,467	\$ 308,475	\$ 216,335
Plan fiduciary net position as a percentage of the total pension liability	90.5%	78.0%	72.6%	79.3%	62.7%	61.2%	57.3%	53.5%	54.0%	66.0%
Covered payroll	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Plan net pension liability as a percentage of covered payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liability and Related Ratios –
CalPERS Miscellaneous Plan
Last Ten Fiscal Years
(In Thousands)

Fiscal year	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Measurement period	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Total pension liability										
Service cost	\$ 59,742	\$ 54,858	\$ 53,126	\$ 48,369	\$ 46,683	\$ 45,906	\$ 43,908	\$ 44,132	\$ 37,856	\$ 37,347
Interest on the total pension liability	225,236	216,745	209,087	206,708	200,794	194,753	185,097	181,418	177,626	172,693
Changes of benefit terms	—	2,468	—	—	—	—	—	—	—	—
Changes of assumptions	—	—	75,768	—	—	—	(19,122)	140,332	—	(39,092)
Differences between expected and actual experience	37,260	24,250	(23,124)	(1,485)	637	54,499	(13,207)	(8,109)	(16,210)	(7,769)
Benefit payments, including refunds of employee contributions	(192,794)	(183,717)	(173,914)	(167,814)	(160,418)	(153,985)	(144,933)	(138,379)	(132,473)	(126,730)
Net change in total pension liability	129,444	114,604	140,943	85,778	87,696	141,173	51,743	219,394	66,799	36,449
Total pension liability, beginning	3,293,550	3,178,946	3,038,003	2,952,225	2,864,529	2,723,356	2,671,613	2,452,219	2,385,420	2,348,971
Total pension liability, ending	<u>\$3,422,994</u>	<u>\$3,293,550</u>	<u>\$3,178,946</u>	<u>\$3,038,003</u>	<u>\$2,952,225</u>	<u>\$2,864,529</u>	<u>\$2,723,356</u>	<u>\$2,671,613</u>	<u>\$2,452,219</u>	<u>\$2,385,420</u>
Plan fiduciary net position										
Contributions, employer ⁽¹⁾	\$ 131,189	\$ 126,931	\$ 117,815	\$ 110,035	\$ 100,610	\$ 78,370	\$ 79,536	\$ 75,893	\$ 65,067	\$ 63,531
Contributions, employee	26,765	23,051	21,466	20,915	20,616	18,861	18,240	17,935	17,291	16,904
Plan to plan resource movement	—	—	—	—	1	107	548	135	—	24
Net investment income	219,319	137,645	(184,684)	457,176	97,856	123,862	151,049	182,811	8,647	37,833
Administrative expenses	(1,885)	(1,628)	(1,517)	(2,014)	(2,764)	(1,344)	(2,785)	(2,438)	(1,032)	(1,919)
Benefit payments, including refunds of employee contributions	(192,794)	(183,717)	(173,914)	(167,814)	(160,418)	(153,985)	(144,933)	(138,379)	(132,473)	(126,730)
Other miscellaneous income/(expense) ⁽¹⁾	—	—	—	—	—	10,944	(5,289)	—	—	—
Net change in plan fiduciary net position	182,594	102,282	(220,834)	418,298	55,901	76,815	96,366	135,957	(42,500)	(10,357)
Plan fiduciary net position, beginning	2,316,141	2,213,859	2,434,693	2,016,395	1,960,494	1,883,679	1,787,313	1,651,356	1,693,856	1,704,213
Plan fiduciary net position, ending	<u>\$2,498,735</u>	<u>\$2,316,141</u>	<u>\$2,213,859</u>	<u>\$2,434,693</u>	<u>\$2,016,395</u>	<u>\$1,960,494</u>	<u>\$1,883,679</u>	<u>\$1,787,313</u>	<u>\$1,651,356</u>	<u>\$1,693,856</u>
Plan net pension liability	<u>\$ 924,259</u>	<u>\$ 977,409</u>	<u>\$ 965,087</u>	<u>\$ 603,310</u>	<u>\$ 935,830</u>	<u>\$ 904,035</u>	<u>\$ 839,677</u>	<u>\$ 884,300</u>	<u>\$ 800,863</u>	<u>\$ 691,564</u>
Plan fiduciary net position as a percentage of the total pension liability	73.0%	70.3%	69.6%	80.1%	68.3%	68.4%	69.2%	66.9%	67.3%	71.0%

CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liability and Related Ratios –
CalPERS Miscellaneous Plan
Last Ten Fiscal Years
(In Thousands)

Covered payroll	\$ 307,950	\$ 278,747	\$ 266,431	\$ 259,769	\$ 246,215	\$ 235,715	\$ 226,157	\$ 220,386	\$ 206,595	\$ 200,562
Plan net pension liability as a percentage of covered payroll	300.1%	350.6%	362.2%	232.2%	380.1%	383.5%	371.3%	401.3%	387.6%	344.8%

Note to schedule:

Benefit Changes - The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed material by the Plan actuary.

Changes in assumptions - None in 2024-25, 2023-24 and 2022-23. In 2021-22, the discount rate was reduced from 7.15% to 6.90%, the inflation rate was reduced from 2.50% to 2.30%, and demographic assumptions were changed in accordance with 2021 CalPERS Experience Study. None in 2019-2021. In 2017-18, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions as of December 2019. In 2016-17, the accounting discount rate was reduced from 7.65% to 7.15%. In 2015-16, there were no changes. In 2014-15, the amount reported reflects an adjustment of the discount rate from 7.50% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense).

⁽¹⁾ For measurement period 2018-19, employer contribution reported by CalPERS was \$14 million lower than City reported contributions. This was due to a correction made in CalPERS system related to calculation of prior year contributions for PEPR employees. \$10.9 million of the variance was accounted for as "Other Miscellaneous Income" by CalPERS. The remaining variance was posted in CalPERS system in July 2019 and included in next fiscal year. For measurement period 2017-18, as a result of GASB Statement 75, CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liability and Related Ratios –
CalPERS Safety Plan
Last Ten Fiscal Years
(In Thousands)

Fiscal year	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Measurement period	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Total pension liability										
Service cost	\$ 55,776	\$ 50,040	\$ 51,490	\$ 47,253	\$ 46,907	\$ 44,360	\$ 43,936	\$ 43,687	\$ 36,434	\$ 32,899
Interest on the total pension liability	191,129	181,088	171,905	166,126	159,371	150,669	142,495	136,316	129,920	121,444
Changes of benefit terms	—	696	—	—	—	—	—	—	—	—
Changes of assumptions	—	—	91,329	—	—	—	(6,416)	120,639	—	(31,738)
Differences between expected and actual experience	45,619	35,038	(21,872)	(1,967)	28,634	24,421	3,126	1,595	32,162	4,892
Benefit payments, including refunds of employee contributions	(138,185)	(130,001)	(120,641)	(113,403)	(106,609)	(99,846)	(93,628)	(87,231)	(80,752)	(74,198)
Net change in total pension liability	154,339	136,861	172,211	98,009	128,303	119,604	89,513	215,006	117,764	53,299
Total pension liability, beginning	2,765,569	2,628,708	2,456,497	2,358,488	2,230,185	2,110,581	2,021,068	1,806,062	1,688,298	1,634,999
Total pension liability, ending	\$2,919,908	\$2,765,569	\$2,628,708	\$2,456,497	\$2,358,488	\$2,230,185	\$2,110,581	\$2,021,068	\$1,806,062	\$1,688,298
Plan fiduciary net position										
Contributions, employer ⁽¹⁾	\$ 102,351	\$ 95,476	\$ 88,404	\$ 79,501	\$ 72,015	\$ 63,292	\$ 55,633	\$ 57,731	\$ 47,172	\$ 44,366
Contributions, employee	24,286	22,420	21,108	21,164	20,559	20,070	19,188	18,432	16,221	15,027
Plan to plan resource movement	—	—	—	—	(1)	(107)	(555)	(92)	—	(24)
Net investment income	168,086	104,076	(138,860)	341,107	71,970	90,217	108,790	129,995	6,311	26,057
Administrative expenses	(1,437)	(1,230)	(1,137)	(1,497)	(2,034)	(978)	(2,004)	(1,726)	(719)	(1,337)
Benefit payments, including refunds of employee contributions	(138,185)	(130,001)	(120,641)	(113,403)	(106,609)	(99,846)	(93,628)	(87,232)	(80,752)	(74,198)
Other miscellaneous income/ (expense) ⁽¹⁾	—	—	—	—	—	19	(3,806)	—	—	—
Net change in plan fiduciary net position	155,101	90,741	(151,126)	326,872	55,900	72,667	83,618	117,108	(11,767)	9,891
Plan fiduciary net position, beginning	1,764,841	1,674,100	1,825,226	1,498,354	1,442,454	1,369,787	1,286,169	1,169,061	1,180,828	1,170,937
Plan fiduciary net position, ending	\$1,919,942	\$1,764,841	\$1,674,100	\$1,825,226	\$1,498,354	\$1,442,454	\$1,369,787	\$1,286,169	\$1,169,061	\$1,180,828
Plan net pension liability	\$ 999,966	\$1,000,728	\$ 954,608	\$ 631,271	\$ 860,134	\$ 787,731	\$ 740,794	\$ 734,899	\$ 637,001	\$ 507,470
Plan fiduciary net position as a percentage of the total pension liability	65.8%	63.8%	63.7%	74.3%	63.5%	64.7%	64.9%	63.6%	64.7%	69.9%

CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liability and Related Ratios –
CalPERS Safety Plan
Last Ten Fiscal Years
(In Thousands)

Covered payroll	\$ 187,043	\$ 167,246	\$ 171,347	\$ 170,158	\$ 167,049	\$ 156,372	\$ 153,500	\$ 148,995	\$ 136,073	\$ 119,980
Plan net pension liability as a percentage of covered payroll	534.6%	598.4%	557.1%	371.0%	514.9%	503.8%	482.6%	493.2%	468.1%	423.0%

Note to schedule:

Benefit Changes - The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed material by the Plan actuary.

Changes in assumptions - None in 2022-23. In 2021-22, the discount rate was reduced from 7.15% to 6.90%, the inflation rate was reduced from 2.50% to 2.30%, and demographic assumptions were changed in accordance with 2021 CalPERS Experience Study. None in 2019-2021. In 2017-18, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions as of December 2019. In 2016-17, the accounting discount rate was reduced from 7.65% to 7.15%. In 2015-16, there were no changes.

⁽¹⁾ For measurement period 2018-19, employer contribution reported by CalPERS was \$6.2 million lower than City reported contributions. This was due to a correction made in CalPERS system related to calculation of prior year contributions for PEPRA employees. \$18,886 of the variance was accounted for as "Other Miscellaneous Income" by CalPERS. The remaining variance was posted in CalPERS system in July 2019 and included in next fiscal year. For measurement period 2017-18, as a result of GASB Statement 75, CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Schedule of Employer Pension Contributions –
Police and Fire Retirement System
Last Ten Fiscal Years
(In Thousands)

Oakland Police and Fire Retirement System

Fiscal year ended June 30	2025	2024	2023	2022	2021	2020	2019	2018	2017*	2016
Actuarially determined contributions (ADC)	\$ 34,845	\$ 40,763	\$ 32,712	\$ 43,820	\$ 43,648	\$ 43,409	\$ 44,821	\$ 44,860	\$ —	\$ —
Contributions in relation to the ADC	(34,845)	(40,763)	(32,712)	(43,820)	(43,648)	(43,409)	(44,821)	(44,860)	—	—
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Covered payroll	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Contributions as a percentage of covered payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

*Although actuarial valuations were performed as of June 30, 2015, and 2016, no ADC was determined for FY 2016, and 2017 based on the City's funding policy.

CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Schedule of Employer Pension Contributions –
Police and Fire Retirement System
Last Ten Fiscal Years
(In Thousands)

The actuarial methods and assumptions used to set the actuarially determined contributions were as follows:

Actuarial valuation date	July 1, 2023	July 1, 2021	July 1, 2019	July 1, 2017
Actuarial cost method	Entry-Age Normal Cost	Entry-Age Normal Cost	Entry-Age Normal Cost	Entry-Age Normal Cost
Asset valuation method	Recognizes 20% difference between fair value and expected actuarial value each year, with a corridor of 10% around fair value	Recognizes 20% difference between fair value and expected actuarial value each year, with a corridor of 10% around fair value	Recognizes 20% difference between fair value and expected actuarial value each year, with a corridor of 10% around fair value.	Recognized 20% difference between fair value and expected actuarial value each year, with a corridor of 10% around fair value.
Amortization method	Level dollar closed (3 years remaining as of 7/1/2023)	Level dollar closed (5 years remaining as of 7/1/2021)	Level dollar closed (7 years remaining as of 7/1/2019)	Level dollar closed (9 years remaining as of 7/1/2017)
Inflation	2.75% (U.S) to 2.85% (Bay Area)	2.75% (U.S) to 2.85% (Bay Area)	2.75% (U.S) to 2.85% (Bay Area)	2.75% (U.S) to 2.85% (Bay Area)
Discount rate	5.00%	5.29%	5.37%	5.50%
Projected benefit increases:	Following expiration of current MOUs (6/30/26 for Police and Fire):	Following expiration of current MOUs (6/30/21 for Police and Fire):	Following expiration of current MOUs (6/30/19 for Police, 10/31/17 for Fire):	Following expiration of current MOUs (6/30/19 for Police, 10/31/17 for Fire):
Police	3.50% at July 1, 2023, 3.00% at July 1, 2024 and July 1, 2025, then 3.25% (2.85% inflation plus 0.40% productivity increase) per year starting July 1, 2026	3.00% at July 1, 2021, 3.50% at July 1, 2022 and July 1, 2023, then 3.25% (2.85% inflation plus 0.40% productivity increase) per year starting July 1, 2024	2.50% increase at January 1, 2019 and July 1, 2020, 3.00% at July 1, 2021, 3.50% at July 1, 2022 and July 1, 2023, then 3.25% (2.85% inflation plus 0.40% productivity increase) per year	2.50% and 1.00% increase at January 1, 2018, 2.00% on July 1, 2018 and 2.50% at January 1, 2019, then 3.25% per year
Fire	3.50% at July 1, 2023, 3.00% at July 1, 2024 and July 1, 2025, then 3.25% (2.85% inflation plus 0.40% productivity increase) per year starting July 1, 2026	1.50% at July 1, 2021, 2.00% at January 1, 2022, 1.00% at July 1, 2022, 2% at December 1, 2023, then 3.25% (2.85% inflation plus 0.40% productivity increase) per year starting July 1, 2024	1% at November 1, 2018 and January 1, 2019, 2% at November 1, 2019, 3.25% (2.85% inflation plus 0.40% productivity increase) annual increase starting July 1, 2020	3.25% (2.85% inflation plus 0.40% productivity increase) per year
Mortality (healthy)	CalPERS Healthy Annuitant Table (from 2021 Experience Study), projected to improve with MP-2021 using 20217 base year	CalPERS Healthy Annuitant Table (from 2012-2015 Experience Study), excluding the 15-year projection using 90% of Scale MP-2016, projected to improve with MP-2017 using 2014 base year	CalPERS Healthy Annuitant Table (from 2012-2015 Experience Study), projected to improve with MP-2017 using 2014 base year	CalPERS Healthy Annuitant Table (from 2012-2015 Experience Study), projected to improve with MP-2017 using 2014 base year

CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Schedule of Employer Pension Contributions –
Police and Fire Retirement System
Last Ten Fiscal Years
(In Thousands)

Mortality (disabled)	CalPERS Industrial Disability Mortality Table (from 2021 Experience Study), projected to improve with MP-2021 using 2017 base year	CalPERS Industrial Disability Mortality Table (from 2012-2015 Experience Study), excluding the 15-year projection using 90% of Scale MP-2016, projected to improve with MP-2017 using 2014 base year	CalPERS Industrial Disability Mortality Table (from 2012-2015 Experience Study), projected to improve with MP-2017 using 2014 base year	CalPERS Industrial Disability Mortality Table (from 2012-2015 Experience Study), projected to improve with MP-2017 using 2014 base year
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CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Schedule of Employer Pension Contributions – CalPERS Plans
Last Ten Fiscal Years
(In Thousands)

Miscellaneous Plan - City

Fiscal year ended June 30	2025	2024	2023	2022	2021	2020	2019**	2018	2017*	2016*
Actuarially determined contribution (ADC)	\$96,748	\$112,927	\$107,475	\$95,859	\$84,248	\$76,021	\$56,538	\$60,283	\$56,987	\$47,934
Contributions in relation to the ADC	(96,748)	(112,927)	(107,475)	(95,859)	(84,248)	(76,021)	(56,538)	(60,283)	(56,987)	(49,078)
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$(1,144)
Covered payroll	\$267,770	\$255,288	\$235,077	\$207,779	\$201,273	\$184,842	\$177,611	\$171,344	\$166,272	\$153,195
Contributions as a percentage of covered payroll	36.1 %	44.2 %	45.7 %	46.1 %	41.9 %	41.1 %	31.8 %	35.2 %	34.3 %	31.3 %

Safety Plan

Fiscal year ended June 30	2025	2024	2023	2022	2021	2020	2019***	2018	2017*	2016*
Actuarially determined contribution (ADC)	\$112,380	\$108,459	\$99,350	\$89,065	\$79,501	\$72,016	\$63,292	\$55,633	\$57,731	\$46,611
Contributions in relation to the ADC	(112,380)	(108,459)	(99,350)	(89,065)	(79,501)	(72,016)	(63,292)	(55,633)	(57,731)	(47,173)
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (562)
Covered payroll	\$190,732	\$188,615	\$174,982	\$164,863	\$170,158	\$167,049	\$156,372	\$153,500	\$148,995	\$136,073
Contributions as a percentage of covered payroll	58.9 %	57.5 %	56.8 %	54.0 %	46.7 %	43.1 %	40.5 %	36.2 %	38.7 %	34.7 %

Miscellaneous Plan - Port

Fiscal year ended June 30	2025	2024	2023	2022	2021	2020	2019**	2018	2017*	2016*
Actuarially determined contribution (ADC)	\$27,048	\$28,949	\$29,030	\$27,389	\$25,787	\$24,588	\$21,832	\$19,253	\$18,906	\$15,989
Contributions in relation to the ADC	(27,048)	(28,949)	(29,030)	(27,389)	(25,787)	(24,588)	(21,832)	(19,253)	(18,906)	(15,989)
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Covered payroll	\$75,167	\$70,589	\$65,145	\$59,357	\$58,496	\$61,374	\$58,104	\$54,813	\$54,114	\$53,400
Contributions as a percentage of covered payroll	36.0 %	41.0 %	44.6 %	46.1 %	44.1 %	40.1 %	37.6 %	35.1 %	34.9 %	29.9 %

* In prior fiscal years, the contributions in relation to the actuarially determined contributions were based on estimates. The City adjusted the amounts to align the estimated employer contributions with the actual employer contributions per the 2018 agent-multiple employer CalPERS report for the CalPERS Miscellaneous Plan and the Safety Plan.

** For measurement period 2018-19, employer contribution reported by CalPERS was \$14 million lower than City reported contributions. This was due to a correction made in CalPERS system related to calculation of prior year contributions for PEPRA employees. \$10.9 million of the variance was accounted for as "Other Miscellaneous Income" by CalPERS. The remaining variance was posted in CalPERS system in July 2019 and included in next fiscal year.

*** For measurement period 2018-19, employer contribution reported by CalPERS was \$6.2 million lower than City reported contributions. This was due to a correction made in CalPERS system related to calculation of prior year contributions for PEPRA employees. \$18,886 of the variance was accounted for as "Other Miscellaneous Income" by CalPERS. The remaining variance was posted in CalPERS system in July 2019 and included in next fiscal year.

CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Schedule of Employer Pension Contributions – CalPERS Plans
Last Ten Fiscal Years
(In Thousands)

Methods and assumptions used to determine the last ten years contribution rates to CalPERS plans

ADC for fiscal year	June 30, 2025, 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016
Actuarial valuation date	June 30, 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015, 2014, 2013, 2012
Actuarial cost method	Entry-Age Normal Cost Method
Asset valuation method	In fiscal years 2025, 2024, 2023, 2022, 2021, 2020, 2019, 2018 and 2017, the fair value of assets was used. In fiscal year 2016 the actuarial value of assets was used.
Inflation	In fiscal years 2025, 2024 and 2023, 2.30% compounded annually. In fiscal years 2022, 2021 and 2020, 2.50% compounded annually. In fiscal years 2019-2015, 2.75% compounded annually.
Salary increases	Varies by entry age and services
Payroll growth	In fiscal years 2025, 2024, 2023 and 2022, 2.80% compounded annually. In fiscal years 2021 and 2020, 2.75% and 2.875% compounded annually, respectively. In fiscal years 2019 - 2016, 3.0% compounded annually.
Investment rate of return	In fiscal year 2025 and 2024, 6.80%, net of administrative expenses, including inflation. In fiscal years 2023 through 2021, 7.0%, net of administrative expenses, including inflation. In fiscal years 2020 and 2019, 7.375% and 7.35%, net of administrative expenses, including inflation respectively. In fiscal year 2018 through 2016, 7.50%, net of administrative expenses, including inflation.
Retirement age	In fiscal years 2025, 2024, 2023 and 2022, the probabilities of retirement are based on the 2021 CalPERS Experience Study for the period 2000 to 2019. In fiscal years 2021 and 2020, the probabilities of retirement are based on the 2017 CalPERS Experience Study for the period 1997 to 2015. In fiscal years 2019 through 2017, the probabilities of retirement are based on the 2014 CalPERS Experience Study for the period 1997 to 2011. In fiscal year 2016, the probability of retirement is based on the 2010 CalPERS Experience Study for the period 1997 to 2007.
Mortality	In fiscal years 2025, 2024, 2023 and 2022, post-retirement mortality rates were for 2021 projected generationally for future years using 80% of the Society of Actuaries' Scale MP-2020. In fiscal years 2021 and 2020, post-retirement mortality rates included 15 years of projected ongoing mortality improvement using 90% of the Society of Actuaries Scale MP-2016. In fiscal year 2019 through 2017, mortality rates are based on the 2014 CalPERS Experience Study for the period 1997 to 2011. In fiscal year 2016, mortality rates are based on the 2010 CalPERS Experience Study for the period 1997 to 2007.

CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Schedule of Changes in Net OPEB Liability and Related Ratios -
City Retiree Health Plan
Last Eight Fiscal Years*
(In Thousands)

Fiscal Year	2025	2024	2023	2022	2021	2020	2019	2018
Measurement period	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability								
Service cost	\$ 26,201	\$ 19,593	\$ 28,332	\$ 37,664	\$ 24,307	\$ 37,585	\$ 38,477	\$ 50,972
Interest (includes interest on service cost)	28,062	30,064	23,945	18,927	27,522	32,591	30,078	32,415
Changes of assumptions	2,273	64,855	(142,145)	(197,600)	222,308	(139,063)	(38,298)	(294,914)
Changes of benefits	—	—	—	(36,950)	—	(147,572)	—	—
Differences between expected and actual experience	—	(11,208)	—	(10,132)	—	14,923	—	(10,799)
Benefit payments	(29,679)	(28,420)	(26,783)	(29,517)	(28,917)	(29,130)	(27,481)	(20,424)
Net change in total OPEB liability	26,857	74,884	(116,651)	(217,608)	245,220	(230,666)	2,776	(242,750)
Total OPEB liability, beginning	611,751	536,867	653,518	871,126	625,906	856,572	853,796	1,096,546
Total OPEB liability, ending	\$ 638,608	\$ 611,751	\$ 536,867	\$ 653,518	\$ 871,126	\$ 625,906	\$ 856,572	\$ 853,796
Plan fiduciary net position								
Contributions, employer	\$ 43,179	\$ 43,420	\$ 41,783	\$ 29,517	\$ 28,917	\$ 39,130	\$ 38,147	\$ 20,424
Net investment income	7,440	3,899	(7,110)	7,775	967	1,420	945	414
Administrative expenses	(35)	(55)	(8)	(16)	(14)	(12)	(7)	(2)
Benefit payments	(29,679)	(28,420)	(26,783)	(29,517)	(28,917)	(29,130)	(27,481)	(20,424)
Net change in plan fiduciary net position	20,904	18,844	7,882	7,759	953	11,408	11,604	412
Plan fiduciary net position, beginning	62,775	43,931	36,049	28,290	27,337	15,929	4,325	3,913
Plan fiduciary net position, ending	\$ 83,679	\$ 62,775	\$ 43,931	\$ 36,049	\$ 28,290	\$ 27,337	\$ 15,929	\$ 4,325
Plan net OPEB liability	\$ 554,929	\$ 548,976	\$ 492,936	\$ 617,469	\$ 842,836	\$ 598,569	\$ 840,643	\$ 849,471
Plan fiduciary net position as a percentage of the total OPEB liability	13.1 %	10.3 %	8.2 %	5.5 %	3.2 %	4.4 %	1.9 %	0.5 %
Covered payroll	\$ 489,581	\$ 452,831	\$ 361,992	\$ 384,527	\$ 383,674	\$ 373,405	\$ 369,316	\$ 360,309

CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Schedule of Changes in Net OPEB Liability and Related Ratios -
City Retiree Health Plan
Last Eight Fiscal Years*
(In Thousands)

Plan net OPEB liability as a percentage of covered payroll	113.3 %	121.2 %	136.2 %	160.6 %	219.7 %	160.3 %	227.6 %	235.8 %
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* Fiscal year ended June 30, 2018 was the first year of implementation of GASB Statement No. 75, therefore only eight years of information is shown.

CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Schedule of Changes in Net OPEB Liability and Related Ratios -
Port Retiree Health Plan
Last Eight Fiscal Years*
(In Thousands)

Fiscal Year	2025	2024	2023	2022	2021	2020	2019	2018
Measurement period	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability								
Service cost	\$ 4,656	\$ 4,369	\$ 4,091	\$ 4,636	\$ 4,416	\$ 4,621	\$ 4,329	\$ 4,055
Interest (includes interest on service cost)	12,962	11,803	11,824	12,158	11,793	11,995	11,521	11,089
Changes of assumptions	—	11,185	—	(724)	(896)	(6,179)	—	—
Differences between expected and actual experience	13,055	(80)	—	(10,433)	—	(3,665)	—	—
Benefit payments	(9,674)	(9,808)	(9,746)	(10,313)	(9,941)	(9,193)	(9,045)	(9,000)
Net change in total OPEB liability	20,999	17,469	6,169	(4,676)	5,372	(2,421)	6,805	6,144
Total OPEB liability, beginning	199,516	182,047	175,878	180,554	175,182	177,603	170,798	164,654
Total OPEB liability, ending	\$ 220,515	\$ 199,516	\$ 182,047	\$ 175,878	\$ 180,554	\$ 175,182	\$ 177,603	\$ 170,798
Plan fiduciary net position								
Contributions, employer	\$ 13,974	\$ 9,808	\$ 10,149	\$ 14,513	\$ 14,141	\$ 14,693	\$ 14,545	\$ 15,400
Net investment income	12,872	7,013	(16,812)	26,194	3,143	4,821	5,351	5,773
Administrative expenses	(60)	(55)	(63)	(54)	(44)	(38)	(35)	(22)
Benefit payments	(9,674)	(9,808)	(9,746)	(10,313)	(9,941)	(9,193)	(9,045)	(9,000)
Net change in plan fiduciary net position	17,112	6,958	(16,472)	30,340	7,299	10,283	10,816	12,151
Plan fiduciary net position, beginning	116,145	109,187	125,659	95,319	88,020	77,737	66,921	54,770
Plan fiduciary net position, ending	\$ 133,257	\$ 116,145	\$ 109,187	\$ 125,659	\$ 95,319	\$ 88,020	\$ 77,737	\$ 66,921
Plan net OPEB liability	\$ 87,258	\$ 83,371	\$ 72,860	\$ 50,219	\$ 85,235	\$ 87,162	\$ 99,866	\$ 103,877
Plan fiduciary net position as a percentage of the total OPEB liability	60.4 %	58.2 %	60.0 %	71.4 %	52.8 %	50.2 %	43.8 %	39.2 %
Covered payroll (1)	\$ 70,589	\$ 65,145	\$ 61,097	\$ 61,112	\$ 66,473	\$ 63,359	\$ 61,326	\$ 58,516
Plan net OPEB liability as a percentage of covered payroll	123.6 %	128.0 %	119.3 %	82.2 %	128.2 %	137.6 %	162.8 %	177.5 %

* Fiscal year ended June 30, 2018 was the first year of implementation of GASB Statement No. 75, therefore only eight years of information is shown.

(1) The Port's OPEB plan is administered through the California Employer's Retiree Benefit Trust. Contributions are not based on a measure of pay, therefore, covered payroll (the payroll of employees that are provided with OPEB through the OPEB plan) is used as the measure of payroll.

CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Schedule of Employer OPEB Contributions -
City Retiree Health Plan
Last Eight Fiscal Years*
(In Thousands)

Fiscal year ended June 30	2025	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contribution (ADC)	\$ 56,185	\$ 53,888	\$ 56,553	\$ 54,293	\$ 52,755	\$ 50,660	\$ 75,069	\$ 72,480
Contributions in relation to the ADC	(46,757)	(43,179)	(43,420)	(43,003)	(29,517)	(28,917)	(39,130)	(37,225)
Contribution deficiency	\$ 9,427	\$ 10,710	\$ 13,133	\$ 11,290	\$ 23,238	\$ 21,743	\$ 35,939	\$ 35,255
Covered payroll	\$ 501,820	\$ 489,581	\$ 452,831	\$ 361,992	\$ 384,527	\$ 383,674	\$ 373,405	\$ 369,316
Contributions as a percentage of covered payroll	9.32 %	8.82 %	9.59 %	11.88 %	7.68 %	7.74 %	10.60 %	10.33 %

The actuarial methods and assumptions used to set the actuarially determined contributions were as follows:

CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Schedule of Employer OPEB Contributions -
City Retiree Health Plan
Last Eight Fiscal Years*
(In Thousands)

Actuarial valuation date	July 1, 2023	July 1, 2021	July 1, 2019	July 1, 2017
Actuarial cost method	Entry-Age Normal Cost	Entry-Age Normal Cost	Entry-Age Normal Cost	Entry-Age Normal Cost
Asset valuation method	Fair value	Fair value	Fair value	Fair value
Amortization method	Level percentage of pay, closed period as of FY 2020	Level percentage of pay, closed period as of FY 2020	Level percentage of pay, closed period as of FY 2020	Level percentage of pay, open period, 30 years
Inflation	2.70%	2.30%	2.50%	2.50%
Discount rate	4.70%	3.74%	4.50%	3.58%
Investment Rate of Return	6.00%	7.59%	7.59%	7.28%
Rate of salary increase	2.75%	2.75%	2.75%	2.50%
Ultimate rate of medical inflation	4.14%	3.83%	3.50%	3.50%
Years to ultimate rate of medical inflation	54 years	54 years	20 years	20 years
Rates of mortality	Based on the 2021 CalPERS Experience Study from 2000 to 2019	Based on the 2021 CalPERS Experience Study from 2000 to 2019	Based on the 2017 CalPERS Experience Study from 1997 to 2015	Based on the 2017 CalPERS Experience Study from 1997 to 2015
Postretirement benefit increase	Police - 3.0% increase at July 1, 2024 and 2025 and 3.25% increase starting at July 1, 2026 Fire - 3.0% increase at July 1, 2024 and 2025 and 3.25% increase starting at July 1, 2026	Police - 2.5% increase at July 1, 2020, 3% increase at July 1, 2021, 3.5 % increase at July 1, 2022 and 2023, and 3.25% increase starting at July 1, 2024 Fire - 4.5% increase for fire engineers and 2.5% increase for all other fire at January 1, 2021, 1.5% increase at July 1, 2021, 2% increase at January 1, 2022, 1% increase at July 1, 2022, 2% increase at December 1, 2023, and 3.25% increase starting at July 1, 2024	Police - 2.5% and 1% increases at January 1, 2018; 2% on July 1, 2018; 2.5% at January 1, 2019; then 3.25% Fire - 3.25%	Police - 2.5% and 1% increases at January 1, 2018; 2% on July 1, 2018; 2.5% at January 1, 2019; then 3.25% Fire - 3.25%

* Fiscal year ended June 30, 2018 was the first year of implementation of GASB Statement No. 75, therefore only eight years of information is shown.

CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Schedule of Employer OPEB Contributions -
Port Retiree Health Plan
Last Eight Fiscal Years*
(In Thousands)

Fiscal year ended June 30	2025	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contribution (ADC)	\$ 13,666	\$ 12,525	\$ 11,254	\$ 8,815	\$ 12,350	\$ 12,149	\$ 13,310	\$ 13,203
Contributions in relation to the ADC	(14,848)	(14,435)	(9,822)	(10,149)	(14,418)	(14,145)	(14,894)	(14,732)
Contribution deficiency (excess)	\$ (1,182)	\$ (1,910)	\$ 1,432	\$ (1,334)	\$ (2,068)	\$ (1,996)	\$ (1,584)	\$ (1,529)
Covered payroll (1)	\$ 75,167	\$ 70,589	\$ 65,145	\$ 61,097	\$ 61,112	\$ 66,473	\$ 63,359	\$ 61,326
Contributions as a percentage of covered payroll	19.8 %	20.4 %	15.1 %	16.6 %	23.6 %	21.3 %	23.5 %	24.0 %

The actuarial methods and assumptions used to set the actuarially determined contributions were as follows:

ADC for fiscal year	June 30, 2025, 2024, 2023, 2022, 2021, 2020, 2019, 2018
Actuarial valuation date	June 30, 2023, 2021, 2019 and 2017
Actuarial cost method	Entry-Age Normal
Asset valuation method	Fair Value of Assets
Amortization method/period	30-year level dollar amount on a "closed" basis
Inflation	2.50%
Payroll growth	CalPERS salary scale for Miscellaneous employees hired at age 30
Investment rate of return	6.5% net of investment expense
Healthcare Cost Trend Rates	Medical is based on "Geizen" model published by the Society of Actuaries. Dental and vision are based on an 3% increase per year.
Retirement Age and Mortality	Based on CalPers Mortality rates for Miscellaneous Public Agency Employees projected generationally using 80 percent of Scale MP-2020 starting in 2017

* Historical information is required only for measurement periods for which GASB Statement No. 75 is applicable. Fiscal year ended June 30, 2018 was the first year of implementation. Future years' information, up to ten years, will be displayed as information becomes available.

(1) The Port's OPEB plan is administered through the California Employer's Retiree Benefit Trust. Contributions are not based on a measure of pay, therefore, covered payroll (the payroll of employees that are provided with OPEB through the OPEB plan) is used as the measure of payroll.

CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule – General Fund
Year Ended June 30, 2025
(In Thousands)

	Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)
REVENUES				
Taxes:				
Property	\$ 416,668	\$ 416,668	\$ 403,829	\$ (12,839)
Sales and use	63,729	63,729	59,999	(3,730)
Motor vehicle in-lieu	—	—	683	683
Local taxes:				
Business license	120,057	120,057	129,666	9,609
Utility consumption	68,435	68,435	70,753	2,318
Real estate transfer	73,719	73,719	93,220	19,501
Transient occupancy	19,737	19,737	16,388	(3,349)
Parking	13,067	13,067	11,236	(1,831)
Voter-approved special tax	7,726	7,726	6,255	(1,471)
Franchise	14,099	14,099	14,526	427
License and permits	1,161	1,161	1,516	355
Fines and penalties	18,964	18,964	23,686	4,722
Interest and investment income	2,531	2,531	28,880	26,349
Charges for services	87,413	90,960	91,660	700
Federal and state grants and subventions	1,365	2,858	3,590	732
Annuity income	3,723	3,723	—	(3,723)
Other	1,930	3,536	22,890	19,354
TOTAL REVENUES	914,324	920,970	978,777	57,807
EXPENDITURES				
Current:				
General government	202,046	219,833	150,456	69,377
Public safety	546,687	509,274	534,937	(25,663)
Community and human services	76,323	81,493	55,909	25,584
Community and economic development	33,009	87,858	42,819	45,039
Public works and transportation	46,609	49,840	35,105	14,735
Capital outlay	2,365	5,583	4,610	973
Debt service:				
Principal repayment	—	—	1,763	(1,763)
Interest charges	—	—	349	(349)
TOTAL EXPENDITURES	907,039	953,881	825,948	127,933
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	7,285	(32,911)	152,829	185,740
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	63,493	396	—	(396)
Transfers in	64,204	64,579	10,559	(54,020)
Transfers out	(141,947)	(142,502)	(82,242)	60,260
TOTAL OTHER FINANCING SOURCES (USES)	(14,250)	(75,963)	(71,683)	4,280
NET CHANGE IN FUND BALANCE	(6,965)	(108,874)	81,146	190,020
Fund balance - beginning	641,669	641,669	641,669	—
Cumulative effect of accounting change	199,903	199,903	199,903	—
Fund balance - beginning as restated	841,572	841,572	841,572	—
FUND BALANCE - ENDING	\$ 834,607	\$ 732,698	\$ 922,718	\$ 190,020

See notes to the required supplementary information.

CITY OF OAKLAND
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule – Other Special Revenue Fund
Year Ended June 30, 2025
(In Thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Taxes:				
Property	\$ 21,616	\$ 21,616	\$ 22,672	\$ 1,056
Local taxes:				
Transient occupancy	5,383	5,383	4,478	(905)
Parking	5,355	5,355	11,126	5,771
Voter-approved special tax	140,312	140,312	126,311	(14,001)
Licenses and permits	41,773	41,773	30,138	(11,635)
Fines and penalties	766	766	3,502	2,736
Interest and investment income	10	10	12,590	12,580
Charges for services	53,409	50,194	40,511	(9,683)
Federal and state grants and subventions	7,231	8,260	1,224	(7,036)
Other	388	1,119	—	(1,119)
TOTAL REVENUES	<u>276,243</u>	<u>274,788</u>	<u>252,552</u>	<u>(22,236)</u>
EXPENDITURES				
Current:				
General government	94,040	130,695	62,994	67,701
Public safety	34,503	37,257	30,198	7,059
Community and human services	92,395	121,435	83,529	37,906
Community and economic development	75,188	95,625	57,086	38,539
Public works and transportation	52,167	61,165	42,925	18,240
Capital outlay	3,537	15,897	5,079	10,818
Debt service:				
Principal repayment	—	—	630	(630)
Interest charges	—	—	15	(15)
TOTAL EXPENDITURES	<u>351,830</u>	<u>462,074</u>	<u>282,456</u>	<u>179,618</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>(75,587)</u>	<u>(187,286)</u>	<u>(29,904)</u>	<u>157,382</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	24,261	24,261	23,565	(696)
Transfers out	(3,129)	(3,129)	(1,535)	1,594
TOTAL OTHER FINANCING SOURCES (USES)	<u>21,132</u>	<u>21,132</u>	<u>22,030</u>	<u>898</u>
NET CHANGE IN FUND BALANCE	<u>(54,455)</u>	<u>(166,154)</u>	<u>(7,874)</u>	<u>158,280</u>
Fund balance - beginning	240,504	240,504	240,504	—
FUND BALANCE - ENDING	<u>\$ 186,049</u>	<u>\$ 74,350</u>	<u>\$ 232,630</u>	<u>\$ 158,280</u>

See notes to the required supplementary information.

CITY OF OAKLAND
Notes to Required Supplementary Information
For the Year Ended June 30, 2025

(1) BUDGETARY DATA

In accordance with the provisions of the City Charter, the City prepares and adopts a budget on or before June 30 for each fiscal year. The City Charter prohibits expending funds for which there is no legal appropriation. Therefore, the City is required to adopt budgets for all City funds.

Prior to July 1, the original adopted budget is finalized through the passage of a resolution by the City Council. The level of legal budgetary control by the City Council is established at the fund level. For management purposes, the budget is controlled at the departmental level of expenditure within funds.

In June 2023, the City Council approved the City's two-year budget for fiscal years 2024 and 2025. Although appropriations are adopted for a 24-month period, they are divided into two one-year spending plans. The final budgetary data presented in the required supplementary information reflects approved changes to the original 2023-2025 budget. Certain projects are appropriated on a multi-year rather than annual basis. If such projects or programs are not completed at the end of the fiscal year, unexpended appropriations may be carried forward to the following year with the approval of the City Administrator pursuant to the City's Consolidated Fiscal Policy.

Transfers of appropriations between funds and supplemental appropriations financed by unanticipated revenues must be approved by the City Council. Transfers of appropriations between projects within the same fund must be approved by the City Administrator. Final budget amounts reported in the required supplementary information reflect both the appropriation changes approved by the City Council and the transfers approved by the City Administrator.

Budgetary Basis of Accounting

The City adopts budgets each fiscal year on a basis of accounting which is substantially the same as accounting principles generally accepted in the United States of America (GAAP) except for certain investment earnings.

Certain funds of the City contain capital projects, grant projects, loan programs or other programs that are budgeted on a multi-year basis. The amounts of the projects and programs budgeted on a multiyear basis are significant compared to the items budgeted on an annual basis; therefore, a comparison of budget to actual for the fund would not be meaningful. As a result, such funds that are excluded from budgetary reporting are:

- Federal/State Grant Fund
- Low and Moderate Income Housing Asset Fund
- Municipal Capital Improvement Fund

While the City adopts budgets for all funds, the budgets to actual comparisons for proprietary and fiduciary funds are not presented because some projects and programs are adopted on a multi-year basis.

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COMBINING FINANCIAL STATEMENTS AND SCHEDULES

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CITY OF OAKLAND
Combining Balance Sheet
Other Governmental Funds - Special Revenue and Debt Service Funds
June 30, 2025
(In Thousands)

	Special Revenue Funds	Debt Service Funds	Total
ASSETS			
Cash and investments	\$ 67,717	\$ 33,585	\$ 101,302
Receivable, net:			
Accrued interest	576	300	876
Property taxes	2,306	1,188	3,494
Accounts receivable	8,675	—	8,675
Grants receivable	4,904	—	4,904
Due from Port	661	—	661
Restricted cash and investments	—	6,282	6,282
Other assets	—	—	—
TOTAL ASSETS	\$ 84,839	\$ 41,355	\$ 126,194
LIABILITIES			
Accounts payable and accrued liabilities	\$ 7,137	\$ 3	\$ 7,140
Due to other funds	—	1,458	1,458
Other	2,965	—	2,965
TOTAL LIABILITIES	10,102	1,461	11,563
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	3,966	555	4,521
FUND BALANCES			
Restricted	59,651	40,781	100,432
Committed	1,823	—	1,823
Assigned	9,297	—	9,297
Unassigned	—	(1,442)	(1,442)
TOTAL FUND BALANCES	70,771	39,339	110,110
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 84,839	\$ 41,355	\$ 126,194

CITY OF OAKLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Other Governmental Funds – Special Revenue and Debt Service Funds
Year Ended June 30, 2025
(In Thousands)

	Special Revenue Funds	Debt Service Funds	Total
REVENUES			
Taxes:			
Property	\$ 1,583	\$ 47,463	\$ 49,046
Sales and use	34,093	—	34,093
Gas	23,690	—	23,690
Voter-approved special tax	19,528	—	19,528
Licenses and permits	42	—	42
Fines and penalties	607	168	775
Interest and investment income	3,626	2,327	5,953
Charges for services	141	—	141
Federal and state grants and subventions	4,410	42	4,452
Other	2,014	73	2,087
TOTAL REVENUES	89,734	50,073	139,807
EXPENDITURES			
Current:			
General government	4,918	35	4,953
Community and human services	13,708	—	13,708
Community and economic development	181	—	181
Public works and transportation	64,358	—	64,358
Capital outlay	11,237	—	11,237
Debt service:			
Principal repayment	—	88,273	88,273
Interest charges	—	31,936	31,936
TOTAL EXPENDITURES	94,402	120,244	214,646
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,668)	(70,171)	(74,839)
OTHER FINANCING SOURCES (USES)			
Transfers in	—	60,455	60,455
Transfers out	(2,409)	—	(2,409)
TOTAL OTHER FINANCING SOURCES (USES)	(2,409)	60,455	58,046
NET CHANGE IN FUND BALANCES	(7,077)	(9,716)	(16,793)
Fund balances - beginning	77,848	49,055	126,903
FUND BALANCES - ENDING	\$ 70,771	\$ 39,339	\$ 110,110

OTHER GOVERNMENTAL FUNDS- SPECIAL REVENUE FUNDS

Special revenue funds account for certain revenue sources that are legally restricted or committed to be spent for specified purposes. Other restricted sources are accounted for in fiduciary, debt service, and capital projects funds.

Traffic Safety and Control Fund accounts for monies received from sales and use taxes and grants which are expended or disbursed for purposes immediately connected with traffic safety and control.

State Gas Tax Fund accounts for the subventions received from state gas taxes under the provision of the Streets and Highways Code. State gas taxes are restricted to uses related to local streets and highways and include acquisitions of real property, construction and improvements, and repairs and maintenance of streets and highways.

The **Landscape and Lighting Assessment District Fund** is an assessment district fund that is used to account for monies restricted to installing, maintaining and servicing public lighting, landscaping and park facilities.

Assessment Districts Fund accounts for monies restricted to specific improvements that beneficially affect a well defined and limited area of land.

Parks, Recreation, Cultural, and Police Fund accounts for monies held for the general betterment and beautification of City parks, recreation centers, the Oakland Public Museum, and the Oakland Public Library, as well as assets of the Police Department committed for specified purposes.

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CITY OF OAKLAND
Combining Balance Sheet
Other Governmental Funds – Special Revenue Funds
June 30, 2025
(In Thousands)

	Traffic Safety & Control	State Gas Tax	Landscape and Lighting Assessment District	Assessment Districts	Parks, Recreation, Cultural, and Police	Total
ASSETS						
Cash and investments	\$ 35,523	\$ 13,664	\$ 2,287	\$ 5,432	\$ 10,811	\$ 67,717
Receivable, net:						
Accrued interest	329	128	(24)	46	97	576
Property taxes	—	—	1,829	39	438	2,306
Accounts receivable	6,353	2,005	290	21	6	8,675
Grants receivable	4,904	—	—	—	—	4,904
Due from Port	—	—	661	—	—	661
TOTAL ASSETS	<u><u>\$ 47,109</u></u>	<u><u>\$ 15,797</u></u>	<u><u>\$ 5,043</u></u>	<u><u>\$ 5,538</u></u>	<u><u>\$ 11,352</u></u>	<u><u>\$ 84,839</u></u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ 5,132	\$ 1,615	\$ 82	\$ 9	\$ 299	\$ 7,137
Other	—	—	—	51	2,914	2,965
TOTAL LIABILITIES	<u>5,132</u>	<u>1,615</u>	<u>82</u>	<u>60</u>	<u>3,213</u>	<u>10,102</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	<u>1,948</u>	<u>—</u>	<u>1,606</u>	<u>38</u>	<u>374</u>	<u>3,966</u>
FUND BALANCES						
Restricted	40,029	14,182	—	5,440	—	59,651
Committed	—	—	—	—	1,823	1,823
Assigned	<u>—</u>	<u>—</u>	<u>3,355</u>	<u>—</u>	<u>5,942</u>	<u>9,297</u>
TOTAL FUND BALANCES	<u>40,029</u>	<u>14,182</u>	<u>3,355</u>	<u>5,440</u>	<u>7,765</u>	<u>70,771</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u><u>\$ 47,109</u></u>	<u><u>\$ 15,797</u></u>	<u><u>\$ 5,043</u></u>	<u><u>\$ 5,538</u></u>	<u><u>\$ 11,352</u></u>	<u><u>\$ 84,839</u></u>

CITY OF OAKLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Other Governmental Funds – Special Revenue Funds
Year Ended June 30, 2025
(In Thousands)

	Traffic Safety & Control	State Gas Tax	Landscape and Lighting Assessment District	Assessment Districts	Parks, Recreation, Cultural, and Police	Total
REVENUES						
Taxes:						
Property tax	\$ —	\$ —	\$ —	\$ 1,583	\$ —	\$ 1,583
Sales and use	34,093	—	—	—	—	34,093
Gas	—	23,690	—	—	—	23,690
Voter-approved special tax	—	—	19,425	103	—	19,528
Licenses and permits	—	—	42	—	—	42
Fines and penalties	607	—	—	—	—	607
Interest and investment income (loss)	2,246	606	6	204	564	3,626
Charges for services	141	—	—	—	—	141
Federal and state grants and subventions	4,357	—	—	—	53	4,410
Other	1,569	3	—	37	405	2,014
TOTAL REVENUES	43,013	24,299	19,473	1,927	1,022	89,734
EXPENDITURES						
Current:						
General government	4,432	124	341	13	8	4,918
Community and human services	3,695	—	9,866	—	147	13,708
Community and economic development	—	—	—	—	181	181
Public works and transportation	38,642	20,836	4,325	555	—	64,358
Capital outlay	10,176	998	—	—	63	11,237
TOTAL EXPENDITURES	56,945	21,958	14,532	568	399	94,402
EXCESS OF REVENUES OVER EXPENDITURES	(13,932)	2,341	4,941	1,359	623	(4,668)
OTHER FINANCING SOURCES (USES)						
Transfers out	—	—	(2,409)	—	—	(2,409)
NET CHANGE IN FUND BALANCES	(13,932)	2,341	2,532	1,359	623	(7,077)
Fund balances - beginning	53,961	11,841	823	4,081	7,142	77,848
FUND BALANCES - ENDING	\$ 40,029	\$ 14,182	\$ 3,355	\$ 5,440	\$ 7,765	\$ 70,771

CITY OF OAKLAND
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Other Governmental Funds – Special Revenue Funds
Year Ended June 30, 2025
(In Thousands)

	Traffic Safety & Control				State Gas Tax			
	Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)	Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)
REVENUES								
Sales and use tax	\$ 35,879	\$ 35,879	\$ 34,093	\$ (1,786)	\$ —	\$ —	\$ —	\$ —
Gas tax	—	—	—	—	22,791	22,791	23,690	899
Fines and penalties	987	987	607	(380)	—	—	—	—
Interest and investment income (loss)	—	—	2,246	2,246	—	—	606	606
Charges for services	—	—	141	141	7	7	—	(7)
Federal and state grants and subventions	1,813	20,811	4,357	(16,454)	138	138	—	(138)
Other	—	—	1,569	1,569	2	2	3	1
TOTAL REVENUES	38,679	57,677	43,013	(14,664)	22,938	22,938	24,299	1,361
EXPENDITURES								
Current:								
General government	1,568	16,620	4,432	12,188	267	831	124	707
Public safety	—	(3)	—	(3)	—	—	—	—
Community and human services	3,933	6,959	3,695	3,264	—	—	—	—
Community and economic development	—	300	—	300	—	—	—	—
Public works and transportation	39,932	47,468	38,642	8,826	22,339	23,810	20,836	2,974
Capital outlay	5,701	69,626	10,176	59,450	2,200	2,706	998	1,708
TOTAL EXPENDITURES	51,134	140,970	56,945	84,025	24,806	27,347	21,958	5,389
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(12,455)	(83,293)	(13,932)	69,361	(1,868)	(4,409)	2,341	6,750
NET CHANGE IN FUND BALANCES	(12,455)	(83,293)	(13,932)	69,361	(1,868)	(4,409)	2,341	6,750
Fund balances - beginning	51,735	51,735	53,961	2,226	11,563	11,563	11,841	278
FUND BALANCES (DEFICIT) - ENDING	\$ 39,280	\$ (31,558)	\$ 40,029	\$ 71,587	\$ 9,695	\$ 7,154	\$ 14,182	\$ 7,028

CITY OF OAKLAND
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Other Governmental Funds – Special Revenue Funds (continued)
Year Ended June 30, 2025
(In Thousands)

	Landscape and Lighting Assessment District				Assessment Districts			
	Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)	Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)
REVENUES								
Taxes:								
Property tax	\$ —	\$ —	\$ —	\$ —	\$ 2,099	\$ 2,099	\$ 1,583	\$ (516)
Voter-approved special tax	19,466	19,466	19,425	(41)	—	—	103	103
Licenses and permits	78	78	42	(36)	—	—	—	—
Interest and investment income	—	—	6	6	—	—	204	204
Charges for services	207	207	—	(207)	—	—	—	—
Other	—	—	—	—	3	3	37	34
TOTAL REVENUES	19,751	19,751	19,473	(278)	2,102	2,102	1,927	(175)
EXPENDITURES								
Current:								
General government	41	41	341	(300)	2	556	13	543
Public safety	—	—	—	—	3	31	—	31
Community and human services	9,866	9,866	9,866	—	—	—	—	—
Community and economic development	—	—	—	—	—	—	—	—
Public works and transportation	6,570	6,792	4,325	2,467	2,098	2,559	555	2,004
Capital outlay	—	2	—	2	—	1,641	—	1,641
TOTAL EXPENDITURES	16,477	16,701	14,532	2,169	2,103	4,787	568	4,219
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,274	3,050	4,941	1,891	(1)	(2,685)	1,359	4,044
OTHER FINANCING SOURCES (USES)								
Transfers out	(3,275)	(3,275)	(2,409)	866	—	—	—	—
NET CHANGE IN FUND BALANCES	(1)	(225)	2,532	2,757	(1)	(2,685)	1,359	4,044
Fund balances - beginning	823	823	823	—	4,081	4,081	4,081	—
FUND BALANCES - ENDING	\$ 822	\$ 598	\$ 3,355	\$ 2,757	\$ 4,080	\$ 1,396	\$ 5,440	\$ 4,044

CITY OF OAKLAND
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Other Governmental Funds – Special Revenue Funds (continued)
Year Ended June 30, 2025
(In Thousands)

	Parks, Recreation, Cultural, and Police			
	Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)
REVENUES				
Interest and investment income	\$ 10	\$ 10	\$ 564	\$ 554
Federal and state grants and subventions	—	—	53	53
Other	368	503	405	(98)
TOTAL REVENUES	378	513	1,022	509
EXPENDITURES				
Current:				
General government	10	388	8	380
Community and human services	367	2,981	147	2,834
Community and economic development	—	232	181	51
Public works and transportation	—	15	—	15
Capital outlay	—	53	63	(10)
TOTAL EXPENDITURES	377	3,669	399	3,270
NET CHANGE IN FUND BALANCES	1	(3,156)	623	3,779
Fund balances - beginning	7,142	7,142	7,142	—
FUND BALANCES - ENDING	\$ 7,143	\$ 3,986	\$ 7,765	\$ 3,779

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OTHER GOVERNMENTAL FUNDS- DEBT SERVICE FUNDS

Debt service funds account for the accumulation of resources to be used for the payment of general long-term debt principal and interest.

The **General Obligation Bonds Fund** accounts for monies received in connection with the General Obligation Bonds and the related payments on such debt. Proceeds from the General Obligation Bonds are to be used by the City to expand and develop park and recreation facilities, and to enhance the City's emergency response capabilities and for seismic reinforcement of essential public facilities and infrastructure.

The **Lease Financing Fund** accounts for monies received in connection with leases between the City and the ORSA, and the City and the California Statewide Communities Development Authority. It also accounts for payments on bonds and other debt issued for the Oakland Museum, for capital improvements to certain City properties, and for the Scotlan and Kaiser Convention Centers.

The **JPFA Fund** accounts for monies received in connection with leases between the City and the JPFA.

The **Other Assessment Bonds Fund** accounts for special assessment monies received from property owners within the various special assessment districts to liquidate the improvement bonds. These districts include Rockridge Area Water Improvement, and the Fire Area Utility Underground.

The **Special Revenue Bonds Fund** accounts for financing received in connection with the Special Refunding Revenue Bonds (Pension Financing) and for payments on such bonds. Funding consists of voter-approved property tax override revenues authorized by Resolution No. 59916 C.M.S, which was adopted in August 1981 by the City Council to fund the City's obligations under Measure R and Measure O. The revenues are used by the City to fund a portion of the City's liability for public safety employee pensions.

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CITY OF OAKLAND
Combining Balance Sheet
Other Governmental Funds – Debt Service Funds
June 30, 2025
(In Thousands)

	General Obligation Bonds	Lease Financing	JPFA	Other Assessment Bonds	Special Revenue Bonds	Total
ASSETS						
Cash and investments	\$ 28,677	\$ —	\$ —	\$ 422	\$ 4,486	\$ 33,585
Receivables, net:						
Accrued interest	254	—	—	4	42	300
Property taxes	1,166	—	—	22	—	1,188
Restricted cash and investments	3,437	—	18	57	2,770	6,282
TOTAL ASSETS	\$ 33,534	\$ —	\$ 18	\$ 505	\$ 7,298	\$ 41,355
LIABILITIES						
Accounts payable and accrued liabilities	\$ 2	\$ 1	\$ —	\$ —	\$ —	\$ 3
Due to other funds	—	1,441	17	—	—	1,458
TOTAL LIABILITIES	2	1,442	17	—	—	1,461
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	534	—	—	21	—	555
FUND BALANCES						
Restricted	32,998	—	1	484	7,298	40,781
Unassigned	—	(1,442)	—	—	—	(1,442)
TOTAL FUND BALANCES	32,998	(1,442)	1	484	7,298	39,339
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 33,534	\$ —	\$ 18	\$ 505	\$ 7,298	\$ 41,355

CITY OF OAKLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Other Governmental Funds – Debt Service Funds
Year Ended June 30, 2025
(In Thousands)

	General Obligation Bonds	Lease Financing	JPFA	Other Assessment Bonds	Special Revenue Bonds	Total
REVENUES						
Property taxes	\$ 47,463	\$ —	\$ —	\$ —	\$ —	\$ 47,463
Fines and penalties	168	—	—	—	—	168
Interest and investment income	949	—	17	19	1,342	2,327
Federal and state grants and subventions	—	42	—	—	—	42
Other	—	—	—	73	—	73
TOTAL REVENUES	48,580	42	17	92	1,342	50,073
EXPENDITURES						
Current:						
General government	10	—	—	22	3	35
Debt service:						
Principal repayment	28,750	1,388	7,345	395	50,395	88,273
Bond issuance cost	—	—	—	—	—	—
Interest charges	27,191	42	976	42	3,685	31,936
TOTAL EXPENDITURES	55,951	1,430	8,321	459	54,083	120,244
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(7,371)	(1,388)	(8,304)	(367)	(52,741)	(70,171)
OTHER FINANCING SOURCES (USES)						
Transfers in	432	1,346	8,320	—	50,357	60,455
NET CHANGE IN FUND BALANCES	(6,939)	(42)	16	(367)	(2,384)	(9,716)
Fund balances (deficit) - beginning	39,937	(1,400)	(15)	851	9,682	49,055
FUND BALANCES (DEFICIT) - ENDING	\$ 32,998	\$ (1,442)	\$ 1	\$ 484	\$ 7,298	\$ 39,339

CITY OF OAKLAND
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Other Governmental Funds – Debt Service Funds
Year Ended June 30, 2025
(In Thousands)

	General Obligation Bonds				Lease Financing			
	Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)	Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)
REVENUES								
Property taxes	\$ 56,041	\$ 56,041	\$ 47,463	\$ (8,578)	\$ —	\$ —	\$ —	\$ —
Fines and penalties	—	—	168	168	—	—	—	—
Interest and investment income	—	—	949	949	—	—	—	—
Federal and state grants and subventions	—	—	—	—	—	—	42	42
Other	—	—	—	—	25,000	25,000	—	(25,000)
TOTAL REVENUES	56,041	56,041	48,580	(7,461)	25,000	25,000	42	(24,958)
EXPENDITURES								
Current:								
General government	101	170	10	160	6	9	—	9
Debt service:								
Principal repayment	28,750	28,750	28,750	—	26,388	26,388	1,388	25,000
Bond issuance cost	—	—	—	—	—	—	—	—
Interest charges	27,191	27,191	27,191	—	42	42	42	—
TOTAL EXPENDITURES	56,042	56,111	55,951	160	26,436	26,439	1,430	25,009
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1)	(70)	(7,371)	(7,301)	(1,436)	(1,439)	(1,388)	51
OTHER FINANCING SOURCES (USES)								
Issuance of bonds	—	—	—	—	—	—	—	—
Premium on issuance of bonds	—	—	—	—	—	—	—	—
Transfers in	—	—	432	432	1,435	1,435	1,346	(89)
Transfers out	—	—	—	—	—	—	—	—
TOTAL OTHER FINANCING SOURCES	—	—	432	432	1,435	1,435	1,346	(89)
NET CHANGE IN FUND BALANCES	(1)	(70)	(6,939)	(6,869)	(1)	(4)	(42)	(38)
Fund balances (deficits) - beginning	39,937	39,937	39,937	—	(1,400)	(1,400)	(1,400)	—
FUND BALANCES (DEFICITS) - ENDING	\$ 39,936	\$ 39,867	\$ 32,998	\$ (6,869)	\$ (1,401)	\$ (1,404)	\$ (1,442)	\$ (38)

CITY OF OAKLAND
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Other Governmental Funds – Debt Service Funds (continued)
Year Ended June 30, 2025
(In Thousands)

	JPFA				Other Assessment Bonds			
	Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)	Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)
REVENUES								
Interest and investment income	\$ —	\$ —	\$ 17	\$ 17	\$ —	\$ —	\$ 19	\$ 19
Other	—	—	—	—	524	524	73	(451)
TOTAL REVENUES	<u>—</u>	<u>—</u>	<u>17</u>	<u>17</u>	<u>524</u>	<u>524</u>	<u>92</u>	<u>(432)</u>
EXPENDITURES								
Current:								
General government	7	7	—	7	87	179	22	157
Debt service:								
Principal repayment	7,345	7,345	7,345	—	395	395	395	—
Interest charges	976	976	976	—	42	42	42	—
TOTAL EXPENDITURES	<u>8,328</u>	<u>8,328</u>	<u>8,321</u>	<u>7</u>	<u>524</u>	<u>616</u>	<u>459</u>	<u>157</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(8,328)</u>	<u>(8,328)</u>	<u>(8,304)</u>	<u>24</u>	<u>—</u>	<u>(92)</u>	<u>(367)</u>	<u>(275)</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	8,328	8,328	8,320	(8)	—	—	—	—
NET CHANGE IN FUND BALANCES	<u>—</u>	<u>—</u>	<u>16</u>	<u>16</u>	<u>—</u>	<u>(92)</u>	<u>(367)</u>	<u>(275)</u>
Fund balances (deficits) - beginning	(15)	(15)	(15)	—	851	851	851	—
FUND BALANCES (DEFICITS) - ENDING	<u>\$ (15)</u>	<u>\$ (15)</u>	<u>\$ 1</u>	<u>\$ 16</u>	<u>\$ 851</u>	<u>\$ 759</u>	<u>\$ 484</u>	<u>\$ (275)</u>

CITY OF OAKLAND
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Other Governmental Funds – Debt Service Funds (continued)
Year Ended June 30, 2025
(In Thousands)

	Special Revenue Bonds			
	Original Budget	Final Budget	Actual Budgetary Basis	Variance Positive (Negative)
REVENUES				
Interest and investment income	\$ —	\$ —	\$ 1,342	\$ 1,342
TOTAL REVENUES	—	—	1,342	1,342
EXPENDITURES				
Current:				
General government	7	12	3	9
Debt service:				
Principal repayment	50,395	50,395	50,395	—
Interest charges	3,685	3,685	3,685	—
TOTAL EXPENDITURES	54,087	54,092	54,083	9
(DEFICIENCY) OF REVENUES (UNDER) EXPENDITURES	(54,087)	(54,092)	(52,741)	1,351
OTHER FINANCING SOURCES				
Transfers in	54,080	54,080	50,357	(3,723)
NET CHANGE IN FUND BALANCES	(7)	(12)	(2,384)	(2,372)
Fund balances - beginning	9,682	9,682	9,682	—
FUND BALANCES - ENDING	<u>\$ 9,675</u>	<u>\$ 9,670</u>	<u>\$ 7,298</u>	<u>\$ (2,372)</u>

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INTERNAL SERVICE FUNDS

Internal service funds account for operations that provide goods or services to other City departments and agencies, or to other governments, on a cost-reimbursement basis.

The **Equipment Fund** accounts for the purchase of automotive and rolling equipment, and the related maintenance service charges and related billings for various City departments.

The **Radio Fund** accounts for the purchase, maintenance and operation of radio and other communication equipment being used by various City departments.

The **Facilities Fund** accounts for the repair and maintenance of City facilities, and for provision of custodial and maintenance services related thereto.

The **Reproduction Fund** accounts for the acquisition, maintenance and provision of reproduction equipment and services related to normal governmental operations.

The **Central Stores Fund** accounts for inventory provided to various City departments on a cost reimbursement basis.

The **Purchasing Fund** accounts for procurement of materials, equipment and services essential to providing governmental services for the City.

The **Information Technology Fund** accounts for maintenance and operation of the information technology services for various City departments.

The **Personnel Management Fund** accounts for personnel management activities, including payroll support, recruitment and other human resource services.

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CITY OF OAKLAND
Combining Statement of Fund Net Position
Internal Service Funds
June 30, 2025
(In Thousands)

	Equipment	Radio	Facilities	Reproduction	Central Stores	Purchasing	Information Technology	Personnel Management	Total
ASSETS									
Current assets:									
Cash and investments	\$ 21,252	\$ 2,241	\$ 11,604	\$ 543	\$ —	\$ 414	\$ 16,706	\$ —	\$ 52,760
Accrued interest	316	63	120	11	—	22	169	32	733
Accounts receivable	1	—	90	—	—	—	—	—	91
Lease receivable	—	—	344	—	—	—	—	—	344
Inventories	1,773	—	—	—	—	—	—	—	1,773
Prepaid expenses	74	30	2	—	—	—	1,717	30	1,853
Total current assets	23,416	2,334	12,160	554	—	436	18,592	62	57,554
Non-current assets:									
Capital assets:									
Nondepreciable	9,940	—	1,259	—	—	—	1,557	—	12,756
Depreciable, net	8,539	3,148	6,266	—	—	—	6,698	—	24,651
Total capital assets	18,479	3,148	7,525	—	—	—	8,255	—	37,407
TOTAL ASSETS	41,895	5,482	19,685	554	—	436	26,847	62	94,961
DEFERRED OUTFLOWS OF RESOURCES									
Pensions	3,101	1,154	5,800	328	284	1,422	2,900	3,021	18,010
OPEB	724	366	1,301	90	31	223	349	447	3,531
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,825	1,520	7,101	418	315	1,645	3,249	3,468	21,541
LIABILITIES									
Current liabilities:									
Accounts payable and accrued liabilities	2,903	32	4,405	47	12	—	1,021	259	8,679
Accrued interest payable	49	1	—	—	—	—	—	—	50
Due to other funds	—	—	—	—	6	—	—	—	6
Other liabilities	—	—	3	—	—	—	—	—	3
Financed purchase obligations, notes and other payables	1,715	377	—	—	—	—	—	—	2,092
Total current liabilities	4,667	410	4,408	47	18	—	1,021	259	10,830
Non-current liabilities:									
Financed purchase obligations, notes and other payables	5,908	417	—	—	—	—	—	—	6,325
Net pension liability	17,132	8,162	32,015	1,300	830	3,759	1,072	140	64,410
Net OPEB liability	3,123	1,010	5,667	260	129	553	(27)	—	10,715
Total non-current liabilities	26,163	9,589	37,682	1,560	959	4,312	1,045	140	81,450
TOTAL LIABILITIES	30,830	9,999	42,090	1,607	977	4,312	2,066	399	92,280
DEFERRED INFLOWS OF RESOURCES									
Leases	—	—	311	—	—	—	—	—	311
Pensions	45	92	—	47	—	26	—	—	210
OPEB	1,272	601	2,333	101	46	195	(106)	—	4,442
TOTAL DEFERRED INFLOWS OF RESOURCES	1,317	693	2,644	148	46	221	(106)	—	4,963
NET POSITION									
Net investment in capital assets	10,856	2,354	7,525	—	—	—	8,255	—	28,990
Unrestricted (deficit)	2,717	(6,044)	(25,473)	(783)	(708)	(2,452)	19,881	3,131	(9,731)
TOTAL NET POSITION	\$ 13,573	\$ (3,690)	\$ (17,948)	\$ (783)	\$ (708)	\$ (2,452)	\$ 28,136	\$ 3,131	\$ 19,259

CITY OF OAKLAND
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Internal Services Funds
Year Ended June 30, 2025
(In Thousands)

	<u>Equipment</u>	<u>Radio</u>	<u>Facilities</u>	<u>Reproduction</u>	<u>Central Stores</u>	<u>Purchasing</u>	<u>Information Technology</u>	<u>Personnel Management</u>	<u>Total</u>
OPERATING REVENUES									
Charges for services	\$ 34,777	\$ 7,591	\$ 50,848	\$ 1,216	\$ 651	\$ 6,944	\$ 26,624	\$ 16,992	\$ 145,643
Other	—	—	—	—	—	—	—	—	—
TOTAL OPERATING REVENUES	<u>34,777</u>	<u>7,591</u>	<u>50,848</u>	<u>1,216</u>	<u>651</u>	<u>6,944</u>	<u>26,624</u>	<u>16,992</u>	<u>145,643</u>
OPERATING EXPENSES									
Personnel	10,351	3,910	17,241	866	517	5,668	5,608	11,567	55,728
Supplies	8,966	388	1,783	100	1	5	232	31	11,506
Depreciation and amortization	4,816	1,003	1,061	—	—	—	4,434	—	11,314
Contractual services and supplies	422	—	917	1	—	—	8,257	217	9,814
Repairs and maintenance	2,826	185	8,529	14	—	—	1,479	4	13,037
General and administrative	4,222	916	7,447	267	36	532	3,298	1,633	18,351
Rental	742	—	654	327	56	—	—	—	1,779
Other	27,108	1,789	11,781	—	—	10	—	150	40,838
TOTAL OPERATING EXPENSES	<u>59,453</u>	<u>8,191</u>	<u>49,413</u>	<u>1,575</u>	<u>610</u>	<u>6,215</u>	<u>23,308</u>	<u>13,602</u>	<u>162,367</u>
OPERATING INCOME (LOSS)	<u>(24,676)</u>	<u>(600)</u>	<u>1,435</u>	<u>(359)</u>	<u>41</u>	<u>729</u>	<u>3,316</u>	<u>3,390</u>	<u>(16,724)</u>
NON-OPERATING REVENUES (EXPENSES)									
Interest and investment income (loss)	2,108	208	546	30	(1)	54	821	(259)	3,507
Interest expense	(286)	(11)	—	—	—	—	—	—	(297)
Insurance claims and settlements	312	—	1,639	—	—	—	—	—	1,951
Other	39	—	—	—	—	—	—	—	39
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>2,173</u>	<u>197</u>	<u>2,185</u>	<u>30</u>	<u>(1)</u>	<u>54</u>	<u>821</u>	<u>(259)</u>	<u>5,200</u>
TRANSFERS	<u>(22,503)</u>	<u>(403)</u>	<u>3,620</u>	<u>(329)</u>	<u>40</u>	<u>783</u>	<u>4,137</u>	<u>3,131</u>	<u>(11,524)</u>
Transfers out	(1,739)	(4,482)	(469)	—	—	—	—	—	(6,690)
Change in net position	(24,242)	(4,885)	3,151	(329)	40	783	4,137	3,131	(18,214)
Net position - beginning	37,815	1,195	(21,099)	(454)	(748)	(3,235)	23,999	—	37,473
NET POSITION - ENDING	<u>\$ 13,573</u>	<u>\$ (3,690)</u>	<u>\$ (17,948)</u>	<u>\$ (783)</u>	<u>\$ (708)</u>	<u>\$ (2,452)</u>	<u>\$ 28,136</u>	<u>\$ 3,131</u>	<u>\$ 19,259</u>

CITY OF OAKLAND
Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2025
(In Thousands)

	<u>Equipment</u>	<u>Radio</u>	<u>Facilities</u>	<u>Reproduction</u>	<u>Central Stores</u>	<u>Purchasing</u>	<u>Information Technology</u>	<u>Personnel Management</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES									
Cash received from customers and users	\$ 34,857	\$ 7,591	\$ 50,771	\$ 1,216	\$ 651	\$ 6,944	\$ 26,624	\$ 16,992	\$ 145,646
Cash from other sources	351	—	1,639	—	—	—	—	—	1,990
Cash paid to employees	(9,977)	(3,515)	(16,205)	(987)	(496)	(6,321)	(7,981)	(14,895)	(60,377)
Cash paid to suppliers	(43,519)	(3,141)	(30,356)	(823)	(97)	(547)	(15,163)	(1,806)	(95,452)
NET CASH PROVIDED BY OPERATING ACTIVITIES	(18,288)	935	5,849	(594)	58	76	3,480	291	(8,193)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES									
Repayment of interfund loans	—	—	—	—	(57)	—	—	—	(57)
Transfers out	(1,739)	(4,482)	(469)	—	—	—	—	—	(6,690)
NET CASH USED IN NONCAPITAL FINANCING ACTIVITIES	(1,739)	(4,482)	(469)	—	(57)	—	—	—	(6,747)
CASH FLOWS FROM CAPITAL AND RELATING FINANCING ACTIVITIES									
Acquisition of capital assets	(6,175)	(332)	(1,190)	—	—	—	(3,232)	—	(10,929)
Repayment of long-term debt	(2,032)	(618)	—	—	—	—	(2,336)	—	(4,986)
Interest paid on long-term debt	(302)	(84)	—	—	—	—	(35)	—	(421)
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	(8,509)	(1,034)	(1,190)	—	—	—	(5,603)	—	(16,336)
CASH FLOWS FROM INVESTING ACTIVITIES									
Interest received (paid)	2,307	145	532	32	(1)	37	888	(291)	3,649
NET CHANGE IN CASH AND CASH EQUIVALENTS	(26,229)	(4,436)	4,722	(562)	—	113	(1,235)	—	(27,627)
Cash and cash equivalents - beginning	47,481	6,677	6,882	1,105	—	301	17,941	—	80,387
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 21,252</u>	<u>\$ 2,241</u>	<u>\$ 11,604</u>	<u>\$ 543</u>	<u>\$ —</u>	<u>\$ 414</u>	<u>\$ 16,706</u>	<u>\$ —</u>	<u>\$ 52,760</u>

CITY OF OAKLAND
Combining Statement of Cash Flows (Continued)
Internal Service Funds
Year Ended June 30, 2025
(In Thousands)

	<u>Equipment</u>	<u>Radio</u>	<u>Facilities</u>	<u>Reproduction</u>	<u>Central Stores</u>	<u>Purchasing</u>	<u>Information Technology</u>	<u>Personnel Management</u>	<u>Total</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES									
Operating income (loss)	\$ (24,676)	\$ (600)	\$ 1,435	\$ (359)	\$ 41	\$ 729	\$ 3,316	\$ 3,390	\$ (16,724)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES									
Depreciation and amortization	4,816	1,003	1,061	—	—	—	4,434	—	11,314
Miscellaneous non-operating revenues	351	—	1,639	—	—	—	—	—	1,990
Changes in assets, liabilities, and deferred outflows and inflows of resources:									
Accounts receivable	80	—	(76)	—	—	—	—	—	4
Lease receivable	—	—	253	—	—	—	—	—	253
Inventories	(280)	—	—	—	—	—	—	—	(280)
Other assets	(16)	131	—	—	—	—	(1,108)	(30)	(1,023)
Accounts payable and accrued liabilities	1,063	6	755	(114)	(4)	—	(789)	259	1,176
Deferred inflow of resources related to leases	—	—	(254)	—	—	—	—	—	(254)
Net pension liability and related pension deferred items	604	448	1,404	(93)	34	(477)	(2,011)	(2,881)	(2,972)
Net other postemployment benefits liability and related deferred items	(230)	(53)	(368)	(28)	(13)	(176)	(362)	(447)	(1,677)
Total adjustments	6,388	1,535	4,414	(235)	17	(653)	164	(3,099)	8,531
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ (18,288)</u>	<u>\$ 935</u>	<u>\$ 5,849</u>	<u>\$ (594)</u>	<u>\$ 58</u>	<u>\$ 76</u>	<u>\$ 3,480</u>	<u>\$ 291</u>	<u>\$ (8,193)</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF FUND NET POSITION									
Cash and investments	<u>\$ 21,252</u>	<u>\$ 2,241</u>	<u>\$ 11,604</u>	<u>\$ 543</u>	<u>\$ —</u>	<u>\$ 414</u>	<u>\$ 16,706</u>	<u>\$ —</u>	<u>\$ 52,760</u>

FIDUCIARY FUNDS

Fiduciary funds, including pension and private-purpose trusts, account for resources held by the City which must be spent as provided in legal trust agreements and related state laws.

PENSION TRUST FUND

The **Police and Fire Retirement System (PFRS) Fund** is a closed benefit plan administered by a Board of Trustees which covers uniformed police and fire employees. Membership in the plan is limited to uniformed employees hired prior to July 1, 1976. All subsequent hires are covered under the California Public Employees' Retirement System.

PRIVATE-PURPOSE TRUST FUNDS

Private-Purpose Trust Funds include (a) the *Oakland Redevelopment Successor Agency Trust Fund*, which accounts for the custodial responsibilities that are assigned to the Oakland Redevelopment Successor Agency with the passage of AB X1 26 and (b) the *Other Private-Purpose Trust Fund*, which accounts for the operations of the Telecommunications Sinking Fund, which was established to finance removal costs for obsolete telecommunications facilities.

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CITY OF OAKLAND
Combining Statement of Fiduciary Net Position
Private-Purpose Trust Funds
June 30, 2025
(In Thousands)

	Oakland Redevelopment Successor Agency Trust Fund	Other Private- Purpose Trust Fund	Total
ASSETS			
Cash and investments	\$ 24,838	\$ 2,543	\$ 27,381
Receivables:			
Accrued interest	454	24	478
Prepaid expenses	1,069	—	1,069
Restricted:			
Short-term investments	15,636	—	15,636
Loans receivable (net of allowance for uncollectibles of \$4,349)	3,037	—	3,037
Property held for resale	2,818	—	2,818
TOTAL ASSETS	47,852	2,567	50,419
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized losses on refunding of debt	9,337	—	9,337
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	44	—	44
Accrued interest payable	3,166	—	3,166
Due to other funds of the City	2,124	—	2,124
Other	53	—	53
Total current liabilities	5,387	—	5,387
Non-current liabilities			
Due within one year	11,286	—	11,286
Due in more than one year	178,078	—	178,078
Total non-current liabilities	189,364	—	189,364
TOTAL LIABILITIES	194,751	—	194,751
DEFERRED INFLOWS OF RESOURCES			
Unamortized gains on refunding of debt	219	—	219
NET POSITION			
RESTRICTED FOR REDEVELOPMENT			
DISSOLUTION AND OTHER PURPOSES	\$ (137,781)	\$ 2,567	\$ (135,214)

CITY OF OAKLAND
Combining Statement of Changes in Fiduciary Net Position
Private-Purpose Trust Funds
Year Ended June 30, 2025
(In Thousands)

	Oakland Redevelopment Successor Agency Trust Fund	Other Private- Purpose Trust Fund	Total
ADDITIONS			
Trust receipts	\$ 21,799	\$ —	\$ 21,799
Interest and investment income	1,379	116	1,495
Federal and state grants	106	—	106
Other income	591	—	591
TOTAL ADDITIONS	23,875	116	23,991
DEDUCTIONS			
Administrative expenses	1,332	—	1,332
Economic and workforce development	600	—	600
Interest on debt	10,158	—	10,158
TOTAL DEDUCTIONS	12,090	—	12,090
Change in net position	11,785	116	11,901
Net position - beginning	(149,566)	2,451	(147,115)
NET POSITION - ENDING	\$ (137,781)	\$ 2,567	\$ (135,214)

STATISTICAL SECTION

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CITY OF OAKLAND STATISTICAL SECTION

INDEX TO STATISTICAL SECTION

This part of the City of Oakland's Annual Comprehensive Financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplemental information says about the City's overall financial health.

Financial Trends

Schedules one through four contain trend information to assist in understanding how the City's financial performance and well-being have changed over times.

Revenue Capacity

Schedules five through eleven report tax revenues by sources which include: property taxes, state taxes and local taxes.

Debt Capacity

Schedules twelve through fifteen present information that helps in understanding the City's current level of outstanding debt, the legal debt margin, and the ability to issue additional debt in the future.

Pledged Revenue Coverage

Schedule sixteen contains pledged revenue coverage for the City and the Port of Oakland, a component unit of the City. This schedule assists in understanding the revenues pledged for repayment of debt service.

Demographic and Economic Information

Schedules seventeen and eighteen provide the demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

Schedules nineteen through twenty-one contain service and infrastructure data to assist in understanding how the City's financial reports relate to the services the City provides and the activities it performs.

Sources: The City's Annual Comprehensive Financial Report for the relevant years.

CITY OF OAKLAND STATISTICAL SECTION

SCHEDULE 1

NET POSITION BY COMPONENT

(in thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in capital assets	\$1,079,164	\$1,141,058	\$1,126,892	\$1,144,031	\$1,142,803	\$1,102,435	\$1,040,918	\$1,049,243	\$1,074,554	\$1,089,717
Restricted	555,205	599,324	648,566	666,949	704,387	779,672	860,545	813,094	838,677	930,515
Unrestricted	(1,789,831)	(1,833,427)	(2,444,868)	(2,322,561)	(2,156,633)	(2,043,187)	(1,629,634)	(1,290,793)	(1,231,028)	(939,701)
Total net position - governmental activities	<u>\$ (155,462)</u>	<u>\$ (93,045)</u>	<u>\$ (669,410)</u>	<u>\$ (511,581)</u>	<u>\$ (309,443)</u>	<u>\$ (161,080)</u>	<u>\$ 271,829</u>	<u>\$ 571,544</u>	<u>\$ 682,203</u>	<u>\$ 1,080,531</u>
Business-type activities										
Net investment in capital assets	\$ 171,743	\$ 188,139	\$ 201,553	\$ 213,288	\$ 225,762	\$ 228,564	\$ 230,128	\$ 231,369	\$ 233,432	\$ 231,701
Unrestricted	28,057	19,880	11,052	14,837	18,663	28,807	49,224	56,997	67,203	85,322
Total net position - business-type activities	<u>\$ 199,800</u>	<u>\$ 208,019</u>	<u>\$ 212,605</u>	<u>\$ 228,125</u>	<u>\$ 244,425</u>	<u>\$ 257,371</u>	<u>\$ 279,352</u>	<u>\$ 288,366</u>	<u>\$ 300,635</u>	<u>\$ 317,023</u>
Primary government										
Net investment in capital assets	\$1,250,907	\$1,329,197	\$1,328,445	\$1,357,319	\$1,368,565	\$1,330,999	\$1,271,046	\$1,280,612	\$1,307,986	\$1,321,418
Restricted	555,205	599,324	648,566	666,949	704,387	779,672	860,545	813,094	838,677	930,515
Unrestricted	(1,761,774)	(1,813,547)	(2,433,816)	(2,307,724)	(2,137,970)	(2,014,380)	(1,580,410)	(1,233,796)	(1,163,825)	(854,379)
Total net position - primary government	<u>\$ 44,338</u>	<u>\$ 114,974</u>	<u>\$ (456,805)</u>	<u>\$ (283,456)</u>	<u>\$ (65,018)</u>	<u>\$ 96,291</u>	<u>\$ 551,181</u>	<u>\$ 859,910</u>	<u>\$ 982,838</u>	<u>\$ 1,397,554</u>

Source: City of Oakland Statement of Net Position

CITY OF OAKLAND STATISTICAL SECTION

SCHEDULE 2

CHANGES IN NET POSITION (in thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities:										
General government	\$ 99,183	\$ 113,697	\$ 110,486	\$ 199,697	\$ 186,580	\$ 222,718	\$ 181,671	\$ 211,994	\$ 294,276	\$ 259,802
Public safety	432,862	475,552	471,378	444,400	409,740	511,184	350,096	469,366	592,035	586,880
Community and human services	134,799	149,804	144,763	142,719	150,513	134,097	123,748	191,688	182,920	106,941
Community and economic development	85,396	92,671	103,328	103,099	99,995	186,777	176,985	147,540	157,414	247,693
Public works and transportation	114,597	127,404	158,610	127,597	137,937	149,611	152,049	182,396	190,206	188,579
Interest on long-term debt	54,335	56,471	61,505	60,432	63,438	63,964	67,132	49,917	34,923	28,393
Total governmental activities expenses	921,172	1,015,599	1,050,070	1,077,944	1,048,203	1,268,351	1,051,681	1,252,901	1,451,774	1,418,288
Business-type activities:										
Sewer	39,270	44,391	49,645	50,831	50,717	54,181	46,786	65,217	66,850	63,467
Parks and recreation	872	730	1,317	777	683	725	1,156	813	1,586	871
Total business-type activities expenses	40,142	45,121	50,962	51,608	51,400	54,906	47,942	66,030	68,436	64,338
Total primary government expenses	\$ 961,314	\$ 1,060,720	\$ 1,101,032	\$ 1,129,552	\$ 1,099,603	\$ 1,323,257	\$ 1,099,623	\$ 1,318,931	\$ 1,520,210	\$ 1,482,626
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 49,540	\$ 46,030	\$ 45,511	\$ 52,249	\$ 40,746	\$ 38,376	\$ 12,273	\$ 7,946	\$ 17,066	\$ 14,367
Public safety	21,104	19,867	24,343	27,068	24,483	21,740	21,953	23,891	27,020	27,056
Community and human services	7,454	7,841	6,610	7,677	6,374	3,339	5,893	6,836	6,373	7,274
Community and economic development	58,439	89,130	99,239	69,513	75,049	66,450	70,105	71,581	60,939	65,160
Public works and transportation	41,772	40,285	46,016	46,883	46,401	40,563	76,081	71,611	74,856	83,946
Operating grants and contributions	90,090	95,032	124,238	95,198	130,396	206,509	229,733	192,122	136,147	221,484
Capital grants and contributions	54,043	34,911	750	22,672	2,446	3,178	5,249	—	14,568	7,672
Total governmental activities program revenues	322,442	333,096	346,707	321,260	325,535	380,155	421,287	373,987	336,969	426,959
Business-type activities:										
Charges for services:										
Sewer	58,703	60,548	65,614	66,558	68,010	69,113	71,232	73,620	76,390	75,933
Parks and recreation	711	272	554	540	325	651	1,294	377	267	1,036
Total business-type activities program revenues	59,414	60,820	66,168	67,098	68,335	69,764	72,526	73,997	76,657	76,969
Total primary government program revenues	\$ 381,856	\$ 393,916	\$ 412,875	\$ 388,358	\$ 393,870	\$ 449,919	\$ 493,813	\$ 447,984	\$ 413,626	\$ 503,928
Net (Expense)/Revenue										
Governmental activities	\$ (598,730)	\$ (682,503)	\$ (703,363)	\$ (756,684)	\$ (722,668)	\$ (888,196)	\$ (630,394)	\$ (878,914)	\$ (1,114,805)	\$ (991,329)
Business-type activities	19,272	15,699	15,206	15,490	16,935	14,858	24,584	7,967	8,221	12,631
Total primary government net expense	\$ (579,458)	\$ (666,804)	\$ (688,157)	\$ (741,194)	\$ (705,733)	\$ (873,338)	\$ (605,810)	\$ (870,947)	\$ (1,106,584)	\$ (978,698)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 279,764	\$ 312,078	\$ 340,573	\$ 358,446	\$ 388,322	\$ 438,237	\$ 470,778	\$ 512,002	\$ 548,087	\$ 477,300
Sales and use taxes	77,365	79,866	85,500	92,319	83,678	88,888	99,255	101,133	95,200	94,092
Motor vehicle in-lieu tax	166	189	224	206	343	318	503	444	535	683
Gas tax	8,653	7,974	10,867	16,409	17,320	17,322	18,842	20,310	22,557	23,690
Local taxes	318,352	314,188	336,586	387,990	362,899	407,531	453,679	465,071	453,952	503,637
Interest and investment income (loss)	4,596	3,046	42,362	26,394	24,126	18	(12,832)	49,992	85,815	72,978
Other	20,987	19,935	11,762	31,457	46,373	80,250	31,403	27,828	18,400	27,650
Transfers	2,144	7,644	1,292	1,292	1,745	1,871	1,675	1,849	918	1,271
Special and extraordinary items	—	—	—	—	—	—	—	—	—	—
Total governmental activities	712,027	744,920	829,166	914,513	924,806	1,034,435	1,063,303	1,178,629	1,225,464	1,201,301
Business-type activities:										
Interest and investment income (loss)	233	164	727	1,309	1,108	(41)	(928)	2,896	4,966	5,029
Other	—	—	—	14	2	—	—	—	—	—
Transfers	(2,144)	(7,644)	(1,292)	(1,292)	(1,745)	(1,871)	(1,675)	(1,849)	(918)	(1,272)
Total business-type activities	(1,911)	(7,480)	(565)	31	(635)	(1,912)	(2,603)	1,047	4,048	3,757
Total primary government	\$ 710,116	\$ 737,440	\$ 828,601	\$ 914,544	\$ 924,171	\$ 1,032,523	\$ 1,060,700	\$ 1,179,676	\$ 1,229,512	\$ 1,205,058
Change in Net Position										
Governmental activities	\$ 113,297	\$ 62,417	\$ 125,803	\$ 157,829	\$ 202,138	\$ 146,239	\$ 432,909	\$ 299,715	\$ 110,659	\$ 209,973
Business-type activities	17,361	8,219	14,641	15,521	16,300	12,946	21,981	9,014	12,269	16,389
Total primary government	\$ 130,658	\$ 70,636	\$ 140,444	\$ 173,350	\$ 218,438	\$ 159,185	\$ 454,890	\$ 308,729	\$ 122,928	\$ 226,362

Source: City of Oakland Statement of Activities

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 3

**FUND BALANCES
GOVERNMENTAL FUNDS**
(in thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 18,687	\$ 19,235	\$ 18,754	\$ 18,823	\$ 945
Restricted	186,804	241,404	235,084	240,247	254,309	267,811	286,994	342,050	411,444	420,809
Committed	—	8,805	14,323	14,648	47,441	38,739	52,195	67,525	54,642	249,281
Assigned	58,203	30,802	41,959	53,958	40,145	41,786	49,251	74,239	55,894	60,476
Unassigned	65,129	64,715	93,801	118,242	62,373	96,943	206,236	169,399	100,866	191,207
Total General Fund	<u>\$310,136</u>	<u>\$345,726</u>	<u>\$385,167</u>	<u>\$427,095</u>	<u>\$404,268</u>	<u>\$463,966</u>	<u>\$613,911</u>	<u>\$671,967</u>	<u>\$641,669</u>	<u>\$922,718</u>
All Other Governmental Funds										
Nonspendable	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 466	\$ 527	\$ 444	\$ 740	\$ 5,729
Restricted	303,631	332,588	408,550	365,448	543,255	456,580	595,684	564,538	643,231	510,515
Committed	18,610	20,072	19,549	26,948	22,541	33,602	10,267	13,630	20,624	28,960
Assigned	45,335	86,767	140,061	160,970	173,517	178,922	206,792	230,806	227,262	214,382
Unassigned	(9,891)	(17,031)	(1,106)	—	—	(935)	(6,621)	(4,455)	(19,001)	(35,161)
	<u>\$357,685</u>	<u>\$422,396</u>	<u>\$567,054</u>	<u>\$553,366</u>	<u>\$739,313</u>	<u>\$668,635</u>	<u>\$806,649</u>	<u>\$804,963</u>	<u>\$872,856</u>	<u>\$724,425</u>

Source: City of Oakland Balance Sheet, Governmental Funds

CITY OF OAKLAND STATISTICAL SECTION

SCHEDULE 4

CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS (in thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes (see Schedule 5)	\$ 684,334	\$ 712,556	\$ 775,478	\$ 854,682	\$ 854,552	\$ 945,338	\$1,040,332	\$1,095,919	\$1,114,785	\$1,097,649
Licenses and permits	29,362	44,902	47,731	30,603	32,799	29,989	32,937	32,767	27,003	31,696
Fines and penalties	23,972	23,573	20,366	23,341	19,964	19,028	21,532	21,003	22,084	28,057
Interest/investment income (loss)	4,579	2,999	4,557	19,415	17,321	(5,094)	(17,439)	44,279	77,886	69,471
Charges for services	125,580	134,678	153,622	149,447	139,929	121,451	131,837	128,095	137,167	138,049
Federal and State grants and subventions	140,119	128,674	121,559	101,703	137,140	206,509	229,734	205,361	136,146	221,485
Other revenues	12,334	24,214	41,160	32,502	38,215	83,849	31,086	28,472	20,910	26,207
Total revenues	1,020,280	1,071,596	1,164,473	1,211,693	1,239,920	1,401,070	1,470,019	1,555,896	1,535,981	1,612,614
Expenditures										
General government	110,053	111,082	167,524	185,542	193,098	228,438	204,622	229,282	299,438	249,439
Public safety	408,396	422,727	435,650	470,396	522,035	527,044	520,739	565,436	590,928	581,377
Community and human services	125,027	128,106	130,472	149,011	170,646	174,292	196,239	214,010	221,406	229,663
Community and economic development	72,019	74,729	99,782	87,505	93,830	172,123	171,383	141,701	143,933	229,455
Public works and transportation	82,156	87,050	98,416	109,074	119,670	123,927	140,390	154,734	172,679	163,693
Capital outlay	99,609	79,477	72,922	76,600	58,726	75,969	71,037	59,954	126,271	110,863
Debt service										
Bond issuance costs	251	659	2,131	9	1,723	141	1,114	151	850	—
Other refunding cost	—	—	1,535	—	—	—	—	—	—	—
Principal	48,932	56,657	56,597	55,236	62,950	58,498	57,453	72,049	77,710	91,070
Interest	51,589	54,292	57,452	59,025	60,613	62,590	63,300	72,375	29,331	32,300
Total expenditures	998,032	1,014,779	1,122,481	1,192,398	1,283,291	1,423,022	1,426,277	1,509,692	1,662,546	1,687,860
Excess (deficiency) of revenues over (under) expenditures	22,248	56,817	41,992	19,295	(43,371)	(21,952)	43,742	46,204	(126,565)	(75,246)
Other Financing Sources (Uses)										
Issuance of debt/bonds	—	34,521	117,855	—	184,890	—	212,315	—	153,605	—
Issuance of refunding bonds	—	—	61,405	—	64,260	—	—	—	—	—
Financed purchase obligations/lease financing	—	—	—	—	—	—	85	5,798	—	—
Premiums/discounts on issuance of bonds	—	809	8,555	—	7,647	—	17,363	—	5,251	—
Payment to refunding escrow agent	—	—	(68,307)	—	(64,159)	—	—	—	—	—
Property sale proceeds	66	1,488	2,855	7,297	5,390	—	1	4	796	—
Insurance claims and settlements	4,314	3,974	2,949	82	84	804	4,797	—	—	—
Transfers in	109,259	94,989	105,423	111,743	116,722	115,612	130,199	134,916	95,775	94,579
Transfers out	(107,117)	(92,297)	(105,107)	(110,177)	(108,343)	(107,568)	(120,543)	(130,552)	(91,267)	(86,618)
Total other financing sources (uses)	6,522	43,484	125,628	8,945	206,491	8,848	244,217	10,166	164,160	7,961
Special and extraordinary items	74,395	—	—	—	—	—	—	—	—	—
Net change in fund balances	\$ 103,165	\$ 100,301	\$ 167,620	\$ 28,240	\$ 163,120	\$ (13,104)	\$ 287,959	\$ 56,370	\$ 37,595	\$ (67,285)
Debt service as a percentage of noncapital expenditures	11.9%	12.5%	11.4%	10.4%	10.4%	9.0%	9.1%	10.1%	7.1%	8.0%

Notes: Debt ratio was calculated by dividing principal and interest costs by total government expenditures excluding capital outlay. For purposes of this schedule, General government includes Mayor, Council, City Administrator, City Attorney, City Auditor, City Clerk, Workplace & Employment Standards, and Public Ethics Commission

Source: City of Oakland Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 5

**TAX REVENUES BY SOURCE
GOVERNMENTAL FUNDS**

(in thousands)

Fiscal Year	Property	Sales & Use	Motor Vehicle in-lieu	Gas	Local Taxes							Total
					Business License	Utility Consumption	Real Estate Transfer	Transient Occupancy	Parking	Voter-Approved	Franchise	
2016	\$ 279,798	\$ 77,365	\$ 166	\$ 8,653	\$75,504	\$ 51,006	\$ 89,594	\$ 25,671	\$20,175	\$37,793	\$18,609	\$ 684,334
2017	310,339	79,866	189	7,974	75,840	52,618	79,070	29,049	20,886	37,962	18,763	712,556
2018	342,301	85,500	224	10,767	86,107	52,047	77,663	30,039	21,137	50,469	19,124	775,378
2019	357,758	92,319	206	16,409	99,733	49,599	104,905	33,005	21,726	59,682	19,340	854,682
2020	390,312	83,678	343	17,320	98,036	49,831	91,534	24,920	17,312	61,492	19,774	854,552
2021	431,279	88,888	318	17,322	104,232	51,801	113,359	13,497	11,590	93,151	19,901	945,338
2022	468,054	99,255	503	18,842	101,290	57,930	138,396	21,209	18,184	96,444	20,225	1,040,332
2023	508,961	101,133	444	20,310	115,377	64,508	78,055	25,713	22,228	137,895	21,295	1,095,919
2024	542,541	95,200	535	22,557	123,482	66,217	57,613	24,093	22,323	145,707	14,517	1,114,785
2025	475,547	94,092	683	23,690	129,666	70,753	93,220	20,866	22,362	152,094	14,676	1,097,649
Change												
2016-2025	70.0 %	21.6 %	311.4 %	173.8 %	71.7 %	38.7 %	4.0 %	(18.7)%	10.8 %	302.4 %	(21.1)%	60.4 %

Note: Real estate transfer tax volatility reflects cyclical economic activity and supports the Vital Services Stabilization Reserve, consistent with the City's Consolidated Fiscal Policy. The increase in real estate transfer tax in FY2025 reflects the purchase of the Oakland headquarters building by PG&E in June 2025. The increase in voter-approved special tax for FY2023 reflects the first year of implementation for Measure AA, the Oakland Children's Initiative. Transient occupancy and parking tax declines in FY2020 and FY2021 reflect impacts of the COVID-19 pandemic and related shelter-in-place public health orders. The franchise fee decline in FY2024 reflects the impact of the City ending its long standing practice of transferring a portion of sewer revenues to the general fund. Sales & use and transient occupancy tax declines in FY2024 reflect the impact of decreased economic activity.

Source: City of Oakland Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 6

ASSESSED VALUE OF TAXABLE PROPERTY
(in thousands)

Fiscal Year	Land	Improvements	Personal Property	Total Assessed Value	Less: Tax-Exempt Property	Less: Redevelopment Tax Increments	Total Taxable Assessed Value	Total Direct Tax Rate
2016	\$ 14,968,239	\$ 34,219,483	\$ 2,098,503	\$ 51,286,225	\$ 3,862,329	\$ 11,932,782	\$ 35,491,114	0.5136
2017	16,037,959	36,557,232	2,524,869	55,120,060	4,139,277	13,171,622	37,809,161	0.5446
2018	17,509,685	39,142,275	2,434,733	59,086,693	4,439,304	—	54,647,389	0.5530
2019	18,808,665	42,085,461	2,501,253	63,395,379	4,896,798	—	58,498,581	0.5467
2020	20,262,811	45,554,214	2,665,626	68,482,651	5,345,544	—	63,137,107	0.5460
2021	21,661,691	50,552,542	2,590,408	74,804,641	5,224,851	—	69,579,790	0.5497
2022	22,821,447	53,963,397	2,439,510	79,224,353	5,498,260	—	73,726,093	0.5496
2023	24,346,810	58,570,449	2,334,316	85,251,575	5,496,813	—	79,754,763	0.5520
2024	25,795,583	62,890,298	2,336,836	91,022,717	5,977,959	—	85,044,758	0.5520
2025	26,825,555	65,783,870	2,722,255	95,331,679	6,391,258	—	88,940,421	0.4630

Notes: Amounts for Redevelopment Tax Increment are reported in Total Assessed Value for 2018 and subsequent years.

Source: County of Alameda

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 7

**DIRECT AND OVERLAPPING
PROPERTY TAX RATES**

Fiscal Year	<u>City Direct Rates</u>				<u>Overlapping Rates</u>								
	Basic Rate	Debt Service Fund	1981 Pension Liability	Total Direct Rate	Alameda County	Education	Education Debt	BART and AC Transit	BART Debt	Other	East Bay Municipal Utility Debt	East Bay Regional Parks District	East Bay Reg. Parks District Debt
2016	0.3485	0.0076	0.1575	0.5136	0.3086	0.2165	0.1876	0.0517	0.0026	0.0505	0.0034	0.0242	0.0067
2017	0.3485	0.0386	0.1575	0.5446	0.3086	0.2165	0.1407	0.0517	0.0080	0.0505	0.0028	0.0242	0.0032
2018	0.3485	0.0470	0.1575	0.5530	0.3086	0.2165	0.1325	0.0517	0.0084	0.0505	0.0011	0.0242	0.0021
2019	0.3485	0.0407	0.1575	0.5467	0.3198	0.2165	0.1445	0.0517	0.0070	0.0505	—	0.0242	0.0057
2020	0.3485	0.0400	0.1575	0.5460	0.3194	0.2165	0.1425	0.0517	0.0120	0.0505	—	0.0242	0.0060
2021	0.3485	0.0437	0.1575	0.5497	0.3122	0.2165	0.1536	0.0517	0.0139	0.0505	—	0.0242	0.0014
2022	0.3485	0.0436	0.1575	0.5496	0.3127	0.2165	0.1609	0.0517	0.0060	0.0505	—	0.0242	0.0020
2023	0.3485	0.0460	0.1575	0.5520	0.3189	0.2165	0.1435	0.0517	0.0140	0.0505	—	0.0242	0.0058
2024	0.3485	0.0552	0.1483	0.5520	0.3174	0.2165	0.1408	0.0517	0.0134	0.0505	—	0.0242	0.0057
2025	0.3485	0.0440	0.0705	0.4630	0.3175	0.2165	0.1208	0.0517	0.0148	0.0505	—	0.0242	0.0013

Note: The City's Pension Liability rate decreased in FY 2025 based on the property tax levy rate required to fund the City's Police and Retirement System (PFRS) obligations.

Source: County of Alameda

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 8

PRINCIPAL PROPERTY TAXPAYERS

<u>Taxpayer</u>	<u>2016 (1)</u>			<u>2025 (2)</u>		
	<u>Taxable Assessed Value</u>	<u>Percentage of Total City Taxable Assessed Value</u>	<u>Rank</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Total City Taxable Assessed Value</u>	<u>Rank</u>
BA2 300 Lakeside LLC				\$ 477,137,831	0.501 %	1
Uptown Broadway LLC				446,905,670	0.469 %	2
CP VI Franklin LLC				443,894,303	0.466 %	3
SOFXI WFO Center 21 Owner LLC				385,621,720	0.405 %	4
SFIII FOS 1111 Broadway Holding LLC				341,017,842	0.358 %	5
Nash Holland 24th & Harrison Investors				279,656,740	0.293 %	6
KRE 1221 Broadway Owner LLC				275,320,852	0.289 %	7
601 City Center LLC				270,191,222	0.283 %	8
CSHV 1999 Harrison LLC				255,854,385	0.268 %	9
3093 Broadway Holdings LLC				253,555,064	0.266 %	10
Kaiser Foundation Hospitals	\$ 583,440,396	1.138 %	1	N/A		
Digital 720 2ND LLC	500,388,017	0.976 %	2	N/A		
SIC Lakeside Drive LLC	222,308,130	0.433 %	3	N/A		
Broadway Franklin LLC	212,313,000	0.414 %	4	N/A		
CIM Oakland Center 21 LP	187,195,980	0.365 %	5	N/A		
Children Hospital Med Ctr of Northern California	171,516,198	0.334 %	6	N/A		
Kaiser Foundation Health Plan Inc	161,470,905	0.315 %	7	N/A		
DWF IV 1999 Harrison LLC	142,797,199	0.278 %	8	N/A		
CIM Oakland 1 Kaiser Plaza LP	136,078,132	0.265 %	9	N/A		
555 Oakland City Center LLC	135,810,337	0.265 %	10	N/A		
	<u>\$ 2,453,318,294</u>	<u>4.784 %</u>		<u>\$ 3,429,155,629</u>	<u>3.597 %</u>	

Notes:

(1) 2016 based on total assessed value of \$51,286,225,000

(2) 2025 based on total assessed value of \$95,331,679,009

Source: County of Alameda

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 9

**2025 PROPERTY TAX LEVIES
AND COLLECTIONS**

(in thousands)

1% Tax Roll

Fiscal Year Ended June 30, 2025	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Total Collections to Date	
		Amount	Percent of Levy	Amount	Percent of Levy
2016	\$ 101,746	\$ 99,849	98.14 %	\$ 99,849	98.14 %
2017	108,686	106,799	98.26 %	106,799	98.26 %
2018	116,778	115,061	98.53 %	115,061	98.53 %
2019	122,790	121,081	98.61 %	121,081	98.61 %
2020	130,998	128,734	98.27 %	128,734	98.27 %
2021	139,467	137,038	98.26 %	137,038	98.27 %
2022	146,646	143,826	98.08 %	143,826	98.08 %
2023	158,251	154,940	97.91 %	154,940	97.91 %
2024	168,485	164,844	97.84 %	164,844	97.84 %
2025	174,820	170,598	97.58 %	170,598	97.58 %

Voter-Approved Tax Roll

Fiscal Year Ended June 30, 2025	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Total Collections to Date	
		Amount	Percent of Levy	Amount	Percent of Levy
2016	\$ 99,114	\$ 97,543	98.42 %	\$ 97,543	98.42 %
2017	116,107	112,674	97.04 %	112,674	97.04 %
2018	127,411	125,535	98.53 %	125,535	98.53 %
2019	129,504	127,583	98.52 %	127,583	98.52 %
2020	140,258	137,763	98.22 %	137,763	98.22 %
2021	157,364	154,916	98.44 %	154,916	98.44 %
2022	171,901	169,197	98.43 %	169,197	98.43 %
2023	188,124	184,828	98.25 %	184,828	98.25 %
2024	201,368	197,394	98.03 %	197,394	98.03 %
2025 (2)	126,226	123,566	97.89 %	123,566	97.89 %

Notes: (1) Collections in subsequent year data not available. (2) Decreased values for taxes levied and collections in fiscal year 2025 reflect the decrease in City of Oakland's tax rate in fiscal year 2025.

Source: County of Alameda

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 10

TAXABLE SALES BY CATEGORY
(in thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Auto and Transportation	\$ 909,867	\$ 904,626	\$ 888,309	\$ 901,894	\$ 789,318	\$ 811,315	\$ 899,802	\$1,035,959	\$ 893,038	\$ 881,737
Building and Construction	477,817	508,167	566,605	602,144	559,064	570,001	597,871	610,318	577,169	535,834
Business and Industry	602,851	608,558	662,062	690,536	598,930	587,305	619,110	588,884	562,375	628,484
Food and Drugs	487,018	516,629	542,632	539,733	585,993	599,354	556,796	543,307	475,331	452,449
Fuel and Service Stations	506,536	528,216	647,796	741,754	551,574	421,823	747,706	791,618	669,412	551,757
General Consumer Goods	567,959	546,722	564,182	566,006	522,262	559,069	573,500	542,531	495,005	470,946
Restaurants and Hotels	951,372	999,328	1,050,032	1,109,458	889,842	686,546	981,563	1,088,963	1,072,667	1,072,879
County and State Pools (2)	708,784	778,408	833,449	930,151	1,074,516	1,239,452	1,222,682	1,127,956	1,161,115	1,113,634
Total	<u>\$5,212,203</u>	<u>\$5,390,654</u>	<u>\$5,755,066</u>	<u>\$6,081,676</u>	<u>\$5,571,500</u>	<u>\$5,474,864</u>	<u>\$6,199,030</u>	<u>\$6,329,536</u>	<u>\$5,906,111</u>	<u>\$5,707,719</u>
City direct sales tax rate (3)	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	3.0 %	3.0 %	3.0 %	3.0 %

Source: HdL Companies.

Notes: (1) Declines in 2020 and 2021 reflect the impacts of the COVID-19 global pandemic, while declines in 2024 & 2025 reflect the impact of decreased economic activity. (2) County and State Pool amounts primarily result from allocations for internet sales. Decline in County and State Pools in 2025 reflects a drop in the allocation from the countywide use tax pool. (3) The reported City direct sales tax rates include the 1% Bradley-Burns rate due to the City as well as countywide voter-approved half-cent sales taxes for health care and transportation.

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 11

**DIRECT AND OVERLAPPING
SALES TAX RATES**

Fiscal Year	City Direct Rate	State of California
2016	2.00 %	7.50 %
2017	2.00 %	7.25 %
2018	2.00 %	7.25 %
2019	2.00 %	7.25 %
2020	2.00 %	7.25 %
2021	2.00 %	7.25 %
2022	3.00 %	7.25 %
2023	3.00 %	7.25 %
2024	3.00 %	7.25 %
2025	3.00 %	7.25 %

Source: California Department of Tax and Fee Administration.

Note: City direct rates include the 1% Bradley-Burns rate due to the City as well as countywide voter-approved half-cent sales taxes. Tax increases in 2022 reflect voter approval of a half-cent sales tax for children's health and child care as well as a second countywide half-cent sales tax for transportation.

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 12

RATIOS OF OUTSTANDING DEBT BY TYPE

(in thousands)

Fiscal Year	<u>Governmental Activities</u>									<u>Business-type Activities</u>		<u>Total Primary Government</u>		
	General Obligation Bonds	Lease Revenue Bonds	Pension Obligation Bonds	Accreted Interest	Special Assessment Bonds	Notes and Loans Payable	Financed Purchase Obligations	Lease and SBITA Liability	Premiums and Discounts	Sewer Fund Bonds	Premiums and Discounts	Total Outstanding Debt	Percentage of Personal Income	Per Capita (in dollars)
2016	\$ 201,830	\$ 91,110	\$ 313,223	\$ 159,476	\$ 5,685	\$ 2,060	\$ 71,849	\$ —	\$ 24,054	\$ 34,665	\$ 4,458	\$ 908,410	2.9 %	\$ 2,244
2017	216,655	71,335	296,854	149,896	5,335	8,021	67,802	—	23,246	32,620	4,115	875,879	2.6 %	2,142
2018	317,605	60,025	271,580	136,371	3,585	22,250	54,046	—	27,934	30,495	3,772	927,663	2.3 %	2,248
2019	301,655	54,905	246,872	118,643	3,295	18,125	53,267	—	26,008	28,260	3,430	854,460	2.1 %	2,059
2020	472,170	49,180	222,556	96,514	2,940	4,250	43,743	—	26,466	25,985	3,086	946,890	2.3 %	2,247
2021	450,075	43,165	198,564	69,703	2,590	—	28,842	—	24,657	23,616	2,743	843,955	1.9 %	1,990
2022	637,540	36,835	174,806	37,927	2,225	—	18,243	14,407	39,847	21,126	2,400	985,356	2.1 %	2,350
2023	600,910	30,185	151,380	—	1,850	—	13,185	22,682	37,450	18,515	2,058	878,215	1.6 %	2,093
2024	735,565	23,195	104,000	—	1,460	—	8,433	17,711	40,207	15,795	1,715	948,081	1.8 %	2,230
2025	706,815	15,850	53,605	—	1,065	—	4,852	10,734	37,659	12,935	1,372	844,887	1.5 %	1,981

Source: Notes to Basic Financial Statements.

Notes: GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, was implemented beginning fiscal year 2023 and GASB Statement No. 87, *Leases*, was implemented beginning fiscal year 2022. Amounts presented for prior years have not been restated. Per Schedule 17, the same personal income base is used for 2023-2025.

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 13

**RATIOS OF GENERAL BONDED
DEBT OUTSTANDING**

(in thousands)

Fiscal Year	Pension Obligation Bonds	General Obligation Bonds	Accreted Interest	Unamortized Premiums and Discounts, Net	Less: Amounts Restricted to Repaying Principal	Total	Assessed Value (1)	Tax Rate	Per Capita (2) <i>(in dollars)</i>
2016	\$ 313,223	\$ 201,830	\$159,476	\$ 24,054	\$ 22,316	\$676,267	\$47,423,896	1.43 %	\$ 1,577
2017	296,854	216,655	149,896	23,246	14,121	672,530	50,980,783	1.32 %	1,564
2018	271,580	317,605	136,371	27,934	16,849	736,641	54,647,389	1.35 %	1,704
2019	246,872	301,655	118,643	26,008	16,439	676,739	58,498,581	1.16 %	1,554
2020	222,556	472,170	96,514	26,466	23,734	793,972	63,137,107	1.26 %	1,871
2021	198,564	450,075	69,703	24,657	22,702	720,297	69,579,790	1.04 %	1,437
2022	174,806	637,540	37,927	39,847	38,541	773,883	73,726,093	1.05 %	1,823
2023	151,380	600,910	0	37,450	26,926	762,814	79,754,763	0.96 %	1,818
2024	104,000	735,565	0	40,207	49,619	830,153	85,044,758	0.98 %	1,953
2025	53,605	706,815	0	37,659	40,298	757,781	88,940,421	0.85 %	1,777

Sources: (1) Alameda County Assessor.
(2) State of California Department of Finance, 1/1/25.

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 14

**DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITIES DEBT**

Governmental Unit	Total Debt as of 6/30/25	Estimated Percentage Applicable	City Share of Debt
Direct Debt			
City of Oakland General Obligation Bonds	\$ 706,815,000	100	\$ 706,815,000
City of Oakland Lease Revenue Bonds	15,850,000	100	15,850,000
City of Oakland Pension Obligation Bonds	53,605,000	100	53,605,000
City-Guaranteed Special Assessment District Bonds	1,065,000	100	1,065,000
City of Oakland Unamortized Premium and Discounts	37,659,000	100	37,659,000
City of Oakland Financed Purchase Obligations	4,852,000	100	4,852,000
City of Oakland Leases	9,365,000	100	9,365,000
City of Oakland SBITAs	1,369,000	100	1,369,000
Total Direct Debt			830,580,000
Overlapping Tax and Assessment Debt			
Alameda County	\$ 478,925,000	21.233	\$ 101,690,145
Bay Area Rapid Transit District	2,391,260,000	8.523	203,807,090
East Bay Regional Park District	145,930,000	13.297	19,404,312
Chabot-Las Positas Community College District	892,445,000	0.714	6,372,057
Peralta Community College District	492,130,000	56.51	278,102,663
Berkeley and Castro Valley Unified School Districts	634,085,000	0.004 & 0.118	171,757
Oakland Unified School District	1,075,465,000	99.999	1,075,454,245
San Leandro Unified School District	367,187,084	7.112	26,114,345
City of Piedmont 1915 Act Bonds	2,226,139	5.479	121,970
Total Overlapping Tax and Assessment Debt			1,711,238,584
Overlapping General Fund Debt			
Alameda County and Coliseum Authority General Fund Obligations	\$ 622,687,500	21.233	\$ 132,215,237
Alameda-Contra Costa Transit District Certificates of Participation	9,600,000	24.981	2,398,176
Peralta Community College District Pension Obligation Bonds	107,467,802	56.51	60,730,055
Castro Valley Unified School District Certificates of Participation	3,745,000	0.118	4,419
Total Overlapping General Fund Debt			195,347,887
Total Direct and Overlapping Debt			2,737,166,471
Overlapping Tax Increment Debt (Successor Agency)	187,105,000	100	187,105,000
Combined Total Debt			\$ 2,924,271,471

Source: California Municipal Statistics, Inc. and City of Oakland.

Note: City of Oakland debt totals do not include obligations related to the Coliseum Authority. See Note II Part (I) - Joint Venture for additional information.

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 15

LEGAL DEBT MARGIN INFORMATION

(in thousands)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Taxable Assessed Value (1)	\$35,491,114	\$37,809,161	\$54,647,389	\$58,498,581	\$63,137,107	\$69,579,790	\$73,726,093	\$79,754,763	\$85,044,758	\$88,940,421
Debt limit (2)	\$ 1,330,917	\$ 1,417,844	\$ 2,049,277	\$ 2,193,697	\$ 2,367,642	\$ 2,609,242	\$ 2,764,728	\$ 2,990,804	\$ 3,189,178	\$ 3,335,266
Total net debt applicable to limit	<u>\$ 201,830</u>	<u>\$ 216,665</u>	<u>\$ 317,605</u>	<u>\$ 301,655</u>	<u>\$ 472,170</u>	<u>\$ 450,075</u>	<u>\$ 637,540</u>	<u>\$ 600,910</u>	<u>\$ 735,565</u>	<u>\$ 706,815</u>
Legal debt margin	\$ 1,129,087	\$ 1,201,179	\$ 1,731,672	\$ 1,892,042	\$ 1,895,472	\$ 2,159,167	\$ 2,127,188	\$ 2,389,894	\$ 2,453,613	\$ 2,628,451
Total net debt applicable to the limit as a percentage of debt limit (%)	15.2 %	15.3 %	15.5 %	13.8 %	19.9 %	17.2 %	23.1 %	20.1 %	23.1 %	21.2 %

Sources: Alameda County Assessor and Notes to Basic Financial Statements, Note II, Part (G) - Long-Term and Other Obligations.

Notes:

(1) As of fiscal year 2018 reported assessed value includes former redevelopment areas.

(2) Government Code Section 43605 provides for a legal debt limit of 15% of gross assessed valuation. This provision was enacted when assessed valuation was based upon 25% of market value, however, effective with the 1981-82 fiscal year each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments. In combination, the 25% and 15% computations result in a debt limit that is 3.75% of taxable assessed value.

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 16

**PLEDGED-REVENUE COVERAGE,
CITY OF OAKLAND SEWER BONDS AND PORT OF OAKLAND**
(in thousands)

Fiscal Year	Net Revenue Available for Debt Service (1)	Debt Service	Coverage
<u>SEWER BONDS</u>			
2016	\$ 26,668	\$ 3,645	7.32
2017	23,308	3,646	6.39
2018	24,039	3,644	6.60
2019	24,471	3,648	6.71
2020	26,456	3,643	7.26
2021	23,164	3,627	6.39
2022	32,006	3,650	8.77
2023	19,934	3,643	5.47
2024	23,186	3,647	6.36
2025	26,179	3,651	7.17
<u>PORT OF OAKLAND (2)</u>			
2016	\$ 158,982	\$ 98,880	1.61
2017	172,552	99,454	1.73
2018	180,422	98,902	1.82
2019	194,104	93,188	2.08
2020	165,301	93,160	1.77
2021	162,849	71,071	2.29
2022	235,846	70,520	3.34
2023	228,665	70,516	3.24
2024	211,998	70,515	3.01
2025	207,050	78,165	2.65

Notes:

(1) Net revenue available for debt service is defined in the indentures for each bond issuance and is generally based on operating revenues less operating expenses, excluding depreciation and amortization, plus interest and investment income.

(2) Debt service amounts and coverage ratios reflect the Port's intermediate lien. Additional details may be found in the Port's separately published Annual Comprehensive Financial Report.

Sources: City of Oakland Annual Financial Information Statements, Port of Oakland.

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 17

DEMOGRAPHIC AND ECONOMIC STATISTICS

Calendar Year	Population (1)	Personal Income (thousands) (2)	Per Capita Personal Income (3)	School Enrollment (4)	Unemployment Rate (%) (5)
2016	424,717	\$ 37,289,279	\$ 87,228	49,098	4.9
2017	427,493	39,944,451	93,165	49,760	4.2
2018	428,750	43,094,688	100,236	50,231	3.5
2019	429,932	45,360,302	104,921	50,202	3.4
2020	432,327	48,009,913	111,050	49,588	10.5
2021	435,514	53,307,095	123,711	48,704	7.7
2022	424,464	52,225,183	123,736	46,600	3.5
2023	419,556	55,451,975	130,730	45,741	4.7
2024	425,093	55,451,975	130,730	45,086	5.1
2025	426,457	55,451,975	130,730	44,647	5.2

Sources and Notes:

(1) California Department of Finance.

(2) U.S. Department of Commerce, Bureau of Economic Analysis. Data are available only for the San Francisco-Oakland-Berkeley Metropolitan Statistical Area (MSA) and have been adjusted by the proportion of the population within the City of Oakland. Data for 2024 and 2025 are not yet available; 2023 data are reported for these years instead.

(3) U.S. Department of Commerce, Bureau of Economic Analysis. Data are presented for the San Francisco-Oakland-Berkeley Metropolitan Statistical Area. Data for 2024 and 2025 are not yet available; 2023 data are reported for these years instead.

(4) California Department of Education.

(5) California Employment Development Department. Annual data are not yet available for 2025 but June 2025 data are reported above.

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 18

PRINCIPAL EMPLOYERS

<u>Employer</u>	2025			2016		
	Number of Employees	Rank	Percent of Total Employment	Number of Employees	Rank	Percent of Total Employment
Kaiser Permanente Medical Group, Kaiser Foundation Hospitals and Health Plan	11,000 +	1	4.9%	12,287	1	6.1%
County of Alameda	8,000+	2	3.5%	4,490	3	2.2%
Oakland Unified School District	5,500+	3	2.4%	5,080	2	2.5%
City of Oakland	4,500+	4	2.0%	3,500	4	1.8%
State of California	4,000+	5	1.8%	3,168	6	1.6%
San Francisco Bay Area Rapid Transit District	3,500+	6	1.5%	3,288	5	1.6%
Southwest Airlines	2,500+	7	1.1%	2,256	9	1.1%
UCSF Benioff Children's Hospital & Research Center	2,500+	8	1.1%	2,675	7	1.3%
Alameda Health System	2,000+	9	0.9%	2,300	8	1.2%
United Parcel Service	1,500+	10	0.7%			
Sutter Hospitals, Medical Foundation, & Support Services				2,257	10	1.1%
Total, Ten Largest Employers	45,000+			41,301		

Source: City of Oakland Economic & Workforce Development Department.

Note: Employment data for FY25 is based on the latest available estimates for calendar year 2024, since actual figures are not available yet. Percent of total employment is based on December 2024 employment of 225,900 and 2016 annual employment of 200,500 as reported by the California Employment Development Department.

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 19

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM**

<u>Function/Program</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General government										
Management services	224	239	235	235	234	248	233	230	222	202
Workplace & employment standards	N/A	N/A	N/A	N/A	N/A	N/A	N/A	16	15	13
Finance	134	132	136	138	138	145	126	145	145	148
Personnel resources	37	37	41	41	41	46	42	48	47	39
Information technology	70	76	72	72	72	71	68	70	76	76
Public safety										
Police										
Officers	760	761	731	748	750	734	658	719	704	654
Civilians	423	367	336	324	324	325	330	312	318	265
Fire										
Firefighters and officers	427	462	450	435	435	435	437	444	433	427
Civilians	102	72	79	86	86	85	110	103	138	101
Community & human services										
Library	132	154	153	184	184	221	189	218	219	210
Human services	213	187	178	192	193	185	161	169	182	182
Parks and recreation	88	85	79	81	81	92	83	79	83	78
Cultural arts/KTOP	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Animal services	N/A	N/A	N/A	N/A	N/A	N/A	25	22	25	22
Violence prevention	N/A	N/A	N/A	N/A	1	2	29	33	39	42
Community & economic development										
Housing & community development	44	50	48	54	54	62	60	61	71	64
Planning & building	118	121	136	144	144	145	144	155	153	152
Economic & workforce development	42	43	46	43	43	41	43	45	46	44
Public works	622	632	467	468	467	445	492	501	531	488
Transportation	N/A	N/A	226	230	230	239	239	252	280	280
Total	3,436	3,418	3,413	3,475	3,477	3,521	3,469	3,622	3,727	3,487

Notes: (1) Missing values result from the reorganization of City departments over time. (2) Declines in 2025 reflect resignations, retirements, discharges, and end of temporary/seasonal work.

Source: City of Oakland Payroll Division.

CITY OF OAKLAND STATISTICAL SECTION

SCHEDULE 20

FUNCTION/PROGRAM

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Building permits issued	18,693	17,259	14,331	13,013	11,812	12,784	14,356	15,700	13,700	13,694
Building inspections conducted	39,947	41,771	67,494	57,125	53,096	42,177	41,950	47,937	43,078	32,344
Authorized new dwelling units	1,641	3,101	4,272	2,512	1,656	1,159	1,469	1,378	880	472
Commercial value (in thousands) (1)	\$ 306,809	\$ 211,874	\$ 359,016	\$ 260,822	\$ 301,304	\$ 322,408	\$ 367,304	\$ 172,550	\$ 459,135	\$ 517,458
Residential value (in thousands) (2)	\$ 495,481	\$ 638,944	\$ 1,180,188	\$ 827,832	\$ 853,155	\$ 380,814	\$ 473,718	\$ 358,387	\$ 285,071	\$ 180,067
Police										
Dispatched calls	253,877	259,494	305,605	307,544	301,579	274,862	273,915	300,797	339,637	340,775
Field contacts	39,240	30,032	26,026	22,846	24,817	16,866	13,502	16,350	18,603	20,217
Physical arrests	12,911	12,047	11,194	9,484	7,215	6,989	6,564	5,576	5,642	6,338
Parking violations	330,615	313,222	306,000	317,175	267,923	259,026	333,435	282,151	260,406	371,921
Fire										
Emergency responses	59,254	55,144	55,200	54,362	52,374	53,351	56,991	58,864	58,585	59,581
Fires extinguished	1,782	1,469	1,743	1,778	2,120	3,210	3,102	3,581	3,966	1,915
Inspections (3)	2,862	3,143	3,467	7,541	10,751	30,587	33,119	28,123	31,462	29,719
Port of Oakland (4)										
Imports (tonnage, thousands)	15,155	16,436	17,166	17,942	18,155	18,372	19,297	10,204	8,627	9,975
Exports (tonnage, thousands)	15,848	17,720	17,580	17,066	17,576	17,534	16,270	8,468	8,125	8,487
Total tonnage (thousands)	31,003	34,157	34,746	35,008	35,731	35,906	35,567	18,672	16,752	18,462
Containers	1,294,532	1,336,298	1,364,358	1,439,652	1,410,677	1,377,296	1,353,882	1,291,074	1,140,024	1,238,248
Other public works										
Street resurfacing (miles)	9.4	8.8	15.4	N/A	30.73	44.1	42.0	47.9	46.9	30.0
Potholes repaired	14,117	17,733	13,550	18,629	12,299	12,460	13,387	39,950	53,753	58,474
Parks and recreation										
Athletic field permits issued	450	450	380	501	178	54	54	194	178	173
Community center admissions (5)	1,174,383	N/A	N/A	172,207	69,748	37,497	47,381	126,574	137,567	170,621
Library										
Volumes in collection	1,120,958	1,193,188	1,178,304	1,155,686	1,260,149	1,329,593	1,316,765	1,368,400	1,371,544	1,277,085
Total volumes borrowed	2,560,066	2,130,170	2,241,795	2,518,321	2,380,197	1,289,555	2,197,735	2,176,117	2,134,532	2,006,630
Wastewater										
Average daily sewage treatment (thousands of gallons)	57,000	67,000	53,000	60,900	54,400	50,260	55,070	64,410	57,000	54,000

Source: City of Oakland, Port of Oakland, and East Bay Municipal Utility District.

Notes:

(1) Decreased value for commercial permits in fiscal year 2023 reflects changing market conditions, including higher borrowing costs in recent years. Increased value for commercial permits in fiscal year 2024 reflects an investment by the Stanford Medical Health Cancer Center for a medical facility.

(2) Decreased values for residential permits since fiscal year 2021 reflect changing market conditions, including higher borrowing costs in recent years.

(3) Fire inspections for 2021 and subsequent years include vegetation inspections, which are not available for prior years.

(4) Port of Oakland data based on prior calendar year; fiscal year data unavailable.

(5) Community center admissions data is not available after 2016 on a basis comparable to earlier years due to a change in Parks & Recreation data systems. Increases since 2022 reflect the resumption of services following the COVID-19 pandemic.

**CITY OF OAKLAND
STATISTICAL SECTION**

SCHEDULE 21

**CAPITAL ASSET STATISTICS
BY FUNCTION/PROGRAM**

<u>Function/Program</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Aviation facilities										
Airports operated	1	1	1	1	1	1	1	1	1	1
Paved airport runways	4	4	4	4	4	4	4	4	4	4
Total length of runways (in feet)	25,038	25,038	25,038	25,038	25,038	25,038	25,038	25,038	25,038	25,038
Area of airport (in acres)	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600
Public safety										
Police stations	7	7	7	7	7	7	7	7	7	7
Patrol units	697	745	715	692	743	671	667	672	675	728
Fire stations	25	25	25	25	25	25	25	25	25	25
Harbor facilities										
Miles at waterfront	19	19	19	19	19	19	19	19	19	19
Berthing length at wharves (in feet)	23,233	23,233	25,100	25,100	25,100	25,100	25,100	25,100	25,100	25,100
Harbor area (in acres)	779	779	779	779	779	779	779	779	779	779
Library branches	16	16	16	16	16	16	16	16	16	16
Museums	1	1	1	1	1	1	1	1	1	1
Other public works										
Streets (in lane miles)	1,965	1,965	1,965	1,965	1,965	1,965	1,965	1,965	1,965	1,965
Streetlights	38,000	38,050	38,250	38,250	38,250	38,500	37,964	37,964	37,965	37,965
Traffic signals (1)	642	643	646	646	692	695	703	718	810	811
Parks and recreation										
Acreage	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Swimming pools	6	6	6	6	6	6	6	6	6	6
Tennis courts	44	44	44	41	39	39	39	39	39	39
Playgrounds	106	106	106	106	106	106	106	106	106	106
Baseball/softball diamonds	40	40	40	40	40	40	42	42	42	42
Soccer/football fields	15	15	15	15	17	17	25	25	25	25
Community centers	33	33	33	33	33	33	33	33	33	33
Wastewater										
Sanitary sewers (miles)	29	29	29	29	29	29	29	29	29	29

Source: City of Oakland and Port of Oakland

Notes:

(1) Traffic signals for 2024 onwards reflect the addition of pedestrian crossing signals, which were not available for prior years.