HAYWARD

FISCAL YEAR 2019
PROPOSED BUDGET

FRONT COVER

The Bay Area's newest Country Club and PGA Tour host venue is nestled in the Hayward Hills surrounded by beautiful vistas and panoramic views of the entire Bay Area. One of three golf courses in Hayward, TPC Stonebrae's par-72, 7,188 yard championship layout offers a stunning test of golf reminiscent of the links-style courses of Scotland with course conditions that meet the highest standard of professional golf year round.

HAYWARD

PROPOSED FY 2019 OPERATING BUDGET

Director of Finance: Dustin Claussen

Prepared by Department of Finance

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ELECTED OFFICIALS

The Mayor and six Council members represent Hayward residents, adopt public policy, and approve resource allocations consistent with community priorities. The City Council generally meets the first, third, and fourth Tuesday of each month at 7:00 p.m. in Council Chambers, 2nd Floor of 777 B Street, Hayward, CA 94541. The public is invited and encouraged to attend Council meetings.

Barbara Halliday
Mayor
Term Expires 2018

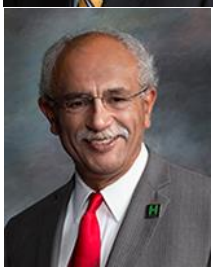
Sara Lamnin
Council Member
Term Expires 2018

Elisa Márquez
Council Member
Term Expires 2020

Al Mendall
Council Member
Term Expires 2020

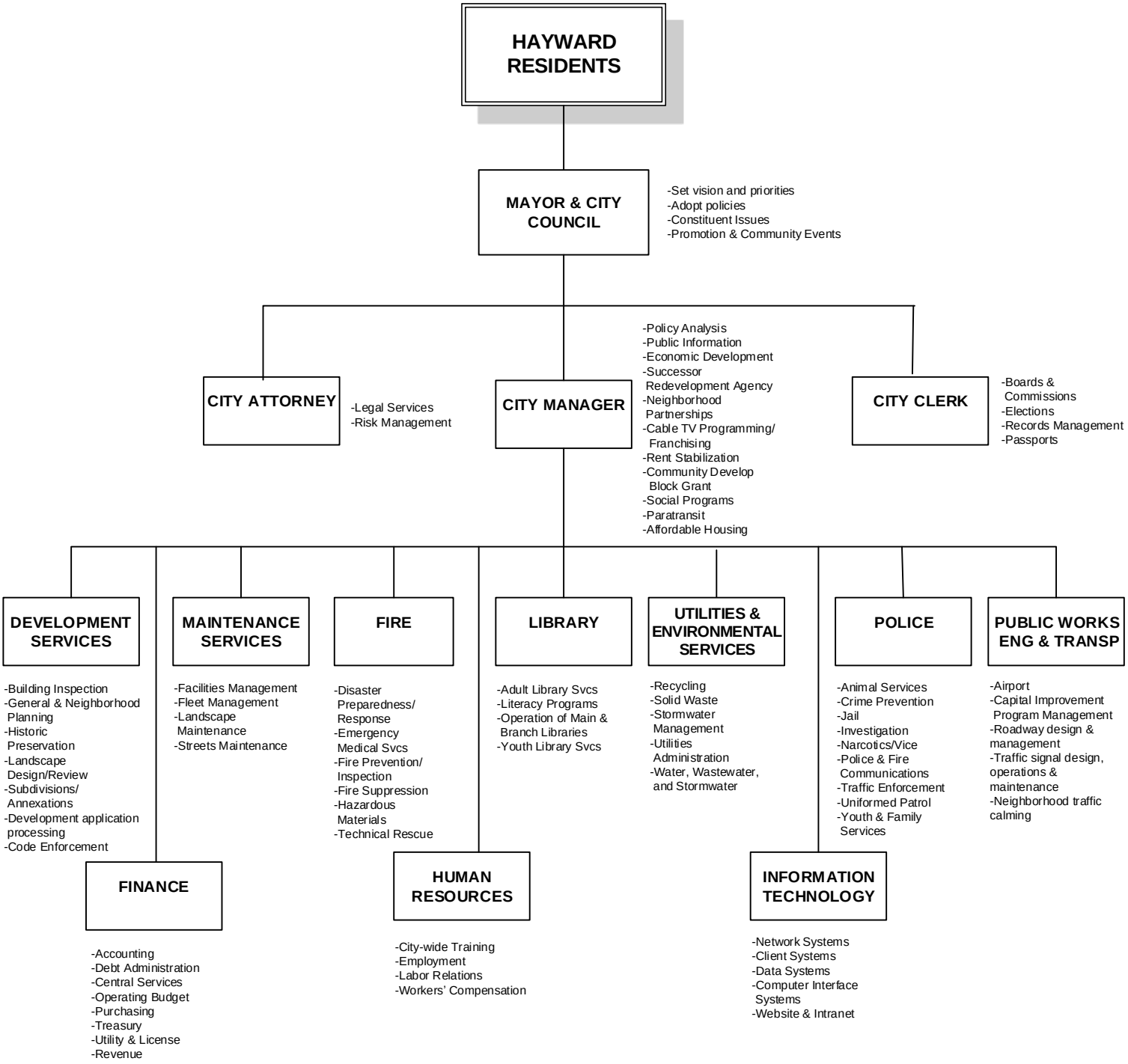
Marvin Peixoto
Council Member
Term Expires 2018

Mark Salinas
Council Member
Term Expires 2020



Francisco Zermeño
Council Member
Term Expires 2020

CITYWIDE ORGANIZATION



ADMINISTRATIVE STAFF

Appointed by City Council

City Manager	Kelly McAdoo
City Attorney	Michael Lawson
City Clerk	Miriam Lens

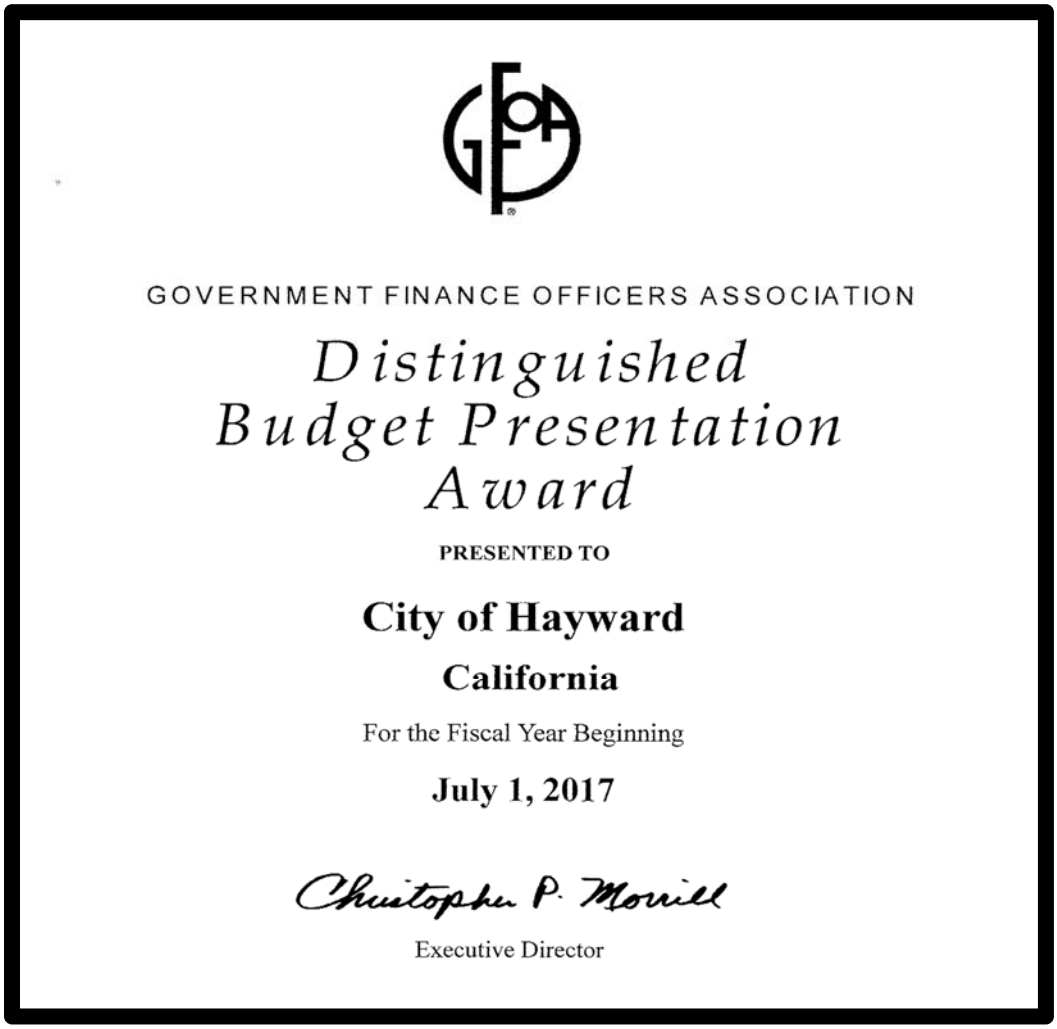
Department Directors

Assistant City Manager	Maria Hurtado
Development Services	Stacey Bristow (Interim)
Finance	Dustin Claussen
Fire	Chief Garrett Contreras
Human Resources	Nina Morris Collins
Information Technology	Adam Kostrzak
Library & Community Services	Sean Reinhart
Maintenance Services	Todd Rullman
Police	Chief Mark Koller
Public Works - Engineering & Transportation	Alex Ameri (Interim)
Utilities & Environmental Services	Alex Ameri

BUDGET AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) presented the City of Hayward with a *Distinguished Budget Presentation Award* for its annual budget for the fiscal year beginning July 1, 2017. This is the highest budget award presented by GFOA. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a one-year period.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Hayward

California

For the Fiscal Year Beginning

July 1, 2017

Christopher P. Morrill

Executive Director

COMMUNITY PROFILE

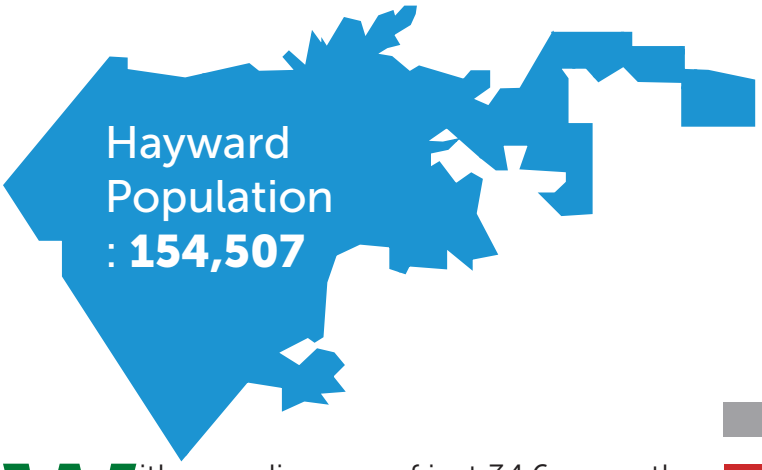
Hayward is located in Alameda County, California, on the eastern shore of the San Francisco Bay, 25 miles southeast of San Francisco, 14 miles south of Oakland, 26 miles north of San Jose, and 10 miles west of the Livermore Valley.

Encompassing 61 square miles that unfold from the Berkeley-Oakland Hills onto the Bay shoreline, Hayward is a strategically positioned at the epicenter of a metropolitan area synonymous with innovation, bold thinking and entrepreneurship. The city is served by three major freeways, two Bay Area Rapid Transit (BART) stations, Amtrak Capitol Corridor trains, local and commuter buses routes operated by multiple transit agencies, Union Pacific freight rail and Port of Oakland facilities. The city boasts its own thriving executive airport and enjoys easy access to three international airports, Oakland, San Francisco and San Jose.

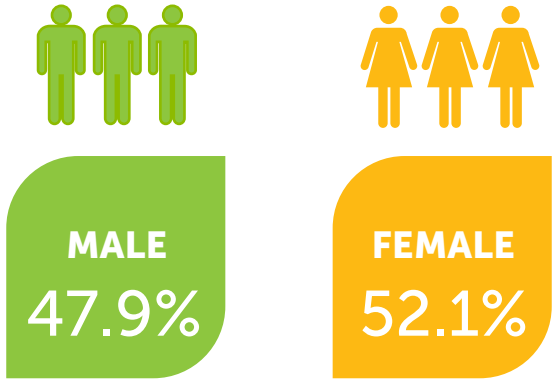
Hayward is the Bay Area's sixth largest municipality, and ranks among the most diverse in the entire state of California. It is home to a California State University, a community college, and technical, trade and business colleges. It is a leader in water conservation, water pollution control, and development of renewable energy. A new main public library building is rising in the city's downtown civic center that is designed to meet the highest standards of environmental sustainability.

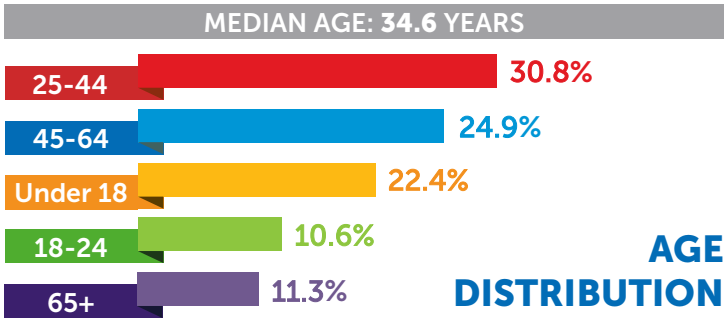
While undergoing transformative change, Hayward also is planning its future. Hundreds of new apartment homes have been built, approved or put into the development pipeline within the past year. Simultaneously, the city is drafting a new Downtown Specific Plan to create a more pedestrian friendly central core and healthy balance of housing, retail, offices and restaurants, and updating its industrial zoning to support an existing manufacturing base while meeting the needs of new information, technology and advanced-manufacturing companies and startups.

DEMOGRAPHICS



With a median age of just 34.6 years, the City of Hayward is younger than the United States as a whole by 3.9 years.

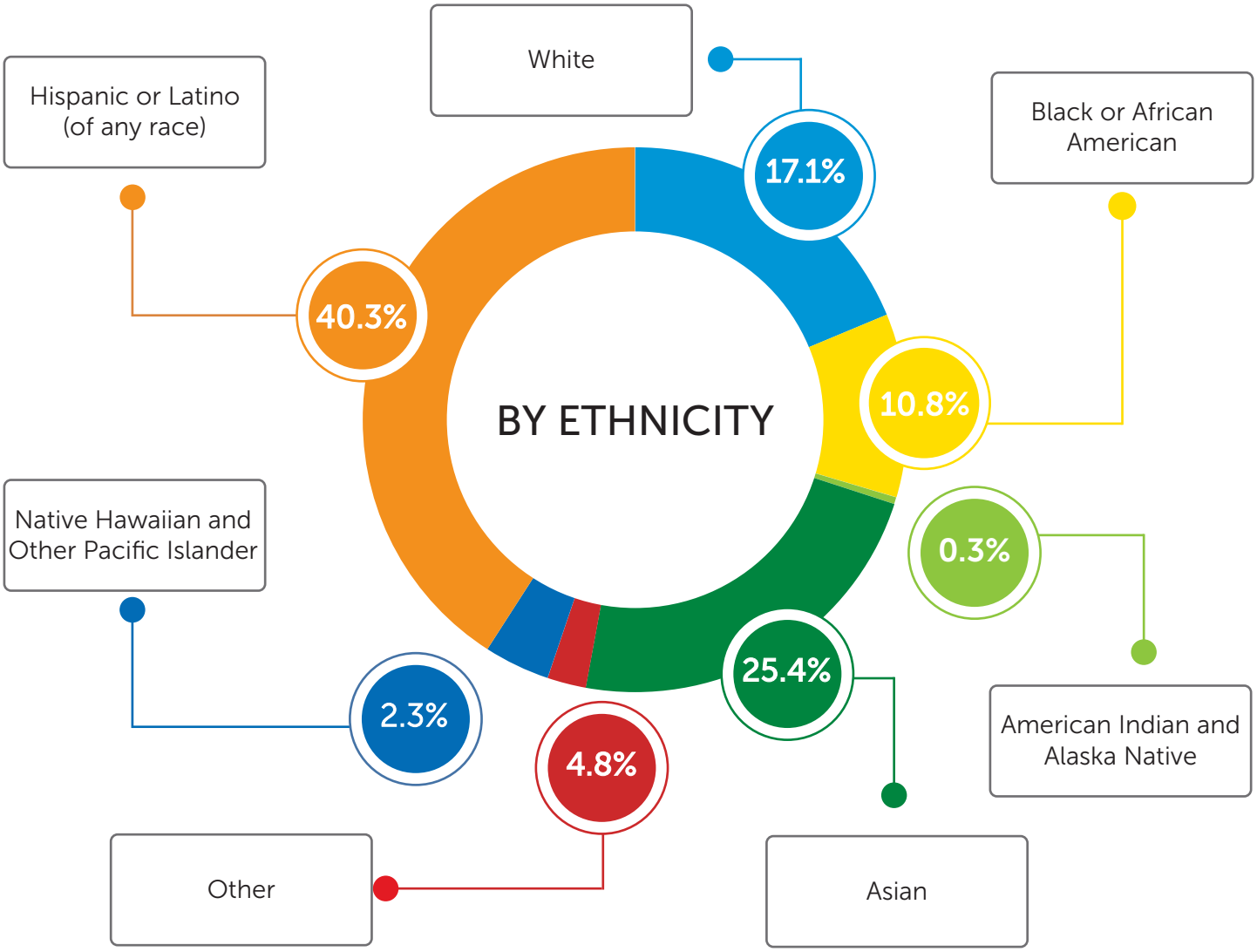




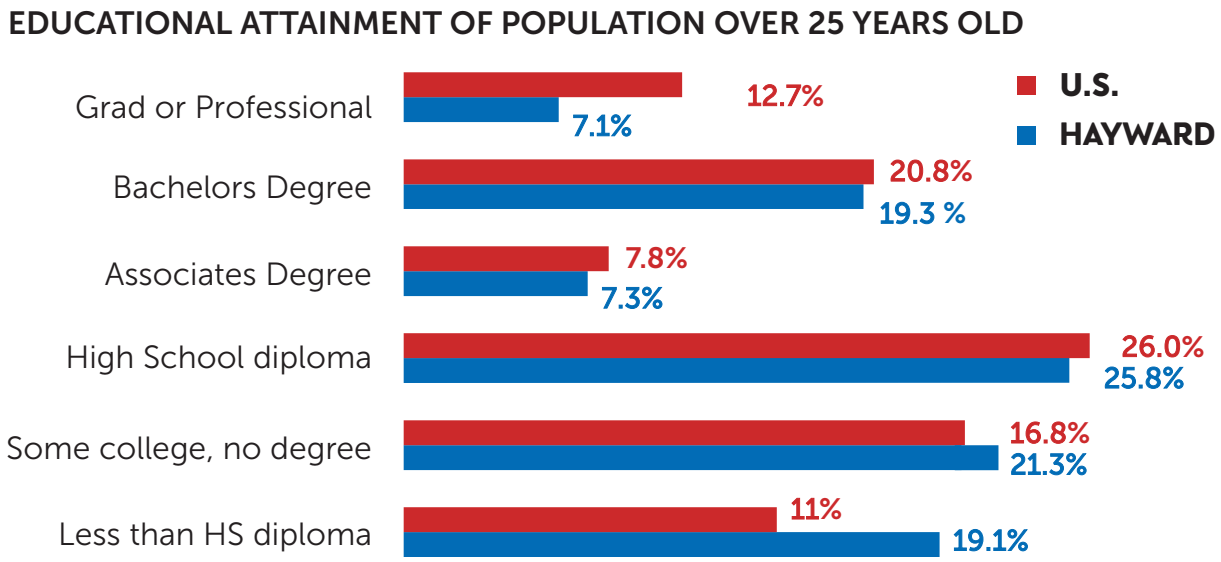
AGE DISTRIBUTION

Demographic statistics source: 2012-2016 American Community Survey 5-year estimates.

COMMUNITY PROFILE



EDUCATION



COMMUNITY PROFILE

A CITY THAT EDUCATES: SCHOOLS IN HAYWARD

21	Elementary Schools
5	Middle Schools
3	High Schools
1	Alternative High School
1	English Language Center
1	Adult School

California State University East Bay
Chabot Community College
Technical & Business Colleges

Each day, more than 30,000 students pursue higher education in Hayward.

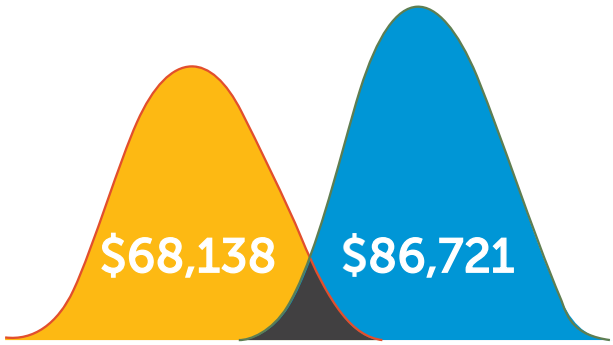
EMPLOYMENT, ECONOMY & HOUSING

TOP HAYWARD EMPLOYERS

- Alameda County Sheriff's Department
- Baxter Bio Pharma
- Berkeley Farms, LLC
- California State University East Bay
- Chabot Community College
- Fremont Bank Operations Center
- Hayward Unified School District
- Gillig Corporation
- Impax Laboratories, Inc.
- Illumina
- Plastikon Industries, Inc.
- Pentagon Technologies
- Siemens Building Tech
- St. Rose Hospital

MEDIAN HOUSEHOLD INCOME

AVERAGE HOUSEHOLD INCOME



Source: 2012-2016 American Community Survey 5-year estimates.

$655,000

Median sale price of new and existing detached, single family homes in Hayward.

$565,000

Median sale price of new and existing condominiums in Hayward.

Source: Bay East Association of Realtors (February 2018)

COMMUNITY ENGAGEMENT

65,789

Registered Hayward voters
(Alameda Co. Registrar of Voters)

Public meeting notices, agenda and meeting-related documents are online. Many audio and DVD recordings are also available.

The City has an active social media presence, using tools such as Twitter, Facebook, & YouTube to communicate with the community.

45 Home Owners Associations & neighborhood interest groups.

Live and archived Council meetings are broadcast by KHRT on cable channel 15. they are also viewable at www.hayward-ca.gov.

COMMUNITY PROFILE

OTHER HAYWARD AREA AMENITIES

- California State University Campus
- Community College Campus
- A major hospital
- State & County offices
- More than 3,000 acres of open space and parks encompassing more than 20 miles of hiking trails
- California's oldest Japanese gardens
- Sulphur Creek Nature Center & the Shoreline Interpretive Center
- Two public golf courses: Skywest & Mission Hills
- A championship golf course: TPC Stonebrae, host of the PGA's annual "Stonebrae Classic" Web.com Tour tournament
- Cultural amenities including the Hayward Arts Council's Green Shutter Gallery, Sun Gallery and the Hayward Area Center for History & Culture
- Two libraries
- Two BART stations, an Amtrak station and an extensive network of freeways, including a transbay bridge
- A general aviation airport

JAPANESE GARDENS

The Hayward Japanese gardens are the oldest of their kind in the state of California. Designed by Kimio Kimura, the gardens use California native stone and plants. No stains were used on the wood constructions. Nails and fasteners are recessed, and all wood was notched and aged in the style of traditional Japanese Gardens.

HISTORICAL NOTES & TRIVIA

- Early settlers of the area included the Ohlone people, for some 3,000 years.
- Hayward was founded in 1852 by William Hayward.
- Although Don Castro named what is now downtown Hayward "San Lorenzo," many people referred to the town as "Hayward's Place" or "Hayward's" because of the famous Hayward Hotel built by William Hayward.
- Hayward was incorporated in 1876. The City Charter was adopted in 1956.
- In the early decades of the 20th Century, the Hayward Area became known as the "Heart of the Garden of Eden" because of its temperate climate and fertile soil.
- By 1950, Hayward had grown to a population of 14,000 and was known as the "Apricot City," home to Hunt's Cannery.
- The Hayward Post-war Planning Committee, formed in 1944, formulated a comprehensive 12-point plan that led to road improvements, industrial development, bus lines, hospitals, an airport, libraries, a water system, parks and institutions of higher education.
- Hayward has three sister cities: Funabashi, Japan; Ghazni, Afghanistan; and Yixing, China.
- The City flower is the carnation.

The numbers reflected are mainly based on 2014 estimates by the Nielsen Company. When such estimates were not available, the data used is from Infogroup, Inc (2013), Bay East Association of Realtors (2016) the US Census Bureau (2016) and the American Community Survey (5 years estimates from 2012-2016). The American Community Survey (ACS) is a nationwide survey conducted by the US Census Bureau, and while the survey gathers a wider variety of information than the official census, only a portion of the population is surveyed at a time, because of this sampling, the data may be less accurate in some cases.

CITY OF HAYWARD COUNCIL PRIORITIES FY2019

CITY COUNCIL STRATEGIC INITIATIVE 2017- 2019

Complete Communities

PURPOSE

The purpose of the Complete Communities strategy is to create and support structures, services and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work and play for all.

GOAL 1

Improve quality of life for residents, business owners, & community members in all Hayward neighborhoods.

OBJECTIVES

⇒ Increase neighborhood safety & cohesion

⇒ Foster a sense of place & support neighborhood pride

⇒ Increase collaboration with businesses, non-profits & neighborhood groups on placemaking projects

⇒ Create resilient & sustainable neighborhoods

⇒ Actively value diversity & promote inclusive activities

PERFORMANCE MEASURES

- Percentage change in concentration & distribution of neighborhood/business participation (GIS Heat Mapped)
- Percentage change in Homework Support Centers & Literacy Program participation/improvement
- Percentage change in clients served through Community Agency Funding process
- Percentage change of employee engagement survey question “My workplace prioritizes equitable & socially just principals & policies”

GOAL 2

Provide a mix of housing stock for all Hayward residents & community members, including the expansion of affordable housing opportunities and resources.

OBJECTIVES

⇒ Centralize and expand housing services

⇒ Facilitate the development of diverse housing types that serve the needs of all populations

⇒ Conserve & improve the existing housing stock

⇒ Increase supply of affordable, safe & resilient housing in Hayward

PERFORMANCE MEASURES

- Annual increase in affordable housing units created in conformance with RHNA
- Percentage change in eligible housing units assisted through Housing Division programs
- Percentage change of new housing developments with inclusionary units

GOAL 3

Develop a Regulatory Toolkit for Policy Makers.

OBJECTIVES

⇒ Update, streamline, and modernize zoning & codes

⇒ Identify and design appropriate in-lieu fees to provide community amenities

⇒ Develop and refine other regulatory tools

PERFORMANCE MEASURES

- Percentage change of eligible projects that implement the Complete Communities checklist
- Percentage change of eligible properties submitting ADU permit applications
- Percentage change of Investment/tenancy resulting from new allowable land uses
- Percentage change improvement in permit turnaround times

CITY COUNCIL STRATEGIC INITIATIVE 2017- 2019

Complete Streets

PURPOSE

To Build streets that are safe, comfortable, and convenient for travel for everyone, regardless of age or ability, including motorists, pedestrians, bicyclists, and public transportation riders.

GOAL 1

Prioritize safety for all modes of travel

OBJECTIVES

⇒ Reduce number of fatal and non-fatal traffic accidents in the City through engineering evaluation of major intersections and corridors

⇒ Reduce speeding and aggressive driving behavior through 4 E's i.e. Education, Enforcement, Empowerment and Engineering

⇒ Ensure that roadway construction and retrofit programs and projects include complete streets elements

PERFORMANCE MEASURES

- Reduction in average speed at specific locations measured annually
- Completion of Tennyson Road Feasibility Study
- Completion of Hayward Blvd Traffic Calming and Safety Concept Plan
- Completion of a Complete Streets Inventory Baseline

GOAL 2

Provide Complete Streets that balance the diverse needs of users of the public right-of-way

OBJECTIVES

⇒ Increase walking, biking, transit usage, carpooling and other sustainable modes of transportation by designing and retrofitting streets to accommodate all modes.

PERFORMANCE MEASURES

(All measures report on the number of complete streets improvements)

- Miles of new or replaced sidewalk
- Miles of new bike lanes
- Number of new or enhanced crosswalks
- Number of new curb ramps
- Number of new or upgraded streetlights
- Miles of repaired or repaved roadways

GOAL 3

Maintain sufficient funding to provide for existing and future transportation facility and service needs, including the operation and maintenance of the transportation system

OBJECTIVES

⇒ Establish a sustainable funding mechanism and dedicated funding source to build complete streets network.

⇒ Establish a maintenance plan for complete streets projects

PERFORMANCE MEASURES

- Percentage of funding provided by grants

CITY COUNCIL STRATEGIC INITIATIVE 2017- 2019

Tennyson Corridor

PURPOSE

To develop an attractive, cohesive, thriving Tennyson Corridor through thoughtful engagement of residents, businesses & community partnerships.

GOAL 1

Work with the community to create a vision plan for the Tennyson Corridor & catalyst sites to serve as a foundation for long-term planning & policies

OBJECTIVES

⇒ Work to understand community needs & desires for the Corridor

⇒ Identify funding options for future Corridor planning, improvements & infrastructure

⇒ Lead development & construction of South Hayward Family Center

PERFORMANCE MEASURES

- Depth & breadth of community stakeholder participation in visioning process
- Percent of stakeholders who support Council adoption of the Vision Plan

GOAL 2

Increase Pedestrian and Cyclist Safety

OBJECTIVES

⇒ Enhance bike & pedestrian ways

⇒ Increase bicycle safety education

⇒ Collaborate with community members to improve public safety

⇒ Improve safety through Increased lighting

PERFORMANCE MEASURES

- Percent of community members who report that they feel safe walking and/or biking along Tennyson
- Change in number of accidents involving pedestrians or cyclists
- Quantitative and qualitative performance results of actions and pilot project

GOAL 3

Improve Community Appearance

OBJECTIVES

⇒ Update, streamline, & modernize zoning & codes

⇒ Identify & design appropriate in-lieu fees to provide community amenities

⇒ Develop & refine other regulatory tools

PERFORMANCE MEASURES

- Business participation in pilot projects
- Number of trees planted and trashcans installed
- Percent of community members who report that the appearance of the Tennyson Corridor has improved from two years prior

GOAL 4

Foster a Cohesive Sense of Place

OBJECTIVES

⇒ Identify possible locations & a cohesive theme for public art along the Corridor

⇒ Increase City sponsored events & projects in the Tennyson Community

⇒ Explore using branding and signage to identify Corridor

⇒ Explore innovative placemaking opportunities

PERFORMANCE MEASURES

- Quantitative and qualitative performance results of pilot project and actions
- Percent of community members who report that the Tennyson Corridor is headed in the right direction
- Percent of community members who report that they feel the City is paying attention to their neighborhood

GOAL 5

Increase Community Resiliency

OBJECTIVES

⇒ Increase awareness of & access to City services

⇒ Increase # of residents with medical & dental service access

⇒ Increase resident emergency preparedness

⇒ Increase access to effective public transit

⇒ Facilitate economic development & Growth within Corridor

⇒ Reduce resident utility bills

PERFORMANCE MEASURES

- Change in demand for services at Firehouse Clinic
- Change in participation in CERT/NERT classes & programs
- Percent reduction in time for AC Transit buses to navigate the Corridor
- Mobile City Hall interactions/problems resolved

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BUDGET GUIDE

The City of Hayward's budget provides a financial plan that integrates Council goal-setting and supports the City Council Priorities and Initiatives. It also represents the official organizational plan by which City policies, priorities and programs are implemented. The budget serves as a planning and communication tool with residents, businesses and employees about how the City's financial resources are allocated to provide services to the community.

The following is a brief outline of the contents of the budget book:

City Council Priorities & Strategic Initiatives: Each year, Council establishes and affirms their priorities for staff to help guide the development of the upcoming annual budget, and to provide a platform for assessing work productivity and performance at the end of each year. Council and City staff have developed performance factors and measures linked to the City's overarching policies of Safe-Clean-Green-Thrive.

Budget Guide: The Budget Guide presents a brief description of the budget process and the key elements of the budget.

Budget Message: City Manager's transmittal letter to the City Council details the budget, including budget issues and policies that lead to the development of the budget and the plan to balance the budget.

Financial Summaries: Summary of financial analyses for all city funds.

General Fund: City's discretionary General Fund summaries of expenditures and revenues, detailed summaries of key General Fund revenues, ten-year forecast and reserves.

Enterprise and Other Revenue Funds: Multi-year forecasts and summaries for the city's key non-general fund operating funds.

Staffing Summary: Detailed information, both at the summary level and by department.

Departments: Provides department mission statement and overview of department structure and services, key performance accomplishments, key service objectives/goals, as well as significant changes that are planned for the upcoming fiscal year. Financial summaries are also included.

Capital Improvement Program: Overview of major capital projects and the revenues, expenditures; essentially a summary of the larger FY19-28 Capital Improvement Program Plan.

Supplemental: This section contains the City's budget and financial policies and a glossary of budget terminology and referenced acronyms.

BUDGET PROCESS & CALENDAR

The City of Hayward's budget is prepared in conformance with California State law, generally accepted accounting principles (GAAP), actions of City Council and the professional standards of the Government Finance Officers Association (GFOA) and the National Advisory Council on State and Local Budgeting (NACSLB) principles. The standard set by these authorities establish the budget process and provide for budget control.

Budget Process

The budget process assigns resources to the goals, objectives and community priorities set by City Council. New programs are added based on Council service and program priorities. Pursuant to the City Charter, the City Manager prepares and recommends to the City Council an operating budget and a capital improvement program budget for consideration and adoption.

The budget process begins with the development of Budget Instructions and a Budget Calendar that include policy directives to City staff. The City Manager develops a balanced budget that reflects the needs of the organization based on available resources and submits this to the Mayor and City Council in April.

Citizen participation – The City Council holds several public budget work sessions and public hearings as well as involvement of various Council Committees and Commissions.

Any changes as approved by City Council through the budget process are incorporated into the budget before formal adoption. Multi-year forecasts for the General Fund and key revenue funds are included as part of this process to assist with decision-making – allowing Council to consider resources as part of long-term policy initiatives beyond the budget year.

FY 2019 Budget Development Calendar

Key Dates	Actions
	FY 2019 Annual Budget
March 2018	
1-9	Initial budget meetings with CM, ACM, Departments & Finance
27	City Council to adopt FY 2019 Master Fee Schedule
April 2018	
3	City Council Work Session - Community Agency Funding: CDBG, Social Services, and Arts/Music
17	City Council - Presentation of the Proposed Operating Budget and Update on 5-Year Plan
17	City Council Public Hearing - Community Agency Funding: CDBG, Social Services, and Arts/Music
27	Council Infrastructure Committee review
28	City Council Operating Budget Work Session #1 (Saturday)
May 2018	
1	City Council Operating Budget Work Session #1 Continued (if necessary)
8	City Council Budget Work Session #1 FY 2019-2028 CIP Budget
8	City Council Operating Budget Work Session #2
22	City Council Public Hearing & Adoption - Operating and Capital budgets
22	City Council to adopt FY 2019 GANN Appropriations Limit
29	City Council Adopt Operating and Capital Budgets (if not approved on 5/22)

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April 2018

Honorable Mayor and Members of the City Council:

I am pleased to present this year's proposed FY2019 budget that continues the organization's strong work towards achieving fiscal sustainability. Through the Great Recession and recovery, the City of Hayward has continued to provide quality services and has worked to invest in its future. While the City has taken significant steps towards attaining fiscal sustainability over the last five years, much work remains and we continue to struggle with a structural budget gap driven by increasing costs of operations and the rising costs of labor. Achieving progress during the Great Recession and the subsequent period of slow recovery is a testament to the hard work and dedication of all City employees and the City Council. Hayward continues to see positive economic improvement in many of its key General Fund revenues, such as Property Tax and Sales Tax, but we continue to experience an astronomical rise in employee benefit costs, particularly pension and post-employment healthcare costs. The phased in lowering of the CalPERS discount rate to 7% and modification to the mortality and investment risk assumptions only exacerbate the already steep growth in retirement benefit rates for cities. Unfortunately, CalPERS is likely not done with these types of changes that will make it harder for cities, including Hayward, to fund ongoing operations and services to the communities we serve while also continuing to provide our employees with a sustainable retirement.

This budget is being proposed with limited growth in necessary areas and is "balanced" with the assumed use of $5.5 million of the General Fund Reserves. This reflects a significant decrease from last year's initial FY 2018 proposed budget, which identified a use of approximately $10 million of General Fund Reserves. This proposed budget reinstates the one-time reductions that were used in FY 2018 to ultimately balance the budget.

Nevertheless, the structural gap continues to grow in future years absent additional cost cutting measures and expanded or increased sources of revenue. During the October 14, 2017 Fiscal Sustainability Worksession, the Council provided clear direction to address the gap and staff has worked to advance the strategies supported to do so; however, many of the strategies require voter approval or will take additional time for the City to receive the benefiting fiscal impact.

As we struggle to address and resolve the City's ongoing structural deficit, we must also strategically address staffing needs throughout the organization to manage increasing workloads and service requests from our community. Our deferred infrastructure and capital needs, along with our unfunded liabilities like CalPERS, must also be accommodated in both our short and long-range financial planning.

A continuing challenge to balance…

While the FY 2019 General Fund budget is balanced with the reluctant use of General Fund Reserves, achieving even this delicate balance is the result of some difficult choices faced by Council and employees alike. For example, while the City is committed to paying down its unfunded liabilities, the FY 2019 proposed budget includes funding the pay as you go portion of $3.4 million and an additional $2.0 million towards the annually required contribution (ARC) amount for retiree healthcare (OPEB) contributions, totaling $5.4 million in FY 2019 for OPEB payments. Council has provided clear intent to fund the OPEB ARC by phasing it in over the next five fiscal years.

Additionally, while the budget does not contain expenditure reductions, it maintains current service levels and includes limited growth in necessary areas. Given these facts, the City is still struggling to meet the rising costs of doing business and the proposed budget requires a use of $5.5 million in General Fund Reserves.

While the City certainly faces its financial challenges, the voters of Hayward have been a wonderful partner in our mission to achieve long-term fiscal sustainability. "Measure A," passed in June 2009 and re-approved for 20 years by 73.3% of the voters in June 2016, generates approximately $16.6 million annually in Utility Users Tax (UUT) funds. This has allowed us to maintain staffing levels in public safety, as well as other critical City services. Absent re-approval, the City would have had an enormous financial gap that would have required drastic and immediate measures (including service reductions) to correct.

The community should take pride in all the successful efforts we have made to effectively utilize the Measure A revenue in a way intended by Council and the voters. Even during the darkest period of the recent Great Recession, we have been able to maintain the same number of sworn personnel as before the recession, in both Fire and Police. We did that while maintaining other essential services, albeit with a reduced staff.

Additionally, Measure C, a 0.5% sales tax add-on, was approved for 20 years by 67.4% of the voters in June 2016. This has generated approximately $13.5 million a year to fund debt service for the financing and construction of the new Library and Community Learning Center and adjacent plaza, improvements to fire stations, a new fire training center, and the repaving of many City streets, as well as providing funding for increased police and maintenance staffing and services.

While the Great Recession severely impacted cities throughout the nation, the State and more specifically the East Bay have seen healthy economic growth over the past year. The nation as a whole has added nearly 200,000 jobs per month since early 2010 and California job growth leads the nation. California added 19,393 jobs in February 2018; 2.3% greater than the year prior. State unemployment is down to 4.3% and the economy is being driven by increases in construction, healthcare, and consumer spending. East Bay unemployment was 3.3% as of January 2017 and continues to remain lower than the State average.

Nevertheless, despite these encouraging signs, the economy is on the 9th year of its recovery and seems due for a correction based on normal economic cycles. While no economist can definitively predict the next recession, many are forecasting a slowdown around FY 2019, albeit forecasters predict one much less severe than the Great Recession. Additionally, the new Trump administration produces much uncertainty and anxiety for California as its policies are often diametrically opposed to the core values and beliefs the State prides itself on. Of particular concern is the proposed restriction or "clawback" of grant funding for cities that adopt sanctuary city status as it relates to cooperation with Federal immigration officials. While the ability of the Federal government to take this action will likely not stand up on legal grounds, it nevertheless presents cities, like Hayward that value diversity and inclusion, with many challenges and concerns. In reality though, no one truly knows what the current administration will actually do, not even the President's own political party; this poses the greatest anxiety of all. Thus, the City of Hayward needs to prepare itself for the possibility of and work further towards measures that will achieve long-term fiscal sustainability and to prepare to react and respond to actions coming out of Washington.

The City of Hayward has long prided itself on being a lean, efficient, and nimble organization, making the most of the resources entrusted to us. The previous recession forced the organization to make hard choices about which services were provided to the community, and how best to provide them. In addition, our employees were a key element in our financial survival during the Great Recession as they provided significant additional benefit cost sharing

with the City. Through it all, the organization has continued to do more with less, based on a strong ethic of commitment to the community we serve; and to do it with creative energy and an innovative approach.

While the proposed budget reflects the presumed spending plan for FY 2019 in keeping with City Council priorities, there are many unfunded needs not represented in this budget that will impact future funding levels – including critical staffing, capital infrastructure, and technology. The budget does however work towards achieving the goals set forth by the Complete Communities, Complete Streets, and Tennyson Corridor initiatives adopted in 2017. The City also continues to work towards a Safe, Clean, Green, and Thriving community and these initiatives will help to ensure that Hayward is not only an outstanding place to live, work, and play, but also a place that is convenient and accessible to all.

Balancing the budget and staffing resources to meet service demands…
Staffing resources in the General Fund are at 664.1 positions, down from a high in FY 2003 of 773 General Fund positions. Total citywide staffing (inclusive of all operating funds) hit a high of 937 in FY 2003; in FY 2019, 895.3 positions are proposed. This loss of resources did not translate to a reduction in service demands. In fact, the City has enhanced and improved its quality services over the years and is now at a breaking point – particularly as service demands continue to increase. As might be expected, we are a victim of our own success: the more we do, the more that is expected from us. This is a problem we embrace and to which we proudly respond. Even with this positive attitude and deep commitment, we are reaching the breaking point and risk burning out employees.

Nevertheless, we must be mindful that increases to staffing absent additional funding sources only widen the structural budget gap and exponentially increase unfunded liabilities for CalPERS (retirement) and OPEB (retiree medical benefits). The adopted budget has extremely limited staffing growth. The City will continue to be strategic in its staffing decisions as it looks towards fiscal sustainability.

The quest towards long-term fiscal sustainability...
For the past several years, we have worked towards moving away from the use of the reserves to balance the budget; and yet, the proposed budget includes the use of some General Fund Reserves. We continue to make remarkable progress in our elusive quest for fiscal sustainability, but as previously stated, work remains. During FY 2018, we developed a new ten year financial model and identified a number of budget balancing strategies that the Council reviewed and prioritized during the October 2017 work session. We will continue our work implementing these strategies and working with all departments to identify operational efficiencies that can be implemented. While difficult decisions may be necessary, the General Fund Ten-Year Plan clearly demonstrates that we cannot continue to balance the budget with the use of Reserves. At our current pace, projections show the City depleting its reserves by FY 2020.

If we cannot resolve our structural gap over the long-term, future budgets must contain recommendations for service reductions even if the economy holds or continues to improve. It is better to act now when our actions will have greater impact and will not need to be so severe before the City risks fiscal insolvency and has to implement more drastic and emergency measures in the future. No matter how much progress we make in economic recovery, operating expenses, primarily employee benefit costs, continue to grow faster than revenue and will continue to do so for the foreseeable future absent substantive action.

In this struggle to resolve our structural deficit and meet the demands of the future, I want to recognize and be thankful for the leadership and courage of our Mayor and Council. The decisions you have had to make over the last eight or more years have been extremely difficult,

and you met them each with honesty, fairness, and a keen sense of your responsibilities to both the organization and its employees and the community you represent. It is largely through the partnership with our elected officials, our executives and unrepresented employees, and our multiple bargaining groups that the City works every year to close the annual operating deficit in a variety of ways.

I look to a bright future for all of us as we make more progress toward fiscal stability in FY 2019, as well as continuing to improve the quality of services we deliver to Hayward residents and businesses. We must always be mindful of the future and the long-term consequences of our actions today. We will work towards solutions that have meaningful impact together. Hayward is a wonderful community that understands and truly honors the value of diversity in every facet of life. Our municipal organization is committed to the value of being a “family” despite our immediate differences; one that has shown its grit and mettle over the tough years and one that looks to the future with maturity, strength, and a strong commitment to service. Thank you for the honor and the privilege of being your City Manager and leading such a fantastic organization in service to our community.

Sincerely,

Kelly McAdoo
City Manager
ICMA-CM

Attachment: FY 2019 Budget Overview

CITYWIDE BUDGET OVERVIEW

CITYWIDE FINANCIALS

The City's operating budget is comprised of a number of different funding sources.[1] The General Fund is the largest single fund and represents the resources for which the City Council has the most discretion. The total proposed City expenditure budget for the FY 2019 is $318.5 million, with a General Fund budget of $165.2 million.

Table 1: City Expenditure Budget Summary – All Funds

Expenditures *in 1,000's*	**FY 2017 Adopted**	**FY 2018 Adopted**	**FY 2019 Proposed**	**$ Change**	**% Change**
General Fund	149,029	151,562	165,219	13,657	9.0%
All Other Funds	130,306	135,938	153,316	17,378	12.8%
Total City Budget	**279,335**	**287,500**	**318,535**	**31,035**	**10.8%**

The FY 2019 proposed budget reflects General Fund expenditure growth over the FY 2018 adopted budget of 9% and an increase to All Other Funds of 12.8% primarily due rising personnel and benefits costs, and transfer related to funding critical capital needs. Total overall growth is projected at 10.8% for all funds combined.

CITYWIDE STAFFING

The FY 2019 proposed budget reflects a number of staffing changes over what was approved at the time of adoption of the FY 2018 Budget resulting in a net increase of 9.6 Full Time Equivalents (FTE) to the General Fund and 4.9 FTE additions to other revenue funds. Staffing changes result in a 1.6% increase in overall labor resources.

The Staffing section of the budget document provides more details regarding specific department and fund staffing changes.

Table 2: Staffing Summary

FTE Summary	**FY 2016 Adopted**	**FY 2017 Adopted**	**FY 2018 Adopted**	**FY 2019 Proposed**	**# Change**	**% Change**
General Fund	646.7	651.2	654.5	664.1	9.6	1.5%
All Other Funds	217.5	223.6	226.3	231.2	4.9	2.2%
Total City Positions	**864.2**	**874.8**	**880.8**	**895.3**	**14.5**	**1.6%**

[1] Other funds is comprised of all non-General Fund revenue sources with key funds including the City's enterprise funds (Water, Sewer, Airport, etc.), Internal Service Funds (Facilities, Fleet/Equipment, Technology).

CITYWIDE BUDGET OVERVIEW

GENERAL FUND DISCUSSION

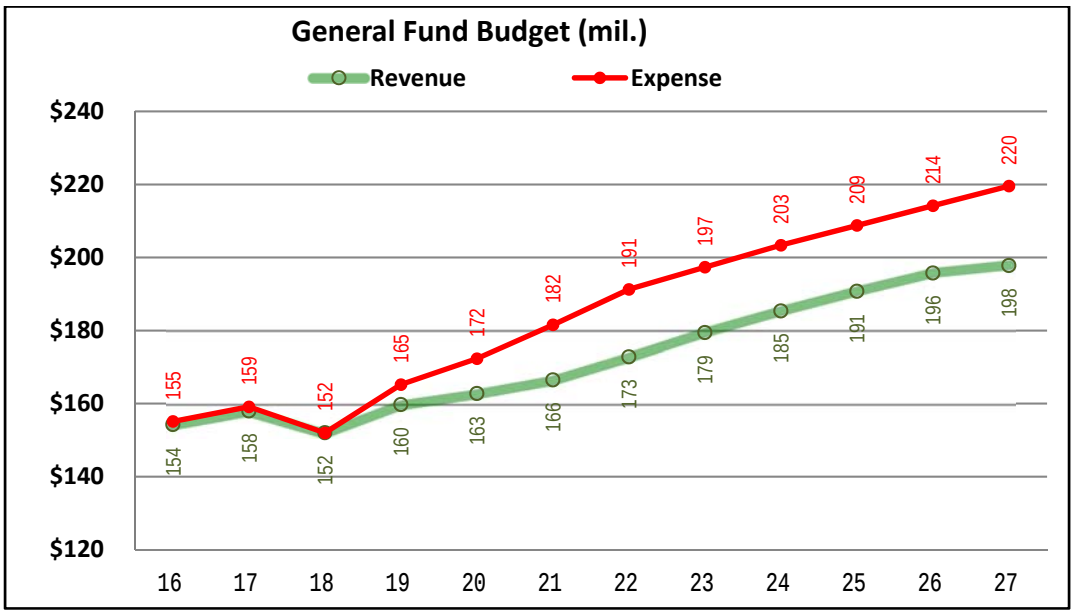
The General Fund represents over fifty percent of the City's total operating costs, and provides many important services such as police and fire services, street maintenance, code enforcement, library and learning services, and other community programs for the residents of Hayward.

The economic crisis that began in 2008 hit the General Fund the hardest of all of the City's funds. In 2011, the General Fund forecasted a 30 million deficit – a reflection of the severe loss of revenue caused by the recession the continued forecast of expenditure growth relating to the cost of providing services out pacing revenue growth.

In October 2017, the City held a Fiscal Sustainability work session, where the Council was presented with the updated General Fund Long Range Financial Model (Model), as well as revenue generating, cost shifting, expenditure control, and change to service provisions options to assist in closing the City's long term structural budget gap. Council supported exploration of options from all categories with the expectation of a reduction to provision of services.

The FY 2019 proposed budget shows a use of $5.5 million of reserves. This structural gap continues to widen in future fiscal years. The adopted FY 2018 budget indicated a structural deficit of $2.4 million; however, it should be noted that the adopted budget included three key one-time strategies to help reduce the FY 2018 deficit: 1) Reduction in General Fund allocation to Internal Service Funds (ISF), 2) Deferral of recruitment for vacant non-sworn positions for a three-month period, and 3). Prepayment of CalPERS ARC. Based on the FY 2018 year-end projection, the City is expected to close the year building reserves by the nominal amount of $33,000. While the "surplus" would appear to be nominal in advancing the City's goal of long-term fiscal sustainability, it is an improvement over the projection from the FY 2018 adopted budget. The City continues to explore options to close the structural budget gap projected in the FY 2019 proposed budget.

Table 3: General Fund Long Range Financial Model



CITYWIDE BUDGET OVERVIEW

Basic General Fund Long Range Financial Assumptions

Over the last year, the City has worked with Management Partners to develop and enhance its General Fund Long Range Financial Model (Model). The Model is a dynamic planning tool used to assist City Council and staff in managing and projecting the City's current and future fiscal status. The updated Model provides sophisticated economic forecasting, escalation factors, and detailed personnel related costs. The City uses the Model to simulate a variety of different fiscal scenarios to understand the long-term fiscal impacts to the General Fund.

The General Fund section of the budget document contains a detailed General Fund Long Range Financial forecast. Critical Cost Drivers impacting FY 2019 and beyond include:

- Escalating CalPERS retirement costs, related to the recent change in PERS discount rate assumption
- Funding Retiree Medical benefits
- Critical resource additions
- Capital costs: vehicle replacement and information technology

General Fund Reserve

The General Fund Reserve is made up of funds intended for emergency needs (such as a catastrophic natural or financial disaster). It also provides some flexibility to address one-time priority programs, smooth out economic swings, and buffer the loss of state and federal funds. Current City Council policy is to maintain a reasonable Reserve level equal to 20% of total General Fund expenditures.

While FY 2018 assumed a use of $2.4 million of General Fund Reserves when the budget was adopted, the Model now projects to close the year building reserves by $33,000 (the actual use of reserves could change depending on actual year-end results). The FY 2019 proposed budget projects another planned use of the Reserve of $5.5 million to balance the proposed budget. The estimated FY 2019 ending General Fund Reserve is approximately $24.2 million, resulting in a projected Reserve level of 14.7%.

It is Council's policy to replenish the General Fund Reserve when it dips below the 20% threshold as one-time funds become available. Council has been wise in past uses of reserves, and staff has made every effort to maintain those reserve levels as close to Council policy as possible.

KEY FY 2019 BUDGET CHANGES

The following General Fund analysis provides a comparison of the FY 2019 Proposed Budget to the immediate previous years. FY 2018 "Projected" is based on what staff currently knows about how this fiscal year will end; the actual ending balance may be different when the year is closed.

General Fund Revenues

General Fund revenue projections reflect improvements to several key revenues, refined further from the projections presented in the FY 2018 Adopted Budget. Overall, staff is proposing to increase FY 2019 revenues over FY 2018 Adopted by about $10.7 million or 7.2%. Each

revenue category varies in its change over the prior year, with some revenues seeing declines and others experiencing increases.

Table 4: FY 2019 General Fund Revenues

		A	B	C	D	E	F
	(in the 1,000's)	**FY 2017 Actuals**	**FY 2018 Adopted**	**FY 2018 Projected**	**FY 2019 Proposed**	**Change $ (D-B)**	**Change % (D/B-1)**
	Revenue						
1	Annual Property Tax - Recurring	$ 44,501	$ 46,512	$ 46,512	$ 50,258	$ 3,746	8.1%
2	RPTTF Pass-Thru & Annual	$ 2,697	$ 2,400	$ 2,400	$ 3,009	$ 609	25.4%
3	Property Tax Total	$ 47,198	$ 48,912	$ 48,912	$ 53,267	$ 4,355	8.9%
4	Sales Tax (incl Prop 172)	$ 34,839	$ 32,609	$ 33,540	$ 34,817	$ 2,208	6.8%
5	Utility Users Tax	$ 16,777	$ 17,663	$ 18,663	$ 19,000	$ 1,337	7.6%
6	UUT Prior Period Payment	$ 3,977		$ -	$ -	$ -	
7	Franchise Fees	$ 9,646	$ 9,462	$ 10,462	$ 10,921	$ 1,459	15.4%
8	Property Transfer Tax	$ 8,350	$ 7,154	$ 7,154	$ 7,369	$ 215	3.0%
9	Business License Tax	$ 2,724	$ 2,846	$ 2,846	$ 2,903	$ 57	2.0%
10	Transient Occupancy Tax	$ 2,560	$ 2,036	$ 2,036	$ 2,077	$ 41	2.0%
11	Cannabis Tax				$ 750	$ 750	
12	Emergency Facilities Tax	$ 2,100	$ 1,838	$ 1,838	$ 1,981	$ 143	7.8%
13	Charges for Services	$ 15,435	$ 12,799	$ 12,929	$ 13,019	$ 220	1.7%
14	Intergovernmental	$ 6,559	$ 6,424	$ 6,304	$ 6,552	$ 128	2.0%
15	Fines and Forfeitures	$ 2,429	$ 2,114	$ 2,114	$ 2,187	$ 73	3.5%
16	Interest and Rents	$ 561	$ 656	$ 680	$ 308	$ (348)	-53.0%
17	Other Revenue	$ 798	$ 614	$ 590	$ 635	$ 21	3.4%
18	**Total Revenue**	**$ 153,952**	**$ 145,127**	**$ 148,069**	**$ 155,785**	**$ 10,658**	7.3%
19	Transfers In-Other Funds	$ 4,037	$ 3,960	$ 3,960	$ 3,962	$ 2	0.1%
20	**Total Revenue/Resources**	**$ 157,989**	**$ 149,087**	**$ 152,029**	**$ 159,748**	**$ 10,661**	7.2%

A summary of key revenue assumptions for FY 2019 follows. Please note that the General Fund section of the budget document contains further discussion and analysis of key General Fund revenue categories.

Property Tax – Property Tax is tied directly to assessed valuation and the decline of these revenues during the Great Recession, coupled with California's tax controls, resulted in a slow recovery. Hayward has experienced the impacts of an improved economy and active real estate market. Actions taken by the County Assessor from FY 2013 – FY 2015, driven by improved market conditions and rising housing stock prices, increased valuation related to the reassessment of property values (Proposition 8). This is a reversal of significant reductions in assessed value occurring from FY 2010 – FY 2012 as a result of the Great Recession.

The FY 2019 Proposed Budget increases Property Tax revenue projections totaling 8.1% over the amount adopted in FY 2018 revenues. The projection for Property Tax revenue is primarily based on the annual County Assessor's Office estimate of assessed values, with projections for the proposed budget based on information provided by the Assessor in March. In addition, the City uses a property tax consultant to review and confirm estimates. Future annual growth is projected between 2%–5%.

CITYWIDE BUDGET OVERVIEW

Sales Tax – Revenue projections for FY 2019 reflect a 6.8% growth from the amount adopted in FY 2018.

In recent years, the City has experienced sales tax erosion like many California municipalities; however, the FY 2019 proposed budget projects an increase in Sales Tax revenue similar to levels experienced in FY 2017. Due to focused efforts of Economic Development improvements and a sustained level of receipts, staff assumes a steady economic growth of sales tax revenue of 3–4% in future years.

Real Property Transfer Tax – FY 2018 Transfer Tax revenues are projected at $7.4 million – of which $4.8 million are considered recurring baseline revenues pursuant to current Council policy. This is a 3% increase over FY 2018 adopted revenues. It is difficult to project this volatile revenue; however, future annual growth is estimated at 2% in future fiscal years.

- *RPTT Volatility and Base Annual Revenues:* RPTT is volatile revenue – and is entirely connected to Hayward's real estate market conditions, both value and rate of sales. It is reasonable to assume that Hayward will receive an annual base of revenues due to normal property turnover. However, given the unpredictability of this revenue, it is also reasonable to assume that spikes to this revenue are one-time in nature. Meaning, revenues received in excess of an annual base, currently set at $4.8 million, are considered non-recurring and are to be used toward one-time expenses such as replenishing the General Fund reserve, capital improvements, and/or reductions of benefit liabilities. This prudent fiscal approach helps avoid the mistake of budgeting recurring costs against one-time spikes in revenue – thereby exacerbating the City's structural gap.

Franchise Fees – This revenue category is comprised of franchise fees assessed on utilities doing business within City limits (e.g., refuse, gas, electricity, cable, etc.) and is assessed as a percentage of gross receipts. Overall franchise fees are experiencing an increase of 15.4% for FY 2019.

Charges for Services – This revenue category is comprised of a variety of fees for building and development related activities. Given continued levels of activity, FY 2019 projects a 1.7% increase over FY 2018. Future years reflect a steady annual growth of 2–3% as a means to smooth the impacts of a future recession and market slow-down.

CITYWIDE BUDGET OVERVIEW

General Fund Expenditures

Overall, the Proposed FY 2019 expenditures have increased over the FY 2018 Adopted Budget by $13.6 million or 9%. There are several factors driving the expenditure growth, almost all due to escalating employee-related costs.

Table 5: FY 2019 Proposed General Fund Expenditures

	A	B	C	D	E	F
(in the 1,000's)	FY 2017 Actual	FY 2018 Adopted	FY 2018 Projected	FY 2019 Proposed	Change $ (D-B)	Change % (D/B-1)
1 **Expenditures**						
2 Salary	$71,003	$74,243	$74,257	$77,899	$3,656	4.92%
3 Overtime	$8,161	$5,566	$7,021	$3,320	($2,246)	-40.35%
4 **Wages Subtotal**	**$79,164**	**$79,809**	**$81,278**	**$81,219**	**$1,410**	**1.77%**
5 Medical/Dental/Other Benefits	$12,585	$14,585	$14,581	$14,549	($36)	-0.25%
6 Retiree Medical (pay-go)	$2,847	$2,794	$2,794	$3,038	$244	8.72%
7 Worker's Compensation	$6,284	$5,899	$5,903	$6,600	$701	11.88%
8 Retirement (CalPERS)	$23,021	$23,600	$23,600	$29,018	$5,418	22.96%
9 **Benefits Subtotal**	**$123,901**	**$126,687**	**$128,156**	**$134,424**	**$7,737**	**6.11%**
10 Assumed Vacancy Savings		($1,931)	($4,602)	($2,288)	($357)	18.49%
11 Interdepartmental (ID) Charges	($4,069)	($4,602)	($4,396)	($4,507)	$95	-2.05%
12 OPEB Liability Contribution*	-	$1,000	$1,000	$2,000	$1,000	100.00%
13 **Net Staffing Expense**	**$119,832**	**$121,155**	**$120,158**	**$129,629**	**$8,474**	**6.99%**
14 Supplies & Services	$10,294	$9,268	$10,574	$10,074	$806	8.70%
15 Internal Service Fees	$14,413	$11,863	$11,863	$16,504	$4,641	39.12%
16 Debt Service*	$3,640	$3,283	$3,283	$2,930	($353)	-10.75%
17 Liability Insurance*	$4,389	$2,907	$2,907	$2,950	$43	1.48%
18 Economic Dev. Fund (from RPTTF)*	$556	$350	$350	$350	$0	0.00%
19 Capital Funding*	$1,769	$2,736	$2,861	$2,782	$46	1.68%
20 **Non-Personnel Expenses Subtotal**	**$35,061**	**$30,407**	**$31,838**	**$35,590**	**$5,183**	**17.05%**
21 UUT Prior Period Payment Offset	$4,248	$0	$0	$0	$0	
22 **Total Expenditures**	**159,139**	**151,562**	**151,996**	**165,219**	**$13,657**	**9.01%**

**Transfers Out of General Fund Total*

Salary – FY 2019 include the assumed contracted Cost of Living Adjustment (COLA) for all applicable bargaining groups. The City is currently in negotiations with all of the applicable bargaining groups. As a result, staff assumed COLA based on FY 2018 contractual rates, with the exception of public safety bargaining groups, which included a 5% COLA in FY 2019 per the current contract. FY 2019 includes all proposed position changes – a total increase of 9.6 FTE to the General Fund and 4.9 FTE additions to other revenue funds.

Overtime – FY 2019 Overtime is $3.3 million – which is significant decrease over the FY 2018 Adopted Budget. The FY 2019 Proposed Budget includes the addition of 9 Fire Fighters to allow for adequate staffing levels, and significantly minimize the use of overtime within the Fire Department. The majority of the remaining General Fund overtime is appropriated in the Police Departments to meet mandatory staffing level requirements.

CalPERS Retirement Rates – Retirement rates increase significantly in FY 2019 – with total costs increasing 22.9%. Over the last several years, the CalPERS Board of Administration has considered and adopted several rate methodology changes that directly impact the retirement rates that cities pay (employer contribution rates). Each of these changes is effective in different fiscal years, with varying phase-in schedules. While these changes significantly increase our current retirement costs, they are intended to stabilize the CalPERS plans for long-term

sustainability and should have been implemented long ago in the CalPERS system. The FY 2019 Proposed Budget is the first year of a three-year phase-in in the changes in CalPERS discount rate from 7.5% to 7.0%.

The cost of the retirement plans is broken into Employee Contribution rates (fixed) and Employer Contribution rates (variable). Both rates are a percent of payroll. The Employee Contribution is fixed and is based on the pension plan formula (generally 9% for public safety plans and 7% or 8% for miscellaneous plans). The Public Employees' Pension Reform Act of 2013 (PEPRA) introduced new benefit formulas effective January 1, 2013 that affect new employees to the City that have not previously been part of the CalPERS system. While there is little immediate financial benefit to the City with this "two-tiered" system, the long-term benefit of lower retiree costs is anticipated to be significant.

Most employee groups contribute beyond the Employee Contribution portion and pay a portion of the Employer Contribution: 6% for sworn police and fire personnel, 3% for all non-sworn personnel. The Employer rates displayed in Table 7 represent the full Employer cost as assessed by CalPERS, and do not reflect these cost-sharing agreements, as these agreements do not affect the overall cost of CalPERS, only who pays what share.

Table 6 below reflects the CalPERS Board decision to lower the discount rate from 7.5% to 7.0% in December 2016. Lowering the discount rate, also known as the assumed rate of return, means employers that contract with CalPERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities in order to make the plan more sustainable in the long term. Active members hired after January 1, 2013, under the Public Employees' Pension Reform Act will also see their contribution rates rise.

The most recent actuarial valuations provided to the City of Hayward by CalPERS in July 2017 reflect the final rates for FY 2019.The new valuations the City received in July 2017 reflect rate projections that include all of the rate actions taken by the CalPERS Board to date.

Table 6 provides a summary of what the City's projected CalPERS rates will be based on CalPERS recent change to the discount rate. Please note that these projections are an estimate based on a model and are not entirely reflective of what the City's exact rates will be. Immediately upon receipt of the CalPERS Actuarial Valuation Report (reportedly late July 2017), staff will return to the Council with updated projections and further discussion.

Table 6 – CalPERS Rates

(in the $1,000s)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Miscellaneous								
Normal Cost %	84.160%	8.809%	9.300%	10.200%	10.200%	10.200%	10.200%	10.200%
UAL Payment	$7,926	$9,165	$10,591	$11,722	$13,187	$14,514	$15,423	$16,209
Employer Contribution Rate %	27.40%	28.60%	31.50%	34.10%	36.30%	38.10%	39.00%	39.60%
Change over Prior Year	101.00%	1.20%	2.90%	2.60%	2.20%	1.80%	0.90%	0.60%
Police								
Normal Cost %	21.460%	22.112%	23.000%	24.900%	24.900%	24.900%	24.900%	24.900%
UAL Payment	$6,994	$8,346	$9,880	$10,928	$12,255	$13,376	$14,227	$14,962
Employer Contribution Rate %	50.30%	54.40%	60.20%	64.70%	68.30%	70.90%	72.40%	73.40%
Change over Prior Year	4.61%	4.10%	5.80%	4.50%	3.60%	2.60%	1.50%	1.00%
Fire								
Normal Cost %	16.872%	17.721%	18.600%	20.400%	20.400%	20.400%	20.400%	20.400%
UAL Payment	$4,985	$5,939	$7,024	$7,854	$8,929	$9,811	$10,432	$10,969
Employer Contribution Rate %	45.20%	48.90%	54.40%	59.20%	63.20%	66.10%	67.60%	68.60%
Change over Prior Year	2.36%	3.70%	5.50%	4.80%	4.00%	2.90%	1.50%	1.00%

Vacancy Savings – Vacancy savings are assumed based on normal attrition and known staffing vacancies. Projected FY 2019 vacancy savings are $2.3 million in the General Fund and assume savings primarily attributed to police staffing.

Retiree Medical Unfunded Liabilities – City Council policy is to pre-fund the City's benefit liabilities to the greatest extent possible within existing operating resources. FY 2019 Proposed Budget includes a $2 million contribution toward the City's Other Post-Employment Benefits (OPEB) Retiree Medical unfunded liability. The City will continue to phase in the funding of the total Annual Required Contribution (ARC) for its OPEB liability – reaching this minimum annual funding level by FY 2022.

Internal Service Fees – The Internal Service Funds (ISF) for FY 2019 Proposed shows an increase of $4.6 million over the FY 2018 Adopted Budget. In FY 2018, City Council approved the reduction in General Fund allocation to Internal Service Funds in FY 2018 to help close the structural budget gap. The reduction in General Fund allocation was a one-time approach, and has been discontinued.

The Technology Internal Service Fund presents specific recurring technology costs, which includes Munis and other program annual software maintenance.

Capital Funding
The Technology Capital Fund requests $1 million in FY 2019, and includes:

- Network infrastructure replacement
- Security Assessment and Improvement
- Highspeed Hayward fiber plan implementation

Some of these projects will require funding in future years as well to complete; however, funding levels will be contingent on future budget processes.

Other Funds

The most significant changes in non-General Fund funds are related to the new Measure C Fund. The Enterprise & Other Funds section of the budget document provides multi-year forecasts and analyses for all of the City's key enterprise and internal service funds.

Measure C – During the June 3, 2014 municipal election, the voters of the City of Hayward passed a ballot measure (Measure C) to increase the City's Transaction and Use (Sales) Tax by half a percent for twenty years. This half cent increase became effective October 1, 2014, bringing Hayward's Sales and Use Tax rate to 10.0%. This is a general tax and is considered discretionary in nature. Staff originally estimated that the new sales tax would generate approximately $10 million annually in locally controlled revenue that can be allocated by the City Council and will remain in place for a period of twenty years. In FY 2019, staff projects that the City will receive $14.2 million in Measure C sales tax revenues.

The City Council, as well as the ballot language, established a number of spending priorities for these funds. These priorities include a mix of capital projects and funding allocations toward operating services. The Measure C revenues continue to be used to fund debt service for construction of the new Library and Community Learning Center, completion of fire station retrofits and improvements, and rehabilitation and expansion of the City's existing fire training center. Of the $14.2 million in annual revenue, staff estimates annual debt service payments for

the above defined projects will total approximately $5.4 million annually. The remaining funds are to be allocated among police services, maintenance services, and street repairs.

Staff presented recommendations for the use of the Measure C funds to both the Council Budget & Finance Committee and the City Council in November and December 2014. Consistent with those discussions, staff is including assumed revenues and expenditures for Measure C as part of the FY 2019 budget.

- *Revenue:* The City began receiving allocations of the Measure C Transaction and Use (sales) Tax effective January 1, 2015. Staff anticipates receiving approximately $14.2 million in revenues from Measure C for FY 2019. As previously approved by Council, staff established a new fund within the General Fund to allow for easy tracking of the revenues and expenses associated with Measure C (Fund 101).

- *Expenditures:* Given the timing of the design of the Measure C funded capital projects, FY 2019 estimates expenses of $9 million for staffing (police and maintenance) and estimated debt service. The FY 2019 Proposed Budget also includes a change in Measure C staffing. Staff presented a recommended change in Police staffing at the March Council Budget and Finance Committee. Due to the high levels of Call Taker vacancies (Measure C Funded), it was the recommendation that to better utilized Measure C funding, that Call Takers (8.0 FTE) be reallocated to the General Fund, and Communications Operators (7.0 FTE) be reallocated to Measure C. The Council Budget and Finance Committee supported the recommendation.

UNFUNDED NEEDS & LIABILITIES

While the FY 2019 Operating Budget reflects the basic operating needs of the City, as well as the inclusion of funding toward some benefit liabilities and capital needs, it does not reflect the full spectrum of need – as many of these needs are by necessity “unfunded.” As can be seen in the discussion below regarding benefit liabilities, the City is not fully funding these obligations. However, the City Council spent time in FY 2017 and 2018 reviewing its benefit liabilities and considering funding plans toward adequately funding the unfunded portions of these liabilities.

Unfunded Capital Needs

The FY 2019 Capital Improvement Program reflects “Identified Capital Needs” totaling approximately $410 million, for which funding is undetermined. In accord with Council policy, as one-time funding becomes available, Council will allocate funds toward these unfunded CIP needs.

Benefit Liabilities & Funding Status

The City actively manages its benefit liabilities and completes actuarial valuations for all benefit liabilities with the exception of accrued leave payouts (analysis conducted by staff). These valuations consider the economic, demographic, and historical compositions of the benefit programs and establish amounts that the City should allocate each year to fund its benefit-related financial obligations. In today’s economic climate, it is critical that the City continue to manage its benefit liabilities to ensure long-term fiscal stability and the continuance of these valuable benefits to City employees. Actuarial valuations identify the Annual Required Contribution (ARC) an agency should make toward the funding of the benefit. This is essentially the minimum funding amount that should be responsibly made by any organization. The ARC is

generally comprised of two elements: a portion of funding for current costs (sometimes referred to as "pay go") and a portion of funding for future costs (the Unfunded Actuarial Liability or UAL).

As bond rating agencies review the City's debt, they actively consider the level of the City's unfunded benefit liabilities and the economic pressure these place on the City. Failure to meet the minimum recommended funding levels or to implement a plan to achieve full funding of the ARC and/or a long-term plan to pay down the future liabilities could have a negative impact on future bond ratings – with a possible resultant increase in the cost of borrowing should the City seek to incur new debt or need to refinance existing debt.

Table 7 provides a summary of the City's benefit liabilities and current levels of funding. Each of these benefit liabilities is unique in its structure and the degree of funding varies depending on the benefit.

Table 7: Summary of Benefit Liabilities

(*in millions*)	Actuarial Valuation Date	Accrued Liability	Value of Assets	Funded Ratio	Unfunded Liability (1)	Unfunded Ratio
CalPERS Police Safety Plan	6/30/2016	$ 354.59	$ 209.91	59.2%	$ 144.68	40.8%
CalPERS Fire Safety Plan	6/30/2016	$ 272.37	$ 166.80	61.2%	$ 105.57	38.8%
CalPERS Miscellaneous Plan	6/30/2016	$ 418.59	$ 268.64	64.2%	$ 149.95	35.8%
Total Cal PERS		**$ 1,045.55**	**$ 645.36**	**61.5%**	**$ 400.20**	**38.5%**
OPEB - Retiree Medical Police Officers	6/30/2015	$ 55.69	$ 1.36	2.4%	$ 54.33	97.6%
OPEB - Retiree Medical Fightfigters	6/30/2015	$ 22.47	$ 0.94	4.2%	$ 21.53	95.8%
OPEB - Retiree Medical Miscellaneous	6/30/2015	$ 30.18	$ 1.38	4.6%	$ 28.80	95.4%
Total OPEB-Retiree Medical		**$ 108.34**	**$ 3.68**	**3.7%**	**$ 104.66**	**96.3%**
Workers' Compensation	6/30/2017	$ 16.64	$ 8.63	51.9%	$ 8.01	48.1%
Accrued Leave Payouts (1)	6/30/2017	7.89	0	0.0%	$ 7.89	100%
TOTAL		**$ 1,178.42**	**$ 657.67**	**55.8%**	$ 520.76	**44.2%**

Retirement Annual cost (annual cost: $27.1 million) – The City is fully meeting its annual required contribution (ARC) amounts based on the CalPERS premium rates. Given the new CalPERS "smoothing" methodology, the long-term intent is to fund the City's liability over the 30-year amortization period.

Workers' Compensation (annual Cost: $5.05 million) – Pursuant to the current actuarial valuation conducted for the program, a funding status of 70 – 85% is recommended. Table 7 shows that the City is currently at about a 48.1% funding level. Staff recommended funding at the 80% level and beginning in FY 2013, implemented a plan to build the fund balance toward achieving this funding level over the next four years. Workers' Compensation rates charged against live payroll include a component of cost (about $1 million/year) toward unfunded liability. Once the 80% funding level is reached (about $10 million in fund balance reserved for future liability), the Workers' Compensation rates will be adjusted downward.

*Retiree Medical – O*PEB (annual cost: $3.1 million "pay go") – The estimated actuarial calculation of the City's ARC is $12.2 million ($3.1 million "pay go" and $9 million toward future unfunded

liability). The City is not funding the full ARC due to its budget pressures but is fully funding the annual $3.1 million "pay go" portion for active retirees. Contributions towards the ARC were made in FY 2014 of $1 million and FY 2015 of $2 million; however, in an effort to reduce the use of reserves in FY 2016 and FY 2017, additional voluntary contributions were not made. In FY 2018, the City began contributing towards the ARC with a $1 million contribution. The FY 2019 Proposed Budget includes a $2 million contribution to the ARC. The City's General Fund Long Range Financial Model includes phasing this cost in until the full ARC payment is achieved. Pursuant to the valuation, if the City fully funded the ARC, the City would pay for current costs and fund the future liability by the end of the amortization period. The phase-in of costs included in the Model will allow the City to fully fund the ARC by FY 2022.

Accrued Leave Payouts (annual Cost: varies) – Staff has taken strong action to lower this liability during the past two years by managing employees to approved vacation caps. This has helped to prevent large accrued leave payouts to retiring or terminating employees. The total liability has reduced from the FY 2012 balance of $10.7 million to the FY 2017 balance of $7.89 million – a significant reduction in liability.

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FINANCIAL SUMMARIES – ALL FUNDS

This section provides an overview of the City of Hayward's operating funds.

Governmental Fund Types: These fund types are used to account for tax-supported governmental activities.

- General Fund: The general operating fund of the City, used to account for all financial resources except those required to be accounted for in another fund.
- Measure C – District Sales Tax Fund: This general operating fund is dedicated to the resources and expenditures associated with the Measure C ballot measure passed by Hayward voters in 2014.

Special Revenue Funds: Special Revenue funds are used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted. Below are examples (not an exhaustive list) of restricted revenues include grant funding, enabling legislation, or earmarking funds for a specific purpose.

- Economic Development Fund
- Community Development Block Grant Fund
- Downtown Business Improvement Fund
- Small Business Economic Development Loan Fund
- Hayward Promise Neighborhood Grant Fund
- Citizen's Option for Public Safety Fund
- Measure B – Paratransit Fund
- Recycling Fund
- Landscape & Lighting/Maintenance Districts/Community Facilities Districts

Debt Service Funds: Debt Service funds are used to account for the accumulation of resources and the payment of general long-term debt.

- General Debt Service (COP)
- Hayward Successor Redevelopment Agency
- Special Assessments

Proprietary Fund Types: These fund types are used to account for a government's business-type activities (activities supported, at least in part, by fees or charges).

- Enterprise Funds: Enterprise Funds represent City operations that are financed and operated like private business enterprises. This type of fund permits user charges to finance or recover the costs, including depreciation, of providing the services to the general public on a continuing basis.
  - Airport Maintenance and Operation Fund
  - Regional Water Inter-Tie Fund
  - Stormwater Maintenance and Operation Fund
  - Wastewater Maintenance and Operation Fund
  - Water Maintenance and Operation Fund

- Internal Service Funds: Internal Service Funds are used to finance and account for goods and/or services provided by one City department to another, on a cost reimbursement basis.
  - Employee Benefits Fund
  - Facilities Management Fund
  - Fleet Management Fund
  - Information Technology Fund
  - Risk Management Fund
  - Workers' Compensation Fund

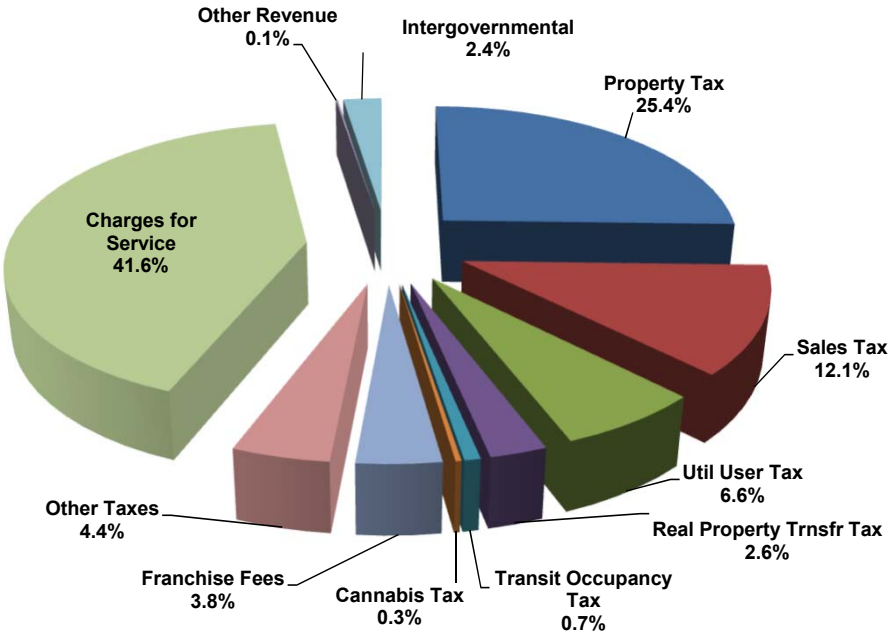
ALL OPERATING FUNDS - SUMMARY

	General	Measure C	Special Revenue	Debt Service	Enterprise	Internal Service	Successor RDA	TOTAL
Revenues								
Property Tax	53,267	14,420	-	-	-	-	5,409	73,096
Sales Tax	34,817	-	-	-	-	-	-	34,817
Util User Tax	19,000	-	-	-	-	-	-	19,000
Real Property Trnsfr Tax	7,369	-	-	-	-	-	-	7,369
Transit Occupancy Tax	2,077	-	-	-	-	-	-	2,077
Cannabis Tax	750	-	-	-	-	-	-	750
Franchise Fees	10,921	-	-	-	-	-	-	10,921
Other Taxes	4,778	-	7,827	-	-	-	-	12,605
Charges for Service	13,192	-	-	-	79,121	27,220	-	119,533
Other Revenue	375	-	-	-	-	-	-	375
Intergovernmental	6,428	-	-	-	-	-	577	7,005
From All Other Sources	2,812	-	-	966	-	-	72	3,850
	155,786	**14,420**	**7,827**	**966**	**79,121**	**27,220**	**6,058**	**291,398**
Trnsfrs from other funds*	**3,962**	**0**	**350**	**8,222**	**4,117**	**5,506**	**0**	**22,157**
Total Revenues	**159,748**	**14,420**	**8,177**	**9,188**	**83,238**	**32,726**	**6,058**	**313,555**
Expenditures								
Salary								
Regular	77,899	1,855	1,282	-	13,426	5,239	173	99,874
Overtime	3,320	-	-	-	392	225	-	3,937
Vacancy Savings	(2,288)	-	-	-	-	-	-	(2,288)
Benefits				-				0
Fringe Benefits	21,149	565	249	-	4,203	1,326	45	27,538
Retiree Medical	3,038	61	14	-	229	79	3	3,423
PERS	29,018	619	323	-	3,595	1,334	45	34,935
Chrgs (to)/fr other prog	(4,507)	-	63	-	(275)	-	(89)	(4,808)
Net Staffing Expense	**127,629**	**3,100**	**1,930**	**-**	**21,570**	**8,203**	**178**	**162,611**
Maintenance & Utilities	1,032	60	988	-	2,625	4,079	8	8,791
Supplies & Services	8,505	260	5,238	45	6,124	9,562	206	29,940
Internal Service Fee	16,504	163	141	-	2,417	474	29	19,728
Capital	-	-	282	-	-	-	-	282
Debt Service	-	-	-	8,940	3,979	654	3,236	16,809
All Other Uses	537	-	1,558	0	30,800	7,242	-	40,137
	26,578	**483**	**8,207**	**8,985**	**45,944**	**22,011**	**3,478**	**115,687**
Total Expense	**154,207**	**3,584**	**10,137**	**8,985**	**67,514**	**30,215**	**3,657**	**278,298**
Transfers to other funds*	**11,012**	**14,487**	**225**	**473**	**12,069**	**1,127**	**843**	**40,237**
Subtotal Expenditures	**165,219**	**18,071**	**10,362**	**9,458**	**79,583**	**31,342**	**4,500**	**318,535**
Total Expenditures	**165,219**	**18,071**	**10,362**	**9,458**	**79,583**	**31,342**	**4,500**	**318,535**
(Use)/Add to fund bal	**(5,471)**	**(3,651)**	**(2,185)**	**(270)**	**3,655**	**1,384**	**1,559**	**(4,980)**

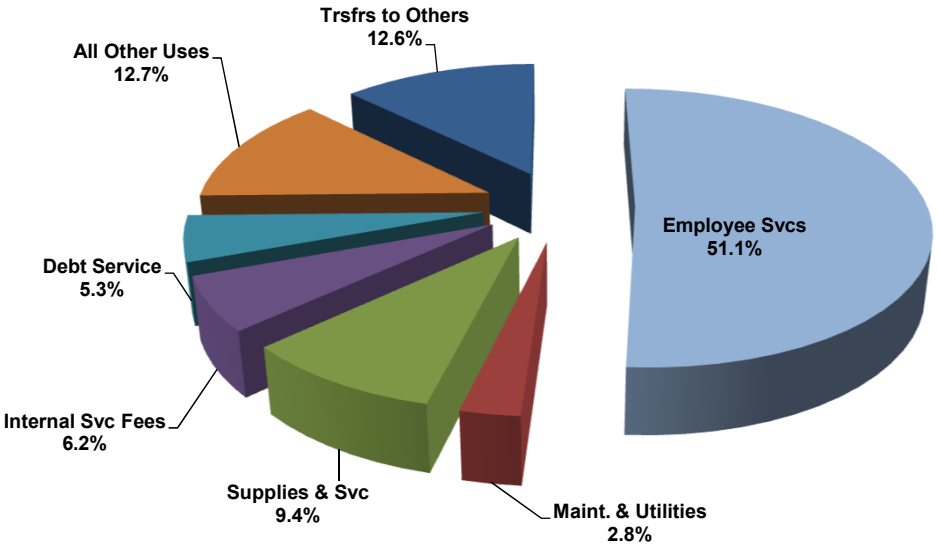
Note: General Fund column represents fund 100 only.

Summary of Revenues and Expenditures - All Operating Funds

FY 2019 All Operating Funds
Revenues - By Type
$313.6 Million
(Amounts Stated in Millions)



FY 2019 All Operating Funds
Expenditures - By Category
$318.5 Million
(Amounts Stated in Millions)



ALL OPERATING FUNDS - DEPARTMENT SUMMARY

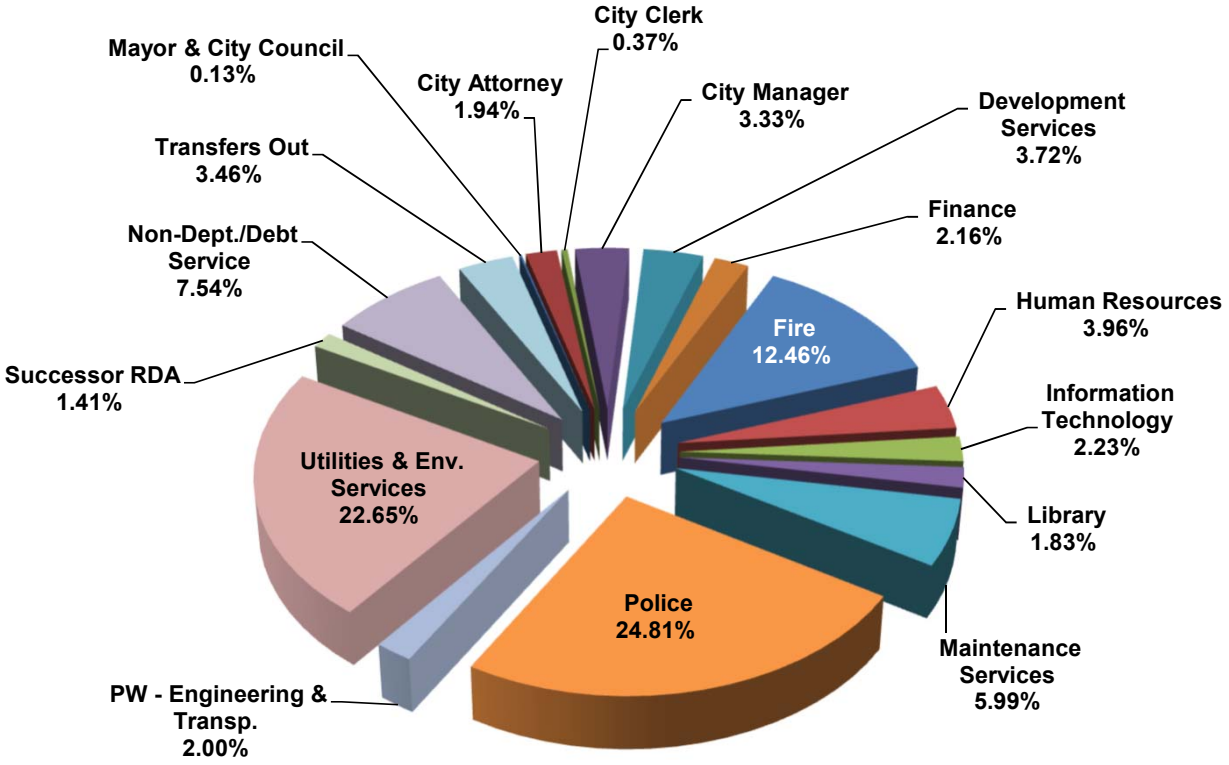
	General	Measure C	Special Revenue	Debt Service	Enterprise	Internal Service	Successor RDA	TOTAL
Revenues								
Mayor/City Council	-	-	-	-	-	-	-	-
City Attorney	-	-	-	-	-	4,106	-	4,106
City Clerk	23	-	-	-	-	-	-	23
City Manager	76	-	4,531	-	-	-	6,058	10,664
Development Services	7,779	-	2,236	-	-	-	-	10,014
Finance	905	-	-	-	-	-	-	905
Fire	6,992	-	-	-	-	-	-	6,992
Human Resources	31	-	-	-	-	11,007	-	11,038
Information Technology	-	-	-	-	-	7,966	-	7,966
Library	85	-	-	-	-	-	-	85
Maintenance Services	1,594	-	1,014	-	-	8,246	-	10,855
Police	3,636	-	-	-	-	-	-	3,636
PW-Engineering & Transp	416	-	-	-	3,512	-	-	3,928
Utilities & Env Services	-	-	397	-	79,726	-	-	80,122
Non-dept/Transfers In	138,213	14,420		9,188		1,400	-	163,221
Total Revenues	**159,748**	**14,420**	**8,177**	**9,188**	**83,238**	**32,726**	**6,058**	**313,555**
Expenditures								
Mayor/City Council	429	-	-	-	-	-	-	429
City Attorney	1,370	-	-	-	-	4,819	-	6,189
City Clerk	1,167	-	-	-	-	-	-	1,167
City Manager	4,464	-	5,813	-	-	338	4,500	15,115
Development Services	9,211	-	2,639	-	-	-	-	11,850
Finance	5,097	-	-	-	1,780	-	-	6,877
Fire	39,675	-	-	-	-	-	-	39,675
Human Resources	2,149	-	-	-	-	10,471	-	12,619
Information Technology	-	-	-	-	-	7,112	-	7,112
Library	5,830	-	-	-	-	-	-	5,830
Maintenance Services	5,637	804	1,256	-	2,790	8,602	-	19,088
Police	76,322	2,712	-	-	-	-	-	79,034
PW-Engineering & Transp	2,806	-	-	-	3,562	-	-	6,368
Utilities & Env Services	51	-	654	-	71,452	-	-	72,157
Non-dept/Transfers Out	11,012	14,555	-	9,458	-	-	-	35,025
Total Expenditures	**165,219**	**18,071**	**10,362**	**9,458**	**79,583**	**31,342**	**4,500**	**318,535**
(Use)/Add to fund bal	**(5,471)**	**(3,651)**	**(2,185)**	**(270)**	**3,655**	**1,384**	**1,559**	**(4,980)**

Note: General Fund column represents fund 100 only.

SUMMARY OF EXPENDITURES BY DEPARTMENT-ALL FUNDS

	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Mayor & City Council	470,933	379,661	398,058	415,951	429,263
City Attorney	4,344,730	4,269,622	6,133,591	5,986,493	6,188,698
City Clerk	852,560	913,556	922,216	753,105	1,166,507
City Manager	4,462,428	5,449,325	4,969,502	4,947,697	10,614,946
Development Services	4,743,969	8,232,706	9,260,534	11,365,205	11,849,576
Finance	5,026,949	5,337,303	5,895,413	6,468,021	6,876,598
Fire	34,243,169	35,042,909	38,910,408	36,813,703	39,674,795
Human Resources	12,963,401	11,086,295	10,498,404	11,707,868	12,619,390
Information Technology	5,222,143	5,760,478	6,287,485	6,654,354	7,112,472
Library	10,261,622	8,853,478	8,712,747	10,230,868	5,830,236
Maintenance Services	15,624,047	17,367,063	17,878,861	16,698,636	19,088,080
Police	62,598,514	67,738,310	72,932,295	72,720,485	79,034,307
PW - Engineering & Transp.	4,903,255	5,085,506	5,926,758	6,141,587	6,367,867
Utilities & Env. Services	64,554,382	81,681,443	72,989,845	69,495,403	72,157,019
Successor RDA	6,550,184	5,972,781	5,585,288	4,474,774	4,499,638
Non-Dept./Debt Service	6,574,797	24,715,455	6,831,705	12,350,211	24,013,313
Transfers Out	10,307,173	15,851,981	14,601,247	10,275,154	11,011,928
	$ 253,704,256	**$ 303,737,872**	**$ 288,734,357**	**$ 287,499,515**	**$ 318,534,633**

FY 2019 Proposed
All Funds Expenditures by Service Area



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GENERAL FUND SUMMARY & CASH BALANCE

$ in 1,000s	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2018 Projected	FY 2019 Proposed
Beginning Cash Fund Balance	**$ 25,052**	**$ 27,300**	**$ 27,699**	**$ 26,320**	**$ 26,320**	**$ 26,352**
Revenues						
Property Tax	$ 42,128	$ 44,159	$ 47,198	$ 48,912	$ 48,912	$ 53,267
Sales Tax	31,058	33,059	34,839	32,609	33,540	34,817
Utility Users Tax	15,681	22,041	20,754	17,663	18,663	19,000
Franchise Fees	10,128	10,139	9,646	9,462	10,462	10,921
Real Property Transfer Tax	5,710	7,850	8,350	7,154	7,154	7,369
Transit Occupancy Tax	2,033	2,591	2,560	2,036	2,036	2,077
Cannabis Tax	-	-	-	-	-	750
Other Taxes	4,490	4,777	4,823	4,684	4,684	4,884
Charges for Services	9,939	12,218	14,760	12,799	12,929	13,019
Inter-Governmental	7,856	8,893	6,559	6,424	6,303	6,552
Fines & Forfeitures	2,413	1,899	2,429	2,114	2,114	2,187
Other Revenues	648	720	1,757	656	590	635
Interest & Rents	117	151	277	614	680	308
Transfers In	3,177	5,529	4,037	3,960	3,960	3,962
Total Operating Revenues:	**$ 135,378**	**$ 154,026**	**$ 157,989**	**$ 149,087**	**$ 152,028**	**$ 159,748**
Expenditures						
Salaries & Benefits	$ 104,804	$ 112,988	$ 119,831	$ 119,980	$ 119,158	$ 127,629
Maintenance & Utilities	1,007	908	968	1,115	1,115	1,032
Supplies & Services	9,587	8,831	9,326	8,154	9,459	9,041
Internal Service Fees	11,553	13,336	14,413	11,863	11,863	16,504
Capital	-	-	-	-		
Transfers Out	10,021	15,471	14,601	10,450	10,401	11,012
Total Operating Expenditures:	**$ 136,972**	**$ 151,534**	**$ 159,139**	**$ 151,562**	**$ 151,996**	**$ 165,219**
Annual Surplus/(Shortfall)	**$ (1,594)**	**$ 2,492**	**$ (1,150)**	**$ (2,475)**	**$ 33**	**$ (5,471)**
Adjustments to Fund Balance	**$ 3,842**	**$ (2,093)**	**$ (229)**	**$ -**		**$ -**
Ending Fund Cash Balance (CAFR)	**$ 27,300**	**$ 27,699**	**$ 26,320**	**$ 23,846**	**$ 26,352**	**$ 20,882**

Cash Fund Balance Designations	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2018 Projected	FY 2019 Proposed
Unassigned	-	$ 27,699	$ 26,320	$ 23,846	$ 26,352	$ 20,882
Contingencies	$ 5,000	-	-	-	-	-
Economic Uncertainty	5,000	-	-	-	-	-
Liquidity	5,000	-	-	-	-	-
Emergencies	12,300	-	-	-	-	-
Total Designated Fund Balance	**$ 27,300**	**$ 27,699**	**$ 26,320**	**$ 23,846**	**$ 26,352**	**$ 20,882**

GENERAL FUND LONG RANGE FINANCIAL MODEL - FY 2019 PROPOSED UPDATE

SUMMARY FORECAST ($ in Thousands)	Revised Budget FY 2014	Actual FY 2014	Revised Budget FY 2015	Actual FY 2015	Revised Budget FY 2016	Actual FY 2016	Revised Budget FY 2017	Actual FY 2017	Adopted Budget FY 2018	Projected Actual FY 2018	Proposed FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027
Property Tax	$40,710	$38,971	$40,830	$42,128	$43,573	$44,159	$47,734	$47,198	$48,912	$48,912	53,267	55,390	55,570	58,479	61,538	$64,705	$67,288	$69,401	$72,134
Sales Tax	30,500	31,019	31,719	31,058	33,275	33,059	33,401	34,839	32,609	33,540	34,817	34,112	35,555	37,024	38,529	39,524	40,547	41,600	40,649
UUT	15,000	15,762	15,750	15,681	22,494	22,041	19,620	20,754	17,663	18,663	19,000	20,143	20,621	21,111	21,612	22,044	22,485	22,935	23,107
Real Property Transfer Tax	5,000	4,879	5,269	5,710	7,000	7,849	7,154	8,350	7,154	7,154	7,369	7,221	7,546	7,886	8,241	8,488	8,742	9,005	8,825
Transient Occupancy Tax	1,700	1,918	1,957	2,033	1,996	2,591	2,036	2,560	2,077	2,036	2,077	2,014	2,085	2,158	2,233	2,278	2,324	2,370	2,299
Cannabis Revenue		-		-		-		-		-	750	1,000	1,250	1,302	1,356	1,391	1,427	1,465	1,430
Other Tax/Franchises	14,627	14,062	13,592	14,618	14,211	14,915	14,618	14,470	14,203	15,146	15,699	15,780	16,164	16,558	16,962	17,302	17,648	18,001	18,095
Permits & Fees	8,696	10,466	9,381	9,939	10,105	12,218	11,787	15,435	12,689	12,929	13,192	13,147	13,521	13,907	14,304	14,609	14,920	15,239	15,194
Other Revenue	13,601	13,641	13,322	14,211	15,702	17,429	15,091	14,383	13,779	13,648	13,577	13,966	14,179	14,350	14,679	15,014	15,359	15,716	16,084
Transfer In-Measure C		-		-		-		-		-	-	-	-	-	-	-	-	-	-
Total Revenues	**129,834**	**130,718**	**131,820**	**135,378**	**148,356**	**154,262**	**151,441**	**157,989**	**149,087**	**152,028**	**159,748**	**162,774**	**166,492**	**172,774**	**179,454**	**185,355**	**190,740**	**195,730**	**197,815**
Salaries/Wages	63,760	63,649	66,343	63,732	67,035	67,497	69,169	71,003	74,243	74,257	77,899	81,259	83,183	85,125	87,098	89,106	91,152	93,239	95,369
Overtime	5,615	7,831	7,279	6,973	7,299	7,778	5,716	8,161	5,566	7,021	3,320	3,400	3,477	3,555	3,636	3,718	3,801	3,887	3,975
Retirement	16,014	14,736	18,265	18,008	21,222	20,689	23,687	23,021	23,600	23,600	29,018	31,142	34,996	38,079	40,641	42,372	43,880	44,872	45,888
Health/Other Benefits	13,018	11,468	13,296	12,241	14,017	13,142	14,418	12,585	14,585	14,581	14,549	15,226	16,083	16,989	17,948	18,963	20,038	21,175	22,379
Retiree Medical	2,345	4,327	2,242	4,308	2,810	3,916	2,846	2,847	3,794	3,794	5,038	5,879	7,838	9,798	10,197	10,615	10,976	11,336	11,759
Workers Comp	4,975	5,585	5,013	5,324	5,224	5,732	6,340	6,284	5,899	5,903	6,600	6,869	7,032	7,196	7,363	7,533	7,706	7,882	8,062
Interdept Charges	(5,315)	(5,120)	(5,179)	(3,731)	(5,019)	(4,451)	(4,513)	(4,069)	(4,602)	(4,602)	(4,507)	(4,616)	(4,720)	(4,827)	(4,936)	(5,047)	(5,161)	(5,277)	(5,396)
Vacancy Savings		-		-		-		-	(1,931)	(4,396)	(2,288)	(2,022)	(2,082)	(2,137)	(2,194)	(2,255)	(2,317)	(2,381)	(2,448)
Subtotal Personnel	100,412	102,476	107,259	106,855	112,587	114,303	117,663	119,831	121,155	120,158	129,629	137,138	145,806	153,779	159,753	165,005	170,075	174,733	179,587
Supplies & Services	9,007	8,502	12,273	10,767	11,574	9,807	12,618	10,294	9,268	10,574	10,074	10,275	10,481	10,690	10,904	11,122	11,345	11,572	11,803
Internal Service Fees	9,409	9,677	11,515	11,553	13,336	13,336	14,413	14,413	11,863	11,863	16,504	16,834	17,171	17,514	17,865	18,222	18,586	18,958	19,337
Debt Service	2,809	2,809	3,302	3,302	3,445	3,445	3,568	3,640	3,283	3,283	2,930	3,417	3,417	3,417	3,417	3,417	3,417	3,418	3,419
Capital Outlay/Projects/Other	5,353	5,489	2,294	1,925	4,191	5,864	2,029	1,769	2,736	2,861	2,782	1,285	1,260	2,385	1,853	1,990	1,674	1,755	1,601
Economic Development	-	-		350	-	-	350	556	350	350	350	350	350	350	350	350	350	350	350
Insurance	2,621	2,621	2,385	2,385	2,385	2,338	4,389	4,389	2,907	2,907	2,950	3,024	3,085	3,147	3,209	3,274	3,339	3,406	3,474
Additions/(Reductions)		-		-		-		-		-	-	-	-	-	-	-	-	-	-
UUT transfer out						6,023		4,248											
Subtotal O&M	29,199	29,098	31,769	30,281	34,931	40,813	37,367	39,308	30,408	31,838	35,590	35,186	35,763	37,503	37,598	38,375	38,711	39,459	39,984
Total Expense	**129,611**	**131,574**	**139,027**	**137,136**	**147,519**	**155,116**	**155,030**	**159,139**	**151,562**	**151,996**	**165,219**	**172,323**	**181,570**	**191,282**	**197,351**	**203,380**	**208,786**	**214,192**	**219,572**
Chng in Reserve-Surplus/(Shorfall	223	(856)	(7,207)	(1,758)	837	(854)	(3,589)	(1,150)	(2,475)	33	(5,471)	(9,551)	(15,078)	(18,508)	(17,897)	(18,025)	(18,046)	(18,461)	(21,756)
UUT Set-asides		-		-		(6,023)		(4,248)		-	-	-	-	-	-	-	-	-	-
Beginning Balance		27,292		33,420		31,684		30,830	29,679	29,679	29,713	24,242	14,691	(386)	(18,894)	(36,791)	(54,815)	(72,861)	(91,323)
Ending Balance		**26,435**		**31,662**		**30,830**		**29,679**	**27,204**	**29,713**	**24,242**	**14,691**	**(386)**	**(18,894)**	**(36,791)**	**(54,815)**	**(72,861)**	**(91,323)**	**(113,079)**
Balance as % of Total Expense		20.1%		23.1%		19.9%		18.6%	17.9%	19.5%	14.7%	8.5%	-0.2%	-9.9%	-18.6%	-27.0%	-34.9%	-42.6%	-51.5%
Balance at 20% of Expenses		**26,315**		**27,427**		**31,023**		**31,828**	**30,312**	**30,399**	**33,044**	**34,465**	**36,314**	**38,256**	**39,470**	**40,676**	**41,757**	**42,838**	**43,914**
Amount Above or (Below) 20%		**120**		**4,235**		**(194)**		**(2,148)**	**(3,108)**	**(686)**	**(8,802)**	**(19,774)**	**(36,700)**	**(57,150)**	**(76,262)**	**(95,491)**	**(114,618)**	**(134,162)**	**(156,993)**

GENERAL FUND - FUND TRANSFER SUMMARY

Fund Transfers (FY 2016 - 2019)

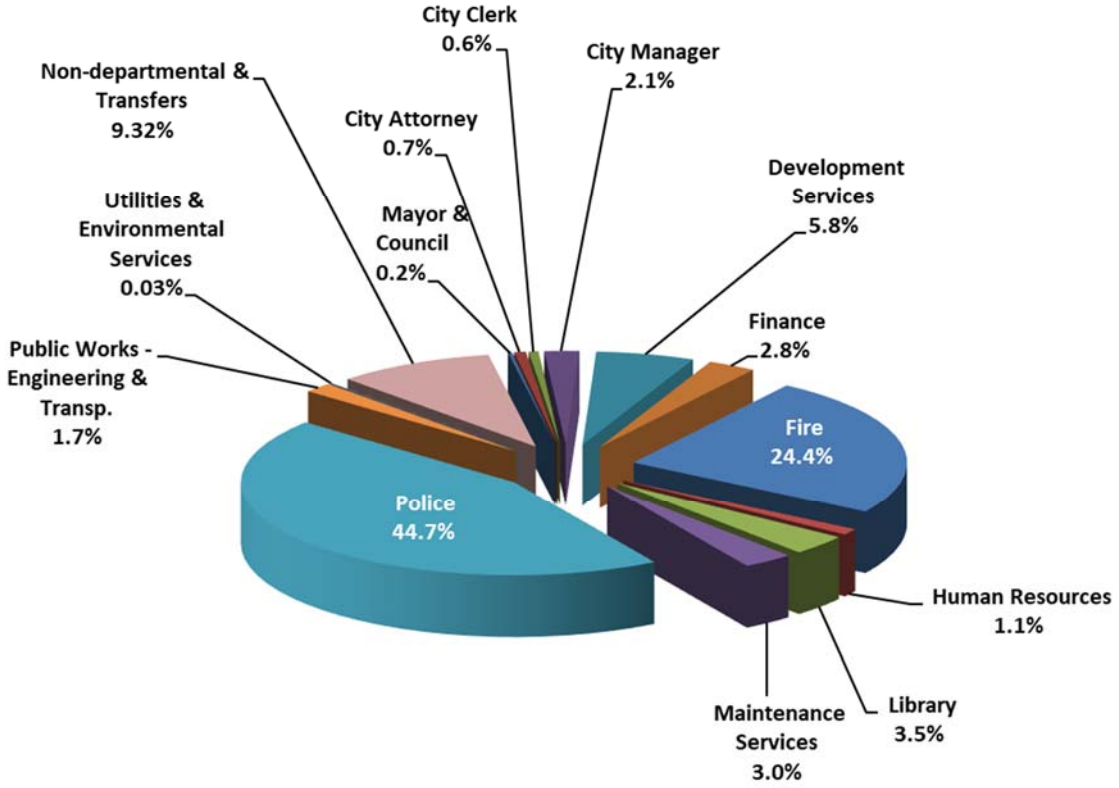
'$'s in 1,000's	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
Transfers into the General Fund				
Transfer for Cost Allocation	2,436	2,333	2,458	2,458
Transfer from Successor RDA Loan Repayment	-	800	800	800
Transfer from So. Hwd B.A.R.T. JPA	-	200	-	-
Transfer from Special Gas Tax	723	227	229	231
Transfer from Citizen's Option Grant	184	-	-	-
Transfer from Byrnes Justice Assist Grant	48	-	-	-
Transfer from CFD #2 for Police Services	284	284	290	290
Transfer from CFD #1 Fund	8	8	8	8
Transfer from CFD #3 for Police & Fire Services	173	173	175	175
Transfers into the General Fund	**3,856**	**4,025**	**3,960**	**3,962**
Transfers out of the General Fund				
Transfer to Debt Service	3,445	3,572	3,283	2,930
Transfer for Risk Management Premium	2,338	2,889	2,907	2,950
Transfer to Economic Development Fund	-	350	350	350
Transfer to Trans Sys Improvement Fund	350	350	450	350
Transfer to Worker's Compensation Fund	-	-	-	
Transfer to InformationTechnology Operating Fund	-	-	-	-
Transfer to Capital Projects	1,623	1,304	2,148	2,432
Transfer to Water Fund	-	138	138	
Transfer to Retiree Medical Fund	1,000	-	1,000	2,000
Transfers out of the General Fund	**8,756**	**8,603**	**10,275**	**11,012**

EXPENDITURES BY DEPARMENT – GENERAL FUND

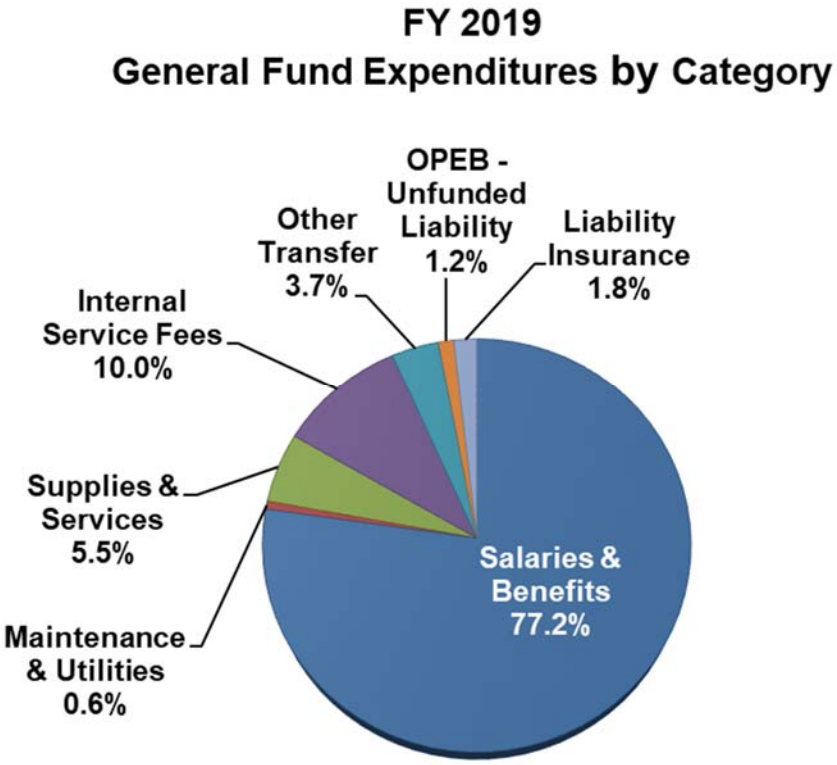
Summary of Expenditures by Department - General Fund

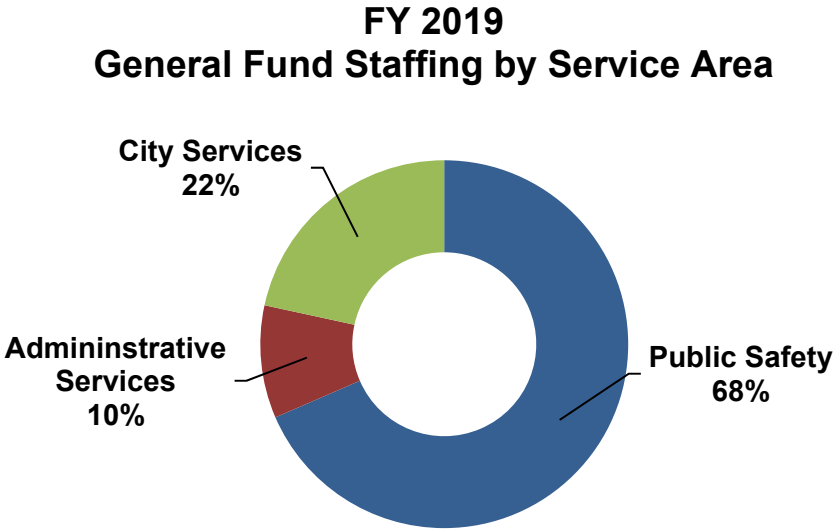
	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Mayor & Council	379,661	389,058	415,951	429,263
City Attorney	1,052,316	1,109,511	1,256,524	1,369,738
City Clerk	994,991	922,216	753,105	1,166,507
City Manager	4,906,051	3,279,487	3,434,830	4,463,957
Development Services	6,436,616	9,260,534	8,726,389	9,210,760
Finance	4,462,066	4,528,603	4,835,812	5,096,564
Fire	37,462,287	38,909,485	36,813,703	39,674,795
Human Resources	1,430,880	1,711,778	1,954,550	2,148,631
Library	5,329,695	5,530,088	5,855,001	5,830,236
Maintenance Services	4,666,663	4,768,879	4,411,626	5,636,719
Police	66,936,610	71,137,697	70,310,985	76,321,947
Public Works - Engineering & Transp	1,975,549	2,712,041	2,470,897	2,806,352
Utilities & Environmental Services	28,988	43,496	47,259	51,232
Non-departmental & Transfers	15,471,545	14,836,169	10,275,154	11,011,928
	$ 151,533,918	**$159,139,042**	**$ 151,561,786**	**$ 165,218,629**

FY 2019 = $ 165.2M



GENERAL FUND EXPENDITURES & STAFFING

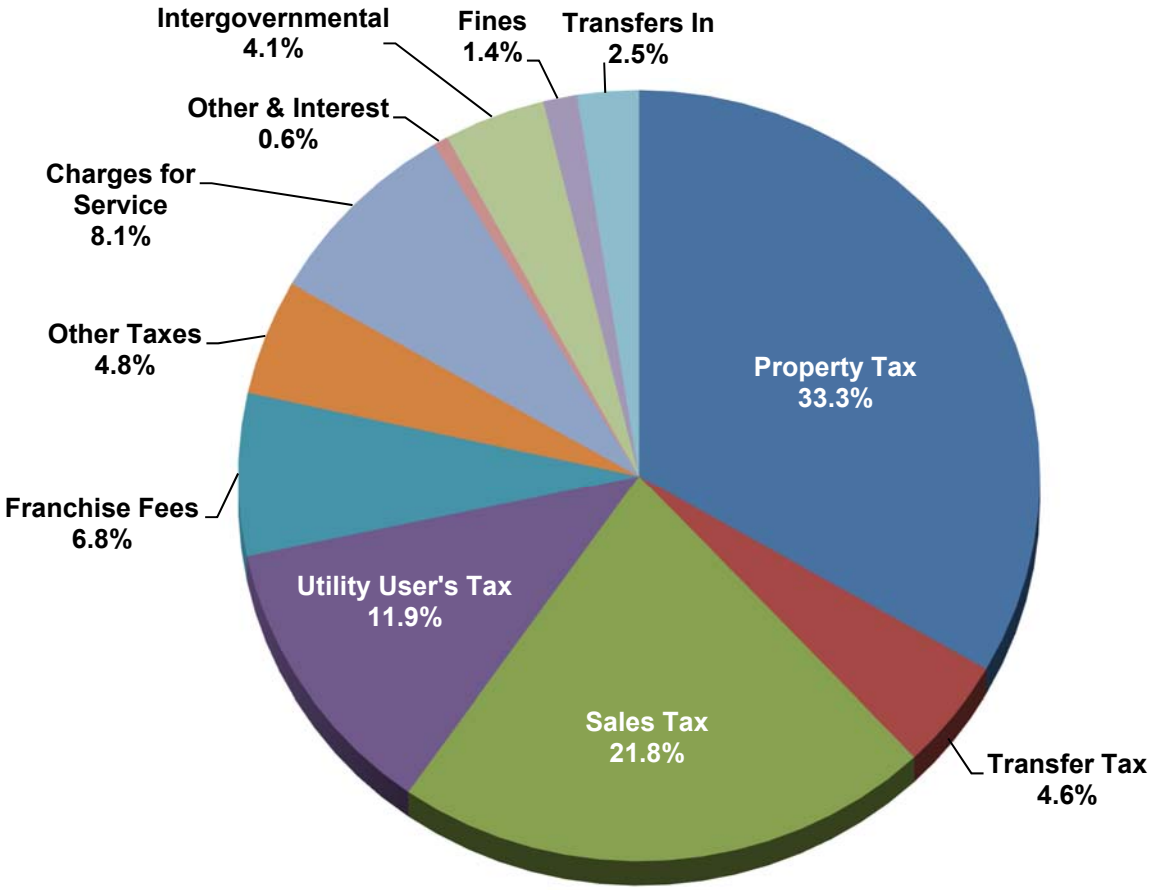




GENERAL FUND REVENUES BY SOURCE

FY 2019 General Fund Proposed Revenues/Resources

$ 159.7 million



GENERAL FUND REVENUES

Revenues by Category *in 1,000's*	FY 2015 Actual	FY 2016 Actual	FY 2017 Actuals	FY 2018 Adopted	FY 2019 Proposed
Property Taxes					
Property Tax Secured	$ 26,005	$ 27,487	$ 29,507	$ 30,355	$ 33,000
Property Tax Unsecured	1,555	1,548	1,487	2,014	3,009
RPTTF (Redistribution & Pass-Thru)	2,491	2,331	2,695	2,400	2,500
Property Tax - VLF Swap	12,077	12,793	13,507	14,143	14,758
Total Property Taxes	**$ 42,128**	**$ 44,159**	**$ 47,196**	**$ 48,912**	**$ 53,267**
Sales & Use Tax					
Sales and Use Taxes	$ 22,324	$ 26,679	$ 33,965	$ 31,735	$ 34,001
Sales Tax/Public Safety	764	839	874	874	816
Sales Tax Triple Flip	7,970	5,541	-	-	-
Total Sales & Use Tax	**31,058**	**33,059**	**34,839**	**32,609**	**34,817**
Utility Users Tax	**15,681**	**22,041**	**20,754**	**17,663**	**19,000**
Franchise Fee Tax					
Franchise - Refuse	$ 4,313	$ 4,956	$ 5,570	$ 5,100	$ 6,472
Franchise - Water	1,439	1,079	756	453	462
Franchise - Sewer	789	592	414	249	254
Franchise - Gas & Electric	2,122	1,971	1,401	2,060	2,101
Franchise - Cable TV	1,465	1,541	1,506	1,600	1,632
Total Franchise Fee Tax	**10,128**	**10,139**	**9,646**	**9,462**	**10,921**
Real Property Transfer Tax	**$ 5,710**	**$ 7,850**	**$ 8,350**	**$ 7,154**	**$ 7,369**
Other Taxes					
Business License Tax	$ 2,603	$ 2,623	$ 2,724	$ 2,846	$ 2,903
Cannibas Tax	-	-	-	-	750
Emergency Facilities Tax	1,887	2,153	2,100	1,838	1,981
Transient Occupancy Tax	2,033	2,591	2,560	2,036	2,077
Total Other Taxes	**$ 6,523**	**$ 7,367**	**$ 7,384**	**$ 6,720**	**$ 7,711**
Charges for Services *(comprised of Licenses & Permits, Fees & Service Charges, Construction Related Fees)*					
Licenses and Permits					
Fire Licenses & Permits	$ 1,110	$ 1,223	$ 1,423	$ 1,630	$ 1,679
Police Licenses & Permits	402	293	665	423	436
Other Licenses & Permits	155	183	159	188	194
Total Licenses and Permits	**$ 1,667**	**$ 1,699**	**$ 2,246**	**$ 2,241**	**$ 2,308**
Fees and Service Charges					
Fire Fees & Svc Charges	$ 1,060	$ 1,321	$ 1,499	$ 1,368	$ 1,368
Police Fees & Svc Charges	1,041	1,271	592	1,014	1,014
Residential Rental Inspections	773	956	1,613	1,000	1,000
Other Fees & Svc Charges	381	467	521	535	555
Total Fees and Service Charges	**$ 3,255**	**$ 4,015**	**$ 4,225**	**$ 3,917**	**$ 3,937**

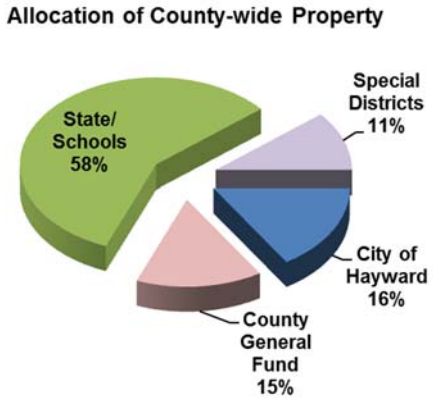
GENERAL FUND REVENUES

Revenues by Category *in 1,000's*	FY 2015 Actual	FY 2016 Actual	FY 2017 Actuals	FY 2018 Adopted	FY 2019 Proposed
Construction Related Fees					
Construction Permits	$ 1,416	$ 3,603	$ 4,213	$ 3,500	$ 3,622
Plan Checking & New Constr. Insp.	2,989	2,310	2,503	2,600	2,600
Supplemental Improvement Tax	612	591	1,573	540	551
Total Construction Related Fees	**$ 5,017**	**$ 6,504**	**$ 8,289**	**$ 6,640**	**$ 6,773**
Total Charges for Services	**$ 9,939**	**$ 12,218**	**$ 14,760**	**$ 12,799**	**$ 13,019**
Inter-Governmental					
Police Grants/Reimb	$ 4,176	$ 2,737	$ 2,804	$ 2,091	$ 2,143
Fire County EMS Reimb	371	631	386	300	306
Fairview Fire Protection District	$ 2,720	$ 2,772	$ 2,848	$ 2,847	$ 2,904
Vehicle License Fee (VLF)	63	62	71	70	71
Fire Mutual Aid Reimb	199	1,064	324	720	734
Miscellaneous	327	1,627	126	395	393
Total From Other Agencies	**$ 7,856**	**$ 8,893**	**$ 6,559**	**$ 6,424**	**$ 6,552**
Fines and Forfeitures					
Vehicle Fines	$ 454	$ 185	$ 448	$ 300	$ 306
Parking Citations - In House	1,587	1,244	1,859	1,660	1,723
Parking Citations - DMV	-	16	-	-	-
FTB Parking Tax Offset	35	12	-	-	-
Photo Red Light	244	317	64	70	71
Criminal Fines	12	52	-	-	-
Administrative Citations	6	4	1	1	1
Library Fines	75	69	58	83	85
Total Fines and Forfeitures	**$ 2,413**	**$ 1,899**	**$ 2,430**	**$ 2,114**	**$ 2,187**
Other Revenues					
Other	648	721	1,757	656	635
Total Other Revenues	**$ 648**	**$ 721**	**$ 1,757**	**$ 656**	**$ 635**
Interest & Rents					
Interest Earned	$ 42	$ 133	$ 253	$ 400	$ 294
Miscellaneous Interest Income	-	-	-	200	-
Building & Parking Rental	75	18	24	14	14
Total Interest & Rents	**$ 117**	**$ 151**	**$ 277**	**$ 614**	**$ 308**
Total General Fund Revenues	**$ 132,201**	**$ 148,497**	**$ 153,952**	**$ 145,127**	**$ 155,786**
Transfers In	3,177	5,529	4,037	3,960	3,962
Total Revenues Including Transfers	**$ 135,378**	**$ 154,026**	**$ 157,989**	**$ 149,087**	**$ 159,748**

KEY GENERAL FUND REVENUES

PROPERTY TAXES

Property Tax revenues are the City's largest General Fund revenue source, comprising approximately one-third of projected FY 2019 General Fund revenues. The City's Property Tax is collected by Alameda County, and the City currently receives approximately 16 percent of the 1 percent countywide real property tax levied. Most of the revenue is received in December and April.



Real Property Taxes

Under the State Constitution, Real Property Taxes (Property Taxes) are applied to all taxable real and personal property (i.e., possessory interest, and other personal property considered to be permanently attached to the property), and are set at 1 percent of the assessed value. This is an ad valorem tax, meaning it is based on the value of the property rather than a fixed amount. The Alameda County Assessor maintains property tax assessment rolls that account for all property. Property Taxes are adjusted per the following:

- Pursuant to provisions of Proposition 13, the assessed value of real property that has not changed ownership increases by the change in the California Consumer Price Index up to a maximum of 2 percent per year.

- Property that changes ownership; is substantially altered; is newly constructed; "state-assessed" rather than "local-assessed" property; and personal property (i.e., possessory interest, and other personal property considered to be permanently attached to the property), is assessed at the full market value in the first year, and subject to the 2 percent cap, thereafter.

Proposition 13 & ERAF

In 1979, in order to mitigate the loss of Property Tax revenues after approval of Proposition 13, the State legislature approved AB 8. This action was approved to provide a permanent method for allocating the proceeds from the 1 percent property tax rate, by allocating revenues back to local governments based on their historic shares of property tax revenues. As part of the State's FY 1994 budget, the AB 8 formula was altered requiring another ongoing shift in City Property Tax revenue to K-12 schools and community colleges (Education Revenue Augmentation Fund or ERAF).

PROPERTY TAXES, continued

Proposition 8
Proposition 8 (1979) requires county assessors to temporarily lower the assessed value of a property if the market value falls below its factored base year value. Reductions in value under Proposition 8 are temporary and are reviewed annually. Subsequent years may see a reassessment of value based on current market conditions – and in this case, a property value may increase more than 2 percent in a single year.

Proposition 1A
Proposition 1A, enacted in November 2004 and Proposition 22, enacted in November 2010, provides protection for local property taxes, sales taxes, and Vehicle In-lieu Tax/License Fees (VLF) revenues by prohibiting the State Legislature from taking any action that would:

- Reduce the local Bradley-Burns Uniform sales and Use Tax rate or alter its allocation.
- Decrease VLF revenue from the 0.65 percent rate without providing replacement funding.
- Shift property taxes from cities, counties or special districts.

Supplemental Property Taxes

Supplemental Taxes are the result of the reassessment of property as of the 1st day of the month following either an ownership change or completion of new construction. In most cases, reassessment results in one or more supplemental tax bills being sent to the property owner during the year, in addition to the annual property tax bill.

Vehicle In-lieu Tax/License Fees (VLF)

Motor Vehicle In-Lieu Tax (VLF) is a tax imposed by the State on the ownership of a registered vehicle. VLF is collected by the State Department of Motor Vehicles (DMV) and more than 95 percent of these fees are divided equally between counties and cities; aggregate shares are distributed in proportion to the respective populations of the cities and counties. The State withholds less than 5 percent of these fees for the support of the Department of Motor Vehicles.

Until FY 1999, the annual license fee was 2 percent of the market value of the vehicle as determined by the DMV. In 1998-99, the State reduced the license fees by 25 percent, but agreed to backfill local jurisdictions for this loss in revenue.

In 2004, the Governor lowered the annual VLF to 0.65 percent, from 2.0 percent. In the budget agreement between the Governor and cities and counties, the Governor agreed to backfill the 1.35 percent difference in VLF with property taxes from the Education Revenue Augmentation Fund (ERAF). Beginning in FY 2006, this property tax in lieu of VLF grows at the same rate as the change in gross assessed valuation of taxable property in the City from the prior year.

Personal Property Taxes

Personal Property Tax is assessed at the rate of 1 percent of the market value on a business' personal property, such as office furniture, machinery and other equipment. The tax is billed by Alameda County in a single installment due August 31st, and the majority of these payments are remitted to the City in September.

KEY GENERAL FUND REVENUES

PROPERTY TAXES, continued

Analysis

Factors that affect revenue generated by property taxes include:

- Changes in assessed values, caused by inflation adjustments up to 2 percent of construction activity, sales of properties and Proposition 8 reassessments
- Economic growth in the Bay Area
- Supplemental Taxes are affected by sales of real property and/or new construction in the City that occurs after the assessment lien date (of January 1st) until the end of the fiscal year (June 30th).
- VLF revenue is impacted by the sale of new vehicles in California, DMV administrative costs, and the proportion of Hayward's population to the total for the State and County. Beginning in FY 2006, the rate of growth in the assessed values of properties also impacted VLF revenues, as the amount of the VLF backfill paid increased by the change in gross assessed values of taxable properties.
- Personal property taxes are affected by business capital expenditures growth, and the collection rate. The growth in annual personal property tax revenues should generally be close to the growth in annual assessed values, except for significant changes in collection rates.

Redevelopment Agency Dissolution and distributions from the Redevelopment Property Tax Trust Fund (RPTTF) have altered gross property tax revenues (but not VLF revenues). In FY 2013, FY 2014 and FY 2015, the City received significant one-time revenues related to the dissolution process that are not included in future year projections.

Forecast

Projections for Real Property Tax revenue are primarily based on the annual County Assessor's Office estimate of assessed values, with projections for the proposed budget based on information provided by the Assessor in March. In addition, the City uses a property tax consultant to review and confirm estimates.

Real Property Tax revenue is comprised of three distinct categories: Secured & Unsecured Property Tax, Vehicle License Fees (VLF), and the Redevelopment Property Tax Trust Fund (RPTTF). The chart below summarizes the net projections for all three sources.

PROPERTY TAXES (All)	Actual Revenue					Projected Revenue			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Total Collections	39,181	38,971	42,128	44,159	47,198	48,912	53,267	55,390	55,570
$ Change	3,465	(210)	3,157	2,031	3,039	1,714	4,355	2,123	180
% Change	9.70%	-0.54%	8.10%	4.82%	6.88%	3.63%	8.90%	3.99%	0.32%

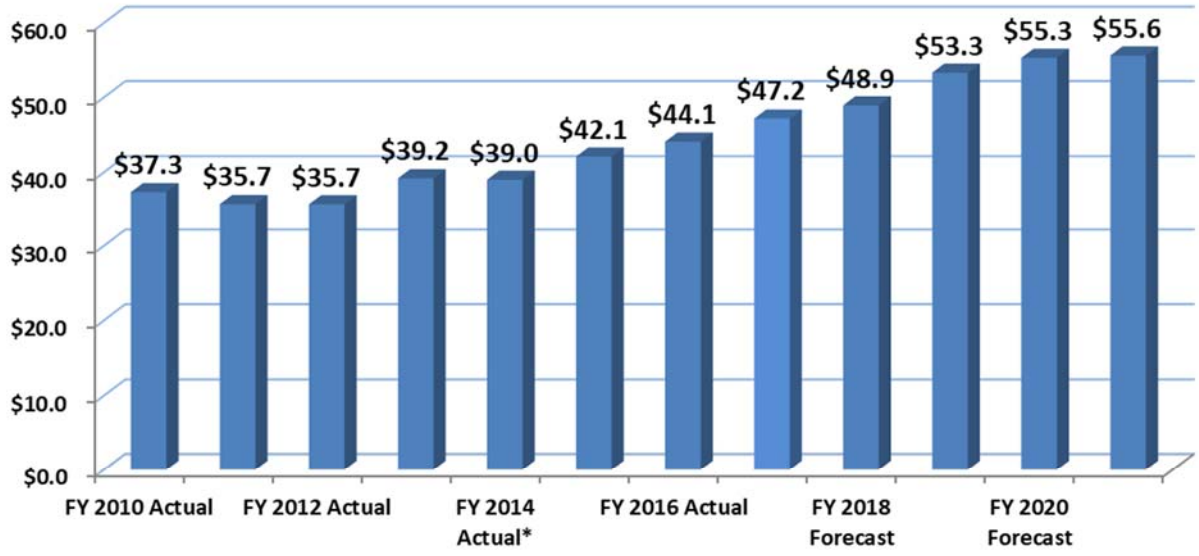
FY 2013 includes $2.1M, FY 2014 includes about $1.3M, and FY 2015 includes $625,000 in one-time revenue.

KEY GENERAL FUND REVENUES

PROPERTY TAXES, continued

FY 2010 – FY 2012 Property tax revenues realized a dramatic decline as the economic crisis resulted in a large number of Proposition 8 reassessments conducted by the County Assessor – significantly lowering property values (see table below). As the economy began to improve, the County Assessor began to reverse these reduced assessments, as reflected in the revenue growth in FY 2013 and FY 2014.

Overall Property Tax revenues are projected to grow by a total of 8.9 percent in FY 2019, with minimal growth in FY 2020 and FY 2021. FY 2015 experienced a significant increase in values due to the restoration of previously reviewed and reduced values per Proposition 8. This presents a major challenge to forecast property tax revenues going forward.



*FY 2013 includes $1.9M one-time revenue
*FY 2014 includes $1.34M one-time revenue
*FY 2015 includes $625,000 in one-time revenue

As depicted in the chart above, revenues have rebounded and now exceed pre-recession levels. Of course, the annual growth that would have occurred during this time period if revenues had not declined is considered lost revenue.

Recent information from the County Assessor projects FY 2018 net land and improvements value growth of about 5.5%. This growth is largely driven by changes in ownership and new construction – along with the annual CPI adjustment.

All real property not affected by Proposition 8 re-assessments will be subject to the California Consumer Price Index (CCPI) growth factor and cannot exceed 2 percent, as prescribed by

KEY GENERAL FUND REVENUES

SALES AND USE TAXES

Sales and Use Tax is the General Fund's second largest source of revenue and represents 21.8 percent of total FY 2019 projected General Fund revenue. Sales Tax is an excise tax imposed on retailers for the privilege of selling or leasing tangible personal property. The Use Tax is an excise tax imposed for the storage, use, or other consumption of tangible personal property purchased from any retailer. The proceeds of sales and use taxes imposed within the boundaries of Hayward are collected and distributed by the State to various agencies, with the City of Hayward receiving the equivalent of 1 percent of the amount collected.

The State modified the structure of city sales tax revenues, effective July 1, 2004, when they enacted legislation from a voter-approved deficit financing bond measure. This measure included a temporary reduction of the local Bradley-Burns sales tax share from 1 percent to 0.75 percent, routing the 0.25 percent to other State funding needs. The .25 percent was fully replaced with property tax revenues (sales tax back-fill) to make cities whole. This shuffle of revenues is commonly referred to as the "Triple Flip." The Triple Flip ends in FY 2016 and all revenues will once again be captured as base sales and use tax. The total sales tax rate for Hayward is currently 9.75 percent and distributed per the chart below.

DISTRIBUTION OF SALES TAX COLLECTIONS WITHIN ALAMEDA COUNTY

Agency	%
State of California General Fund	3.69%
State of California Fiscal Recovery Fund	0.25%
State Public Safety Fund (Proposition 172)	0.50%
State of California Local Revenue Fund	1.56%
City of Hayward	**1.00%**
City of Hayward District Transactions & Use Tax (10/1/14)	**0.50%**
Alameda County	0.25%
Alameda County Transportation Improvement Authority - Measure B	0.50%
Alameda County Transportation Improvement Authority - Measure BB (3/1/2015)	0.50%
Alameda County Essential Health Care Services	0.50%
Alameda County BART	0.50%
Total Sales Tax in Hayward	**9.75%**

Measure C – District 0.5% Transaction and Use Tax

During the June 3, 2014 municipal election, the voters of the City of Hayward passed a ballot measure (Measure C) to increase the City's Transaction and Use (Sales) Tax by half a percent for twenty years. This half cent increase became effective October 1, 2014, bringing Hayward's Sales and Use Tax rate to 10% (with the passage of Alameda County's Measure BB .5% Sales Tax increase). This is a general tax and is considered discretionary in nature. However, City Council has adopted specific expenditures intended to be funded with this revenue that includes debt service for capital expenses associated with the new 21st Century Library and Learning Center, a new fire training center, improvements to fire stations, streets and roads improvements and increases in police and maintenance services. Staff estimates that the District Sales Tax is projected to generate between $13.5 – $16 million annually in locally controlled revenue that can be allocated by City Council and will remain in place for a period of twenty years.

Measure C revenues are captured in a separate fund to assist with tracking and are not reflected in this Sales Tax analysis.

KEY GENERAL FUND REVENUES

SALES AND USE TAXES, continued

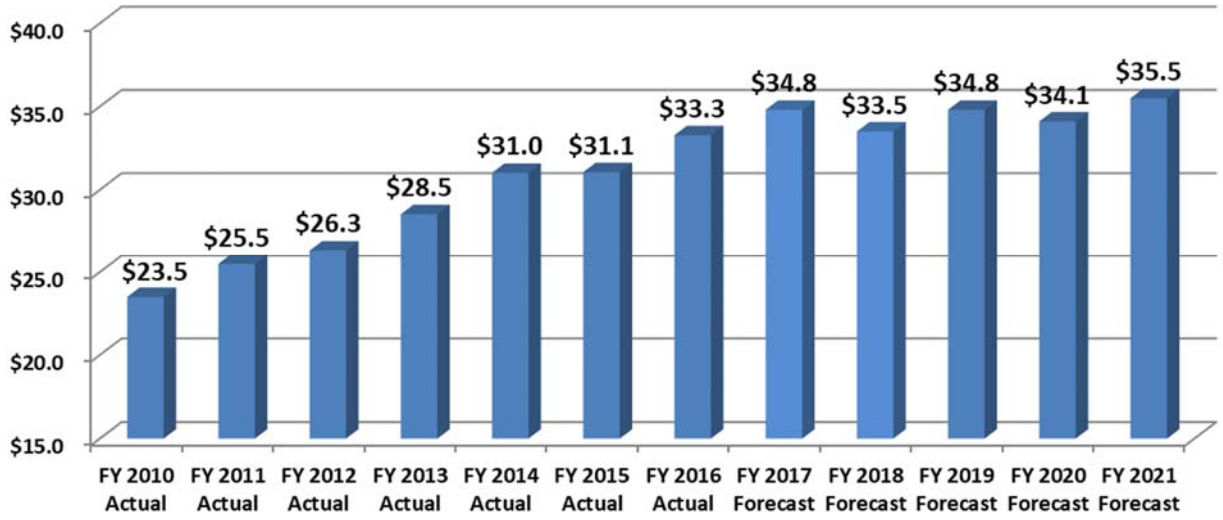
Analysis

Factors that affect revenue generated by Sales Tax include:

- Internet sales
- Growing number of activities (e.g., services) exempted from Sales Tax
- Overall economic growth in the Bay Area and competition from neighboring cities
- Growth rate of specific dominant commercial/industrial sectors in Hayward
- Hayward's business attraction/retention efforts
- Legislative actions at State and Federal levels

Forecast

Forecasting Sales Tax involves a review of the base sales tax plus projections of the Triple Flip (now ending) – and a variety of economic factors. While Sales Tax revenues have recovered, since the low in FY 2010, the City is experiencing a slowing of year-over-year growth.



Based on the City's current sales tax base, significant growth in sales tax receipts in future fiscal years is not expected (absent significant economic development growth). With the conclusion of the Triple Flip, FY 2016 saw revenue growth of about 6.5% due to one-time true-up payments. FY 2017 revenues increased by 5.38% from FY 2016. FY 2019 projects an increase of 3.81% over FY 2018 projected. The FY 2020 projects a decrease in Sales Tax in anticipation a possible decline in the market.

TOTAL SALES & USE TAX *(in 1,000s)*	Actual Revenue					Projected Revenue			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Total Collections	$28,534	$31,020	$31,058	$33,059	$34,839	$33,540	$34,817	$34,112	$35,555
$ Change	2,188	2,486	38	2,001	1,780	-1,299	1,277	-705	1,443
% Change	8.30%	8.71%	0.12%	6.44%	5.38%	-3.73%	3.81%	-2.02%	4.23%

KEY GENERAL FUND REVENUES

UTILITY USERS TAX

Utility Users Tax (UUT) has generally been a steady and reliable source of General Fund revenue for most governmental entities, and is the third largest source of General Fund revenue for Hayward. Effective March 1, 2009, the City began imposing a 5.5 percent UUT on electric, gas, cable services, and telecommunications services. The tax is not applicable to State, County, or City agencies, or to insurance companies and banks.

Analysis

Some factors that affect the revenue generated by UUT are:

- Consumption/use of gas, electricity, telecommunication services, cable, and cellular;
- Regulatory actions, including deregulation and re-regulation;
- PUC rate changes;
- Market forces;
- Evolution of technology; and
- Legislative actions at State and Federal levels

Forecast

UUT is forecasted with limited net growth. Gas and electricity rates are likely to rise in future years, but trends indicate that reduced consumption offsets much of these cost increases (and resulting UUT revenues).

UTILITY USERS TAX	Actual Revenue					Projected Revenue			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Total Collections	$14,940	$15,762	$15,681	$22,041	$18,663	$19,000	$20,143	$20,621	$21,111
$ Change	143	822	-81	6,360	-3,378	337	1,143	478	490
% Change	0.97%	5.50%	-0.51%	40.56%	-15.33%	1.81%	6.02%	2.37%	2.38%

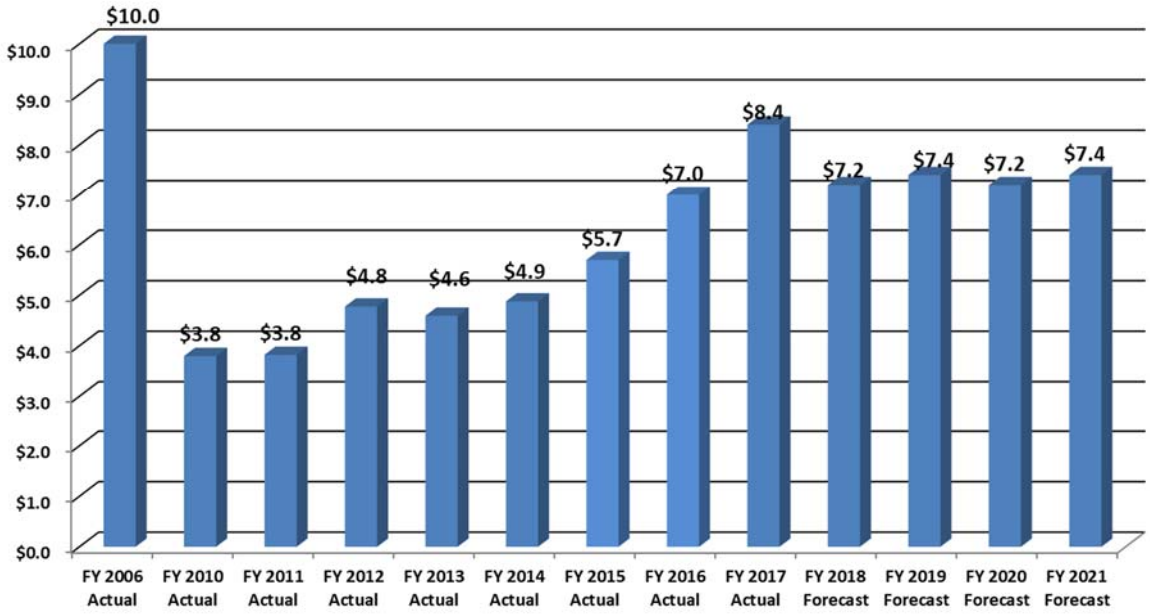
Passage of AB1717 is intended to address the loss of revenues the City has experienced from wireless services. While slow to materialize from the Board of Equalization, the City has observed growth in revenue for pre-paid wireless UUT. The significant rise in revenues received in FY 2016 is a result of the City receiving a UUT back payment from a major UUT contributor. In FY 2018, the UUT projection is expected to be slightly higher than FY 2017 actual. In FY 2019, UUT is projected to increase by 6% over FY 2018 projection. Future year projections include an annual growth factor of less than 2.4%.

KEY GENERAL FUND REVENUES

REAL PROPERTY TRANSFER TAXES

The Real Property Transfer Tax (Transfer Tax) rate set by the City of Hayward is $4.50 per $1,000 of the value of consideration paid for the documented sale of real property or any transfer of interest in real property. The tax is due when documents of transfer are recorded with the County. Title companies collect the tax as part of the sale closing process, and remit the funds to Alameda County when sales or transfers are finalized. Penalties are imposed on delinquent payments, and interest is charged from the date of delinquency until paid. Alameda County remits the amounts due monthly, and the amounts are credited to the General Fund.

Analysis



Because Real Property Transfer Tax is tied directly to all real property sales, it is a volatile revenue source, and is difficult to predict for more than one year at a time. Factors that affect the revenue generated by Transfer Taxes are the sales price of property and the frequency with which property is sold. The chart above demonstrates the impact of the Great Recession and the dramatic decrease from a high in FY 2006 of $10 million to a low in FY 2010 of $3.8 million – a 62% loss of revenues.

Because of this volatility, the City Council has adopted a policy that established a threshold of $4.8 million for recurring Property Tax revenues. Revenue above this threshold is to be considered one-time and allocated toward one-time expenditures.

Forecast

PROPERTY TRANSFER TAX	Actual Revenue					Projected Revenue			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Total Collections	$4,596	$4,879	$5,750	$7,850	$8,350	$7,154	$7,369	$7,221	$7,546
$ Change	-182	283	871	2,100	500	-1,196	215	-148	325
% Change	-3.81%	6.16%	17.85%	36.52%	6.37%	-14.32%	3.01%	-2.01%	4.50%

REAL PROPERTY TRANSFER TAXES, continued

Revenues received in FY 2017 totaled $8.4 million, a 6.37% increase over FY 2016. Again, this revenue is entirely driven by the residential and commercial real estate markets. While assessed values have improved the residential market – the number of transactions drive these revenues. FY 2018 projects a decline of FY2017, with FY 2019 projecting 3% growth. However, the forecast reflects a drop in growth in FY 2020 in anticipation of a possible market decline, with an increase projected in FY 2021.

BUSINESS LICENSE TAX

A tax receipt (colloquially called a "business license") is issued each year upon payment of a Business License Tax (BLT), which is either a fixed amount or based on a varying percentage of the prior year's gross receipts, depending on the type of business. The Business License must be renewed on January 1st each year, and the required tax is delinquent if paid after February 28th.

Analysis

Factors that affect the BLT revenue are:

- Number of business renewals;
- Commercial and industrial growth rates;
- Attraction/loss of businesses;
- Economic growth in the Bay Area; and
- Results of Finance BLT collection activity; and the City Auditor's and Finance Department audit programs.

The City of Hayward's Business License Ordinance is extremely outdated and requires a comprehensive revision. Given the outdated business categories and rates, it is assumed that such a revision will result in at least a 10 percent increase in overall BLT revenues. This is a large project that ultimately will need to be approved by a vote of Hayward residents.

Forecast

BLT revenues are expected to remain relatively flat from the FY 2019; however, a decrease in FY 2020 reflects a project decline in the market. FY 2021 projects minimal market recovery with slight growth over the FY 2020 projection. The forecast includes an assumed growth of 2 percent in FY 2019 following the implementation of an updated Business License Ordinance.

BUSINESS LICENSE TAX	Actual Revenue					Projected Revenue			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Collections	$2,493	$2,602	$2,603	$2,623	$2,724	$2,846	$2,903	$2,816	$2,914
$ Change	10	109	1	20	101	122	57	-87	98
% Change	0.40%	4.37%	0.04%	0.77%	3.85%	4.48%	2.00%	-3.00%	3.48%

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MEASURE C – DISTRICT SALES TAX

On June 3, 2014, the voters of the City of Hayward passed ballot Measure C to increase the City's Transactions and Use Tax, also known as a District Sales Tax, by half a percent for twenty years. This half-cent increase became effective October 1, 2014, ultimately bringing Hayward's Sales and Use Tax to 10.0% at the time. Staff estimates that the District Sales Tax will initially generate approximately $13.5 million annually (with some annual growth) in locally controlled revenue that can be allocated by the City Council and will remain in place until October 1, 2034.

While Measure C is included in Hayward's Sales and Use Tax rate of 9.75%, the half cent District Sales tax portion is collected and segregated from the remaining 9.5%. This distinction is important because the application of the District Sales Tax differs from the other portion: the District Sales Tax is applied to goods and services whose "destination" resides within the City. In other words, where the Bradley Burns Sales Tax is generally allocated to the jurisdiction where the sale is negotiated or the order is taken, the Measure C District Sales Tax is allocated directly to the City when goods are delivered and placed into use in Hayward.

This is a general tax and is considered discretionary in nature; however these funds, are intended to fund debt service for construction of the new 21st Century Library and Community Learning Center, fire station retrofits and improvements, rehabilitation and expansion of the existing fire training center, as well as for extensive street improvements. Annual revenues projected at $14.5 million in FY 2018 will be used to fund debt service of approximately $5.4 million annually after FY 2018 and $2.7 million in FY 2018. Funds remaining are to be allocated as determined by Council for police services, maintenance services, and street repairs.

Analysis

Because the Measure C District Sales Tax is included as part of Hayward's 9.75% sales tax rate, the economic factors that affect State Sales and Use Tax are mostly the same as those that will influence this revenue:

- Growth rate of specific dominant commercial/industrial sectors in Hayward, particularly retail and business-to-business sales
- Hayward's business attraction/retention efforts
- The rapid rise of Internet sales
- Overall economic growth in the Bay Area and competition from neighboring cities

Given that collections of the District Sales Tax rely on economic activity specifically within the City of Hayward, revenue performance will be more closely tied to the retail and economic performance of the City itself. Future increases to revenues will be directly linked to Hayward's economic development efforts and growth in the City's sales tax base.

Forecast

Forecasting the District Sales Tax, like Sales Tax, involves a review of the tax base and refining assumptions of a variety of economic factors. While the City has experienced a rebound in Sales Tax revenues since FY 2010, the growth has been marginal in recent years mirroring the slow recovery from the Great Recession of the previous decade.

MEASURE C – DISTRICT SALES TAX

	FY 2017 Actual	FY 2018 Projected	FY 2019 Proposed	FY 2020 Projected	FY 2021 Projected
Revenues					
Measure C District Sales Tax	$ 14,150,839	$ 14,207,509	$ 14,419,941	$ 14,737,368	$ 15,054,691
Other Revenues (Interest)					
Other Partnering Contributors			20,000,000		
Total Revenues	14,150,839	14,207,509	34,419,941	14,737,368	15,054,691
Expenditures					
Capital					
Library/ Learning Center	17,372,241	26,253,000	7,247,000		
Fire Facilities Design	1,285,242	484,000			
Fire Station 1	358,293	1,141,707			
Fire Station 2	587,183	211,300			
Fire Station 3	472,826	1,627,172			
Fire Station 4	114,900	208,500			
Fire Station 5	75,973	1,624,026			
Fire Station 6 & Regional Training Center	681,043	5,032	28,687,000	26,000,000	
Street Rehabilitation	10,554,232	954,923			
Debt Service	6,600,000	2,730,688	5,426,563	5,424,813	5,420,938
Tennyson Corridor Landscape Improvement			300,000		
Operating					
Personnel	2,185,650	2,796,121	3,100,348	3,317,372	3,549,588
Other Operating	209,485	292,927	483,766	250,000	250,000
Total Expenditures	40,497,067	39,284,318	45,244,677	34,992,185	9,220,526
Beginning Fund Balance	72,558,228	46,212,000	21,135,191	10,310,455	(9,944,362)
Annual Surplus/Shortfall	(26,346,228)	(25,076,809)	(10,824,736)	(20,254,817)	5,834,165
Ending Fund Balance	$ 46,212,000	$ 21,135,191	$ 10,310,455	$ (9,944,362)	$ (4,110,198)

Personnel expenditures are comprised of Police and Maintenance Services staff, and the forecast assumes a 7% annual increase due to rising employee costs. All other expenses related to Measure C are capital related expenses and are described in the Debt Service section or the City's Ten-Year CIP plan.

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

WATER MAINTENANCE & OPERATIONS FUND (Water Fund)

The Water Fund provides funding for the operation and maintenance of the Water Distribution System. The System is comprised of over 350 miles of pipeline, 15 water storage reservoirs, and 9 pump stations, all of which are used to convey a current average of 15 million gallons of water per day to Hayward water customers. The Fund also supports the procurement of potable water from the San Francisco Public Utilities Commission (SFPUC) and pays the costs of meter reading, billing, and utility-related customer service functions.

Analysis

The high cost of purchasing wholesale water is the most significant issue impacting the Water Fund. Over the next five years, wholesale water rates are expected to increase by over 20 percent, due in large part to the costs of improving the reliability of the regional water system. The Water Fund has also been impacted by reduced water consumption in recent years, which can be partially attributed to the extraordinarily dry conditions experienced during the most recent drought. While lower consumption is a good thing in relation to conservation and the drought, it does impact revenues to the fund.

The City is projecting consumption in FY 2019 to remain consistent with estimated FY 2018 year-end, which assumes a 10 percent increase over FY 2017 original assumption. Projected consumption for the planning period in its entirety assumes it will remain relatively flat, with small increases on the order of around 1 percent in the out years.

The proposed FY 2019 budget includes the addition of one FTE, Senior Water Resources Engineer. The employee services costs in the Fund will remain very low, at approximately 17 percent of the total expenditure budget.

The Water Fund is in a financially stable position and the Working Capital balance will recover some of the losses incurred during the last drought.

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

Forecast

Water Maintenance & Operations Fund 605	FY 2017 Actual	FY 2018 Adjusted	FY 2018 Estimated	FY 2019 Proposed	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected
Beginning Fund Balance	**28,355,249**	**28,536,974**	**28,536,974**	**28,873,339**	**29,401,700**	**30,014,700**	**29,781,600**	**31,321,900**
Program Revenues								
Water Sales	41,031,483	43,100,000	43,100,000	43,100,000	43,100,000	43,100,000	45,100,000	47,100,000
Service Charges	5,293,547	4,900,000	4,900,000	5,800,000	6,100,000	6,400,000	6,700,000	7,000,000
Installation Fees	318,029	250,000	250,000	250,000	250,000	250,000	250,000	300,000
Other Revenues	667,077	260,000	260,000	260,000	260,000	260,000	260,000	260,000
Interest	155,361	97,000	97,000	105,000	144,000	150,000	149,000	157,000
Transfers In	335,129	395,641	397,341	397,341	396,900	398,300	397,500	398,500
Total Revenues	**47,800,627**	**49,002,641**	**49,004,341**	**49,912,341**	**50,250,900**	**50,558,300**	**52,856,500**	**55,215,500**
Expenditures								
Personnel	7,563,346	7,804,174	7,804,174	8,488,670	8,785,700	9,225,000	9,640,100	10,073,900
Non-Personnel	5,493,321	5,577,838	5,577,838	5,582,338	5,496,900	5,567,600	5,632,500	5,704,500
Water Purchases	28,611,694	30,800,000	30,800,000	30,800,000	30,800,000	31,000,000	31,000,000	34,200,000
Transfers Out	5,950,541	4,485,964	4,485,964	4,512,985	4,555,300	4,998,800	5,043,600	5,089,700
Total Expenditures	**47,618,902**	**48,667,976**	**48,667,976**	**49,383,993**	**49,637,900**	**50,791,400**	**51,316,200**	**55,068,100**
Annual Surplus/(Shortfall)	181,725	334,665	336,365	528,348	613,000	(233,100)	1,540,300	147,400
Ending Fund Balance	**28,536,974**	**28,871,639**	**28,873,339**	**29,401,687**	**30,014,700**	**29,781,600**	**31,321,900**	**31,469,300**

Forecast Assumptions

- Water sales revenue for FY 2019 reflect no increase to the consumption water rate, while the fixed service charges are increased by $2 per month for the most common water services. This is about a 3 percent increase for most residential customers. Level rate adjustments of 3 percent in FY 2020 and FY 2021 and 6 percent for FY 2022 and FY 2023 are assumed. Actual proposed adjustments beyond FY 2019 will depend on SFPUC wholesale rates and water consumption.

- Estimated water consumption has conservatively assumed no increase from adjusted FY 2018, and an increase of 1% through the duration of the planning period.

- Water purchase costs are in accordance with most current projections from SFPUC.

- The debt service obligation of the Water Fund is $700,000 in FY 2019 and under $1 million for the rest of the planning period, of which 50 percent is paid from the Water System Capital Improvement Fund.

- Transfers out assumes $3 million transfer to Water System Capital Replacement Fund in FY 2019, increasing to $3.4 million in FY 2020 and for the duration of the planning period.

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

WASTEWATER MAINTENANCE & OPERATIONS FUND (Sewer Fund)

The Wastewater Maintenance & Operations Enterprise Fund provides funding for the collection, treatment and disposal of wastewater from residential and non-residential sources. This includes operation and maintenance of over 325 miles of sanitary sewer pipelines, nine wastewater lift stations, and the Water Pollution Control Facility (WPCF).

The Fund also supports costs associated with the Industrial Pretreatment Program, which performs permitting, inspection and monitoring of industrial wastewater to ensure compliance with all Federal, State and local discharge regulations for protection of the WPCF and the public waters.

Analysis

The major issue impacting the Wastewater Fund is the cost of capital improvements to ensure that Hayward continues to meet all Federal and State wastewater discharge standards. To ensure compliance, the City continues to pay the low-interest $54 million loan from the State Water Resources Control Board Revolving Fund used for Phase I of the WPCF Improvement Project, a portion of this debt service is paid by the Wastewater Capital Improvement Fund.

The WPCF and Sewer Collection System Master Plans were updated in FY 2014 to evaluate future system needs. Recommended projects have been incorporated into the Capital Improvement Program, and additional debt is required to implement needed system improvements. The five-year forecast assumes a $25 million loan from the State Water Resources Control Board, with debt service paid by the Wastewater Operating Fund (approximately $1.6 million annually) beginning in FY 2020. A WPCF Facilities Plan is currently in development which can affect projects and timing, and thus needed financing.

For sewer service charges, an increase of 5 percent in FY 2019 is reflected. A 5 percent increase in FY 2020 followed by a 3 percent increase in out years are assumed. As staff evaluates the costs of implementing WPCF and sewer collection system projects identified in the recently updated Master Plans and the WPCF Facilities Plan, which is currently being prepared, the projected rate adjustments may require further adjustment in future years.

No staffing changes in Sewer Collections or in WPCF are proposed.

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

Forecast

Wastewater Operating Fund 610	FY 2017 Actual	FY 2018 Revised	FY 2018 Estimated	FY 2019 Proposed	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected
Beginning Fund Balance	**18,105,599**	**20,475,767**	**20,475,767**	**21,295,907**	**22,179,816**	**22,638,400**	**23,357,000**	**24,051,100**
Program Revenues								
Sewer Service Charges	20,327,803	20,500,000	20,500,000	21,200,000	21,500,000	22,300,000	22,800,000	23,500,000
Sewer Connection Fees	5,992,547	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,500,000
Other Revenues	161,161	96,000	96,000	96,000	96,000	96,000	96,000	96,000
Interest	148,231	66,000	66,000	66,000	111,000	113,000	117,000	120,000
Transfers In	1,734,189	1,734,784	1,734,784	1,583,463	1,583,500	1,583,500	1,583,500	1,583,500
Total Revenues	**28,363,931**	**25,396,784**	**25,396,784**	**25,945,463**	**26,290,500**	**27,092,500**	**27,596,500**	**28,799,500**
Expenditures								
Personnel	6,995,655	8,361,455	8,361,455	9,350,767	8,659,400	9,099,900	9,516,100	9,951,000
Non-Personnel	7,851,859	7,991,531	7,991,531	7,487,130	8,916,546	8,993,046	9,071,346	9,151,046
Transfers Out	11,146,249	8,223,657	8,223,657	8,223,657	8,256,000	8,281,000	8,315,000	8,842,000
Total Expenditures	**25,993,763**	**24,576,643**	**24,576,643**	**25,061,554**	**25,831,946**	**26,373,946**	**26,902,446**	**27,944,046**
Annual Surplus/(Shortfall)	2,370,168	820,141	820,141	883,909	458,554	718,554	694,054	855,454
Ending Fund Balance	**20,475,767**	**21,295,907**	**21,295,907**	**22,179,816**	**22,638,400**	**23,357,000**	**24,051,100**	**24,906,600**

Assumptions

- Wastewater service charges revenue for FY 2019 is based on an adopted average rate adjustment of 5 percent. Planning level rate adjustments in following years range from 3 to 5 percent per year.
- Connection fee revenue remains flat at $3 million per year.
- No increases assumed in other revenue sources.
- No staffing changes are proposed.
- The current debt service obligation of the Sewer Fund is about $3 million for FY 2019, of which nearly 50 percent is paid from Capital Improvement and Replacement Funds.

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

STORMWATER MAINTENANCE & OPERATIONS FUND

The Stormwater Maintenance & Operations Enterprise Fund provides funding for street cleaning activities and the cleaning and upkeep of the City's stormwater conveyance system to comply with State and Federal mandates to reduce pollutants in stormwater runoff. The Fund supports street sweeping to remove debris, storm drain cleaning and maintenance, and inspection and abatement activities related to illicit discharges to the storm drain system.

Analysis

The major issue impacting the Stormwater Fund is that Stormwater fees, the funds major revenue source, are characterized as taxes, and as such, cannot be changed without explicit 2/3 voter approval, regardless of expense levels. A second source of revenue, street cleaning fees, are assessed to recover costs associated with debris clean-up as a result of garbage collection, and are paid through garbage billings.

Forecast

Stormwater Maintenance & Operations Funds 615

	FY 2017 Actual	FY 2018 Revised	FY 2018 Estimated	FY 2019 Proposed	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected
Beginning Fund Balance	**3,694,647**	**4,100,222**	**4,100,222**	**4,232,821**	**4,308,642**	**4,252,842**	**4,142,900**	**3,958,000**
Program Revenues								
Stormwater Fees	2,036,322	2,015,000	2,015,000	2,020,000	2,025,000	2,030,000	2,035,000	2,040,000
Street Cleaning Fees	1,018,909	950,000	950,000	1,050,000	1,061,000	1,072,000	1,083,000	1,094,000
Inspection Fees	7,550	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Other Revenues	3,295	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Interest	31,869	16,000	16,000	23,000	22,000	21,000	21,000	20,000
Transfers In	-	-	-	-	-	-	-	-
Total Revenues	**3,097,945**	**2,998,000**	**2,998,000**	**3,110,000**	**3,125,000**	**3,140,000**	**3,156,000**	**3,171,000**
Expenditures								
Personnel	1,712,788	1,834,550	1,834,550	1,989,960	2,049,700	2,111,100	2,174,400	2,239,600
Non-Personnel	819,033	872,053	872,053	872,053	954,200	957,000	979,700	987,500
Transfers Out	160,549	158,798	158,798	172,166	176,900	181,800	186,800	191,900
Total Expenditures	**2,692,370**	**2,865,401**	**2,865,401**	**3,034,179**	**3,180,800**	**3,249,900**	**3,340,900**	**3,419,000**
Annual Surplus/(Shortfall)	405,575	132,599	132,599	75,821	(55,800)	(109,900)	(184,900)	(248,000)
Ending Fund Balance	**4,100,222**	**4,232,821**	**4,232,821**	**4,308,642**	**4,252,842**	**4,142,900**	**3,958,000**	**3,710,000**

Assumptions

- No assumed stormwater fee increases.
- Street Cleaning Fees will increase as a result of the estimated increase in garbage collection revenues.

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

AIRPORT ENTERPRISE FUND

The Airport Enterprise Fund provides funding for the operation and maintenance of the Airport, including hangar maintenance, pavement rehabilitation, renovation of runway and airfield lighting and markings, a noise abatement program, and the security and safety of the Airport. Hayward Executive Airport is a 473-acre public facility managed by the City's Department of Public Works-Engineering & Transportation. The Airport serves as a reliever to the Oakland, San Francisco and San Jose International airports, and has 206 City-owned hangars and 139 tiedown spaces. Due to a reduced number of instructional flights in 2017, there were 470 based-aircraft, and annual aircraft operations reported by the FAA were 102,059, a decrease of six percent (6%) compared with FY 2016. We anticipate that growth in activity will resume over the next several years.

Analysis

While recreational flights have experienced a national downward trend, business flights have increased by 3.9% per a 2017 industry study. However, there was an overall decrease in annual aircraft operations of six percent (6%). Fuel consumption at the Airport reflects this trend; the gallons of fuel sold associated with recreational flying decreased by one percent (1%) from FY 2016 to FY2017. However, during this same time frame, there was an increase of nine percent (9%) in gallons of jet fuel sold between the two fixed base operators at the Airport.

Forecast

Construction of two multi-million dollar fixed base operator facilities was completed in FY 2017. Due to efforts by the fixed base operators to market these new facilities, a moderate improvement in the local and national economy, and the construction of two new hotels, some improvement in revenue from fuel flowage commissions and increased revenue from land leases are anticipated.

Airport Operating Fund - Fund 620	FY 2017 Actual	FY 2018 Adopted	FY 2018 Estimated	FY 2019 Proposed	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected
Beginning Fund Balance	**2,558,136**	**3,017,359**	**2,800,182**	**2,714,228**	**2,624,899**	**2,658,871**	**2,709,038**	**2,745,842**
Program Revenues								
Interest & Tower Rent	174,003	170,865	184,744	184,744	184,744	184,744	184,744	184,744
Land Rent	1,893,190	1,753,903	1,779,988	2,006,176	2,199,588	2,311,588	2,311,588	2,311,588
Hangar Rent	1,141,777	1,181,172	1,177,810	1,177,810	1,199,011	1,199,011	1,220,593	1,220,593
Fees & Service Charges	13,726	10,206	9,111	9,111	9,111	9,111	9,111	9,111
Other Revenues	354,159	350,000	353,474	360,543	367,754	375,109	382,612	390,264
Total Revenues	**3,576,855**	**3,466,146**	**3,505,127**	**3,738,384**	**3,960,207**	**4,079,563**	**4,108,647**	**4,116,299**
Expenditures								
Personnel	1,570,270	1,669,150	1,613,805	1,819,374	1,910,342	2,005,859	2,086,094	2,169,537
Non-Personnel	466,283	419,619	409,993	428,011	436,572	445,303	454,209	463,293
Transfers Out	1,298,256	1,567,282	1,567,282	1,580,329	1,579,321	1,578,234	1,531,540	1,529,192
Total Expenditures	**3,334,809**	**3,656,051**	**3,591,080**	**3,827,714**	**3,926,235**	**4,029,396**	**4,071,843**	**4,162,023**
Annual Surplus/(Shortfall)	242,046	(189,905)	(85,953)	(89,330)	33,973	50,166	36,804	(45,724)
Ending Fund Balance	**2,800,182**	**2,827,454**	**2,714,228**	**2,624,899**	**2,658,871**	**2,709,038**	**2,745,842**	**2,700,118**

**The fund balance does not include the $5,343,800 Emergency Reserve Fund.*

Assumptions

- Hangar rates increase every other year (biennially) In July of odd numbered years (e.g. July 2017, July 2019, etc.). Hangar rates apply to all hangars and storage spaces, excluding tiedowns. The rate adjustment is calculated using a factor of 75% of the Consumer Price

Index (CPI) for the San-Francisco-Oakland-San Jose area (CPU x 0.75 = rate adjustment). A market analysis is conducted every four years (July 2017, July 2021, July 2025 etc.) to ensure that hangar rates are consistent with the prevailing market rates.

- Land lease rents are adjusted every five years. The increases are alternately based on the Consumer Price Index (CPI) and Fair Market Value (FMV) (e.g. CPI Adjustment: January in the years 2013, 2023, 2033, 2043, 2053 and Market Analysis: January in the years 2018, 2028, 2038, 2048).

- Commissions are collected from fuel flowage and the Hayward Area Recreational District (HARD). The commission from fuel flowage is five cents per gallon of petroleum products delivered or an amount equal to 3% of the gross receipts, whichever amount is greater. The commission from HARD (for the Skywest Golf Course & Restaurant) is calculated at 6% of the first $100,000, 8% of the next $50,000, and 10% of all receipts in excess of $150,000.

SPECIAL REVENUE FUND – OVERVIEW & FORECAST

RECYCLING FUND

The Recycling Fund supports activities related to the City's recycling and waste reduction programs.

Analysis

The major issue impacting the Recycling Fund is the primary revenue source, Measure D funds which decreases with more recycling diversion activities and increases when economic activities pick up. Measure D funds are directly tied to the amount of solid waste deposited in landfills; to the extent that the City's waste diversion and recycling programs are successfully diverting solid waste from landfills, a correlating amount of Measure D revenue decreases. However, due to higher economic activities in FY 2018, there was an increase in Measure D funds and this trend is expected to continue in FY 2019. Staff anticipates the annual disbursement of Measure D funds to stabilize after FY 2020. Council approved an integrated waste management fee to supplement Recycling Fund activities as part of the current solid waste and recycling services franchise agreement in FY 2015. For planning purposes, $360,000/year beginning in FY 2021 is projected for this new fee, with increases tied to Consumer Price Index (CPI) for the out years. Once it comes into effect, the Integrated Waste Management Fee will reverse the losses in the Fund.

Forecast

Recycling Funds 230/231/232	FY 2017 Actual	FY 2018 Adjusted	FY 2018 Estimated	FY 2019 Proposed	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected
Beginning Fund Balance	**1,275,537**	**1,203,706**	**1,203,706**	**1,105,311**	**930,900**	**660,200**	**722,400**	**777,500**
Program Revenues								
Measure D Funds	450,041	340,000	420,000	420,000	340,000	330,000	330,000	330,000
CalRecycle	38,776	-	35,000	-	-	-	-	-
Used Oil Grant	43,911	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Interest	4,064	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Donations (student contest)	6,507	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Integrated Waste Management Fee	-	-	-	-	-	360,000	370,000	380,000
WMAC Special Assesment Delinq	7,840	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Street Impact Fee	-	-	-	-	-	-	-	-
Total Revenues	**551,139**	**396,500**	**511,500**	**476,500**	**396,500**	**746,500**	**756,500**	**766,500**
Expenditures								
Personnel	459,113	404,106	404,106	446,534	460,000	474,000	488,000	503,000
Non-Personnel	119,033	157,431	157,431	157,431	158,998	160,698	162,398	164,098
Transfers Out	44,824	48,358	48,358	46,974	48,200	49,600	51,000	52,400
Total Expenditures	**622,970**	**609,895**	**609,895**	**650,939**	**667,198**	**684,298**	**701,398**	**719,498**
Annual Surplus/(Shortfall)	(71,831)	(213,395)	(98,395)	(174,439)	(270,698)	62,202	55,102	47,002
Ending Fund Balance	**1,203,706**	**990,311**	**1,105,311**	**930,900**	**660,200**	**722,400**	**777,500**	**824,500**

Assumptions

- No assumed Measure D fund change.
- Integrated Waste management fee assumed in FY 2021, with projected annual revenue of $360,000.

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

FACILITY MANAGEMENT OPERATION FUND

The Maintenance Services Department manages many of the City's facilities and provides for maintenance, repair, and long-term capital replacement of those buildings components. Facility services include janitorial and security services, providing maintenance and repair for all types of building needs, including HVAC, electrical, lighting, locksmith services, painting, plumbing, and carpentry work. Program revenue is generated by service fees charged to other City departments, based on operation, maintenance, repair, and overall administrative costs.

Analysis

The facility operating program's largest expense is staffing, followed by utilities expense. For FY19, the recommended budget includes: 1) increase in services to account for the larger square footage of the new 21st Century Library and Learning Center, 2) increased water budget, and 3) additional funding for the Light Up the Season event.

Of note, in FY18, staff received City Council approval to contract out for a Facilities Condition Assessment and purchase facilities maintenance software, using existing facilities funds. The purpose of the assessment is to establish a long-term capital replacement plan and identify associated funding requirements. The assessment is currently underway and will be completed in FY19. The new facilities software will be rolled out in FY19 and will be like the City's Access Hayward interface. Employees will submit facilities work order requests online (currently employees do so via Access Hayward), with the difference being that the facilities software will track cost data and automatically schedule routine preventative maintenance work orders on an established schedule.

Forecast

Facilities Mangement Operating Fund - Fund 725
Note: FY16 and FY 17 service rate included both operating and capital charges.
Note: FY16 included a GF cost allocation transfer out.

	FY 2016 Actuals	FY 2017 Actuals	FY 2018 Estimated	FY 2019 Proposed	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected
Beginning Fund Balance	**249,279**	**356,515**	**156,459**	**188,587**	**92,151**	**106,041**	**94,310**	**179,094**
Revenue								
Operational Service Rate*	3,601,316	3,709,292	3,614,664	3,723,104	3,946,490	4,183,280	4,308,778	4,438,041
Rental Fees	34,214	44,337	37,286	39,286	39,679	40,076	40,476	40,881
Other Revenue	148,516	157,937	136,258	136,656	138,023	139,403	140,797	142,205
GF Transfer In	35,730	-						
Total Revenues	**3,819,776**	**3,911,566**	**3,788,208**	**3,899,046**	**4,124,192**	**4,362,758**	**4,490,051**	**4,621,127**
Expenditures								
Staffing	1,148,095	1,396,514	1,287,960	1,440,427	1,483,640	1,528,149	1,573,993	1,621,213
Maintenance	131,645	168,202	137,545	137,545	141,671	145,921	150,299	154,808
Utilities	754,021	949,280	1,020,576	932,256	960,224	989,030	1,018,701	1,049,262
Janitorial, Security, and Alarm Service	587,790	659,021	623,000	735,680	757,750	732,742	754,725	777,366
Supplies and Services	319,361	301,204	396,031	454,921	468,569	676,288	696,579	717,474
ISF: Fleet and Tech Services	90,684	110,320	88,537	91,193	93,929	96,747	99,649	102,639
Debt Service - 2 Loans	170,338	167,442	168,138	168,138	168,138	168,138	72,724	72,724
Transfer to Facilities CIP	370,000	325,000	-	-	-	-	-	-
Transfers Out	140,606	34,639	34,293	35,322	36,382	37,473	38,597	39,755
Total Expenditures	**3,712,540**	**4,111,622**	**3,756,080**	**3,995,482**	**4,110,302**	**4,374,489**	**4,405,267**	**4,535,241**
Annual Surplus/(Shortfall)	107,236	(200,056)	32,128	(96,436)	13,889	(11,731)	84,784	85,886
Ending Fund Balance	**356,515**	**156,459**	**188,587**	**92,151**	**106,041**	**94,310**	**179,094**	**264,980**

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

Future Year Estimate Assumptions

- *Revenue growth rate* –
  - Operational Service Fee – In FY 2019 a 5.8% percent growth rate is applied to the operational service rate – the fee charged to other City departments is based on the costs for operation, maintenance, and repair of City facilities. Rate increases of 6% are projected for FY20 through FY21 and 3% is applied thereafter.

- *Expense growth rate* –
  - Staffing – A 3% annual growth rate is applied to forecasted budgets for staffing.
  - General Expenses - A 3% growth rate is applied to forecasted budgets for maintenance, supplies, services, internal service fees, and self-insurance charges.
  - Debt Service- As of 6/30/2018, the total outstanding debt balance will be $887,590.

	Issuance Date	Maturity Date	Original Debt	Debt as of 6/30/2018	Total Debt as of 6/30/2018	Annual P&I (FY 2019)
Internal Service Fund - Facilities					**$ 887,590**	
05Equip Lease/Solar Power Energy	FY2006	FY2030	$ 927,290	$ 615,809		$ 72,724
CEC Solar Energy Loan #7214	FY2012	FY2024	$ 666,330	$ 271,780		$ 102,915

- *Fund Balance* –
  - The facilities operating fund is maintaining a minimum fund balance. Facilities long-term prudent financial goal is to maintain a 20% balance, with the purpose being to have reserve funds for unanticipated high value repairs.

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

FLEET MANAGEMENT OPERATIONS FUND

The Maintenance Services Department manages the City's fleet, and provides for the operation, maintenance, repair, acquisition, and disposal of the City's estimated 420 vehicles and related equipment. Services include vehicle repairs, preventative maintenance services, and completion of state mandated inspections. Fleet operations are funded by charging a service fee to our City customers, based on historical operation, maintenance, repair, and overall administrative costs.

Analysis

The fleet operating program's largest expense is staffing. For FY 2019, the recommended budget includes the addition of an Equipment Service Attendant. This entry-level position has been filled on a temporary basis since 2015. The reduction in debt service expense allows for the addition of this position without an increase to the service fee. For FY 2019, the fuel budget has been increased to account for rising fuel prices. Fuel prices are always of concern as prices can rapidly change due to macroeconomics or geo-political events. FY 2012 was the last time that fuel expense topped $1M.

Forecast

Fleet Management Operating Fund - Fund 735

Note: Future years' estimates are subject to change based on fluctuations in fuel prices, and large unexpected one-time repairs.

Note: FY 2018 General Fund operational service rate reduced by 19% to assist with GF deficit, along with eliminiation of $2.35M GF Capital Trsfr.

FY 2019 includes 1.0 FTE staff request.

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Proposed	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected
Beginning Fund Balance	**1,486,338**	**815,922**	**1,107,787**	**533,972**	**615,561**	**606,020**	**618,073**
Program Revenue							
Operational Service Rate	4,315,772	4,331,762	3,517,484	4,331,762	4,375,080	4,418,830	4,463,019
Other Revenues	25,595	43,149	49,000	10,000	10,000	10,000	10,000
Transfers In	-	-	-	-	-	-	-
Total Revenue/Resources	**4,341,367**	**4,374,911**	**3,566,484**	**4,341,762**	**4,385,080**	**4,428,830**	**4,473,019**
Expenditures							
Staffing/Temp Staffing	1,195,816	1,384,554	1,435,183	1,585,059	1,632,611	1,681,589	1,732,037
Fuel	713,297	732,951	885,000	1,050,000	1,102,500	1,157,625	1,215,506
Maintenance, Repair, and Other Op Costs	892,533	904,376	954,658	955,258	983,916	1,013,433	1,043,836
Debt Service (GF Vehicle Loan Purchase)	1,133,389	885,094	687,205	478,568	478,568	361,194	243,819
ISF: Facilities and Tech Svcs	120,275	125,551	125,159	131,039	134,970	139,019	143,190
Trsfr: Fleet Fire Capital Project	800,000	-	-	-	-	-	-
Trsfr: GF Cost Allocation, Self-Insur	156,473	50,520	53,094	60,248	62,055	63,917	65,835
Total Expenditures	**5,011,783**	**4,083,046**	**4,140,299**	**4,260,172**	**4,394,621**	**4,416,777**	**4,444,223**
Annual Surplus/(Shortfall)	(670,416)	291,865	(573,815)	81,590	(9,541)	12,053	28,796
Ending Fund Balance	**815,922**	**1,107,787**	**533,972**	**615,561**	**606,020**	**618,073**	**646,869**

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

Future Year Estimate Assumptions

- *Revenue*
  - Operational Service Fee – In FY 2018, an $800,000 reduction in the general fund operational service fee was implemented. The service fee decrease was implemented based upon the fleet operating fund balance and contribution needed for the general fund deficit reduction. In FY 2019, the service fee returns to its FY 2017 level, at $4.3M. Going forward, a 1% growth rate is applied to forecasted years for the service fee.

- *Expense*
  - Staffing – A 3% growth rate is applied to forecasted years for staffing.
  - General Expenses - A 3% growth rate is applied to forecasted years for maintenance, utilities, supplies, services, IT and Facility fees, and self-insurance.
  - Fuel – Fuel expense is budgeted at $1M for FY 2019 as fuel prices have been rising and are expected to continue to rise. Going forward, a 5% growth rate is applied to forecasted years for fuel.
  - Debt Service – Debt Service expense is declining, as the last vehicle purchased with a bank loan was in FY 2015. Detailed bank loan information is below.

	Issuance Date	Maturity Date	Original Debt	Debt as of 6/30/2018	Total Debt as of 6/30/2018	Annual P&I (FY 2019)
Internal Service Fund - Fleet					**$ 2,011,684**	
11Equip Lease-Fire Vehicles	FY2011	FY2021	$ 3,170,082	$ 559,395		$ 234,749
14Equip Lease-Fire Truck	FY2014	FY2024	$ 824,000	$ 523,975		$ 96,226
15 TDA Fire Truck Loan	FY2015	FY2024	$ 1,272,000	$ 928,314		$ 147,594

- *Fund Balance* **–**
  - The Fleet Operating Fund has a positive fund balance. Fleet's long-term prudent financial planning goal includes maintaining a minimum fund balance of 20% of total expenditures, to maintain an account balance should there be a large spike in fuel prices, and/or other unanticipated high value equipment repairs.

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

INFORMATION TECHNOLOGY FUND

The Information Technology Internal Service Fund supports the operations of the Information Technology Department – and the technology needs of the City. The Department implements technology initiatives consistent with the City's strategic goals and resources. This includes managing and maintaining the citywide network and server infrastructure, the citywide VOIP telephone system, the Downtown wireless hotspot, and administering Public-Educational-Government cable television broadcast technology. The Fund also supports the costs of the citywide Enterprise Resource Planning (ERP) system, as well as the City's Public Safety Computer Aided Dispatch/Records Management System (CAD/RMS) and related mobile computing environment.

Analysis

As technology advances, the demands on the Information Technology Department and its supporting enterprise funds increase. Major capital expenses are funded through the Information Technology CIP Fund (fund 731) – which derives funding from transfers from Information Technology Internal Service Fund (fund 730) based on a capital replacement fee, the General Fund, and other operating funds.

Forecast

Information Technology Fund 730

	FY 2017 Actual	FY 2018 Adopted	FY 2018 Estimated	FY 2019 Proposed	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected	FY 2024 Projected
Beginning Fund Balance	**1,136,786**	**1,224,711**	**1,224,711**	**918,338**	**1,434,351**	**1,968,701**	**2,522,275**	**3,095,993**	**3,690,814**
Program Revenues									
Information Technology Fee	5,923,743	5,795,034	5,795,034	7,065,622	7,288,189	7,517,767	7,754,577	7,998,846	8,250,810
Technology Capital Fee	614,719	622,104	622,104	642,600	622,000	630,000	638,000	646,000	646,000
PEG Revenue	301,773	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000
Other Revenue	20,700	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
Fund Interest	19,545	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Transfers In	-	-	-	-	-	-	-	-	-
Total Revenues	**6,880,480**	**6,675,138**	**6,675,138**	**7,966,222**	**8,168,189**	**8,405,767**	**8,650,577**	**8,902,846**	**9,154,810**
Expenditures									
Personnel	3,259,049	3,337,716	3,337,716	3,703,946	3,815,064	3,929,516	4,047,402	4,168,824	4,293,889
Non-Personnel	2,840,510	2,942,638	2,942,638	3,029,099	3,119,972	3,213,571	3,309,978	3,409,277	3,511,556
Transfers Out	692,996	701,156	701,156	717,165	698,802	709,106	719,479	729,924	732,441
Total Expenditures	**6,792,555**	**6,981,510**	**6,981,510**	**7,450,210**	**7,633,838**	**7,852,193**	**8,076,859**	**8,308,025**	**8,537,886**
Annual Surplus/(Shortfall)	87,925	(306,372)	(306,372)	516,012	534,351	553,574	573,718	594,821	616,924
Ending Fund Balance	**1,224,711**	**918,338**	**918,338**	**1,434,351**	**1,968,701**	**2,522,275**	**3,095,993**	**3,690,814**	**4,307,738**

Assumptions

Fees increased in FY 2018 due to additional authorized staffing, software maintenance fees and computer supply costs.

The Technology Capital Fee is included in the ISF charges to user departments to help fund large technology improvements.

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

Information Technology Fee
The Information Technology Internal Service Fund charges an internal service fee to each City department. This fee supports each department's use of technology, appropriately sharing the true cost of their respective operations. In FY 2018 the projected total charges are $5,795,034 and represent Information Technology Fee revenue to the fund.

What is included?

The fee covers the cost of Information Technology operations, including 22 (3 of which are included in the City Manager's Office org chart for the Public Information Office) full time employees, server and network infrastructure maintenance agreements, software licenses, subscription and maintenance fees, as well as citywide telephone and data line charges. Additionally, the internal service fees charged to each department provides support for:

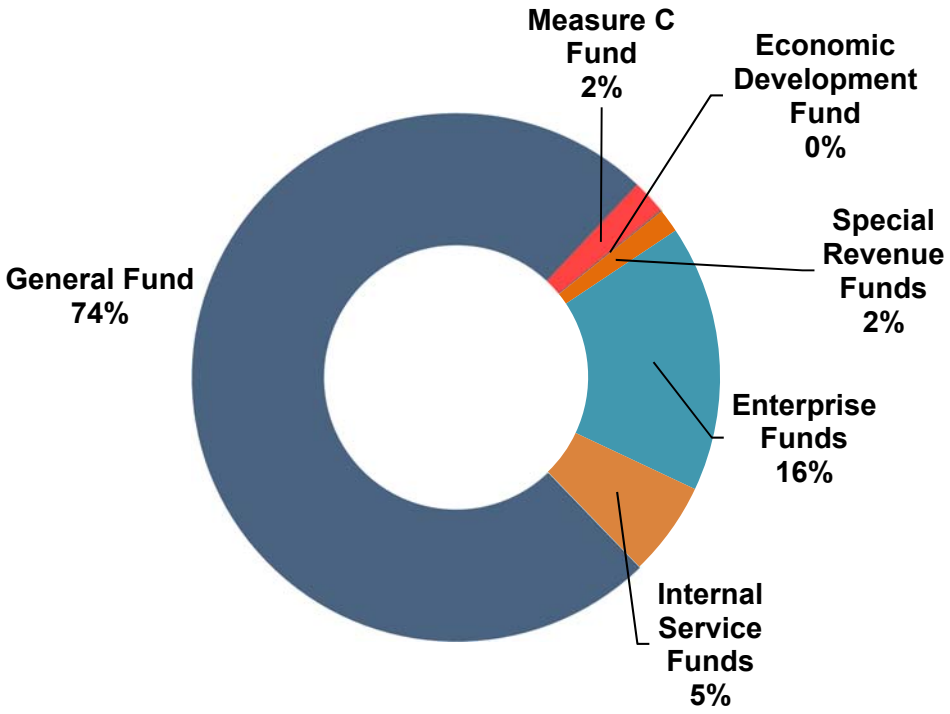
- ✓ Payroll system for all City employees
- ✓ Procurement and payment system for goods and services for departments
- ✓ Billing system for services provided by departments to residents, businesses and customers.
- ✓ Email, word processing, spreadsheet applications for City staff
- ✓ Network infrastructure that connects users to servers, printers and the internet
- ✓ Network server file storage, backup and security of data and documents
- ✓ Maps and geographic data for department staff and the public (GIS)
- ✓ Help desk support for City staff
- ✓ Mobile computing (mounted in-vehicle, netbook, laptop, tablet, smartphone)
- ✓ City website and departmental web pages
- ✓ Telephones
- ✓ All other citywide applications such as Munis ERP, New World CAD/RMS, Laserfiche
- ✓ Audio visual equipment in council chamber and city conference rooms

What is NOT included?
Currently, the internal service fees do not cover replacement costs of all technology related equipment, including network infrastructure replacement and the cost of replacement desktop PC's. A nominal charge representing $622,104 for capital replacement began in FY 2016. At present, capital expenditures are primarily funded by direct transfers from operating funds.

How is the rate determined?
The cost of providing these services to each department is based on the number of PC's in each department, a commonly practiced methodology.

CITYWIDE STAFFING CHANGES SUMMARY

The FY 2019 Proposed Budget includes a total of 895.3 full time equivalent (FTE) positions. The majority of City staffing (74% or 664.1 FTE) is funded in the General Fund, with the remaining 26% spread out in the Measure C Fund, Economic Development Fund, Special Revenues Funds, Enterprise Fund, and Internal Service Funds.



Compared to FY 2018, total staff has increased by 14.5 FTE positions. The growth is within general fund, special revenue funds, enterprise funds, and internal services funds.

Total FTE by Funding Type

Fund Type	FY 2018 Adopted	FY 2019 Proposed	change
General Fund	654.5	664.1	9.6
Measure C Fund	20.0	19.0	-1.0
Economic Development Fund	1.0	1.0	0.0
Special Revenue Funds	11.2	12.7	1.5
Enterprise Funds	145.8	146.7	0.9
Internal Service Funds	48.3	51.8	3.5
Citywide Total	880.8	895.3	14.5

CITYWIDE STAFFING SUMMARY BY DEPARTMENT - GENERAL FUND

	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
Mayor & City Council Department	7.00	7.00	7.00	7.00
City Attorney Department	6.00	6.00	6.00	6.00
City Clerk Department	4.00	4.00	4.00	4.50
City Manager Department	23.00	13.00	13.00	15.53
Development Services Department	39.00	50.00	50.00	49.50
Finance Department	23.30	24.20	24.25	24.25
Fire Department	135.50	136.50	137.50	146.50
Human Resources Department	8.80	8.55	8.55	8.55
Library Department	37.20	37.80	38.80	35.80
Maintenance Services Department	22.29	22.57	22.81	22.61
Police Department	306.50	307.50	307.50	308.50
Public Works-Engineering & Transp. Dept.	33.85	33.85	34.85	35.10
Utilities & Environmental Services Dept.	0.25	0.25	0.25	0.25
	646.69	**651.22**	**654.51**	**664.09**

CITYWIDE STAFFING SUMMARY - BY FUND

		FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
General Fund					
100	General Fund[1]	**646.69**	**651.22**	**654.51**	**664.09**
101	Measure C Fund[2]	**20.00**	**20.00**	**20.00**	**19.00**
102	Economic Development	**0.00**	**0.00**	**1.00**	**1.00**
Special Revenue Funds					
217	Measure B - Paratransit Fund[3]	3.00	3.00	3.00	2.12
220	Federal Grant Fund[4]	2.00	2.00	0.00	0.10
223	Community Dev Block Grant Fund - Housing[5]	0.00	0.00	0.00	0.45
225	Community Dev Block Grant Fund[6]	0.00	0.00	0.00	1.70
230	Recycling Fund	0.00	0.00	0.00	0.00
232	Measure D Fund	2.75	2.75	2.75	2.75
245	Housing Authority Fund[7]	0.00	0.00	0.00	0.65
246	Affordable Housing Fund[8]	2.00	2.00	3.00	2.80
266-281	LLD #1 - #13 and Maint Dist #1 and #2[9]	0.28	0.00	0.45	0.00
285	Inclusionary Housing Fund[10]	0.00	0.00	0.00	0.15
295	South Hayward BART JPA Fund	0.01	0.54	0.00	0.00
815	Redevelopment Successor Agency	2.00	2.00	2.00	2.00
		12.04	**12.29**	**11.20**	**12.72**
Enterprise Funds					
605	Water Operating Fund	57.30	60.61	60.46	61.41
610	Wastewater Operating Fund[11]	57.15	58.15	60.15	60.35
615	Stormwater Operating Fund	13.15	13.43	13.43	13.43
620	Airport Operating Fund[12]	12.02	11.80	11.75	11.50
		139.62	**143.99**	**145.79**	**146.69**
Internal Service Funds					
705	Worker's Compensation Fund[13]	3.20	3.45	3.45	4.45
710	General Liability Insurance Fund	3.00	4.00	4.00	4.00
725	Facilities Management Fund[14]	9.30	9.38	9.38	9.88
730	Information Technology Fund[15]	21.00	21.00	22.00	23.00
735	Fleet Management[16]	9.35	9.47	9.47	10.47
		45.85	**47.30**	**48.30**	**51.80**
		864.20	**874.80**	**880.80**	**895.30**

CITYWIDE STAFFING SUMMARY - BY FUND

Staffing Changes:

1. Addition of 9.58 FTE in General Fund
2. Deletion of 1.0 FTE in Measure C
3. Deletion of 0.88 FTE in Measure B - Paratransit Fund
4. Addition of 0.1 FTE in Federal Grant Program
5. Addition of 0.45 FTE Community Development Block Grant Fund - Housing
6. Addition of 1.7 FTE Community Development Block Grant Fund
7. Addition of 0.65 FTE in Housing Authority Fund
8. Deletion of 0.2 FTE in Affordable Housing Fund
9. Deletion of 0.45 FTE in LLD #1 - #13 and Maint Dist #1 and #2
10. Addition of 0.15 FTE in Inclusionary Housing Fund
11. Addition of 0.20 FTE in Wastewater Operating Fund
12. Deletion of 0.25 FTE in Airport Operating Fund
13. Addition of 1.0 FTE in Worker's Compensation Fund
14. Addition of 0.5 FTE in Facilities management Fund
15. Addition of 1.0 FTE in Information Technology Fund
16. Addition of 1.0 FTE in Fleet Management Fund

CITYWIDE STAFFING SUMMARY BY DEPARTMENT - ALL FUNDS

	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
Mayor & City Council Department	8.00	7.00	7.00	7.00	7.00
City Attorney Department	9.00	9.00	10.00	10.00	10.00
City Clerk Department[1]	4.00	4.00	4.00	4.00	4.50
City Manager Department[2]	27.00	30.00	20.00	19.00	29.50
Development Services Department[3]	36.00	39.00	50.00	50.00	49.50
Finance Department	32.00	35.00	35.50	35.50	35.50
Fire Department[4]	137.50	135.50	136.50	137.50	146.50
Human Resources Department[5]	12.00	12.00	12.00	12.00	13.00
Information Technology[6]	17.00	17.00	18.00	19.00	20.00
Library Department[7]	40.20	42.20	42.80	44.80	35.80
Maintenance Services Department[8]	58.00	61.00	62.00	62.00	63.00
Police Department	304.00	321.50	322.50	322.50	322.50
Public Works-Engineering & Transportation	44.00	46.00	46.00	47.00	47.00
Utilities & Environmental Services[9]	99.50	105.00	108.50	110.50	111.50
	828.20	**864.20**	**874.80**	**880.80**	**895.30**
Change from previous fiscal year	37.75	36.00	10.60	6.00	14.50

Staffing Changes From FY 2018 to FY 2019:

1. Addition of 0.5 FTE in City Clerk Department
2. Addition of 10.5 FTE in City Manager Department
3. Addition of 0.5 FTE in Development Services Department
4. Addition of 9.0 FTE in Fire Department
5. Addition of 1.0 FTE in Human Resources Department
6. Addition of 1.0 FTE in Information Technology
7. Deletion of 9.0 FTE in Library Department
8. Addition of 1.0 FTE in Maintenance Services Department
9. Addition of 1.0 FTE in Utilities & Environmental Services Department

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
MAYOR & CITY COUNCIL DEPARTMENT				
City Councilmembers	6	6	6	6
Executive Assistant	0	0	0	0
Mayor	1	1	1	1
	7	**7**	**7**	**7**
CITY ATTORNEY DEPARTMENT				
Asst City Attorney/Deputy City Attorney I/II	5	6	6	6
City Attorney	1	1	1	1
Legal Secretary I/II	1	1	0	0
Paralegal	2	2	3	3
	9	**10**	**10**	**10**
CITY CLERK DEPARTMENT				
Administrative Clerk I/II	0	0	0	0.5
City Clerk	1	1	1	1
Deputy City Clerk	1	1	1	1
Management Analyst I/II	1	1	1	0
Senior Secretary	1	1	1	2
	4	**4**	**4**	**4.5**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
CITY MANAGER DEPARTMENT				
Administrative Clerk I/II	3	2	2	3
Assistant City Manager	1	1	1	1
Assistant to the City Manager	0	1	1	1
Audio Video Specialist	1	1	1	1
City Manager	1	1	1	1
Code Enforcement Inspector I/II	7	1	0	0
Code Enforcement Supervisor	1	0	0	0
Community & Media Relations Officer	1	1	1	1
Community Programs Specialist	0	0	0	2
Community Services Manager	0	0	0	1
Community Service Officer	1	1	0	0
Deputy City Manager	0	0	0	1
1. Addition of 9.58 FTE in General Fund	1	1	1	1
Economic Development Manager	1	1	2	2
Economic Development Specialist	2	2	2	2
Executive Assistant	2	2	2	2
Graphics & Media Relations Technician	0	1	1	1
Housing Development Specialist	0	0	0	1
Housing Manager	0	0	0	1
Management Analyst I/II	1	2	2	4
Management Fellow	1	0	0	0.5
Neighborhood Development Manager	1	0	0	0
Neighborhood Partnership Manager	0	0	0	0
Secretary	0	0	0	0
Senior Code Enforcement Inspector	2	0	0	0
Senior Secretary	2	1	1	2
Video Assistant	1	1	1	1
	30	**20**	**19**	**29.5**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
DEVELOPMENT SERVICES DEPARTMENT				
Administrative Clerk I/II	3	4	4	4
Administrative Secretary	1	1	1	1
Assistant Civil Engineer	0	0	1	1
Assistant Planner	1	1	1	2
Associate Planner	3	3	3	2
Building Inspector	3	3	3	3
City Building Official	1	1	1	1
Code Enforcement Inspector I/II	0	6	6	6
Code Enforcement Manager	0	1	1	1
Deputy Director of Development Services	1	1	1	1
Development Review Engineer	1	0	0	0
Development Review Specialist	1	1	0	0
Director of Development Services	1	1	1	1
Graphics/Planning Illustrator	1	0	0	0
Landscape Architect	1	1	1	1
Management Analyst I/II	1	1	1	1
Management Fellow	0	0	1	0.5
Permit Technician	4	4	3	3
Plan Checker	1	1	1	1
Plan Checking Engineer	1	1	1	1
Planning Manager	1	1	1	1
Principal Planner	0	1	1	1
Secretary	2	2	2	2
Senior Building Inspector/Electrical	1	1	1	1
Senior Building Inspector/Plumb-Mechanical	1	1	1	1
Senior Building Inspector/Structural	1	1	1	1
Senior Civil Engineer	0	1	1	1
Senior Code Enforcement Inspector	0	2	2	2
Senior Permit Technician	1	1	1	1
Senior Plan Checker	1	1	1	1
Senior Planner	3	3	3	2
Senior Secretary	1	2	2	2
Supervising Building Inspector	1	1	1	1
Supervising Plan Checker & Expeditor	1	1	1	1
Supervising Permit Technician	0	0	1	1
	39	**50**	**50**	**49.5**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
FINANCE DEPARTMENT				
Account Clerk	0	0.5	0.5	0.5
Accountant	1	2	2	2
Accounting Manager	1	1	1	1
Accounting Technician	0	0	0	0
Budget Officer	1	1	1	1
Customer Account Clerk	6	6	6	6
Data Systems Operator	1	1	1	1
Deputy Director of Finance	1	1	1	1
Director of Finance	1	1	1	1
Finance Analyst	0	0	0	0
Finance Supervisor	0	0	0	0
Finance Technician	6	5	4	4
Mail & Purchasing Clerk	1	1	1	1
Mail & Revenue Clerk	1	1	1	1
Management Analyst II	2	2	2	2
Purchasing & Services Manager	1	1	1	1
Purchasing Technician	1	1	1	1
Revenue Manager	1	1	1	1
Senior Account Clerk	4	4	4	4
Senior Accountant	1	1	1	1
Senior Accounting Technician	0	0	0	0
Senior Customer Account Clerk	5	5	5	5
Supervising Customer Account Clerk	0	0	1	1
	35	**35.5**	**35.5**	**35.5**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
FIRE DEPARTMENT				
Administrative Analyst III	0	0	0	0
Administrative Clerk I/II	1	1	1	1
Apparatus Operator (56 Hr)	33	33	33	33
Battalion Chief (56 Hr)	6	6	6	6
Deputy Fire Chief (40 Hr)	2	2	2	2
Emergency Medical Services Coordinator	1	1	1	1
Environmental Specialist	1	1	1	1
Fire Captain (56 Hr)	33	33	33	33
Fire Chief	1	1	1	1
Fire Marshal (40 Hr)	1	1	1	1
Fire Prevention Inspector	2	2	2	2
Fire Protection Engineer	1	1	1	1
Fire Services Supervisor	1	1	1	1
Fire Services Technician I/II	2	3	3	1
Fire Training Officer	1	1	1	1
Firefighter (56 Hr)	41	41	41	50
Hazardous Materials Investigator	2	2	3	3
Hazardous Materials Program Coordinator	1	1	1	1
Mail Clerk	0.5	0.5	0.5	0.5
Management Analyst I/II	1	1	1	1
Secretary	0	0	0	1
Senior Permit Technician	0	0	0	1
Senior Secretary	1	1	1	1
Staff Fire Captain	3	3	3	3
	135.5	**136.5**	**137.5**	**146.5**
HUMAN RESOURCES DEPARTMENT				
Administrative Intern	1	1	1	1
Deputy Director of Human Resources	0	1	1	1
Director of Human Resources	1	1	1	1
Human Resources Administrative Assistant	0	0	1	1
Human Resources Analyst I/II	4	4	4	4
Human Resources Manager	0	0	0	0
Human Resources Technician	4	4	3	4
Senior Human Resources Analyst	2	1	1	1
	12	**12**	**12**	**13**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
INFORMATION TECHNOLOGY DEPARTMENT				
Administrative Secretary	1	1	1	1
Audio Video Specialist	0	0	0	0
Data & Systems Coordinator	0	0	0	0
Data Systems Operator	0	0	0	0
Director of Information Technology	1	1	1	1
Geographic Info Systems Coordinator	0	0	1	1
GIS Analyst	1	1	0	0
GIS Technician I/II	1	1	1	1
Information Systems Manager	0	0	0	0
Information Systems Support Tech	0	0	0	1
Information Technology Manager	3	3	3	3
IT Analyst I/II	2	2	3	3
IT Technician I/II	4	4	4	4
Network Systems Specialist	0	1	1	1
Network/Microsystem Specialist	0	0	0	0
Programmer Analyst	3	3	3	3
Senior Information Systems Support Tech	0	0	0	0
Technical Assistant	0	0	0	0
Technology Solutions Analyst I/II	1	1	1	1
Video Assistant	0	0	0	0
Web Specialist	0	0	0	0
	17	**18**	**19**	**20**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
LIBRARY DEPARTMENT				
Administrative Clerk I/II	1	1	1	0
Administrative Secretary	1	1	1	1
Community Services Manager	1	1	1	0
Community Programs Specialist	0	0	1	0
Director of Library	1	1	1	1
Educational Services Manager	1	1	1	1
Educational Services Coordinator	0	0	0	0
Housing Development Specialist	1	1	1	0
Housing Manager	0	0	1	0
Information Systems Support Technician	1	1	1	0
Lead Library Assistant	3	3	3	3
Lead Program Assistant	0	0	0	1
Librarian I	6.5	6.5	7.5	7.5
Library Assistant	8.5	9	9	8
Library Operations Manager	1	1	1	1
Library Page	3.9	3.9	3.9	3.9
Literacy Program Coordinator	1	1	1	1
Management Analyst I/II	3	3	3	1
Senior Library Assistant	1	0	0	0
Senior Library Page	1.8	2.4	2.4	2.4
Senior Property Rehabilitation Specialist	1	1	0	0
Supervising Librarian I	3	3	3	3
Program Assistant	1.5	2	2	1
	42.2	**42.8**	**44.8**	**35.8**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
MAINTENANCE SERVICES DEPARTMENT				
Administrative Secretary	1	1	1	0
Administrative Supervisor	0	0	0	1
Director of Maintenance Services	1	1	1	1
Electrician I/II	1	1	1	1
Equipment Mechanic I/II	6	6	5	5
Equipment Parts Storekeeper	1	1	1	1
Equipnebt Servuce Attendant	0	0	0	1
Facilities & Building Manager	1	1	1	1
Facilities Carpenter I	0	0	0	1
Facilities Carpenter II	2	2	2	1
Facilities Painter I	0	0	0	0
Facilities Painter II	1	1	1	1
Facilities Service Worker II	2	2	2	2
Fleet Maintenance Manager	0	1	1	1
Fleet Management Supervisor	1	0	0	0
Groundskeeper I/Laborer	12	12	12	12
Groundskeeper II	2	2	2	2
Groundskeeper III	1	1	1	1
HVAC Mechanic	1	1	1	1
Landscape Maintenance Manager	0	1	1	1
Landscape Maintenance Supervisor	1	0	0	0
Maintenance Leader	3	3	3	3
Maintenance Worker/Laborer	9	9	9	9
Management Analyst I/II	2	2	2	2
Secretary	0	0	0	0
Senior Equipment Mechanic	0	0	1	1
Senior Maintenance Leader	2	2	2	2
Senior Secretary	2	2	2	2
Streets Maintenance Manager	1	1	1	1
Streets Maintenance Supervisor	0	0	0	0
Sweeper Equipment Operator	5	6	6	6
Tree Trimmer	3	3	3	3
	61	**62**	**62**	**63**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
POLICE DEPARTMENT				
Administrative Secretary	2	1	1	1
Administrative Supervisor	0	1	1	1
Animal Care Attendant	5	5	5	5
Animal Control Officer	3	3	3	3
Animal Services Administrator	1	1	1	1
Animal Shelter Supervisor	0	0	0	0
Call Taker	8	8	8	8
Chief of Police	1	1	1	1
Communications Administrator	1	1	1	1
Communications Operator	19	19	19	19
Communications Supervisor	5	5	5	5
Community Service Officer	21	21	21	20
Counseling Supervisor	1	1	1	1
Crime Analyst	1	1	1	1
Crime Analyst Supervisor	1	1	1	1
Crime Prevention Specialist	2	2	2	2
Crime Scene Technician	4	4	4	4
Family Counselor I	8	9	9	9
Inspector	2	1	0	0
Jail Administrator	1	1	1	1
Jail Supervisor	4	4	4	4
Latent Fingerprint Examiner	1	1	1	1
Management Analyst I/II	0	0	0	1
Operations Support Services Manager	1	1	1	1
Personnel & Training Administrator	1	1	1	0
Police Captain	3	3	3	3
Police Lieutenant	10	11	11	12
Police Officer	153	154	155	155
Police Programs Analyst I/II	1	1	1	1
Police Records Clerk II	15	15	15	15
Police Sergeant	28	27	27	27
Property & Evidence Supervisor	0	0	0	0
Property Technician	4	4	4	4
Property/Evidence Administrator	1	1	1	1
Records Administrator	1	1	1	1
Records Supervisor	2	2	2	2
Reserve Officer Coordinator	0.5	0.5	0.5	0.5
Secretary	5	5	5	5
Senior Management Analyst	1	1	1	1
Shelter Operations Supervisor	2	2	2	2
Shelter Volunteer Coordinator	1	1	1	1
Youth & Family Services Administrator	1	1	1	1
	321.5	**322.5**	**322.5**	**322.5**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
PUBLIC WORKS-ENGINEERING & TRANSPORTATION				
Administrative Secretary	1	1	1	1
Airport Business Supervisor	0	1	1	1
Airport Maintenance Worker	4	3	3	3
Airport Manager	1	1	1	1
Airport Operations Specialist	0	0	1	1
Airport Operations Supervisor	1	1	1	1
Assistant City Engineer	1	1	0	0
Assoc/Assist Civil Engineer	8	8	8	8
Assoc/Assist Transportation Engineer	2	2	2	2
Assoc Transportation Planner	1	1	1	1
Construction Inspector	4	4	4	5
Deputy Director of Engineering & Transportation	0	0	1	1
Director of Engineering & Transportation	1	1	1	0
Engineering Technician	4	4	4	4
Management Analyst I/II	2	2	2	2
Noise Abatement Analyst	1	1	0	0
Secretary	2	2	1	1
Senior Airport Maintenance Worker	1	1	1	1
Senior Civil Engineer	2	2	2	2
Senior Construction Inspector	2	2	2	2
Senior Management Analyst	0	0	1	1
Senior Secretary	2	2	3	3
Senior Transportation Engineer	1	1	1	1
Supervising Construction Inspector	1	1	1	1
Survey Engineer	1	1	1	1
Surveyor	1	1	1	1
Traffic Signal Technician	1	1	1	1
Transportation Manager	1	1	1	1
	46	**46**	**47**	**47**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
UTILITIES & ENVIRONMENTAL SERVICES				
Administrative Intern	0.5	0.5	0.5	0.5
Administrative Secretary	1	1	1	1
Assoc Civil Engineer/Assist Civil Engineer	2.5	3	3	3
Backflow/Cross Connection Tester	1	1	1	1
Chemist	1	1	1	1
Cross Connection Control Specialist	1	1	1	1
Development Review Specialist	0	0	1	1
Director of Utilities & Environmental Services	1	1	1	1
Electrician I/II	5	5	6	6
Environmental Services Manager	1	1	1	1
Equipment Operator	3	3	3	3
Lab Supervisor	1	1	1	1
Laboratory Technician	2	2	2	2
Maintenance Worker/Laborer	1	1	1	1
Management Analyst I/II	2	2	2	2
Operator in Training	2	2	2	2
Recycling Specialist	0	0	0	0
Secretary	2	2	2	2
Senior Water Pollution Source Control Inspector	1	1	1	1
Senior Management Analyst	1	1	1	1
Senior Secretary	3	3	3	3
Senior Utilities Engineer	2	2	2	2
Senior Utility Customer Service Leader	1	1	1	1
Senior Utility Leader	1	1	1	1
Senior Utility Leader - Sewer	1	1	1	1
Senior Utility Service Representative	1	1	0	0
Senior Water Resources Engineer	0	0	0	1
Sewer Collection System Maintenance Supervisor	0	0	0	0
Solid Waste Program Manager	1	1	1	1
Storekeeper - Expediter	1	1	1	1
Sustainability Specialist	0	0	1	1
Sustainability Technician	1	1	0	0
Technical Intern	0.5	0.5	0.5	0.5
Utilities Engineering Manager	0	1	1	1
Utilities Field Services Supervisor	1	1	1	1
Utilities Maintenance Mechanic	9	9	10	10
Utilities Operations & Maintenance Manager	1	1	1	1
Utilities Operations & Maintenance Supervisor	1	1	1	1
Utilities Service Worker	2	2	2	2
Utility Leader	3	3	3	3
Utility Leader - Sewer	2	2	2	2
Utility Worker - Sewer/Laborer	6	6	6	6
Utility Worker/Laborer	11	13	13	13
Wastewater Collections Systems Supervisor	1	1	1	1

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
Water Meter Mechanic	3	3	3	3
Water Meter Reader	2.5	2.5	2.5	2.5
Water Pollution Control Administrator (WPSC)	1	1	1	1
Water Pollution Control Facility (WPCF) Manager	1	1	1	1
Water Pollution Source Control Inspector	3	3	3	3
Water Resources Manager	1	1	1	1
WPCF Lead Operator	6	6	6	6
WPCF Maintenance Supervisor	1	1	1	1
WPCF Operations & Maintenance Manager	1	1	1	1
WPCF Operations Supervisor	1	1	1	1
WPCF Operator	6	6	6	6
	105	**108.5**	**110.5**	**111.5**

TOTAL FTE (ALL FUNDS)	**895.3**

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FY 2019 STAFFING
7.0 FTE

Mayor & City Council Department

Council Member At Large *Mark Salinas* Term Expires 2020	Council Member At Large *Sara Lamnin* Term Expires 2018	Council Member At Large *Al Mendall* Term Expires 2020	Mayor *Barbara Halliday* Term Expires 2018	Council Member At Large *Francisco Zermeño* Term Expires 2020	Council Member At Large *Elisa* Márquez Term Expires 2020	Council Member At Large *Marvin Peixoto* Term Expires 2018

MAYOR & CITY COUNCIL DEPARTMENT

MISSION STATEMENT

The mission of the Mayor and City Council is to represent the priorities and concerns of Hayward residents by providing relevant and timely policy direction to its appointed officers for the development of programs and services that address the needs of the residents, businesses, and visitors of Hayward; and exercising transparent and ethical governance of the community.

DEPARTMENT OVERVIEW

The Mayor and City Council provide overall policy leadership and guidance to appointed staff members who in turn implement this direction. The Mayor and Council appoint the City Manager, City Attorney, and City Clerk and adopt an overall City budget that provides the framework and resources within which the municipal corporation operates. Each year, the City Council adopts priorities that guide the work of City staff consistent with the above mission statement.

FY 2018 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Provided legislative and policy direction for the City Manager in support of the community's priorities: Safe, Clean, Green, and Thriving.
2. Allocated and approved City financial resources and labor contracts in support of achieving long-term financial stability for the City.
3. Approved development projects at identified "catalyst sites" (locations where significant and thoughtfully designed projects can catalyze complementary development on proximate properties) throughout Hayward, including the mixed-use Haymont townhome development on Mission Boulevard and the Mission Seniors project.
4. Responded to constituent concerns throughout the City.
5. Engaged in fiscal sustainability workshops to prioritize strategies for balancing the City's budget in the short term and ensuring fiscal sustainability in the long term.
6. Balanced public safety and fiscal responsibility to adopt a tax, amend the municipal code and zoning ordinance, and create an RFP process to allow commercial cannabis sales in Hayward.
7. Accepted and directed staff to implement the Commitment for an Inclusive, Equitable, and Compassionate Community.
8. Took action to address housing affordability issues in Hayward, including:
    a. Began review of Rent Stabilization policies
    b. Updating the City's Accessory Dwelling Unit ordinance.
    c. Revising the Affordable Housing ordinance.
    d. Providing direction to staff on creating a workplan to address additional affordable housing issues and to develop a Request for Proposals process for Measure A1 affordable housing funding and other affordable housing funds.

MAYOR & CITY COUNCIL DEPARTMENT

FY 2019 KEY SERVICE GOALS AND METRICS

Division	#	FY 2019 Goals	FY 2019 Measures
Mayor and City Council	1	Continue to provide informed direction to staff for achievement of Council's key priorities: Safe, Clean, Green, and Thriving and make progress implementing the Strategic Initiatives – Complete Communities, Complete Streets, and Tennyson Corridor.	Performance of the Mayor and Council is constantly measured by the community and the voters, through the effectiveness of their policy and legislative actions, and by the results of the bi-annual Community Satisfaction Survey. Specific performance measures to determine the success of the organization based on Council direction are built into each department and approved by Council through the budget process.
	2	Continue to oversee the implementation of a comprehensive citywide performance management program for City departments and services.	
	3	Continue efforts to bring structural balance to the City's finances and stability to the City's labor environment.	
	4	Continue partnerships with the community and other agencies, including working with Hayward Area Recreation and Park District and Hayward Unified School District to support and enhance the overall wellbeing of Hayward residents and the educational performance of Hayward's public schools.	
	5	Maintain excellence in responding to resident and community requests.	
	6	Respond to federal government actions that reduce funding for identified City goals.	

MAYOR & CITY COUNCIL DEPARTMENT

Division	#	FY 2019 Goals	FY 2019 Measures
Mayor and City Council	7	Other programs and initiatives that will receive major attention in FY 2019 include: a) Rental Housing Affordability b) Economic Development, including improvements and development in the Downtown c) Ongoing revision and update of Land Use policies and regulations d) Ongoing implementation of the Commitment for an Inclusive, Equitable, and Compassionate Community e) Pursuing zero-net energy for municipal operations, including participating in the East Bay Clean Energy joint powers authority. f) Simplification of City operational and regulatory procedures for businesses and residents.	

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2019

None.

Mayor & City Council Department

General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
None	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	192,590	192,119	191,538	191,538
Overtime	-	-	-	-
Benefits				
Fringe Benefits	29,207	41,677	51,084	53,486
Retiree Medical	11,445	11,445	11,025	10,885
PERS	36,321	38,555	38,464	40,972
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**269,563**	**283,796**	**292,111**	**296,881**
Supplies & Services	39,731	36,519	56,900	56,900
Internal Service Fees	70,367	68,743	66,940	75,482
Net Operating Expenses	**110,098**	**105,262**	**123,840**	**132,382**
Total Expenditures	**379,661**	**389,058**	**415,951**	**429,263**
General Fund Subsidy	**379,661**	**389,058**	**415,951**	**429,263**

FY 2019 Significant Budget Changes:

1. None

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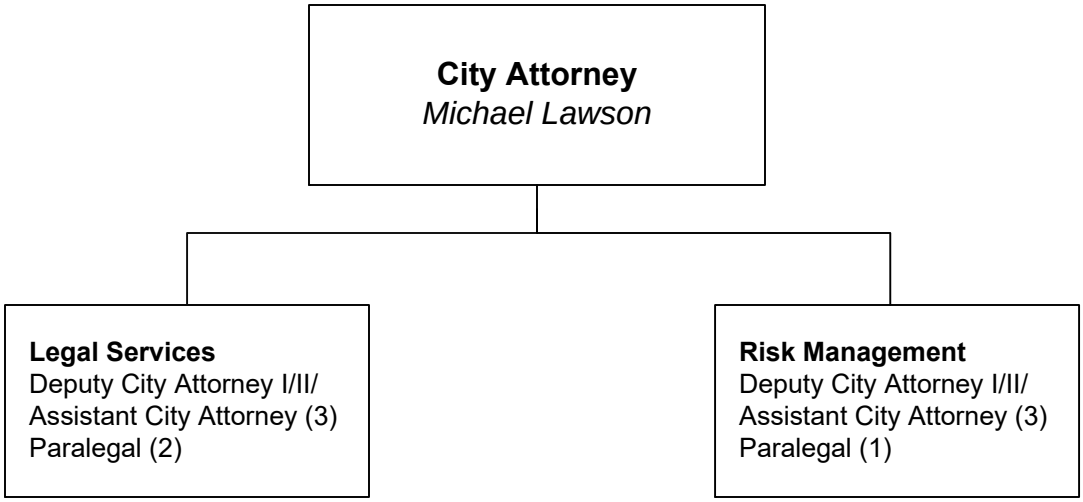
FY 2019 STAFFING
10.0 FTE

Office of the City Attorney



CITY ATTORNEY DEPARTMENT

MISSION STATEMENT

The City Attorney's Department strives to provide the highest quality legal services, advice and support to the City Council and the City Administration.

DEPARTMENT OVERVIEW

The City Attorney's Department serves as corporate counsel and legal adviser to the City Council, City Manager, and staff in their official capacities, and advisory bodies such as the Planning Commission and Personnel Commission. The advice and representation is provided within a highly ethical and principled environment.

DIVISION/PROGRAM SUMMARIES

Legal Services Program

The Legal Services Program is responsible for: 1) Timely and accurate legal advice on transactional matters; 2) Attendance at policy-making meetings, including City Council, Planning Commission and Personnel Commission; 3) Prompt and courteous customer service for community residents; and 4) aggressive representation in court and administrative forums.

Risk Management and Liability Insurance

The Risk Management and Liability Insurance Division is responsible for: 1) Reduction or elimination of risks and hazards associated with City activities and projects; 2) Management of the City's liability insurance program and procurement of the City's general liability, property, auto, and fiduciary insurance coverages; and 3) Review and determination regarding government claims.

FY 2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals	Status
Legal Services Program	1	Monitor and apprise Council and City staff of any changes in State law regarding public meetings and conflicts of interest.	**ONGOING**
	2	Prepare for legalization of cannabis in 2018.	**ACHIEVED**

Risk Management	3	Continue to efficiently manage in-house litigation efforts and special counsel services.	**ONGOING**
	4	Transfer Rent Review programs to Housing Services Division in City Manager's Office	**ACHIEVED**

FY 2019 KEY SERVICE GOALS AND METRICS

Division	#	FY 2019 Goals	FY 2019 Measures
Legal Services Program	1	Monitor and apprise Council and City staff of any changes in State law regarding public meetings and conflicts of interest.	ONGOING
	2	Assist development of Rent Review legislative strategies and options.	ONGOING
Risk Management	3	Close all claims that do not convert to litigation within 36 months from fiscal year filing.	ONGOING
	4	Resolve all litigation, including claims for federal jurisdiction, within 36 months from fiscal year filing.	ONGOING
	5	Maintain annual ratio of 1:4 for claims paid, compared to claims filed.	ONGOING
	6	Continue using CAO staff attorneys for all litigated cases, except where specialized outside counsel is warranted.	ONGOING

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2019

1. Increase in insurance costs based on CPI

All Funds Summary - By Category

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue and Transfers in from Other Funds				
General Fund Revenue	13,977	24,940	14,000	-
Risk Management Fund	3,119,511	6,918,230	4,000,000	4,105,966
Risk Management Fund Balance	43,430	(1,847,277)	(729,969)	(712,994)
	3,176,918	**5,095,893**	**3,284,031**	**3,392,972**
Fund Subsidy				
General Fund Subsidy	**1,038,339**	**1,084,571**	**1,242,524**	**1,369,738**
Total Revenues	**4,215,257**	**6,180,464**	**4,526,554**	**4,762,710**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,053,206	1,183,506	1,390,107	1,391,403
Overtime	91	3,820	-	-
Benefits				
Fringe Benefits	133,252	130,178	161,183	205,804
Retiree Medical	16,350	14,715	15,750	15,550
PERS	245,355	274,169	295,150	339,529
Chrgs (to)/from other programs	-	(210)	-	-
Net Staffing Expense	**1,448,255**	**1,606,178**	**1,862,190**	**1,952,286**
Maintenance & Utilities	5,753	28	1,000	1,000
Supplies & Services	2,316,632	4,406,161	3,998,073	4,094,873
Internal Service Fees	107,246	121,224	125,230	140,539
Capital	-	-	-	-
Net Operating Expense	**2,429,630**	**4,527,412**	**4,124,303**	**4,236,412**
Transfers out to other funds	**337,372**	**-**	**-**	**-**
Total Expenditures	**4,215,257**	**6,133,591**	**5,986,493**	**6,188,698**

All Funds Summary - By Program

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue and Transfers in from Other Funds				
General Fund Revenue	13,977	24,940	14,000	-
Risk Management Fund	3,119,511	6,918,230	4,000,000	4,105,966
Risk Management Fund Balance	43,430	(1,847,277)	(729,969)	(712,994)
	3,176,918	**5,095,893**	**3,284,031**	**3,392,972**
Fund Subsidy				
General Fund Subsidy	**1,038,339**	**1,084,571**	**1,242,524**	**1,369,738**
Total Revenues	**4,215,257**	**6,180,464**	**4,526,554**	**4,762,710**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds By Program				
General Fund	1,052,316	1,109,511	1,256,524	1,369,738
Risk Management Fund	3,162,941	5,070,953	4,729,969	4,818,960
Total Expenditures	**4,215,257**	**6,180,464**	**5,986,493**	**6,188,698**
Net Change	**-**	**-**	**(1,459,939)**	**(1,425,988)**

General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Other Revenue	-	1,618.38	-	-
Rental Review Fees	13,977	23,322	14,000	-
Total Revenues	**$13,977**	**$24,940**	**$14,000**	**$0**
EXPENDITURES				
Expenditures				
Salary				
Regular	710,806	745,923	840,449	898,509
Overtime	91	663	-	-
Benefits				
Fringe Benefits	72,751	70,654	97,686	127,389
Retiree Medical	11,445	9,810	9,450	9,330
PERS	161,569	170,418	178,974	216,748
Chrgs (to)/from other programs	-	(210)	-	-
Net Staffing Expense	**956,663**	**997,259**	**1,126,559**	**1,251,976**
Maintenance & Utilities	5,453	-	200	200
Supplies & Services	14,588	24,619	44,429	21,229
Internal Service Fees	75,613	87,634	85,336	96,333
Capital Outlay	-	-	-	-
Net Operating Expense	**95,653**	**112,253**	**129,965**	**117,762**
Total Expenditures	**$1,052,316**	**$1,109,511**	**$1,256,524**	**$1,369,738**
General Fund Subsidy	**$1,038,339**	**$1,084,571**	**$1,242,524**	**$1,369,738**

FY 2019 Significant Budget Changes:

1. None

Risk Management - Internal Service Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance	**$1,283,453**	**$1,240,023**	**$1,240,023**	**$3,087,301**
REVENUES				
Revenue				
Interest	-	-	-	-
Other Revenue	-	-	-	-
	-	-	-	-
Transfer In				
Liability Insurance Premium	3,119,511	6,918,230	4,000,000	4,105,966
From General Fund	-	-	-	-
	3,119,511	6,918,230	4,000,000	4,105,966
Total Revenues	**3,119,511**	**6,918,230**	**4,000,000**	**4,105,966**
EXPENDITURES				
Expenditures				
Salary				
Regular	342,400	437,583	549,658	492,894
Overtime	-	3,157	-	-
Benefits				
Fringe Benefits	60,501	59,523	63,497	78,415
Retiree Medical	4,905	4,905	6,300	6,220
PERS	83,786	103,751	116,176	122,781
Pension Expenses GASB68	-	46,873	-	-
Chrgs (to)/from other programs	-	-	-	-
Net Staffing Expense	**491,592**	**655,793**	**735,631**	**700,310**
Maintenance & Utilities	300	28	800	800
Supplies & Services	1,072,044	2,593,704	1,953,644	1,953,644
Internal Service Fees	31,633	33,590	39,894	44,206
Insurance	1,230,000	1,787,838	2,000,000	2,120,000
Net Operating Expense	**2,333,977**	**4,415,160**	**3,994,338**	**4,118,650**
Transfers out to other funds				
Transfer to General Fund - Cost Allocation	337,372	-	-	-
Total Transfers Out	**337,372**	**-**	**-**	**-**
Total Expenditures	**3,162,941**	**5,070,953**	**4,729,969**	**4,818,960**
Net Change	**(43,430)**	**1,847,277**	**(729,969)**	**(712,994)**
Ending Working Capital Balance	**$1,240,023**	**$3,087,301**	**$510,054**	**$2,374,307**

FY 2019 Significant Budget Changes:

1. Increase to insurance premiums based on CPI

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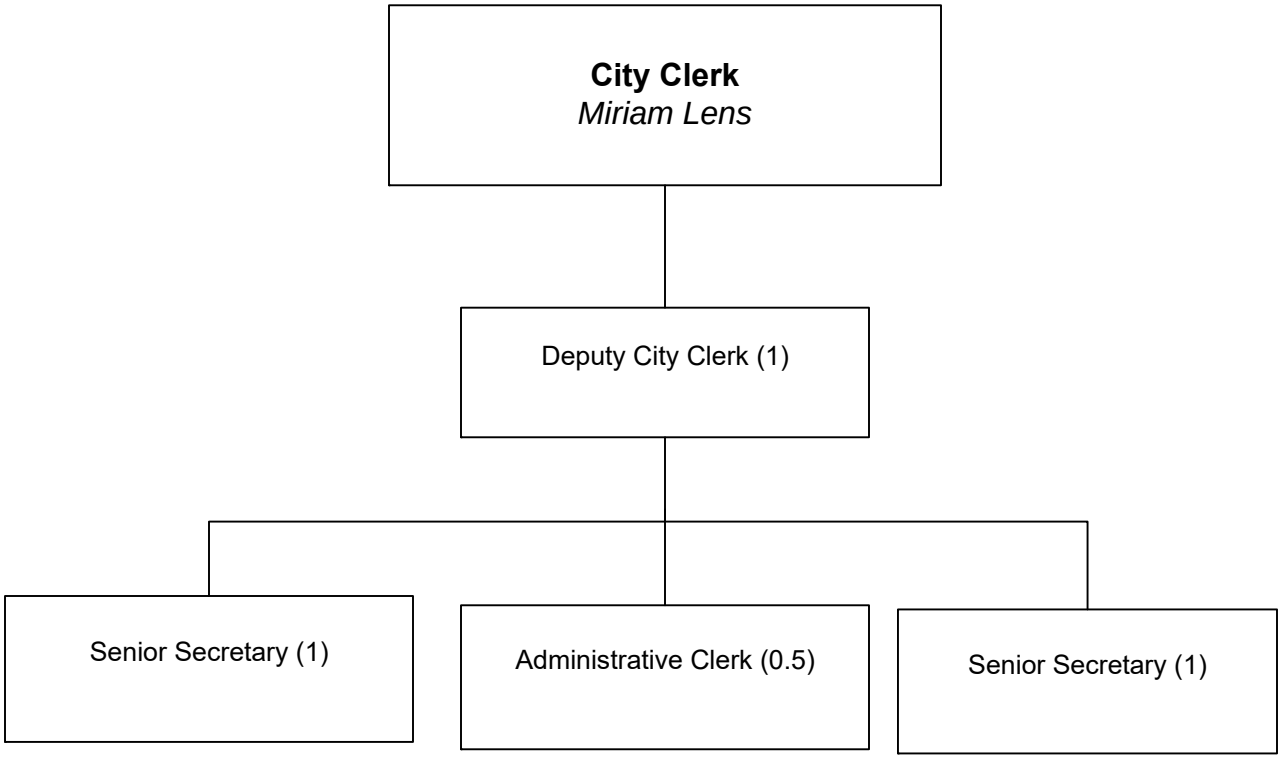
FY 2019 STAFFING
4.5 FTE

Office of the City Clerk



CITY CLERK'S OFFICE

MISSION STATEMENT

The City Clerk's Office is committed to serving Hayward as an accessible and responsive representative of transparent and open government; and to supporting and facilitating the business operations of Council as they conduct their business through all levels of meetings and other communications.

DEPARTMENT OVERVIEW

The City Clerk's Office ensures the security and accessibility of all official City records; serves as the information and records manager of all legislative proceedings; conducts all aspects of municipal elections; and serves as a support office to the City Council, City staff, Council's appointed bodies, and residents of Hayward.

DIVISION/PROGRAM SUMMARIES

Records Management
The City Clerk's Office is responsible for: 1) Maintaining permanent records; 2) Administering the paperless imaging system for permanent records; 3) Certifying City documents; 4) Performing required legal noticing for City Council meetings, including public hearings; 5) Supporting the business operations of Council; and 6) Assuring timely and complete filing of Statements of Economic Interest and Campaign Disclosure Statements according to regulations set forth by the California Fair Political Practices Commission.

Council, Boards, Commissions, Committees & Task Force
The City Clerk's Office is responsible for: 1) Supporting City Council and Planning Commission proceedings; 2) Conducting the recruitment and facilitating the appointment for Council's appointed bodies; and 3) Supporting the administrative needs of the Council's appointed bodies.

Elections
The City Clerk's Office is responsible for: 1) Conducting all aspects of municipal elections; and 2) Performing duties as required under the Political Reform Act and regulations of the Fair Political Practices Commission.

Open Government/Transparency
The City Clerk's Office is responsible for: 1) Managing the filings of Statements of Economic Interests (Form 700), campaign forms during an election cycle, Agency Report of Public Official Appointments (Form 806); 2) Making them available to the public on the City's website; and 2) Conducting recruitments for all Council's appointed bodies.

Public Service
The City Clerk's Office is responsible for: 1) Managing and administering the Passport Program; 2) Providing notary services; and 3) Recording, preserving, researching, and providing access to public records in compliance with the California Public Records Act.

CITY CLERK'S OFFICE

FY 2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals	Status
Records Management	1	Continue to improve the Council agenda and meeting management system (Granicus: iLegislate, Legistar, LiveManager, and Votecast); and explore methods for increasing public access to Council agendas/meetings such as promoting electronic alerts and RSS feeds.	ONGOING
	2	Comply with the requirements set by the California Public Records Act.	ACHIEVED
	3	Continue to adhere to requirements set by the California Fair Political Practices Commission (FPPC) for Statements of Economic Interests (Forms 700) and campaign forms.	ACHIEVED
Boards, Commissions, Committees, and Task Force	4	Implement the online filing of campaign forms in accordance with regulations set forth by the California Fair Political Practices Commission.	CONTINUED EFFORT NEEDED Collected information about the regulations set forth by the FPPC, system provider, and budget. Due to staff transitions, implementation will begin prior to FY 2019.
Election	5	Conduct the General Municipal Election in November 2018	ONGOING Prepared for the Election by posting election information on the City's website, including FPPC campaign filings.

CITY CLERK'S OFFICE

Division	#	FY 2018 Goals	Status
Public Services	6	Collaborate with various departments to gather and organize data that could be made available to the public via one central public portal on the City's website to improve transparency and reduce requests for public records.	ONGOING Partially achieved by working with staff in other departments and vendors in the industry.
	7	Continue to maintain service level goals for all aspects of department operations.	ACHIEVED
	8	Hire new Deputy City Clerk	ACHIEVED
	9	Coordinate with Human Resources to conduct departmental desk audit to identify need for additional administrative assistance. This proposed personnel change will increase administrative capacity, which will improve overall service delivery and reduce employee burnout.	ACHIEVED
Open Government/ Transparency	10	Promote accessibility to Fair Political Practices Commission (FPPC) (Forms 700) via the City's website.	ONGOING
	11	Continue to make accessible for public viewing on the City's website documents received after the publication of agenda packet for the City Council, Planning Commission, and other meeting bodies.	ACHIEVED

CITY CLERK'S OFFICE

FY 2018 DEPARTMENT PERFORMANCE METRICS

#	Performance Measures	Goal # OR %
1	Continue to build the City's online Document Center consisting of permanent records.	ACHIEVED
2	Maintain the legislative history of City Council, Council Standing Committees, and Council's appointed bodies.	ACHIEVED Agendas, reports and minutes processed in LaserFiche City Council: 334 Council's appointed bodies: 440
3	Facilitate responses to California Public Records Act requests.	ACHIEVED Processed 266 Public Records Act Requests.
4	Conduct the annual recruitment for the Council's appointed bodies by engaging social media channels (Facebook, Twitter, Nextdoor, GovDelivery email subscription) and traditional outreach methods (newspapers, Channel 15, in-person recruitment at public events such as the annual Citywide Clean-up and Hayward Street Parties).	ACHIEVED A total of 14 Hayward schools were contacted for the Hayward Youth Commission recruitment. <u>Social Media contacts</u> Facebook pages: 9,000 Clicks on The Stack newsletter article: 233 <u>Council's appointed bodies:</u> • Applications received: 56 • Interviewed: 50 • Appointments: 10 • Reappointments: 4 <u>Hayward Youth Commission</u> • Applications received: 32 • Interviewed: 32 • Appointments: 8 • Reappointments: 3 • Alternates: 8
5	Ensure that all members of Council's appointed bodies have completed required Ethics and Harassment Prevention trainings.	ACHIEVED A total of 91 Ethics and Harassment Prevention training certificates are anticipated to be filed.

CITY CLERK'S OFFICE

#	Performance Measures	Goal # OR %
6	Maintain permanent records; and continue to build the searchable database by scanning, indexing and OCRing (Optical Character Recognition) hard copy documents into the LaserFiche database.	ACHIEVED Processed a total of 1,185 documents in the LaserFiche database.
7	Meet noticing requirements for legal publications; and serve as a liaison between newspaper agency and City departments.	ACHIEVED There were 76 newspaper legal advertisements processed.

FY 2018 ADDITIONAL ACCOMPLISHMENTS

1. Launched Granicus Board and Commissions module prior to the 2017 annual recruitment of the City Council's appointed bodies.
2. Made accessible for public viewing on the City's website documents received after the publication of agenda packet for the City Council, Planning Commission, and other meeting bodies.
3. Provided passport services to the public at large; and met requirements set by the U.S. Department of State for processing applications. Processed 486 U.S. passport applications.
4. Posted and disseminated City Council and Planning Commission agendas in compliance with the State Open Meetings Act (Brown Act).
5. Managed the codification of adopted ordinances and ensured the accuracy of the online and printed versions of the Hayward Municipal Code.
6. Adhered to requirements set by the California Fair Political Practices Commission (FPPC) for Statements of Economic Interests (Forms 700) and campaign forms. Collected and reviewed 205 Form 700s and 44 Campaign Statements.

CITY CLERK'S OFFICE

FY 2019 KEY SERVICE GOALS AND METRICS

Division	#	FY 2019 Goals	FY 2019 Measures
Records Management	1	Support the organizational use of the agenda and meeting management system (Granicus: iLegislate, Legistar, LiveManager, and Votecast).	95% system functionality
	2	Explore methods for increasing public access to Council agendas/meetings such as promoting electronic alerts and RSS feeds.	Provide a report on the methods explored/employed to increase public access to Council meetings and agendas by end of year
	3	Comply with the requirements set by the California Public Records Act.	Respond to 100% of Public Records Act requests
	4	Adhere to requirements set by the California Fair Political Practices Commission (FPPC) for Statements of Economic Interests (Forms 700) and campaign forms.	Achieve 100% compliance for Statement of Economic Interests (Forms 700) and campaign forms
	5	Conduct a feasibility study to determine if DocuSign will improve the processing of contracts and signed documents.	Complete and issue results of feasibility study on the use of DocuSign
Boards, Commissions, Committees, and Task Force	6	Conduct the annual recruitment for the Council's appointed bodies by engaging social media channels and traditional outreach methods.	Recruit applicants to fill 100% of vacancies on Council's appointed bodies
	7	Ensure that all members of the City Council and Council's appointed bodies complete required Ethics and Harassment Prevention trainings.	Achieve 100% compliance with required Ethics and Harassment Prevention trainings

CITY CLERK'S OFFICE

Division	#	FY 2019 Goals	FY 2019 Measures
Public Services	8	Identify useful data that could be made available to the public via a central public portal on the City's website to improve transparency and reduce requests for public records.	Increase the public information and documents available online
	9	Provide passport services to the public at large; and meet requirements set by the U.S. Department of State for processing applications.	Surpass 2017 generated revenue
Election	10	Conduct the General Municipal Election in November 2018 for Mayor and two City Council seats, as well as possible ballot measures.	100% achievement
Open Government/ Transparency	11	Provide improved access to Fair Political Practices Commission (FPPC) (Forms 700) via the City's website for GC 87200 filers.	100% achievement
	12	Make accessible for public viewing on the City's website documents received after the publication of agenda packet for the City Council, Planning Commission, and other meeting bodies.	100% achievement
	13	Implement the online filing of campaign forms in accordance with regulations set forth by the California Fair Political Practices Commission.	100% implementation of online campaign form filing prior to the November 2018 election cycle

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2019

1. Election Expense
2. Delete 1.0 FTE Management Analyst I/II
3. Add 1.0 FTE Senior Secretary
4. Add 0.5 FTE Administrative Clerk I/II

City Clerk Department

General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY2019 Proposed
REVENUES				
Revenue				
Sale of Documents - Passports	5,949	23,168	-	20,000
Other Revenue	17,178			
Sale of Documents - General	3,246	1,166	3,000	3,000
Total Revenues	**26,374**	**24,334**	**3,000**	**23,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	356,718	390,876	396,162	424,553
Overtime	4,556	3,203	-	-
Benefits				
Fringe Benefits	72,268	68,437	52,094	119,443
Retiree Medical	6,540	6,540	6,300	6,220
PERS	79,088	86,922	83,643	106,936
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**519,170**	**555,978**	**538,199**	**657,152**
Maintenance & Utilities	5,453	-	200	200
Supplies & Services	100,366	73,537	90,280	90,280
Election Expense	280,892	185,364	-	280,000
Internal Service Fees	89,111	107,337	124,426	138,875
Net Operating Expense	**475,821**	**366,238**	**214,906**	**509,355**
Total Expenditures	**994,991**	**922,216**	**753,105**	**1,166,507**
General Fund Subsidy	**968,617**	**897,881**	**750,105**	**1,143,507**

FY 2019 Significant Budget Changes:

1 Election Expense
2 Delete Management Analyst (1.0 FTE)
3 Add Admin Clerk (0.5 FTE)
4 Add Sr. Secretary (1.0 FTE)

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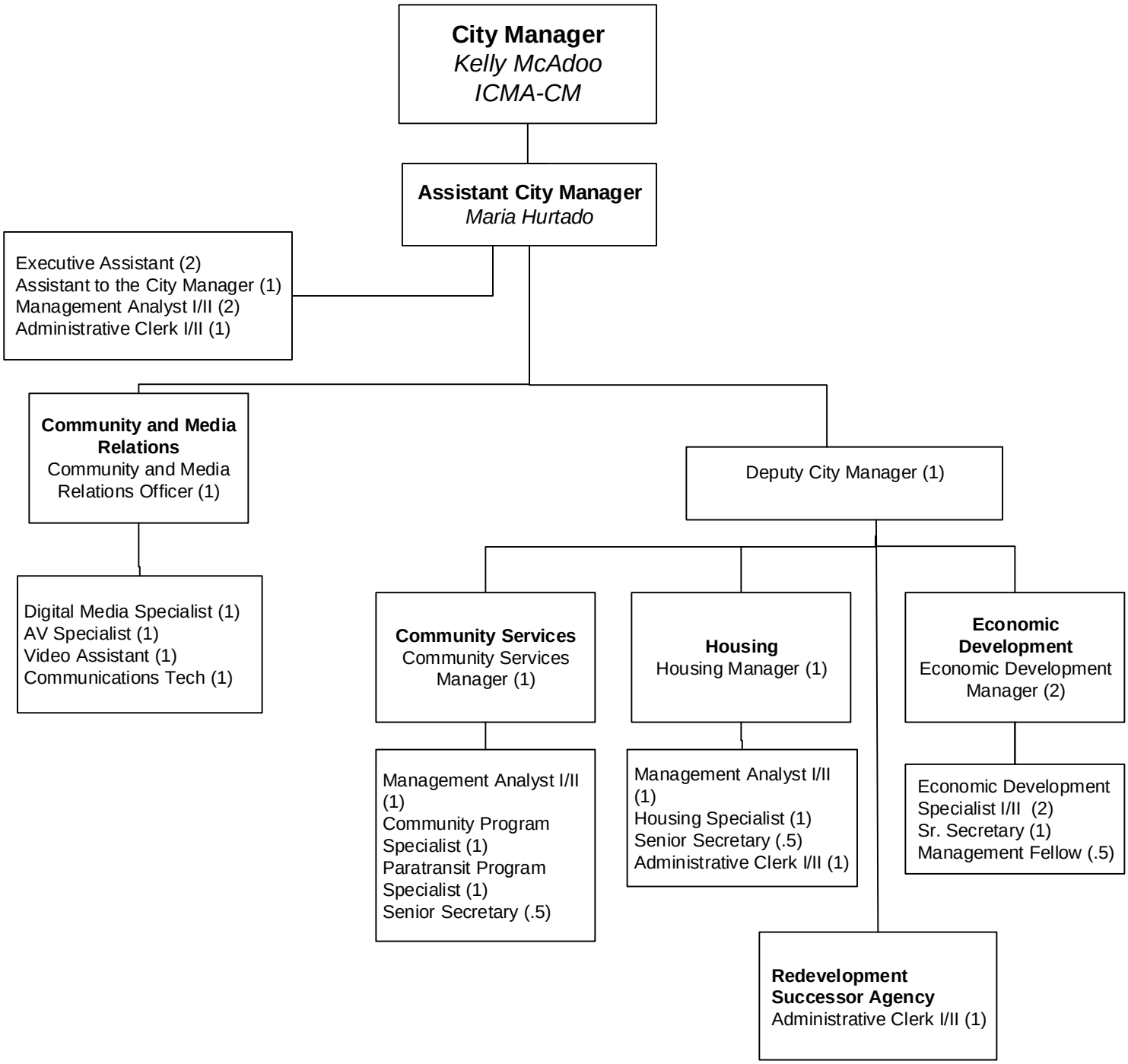
FY 2019 STAFFING
29.5 FTE

Office of the City Manager



CITY MANAGER'S OFFICE

MISSION STATEMENT

The mission of the City Manager's Office is to assist the City Council in developing policies that are responsive to the needs of the community, to ensure effective implementation of adopted policies, and to provide ethical and competent direction and leadership to the organization as a whole. The City Manager is the Chief Executive Officer and assures accountability of all departments except those under the direction of the City Attorney and the City Clerk.

DEPARTMENT OVERVIEW

The City Manager's Office maintains operational responsibility for economic development, community services, housing, neighborhood partnerships and constituent services, and communications and media relations. Management of the Successor Agency to the Hayward Redevelopment Agency also falls under the purview of this department.

DIVISION/PROGRAM SUMMARIES

Communications & Media Relations

The Communications and Media Relations Division is responsible for assuring quality engagement with and communication to residents and businesses, developing and managing the City's overall brand, developing and implementing the City's electronic presence through social media and the City's web sites, enhancing and maintaining the City's and the community's public image; and, under direction of the City Manager, steers public information initiatives and activities related to incident responses.

Economic Development

The Economic Development Division is responsible for creating and supporting a positive climate for businesses in the Hayward community. The Division proactively works the business and development community for retention, expansion, and attraction of businesses to the community. In addition, the Division works to improve the image of Hayward through a variety of community focused activities and events.

Redevelopment Successor Agency

The Hayward Redevelopment Successor Agency is responsible for the dissolution of the Hayward Redevelopment Agency and the wrapping up of the Agency's affairs, including the disposition of former Agency-held properties.

Community Services

The Community Services Division administers the Community Agency Funding Program to support community organizations that serve the Hayward community, operates housing rehabilitation programs, and coordinates the Paratransit program to provide door-to-door transportation for senior and disabled Hayward residents.

CITY MANAGER'S OFFICE

Housing

The Housing Division has the responsibility to administer the development, acquisition, and preservation of quality affordable housing for the Hayward community; maintain and monitor the City's stock of existing deed-restricted affordable housing units; develop and implement anti-displacement strategies and services consistent with Hayward's overall housing goals; and administer the City's Rent Review Program.

FY 2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals	Status
City Manager's Office	1	Continue developing capacity for Lean Start Up projects throughout the organization.	**ONGOING** Conducted a Lean Start Up boot camp and accelerator; trained 4 employees in Lean Start Up coaching to provide in-house support for Lean Start Up projects
	2	Continue leading Caltrans/Route 238 property disposition project.	**ONGOING**
	3	Ensure implementation of City Council Strategic Initiative Workplans focusing on Complete Streets, Complete Communities, and the Tennyson Corridor.	**ONGOING** Update came before Council in January 2018
	4	Conduct the 2017 Employee Engagement Survey in Fall 2017, with a goal of increasing the participation rate to 70% or higher (from 62%.)	**COMPLETED** Completed in Spring 2018; delay due to staff vacancy
	5	Revise department director performance evaluation format and process to better align with City priorities and values.	**COMPLETED**
	6	Develop an internal communication strategy to improve flow and availability of information throughout the organization.	**COMPLETED**
	7	Develop and pilot a talent development program for City employees incorporating mentoring and peer training opportunities.	**ONGOING** continuing in FY19

CITY MANAGER'S OFFICE

Division	#	FY 2018 Goals	Status
Community and Media Relations	8	Increase utilization of metric-based geotargeted advertising to further disseminate information about Economic Development and other City initiatives and programs.	**ONGOING**
	9	Provide ongoing user training for website administration, including written style, photography standards, best practices for page development and search engine optimization. (Quantified by number of training sessions and number of attendees/departments represented.)	**COMPLETED** Held 10 trainings for a total of 47 staff members.
	10	Grow social media reach for underutilized platforms, including Instagram.	**ONGOING**
	11	Expand video production for KHRT TV and YouTube, including coverage of lesser-known programs, projects, and initiatives.	**COMPLETED**
	12	Work with Economic Development to develop and implement a neighborhood branding and signage program to establish and reinforce neighborhood-specific branding identities.	**CONTINUED EFFORT NEEDED** Pending community engagement
Economic Development	13	Develop additional incentive programs for attracting targeted development and industries to Hayward.	**COMPLETED**
	14	Provide business-specific expertise to Development Services throughout the Comprehensive Update to the Industrial Zoning Regulations, including identification of potential retail and amenity sites.	**ONGOING**
	15	Develop and implement a Business Engagement Program to reinforce relationships with existing businesses and drive retention and expansion efforts.	**CONTINUED EFFORT NEEDED** Under development
	16	Work with Community and Media Relations to develop quality of life marketing materials that provide information on community amenities to prospective businesses.	**CONTINUED EFFORT NEEDED** To be initiated FY19
	17	Update Hayward's psychographic data (for example, conducting an update of the 2009 Buxton study) which provides information on market characteristics for attracting new businesses to Hayward.	**ONGOING** project launched in February 2018

CITY MANAGER'S OFFICE

Division	#	FY 2018 Goals	Status
Neighborhood Services	18	Allocate Neighborhood Improvement Grants to neighborhood groups in support of neighborhood and community improvement projects and activities.	**ACHIEVED** ($5,000 given to Palma Ceia mural; $10,000 for Book-to-Action mural)
	19	Conduct a minimum of 10 City Hall to You [replacing NPP] neighborhood meetings with neighborhood stakeholders to enhance partnerships between City officials and neighborhood stakeholders.	**ONGOING** 5 meetings in FY19 (staff focus shifted to Community Task Force)
	20	Plan and implement a minimum of 10 trainings, programs, projects, and/or events that engage community stakeholders in civic action.	**ACHIEVED** 18 meetings and events total in FY19.
	21	Work with Hayward residents and community members to facilitate and monitor implementation of the updated Anti-Discrimination Action Plan.	**ONGOING**
	22	Connect constituents in need of assistance with the appropriate staff member, government agency, or services to resolve their issue.	**ACHEIVED** (Referred 102 community members in FY18)
Community Services & Housing Affordability	23	Lead and coordinate the City organization's role in the multiagency effort to develop, finance, build, and sustainably operate a new South Hayward Family Center facility to replace the outdated City-owned Eden Youth and Family Center facility. Coordinate closely with the City Manager's Office, counterparts in Alameda County and Hayward Area Recreation & Park District (H.A.R.D.), facility operator, community-based organizations, and community members to achieve a successful and sustainable outcome for the South Hayward community, consistent with Council's core values and goals for thriving, complete communities.	**ONGOING**
Rent Review Program	24	Transfer rent review program to new housing services division.	**COMPLETED**
	25	Monitor the City's rent stabilization ordinances and ensure consistency with State law.	**ONGOING**

CITY MANAGER'S OFFICE

FY 2018 DEPARTMENT PERFORMANCE METRICS

#	Performance Measures	Goal # or %	Status
1	Complete and deliver City Council agendas and reports in a timely manner. (Administration)	Deliver by Friday before City Council meeting 100% of the time.	All agendas and all but one staff report met this goal.
2	Respond to City Council inquiries in a complete and timely manner. (Administration)	Respond to inquiries within 30 days 90% of the time.	Completed response to inquiries within 30 days 85% of the time.
3	Increase number of businesses served by Business Concierge Program. (Economic Development)	Increase by at least 10% in FY18.	In FY17, ED assisted 102 businesses, 15% less than businesses in FY16.
4	Provide assistance to existing Hayward industrial and retail businesses. (Economic Development)	120	16
5	Attract new businesses to Hayward through Economic Development activities. (Economic Development)	25	24
6	Increase broadcast email subscriptions and social media reach across all platforms. (Community and Media Relations)	Increase by at least 25% in FY18.	Increased by 340% over FY17
7	Transmit KHRT (Channel 15) programming as scheduled. (Community and Media Relations)	100% of the time.	Achieved
8	Conduct City Hall to You neighborhood meetings with neighborhood groups. (Neighborhood Services)	10	5 meetings in FY19 (focus shifted to Community Task Force)
9	Provide trainings, programs, projects, and/or events that engage community stakeholders in civic action. (Neighborhood Services)	10	18 meetings and events total
10	Maintain 100% compliance with federal and state program regulations, procurement regulations, labor standards regulations, and environmental review	100%	Achieved
11	Maintain 100% compliance with Alameda County Transportation Commission (ACTC) contract guidelines for Paratransit service performance and financial reporting	100%	Achieved

CITY MANAGER'S OFFICE

FY 2019 KEY SERVICE GOALS AND METRICS

Division	#	FY 2019 Goals	FY 2019 Measures
City Manager's Office	1	Complete and deliver City Council agendas and reports in a timely manner.	Agendas and reports delivered by the Friday before City Council meetings. (Goal: 100%)
	2	Respond to City Council inquiries in a complete and timely manner.	Inquiries responded to within 30 days of receipt. (Goal: 90%)
	3	Continue developing capacity for Lean Start Up projects throughout the organization.	# of Lean Innovation projects run Additional staff trained in Lean Innovation
	4	Continue leading Caltrans/Route 238 property disposition project.	Continue through June 2019 with regular updates to Council
	5	Ensure implementation of City Council Strategic Initiative Workplans focusing on Complete Streets, Complete Communities, and the Tennyson Corridor.	Continue through June 2019 with regular updates to Council
	6	Conduct the Biannual Resident Satisfaction Survey.	Complete by December 2018
	7	Develop and pilot a talent development program for City employees incorporating mentoring and peer training opportunities.	Launch by June 2019
	8	Hire a Deputy City Manager and Development Services Director	Complete before June 2019
	9	Work with the Hayward community to implement the Commitment for an Inclusive, Equitable, and Compassionate City	Continue through June 2019 with regular updates to Council
	10	Connect community members in need of assistance with the appropriate staff member, government agency, or services to resolve their issue.	Ongoing

CITY MANAGER'S OFFICE

Division	#	FY 2019 Goals	FY 2019 Measures
Community and Media Relations	11	Launch a signage program to support public awareness of major private and public projects.	Increase subscribers to The Stack monthly e-newsletter. (Goal: 10%)
	12	Complete a content and organizational audit of www.hayward-ca.gov.	Increase attendance at Keep Hayward Clean & Green community clean-up and beautification events. (Goal: 5%)
	13	Establish an interdepartmental communications team to coordinate internal and external communication activities.	Complete by June 2019
	14	Create capacity and implement a news and social media monitoring program with daily sharing of highlights across the organization.	Complete by June 2019
	15	Initiate monthly communicationS coordinating call among area agencies.	Complete by June 2019
Economic Development	16	Update the Economic Development Strategic Plan	Increase number of businesses served by the Business Engagement Program. (Goal: 50)
	17	Update Catalyst Development Opportunity Sites	Provide assistance to existing Hayward industrial and retail businesses. (Goal: 20)
	18	Work with Community and Media Relations to relaunch Economic Development website	Attract new businesses to Hayward through Economic Development activities. (Goal: 25)
	19	Complete Retail Corridor Analysis	Begun by June 2019
Community Services	20	Execute the 120-day Homelessness Action Plan to better coordinate City services and partner agencies to address homelessness in Hayward.	Increase the number of eligible residents served by the City's housing rehabilitation programs. (+10% over FY18)
	21	Complete Community Needs Assessment and prepare a report aligning the Community Agency Funding process with the needs identified by the assessment.	Increase the number of eligible residents served by Paratransit services. (+10% over FY18)

CITY MANAGER'S OFFICE

Division	#	FY 2019 Goals	FY 2019 Measures
Housing	22	Return to Council with rental housing affordability strategies as outlined in the February 6, 2018 City Council meeting: • Strengthening Rental Inspection Program (September 2018) • Reducing Barriers to Entitlement of New Development (September 2018) • Rent Gap Assistance Program (December 2018)	Schedule mediation/arbitration in accordance with timeframes set forth in the Residential Rent Stabilization Ordinance. (Goal: 95%)
	23	Propose to Council projects for Measure A1 affordable housing bond funding.	Maintain compliance with federal housing program regulations, procurement regulations, labor standards regulations, and environmental review. (Goal: 100%)

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2019

- Addition of Deputy City Manager (1.0 FTE)
- Addition of Management Fellow (.5 FTE)
- Restructuring and transfer of Community Services and Housing Divisions into CMO
- Addition of Senior Secretary (1.0 FTE)
- Addition of Program Specialist (1.0 FTE)
- Deletion of Library Assistant (1.0 FTE)

All Funds Summary - By Category

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue and Transfers In From Other Funds				
General Fund Revenue	1,062,040	52,731	67,399	75,500
Economic Development Fund	-	410,755	556,000	350,000
Promise Grant Revenue	146,585	212,088	-	-
Downtown Business Improve Prog	9,154	2,712	-	-
South Hayward B.A.R.T. JPA	385,581	250,332	421,280	421,280
Successor Agency RDA	7,165,262	9,604,443	6,058,155	6,058,155
Community Development Block Grant	-	-	-	1,488,448
Housing Authority Fund	-	-	-	132,600
Affordable Housing Monitoring Fund	176,541	154,529	161,181	161,181
HOME Investment Prtnrshp Block Grant Prog	177,464	503,775	-	292,379
Paratransit Program Measure B	-	-	-	910,026
Paratransit Program Measure BB	-	-	-	774,793
Hayward Promise Neighborhood Grant	233,104	-	-	-
Inclusionary Housing Fund	-	1,005,917	-	-
	9,355,731	**12,197,282**	**7,264,015**	**10,664,362**
(Contribution to)/ Use of Fund Balance				
Economic Development Fund	-	(59,120)	(32,509)	217,964
Promise Grant	(2,253)	(89,096)	-	-
Downtown Business Improve Prog	30,846	54,085	96,000	96,000
South Hayward B.A.R.T. JPA	(154,010)	419,273	169,868	144,940
Successor Agency RDA	(1,192,481)	(4,019,155)	(1,583,381)	(1,558,517)
Community Development Block Grant	-	-	-	284,606
Housing Authority Fund	-	-	-	69,468
Affordable Housing Monitoring Fund	(23,675)	142,714	276,456	342,303
HOME Investment Prtnrshp Block Grant Prog	(32,017)	(416,386)	-	93,235
Paratransit Program Measure B	-	-	-	452,339
Paratransit Program Measure BB	-	-	-	(464,793)
Inclusionary Housing Fund				46,482
	(1,373,589)	**(3,967,686)**	**(1,073,567)**	**(275,973)**
Fund Subsidy				
General Fund Subsidy	3,844,010	3,226,756	3,367,431	4,388,457
Information Tech Fund Subsidy	125,270	176,459	327,156	337,738
	3,969,281	**3,403,215**	**3,694,588**	**4,726,195**
Total Revenues	**11,951,423**	**11,632,812**	**9,885,036**	**15,114,584**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,784,206	1,933,829	2,348,501	3,263,104
Overtime	29,203	11,546	-	-
Benefits				
Fringe Benefits	547,740	365,856	546,324	592,289
Retiree Medical	73,371	55,956	37,738	62,457
PERS	620,381	422,741	451,507	800,428
Charges (to)/from other programs	2,278	(21,874)	(195,255)	(88,555)
Net Staffing Expense	**4,057,177**	**2,768,054**	**3,188,814**	**4,629,723**

All Funds Summary - By Category

Continued

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Supplies & Services	1,862,691	1,955,436	2,048,444	3,501,763
Grants & Loans	2,146,837	1,917,093	1,550,975	3,596,327
Community Promotions	2,500	32,000	32,000	-
Hayward Clean and Green	3,369	-	-	-
Maintenance & Utilities	45,143	18,121	37,057	40,557
Principal Retirement	1,835,000	2,035,000	1,685,000	1,735,000
Bond Issuance and Refunding Cost	-	295,998	-	-
Project Expenditures	-	-	-	-
Capital	-	-	281,500	281,500
Internal Service Fees	356,946	195,557	197,668	309,347
Net Operating Expense	**6,252,485**	**6,449,205**	**5,832,644**	**9,464,494**
Other Department Operating Costs (Maintenance Services Department)	**(29,252)**	**(72,105)**	**(24,928)**	**(20,000)**
Transfers to Other Funds	**1,649,115**	**1,409,636**	**863,578**	**1,020,367**
Total Expenditures	**11,929,526**	**10,554,790**	**9,860,108**	**15,094,584**
Net Change	**21,897**	**1,078,022**	**24,928**	**20,000**

All Funds Summary - By Program

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue and Transfers In From Other Funds				
General Fund Revenue	1,062,040	52,731	67,399	75,500
Economic Development Fund	-	410,755	556,000	350,000
Promise Grant	146,585	212,088	-	-
Downtown Business Improvement	9,154	2,712	-	-
South Hayward B.A.R.T. JPA	385,581	250,332	421,280	421,280
Successor Agency RDA	7,165,262	9,604,443	6,058,155	6,058,155
Community Development Block Grant	-	-	-	1,488,448
Housing Authority Fund	-	-	-	132,600
Affordable Housing Monitoring Fund	176,541	154,529	161,181	161,181
HOME Investment Prtnrshp Block Grant Prog	177,464	503,775	-	292,379
Paratransit Program Measure B	-	-	-	910,026
Paratransit Program Measure BB	-	-	-	774,793
Hayward Promise Neighborhood Grant	233,104	-	-	-
Inclusionary Housing Fund	-	1,005,917	-	-
	9,355,731	**12,197,282**	**7,264,015**	**10,664,362**
(Contribution)/ Use of Fund Balance				
Economic Development Fund	-	(59,120)	(32,509)	217,964
Promise Grant	(2,253)	(89,096)	-	-
Downtown Business Improvement	30,846	54,085	96,000	96,000
South Hayward B.A.R.T. JPA	(154,010)	419,273	169,868	144,940
Successor Agency RDA	(1,192,481)	(4,019,155)	(1,583,381)	(1,558,517)
Community Development Block Grant	-	-	-	284,606
Housing Authority Fund	-	-	-	69,468
Affordable Housing Monitoring Fund	(23,675)	142,714	276,456	342,303
HOME Investment Prtnrshp Block Grant Prog	(32,017)	(416,386)	-	93,235
Paratransit Program Measure B	-	-	-	452,339
Paratransit Program Measure BB	-	-	-	(464,793)
Inclusionary Housing Fund	-	-	-	46,482
	(1,373,589)	**(3,967,686)**	**(1,073,567)**	**(275,973)**
Fund Subsidy				
General Fund Subsidy	3,844,010	3,226,756	3,367,431	4,388,457
Information Technology Fund Subsidy	125,270	176,459	327,156	337,738
	3,969,281	**3,403,215**	**3,694,588**	**4,726,195**
Total Revenues	**11,951,423**	**11,632,812**	**9,885,036**	**15,114,584**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds				
Office of the City Manager	4,906,051	3,279,487	3,434,830	4,463,957
Information Technology	125,270	176,459	327,156	337,738
Economic Development Fund	-	351,635	523,491	567,964
Promise Grant	144,332	122,993	-	-
Downtown Business Improvement	40,000	56,797	96,000	96,000
South Hayward B.A.R.T. JPA	231,571	669,604	591,148	566,220
Successor Agency RDA	5,972,781	5,585,288	4,474,774	4,499,638

All Funds Summary - By Program

Continued

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Community Development Block Grant	-	-	-	1,773,054
Housing Authority Fund	-	-	-	202,068
Affordable Housing Monitoring Fund	152,867	297,243	437,637	503,484
HOME Investment Prtnrshp Block Grant Prog	145,447	87,389	-	385,614
Paratransit Program Measure B	-	-	-	1,362,365
Paratransit Program Measure BB	-	-	-	310,000
Hayward Promise Neighborhood Grant	240,458	-	-	-
Inclusionary Housing Fund	-	-	-	46,482
	11,958,778	**10,626,895**	**9,885,036**	**15,114,584**
Other Department Operating Costs	**(29,252)**	**(72,105)**	**(24,928)**	**(20,000)**
Total Expenditures	**11,929,526**	**10,554,790**	**9,860,108**	**15,094,584**
Net Change	**21,897**	**1,078,022**	**24,928**	**20,000**

FY 2019 Significant Budget Changes:

1. Addition of Deputy City Manager (1.0 FTE)
2. Addition of Management Fellow (0.5 FTE)
3. Restructuring and transfer of Community Services and Housing Divisions into CMO
4. Addition of Senior Secretary (0.5 FTE Community Services Division and 0.5 FTE Housing Division)
5. Addition of Program Specialist to Community Services Division (1.0 FTE)
6. Deletion of Library Assistant from Community Services Division (1.0 FTE)

General Fund Summary

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Grants	-	-	-	-
Code Enforcement Fees	438,603	-	-	-
Rental Inspection Fees	517,627	-	-	-
Miscellaneous Fees	54,007	-	-	-
Fines and Forfeitures	-	-	-	-
Other Revenue	51,803	52,731	67,399	75,500
Total Revenues	**1,062,040**	**52,731**	**67,399**	**75,500**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,325,921	1,368,303	1,552,705	1,904,624
Overtime	24,424	8,759	-	-
Benefits				
Fringe Benefits	485,730	217,285	318,809	292,687
Retiree Medical	59,561	40,424	19,688	37,689
PERS	533,620	294,980	328,993	463,592
Charges (to)/from other programs	(1,138)	-	-	-
Net Staffing Expense	3,428,117	1,929,751	2,220,194	2,698,592
Maintenance & Utilities	37,395	10,384	5,457	5,457
Supplies & Services	1,097,434	1,127,834	1,027,688	1,035,928
Community Promotions	2,500	32,000	32,000	-
Hayward Clean and Green	3,369	-	-	-
Internal Service Fees	337,236	179,519	149,491	187,030
Grants	-	-	-	536,950
Capital	-	-	-	-
Net Operating Expense	1,477,933	1,349,737	1,214,636	1,765,365
Total Expenditures	**4,906,051**	**3,279,487**	**3,434,830**	**4,463,957**
General Fund Subsidy	**3,844,010**	**3,226,756**	**3,367,431**	**4,388,457**

Administration-General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Miscellaneous Revenue	51,628	52,731	67,399	61,500
Total Revenues	**51,628**	**52,731**	**67,399**	**61,500**
EXPENDITURES				
Expenditures				
Salary				
Regular	667,054	730,206	888,177	1,045,858
Overtime	2,552	6,038	-	-
Benefits				
Fringe Benefits	104,737	90,462	121,529	131,896
Retiree Medical	8,993	8,993	9,450	9,330
PERS	160,893	151,061	165,660	249,803
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	944,229	986,760	1,184,816	1,436,887
Maintenance & Utilities	14,414	9,070	5,457	5,457
Supplies & Services	401,898	426,206	578,004	578,004
Internal Service Fees	85,468	110,214	90,446	101,340
Capital	-	-	-	-
Net Operating Expense	501,780	545,490	673,907	684,801
Total Expenditures	**1,446,008**	**1,532,251**	**1,858,723**	**2,121,688**
General Fund Subsidy	**1,394,380**	**1,479,519**	**1,791,324**	**2,060,188**

FY 2019 Significant Budget Changes:

Communications & Media Relations - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Other	-			
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	137,663	33,349	227,039	219,191
Overtime	1,547	823	-	-
Benefits				
Fringe Benefit	22,201	2,085	70,585	41,730
Retiree Medical	2,453	4,088	3,938	3,888
PERS	26,448	6,215	49,229	53,887
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	190,313	46,560	350,791	318,696
Maintenance & Utilities	-	-	-	-
Supplies & Services	121,211	218,546	147,075	147,075
Internal Service Fees	11,419	17,327	16,863	17,936
Capital	-	-	-	-
Net Operating Expense	132,630	235,873	163,938	165,011
Total Expenditures	**322,943**	**282,432**	**514,729**	**483,707**
Net Change	**322,943**	**282,432**	**514,729**	**483,707**

Economic Development - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Other Revenue	175			-
Total Revenues	**175**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	446,459	457,409	437,489	491,438
Overtime	9,140	1,897	-	-
Benefits				
Fringe Benefits	118,453	123,570	126,695	118,152
Retiree Medical	6,540	6,540	6,300	6,220
PERS	95,717	102,208	114,103	123,395
Charges (to)/from other programs	(1,050)	-	-	-
Net Staffing Expense	675,259	691,624	684,587	739,205
Maintenance & Utilities	-	-	-	-
Supplies & Services	270,490	304,174	302,609	287,649
Community Promotions	2,500	32,000	32,000	-
Internal Service Fees	44,402	41,466	42,182	48,396
Net Operating Expense	317,392	377,640	376,791	336,045
Total Expenditures	**992,652**	**1,069,264**	**1,061,378**	**1,075,250**
General Fund Subsidy	**992,477**	**1,069,264**	**1,061,378**	**1,075,250**

Community Services - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
None				-
Total Revenues				**-**
EXPENDITURES				
Expenditures				
Salary				
Regular				148,137
Overtime				-
Benefits				
Fringe Benefits				909
Retiree Medical				18,251
PERS				36,507
Charges (to)/from other programs				-
Net Staffing Expense				203,804
Maintenance & Utilities				-
Supplies & Services				-
Internal Service Fees				19,358
Grants				536,950
Net Operating Expense				556,308
Total Expenditures				**760,112**
General Fund Subsidy				**760,112**

FY 2019 Significant Budget Changes:

1. Program was previously in Library & Community Services

Housing - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance				
REVENUES				
Revenue				
Rental Income				14,000
				-
Total Revenues				**14,000**
EXPENDITURES				
Expenditures				
Salary				
Regular				-
Overtime				-
Benefits				
Fringe Benefits				-
Retiree Medical				-
PERS				-
Charges (to)/from other programs				-
Net Staffing Expense				**-**
Maintenance & Utilities				-
Supplies & Services				23,200
Internal Service Fees				-
Capital				-
Net Operating Expense				**23,200**
Fund Transfers Out				
Cost Allocation to General Fund				-
Liability Insurance Premium				-
Total Transfers Out				**-**
Total Expenditures				**23,200**
Net Difference Gain (Use) of Fund Balance				**(9,200)**
Ending Working Capital Balance	**-**	**-**	**(527,590)**	**(536,790)**

FY 2019 Significant Budget Changes:

1. Program previously in the Library & Community Services.

Neighborhood Services - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Grants	-	-	-	-
Code Enforcement Fees	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	147,926	147,339	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	1,635	1,168	-	-
Retiree Medical	23,590	20,803	-	-
PERS	34,721	35,496	-	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	207,872	204,806	-	-
Maintenance & Utilities	504	1,314		
Supplies & Services	246,282	178,907	-	-
Hayward Clean and Green	3,369	-	-	-
Internal Service Fees	9,861	10,512	-	-
Net Operating Expense	260,015	190,734	-	-
Total Expenditures	**467,888**	**395,540**	**-**	**-**
General Fund Subsidy	**467,888**	**395,540**	**-**	**-**

Code Enforcement - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Code Enforcement Fees	438,603	-	-	-
Miscellaneous Fees	54,007	-	-	-
Fines & Forfeitures	-	-	-	-
Rental Inspection Fees	517,627	-	-	-
Total Revenues	**1,010,237**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	926,819	-	-	-
Overtime	11,185	-	-	-
Benefits				
Fringe Benefits	238,703	-	-	-
Retiree Medical	17,985	-	-	-
PERS	215,840	-	-	-
Charges (to)/from other programs	(88)	-	-	-
Net Staffing Expense	1,410,445	-	-	-
Maintenance & Utilities	22,477	-	-	-
Supplies & Services	57,553	-	-	-
Internal Service Fees	186,086	-	-	-
Capital	-	-	-	-
Net Operating Expense	266,116	-	-	-
Total Expenditures	**1,676,561**	**-**	**-**	**-**
General Fund Subsidy	**666,324**	**-**	**-**	**-**

Community Development Block Grant - By Category - Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance				
REVENUES				
Revenue				
Grants				1,400,000
Delayed Loan Payments				40,000
Principal Payments				36,448
Interest Earned				12,000
Other Revenue				-
	-	**-**	**-**	**1,488,448**
Transfers In From Other Funds				
From Com Econ Dev Blk Grant to Sm Bus Loans				
From Revlvg Loan to Com Econ Dev Blk G	-	-	-	-
From HRLP Loan to HRLP Admin				
From Sm Bus Loan to Sm Bus Loan Delive	-	-	-	-
	-	**-**	**-**	**-**
Total Revenues	**-**	**-**	**-**	**1,488,448**
EXPENDITURES				
Expenditures				
Salary				
Regular				226,911
Overtime				-
Benefits				
Fringe Benefits				49,021
Retiree Medical				-
PERS				57,356
Charges (to)/from other programs				-
Net Staffing Expense	**-**	**-**	**-**	**333,288**
Maintenance & Utilities	-	-	-	-
Supplies & Services				156,529
Internal Service Fees				-
Grants				1,283,237
Project Costs				-
Net Operating Expense	**-**	**-**	**-**	**1,439,766**
Fund Transfers Out to				

Community & Economic Block Grant - By Category - Special Revenue Fund

Continued

	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Proposed	FY 2018 Proposed
Cost Allocation to General Fund	-	-	-	-
Liability Insurance Premium	-			
	-	**-**	**-**	**-**
Total Expenditures	**-**	**-**	**-**	**1,773,054**
Net Difference Gain (Use) of Fund Bal	**-**	**-**	**-**	**(284,606)**
Ending Working Capital Balance	**1,174,926**	**1,174,926**	**1,174,926**	**890,320**

FY 2019 Significant Budget Changes:

1. Program was previously in Library & Community Services

Community Development Block Grant - By Program - Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance				**605,149**
REVENUES				
Revenue				
Community Development Block Grant				1,400,000
Revolving Loan Program				40,000
Small Business Revolving Loan				48,448
Total Revenues	**-**	**-**	**-**	**1,488,448**
EXPENDITURES				
Expenditures				
Community Development Block Grant				1,419,765
Revolving Loan Program				274,779
Small Business Revolving Loan				78,510
Total Expenditures	**-**	**-**	**-**	**1,773,054**
Net Difference Gain (Use) of Fund Bal	**-**	**-**	**-**	**(284,606)**
Ending Working Capital Balance	**605,149**	**605,149**	**605,149**	**320,543**

FY 2019 Significant Budget Changes:

1. Program previously in Library and Community Services.

Measure B - Paratransit Program - Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance				
REVENUES				
Revenue				
Interest				-
Measure B				868,726
Measure BB				-
Other Revenue				41,300
Total Revenues	**-**	**-**	**-**	**910,026**
EXPENDITURES				
Expenditures				
Salary				
Regular				233,233
Overtime				-
Benefits				
Fringe Benefits				56,390
Retiree Medical				3,110
PERS				59,590
Charges (to)/from other programs				-
Net Staffing Expense	**-**	**-**	**-**	**352,323**
Maintenance & Utilities				3,500
Supplies & Services				888,050
Internal Service Fees				68,648
Capital				-
Net Operating Expense	**-**	**-**	**-**	**960,198**
Fund Transfers Out				
Cost Allocation to General Fund				39,319
Liability Insurance Premium				10,525
Total Transfers Out	**-**	**-**	**-**	**49,844**
Total Expenditures	**-**	**-**	**-**	**1,362,365**
Net Difference Gain (Use) of Fund Balance	**-**	**-**	**-**	**(452,339)**
Ending Working Capital Balance				

FY 2019 Significant Budget Changes:

1. Program previously in Library and Community Services.

Measure BB - Paratransit Program - Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance				**750,078**
REVENUES				
Revenue				
Interest				-
Measure BB				774,793
Other Revenue				-
Total Revenues				**774,793**
EXPENDITURES				
Expenditures				
Salary				
Regular				-
Overtime				-
Benefits				
Fringe Benefits				-
Retiree Medical				-
PERS				-
Charges (to)/from other programs				-
Net Staffing Expense				**-**
Maintenance & Utilities				-
Supplies & Services				310,000
Internal Service Fees				-
Capital				-
Net Operating Expense				**310,000**
Fund Transfers Out				
Cost Allocation to General Fund				-
Liability Insurance Premium				-
Total Transfers Out				**-**
Total Expenditures				**310,000**
Net Difference Gain (Use) of Fund Balance				**464,793**
Ending Working Capital Balance	**-**	**-**	**(527,590)**	**(62,797)**

FY 2019 Significant Budget Changes:

1. Program previously in the Library & Community Services.

Housing Authority Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beg Working Capital Balance				**6,753,430**
REVENUES				
Revenue				
Contribution In				-
Fund Interest				10,000
Interest Income				
Principal Income				
Other Revenue				122,600
	-	-	-	132,600
Fund Transfers In From				
Rt 238 Admin Fund	-	-	-	-
Successor Agency	-	-	-	-
	-	-	-	-
Total Revenues	**-**	**-**	**-**	**132,600**
EXPENDITURES				
Expenditures				
Salary				
Regular				85,887
Overtime				-
Benefits				
Fringe Benefits				5,355
Retiree Medical				-
PERS				21,429
Charges (to)/from other programs				
Net Staffing Expense	**-**	**-**	**-**	**112,671**
Supplies & Services				85,500
Grants & Loans	-	-	-	-
Internal Service Fees	-	-	-	-
Net Operating Expense	**-**	**-**	**-**	**85,500**
Fund Transfers Out				
General Fund-Cost Allocation				3,897
Liability Insurance Premium	-	-	-	-
Transfer to Successor Agency RDA	-	-	-	-
Capital Improvement Program	-	-	-	-

Housing Authority Fund

Continued

	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Proposed	FY 2018 Proposed
Housing Auth First-Time Homebuyer	-	-	-	-
Total Transfers Out	**-**	**-**	**-**	**3,897**
Total Expenditures	**-**	**-**	**-**	**202,068**
Net Difference Gain (Use) of Fund Bal	**-**	**-**	**-**	**(69,468)**
Ending Working Capital Balance	**6,753,430**	**6,753,430**	**6,753,430**	**6,683,962**

FY 2019 Significant Budget Changes:

1. Program was previously in Library and Community Services

Affordable Housing Monitoring Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beg Working Capital Balance	**907,642**	**931,317**	**931,317**	**788,603**
REVENUES				
Revenue				
Interest Income	13,512	5,500	5,500	5,500
Mortgage Bonds Admin Fee	163,029	149,029	155,681	155,681
Total Revenues	**176,541**	**154,529**	**161,181**	**161,181**
EXPENDITURES				
Expenditures				
Salary				
Regular	81,251	158,178	296,819	262,846
Overtime	2,285	-	-	-
Benefits				
Fringe Benefits	1,345	42,047	77,985	37,358
Retiree Medical	3,270	3,270	3,150	4,665
PERS	18,983	38,091	40,833	66,958
Charges (to)/from other programs	1,708	(21,874)	(106,700)	
Net Staffing Expense	**108,841**	**219,712**	**312,087**	**371,827**
Supplies & Services	22,345	47,235	88,300	88,300
Internal Service Fees	16,028	10,506	17,027	19,358
Net Operating Expense	**38,373**	**57,741**	**105,327**	**107,658**
Fund Transfers Out				
General Fund-Cost Allocation	-	13,056	13,474	13,474
Liability Insurance Premium	5,653	6,734	6,749	10,525
MISC Transfer Out to Other Depts	-	-	-	-
Total Transfers Out	**5,653**	**19,790**	**20,223**	**23,999**
Total Expenditures	**152,867**	**297,243**	**437,637**	**503,484**
Net Difference Gain (Use) of Fund Bal	**23,675**	**(142,714)**	**(276,456)**	**(342,303)**
Ending Working Capital Balance	**931,317**	**788,603**	**654,861**	**446,300**

FY 2019 Significant Budget Changes:

1. Program was previously in Library and Community Services

HOME Investment Partnerships Block Grant Program

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beg Working Capital Balance	**(126,032)**	**(94,015)**	**(94,015)**	**322,371**
REVENUES				
Revenue				
Grants	174,059	449,132	-	281,987
Program Income	-	54,643	-	10,392
Interest Income	3,406	-	-	-
Total Fund Revenue	**177,464**	**503,775**	**-**	**292,379**
EXPENDITURES				
Expenditures				
Salary				
Regular	13,469	71,768		10,458
Overtime	-	-		-
Benefits				
Fringe Benefits	1,664	6,482		1,386
Retiree Medical		818		-
PERS	3,295	8,322		2,605
Charges (to)/from other programs	1,708			
Net Staffing Expense	20,136	87,389	-	14,449
Grants & Loans	1,000			275,165
Supplies & Services	124,312	-		-
Transfer Out				96,000
Net Operating Expense	125,312	-	-	371,165
Total Expenditures	**145,447**	**87,389**	**-**	**385,614**
Net Change	**32,017**	**416,386**	**-**	**(93,235)**
Ending Working Capital Balance	**(94,015)**	**322,371**	**(94,015)**	**229,136**

FY 2019 Significant Budget Changes:

1. Program was previously in Library and Community Services

Inclusionary Housing - Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance			**1,005,917**	**1,005,917**
REVENUES				
Revenue				
Interest Income		44,649		
Other Income		961,267		
Total Revenues	**-**	**1,005,917**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				15,453
Regular				-
Overtime				-
Benefits				
Fringe Benefits				2,114
Retiree Medical				912
PERS				3,003
Charges (to)/from other programs				-
Net Staffing Expense				**21,482**
Maintenance & Utilities				-
Supplies & Services				25,000
Internal Service Fees				-
Capital				-
Net Operating Expense				**25,000**
Fund Transfers Out				
Cost Allocation to General Fund				-
Liability Insurance Premium				-
Total Transfers Out				**-**
Total Expenditures	**-**	**-**	**-**	**46,482**
Net Difference Gain (Use) of Fund Balance		**1,005,917**	**-**	**(46,482)**
Ending Working Capital Balance	**-**	**1,005,917**	**1,005,917**	**959,435**

FY 2019 Significant Budget Changes:

1. Program previously in the Library & Community Services.

Hayward Promise Neighborhood Grant - Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Project Revenue	770	-	-	-
Grant	232,334	-	-	-
Total Revenues	**233,104**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	-
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	-	-	-	-
Supplies & Services	240,458	-	-	-
Capital	-	-	-	-
Projects (Grants and Loans)	-	-	-	-
Net Operating Expense	240,458	-	-	-
Total Expenditures	**240,458**	**-**	**-**	**-**
Net Change	**7,355**	**-**	**-**	**-**

FY 2019 Significant Budget Changes:

1. Program previously in Library and Community Services.

South Hayward B.A.R.T. JPA-Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beg Working Capital Balance	**518,588**	**672,598**	**672,598**	**253,325**
REVENUES				
Revenue				
In-House Parking Collection	46,867	-	-	-
Interest Income	2,119	-	-	-
Other Revenue	336,595	250,332	421,280	421,280
Total Revenues	**385,581**	**250,332**	**421,280**	**421,280**
EXPENDITURES				
Expenditures				
Salary				
Regular	20,049	-	-	-
Overtime	54	-	-	-
Benefits				
Fringe Benefits	4,359	-	-	-
Retiree Medical	10	-	-	-
PERS	4,769	-	4,928	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**29,242**	**-**	**4,928**	**-**
Maintenance & Utilities	-	-	24,000	24,000
Supplies & Services	202,329	469,604	280,720	260,720
Capital Outlay	-	-	281,500	281,500
Net Operating Expense	**202,329**	**469,604**	**586,220**	**566,220**
Fund Transfers Out to				
General Fund	-	200,000		
Total Expenditures	**231,571**	**669,604**	**591,148**	**566,220**
Other Department Operating Costs (Maintenance Services Department)	**29,252**	**72,105**	**24,928**	**20,000**
Net City Manager Dept Expenditures	**202,319**	**597,499**	**566,220**	**546,220**
Net Change	**154,010**	**(419,273)**	**(169,868)**	**(144,940)**
Ending Working Capital Balance	**672,598**	**253,325**	**502,731**	**108,385**

Downtown Business Improvement Program-Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beg Working Capital Balance	**163,490**	**132,644**	**132,644**	**78,560**
REVENUES				
Fund Revenue				
Business License Surcharge	7,778	1,396	-	-
Interest Income	1,376	1,317	-	-
Other Revenue	-	-	-	-
	9,154	**2,712**	**-**	**-**
Fund Transfers In From				
Redevelop Agency Operating Fund				
	-	**-**	**-**	**-**
Total Revenues	**9,154**	**2,712**	**-**	**-**
EXPENDITURES				
Expenditures				
Charges (to)/from other programs	-	-	-	-
Supplies & Services	40,000	56,797	96,000	96,000
Net Operating Expense	**40,000**	**56,797**	**96,000**	**96,000**
Total Expenditures	**40,000**	**56,797**	**96,000**	**96,000**
Net Change	**(30,846)**	**(54,085)**	**(96,000)**	**(96,000)**
Ending Working Capital Balance	**132,644**	**78,560**	**36,644**	**(17,440)**

FY 2019 Significant Budget Changes:

1. None

Neighborhood Promise Grant - Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance	**34,824**	**37,076**	**37,076**	**126,172**
REVENUES				
Revenue				
Grants	146,585	212,088		
Total Revenues	**146,585**	**212,088**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	114,226	76,625	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	11,329	24,740	-	-
Retiree Medical	2,355	3,270	-	-
PERS	16,423	18,358	-	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	144,332	122,993	-	-
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	-
Internal Service Fees	-	-	-	-
Project Expenditures	-	-	-	-
Capital	-	-	-	-
Net Operating Expense	-	-	-	-
Total Expenditures	**144,332**	**122,993**	**-**	**-**
Net Change	**2,253**	**89,096**	**-**	**-**
Ending Working Capital Balance	**37,076**	**126,172**	**37,076**	**126,172**

Information Technology - Internal Service Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Other Revenue	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	74,201	105,322	204,808	207,517
Overtime	2,440	2,787	-	-
Benefits				
Fringe Benefits	22,491	32,511	68,486	68,505
Retiree Medical	4,905	4,905	4,725	4,665
PERS	17,552	25,402	43,526	51,778
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	121,588	170,927	321,545	332,465
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	-
Internal Service Fees	3,682	5,532	5,611	5,273
Capital	-	-	-	-
Net Operating Expense	3,682	5,532	5,611	5,273
Total Expenditures	**125,270**	**176,459**	**327,156**	**337,738**
Information Tech Fund Subsidy	**125,270**	**176,459**	**327,156**	**337,738**

Successor Agency RDA Operating Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beg Working Capital Balance	**(7,569,998)**	**(6,377,517)**	**(6,377,517)**	**(2,358,362)**
REVENUES				
Fund Revenue				
Property Tax (80% Tax Increment)	6,427,560	9,068,664	5,409,245	5,409,245
Interest on Fund Balance	4,708	7,896	2,557	2,557
Principal	20,038	86,765	19,447	19,447
Success Agency Admin Allowance	-	-	250,000	250,000
School Impact Fee Reimb	662,954	391,012	326,906	326,906
Lease Pmt - Cinema Place	50,000	50,000	50,000	50,000
Other Revenue	1	106	-	-
	7,165,262	**9,604,443**	**6,058,155**	**6,058,155**
Fund Transfers In from				
Transf to Successor Agency RDA	-	-	-	-
Capital Transfer From General Fund	-	-	-	-
	-	**-**	**-**	**-**
Total Revenues	**7,165,262**	**9,604,443**	**6,058,155**	**6,058,155**
Fund Expenditures				
Salary				
Regular	155,089	153,633	164,460	173,195
Overtime	-	-	-	-
Benefits				
Fringe Benefits	20,822	42,791	44,287	45,225
Retiree Medical	3,270	3,270	3,150	3,110
PERS	25,741	35,954	33,227	45,195
Charges (to)/from other programs	-	-	(88,555)	(88,555)
Net Staffing Expense	**204,921**	**235,648**	**156,569**	**178,170**
Supplies & Services	135,813	253,966	205,736	205,736
Maintenance & Utilities	7,748	7,737	7,600	7,600
Loan Interest	2,145,837	1,917,093	1,550,975	1,500,975
Principal Retirement	1,835,000	2,035,000	1,685,000	1,735,000
Bond Issuance and Refunding Cost	-	295,998	-	-
Internal Service Fees	-	-	25,539	29,038
Net Operating Expense	**4,124,398**	**4,509,794**	**3,474,850**	**3,478,349**
Fund Transfers Out to				
Liability Insurance Premium	-	39,846	43,355	43,119
DS - 2004 HRA TABS Succ Agency	-	-	-	-
DS - 2006 HRA TABS Succ Agency	-	-	-	-
Housing Authority Transfer				
General Fund	-			
DDR Payment	-	-	-	-
Misc Trsfr - TABS Success Agency	-	-	-	-

Successor Agency RDA Operating Fund

Continued

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Transfer per Cooperative Agreement	1,643,462	800,000	800,000	800,000
	1,643,462	**839,846**	**843,355**	**843,119**
Total Expenditures	**5,972,781**	**5,585,288**	**4,474,774**	**4,499,638**
Net Change	**1,192,481**	**4,019,155**	**1,583,381**	**1,558,517**
Ending Working Capital Balance	**(6,377,517)**	**(2,358,362)**	**(4,794,136)**	**(799,845)**

FY 2019 Significant Budget Changes:

1. None

Economic Development-Economic Development Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance		**350,000**	**350,000**	**350,000**
REVENUES				
Revenue				
Transfers In	-	405,000	556,000	350,000
Interest Income		5,755	-	-
Total Revenues	**-**	**410,755**	**556,000**	**350,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	129,709	142,980
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	36,757	34,248
Retiree Medical	-	-	7,025	8,306
PERS	-	1,635	-	28,922
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**-**	**1,635**	**173,491**	**214,456**
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	350,000	350,000
Internal Service Fees	-	-	-	-
Capital Outlay	-	-	-	-
Net Operating Expense	**-**	**-**	**350,000**	**350,000**
Transfers Out		**350,000**	**-**	**3,508**
Total Expenditures	**-**	**351,635**	**523,491**	**567,964**
Net Change	**-**	**59,120**	**32,509**	**(217,964)**
Ending Working Capital Balance	**-**	**409,120**	**382,509**	**132,036**

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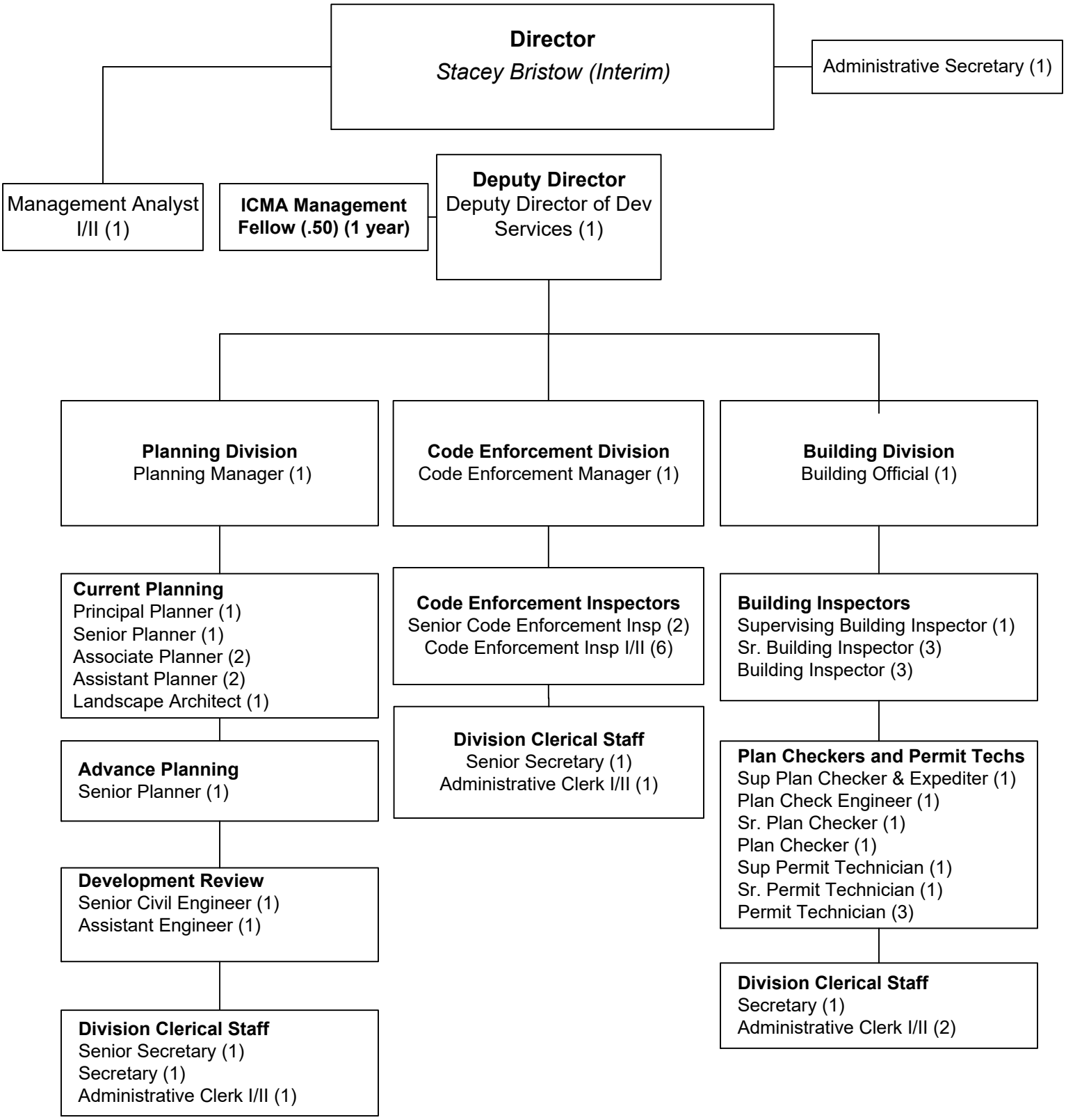
FY 2019 STAFFING
49.5 FTE

Development Services Department



DEVELOPMENT SERVICES DEPARTMENT

MISSION STATEMENT

The mission of the Development Services Department is to encourage and guide the process for well-designed, safe, and sustainable development that benefits the community consistent with City Council initiatives and General Plan policy; and to maintain and enhance the quality of life for Hayward's community through education, cooperation, and compliance with local and State regulations.

DEPARTMENT OVERVIEW

The Development Services Department is comprised of the Building, Planning and Code Enforcement Divisions and assists City Council through strong community interaction in planning and regulating development in Hayward to ensure the economic, aesthetic, and environmental health and a high quality of life for its community. Within a business-friendly and customer service-oriented environment, the Department staff seeks to protect the health and safety of the community through building inspection and enforcement of local, state, and federal standards and to work with community applicants to achieve high-quality development that will add value to the City of Hayward in accordance with goals and policies established in the Hayward General Plan.

DIVISION/PROGRAM SUMMARIES

Building Division

Within a customer-oriented culture, the Building Division reviews plans, approves and issues permits, and provides inspections for construction projects in conformance with Title 24 of the California Code of Regulations, including the California Building Code, Mechanical Code, Electrical Code, Plumbing Code and Green Building Standards Code, as adopted and amended by the City of Hayward City Council. The Building Division is committed to fulfilling the needs, protecting the lives and safety of the community of Hayward while preserving Hayward's quality of life and supporting vibrant economic development.

Planning Division

The Planning Division is responsible for implementing City policies that achieve the physical development of the City as envisioned by the General Plan, and for assuring that zoning and other municipal land use regulations are updated regularly in support of Council priorities and General Plan program implementation. The Planning Division also provides support to the Planning Commission, which serves as a decision-making body for various development proposals and as an advisory body to the City Council for legislative actions to help ensure that the Hayward General Plan and its policies are implemented. The Planning Division is comprised of:

The Current Planning Section, which in partnership with the community and applicants, reviews development applications associated with a wide variety of projects to ensure consistency with the City's General Plan and various regulations, including the Zoning Ordinance and Subdivision Ordinance, and in compliance with state and federal regulations, including the California Environmental Quality Act. The section also provides information about planning, land use/zoning, and landscape architecture requirements to the public. Also within the Current Planning Section is the Development Review Engineer and supporting staff, who in partnership with developers and builders, processes subdivision maps, property boundary adjustments, and provides basic engineering analysis on planning applications consistent with long-range plans and the direction of City Council. The Development Review Engineer also prepares annual budgets and recommended assessments each fiscal year for the City's landscape and lighting assessment district and maintenance districts.

The Advanced or Long-Range Planning Section provides innovative leadership in community long-range planning, completes special planning studies, and prepares recommendations to City Council for amendments to the General Plan, Zoning Ordinance, and other City regulations related to land use.

Code Enforcement

The Code Enforcement Division is responsible for responding to and resolving code violations on private properties throughout Hayward to ensure that the community remains clean and safe. Code Enforcement supports the Community Preservation Program, Residential Housing Inspection Program, which includes a Self-Certification sub-program, to safeguard the stock, sale, and sanitary conditions of rental units. The Tobacco Enforcement Program, Cannabis Inspection Program, Weed Abatement Program, Illegal Construction Program and the Mural Art Program are also managed by this Division.

DEVELOPMENT SERVICES DEPARTMENT

FY 2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals	Status
Department-Wide	1	Purchase and implement a new permit processing software, including with electronic plan submittal and review capabilities to expedite and improve efficiencies with the permitting processes and improve access to information for the public (General Plan Program ED-13).	**POSTPONED**
	2	Develop, implement and track results of customer service surveys (GP Program ED-12).	**CONTINUOUS** DSD strives to exceed customer expectations. This is achieved through CRM surveys H.E.A.R.T in-person conversations, and empathy outreach.
	3	Continue progress in process improvements through aggressive staff training, staff accountability, and use of technology.	**CONTINUOUS** Training and promoting self-development is on-going (Ex. 12 in house specialized trainings)
	4	Evaluate and determine reconfiguration (including technology) for first floor that includes Permit Center.	**IN PROGRESS** Request for Proposal completed. Field assessment in-process. Permit Center lean innovation pilot project to be completed by 3/31/18
Code Enforcement	5	Evaluate and Implement new ordinance/programs that may be adopted by City Council to support the Complete Communities and blight reductions initiatives (Examples include vacant property ordinances).	**ACHIEVED** Cannabis Ordinance, ADU Ordinance, Affordable Housing Ordinance and In-Lieu Fee Adopted
	6	Create and mail code enforcement outreach flyer to commercial and industrial properties, to include inspector information and land use issues (Phase 3 – Spring 2018).	**ACHIEVED** On-going operational process

DEVELOPMENT SERVICES DEPARTMENT

Division	#	FY 2018 Goals	Status
Code Enforcement	7	Continue to maintain customer service levels at Superior rating within *Access Hayward* surveys. **SURVEY CATEGORIES:** • Employee Effectiveness • Time to Respond • Employee Courtesy • Expectations Met	**ACHIEVED** Survey Period: *7/1/16 TO 6/30/17* • 1,216 Surveys • 295 Completed • 47% Response Rate • Of 1216 surveys 95% were rated above Average including a 55% Survey Ranking of "Superior Service"
Building	8	Complete development of a seismic soft-story retrofit program (General Plan Program HAZ-3).	**IN PROGRESS** It has been determined to proceed program development after conflicting rent stabilization concerns have been thoroughly reviewed. (Complete Community S.I.)
	9	Conduct a feasibility analysis of rainwater harvesting and graywater systems for new private developments (GP Program PFS-6).	**ACHIEVED** Ordinance adopted and implemented through inspection process.
	10	Develop for adoption an ordinance in response to AB1236 to help streamline processing of permits for electric vehicle charging stations.	**ACHIEVED** AB 1236 ordinance adopted and implemented.
	11	Develop and implement Supplement Inspection Program	**ACHIEVED** Program developed and implemented.

DEVELOPMENT SERVICES DEPARTMENT

Division	#	FY 2018 Goals	Status
Planning	12	Related to the Complete Communities Strategic Initiative Action Plan, initiate development of a comprehensive Unified Development Code, to include/address, but not be limited to: a. Comprehensive update to the Zoning Ordinance (Adopted General Plan Program LU-1) b. Comprehensive update to the Subdivision Ordinance (GP Program LU-2) c. Comprehensive update to the Off-Street Parking Regulations (GP Program M-20) d. Affordable housing on large sites incentives (GP Program H-11) e. Childcare services and facilities standards for new development (GP Program H-14) f. Public art ordinance/fee g. Small lot development standards h. Universal Design principles (GP Program H-16) i. Urban parks and recreation guidelines (GP Program HQL-7) j. Park dedication requirements and in-lieu fees revisions (GP Program HQL-8) k. Park dedication incentives program (GP Program HQL-9) l. Requirements for telecommunication technologies in new planned development (GP Program PFS-4) m. Undergrounding utilities regulations (GP Program PFS-7) n. Standards and incentives to ensure community benefits and sustainability features (e.g., solar PV systems) are integrated into projects to implement General Plan policies and Complete Communities goals	**IN PROGRESS** Staff resources currently working on these goals: f: Partnering with CSUEB, to perform empathy work j: Request for Proposal issued 2/7/18. **CONTINUED LACK OF FUNDING** Funding required to implement the following goals: a; b; c; d; e; g; h; I; j; k; l; m; n; Priority and funding requests for comprehensive Unified Development Code will continue forward to FY19
	13	Complete development of a Downtown Specific Plan and Code (GP Program LU-4) and Downtown Parking Management Plan (GP Program M-21).	**IN PROGRESS** Active development underway
	14	Complete comprehensive update of the Industrial Zoning District regulations (General Plan Program LU-11).	**IN PROGRESS** Active development underway
	15	Revise the City's two Form-Based Codes in order to better achieve goals and objectives of the General Plan and to improve the user-friendliness of the Codes.	**CONTINUED** Priority and funding request will continue forward to FY19
	16	Develop a Density Bonus Ordinance brochure to encourage developers to take advantage of that ordinance, which will result in more affordable housing construction (GP Program H-9).	**CONTINUED** Priority and funding request will continue forward to FY19
	17	Develop and implement expedited CEQA program through on-call consultant services	**ACHIEVED** Current agreements with five consultants

DEVELOPMENT SERVICES DEPARTMENT

FY 2018 DEPARTMENT PERFORMANCE METRICS

#	Performance Measures	Goal # or %	Status
1	Maintain next business day standard for building inspections	≥98%	99%
2	Work with staff from reviewing departments and outside consultants to meet established initial and subsequent review timelines for building permit applications (future enhancements anticipated with the implementation of new permitting software)	≥90%	0%
3	Work with staff from reviewing departments and consultants to meet established initial and subsequent review timelines for planning applications (future enhancements anticipated with the implementation of new permitting software)	≥90%	0%
4	Eliminate or reduce number of public hearings on same project/application(s) (does not include appeals)	≥90%	90%
5	Maintain established timelines for Code Enforcement inspections	≥80%	85%

FY 2019 KEY SERVICE GOALS AND METRICS

Division	#	FY 2019 Goals	FY 2019 Measures
Department-Wide	1	Complete lean innovation pilot project in Permit Center focused on customer wait-line management and operational improvements. Analyze pilot results, survey results, and staff input to determine if a pivot is required to resolve the problems, or determine next steps, toward implementing the solution	**Action Plan** Complete Project **Due Spring 2018** **Method to Measure Performance** Completed: Yes/No
	2	Utilizing the H.E.A.R.T. Project with Moves the Needle, implement lean innovation methodologies to find a resourceful, effective and sustainable solutions.	**Action Plan** 1) Complete action plan with priority items 2) Complete two H.E.A.R.T actions Due Fall 2018 **Method to Measure Performance** Completed: Yes/No

DEVELOPMENT SERVICES DEPARTMENT

Division	#	FY 2019 Goals	FY 2019 Measures
Department-Wide	3	Develop and implement department wide CPTED policy	**Action Plan** 1) Develop Policy 2) Policy Adoption Due Fall 2018 **Method to Measure Performance** Completed: Yes/No
Code Enforcement	4	**COMPLETE COMMUNITIES S.I.:** Continue code analysis to identify areas of improvement, possible consolidation, updates, modernize, and streamline. Perform jurisdictional research to potentially model after effective City ordinances. Develop and implement new innovative programs or ordinances that support Community Strategic Initiatives. (Example Vacant Property ordinance).	**Action Plan** 1) Perform jurisdictional research to potentially model after effective City ordinances 2) Assess community and feasibility impacts 3) Draft potential program/ ordinances for proposal. 4) Implement proposed program or ordinance **Method to Measure Performance** Completed: Yes/No
	5	Complete and mail Code Enforcement outreach flyer to commercial and industrial properties (Phase I by Summer 2018), to include inspector information and land use issues (Phase 2&3 - Winter 2019).	**Action Plan** 1) Identify target commercial/ industrial areas 2) Mail outreach flyer to commercial and industrial properties 3) Respond to customer inquiries regarding outreach and obtain feedback **Method to Measure Performance** Completed: Yes/No
	6	Maintain a combined customer service level of Exceeds or Met Expectations, at 80% or above within *Access Hayward* surveys **SURVEY CATEGORIES:** • Employee Effectiveness • Time to Respond • Employee Courtesy • Expectations Met	**Action Plan** 1) Monitor and review customer satisfaction survey ratings and comments 2) Address markers of areas of improvement, as identified **Method to Measure Performance** Completed: Yes/No

DEVELOPMENT SERVICES DEPARTMENT

Division	#	FY 2019 Goals	FY 2019 Measures
Building	7	Complete development of a seismic soft-story retrofit program (General Plan Program HAZ-3). Take a thoughtful and proactive consideration of how pass through costs may impact existing rents, while maintaining consistency with the overall goals of affordable housing availability based on the Complete Communities Strategic Initiatives.	**Action Plan** 1. Complete Seismic Soft-Story Retrofit Program 2. Assess to determine potential rent stabilization impact 3. No impact, update ordinances 4. Impact, reevaluate **Method to Measure Performance** Completed: Yes/No
	8	a. Continue to use Lean Innovative process to enhance customer service in the permit center regarding wait times. b. Establish counter rotation for plan checkers to accommodate over the counter plan check requests.	**Action Plan** **a.** 1. Complete lean innovation project 2. Determine average wait-time markers, for each division 3. Develop policy and promote development of division procedures **b.** 1. Create schedule that can accommodate an equitable rotation plan **Method to Measure Performance** Completed: Yes/No
	9	a. Maintain current level of customer service by providing next day inspections. b. Fill all vacant positions in order to fully staff the Building Division.	**Action Plan** 1. Evaluate FY18 inspection data to establish baseline 2. Determine feasibility to maintain a 90% threshold next day service (NDS) goal 3. If applicable, set stretch goals to meet 90% NDS 4. Staff all vacant positions **Method to Measure Performance** Completed: Yes/No

DEVELOPMENT SERVICES DEPARTMENT

Division	#	FY 2019 Goals	FY 2019 Measures
Planning	10	Related to the Complete Communities Strategic Initiative Action Plan, initiate development of a comprehensive Unified Development Code, to include/address, but not be limited to: a. Urban parks and recreation guidelines (GP Program HQL-7) b. Park dedication requirements and in-lieu fees revisions (GP Program HQL-8) c. Park dedication incentives program (GP Program HQL-9) Standards and incentives to ensure community benefits and sustainability features (e.g., solar PV systems) are integrated into projects to implement General Plan policies and Complete Communities goals	Action Plan **a, b, c (In Progress)** 1. Complete RFP selection and award process 2. Execute contract 3. Project manage nexus study 4. Adopt ordinance update **Method to Measure Performance** Completed: Yes/No
	11	Complete development of a Downtown Specific Plan and Code (GP Program LU-4) and Downtown Parking Management Plan (GP Program M-21).	**Action Plan** 1) Public Review Draft Specific Plan & Code **Due Summer 2018** 2) Final EIR & Mitigation Monitoring Plan **Due Summer 2018** 3) Hearing Draft Specific Plan & Code **Due Fall 2018** 4) Final Specific Plan, Code & EIR for Adoption **Due Winter 2018** 5) Final Adopted Specific Plan **Due Winter 2018** **Method to Measure Performance** Completed: Yes/No
	12	Complete comprehensive update of the Industrial Zoning District regulations (General Plan Program LU-11).	**Action Plan** 1. Complete update **Due Fall 2018** **Method to Measure Performance** Completed: Yes/No

DEVELOPMENT SERVICES DEPARTMENT

Division	#	FY 2019 Goals	FY 2019 Measures
Planning	13	Revise the City's two Form-Based Codes in order to better achieve goals and objectives of the General Plan and to improve the user-friendliness of the Codes.	**Action Plan** 1) Issue RFP 2) Incorporate completed DWTSP, Goal # 13 into process 3) RFP Review and Award Process 4) Contract Consulting Firm **Due Winter 2019** **Method to Measure Performance** Completed: Yes/No
	14	Develop a Density Bonus Ordinance brochure to encourage developers to take advantage of that ordinance, which will result in more affordable housing construction (GP Program H-9).	**Action Plan** 1) Create marketing materials to engage developers 2) Partner with Affordable Housing Manger to develop, tools to provide transparent economic thresholds to define affordability 3) Partner with CIO to create outward facing communication, to include web content 4) Partner with IT (GIS) to create density mapping **Due Fall 2018** **Method to Measure Performance** Completed: Yes/No

DEVELOPMENT SERVICES DEPARTMENT

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2019

- Addition of Management Fellow (1 Year) (0.5 FTE) – Shared position with the City Manager's Office

REVENUE INCREASE

The Building Division anticipates an increase of $30,000 in revenues due to the State mandated increase in CASp fees.

CERTIFIED ACCESS SPECIALIST (CASP) fee - $30,000

- Fee increase to $4 from $1 (charge per business licenses)
- The State requires that these fees are deposited into a separate account entitled: CASp Certification and Training Fund. These funds are also available to be used for community programs related to accessibility.
- **SENATE BILL 1186**
  January 1, 2018 through December 31, 2023, a four-dollar ($4) additional fee is to be paid by any applicant for a local business license, permit or similar instrument when it is issued or renewed. If no such instrument exists, the fee is to be paid by an applicant for a building permit. The fee is divided between the local entity that collected the funds, which retains 90 percent, and Division of State Architect (DSA), which receives 10 percent.

EXPENDITURES

CASp – Employee Training - $30,000

- Revenues collected through increase in Business License fee are to be used for training and certification

All Funds Summary - By Category

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
General Fund Revenue	6,216,339	8,724,980	7,646,500	7,780,000
Park Districts	2,235,906	1,971,856	2,235,906	2,235,906
Energy Efficiency Conservation Block Grant	-	-	-	-
	8,452,245	**10,696,836**	**9,882,406**	**10,015,906**
(Contribution)/Use of Fund Balance				
Park District Funds	402,910	(1,971,856)	402,910	402,910
	402,910	**(1,971,856)**	**402,910**	**402,910**
Fund Subsidy				
General Fund Subsidy	**220,278**	**535,555**	**1,079,890**	**1,430,760**
Total Revenues	**9,075,432**	**9,260,534**	**11,365,206**	**11,849,576**
EXPENDITURES				
Expenditures				
Salary				
Regular	3,280,702	4,285,966	5,015,400	5,094,073
Overtime	9,357	35,813	2,700	2,700
Target Savings	(16,296)	-	(324,328)	(353,258)
Benefits				
Fringe Benefits	678,445	938,731	1,194,350	1,226,107
Retiree Medical	64,991	79,707	76,782	78,917
PERS	764,907	1,010,680	1,047,250	1,285,965
Charges (to)/from other programs	(570,209)	(316,910)	(494,800)	(494,800)
Net Staffing Expense	**4,211,898**	**6,033,987**	**6,517,354**	**6,839,705**
Maintenance & Utilities	1,636	33,018	50,800	50,800
Supplies & Services	4,147,296	2,238,145	3,736,982	3,784,482
Internal Service Fees	714,603	955,384	885,070	1,174,589
Capital	-	-	-	-
Projects	-	-	-	-
Net Operating Expense	**4,863,535**	**3,226,547**	**4,672,852**	**5,009,871**
Transfers Out to Other Funds	**-**	**-**	**175,000**	**-**
Total Expenditures	**9,075,432**	**9,260,534**	**11,365,206**	**11,849,576**

All Funds Summary - By Program

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Administration	-	-	-	-
Building	5,421,862	6,023,213	5,761,000	5,883,000
Planning	794,476	1,045,105	786,500	796,500
Code Enforcement	-	1,656,661	1,099,000	1,100,500
Energy Efficiency Conservation Block Grant	-	-	-	-
Park Districts	2,235,906	1,971,856	2,235,906	2,235,906
	8,452,245	**10,696,836**	**9,882,406**	**10,015,906**
(Contribution)/Use of Fund Balance				
Park District Funds	402,910	(1,971,856)	402,910	402,910
	402,910	**(1,971,856)**	**402,910**	**402,910**
Fund Subsidy				
General Fund Subsidy	**220,278**	**535,555**	**1,079,890**	**1,430,760**
Total Revenues	**9,075,432**	**9,260,534**	**11,365,206**	**11,849,576**
EXPENDITURES				
Expenditures				
Administration	768,109	795,530	924,459	987,179
Building	3,767,509	4,256,113	3,392,052	3,814,368
Planning	1,900,999	2,470,943	2,643,482	2,582,230
Code Enforcement	-	1,737,948	1,766,397	1,826,982
Park Districts	2,638,816	-	2,638,816	2,638,816
Total Expenditures	**9,075,432**	**9,260,534**	**11,365,206**	**11,849,576**

Development Services Department

General Fund Summary

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Licenses & Permits	3,630,682	4,212,602	3,500,000	3,622,000
Fees & Service Charges	2,585,656	2,867,448	3,031,000	3,021,500
Code Enforcement Fees	-	519,015	350,000	350,000
Rental Inspection Fees	-	1,094,025	650,000	650,000
Other Revenue	0	31,890	115,500	136,500
Total Revenues	**6,216,339**	**8,724,980**	**7,646,500**	**7,780,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	3,280,702	4,285,966	5,015,400	5,094,073
Overtime	9,357	35,813	2,700	2,700
Target Savings	(16,296)	-	(324,328)	(353,258)
Benefits				
Fringe Benefits	678,445	938,731	1,194,350	1,226,107
Retiree Medical	64,991	79,707	76,782	78,917
PERS	764,907	1,010,680	1,047,250	1,285,965
Charges (to)/from other programs	(575,409)	(316,910)	(500,000)	(500,000)
Net Staffing Expense	**4,206,698**	**6,033,987**	**6,512,154**	**6,834,505**
Maintenance & Utilities	1,636	33,018	50,800	50,800
Supplies & Services	1,513,680	2,238,145	1,103,366	1,150,866
Internal Service Fees	714,603	955,384	885,070	1,174,589
Capital	-	-	-	-
Transfer Out			175,000	-
Net Operating Expense	**2,229,919**	**3,226,547**	**2,214,236**	**2,376,255**
Total Expenditures	**6,436,616**	**9,260,534**	**8,726,390**	**9,210,760**
General Fund Subsidy	**220,278**	**535,555**	**1,079,890**	**1,430,760**

Administration - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Other Revenue	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	521,844	522,488	618,546	629,404
Overtime	-	-	-	-
Benefits				
Fringe Benefits	74,154	73,785	125,769	138,744
Retiree Medical	6,540	6,540	6,300	7,775
PERS	120,468	124,131	120,163	154,095
Charges (to)/from other programs	-	(16,208)	-	-
Net Staffing Expense	**723,006**	**710,736**	**870,778**	**930,018**
Maintenance & Utilities	1,207	-	-	-
Supplies & Services	7,193	39,309	16,040	16,040
Internal Service Fees	36,703	45,485	37,641	41,121
Capital	-	-	-	-
Net Operating Expense	**45,103**	**84,794**	**53,681**	**57,161**
Total Expenditures	**768,109**	**795,530**	**924,459**	**987,179**
General Fund Subsidy	**768,109**	**795,530**	**924,459**	**987,179**

FY 2019 Significant Budget Changes:

1. Add Management Fellow (0.5 FTE)

Building - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Licenses & Permits	3,630,682	4,212,602	3,500,000	3,622,000
Fees & Service Charges	1,791,180	1,778,722	2,236,000	2,225,000
Other Revenue	0	31,890	25,000	36,000
Total Revenues	**5,421,862**	**6,023,213**	**5,761,000**	**5,883,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,514,452	1,597,806	1,922,726	1,918,889
Overtime	2,390	18,050	2,200	2,200
Target Savings	(16,296)		(324,328)	(251,190)
Benefits				
Fringe Benefits	391,547	394,609	454,213	505,200
Retiree Medical	31,883	31,883	30,713	30,323
PERS	349,053	377,050	387,081	491,189
Charges (to)/from other programs	-	(14,865)	-	-
Net Staffing Expense	**2,273,029**	**2,404,533**	**2,472,605**	**2,696,611**
Maintenance & Utilities	429	2,836	6,000	6,000
Supplies & Services	1,055,931	1,393,852	499,161	536,661
Internal Service Fees	438,119	454,892	414,286	575,096
Capital	-	-	-	-
Net Operating Expense	**1,494,479**	**1,851,580**	**919,447**	**1,117,757**
Total Expenditures	**3,767,509**	**4,256,113**	**3,392,052**	**3,814,368**
General Fund Subsidy	**(1,654,354)**	**(1,767,100)**	**(2,368,948)**	**(2,068,632)**

FY 2019 Significant Budget Changes:

1. None

Planning - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Fees & Service Charges	794,476	1,045,105	696,000	696,000
Other Revenue	-	-	90,500	100,500
Total Revenues	**794,476**	**1,045,105**	**786,500**	**796,500**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,244,405	1,218,462	1,478,887	1,550,823
Overtime	6,967	3,368	500	500
Target Savings				(30,760)
Benefits				
Fringe Benefits	212,743	241,776	386,064	332,715
Retiree Medical	26,569	23,299	22,444	23,714
PERS	295,386	284,826	331,292	390,135
Charges (to)/from other programs	(575,409)	(285,837)	(500,000)	(500,000)
Net Staffing Expense	**1,210,662**	**1,485,895**	**1,719,187**	**1,767,127**
Maintenance & Utilities	-	191	600	600
Supplies & Services	450,556	715,501	483,470	493,470
Internal Service Fees	239,781	269,356	265,225	321,033
Capital	-	-	-	-
Transfer Out	-	-	175,000	-
Net Operating Expense	**690,337**	**985,048**	**924,295**	**815,103**
Total Expenditures	**1,900,999**	**2,470,943**	**2,643,482**	**2,582,230**
General Fund Subsidy	**1,106,523**	**1,425,838**	**1,856,982**	**1,785,730**

FY 2019 Significant Budget Changes:

1. None

Park Districts - Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance	**2,577,257**	**2,174,347**	**2,174,347**	**4,146,203**
REVENUES				
Revenue				
Interest and Rents	-	-	-	-
Other Revenue	2,235,906	1,971,856	2,235,906	2,235,906
Total Revenues	**2,235,906**	**1,971,856**	**2,235,906**	**2,235,906**
EXPENDITURES				
Expenditures				
Salary	-	-	-	-
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	-
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	5,200	-	5,200	5,200
Net Staffing Expense	**5,200**	**-**	**5,200**	**5,200**
Supplies & Services	2,633,616	-	2,633,616	2,633,616
Net Operating Expense	**2,633,616**	**-**	**2,633,616**	**2,633,616**
Fund Transfers Out to Other Funds				
RDA TABS - Capital Fund	-			
Total Expenditures	**2,638,816**	**-**	**2,638,816**	**2,638,816**
Net Change	**(402,910)**	**1,971,856**	**(402,910)**	**(402,910)**
Ending Fund Balance	**2,174,347**	**4,146,203**	**1,771,437**	**3,743,293**

FY 2019 Significant Budget Changes

1. None

Code Enforcement - General Fund

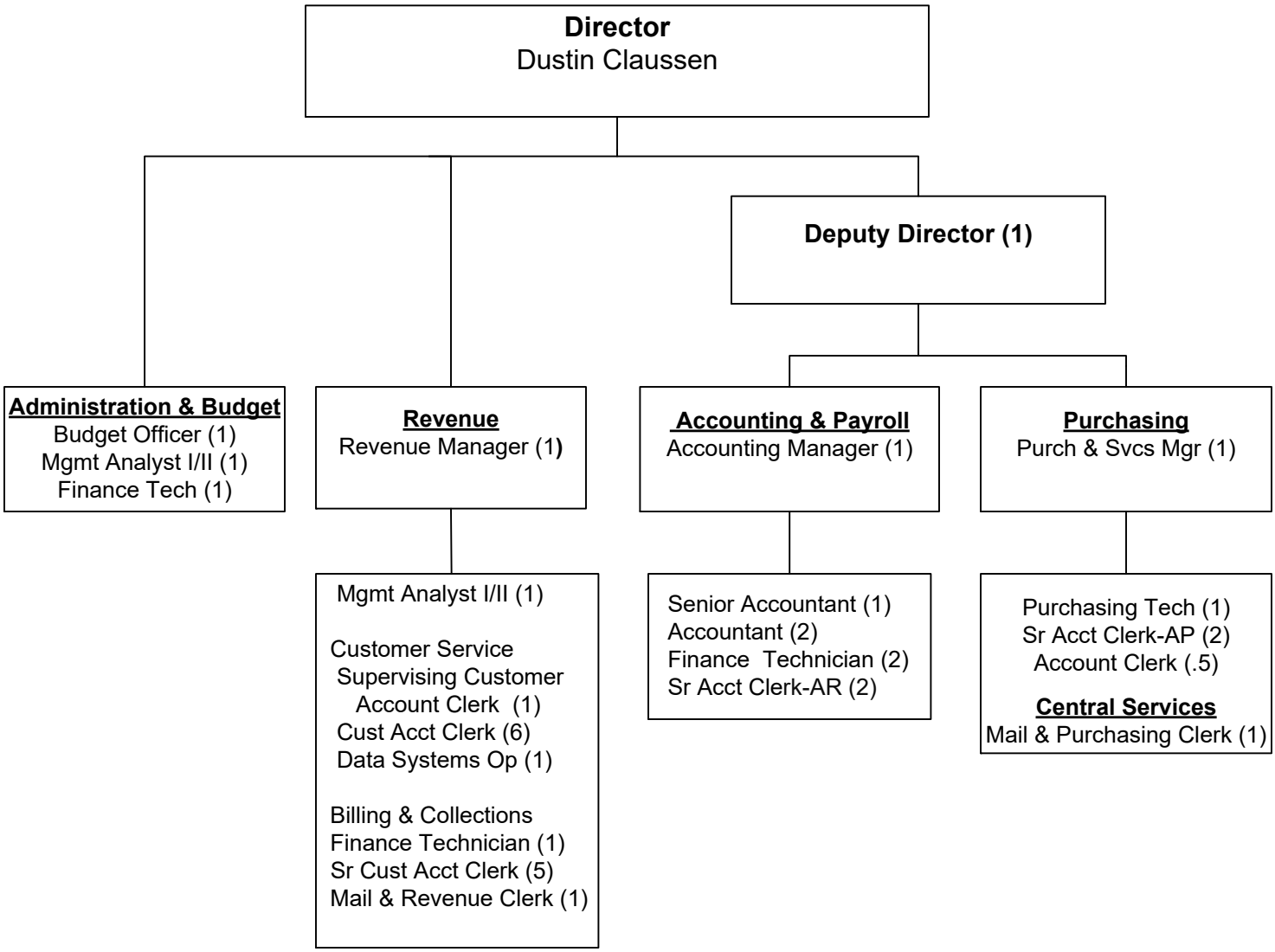
	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Code Enforcement Fees	-	519,015	350,000	350,000
Miscellaneous Fees	-	43,622	99,000	100,500
Rental Inspection Fees	-	1,094,025	650,000	650,000
Total Revenues	**-**	**1,656,661**	**1,099,000**	**1,100,500**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	947,209	995,241	994,957
Overtime	-	14,395	-	-
Target Savings				(71,308)
Benefits				
Fringe Benefits	-	228,561	228,304	249,448
Retiree Medical	-	17,985	17,325	17,105
PERS	-	224,674	208,714	250,546
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	-	1,432,824	1,449,584	1,440,748
Maintenance & Utilities	-	29,991	44,200	44,200
Supplies & Services	-	89,482	104,695	104,695
Internal Service Fees	-	185,651	167,918	237,339
Capital	-	-	-	-
Net Operating Expense	-	305,124	316,813	386,234
Total Expenditures	**-**	**1,737,948**	**1,766,397**	**1,826,982**
General Fund Subsidy	**-**	**81,287**	**667,397**	**726,482**

FY 2019 Significant Budget Changes:

1. None

FY 2019 STAFFING
35.5 FTE

Finance Department



FINANCE DEPARTMENT

MISSION STATEMENT

With core values of excellence, integrity, and dedication, the Finance Department is committed to providing accurate, transparent, complete and timely financial information to support City operations and the citizens of the community at large – while working to ensure Hayward's long-term fiscal stability.

DEPARTMENT OVERVIEW

The Finance Department provides fiscal oversight and management for the City and its various related organizations. The Department's primary functions and responsibilities are:

- Financial Reporting and oversite of various external audits
- Maintenance of the City's financial system of record
- Budgeting for City operations
- Compliance with applicable regulatory statutes and City policies
- Capital financing (debt) & portfolio management
- Administering the City's cash investment program
- Billing and collection for City-owned utilities
- Administration of the City's various tax programs
- Payroll administration
- Purchasing and procurement management and accounts payable processing

DIVISION/PROGRAM SUMMARIES

Administration & Budget Division

The Finance Department is the Chief Financial Officer of the municipal corporation. The Administration & Budget Division provides leadership, guidance on and creation of policy, and administrative support to all divisions within the department; as well as, fiscal support to all City departments. Program area responsibilities include managing the City-wide Operating Budget and Ten-Year Financial Plans; administration of the City's investment program; managing the City's capital financing portfolio; administration of the City's Utility Users Tax. The division provides support to the City Council Budget & Finance Committee, as well as the City's Deferred Compensation and Investment Advisory Committees; and critical support to the City's labor negotiations team. Another key program responsibility is managing and implementing the City's financial management system and related workflow processes.

Accounting & Payroll Division

Accounting oversees the City's general accounting functions, maintains the general ledger, and prepares internal and external financial reports and statements. The division also manages city-wide payroll, accounts receivable, banking, day to day cash management, records maintenance for the City's fixed assets, and administers the City's special assessment districts. Accounting

staff records all financial transactions in compliance with Generally Accepted Accounting Principles (GAAP) and are responsible for overseeing the City's financial and compliance audits performed by external auditors, as well as preparing the City's Comprehensive Annual Financial Report (CAFR).

Revenue Billing & Collections Division

The Revenue Division serves as the City's main switchboard and customer service center. Operational activities in the division include cashiering services, billing and revenue collection of various City taxes (Business License, Excise, Transient Occupancy, and Real Property Transfer) and City owned public utilities, issuance of various permits, administration of parking and administrative citations, and collection of City account receivables, and returned checks.

Purchasing and General Services Division

Purchasing oversees and supports procurement for all City materials, supplies, equipment, and professional & maintenance services. The City's Accounts Payable unit processes payments for vendors, employee reimbursements and retiree medical benefits. The division administers, prepares and makes payment on the City's contracts & purchase orders, and maintains vendor insurance, bonding, and all other procurement related documents. Accounts Payable staff processes all payments in compliance with Generally Accepted Accounting Principles (GAAP). Additionally, the division provides internal mail for most City facilities including the processing of over one million pieces of mail annually; manages contract-printing services for all City departments, provides shipping and receiving services, and assists to update and redesign City forms.

FINANCE DEPARTMENT

FY2018 KEY SERVICE GOALS/OBJECTIVES

Division	#	FY2018 Goals	Status
Administration and Budget	1	Draft and implement a citywide grants management policy.	**ACHIEVED**
	2	Update City's Cost Allocation Plan.	**ONGOING**
	3	Increase engagement with the City's budget and financial information across departments.	**ACHIEVED**
	4	Increase engagement with City Departments and the public.	**ONGOING**
	5	Roll-Out/Establish OpenGov External Site as an online program for public access to City financial data.	**ACHIEVED**
	6	Select banking services partner and as necessary, design and implement new banking program with all department stakeholders.	**ACHIEVED**
Payroll and Accounting	7	Meet federal, state and local financial reporting deadlines 100% of the time.	**ACHIEVED**
	8	Complete the annual audit processes and Comprehensive Annual Financial Report before December 15th of each year; complete federal Single Audit by March 31 of each year; submit and obtain the national GFOA award for financial reporting.	**ACHIEVED**
	9	Provide timely payment of City obligations, including payroll, benefits, taxes, contracts, vendors and debt service 100% of the time.	**ACHIEVED**
Revenue Billing and Collections	10	Continue working on a Business License Tax ordinance revision and update.	**ONGOING** Staff plans to engage a consultant to assist in developing an update to the City's Business License Tax ordinance in FY 2019.

Revenue Billing and Collections	11	Implement an online business license renewal system for 2018 business licenses.	**ACHIEVED** A more robust system will be put in place in FY2019 for better ease of use
	12	Conduct an audit of Hayward-based businesses, ensuring they are paying their proper taxes due.	**ACHIEVED** Audited 9 businesses and recovered $9,000 in additional fees. Due to the success of our trial, we will expand this process in FY2019.
	13	Maintain high collection rate with collection account ratio averaging greater than 90%.	**ACHIEVED** Collection rate was 93.1% for FY2017
	14	Maintain a record of 100% timely mailing of bills and collection notices.	**ACHIEVED** 100% of bills and collection notices were mailed timely within established guidelines.
	15	Conduct a Customer Appreciation Week, alongside a customer satisfaction survey.	**ONGOING** Project on hold to allow for capital improvements. We are hoping to accomplish this goal in FY2019.
	16	Complete an update of AR Collections Admin Rule 3.2.	**ACHIEVED**

FINANCE DEPARTMENT

Purchasing, Accounts Payable and General Services	17	Generate payments to vendors from paper checks to electronic payments (ACH).	**ONGOING** Tested pay types for employee reimbursements with success. Will roll out to vendors in FY 2019
	18	Draft and implement Emergency Procurement Policies & Guidelines.	**CONTINUED EFFORT NEEDED**
	19	Complete and implement the Accounts Payable and Purchasing Policies and Guidelines.	**CONTINUED EFFORT NEEDED**

FY 2018 DEPARTMENT PERFORMANCE METRICS

#	Performance Measure	Goal # or %	Status
1	Achieve a high rate of collections on all accounts invoiced/receivable.	90%	93%
2	Percentage of bills and collection notices mailed on time.	100%	100%
3	Number of Quarterly Budget Meetings held with each department.	3	2

FINANCE DEPARTMENT

FY 2019 KEY SERVICE GOALS AND METRICS

Division	#	FY 2019 Goals	FY 2019 Measures
Administration and Budget	1	Update City's Cost Allocation Plan.	Complete during FY 2019
	2	Increase engagement with City Departments and the public.	Launch two public informational videos on the status of City finances
	3	Launch OpenGov Budget Builder to enhance the budget process transparency, and increase staff involvement.	Complete implementation, and launch for FY 2020 budget process
Payroll and Accounting	4	Meet federal, state and local financial reporting deadlines.	100% of the time
	5	Complete the annual audit processes and Comprehensive Annual Financial Report (CAFR); complete federal Single Audit; submit and obtain the national GFOA award for financial reporting.	Complete the CAFR before December 15 and submit to GFOA before December 31 and the Single Audit by March 31
	6	Provide timely payment of City obligations, including payroll, benefits, taxes, contracts, vendors and debt service.	100% of the time
Revenue Billing and Collections	7	Implement credit-debit card surcharge for in-person transactions.	Defray burden on General Fund
	8	Implement the AMI customer web portal that will provide consumers with a view of their water usage online.	A 90% overall satisfactory rating in the ongoing Revenue Division customer service survey in one-year evaluation period
	9	Implement enhancements to the Revenue phone and in-person queue systems.	Ratio of number of customer complaints received to number of customers served during a one-year evaluation period does not exceed 10%

Revenue Billing and Collections	10	Maintain high collection rate with collection account ratio averaging greater than 90%.	A 10% decrease in the total amount of accounts received referred to an outside collection agency
	11	Maintain a record of 100% timely mailing of bills and collection notices.	Cost per account billed and collected
	12	Generate invoice and reimbursement payments from paper checks to electronic payments (ACH).	Complete implementation by Q4 of FY 2019
Purchasing, Accounts Payable and General Services	13	Finalize and implement Emergency Procurement Policies & Guidelines.	Complete implementation by Q2 of FY 2019
	14	Finalize and implement the Accounts Payable and Purchasing Policies and Guidelines.	Complete implementation by Q2 of FY 2019
	15	Clean up the vendor database for duplicates.	Complete project by Q4 of FY 2019

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY2019

- Purchase of HdL Business Licensing Software

All Funds Summary - By Category

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue and Transfers In From Other Funds				
General Fund Revenue	2,255,847	901,417	900,000	905,000
	2,255,847	**905,409**	**900,000**	**905,000**
Fund Subsidy				
General Fund Subsidy	2,206,218	4,528,603	3,935,812	4,191,564
Water Fund Subsidy	1,439,009	1,362,819	1,632,210	1,780,034
Information Tech Fund Subsidy	86,478	-	-	-
	3,731,705	**5,891,421**	**5,568,022**	**5,971,598**
Total Revenues	**5,987,553**	**6,796,830**	**6,468,022**	**6,876,598**
EXPENDITURES				
Expenditures By Category				
Salary				
Regular	2,848,219	2,928,443	3,128,840	3,249,873
Overtime	30,959	11,410	8,000	(6,000)
Targeted Savings			(63,116)	(89,190)
Benefits				
Fringe Benefits	546,277	545,806	606,333	628,323
Retiree Medical	56,653	56,652	55,440	54,736
PERS	624,969	644,106	661,151	847,687
Charges (to)/from other programs	-	(840)	-	-
Net Staffing Expense	**4,107,077**	**4,185,576**	**4,396,648**	**4,685,429**
Maintenance & Utilities	4,740	950	4,308	4,308
Supplies & Services	1,400,706	1,193,417	1,564,384	1,634,384
Internal Service Fees	475,029	515,470	502,682	552,477
Capital	-	-	-	-
Net Operating Expense	**1,880,476**	**1,709,837**	**2,071,374**	**2,191,169**
Total Expenditures	**5,987,553**	**5,895,413**	**6,468,022**	**6,876,598**
Net Change	**-**	**901,417**	**-**	**-**

All Funds Summary - By Program

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
General Fund	2,255,847	901,417	900,000	905,000
	2,255,847	**901,417**	**900,000**	**905,000**
Fund Subsidy				
General Fund Subsidy	2,206,218	4,528,603	3,935,812	4,191,564
Water Fund Subsidy	1,439,009	1,362,819	1,632,210	1,780,034
Information TechFund Subsidy	86,478	-	-	-
	3,731,705	**5,891,421**	**5,568,022**	**5,971,598**
Total Revenues	**5,987,553**	**6,792,838**	**6,468,022**	**6,876,598**
EXPENDITURES				
Expenditures By Program				
Administration	1,492,513	1,391,219	1,664,370	1,650,350
Accounting	1,331,842	1,376,092	1,457,302	1,536,388
Information Technology	86,478	-	-	-
Purchasing	691,778	807,565	735,233	782,180
Revenue	945,933	953,727	978,908	1,127,646
Utility Billing	1,439,009	1,366,811	1,632,210	1,780,034
Total Expenditures	**5,987,553**	**5,895,413**	**6,468,022**	**6,876,598**
Net Change	**-**	**(897,425)**	**-**	**-**

Finance - General Fund Summary

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Fees & Charges for Service	146,999	164,148	162,000	162,000
Intergovernmental	1,688,537	467,550	435,000	436,400
Fines & Forfeitures	243,040	123,023	130,000	130,000
Licenses & Permits	132,035	117,165	138,000	141,600
Other Revenue	45,237	29,531	35,000	35,000
Total Revenues	**2,255,847**	**901,417**	**900,000**	**905,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,124,828	2,166,708	2,337,918	2,415,330
Overtime	24,959	5,477	2,000	(12,000)
Targeted Savings			(63,116)	(89,190)
Benefits				
Fringe Benefits	356,919	367,335	413,373	423,637
Retiree Medical	38,096	38,749	38,194	37,709
PERS	449,175	473,279	510,268	619,486
Charges (to)/from other programs	-	(840)	-	-
Net Staffing Expense	2,993,977	3,050,708	3,238,637	3,394,972
Maintenance & Utilities	2,562	435	2,250	2,250
Supplies & Services	1,047,900	1,023,296	1,199,290	1,269,290
Internal Service Fees	417,626	454,164	395,635	430,052
Capital	-	-	-	-
Net Operating Expense	1,468,089	1,477,895	1,597,175	1,701,592
Total Expenditures	**4,462,066**	**4,528,603**	**4,835,812**	**5,096,564**
General Fund Subsidy	**2,206,218**	**4,528,603**	**3,935,812**	**4,191,564**

Administration - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Fees & Charges for Service	145,296	152,994	150,000	150,000
Intergovernmental	61,688	71,223	70,000	71,400
Licenses & Permits	113,487	113,364	120,000	123,600
Other Revenue	1,182	4,803	3,000	3,000
Total Revenues	**321,653**	**342,384**	**343,000**	**348,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	577,318	515,585	641,744	635,398
Overtime	-	-	-	-
Targets Savings			(63,116)	(89,190)
Benefits				
Fringe Benefits	92,295	78,068	104,413	95,725
Retiree Medical	7,766	7,766	7,560	7,464
PERS	120,331	100,260	134,622	154,419
Charges (to)/from other programs	-	(840)	-	-
Net Staffing Expense	797,710	700,838	825,223	803,816
Maintenance & Utilities	2,312	-	500	500
Supplies & Services	646,998	634,821	784,540	784,540
Internal Service Fees	45,493	55,559	54,107	61,494
Capital	-	-	-	-
Net Operating Expense	694,803	690,380	839,147	846,534
Total Expenditures	**1,492,513**	**1,391,219**	**1,664,370**	**1,650,350**
General Fund Subsidy	**1,170,860**	**1,048,835**	**1,321,370**	**1,302,350**

FY 2019 Significant Budget Changes:

1. None.

Accounting - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Other Revenue	3,366	5,755	2,000	2,000
Total Revenues	**3,366**	**5,755**	**2,000**	**2,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	692,968	749,699	767,567	812,000
Overtime	20,989	761	2,000	2,000
Benefits				
Fringe Benefits	145,981	159,839	162,995	178,413
Retiree Medical	13,080	13,080	12,600	12,440
PERS	156,532	175,577	203,115	210,807
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	1,029,551	1,098,956	1,148,277	1,215,660
Maintenance & Utilities	-	-	500	500
Supplies & Services	172,731	153,382	188,050	188,050
Internal Service Fees	129,560	123,754	120,475	132,178
Net Operating Expense	302,291	277,136	309,025	320,728
Total Expenditures	**1,331,842**	**1,376,092**	**1,457,302**	**1,536,388**
General Fund Subsidy	**1,328,476**	**1,370,337**	**1,455,302**	**1,534,388**

FY 2019 Significant Budget Changes:

1. None

Purchasing and Central Services - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Other Revenue	-			
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	434,865	449,471	465,281	471,388
Overtime	65	110		
Benefits				
Fringe Benefits	32,473	34,754	47,913	46,083
Retiree Medical	8,175	8,175	8,663	8,553
PERS	88,106	95,834	85,554	122,839
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	563,684	588,345	607,411	648,863
Maintenance & Utilities	250	435	1,250	1,250
Supplies & Services	(1,769)	66,602	(21,500)	(21,500)
Internal Service Fees	129,613	152,183	148,072	153,567
Net Operating Expense	128,094	219,220	127,822	133,317
Total Expenditures	**691,778**	**807,565**	**735,233**	**782,180**
General Fund Subsidy	**691,778**	**807,565**	**735,233**	**782,180**

FY 2019 Significant Budget Changes:

1. None

Revenue - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Licenses & Permits	18,548	3,801	18,000	18,000
Fees & Charges for Service	1,703	11,154	12,000	12,000
Intergovernmental	1,626,849	396,327	365,000	365,000
Fines & Forfeiture	243,040	123,023	130,000	130,000
Other Revenue	40,689	18,973	30,000	30,000
Total Revenues	**1,930,828**	**553,278**	**555,000**	**555,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	419,678	451,952	463,326	496,544
Overtime	3,904	4,605	-	(14,000)
Benefits				
Fringe Benefits	86,170	94,674	98,052	103,416
Retiree Medical	9,074	9,728	9,371	9,252
PERS	84,206	101,609	86,978	131,421
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	603,032	662,569	657,727	726,633
Maintenance & Utilities	-	-	-	-
Supplies & Services	229,941	168,490	248,200	318,200
Internal Service Fees	112,960	122,668	72,981	82,813
Capital	-	-	-	-
Net Operating Expense	342,901	291,158	321,181	401,013
Total Expenditures	**945,933**	**953,727**	**978,908**	**1,127,646**
General Fund Subsidy	**(984,896)**	**400,449**	**423,908**	**572,646**

FY 2019 Significant Budget Changes:

1. Purchase of Business License Software

Utility Billing - Enterprise Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Deposits and Other Revenue	-	3,992	-	-
Total Revenues	**-**	**3,992**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	657,477	761,735	790,922	834,543
Overtime	6,000	5,933	6,000	6,000
Benefits				
Fringe Benefits	185,531	178,471	192,960	204,686
Retiree Medical	16,922	17,903	17,246	17,027
PERS	160,692	170,827	150,882	228,201
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	1,026,622	1,134,868	1,158,011	1,290,457
Maintenance & Utilities	2,178	515	2,058	2,058
Supplies & Services	352,806	170,121	365,094	365,094
Internal Service Fees	57,403	61,306	107,047	122,425
Net Operating Expense	412,387	231,942	474,199	489,577
Total Expenditures	**1,439,009**	**1,366,811**	**1,632,210**	**1,780,034**
Water Fund Subsidy	**1,439,009**	**1,362,819**	**1,632,210**	**1,780,034**

FY 2019 Significant Budget Changes:

1. None

Information Technology - Internal Service Fund

	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
EXPENDITURES				
Expenditures				
Salary				
Regular	65,914	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	3,827	-	-	-
Retiree Medical	1,635	-	-	-
PERS	15,102	-	-	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	86,478	-	-	-
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	-
Internal Service Fees	-	-	-	-
Capital				
Net Operating Expense	-	-	-	-
Total Expenditures	**86,478**	**-**	**-**	**-**
Information Technology Fund Subsidy	**86,478**	**-**	**-**	**-**

FY 2019 Significant Budget Changes:

1. None

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FY 2019 STAFFING
146.5 FTE

Fire Department

Fire Chief
Garrett Contreras

Fire Services Supervisor (1)
Management Analyst I/II (1)
Senior Secretary (1)
Secretary (1)
Mail Clerk (.5)

Operations
Deputy Fire Chief (1)

Battalion 1

"A" Shift
Battalion Chief (1)
Captains (6)
Apparatus Operators (6)
Firefighters (9)

"B" Shift
Battalion Chief (1)
Captains (6)
Apparatus Operators (6)
Firefighters (9)

"C" Shift
Battalion Chief (1)
Captains (6)
Apparatus Operators (6)
Firefighters (8)

Battalion 2

"A" Shift
Battalion Chief (1)
Captains (5)
Apparatus Operators (5)
Firefighters (8)

"B" Shift
Battalion Chief (1)
Captains (5)
Apparatus Operators (5)
Firefighters (8)

"C" Shift
Battalion Chief (1)
Captains (5)
Apparatus Operators (5)
Firefighters (8)

Public Ed. Officer
Staff Captain (1)

EMS Coordinator
Registered Nurse (1)

Training Officer
Staff Battalion Chief (1)

Special Operations
Deputy Fire Chief (1)

Fire Prevention Office
Fire Marshal (1)

Inspectors
Staff Captain (2)
Fire Prevention Inspectors (2)

Permit Center
Fire Protection Engineer (1)
Senior Fire Services Tech (1)
Fire Services Tech I/II (1)
Administrative Clerk (1)

Hazardous Materials Program
Haz Mat Program Coor (1)
Environ Specialist (1)
Haz Mat Investigators (3)

HAYWARD FIRE DEPARTMENT

MISSION STATEMENT

The mission of the Hayward Fire Department is to protect lives and property by providing superior fire suppression and emergency medical services (EMS), supported by prevention through responsible and innovative regulatory and educational programs.

DEPARTMENT OVERVIEW

The Department is comprised of three divisions – Fire Administration, Operations, and Special Operations – further described below.

DIVISION/PROGRAM SUMMARIES

Fire Administration Division

The Fire Administration Division provides direction, leadership, financial oversight, and administrative support services for the Fire Department. Administration coordinates programs and service delivery with other City departments and jurisdictions, and analyzes and plans for the Department's long-range needs. The Division has technical responsibility for implementing disaster response and management training throughout the municipal organization. The Fire Chief serves as the chair of the Hayward Disaster Council.

This Division also administers the Fairview Fire Protection District (FFPD) agreement, with the Hayward Fire Chief serving as the FFPD Chief.

Operations Division

The Operations Division encompasses all suppression/EMS personnel and provides the community with exceptional all-risk emergency services to protect life and property from fire, explosion, hazardous materials, accidents, emergency medical incidents, and disasters. This Division is housed in nine fire stations throughout the community and the Fairview Fire District, along with a Training Center located adjacent to Fire Station 6.

These services include firefighting, both structural and wild land, vehicle extrication, high and low angle rescue, hazardous materials response, and First Responder Advanced Life Support (FRALS) delivery system with Firefighter-Paramedics. In addition, Operations Division staff conducts numerous public education visits, both in the Fire Stations and in the schools.

The Operations Division is divided into six separate organizational units referred to as battalions. Battalions are further divided into eleven firefighting teams called Fire Companies. A Fire Company assigned to a pumping engine is referred to as an Engine Company, while a Fire Company assigned to a ladder truck is referred to as a Truck Company.

HAYWARD FIRE DEPARTMENT

Special Operations Division

The Special Operations Division includes the Emergency Medical Services (EMS), Fire Prevention and Hazardous Materials programs. These programs are designed to protect life and property through prevention, preparedness, and inspection activities. Fire Prevention and Hazardous Materials are located within City Hall and coordinate closely with divisions of Development Services in plan check and development application processing.

Fire Prevention enforces the Uniform Fire Code and applicable State and Federal codes and standards for the purpose of preventing fires. This includes: enforcing the use of approved building fire protection devices; regulating storage and use of hazardous materials and operations; and maintaining warning devices, fire extinguishing equipment, and building exit systems. Fire Prevention also investigates the cause, origin, and circumstances of fires.

Hazardous Materials regulates the storage and use of hazardous materials in above ground facilities and underground storage tanks. This includes: plan checks and the inspection of new hazardous materials facilities; hazardous operations and soils and groundwater contamination cleanups; and routine oversight of hazardous materials facilities.

Staff also develops, coordinates, and delivers hazardous materials-related training and enforces the City's Hazardous Waste Minimization Ordinance to reduce the proliferation of hazardous waste generated by Hayward's industrial and commercial establishments. Staff works with industrial facilities to develop risk management prevention programs for their acutely hazardous materials processes and storage.

The EMS Program, located within the Training Center, oversees the timely and efficient delivery of Fire Department-provided emergency medical services to patients throughout Hayward.

The Training Division within Special Operations ensures that mandated training requirements are met, and also assists with the entry level firefighter testing process and promotional examinations.

Other specialized programs in Special Operations include tactical medics, water rescue, and urban search & rescue (USAR).

HAYWARD FIRE DEPARTMENT

FY 2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals	Status
Administration	1	Assist Public Works with the construction phase of the renovations to Fire Stations 1-5.	**IN PROGRESS** Scheduled for completion
	2	Assure personnel have adequate resources and training to mitigate an array of emergencies.	**CONTINUED EFFORT NEEDED** Working towards – underfunded
	3	Continue to provide for a professional representation of Department at schools, hospital, volunteer and professional functions.	**ONGOING** underfunded
	4	Continue with the analysis of service delivery for Fire House Clinic.	**IN PROGRESS** Partnership with Alameda County CAPE
	5	Expansion of services at Fire House Clinic by incorporating dental component.	**IN PROGRESS** Scheduled for completion
	6	Procurement and implementation of new emergency management system.	**ONGOING** – funded in the CIP
	7	In order to further the goals of the Department, staff will continue to maximize utilization of existing resources, in particular, leveraging public and private partnerships.	**IN PROGRESS** partnerships with TVHC and Chabot College
	8	Continue with data analysis and program evaluation as part of the Accreditation process.	**COMPLETED / ONGOING**
	9	Conduct one recruit academy in order to maintain full staffing capacities and control overtime expenses.	**COMPLETED**
	10	Continue to evaluate options to improve service delivery.	**IN PROGRESS** Likely recipients of access and refer pilot

HAYWARD FIRE DEPARTMENT

Division	#	FY 2018 Goals	Status
Operations	11	Assure that the Department maintains response times meeting the highest professional and "best practices" response times.	**COMPLETED / ONGOING**
	12	Maintain thorough training records - managed through web-based Target Safety program.	**COMPLETED / ONGOING**
	13	Hold classes and train personnel in CPR/AED; held 34 classes during calendar year 2017.	**COMPLETED**
	14	Continue to assist outside agencies with mutual aid assistance when needed; Fire personnel logged approximately 21,360 hours assisting other agencies with 21 out-of-area incidents in 2017.	**COMPLETED**
	15	Continue the highly successful Smoke Detector Program, which provided 96 smoke detectors to citizens in need during calendar year 2017.	**COMPLETED**
	16	Continue the process to implement new technologies to enhance incident mitigation and improve operational span of control. In coordination with the Information Technology Department and Definitive Networks, Inc. (DNI), conduct effectiveness and reliability review of connectivity. In addition, continue efforts to implement real-time performance dashboard. The dashboard was under design during FY 2017 and is expected to be completed by the end of FY 2018. Funding will be requested as part of the FY 2018 mid-year process in order to fully implement this New World Systems upgrade to the Enterprise Computer Aided Dispatch (CAD) program.	**DISCONTINUED** Due to lack of funding
	17	Review the performance of the existing emergency management system, which is through the vendor NC4 and better known as Code Red, and potentially upgrade or replace the system in the future.	**ONGOING** with consideration of joining the county system (Everbridge)

HAYWARD FIRE DEPARTMENT

Division	#	FY 2018 Goals	Status
Special Operations	18	Initiate a full, inter-agency field emergency management exercise.	**COMPLETED** **i**ntra-agency exercise in preparation for an inter-agency
	19	Establish a permanent static Emergency Operations Center (EOC) for City Hall personnel at the new training center, which is expected to commence construction by the end of FY 2018.	**IN PROGRESS** Construction of Training Center

HAYWARD FIRE DEPARTMENT

FY 2018 DEPARTMENT PERFORMANCE METRICS

#	Performance Measures	Goal # or %	Status
1	Assure that all City employees have received and maintain up-to-date the appropriate level of disaster response and management training.	100%	Met goal
2	Conducted one recruit academy in order to maintain full staffing capacities and control overtime expenses; graduated ten recruits to Fire Fighter.	1 academy/year	Exceeded goal
3	Response time to emergency calls for service – first arriving units and balance of assignment.	First arriving - less than 5 minutes 90% of time; balance of assignment – within 8 minutes	Met goal
4	Deliver Advanced Life Support (ALS) through Engine/Truck based Paramedics that assure a Paramedic on every piece of apparatus 24 hours a day, 7 days a week, 365 days per year.	100%	Met goal
5	Provide mandated and elective training to operations and regulatory personnel.	Operations – 144 hours/year per staff member; regulatory personnel – 100 hours/year per staff member	Met goal
6	Perform fire and hazardous material inspections in accordance with the Office of the State Fire Marshal.	Meet requirements of the Office of the State Fire Marshal	Met goal: 2,773 fire inspections and 647 hazardous materials inspections in 2017
7	Provide plan review with a turnaround time of current industry standards.	15 business day review time for all small to large projects and 25 days for very large or complex project	Meeting goal 95% of the time
8	Continue to provide disaster preparedness training and Community Emergency Response Team (CERT) training to bolster community state of readiness.	2 sessions/year	Met goal

HAYWARD FIRE DEPARTMENT

FY 2019 KEY SERVICE GOALS AND METRICS

Division	#	FY 2019 Goals	FY 2019 Measures
Administration	1	Create a timeline and interdepartmental staff team to work towards Center for Public Safety Excellence (CPSE) Accreditation.	Percent of milestones reached by deadline
	2	Track data and implement improvements to work towards Insurance Service Office (ISO) reclass.	Percent of milestones reached by deadline
	3	Pursue partnership with the Chabot-Las Positas Community College District for the Fire Training Center.	Percent of milestones reached by deadline
	4	Implement tenant improvements to the Firehouse Clinic.	Percent of milestones reached by deadline
Operations	5	Deliver emergency response to emergency calls for service within 5 minutes 90% of the time for first arriving and 8 minutes for balance of assignment.	Response times for first arriving and balance of assignment
	6	Ensure Advanced Life Support delivery by staffing a paramedic on every apparatus 24 hours a day.	Percent of hours with paramedic staffed per apparatus
	7	Conduct 144 hours of mandatory and elective training for each operations employee.	Hours of training per employee
	8	Assist Public Works with the construction phase of the renovations to Fire Stations 6 and the Fire Training Center.	Percent of milestones reached by deadline
	9	Reduce overtime usage to maintain budget neutrality and regularly monitor progress.	Non-mutual aid overtime cost
	10	Research and propose replacement for the station alerting system.	Percent of milestones reached by deadline

Special Operations	11	Implement assess and refer pilot for non-emergency calls.	Percent of incidents referred
	12	Conduct 100 hours of mandatory and elective training for each regulatory employee	Hours of training per employee
	13	Conduct fire and hazardous material inspections to the requirements of the Office of the State Fire Marshal	Percent of State requirements met
	14	Provide plan review with a turnaround time of current industry standards: 15 business day review time for small to large projects and 25 days for very large or complex project	Percent of plans within the industry standards
	15	Develop a program to integrate Neighborhood Emergency Response Teams (NERT) and host at least two Community Emergency Response Team (CERT) sessions	Percent of Hayward residents trained in CERT or NERT
	16	Research and propose tech platform for fire building inspections	Percent of milestones reached by deadline
	17	Increase the frequency of Personal Emergency Preparedness (PEP) classes	Number of class attendees per year
	18	Roll out 3Di web-based weed abatement inspection program to streamline inspections	Number of staff hours spent each year

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2019

- **Budget Neutral Change:** The Fire Department ran two Academies in FY18 to fill expected vacancies that will open during the time that the Fire Training Center is under construction. The Department is planning to add nine new positions in FY18 for the Fire Trainees who will graduate in June 2018. Over time, the new Firefighters will fill vacancies that arise from attrition. This request will be budget neutral because the new positions will result in a reduction in overtime costs. The Department will closely monitor and report on overtime reductions.

    - Add Firefighters (9.0 FTE)

- **Budget Neutral Change:** The Department is planning to reclass three administrative and technical positions in the Administration and Fire Prevention Divisions to better meet the everyday tasks and needs of the associated Divisions. This planned change will be budget neutral.

  - Delete Fire Technician (2.0 FTE)
  - Add Senior Fire Tech Services Tech (1.0 FTE)
  - Add Secretary (1.0 FTE)

- **Budget Neutral Change:** The Fire Department currently requests money annually through the CIP budget process for routine replacement and upkeep of everyday items like hose, apparatus appliances, turnouts, and rescue tools. Due to the nature of these purchases, the Department is requesting to move this funding to the City's Operating Budget. This move will make it easier to track all routine replacement and upkeep purchases in one place. This planned change will be budget neutral because it will create an equivalent reduction in the CIP annual budget.

Fire - General Fund Summary

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Licenses & Permits	1,215,493	1,414,125	1,630,000	1,678,900
Fees & Service Charges	1,320,786	1,499,119	1,368,432	1,368,432
Fairview FPD Reimbursement	2,772,587	2,847,984	2,847,321	2,904,267
EMS Reimbursement	630,887	385,592	300,000	306,000
Mutual Aid Reimbursement	1,064,334	438,184	720,000	734,400
Mt Eden Fire Services	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	**7,004,088**	**6,585,003**	**6,865,753**	**6,991,999**
EXPENDITURES				
Expenditures				
Salary				
Regular	18,846,487	18,928,034	19,154,171	21,071,298
Overtime	3,649,746	3,707,446	2,023,646	96,075
Vacancy Savings	-	-	(649,421)	(101,000)
Benefits				
Other Benefits	4,413,420	4,619,746	4,709,450	4,893,259
Retiree Medical	839,618	808,973	816,625	835,791
PERS	6,187,669	6,593,657	7,003,409	8,402,711
Charges (to)/from other programs	-	(1,267)	-	-
Net Staffing Expense	33,936,940	34,656,590	33,057,880	35,198,134
Maintenance & Utilities	45,025	37,169	45,200	45,200
Supplies & Services	673,666	566,726	601,272	758,272
Internal Service Fees	2,806,657	3,649,923	3,109,351	3,673,189
Capital	-	-	-	-
Net Operating Expense	3,525,348	4,253,819	3,755,823	4,476,661
Total Expenditures	**37,462,288**	**38,910,408**	**36,813,703**	**39,674,795**
General Fund Subsidy	**30,458,200**	**32,325,405**	**29,947,950**	**32,682,796**

General Fund - Summary By Program

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Administration	-	-	-	-
Special Operations	2,536,279	2,913,244	2,998,432	3,047,332
Operations	4,467,809	3,671,760	3,867,321	3,944,667
Total Revenues	**7,004,088**	**6,585,003**	**6,865,753**	**6,991,999**
EXPENDITURES				
Expenditures				
Administration	923,428	986,206	969,672	1,028,383
Special Operations	3,345,717	3,592,885	3,738,093	4,000,010
Operations	33,193,143	34,331,318	32,105,937	34,646,402
Total Expenditures	**37,462,288**	**38,910,408**	**36,813,703**	**39,674,795**
General Fund Subsidy	**30,458,200**	**32,325,405**	**29,947,950**	**32,682,796**

Administration - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Other Revenue	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	525,445	586,264	585,764	618,609
Overtime	3,120	2,601	-	-
Targeted Savings				(30,760)
Benefits				
Other Benefits	110,290	125,010	128,714	132,961
Retiree Medical	13,200	8,175	7,875	7,775
PERS	145,454	165,128	152,304	197,612
Net Staffing Expense	797,509	887,178	874,657	926,197
Maintenance & Utilities	-	-	-	-
Supplies & Services	28,197	25,536	30,100	30,100
Internal Service Fees	97,722	73,492	64,915	72,086
Capital	-	-	-	-
Net Operating Expense	125,919	99,028	95,015	102,186
Total Expenditures	**923,428**	**986,206**	**969,672**	**1,028,383**
General Fund Subsidy	**923,428**	**986,206**	**969,672**	**1,028,383**

FY 2019 Significant Budget Changes:

1. Delete Fire Service Technicians (2.0 FTE)
2. Add Sr. Fire Technician (1.0 FTE), and Secretary (1.0 FTE)

Special Operations General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Licenses & Permits	1,215,493	1,414,125	1,630,000	1,678,900
Fees & Service Charges	1,320,786	1,499,119	1,368,432	1,368,432
Other Revenue	-	-	-	-
Total Revenues	**2,536,279**	**2,913,244**	**2,998,432**	**3,047,332**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,830,065	1,887,354	2,143,700	2,188,775
Overtime	141,501	185,012	35,000	35,000
Benefits				
Other Benefits	456,477	490,973	579,708	558,819
Retiree Medical	58,474	57,004	59,281	61,711
PERS	574,410	616,856	628,784	754,275
Charges (to)/from other programs	-	(1,267)	-	-
Net Staffing Expense	3,060,926	3,235,932	3,446,473	3,598,580
Maintenance & Utilities	-	-	-	-
Supplies & Services	51,991	69,009	52,330	52,330
Internal Service Fees	232,800	287,943	239,290	349,100
Net Operating Expense	284,791	356,952	291,620	401,430
Total Expenditures	**3,345,717**	**3,592,885**	**3,738,093**	**4,000,010**
General Fund Subsidy	**809,438**	**679,641**	**739,661**	**952,678**

FY 2019 Significant Budget Changes:

1. None.

Operations - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Local Agency Reimbursement	2,772,587	2,847,984	2,847,321	2,904,267
EMS Reimbursement	630,887	385,592	300,000	306,000
Mutual Aid Reimbursement	1,064,334	438,184	720,000	734,400
Other Revenue	-	-	-	-
Total Revenues	**4,467,809**	**3,671,760**	**3,867,321**	**3,944,667**
EXPENDITURES				
Expenditures				
Salary				
Regular	16,490,977	16,454,416	16,424,707	18,263,914
Overtime	3,505,125	3,519,833	1,988,646	61,075
Vacancy Savings	-	-	(649,421)	(70,241)
Benefits				
Other Benefits	3,846,653	4,003,764	4,001,028	4,201,479
Retiree Medical	767,944	743,794	749,469	766,305
PERS	5,467,806	5,811,673	6,222,320	7,450,824
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	30,078,505	30,533,480	28,736,749	30,673,357
Maintenance & Utilities	45,025	37,169	45,200	45,200
Supplies & Services	593,478	472,181	518,842	675,842
Internal Service Fees	2,476,135	3,288,488	2,805,146	3,252,003
Capital	-	-	-	-
Net Operating Expense	3,114,638	3,797,838	3,369,188	3,973,045
Total Expenditures	**33,193,143**	**34,331,318**	**32,105,937**	**34,646,402**
General Fund Subsidy	**28,725,334**	**30,659,558**	**28,238,616**	**30,701,735**

FY 2019 Significant Budget Changes:

1. Add Fire Fighters (9.0 FTE)
2. Reduced overtime budget

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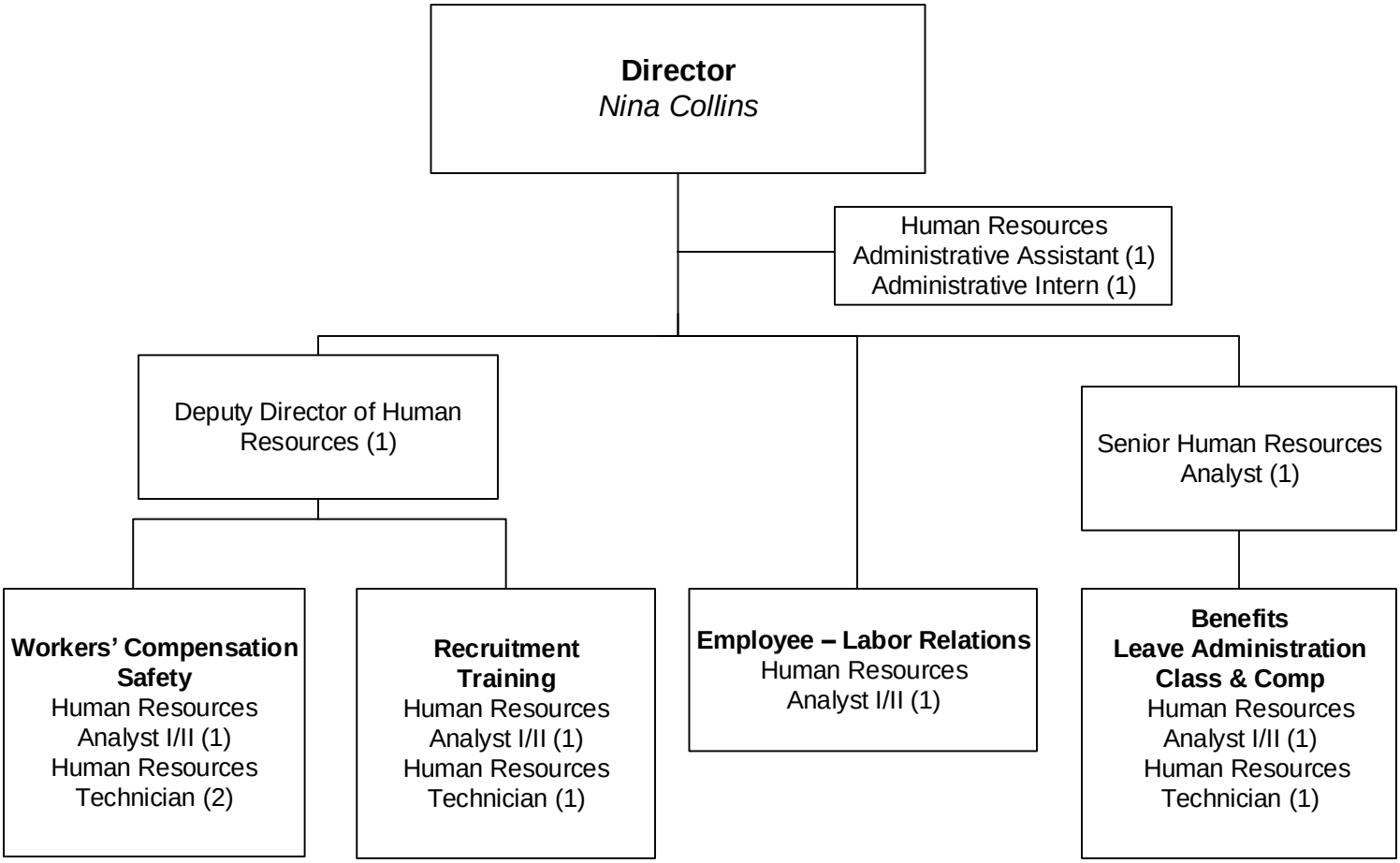
FY 2019 STAFFING
13.0 FTE

Human Resources Department



HUMAN RESOURCES DEPARTMENT

MISSION STATEMENT

The Human Resources Department strives to support City Council priorities and organizational business goals through continued partnerships with City of Hayward employees, bargaining units, and City leadership utilizing strategies designed to attract, develop, motivate, train, support and retain a diverse and efficient workforce within a transparent, flexible, safe, healthy, and productive service environment.

DEPARTMENT OVERVIEW

The Human Resources team serves the Hayward community's need for a diverse, well qualified, innovative, and high performing workforce through the development and implementation of strategies designed to maximize individual and organizational potential and promote a safe, healthy, and productive work environment. The Department serves as a strategic business partner to its internal and external customers and provides leadership, expertise, support, and guidance in the areas of Benefits Administration, Employee and Labor Relations, Workplace Safety, Workers Compensation, Employee Development and Training, Recruitment and Selection, and Classification and Compensation. The team prides itself on its honesty, flexibility, commitment to values and providing excellent customer service.

DIVISION/PROGRAM SUMMARIES

Benefits Administration

This Section entails the administration of competitive insured and self-insured employee benefit plans. Administration and oversight in this program area include verification of employee and dependent eligibility, new hire set-up, sponsoring and facilitating an annual open enrollment event, benefit contract management, COBRA administration, legal compliance, and daily support for employees, retirees, and eligible dependents.

Employee and Labor Relations

The Human Resources Department develops and maintains solid working relationships between the City's leadership, supervisors and managers, bargaining units, and employees. The Director serves as the Chief Negotiator for the City with all employee groups. In addition, the Human Resources team, in coordination with the Finance Department, provides essential and on-going support to the City Manager during contract negotiations including costing of contracts, development of contract language, high level analytical support, and process coordination. The Department is also responsible for performance management oversight, consultant support for matters related to employee discipline, and management support for matters related to the grievance process.

HUMAN RESOURCES DEPARTMENT

Workers Compensation and Leave Administration

This Section provides oversight of the City's Worker's Compensation and Leave Programs, which includes supporting and coordinating employee benefits, ensuring the City is in compliance with State and Federal law, facilitating training, ensuring injured employees receive timely and quality access to medical care, returning recovered employees to productive work in a sensitive, timely and productive manner, and providing efficient and high-quality service to employees.

Workplace Safety

This Section involves oversight and development of the City's Health and Wellness Program and the Injury and Illness Prevention and Protection Program and provides support and coordination with the various City Departments to develop and implement workplace safety initiatives.

Employee Development and Training

This Section provides organizational support related to identifying training needs and providing organization development opportunities. HR staff provides oversight and tracking of compliance training, coordinates and facilitates City-sponsored training events and administers the Educational Reimbursement Program, and succession planning efforts.

Recruitment and Selection

Through this Section, HR is responsible for assuring that a high-quality, technically competent pool of candidates is available to all hiring entities in the City in a timely and professional manner. The Section maintains a comprehensive program designed to provide support for internal and external recruitment efforts. It includes administration of online recruitment tools related to applicant tracking, test selection procedures, background checks, oversight and negotiation of job offers, new hire orientation, and an outreach program designed to attract and retain a diverse group of highly talented employees.

Classification and Compensation

This Section entails development, oversight, and maintenance of the City's Classification and Salary Plan, Memoranda of Understanding, and other employment-related contract administration.

HUMAN RESOURCES DEPARTMENT

FY 2018 KEY GOALS / OBJECTIVES

Division	#	FY 2018 Goals	Status
Benefits Administration	1	Complete RFP's in several key program areas that have not been bid on in five years or more including VEBA administration, Deferred Compensation, Recruitment Consultant and the Employee Assistance Program.	**IN PROGRESS** It is anticipated that the RFP's for the Deferred Compensation and EAP Program will be published by June 30, 2018. The VEBA and Recruitment Consultant RFP's will require additional resources alternatives.
Employee and Labor Relations	2	Negotiate successor agreements for the four bargaining units that have contracts that expire June 30, 2018. SEIU Clerical, SEIU Maintenance, IFTPE, Local 21, HAME.	**CONTINUED EFFORT NEEDED**
	3	In partnership with the City Manager's Office facilitate the 2017 employee engagement survey, communicate outcome, and assist with development and implementation of initiatives.	**IN PROGRESS** Survey launched and results will be available by April to be factored into FY 2019 executive performance plans and goals.
Recruitment and Selection	4	Complete the implementation of the new recruitment program (NeoGov), including the electronic processing of Human Resources hiring forms.	**ACHIEVED** NeoGov is fully implemented and all recruitment and temporary staffing forms are completed online.

HUMAN RESOURCES DEPARTMENT

FY 2018 ADDITIONAL ACCOMPLISHMENTS

1. Launched the City of Hayward Supervisor and Manager Training Academy.
2. Conducted City of Hayward's 2nd Employee Engagement Survey in partnership with City Manager's Office.
3. Improved the new employee onboarding process to include departmental check lists and 90 Day check in with new employees and the executive team to learn what is working and where improvement is needed.
4. Facilitated twenty-four (24) trainings including business writing, workplace harassment prevention health and wellness and supervisor and management courses.
5. Conducted forty-seven (47) recruitments, received and reviewed approximately 4,000 employment applications.
6. With the support of the Mayor, City Manager, and other City Department Directors and staff, hosted the City of Hayward's sixth annual "Take our Sons/Daughters to Work" Day.
7. Led discussion and facilitated the revision of the scope of the Personnel Commission and development of the FY 2018 and FY 2019 goals.
8. Facilitated two labor-management retreats
9. Transitioned administration of the City's Health & Wellness Reimbursement Program to WageWorks.
10. Initiated action to reduce the cost of workers compensation program by settling and closing out medical only claims, reducing exposure and future liability by over $100,000.

HUMAN RESOURCES DEPARTMENT

FY 2019 KEY SERVICE OBJECTIVES/GOALS

Division	#	FY 2019 Goals
Employee and Labor Relations	1	Update and revise the Personnel Rules.
	2	Facilitate cross departmental employee-management retreat.
Training and Development	3	Complete Citywide Training Needs Assessment.
Health and Wellness/Safety	4	In partnership with Public Works implement the recommendations of the 2017 Safety Gap Analysis.
	5	Update the City's Illness, Injury Prevention Program.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2019

- Addition of Human Resources Technician (1.0 FTE)

The Human Resources Department proposes the addition one (1) Human Resources Technician. This position will provide essential support to the department's operations supporting the Safety, Health and Wellness, Workers Compensation and Employee and Labor Relations functions. This position will be funded within the FY 2019 baseline budget and there is no request for additional funding.

All Funds Summary - By Category

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue and Transfers In from Other Funds				
General Fund Revenue	-	29	30,000	30,600
Worker's Compensation Fund	6,346,433	7,652,789	7,597,229	7,997,229
Employee Benefits Fund	3,191,374	3,276,349	4,165,475	4,409,784
	9,537,807	**10,929,168**	**11,792,704**	**12,437,613**
(Contributions)/Use of Fund Balance				
Worker's Compensation	(279,248)	(1,997,119)	(1,009,386)	(936,254)
Employee Benefits	-	(347,424)	(1,000,000)	(1,000,000)
	(279,248)	**(2,344,543)**	**(2,009,386)**	**(1,936,254)**
Fund Subsidy				
General Fund Subsidy	**1,430,880**	**1,711,749**	**1,924,550**	**2,118,031**
Total Revenues	**10,689,439**	**10,296,374**	**11,707,867**	**12,619,390**
EXPENDITURES				
Expenditures By Expense Category				
Salary				
Regular	908,150	1,165,675	1,231,231	1,410,673
Overtime	392	145	-	-
Benefits				
Fringe Benefits	183,924	174,190	303,502	377,875
Retiree Medical	17,985	17,985	17,325	18,663
PERS	206,172	266,567	243,226	332,136
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**1,316,622**	**1,624,561**	**1,795,284**	**2,139,347**
Worker's Compensation Expense	4,845,530	3,304,268	5,250,000	5,121,723
Retiree Medical Benefits	3,191,374	2,928,925	3,165,475	3,409,784
Maintenance & Utilities	1,357	912	1,100	1,000
Supplies & Services	967,687	2,407,143	1,268,538	1,690,638
Internal Service Fees	201,378	222,493	217,346	244,795
Capital	-	-	-	-
Net Operating Expense	**9,207,326**	**8,863,741**	**9,902,459**	**10,467,940**
Transfers Out To Other Funds	**165,491**	**10,101**	**10,124**	**12,103**
Total Expenditures	**10,689,439**	**10,498,404**	**11,707,867**	**12,619,390**
Net Change	**-**	**(202,030)**	**-**	**-**

Human Resources Department

All Funds Summary - By Program

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue and Transfers In from Other Funds				
General Fund	-	29	30,000	30,600
Worker's Compensation Fund	6,346,433	7,652,789	7,597,229	7,997,229
Employee Benefits Fund	3,191,374	3,276,349	4,165,475	4,409,784
	9,537,807	**10,929,168**	**11,792,704**	**12,437,613**
(Contributions)/Use of Fund Balance				
Worker's Compensation	(279,248)	(1,997,119)	(1,009,386)	(936,254)
Employee Benefits	-	(347,424)	(1,000,000)	(1,000,000)
	(279,248)	**(2,344,543)**	**(2,009,386)**	**(1,936,254)**
Fund Subsidy				
General Fund Subsidy	**1,430,880**	**1,711,749**	**1,924,550**	**2,118,031**
Total Revenues	**10,689,439**	**10,296,374**	**11,707,867**	**12,619,390**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds By Program				
HR - General Fund	1,430,880	1,711,778	1,954,550	2,148,631
Worker's Compensation	6,067,185	5,655,671	6,587,843	7,060,975
Employee Benefits	3,191,374	2,928,925	3,165,475	3,409,784
Total Expenditures	**10,689,439**	**10,296,374**	**11,707,867**	**12,619,390**
Net Change	**-**	**-**	**-**	**-**

Human Resources - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Medicare Part D Subsidy	-	29	30,000	30,600
Total Revenues	**-**	**29**	**30,000**	**30,600**
EXPENDITURES				
Expenditures				
Salary				
Regular	625,498	791,347	835,617	918,182
Overtime	392	145	-	-
Benefits				
Fringe Benefits	121,384	126,561	256,934	294,533
Retiree Medical	12,753	12,753	11,891	13,295
PERS	137,798	183,291	165,206	213,101
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**897,824**	**1,114,096**	**1,269,648**	**1,439,111**
Maintenance & Utilities	1,117	912	1,100	1,000
Supplies & Services	365,473	411,150	503,038	503,138
Internal Service Fees	166,466	185,619	180,764	205,382
Capital Outlay	-	-	-	-
Net Operating Expense	**533,056**	**597,681**	**684,902**	**709,520**
Total Expenditures	**1,430,880**	**1,711,778**	**1,954,550**	**2,148,631**
General Fund Subsidy	**1,430,880**	**1,711,749**	**1,924,550**	**2,118,031**

FY 2019 Significant Budget Changes:

1. None.

Worker's Compensation - Internal Service Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance	**(4,349,899)**	**(4,070,651)**	**(4,070,651)**	**(2,073,532)**
REVENUES				
Revenue				
Worker's Compensation Premium	6,346,433	7,652,789	7,597,229	7,597,229
	6,346,433	**7,652,789**	**7,597,229**	**7,597,229**
Fund Transfers In from				
General Fund / Enterprise Funds	-			400,000
Total Transfers In	**-**	**-**	**-**	**400,000**
Total Revenues	**6,346,433**	**7,652,789**	**7,597,229**	**7,997,229**
EXPENDITURES				
Fund Expenditures				
Salary				
Regular	282,652	374,327	395,614	492,491
Overtime	-	-	-	-
Benefits				
Fringe Benefits	62,540	47,629	46,568	83,342
Retiree Medical	5,232	5,232	5,434	5,368
PERS	68,374	83,276	78,021	119,035
Pension Expenses GASB68	-	(202,030)	-	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**418,798**	**308,435**	**525,637**	**700,236**
Worker's Compensation Expense	4,845,530	3,304,268	5,250,000	5,121,723
Maintenance & Utilities	240	-	-	-
Supplies & Services	602,214	1,995,993	765,500	1,187,500
Internal Service Fees	34,912	36,874	36,582	39,413
Net Operating Expense	**5,482,896**	**5,337,135**	**6,052,082**	**6,348,636**
Fund Transfers Out to				
General Fund - Cost Allocation	157,011	-	-	-
Liability Insurance Premium	8,480	10,101	10,124	12,103
Total Transfers Out	**165,491**	**10,101**	**10,124**	**12,103**
Total Expenditures	**6,067,185**	**5,655,671**	**6,587,843**	**7,060,975**
Net Change	**279,248**	**1,997,119**	**1,009,386**	**936,254**
Ending Working Capital Balance*	**(4,070,651)**	**(2,073,532)**	**(3,061,264)**	**(1,137,278)**

**Unfunded actuarial liability is included in balance*

FY 2019 Significant Budget Changes:

1. Add Human Resources Technician (1.0 FTE)
2. One-time increase to budget to improve workplace safety conditions

Employee Benefits - Internal Service Fund

	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance	**2,429,189**	**2,429,189**	**2,429,189**	**2,776,613**
REVENUES				
Revenue				
Interest	-	48,918	-	-
Other Revenue	-	(150)	-	-
Fire - Payroll Contribution	-	-	-	-
Retiree Medical Premium	3,191,374	3,227,581	3,165,475	3,409,784
	3,191,374	**3,276,349**	**3,165,475**	**3,409,784**
Fund Transfers In				
Transfer from General Fund	-		1,000,000	1,000,000
	-	**-**	**1,000,000**	**1,000,000**
Total Revenues	**3,191,374**	**3,276,349**	**4,165,475**	**4,409,784**
EXPENDITURES				
Expenditures				
Empl bene - 1909 1% Retiree Medical	-	-	-	-
Retiree Insurance Benefit	-	-	-	-
OPEB Unfunded Liability Expense	-	-	-	-
Admin Fee	-	-	-	-
Police	1,482,425	1,487,759	1,514,100	1,718,665
Fire	819,180	711,311	793,000	811,300
Misc	889,769	729,855	858,375	879,819
Retiree Medical Expense	**3,191,374**	**2,928,925**	**3,165,475**	**3,409,784**
Total Expenditures	**3,191,374**	**2,928,925**	**3,165,475**	**3,409,784**
Net Change	**-**	**347,424**	**1,000,000**	**1,000,000**
Ending Working Capital Balance	**2,429,189**	**2,776,613**	**3,429,189**	**3,776,613**

FY 2019 Significant Budget Changes:

1. None.

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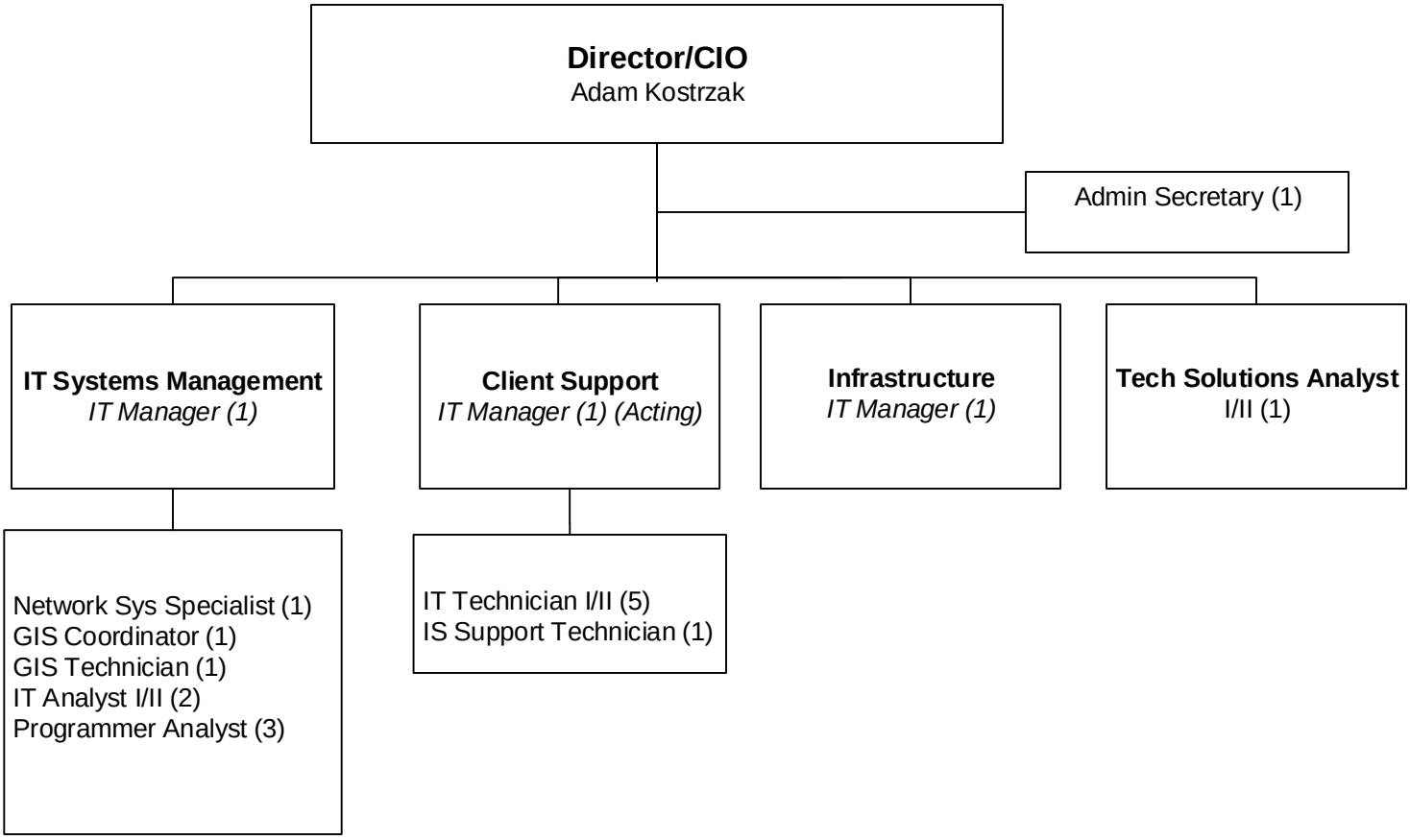
FY 2019 STAFFING
20.0 FTE

Information Technology Department



INFORMATION TECHNOLOGY DEPARTMENT

MISSION STATEMENT

Continuing with it's clear purpose and direction on our future, the Information Technology Department's vision is: *to be a leading digital and connected city.*

The Department's mission is: c*onnecting government and its residents through the use of innovative technology.*

This new vision and mission can only be achieved by focusing on its core key values which are:

- Be Change
- Be Open
- Build Community
- Own IT

DEPARTMENT OVERVIEW

To better meet the needs of the organization and improve services to our residents the Information Technology Department progresses along its three-year IT strategy that focuses on five key areas:

1. Upgrade of Infrastructure
2. Enhance Services
3. Cloud-First
4. Mobile Focused
5. Increase Security

Information Technology is a strategic civic enabler that works to maximize the efficiency of the City's IT Operations. We focus our resources on providing value to the organization and respond to today's ever changing civic environment. IT aligns with departments to prioritize, coordinate and implement innovative technology solutions. Industry best practices are utilized to provide high-quality, secure and reliable digital services to our residents.

DIVISION/PROGRAM SUMMARIES

As part of our ongoing transformation, the Information Technology Department restructured its divisions. This new structure encourages more cross collaboration to better align and support City departments. The divisions now include:

Infrastructure Division is the critical backbone to delivering both internal and external City services. It supports all hardware and software components that deliver City systems and IT-enabled processes. This includes the provisioning of all network, server, data, storage and telephony services.

IT Systems Management Division delivers mission critical enterprise level software application support to the City. This includes support of the City's Police and Fire Department's CAD (Computer

Aided Dispatch) and Fire/Police report writing databases. In addition, this division supports software applications and services used daily by the City including the Tyler Munis financial system and Geographic Information Systems (GIS) tools and databases.

Client Support Division provides high-quality, efficient, customer-focused technology support for City employees. This includes full support and maintenance of all City computers, tablets, smartphones, and peripherals and serves as a first point of contact for technology assistance.

FY 2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals	Status
Client Support	1	Complete the Upgrade of City desktop and notebook computers to the Windows 10 Operating System.	**IN PROGRESS** approximately 95% completed
	2	Replace aging audio video technology in the City's conference rooms to improve inter and intra department communication.	**COMPLETE**
	3	Deploy additional mobile devices to replace and augment traditional desktop computer technology, enabling staff to be more productive and responsive.	**IN PROGRESS** Mobility has increased; but not enough
	4	Deploy an Information Technology Help Desk ticketing and task management software to provide better customer service to the City.	**COMPLETE**
Systems Management	5	Upgrade Computer Aided Dispatch (CAD) to current vendor platform.	**IN PROGRESS** Infrastructure built, PM assigned, Build Team formed
	6	Upgrade Fire Department Telestaff fire shift scheduling software to the latest web-based, mobile-friendly product to improve ease of use on mobile devices.	**IN PROGRESS** Build Team formed and actively testing
	7	Ruggedized wireless router replacement for Patrol fleet.	**IN PROGRESS** 75% complete
	8	Analyze and assess current IT data security methodology and models in order to strengthen protection against potential data security threats.	**COMPLETE**

INFORMATION TECHNOLOGY DEPARTMENT

Division	#	FY 2018 Goals	Status
Infrastructure	9	Identify all systems eligible for cloud migration and begin transition of mapped systems.	**IN PROGRESS** 50% complete
	10	Build a secure, cloud-based environment to evaluate and test software and operating system upgrades and updates.	**COMPLETE**
	11	Upgrade end-of-life server infrastructure and storage infrastructure in city hall and police department data centers.	**IN PROGRESS** 75% complete
	12	Upgrade city hall server room uninterruptible power supply unit.	**IN PROGRESS** 25% complete
	13	Implement new Online Permitting solution for Development Service Department.	**ON HOLD** Until funded
	14	Replace City of Hayward's internal intranet with a current collaborative SharePoint environment.	**IN PROGRESS** 50% complete

FY 2018 DEPARTMENT PERFORMANCE METRICS

#	Performance Measures	Goal # OR %	Status
1	Completed helpdesk tickets.	7,000	**Not met** Transition to new system affected tracking
2	Percentage of city electronic data moved to the cloud.	50%	**Achieved**
3	Percentage of Police fleet upgraded to new communication technology.	75%	**Achieved**
4	Percentage of staff attending skill based improvement training	50%	**Achieved** 100% of staff received technical training
5	Five-year desktop computer replacement cycle. An adequate system refresh cycle enhances customer service by maintaining staff productivity.	Replace 20% of our desktop computers, maintaining the goal of a five year refresh cycle.	**Achieved** Laptop ratio still below goal
6	5-year server upgrade cycle.	Replace 20% of servers	**Achieved**

INFORMATION TECHNOLOGY DEPARTMENT

FY 2019 KEY SERVICE GOALS AND METRICS

Division	#	FY 2019 Goals	FY 2019 Measures
Client Support	1	Upgrade ruggedized MDCs for Police Department vehicles	% Complete
	2	Replace 50 traditional desktop computers with mobile solutions.	# Completed
	3	Deploy TechTeam ticket creation feature to internal City staff to empower user base and improve communication regarding ticket status	% Complete
	4	Publish 25 TechTeam knowledge base articles so that users may find answers to top tech team related issues.	# Completed
	5	Conduct interdepartmental cross training to include Library systems	% Complete
Systems Management	6	Upgrade Computer Aided Dispatch (CAD) to current vendor platform.	% Complete
	7	Create a GIS roadmap to prepare for and identify opportunities to improve applications and services	% Complete
	8	Update Munis to version 11.3 to enhance the current solution set and leverage new product features and tools	% Complete
Infrastructure	9	Develop Office 365 Current State report to target opportunities to increase efficiency and productivity	% Complete
	10	Execute 5-year server upgrade cycle	Replace 20% of servers
	11	Analyze and assess existing application workloads for cost or performance improvements. Build Cloud Adoption Roadmap with findings.	% Complete

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2019

- Transfer of Information Systems Support Technician from Library to IT (1.0 FTE)

Information Technology - Internal Service Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Information Technology Internal Srv Fee	6,284,692	6,538,462	6,417,138	7,708,214
Fund Interest	8,281	19,545	6,000	6,000
PEG Revenue	308,726	301,773	220,000	220,000
Other Revenue	20,700	20,700	32,000	32,000
Total Revenue	**6,622,399**	**6,880,480**	**6,675,138**	**7,966,214**
Fund Transfers In from				
General Fund				
Total Transfers In	-	-	-	-
Total Revenues	**6,622,399**	**6,880,480**	**6,675,138**	**7,966,214**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,819,642	2,025,831	2,286,540	2,448,015
Overtime	120,241	110,423	90,000	90,000
Benefits				
Fringe Benefits	352,451	375,577	467,647	527,132
Retiree Medical	34,335	34,335	33,075	34,210
PERS	412,138	464,197	460,454	604,589
Pension Expenses GASB68	-	(273,613)	-	-
Charges (to)/from other programs	-	-	-	-
Net Salary & Benefits	2,738,807	2,736,751	3,337,716	3,703,946
Maintenance & Utilities	1,047,857	2,116,651	2,171,176	1,756,826
Supplies & Services	495,314	436,108	635,053	1,140,229
Internal Service Fees	147,033	144,371	136,409	132,044
Debt Service CAD/RMS/ERP/Cisco	535,782	159,890	-	-
Capital	-	-	-	-
Net Operating Expense	2,225,986	2,857,020	2,942,638	3,029,099
Fund Transfers Out to				
General Fund - Cost Allocation	135,664	-	-	-
Fleet Replacement Capital Fund	-	-	-	-
Information Tech Capital Fund	605,984	614,719	622,104	630,000
Liability Insurance Premium	54,037	78,996	79,052	87,165
	795,685	**693,715**	**701,156**	**717,165**
Total Expenditures	**5,760,478**	**6,287,485**	**6,981,510**	**7,450,210**

Information Technology - Internal Service Fund

Continued

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Net Change	**861,921**	**592,995**	**(306,372)**	**516,004**
Other Dept Operating Costs (Finance Department, City Manager's Department)	**(216,830)**	**(350,786)**	**(327,156)**	**(337,738)**
Net IT Department Expenditures	**5,543,649**	**5,936,699**	**6,654,354**	**7,112,472**

FY 2019 Significant Budget Changes:

1. Information Systems Technician (1.0 FTE) moved to IT from Library and Community Services

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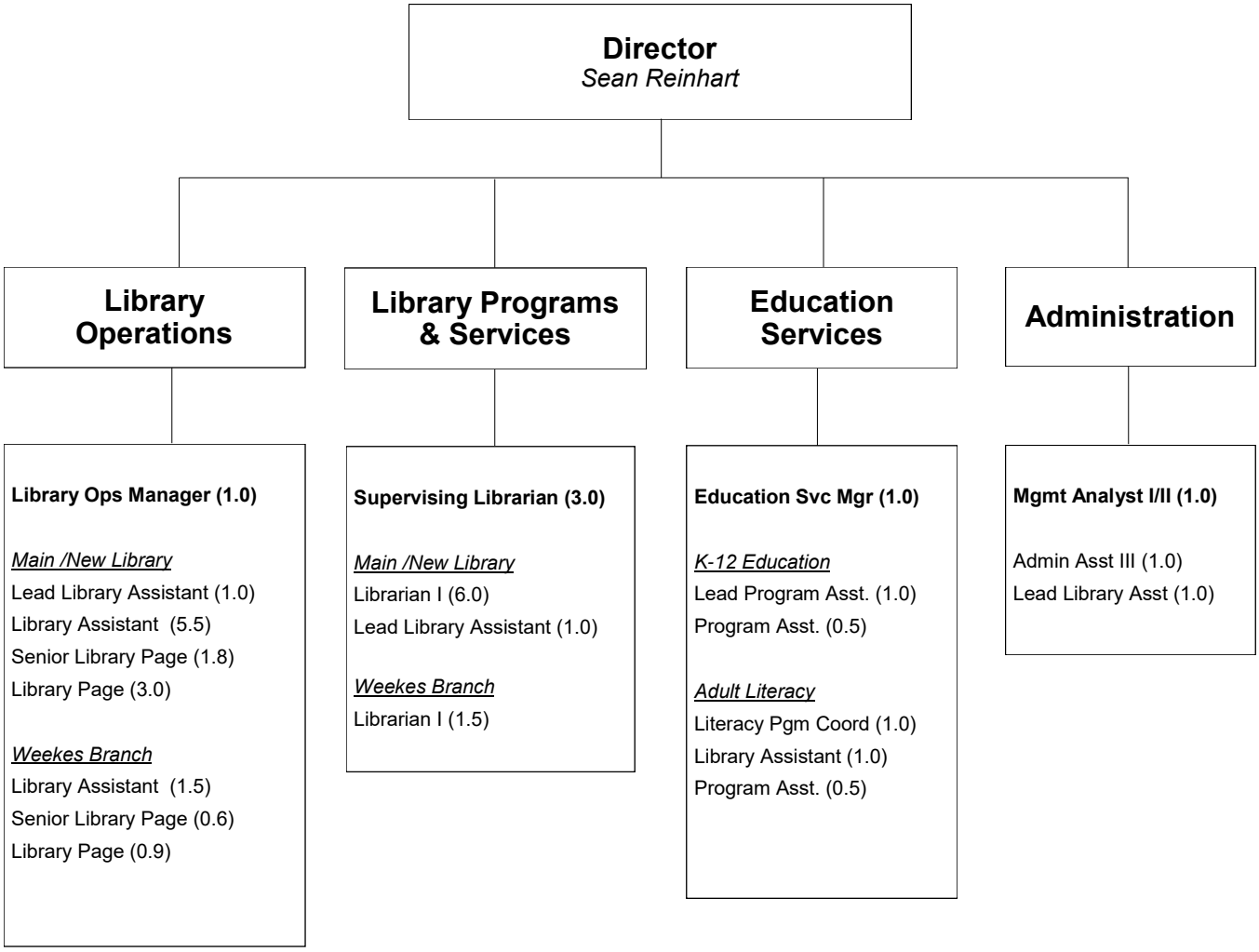
FY 2019 STAFFING
35.8 FTE

Library Department



LIBRARY DEPARTMENT

MISSION STATEMENT

The Library Department will deliver equal opportunity in education to Hayward residents, preserve and improve quality of life for all members of the community, and contribute to the ongoing health and success of a thriving Hayward.

DEPARTMENT OVERVIEW

The Library Department is responsible for:

- ✓ Public Library Operations including public access to books, media, and technology; community meeting and gathering spaces; and online resources;
- ✓ Library Programs and Services including innovative programs that respond to community needs and interests; information and referral services; and lifelong learning opportunities for every Hayward resident;
- ✓ Education Services including adult literacy training; academic tutoring for Hayward students K-12; and early childhood education and parenting programs; and
- ✓ Administration including leadership and management of department personnel, resources and operating budget; development of external resources including grants and volunteers to advance City goals and serve Hayward residents; and coordination of activities with other City departments and external agency partners.

DIVISION/PROGRAM SUMMARIES

Administration

Library Department Administration has the responsibility to:

- Deliver excellent customer service;
- Establish department vision, mission, goals, and performance measures;
- Develop and monitor department operating budget;
- Provide leadership and development of department personnel and programs;
- Execute, manage, and evaluate department programs and activities;
- Coordinate department activities with other City departments and external agency partners;
- Secure external resources including grants and volunteers to support City programs and services to achieve shared goals and better serve the Hayward community;
- Provide staff support to the Library Commission, Council Ad Hoc Youth Recognition Committee, and Hayward Youth Commission;
- Implement and achieve the organizational performance outcomes set forth by the City Manager, consistent with the core values of the City organization and Council; and
- Serve as the primary City – Community liaison for the department.

LIBRARY DEPARTMENT

Library Operations and Public Services

The Library Operations and Public Services Divisions have the responsibility to:

- Deliver excellent customer service;
- Manage two brick-and-mortar public library facilities and ten satellite service delivery locations;
- Organize and circulate the library's collection of books, media, and electronic resources;
- Provide lifelong learning and literacy programs to the Hayward community;
- Manage the library's website, social media presence, and digital media resources;
- Maintain the Integrated Library System patron and catalog records database; and
- Administer the billing and collection of library dues, fines, and fees.

Education Services

The Education Services Division has the responsibility to:

- Deliver excellent customer service;
- Support the efforts of local schools and institutions of higher learning to increase academic performance at all ages, especially among K-12 youth;
- Provide literacy tutoring to illiterate and low-literate Hayward adults;
- Conduct early childhood education and parenting programs to improve reading skills and kindergarten readiness among Hayward children ages 0-5; and
- Coordinate volunteer resources to effectively deliver the above outcomes.

FY2018 KEY SERVICE GOALS/OBJECTIVES

Division	#	FY2018 Goals	Status
Administration	1	Meet department budget and grant reporting deadlines 100% of the time	**ACHIEVED**
	2	Meet or exceed department service delivery outcomes 100% of the time	**ACHIEVED**
	3	Secure new external funding and volunteer resources of a total value at least 15% of total department General Fund budget	**ACHIEVED** External funding and volunteer resources were valued at 17% of Dept General Fund
	4	Receive feedback from the community that reflects above average customer satisfaction with department services 90% of the time	**ACHIEVED** Customer surveys in Access Hayward rated department services 94% "superior" or "good".

LIBRARY DEPARTMENT

Division	#	FY2018 Goals	Status
Library Operations & Public Services	5	Fulfill 90% of library patrons' materials requests within four business days	**ACHIEVED** No known instances of delayed materials requests occurred.
	6	Increase customer use of self-service payment systems to 30% of all library fines/fees payments	**ACHIEVED** Customer use of self-service payment systems reached 38% of all fines/fees paid.
	7	Receive quality feedback from customers and the community that reflects above average customer satisfaction with division services 90% of the time	**ACHIEVED** Customer surveys in Access Hayward rated department services 94% "superior" or "good".
Education Services	8	Improve student test scores in After School Homework Support Centers by 8%, reflecting accuracy and effectiveness of tutor training and instruction.	**ACHIEVED** Average student performance on academic tests improved 11% after ten visits to the After School Homework Support Center.
	9	Support 80% of adult literacy program clients to meet or exceed their annual personal literacy goals, reflecting accuracy and effectiveness of tutor training and instruction.	**ACHIEVED** 80% of literacy clients met one or more personal literacy goals.
	10	Receive quality feedback from customers and the community that reflects above average customer satisfaction with division services 90% of the time.	**ACHIEVED** Access Hayward surveys rated department services 94% "superior" or "good".

LIBRARY DEPARTMENT

FY 2018 DEPARTMENT PERFORMANCE METRICS

#	Performance Measure	Goal # or %	Status
1	Meet or exceed department service delivery outcomes 100% of the time	100%	100%
2	Secure external funding and volunteer resources of a total value at least 15% of total department General Fund budget	15%	17%
3	Receive feedback from the community that reflects above average customer satisfaction with department services 90% of the time	90%	94%
4	Maintain 100% compliance with federal and state program regulations, procurement regulations, labor standards regulations, and environmental review	100%	100%
5	Maintain 100% compliance with Alameda County Transportation Commission (ACTC) contract guidelines for Paratransit service performance and financial reporting	100%	100%

FY 2019 SERVICE OBJECTIVES/GOALS

Division	#	FY 2019 Goals	FY 2019 Measures
Library	1	Complete final phase of the 21st Century Library; open the new library/ learning center facility for public use; implement strategic operating plan for the new facility; achieve and sustain LEED Platinum and Net Zero Energy environmental performance certifications.	Complete during FY 2019
	2	Continue staff development and succession planning efforts through focusing on training and development of all staff to prepare for more substantive projects and leadership roles; leverage and maximize the community benefit of the new library/learning center and plaza; adapt to evolving funding priorities and processes at the federal, state, and local levels; and achieve multi-agency coordination to effectively address major regional issues like homelessness and housing affordability.	
	3	Lead and coordinate the City organization's role in the multiagency effort to develop, finance, build, and sustainably operate a new South Hayward Family Center facility to replace the outdated City-owned Eden Youth and Family Center facility. Coordinate closely with relevant stakeholders including the City Manager's Office, counterparts in Alameda County and H.A.R.D., facility operator, community-based organizations, and community members to achieve a successful and sustainable outcome for the South Hayward community, consistent with Council's core values and goals for thriving, complete communities.	

LIBRARY DEPARTMENT

Library	4	Meet or exceed department service delivery outcomes 100% of the time.	100% of the time
	5	Secure external funding and volunteer resources of a total value at least 15% of total department General Fund budget.	15%
	6	Receive feedback from the community that reflects above average customer satisfaction with department services 90% of the time.	90% of the time

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2019

- Transfer of Community Services and Housing Divisions into City Manager's Office
- Transfer of Information Systems Support Technician (1.0 FTE) into IT

All Funds Summary - By Category

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue and Transfers In From Other Funds				
General Fund Revenue	68,534	83,231	83,231	84,896
Community Development Block Grant	2,510,142	1,247,728	1,488,448	-
Housing Authority Fund	550,230	706,456	132,600	-
Affordable Housing Monitoring Fund	176,541	223,558	161,181	-
HOME Investment Prtnrshp Block Grant Pro	177,464	345,913	292,379	-
Paratransit Program Measure B	881,369	886,483	910,026	-
Paratransit Program Measure BB	-	788,756	774,793	-
Hayward Promise Neighborhood Grant	233,104	-	-	-
	4,597,385	**4,282,125**	**3,842,658**	**84,896**
(Contribution)/Use of Fund Balance				
Community Development Block Grant	(231,832)	222,927	208,663	-
Housing Authority Fund	(508,105)	(460,104)	77,113	-
Affordable Housing Monitoring Fund	(23,675)	(46,485)	276,456	-
HOME Investment Prtnrshp Block Grant Pro	(32,017)	2,476	96,000	-
Paratransit Program Measure B	(198,367)	(72,603)	423,001	-
Paratransit Program Measure BB	-	587,047	464,793	-
	(993,995)	**233,258**	**1,546,026**	**-**
Fund Subsidy				
General Fund Subsidy	**5,261,162**	**5,406,129**	**5,799,785**	**5,745,340**
Total Revenues	**8,864,551**	**9,921,512**	**11,188,469**	**5,830,236**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,869,284	2,978,703	3,479,558	2,665,878
Overtime	6,958	5,602	-	-
Benefits				
Fringe Benefits	556,517	542,911	760,872	523,519
Retiree Medical	62,621	59,678	56,700	52,560
PERS	624,444	636,579	642,147	670,838
Charges (to)/from other programs	50,982	289,453	(207,133)	(92,489)
Net Staffing Expense	**4,170,806**	**4,512,926**	**4,732,144**	**3,820,306**
Maintenance & Utilities	112,027	70,103	170,300	138,800
Supplies & Services	3,200,587	2,152,200	3,364,115	541,499
Grants	534,826	1,036,412	812,115	-
Internal Service Fees	806,183	845,422	960,646	1,361,682
Capital	-	-	50,000	-
Net Operating Expense	**4,653,622**	**4,104,137**	**5,357,176**	**2,041,981**

All Funds Summary - by Category

Continued	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Transfers to Other Funds	**29,049**	**95,684**	**169,563**	**-**
Total Expenditures	**8,853,478**	**8,712,747**	**10,258,883**	**5,862,287**
Net Change	**11,073**	**1,208,765**	**929,586**	**(32,051)**

All Funds Summary - By Program

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue and Transfers in from Other Funds				
General Fund Revenue	68,534	83,231	83,231	84,896
Community Development Block Grant	2,510,142	1,247,728	1,488,448	-
Housing Authority Fund	550,230	706,456	132,600	-
Affordable Housing Monitoring Fund	176,541	223,558	161,181	-
HOME Investment Prtnrshp Block Grant Pro	177,464	345,913	292,379	-
Paratransit Program Measure B	881,369	886,483	910,026	-
Paratransit Program Measure BB	-	788,756	774,793	-
Hayward Promise Neighborhood Grant	233,104	-	-	-
	4,597,385	**4,282,125**	**3,842,658**	**84,896**
(Contribution)/Use of Fund Balance				
Community Development Block Grant	(231,832)	(27,461)	208,663	-
Housing Authority Fund	(508,105)	(460,104)	77,113	-
Affordable Housing Monitoring Fund	(23,675)	(46,485)	276,456	-
HOME Investment Prtnrshp Block Grant Pro	(32,017)	2,476	96,000	-
Paratransit Program Measure B	(198,367)	(72,603)	423,001	-
Paratransit Program Measure BB	-	587,047	464,793	-
	(993,996)	**(17,130)**	**1,546,026**	**-**
Fund Subsidy				
General Fund Subsidy	**5,261,162**	**5,406,129**	**5,799,785**	**5,745,340**
Total Revenues	**8,864,551**	**9,671,124**	**11,188,469**	**5,830,236**
EXPENDITURES				
Expenditures and Transfers Out to Other Funds				
Administration	540,326	938,655	723,337	772,564
Library Services	4,047,225	3,827,929	3,600,403	4,491,845
Community Services	742,145	722,776	628,240	-
Education Services			931,037	565,827
Community Development Block Grant	2,278,310	1,470,654	1,697,111	-
Housing Authority Fund	42,125	246,353	209,713	-
Affordable Housing Monitoring Fund	152,867	177,073	437,637	-
HOME Investment Prtnrshp Block Grant Pro	145,447	348,389	388,379	-
Paratransit Program Measure B	683,003	813,880	1,333,027	-
Paratransit Program Measure BB	-	201,709	310,000	-
Hayward Promise Neighborhood Grant	240,458	-	-	-
Total Expenditures	**8,871,906**	**8,747,418**	**10,258,883**	**5,830,236**
Net Change	**(7,355)**	**923,706**	**929,586**	**-**

Library - General Fund Summary

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Library Fines	68,534	83,231	83,231	84,896
Grants	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	**68,534**	**83,231**	**83,231**	**84,896**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,407,020	2,551,890	2,919,062	2,665,878
Overtime	4,628	5,602	-	-
Targeted Savings				(32,051)
Benefits				
Fringe Benefits	484,671	486,760	631,089	523,519
Retiree Medical	54,446	51,503	48,825	52,560
PERS	515,984	535,333	546,229	670,838
Charges (to)/from other programs	-	-	(403,302)	(92,489)
Net Staffing Expense	3,466,748	3,631,088	3,741,903	3,788,255
Maintenance & Utilities	110,911	69,306	166,800	138,800
Supplies & Services	452,098	459,932	552,499	541,499
Grants	533,826	540,557	536,950	-
Internal Service Fees	766,113	788,476	884,864	1,361,682
Capital	-	-	-	-
Net Operating Expense	1,862,947	1,858,272	2,141,113	2,041,981
Total Expenditures	**5,329,696**	**5,489,360**	**5,883,016**	**5,830,236**
General Fund Subsidy	**5,261,162**	**5,406,129**	**5,799,785**	**5,745,340**

FY 2019 Significant Budget Changes:

1. The Community Services Division and Housing Division were transferred to the City Manager's Office

Administration - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Grants	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	300,671	524,176	451,287	451,464
Overtime	-	851	-	-
Benefits				
Fringe Benefits	68,403	132,397	112,725	117,052
Retiree Medical	6,540	10,628	7,088	6,220
PERS	65,256	123,089	93,366	113,006
Charges (to)/from other programs	-	-	(92,489)	(92,489)
Net Staffing Expense	440,871	791,142	571,977	595,253
Maintenance & Utilities	2,499	1,403	1,500	1,500
Supplies & Services	45,296	66,100	101,083	101,083
Internal Service Fees	51,660	80,010	48,777	74,728
Net Operating Expense	99,455	147,513	151,360	177,311
Total Expenditures	**540,326**	**938,655**	**723,337**	**772,564**
General Fund Subsidy	**540,326**	**938,655**	**723,337**	**772,564**

FY 2019 Significant Budget Changes:

1. None.

Library Services - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Library Fines	68,534	83,231	83,231	84,896
Grants	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	**68,534**	**83,231**	**83,231**	**84,896**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,976,208	1,884,649	1,863,336	1,852,265
Overtime	4,628	4,751	-	-
Benefits				
Fringe Benefits	395,337	336,636	356,319	324,464
Retiree Medical	44,636	37,605	34,650	42,452
PERS	420,792	411,410	333,200	462,512
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	2,841,600	2,675,052	2,587,505	2,681,693
Maintenance & Utilities	108,412	67,903	165,300	137,300
Supplies & Services	143,297	129,477	143,416	132,416
Books & Materials	263,505	264,356	308,000	308,000
Internal Service Fees	690,411	691,142	396,182	1,232,436
Net Operating Expense	1,205,625	1,152,878	1,012,898	1,810,152
Total Expenditures	**4,047,225**	**3,827,929**	**3,600,403**	**4,491,845**
General Fund Subsidy	**3,978,691**	**3,744,698**	**3,517,172**	**4,406,949**

FY 2019 Significant Budget Changes:

1. None.

Education Services - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
None	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular		1,910	337,137	362,149
Overtime			-	-
Targeted Savings				(32,051)
Benefits				
Fringe Benefits		459	101,394	82,003
Retiree Medical		-	3,938	3,888
PERS		92	65,690	95,320
Charges (to)/from other programs			-	-
Net Staffing Expense	-	2,462	508,159	511,309
Maintenance & Utilities	-	-		
Supplies & Services	-	-	-	-
Internal Service Fees		-	422,878	54,518
Net Operating Expense	-	-	422,878	54,518
Total Expenditures	**-**	**2,462**	**931,037**	**565,827**
General Fund Subsidy	**-**	**2,462**	**931,037**	**565,827**

FY 2019 Significant Budget Changes:

1. None

Community Services - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
None	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	130,141	143,064	267,302	-
Overtime	-		-	-
Benefits				
Fringe Benefits	20,931	17,727	60,651	-
Retiree Medical	3,270	3,270	3,150	-
PERS	29,936	834	53,973	-
Charges (to)/from other programs	-	-	(310,813)	-
Net Staffing Expense	184,278	164,895	74,263	-
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	-
Internal Service Fees	24,042	17,324	17,027	-
Grants	533,826	540,557	536,950	-
Net Operating Expense	557,868	557,881	553,977	-
Total Expenditures	**742,145**	**722,776**	**628,240**	**-**
General Fund Subsidy	**742,145**	**722,776**	**628,240**	**-**

FY 2019 Significant Budget Changes:

1. Program moved to the City Manager's Office.

Community Development Block Grant - By Category - Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance	**2,523,472**	**2,755,304**	**2,755,304**	**2,532,378**
REVENUES				
Revenue				
Grants	2,034,701	964,711	1,400,000	
Delayed Loan Payments	154,356	149,314	40,000	
Principal Payments	101,584	84,282	36,448	
Interest Earned	7,556	11,396	12,000	
Other Revenue	211,946	38,025	-	-
	2,510,142	**1,247,728**	**1,488,448**	**-**
Total Revenues	**2,510,142**	**1,247,728**	**1,488,448**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	133,616	114,946	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	21,510	-	-	-
Retiree Medical		-	-	-
PERS	32,748	27,716	-	-
Charges (to)/from other programs	47,566	272,239	257,345	
Net Staffing Expense	**235,440**	**414,901**	**257,345**	**-**
Maintenance & Utilities	-	-	-	-
Supplies & Services	1,290,855	33,435	156,529	
Internal Service Fees	-	-	-	-
Grants	745,737	1,008,850	1,283,237	
Net Operating Expense	**2,036,593**	**1,042,285**	**1,439,766**	**-**
Fund Transfers Out to				
Cost Allocation to General Fund	-	-	-	-
Liability Insurance Premium	6,277	13,468		
	6,277	**13,468**	**-**	**-**
Total Expenditures	**2,278,310**	**1,470,654**	**1,697,111**	**-**
Net Difference Gain (Use) of Fund Bal	**231,832**	**(222,927)**	**(208,663)**	**-**
Ending Working Capital Balance	**2,755,304**	**2,532,378**	**2,546,641**	**2,532,378**

FY 2019 Significant Budget Changes:

1. Program moved to the City Manager's Office.

Community Development Block Grant - By Program - Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance	**2,186,459**	**2,418,291**	**2,418,291**	**2,445,753**
REVENUES				
Revenue				
Community Development Block Grant	2,246,124	971,286	1,400,000	
Revolving Loan Program	158,756	187,979	40,000	
Small Business Revolving Loan	105,263	88,462	48,448	
Total Revenues	**2,510,142**	**1,247,728**	**1,488,448**	**-**
EXPENDITURES				
Expenditures				
Community Development Block Grant	2,246,717	971,281	1,386,030	
Revolving Loan Program	31,593	48,973	232,571	
Small Business Revolving Loan	-	200,013	78,510	
Total Expenditures	**2,278,310**	**1,220,266**	**1,697,111**	**-**
Net Difference Gain (Use) of Fund Bal	**231,832**	**27,461**	**(208,663)**	**-**
Ending Working Capital Balance	**2,418,291**	**2,445,753**	**2,209,628**	**2,445,753**

FY 2019 Significant Budget Changes:

1. Program moved to the City Manager's Office.

Measure B - Paratransit Program - Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance	**913,811**	**1,112,178**	**1,112,178**	**1,184,781**
REVENUES				
Revenue				
Interest	8,068	-	-	
Measure B	842,667	845,183	868,726	
Measure BB	-	-	-	
Other Revenue	30,635	41,300	41,300	
Total Revenues	**881,369**	**886,483**	**910,026**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	237,936	221,038	263,677	
Overtime	-	-	-	
Benefits				
Fringe Benefits	47,798	42,151	51,798	
Retiree Medical	4,905	4,905	4,725	
PERS	54,415	51,677	55,085	
Charges (to)/from other programs	-	-	(92,006)	
Net Staffing Expense	**345,054**	**319,771**	**283,279**	**-**
Maintenance & Utilities	1,116	796	3,500	
Supplies & Services	295,672	387,988	888,050	
Internal Service Fees	24,042	46,440	58,755	
Capital	-	-	50,000	
Net Operating Expense	**320,830**	**435,224**	**1,000,305**	**-**
Fund Transfers Out				
Cost Allocation to General Fund	11,466	48,784	39,319	
Liability Insurance Premium	5,653	10,101	10,124	
Total Transfers Out	**17,119**	**58,885**	**49,443**	**-**
Total Expenditures	**683,003**	**813,880**	**1,333,027**	**-**
Net Difference Gain (Use) of Fund Balance	**198,367**	**72,603**	**(423,001)**	**-**
Ending Working Capital Balance	**1,112,178**	**1,184,781**	**689,177**	**1,184,781**

FY 2019 Significant Budget Changes:

1. Program moved to the City Manager's Office

Measure BB - Paratransit Program - Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance	**-**	**533,996**	**533,996**	**1,121,043**
REVENUES				
Revenue				
Interest	-	12,222	-	-
Measure BB	751,586	776,534	774,793	-
Other Revenue	-	-	-	-
Total Revenues	**751,586**	**788,756**	**774,793**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	-
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**-**	**-**	**-**	**-**
Maintenance & Utilities	-	-	-	-
Supplies & Services	217,590	201,709	310,000	
Internal Service Fees	-	-	-	-
Capital	-	-	-	-
Net Operating Expense	**217,590**	**201,709**	**310,000**	**-**
Fund Transfers Out				
Cost Allocation to General Fund	-	-	-	-
Liability Insurance Premium	-	-	-	-
Total Transfers Out	**-**	**-**	**-**	**-**
Total Expenditures	**217,590**	**201,709**	**310,000**	**-**
Net Difference Gain (Use) of Fund Balance	**533,996**	**587,047**	**464,793**	**-**
Ending Working Capital Balance	**533,996**	**1,121,043**	**998,789**	**1,121,043**

FY 2019 Significant Budget Changes:

1. Program moved to the City Manager's Office

Hayward Promise Neighborhood Grant - Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Project Revenue	770	-	-	-
Grant	232,334	-	-	-
Total Revenues	**233,104**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	-
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	-	-	-	-
Supplies & Services	240,458	-	-	-
Capital	-	-	-	-
Projects (Grants and Loans)	-	-	-	-
Net Operating Expense	240,458	-	-	-
Total Expenditures	**240,458**	**-**	**-**	**-**
Net Change	**7,355**	**-**	**-**	**-**

FY 2019 Significant Budget Changes:

1. N/A

Housing Authority Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beg Working Capital Balance	**6,753,430**	**7,261,535**	**7,261,535**	**7,721,639**
REVENUES				
Revenue				
Fund Interest	47,694	87,674	10,000	
Interest Income	49,688	290,422	43,600	
Principal Income	451,645	328,085	79,000	
Other Revenue	1,203	275	-	-
	550,230	706,456	132,600	-
Fund Transfers In From				
Rt 238 Admin Fund	-	-	-	-
Successor Agency	-	-	-	-
Total Transfers In	-	-	-	-
Total Revenues	**550,230**	**706,456**	**132,600**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	9,461	12,122	-	
Overtime	46	-	-	
Benefits				
Fringe Benefits	1,193	1,534	-	
PERS	2,315	2,877	-	
Charges (to)/from other programs	-		120,316	
Net Staffing Expense	**13,015**	**16,534**	**120,316**	**-**
Supplies & Services	29,110	26,927	85,500	
Grants & Loans	-	199,351	-	-
Net Operating Expense	**29,110**	**226,278**	**85,500**	**-**
Fund Transfers Out				
General Fund-Cost Allocation	-	3,541	3,897	
Total Transfers Out	**-**	**3,541**	**3,897**	**-**
Total Expenditures	**42,125**	**246,353**	**209,713**	**-**
Net Difference Gain (Use) of Fund Bal	**508,105**	**460,104**	**(77,113)**	**-**
Ending Working Capital Balance	**7,261,535**	**7,721,639**	**7,184,422**	**7,721,639**

FY 2019 Significant Budget Changes:

1. Program moved to the City Manager's Office.

Affordable Housing Monitoring Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beg Working Capital Balance	**907,642**	**931,317**	**931,317**	**977,801**
REVENUES				
Revenue				
Interest Income	13,512	13,702	5,500	
Mortgage Bonds Admin Fee	163,029	209,856	155,681	
Total Revenues	**176,541**	**223,558**	**161,181**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	81,251	78,707	296,819	
Overtime	2,285	-	-	
Benefits				
Fringe Benefits	1,345	12,465	77,985	
Retiree Medical	3,270	3,270	3,150	
PERS	18,983	18,976	40,833	
Charges (to)/from other programs	1,708	-	(106,700)	
Net Staffing Expense	**108,841**	**113,418**	**312,087**	**-**
Supplies & Services	22,345	33,360	88,300	
Internal Service Fees	16,028	10,506	17,027	
Net Operating Expense	**38,373**	**43,866**	**105,327**	**-**
Fund Transfers Out				
General Fund-Cost Allocation	-	13,056	13,474	
Liability Insurance Premium	5,653	6,734	6,749	
MISC Transfer Out to Other Depts	-	-	-	-
Total Transfers Out	**5,653**	**19,790**	**20,223**	**-**
Total Expenditures	**152,867**	**177,073**	**437,637**	**-**
Net Difference Gain (Use) of Fund Bal	**23,675**	**46,485**	**(276,456)**	**-**
Ending Working Capital Balance	**931,317**	**977,801**	**654,861**	**977,801**

FY 2019 Significant Budget Changes:

1. Program moved to the City Manager's Office

HOME Investment Partnerships Block Grant Program

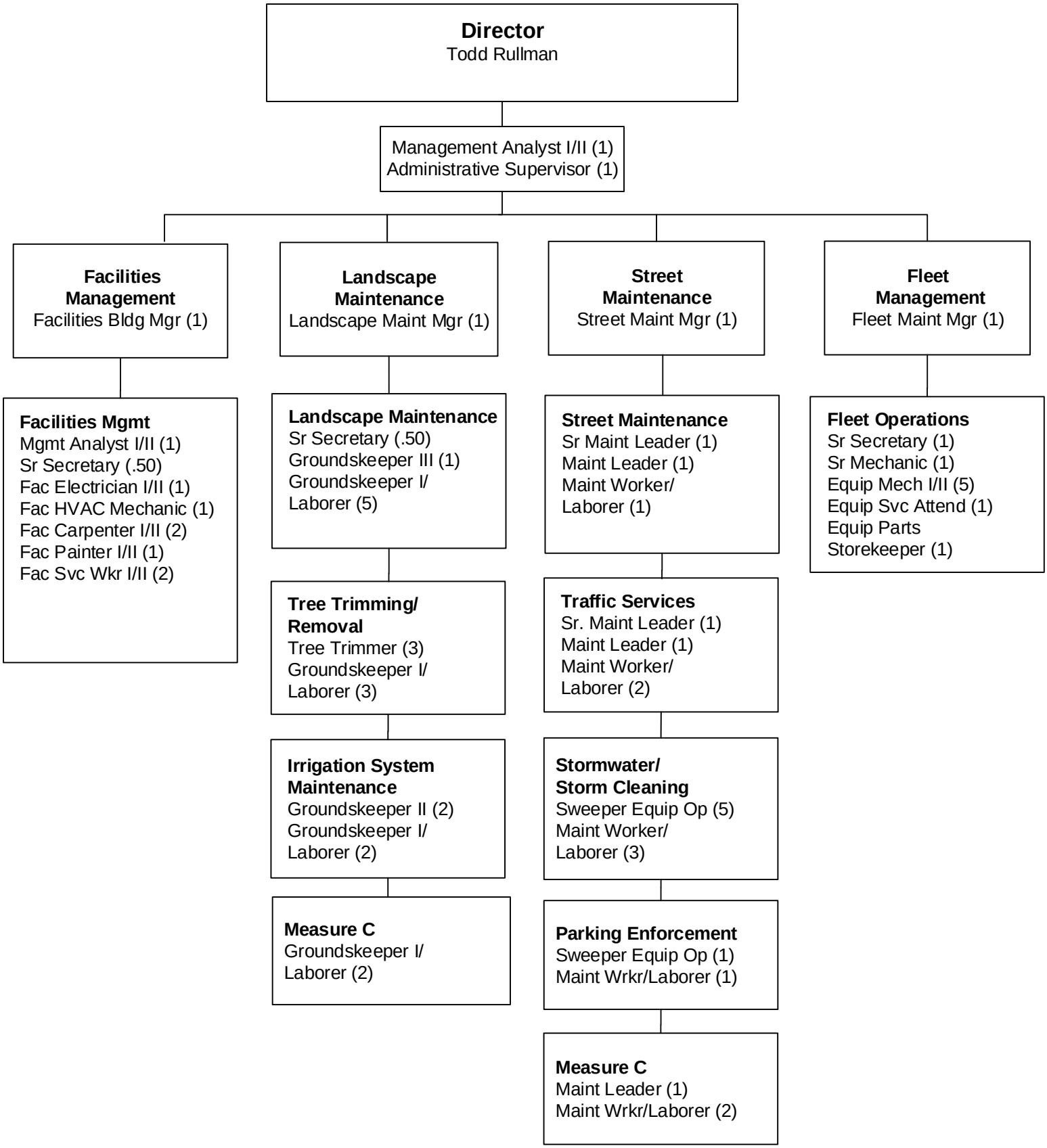
	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beg Working Capital Balance	**(126,032)**	**(94,015)**	**(94,015)**	**(96,491)**
REVENUES				
Revenue				
Grants	174,059	335,521	281,987	
Program Income	-	10,392	10,392	
Interest Income	3,406	-	-	
Total Fund Revenue	**177,464**	**345,913**	**292,379**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	13,469	25,416	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	1,664	3,080	-	-
Retiree Medical		-	-	-
PERS	3,295	6,175	-	-
Charges (to)/from other programs	1,708	17,214	17,214	
Net Staffing Expense	20,136	51,885	17,214	-
Grants & Loans	1,000	296,504	275,165	
Supplies & Services	124,312	-	-	
Transfer Out			96,000	
Net Operating Expense	125,312	296,504	371,165	-
Total Expenditures	**145,447**	**348,389**	**388,379**	**-**
Net Change	**32,017**	**(2,476)**	**(96,000)**	**-**
Ending Working Capital Balance	**(94,015)**	**(96,491)**	**(190,015)**	**(96,491)**

FY 2019 Significant Budget Changes:

1. Program moved to the City Manager's Office

FY 2019 STAFFING
63.0 FTE

Maintenance Services Department



MAINTENANCE SERVICES DEPARTMENT

MISSION STATEMENT

The mission of the Maintenance Services Department is to provide maintenance services for City streets and public landscaping areas and provide operational management and capital replacement for our City fleet and facilities. The Department's emphasis is to enhance the quality of life for City residents, businesses, visitors, and City employees through supporting the City Council's priorities of a safe, clean, and green community.

DEPARTMENT OVERVIEW

The Maintenance Services Department provides front-line services that are visible to residents, businesses, visitors, and City staff alike. The Department is responsible for a wide range of functions including: removing illegal dumping in the public right-of-way; painting over graffiti on public property; road corridor maintenance and improvement, street sign installation and replacement; street sweeping and cleaning of storm drains; emergency response to street, landscape, or hazardous material spill emergencies; maintenance of public landscaping; acquisition, maintenance, repair, and disposal of City's fleet assets; and maintenance and operation of City facilities.

DIVISION/PROGRAM SUMMARIES

Maintenance Services Administration

Administration staff provides overall department management and administrative support. Administration priorities include: 1) Setting the overall direction of the department; 2) Overseeing the implementation of department programs and the completion of projects on time and within budget; 3) Developing and monitoring the departmental budget; 4) Providing support to other City departments and community groups; and 5) Managing various other special programs and initiatives.

Street Maintenance Division

The division provides various services to including removing illegal dumping in the public right-of-way; painting over graffiti on public property; road corridor maintenance and improvement, street sign installation and replacement; street sweeping and cleaning of storm drains. Division priorities include 1) Protecting the public's health and safety; 2) Improving the appearance and cleanliness of the City through removal of illegal dumping and graffiti in public areas and right-of-way; 3) Providing support to neighborhood and community groups such as Keep Hayward Clean and Green Task Force, Adopt-A-Block, and the Downtown Street Team; and 4) Providing support to the Public Works Engineering & Transportation and Utilities & Environmental Services Departments for capital projects. Programs include the Measure C Team, Streets Maintenance Program, Graffiti and Illegal Dumping Program, Parking Enforcement Program, Traffic Program, Street Sweeping Program, and Stormwater Maintenance Program.

Measure C Team - Funded through the City's Measure C Tax Measure, this team takes a proactive approach to abating litter, graffiti, and illegal dumping. This effort is in addition to public requests that the department receives through Access Hayward.

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Streets Maintenance Program – Staff maintains 266 miles of City streets and sidewalks. Maintenance activities include pothole patching, repairing failed areas of roadway, and performing of deep lift asphalt repairs and utility cut repairs. Staff patches sidewalks to reduce trip and fall accidents, completes concrete work, and repairs barricades and guard rails. Staff provides 24-hour stand-by response to all emergency requests and hazardous material spills. Staff installs road closures and detours for City parades, street parties, and neighborhood events. Staff provides support to KHCG and other neighborhood partnership groups.

Illegal Dumping and Graffiti Abatement Program –Staff removes illegally dumped trash and graffiti tags from public areas and public right-of-way, usually within a 72-hour period. Staff performs litter abatement daily, to include weekends, to abate trash in the City's public right-of-way.

Parking Enforcement Program – Staff performs parking enforcement in posted street sweeping areas, downtown, within the South Hayward Bart Joint Powers Authority, and in residential parking permit areas.

Traffic Program – Staff installs lane markings, striping, signage, symbol painting, and road-marker installations. Staff provides support for capital projects to include pavement overlay, speed bump installation, and bike lane marking.

Keep Hayward Clean and Green – Staff provides program administration and support for this committee's annual schedule of beautification events and its adopt-a-block program.

Street Sweeping Program – Staff cleans residential and commercial streets bi-weekly, with the goal of keeping our City clean and our neighborhoods looking good. Over 1,200 streets are swept bi-weekly, with a total of 30,000 miles of curb line swept annually. Street sweeping provides two primary benefits to the City. The more obvious benefit is the collection and removal of leaves and other debris that collects in the gutters that may cause localized flooding during heavy rains. An equally important, but less visible, benefit is the removal of metal particles and other hazardous waste products left by passing vehicles that can be harmful to fish and other wildlife if they reach creeks, rivers, or the Bay.

Stormwater Maintenance Program - Staff maintains and cleans over 3,000 storm drains and 86 storm drain trash capture devices. Maintenance includes cleaning of ditches and retention ponds, storm drain stenciling, and repair and replacement of damaged storm drain grates.

Landscape Maintenance Division

The division provides various landscaping services to City owned areas. Division priorities include 1) Protecting the Public's Health and Safety; 2) Maintaining and enhancing the City's urban forest (trees are an infrastructure element that appreciate each year); 3) Enhancing the cleanliness of the City; and 4) Enhancing the green aesthetic qualities of the City. Programs include the Landscape Maintenance Program, Tree Maintenance Program, Landscape Water Conservation Program, and management of the City's Landscape and Lighting Districts and Maintenance Districts.

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Tree Maintenance Program – Staff maintains over 30,000 public street trees in a healthy and safe condition. Tree trimming is done annually to minimize safety hazards, provide clearance for vehicles and pedestrians, and to improve the health of trees.

Landscape Maintenance Program – Staff maintains landscape areas in street medians, along the side of streets, downtown, and around public buildings. Examples of areas maintained by Landscape Maintenance include the Main Library grounds; the Mission Boulevard Greenway; medians on Jackson, Foothill, Mission, Harder, Tennyson, Hesperian Boulevard, A and D Streets, and Winton Avenue; along with many other City-owned landscape areas.

Landscape Water Conservation Program – Staff maintains low-water usage irrigation systems and backflow devices in City right-of-way, medians, and City owned areas. Work includes installation, maintenance, and upgrades to systems including water conservation devices and bay friendly, drought-resistant landscaping. Weather-based irrigation controllers are installed at 53 City managed sites.

Landscape and Lighting Districts (LLD) and Maintenance Districts (MD) – Staff manages ongoing maintenance and capital replacement for 15 LLD and 2 MD zones. Services and maintenance provided are financed by property tax assessments charged to home owners located in each of these areas.

Fleet Management Division

The division provides management for over 420 vehicles and pieces of equipment. Division priorities include 1) Providing safe, reliable, and environmentally friendly transportation to City staff; 2) Providing timely repair of vehicles and equipment, 3) Performing preventive maintenance services per manufacturer specifications, 4) Performing state mandated inspections, 5) Complying with all applicable hazardous materials regulations, and 6) Managing vehicle and equipment replacement based on a ten-year vehicle replacement plan that maximizes vehicle use and allocates available resources to conserve vehicle value and equipment investment.

Facilities Management Division

The division provides management of 35 City facilities. Division priorities include 1) Keeping City buildings at a condition whereby building occupants are satisfied with the maintenance, appearance, and condition of the facility, 2) Completing preventative maintenance items on a schedule that meets industry standards, and 3) Completing scheduled capital projects on time and within budget. Services include management of contracted services (such as security and janitorial services); maintenance and replacement of flooring, electrical and lighting fixtures; painting; maintenance and repair of heating/ventilating/air conditioning/plumbing systems; locksmith services; appliance repair/installation; cabinet and countertop making; and roof repair/replacement. Other undertakings include minor remodeling of City facilities; scheduling of the City Hall Volunteer Station; and facilitating the use of City Council Chambers, Rotunda, and City Hall Plaza.

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FY 2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals	Status
Street Maintenance	1	Replace cast iron grates with new CalTrans specified grates as part of a long-term stormwater inlet grate replacement program. The new grates are designed for bicycle friendly passing and meet all CalTrans specifications for safety standards.	**COMPLETED** Upgraded 20 grates in the Longwood area. The Longwood Grate Upgrade Project is an on-going, multi-year project, scheduled for completion in FY21.
	2	Complete Security Enhancement Project at the Enterprise Transfer Site. This project will install a more secure fence; privacy mesh; security camera; and motion sensor lighting.	**COMPLETED** Completed security enhancements. In addition, through a collaboration with PWET, added a 7,500 sq. ft. asphalt pad to the project to establish a staging area for green waste, trash, and debris bins.
	3	Continue expansion of the Street Sweeping Restrictive Signage Program by installing signs on 10 new streets, to support resident requests for “No Parking” restrictions on sweeping days.	**COMPLETED** Installed restrictive signage on 25 new streets to encourage vehicles to relocate on street sweeping days, so that sweeping equipment can have a clear path to clean the curb.
Landscape Maintenance	4	Complete 1 community planting event.	**COMPLETED** Facilitated 2 community planting events in collaboration with KHCG and CSUEB’s “Make a Difference Day.” The events were held at Longwood Elementary and downtown in the Five Flags area.

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Division	#	FY 2018 Goals	Status
Landscape Maintenance	5	Re-landscape 2 medians on Tennyson Rd. incorporating weather-based irrigation controllers to help conserve water resources.	**ONGOING** Began this multi-year project with the FY18 mid-year approval of $150,000 in funding. For FY19, $300,000 in Measure C CIP funding is requested to continue work on this project. The project will install new median landscaping and irrigation along Tennyson Rd., between Pacific St. and Huntwood Ave.
	6	Upgrade 2 weather-based irrigation communication hubs at Garin Ave. and Walpert St. sites to allow access via radio and the internet.	**COMPLETED** Upgraded 2 communication hubs which will now allow the equipment to communicate via radio and the internet.
Fleet Management	7	Complete new and replacement equipment and vehicle purchases on schedule and within budget. NOTE: Most GF purchases were deferred in FY18 due to budgetary constraints.	**COMPLETED** Issued purchase orders for 5 enterprise fund vehicles and 4 general fund vehicles. These purchases allowed for the replacement of older vehicles with new vehicles that incorporate better technology, lower emissions, and greater fuel efficiency.
	8	Complete preventative maintenance services within manufacturer specifications.	**ONGOING** Continued employment of a temporary Equipment Service Attendant which helped to improve workload and reduce the past due list of equipment needing preventative maintenance services. This position is being requested as a permanent addition in the FY19 budget.

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Division	#	FY 2018 Goals	Status
Fleet Management	9	Refine and update administrative processes and procedures for accurate and timely entry of fleet data into the fleet database.	**ONGOING** Proactively identified improvements in administrative processes and procedures to streamline data entry and improve workflow.
	10	Update Fleet Ten-Year Operating and Capital plans.	**ONGOING** Updated ten-year operating and capital financial plans.
Facility Management	11	Complete facility capital projects on schedule and within budget, to include replacing the City Hall fourth-floor carpet. This represents the final phase of carpet replacement project throughout City Hall.	**ONGOING** Completed the fourth-floor carpet replacement, which finished the City Hall Carpet Replacement Project. Completed an upgrade to the Week's Branch Energy Management System. Completed installation of new roof for the Historic City Hall building. Installed security glass in the Finance Revenue office.
	12	Issue Request for Proposal (RFP) and select a vendor to complete a facility needs assessment inventory and recommendation. The completed study will create a long-term capital replacement plan and identify the required capital needed for timely and appropriate asset replacement.	**ONGOING** Council approved a contract with a consulting firm to complete a facility condition assessment (FCA). The report will catalog all components within City buildings to provide life-cycle dates, replacement costs, and capital funding requirements. The report will provide a schedule for ongoing periodic maintenance. Information will be input into the new facilities software by the consultant.

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Division	#	FY 2018 Goals	Status
Facility Management	13	Identify and purchase a comprehensive facilities operations and maintenance software to schedule work orders, preventative maintenance, and to track asset maintenance and replacement.	**COMPLETED** Received Council approval to purchase facilities management software. Software implementation will be completed in FY19. As a foundation, the above FCA information will be entered in the system by the consultant.
	14	Update Facilities Ten-Year Operating and Capital plans.	**ONGOING** Updated ten-year operating and capital financial plans.

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FY 2018 DEPARTMENT PERFORMANCE METRICS

#	Performance Measures	Goal # or %	Status
1	Street Maintenance - Secure or repair all hazardous street and sidewalk issues within 24 hours, 90% of the time.	24 Hours, 90% of time	ACHIEVED: Secured or repaired 95% of all requests within 24 hours of receipt. In total, completed 59 reports of sidewalk maintenance, totaling 940 sq. ft. of patching.
2	Street Maintenance - Remove illegal dumping within 72 hours 90% of the time.	72 hours, 90% of time	ONGOING: Abated 85% of all requests within 72 hours of receipt. In total, 3,041 reports of illegal dumping were completed, totaling 6,700 cubic yards of debris being removed.
3	Street Maintenance - Abate graffiti within 72 hours on public property or in the public right-of-way 90% of the time.	72 hours, 90% of time	ACHIEVED: Abated 92% of all requests within 72 hours of receipt. In total, 944 reports of graffiti were addressed, totaling 30,790 sq. ft. abated.
4	Street Maintenance - Enforce “No Parking” during street sweeping 90% of the time.	90% timely enforcement	ACHIEVED: Enforced 100% of 200 posted streets.
5	Landscape Maintenance - Secure all hazardous landscape conditions within 24 hours 90% of time.	24 hours, 90% of time	ACHIEVED: Currently meeting goal.

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#	Performance Measures	Goal # or %	Status
6	Landscape Maintenance - Plant 400 new trees in the City right-of-way.	400 new trees	ACHIEVED: Planted over 400 trees.
7	Fleet Management - Ensure 90% of emergency road service calls are responded to within 60 minutes.	60 minutes, 90% of time	ACHIEVED: Currently meeting goal.
8	Fleet Management - Ensure the Police Patrol fleet has 80% of patrol vehicles in-service.	80% vehicles in-service	ACHIEVED: Currently meeting goal.
9	Fleet Management - Ensure the Fire Department has a front-line or reserve apparatus in-service 100% of the time.	100% of time	ACHIEVED: Currently meeting goal.
10.	Facilities Management – Respond to routine maintenance work requested within five days.	Within 5 days, 100% of time	ONGOING: Responded to 1,140 of 1,200, or 95% of all requests within five days.
11.	Facilities Management – Complete 100% of required monthly preventative maintenance work orders.	100% of time	ONGOING: Staff completed 525 of 700, or 75% of preventive maintenance work orders.
12.	Facilities Management – Respond to emergency standby calls within one hour.	Within 1 hour,100% of time	ACHIEVED: Currently meeting goal.

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FY 2019 KEY SERVICE GOALS AND METRICS

Division	#	FY 2019 Goals	FY 2019 Measures
Street Maintenance	1	Respond to all Access Hayward requests for illegal dumping and graffiti in a timely and thorough manner.	Respond to and remove illegally dumped items and graffiti within 72 hours, 90% of time.
	2	Expand No Parking- Street Sweeping program by adding 25 new streets as requested by the community.	Add restrictive signage to 25 new streets.
	3	Upgrade 20 grates with new bicycle-safe grates as part of a long-term stormwater inlet replacement project. The new grates are designed for bicycle friendly passing and meet all CalTrans specifications.	Upgrade 20 grates in the Longwood area. The Longwood Grate Upgrade Project is on-going and is scheduled for completion in FY21.
Landscape Maintenance	4	Identify areas in the community that need landscape beautification with a focus on the Council's Strategic Initiatives through collaboration with the community and groups such as KHCG.	Complete 2 community planting events.
	5	Begin project implementation on the median landscape improvements identified in the Council's Tennyson Corridor Strategic Initiative. The project will include the replacement of plant material and the installation of weather-based irrigation controllers to help conserve water resources.	Re-landscape 2 medians on Tennyson Rd. incorporating weather-based irrigation controllers, new plant material, and bark mulch.
	6	Install a total of 4 weather-based irrigation controllers to conserve water usage in City maintained landscapes.	Install 4 weather-based irrigation controllers – 2 on West A St., and 2 as part of the Tennyson Corridor project.

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Division	#	FY 2019 Goals	FY 2019 Measures
Fleet Management	7	Ensure the Police (HPD) and Fire (HFD) departments have their established, minimum baseline of emergency vehicles in service at all times.	Maintain patrol program vehicle readiness by ensuring 80% of the total patrol fleet is in-service at all times. Maintain fire protection program vehicle readiness by ensuring HFD will have either a front-line or reserve apparatus in-service at all times.
	8	Purchase replacements for aging fleet vehicles with a priority on expanding the City's green fleet where possible, within budget, and in accordance with the fleet ten-year capital replacement plan.	Purchase 38 replacement vehicles in accordance with the fleet ten-year capital replacement plan. A minimum of 6 currently gas-powered vehicles will be replaced with green, hybrid models.
	9	Reduce the number of vehicles past due for their preventative maintenance (PM) service by 15% from FY18.	Reduce the number of vehicles on the PM service past due list by 15%.
Facility Management	10	Complete Facility Condition Assessment (FCA) and software installation project. Begin work to identify long-term facility component replacement costs and funding.	Complete FCA and provide long-term funding requirement recommendations. Complete software implementation and begin recording all work using the software.
	11	Maintain new 21st Century Library to a standard that ensures ZNE status.	Track, measure, and assess the new ZNE technology results (rain water recovery system, lighting system, energy management system, and HVAC). Implement an aggressive cleaning and maintenance schedule for solar panels and glass windows.

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Division	#	FY 2019 Goals	FY 2019 Measures
Facility Management	12	Pursue funding opportunities to upgrade building lighting with energy efficient LED lighting and lighting controls in Facilities Division maintained buildings.	Apply for funding opportunities to upgrade building lighting with energy efficient LED lighting and lighting controls.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2019

1. Streets Maintenance – Measure C - Add $150,000
    a. Add contract services budget to continue abating the increasing number of homeless encampments on and within the public right-of-way.
2. Streets Maintenance – General Fund - Add $20,000
    a. Add contract budget to continue the youth intern partnership between Maintenance Services and the Hayward Adult School, which began in FY18.
3. Landscape Maintenance – Water Fund - Add $65,000
    a. Add irrigation budget for recently completed capital improvement landscape projects on Tennyson Rd., Industrial Blvd., and the Route 92 Reliever.
4. Fleet Management – Operating - Add $120,141- With No Change to Service Fee
    a. No rate increase – FY19 service charge is equal to the FY17 baseline. Note: FY18 rate was decreased by $800,000 to assist with the General Fund budget deficit.
    b. Reduce $206,237 from debt service budget as vehicle bank loan balances are being paid down.
    c. Add $150,000 to fuel budget for estimated increases in fuel prices.
    d. Add $110,778 to staffing budget for an Equipment Service Attendant position. This entry-level position has been filled on a temporary basis since 2015.
    e. Add $65,600 repair budget for cost increases in unanticipated vehicle accidents.
5. Facilities Management – Operating - Add $ 98,000 – Increase Service Rate by $203,440
    a. Rate increase - Services rates increased by $203,440, or 5.8% for FY 2019
    b. Add $58,000 in maintenance budget to establish new maintenance contracts for the new 21st Century Library and Learning Center.
    a. Add $25,000 in water budget for increased water consumption due to elimination of drought restrictions and installation of new AMI water meters that more accurately record actual usage.
    b. Add $15,000 in services budget to expand the “Light Up the Season” event.

All Funds Summary - By Category

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
General Fund Revenue	1,073,867	1,512,387	1,533,520	1,594,140
Stormwater Revenue	847	1,495	-	-
Facilities Revenue	3,784,045	3,911,566	3,701,269	3,904,709
Fleet Revenue	4,359,142	4,374,911	3,521,484	4,341,762
S. Hayward B.A.R.T. JPA Rev	46,867	57,206	-	-
LLD/MD	1,165,880	1,062,939	1,012,955	1,014,312
	10,430,649	**10,920,504**	**9,769,228**	**10,854,923**
(Contribution)/Use of Fund Balance				
Facilities	(177,234)	200,056	92,620	437,048
Fleet Management	652,680	855,020	466,415	(81,590)
LLD/MD	(271,397)	(204,132)	277,438	221,586
	204,049	**850,944**	**836,473**	**577,044**
Fund Subsidy				
Gen Fund Subsidy - Maint Svc	3,592,796	3,256,498	2,819,960	4,042,579
Gen Fund Subsidy - Facilities	35,730	-	-	-
Measure C Fund Subsidy	708,249	572,105	611,548	803,721
S. Hayward B.A.R.T. JPA Sub	(17,615)	(14,920)	24,928	20,000
Stormwater Fund Sub - Streets	1,525,581	1,502,592	1,676,854	1,753,326
Water Fund Sub - Landscape	708,769	791,139	901,509	1,036,487
	6,553,509	**6,107,414**	**6,034,798**	**7,656,113**
Transfers In From Other Funds	**-**	**-**	**-**	**-**
Total Revenues	**17,188,206**	**17,878,861**	**16,640,499**	**19,088,080**
EXPENDITURES				
Expenditures				
Salary				
Regular	4,160,419	4,566,218	4,783,171	5,015,223
Overtime	639,705	601,456	439,778	439,778
Benefits				
Fringe Benefits	1,525,293	1,666,292	1,760,518	1,886,901
Retiree Medical	97,740	98,099	97,965	99,441
PERS	915,193	1,028,482	925,243	1,360,436
Charges (to)/from other program	(189,741)	(180,319)	3,813	3,813
Net Staffing Expense	**7,148,608**	**7,780,229**	**8,010,488**	**8,805,592**

All Fund Summary - By Category

Continued

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Maintenance & Utilities	2,035,011	2,298,146	2,837,610	2,943,410
Supplies & Services	3,317,759	3,321,184	3,496,444	3,919,391
Internal Service Fees	1,809,439	1,871,971	1,355,627	2,367,556
Debt Service	1,299,088	1,050,288	852,943	654,207
Capital Outlay	181,157	1,146,885	-	-
Net Operating Expense	**8,642,454**	**9,688,474**	**8,542,624**	**9,884,564**
Transfers Out to Other Funds	**1,397,079**	**410,159**	**87,387**	**397,924**
Total Expenditures	**17,188,142**	**17,878,861**	**16,640,499**	**19,088,080**
Net Change	**65**	**-**	**-**	**-**

Maintenance Services Department

All Funds Summary - By Program

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Administration - General Fund	-	-	-	-
Landscape - General Fund	523	26	-	-
Streets - General Fund	1,073,344	1,512,361	1,533,520	1,594,140
Streets - Stormwater	847	1,495	-	-
Facilities - Internal Svc Fund	3,784,045	3,911,566	3,701,269	3,904,709
Fleet Management - Internal Svc	4,359,142	4,374,911	3,521,484	4,341,762
S. Hayward B.A.R.T. JPA Fund	46,867	57,206	-	-
LLD/MD - Special Revenue Func	1,165,880	1,062,939	1,012,955	1,014,312
	10,430,649	10,920,504	9,769,228	10,854,923
(Contribution)/Use of Fund Balance				
Facilities	(177,234)	200,056	92,620	437,048
Fleet Management	652,680	855,020	466,415	(81,590)
LLD/MD	(271,397)	(204,132)	277,438	221,586
	204,049	850,944	836,473	577,044
Fund Subsidy				
Gen Fund Subsidy - Maint Svc	3,592,796	3,256,498	2,819,960	4,042,579
Gen Fund Subsidy - Facilities	35,730	-	-	-
Measure C Fund Subsidy	708,249	572,105	611,548	803,721
S. Hayward B.A.R.T. JPA Sub	(17,615)	(14,920)	24,928	20,000
Transfers In - Fleet Managemen	-	-	-	-
Water Fund Sub - Landscape	708,769	791,139	901,509	1,036,487
Stormwater Subsidy - Streets	1,525,581	1,502,592	1,676,854	1,753,326
	6,553,509	6,107,414	6,034,798	7,656,113
Total Revenues	**17,188,206**	**17,878,861**	**16,640,499**	**19,088,080**
EXPENDITURES				
Expenditures				
Administration - Gen Fund	(22,138)	95,513	92,018	103,944
Landscape - Gen Fund	2,452,746	2,464,676	2,381,803	2,982,165
Landscape - Water Fund	708,769	791,139	901,509	1,036,487
Streets - Gen Fund	2,236,055	2,208,695	1,879,659	2,550,610
Streets - Stormwater Fund	1,526,428	1,504,087	1,676,854	1,753,326
Measure C Programs	708,249	572,105	611,548	803,721
S. Hayward B.A.R.T. JPA Sub	29,252	42,285	24,928	20,000
Facilities	3,642,542	4,111,622	3,793,889	4,341,757
Fleet	5,011,822	5,229,931	3,987,899	4,260,172
LLD/MD	894,483	858,807	1,290,393	1,235,898
Total Expenditures	**17,188,206**	**17,878,861**	**16,640,499**	**19,088,080**
Net Change	**-**	**-**	**-**	**-**

Maintenance Services - General Fund Summary

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Interest & Rents	-	-	-	-
Fines & Forfeitures	1,064,042	1,486,239	1,531,020	1,591,640
Fees & Service Charges	-	15,682	-	-
Other Revenue	9,825	10,466	2,500	2,500
Total Revenues	**1,073,867**	**1,512,387**	**1,533,520**	**1,594,140**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,538,517	1,602,949	1,711,369	1,748,091
Overtime	453,384	418,618	265,778	265,778
Benefits				
Fringe Benefits	614,720	578,073	610,885	614,365
Retiree Medical	36,450	35,266	36,398	36,604
PERS	338,512	364,330	330,042	475,535
Charges (to)/from other program	(189,741)	(223,897)	(54,090)	(54,090)
Net Staffing Expense	**2,791,842**	**2,775,339**	**2,900,383**	**3,086,283**
Maintenance & Utilities	248,488	238,474	345,000	345,000
Supplies & Services	444,447	528,791	381,832	464,979
Internal Service Fees	1,181,886	1,226,281	726,265	1,740,457
Capital Outlay	-	-	-	-
Net Operating Expense	**1,874,821**	**1,993,546**	**1,453,097**	**2,550,436**
Total Expenditures	**4,666,663**	**4,768,885**	**4,353,480**	**5,636,719**
General Fund Subsidy	**3,592,796**	**3,256,498**	**2,819,960**	**4,042,579**

Administration - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
None	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	88,655	59,319	55,904	59,050
Overtime	90	-	-	-
Benefits				
Fringe Benefits	16,084	10,931	10,822	11,544
Retiree Medical	1,159	703	693	886
PERS	20,577	13,430	11,215	14,087
Charges (to)/from other program	(178,922)	(28,365)	(27,045)	(27,045)
Net Staffing Expense	**(52,358)**	**56,017**	**51,589**	**58,522**
Maintenance & Utilities	371	-	-	-
Supplies & Services	5,013	5,896	7,703	7,703
Internal Service Fees	24,837	33,600	32,726	37,719
Net Operating Expense	**30,221**	**39,496**	**40,429**	**45,422**
Total Expenditures	**(22,138)**	**95,513**	**92,018**	**103,944**
General Fund Subsidy	**(22,138)**	**95,513**	**92,018**	**103,944**

FY 2019 Significant Budget Changes:

1. None.

Street Maintenance - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Fines & Forfeitures	1,064,042	1,486,239	1,531,020	1,591,640
Fees & Service Charges	-	15,682	-	-
Other Revenue	9,302	10,440	2,500	2,500
Total Revenues	**1,073,344**	**1,512,361**	**1,533,520**	**1,594,140**
EXPENDITURES				
Expenditures				
Salary				
Regular	563,418	682,264	685,177	722,396
Overtime	357,238	335,831	204,778	204,778
Benefits				
Fringe Benefits	262,689	262,781	231,293	261,014
Retiree Medical	13,145	12,115	14,081	14,135
PERS	118,836	154,219	125,946	198,056
Charges (to)/from other programs	(10,819)	(155,509)	-	-
Net Staffing Expense	**1,304,506**	**1,291,700**	**1,261,274**	**1,400,379**
Maintenance & Utilities	25,374	22,988	21,500	21,500
Supplies & Services	306,481	277,393	335,540	340,540
Internal Service Fees	599,694	616,614	319,492	788,191
Capital Outlay	-	-	-	-
Net Operating Expense	**931,549**	**916,995**	**676,532**	**1,150,231**
Total Expenditures	**2,236,055**	**2,208,695**	**1,937,806**	**2,550,610**
General Fund Subsidy	**1,162,711**	**696,334**	**404,286**	**956,470**

FY 2019 Significant Budget Changes:

1. None.

Landscape Maintenance - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Fees & Service Charges	-	-	-	-
Other Revenue	523	26	-	-
Total Revenues	**523**	**26**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	886,445	861,366	970,288	966,645
Overtime	96,057	82,787	61,000	61,000
Benefits				
Fringe Benefits	335,947	304,362	368,770	341,807
Retiree Medical	22,146	22,448	21,625	21,583
PERS	199,100	196,681	192,882	263,392
Charges (to)/from other program	-	(40,023)	(27,045)	(27,045)
Net Staffing Expense	**1,539,694**	**1,427,621**	**1,587,520**	**1,627,382**
Maintenance & Utilities	222,743	215,486	323,500	323,500
Supplies & Services	132,953	245,501	96,736	116,736
Internal Service Fees	557,355	576,067	374,047	914,547
Capital Outlay	-	-	-	-
Net Operating Expense	**913,051**	**1,037,055**	**794,283**	**1,354,783**
Total Expenditures	**2,452,746**	**2,464,676**	**2,381,803**	**2,982,165**
General Fund Subsidy	**2,452,222**	**2,464,651**	**2,381,803**	**2,982,165**

FY 2019 Significant Budget Changes:

1. None

Landscape Maintenance (Water Fund) - Enterprise Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
None	-			
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	277,647	290,763	304,629	330,032
Overtime	6,205	10,240	6,000	6,000
Benefits				
Fringe Benefits	119,087	122,777	132,197	144,582
Retiree Medical	6,867	7,210	6,946	6,858
PERS	61,956	66,827	61,525	90,973
Charges (to)/from other program	-	-	-	-
Net Staffing Expense	**471,762**	**497,817**	**511,297**	**578,445**
Maintenance & Utilities	141,375	195,673	289,100	354,100
Supplies & Services	11,867	11,794	20,200	20,200
Internal Service Fees	83,764	85,856	80,912	83,742
Capital Outlay	-	-	-	-
Net Operating Expense	**237,006**	**293,322**	**390,212**	**458,042**
Total Expenditures	**708,769**	**791,139**	**901,509**	**1,036,487**
Water Fund Subsidy	**708,769**	**791,139**	**901,509**	**1,036,487**

FY 2019 Significant Budget Changes:

1. Increase to irrigation water budget

Street Maintenance (Stormwater Fund) - Enterprise Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Other Revenue	847	1,495	-	-
Interest and Rents	-	-	-	-
Total Revenues	**847**	**1,495**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	671,478	664,785	749,634	784,496
Overtime	36,237	33,054	33,000	33,000
Benefits				
Fringe Benefits	224,452	254,353	297,844	317,060
Retiree Medical	15,287	15,746	15,167	15,472
PERS	146,514	152,420	143,869	213,444
Charges (to)/from other program	-	(1,090)	-	-
Net Staffing Expense	**1,093,968**	**1,119,269**	**1,239,514**	**1,363,472**
Maintenance & Utilities	12,902	29,408	11,867	11,867
Supplies & Services	112,224	66,233	126,000	126,000
Internal Service Fees	307,335	289,177	299,473	251,987
Capital Outlay	-	-	-	-
Net Operating Expense	**432,460**	**384,818**	**437,340**	**389,854**
Total Expenditures	**1,526,428**	**1,504,087**	**1,676,854**	**1,753,326**
Stormwater Fund Subsidy	**1,525,581**	**1,502,592**	**1,676,854**	**1,753,326**

FY 2019 Significant Budget Changes:

1. None

Facilities Management - Internal Service Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Facilities Service Fee	3,601,316	3,709,292	3,519,664	3,723,104
Interest & Rents	34,214	44,337	39,347	39,347
Other Revenue	148,516	157,937	142,258	142,258
General Fund Subsidy	35,730	-	-	-
	3,819,775	3,911,566	3,701,269	3,904,709
Total Revenues	**3,819,775**	**3,911,566**	**3,701,269**	**3,904,709**
EXPENDITURES				
Expenditures				
Salary				
Regular	705,145	847,934	840,718	908,578
Overtime	59,716	70,606	45,000	45,000
Benefits				
Fringe Benefits	215,456	276,932	276,142	301,922
Retiree Medical	15,206	15,336	14,774	14,741
PERS	152,572	189,375	163,886	243,617
Charges (to)/from other program	-	(3,669)	-	-
Net Staffing Expense	**1,148,096**	**1,396,514**	**1,340,519**	**1,513,858**
Maintenance	131,524	168,202	137,545	137,545
Utilities	754,143	949,280	907,256	932,256
Supplies & Services	910,009	960,225	1,117,601	1,117,601
Internal Service Fees	90,684	110,320	88,537	127,182
Debt Service Payments	167,481	167,442	168,138	175,639
Net Operating Expense	**2,053,840**	**2,355,469**	**2,419,077**	**2,490,223**
Fund Transfers Out to				
General Fund - Cost Allocation	111,433	-	-	-
Liability Insurance Premium	29,173	34,639	34,293	37,676
Transfer to Capital	300,000	325,000	-	300,000
	440,606	**359,639**	**34,293**	**337,676**
Total Expenditures	**3,642,542**	**4,111,622**	**3,793,889**	**4,341,757**
Net Change	**177,234**	**(200,056)**	**(92,620)**	**(437,048)**

FY 2019 Significant Budget Changes:

1. None

Fleet Management - Internal Service Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Vehicle Maint/Operating Rate	4,350,233	4,331,762	3,517,484	4,331,762
Interest	8,909	14,072	4,000	10,000
Other Revenue	-	29,077	-	-
	4,359,142	**4,374,911**	**3,521,484**	**4,341,762**
Total Revenues	**4,359,142**	**4,374,911**	**3,521,484**	**4,341,762**
EXPENDITURES				
Expenditures				
Salary				
Regular	627,071	796,210	793,376	897,150
Overtime	78,829	68,937	90,000	90,000
Benefits				
Fringe Benefits	222,308	284,172	280,064	335,531
Retiree Medical	15,287	15,483	14,915	17,991
PERS	139,011	183,417	156,828	244,387
Charges (to)/from other program	-	(10,531)	-	-
Net Staffing Expense	**1,082,506**	**1,337,688**	**1,335,183**	**1,585,059**
Maintenance & Utilities	152,002	182,684	186,200	202,000
Supplies & Services	251,770	229,050	82,600	178,258
Fuel	730,790	732,951	900,000	1,050,000
Auto Parts	586,358	541,755	620,858	575,000
Internal Service Fees	120,275	125,551	125,159	131,039
Debt Service Payments	1,131,607	882,846	684,805	478,568
Capital	-	-	-	-
Net Operating Expense	**2,972,803**	**2,694,838**	**2,599,622**	**2,614,865**
Fund Transfers Out to				
Liability Insurance Premium	39,908	50,520	53,094	60,248
Misc. Trans to Fleet Mgmt Cap	800,000	-		
General Fund - Cost Allocation	116,565	-	-	-
	956,473	**50,520**	**53,094**	**60,248**
Total Expenditures	**5,011,782**	**4,083,046**	**3,987,899**	**4,260,172**
Net Change	**(652,641)**	**291,865**	**(466,415)**	**81,590**

FY 2019 Significant Budget Changes:

1. Add Equipment Service Attendant (1.0 FTE)

Landscape & Lighting and Maint. Districts Summary-Special Rev

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance	**2,561,016**	**2,832,413**	**2,832,413**	**3,036,545**
Fund Revenue				
Special Assessments	1,146,397	1,026,074	1,003,780	1,005,137
Interest and Rents	19,482	36,865	9,175	9,175
Total Revenues	**1,165,880**	**1,062,939**	**1,012,955**	**1,014,312**
Fund Expenditures				
Salary				
Regular	22,974	22,109	40,920	-
Overtime	4,569	-	-	-
Benefits				
Fringe Benefits	6,803	2,227	11,685	-
Retiree Medical	458	-	1,890	-
PERS	5,520	162	-	-
Charges (to)/from other program	-	58,869	57,903	57,903
Net Staffing Expense	**40,324**	**83,367**	**112,398**	**57,903**
Maintenance & Utilities	593,110	532,957	959,142	959,142
Supplies & Services	261,048	242,483	218,853	218,853
Net Operating Expense	**854,158**	**775,440**	**1,177,995**	**1,177,995**
Total Expenditures	**894,483**	**858,807**	**1,290,393**	**1,235,898**
Net Change	**271,397**	**204,132**	**(277,438)**	**(221,586)**
Ending Working Capital Balance	**2,832,413**	**3,036,545**	**2,554,975**	**2,814,960**

FY 2019 Significant Budget Changes:

1. None.

Measure C Programs - Measure C Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
None	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	297,537	313,771	342,525	346,876
Overtime	765	-	-	-
Benefits				
Fringe Benefits	118,108	141,192	151,701	173,441
Retiree Medical	8,175	8,175	7,875	7,775
PERS	66,338	71,952	64,166	92,480
Charges (to)/from other program	-	-	-	-
Net Staffing Expense	**490,922**	**535,091**	**566,267**	**620,572**
Maintenance & Utilities	1,467	1,468	1,500	1,500
Supplies & Services	9,246	760	8,500	148,500
Internal Service Fees	25,495	34,786	35,281	33,149
Capital Outlay	181,118	-	-	-
Net Operating Expense	**217,326**	**37,014**	**45,281**	**183,149**
Total Expenditures	**708,249**	**572,105**	**611,548**	**803,721**
General Fund Subsidy	**708,249**	**572,105**	**611,548**	**803,721**

FY 2019 Significant Budget Changes:

1. Increase in supplies and services for homeless encampment abatement efforts.

South Hayward B.A.R.T. JPA

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Fines and Forfeiture	46,867	57,206	-	-
Total Revenues	**46,867**	**57,206**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	20,049	27,696	-	-
Overtime	54	-	-	-
Benefits				
Fringe Benefits	4,359	6,565	-	-
Retiree Medical	10	883	-	-
PERS	4,769		4,928	-
Charges (to)/from other program	-	-	-	-
Net Staffing Expense	**29,242**	**35,144**	**4,928**	**-**
Maintenance & Utilities	-	-	-	-
Supplies & Services	10	7,141	20,000	20,000
Internal Service Fees	-	-	-	-
Capital Outlay	-	-	-	-
Net Operating Expense	**10**	**7,141**	**20,000**	**20,000**
Total Expenditures	**29,252**	**42,285**	**24,928**	**20,000**
S. Hwrd B.A.R.T. JPA Fund Subsidy	**(17,615)**	**(14,920)**	**24,928**	**20,000**

FY 2019 Significant Budget Changes:

1. None.

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Police Department

FY 2019 STAFFING
322.5 FTE

Police Chief
Mark Koller

Admin Support
Police Programs Analyst (1)
Admin Supervisor (1)

Internal Affairs
Lieutenant (1)
Sergeant (1)

Special Operations (38.5 FTE)
Captain (1)
Measure C Lieutenant (1)

District Operations
- Sergeant (1)

Northern District
- Lieutenant (1)
- Police Officer (3)
- Cr Prev Spec (1)
- C.S.O. (1)

Southern District
- Lieutenant (1)
- Police Officer (1)
- Measure C Officer (1)
- Cr Prev Spec (1)
- C.S.O. (1)

Traffic Enforcement
Sergeant (1)
Police Officer (7)
Measure C Officer (2)
Secretary (1)
C.S.O. AVA (1)

Volunteer Programs
Reserve Off Coor (0.5)
Police Reserves
Ambassadors

Downtown Safety
Police Officer (2)

Chabot Security Contract
Sergeant (1)

Special Response Unit

K-9 Unit
Police Officer (4)

Personnel & Training
Lieutenant (1)
Sergeant (1)
Admin Secretary (1)
CSO (1)

Investigation Division (71 FTE)
Captain (1)
Secretary (1)

Criminal Investigations
Lieutenant (1)
Sr. Crime Analyst (1)
Crime Analyst (1)
Latent Fingerprint Examiner (1)

Special Victims
Sergeant (1)
Officer (5)

Homicide & Assault
Sergeant (1)
Police Officer (5)

Robbery, Property & Fraud
Sergeant (1)
Police Officer (8)

DA Liaison
Police Officer (1)

Special Investigations
Lieutenant (1)

Vice Compliance
Sergeant (1)
Police Officer (2)
Alcoh Ord CSO (1)

Narc Invest Unit
Sergeant (1)
Police Officer (4)

ALCO Narcotics Task Force
Police Officer (1)

Special Duty Unit
Sergeant (1)
Police Officer (5)

Special Duty Investigations
Sergeant (1)
Police Officer (4)

Youth & Family Services Bureau
Y&F Services Admin (1)
Secretary (1)

Clinical Counseling
Counseling Supervisor (1)
Family Counselors (9)

School Services
Sergeant (1)
Police Officer (8)

Explorer Program

Patrol Division (113 FTE)
Captain (1)
Secretary (1)

Patrol Operations
Lieutenant (5)
Sergeant (14)
Police Officer (92)

Support Services Division (95 FTE)
Operations Support Mngr (1)
Sr. Management Analyst (1)
Secretary (1)

Records Bureau
Records Administrator (1)
Records Supervisor (2)
Records Clerk (13)

Communications
Comm Administrator (1)
Comm Supervisor (4)
Measure C Comm Sup (1)
Comm Operator (19)
Measure C Call Taker (8)

Animal Services
Animal Services Admin (1)
Animal Control Officer (3)
Shelter Operations Supv (2)
Animal Care Attendant (5)
Shelter Volunteer Coord (1)
Records Clerk (2)

Jail
Jail Administrator (1)
Jail Supervisor (4)
Jailer C.S.O. (15)

Property and Evidence
P&E Administrator (1)
Property Tech (4)
Crime Scene Tech (4)

HPD Facilities
Management Analyst I (1)

HAYWARD POLICE DEPARTMENT

MISSION STATEMENT

The Hayward Police Department is committed to enhancing the quality of life in our city by maintaining partnerships with our diverse community, together creating safe and cohesive neighborhoods. We pledge to safeguard the lives and property of the people we serve, and to reduce the incidence and fear of crime. We do this by treating all people fairly and equitably; and by being ethical, honest, responsive, and professional in the services we provide. We are accountable to one another and to the community.

DEPARTMENT OVERVIEW

The Police Department is comprised of five divisions: Office of the Chief; Patrol; Investigations; Support Services; and the Special Operations Division. It also includes three non-General Fund programs: Citizen's Option for Public Safety; Byrne Justice Assistance Grant; and Narcotic Asset Seizure (located in the Special Revenue Fund section of this document).

DIVISION/PROGRAM SUMMARIES

Office of the Chief

The Office of the Chief provides for overall administration and management of the Department. The four Division Commanders of Patrol, Special Operations, Investigations, and Support Services report directly to the Chief. In addition, Internal Affairs and Commission on Accreditation for Law Enforcement Agencies (CALEA) Administration/Research and Development also report directly to this office.

Internal Affairs ensures impartial, thorough, and timely investigation of citizen complaints and other incidents of alleged misconduct discovered through internal processes; scrutinizes significant use of force incidents such as officer-involved shootings; and is the custodian of record for court-ordered examinations of police personnel records. The Police Program Analyst is the Accreditation Manager for accreditation by CALEA. This position ensures compliance with over 480 nationally recognized standards to assure continued accreditation of the Department; and is responsible for policy maintenance, research and development of departmental policies, procedures, methods and systems, and general administration and analysis.

Patrol Division

Members of the Patrol Division are the police officers that our city residents and visitors are most likely to interact with on a daily basis. The Division is comprised of seven patrol teams that respond to emergency and non-emergency calls for service from the community 24 hours a day, 7 days a week. The Patrol Division is also responsible for developing and training entry level and lateral police officers in the Field Training Program to help transition police recruits from the academic environment of the basic police academy to the performance environment of a police

officer in the field. All aspects of the Patrol Division's operations are guided and shaped by the Department's Community Policing and Problem Solving Philosophy.

Special Operations Division

The Special Operations Division provides for the oversight and management of the Departmental Personnel and Training Bureau as well as various specialized law enforcement and problem-solving units.

- The District Command Unit works closely with members of the community and is responsible for identifying, reducing, eliminating, and preventing problems that adversely impact community safety and order. To further the Department's community policing efforts and to decentralize service to the community, the City was divided into North and South Districts and a substation for District Command was established in each. The substations are managed by a Lieutenant and serve as the primary liaison with the community. They coordinate the efforts of the Department, other City Departments, and other public agencies with the community to address crime and quality of life issues in the District neighborhoods.

- The Traffic Bureau provides traffic safety services, investigates fatal and major injury accidents, manages the abandoned vehicle abatement program, and coordinates Countywide traffic enforcement through the Office of Traffic Safety STEP Grant.

- The Reserve Bureau consists of a cadre of unpaid volunteers who are trained as police officers and provide support in a broad range of law enforcement roles. They support community-oriented events, they monitor registration compliance of convicted sex offenders residing in the City, and they assist with numerous other special projects.

- The Personnel and Training Bureau manages Departmental recruitments, screening, hiring, uniforms and equipment, Workers' Compensation issues, and employee training. Personnel and Training Bureau personnel also manage the Chaplain and Peer Support Programs, which exist to provide assistance to Department personnel following critical incidents.

- The Hayward Police Department's K-9 Unit has four Police Officer/handlers and four certified Police Service Dogs. Each K-9/handler team is assigned to uniformed Patrol. They provide support to Patrol Officers by searching confined spaces or large open areas, searching for objects (e.g. firearms, clothing, etc.), detecting the presence of illegal drugs, tracking the scent of a suspect or missing person, and providing individual Police Officer protection.

- The Special Response Unit (SRU) is comprised of both the SWAT and Crisis Negotiations Teams. SRU is a critical incident response team of highly trained Police Officers from throughout the Department. They are deployed whenever the resolution of a critical incident

or situation requires additional resources, specialized equipment, or specialized training that is outside the capabilities of Patrol Officers.

Investigation Division

The Investigations Division is comprised of three (3) major bureaus of operation – the Criminal Investigations Bureau, the Special Investigations Bureau, and the Youth and Family Services Bureau.

- The Crime and Intelligence Analysis Unit improves the ability of the department to monitor the criminal activity and behavior of people within the city through analysis of related information, to obtain knowledge about the activity of known criminals through intelligence analysis, to improve tactical planning, and to improve short and long term decision making. It also improves the ability of the department to manage, allocate, and deploy resources through practical analyses.

- The Special Victims Unit thoroughly investigates incidents that are reported through a diverse range of sources, such as teachers, citizens, mental health professionals, and preliminary investigations by Patrol Officers. SVU investigators work collaboratively with CALICO (Child Abuse Listening, Interviewing and Coordination Center) interviewers, Children's Hospital's Center for the Protection of Children for forensic medical examinations and expertise, Shelters Against Violent Environments (SAVE) for domestic violence victim services, and the Alameda County SAFE (Sexual Assault Felony Enforcement) Task Force for investigation of sexually violent predators and sexually-based criminal enterprises.

- The Robbery and Property Crimes Unit investigates, arrests, and prosecutes suspects who commit specific crimes in the City of Hayward, and provides investigative support to Officers engaged in community policing efforts. These crimes include but are not limited to, robbery, burglary, carjacking, fraud, and elder/dependent adult financial abuse.

- The Homicide and Assault Unit investigates significant violent crimes that elude the department's prevention efforts, arrests and prosecutes suspects who commit them, locates missing adults, and investigates hate crimes.

- The Special Duty Unit and Special Duty Investigative Unit provides specialized police response to identified problem areas and to those areas most impacted by the activities of criminal street gangs. Their focus is on protecting lives and property, reducing violent crime (especially violent crimes committed by criminal street gang members), and reducing fear among the people we serve (especially those who live in neighborhoods where criminal street gang members actively engage in their illicit activities).

- The Narcotics Unit investigates mid to upper level drug traffickers operating within the City of Hayward. The unit's primary mission is to identify, investigate, arrest, and prosecute mid to upper level drug traffickers.

- The Vice-Intelligence-ABC Unit actively enforces and/or abates alcohol related violations, prostitution, tobacco ordinances, illegal gambling, and other closely related crimes within the City.

- The School Resource Officer Unit ensures a safe school environment for students and staff. The SROs are responsible for police functions at the three Hayward public high schools, one continuation high school, one private high school, one community day school, five middle schools, twenty-two elementary schools, one independent studies program, one adult school, and one ROP program. They spend most of their work shifts actually on the campuses of these schools, providing police services and support to students, parents and school administrators.

- The Youth & Family Services Bureau Counseling Unit, a valued unit that is extremely unique to police departments, provides a range of prevention, crisis intervention, counseling, juvenile diversion, case management and information/referral services to youth and families residing in Hayward.

Support Services Division

The Support Services Division consists mainly of professional staff that provides support through the Communications Center, Jail, Records, Animal Services, Property & Evidence and Crime Scene Technicians. The Division is also responsible for auxiliary assignments such as Facility, Fleet, Finance and Information Technology.

- The Communications Center provides 24-hour telephone service to the public for non-emergency information and emergency. The Center dispatches appropriate police and fire first responders.

- The Jail provides temporary detention of all persons arrested in the course of police actions. The facility is classified as a "Type 1" by the State of California Corrections Standards Authority. The Jail houses persons pending arraignment and are not held more than ninety-six (96) hours.

- The Records Section is responsible for the care and maintenance of the Police Department's generated case reports. Records personnel assist the public in the processing and distribution of public record information. The Section receives and disseminates criminal warrants, subpoenas and civil orders to meet State and Local mandates; and is also responsible for compiling crime statistics in support of the FBI's Uniform Crime Reporting System.

- The Property and Evidence/Crime Scene Unit is comprised of two sections. The Property and Evidence Section are custodians of evidence for the courtroom and is responsible for the integrity of the evidence's chain of custody. The Section is also the repository for found property and is responsible for the purging of property/evidence. The Crime Scene Unit collects physical evidence at a crime scene, and analyzes the evidence to identify possible suspects.

- The Animal Services Shelter handles all animal control related calls for service. The Shelter investigates animal cruelty, animal bites reports and public nuisance calls involving animals. The Shelter facilitates adoptions and provides assistance in resolving animal-related issues.

FY 2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals	Status
Office of the Chief	1	Complete I.C.A.T. Training.	**ACHIEVED**
	2	Review and Update Citizen Satisfaction Survey.	**CONTINUED EFFORT NEEDED**
	3	Increase formal internal employee engagement events.	**ACHIEVED**
	4	Improve public trust by increasing transparency on use of force.	**ONGOING**
	5	Complete staffing needs study within the investigations division to explore and identify potential reorganization to provide more efficient department wide resources.	**CONTINUED EFFORT NEEDED**
	6	Support Council Strategic Initiatives (Complete Communities, Complete Streets, Tennyson Corridor).	**ONGOING**
	7	Increase awareness, support and identify funding for the replacement of the police administration building.	**ONGOING**
Patrol Division	8	Enhance employee safety and efficiency through training, the acquisition of equipment, and/or the use of technology.	**ONGOING**
	9	Continue to direct pro-active enforcement activities in targeted areas where clusters of crimes are occurring by utilizing intelligence led policing strategies.	**ONGOING**

HAYWARD POLICE DEPARTMENT

Division	#	FY 2018 Goals	Status
Patrol Division	10	Continue the participation of Patrol managers, supervisors, and officers in all community meetings or neighborhood partnership programs to enhance policy/community relations.	**ONGOING**
	11	Hold a Division supervisor/management meeting with the goal of providing training, sharing information, and improving the Division functionality and effectiveness.	**ONGOING**
	12	Develop a Patrol Wellness Group to evaluate processes and/or issues that impact officer morale and efficiency.	**ONGOING**
	13	Develop a plan for re-modeling the Patrol Sergeants' Office.	**ONGOING**
Special Operations Division	14	Continue to track community participation in meetings and H.P.D. sponsored events.	**ONGOING**
	15	Implement strategic community engagement program following critical incidents aimed at reducing the fear of crime.	**ONGOING**
	16	Reduce the number of traffic accidents citywide over the next year at the identified high traffic locations.	**ACHIEVED**
	17	Conduct SMASH operations aimed to reduce chronic criminal behavior.	**ONGOING**
	18	Revise the Neighborhood Alert Program to increase participation and reach a broader spectrum of the community.	**ACHIEVED**
	19	Fill newly created Measure C positions.	**ONGOING**
	20	Increase recruitment diversity.	**ONGOING**
	21	Improve collaboration with City departments regarding traffic calming and safety measures.	**ONGOING**
	22	Continue to cultivate organizational leaders through comprehensive succession planning and staff development.	**ONGOING**

HAYWARD POLICE DEPARTMENT

Division	#	FY 2018 Goals	Status
Investigations Division	23	Obtain HAP (Hayward Attendance Project) Grant designed to reduce school truancy.	**CONTINUED EFFORT NEEDED**
	24	Develop inspection, investigation and enforcement protocols related to newly passed marijuana legislation.	**ONGOING**
	25	Emphasize proactive anti-gang enforcement by the Special Duty Unit in collaboration with the Special Duty Investigation Unit, Patrol, the Narcotics Enforcement Unit and School Resource Officers to reduce the number of gang-related events City-wide.	**ONGOING**
	26	Maintain working relationships with State & Federal law enforcement agencies to enhance prosecution of criminal offenders at the State and local level.	**ONGOING**
	27	Increase the number of juvenile truancy violators diverted from judicial sanctions.	**ONGOING**
	28	Reduce the number of open cases and improve the clearance rate in part 1 crimes.	**ONGOING**
	29	Youth receiving family counseling and diversion services will experience a reduction of identified “at-risk” behaviors and demonstrate improved family function.	**ONGOING**
Support Services Division	30	Working with Information Technology Department in upgrading the Computer Aided Dispatch and Records Management.	**ONGOING**
	31	Develop a social media committee to disseminate timely information to the community on various events and enhance departmental transparency.	**ONGOING**
	32	To reduce property purges to cases within a 7-year retention level.	**ONGOING**
	33	Working with Human Resources to identify long term solution to permanently staff a dedicated facility project coordinator for the Police Department.	**ONGOING**
	34	To develop and implement a business intake plan for Animal Services to prevent and control various endemic outbreaks of animal related viruses.	**ONGOING**
	35	To meet the Council’s priorities as to going green, we are evaluating Police’s fleet to incorporate more hybrid vehicles.	**ONGOING**

HAYWARD POLICE DEPARTMENT

FY 2018 DEPARTMENT PERFORMANCE METRICS

#	Performance Measure	Goal # or %	Status
1	Improve public trust and awareness through annual public reporting on use of force.	Annual report	ACHIEVED
2	Continue to maintain clearance of Part 1 crimes at a rate equal to or above the national average.	Equal to or above national average	ONGOING
3	Increase Awareness and Participation in Citizen Satisfaction Survey.	25% increase in participation	ONGOING
4	Complete no less than eight formal internal employee engagement events.	Eight events	ONGOING
5	Continue to track and increase community participation in meetings and H.P.D. sponsored events to establish baseline community participation.	Report participation	ONGOING

HAYWARD POLICE DEPARTMENT

FY 2019 KEY SERVICE GOALS AND METRICS

Division	#	FY 2019 Goals	FY 2019 Measures
Office of the Chief	1	Improve community engagement and awareness.	Establish and hold at least three Chief's Advisory Panel meetings
	2	Support Council Strategic Initiatives, Complete Communities, Complete Streets, Tennyson Corridor.	Departmental Employee Participation in implementation of initiative plans
	3	Begin to update Department Strategic Plan.	Hold two internal & two external workshops
	4	Continue Departmental efficiency reviews.	Reallocate or reassign staff to more effectively meet service demands
	5	Continue to increase employee satisfaction and inclusion.	Hold management and supervisor interviews, as well as a minimum of eight employee engagement events
	6	Increase awareness, support and Police Administration Building (PAB) funding for replacement of PAB.	Identification of potential funding sources & location
Patrol Division	7	Hold a Division supervisor/management meeting with the goal of providing training, sharing information, and improving the Division functionality and effectiveness.	Biannual
	8	Continue the participation of Patrol managers, supervisors, and officers in all community meetings or neighborhood partnership programs to enhance policy/community relations.	Collaborate with department divisions & Patrol attendance at all community events
	9	Hold an inhouse supervisors' academy with goal of improving division functionality and consistency	Biannual
	10	Enhance employee safety and efficiency through training, the acquisition of equipment, and/or the use of technology.	Develop training protocols to improve Patrol responses
	11	Continue to direct pro-active enforcement activities in targeted areas where clusters of crimes are occurring by utilizing intelligence led policing strategies.	Collaborate with Crime Analysis Unit & identify various technology

HAYWARD POLICE DEPARTMENT

Division	#	FY 2019 Goals	FY 2019 Measures
Special Operations Division	12	SRU Emergency Vehicle Replacement.	Purchased
	13	Development of strategic community engagement program following critical incidents aimed at reducing the fear of crime.	Develop protocol
	14	Expand recruitment efforts to address staffing vacancies and increase recruitment diversity.	Increased candidate pool & hiring
	15	Increase community engagement efforts.	New programs
Investigations Division	16	Obtain Delinquency Prevention Network (DPN) funding through the Alameda County Juvenile Probation Dept. designed to reduce youth involvement in the Juvenile Justice System.	Review funding options
	17	Develop Clinical Supervisor position in YFSB to create more sufficient support and management of our program of 10 employees at 11 sites under 3 contracts.	Review funding options
	18	Conduct commercial cannabis related business enforcement.	Conduct quarterly inspection of businesses
	19	Improve the clearance rate in part 1 crimes.	Equal to or above national clearance rate average
Support Services Division	20	Develop a Records position in handling the Body Worn Camera PRAs.	Approval by City Council
	21	Replace the Department's outdated and inoperable security cameras.	Installation of project
	22	Develop a build team for the Enterprise upgrade of the Computer Aided Dispatch system.	Installation of project
	23	To permanently staff a dedicated facility project coordinator for the Police Department.	Approval by City Council

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2019

- Addition of Management Analyst I (1.0 FTE) for HPD Facilities
- Elimination of CSO position (1.0 FTE)

All Funds Summary - By Category

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue and Trans in from Other Funds				
General Fund Revenue	4,640,744	4,097,604	3,618,646	3,636,117
Community Oriented Policing Grant	275,026	-	-	-
Byrnes Grant	-	-	-	-
Narc Asset Seizure-Spec Rev Fund	-	79,853	-	-
	4,915,771	**4,177,457**	**3,618,646**	**3,636,117**
(Contribution)/Use of Fund Balance				
Community Oriented Policing Grant	(43,162)	-	-	-
Byrnes Grant	-	-	-	-
Narcotic Asset Seizure	-	(79,853)	-	-
	(43,162)	**(79,853)**	**-**	**-**
Fund Subsidy				
General Fund Subsidy	62,295,866	67,041,556	66,692,339	72,685,830
Measure C Fund Subsidy	569,836	1,793,135	2,409,500	2,712,360
	62,865,701	**68,834,691**	**69,101,838**	**75,398,190**
Total Revenues	**67,738,310**	**72,932,295**	**72,720,484**	**79,034,307**
EXPENDITURES				
Expenditures By Expense Category				
Salary				
Regular	32,705,322	35,123,050	36,759,087	38,120,075
Overtime	3,544,590	3,942,191	3,265,823	2,961,000
Vacancy Savings	-	-	(688,950)	(1,567,998)
Benefits				
Fringe Benefits	9,950,140	10,986,461	11,524,775	12,077,070
Retiree Medical	1,689,223	1,765,012	1,713,731	1,915,373
PERS	10,668,914	12,657,255	12,942,782	16,063,769
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**58,558,189**	**64,473,968**	**65,517,248**	**69,569,289**
Maintenance & Utilities	447,714	399,235	548,938	497,601
Supplies & Services	2,280,202	1,940,825	1,942,670	2,126,720
Internal Service Fees	6,166,745	6,118,267	4,711,628	6,840,697
Capital	53,597	-	-	-
Net Operating Expense	**8,948,257**	**8,458,327**	**7,203,236**	**9,465,018**
Transfers to other funds	**231,864**	**-**	**-**	**-**
Total Expenditures	**67,738,310**	**72,932,295**	**72,720,484**	**79,034,307**
Net Change	**-**	**-**	**-**	**-**

All Funds Summary - By Program

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue and Transfers in from Other Funds				
Office of the Chief	-	-	-	-
Special Operations	528,272	177,511	509,000	514,980
Patrol Division	42,679	100,160	70,000	70,000
Investigations	1,816,014	2,105,793	1,692,540	1,727,131
Support Services	1,146,212	846,287	958,242	935,142
Special Programs	1,107,567	867,853	388,864	388,864
Community Oriented Policing Grant	275,026	-	-	-
Byrnes Grant	-	-	-	-
Narcotic Asset Seizure	-	79,853	-	-
	4,915,771	**4,177,457**	**3,618,646**	**3,636,117**
(Contribution)/Use of Fund Balance				
Community Oriented Policing Grant	43,162	-	-	-
Byrnes Grant	-	-	-	-
Narcotic Asset Seizure	-	79,853	-	-
	43,162	**79,853**	**-**	**-**
Fund Subsidy				
General Fund Subsidy	62,295,866	67,041,556	66,692,339	72,685,830
Measure C Fund Subsidy	569,836	1,793,135	2,409,500	2,712,360
	62,865,701	**68,834,691**	**69,101,838**	**75,398,190**
Total Revenues	**67,824,634**	**73,092,001**	**72,720,484**	**79,034,307**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds				
Office of the Chief - General Fund	1,462,448	1,374,611	1,443,074	1,606,297
Special Operations - General Fund	7,169,113	7,064,810	7,747,128	8,118,363
Patrol Division	27,604,077	30,828,458	29,459,082	32,032,879
Investigations	14,946,763	15,873,743	16,524,059	18,244,410
Support Services - General Services	12,583,761	13,024,525	12,437,847	13,454,528
Special Programs (Grants) - General Fun	3,170,447	2,973,014	2,699,795	2,865,470
Measure C Programs	569,836	1,793,135	2,409,500	2,712,360
Community Oriented Policing Grant	231,864	-	-	-
Byrnes Grant	-	-	-	-
Narc Asset Seizure-Spec Rev Fund	-	-	-	-
Total Expenditures	**67,738,310**	**72,932,295**	**72,720,484**	**79,034,307**
Net Change	**86,325**	**159,706**	**-**	**-**

Police - General Fund Summary

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Licenses & Permits	292,947	397,601	423,242	428,342
Photo Red Light	316,851	149,355	70,000	71,400
Fines & Forfeitures	50,753	53,249	41,000	41,000
Intergovernmental	2,736,658	2,803,462	2,071,404	2,105,875
Fees & Service Charges	1,173,182	640,308	938,000	914,500
Other Revenue	70,354	53,630	75,000	75,000
Total Revenues	**4,640,744**	**4,097,604**	**3,618,646**	**3,636,117**
EXPENDITURES				
Expenditures				
Salary				
Regular	32,500,737	34,183,199	35,377,867	36,615,320
Overtime	3,537,131	3,882,845	3,265,823	2,961,000
Vacancy Savings	-	-	(688,950)	(1,567,998)
Benefits				
Fringe Benefits	9,905,548	10,705,215	11,101,944	11,681,589
Retiree Medical	1,641,138	1,715,219	1,665,506	1,862,648
PERS	10,609,561	12,336,932	12,565,205	15,536,954
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**58,194,114**	**62,823,409**	**63,287,395**	**67,089,513**
Maintenance & Utilities	447,714	393,675	490,800	439,463
Supplies & Services	2,221,101	1,895,352	1,898,540	2,082,590
Internal Service Fees	6,073,681	6,026,724	4,634,250	6,710,381
Capital	-	-	-	-
Net Operating Expense	**8,742,496**	**8,315,751**	**7,023,590**	**9,232,434**
Total Expenditures	**66,936,610**	**71,139,161**	**70,310,985**	**76,321,947**
General Fund Subsidy	**62,295,866**	**67,041,556**	**66,692,339**	**72,685,830**

Office of the Chief - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Intergovernmental	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	830,213	782,334	790,032	854,142
Overtime	4,932	11,396	16,500	16,500
Benefits				
Fringe Benefits	200,970	177,474	202,895	209,685
Retiree Medical	25,845	20,809	20,175	22,475
PERS	249,971	260,079	284,616	359,673
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**1,311,930**	**1,252,091**	**1,314,218**	**1,462,475**
Maintenance & Utilities	8,690	8,173	9,000	9,000
Supplies & Services	39,157	36,220	39,084	39,084
Internal Service Fees	102,671	78,127	80,772	95,738
Net Operating Expense	**150,518**	**122,520**	**128,856**	**143,822**
Total Expenditures	**1,462,448**	**1,374,611**	**1,443,074**	**1,606,297**
General Fund Subsidy	**1,462,448**	**1,374,611**	**1,443,074**	**1,606,297**

FY 2019 Significant Budget Changes:

1. None.

Special Operations - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Grants-Citizens' Option for Public Safety	-	-	184,000	187,680
Licenses and Permits	21,675	23,919	30,000	30,900
Photo Red Light	316,851	149,355	70,000	71,400
Intergovernmental	2,807	-	-	-
Fees & Service Charges	167,689	-	185,000	185,000
Other Revenue	19,250	4,237	40,000	40,000
Total Revenues	**528,272**	**177,511**	**509,000**	**514,980**
EXPENDITURES				
Expenditures				
Salary				
Regular	3,102,707	2,772,092	3,469,234	3,481,287
Overtime	407,201	494,136	243,500	243,500
Vacancy Savings			-	(310,602)
Benefits				
Fringe Benefits	965,195	941,893	1,167,448	1,219,624
Retiree Medical	145,910	153,170	155,588	158,808
PERS	1,002,535	1,002,418	1,210,810	1,516,602
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**5,623,547**	**5,363,708**	**6,246,579**	**6,309,219**
Maintenance & Utilities	16,032	16,590	26,000	30,000
Supplies & Services	942,548	783,463	887,604	913,604
Internal Service Fees	586,985	901,049	586,945	865,540
Capital	-	-	-	-
Net Operating Expense	**1,545,565**	**1,701,101**	**1,500,549**	**1,809,144**
Total Expenditures	**7,169,113**	**7,064,810**	**7,747,128**	**8,118,363**
General Fund Subsidy	**6,640,840**	**6,887,299**	**7,238,128**	**7,603,383**

FY 2019 Significant Budget Changes:

1. Delete Community Service Officer (1.0 FTE)
2. Add Management Analyst I/II (1.0 FTE)
3. Delete Personnel & Training Administrator (1.0 FTE) (FY 2018 Mid-Year)
4. Add Personnel & Training Lieutenant (1.0 FTE) (FY 2018 Mid-Year)

Patrol Division - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees & Service Charges	42,679	100,160	70,000	70,000
Other Revenue	-	-	-	-
Total Revenues	**42,679**	**100,160**	**70,000**	**70,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	13,148,826	14,771,227	14,481,779	14,980,722
Overtime	1,300,347	1,215,792	1,929,823	1,215,000
Vacancy Savings		-	(688,950)	(349,229)
Benefits				
Fringe Benefits	4,284,138	4,944,466	4,812,990	4,970,698
Retiree Medical	829,385	884,307	859,050	981,105
PERS	4,793,272	6,055,255	5,987,965	7,215,407
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**24,355,968**	**27,871,046**	**27,382,657**	**29,013,703**
Maintenance & Utilities	-	-	-	-
Supplies & Services	59,004	30,235	57,784	57,784
Internal Service Fees	3,189,106	2,927,177	2,018,641	2,961,392
Capital	-	-	-	-
Net Operating Expense	**3,248,110**	**2,957,412**	**2,076,425**	**3,019,176**
Total Expenditures	**27,604,077**	**30,828,458**	**29,459,082**	**32,032,879**
General Fund Subsidy	**27,561,398**	**30,728,298**	**29,389,082**	**31,962,879**

FY 2019 Significant Budget Changes:

1. None.

Investigations - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Licenses & Permits	126,440	120,440	140,000	144,200
Intergovernmental	1,656,318	1,970,166	1,519,540	1,549,931
Fees & Service Charges	33,256	15,188	33,000	33,000
Other Revenue	-	-	-	-
Total Revenues	**1,816,014**	**2,105,793**	**1,692,540**	**1,727,131**
EXPENDITURES				
Expenditures				
Salary				
Regular	7,769,329	7,923,605	8,381,957	8,723,365
Overtime	371,089	759,197	690,000	1,100,000
Vacancy Savings			-	(460,675)
Benefits				
Fringe Benefits	2,265,374	2,444,147	2,591,930	2,722,812
Retiree Medical	410,314	430,077	411,450	468,575
PERS	2,622,150	2,938,573	3,199,771	3,794,150
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**13,438,255**	**14,495,599**	**15,275,108**	**16,348,227**
Maintenance & Utilities	54,158	43,812	81,000	81,000
Supplies & Services	365,470	352,471	322,684	382,684
Internal Service Fees	1,088,880	981,862	845,267	1,432,499
Capital	-	-	-	-
Net Operating Expense	**1,508,508**	**1,378,145**	**1,248,951**	**1,896,183**
Total Expenditures	**14,946,763**	**15,873,743**	**16,524,059**	**18,244,410**
General Fund Subsidy	**13,130,750**	**13,767,951**	**14,831,519**	**16,517,279**

FY 2019 Significant Budget Changes:

1.

Support Services - General Services

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Licenses & Permits	144,833	253,242	253,242	253,242
Intergovernmental	20,718	18,692	20,000	20,400
Fees & Service Charges	929,558	524,961	650,000	626,500
Other Revenue	51,104	49,393	35,000	35,000
Total Revenues	**1,146,212**	**846,287**	**958,242**	**935,142**
EXPENDITURES				
Expenditures				
Salary				
Regular	6,133,644	6,469,354	6,818,353	7,075,063
Overtime	1,235,813	1,224,574	386,000	386,000
Vacancy Savings			-	(447,492)
Benefits				
Fringe Benefits	1,663,198	1,665,600	1,793,734	2,056,325
Retiree Medical	139,384	139,384	134,269	133,730
PERS	1,389,146	1,481,704	1,287,332	1,937,390
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**10,561,184**	**10,980,616**	**10,419,688**	**11,141,016**
Maintenance & Utilities	368,834	325,101	374,800	319,463
Supplies & Services	555,670	583,024	543,384	641,434
Internal Service Fees	1,098,073	1,135,784	1,099,975	1,352,615
Capital	-	-	-	-
Net Operating Expense	**2,022,577**	**2,043,908**	**2,018,159**	**2,313,512**
Total Expenditures	**12,583,761**	**13,024,525**	**12,437,847**	**13,454,528**
General Fund Subsidy	**11,437,549**	**12,178,237**	**11,479,605**	**12,519,386**

FY 2019 Significant Budget Changes:

1. None.

Special Programs (Grants) - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Fines and Forfeitures	50,753	53,249	41,000	41,000
Grant Revenue	1,056,815	814,604	347,864	347,864
Rental Income	2,912	1,852	-	-
Total Revenues	**1,107,567**	**867,853**	**388,864**	**388,864**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,516,018	1,464,588	1,436,512	1,500,741
Overtime	217,749	177,751	-	-
Vacancy Savings	-	-	-	-
Benefits				
Fringe Benefits	526,674	531,634	532,947	502,445
Retiree Medical	90,300	87,472	84,975	97,955
PERS	552,488	598,904	594,711	713,732
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**2,903,229**	**2,860,349**	**2,649,145**	**2,814,873**
Maintenance & Utilities	-	-	-	-
Supplies & Services	259,252	109,940	48,000	48,000
Internal Service Fees	7,966	2,725	2,650	2,597
Capital	-	-	-	-
Net Operating Expense	**267,218**	**112,665**	**50,650**	**50,597**
Total Expenditures	**3,170,447**	**2,973,014**	**2,699,795**	**2,865,470**
General Fund Subsidy	**2,062,880**	**2,105,161**	**2,310,931**	**2,476,606**

FY 2019 Significant Budget Changes:

1. None.

Citizen's Option for Public Safety Grant-Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance	**187,283**	**230,445**	**230,445**	**230,445**
REVENUES				
Revenue				
Interest	-	-	-	-
Intergovernmental	275,026	-	-	-
Total Revenues	**275,026**	**-**	**-**	**-**
EXPENDITURES				
Fund Transfers Out to				
Trsfr to General Fund	231,864	-	-	-
	231,864	**-**	**-**	**-**
Total Expenditures	**231,864**	**-**	**-**	**-**
Net Change	**43,162**	**-**	**-**	**-**
Ending Working Capital Balance	**230,445**	**230,445**	**230,445**	**230,445**

FY 2019 Significant Budget Changes:

1. None.

Byrne Justice Assistance Grant - Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance	**319**	**319**	**319**	**319**
REVENUES				
Revenue				
Interest	-	-	-	-
Intergovernmental	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits				
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**-**	**-**	**-**	**-**
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	-
Internal Service Fees				
Capital	-	-	-	-
Net Operating Expense	**-**	**-**	**-**	**-**
Fund Transfers Out				
Trsfr to General Fund	-	-	-	-
	-	**-**	**-**	**-**
Total Expenditures	**-**	**-**	**-**	**-**
Net Diff Gain (Use) of Fund Bal	**-**	**-**	**-**	**-**
Ending Working Capital Balance	**319**	**319**	**319**	**319**

FY 2019 Significant Budget Changes:

1. N/A

Narcotic Asset Seizure - Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance	**350,200**	**350,200**	**350,200**	**430,053**
REVENUES				
Revenue				
Fines & Forfeitures	-	70,993	-	-
Interest	-	8,859	-	-
Total Revenues	**-**	**79,853**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits				
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	-	-	-	-
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	-
Internal Service Fees	-	-	-	-
Capital	-	-	-	-
Net Operating Expense	-	-	-	-
Fund Transfers Out				
Trsfr to Police Capital Projects	-			
	-	**-**	**-**	**-**
Total Expenditures	**-**	**-**	**-**	**-**
Net Diff Gain (Use) of Fund Balance	**-**	**79,853**	**-**	**-**
Ending Working Capital Balance	**350,200**	**430,053**	**350,200**	**430,053**

FY 2019 Significant Budget Changes:

1. None

Measure C Program - Measure C Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Other Revenue	-			
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	204,585	939,851	1,381,220	1,504,755
Overtime	7,459	59,346	-	-
Benefits				
Fringe Benefits	44,592	281,247	422,831	395,481
Retiree Medical	48,085	49,793	48,225	52,725
PERS	59,353	320,323	377,578	526,815
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**364,074**	**1,650,559**	**2,229,854**	**2,479,776**
Maintenance & Utilities	-	5,560	58,138	58,138
Supplies & Services	59,100	45,472	44,130	44,130
Internal Service Fees	93,064	91,543	77,378	130,316
Capital	53,597	-	-	-
Net Operating Expense	**205,761**	**142,576**	**179,646**	**232,584**
Total Expenditures	**569,836**	**1,793,135**	**2,409,500**	**2,712,360**
Measure C Fund Subsidy	**569,836**	**1,793,135**	**2,409,500**	**2,712,360**

FY 2019 Significant Budget Changes:

1. Reallocation of Measure C funds from 8 call taker positions to 7 communications operator positions.

FY 2019 STAFFING
47.0 FTE

Public Works
Engineering & Transportation Department

Director, City Engineer
Alex Ameri (Interim)

Engineering Services
Deputy Director (1)

Design
Senior Civil Engineer (2)
Associate/Assistant Civil Engineer (6)
Engineer Technician (2)

Construction Inspection
Supv Construction Inspector (1)
Sr. Construction Insp (2)
Construction Inspector (5)

Development Review
Associate/Assistant Civil Engineer (2)

Survey
Surveyor (1)
Engineer Technician (2)
Survey Engineer (1)

Transportation Services
Transportation Manager (1)
Senior Transportation Engineer (1)
Associate/Assistant Trans Engineer (2)
Assoc Trans Planner (1)
Traffic Signal Tech (1)

Administration
Senior Mgmt Analyst (1)
Mgmt Analyst I/II (1)
Admin Secretary (1)
Senior Secretary (2)

Executive Airport
Airport Manager (1)

Airport Operations Supervisor (1)
Airport Business Manager (1)
Mgmt Analyst I/II (1)
Airport Operations Specialist (1)
Senior Secretary (1)
Sr Airport Maint Wrkr (1)
Airport Maint Wkr (3)
Secretary (1)

PUBLIC WORKS-ENGINEERING & TRANSPORTATION DEPARTMENT

MISSION STATEMENT

The Public Works-Engineering &Transportation Department strives to improve, develop, and maintain public infrastructure essential to the safety, mobility, and quality of life for the Hayward community within the available budget and established timelines.

DEPARTMENT OVERVIEW

The Public Works-Engineering &Transportation Department is organized into six divisions: Administration, Design/Development Services, Construction Services, Transportation, Survey, and the Executive Airport. The Department is responsible for providing engineering and transportation support to City operating departments and divisions and for implementation of the City's Capital Improvement Program. The Department is also charged with providing oversight to and support of daily Airport operations.

DIVISION/PROGRAM SUMMARIES

Administration

This Division has specific responsibilities for Department administration, clerical support, and staff support required for the preparation of the Capital Improvement Program budget. The Director of Public Works provides direction, sets priorities, and coordinates the Department's activities and programs.

Design/Development Services

Design/Development Services consists of two major groups. Design is responsible for implementing and processing the majority of the projects identified in the Capital Improvement Program, as well as preparing and administering grant applications. In addition, Design accomplishes in-house project designs, consultant selection, and administration of design services contracts, the administration of the pavement management program, and serves as the primary construction liaison. Development Services is responsible for the reviewing of grading plans, subdivision maps, improvement plans, and soils and geological reports for private development projects.

Construction Services

Construction Services is responsible for the construction inspection of City public works projects and private subdivision development improvement projects.

Transportation

Transportation comprises both Traffic Operations and Transportation Planning. The primary function of the Traffic Operations section is to reduce traffic delays and enhance traffic safety to pedestrians, bicyclists, and motorists through the appropriate use and maintenance of traffic

control devices such as traffic signals, speed lumps, signing, and striping. The Transportation Planning section is responsible for the development and coordination of all transportation planning activities, and review and analysis for all major City transportation studies and environmental impact reports. Responsibilities include circulation and parking studies as well as the transportation impacts of development, including street improvements.

Survey

Survey maintains a library of recorded maps, improvement plans, and monumentation data, which consists of known points used to determine the horizontal or vertical location of objects on, above, or below the ground. This section is also responsible for all mapping, surveying, and printing services.

Hayward Executive Airport

The Hayward Executive Airport is a self-supporting, general aviation reliever airport encompassing 521 acres. The primary function of the Airport is to relieve air carrier airports of general aviation traffic in the San Francisco Bay Area. Airport staff members interact with the community and airport users through various committees, such as the Council's Airport Committee. In addition, Airport staff work to promote aviation safety, provide courteous and efficient service to the flying public, attract businesses that provide a full range of aviation services, physically develop the Airport to reach its ultimate operational capacity, and create a compatible environment with the surrounding community.

FY2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals	Status
Administration	1	Assure that the Department is an engaged and consistent participant in appropriate community meetings.	**ACHIEVED**
	2	Prepare and deliver for adoption the Capital Improvement Program on-time to Council and the public.	**ACHIEVED**

PUBLIC WORKS-ENGINEERING & TRANSPORTATION DEPARTMENT

Division	#	FY 2018 Goals	Status
Administration	3	Continue construction of Phase 2 and complete design of Phase 3 of the Mission Boulevard Corridor Improvement Project.	**ACHIEVED** Phase 2: Start of construction. **CONTINUED EFFORT NEEDED** Phase 3: A. PG&E to provide electrical design yet have not provided start/completion date. Continue to get updates from PG&E. B. Redesign to accommodate dedicated bike lane.
	4	Continue relinquishment of State Routes 92, 185, and 238.	**ACHIEVED**
	5	Continue Acquisition of State-owned properties in Hayward.	**ONGOING**
Design/Development Services	6	Substantially Complete construction of the 21st Century Library and Community Learning Center Building.	**ACHIEVED**
	7	Start construction of the Heritage Plaza and Arboretum.	**ACHIEVED**
	8	Start and complete streets improvements for the FY17 and FY18 street paving repair projects as part of Gas Tax, Measures B/BB and VRF funding.	**ACHIEVED**
	9	Substantially complete construction of Fire Stations 1-5 improvements supported by the passage of Measure C.	FS 1-3: **ACHIEVED** FS 4: **IN PROGRESS -** Target substantial completion May 2018. FS5: **IN PROGRESS -** Target substantial completion July 2018.
	10	Complete design of Fire Station 6 & Training Center supported by the passage of Measure C.	**CONTINUED EFFORT NEEDED** Target September 2018.

PUBLIC WORKS-ENGINEERING & TRANSPORTATION DEPARTMENT

Division	#	FY 2018 Goals	Status
Construction Services	11	Ensure a timely and complete inspection of all City construction projects, as well as subdivisions, grading/clearing permits, and Public Works encroachment permits.	**CONTINUED EFFORT NEEDED** The level of development activities has substantially exceeded the allocated staff resources.
Survey	12	Maintain complete and accurate information related to public roadway and city-owned properties, both for record and for facilitating potential new development.	**ACHIEVED**
	13	Acknowledge requests for survey and property characteristics assistance from other departments within twenty-four hours; provide the requested data in a timely and efficient manner.	**ACHIEVED**
Transportation	14	Closely follow transportation-related legislation and potential available funding to ensure Hayward's interests are protected.	**ACHIEVED**
	15	Respond to community requests for traffic-calming assistance within five days of receiving the request.	**ACHIEVED**
	16	Complete the Downtown Parking Study and the Neighborhood Traffic Calming Study, and substantially complete the City-wide Intersection Improvement Study, and Transit Connector Feasibility Study.	**ACHIEVED/CONTINUED EFFORT NEEDED** All studies completed in FY 2018 except the Intersection Improvement Study which will be completed in FY 2019.
	17	Ensure traffic signal system operates in safe and efficient manner, reducing travel times and traffic congestion on the City's major corridors.	**ACHIEVED**
	18	Ensure all existing and proposed new roadways are designed and operate safely for all users of public roadway, such as motorists, pedestrian, and bicyclists.	**ACHIEVED**

PUBLIC WORKS-ENGINEERING & TRANSPORTATION DEPARTMENT

Division	#	FY 2018 Goals	Status
Hayward Executive Airport	19	Continue to reduce the number of noise-related complaints.	**CONTINUED EFFORT NEEDED** Reduced by half from historic levels, but experiencing a recent increase in contacts due to the use of social media to report complaints.
	20	Closely follow Aviation-related legislation and potential available funding as it relates to Hayward Executive Airport.	**ACHIEVED**

FY2018 DEPARTMENT PERFORMANCE METRICS

#	Performance Measures	Goal # OR %	Status
1	Review and comment on development proposals from Development Services Department within established deadlines.	90%	**ACHIEVED**
2	Ensure a positive response rate to Access Hayward requests in terms of courtesy, attentiveness, and responsiveness to customer's request.	80%	82%
3	Design projects related to at least 10 miles of pavement rehabilitation, 20,000 square feet of sidewalk, and 100 wheelchair ramps.	10 Lane Miles, 20,000 square feet of sidewalk, 100 ramps	**ACHIEVED** 16.3 Lane Miles, 25,000 square feet of sidewalk, 106 ramps.
4	Continue process to recover costs for knockdowns of street lights and traffic signals from insurers and private parties.	60%	Continued effort needed.
5	Achieve zero annual safety related discrepancies as measured by Annual FAA Audit results and unresolved discrepancies list. Any safety-related discrepancies will be resolved by next scheduled audit period.	100%	100%
6	Respond to citizen inquiries to the Airport through written response, e-mail or direct telephone contact.	72 hours	72 hours
7	Strive to incur zero Airport accidents; properly and on a timely basis report any accidents that do happen.	100%	100%

PUBLIC WORKS-ENGINEERING & TRANSPORTATION DEPARTMENT

FY 2019 KEY SERVICE GOALS AND METRICS

Division	#	FY 2019 Goals	FY 2019 Measures
Administration	1	Assure that the Department is an engaged and consistent participant in appropriate community meetings.	Have key staff present at all appropriate community meetings.
	2	Prepare and deliver for adoption the Capital Improvement Program on-time to Council and the public.	May 2019
	3	Continue process to recover costs for knockdowns of street lights and traffic signals from insurers and private parties.	60% cost recovery on-going
Design/Development Services	4	Complete construction of the Heritage Plaza and Arboretum.	Spring 2019
	5	Substantially complete construction of Phase 2 and complete design and begin construction of Phase 3 of the Mission Boulevard Corridor Improvement Project.	June 2019
	6	Implement the FY19 street improvement paving repair projects as part of Gas Tax, Measures B/BB, VRF, and RRAA funding.	April 2019
	7	Begin Construction of Fire Station 6 & Training Center supported by the passage of Measure C.	Spring 2019
	8	Design projects to rehabilitate and/or reconstruct pavement, sidewalk, and wheelchair ramps.	10 miles of pavement; 20,000 square feet of sidewalk; 100 wheelchair ramps by June 2019
Construction Services	9	Ensure a timely and complete inspection of all City construction projects, as well as subdivisions, grading/clearing permits, and Public Works encroachment permits	Complete/Ongoing.

PUBLIC WORKS-ENGINEERING & TRANSPORTATION DEPARTMENT

Division	#	FY 2019 Goals	FY 2019 Measures
Survey	10	Maintain complete and accurate information related to public roadway and city-owned properties, both for record and for facilitating potential new development.	Complete/Ongoing.
	11	Acknowledge requests for survey and property characteristics assistance from other departments within 24 hours; provide the requested data in a timely and efficient manner.	24-hour response.
Transportation	12	Closely follow transportation-related legislation and potential available funding to ensure Hayward's interests are protected.	Complete / Ongoing.
	13	Respond to community requests for traffic-calming assistance within 5 days of receiving the request.	5-day response.
	14	Complete the City-wide Intersection Improvement Study	June 2019
Hayward Executive Airport	15	Complete design of Sulphur Creek Improvement project	April 2019
	16	Determine tenant demand for Phase II of the Administration Building	October 2018
	17	Investigate the feasibility of US Customs service at the Airport	September 2018
	18	Develop promotional materials for Airport	December 2018 and on-going

SIGNIFICANT RESOURCES CHANGES PLANNED FOR FY 2019

- Delete 1.0 FTE Public Works Director
- Add 1.0 FTE Construction Inspector
- Add $180,000 in consultant services for development approval process

Public Works-Engineering & Transportation Department

All Funds Summary - By Category

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Adopted
REVENUES				
Revenue and Transfers In from Other Funds				
General Fund Revenue	518,468	645,870	440,500	415,500
Airport Maint & Operation	3,277,503	3,576,855	3,512,054	3,512,054
	3,795,971	**4,222,725**	**3,952,554**	**3,927,554**
(Contribution)/Use of Fund Balance				
Airport Maint & Operation	(167,547)	(136,818)	158,636	49,461
	(167,547)	**(136,818)**	**158,636**	**49,461**
Fund Subsidy				
General Fund Subsidy	**1,457,081**	**2,066,171**	**2,030,396**	**2,390,852**
Total Revenues	**5,085,506**	**6,152,078**	**6,141,586**	**6,367,867**
EXPENDITURES				
Expenditures By Expense Category				
Salary				
Regular	4,301,709	4,577,764	4,974,278	4,996,221
Overtime	96,927	128,437	33,150	33,150
Targeted Savings			(177,081)	(177,081)
Benefits				
Fringe Benefits	970,749	1,010,436	1,158,881	1,201,609
Retiree Medical	74,998	74,638	71,819	74,018
PERS	993,053	1,070,830	1,024,291	1,260,504
Charges (to)/from other prog	(3,667,487)	(3,526,184)	(3,644,111)	(3,860,608)
Net Staffing Expense	**2,769,948**	**3,335,922**	**3,441,227**	**3,527,813**
Maintenance & Utilities	205,236	227,452	230,620	227,351
Supplies & Services	382,132	382,304	260,125	442,394
Internal Service Fees	834,510	886,613	833,698	933,113
Capital	105,258	161,167	160,879	-
Net Operating Expense	**1,527,136**	**1,657,536**	**1,485,322**	**1,602,858**
Transfers Out to Other Funds	**788,421**	**933,300**	**1,215,037**	**1,204,427**
Total Expenditures	**5,085,506**	**5,926,758**	**6,141,586**	**6,335,098**
Net Change	**-**	**225,320**	**-**	**32,769**

Public Works-Engineering & Transportation Department

All Funds Summary - By Program

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Adopted
REVENUES				
Revenue and Trans in from Other Funds				
General Fund Revenue	518,468	645,870	440,500	415,500
Hayward Executive Airport	3,277,503	3,576,855	3,512,054	3,512,054
	3,795,971	**4,222,725**	**3,952,554**	**3,927,554**
(Contri)/Use of Fund Balance				
Hayward Executive Airport	(167,547)	(136,818)	158,636	49,461
	(167,547)	**(136,818)**	**158,636**	**49,461**
Fund Subsidy				
General Fund Subsidy	**1,457,081**	**2,066,171**	**2,030,396**	**2,390,852**
Total Revenues	**5,085,506**	**6,152,078**	**6,141,586**	**6,367,867**
EXPENDITURES				
Expend and Trans Out to Other Funds By Prog				
General Fund	1,975,549	2,712,041	2,470,896	2,806,352
Executive Airport	3,109,956	3,440,037	3,670,690	3,561,515
Total Expenditures	**5,085,506**	**6,152,078**	**6,141,586**	**6,367,867**
Net Change	**-**	**-**	**-**	**-**

Public Works-Engineering & Transportation Department

Engineering & Transportation - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Adopted
REVENUES				
Revenue				
Sales and Other Taxes	-	-	-	-
Interest and Rents	80,684	81,757	65,500	65,500
Fees & Service Charges	437,693	537,771	375,000	350,000
Other Revenue	90	26,342	-	-
Total Revenues	**518,468**	**645,870**	**440,500**	**415,500**
EXPENDITURES				
Expenditures				
Salary				
Regular	3,329,461	3,627,745	3,877,069	3,916,454
Overtime	69,005	92,082	6,400	6,400
Targeted Savings			(177,081)	(144,312)
Benefits				
Fringe Benefits	739,473	785,775	867,842	894,496
Retiree Medical	55,345	55,345	53,313	55,747
PERS	772,198	850,951	795,145	976,980
Charges (to)/from other prog	(3,667,487)	(3,526,184)	(3,644,111)	(3,860,608)
Net Staffing Expense	**1,297,994**	**1,885,714**	**1,778,577**	**1,845,157**
Maintenance & Utilities	1,330	2,816	7,115	3,846
Supplies & Services	39,666	140,658	64,371	246,640
Internal Service Fees	636,559	682,854	620,833	710,709
Capital	-	-	-	-
Net Operating Expense	**677,555**	**826,327**	**692,319**	**961,195**
Total Expenditures	**1,975,549**	**2,712,041**	**2,470,896**	**2,806,352**
General Fund Subsidy	**1,457,081**	**2,066,171**	**2,030,396**	**2,390,852**

FY 2019 Significant Budget Changes:

1. Add 1.0 FTE Construction Inspector
2. Delete 1.0 FTE Public Works Director
3. Increase to consulting services

Public Works-Engineering & Transportation Department

Hayward Executive Airport - Enterprise Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Interest & Rents	173,225	222,430	168,865	168,865
Land Rent	1,733,467	1,893,190	1,753,903	1,753,903
Hangar Rent	1,070,624	1,141,777	1,253,376	1,253,376
Fees & Service Charges	7,099	705	8,000	8,000
Other Revenue	293,089	318,753	327,911	327,911
Total Revenue	**3,277,503**	**3,576,855**	**3,512,054**	**3,512,054**
Total Revenues	**3,277,503**	**3,576,855**	**3,512,054**	**3,512,054**
EXPENDITURES				
Expenditures				
Salary				
Regular	972,248	950,020	1,097,209	1,079,767
Overtime	27,922	36,354	26,750	26,750
Benefits				
Fringe Benefits	231,276	224,661	291,039	307,113
Retiree Medical	19,653	19,293	18,506	18,271
PERS	220,855	219,880	229,146	283,524
Pension Expenses GASB68	-	120,062	-	-
Charges (to)/from other prog	-	-	-	-
Net Staffing Expense	**1,471,954**	**1,570,270**	**1,662,650**	**1,715,425**
Maintenance & Utilities	203,907	224,637	223,505	223,505
Supplies & Services	342,466	241,647	195,754	195,754
Internal Service Fees	197,951	203,759	212,865	222,404
Capital - Debt Service	105,258	161,167	160,879	-
Net Operating Expense	**849,581**	**831,209**	**793,003**	**641,663**
Depreciation Expense	**-**	**105,258**	**-**	**-**
Fund Transfers Out to				
Cost Allocation to General Fund	117,606	162,611	185,168	185,168
Liability Insurance Premium	53,815	70,689	66,869	69,259
Water Maint Fund for DS	-	-	-	-
Tech Services ERP	17,000	-	13,000	-
Airport Capital Fund	600,000	700,000	950,000	950,000
Total Transfers Out	**788,421**	**933,300**	**1,215,037**	**1,204,427**
Total Expenditures	**3,109,956**	**3,440,037**	**3,670,690**	**3,561,515**
Net Change	**167,547**	**136,818**	**(158,636)**	**(49,461)**

FY 2019 Significant Budget Changes:

1. None

FY 2019 STAFFING
111.5 FTE

Utilities & Environmental Services Department

Director
Alex Ameri

Utilities Op & Maint
Util Op & Maint Mgr (1)
Senior Secretary (1)

Water Distribution
Util Field Svcs Supv (1)
Sr Utility Leader (1)
Utility Leader (3)
Util Wkr/Laborer (13)
Equip Operator (2)
Sr. Util Cust Svc Ldr (1)
Cross Conn Ctrl Sp (1)
Backflow/Cross Connect Tester (1)
Water Meter Mech (3)
Water Mtr Reader (2.5)
Storekeeper-Exp (1)
Secretary (1)

Utility Sys Maint
Util Op & Maint Supv (1)
Electrician I/II (3)
Utility Maint Mech (6)
Utility Service Worker (2)

Sewer Collection Maint System
Wastewater Collection System Supervisor (1)
Sr Util Leader-Sewer (1)
Utility Leader-Sewer (2)
Utility Worker/ Laborer – Sewer (6)

Environmental Services
Environmental Services Manager (1)

Solid Waste Mgmt
Solid Waste Prog Mgr (1)
Mgmt Analyst I/II (1)
Sustainability Specialist (1)

Water Pollution Source Control (WPSC)/ Stormwater Mgmt
Water Pollution Control Administrator (1)
Senior WPSC Inspector (1)
WPSC Inspector (3)
Secretary (1)
Technical Intern (0.5)

Utilities Admin/Planning/ Engineering
Water Resources Mgr (1)
Sr Water Resources Engineer (1)
Utilities Eng Mgr (1)
Sr Utilities Engineer (2)
Assoc Civil Engineer (3)
Sr Mgmt Analyst (1)
Mgmt Analyst I/II (1)
Dev. Review Specialist (1)
Admin Secretary (1)
Senior Secretary (1)

Water Pollution Control Facility (WPCF)
WPCF Manager (1)
WPCF O & M Manager (1)
WPCF Maint Supv (1)
WPCF Op Supv (1)
WPCF Lead Op (6)
WPCF Operator (6)
Operator In Training (2)
Electrician I/II (3)
Utility Maint Mech (4)
Equipment Operator (1)
Maint Wkr/Laborer (1)
Lab Supervisor (1)
Chemist (1)
Lab Technician (2)
Senior Secretary (1)
Admin Intern (0.5)

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

MISSION STATEMENT

The mission of the Utilities & Environmental Services Department is to provide water service, wastewater service, stormwater management, and solid waste and recycling management services in a safe, reliable, innovative, and efficient manner, in full compliance with all applicable local, state and federal regulations and laws; and to develop, implement, manage, and promote City-wide environmental sustainability activities.

DEPARTMENT OVERVIEW

The Utilities & Environmental Services Department is responsible for the management of the City's Water Distribution System and Wastewater Collection and Treatment Systems, as well as the Solid Waste and Recycling Program, and the Stormwater Management Program. In addition to operating and maintaining utilities facilities and equipment, this Department is responsible for compliance with all applicable local, state, and federal laws and regulatory requirements related to Department operations, and has responsibility for developing, implementing, coordinating, and managing sustainability programs and activities in the City, including implementation of strategies and programs contained in the City's adopted Climate Action Plan.

DIVISION/PROGRAM SUMMARIES

Administration, Planning, and Engineering (AP&E)

The Administration, Planning, and Engineering Division manages the procurement of potable water supply, as well as long-range water resource planning and design of needed rehabilitation, replacement, and capital improvement projects to ensure sufficient, reliable, and safe water supplies to current and future customers. This Division oversees the financial management of the Department, including Water, Wastewater, and Stormwater Enterprise Funds and Recycling Special Fund, water conservation programs, and the administration of new utility service connections. The Division works closely with the City's wholesale water supplier, the San Francisco Public Utilities Commission. The Division also works in coordination with the Bay Area Water Supply and Conservation Agency, which represents certain interests of cities and agencies that purchase water on a wholesale basis from San Francisco Public Utilities Commission.

Water Distribution and Wastewater Collection Operations and Maintenance (O&M)

The Water Distribution and Wastewater Collection Utilities Operations and Maintenance Division manages the transmission, storage, and distribution of potable water, as well as the sewer collection system. This Division maintains and operates all water facilities and wastewater lift stations, and is responsible for the inspection, cleaning, and maintenance of sewer pipelines. This Division is also responsible for water meter reading and meter maintenance, field customer service, maintenance and repair of the water distribution system mains, and installation of new utility services.

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

Water Pollution Control Facility (WPCF)

The Water Pollution Control Facility (WPCF) is responsible for treatment and disposal or beneficial reuse of wastewater from residential, commercial, and industrial customers. In addition to normal operations and maintenance functions, the WPCF staff plans, designs, and constructs needed rehabilitation, replacement, and capital improvement projects. The Division develops and expands the use of clean and renewable energy sources, such as solar photovoltaic and cogeneration of electric power and heat using biogas, a renewable resource, to eliminate or reduce the facility's reliance on purchased power and to export surplus power through PG&E for the use at other City municipal facilities.

Environmental Services (ES)

This Division brings energy efficiency, resource conservation, and pollution and waste reduction activities of the City under one umbrella. Activities include energy efficiency and conservation, water pollution control at the point of discharge (source control), minimizing stormwater pollutant discharge into the San Francisco Bay, managing solid waste reduction and recycling programs, and implementing sustainability programs and initiatives contained in the City's Climate Action Plan. The Division is also responsible for coordinating the City's participation in, and providing staffing resources to, the newly formed East Bay Community Energy (EBCE). EBCE is a community-governed power supplier, committed to providing electricity generated from a high percentage of renewable sources such as solar, wind and geothermal. The City is a founding member of EBCE. Alameda County and eleven of its thirteen cities are also current members.

FY2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals	Status
Administration, Planning, and Engineering	1	Initiate construction of an additional one-megawatt solar energy system at WPCF.	**ACHIEVED** The project currently envisioned is larger than one megawatt; construction is expected to initiate before the end of current FY.
	2	Design renovation of and improvements to the WPCF administration and operations building.	**CONTINUED EFFORT NEEDED** WPCF Facilities Planning is under way.
	3	Assess feasibility of installing solar energy at various water facilities.	**CONTINUED EFFORT NEEDED** Delayed due to staffing and other priorities.
	4	Initiate construction of the City's recycled water distribution and storage facilities, including retrofit of customer connections to enable delivery of recycled water.	**ACHIEVED**
	5	Initiate preparation of the Groundwater Sustainability Plan.	**ACHIEVED**
	6	Develop customer engagement website for water customers.	**ACHIEVED** Project is underway.

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

Division	#	FY 2018 Goals	Status
Water Distribution & Wastewater Collection O&M	7	Complete 50% (17,000 meters) of City-wide deployment of Advanced Metering Infrastructure (AMI) Project.	**ACHIEVED** Completed over 75% (over 25,000 meters).
	8	Construct the second water tank and pump station improvements at the Garin Hill site.	**CONTINUED EFFORT NEEDED** Construction is underway and expected to complete this CY.
	9	Complete replacement of over a mile of water main on Mission Boulevard in South Hayward ahead of the construction of the next phase of Mission Boulevard improvements.	**ACHIEVED**
Water Pollution Control Facility	10	Pilot an innovative wastewater nutrient removal project using Membrane Aerated Bio-Reactor (MABR) at WPCF.	**ACHIEVED**
	11	In cooperation with East Bay Dischargers Authority, complete the renovation of the Hayward Effluent Pump Station (HEPS).	**ACHIEVED**
	12	Complete construction of the WPCF reclaimed water system improvements and begin providing reclaimed water for applicable City uses (e.g. street cleaning, dust control).	**ACHIEVED**
Environmental Services	13	Develop a webpage displaying sustainability metrics, including GHG emissions and real time-renewable energy production (in support of the City's Zero Net Energy goal).	**CONTINUED EFFORT NEEDED** Webpage developed with static metrics.
	14	Review and evaluate Waste Management's financials and determine the appropriate solid waste rate increase effective March 1, 2018.	**ACHIEVED**
	15	Review the requirements of the 2017 National Pollutant Discharge Elimination System (NPDES) Discharge Permit to ensure the City is in full compliance.	**ACHIEVED**

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

FY 2018 DEPARTMENT PERFORMANCE METRICS

#	Performance Measures	Goal # or %	Status
1	Deliver drinking water that meets all federal and state water quality standards and the water system's California Department of Public Health permit requirements.	100%	100%
2	Limit water outages in any neighborhood resulting from main breaks or system repairs.	< 4 hours - Day < 8 hours - Night	Achieved
3	Review and comment on utilities-related aspects of development projects in a timely manner.	Within 5 days of receipt, 90% of the time	Achieved
4	Limit the number of sanitary sewer overflows (SSOs) to not to exceed two occurrences per 100 miles of collection system; and none considered "major" by the regulatory agencies.	≤ 6 per year	Zero SSOs for second consecutive year.
5	Reuse or dispose of wastewater in accordance with all federal and state regulations and the City's National Pollutant Discharge Elimination System Permit.	100% Zero violations	Achieved
6	Improve onsite, renewable electric energy generation at the Water Pollution Control Facility.	Meet 80% of WPCF electric demand with self-generated renewable energy	Achieved and exceeded.
7	Ensure that sanitary sewer discharge and stormwater runoff throughout the community complies with applicable local, state and federal standards and permits	100%	Achieved
8	Respond promptly to complaints regarding missed pickups of solid waste and recycling containers.	Within 2 working days, 90% of the time	Achieved
9	Maintain satisfactory progress towards the goal of ensuring that 10% of readily recyclable materials remain in the waste stream.	Achieve 75% Diversion Rate	Continued effort needed. At 73%
10	Implement objectives of the City's Climate Action Plan according to the performance measures and timelines stated in the Plan.	100%	Achieved
11	Ensure efficient water use through effective public education and conservation programs.	Residential Gallons Per Capital Per Day (R-GPCPD) in the lower half of all Bay Area water purveyors	Achieved

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

FY 2018 ADDITIONAL ACCOMPLISHMENTS

1. O&M installed a state-of-the-art “plunger valve” at Hesperian pump station to regulate pressure in the water system’s base pressure zone.
2. Wastewater Collection system won the California Water Environment Association-San Francisco Section’s 2018 Collection System of the Year award.
3. AP&E, WPCF completed and commissioned a biological digester improvement system at WPCF, resulting in efficiency gains and a substantial increase in WPCF’s bio-gas production.
4. ES achieved 79% reduction in the amount of trash reaching the San Francisco Bay, expecting to exceed the Regional Water Quality Control Board requirement for an 80% reduction by July 2019.
5. AP&E, WPCF completed the renovation of the West Winton landfill leachate collection and conveyance system.
6. AP&E secured a $1 million grant from the Department of Water Resources for the City and East Bay Municipal Utility District to jointly prepare a Groundwater Sustainability Plan.

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

FY 2019 KEY SERVICE GOALS AND METRICS

Division	#	FY 2019 Goals	FY 2019 Measures
Administration, Planning, and Engineering	1	Complete the construction of Garin 2nd tank and pump station, and commission the system.	December 2018
	2	Complete the WPCF Phase II Facilities Plan.	October 2018
	3	Substantially complete the construction of Recycled Water storage and pump station.	May 2019
	4	Construction of the Recycled Water distribution pipeline.	50% completion by June 2019
	5	Initiate data collection and modeling efforts for the Groundwater Sustainability Plan in compliance with the Sustainable Groundwater Management Act.	June 2019
Water Distribution & Wastewater Collection O&M	7	Complete the deployment and commission of the Advanced Metering Infrastructure project.	December 2018
	8	Implement AMI Customer Portal.	March 2019
Water Pollution Control Facility	9	Complete the membrane Aerated Bio-Filter Reactor Pilot and assess its efficacy.	February 2019
	10	Place into service the East Bay Discharger Authority's renovated Hayward Effluent Pump Station.	May 2019
	11	Complete of the construction of a two-megawatt solar energy system at WPCF.	April 2019
Environmental Services	12	Reduce trash reaching the Bay.	85% reduction by July 2019
	13	Increase participation in the bulky item collection program.	10% increase by June 2019
	14	Fully implement the Green Halo program, allowing builders to submit construction and demolition debris weigh tags electronically.	December 2018
	15	Promote East Bay Community Energy to maximize participation at the time of program launch.	December 2018

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2019

1. Increase in water purchase ($3.2 million)

2. Add Senior Water Resources Engineer (1.0 FTE)

The addition of a Senior Water Resources Engineer is proposed to help meet the department's water resources planning priorities. The City's responsibilities for sustainably managing its water resources have significantly increased due to the enactment of the Sustainable Groundwater Management Act, new conservation regulations requiring comprehensive water conservation programming and reporting, and implementation of the City's recycled water program.

Utilities & Environmental Services Department

All Funds Summary - By Category

	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue and Transfers In from Other Funds				
General Fund Revenue	21,100	16,830	-	-
Recycling Program - Special Revenue Fund	736,503	534,248	396,500	396,500
Stormwater Maint & Operation	2,921,725	3,293,571	2,998,000	2,998,000
Waste Water Maint & Operation	34,965,403	28,103,110	27,111,711	26,938,817
Water Maint & Operation	40,936,943	47,637,865	46,020,595	49,654,733
Regional Water Inter-Tie - Enterprise Fund	865	80,775	134,271	134,271
	79,582,538	**79,666,399**	**76,661,077**	**80,122,321**
(Contribution)/Use of Fund Balance				
Recycling Program	(153,700)	92,807	221,282	257,767
Stormwater Maint & Operation	(417,368)	(589,892)	(140,535)	77,239
Waste Water Maint & Operation	(955,693)	(814,180)	(2,334,257)	(4,245,186)
Water Maint & Operation	7,133,528	(183,323)	(745,908)	466,435
Regional Water Inter-Tie	109,135	17,705	(2,942)	(2,942)
	5,715,902	**(1,476,883)**	**(3,002,360)**	**(3,446,687)**
Fund Subsidy				
General Fund Subsidy	**7,888**	**26,666**	**47,259**	**51,232**
Total Revenues	**85,306,328**	**78,216,182**	**73,705,976**	**76,726,866**
EXPENDITURES				
Expenditures By Expense Category				
Salary				
Regular	9,828,350	10,446,011	12,280,153	12,685,257
Overtime	630,394	603,813	364,900	364,900
Benefits				
Fringe Benefits	2,903,936	3,022,763	3,717,107	3,963,744
Retiree Medical	214,936	220,098	211,349	215,466
PERS	2,185,297	2,387,495	2,390,022	3,394,867
Charges (to)/from other programs	(479,118)	(563,014)	(275,000)	(275,000)
Net Staffing Expense	**15,283,795**	**16,117,166**	**18,688,531**	**20,349,234**
Maintenance & Utilities	1,453,581	2,103,984	2,337,247	2,402,247
Supplies & Services	5,960,119	6,079,573	6,036,972	6,036,972
Internal Service Fees	2,136,590	2,066,739	2,118,817	2,247,029
Water Purchases	24,864,482	28,611,694	27,600,000	30,800,000
Debt Service	5,258,860	4,334,227	3,986,280	3,978,811
Capital	-	-	-	-
Net Operating Expense	**39,673,633**	**43,196,217**	**42,079,316**	**45,465,059**
Transfers Out to Other Funds	**30,348,900**	**17,338,499**	**12,938,129**	**10,912,573**
Other Department Operating Costs	**(3,624,885)**	**(3,662,037)**	**(4,210,572)**	**(4,569,847)**
Total Expenditures	**81,681,443**	**72,989,845**	**69,495,403**	**72,157,019**
Net Change	**3,624,885**	**5,226,337**	**4,210,572**	**4,569,847**

Utilities & Environmental Services Department

All Funds Summary - By Program

	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue and Transfers in from Other Funds				
General Fund Revenue	21,100	16,830	-	-
Recycling Program	736,503	534,248	396,500	396,500
Stormwater	2,921,725	3,293,571	2,998,000	2,998,000
Wastewater	34,965,403	28,103,110	27,111,711	26,938,817
Water	40,936,943	47,637,865	46,020,595	49,654,733
Regional Water Inter-Tie	865	80,775	134,271	134,271
	79,582,538	**79,666,399**	**76,661,077**	**80,122,321**
(Contribution)/Use of Fund Balance				
Recycling Program	(153,700)	92,807	221,282	257,767
Stormwater	(417,368)	(589,892)	(140,535)	77,239
Wastewater	(955,693)	(814,180)	(2,334,257)	(4,245,186)
Water	7,133,528	(183,323)	(745,908)	466,435
Regional Water Inter-Tie	109,135	17,705	(2,942)	(2,942)
	5,715,902	**(1,476,883)**	**(3,002,360)**	**(3,446,687)**
Fund Subsidy				
General Fund Subsidy	**7,888**	**26,666**	**47,259**	**51,232**
Total Revenues	**85,306,328**	**78,216,182**	**73,705,976**	**76,726,866**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds By Program				
General Fund	28,988	43,496	47,259	51,232
Recycling	582,803	627,054	617,782	654,267
Stormwater	977,929	1,199,318	1,180,611	1,321,913
Wastewater	34,009,710	27,288,931	24,777,454	22,693,631
Water	45,972,014	45,296,592	42,740,968	47,304,647
Regional Water Inter-Tie	110,000	98,479	131,329	131,329
Total Expenditures	**81,681,443**	**74,553,870**	**69,495,403**	**72,157,019**
Net Change	**3,624,885**	**3,662,312**	**4,210,572**	**4,569,847**

Solid Waste Program - General Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Fees & Service Charges	21,100	16,830	-	-
Total Revenues	**21,100**	**16,830**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	20,698	31,573	33,332	35,189
Overtime	-	-	-	-
Benefits				
Fringe Benefits	3,890	3,693	3,751	4,168
Retiree Medical	-	409	394	389
PERS	3,941	7,395	6,853	8,557
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**28,530**	**43,071**	**44,330**	**48,303**
Maintenance & Utilities	-	-	-	-
Supplies & Services	458	424	2,929	2,929
Internal Service Fees	-	-	-	-
Capital	-	-	-	-
Net Operating Expense	**458**	**424**	**2,929**	**2,929**
Total Expenditures	**28,988**	**43,496**	**47,259**	**51,232**
General Fund Subsidy	**7,888**	**26,666**	**47,259**	**51,232**

FY 2019 Significant Budget Changes:

1. None

Recycling Program - Special Revenue Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Special Assessment-Deliq Bills	13,270	7,840	10,000	10,000
Waste Management Impact Fee	226,584	-	-	-
Interest & Rents	12,535	4,000	4,000	4,000
Intergovernmental	483,464	492,332	380,000	380,000
Fees and Service Charges	-	27,576	-	-
Other Revenue	650	2,500	2,500	2,500
Total Revenue	**736,503**	**534,248**	**396,500**	**396,500**
Fund Transfers In - None	**-**			
Total Revenues	**736,503**	**534,248**	**396,500**	**396,500**
EXPENDITURES				
Expenditures				
Salary				
Regular	253,619	272,682	301,241	304,001
Overtime	15,348	14,159	-	-
Benefits				
Fringe Benefits	51,755	42,300	50,953	63,193
Retiree Medical	3,434	4,496	4,331	4,276
PERS	45,895	63,704	60,382	75,064
Charges (to)/from other programs	2,905	(2,042)	-	-
Net Staffing Expense	**372,955**	**395,298**	**416,907**	**446,534**
Maintenance & Utilities	204	79	1,100	1,100
Supplies & Services	96,199	140,414	105,925	105,925
Internal Service Fees	30,215	46,440	45,469	52,804
Capital	-	-	-	-
Net Operating Expense	**126,618**	**186,933**	**152,494**	**159,829**
Fund Transfers Out to				
Cost Allocation to General Fund	74,750	34,723	38,257	38,257
Misc Trsfr to Sewer Collection	-	-	-	-
General Fund	-	-	-	-
Liability Insurance Premium	8,480	10,101	10,124	9,647
Total Transfers Out	**83,230**	**44,824**	**48,381**	**47,904**
Total Expenditures	**582,803**	**627,054**	**617,782**	**654,267**
Net Change	**153,700**	**(92,807)**	**(221,282)**	**(257,767)**

FY 2019 Significant Budget Changes:

1. None

Water - Enterprise Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Revenue				
Water Sales	34,545,573	40,714,662	39,200,000	42,400,000
Water Service Charges	4,946,223	5,244,117	5,800,000	5,800,000
Installation Fees	334,225	318,029	250,000	250,000
Other Fees and Charges	499,177	578,463	200,000	200,000
Interest & Rents	155,362	186,206	105,000	105,000
Other Revenue	167,899	190,796	60,000	60,000
Total Revenue	**40,648,460**	**47,232,272**	**45,615,000**	**48,815,000**
Fund Transfers In from				
D/S 13 Water System Transfer	-	267,852	267,854	701,992
D/S 04 Water System Transfer	257,504	-	-	-
Misc. Transfer from Airport	-	-	-	-
D/S Fire Stn #7 Transfer from Gen Fund	30,979	137,741	137,741	137,741
Total Transfers In	**288,483**	**405,593**	**405,595**	**839,733**
Total Revenues	**40,936,943**	**47,637,865**	**46,020,595**	**49,654,733**
Expenditures				
Salary				
Regular	4,064,508	4,482,724	5,056,732	5,268,412
Overtime	345,426	301,903	213,100	213,100
Benefits				
Fringe Benefits	1,295,661	1,366,177	1,578,881	1,647,083
Retiree Medical	93,440	94,768	95,461	94,330
PERS	902,393	1,012,251	985,511	1,415,745
Charges (to)/from other programs	(394,734)	(305,523)	(150,000)	(150,000)
Net Staffing Expense	**6,306,694**	**6,952,300**	**7,779,685**	**8,488,670**
Water Purchases	24,864,482	28,611,694	27,600,000	30,800,000
Maintenance & Utilities	764,415	957,893	1,094,764	1,159,764
Supplies & Services	3,006,521	2,945,560	2,827,669	2,827,669
Internal Service Fees	901,009	893,367	950,036	1,085,088
Debt Service	543,884	543,876	536,569	701,992
Net Operating Expense	**30,080,311**	**33,952,389**	**33,009,038**	**36,574,513**
Depreciation	**-**	**599,312**	**-**	**-**
Fund Transfers Out to				
Cost Allocation to General Fund	849,441	1,141,469	1,207,770	1,207,770
Liability Insurance Premium	249,025	4,500,000	3,000,000	3,445,000
Water Capital Replacement	10,500,000	309,072	278,194	305,215
Cap Proj Transfer to Tech Replacement	85,000	-		
Transfer Out to Other				100,000
Net Transfers Out	**11,683,466**	**5,950,541**	**4,485,964**	**5,057,985**
Total Fund Expenditures	**48,070,471**	**47,454,542**	**45,274,687**	**50,121,168**

Water - Enterprise Fund

Continued

	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Proposed
Other Department Operating Costs (Finance Dept - Utility Billing) (Maintenance Services - Landscape Division)	(2,098,457)	(2,157,950)	(2,533,719)	(2,816,521)
Total Department Expenditures	**45,972,014**	**45,296,592**	**42,740,968**	**47,304,647**
Net Change	**(7,133,528)**	**183,323**	**745,908**	**(466,435)**

FY 2019 Significant Budget Changes:

1. Add Senior Water Resources Engineer (1.0 FTE)
2. Increase in water purchase ($3.2M).

Regional Water Inter-Tie - Enterprise Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Beginning Working Capital Balance	**134,351**	**25,216**	**25,216**	**7,512**
REVENUES				
Revenue				
SFPUC/EBMUD Reimbursement		79,813	134,271	134,271
Interest	865	961	-	-
Net Revenue	**865**	**80,775**	**134,271**	**134,271**
Total Revenues	**865**	**80,775**	**134,271**	**134,271**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	12,287	-	-
Overtime	-	420	-	-
Benefits				
Fringe Benefits	-	20	-	-
Retiree Medical	-	6,415	-	-
PERS	-	-	-	-
Charges (to)/from other programs	25,000	-	25,000	25,000
Net Staffing Expense	**25,000**	**19,143**	**25,000**	**25,000**
Maintenance & Utilities	65,000	40,916	65,000	65,000
Supplies & Services	20,000	14,149	20,000	20,000
Internal Service Fees	-	-	-	-
Net Operating Expense	**85,000**	**55,065**	**85,000**	**85,000**
Fund Transfers Out to				
Cost Allocation to General Fund	-	24,271	21,329	21,329
Total Fund Expenditures	**110,000**	**98,479**	**131,329**	**131,329**
Net Change	**(109,135)**	**(17,705)**	**2,942**	**2,942**
Ending Working Capital Balance	**25,216**	**7,512**	**28,158**	**10,454**

FY 2019 Significant Budget Changes:

1. None

Wastewater - Enterprise Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Sewer Service Charge	18,995,440	20,109,872	20,500,000	20,500,000
Sewer Connection Charge	13,685,782	5,992,547	3,000,000	3,000,000
EBDA Maint. By City	-	-	-	-
Other Fees	57,613	43,315	96,000	96,000
Interest	153,560	105,342	66,000	66,000
Other Revenue	123,063	117,847	-	-
Total Revenue	**33,015,458**	**26,368,921**	**23,662,000**	**23,662,000**
Fund Transfers In from				
Misc Trsfr WWTP Replacement	-	-	-	-
DS 07 Sewer Rev Refunding	366,482	150,726	504,400	
DS CEC Loan	219,713	219,713	217,810	217,810
DS CA SWRCB Loan/Sewer	1,363,750	1,363,750	2,727,501	3,059,007
Total Transfers In	**1,949,945**	**1,734,189**	**3,449,711**	**3,276,817**
Total Revenues	**34,965,403**	**28,103,110**	**27,111,711**	**26,938,817**
EXPENDITURES				
Salary				
Regular	4,451,147	4,589,043	5,742,243	5,887,342
Overtime	228,272	250,239	117,800	117,800
Benefits				
Fringe Benefits	1,241,373	1,259,424	1,683,507	1,821,142
Retiree Medical	96,562	92,051	90,011	95,090
PERS	1,005,519	1,059,257	1,110,822	1,579,393
Charges (to)/from other programs	(112,288)	(254,359)	(150,000)	(150,000)
Net Staffing Expense	**6,910,585**	**6,995,655**	**8,594,384**	**9,350,767**
Maintenance & Utilities	605,871	1,070,535	1,155,529	1,155,529
Supplies & Services	2,461,202	2,522,323	2,572,885	2,572,885
Internal Service Fees	856,216	799,104	781,288	809,442
Debt Service	4,714,976	3,790,351	3,449,711	3,276,819
Net Operating Expense	**8,638,264**	**8,182,313**	**7,959,413**	**7,814,675**
Depreciation Expenditure	**-**	**964,713**	**-**	**-**
Fund Transfers Out to				
Cost Allocation to General Fund	431,287	777,723	823,783	823,783
Liability Insurance Premium	292,791	375,979	399,874	389,406
Cap Proj Transf to Tech Replacement	51,000	-	-	215,000
Transfer Out to Other	-	-	-	100,000
Sewer Capital Replacement	4,000,000	4,000,000	4,000,000	4,000,000
Connection Fee to Sewer Imprvmnt	13,685,782	5,992,547	3,000,000	-
Total Transfers Out	**18,460,860**	**11,146,249**	**8,223,657**	**5,528,189**
Total Expenditures	**34,009,710**	**27,288,931**	**24,777,454**	**22,693,631**

Wastewater - Enterprise Fund

Continued

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
Net Change	**955,693**	**814,180**	**2,334,257**	**4,245,186**

FY 2019 Significant Budget Changes:

1. None

Utilities & Environmental Services Department

Stormwater - Enterpise Fund

	FY 2016 Actual	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed
REVENUES				
Revenue				
Stormwater Revenue	1,965,771	2,043,872	2,015,000	2,015,000
Street Cleaning Fees	920,279	1,018,909	950,000	950,000
Interest	26,922	54,690	16,000	16,000
Fees and Service Charges	8,200	1,800	17,000	17,000
Other Revenue	551	-	-	-
Total Revenue	**2,921,725**	**3,119,271**	**2,998,000**	**2,998,000**
Fund Transfers In from				
ISF Fleet	-	1,495	-	-
Other	-	172,805	-	-
	-	**174,300**	**-**	**-**
Total Revenues	**2,921,725**	**3,293,571**	**2,998,000**	**2,998,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,038,377	1,057,702	1,146,605	1,190,313
Overtime	41,347	37,092	34,000	34,000
Benefits				
Fringe Benefits	311,257	351,149	400,015	428,158
Retiree Medical	21,500	21,959	21,152	21,381
PERS	227,550	244,887	226,453	316,108
Charges (to)/from other programs	-	(1,090)	-	-
Net Staffing Expense	**1,640,031**	**1,711,699**	**1,828,225**	**1,989,960**
Maintenance & Utilities	18,092	34,561	20,854	20,854
Supplies & Services	375,740	456,703	507,564	507,564
Internal Service Fees	349,150	327,828	342,024	299,695
Net Operating Expense	**742,982**	**819,092**	**870,442**	**828,113**
Depreciation Expenditure	**-**	**275**	**-**	**-**
Fund Transfers Out to				
Cost Allocation to General Fund	93,074	126,875	125,049	125,049
Liability Insurance Premium	28,270	33,674	33,749	47,117
Capital Trsfr for Stormwater Sys Imp.	-	-	-	85,000
Transfer Out to Other	-	12,065	-	-
Total Transfers Out	**121,344**	**172,615**	**158,798**	**257,166**
Total Expenditures	**2,504,357**	**2,703,680**	**2,857,465**	**3,075,239**
Other Department Operating Costs (Maintenance Services - Street Maintenance)	(1,526,428)	(1,504,087)	(1,676,854)	(1,753,326)
Total Department Expenditures	**977,929**	**1,199,318**	**1,180,611**	**1,321,913**
Net Change	**417,368**	**589,892**	**140,535**	**(77,239)**

FY 2019 Significant Budget Changes:

1. None

CITY OF HAYWARD DEBT

The City's Debt Service Program (Debt) finances the cost of capital improvements through various debt instruments (see list below). Debt service payments are generally made on an annual or semiannual basis. This section of the document contains debt service information for the General Fund and all other funds with Debt, including anticipated Debt issuances in the coming fiscal year.

Debt Limit Computation (projected June 30, 2018) – The City of Hayward is a charter city and, as such, does not have a debt limit. However, if it were a general law city, its legal debt limit and debt limit margin would be calculated as follows:

Total FY 2018 projected assessed valuation (less exemptions)	$ 20,277,062,542
Debt limit (15% of assessed value)	$ 3,041,559,381
Amount of legal debt applicable to the debt limit	$ 98,394,354
Legal debt margin (if Hayward were a general law city)	$ 3,041,559,381
Amount above or (below) Legal Debt Margin	($ 2,943,165,027)

* This amount includes debt that has been approved by Council, but has not been issued as of the time of this report.

Effects of Existing Non-Tax-Supported Debt levels on Current and Future City Operations – The City's existing and anticipated debt portfolio is not expected to significantly impact current operations due to the fact that all general obligation bonds are entirely tax-supported and has identifiable sources of debt repayment for governmental revenue bonds, certificates of participation, and its enterprise lease revenue bonds presented on the subsequent pages of this section.

Debt Instruments – The City and Successor Agency of the Hayward Redevelopment Agency currently maintain the following types of debt:

- Certificates of Participation
- Revenue Bonds
- Private Placement Bonds
- California Energy Commission (CEC) Loan
- Lease-Purchase Agreements
- State Water Resources Control Board (SWRCB) Loan
- Tax Allocation Bonds (Successor Agency only)
- Special Tax Bonds (CFD only)
- Limited Obligation Improvement Bonds (LID only)
- Internal Fund to Fund Loans

Credit Ratings – Credit ratings are opinions about credit risk published by a rating agency that has analyzed the City's ability and willingness to meet its financial obligations in accordance with the terms of the debt obligations. Credit ratings have a significant impact on the interest rate the City will pay when issuing debt. In December 2017, Fitch Ratings affirmed an AA rating for the Certifications of Participation (COPs) (Capital Projects). The City has an implied general obligation (issuer default) rating of AA+ with a stable outlook from Fitch Ratings agency. In recent fiscal years, the City has received very high ratings from the other rating agencies, including a AA+ rating by Standard & Poor's for the 2013 Water Bonds. A critical component of

the rating agency review is the City's financial management status - i.e., appropriate reserve levels, plans to reduce liabilities, fiscal policies, etc. If the City fails to maintain these areas of fiscal control, the City could see a reduction in future ratings.

CITY OF HAYWARD DEBT SUMMARY

The following is a summary of all outstanding City of Hayward debt, organized by the fund type classifications specified in governmetal accounting for each type of debt. Note that the last section, Fiduciary debt, shows obligations that the City of Hayward has fiduciary responsibility to adminster, but for which it has no responsibility to repay with its own funds. Fiduciary debt includes the debt of the Redevelopment Sucessor Agency as well as Special Assessment and Community Facility District debt.

	Issuance Date	Maturity Date	Original Debt	Debt as of 6/30/2018	Total Debt as of 6/30/2018	Annual P&I (FY 2019)
General Fund					**$ 25,237,379**	
16Refunding COP	FY2016	FY2027	$ 19,813,775	$ 15,870,374		$ 1,973,506
02ABAG/ABAG 33 Refunding	FY2002	FY2021	$ 1,309,835	$ 235,000		$ 84,875
15Fire Station #7/Firehouse/Clinic	FY2015	FY2025	$ 5,500,000	$ 4,416,419		$ 452,854
15Fire Station #7 Loan from Water	FY2016	FY2035	$ 3,421,000	$ 3,240,798		$ 137,741
15Streetlight Conversion #05188	FY2015	FY2024	$ 2,488,880	$ 1,474,787		$ 276,262
Measure C Fund					**$ 67,535,000**	
15Library/Fire Stations/Streets	FY 2016	FY2034	$ 67,535,000	$ 67,535,000		$ 5,426,563
Internal Service Fund - Facilities					**$ 887,590**	
05Equip Lease/Solar Power Energy	FY2006	FY2030	$ 927,290	$ 615,809		$ 72,724
CEC Solar Energy Loan #7214	FY2012	FY2024	$ 666,330	$ 271,780		$ 95,414
Internal Service Fund - Fleet					**$ 2,011,684**	
11Equip Lease-Fire Vehicles	FY2011	FY2021	$ 3,170,082	$ 559,395		$ 234,749
14Equip Lease-Fire Truck	FY2014	FY2024	$ 824,000	$ 523,975		$ 96,226
15 TDA Fire Truck Loan	FY2015	FY2024	$ 1,272,000	$ 928,314		$ 147,594
Internal Service Fund - Technology					**$ 46,044**	
15Equip Lease/ Network Cisco Hardware	FY 2015	FY2020	$ 1,699,356	$ 46,044		$ 354,686
Water					**$ 4,420,000**	$ -
13Water Refunding Bonds	FY2014	FY2025	$ 7,245,000	$ 4,420,000		$ 701,992
Sewer					**$ 44,902,064**	$ -
SWRCB Loan	FY2006	FY2029	$ 54,550,018	$ 30,002,510		$ 2,727,501
SRCB Loan-Recycled Water	FY2017	FY2049	$ 13,533,650	$ 13,533,650		$ -
CEC Solar Energy Loan #7505	FY2011	FY2025	$ 2,450,000	$ 1,365,904		$ 217,810
Total Governmental and Business Activity Debt					**$ 145,039,760**	
Fiduciary					**$ 5,840,789**	
13Community Facility District #1	FY2014	FY2033	$ 7,076,294	$ 5,840,789		$ 535,019
Successor Agency of the Hayward Redevelopment Agency					**$ 40,130,526**	
RDA Repayment Agreement with Gen.Fund	FY2016	FY2022	$ 11,156,841	$ 8,580,526	*	$ 800,000
16 RDA TABS	FY2017	FY2036	$ 35,270,000	$ 31,550,000		$ 3,222,550
Special Assessment Districts					**$ 475,000**	
LID 16	FY1994	FY2020	$ 2,815,000	$ 305,000		$ 161,508
LID 17	FY2000	FY2024	$ 396,014	$ 170,000		$ 29,800

* Outstanding balance according to State of California Department of Finance approved ROPS 15-16B Determination.

DEBT SERVICE FUND
CERTIFICATES OF PARTICIPATION (COP)

COP and Lease Purchase Agreements

The Hayward Public Financing Authority (Authority) was created by a joint powers agreement in May 1989 between the City and the Redevelopment Agency. The Authority provides financing of public capital improvements for the City and RDA through the issuance of Certificates of Participation (COPs) and Lease Revenue Bonds (Bonds). These forms of debt allow investors to participate in a stream of future lease payments. Improvements financed with Authority debt are leased to the City for lease payments which, together with fund balance, will be sufficient to meet the debt service payments. At the termination of the lease, title to the improvements will pass to the City.

Lease purchase agreements are similar to debt, allowing the City to finance purchases of equipment such as vehicles, solar energy equipment, computer hardware, and telephone equipment.

Lease purchase debt for vehicles is presented in the Fleet Internal Services Fund; solar energy equipment in the Facilities Services Fund; computer and telephone equipment in the Technology Services Fund.

Use of Proceeds

2002 ABAG Lease Revenue Bonds
In FY2002, the City issued $7.5 million in principal for ABAG Lease Revenue Bonds, Series 2001-02, at rates of 3% to 5% of which the proceeds were used to finance the cost of acquiring capital assets, facility energy retrofitting, and to refund and retire various capital lease and certificate of participation obligations. This bond issue was divided up and is repayable by various funds including the General Fund, Facilities Internal Services Fund, Water Fund, and Wastewater Fund. The General Fund share of the debt is 36% and is reflected in the next table.

2016 Certificates of Participation Civic Center
In FY2016, the City refunded the 2007 Certificates of Participation in the amount of $19,813,775 at a rate of 2.6%. The refunding enabled financing of the new City Hall, which includes a parking project, and the acquisition of land to be used for a housing project.

Source of Repayment Funds

Transfers of revenue from the General Fund are the source for payment of interest and principal on certificates of participation and lease purchase agreements issued on the City's behalf.

Certificate of Participation and Lease Revenue Bonds

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2018	FY 2019 Principal & Interest
2002 ABAG Refunding	12/1/2001	12/1/2020	3.0%-5.0%	$1,309,835	$235,000	$84,875
2016 COP Refunding	6/27/2016	11/1/2026	2.60%	$19,813,775	$15,870,374	$1,973,506
Total				**$21,123,610**	**$16,105,374**	**$2,058,381**

FIRESTATION #7 AND FIREHOUSE CLINIC DEBT SERVICE

2014 Fire Station #7 and Firehouse Clinic Private Placement Loan - $5,500,000: The City entered into a loan with Umpqua Bank in the amount of $5,500,000 on August 1, 2014. Loan proceeds will be used to fund the design and construction of a Firehouse and Wellness Clinic. Principal and interest payments are payable semiannually on February 1 and August 1, commencing February 2015 through maturity on August 1, 2029.

2015 Fire Station Loan from Water-$3,421,000: City inter-fund loan in the amount of $3,421,000 to finance Fire Station #7/Clinic

Fire Station #7/Firehouse Clinic Private Placement/Loan

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2018	FY 2019 Principal & Interest
2015 Fire Station #7/Clinic	8/1/2014	8/1/2029	2.84%	$5,500,000	$4,416,419	$452,854
2015 Fire Station Loan from Water	3/24/2016	12/1/2034	2.00%	$3,421,000	$3,240,798	$137,741
Total				**$8,921,000**	**$7,657,217**	**$590,595**

ENGINEERING & TRANSPORTATION STREETLIGHT DEBT SERVICE

2015 California Energy Commission Loan - $2,488,880: The City entered into a loan with the California Energy Commission in the amount of $2,488,880 on June 23, 2014. Loan proceeds will be used to cover the costs of retrofitting the City's streetlights to LEDs. Principal and interest payments are payable semiannually on June 22 and December 22, commencing December 22, 2014 through maturity on December 22, 2023.

Engineering & Transportation Loan

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2018	FY 2019 Principal & Interest
2015 Streetlight Conversion #05188	6/22/2014	12/22/2023	0.00%	$2,488,880	$1,474,787	$276,262
Total				**$2,488,880**	**$1,474,787**	**$276,262**

MEASURE C DEBT SERVICE

2016 Measure C debt: library/fire stations/streets: During the June 3, 2014 municipal election, the voters of the City of Hayward passed a ballot measure (Measure C) to increase the City's Transaction and Use (Sales) Tax by one half of a percent (0.5%) for twenty years. This half cent increase became effective October 1, 2014, bringing Hayward's total Sales and Use Tax rate to 10% (with the passage of Alameda County's Measure BB .5% Sales Tax increase). This is a general tax, meaning that the City Council may use the proceeds to fund any valid City service, program, or facility at its discretion. Staff estimates that the new sales tax will generate approximately $10 million annually in locally controlled revenue that can be allocated by the City Council and will remain in place for a period of twenty years.

In October of FY 2016 the City issued approximately $67,535,000 in new debt funded by the Measure C funds.

Measure C Debt Service

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Estimated Issuance	Outstanding at June 30, 2018	FY 2019 Principal & Interest
2015 Library/Fire Stations/Streets	10/1/2015	12/31/2034	3.0- 5.0%	$67,535,000	$67,535,000	$5,426,563
Total				**$67,535,000**	**$67,535,000**	**$5,426,563**

FACILITIES MANAGEMENT SOLAR EQUIPMENT DEBT SERVICE

2005 Certificate of Participation (COP) - $1,035,000: The City entered into a lease purchase agreement to purchase a solar powered electricity generating system for the City's Barnes Court warehouse. The total project cost of $1.8 million was split between Pacific Gas & Electric ($900,000 provided under the "Self Generation Incentive Program" authorized by the California Public Utilities Commission), and a $900,000 COP lease purchase agreement issued to the City.

2012 California Energy Commission Loan - $666,330: The City received a loan from the California Energy Commission to finance the installation of solar photovoltaic panels and upgraded lighting systems at various City facilities.

Facilities Solar Equipment Debt

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2018	FY 2019 Principal & Interest
2005 Solar Power Electrical Generating System COP	3/1/2005	3/15/2030	4.50%	$927,290	$615,809	$72,724
2012 Solar Photovoltaic Panels Loan	6/29/2012	6/22/2021	3.00%	$666,330	$271,780	$95,414
Total				**$1,593,620**	**$887,590**	**$168,138**

FLEET MANAGEMENT - VEHICLE LEASE/PURCHASE DEBT SERVICE

2011 Equipment Leases - $3,170,082: Bank lease for the purchase of various trucks and fire and police vehicles.

2014 Equipment Leases - $824,000: Bank lease for the purchase of fire vehicles.

2015 Equipment Lease - $1,272,000: Bank lease for the purchase of a fire vehicle.

Maintenance Services Loans and Lease Purchase Agreements

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2018	FY 2019 Principal & Interest
2011 Equipment Lease - Fire & Maint. Svcs.	10/22/2010	10/22/2017-10/22/2020	2.85%-5.05%	$3,170,082	$559,395	$234,749
2014 Equipment Lease - Fire	1/17/2014	1/17/2024	2.46%	$824,000	$523,975	$96,226
2015 Equipment Lease - Fire	6/15/2015	6/15/2025	2.92%	$1,272,000	$928,314	$147,594
Total				**$5,266,082**	**$2,011,684**	**$478,568**

INFORMATION TECHNOLOGY DEBT SERVICE

2015 Equipment Lease/Comp ERP Cisco Hardware
The City entered into a lease agreement with Cisco Systems to upgrade/replace its Information Systems Network Infrastructure.

Information Technology

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2018	FY 2019 Principal & Interest
2015 Equipment Lease/ERP Cisco Hardware	6/15/2015	6/15/2020	2.18%	$1,699,356	$46,044	$354,686
Total				**$1,699,356**	**$46,044**	**$354,686**

WATER FUND DEBT SERVICE

2013 Water Revenue Refunding Bonds
In August 2013, the City issued Water Revenue Refunding Bonds, of $7,245,000 to refund the Public Financing Authority 1996 Revenue Bonds, 2001 Water System Improvement Project Certificates of Participation and 2004 Water System Improvement Project Certificates of Participation. The refinancing resulted in securing a lower interest rate of 2.76% and will achieve savings to the Water Fund of about $700,000 over the remaining life of the bond.

Water Revenue Refunding Bonds

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2018	FY 2019 Principal & Interest
2013 Water Revenue Refunding Bonds	8/1/2013	6/30/2025	2.76%	$7,245,000	$4,420,000	$701,992
Total				**$7,245,000**	**$4,420,000**	**$701,992**

WASTEWATER (SEWER) FUND DEBT SERVICE

State Water Resources Control Board (SWRCB Loan)
In June 2006, the City entered into a loan agreement with the State of California's State Water Resources Control Board for the purpose of financing the Wastewater Treatment Plant Phase I System Improvement Project. Under the terms of the contract, the City has agreed to repay $54.5 million to the State in exchange for receiving $45.5 million in proceeds used to fund the Project. The difference between the repayment obligation and proceeds received amounts to $9 million and represents interest amortized over the life of the loan. The repayments of the loan are due from the Wastewater Fund annually and commenced September 30, 2009.

State Water Resources Control Board (SWRCB Loan-Recycled Water)
In February 2017, the City entered into a loan agreement with the State of California's State Water Resources Control Board (SWRCB) to finance the Recycled Water Storage and Distribution Project. The City is responsible for repayment of $15.6M to the SWRCB in exchange for receiving $13.53M in proceeds to fund the Project. The repayments are due from the Wastewater Fund annually and will commence on December 31, 2018. While the debt is serviced from the Wastewater Operating Fund (610), there is an offsetting transfer from the Sewer Improvement Fund (612) and the Water Improvement Fund (604). Each capital fund will pay 50% of the debt service so there is no net impact on the Wastewater Fund.

Water Pollution Control Facility - Solar Energy Project Loan (WPCF Solar Energy Loan)
During FY 2011, the City entered into a loan agreement with the State of California's Energy Resources Conservation and Development Commission for the purpose of financing the solar energy system construction project at the Water Pollution Control. Under the terms of the contract, the City has agreed to repay $3.08 million to the State in exchange for receiving $2.45 million in proceeds.

Waste Water COPs & Loans

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2018	FY 2019 Principal & Interest
SWRCB Loan	8/1/2006	6/30/2028	0.00%	$54,550,018	$30,002,510	$2,727,501
SWRCB Loan-Recycled Water	2/16/2017	3/31/2049	1.00%	$13,533,650	$13,533,650	$0
WPCF Solar Energy Loan #7505	2/18/2011	6/22/2025	3.00%	$2,450,000	$1,365,904	$217,810
Total				**$70,533,668**	**$44,902,064**	**$2,945,311**

SPECIAL ASSESSMENTS DEBT SERVICE

Special Assessments

Special assessments are charges imposed against a property in a particular geographic area because that property receives a special benefit from a public improvement, separate and apart from the general benefit accruing to the public at large. Special assessments may be apportioned to a specific property according to the value of the benefit that property receives from the improvement.

The City has sponsored special assessment debt issues on behalf of property owners under which it has no legal or moral liability with respect to repayment of the debt. The funds are used for infrastructure improvements in distinct "benefit" districts, called Limited Improvement Districts, whereas the benefited property owners pay a special assessment tax to fund the principal and interest payments on the bond used to fund the improvements. Administration of the assessments, including repayment services, are handled by outside firms.

Source of Repayment Funds

Special assessment taxes levied against benefited property are used to fund payment of interest and principal on special assessment bonds.

Limited Obligation Improvement Bond – Local Improvement District (LID)

LIDs are special assessment districts.

LID 16 – Garin Avenue water storage and distribution facilities.
LID 16A – Garin Avenue water system Improvements.
LID 17 – Twin Bridges Community Park.

Mello-Roos Special Tax Bond - Community Facility District (CFD)

A Community Facility District (CFD) is similar in concept to a Limited Improvement District.

CFD 1 – Eden Shores
This CFD was set up to fund Eden Shores public street improvements, including traffic signals, and various sanitary sewer and storm facilities. Special Tax Refunding Bonds, Series 2013 issued in 2013 to refund $7,076,294 of the outstanding balance of the Special Tax Bonds, Series 2002. Refinancing resulted in securing a lower interest rate and will achieve savings of about $1 million over the remaining life of the bond for CFD taxpayers.

Special Assessment Debt

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2018	FY 2019 Principal & Interest
1994 - LID 16	6/2/1994	9/2/2019	6.75% - 7.1%	$2,815,000	$305,000	$161,508
1999 - LID 17	8/5/1999	9/2/2024	4.5% - 6.125%	$396,014	$170,000	$29,800
2013 - CFD 1	10/17/2013	9/1/2032	4.13%	$7,076,294	$5,840,789	$535,019
Total				**$10,287,308**	**$6,315,789**	**$726,327**

Note: The City contracts with Willdan Financial Services for administration of the LIDs listed above.
The City contracts with Wildan Financial Services for administration of the CFD listed above.

HAYWARD REDEVELOPMENT SUCCESSOR AGENCY DEBT SERVICE

Tax Allocation Bonds, known as a tax increment bonds, are bonds payable from the incremental increase in tax revenues realized from any increase in property value resulting from capital improvements benefiting the blighted project areas financed with these bond proceeds.

Use of Proceeds

2016 RDA Tax Allocation Bonds **-** $35,270,000 financing from refunding of 2004 and 2006 RDA Tax Allocation Bonds for a variety of public projects. Projects included various improvements to public parking in the downtown area, as well as public improvements associated with construction of the new Burbank School and expanded Cannery Park.

2008 RDA Repayment Agreement - The RDA agreed to reimburse the General Fund for a portion of project costs for the B Street/Watkins/Mission Garage and B Street Retail and Civic Center Plaza totaling $11,156,841. Repayment now pending the RDA Dissolution process.

Source of Repayment Funds – Funding for loan principal and interest payments and advances from other funds comes from the approved Recognized Obligation Payment Schedule (ROPS) of the Successor Agency and paid through property tax allocation from the former RDA.

Hayward RDA Successor Agency Debt

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2018	FY 2019 Principal & Interest
2016 RDA TABS	12/1/2016	3/1/2036		$35,270,000	$31,550,000	$3,222,550
2008 RDA Repayment Agreement (GF)	6/1/2008	6/30/2022	2.0%-5.0%	$11,156,841	$8,580,526	$800,000
Total				**$46,426,841**	**$40,130,526**	**$4,022,550**

CAPITAL IMPROVEMENT PROGRAM FY 2019 – FY 2028

CIP OVERVIEW AND PROCESS

The Capital Improvement Program (CIP) is a ten-year planning document and is a separate and distinct document from the City's operating budget, although there is a direct relationship with funding. The CIP process is aligned with the operating budget process. The CIP contains revenue and expenditure estimates for public infrastructure projects (street construction and improvements, sewer and water systems upgrades), seismic retrofitting of public facilities, airport projects, replacement of major equipment, and other miscellaneous projects.

A capital budget is adopted annually by the City Council to authorize spending on the projects represented in the CIP. These funding allocations are not reflected in the City's operating budget – except for transfers from operating revenue funds to the CIP funds. Any on-going costs related to the projects such as maintenance and debt service are included in the City's operating budget.

The capital program is supported through a variety of funding sources; and is largely comprised of restricted-use funds, such as the Gas Tax, Measures B and BB, Measure C and enterprise (e.g., Sewer, Water, and Airport) funds. The General Fund supports specific capital projects, providing a limited source of revenue for general capital needs. In addition, City staff has been successful in recent years in obtaining capital project financing from outside funding sources such as state and federal grants.

During the CIP process, staff reviews available funding and an internal capital infrastructure review committee considers capital project requests from City departments. The recommended Ten-Year Capital Improvement Program is presented to the Council Infrastructure Committee for review and recommendation to the Planning Commission for conformance with the General Plan, to the City Council Budget & Finance Committee, and then to the full City Council. As part of the public budget review process, the proposed CIP is considered during a public hearing at which the public is invited to comment. The capital spending plan for the upcoming year is adopted by the Council by resolution along with the operating budget. Capital projects are budgeted on a life-to-date basis, and modifications are made to the CIP when additional funds become available or expenditure projections are refined.

FY 2019 CAPITAL IMPROVEMENT BUDGET

The City of Hayward's FY 2019 capital budget totals approximately $150 million, and projected total programming of $501 million for the period FY 2019 through FY 2028.

The Capital Improvement Program contains 22 funds in which projects are funded and programmed: Gas Tax (210), RRAA (211), Measure B - Local Transportation (215), Measure B - Pedestrian & Bicycle (216), Measure BB – Local Transportation (212), Measure BB – Pedestrian & Bicycle (213),Vehicle Registration Fee (218), Strategic Initiatives Projects (401), Capital Projects - Governmental (405), Measure C Capital (406), Route 238 Corridor Improvement (410), Street System Improvement (450), Transportation System Improvement (460), Water Replacement (603), Water Improvement (604), Sewer Replacement (611), Sewer Improvement (612), Airport Capital (621), Facilities Capital (726), Information Technology Capital (731), Fleet Management Capital (736), and Fleet Management Enterprise (737).

CAPITAL IMPROVEMENT PROGRAM FY 2019 – FY 2028

Major New projects in the FY2018 capital budget include the following:	
Pavement Rehabilitation FY18 Gas Tax (210)	$700,000
Pavement Rehabilitation FY19 RRAA (211)	$2,674,000
Pavement Rehabilitation FY18 Measure BB (212)	$1,900,000
Pavement Rehabilitation FY18 measure B (215)	$2,350,000
Groundwater Sustainability Plan Implementation (604)	$3,000,000
Alternative Feed Pipelines (604)	$750,000
Sewer Main Installation – I/880/Willimet (612)	$500,000
Sulphur Creek Mitigation – Design and Construction (621)	$3,763,000
	$15,637,000

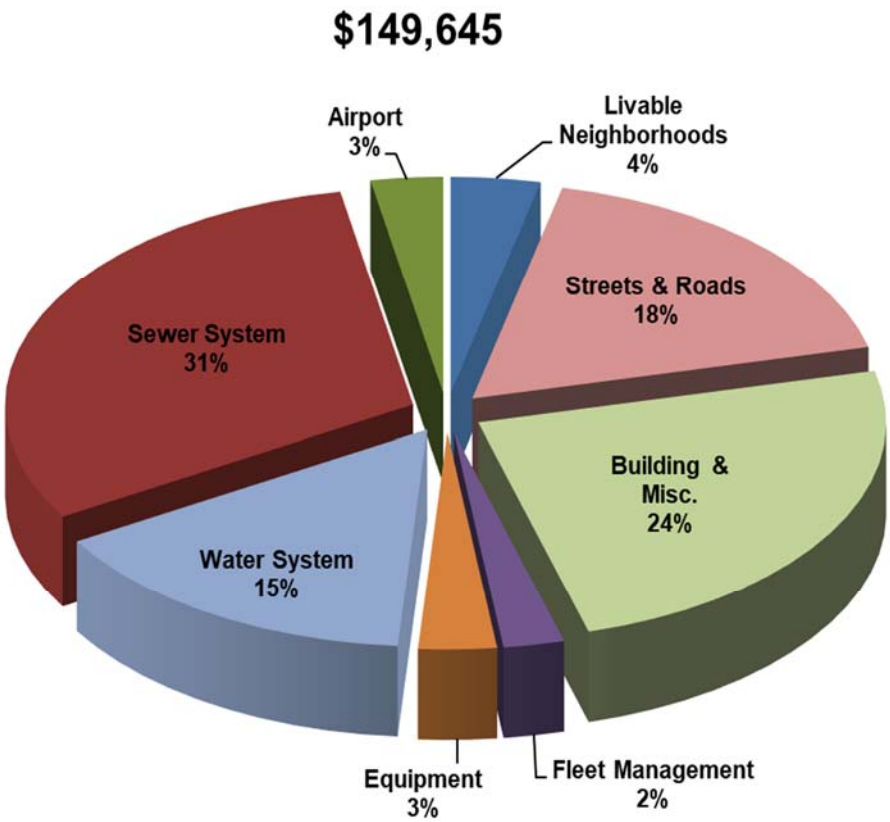
Major continuing project expenses Stated in the FY18 capital budget include the following:	
New Fire Training Center (406)	$7,500,000
New Fire Station 6 (406)	$52,900,000
21st Century Library & Community Learning Center Construction Measure C (406)	$61,480,000
Mission Blvd. Improvement Phase 2 Construction (410)	$30,393,000
Mission Blvd. Improvement Phase 3 Final Design (410)	$15,500,000
Disinfection Residual Management (604)	$1,000,000
WPCF West Trickling Filter and Biofilter Project (611)	$19,500,000
WPCF Tertiary Treated Near Shore Discharge Feasibility Study and Facilities Plan (612)	$500,000
Recycled Water Storage and Distribution System (612)	$27,811,000
Highspeed Hayward (731)	$3,507,000
	$220,091,000

GENERAL FUND IMPACTS

Because the City operating budget essentially funds some CIP projects through transfers to the CIP funds, the initial project costs have an immediate budgetary impact – and must be considered within the context of the full City budget.

In developing the CIP, the impact of new projects on the operating budget is considered and identified in the project description pages of those projects considered to have impacts on the operating budget. Many of the capital projects listed above will likely have minimal operations and maintenance impacts on the General Fund. The introduction of new infrastructure into the City's systems can be expected to result in long-term savings due to decreased maintenance requirements associated with older infrastructure. However, in the long term, the City will need to consider ongoing funding for maintenance and replacement of these projects.

FY 2019 CIP EXPENDITURES BY CATEGORY – ALL FUNDS



Project Category	FY 2018 Adopted	FY 2019 Proposed	Change (+/-)
Livable Neighborhoods Projects	3,996,000	5,309,000	$1,313,000
Road and Street Projects	48,527,000	26,393,000	($22,134,000)
Building & Misc. Projects	15,460,000	36,599,000	$21,139,000
Fleet Management Projects	2,432,000	3,609,000	$1,177,000
Landscape Projects	27,000		($27,000)
Equipment Projects	6,334,000	4,639,000	($1,695,000)
Water System Projects	18,218,000	22,849,000	$4,631,000
Sewer System Projects	28,370,000	45,965,000	$17,595,000
Airport Projects	1,227,000	4,282,000	$3,055,000
Total Capital Improvement Projects	**$ 124,591,000**	**$ 149,645,000**	25,054,000

GENERAL FUND FIVE-YEAR CIP COSTS

Program Areas	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected
Capital Projects (General) Transfer to Fund 405	968	985	710	835	1,106
Transportation System Improvement Transfer to Fund 460	350	350	350	350	350
Information Technology Transfer to Fund 731	1,028	350	450	1,600	897
Transfer from General Fund	**2,346**	**1,685**	**1,510**	**2,785**	**2,353**
General Fund Fleet ISF Charges Transfer to Fund 736	3,113	3,000	3,000	3,000	3,000
Total General Fund CIP	**5,459**	**4,685**	**4,510**	**5,785**	**5,353**

FY 2019 - FY 2028 CAPITAL IMPROVEMENT PROGRAM

LIVABLE NEIGHBORHOODS EXPENDITURE SUMMARY

PROJECT DESCRIPTION	TOTAL	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
Strategic Initiatives	156	156	0	0	0	0	0	0	0	0	0
Pedestrian and Bicycle Improvements	250	25	25	25	25	25	25	25	25	25	25
Wheelchair Ramps	1,478	136	142	150	150	150	150	150	150	150	150
Sidewalk Rehabilitation & New Sidewalks	16,282	1,873	1,295	1,395	1,754	1,590	1,665	1,690	1,640	1,690	1,690
Speed Hump Installation & Traffic Calming	1,925	200	200	200	200	140	200	200	185	200	200
Street Trees/Median Landscaping/Murals	3,430	1,410	180	930	130	130	130	130	130	130	130
Traffic Signal & Streetlight Energy/Maintenance	13,794	1,249	1,321	1,340	1,355	1,374	1,392	1,411	1,431	1,450	1,471
New and Replacement Street Lights	590	140	50	50	50	50	50	50	50	50	50
TOTAL CAPITAL EXPENDITURES	37,749	5,033	3,213	4,090	3,664	3,459	3,612	3,656	3,611	3,695	3,716

NOTE: All expenditures expressed in $1,000's.

FY18 LIVABLE NEIGHBORHOODS

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.

FUND:	PROJECT NUMBER	DESCRIPTION	PRIOR EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	FY28 EXPEND.	TOTAL
			(In thousands)											
STRATEGIC INITIATIVE PROJECTS														
Strategic Int. Projs. (401)	NEW	Complete Communities		56										56
Strategic Int. Projs. (401)	NEW	Tennyson Corridor		100										100
		SUBTOTAL		**156**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**156**
PEDESTRIAN IMPROVEMENTS														
Measure BB Tax (213)	TBD	Pedestiran Traffic Signal Improvements						25	25	25	25	25	25	150
Measure B Tax (216)	05175	Pedestrian Traffic Signal Improvements		25	25	25	25							100
		SUBTOTAL		**25**	**25**	**25**	**25**	**25**	**25**	**25**	**25**	**25**	**25**	**250**
WHEELCHAIR RAMPS														
Gas Tax Fund (210)	05211	Wheelchair Ramps FY19 - Districts 6 & 9	11	131										142
Gas Tax Fund (210)	TBD	Wheelchair Ramps FY20 - Districts 4 & 5	5	5	155									165
Gas Tax Fund (210)	TBD	Wheelchair Ramps FY21 - FY28			10	150	150	150	150	150	150	150	150	1,210
		SUBTOTAL		**136**	**165**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**150**	**1,501**
SIDEWALK REHABILITATION & NEW SIDEWALK														
Measure BB Tax (213)	05246	New Sidewalks FY18	200	165										365
Measure BB Tax (213)	05247	New Sidewalks FY19	25	325										350
Measure BB Tax (213)	TBD	New Sidewalks FY20			350									
Measure BB Tax (213)	TBD	New Sidewalks FY21-FY28			25	375	400	650	725	750	700	750	750	5,125
Measure BB Tax (213)	05278	Project Predesign Services		20	20	20	20	40	40	40	40	40	40	320
Measure B Tax (216)	05260	Project Predesign Services		25	25	25	25							100
Measure B Tax (216)	05272	New Sidewalks FY18	200	230										430
Measure B Tax (216)	TBD	New Sidewalks FY19		420										420
Measure B Tax (216)	TBD	New Sidewalks FY20			425									425
Measure B Tax (216)	TBD	New Sidewalks FY21- FY22				425	409							834
Street System Imp (450)	05249	Sidewalk Rehabilitation FY19 - Districts 6 & 9	297	663										960
Street System Imp (450)	05285	Sidewalk Rehabilitation FY20 Districts 4 & 5	25	25	800									850
Street System Imp (450)	TBD	Sidewalk Rehabilitation FY21 - FY28				550	900	900	900	900	900	900	900	6,850
		SUBTOTAL		**1,873**	**1,645**	**1,395**	**1,754**	**1,590**	**1,665**	**1,690**	**1,640**	**1,690**	**1,690**	**16,632**
TRAFFIC CALMING														
Measure BB Tax (212)	TBD	Speed Monitoring Devices						60	60	60	60	60	60	360
Measure BB Tax (212)	NEW	D Street Traffic Calming Study		120										240
Measure B Tax (215)	05166	Speed Monitoring Devices		60	60	60	60							240
Capital Proj (Gov't) (405)	06950	Neighborhood Partnership Program Project		50	50	50	50	50	50	50	50	50	50	500
Transp Sys Imp (460)	05734	Traffic Calming Implementation Program		90	90	90	90	90	90	90	75	90	90	885
Street System Imp (450)	NEW	Innovative Deployments to Enhance Arterials (IDEA) Tennyson Corridor and Second Street		402										402
		SUBTOTAL		**722**	**200**	**200**	**200**	**200**	**200**	**200**	**185**	**200**	**200**	**2,507**
STREET TREES/MEDIAN LANDSCAPING/MURALS														

FY18 LIVABLE NEIGHBORHOODS

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	FY28 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJECT NUMBER**	**DESCRIPTION**												
STRATEGIC INITIATIVE PROJECTS														
Strategic Int. Projs. (401)	NEW	Complete Communities		56										56
Strategic Int. Projs. (401)	NEW	Tennyson Corridor		100										100
Capital Proj (Gov't) (405)	06906	Mural Art Program		25	25	25	25	25	25	25	25	25	25	250
Capital Proj (Gov't) (405)	05102	Landscape Material/Median Tree/Shrub Replacements		105	105	105	105	105	105	105	105	105	105	1,050
Capital Proj (Gov't) (405)	NEW	Tennyson Corridor Landscape Improvement		300										300
Street System Imp (450)	05255	Median Landscaping Improvement Project FY19 - Hesperian - Winton to Chabot	122	378										500
Street System Imp (450)	05281	Median Landscaping Improvement Project FY20 - Industrial Blvd. - Hesperian - West A St. to Winton	2		50	800								852
Street System Imp (450)	TBD	Median Landscaping Improvement Project FY23 - Industrial Blvd. - Hwy 92 to Arf Ave.				50	1,050							1,100
Street System Imp (450)	NEW	Median Island Curb Reconstruction		200										200
		SUBTOTAL		**1,008**	**180**	**980**	**1,180**	**130**	**130**	**130**	**130**	**130**	**130**	**4,128**
TRAFFIC SIGNAL AND STREETLIGHT ENERGY/MAINTENANCE														
Gas Tax Fund (210)	05186	Traffic Signal Energy		327	357	361	364	368	371	375	379	383	387	3,672
Gas Tax Fund (210)	05187	Traffic Signal Maintenance		332	338	345	352	359	366	373	381	388	396	3,630
Gas Tax Fund (210)	05188	Streetlight Energy		455	489	494	499	504	509	514	519	524	530	5,037
Gas Tax Fund (210)	05189	Streetlight Maintenance		135	137	140	143	146	149	152	155	158	161	1,476
		SUBTOTAL		**1,249**	**1,321**	**1,340**	**1,358**	**1,377**	**1,395**	**1,414**	**1,434**	**1,453**	**1,474**	**13,815**
NEW AND REPLACEMENT STREETLIGHTS														
Gas Tax Fund (210)	05132	New and Replacement Street Lights		50	50	50	50	50	50	50	50	50	50	500
Gas Tax Fund (210)	NEW	B Street Lighting		90										
		SUBTOTAL		**140**	**50**	**50**	**50**	**50**	**50**	**50**	**50**	**50**	**50**	**590**
		TOTAL LIVABLE NEIGHBORHOODS PROJECTS		**5,309**	**3,586**	**4,140**	**4,717**	**3,522**	**3,615**	**3,659**	**3,614**	**3,698**	**3,719**	**39,579**

FY 2019- FY 2028 CAPITAL IMPROVEMENT PROGRAM

CAPITAL PROJECT EXPENDITURE SUMMARY

PROJECT DESCRIPTION	PROJECT TOTAL	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
Livable Neighborhoods	39,579	5,309	3,586	4,140	4,717	3,522	3,615	3,659	3,614	3,698	3,719
Road & Street Projects	112,892	26,393	20,732	9,773	8,262	7,147	9,594	7,661	7,633	7,825	7,872
Building/Misc Projects	67,894	36,599	26,525	700	540	610	560	640	540	645	535
Fleet Management	37,435	3,609	4,429	3,175	4,034	4,116	3,642	3,331	3,069	4,024	4,006
Equipment	17,731	4,639	1,872	2,522	1,493	883	1,766	1,209	1,137	1,115	1,095
Water System Projects	77,272	22,849	7,278	6,590	4,515	11,865	3,415	4,365	9,465	3,465	3,465
Sewer System Projects	120,950	45,965	24,695	14,805	3,080	10,555	9,530	3,080	3,080	3,080	3,080
Airport Projects	27,006	4,282	3,539	4,314	8,853	909	1,424	920	910	945	910
TOTAL CAPITAL EXPENDITURES	500,759	149,645	92,656	46,019	35,494	39,607	33,546	24,865	29,448	24,797	24,682

NOTE: Expenditure amounts do not include reimbursements or transfers between funds, or vehicle replacements and operating/maintenance expenses. All expenditures expressed in $1,000's. Additionally, these totals do not reflect payment of debt service.

CAPITAL PROJECTS BY CATEGORY

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.

FUND:	PROJ. NO.	DESCRIPTION	PRIOR EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	FY28 EXPEND.	TOTAL
			(In thousands)											
LIVABLE NEIGHBORHOODS														
Gas Tax Fund (210)	05132	New and Replacement Street Lights		50	50	50	50	50	50	50	50	50	50	500
Gas Tax Fund (210)	05186	Traffic Signal Energy		327	357	361	364	368	371	375	379	383	387	3,672
Gas Tax Fund (210)	05187	Traffic Signal Maintenance		332	338	345	352	359	366	373	381	388	396	3,630
Gas Tax Fund (210)	05188	Streetlight Energy		455	489	494	499	504	509	514	519	524	530	5,037
Gas Tax Fund (210)	05189	Streetlight Maintenance		135	137	140	143	146	149	152	155	158	161	1,476
Gas Tax Fund (210)	05213	Wheelchair Ramps FY19 Dists 6 & 9	11	131										142
Gas Tax Fund (210)	TBD	Wheelchair Ramps FY20 Dists 4 & 5	5	5	155									165
Gas Tax Fund (210)	TBD	Wheelchair Ramps FY21- FY 28			10	150	150	150	150	150	150	150	150	1,210
Gas Tax Fund (210)	NEW	B Street Lighting		90										90
Measure BB Tax (212)	TBD	Speed Monitoring Devices						60	60	60	60	60	60	360
Measure BB Tax (212)	NEW	D Street Traffic Calming Study		120										120
Measure BB Tax (213)	05246	New Sidewalks FY18	200	165										365
Measure BB Tax (213)	05247	New Sidewalks FY19	25	325										350
Measure BB Tax (213)	TBD	New Sidewalks FY20			350									350
Measure BB Tax (213)	TBD	New Sidewalks FY21- FY28			25	375	400	650	725	750	700	750	750	5,125
Measure BB Tax (213)	TBD	Pedestrian Traffic Signal Improvements						25	25	25	25	25	25	150
Measure BB Tax (213)	05278	Project Predesign Services		20	20	20	20	40	40	40	40	40	40	320
Measure B Tax (215)	05166	Speed Monitoring Devices		60	60	60	60							240
Measure B Tax (216)	05175	Pedestrian Traffic Signal Improvements		25	25	25	25							100
Measure B Tax (216)	05272	New Sidewalks FY18	200	230										430
Measure B Tax (216)	TBD	New Sidewalks FY19		420										420
Measure B Tax (216)	TBD	New Sidewalks FY20			425									425
Measure B Tax (216)	TBD	New Sidewalks FY21-FY22				425	409							834
Measure B Tax (216)	05260	Project Predesign Services		25	25	25	25							100
Strategic Initiatives (401)	NEW	Complete Communities		56										56
Strategic Initiatives (401)	NEW	Tennyson Corridor		100										100
Capital Proj (Gov't) (405)	06906	Mural Art Program		25	25	25	25	25	25	25	25	25	25	250
Capital Proj (Gov't) (405)	05102	Landscape Material/Median Tree/Shrub Replacements		105	105	105	105	105	105	105	105	105	105	1,050
Capital Proj (Gov't) (405)	06950	Neighborhood Partnership Program Project		50	50	50	50	50	50	50	50	50	50	500
Capital Proj (Gov't) (405)	NEW	Tennyson Corridor Landscaping Improvement		300										300
Street System Imp (450)	05249	Sidewalk Rehabilitation FY19 - Districts 6 & 9	297	663										960
Street System Imp (450)	05285	Sidewalk Rehabilitation FY20 - Districts 4 & 5	25	25	800									850
Street System Imp (450)	TBD	Sidewalk Rehabilitation FY21 - FY28				550	900	900	900	900	900	900	900	6,850
Street System Imp (450)	05255	Median Landscaping Improvement Project FY19 - Hesperian - Winton to Chabot Ct.	122	378										500
Street System Imp (450)	05281	Median Landscaping Improvement Project FY20 - Hesperian - West A St to Winton	2		50	800								852

CAPITAL PROJECTS BY CATEGORY

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.

FUND:	PROJ. NO.	DESCRIPTION	PRIOR EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	FY28 EXPEND.	TOTAL
			(In thousands)											
Street System Imp (450)	TBD	Median Landscaping Improvement Project FY23 - Industrial Blvd- Hwy 92 to Arf Ave				50	1,050							1,100
Street System Imp (450)	NEW	Median Island Curb Reconstruction		200										200
Street System Imp (450)	NEW	Innovative Deployments to Enhance Arterials (IDEA) Tennyson Corridor and Second Street		402										402
Transp Sys Imp (460)	05734	Traffic Calming Implementation Program	90	90	90	90	90	90	90	90	75	90	90	975
		TOTAL LIVABLE NEIGHBORHOODS PROJECTS		5,309	3,586	4,140	4,717	3,522	3,615	3,659	3,614	3,698	3,719	39,579
ROAD AND STREET PROJECTS														
Gas Tax Fund (210)	05106	Project Predesign Services		40	40	40	40	40	40	40	40	40	40	400
Gas Tax Fund (210)	05110	Pavement Management Program		55	20	55	20	55	20	55	20	55	20	375
Gas Tax Fund (210)	05116	Congestion Management Program		109	116	123	130	137	144	151	158	165	172	1,405
Gas Tax Fund (210)	05140	Miscellaneous Curb and Gutter Repair		30	30	30	30	30	30	30	30	30	30	300
Gas Tax Fund (210)	05219	Pavement Rehabilitation - Gas Tax FY19	50	640										690
Gas Tax Fund (210)	TBD	Pavement Rehabilitation - Gas Tax FY20			650									650
Gas Tax Fund (210)	TBD	Pavement Rehabilitation - Gas Tax FY21- FY28			550	1,050	1,100	1,100	1,450	1,350	1,400	1,450	1,450	10,900
Measure BB Tax (212)	05208	Project Predesign Services		30	30	30	30	30	30	30	30	30	30	300
Measure BB Tax (212)	05216	Pavement Rehabilitation, Measure BB FY19	50	1,850										1,900
Measure BB Tax (212)	TBD	Pavement Rehabilitation, Measure BB FY20		50	2,050									2,100
Measure BB Tax (212)	TBD	Pavement Rehabilitation, Measure BB FY21-FY28			25	2,050	2,650	4,200	4,250	4,300	4,300	4,400	4,400	30,575
Measure BB Tax (212)	05217	Hayward Blvd. Traffic Calming Study	110	10										120
Measure BB Tax (212)	05218	Tennyson Road Corridor Complete Streets Feasibility Study	25	75										100
Measure B Tax (215)	05199	Project Predesign Services		30	30	30	30							120
Measure B Tax (215)	05220	Pavement Rehabilitation, Measure B FY19	50	2,300										2,350
Measure B Tax (215)	05220	Pavement Rehabilitation, Measure B FY20		50	2,200									2,250
Measure B Tax (215)	TBD	Pavement Rehabilitation, Measure B FY21-FY22			50	2,300	1,702							4,052
Vehicle Reg Fee (218)	05280	Pavement Rehabilitation VRF FY19	25	725										750
Vehicle Reg Fee (218)	TBD	Pavement Rehabilitation VRF FY20		25	775									800
Vehicle Reg Fee (218)	TBD	Pavement Rehabilitation VRF FY21 - FY28			25	750	800	800	800	850	850	850	850	6,575
Measure C Capital (406)	TBD	Pavement Rehabilitation							2,000					2,000
Route 238 Imp (410)	05114	Administration and Predesign	553	60	60									673
Route 238 Imp (410)	05194	Preliminary Design and Environmental Study Phase 2 & 4	2,128	1,000										3,128
Route 238 Imp (410)	05270	Rte 238 Corridor Improvement Project - Phase 2	15,154	15,239										30,393
Route 238 Imp (410)	05287	Rte 238 Corridor Improvement Project - Phase 3	1,333		11,389	2,778								15,500
Street System Imp (450)	05148	Project Predesign Services		30	30	30	30	30	30	30	30	30	30	300
Street System Imp (450)	05248	City Municipal Parking Lot #2	58	442										500
Street System Imp (450)	05257	Bridge Structures Maintenance	225		412									637
Street System Imp (450)	05286	City Municipal Parking Lot #1		650										650
Street System Imp (450)	TBD	City Municipal Parking Lot #7, D-1 and D-2				107								107
Street System Imp (450)	05283	Main Street Complete Street Project	25	325	1,875									2,225

CAPITAL PROJECTS BY CATEGORY

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	FY28 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJ. NO.**	**DESCRIPTION**												
Street System Imp (450)	05282	Pavement Rehabilitation - Winton Ave West		1,978										1,978
Street System Imp (450)	TBD	Pavement Rehabilitation FY22-FY28				50	1,350	400	400	500	400	450	500	4,050
Transp Sys Imp (460)	05274	Traffic Impact Fee Study		200										200
Transp Sys Imp (460)	05711	Multi Modal LOS Study		100										100
Transp Sys Imp (460)	05709	Traffic Control Devices Repair/Replacement		40	40	40	40	40	40	40	40	40	40	400
Transp Sys Imp (460)	05734	Traffic Calming Implementation Program		90	90	90	90	90	90	90	90	90	90	900
Transp Sys Imp (460)	05856	Controller Cabinet Replacement Program		30	30	30	30	30	30	30	30	30	30	300
Transp Sys Imp (460)	05877	Transportation System Management Projects		70	70	70	70	70	70	70	70	70	70	700
Transp Sys Imp (460)	05893	Quick Response Traffic Safety Projects		20	20	20	20	20	20	20	20	20	20	200
Transp Sys Imp (460)	05712	Intersection Improvement Project - TBD		100	125	100	100	75	150	75	125	75	100	1,025
		TOTAL ROAD AND STREET PROJECTS	19,786	26,393	20,732	9,773	8,262	7,147	9,594	7,661	7,633	7,825	7,872	112,892
BUILDING/MISC PROJECTS														
Capital Proj (Gov't) (405)	05160	Surplus Property Maintenance		25	25	25	15	15	15	15	15	15	15	180
Capital Proj (Gov't) (405)	06121	Property Taxes on Excess Right-of-Way		5	5	5	5	5	5	5	5	5	5	50
Capital Proj (Gov't) (405)	06904	Community Satisfaction Survey	66	40		40		40		40		40		266
Capital Proj (Gov't) (405)	06907	Project Predesign Services		35	35	35	35	35	35	35	35	35	35	350
Capital Proj (Gov't) (405)	06911	Property Acquisition Management		100	100	100	100	100	100	100	100	100	100	1,000
Capital Proj (Gov't) (405)	06953	Employee Engagement Survey			35		35		35		35		35	175
Capital Proj (Gov't) (405)	06905	Disaster Preparedness Exercise		50										50
Capital Proj (Gov't) (405)	06968	Sealing Centennial Hall Parking Deck				30								30
Capital Proj (Gov't) (405)	TBD	City of Hayward 100th Anniversary Events									100			100
Measure C Capital (406)	06988	21st Century Library & Community Learning Center-Construction	54,233	7,247										61,480
Measure C Capital (406)	07481	New Fire Station No. 6	1,500	3,500	2500									7,500
Measure C Capital (406)	07482	Fire Station No. 6 New Training Center	4,213	25,187	23,500									52,900
Facilities Capital (726)	07201	HVAC Replacement/Various Units	255				200	200	130					785
Facilities Capital (726)	07202	Miscellaneous Flooring Replacement	718	225	100									1,043
Facilities Capital (726)	07203	Roof Repair/Replacement	281			200		115				250	25	871
Facilities Capital (726)	07209	Emergency Generator Replacements	150							145	150			445
Facilities Capital (726)	07210	Window Covering Replacement	42			50	50							142
Facilities Capital (726)	07217	Exterior Painting of City Facilities	43		50	115			90	100		100		498
Facilities Capital (726)	07218	Animal Control Facilities Update	40		75								125	240
Facilities Capital (726)	07221	Interior Painting of City Facilities	30										20	50
Facilities Capital (726)	07222	City Facility Update	85										75	160
Facilities Capital (726)	07223	City Hall Moat		15										15
Facilities Capital (726)	NEW	Emergency Generator Panel		50										50
Facilities Capital (726)	NEW	HPD Records Remodel		120										120
Facilities Capital (726)	TBD	Elevator Overhaul							50	100				150

CAPITAL PROJECTS BY CATEGORY

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	FY28 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJ. NO.**	**DESCRIPTION**												
Facilities Capital (726)	TBD	Workspace Reconfiguration/Remodel			100	100	100	100	100	100	100	100	100	900
		TOTAL BUILDING & MISCELLANEOUS PROJECTS	61,656	36,599	26,525	700	540	610	560	640	540	645	535	129,550
FLEET MANAGEMENT														
Fleet Mgmt Capital (736)	07301	Vehicle Replacement Needs - Fire	9,496	985	917	1,549	2,114	1,047	1,542	1,510	1,205	1,659	1,116	23,140
Fleet Mgmt Capital (736)	07302	Vehicle Replacement Needs - Other General Fund	3,636	1,026	1,092	186	358	836	490	278	649	498	787	9,836
Fleet Mgmt Capital (736)	07303	Vehicle Replacement Needs - Police	5,094	1,038	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	15,132
Fleet Mgmt Enterprise (737)	07350	Vehicle Replacement Needs - Airport	435		88			394		60	31	44	46	1,098
Fleet Mgmt Enterprise (737)	07351	Vehicle Replacement Needs - Stormwater	1,604	300	309	318		338	348	358		177	391	4,143
Fleet Mgmt Enterprise (737)	07352	Vehicle Replacement Needs - Sewer	2,161	160	417	37	240	338	70			127		3,550
Fleet Mgmt Enterprise (737)	07353	Vehicle Replacement Needs - Water	1,697	100	606	85	322	163	192	125	184	519	666	4,659
		TOTAL FLEET MANAGEMENT PROJECTS	24,123	3,609	4,429	3,175	4,034	4,116	3,642	3,331	3,069	4,024	4,006	61,558
EQUIPMENT														
Capital Proj (Gov't) (405)	07402	Supporting Services Equipment		74	34	75	25	54	30	37	30	30	32	421
Capital Proj (Gov't) (405)	07405	SWAT Team Equipment		21	16	17	47	84	72	50	50	50	50	457
Capital Proj (Gov't) (405)	07409	Police Officer Equipment		166	321	66	60	240	156	156	156	60	124	1,505
Capital Proj (Gov't) (405)	07411	Field Operations Equipment		33	22	27	32	19	25	25	25	25	25	258
Capital Proj (Gov't) (405)	07412	Criminal Investigations Equipment		23	14	2	20	2	22	22	2	22	15	144
Capital Proj (Gov't) (405)	07451	Cardiac Monitor Replacement (Defibrillators)	431	377	86	86	86	86	86	86	86	99	99	1,608
Capital Proj (Gov't) (405)	07475	Replacement Equipment for Maintenance Services		25	10	10	10	10	10	10	10	10	10	115
Capital Proj (Gov't) (405)	07486	Emergency Vehicle Preemption	188	188	188	188	188	188	188	188	188	188	207	2,087
Capital Proj (Gov't) (405)	07466	Breathing apparatus Replacement		108	108	108	108	172	172	172	172	172	108	1,400
Capital Proj (Gov't) (405)	07450	Lucas Device Replacement		19	70	70	70	19	19	19	24	24	24	358
Capital Proj (Gov't) (405)	07456	Fire Radio Replacement		62	140	140	140	140	76	76	76	76	76	1,002
Street System Imp (450)	05153	Alameda County Aerial Photography			50			50			50			150
Water Replacement (603)	07133	SCADA System Evaluation and Upgrade	100	300										400
Sewer Replacement (611)	07594	Collection Systems SCADA & Transducer Replacement	20	20	20	20	20	20	20	20	20	20	20	220
Sewer Replacement (611)	TBD	WPCF SCADA System Evaluation and Upgrade				500								500
Info Tech Capital (731)	07253	Desktop Computer Replacement Program	1,980	200	200	200	200	200	200	200	200	200	200	3,980
Info Tech Capital (731)	07256	Public Safety Mobile Replacement Project	2,089	287	50	50	50	50	50	50	50	50	50	2,826
Info Tech Capital (731)	07257	Network Server Replacement Project	1,186	200	200	200	200	200	200	200	200	200	200	3,186
Info Tech Capital (731)	07259	Geographic Information System Improvements	215	25	25	25	25	25	25	25	25	25	25	465
Info Tech Capital (731)	07263	Network Infrastructure Replacement - Police Department	507	58			60	60	60	60	60	60	60	985
Info Tech Capital (731)	07264	Network Infrastructure Replacement	2,868	348			360	360	360	360	360	360	360	5,736
	07265	Agenda Management System Replacement		30										
Info Tech Capital (731)	07266	Council Chambers Technology Upgrade	1,889	30			750							2,669
Info Tech Capital (731)	07268	Security Assessment and Improvement	120	132										252
Info Tech Capital (731)	07269	Inspection/Weed Abatement Software	75	75	68	68	68	68						422

CAPITAL PROJECTS BY CATEGORY

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FUND:	PROJ. NO.	DESCRIPTION	PRIOR EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	FY28 EXPEND.	TOTAL
			(In thousands)											
Info Tech Capital (731)	07272	Body Worn Camera Equipment for HPD	20	20	20	20	20	20	20	20	20	20	20	220
Info Tech Capital (731)	07273	City Hall Conference Room Adio Video Upgrade	50	50										100
Info Tech Capital (731)	07275	Highspeed Hayward	2,396	1,111										3,507
Info Tech Capital (731)	07276	Fiber Optic Maintenance and Repair	25	25	25	25	25	25	25	25	25	25	25	275
Info Tech Capital (731)	07277	EBRCS Subscription	445	332	338	345	352	359	366	373	381	388	396	4,075
Info Tech Capital (731)	NEW	Rotunda AV		150										150
Info Tech Capital (731)	NEW	City VMS		150										150
		TOTAL EQUIPMENT PROJECTS	14,604	4,639	2,005	2,242	2,916	2,451	2,182	2,174	2,210	2,104	2,126	39,323
WATER SYSTEM PROJECTS														
Water Replacement (603)	07026	Water System Leak Detection Survey and Repair	97	178										275
Water Replacement (603)	07035	City Irrigation System Backflow Replacements		10	10	10	10	10	10	10	10	10	10	100
Water Replacement (603)	07057	Restore Water Mains at I-880		550										550
Water Replacement (603)	07003	Miscellaneous Hydrant Replacement Program		25	25	25	25	25	25	25	25	25	25	250
Water Replacement (603)	07006	Annual System Replacement Program		150	150	150	150	150	150	200	200	200	200	1,700
Water Replacement (603)	07013	High Efficiency Fixture Replacement Program		200	100	100	100	100	150	150	150	150	150	1,350
Water Replacement (603)	07030	Project Predesign Services		25	25	25	25	25	25	25	25	25	25	250
Water Replacement (603)	07059	Reservoir Coating Inspection/Recoating at 250' East, 250'		2,400										2,400
Water Replacement (603)	07046	Replace 16" Water Line near Mission & Willis			250	1,500								1,750
Water Replacement (603)	07047	Water Efficient Landscape Surveys and Incentives	441	100										541
Water Replacement (603)	NEW	Annual Line Replacements FY19		750										750
Water Replacement (603)	NEW	Fittings Upgrade for Fire Department-Various Reserviors		75	75									150
Water Replacement (603)	07134	Cast Iron Water Pipeline Replacement - Local Streets	500	500	500	500	500	500	500	500	500	500	500	5,500
Water Replacement (603)	TBD	Annual Line Replacements FY20-FY28			1,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	17,000
Water Replacement (603)	07132	Water Main Replacement at Highland, Carroll, Zephyr, etc.	1,700	3,000	1,000									5,700
Water Replacement (603)	07131	Water Pump Station Valve Repair & Upgrade at Various St.	75	150	75	75								375
Water replacement (603)	07130	Pressure Reducing Station Regulator Replacement	150	300										450
Water Improvement (604)	07105	Solar Power at Various Water Facilities		3,000										3,000
Water Improvement (604)	07176	Utility Center Renovations/Training Center Addition	6	2,994										3,000
Water Improvement (604)	07178	Hesperian Site Additional Paving		90										90
Water Improvement (604)	07182	New 12" Pipeline - Dunn Road	100	500										600
Water Improvement (604)	07183	New 0.75MG Tank, Pumps, and Generator at Garin Reservoir/Pumps Station Site	350	2,500										2,850
Water Improvement (604)	07029	Project Predesign Services		15	15	15	15	15	15	15	15	15	15	150
Water Improvement (604)	07119	Radio Telemetry & Transducer Replacement & Upgrade		20	20	20	20	20	20	20	20	20	20	200
Water Improvement (604)	07160	Seismic Retrofit Maitland Reservoir and Appurtenances	27	500	1,603									2,130
Water Improvement (604)	07173	Seismic Retrofit Highland 250 Reservoirs	515	600										1,115
Water Improvement (604)	07172	New 3 MG Reservoir at High School Reservoir Site	105							900	6,000			7,005
Water Improvement (604)	07191	Groundwater Sustainability Plan Implementation		3,000										3,000

CAPITAL PROJECTS BY CATEGORY

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			(In thousands)											
FUND:	**PROJ. NO.**	**DESCRIPTION**												
Water Improvement (604)	TBD	New 2 MG Reservoir and Booster Station at Hesperian Site					1,500	8,500						10,000
Water Improvement (604)	07016	New Pressure Regulating Stations at New 265' Zone		500	2,260									2,760
Water Improvement (604)	07017	Weather Based Irrigation Controllers at Various Locations		20	20	20	20	20	20	20	20	20	20	200
Water Improvement (604)	TBD	New Emergency Well B2				2,000								2,000
Water Improvement (604)	07189	Safety Improvements to Utility Center Corp. Yard Storage		75										75
Water Improvement (604)	07190	Disinfection Residual Management	500	500										1,000
Water Improvement (604)	NEW	Alternative Feed Pipelines		300	150	150	150							750
Water Improvement (604)	NEW	Groundwater Sustainability Plan Projects						500	500	500	500	500	500	3,000
		TOTAL WATER SYSTEM PROJECTS	4,469	22,849	7,278	6,590	4,515	11,865	3,415	4,365	9,465	3,465	3,465	81,741
SEWER SYSTEM PROJECTS														
Sewer Replacement (611)	07668	WPCF West Trickling Filter and Biofilter Project		2,500	17,000									19,500
Sewer Replacement (611)	07516	EBDA Outfall Replacement Payment		120	120	150	150	150	150	150	150	150	150	1,440
Sewer Replacement (611)	07524	Project Predesign Services		15	15	15	15	15	15	15	15	15	15	150
Sewer Replacement (611)	07529	WPCF Miscellaneous Plant Replacements		300	350	350	350	350	350	350	350	350	350	3,450
Sewer Replacement (611)	07575	Miscellaneous Lift Station Equipment Replacement		100	150	150	150	150	150	150	150	150	150	1,450
Sewer Replacement (611)	07594	Collection Systems SCADA & Transducer Replacement		20	20	20	20	20	20	20	20	20	20	200
Sewer Replacement (611)	07596	WPCF SCADA System Miscellaneous Replacements		15	15	15	15	15	15	15	15	15	15	150
Sewer Replacement (611)	07531	WPCF Asset Management Plan	1	99										100
Sewer Replacement (611)	07611	WPCF Equalization Pond Diversion Valve Replacement		100										100
Sewer Replacement (611)	07648	WPCF Seismic Retrofit of Miscellaneous Buildings	5	370										375
Sewer Replacement (611)	07656	WPCF Main 480V MCC Electrical Distribution Repairs	225	1,000										1,225
Sewer Replacement (611)	NEW	Annual Line Replacements FY19		1,000										1,000
Sewer Replacement (611)	07650	WPCF Structural Repairs and Canopy Covers		675										675
Sewer Replacement (611)	TBD	Valle Vista Submersible Pump Repl and Wet Well Rehab		700										700
Sewer Replacement (611)	TBD	Digester #2 Cleaning and Dome Rehabilitation	50		450									500
Sewer Replacement (611)	TBD	Annual Line Replacements FY20 - FY28			2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	18,000
Sewer Replacement (611)	TBD	Digester #1 Cleaning and Dome Rehabilitation			500									500
Sewer Replacement (611)	TBD	Gravity Belt Thickener Rebuilding		500										500
Sewer Replacement (611)	TBD	Collection Systems SCADA System Evaluation & Upgrade		300										300
Sewer Replacement (611)	TBD	WPCF Final Clarifiers Mechanisms Replacement						1,800						1,800
Sewer Replacement (611)	TBD	WPCF SCADA System Evaluation and Upgrade			500									500
Sewer Replacement (611)	07690	WPCF Diversion Ponds 2,3, & 7 Gate Restoration		550										550
Sewer Replacement (611)	07624	Harder Road Sewer System Improvement		500	2,000									2,500
Sewer Replacement (611)	07018	Pump Station Valve Repair & Upgrade at Various Stations	75	75	75	75								300
Sewer Replacement (611)	07618	WPCF Gas Conditioning Skid Media Replacement		165	165	165	165	165	165	165	165	165	165	1,650
Sewer Replacement (611)	07619	WPCF Motorized Valve Actuators for Influent Gates		105										105
Sewer Replacement (611)	TBD	WPCF North Vacuator Restoration/Improvements			160	1,600								1,760

CAPITAL PROJECTS BY CATEGORY

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			(In thousands)											
FUND:	**PROJ. NO.**	**DESCRIPTION**												
Sewer Replacement (611)	07620	WPCF Safety Improvements		100										100
Sewer Replacement (611)	07622	Ward Creek/Tiegen Drive Sewer Replacement		500										500
Sewer Replacement (611)	07623	WPCF Effluent Channel Corrugated Pipe Rehbilitation		500										500
Sewer Replacement (611)	NEW	WPCF GBT Sludge Wetwell Structure Repairs & Modifications		150										150
Sewer Replacement (611)	NEW	WPCF EQ Pond Sludge Removal		75										75
Sewer Replacement (611)	NEW	WPCF Effluent Pond Weed Removal		200										200
Sewer Replacement (611)	NEW	WPCF Final Clarifier No. 1 Electrical Conduit Replacement		35										35
Sewer Replacement (611)	NEW	Jackson Street Underpass Pump Station Upgrades			50	250								300
Sewer Improvement (612)	07506	WPCF Administration Building Renovation and Addition	154	4,500										4,654
Sewer Improvement (612)	07507	Recycled Water Treatment and Distribution Facilities	19,330	8,481										27,811
Sewer Improvement (612)	07523	Project Predesign Services		15	15	15	15	15	15	15	15	15	15	150
Sewer Improvement (612)	07530	WPCE Solar Power Design and Construction Phase II Two MW	95	6,205										6,300
Sewer Improvement (612)	07556	WPCF Chlorine Disinfection System Improvements				7,200								7,200
Sewer Improvement (612)	07568	WPCF New Operations Building		5,600										5,600
Sewer Improvement (612)	07679	Cogeneration System Maintenance Contract		200	200	200	200	200	200	200	200	200	200	2,000
Sewer Improvement (612)	07701	WPCF Mechanical Sludge Dewatering Facility				2,600								2,600
Sewer Improvement (612)	TBD	WPCF Aeration Blower		85										85
Sewer Improvement (612)	TBD	WPCF Primary Effluent Flow Equalization						300	2,200					2,500
Sewer Improvement (612)	07696	WPCF Stormwater and Site Grading Improvements		530										530
Sewer Improvement (612)	07702	WPCF Security Improvements		30										30
Sewer Improvement (612)	TBD	WPCF Co-Generation Engine #2						2,000						2,000
Sewer Improvement (612)	TBD	WPCF New Digester Gas Storage						2,850						2,850
Sewer Improvement (612)	NEW	WPCF Grit Removal System		3,675										3,675
Sewer Improvement (612)	NEW	WPCF Final Clarifier No. 1 & 2 Equipment Coatings		910										910
Sewer Improvement (612)	07704	WPCF Final Clarifier No. 1 Structure Repairs		620										620
Sewer Improvement (612)	TBD	WPCF New Biofilter for Gravity Belt Thickener Building						100	875					975
Sewer Improvement (612)	07705	WPCF Gravity Belt Thickener Sludge Blending Tank Coatings		175										175
Sewer Improvement (612)	TBD	WPCF Old Cogen Building Repurpose		400										400
Sewer Improvement (612)	07706	WPCF Sludge Pipeline from Eq. Pond to Site Waste PS		160										160
Sewer Improvement (612)	07707	WPCF MCC5 & 19 Replacement		500										500
Sewer Improvement (612)	07708	WPCF Tertiary Treated Near Shore Discharge Feasibility Study and Facilities Plan		500										500
Sewer Improvement (612)	07709	Recycled Water Facilities Plan Update		500										500
Sewer Improvement (612)	NEW	WPCF Expansion of Cogen System Gas Conditioning Skid System						425	3,375					3,800
Sewer Improvement (612)	07711	Feasibility Study -WPCF Bio-Gas for City's CNG Vehicles		50										50

CAPITAL PROJECTS BY CATEGORY

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FUND:	PROJ. NO.	DESCRIPTION	PRIOR EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	FY28 EXPEND.	TOTAL
			(In thousands)											
Sewer Improvement (612)	07710	Recycled Water Facility Treatment and Disinfection -Phase I		1,300										1,300
Sewer Improvement (612)	NEW	WPCF Pond No. 7 Outlet Pipe		20	100									120
Sewer Improvement (612)	NEW	WPCF Headworks Channel Actuators		150										150
Sewer Improvement (612)	NEW	WPCF Equalization Pond Liner		30	270									300
Sewer Improvement (612)	NEW	27 Inch Force Main Bypass Pumping-I-880/Industrial		60	540									600
Sewer Improvement (612)	NEW	Sewer Main Installation-I-800/Willimet		500										500
		TOTAL SEWER SYSTEM PROJECTS	19,935	45,965	24,695	14,805	3,080	10,555	9,530	3,080	3,080	3,080	3,080	140,885
AIRPORT PROJECTS														
Airport Capital (621)	06816	Sulphur Creek 10-Year Monitoring	305	23										328
Airport Capital (621)	06805	Project Predesign Services		48	40	40	40	40	40	40	40	40	40	408
Airport Capital (621)	06806	Consultant Predesign Services		25	25	25	25	25	25	25	25	25	25	250
Airport Capital (621)	06891	Miscellaneous Pavement/Building/Grounds Repairs		60	50	50	50	50	50	50	50	50	50	510
Airport Capital (621)	06898	Noise Monitoring		45	45	45	45	45	45	45	45	45	45	450
Airport Capital (621)	06818	Airport Pavement Management Program Update		35		35		35		35		35		175
Airport Capital (621)	06819	Taxiway Alpha & Foxtrot Pavement Rehabilitation FY16	587	479										1,066
Airport Capital (621)	06814	Sulpher Creek Mitigation - Design and Construction	263	3,037										3,300
Airport Capital (621)	06823	Perimeter Fence Repair	82	10	10	10	10							122
Airport Capital (621)	06826	East T-Hangar Foam Re-roofing	51	50	400									501
Airport Capital (621)	TBD	Realignment of Taxiway Zulu		300	2444									2,744
Airport Capital (621)	TBD	EMAS Runway Safety Area Improvements				500	8333							8,833
Airport Capital (621)	TBD	Rehab of TWY Alpha & Rehab TWY Delta Intersections						64	539					603
Airport Capital (621)	TBD	Golf Course Modifications/Road Relocation			360	3,009								3,369
Airport Capital (621)	TBD	Airport Pavement Preventative Maintenance			75	600	350	650	725	725	750	750	750	5,375
Airport Capital (621)	TBD	View Park			90									90
Airport Capital (621)	NEW	CCTV Upgrade		60										60
Airport Capital (621)	06829	Infrastructure Improvement Plan		110										110
		TOTAL AIRPORT PROJECTS	1,288	4,282	3,539	4,314	8,853	909	1,424	920	910	945	910	28,294

FINANCIAL POLICIES

FINANCIAL POLICIES

Overview of Financial Policies

Financial policies as adopted by the City Council establish the framework for Hayward's overall fiscal planning and management. They set forth decision-making guidelines against which current budgetary performance can be measured and proposals for future programs can be evaluated. Hayward's publicly adopted financial policies demonstrate the City's commitment to sound financial management and fiscal integrity. The financial policies also improve the City's fiscal stability by helping City officials plan fiscal strategy with a consistent approach. Adherence to adopted financial policies promotes sound financial management, which can lead to improvement in City bond ratings and lower cost of capital.

Below is a listing of key policies related to the citywide budget. Many of these policies have been in operation for a number of years. However, staff is introducing several new policies for consideration during the FY 2016 budget process.

1. Balanced Budget Policy
2. Use of One-time Revenue for One-time Expenditures Policy
3. Benefit Liabilities Funding Plan Policy
4. Long Range Financial Forecasting Policy
5. Reserves Policy
6. Investment Policy
7. Debt Issuance and Management Policy
8. Debt Disclosure Policy -NEW
9. Charges and Fees Policy
10. Multi-Year Capital Improvement Program Plan Policy
11. Internal Service Maintenance & Capital Replacement Policy

Balanced Budget Policy[1]

The City of Hayward must adopt a balanced annual operating budget. A structurally balanced budget exists when recurring operating revenues equal or exceed recurring operating expenditures and there is no planned or actual use of reserve cash to cover any "negative gap" between the two.

1. The operating resources and resource uses that are included or excluded from the definition of a balanced budget calculation;
    a. Operating revenues and expenditures - including transfers in and transfers out.
    b. Capital Improvement Program budget funds are excluded.
    c. One-time revenues should be carefully considered before using to balance the operating budget per the newly recommended policies herein.
2. Available fund balances may be used as a resource for non-recurring expenditures as approved by City Council.
3. The modified accounting accrual basis is used to define revenues and expenditures.
4. For a variety of reasons, true structural balance may not be possible. In such a case, using reserves to balance the budget may be considered but only in the context of a plan to return to structural balance, replenish fund balance, and ultimately remediate the negative impacts

[1] *NACSLB's Practices located on GFOA's web site at* www.gfoa.org

of any other short-term balancing actions that may be taken. Further, the plan should be clear about the time period over which returning to structural balance, replenishing reserves, and remediating the negative impacts of balancing actions are to occur

5. The City shall conduct midterm budget reviews to review the budget and take any necessary action to bring the budget into balance.
6. The balanced budget policy will be applied over a ten-year financial planning horizon for the City's General Fund and other key operating funds in order to identify and plan to avoid structural imbalances in the long term.

Use of One-Time Revenue for One-Time Expenditures

One time revenues shall be considered for use toward one-time expenditures. While one-time revenues may occur over more than a one fiscal year period (i.e. an allocation of one time funds over multiple fiscal years), they shall not support recurring operational expenses. Appropriate uses of one-time revenue funds include:

- Payments toward unfunded benefit liabilities such as Retiree Medical (other post-employment benefits – OPEB); CalPERS retirement unfunded liability, Workers' Compensation unfunded liability; or reduction of accrued leave through pay off of leave balances
- One-time capital improvements or economic development investments
- Early debt retirement
- Restoration of depleted reserve balances

Uses that increase ongoing operating expenditures should be carefully reviewed and avoided if at all possible. For example, capital expenditures that significantly increase ongoing operating expenses without a sustainable and offsetting long-term revenue plan should be avoided. Uses of one-time funds for reasons not mentioned above require explicit Council authorization.

Property Transfer Tax – Threshold for Recurring & One-time Revenue

The Real Property Transfer Tax (Transfer Tax) rate set by the City of Hayward is $4.50 per $1,000 of the value of consideration paid for the documented sale of real property or any transfer of interest in real property. Hayward's Transfer Tax revenue is volatile and is driven directly by the real estate market, based on the rate of property turn over and the sales price of said properties. The City has experienced dramatic swings in Transfer Tax.

In order to best budget this general fund revenue, the City should establish a threshold for recurring revenues that will support recurring City operations. Based on historical averages and the current economic climate, it is recommended that Council establish a baseline threshold of $5.5 million to be used to fund recurring City operations. Transfer Tax revenues received in excess of this amount should be considered one-time revenues and used in accordance with the City's policy on the Use of One-Time Revenue for One-Time Expenditures described above.

FINANCIAL POLICIES

Benefit Liabilities Funding Plan & Policies

Unfunded liabilities are defined as identifiable obligations of the City for which the organization does not have 100% of the funding (cash or other assets) set aside to cover the cost should all obligations become immediately and simultaneously due. The City's primary benefit liabilities include, but are not limited to:

- California Public Employees' Retirement System (CalPERS)
- Other Post-Employment Benefits (OPEB) – Retiree Medical Benefits
- Workers' Compensation
- Accrued Leave Payouts

Council shall identify appropriate levels to fund portions of each benefit liability considering the associated risk that the unfunded portion of the obligations present to the organization, timing of the liability's ultimate due date and realistic and responsible management of the organization's cash flows. The City's funding plans for unfunded actuarial accrued liabilities should not exceed the parameters established by GAAP.

Long Range Financial Forecasting Policy

Hayward's budget shall include a long range financial forecast of operating revenues and expenditures of the General Fund and other key operating funds. The forecast will extend five to ten years, including the budget period. The forecast, along with its underlying assumptions and methodology, will be clearly stated and made available to participants in the budget process. It will also be referenced in the final budget document. The forecast shall include a spendable fund balance calculation and any difference from established reserve levels.

Reserves Policy[2]

The City of Hayward will establish and maintain adequate financial reserves in order to prepare for the impact economic cycles and physical disasters have upon essential services to the public and assure annual fluctuations in revenue do not impede the City's ability to meet expenditure obligations. During periods of economic sufficiency, reserves may be used as a source of supplemental revenue through prudent investments and earnings while avoiding short-term cash flow deficiencies. When revenues fail to meet the normal operating requirements of essential public services, or the need for disbursements temporarily exceeds receipts, reserves, upon the recommendation of the City Manager and the authorization of the City Council, may be used in accordance with the standards set forth herein.

[2] *Determining the Appropriate Level of Unrestricted Fund Balance in the General Fund GFOA October 2009*

FINANCIAL POLICIES

Reserve goals are as follows:

Name	Minimum	Basis
General Fund	Goal of no less than two months of city operating costs or at least 20% of budgeted General Fund operating expenditures	To create a reserve that will allow the City to continue providing acceptable service levels during emergencies and economic downturns while maintaining adequate liquidity to make all payments without short term borrowing.
Internal Service Funds Fleet Replacement, Facilities Replacement Technology Replacement	As determined by the City Manager pursuant to established replacement plans and Council reserve policies	Accumulation of reserves within these discreet internal service funds will ensure timely replacement of City assets.
Internal Service Funds Risk Management General Liability	$1,000,000	The City is self-insured and therefore it is prudent to set aside reserves with this internal service fund for unforeseen claims.

The annual budget presented by the City Manager is required to include a recommendation for the amounts to be appropriated to these Reserves.

In times of economic downturn, if revenues are insufficient to meet the normal operating requirements of essential services, funds contained in the Reserve may be used if authorized by the City Council, based on the following principles:

1. Staffing levels in essential services shall be temporarily maintained, in order to avoid or reduce the necessity for immediate lay-offs: only in extreme conditions will reserves be used to support operational positions for longer than two years;
2. A hiring freeze must be implemented for designated positions as appropriate to maintain essential services to the public;
3. All other reasonable and available expenditure reduction measures have been taken by the City Manager and the City Council before using one-time funding to support operational positions;
4. User fees and services charges will be fully utilized for those services for which they were collected;
5. The level of the Reserve shall be restored in a timely manner as economic recovery occurs, consistent with the maintenance of essential services:
6. “Essential services”, “appropriate levels” of such services, and “extreme conditions” shall be determined from time to time by the City Council upon the recommendation of the City Manager.

FINANCIAL POLICIES

Investment Policy

The City of Hayward incorporates a prudent and systematic investment process and investment related activities are formalized in Annual Statement of Investment Policy. The primary objectives of the policy, in order, are safety, liquidity, and yield. City policy requires diversification of the investment portfolio, in order to reduce the risk of loss resulting from over concentration of assets in a specific maturity, issuer, or class of securities. An Investment Advisory Committee is appointed by the City Manager to oversee the City's investment program and assure it is consistent with the investment policy as approved by the Council. The committee meets quarterly to monitor portfolio performance and consider changes in strategy and investment policy. The policy is approved annually by the City Council at a public meeting. The Director of Finance provides periodic reporting to the Committee and to City Council on the status of City cash and investments.

Debt Issuance and Management Policy

The City of Hayward has developed a comprehensive debt management policy. The following parameters are to be considered before debt issuance:

1. The purposes for which debt may be issued shall be approved by City Council.
2. Legal debt limitations or limitations established by policy, including limitations on the pledge of the issuer's general credit, shall be calculated.

    - The City is bound by a provision in state law limiting indebtedness for California cities to 15% of the assessed value of all real and personal property of the city. This statutory limitation applies to bonded indebtedness of the City payable from the proceeds of taxes levied on property.

3. Types of debt permitted to be issued are:
    - short-term and long-term debt
    - general obligation and revenue debt
    - capital and variable rate debt
    - lease-backed debt, such as certificates of participation
    - special obligation debt such as assessment district debt
    - pension obligation bonds
    - conduit issues
    - State Revolving Loan Funds and Pools
    - inter-fund borrowing
    - taxable and non-taxable debt

4. Prior to the issuance of any debt, the funding source for the debt service is identified and designated. The level of debt to which the City obligates itself is managed within available resources and represents a minimal cost to general taxpayers.
5. Except in extreme conditions as defined by Council, the issuance of new debt should not in and by itself jeopardize or lower the City’s bond ratings.
6. To the extent possible, the City plans the issuance of new debt to occur when resources are made available by the retirement of an existing obligation. By managing the timing of new debt, current City operations are not affected.
7. Authorized methods of sale shall be considered on a case by case basis, including

competitive sale, negotiated sale, and private placement.
8. Method of selecting outside finance professionals shall be consistent with the City's procurement practices.
9. Compliance with federal tax law provisions, such as arbitrage requirements.

In order to be an effective management tool, the parameters of the debt issuance and management must be compatible with the City's goals pertaining to the capital improvement program and budget, the long-term financial plans, and the operating budget. Debt parameters should strike an appropriate balance between establishing limits on the debt program and providing sufficient flexibility to respond to unforeseen circumstances and new opportunities. Finally, the Director of Finance should consider debt parameters on a given issuance, and the debt program should be continuously monitored to ensure that it is in compliance with these parameters.

Debt Disclosure Policy

The City of Hayward intends to comply with all applicable federal and state securities laws. The following policy is establishing disclosure requirements for new debt issuance and continuing disclosure for ongoing debts.

Disclosure Requirements for New Debt Issuance

1. The Director of Finance will act as the City's Disclosure Coordinator and shall review any Official Statement prepared in connection with any debt issuance by the City to ensure there are no misstatements or omissions of material information in any sections that contain descriptions of information prepared by the City.
2. In connection with this review of the Official Statement, the Disclosure Coordinator shall consult with third parties, including outside professionals assisting the City, and all members of City staff, to the extent that the Disclosure Coordinator concludes they should be consulted so that the Official Statement will include all "material" information (as defined for purposes of federal securities law).
3. As part of the review process, the Disclosure Coordinator shall submit all Official Statements to the City Council for approval through a formal staff report.
4. The approval of an Official Statement by the City Council shall not be approved as a consent item. The City Council shall undertake such review following consultation with the Disclosure Coordinator, to fulfill the City Council's responsibilities under applicable federal and state securities laws. In this regard, the Disclosure Coordinator shall consult with the City's disclosure counsel to the extent the Disclosure Coordinator considers appropriate.

Continuing Disclosure Requirements for Ongoing Debts

1. Under the continuing disclosure undertakings that the City has entered into in connection with its debt offerings, the City is required each year to file annual reports with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system. Such annual reports are required to include updated financial and operating information, the City's audited financial statements and file notices of certain events in EMMA.
2. The Disclosure Coordinator is responsible for establishing a system by which:
    - the City will make the annual filings required by its continuing disclosure undertakings on a complete and timely basis, and

- the City will file notices of enumerated events on a timely basis.

When the City makes statements or releases information relating to its finances to the public that are reasonably expected to reach investors and the trading markets, the City is obligated to ensure that such statements and information are complete, true, and accurate in all material respects.

The Disclosure Coordinator shall ensure that the members of the City staff involved in the initial or continuing disclosure process and the City Council are properly trained to understand and perform their responsibilities. This training and understanding shall include Disclosure Procedures, the City's disclosure obligations under applicable federal and state securities laws and the disclosure responsibilities and potential liabilities of members of the City's staff and members of the City Council.

Charges and Fees Policy[3]

The City of Hayward supports the use of charges and fees as a method of funding governmental services. The following policy is established regarding the charge and fee setting process:

1. Hayward intends to recover the full cost of providing goods and services as appropriate. Circumstances where a charge or fee is set at less than 100 percent of full cost shall be considered and approved by City Council.
2. Charges and fees should be reviewed and updated periodically based on factors such as the impact of inflation, other cost increases, the adequacy of the coverage of costs, and current competitive rates.
3. It is intended that there be a direct relationship between the amount paid and the level and cost of the service received.
4. Information on charges and fees will be made available to the public. This includes the City's policy regarding setting fees and charges based on full cost recovery and information about the amounts of charges and fees, current and proposed, both before and after adoption.
5. The use of service charges and fees as a source of funding service levels is especially appropriate under the following circumstances:
   a. The service is similar to services provided through the private sector.
   b. Other private or public sector alternatives exist for the delivery of the services.
   c. Expedited or unusual handling or service is requested by the person or entity paying the fee.
   d. The service is regulatory in nature and voluntary compliance is not expected to be the primary method of detecting failure to meet regulatory requirements. Building permit, plan checks, and subdivision review fees for large projects would fall into this category.
6. The following general concepts will be used in developing and implementing service charges and fees:
   a. Fees structures must comply with Proposition 26 (or its replacement) – and revenues should not exceed the reasonable cost of providing the service.

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[3] *"User Charges and Fees," C. Kurt Zorn in Local Government Finance: Concepts and Practices, edited by John E. Petersen and Dennis R. Strachota, GFOA, 1991.*
"Cost Analysis and Activity-Based Costing for Government," GFOA, 2004

b. Cost recovery goals should be based on the total cost of delivering the service, including direct costs, departmental administration costs, and organization-wide support costs such as accounting, personnel, data processing, vehicle maintenance and insurance.
c. The method of assessing and collecting fees should be as simple as possible in order to reduce the administrative cost of collection and increase the transparency of how the fees are calculated.
d. Charges and fees should be reviewed annually and adjusted as appropriate to recover cost.

Multi-Year Capital Improvement Program Plan[4] Policy

The City of Hayward shall prepare and adopt a comprehensive ten-year capital improvement plan to ensure effective management of capital assets. A prudent multi-year capital improvement plan identifies and prioritizes expected needs based on the City's General Plan, replacement plans, and other needs; establishes project scope and cost; details estimated amounts of funding from various sources; and projects future operating and maintenance costs. The capital plan should identify present and future service needs that require capital infrastructure or equipment, including:

a. Capital assets that require repair, maintenance, or replacement that, if not addressed, will result in higher costs in future years
b. Infrastructure improvements needed to support new development or redevelopment
c. Projects with revenue-generating potential
d. Improvements or resources that support economic development
e. Changes in community needs
f. New policies, such as those related to sustainability and energy efficiency

The full extent of project costs should be determined when developing the multi-year capital improvement plan. Cost issues to consider include the following:

a. The scope and timing of a planned project should be well defined in the early stages of the planning process
b. Identify and use the most appropriate approaches, including outside assistance, when estimating project costs and potential revenues
c. For projects programmed beyond the first year of the plan, Hayward should adjust cost projections based on anticipated inflation
d. The ongoing operating costs associated with each project should be quantified, and the sources of funding for those costs should be identified
e. A clear estimate of all major components required to implement a project should be outlined, including land acquisition needs, design, construction, contingency and post-construction costs

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- John Vogt, *Capital Budgeting and Finance: A Guide for Local Governments*,(Washington, D.C.: International City/County Management Association, 2004)
- Nicole Westerman "Managing the Capital Planning Cycle: Best Practice Examples of Effective Capital Program Management," *Government Finance Review* 20, no. 3 (June 2004).
- GFOA Recommended Practices: *Establishing the Useful Life of Capital Assets* (2002); *Establishment of Strategic Plans* (2005)

f. Recognize the non-financial impacts of the project (e.g., environmental) on the community.

Internal Service Maintenance & Capital Replacement Policy

The City of Hayward maintains internal service funds for facilities, fleet, and technology. These funds create a system for planning, budgeting, and periodic assessment of capital maintenance/replacement needs. The following actions are considered in these assessments:

1. Develop and maintain a complete inventory of all capital assets and related cost.
2. Perform periodic measurement of the physical condition of all existing capital assets including estimated remaining useful life of assets.
3. Establish condition/functional performance standards to be maintained for each category/component of capital assets. Use these standards and a current condition assessment as a basis for multi-year capital planning and annual budget funding allocations for capital asset maintenance and replacement.
4. Develop financing policies for capital maintenance/replacement that encourage a high priority for those capital programs whose goal is maintaining the quality of existing assets.
5. Allocate sufficient funds in the ten-year capital improvement plan and annual operating budgets for routine maintenance, repair, and replacement of capital assets in order to extend the useful life of these assets and promote a high level of performance throughout the target period.
6. Periodically, report on long-lived capital assets, including:
   - Condition ratings jurisdiction-wide
   - Condition ratings by geographical area, asset class, and other relevant factors
   - Indirect condition data (e.g., work orders, repeat repairs)
   - Replacement life cycle(s) by asset type
   - Year-to-Year changes in net asset value
   - Actual expenditures and performance data on capital maintenance compared to budgeted expenditures performance data (e.g., budgeted improvements compared to actual)

BUDGET PRACTICES

BUDGET PRACTICES

Budget Basis

The City of Hayward operates on a fiscal year, which begins July 1 and concludes on June 30. The annual operating budget is adopted on or before the end of June for the upcoming fiscal year.

The budget resolution, adopted annually by the City Council, and administered by the City Manager, authorizes appropriations at the fund level. The appropriations are distributed to various budget programs according to the budget document.

On July 1, the adopted budget is authorized for expenditure. During the fiscal year, total City expenditures may not legally exceed the amount appropriated for the year. The only exception is if a resolution is approved by the City Council, amending or supplementing the budget. In addition, Council must approve the transfer of appropriations between funds.

On June 30, at the conclusion of the fiscal year, all remaining operating budget appropriations lapse; to the extent they have not been expended or encumbered.

Budget Control

Appropriations of fiscal resources are the responsibility of the City Council and City Manager.

Appropriations requiring Council action include:

- Expenditures from Reserves or Designated Fund Balances.
- New appropriations, not approved in the adopted budget.
- Any contract for professional service included in the annual budget that will cost more than $25,000 shall be executed by the City Manager only upon approval of the contract by the City Council given at a meeting of the City Council.
- Transfers between funds.

Appropriations requiring City Manager action include:

- Any monies received during the fiscal year as a consequence of a grant application approved by the City Council are hereby appropriated for the purposes for which the grant has been approved. Such appropriation includes authorization for the City Manager to expend such monies and for the Director of Finance to make payments therefore in accordance with the terms and conditions and for the purposes of the grant.

City Departments perform the following budgetary control functions.

- Review purchase transactions and payment requests for compliance with City rules, regulations, and budgetary limits.
- Administer the City's payment system to review, process, and pay purchasing transactions and expense claims.
- Receive and deposit all City receipts, portions of which may be invested by the Director of Finance.
- Maintain records for all these transactions and their effect on cash balances.
- Maintain a position control system, based on the budget, to control City staffing.
- Administer the City's payroll system to process personnel transactions and to review and pay personnel expenses.

BUDGET PRACTICES

Monthly financial reports on budget performance are reviewed by department managers. Staff is responsible for reviewing financial reports and identifying budget problems and recommending corrections.

Legal control of the budget is at the fund level, while supervisory control is maintained at the department level. Grant funds are reviewed by their project managers at the project level.

All City purchase orders are centrally reviewed by Finance prior to issuance to determine if funds are available.

Oversight & Internal Controls

A system of internal controls has been implemented by the Director of Finance to prevent loss of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the City.

Accounting for the Budget

The budget conforms to Generally Accepted Accounting Principles (GAAP).

Expenditures in the City's governmental fund types are recorded using the “modified accrual” basis. This means that obligations of the City are accrued, or treated as expenditures, in the year of the commitment to purchase. Revenues are recorded when they are received, or are “accrued” if they are both measurable and available to finance expenditures of the current period.

For proprietary fund types, the “full accrual” basis is employed wherein revenues are recognized in the period in which they are actually earned.

The encumbrance system serves as an extension of the City's budgetary process. Purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances outstanding at year-end are treated as reservations of fund balances, and are automatically re-appropriated for inclusion in the following year's budget.

The City prepares financial statements annually in compliance with generally accepted accounting principles (GAAP) for governmental entities, using the basis described above.

The financial statements, which are audited by an independent certified public accountant, are generally available approximately six months after the June 30 close and are contained in the City's Comprehensive Annual Financial Report.

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GLOSSARY & ACRONYMS

GLOSSARY AND ACRONYMS

Account Balance: Total dollars remaining in an account after current revenues are added and current expenditures are subtracted.

(ADA) American Disabilities Act: The Americans with Disabilities Act gives civil rights protections to individuals with disabilities similar to those provided to individuals on the basis of race, color, sex, national origin, age, and religion.

Appropriation: An authorization granted by the City Council to make expenditures and to incur obligations for specific purposes.

Assessed Valuation: A dollar value placed on real estate or other property by Alameda County as a basis for levying property taxes.

Audit: A review of the City's accounts by an independent accounting firm to verify that the City's financial statements accurately reflect the City's financial position.

(BART) Bay Area Rapid Transit: providing train service throughout the San Francisco metropolitan area including the East Bay.

Base Budget: Estimate of the funding level required to continue existing service levels during the next fiscal year, including the deletion of current year funding for one-time activities and additions necessary to meet current expenditure patterns and to provide for anticipated inflationary cost increases.

(BAAQMD) Bay Area Air Quality Management District: Agency which sponsors programs and regulates industry and employers to promote clean air.

(BIA) Business Improvement Association: is a public-private partnership in which businesses in a defined area pay an additional tax or fee in order to fund improvements within the district's boundaries. Also known as (DBI) Downtown Business Improvement.

Bond: Capital raised by issuing a written promise to pay a specified sum of money, called the face value or principal amount, with interest at predetermined intervals.

Budget: A comprehensive financial plan of operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

(CAD/RMS) Public Safety Computer Aided Dispatch/Records Management System: This system provides support for public safety dispatch and the management of the related records and reports that results from police and fire responses

(CALEA): Commission on Accreditation for Law Enforcement Agencies: It was created in 1979 as a credentialing authority through the joint efforts of law enforcement's major executive associations.

(CalPERS) California Public Employees' Retirement Systems: The retirement system, administered by the State of California, to which all permanent City employees belong.

Capital Acquisitions: Items of a permanent or semi-permanent nature that cost in excess of $5,000.

Capital Improvements: A permanent major addition to the City's real property assets including the design, construction, purchase, or major renovation of land, buildings, or facilities. Examples are the installation or repair of new or existing streets, traffic signals, sewer lines, roads, and parks.

(CDBG) Community Development Block Grant: Federal funding that allows communities to create flexible, locally designed comprehensive community development strategies to enable them to develop viable urban communities (Title I, Housing and Community Development Act of 1974).

(CIP) Capital Improvement Program: An ongoing plan of single and multiple year capital expenditures, which is updated annually.

(COPs) Certificates of Participation: A lending agreement secured by a lease on the acquired asset or other Coty assets

(CPI) Consumer Price Index: An indicator of inflation, used in some salary-increase or other calculations.

Debt Service: The payment of interest and principal on borrowed funds.

Deficit: The result of an excess of expenditures over

available resources. A **Structural Deficit** is a recurring financial gap between ongoing revenues and ongoing expenditures.

Department: A major administrative division of the City with overall management responsibility for an operation or a group of related operations within a functional area.

Designated Reserve: Funds specifically appropriated and set aside for anticipated expenditure requirements which are uncertain.

Division: An organizational sub-unit of a department which encompasses a substantial portion of the duties assigned to a department.

Employee Services: An expenditure category used to account for the salaries, overtime, and benefits for City employees.

Encumbrance: A commitment of funds for goods or services for which the expenditure has not yet occurred.

Enterprise Fund: A fund established to finance and account for the acquisition, operation, and maintenance of governmental facilities and services that are entirely or predominantly self-supported by user charges.

(ERAF) Educational Revenue Augmentation Fund: State legislation that shifted partial financial responsibility for funding education to local government (cities, counties, and special districts) through allocation of local property tax revenues from local government to “educational revenue augmentation funds” (ERAFs) to support schools.

(ERP) Enterprise Resource Planning: It is an integrated computer-based system used to manage internal and external resources (e.g., financial, human resources, utility, permitting, etc.). ERP systems consolidate all business operations into a uniform and enterprise wide system environment

Expenditure: The amount of cash paid or to be paid for services rendered, goods received or an asset purchased.

Fund Balance: The total dollars remaining in a fund after current expenditures for operations and capital improvements are subtracted.

Fund: A separate, independent accounting entity used to set forth the financial position of results of operations related to the specific purpose for which the fund was created.

Franchise Fee: State statutes provide cities with the authority to impose negotiated fees on privately owned utility and other companies for the privilege of using city owned rights-of-way.

(FTE) Full-time Equivalent: The decimal equivalent of a position converted to a full-time basis. For example, one person working half time would count as 0.5 FTE; one person working full-time would count as 1.0 FTE.

(FY) Fiscal Year: The twelve-month period to which the annual budget applies. In Hayward, this period of time is July 1 through June 30.

Gann Limit: State of California legislation that limits a City’s appropriations growth rate to changes in population and either the change in California per capita income or the change in the local assessment roll due to non-residential new construction.

(GASB) Governmental Accounting Standards Board: This is the organization that establishes generally accepted accounting principles for state and local governments.

(GF) General Fund: The City's principal operating fund, which is supported by general taxes and fees and which can be used for any legal government purpose.

Grant: A contribution by a government or other organization to support a particular function or project. Grants may be classified as either categorical or block, depending upon the amount of discretion allowed the recipient.

Housing Authority: Housing Authority provides affordable housing opportunities through a variety of mechanisms and programs. Among the powers, duties and functions of the Housing Authority are the ability to acquire, construct, finance, operate, rehabilitate, refinance, or development affordable housing.

GLOSSARY AND ACRONYMS

(HARD) Hayward Area Recreation and Park District: The Hayward Area Recreation & Park District is an independent special use district providing park and recreation services for the City of Hayward and other agencies.

(HUD) Housing and Urban Development: Department of Housing and Urban Development: the United States federal department that administers federal programs dealing with better housing and urban renewal; created in 1965

Interdepartmental Charges and Credits: A mechanism through which one program may bill another program (charges) and be reimbursed (credits) for the cost of various services provided. Interdepartmental charges and credits are based on the actual, direct costs of the service provided. They function as cost allocation tools, allowing the financial reports to more accurately reflect the real cost of individual programs.

Infrastructure: Facilities on which the continuance and growth of the community depend on, such as roads, sidewalks, parks, public buildings, etc.

Inter-fund Transfers: The movement of money from one fund to another for costs associated with liability insurance, worker's compensation, and cost allocation. Most transfers are made on a quarterly basis.

(ISF) Internal Service Fund: A fund that is used to finance and account for goods and /or services provided by one City department to other City departments on a cost-reimbursement basis. These include the Worker's Compensation Insurance, Liability Insurance, and Equipment Management funds.

(LLD) Landscape and Lighting District: A 1972 State of California Act: Landscaping and Lighting District is a flexible tool used by local government agencies to pay for landscaping, lighting and other improvements and services in public areas.

(MD) Maintenance District: Maintenance Districts are formed for the payment, in whole or in part, of the costs and expenses of maintaining and operating public improvements which are local in nature and which specially benefit the lots or parcels assessed.

Maintenance and Utilities: An expenditure category used to account for costs related to the repair and maintenance of equipment, buildings, and grounds that are not performed by City employees. This category also includes utility charges for some departments.

(MOU) Memorandum of Understanding: The documented agreements resulting from labor negotiations between the City of Hayward and its bargaining units.

Object: A term used in the expenditure classification to distinguish the article purchased or services obtained, for example, salaries, utility costs, or office supplies.

(OPEB) Other Post-Employment Benefits: Post-employment benefits are those benefits other than pension benefits, including post-employment healthcare (retiree medical) and other non-pension benefits.

Operating Budget: Annual appropriation of funds to support ongoing program costs, including employee services, maintenance, supplies, and equipment.

Ordinance: A formal legislative enactment by the City Council, which has the full force and effect of law within the City boundaries unless it is in conflict with any higher form of law, such as a state statute or constitutional provision.

Overhead: Charges to various funds to cover the cost of administrative services, rent, custodial services, etc.

(PEG) Public/Educational/Government service: The availability of a cable or state franchise holder's system for public, educational, or governmental use by various agencies, institutions, organizations, groups, and individuals, including the City and its designated access providers, to acquire, create, and distribute programming not under a state franchise holder's editorial control.

(PG&E) Pacific Gas and Electric: Pacific Gas and Electric Company, incorporated in California in 1905, is one of the largest combination natural gas and electric utilities in the United States. Based in San

Francisco, the company is a subsidiary of PG&E Corporation.

Program: An activity or group of activities that is an organizational subunit of a department, and is directed toward providing a particular service or support function. Each City department may be responsible for a number of programs.

Property Tax: Property tax is an ad valorem (value-based) tax imposed on real property and tangible personal property within the City's jurisdiction; and is further explained in the General Fund section of the document.

Proprietary Fund: A term also used to describe enterprise funds or those funds used to account for City operations that are financed and operated like private business enterprises, i.e., facilities and services owned by the City.

Reserved Fund Balance: Accounts used to record a portion of the fund balance as legally segregated for a specific use or not available for appropriation.

Resolution: A special order by the City Council that requires less legal formality than an ordinance in terms of public notice prior to approval.

Resources: Total amount available for appropriation, including estimated revenues, beginning fund balances, and fund transfers.

Revenue: Income received during the fiscal year from taxes, fees, permits, franchises, interest, and intergovernmental sources.

(RPTT) Real Property Transfer Tax: RPTT is levied when real property is sold, based on the sale price and the rate is $4.50 per thousand dollars, based on the full purchase price of residential, commercial, and industrial property transfers.

Salaries and Benefits: A budget category that accounts for salaries of employees, overtime, and employee benefits, such as retirement and medical premiums.

Sales Tax: Sales Tax is an excise tax imposed on retailers for the privilege of selling tangible personal property.

Special Revenue Fund: A fund used to account for revenue sources that are restricted by law or administrative action to expenditures for specified purposes. Examples of Hayward special revenue funds are the Small Business Economic Development Loan, Recycling, and Local Law Enforcement Block Grant funds.

Supplies and Services: An expenditure category used to account for all departmental expenses except for personnel, maintenance, utilities, and capital costs.

(TOT) Transient Occupancy Tax: A tax imposed on travelers who stay in temporary lodging facilities within the City.

Undesignated Fund Balance: Accounts used to record a portion of the fund balance not legally segregated for a specific use and, therefore available for appropriation.

Use Tax: Use Tax is an excise tax imposed on a person for the storage, use, or other consumption of tangible personal property purchased from any retailer.

(UUT) Utility Users Tax: The UUT may be imposed by a city on the consumption of utility services, including (but not limited to) electricity, gas, water, sewer, telephone (including cell phone and long distance), sanitation and cable television.

(VLF) Vehicle License Fee: The "true" VLF component is a tax on the ownership of a registered vehicle in place of taxing vehicles as personal property. The in-lieu tax is calculated based on individual vehicles' market value and depreciation rate.

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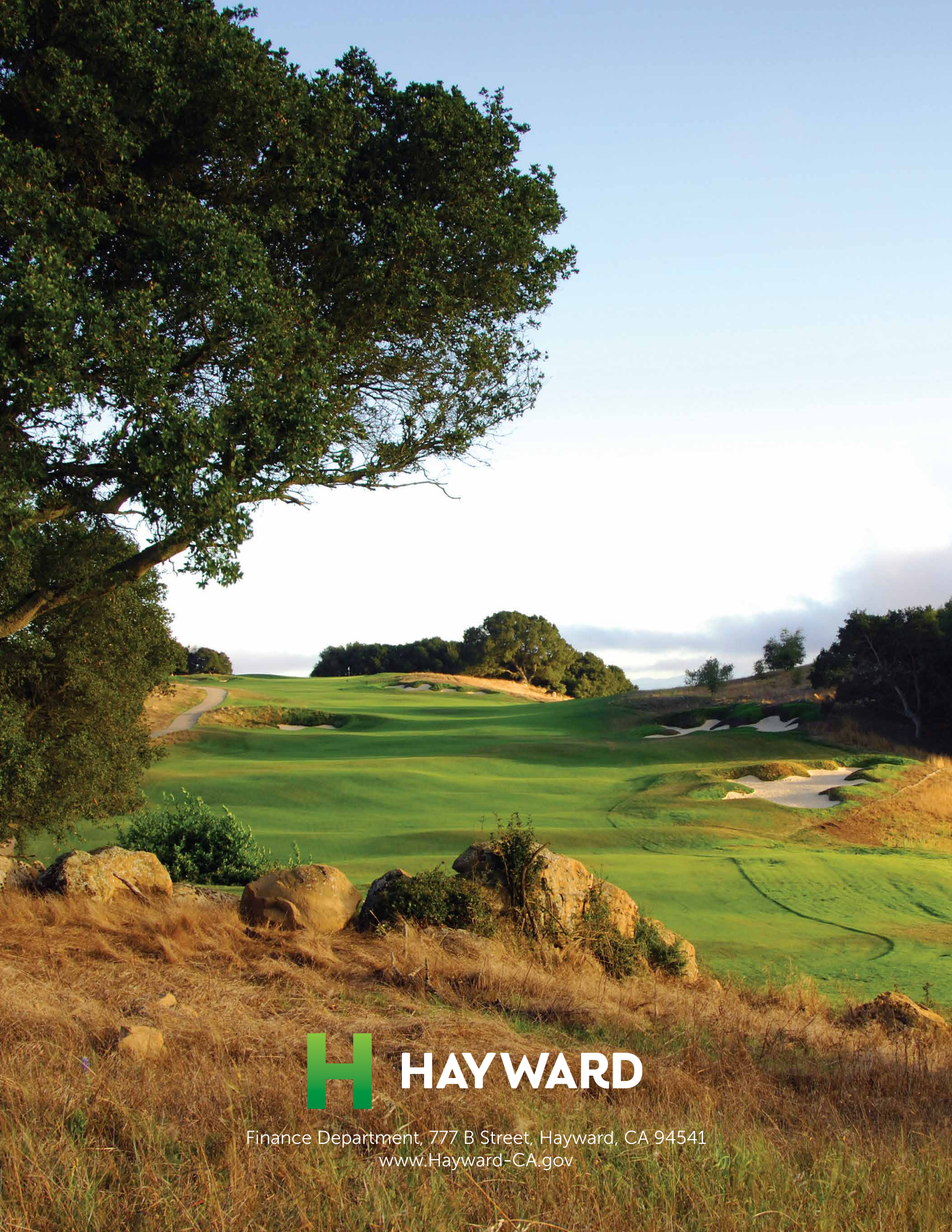

HAYWARD

Finance Department, 777 B Street, Hayward, CA 94541
www.Hayward-CA.gov