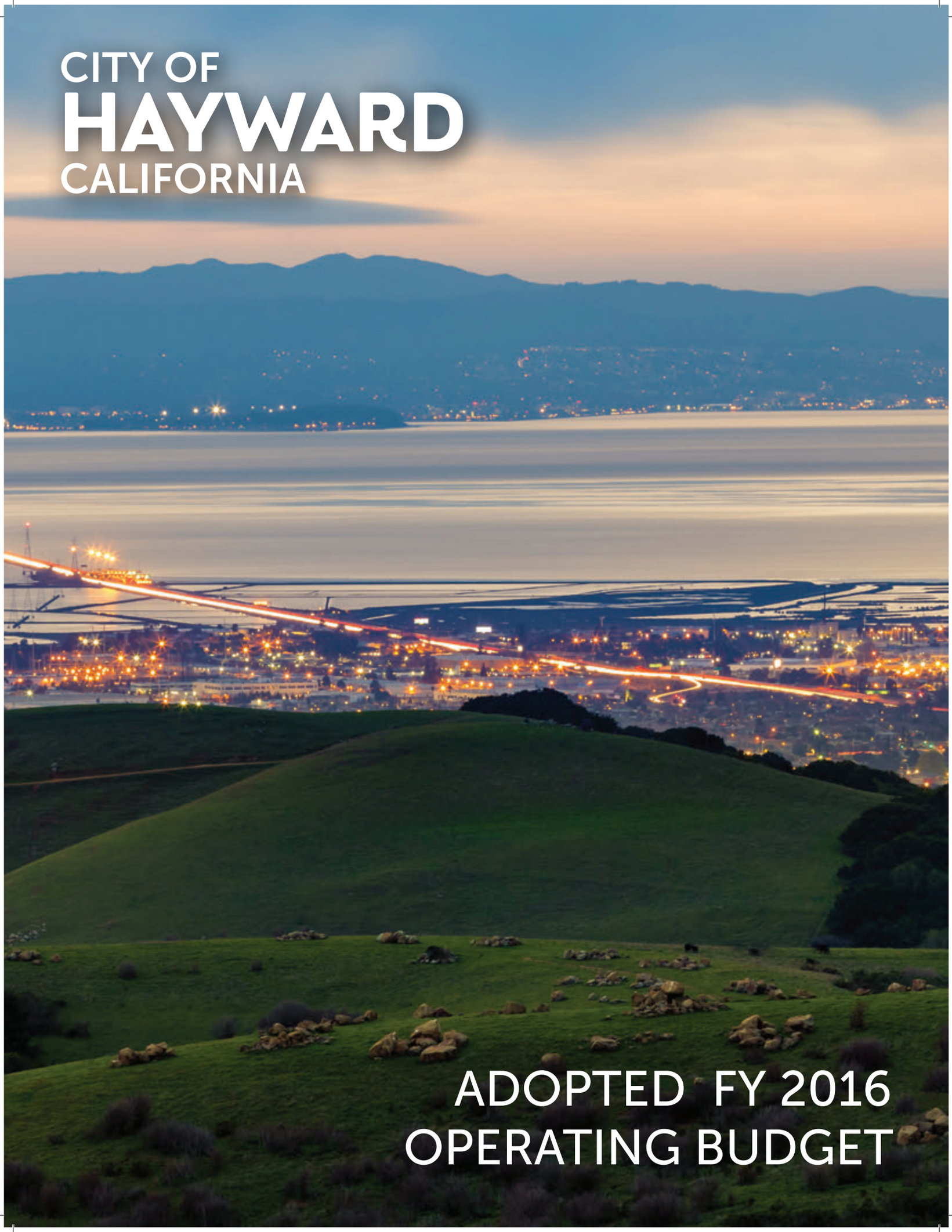

CITY OF
HAYWARD
CALIFORNIA
ADOPTED FY 2016
OPERATING BUDGET

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CITY OF
HAYWARD
HEART OF THE BAY

ADOPTED FY 2016 OPERATING BUDGET

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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



Greg Jones
Council Member
Term Expires 2016



Sara Lamnin
Council Member
Term Expires 2018



Elisa Márquez
Council Member
Term Expires 2016



Al Mendall
Council Member
Term Expires 2016

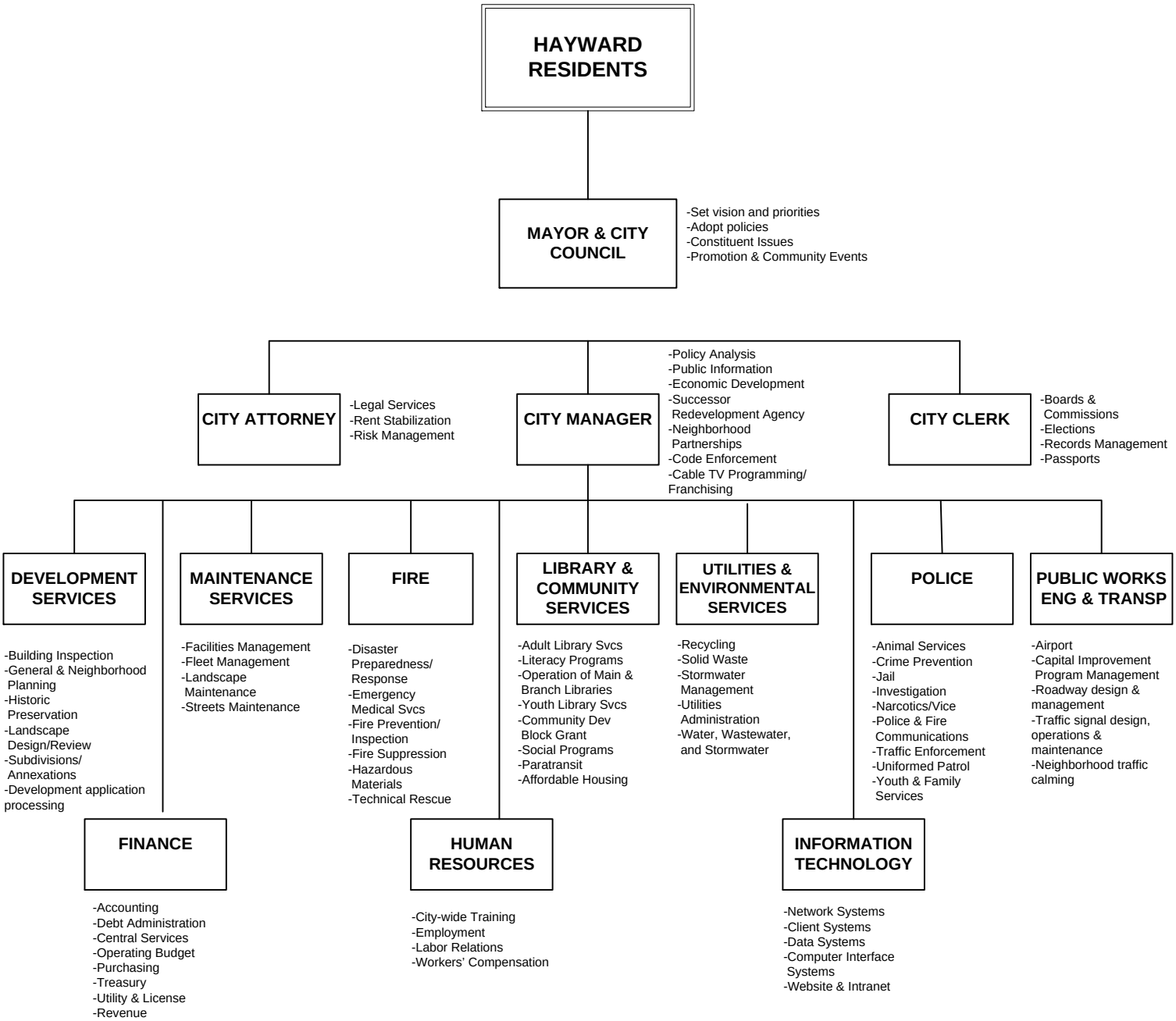


Marvin Peixoto
Council Member
Term Expires 2018



Francisco Zermeño
Council Member
Term Expires 2016

CITYWIDE ORGANIZATION



ADMINISTRATIVE STAFF

Appointed by City Council

City Manager	Fran David
City Attorney	Michael Lawson
City Clerk	Miriam Lens

Department Directors

Assistant City Manager	Kelly McAdoo
Development Services	David Rizk
Finance	Tracy Vesely
Fire	Chief Garrett Contreras
Human Resources	Nina Morris Collins
Information Technology	Adam Kostrzak
Library & Community Services	Sean Reinhart
Maintenance Services	Todd Rullman
Police	Chief Diane Urban
Public Works - Engineering & Transportation	Morad Fakhrai
Utilities & Environmental Services	Alex Ameri

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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.

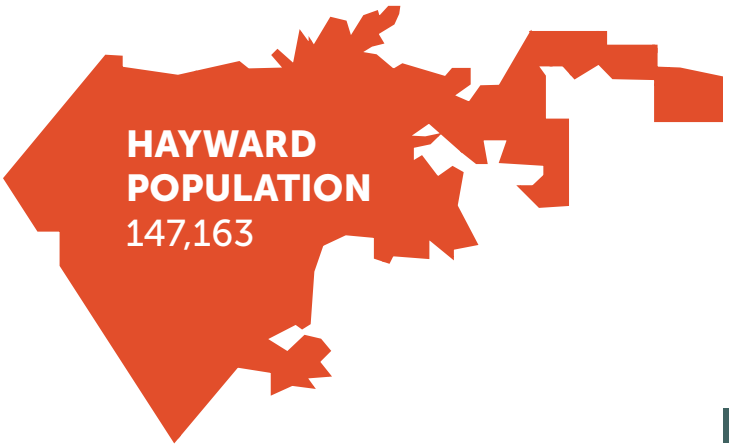
The City of Hayward encompasses 61 square miles ranging from the shore of the Bay eastward to the southern Oakland-Berkeley hills. The City of Hayward is known as the "Heart of the Bay," not only for its central location but also for its accepting and caring environment.

Hayward continues to plan for the future, maintaining a balance between the needs of our diverse residents and a growing business community. Hayward's Growth Management Strategy, designed with input from citizens, balances the needs of our growing population with the preservation of open space, and the need for economic development.

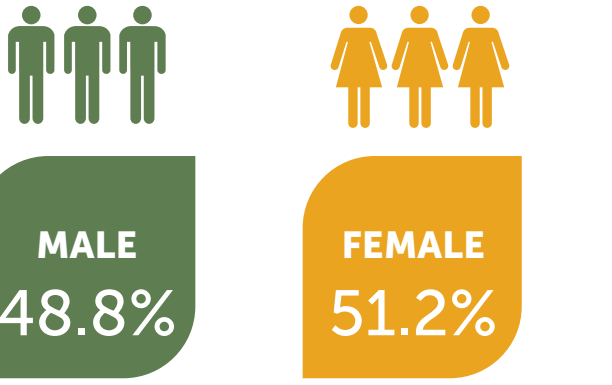
We are creating a pedestrian-friendly downtown with a balanced mix of housing, retail shops, offices and restaurants. The new Civic Center serves as the focal point for this revitalization. Encouraging new businesses to move to Hayward, expanding our sales tax base and strengthening our diverse economy are priorities.

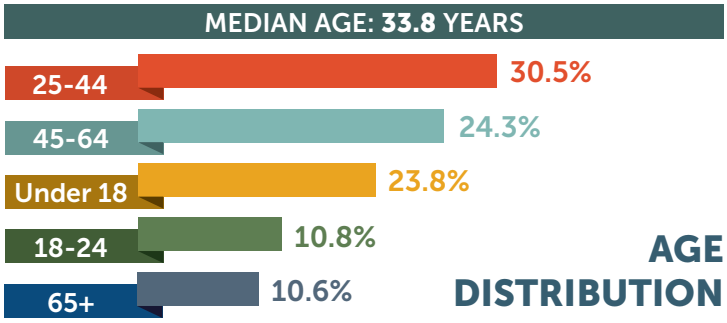


DEMOGRAPHICS



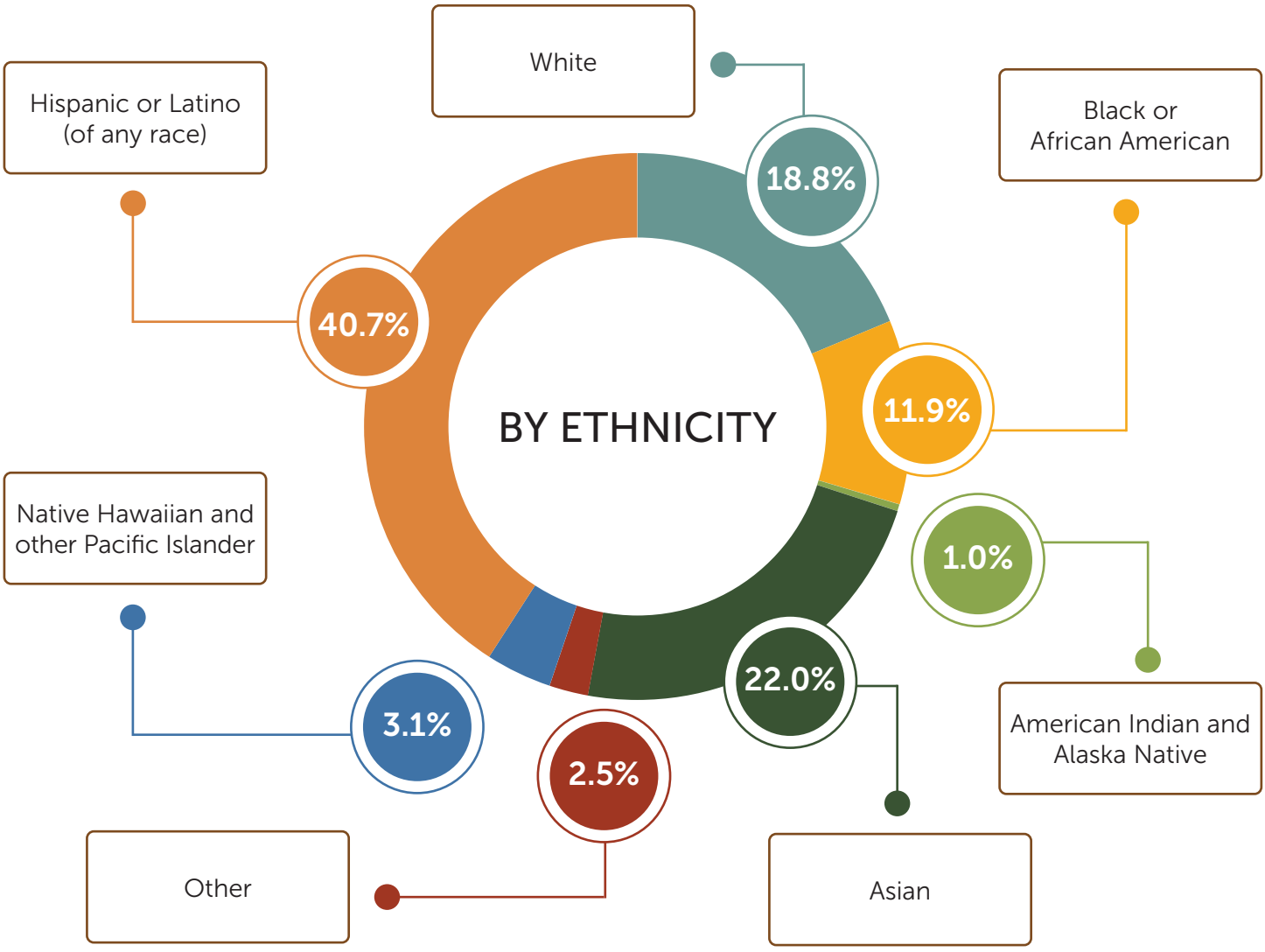
With a median age of just 33.8 years, the City of Hayward is younger than the United States as a whole by 3.1 years.





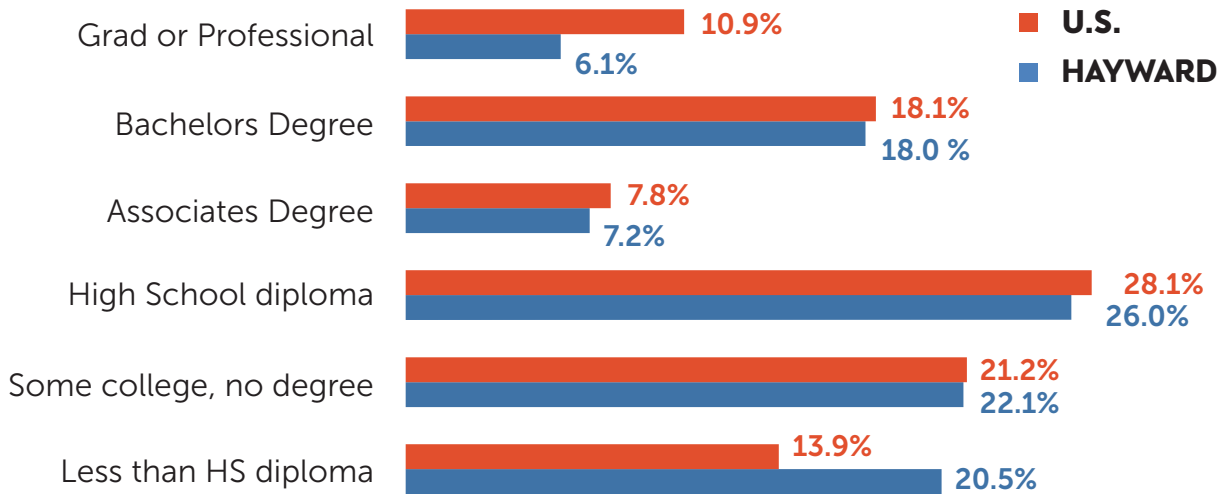
Demographic statistics source: 2009-2013 American Community Survey 5-year estimates.

COMMUNITY PROFILE



EDUCATION

EDUCATIONAL ATTAINMENT OF POPULATION OVER 25 YEARS OLD



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.

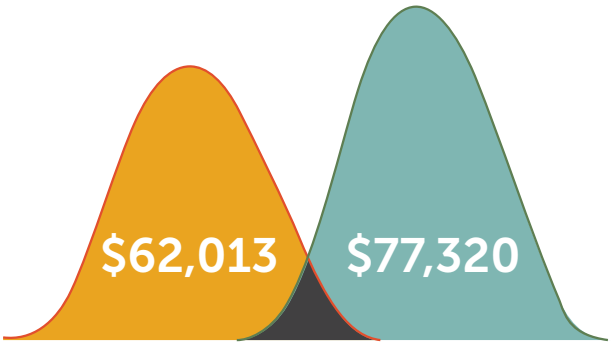
EMPLOYMENT, ECONOMY & HOUSING

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: 2009-2013 American Community Survey 5-year estimates.

$510,000

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



$375,000

Median sale price of new and existing condominiums in Hayward.

Source: Bay East Association of Realtors (April 2015)

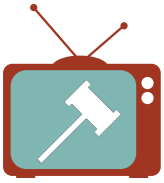
COMMUNITY ENGAGEMENT

62,488
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 Costanoans, 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 (2013) the US Census Bureau (2010) and the American Community Survey (5 years estimates from 2008-2012). 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 FY2016



HAYWARD CITY COUNCIL'S PRIORITIES

Potential Performance Metrics

SAFE

- Number of Total Traffic Collisions
- Average Pavement Condition Index
- Enrollment in CERT/CodeRED/ Neighborhood Alert
- Part 1 Crimes per Capita Compared to Similar Sized Bay Area Cities
- Volume of Hazardous Materials Disposed Properly

CLEAN

- Increase in Number of Code Enforcement Cases Completed by XX%
- Response time to Graffiti Removal
- Response time to Illegal Dumping Removal
- Satisfaction Ratings of Cleanliness
- Pounds per device of trash removed from storm water trash capture devices
- Outdoor Air Quality Index— Fine Particulate Matter 2.5 Microns (PM2.5)

GREEN

- Amount of Landscaping Replaced with Drought Resistant Plants at City Facilities
- Amount of Greenhouse Gas Emissions Produced by City Operations
- Number of Businesses using City Incentives for Waste Reduction and Increased Recycling
- Volume of Recycled Material
- Average MPG of City Fleet Vehicles
- Average Daily Municipal Water Usage

THRIVE

- Increase in Number of Code Enforcement Cases Completed by XX%
- Response time to Graffiti Removal
- Response time to Illegal Dumping Removal
- Satisfaction Ratings of Cleanliness
- Pounds per device of trash removed from storm water trash capture devices
- Outdoor Air Quality Index— Fine Particulate Matter 2.5 Microns (PM2.5)

FISCAL

Supporting Goal

- Permit Center Satisfaction Rates
- Percentage of Unfunded Liabilities
- Percentage of Own-Source Revenues
- Number of New Businesses
- Total Number of New or Renewed Business Licenses

ORGANIZATION

Supporting Goal

- Cumulative City Employee Retention Rate
- Cumulative City Employee Workers Compensation Claims
- Cumulative City Employee Sick Leave Usage
- Employee Training Opportunities for New Technologies

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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 & Performance Measures: 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.

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 FY16-25 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 May.

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 2016 Budget Development Calendar

2015 Key Dates		Body	Actions
January	21	CBFC	General Fund Ten-Year Plan review; FY 2016 tentative budget calendar
February	24	Council	FY 2015 Mid-year review; General Fund Ten-Year Plan update
March	13	CBFC	FY 2016 budget development update
April	7	Council	Work Session - Community Agency Funding: CDBG, Social Services, and Arts/Music
	16	CBFC	FY 2014 CAFR review (external auditor); annual benefit liabilities review
	21	Council	Public Hearing: Community Agency Funding: CDBG, Social Services, and Arts/Music
	28	Council	FY 2016 Master Fee Schedule update
May	5	Council	Presentation of FY 2014 Comprehensive Annual Financial Report
	13	CBFC	Preview of FY 2016 Capital Improvement Program (CIP) budget & Ten-Year CIP; Preview of FY 2016 Annual Operating Budget
	26	Council	Presentation of the FY 2016 Proposed Operating Budget
	26	Council	Discussion of FY 2016 Citywide Performance Measures
	30	Council	Special Council Budget Work Session (Saturday)
June	2	Council	Budget Work Session: Capital Improvement Program Budget
	2	Council	Budget Work Session: Operating Budget
	2	Council	Recommended FY 2016 and FY 2017 Water and Sewer Service Rates
	3	CBFC	FY 2016 budget update; budget policies review
	16	Council	Public Hearing: FY 2016 Proposed Operating and CIP budgets
	23	Council	Adopt FY 2016 Operating and CIP budgets

Council = City Council Meeting

CBFC = Council Budget & Finance Committee Meeting

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CITY OF
HAYWARD
HEART OF THE BAY

August 2015

Honorable Mayor and Members of the City Council:

After two months of review and public process, I am pleased to present to you the City of Hayward fiscal year (FY) 2016 Annual Operating Budget as adopted by City Council on June 23, 2015. City Council has made many difficult decisions over the past several years to manage and balance the City's budget during an extended time of fiscal crisis. As a result of prudent and difficult policy decisions, support from the City's dedicated employees and the Hayward community, and assistance from a recovering economy; the City of Hayward is better positioned than it has been in recent years to continue to provide quality services and begin to invest for our future.

The bold steps taken over the last several years by Council have substantially decreased the $30 million General Fund deficit originally projected in 2011. This budget is balanced without the assumed use of General Fund Reserve for the first time in many years. However, this is a precarious balance and relies somewhat on one-time adjustments to cash flow. We begin to see the return of a structural deficit in FY 2017 – currently projected at $3.6 million that grows in future years absent additional budget balancing measures.

Achieving progress during this recent time of fiscal adversity is a testament to the grit and dedication of City employees and City Council. Hayward is seeing positive economic improvement in many of its key General Fund revenues, such as Property Tax, Sales Tax and building related fees. At the same time, we continue to experience an astronomical rise in employee benefit costs, particularly pension and healthcare costs. Additionally, the City must allocate its limited resources to address needed staffing and deferred infrastructure and capital needs.

A tenuous balance…

While the FY 2016 General Fund budget is balanced without the intended use of the General Fund Reserve, achieving this tenuous balance is the result of some difficult choices and assumptions. For example, while Council has allocated funding toward the City's Retiree Medical trust fund, it is at a lower level than originally intended. The budget does not contain any service or resource reductions; however, it barely maintains current service levels – even with minimal resource increases. Additionally, the budget reflects employee costs based on approved contracts and agreements at the time the budget was adopted. Subsequently negotiated agreements that result in increased costs will tip the budget out of balance and likely necessitate the use of the General Fund Reserve.

The intent of the budget balancing decisions these last six years has been to allow time to work toward and achieve a budget that is structurally balanced, maintain service levels to the community, and commit to a long-term plan to permanently address our unfunded liabilities and pressing capital needs.

Office of the City Manager
777 B Street • Hayward • CA • 94541-5007
Tel: 510-583-4300 • Fax: 510-583-3601 • Website: www.hayward-ca.gov

We are incredibly thankful to the voters of Hayward. "Measure A" generates about $16.4 million in annual Utility Users Tax funds, which have allowed us to maintain public safety and other critical City services as we work through the difficult budget decisions leading to accomplishing the above goals. However, it remains imperative that we recognize that ongoing reliance on these resources will create an enormous financial gap should the Hayward voters choose not to renew the Utility Users Tax before it expires in 2019. The more recently approved "Measure C" will generate about $10 million a year for the next twenty years to fund debt service for the financing and construction of the new Library and Community Learning Center and adjacent plaza, improvements to fire stations and roads, as well as providing funding for increased police and maintenance services.

Several other courageous cities in California have been dealing with the same issues created by the unprecedented and unpredicted economic recession, layered with an unimaginable growth in employee benefit costs. In many cases, the stages of meeting the financial challenge have been similar:

(1) reduce over-all operating costs and stretch existing dollars;
(2) increase the employees' share of benefit costs while retaining and attracting quality employees;
(3) explore innovative ways to fund and construct service delivery models; and
(4) reduce or eliminate services.

We have accomplished all possibilities in step one. We are continuously working, and making gradual progress, on step two. We are midway into step three. And, even in FY 2016, we continue to struggle to avoid step four.

The City of Hayward has long prided itself in being a lean, efficient, and nimble organization, making the most of the resources entrusted to us. The prolonged recession has forced the organization to make hard choices about which services will be provided to the community, and how best to provide them. While the FY 2016 Adopted Budget reflects a balanced budget plan, the City must still resolve the remaining structural operating budget gap and maintain a long-term successful funding plan for the City's unfunded liabilities and capital needs.

The budget reflects the presumed spending plan for FY 2016 in keeping with City Council priorities. However, there are many unfunded needs not represented in this budget that will impact future funding levels – including labor resources, capital infrastructure, and technology.

The need for increased staffing resources to meet service demands…

Staffing resources over the last twelve years have shrunk by twenty percent in the General Fund from a high in FY 2003 of 773 General Fund positions and total citywide staffing (inclusive of all operating funds) of 937. 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 increase.

Despite years of staffing reductions, City employees continue to provide high-quality services to Hayward residents through innovation, creativity, and extreme productivity. However, in order to prevent total employee burn-out and to meet essential service delivery demands, this budget includes limited additional staffing resources in sensitive areas. If we do not take the risk to add this staff now, the only other alternative is to eliminate some service areas in order to protect other, more critical areas. Adding positions is a difficult decision given our budget challenges and the rising cost of employee benefits; however, it is absolutely necessary to address expanding workload and increasing service level expectations.

A recovering budget...

Last year, I indicated that I could no longer recommend use of the reserves to balance the budget. While this budget is indeed balanced, and does not include the intended use of the General Fund Reserve, it is precariously balanced and the structural gap returns in FY 2017. 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. No matter how much progress we make in economic recovery, operating expenses, primarily employee benefit costs, continue to grow faster than revenue. Further, there is little likelihood that this will change even when the next economic downturn hits us; in fact, it will get worse and we must be prepared for it.

In this struggle to recover from the deep recession and meet the demands of the future, I am compelled to recognize and be thankful for the leadership and courage of our Mayor and Council. The decisions you all have had to make over the last seven 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.

All City employees at all levels, including the Mayor, Council, and executives, have made impressive contributions toward protecting our valuable and robust employee benefits and sharing in their costs. It is largely through this partnership with the City's bargaining groups and unrepresented employees that the City is able to close the structural deficit even to the tenuous degree reflected in this budget.

I look forward to FY 2016 as we make more progress toward fiscal stability as well as constantly improving quality services to Hayward citizens. Hayward is a wonderful community and municipal organization that understands the value of culture, race, and lifestyle diversity. Despite our differences through these difficult times, most of us have entered the discourse and decision-making processes with respect for each other and civility in our conversations. These things have immense value beyond common measurement. Thank you for the honor and the privilege of being your City Manager and serving such a community.

Sincerely,



Fran David
City Manager
ICMA-CM

Attachment: FY 2016 Budget Overview

CITYWIDE BUDGET OVERVIEW

CITYWIDE FINANCIALS

The City operating budget is comprised of a number of different funding sources.[1] The General Fund is the largest single fund and represents the revenue for which the City Council has the most discretion. The total adopted City expenditure budget for the FY 2016 is $280 million, with a General Fund budget of $140.4 million.

Table 1: City Expenditure Budget Summary – All Funds

in 1,000's	FY 2015 Adopted	FY 2016 Adopted	$ Change	% Change
General Fund	133,304	140,422	7,118	5.3%
All Other Funds	119,646	138,913	19,267	16.1%
Total City Budget	**252,950**	**279,335**	26,385	10.4%

The FY 2016 budget reflects limited General Fund expenditure growth over the FY 2015 adopted budget (5.3 percent) and 16.1 percent growth in Other Funds, primarily attributed to the infusion of Measure C District Sales Tax funds. Total overall growth is 10.4 percent for all funds combined.

CITYWIDE STAFFING

The FY 2016 adopted budget reflects a number of staffing changes over FY 2015 resulting in a net increase of 4.0 Full Time Equivalents (FTE) to the General Fund and 36.0 FTE additions to other revenue funds – twenty of which are attributed to Measure C. Many of these changes were previously approved by City Council during the FY 2015 mid-year review. Staffing changes results in a 5 percent 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 2003	FY 2014	FY 2015	FY 2016 Adopted	# Change	% Change
General Fund	772.8	629.1	642.7	646.7	4.0	0.6%
All Other Funds	164.0	174.5	181.5	217.5	36.0	19.8%
Total City Postions	936.8	803.6	824.2	864.2	40.0	4.9%

[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

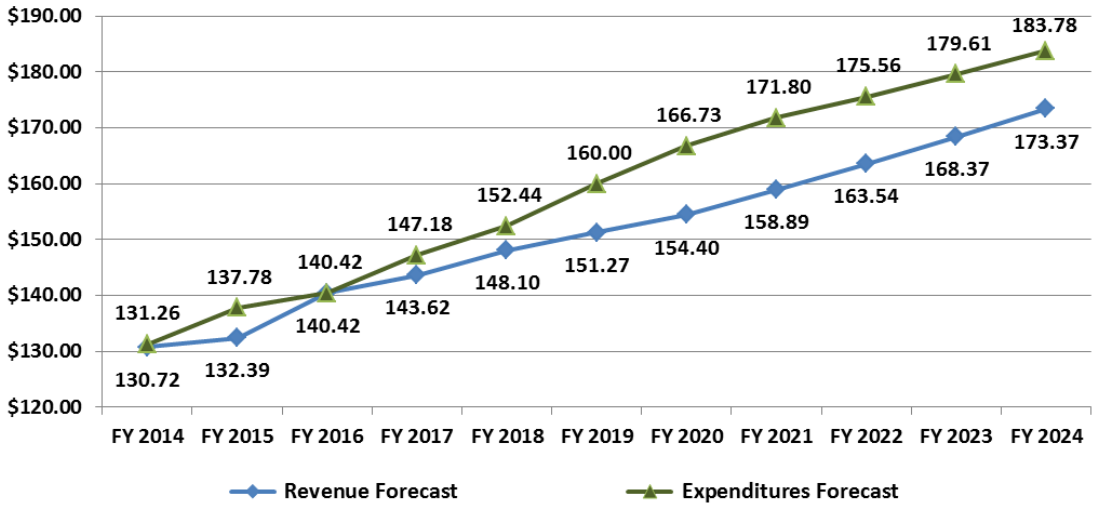
The General Fund represents over fifty percent of the City's total operating costs, and provides many important services such as police and fire services, street maintenance, code enforcement, library and learning services, and other community programs for the residents of Hayward.

The economic crisis that began in 2008 hit the General Fund the hardest of all of the City's revenue funds. In 2011, the General Fund deficit was forecasted at $30 million – a reflection of the severe loss of revenue caused by the recession and the long-term chronic shortfall between revenues and expenditures.

Hayward's employees help close the gap. The City has achieved enormous success in reducing this structural gap through recurring expenditure reductions – in large part through the efforts of City employees to share in the cost of their employee benefits and forgo wage increases for five years. All employee groups were asked to consider wage and benefit concessions of 17 percent to be achieved by FY 2015, or as otherwise agreed upon. To date, all groups have achieved 12–17 percent in overall structural savings, allowing the City to avoid significant service reductions and to preserve services and jobs.

The FY 2016 budget is balanced without the forecasted use of the General Fund Reserve – as employed in past budgets. It is a tenuous balance and a structural gap re-appears in FY 2017.

Table 3: General Fund 10-Year Gap Forecast



Key Balancing Measures

- **Increased revenue projections**
- **Increased assumed salary savings**
- **Reduction in OPEB unfunded liability payment**
- **No General Fund Reserve allocation (to rebuild the Reserve to established levels)**

CITYWIDE BUDGET OVERVIEW

Basic General Fund Ten-Year Plan Assumptions

The General Fund Ten-Year Plan (Plan) represents a dynamic planning tool to assist City Council and staff in managing and projecting the City's fiscal status. Staff considers a variety of assumptions in constructing and updating the Plan; and these variables can easily influence the fiscal forecast. *For example*, the Plan represented in Table 3 reflects the assumption that the voters will re-approve the City's Utility Users Tax by 2018. If this does not occur, the General Fund would lose about $17 million in annual revenues – dramatically escalating the projected deficits.

The General Fund section of the budget document contains a detailed General Fund Ten-Year Plan and provides a summary of key assumptions included in the Ten-Year Plan. Critical Cost Drivers impacting FY 2017 and beyond include:

- Escalating CalPERS retirement and medical rates
- Funding Retiree Medical unfunded liability
- Critical resource additions
- Capital costs: vehicle replacement, information technology, streets maintenance

General Fund Reserve

Based on the Ten-Year Plan projections, the estimated FY 2016 beginning General Fund Reserve (cash) is about $19.7 million, and assumes the need to use about $5.4 million of the Reserve in FY 2015, which could change depending on actual year-end results. FY 2015 assumed an initial $5 million use of the Reserve when the budget was adopted.

During the FY 2015 mid-year review – additional expenses were approved and the Council authorized a number of one-time expenses from the reserve, including a $2.2 million early debt retirement (long-term savings). In addition, the FY 2015 beginning reserve balance was adjusted by $2.2 million for a repayment to Hayward's Redevelopment Successor Agency due to the disallowance by the State Department of Finance of prior year payments to the City's General Fund for an outstanding loan from the General Fund to the former RDA. It is hoped that this loan – balance of $9 million will be approved by the State and be repaid.

$19.7 million represents 14 percent of the adopted FY 2016 General Fund expenditure budget – short of Council's goal of at least 20 percent of gross expenditures (a prudent level for a City the size of Hayward). It is Council's intent to replenish the General Fund Reserve when it dips below the 20% threshold as one-time funds are available. Council has been wise in the past use of reserves, and staff has made every effort to maintain those reserve levels as close to Council policy as possible.

The reserve is one-time funding that is 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 to buffer the loss of state and federal funds.

CITYWIDE BUDGET OVERVIEW

KEY FY 2016 BUDGET CHANGES

The following General Fund analysis provides a comparison of the FY 2016 Adopted Budget to the FY 2015 Adopted budget. In addition, FY 2015 projected is included for reference.

General Fund Revenues

General Fund revenue projections reflect improvements to several key revenues, refined further from the projections presented this past March during the FY 2015 mid-year review. Overall, staff is proposing to increase FY 2016 revenues over FY 2015 Adopted by about $12.2 million or 9.5 percent. Each revenue category varies in its change over the prior year, with some revenues seeing declines and others experiencing increases. Projections exclude any one-time revenues received in prior years.

Table 4: FY 2015 General Fund Revenues

		A	B	C	D	E	F	F
	(in the 1,000's)	FY 2014 Actual	FY 2015 Adopted	FY 2015 Projected	FY 2016 Adopted	Change $ (D-B)	Change % (D/B-1)	Change % (D/C-1)
	Revenue							
1	Property Tax - recurring	36,898	39,784	39,830	42,021	2,237	5.6%	5.5%
2	RPTTF Pass-Thru & Annual	730	730	1,500	1,500	770	105.5%	0.0%
3	Property Tax - one-time	1,343	0	0	0	0	0.0%	0.0%
4	Property Tax Total	38,971	40,514	41,330	43,521	3,007	7.4%	5.3%
5	Sales Tax	31,019	31,421	31,719	34,064	2,643	8.4%	7.4%
6	UUT	15,762	15,000	15,816	16,411	1,411	9.4%	3.8%
7	Franchise Fees	9,765	9,120	9,120	9,585	465	5.1%	5.1%
8	Property Transfer Tax	4,879	5,000	5,269	6,500	1,500	30.0%	23.4%
9	Business License Tax	2,602	2,652	2,652	2,721	69	2.6%	2.6%
10	Transient Occupancy Tax	1,918	1,734	1,957	1,996	262	15.1%	2.0%
11	Emergency Facilities Tax	1,694	1,820	1,820	1,831	11	0.6%	0.6%
12	Charges for Services	10,466	8,922	9,381	9,924	1,002	11.2%	5.8%
13	Other Revenue	690	166	206	431	265	159.6%	109.4%
14	Intergovernmental	6,771	6,577	7,266	7,262	685	10.4%	-0.1%
15	Fines and Forfeitures	2,227	1,801	2,336	1,767	(34)	-1.9%	-24.4%
16	Interest and Rents	563	293	293	555	262	89.3%	89.3%
17	**Total Revenue**	**127,327**	**125,020**	**129,164**	**136,567**	**11,547**	**9.2%**	**5.7%**
18	Transfers in	3,390	3,221	3,221	3,855	634	19.7%	19.7%
19	**Total Revenue/Resources**	**130,717**	**128,241**	**132,385**	**140,422**	**12,181**	**9.5%**	**6.1%**

A summary of key revenue assumptions for FY 2016 follows. Please note that the General Fund section of the budget document contains further discussion and analysis of the key General Fund revenue categories.

Property Tax – Property Tax is tied directly to assessed valuation and the decline in these revenues since 2009, coupled with California's tax controls, resulted in a slow recovery. However, Hayward is now experiencing the impacts of an improved economy and active real estate market. Actions taken by the County Assessor in FY 2013 – FY 2015, driven by improved market conditions and housing stock prices, increased overall assessed valuation related to the reassessment of property values (Proposition 8). This is a reversal of significant reductions in assessed value that occurred during FY 2010 – FY 2012 as a result of the Great Recession.

With the majority of the second installment of Property Tax revenues received in April 2015 by the City, and following a discussion with the County Assessor about projected FY 2016

valuations in early May, staff is proposing an increase to Property Tax revenue projections for FY 2016 by a total of 7.4 percent over the adopted FY 2015 revenues. Future annual growth is projected at 4–5 percent.

Sales Tax – Sales Tax receipts experienced rapid growth in FY 2013 and FY 2014, and while we are still seeing positive activity; the pace of growth has slowed. Revenue projections for FY 2016 reflect a total 8.4 percent growth over FY 2015 Adopted. However, $1.2 million of this growth is attributed to one-time "true-up" adjustments due to the end of the Triple Flip in FY 2016. Exclusion of this one-time revenue actually results in FY 2016 growth of about 4.6 percent. Projections in FY 2017 account for this reduction in one-time revenues. Overall sales tax growth has slowed (further explained in the General Fund section of the document), and projections are adjusted accordingly. However, considering some economic development improvements and a sustained level of receipts, staff assumes a steady economic growth of 3–4 percent in future years.

Real Property Transfer Tax – FY 2016 projects Transfer Tax revenues at $6 million. This is a 30 percent increase over adopted FY 2015 revenues of $5 million. This optimistic projection anticipates a couple of large commercial transactions to occur in FY 2016. It is difficult to project this volatile revenue; however, future annual growth is estimated at 6 percent in FY 2017 and FY 2018 and two percent thereafter.

- *RPTT Volatility and Base Annual Revenues:* RPTT is volatile revenue – and is totally connected to Hayward's real estate market conditions, both value and rate of churn. 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 (recommended at $5.5 million and to be considered by Council in the coming weeks) should be considered non-recurring and used toward one-time expenses such as capital improvements and reduction 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. A newly adopted Council policy to this regard is included in the Supplemental Section of this document (Financial Policies).

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. A new agreement with Waste Management and an increase in electricity costs result in a 5.1 percent increase in franchise fee revenues for FY 2016.

Charges for Services – This revenue category is comprised of a variety of fees for building related activities. Given current levels of activity, FY 2016 projects an 11.2 percent increase. Future years reflect lower annual growth of 2–3 percent as a means to smooth the impacts of a future recession and market slow-down.

Transfers In (from other funds): Gas Tax – The City uses State Gas Tax funds to partially fund streets maintenance. These funds are transferred from the Gas Tax fund into the General Fund each year. Because the State has significantly lowered its Gas Tax allocation to Cities, the transfer amount was reduced in FY 2015 by $573,000. Even though Gas Tax revenues remain at lower levels due to the fluctuating price of gas and less gas-powered vehicles, this budget recommends increasing the annual allocation by $500,000. City streets funding is seeing an increase in FY 2016 through Measure BB. While this reduction in Gas Tax funds will negatively impact planned streets projects, it is not an overall program decrease.

General Fund Expenditures

Overall – the adopted FY 2016 expenditures have increased from the FY 2015 adopted budget by $7.1 million or 5.3 percent. There are several factors driving the expenditure growth, almost all related to escalating employee-related costs.

Table 5: FY 2016 General Fund Expenditures

		A	B	C	D	E	F	F
	(in the 1,000's)	FY 2014 Actual	FY 2015 Adopted	FY 2015 Projected	FY 2016 Adopted	Change $ (D-B)	Change % (D/B-1)	Change % (D/C-1)
20	**Expenditures**							
21	Salary	63,649	66,445	66,952	68,627	2,182	3.3%	2.5%
22	Overtime	7,831	5,334	7,000	6,000	666	12.5%	-14.3%
23	**Wages Subtotal**	**71,480**	**71,779**	**73,952**	**74,627**	**2,849**	**4.0%**	**0.9%**
24	Medical & Dental	10,090	12,007	12,007	12,596	589	4.9%	4.9%
25	Retiree Medical (pay-go)	2,349	2,242	2,242	2,809	568	25.3%	25.3%
26	Worker's Compensation	5,275	5,013	5,013	5,162	149	3.0%	3.0%
27	Other Benefits	1,378	1,818	1,918	1,173	(645)	-35.5%	-38.8%
28	Retirement (CalPERS)	14,736	18,359	19,183	21,306	2,947	16.1%	11.1%
29	**Benefits Subtotal**	**33,828**	**39,439**	**40,362**	**43,047**	**3,608**	**9.1%**	**6.7%**
30	Assumed Vacancy Savings	-	(1,250)	(2,250)	(2,282)	(1,032)	82.5%	1.4%
31	Interdepartmental (ID) Charges	(5,120)	(5,179)	(5,179)	(4,998)	181	-3.5%	-3.5%
32	Unemployment Self Insurance	-	150	150	150	0	0.0%	0.0%
33	OPEB Liability Contribution	1,978	2,060	1,000	1,000	(1,060)	-51.5%	0.0%
34	Workers' Comp. Liability Contr.	310	-	-	-	0	0.0%	0.0%
35	**Net Staffing Expense**	**102,476**	**106,999**	**108,035**	**111,544**	**4,546**	**4.2%**	**3.2%**
36	Maintenance & Utilities	870	969	969	969	0	0.0%	0.0%
37	Supplies & Services	7,632	6,838	9,538	6,798	(40)	-0.6%	-28.7%
38	Internal Service Fees	9,367	11,515	11,515	13,336	1,821	15.8%	15.8%
39	Debt Service	2,809	3,299	3,445	3,445	146	4.4%	0.0%
40	Liability Insurance	2,621	2,338	2,338	2,338	0	0.0%	0.0%
41	Minor Capital Outlay	-	19	-	19	0	0.0%	0.0%
42	Capital Funding	5,489	1,925	1,944	1,973	48	2.5%	1.5%
43	Economic Development Fund (from RPTTF)	-	-	-	350	350	0.0%	0.0%
44	**Non-Personnel Expenses Subtotal**	**28,788**	**26,903**	**29,749**	**28,878**	**1,975**	**7.3%**	**-2.9%**
45	Assumed Add'l Labor Savings	-	(600)	-	-	-	-	-
46	**Total Expenditures**	**131,264**	**133,301**	**137,784**	**140,422**	**7,121**	**5.3%**	**1.9%**

Salary – FY 2016 includes the contracted Cost of Living Adjustment (COLA) for the Firefighters Association and Hayward Police Officers Association. No other wage increases are included in the adopted FY 2016 budget since there are no other approved agreements in place. Past General Fund Ten-Year Plan projections for FY 2016 did include a 2 percent wage growth for all non-safety units (cost of about $2 million). Any negotiated agreements that include wage or benefit changes will result in a total budget increase. FY 2016 includes all position changes approved by City Council as part of the FY 2015 mid-year review and adopted FY 2016 changes – a total increase of 4 FTE to the General Fund.

Overtime – Projected FY 2016 Overtime is $6 million – which is 12.5% more than budgeted in FY 2015. However, actuals in prior years and anticipated actuals for FY 2015 indicate the need for higher funding. Much of the General Fund overtime use is in the Police and Fire Departments. Given the number of vacancies that remain in the Police Department, staff anticipates a continued high use of overtime until positions are filled.

Retiree Medical (pay-go) – Payments to active retirees for retiree medical benefits are paid monthly by the City. FY 2016 anticipates an increase based on the current payment levels and retirees.

Medical & Dental Benefits – Medical benefit rates are anticipated to increase by 8 percent over 2015 rates (effective January 2016 and prorated accordingly). The budgeted increase of 5 percent reflects the anticipated rate growth based on current medical plan selections. Increases to dental benefits are assumed at 2 percent each year.

CalPERS Retirement Rates – Retirement rates increase significantly in FY 2016 – with total costs increasing 16.1 percent. The FY 2016 rates increase by 2.41 percent to 3.25 percent of payroll, depending on plan. 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 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 percent for public safety plans and 7 percent or 8 percent 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 significant.

There are two employee groups (sworn police and sworn fire employees) that contribute beyond the Employee Contribution portion (9 percent for these two groups) and pay a portion of the Employer Contribution: 6 percent for sworn police and 6 percent for sworn fire personnel. The Employer rates displayed in Table 6 represent the full Employer cost as assessed by CalPERS based on the October 2014 valuations, 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 – CalPERS Rates

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Miscellaneous								
CalPERS 10/2014 Valuation	19.70%	22.1%	24.47%	26.00%	27.20%	28.40%	29.60%	30.60%
Change over prior year		**2.36%**	**2.41%**	**1.53%**	**1.20%**	**1.20%**	**1.20%**	**1.00%**
Police								
CalPERS 10/2014 Valuation	35.19%	39.80%	42.40%	46.40%	49.10%	51.80%	54.60%	55.70%
Change over prior year		**4.61%**	**2.60%**	**4.00%**	**2.70%**	**2.70%**	**2.80%**	**1.10%**
Fire								
CalPERS 10/2014 Valuation	33.40%	37.15%	40.40%	42.80%	44.70%	46.60%	48.60%	49.60%
Change over prior year		**3.75%**	**3.25%**	**2.40%**	**1.90%**	**1.90%**	**2.00%**	**1.00%**

Vacancy Savings – Vacancy savings are assumed based on normal attrition and known staffing vacancies. Projected FY 2016 vacancy savings are $2.82 million in the General Fund and assume savings primarily attributed to police and fire staffing. As departments achieve full staffing (particularly the Police Department) this assumed savings will be reduced.

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 2016 continues to contribute toward the City's Other Post Employment Benefits (OPEB) Retiree Medical unfunded liability – allocating $1 million. The City is phasing in the funding of the Annual Required Contribution (ARC) for its OPEB liability – reaching this minimum annual funding level by FY 2022. Should the City have available resources to increase the FY 2016 funding level toward the OPEB liability, Council can consider increasing this allocation and accelerating this funding goal.

Internal Service Fees – The Fleet and Technology Internal Service Funds (ISF) have experienced general cost increases and grow by $1.8 million or 15.8 percent over FY 2015. The Facilities ISF does not reflect any rate increase for FY 2016 pending the outcome of a facilities management plan.

Prior budgets allocated a General Fund transfer to the Fleet Capital Fund for the purchase of vehicles as included in the Capital Funding allocation. Beginning in FY 2015, the Fleet ISF includes the appropriate costs within the respective department budgets (e.g., Police, Fire, Maintenance, etc.) to accurately reflect the true cost of department operations. As part of a phased in plan to fully fund the Fleet Capital (replacement) Fund, FY 2016 reflects an increase of $500,000.

The Technology Internal Service Fund represents an increase of about $1.2 million for specific recurring technology costs that include:

- Munis and other program annual software maintenance
- 4 FTE new positions charged to the fund
- Transfer of $600,000 to the Technology Capital Fund

Capital Funding
This category is fairly unchanged from FY 2015. The capital line-item does include a one-time transfer of about $1.4 million from the General Fund toward critical Information Technology projects (not included in the ISF):

- Full network infrastructure/server replacement
- Council Chambers technology upgrade

The remaining $700,000 is comprised of a transfer of $350,000 for transportation projects and $243,000 for various capital projects.

Other Funds

The most significant changes in the 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 to 10.0%. This is a general tax that is considered discretionary in nature. 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.

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 will 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 existing fire training center. Of the $10 million in annual revenue, staff estimates that debt service payments for the above defined projects will total approximately $5 - $6 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[2]. Consistent with those discussions, staff is including assumed revenues and expenditures for Measure C as part of the FY 2016 budget.

- *Revenue:* The City began receiving allocations of the Measure C Transaction and Use (sales) Tax effective January 1, 2015. Staff anticipates receiving approximately $10 million in revenues from Measure C for FY 2016. As previously approved by Council as part of the FY 2015 mid-year authorization, 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 2016 is estimating expenses of $9.5 million for related staffing (police and maintenance) and estimated debt service.

UNFUNDED NEEDS & LIABILITIES

While the FY 2016 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 2015 reviewing its benefit liabilities and considering funding plans toward adequately funding the unfunded portions of these liabilities.

The FY 2016 Capital Improvement Program reflects "Identified Capital Needs" totaling almost $304 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.

[2] City Council Report, December 16, 2014, Item 10, page 251: http://www.hayward-ca.gov/CITY-GOVERNMENT/CITY-COUNCIL-MEETINGS/2014/CCA14PDF/cca121614full.pdf

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. These valuations consider the economic, demographic, and historical compositions of the benefit programs and establish amounts that the City should set aside each year to fund its benefit-related financial obligations. In today's economic climate, it is critical that the City continue to manage its liabilities to ensure long-term fiscal stability. 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.

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 this places on the City. Failure to meet the minimum recommended funding levels or implement 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.

The City's four benefit liabilities include:

1. California Public Employees' Retirement System (CalPERS)
2. Workers' Compensation (self-funded)
3. Other Post-Employment Benefits (OPEB) – Retiree Medical Benefits
4. Accrued Leave Payouts

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	6/30/2013	$ 292.71	$ 188.82	64.51%	$ 103.89	35.49%
CalPERS Fire Safety Plan	6/30/2013	$ 225.82	$ 153.34	67.90%	$ 72.48	32.10%
CalPERS Miscellaneous Plan	6/30/2013	$ 357.28	$ 246.51	69.00%	$ 110.77	31.00%
Total CalPERS		**$ 875.81**	**$ 588.67**	**67.21%**	**$ 287.14**	**32.79%**
OPEB - Retiree Medical Police Officers	6/30/2013	$ 43.37	$ -	0.00%	$ 43.37	100.00%
OPEB - Retiree Medical Firefighters	6/30/2013	$ 12.82	$ 0.76	5.96%	$ 12.06	94.04%
OPEB - Retiree Medical Miscellaneous	6/30/2013	$ 19.60	$ 0.08	0.38%	$ 19.53	99.62%
Total OPEB-Retiree Medical		**$ 75.80**	**$ 0.84**	**1.11%**	**$ 74.96**	**98.89%**
Workers' Compensation	6/30/2014	$ 16.54	$ 7.26	43.89%	$ 9.28	56.11%
Accrued Leave Payouts (1)	6/30/2014	$ 7.23	$ -	0.00%	$ 7.23	100.00%
Total		**$ 975.38**	**$ 596.77**	**61.18%**	**$ 378.61**	**38.82%**

(1) Accrued Leave Payouts - no actuarial valuation

Retirement Annual cost (annual cost: $26.2 million) – The City is fully meeting its annual required contribution (ARC) amounts based on the CalPERS premium rates. Given the CalPERS "smoothing" methodology, meeting this ARC does not necessarily pay down future unfunded liability. However, while the recent changes adopted by the CalPERS Board will increase Hayward's Employer rates, the changes will improve the plan funding status over the next thirty years.

As part of the long-term policy discussion on unfunded liabilities, the Council should consider the advantages and disadvantages of paying additional premium towards the unfunded portion. However, although a prepayment to pay down the City's liability will reduce the City's unfunded liability and save money in the long-term, it will have little to no impact on current costs. As one-time funds become available, the City Council can consider using these funds toward a liability payment to CalPERS.

Workers' Compensation (annual Cost: $4.6 million) – Pursuant to the current actuarial valuation conducted for the program, a funding status of 70 – 85 percent is recommended. Table 7 shows that the City is currently at about a 44 percent funding level. Staff recommends funding at the 80 percent level and beginning in FY 2013, has 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 $1.5 million/year) toward unfunded liability. Once the 80 percent funding level is reached (about $9 million in fund balance reserved for future liability) – the Workers' Compensation rates will be adjusted downward.

Retire Medical -OPEB (annual cost: $2.7 million "pay go" and $1 million toward unfunded liability) – The actuarial calculation of the City's ARC is $7.7million ($2.7 million "pay go" and $5 million future unfunded liability). The City is not funding the full ARC – only paying the $2.7 million "pay go" portion. Effective FY 2014, the City began contributing toward the unfunded liability based on available resources. FY 2016 includes an allocation of $1 million and phases in the cost of fully funding the ARC by FY 2022.

Accrued Leave Payouts (annual Cost: about 2.1 million) – 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 2013 balance of $8.6 million to the FY 2014 balance of $7.2 million – a 16% reduction in liability. However, while progress has been made in this area, it has been a challenge to get all employees below the cap due to staffing shortages compounded by increasing workload.

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.

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.

- 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

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
- 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 (Retiree Medical)
- Facilities Management Fund
- Fleet Management Fund
- Information Technology Fund
- Risk Management Fund
- Worker's Compensation Fund

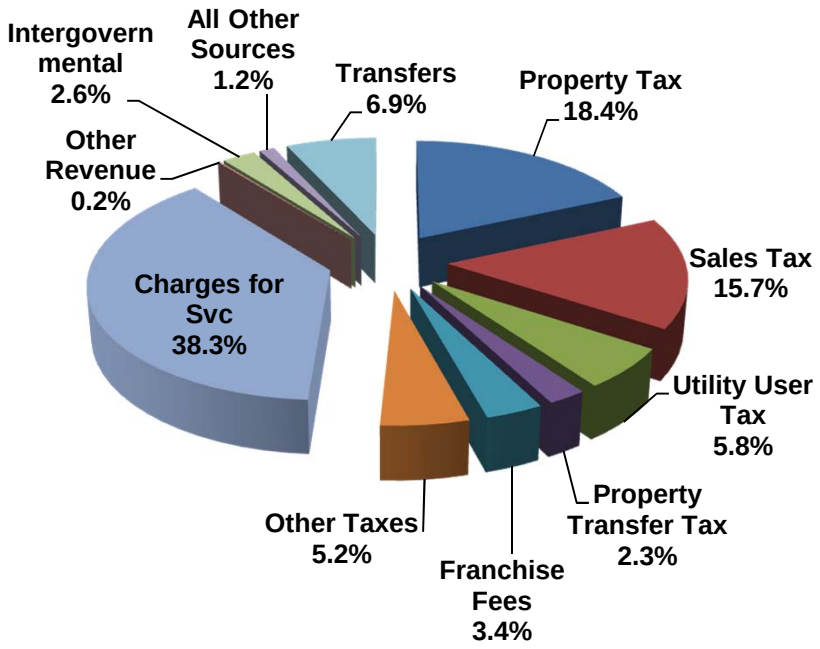
ALL OPERATING FUNDS - SUMMARY

	General	Measure C	Special Revenue	Debt Service	Enterprise	Internal Service	Successor RDA	TOTAL
Revenues								
Property Tax	43,521	-	-	-	-	-	8,249	51,770
Sales Tax	34,064	10,000	-	-	-	-	-	44,064
Util User Tax (Oct- 2009)	16,411	-	-	-	-	-	-	16,411
Real Property Trnsfr Tax	6,500	-						6,500
Franchise Fees	9,585	-	-	-	-	-	-	9,585
Other Taxes	6,548	-	8,101	-	-	-	-	14,649
Charges for Service	9,923	-	-	-	72,718	24,944	-	107,585
Other Revenue	431	-	-	-	-	-	-	431
Intergovernmental	7,262	-	-	-	-	-	-	7,262
From All Other Sources	2,322	-	-	966	-	-	-	3,288
	136,567	**10,000**	**8,101**	**966**	**72,718**	**24,944**	**8,249**	**261,545**
Trnsfrs from other funds*	**3,855**	**-**	**72**	**10,045**	**2,379**	**3,119**	**-**	**19,470**
Total Revenues	**140,422**	**10,000**	**8,173**	**11,011**	**75,097**	**28,063**	**8,249**	**281,015**
Expenditures								
Salary								
Regular	68,654	1,555	827	-	11,089	4,062	140	86,327
Overtime	6,000	-	-	-	392	225	-	6,617
Vacancy Savings	(2,372)	-	-	-	-	-	-	(2,372)
Benefits								
Fringe Benefits	19,086	650	204	-	3,396	1,077	50	24,463
Retiree Medical	2,810	56	16	-	229	75	3	3,189
PERS	21,313	429	200	-	2,678	984	34	25,638
Chrgs (to)/fr other prog	(5,037)	-	265	-	(252)	-	-	(5,024)
Net Staffing Expense	**110,454**	**2,690**	**1,512**	**-**	**17,532**	**6,423**	**227**	**138,838**
Maintenance & Utilities	976	59	513	-	2,550	3,102	24	7,224
Supplies & Services	5,773	25	4,494	42	7,426	7,776	368	25,904
Internal Service Fee	13,336	119	70	-	2,304	425	-	16,254
Capital	19		548	-	-	-	-	567
Debt Service	-	-	-	10,842	4,868	1,687	1,835	19,232
All Other Uses	1,038	-	1,486	-	27,500	6,075	2,174	38,273
	21,142	**203**	**7,111**	**10,884**	**44,648**	**19,065**	**4,401**	**107,454**
Total Expense	**131,596**	**2,893**	**8,623**	**10,884**	**62,180**	**25,488**	**4,628**	**246,292**
Transfers to other funds*	**8,826**	**6,600**	**344**	**465**	**14,040**	**2,696**	**72**	**33,043**
Subtotal Expenditures	**140,422**	**9,493**	**8,967**	**11,349**	**76,220**	**28,184**	**4,700**	**279,335**
Total Expenditures	**140,422**	**9,493**	**8,967**	**11,349**	**76,220**	**28,184**	**4,700**	**279,335**
(Use)/Add to fund bal	**-**	**507**	**(794)**	**(338)**	**(1,123)**	**(121)**	**3,549**	**1,680**

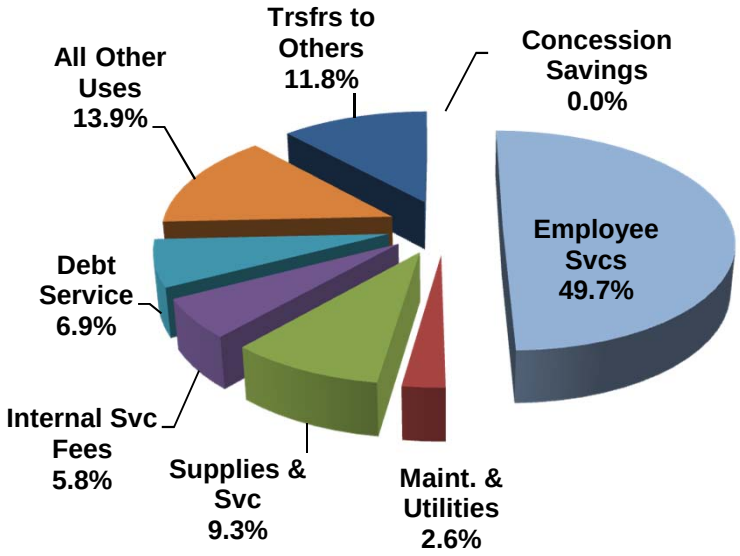
Note: General Fund column represents fund 100 only.

Summary of Revenues and Expenditures - All Operating Funds

FY 2016 All Operating Funds
Revenues - By Type
$281.0 Million
(Amounts Stated in Millions)

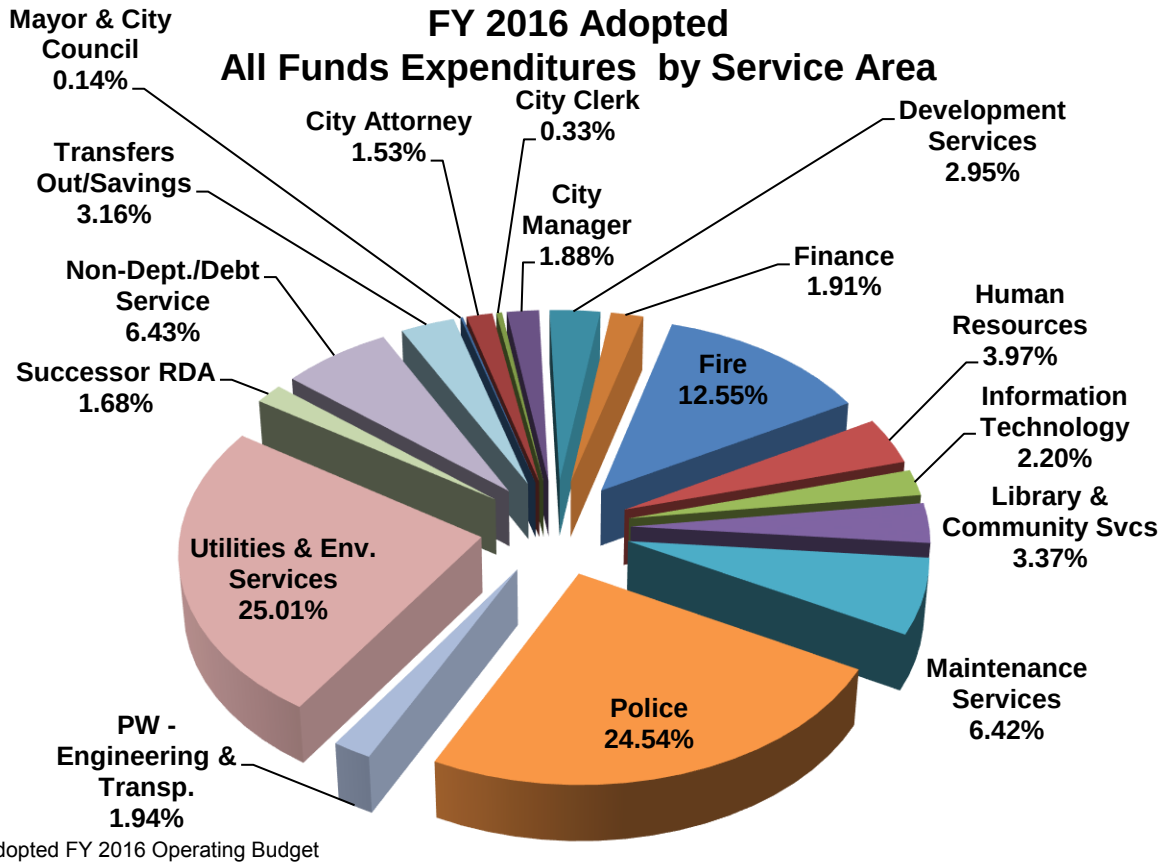


FY 2016 All Operating Funds
Expenditures - By Category
$279.3 Million
(Amounts Stated in Millions)



SUMMARY OF EXPENDITURES BY DEPARTMENT-ALL FUNDS

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Mayor & City Council	483,169	471,035	527,802	397,335
City Attorney	3,671,870	5,724,887	4,302,890	4,269,622
City Clerk	567,466	614,099	618,718	913,556
City Manager	6,409,805	3,923,461	5,262,157	5,245,272
Development Services	6,083,369	5,428,170	8,652,536	8,232,706
Finance	4,042,496	4,277,901	4,994,319	5,337,303
Fire	31,188,154	32,827,653	33,544,887	35,042,909
Human Resources	10,149,091	12,880,140	10,453,458	11,086,295
Information Technology	4,286,539	4,436,852	5,259,213	6,141,488
Library & Community Svcs	7,118,662	8,593,554	9,431,555	9,418,476
Maintenance Services	15,112,358	14,806,592	17,426,737	17,940,752
Police	59,425,478	59,168,121	61,185,066	68,542,845
PW - Engineering & Transp.	2,334,595	7,249,842	4,987,099	5,432,069
Utilities & Env. Services	65,469,050	60,652,469	66,491,140	69,858,932
Successor RDA	11,315,736	17,236,446	6,179,303	4,699,647
Non-Dept./Debt Service	8,055,908	7,865,619	7,939,301	17,949,081
Transfers Out/Savings	8,599,784	14,313,624	8,809,000	8,826,299
Transfers Out	*8,599,784*	*14,313,624*	*9,409,000*	*8,826,299*
Assumed Employee Concession Savings	-	-	*(600,000)*	-
	$ 244,313,530	**$ 260,470,465**	**$ 256,065,181**	**$ 279,334,587**



GENERAL FUND SUMMARY & CASH BALANCE

$ in 1,000s	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beginning Cash Fund Balance	**$ 27,764**	**$ 28,115**	**$ 25,052**	**$ 19,992**
Revenues				
Property Tax	$ 39,181	$ 38,971	$ 40,514	$ 43,521
Sales Tax	28,534	31,019	31,421	34,064
Utility Users Tax	14,940	15,762	15,000	16,411
Franchise Fees	9,688	9,765	9,120	9,585
Real Property Transfer Tax	4,596	4,879	5,000	6,500
Other Taxes	6,042	6,214	6,206	6,548
Charges for Services	7,844	10,466	8,922	9,923
Inter-Governmental	5,363	6,771	6,577	7,262
Fines & Forfeitures	2,913	2,227	1,801	1,767
Other Revenues	174	690	166	431
Interest & Rents	400	563	293	555
Transfers In	4,064	3,390	3,221	3,855
Total Operating Revenues:	**$ 123,741**	**$ 130,717**	**$ 128,241**	**$ 140,422**
Expenditures				
Salaries & Benefits	$ 98,232	$ 100,188	$ 104,939	$ 110,454
Maintenance & Utilities	908	871	969	976
Supplies & Services	6,184	7,511	6,838	6,811
Internal Service Fees	9,300	9,367	11,515	13,336
Capital	-	120	19	19
Assumed Concession Savings	-	-	(600)	-
Transfers Out	8,843	13,207	9,621	8,826
Total Operating Expenditures:	**$ 123,467**	**$ 131,264**	**$ 133,301**	**$ 140,422**
Annual Surplus/(Shortfall)	**$ 274**	**$ (547)**	**$ (5,060)**	**$ -**
Adjustments to Fund Balance	$ 77	$ (2,516)	**$ -**	**$ -**
Ending Fund Cash Balance (CAFR)	**$ 28,115**	**$ 25,052**	**$ 19,992**	**$ 19,992**

Cash Fund Balance Designations	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Unassigned	-	-	-	$ 19,992
Contingencies	$ 5,000	$ 5,000	$ 5,000	-
Economic Uncertainty	5,000	5,000	5,000	-
Liquidity	13,115	5,052	5,000	-
Emergencies	5,000	10,000	8,655	-
Total Designated Fund Balance	**$ 28,115**	**$ 25,052**	**$ 23,655**	**$ 19,992**

Note: With the implementation of our new financial system, a number of revenue and expenditure categories have been changed.

General Fund Ten-Year Plan - FY 2016 Adopted

		PY3 Actual FY 2012	PY2 Actual FY 2013	PY1 Actual FY 2014	Year 1 Adopted FY 2015	Year 1 Projected FY 2015	Year 2 Adopted FY 2016	Year 3 Forecast FY 2017	Year 4 Forecast FY 2018	Year 5 Forecast FY 2019	Year 6 Forecast FY 2020	Year 7 Forecast FY 2021	Year 8 Forecast FY 2022	Year 9 Forecast FY 2023	Year 10 Forecast FY2024
1	**Revenue**														
2	Annual Property Tax	35,716	36,561	36,898	39,784	39,830	42,021	44,122	46,328	48,181	50,108	52,113	54,197	56,366	58,620
3	RPTTF Pass-Thru & Annual Remittance	-	650	730	730	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
4	One-time RPPTF	-	1,970	1,343	-	-	-	-	-	-	-	-	-	-	-
5	Property Tax	**35,716**	**39,181**	**38,971**	**40,514**	**41,330**	**43,521**	**45,622**	**47,828**	**49,681**	**51,608**	**53,613**	**55,697**	**57,866**	**60,120**
6	Sales Tax	26,346	28,534	31,019	31,421	31,719	34,064	33,996	35,320	36,712	38,181	39,708	41,296	42,948	44,666
7	UUT	14,797	14,940	15,762	15,000	15,816	16,411	16,934	17,015	17,058	17,101	17,143	17,186	17,229	17,272
8	Franchise Fees	9,892	9,688	9,765	9,120	9,120	9,585	9,335	9,127	8,908	9,191	9,483	9,785	10,096	10,418
9	Property Transfer Tax	4,778	4,596	4,879	5,000	5,269	6,500	6,890	7,303	7,449	7,598	7,750	7,905	8,064	8,225
10	Business License Tax	2,483	2,493	2,602	2,652	2,652	2,721	2,775	3,053	3,114	3,176	3,240	3,305	3,371	3,438
11	Transient Occupancy Tax	1,466	1,679	1,918	1,734	1,957	1,996	2,036	2,077	2,118	2,160	2,204	2,248	2,293	2,339
12	Emergency Facilities Tax	1,751	1,870	1,694	1,820	1,820	1,831	1,840	1,849	1,859	1,868	1,877	1,887	1,896	1,906
13	Charges for Services	7,811	7,844	10,466	8,922	9,381	9,924	10,222	10,426	10,635	10,848	11,064	11,286	11,512	11,742
14	Other Revenue	3,797	174	690	166	206	431	400	400	400	400	400	400	400	400
15	Intergovernmental	3,717	5,365	6,771	6,577	7,266	7,262	7,262	7,262	6,762	5,567	5,567	5,567	5,567	5,567
16	Fines and Forfeitures	2,403	2,913	2,227	1,801	2,336	1,767	1,802	1,838	1,875	1,913	1,951	1,990	2,030	2,070
17	Interest and Rents	511	400	563	293	293	555	561	568	575	581	588	595	602	609
18	**Total Revenue**	**115,465**	**119,677**	**127,327**	**125,020**	**129,164**	**136,567**	**139,676**	**144,067**	**147,146**	**150,193**	**154,589**	**159,147**	**163,873**	**168,772**
19	Transfers in	4,514	4,064	3,390	3,221	3,221	3,855	3,946	4,032	4,119	4,208	4,301	4,396	4,496	4,598
20	**Total Revenue/Resources**	**119,979**	**123,741**	**130,717**	**128,241**	**132,385**	**140,422**	**143,622**	**148,099**	**151,265**	**154,401**	**158,891**	**163,543**	**168,369**	**173,369**
21	**Expenditures**														
22	Salary	61,697	62,986	63,649	66,445	66,952	68,627	70,352	70,918	73,543	75,009	76,505	77,999	79,555	81,143
23	Overtime	5,412	6,879	7,831	5,334	7,000	6,000	6,120	6,243	6,367	6,495	6,625	6,757	6,892	7,030
24	**Wages Subtotal**	**67,109**	**69,865**	**71,480**	**71,779**	**73,952**	**74,627**	**76,472**	**77,160**	**79,910**	**81,504**	**83,129**	**84,756**	**86,448**	**88,173**
25	Medical Benefits	8,515	10,083	9,133	10,942	10,942	11,491	12,526	14,278	15,074	15,919	16,814	17,763	18,768	19,834
26	Dental Benefits	988	-	957	1,065	1,065	1,105	1,108	1,130	1,153	1,176	1,199	1,223	1,248	1,273
27	Retiree Medical (payments to current retirees)	2,560	2,321	2,349	2,242	2,242	2,809	2,866	2,923	2,981	3,041	3,102	3,164	3,227	3,292
28	Worker's Compensation	4,877	5,189	5,275	5,013	5,013	5,162	5,212	5,313	5,420	5,525	5,636	5,745	5,860	5,977
29	Other Benefits	1,726	1,030	1,378	1,818	1,918	1,173	1,209	1,245	1,282	1,321	1,360	1,401	1,443	1,486
30	PERS	17,492	15,143	14,736	18,359	19,183	21,306	23,861	25,356	27,774	30,863	31,126	31,763	32,413	33,077
31	**Benefits Subtotal**	**36,158**	**33,766**	**33,828**	**39,439**	**40,362**	**43,047**	**46,781**	**50,245**	**53,684**	**57,844**	**59,237**	**61,059**	**62,960**	**64,939**
32	Vacancy Savings (wages & benefits)	-	-	-	(1,250)	(2,250)	(2,282)	(1,750)	(1,500)	(1,250)	(1,250)	(1,250)	(1,000)	(1,000)	(1,000)
33	Interdepartmental (ID) Charges to other funds	(5,332)	(5,399)	(5,120)	(5,179)	(5,179)	(4,998)	(4,898)	(4,898)	(4,898)	(4,898)	(4,898)	(4,898)	(4,898)	(4,898)
34	Unemployment Self-Insurance	-	-	-	150	150	150	150	150	150	150	150	150	150	150
35	**Salaries & Benefits Subtotal**	**97,935**	**98,232**	**100,188**	**104,939**	**107,035**	**110,544**	**116,755**	**121,157**	**127,596**	**133,350**	**136,369**	**140,068**	**143,660**	**147,364**
36	Transfer to OPEB Liability Trust Fund*	-	-	1,978	2,060	1,000	1,000	2,000	2,500	3,000	4,000	4,500	5,000	5,100	5,202
37	Workers' Compensation Liability Contribution	310	310	310	-	-	-	-	-	-	-	-	-	-	-
38	**Net Staffing Expense**	**98,245**	**98,542**	**102,476**	**106,999**	**108,035**	**111,544**	**118,755**	**123,657**	**130,596**	**137,350**	**140,869**	**145,068**	**148,760**	**152,566**
39	Maintenance & Utilities	810	908	870	969	969	969	979	988	998	1,008	1,018	1,029	1,039	1,049
40	Supplies & Services	5,900	6,184	7,632	6,838	9,538	6,798	6,934	7,073	7,214	7,358	7,506	7,656	7,809	7,965
41	Internal Service Fees	9,280	9,300	9,367	11,515	11,515	13,336	13,472	13,609	13,748	13,888	14,030	14,173	14,318	14,464
42	Minor Capital Outlay	-	-	-	19	-	19	-	-	-	-	-	-	-	-
43	Transfer to Debt Service Fund*	2,784	2,822	2,809	3,299	3,445	3,445	3,445	3,445	3,445	3,445	3,445	3,445	3,445	3,445
44	Transfer to Liability Insurance Fund*	2,464	2,537	2,621	2,338	2,338	2,338	2,385	2,432	2,481	2,531	2,581	2,633	2,686	2,739
45	Transfer to Economic Development Fund (from RPTTF)*	-	-	-	-	-	-	350	350	350	350	350	350	350	350
46	Transfer to Capital Improvement Program Fund*	3,027	3,174	5,489	1,925	1,944	1,973	859	887	1,168	799	2,003	1,206	1,206	1,206
47	**Net Operating Expense**	**24,265**	**24,925**	**28,788**	**26,903**	**29,749**	**28,878**	**28,424**	**28,785**	**29,405**	**29,380**	**30,934**	**30,492**	**30,852**	**31,219**
48	**Expenditures Subtotal**	**122,510**	**123,467**	**131,264**	**133,901**	**137,784**	**140,422**	**147,179**	**152,442**	**160,001**	**166,730**	**171,802**	**175,560**	**179,612**	**183,785**
50	Assumed Additional Labor Concessions	-	-	-	(600)	-									
52	**Total Expenditures**	**122,510**	**123,467**	**131,264**	**133,301**	**137,784**	**140,422**	**147,179**	**152,442**	**160,001**	**166,730**	**171,802**	**175,560**	**179,612**	**183,785**
53	**Total Surplus/(Shortfall)**	**(2,531)**	**274**	**(547)**	**(5,060)**	**(5,399)**	**(0)**	**(3,557)**	**(4,344)**	**(8,736)**	**(12,329)**	**(12,912)**	**(12,017)**	**(11,243)**	**(10,416)**
54	** Transfers Out of the General Fund Total*	*8,585*	*8,843*	*13,207*	*9,622*	*8,727*	*8,756*	*8,689*	*9,265*	*10,094*	*10,775*	*12,530*	*12,284*	*12,437*	*12,593*
55															
57	**Beginning Fund Balance**	**29,550**	**27,764**	**28,115**	**25,052**	**25,052**	**19,653**	**19,652**	**16,095**	**11,751**	**3,015**	**(9,314)**	**(22,226)**	**(34,243)**	**(45,485)**
58	Change to Reserves	(2,531)	274	(547)	(5,060)	(5,399)	(0)	(3,557)	(4,344)	(8,736)	(12,329)	(12,912)	(12,017)	(11,243)	(10,416)
59	Adjustments to fund balance	745	77	(2,516)	-	-	-	-	-	-	-	-	-	-	-
60	**Ending Fund Balance**	**27,764**	**28,115**	**25,052**	**19,991**	**19,653**	**19,652**	**16,095**	**11,751**	**3,015**	**(9,314)**	**(22,226)**	**(34,243)**	**(45,485)**	**(55,901)**
61	% of Expenditures (Council Policy is minimum of 20%)	23%	23%	19%	15%	14%	14%	11%	8%	2%	-6%	-13%	-20%	-25%	-30%

GENERAL FUND - FUND TRANSFER SUMMARY

Fund Transfers (FY 2013- 2016)

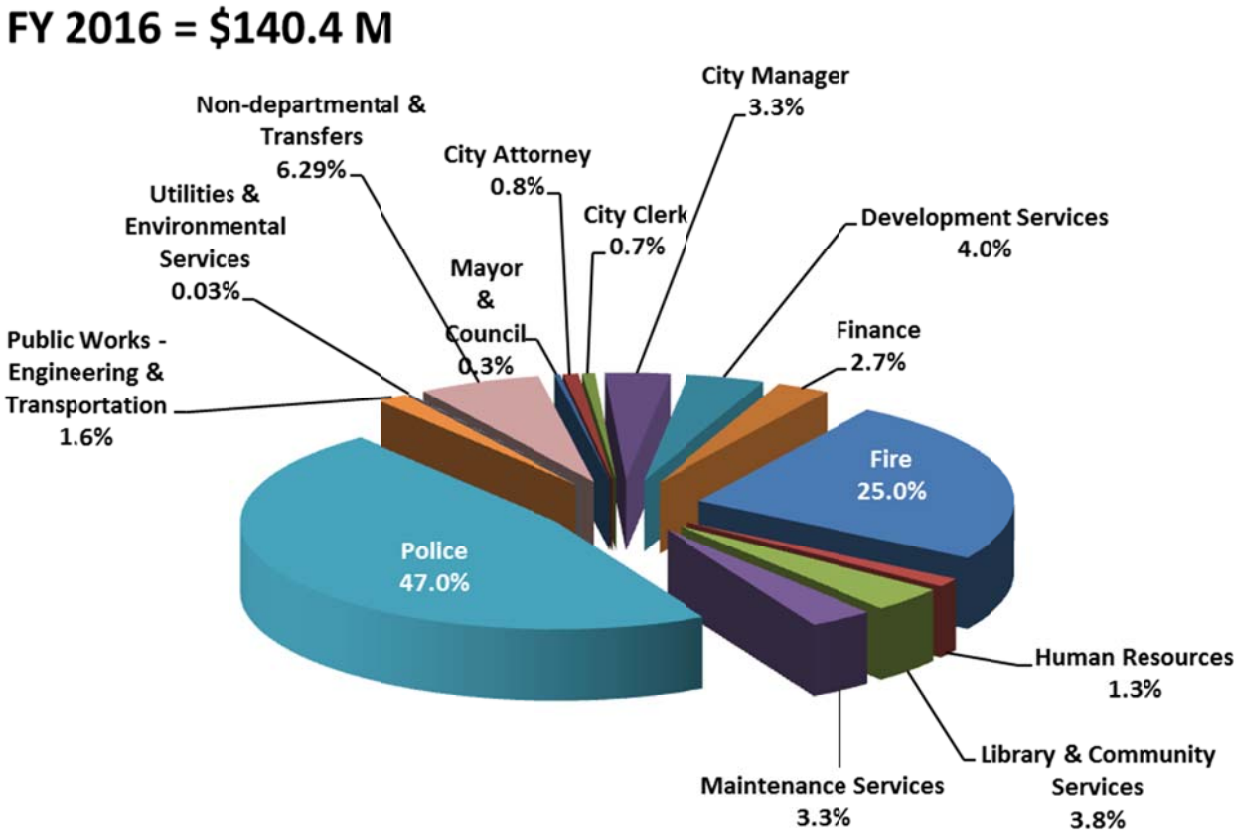
'$'s in 1,000's	FY 2013 Adopted	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted
Transfers into the General Fund				
Transfer for Cost Allocation	2,449	2,450	2,523	2,436
Transfer from Special Gas Tax	1,140	1,148	223	723
Transfer from Citizen's Option Grant	184	184	184	184
Transfer from Byrnes Justice Assist Grant	86	55	55	48
Transfer from CFD #2 for Police Services	-	-	278	284
Transfer from CFD #1 Fund	8	8	8	8
Transfer from CFD #3 for Police & Fire Services	-	-	-	173
Transfers into the General Fund	**3,867**	**3,845**	**3,271**	**3,856**
Transfers out of the General Fund				
Transfer to Debt Service	2,822	2,809	3,301	3,445
Transfer for Risk Management Premium	2,331	2,621	2,338	2,338
Transfer to Trans Sys Improvement Fund	350	350	350	350
Transfer to Worker's Compensation Fund	310	310	-	-
Transfer to InformationTechnology Operating Fund	-	130	-	-
Transfer to Capital Projects	2,787	3,646	1,360	1,623
Transfer to Retiree Medical Fund	-	918	2,060	1,070
Transfers out of the General Fund	**8,600**	**10,784**	**9,408**	**8,826**

EXPENDITURES BY DEPARMENT – GENERAL FUND

Summary of Expenditures by Department - General Fund

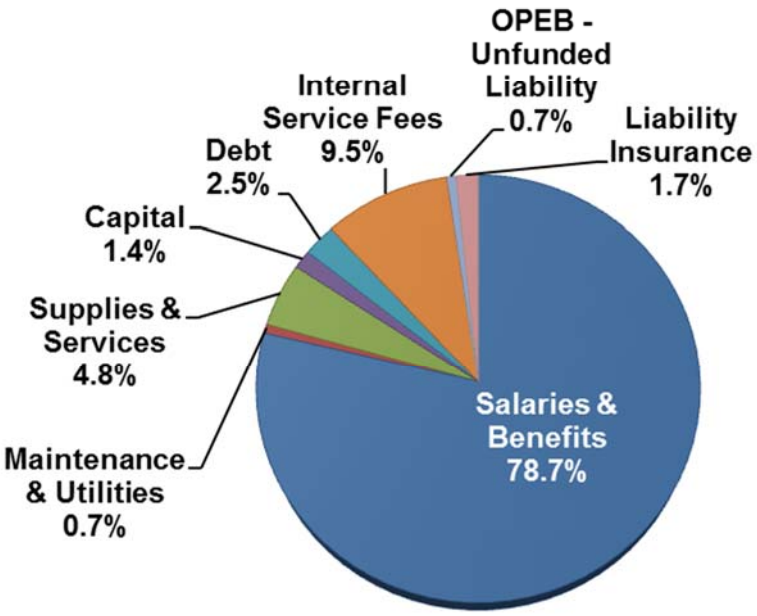
	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted*	FY 2016 Adopted
Mayor & Council	483,169	471,035	527,802	397,335
City Attorney	908,360	960,202	1,136,984	1,106,681
City Clerk	567,466	614,099	618,718	913,556
City Manager	3,467,465	3,700,158	4,301,573	4,629,312
Development Services	4,566,613	4,644,499	6,013,720	5,593,890
Finance	3,006,390	3,162,848	3,735,912	3,811,816
Fire	31,188,154	32,827,653	33,544,887	35,042,909
Human Resources	1,281,400	1,500,889	1,782,076	1,827,736
Library & Community Services	4,606,357	4,840,063	5,088,749	5,344,696
Maintenance Services	3,867,644	3,765,939	4,349,190	4,633,024
Police	59,377,126	58,844,307	60,946,066	65,994,933
Public Works - Engineering & Transportation	1,257,141	1,573,643	1,839,944	2,252,761
Utilities & Environmental Services	33,613	44,559	52,757	47,317
Non-departmental & Transfers	8,856,102	14,313,624	9,409,000	8,826,299
	$ 123,467,000	**$ 131,263,518**	**$ 133,347,378**	**$ 140,422,265**

**Note: Does not include assumed employee concession savings of $600,000 in FY 2015 Adopted.*

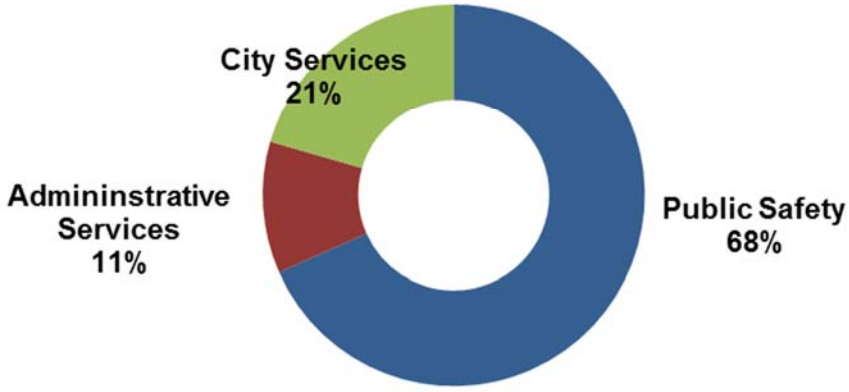


GENERAL FUND EXPENDITURES & STAFFING

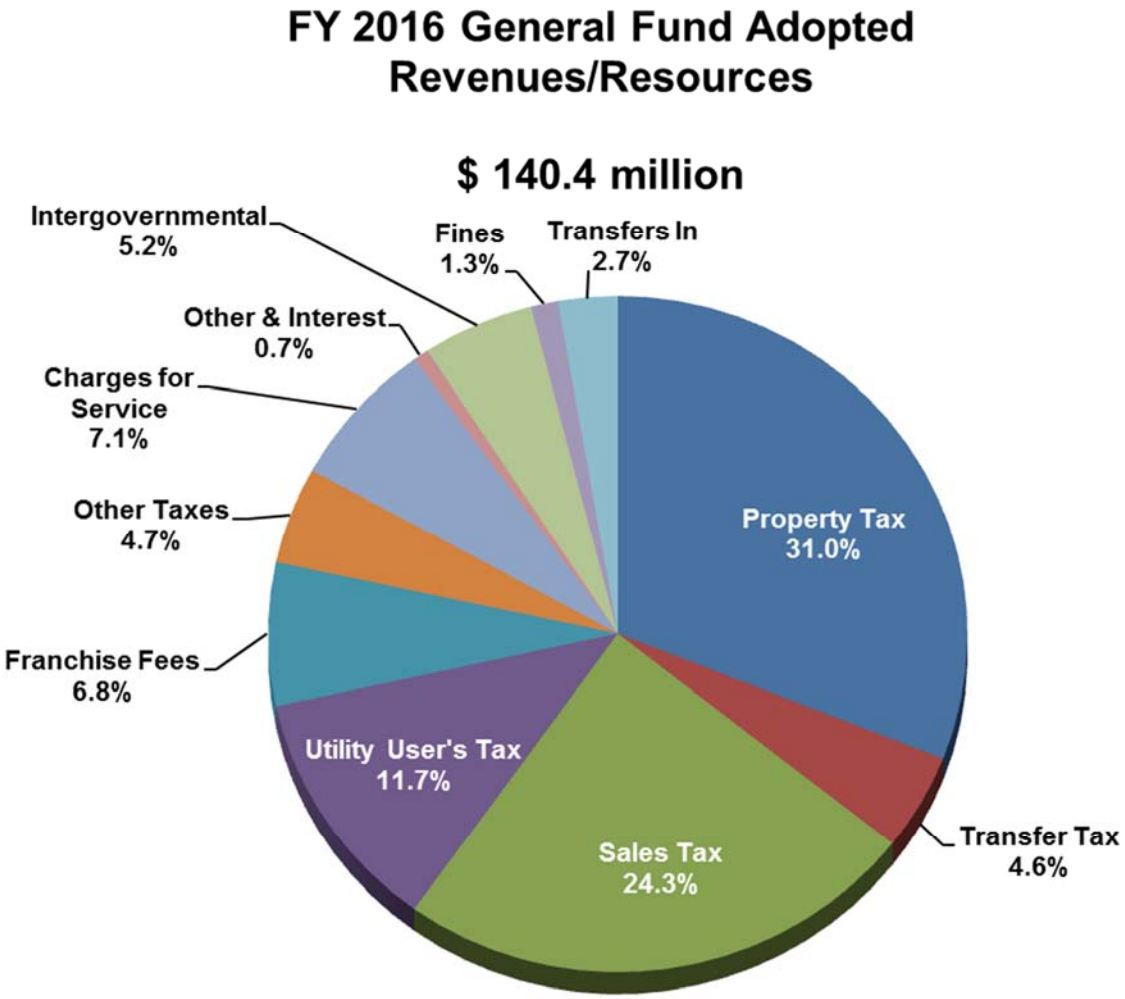
FY 2016
General Fund Expenditures by Category



FY 2016
General Fund Staffing by Service Area



GENERAL FUND REVENUES BY SOURCE



GENERAL FUND REVENUES

Revenues by Category *in 1,000's*	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Property Taxes				
Property Tax Secured	$ 24,305	$ 24,050	$ 26,231	$ 27,674
Property Tax Unsecured	1,257	1,444	1,522	1,606
In-Lieu	1,612	-	-	-
RPTTF (Redistribution & Pass-Thru)	1,650	2,073	730	1,500
Property Tax - VLF Swap	10,357	11,404	12,031	12,741
Total Property Taxes	**$ 39,181**	**$ 38,971**	**$ 40,514**	**$ 43,521**
Sales & Use Tax				
Sales and Use Taxes	$ 20,816	$ 22,396	$ 23,000	$ 27,700
Sales Tax/Public Safety	745	773	721	773
Sales Tax Triple Flip	6,973	7,850	7,700	5,591
Total Sales & Use Tax	**28,534**	**31,019**	**31,421**	**34,064**
Utility Users Tax	**14,940**	**15,762**	**15,000**	**16,411**
Franchise Fee Tax				
Franchise - refuse	$ 4,141	$ 4,099	$ 4,100	$ 4,510
Franchise - water	2,117	1,799	1,439	1,079
Franchise - Sewer	1,160	986	789	592
Franchise - gas & electric	961	1,425	1,442	2,000
Franchise - Cable TV	1,309	1,456	1,350	1,404
Total Franchise Fee Tax	**9,688**	**9,765**	**9,120**	**9,585**
Real Property Transfer Tax	**$ 4,596**	**$ 4,879**	**$ 5,000**	**$ 6,500**
Other Taxes				
Business License Tax	$ 2,494	$ 2,602	$ 2,652	$ 2,721
Emergency Facilities Tax	1,869	1,694	1,818	1,831
Construction Tax	-	-	-	-
Transient Occupancy Tax	1,679	1,918	1,734	1,996
Total Other Taxes	**$ 6,042**	**$ 6,214**	**$ 6,204**	**$ 6,548**
Charges for Services *(comprised of Licenses & Permits, Fees & Service Charges, Construction Related Fees)*				
Licenses and Permits				
Fire Licenses & Permits	$ 1,154	$ 1,205	$ 1,369	$ 1,369
Police Licenses & Permits	313	443	398	420
Other Licenses & Permits	19	138	16	127
Total Licenses and Permits	**$ 1,486**	**$ 1,786**	**$ 1,783**	**$ 1,916**
Fees and Service Charges				
Fire Fees & Svc Charges	$ 800	$ 1,068	$ 798	$ 950
Police Fees & Svc Charges	778	897	840	981
Residential Rental Inspections	700	735	612	658
Vehicle Maintenance & Operations	-	-	-	-
Other Fees & Svc Charges	323	492	392	473
Total Fees and Service Charges	**$ 2,601**	**$ 3,192**	**$ 2,642**	**$ 3,062**

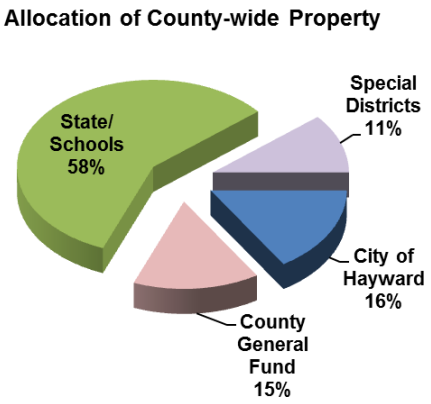
GENERAL FUND REVENUES

Revenues by Category *in 1,000's*	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Construction Related Fees				
Construction Permits	$ 1,758	$ 1,603	$ 1,865	$ 2,170
Plan Checking & New Constr. Insp.	1,874	3,399	2,392	2,425
Supplemental Improvement Tax	125	486	240	350
Total Construction Related Fees	**$ 3,757**	**$ 5,488**	**$ 4,497**	**$ 4,945**
Total Charges for Services	**$ 7,844**	**$ 10,466**	**$ 8,922**	**$ 9,923**
Inter-Governmental				
Police Grants/Reimb	$ 2,116	$ 2,985	$ 2,881	$ 3,007
Fire County EMS Reimb	491	407	501	501
Fairview Fire Protection District	$ 2,575	$ 2,639	$ 2,700	$ 2,783
Vehicle License Fee (VLF)	78	65	76	76
State Mandate Reimb	-	-	-	-
Fire Mutual Aid Reimb	90	640	390	500
Library Grants	-	-	-	-
Miscellaneous	13	35	19	395
Total From Other Agencies	**$ 5,363**	**$ 6,771**	**$ 6,567**	**$ 7,262**
Fines and Forfeitures				
Vehicle Fines	$ 1,090	$ 428	$ 500	$ 500
Parking Citations - In House	747	1,229	1,000	1,180
Parking Citations - DMV	202	107	114	-
FTB Parking Tax Offset	36	3	4	4
Photo Red Light	465	280	-	-
Criminal Fines	276	90	100	-
Administrative Citations	1	5	-	-
Code Enforcement	-	-	-	-
Library Fines	96	85	83	83
Total Fines and Forfeitures	**$ 2,913**	**$ 2,227**	**$ 1,801**	**$ 1,767**
Other Revenues				
Workers' Comp Salary Reimb	-	-	-	-
Other	174	690	166	431
Total Other Revenues	**$ 174**	**$ 690**	**$ 166**	**$ 431**
Interest & Rents				
Interest Earned	$ 21	$ 186	$ 150	$ 348
Miscellaneous Interest Income	-	196	114	200
Laydown Rental Income	364	-	-	-
Building & Parking Rental	15	181	38	7
Total Interest & Rents	**$ 400**	**$ 563**	**$ 302**	**$ 555**
Total General Fund Revenues	**$ 119,675**	**$ 127,327**	**$ 125,017**	**$ 136,567**
Transfers In	4,064	3,390	3,271	3,855
Total Revenues Including Transfers	**$ 123,741**	**$ 130,717**	**$ 128,288**	**$ 140,422**

KEY GENERAL FUND REVENUES

PROPERTY TAXES

Property Tax revenues are the City's largest General Fund revenue source, comprising 32 percent of 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).

KEY GENERAL FUND REVENUES

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, this 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, and their 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 most of the amount due to the City is remitted in September.

KEY GENERAL FUND REVENUES

PROPERTY TAXES, continued

Analysis

Factors that affect the revenue generated by property taxes include:

- Changes in assessed values, which are 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 sales of new vehicles in California, DMV administrative costs, and the proportion of Hayward's population to the total for the State and County. Starting 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 and FY 2014, the City received significant one-time revenues related to the dissolution process that cannot be included in future year projections.

Forecast

Projections for Real 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 consults with 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 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Total Collections	35,716	39,181	38,971	41,330	43,521	45,622	47,828	49,681
$ Change	(10)	3,465	(210)	2,359	2,191	2,101	2,206	1,853
% Change	-0.03%	9.70%	-0.54%	6.05%	5.30%	4.83%	4.84%	3.87%

FY 2013 includes $2.1M and FY 2014 includes about $1.2M in one-time revenue.

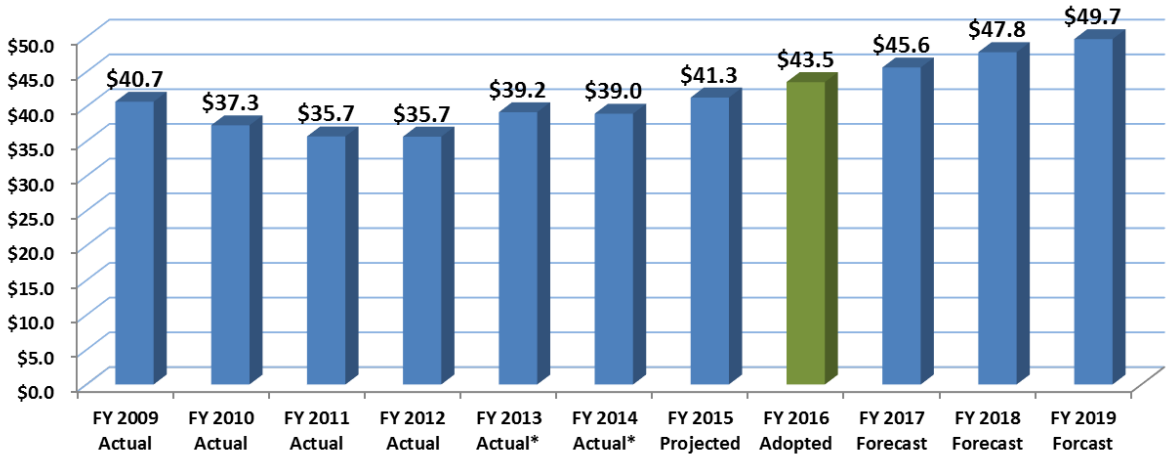
KEY GENERAL FUND REVENUES

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 5.3 percent in FY 2016, with 4-5 percent growth in the out years. 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.

Transfers of ownership in 2014 started off strong but, the home prices in California are not seeing median price growth at the same pace enjoyed in 2013. The continued growth of median sale prices would certainly point to the potential of additional Proposition 8 recapturing; although not necessarily to the same degree evidenced last year.



*FY 2013 includes $1.9M one-time revenue
*FY 2014 includes $1.34M 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 2016 net land and improvements value growth of about 5 percent for FY 2016 (the City is assuming a 5.3 percent growth). This growth is largely driven by the remaining Proposition 8 reassessments, 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 (CCPI) Index growth factor and cannot exceed 2 percent, as prescribed by Proposition 13. While the CPI was .454 percent in FY 2015 – it is at 1.9 percent for FY 2016. Therefore, the projected growth for FY 2016 is based on 1.9 percent of CPI growth and about 3.4 percent of growth from reassessed values and growth of the assessment roll due to new construction, etc.

KEY GENERAL FUND REVENUES

SALES AND USE TAXES

Sales and Use Tax is the City's second largest source of General Fund revenue and represents 25 percent of total 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 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 10.00 percent and distributed per the chart below.

DISTRIBUTION OF SALES TAX COLLECTIONS WITHIN ALAMEDA COUNTY

Agency	%
State of California General Fund	3.94%
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 (includes .25% Triple Flip reimbursement)	**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	**10.00%**

Measure C – District .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 to 10% (with the passage of Alameda County's Measure BB .5% Sales Tax increase). This is a general tax that is considered discretionary in nature. 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.

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

KEY GENERAL FUND REVENUES

SALES AND USE TAXES, continued

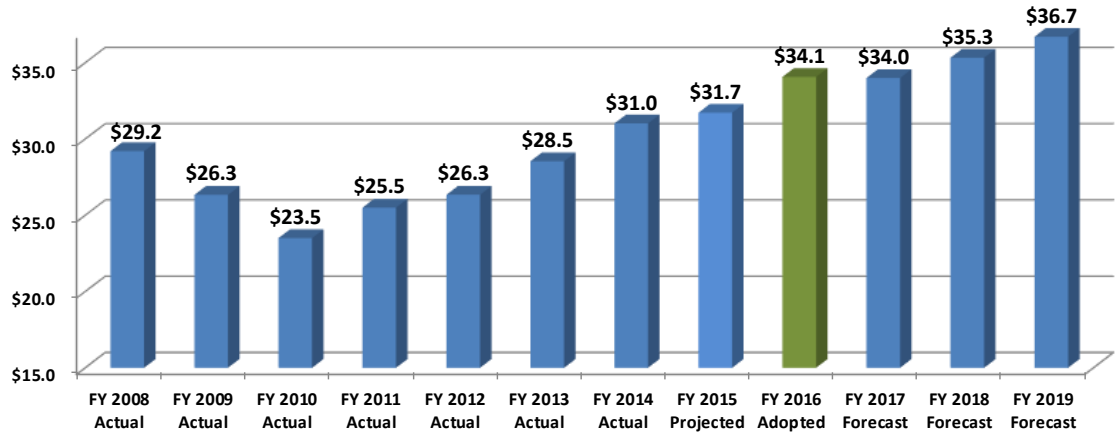
Analysis

Factors that affect the 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 – and a variety of economic factors. While we have certainly seen a rebound in Sales Tax revenues, since the low in FY 2010, we are experiencing a slowing of year-over-year growth.



Based on the City's current sales tax base, we do not anticipate seeing large jumps in sales tax receipts in future years (absent significant economic development growth). While the U.S economy continues to show growth, the first quarter of 2015 demonstrated a slowing that resulted in growth of .2 percent – which was the weakest expansion since early 2014. City sales tax revenues experienced moderate growth of 1.4 percent (statewide growth of 2.9 percent) during the October – December (2014) holiday shopping season compared to the same quarter last year. Growth from December 2013 to December 2014 totaled about 3.8 percent.

We are projecting FY 2016 revenues to improve over FY 2015 by over 7 percent. This increase is mostly attributed to the conclusion of the Triple Flip in FY 2016. Hayward will see about $1.2 million in one-time "true-up" revenues in FY 2016 that will not occur in FY 2017.

TOTAL SALES & USE TAX *(in 1,000s)*	Actual Revenue			Projected Revenue				
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Total Collections	$26,346	$28,534	$31,020	$31,719	$34,064	$33,996	$35,320	$36,712
$ Change	854	2,188	2,486	699	2,345	-68	1,324	1,392
% Change	3.35%	8.30%	8.71%	2.25%	7.39%	-0.20%	3.89%	3.94%

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 offset much of these cost increases (and resulting UUT revenues). However, FY 2014 saw an increase in revenues from the new power plant electricity use. This is now built into the forecast.

UTILITY USERS TAX	Actual Revenue			Projected Revenue				
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Total Collections	$14,797	$14,940	$15,762	$15,816	$16,411	$16,934	$17,015	$17,058
$ Change	97	143	822	54	595	523	81	0
% Change	0.66%	0.97%	5.50%	0.34%	3.76%	3.19%	0.48%	0.25%
Electric	6,602	6,713	7,203	7,427	7,651	7,804	7,960	8,119
Wired-Phone	2,004	2,197	1,838	1,764	1,747	1,729	1,695	1,644
Wireless	3,595	3,471	3,296	3,098	3,438	3,645	3,718	3,643
Gas	1,592	1,537	2,027	2,109	2,171	2,367	2,281	2,327
Cable	1,004	1,022	1,398	1,418	1,403	1,389	1,362	1,321

Growth is projected at 3.76 percent in FY 2016 and 3.19 percent in FY 2017 – with future growth at less than half a percent.

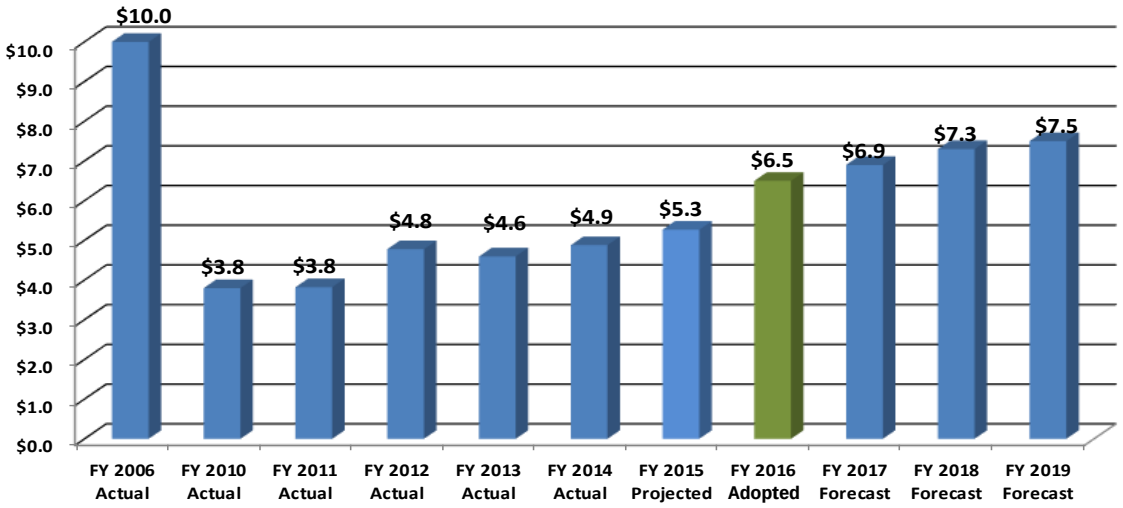
The recent passage of AB1717 will address the loss of revenues the City has experienced from wireless services and we anticipate a related growth in revenue in FY 2016 and FY 2017 as these revenues are now collected and remitted to the City. However, this will level off in FY 2018 as we reach market saturation since this tax will have reached the vast majority of payees in the City and that without significant population or business growth, there will be limited growth in the UUT.

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 the 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 difficult to predict more than one year at a time. Factors that affect the revenue generated by Transfer Taxes are the sale price of property and the frequency with which property is sold. These immediate factors are driven by the availability of mortgage loans, the level of long-term interest rates, the supply and demand for real estate in Hayward, and general economic growth in the Bay Area.

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 percent loss of revenues.

Forecast

While Hayward is now enjoying a relatively active housing market, and staff is projecting growth in this revenue stream, we may never see the type of revenue we saw in FY 2006.

KEY GENERAL FUND REVENUES

REAL PROPERTY TRANSFER TAXES, continued

PROPERTY TRANSFER TAX	Actual Revenue			Projected Revenue				
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Total Collections	$4,778	$4,596	$4,879	$5,269	$6,500	$7,020	$7,371	$7,518
$ Change	957	-182	283	390	1,231	520	351	147
% Change	25.05%	-3.81%	6.16%	7.99%	23.36%	8.00%	5.00%	1.99%

Revenues received in FY 2014 totaled $4.9 million, a 6% increase over FY 2013. Again, this revenue is 100 percent driven by the residential and commercial real estate markets. While assessed value have improved the residential market – the number of transactions drive these revenues. Through mid-April, 2015, the City received just under $4 million. Based on anticipated increased activity through the spring/early summer sales season, staff is projecting FY 2015 revenues of about $5.3 million.

FY 2016 growth assumes market activity remains active – and also assumes that one or more larger commercial transactions may occur. However, after moderate growth projections through FY2018, FY 2019 projects a drop in growth in anticipation of a possible market decline.

KEY GENERAL FUND REVENUES

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 revenues. This is a large project that ultimately will need to be approved by a vote of Hayward residents.

Forecast

The BLT revenues are expected to increase by 2.6 percent over FY 2015 projections, with forecasted annual growth of 2 percent each year. The forecast includes an assumed growth of 10 percent in FY 2018 following the implementation of an updated Business License Ordinance. This is a very conservative estimate – as actual revenue growth could be higher following implementation of the new ordinance.

BUSINESS LICENSE TAX	Actual Revenue			Projected Revenue				
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Collections	$2,483	$2,493	$2,602	$2,652	$2,721	$2,775	$3,053	$3,114
$ Change	93	10	109	50	69	54	278	61
% Change	3.89%	0.40%	4.37%	1.92%	2.60%	1.98%	10.02%	2.00%

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, 14 water storage reservoirs, and 7 pump stations, all of which are used to convey a current average of 15.5 million gallons per day of water to Hayward residences, businesses, educational facilities, and hospitals. 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 rising cost of purchasing wholesale water, coupled with severe drought conditions and reduced consumption, are the most significant issues impacting the Water Fund. SFPUC approved a 28 percent increase in the wholesale rate in FY 2016. Over the next five years, wholesale water rates are expected to increase by nearly 26 percent, due in large part to the costs of improving the reliability of the regional water system.

The Water Fund is also impacted in recent years by reduced water consumption. While this is a good thing in relation to conservation and the drought, it does impact revenues to the fund. Recent years have seen exceptionally dry conditions throughout the State. These conditions have prompted several State actions affecting the City's planning, the most significant have been noted below:

- January 2014 - Governor Brown calls for a 20% reduction in state-wide water use
- January 2014 - SFPUC calls for a voluntary 10% reduction in system-wide water use
- July 2014 - State Water Resources Control Board (SWRCB) adopts Emergency Regulation for Statewide Urban Water Conservation.
- March 2015, SWRCB approves an extension for the Emergency Regulations for Statewide Urban Water Conservation
- April 2015 – Governor Brown calls for a 25% reduction in state-wide water use

The City is projecting a 9% reduction in consumption for FY 2016, while projected consumption for the planning period in its entirety conservatively assumes it will remain relatively flat. The near-term budget deficits, relate in large part to the significant increase to wholesale water rates, as well as an increase in the amounts transferred to the Water System Capital Replacement Fund for the Advanced Metering Infrastructure conversion. These deficits were anticipated and will be offset by available working capital fund reserves, which will reduce the need for rate escalations to the City's water rates to fund this project.

Beginning in FY 2016, the Water Fund will support a portion of the proposed cost of hiring a Water Resources Manager. While purchasing wholesale water from outside agencies is expected to remain the City's primary water source, it is critical that additional sustainable and reliable sources to meet future water supply needs are pursued. This position will have oversight of water supply development, including specific responsibility for the groundwater management program and development of recycled water projects to increase the City's delivery of tertiary treated wastewater for suitable purposes. The Water Fund will also begin supporting two temporary Utility Worker positions to increase staffing levels to address critical preventative maintenance services previously deferred, including annual exercising of over 11,000 water system valves and backflow prevention device testing for over 2,800 existing devices. A new Senior Customer Account Clerk position in the Finance Department will also be

supported by the Water Fund in FY 2016 to assist in utility related billing and revenue operations.

Forecast

Water Maintenance & Operations Fund 605

	FY 2014 Actual	FY 2015 Revised	FY 2015 Estimated	FY 2016 Adopted	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Beginning Fund Balance	**19,376,431**	**26,863,323**	**26,863,323**	**25,041,582**	**24,227,607**	**21,535,107**	**20,453,507**	**22,916,007**
Program Revenues								
Water Sales	39,177,268	39,300,000	37,000,000	38,000,000	41,100,000	44,200,000	47,500,000	49,300,000
Service Charges	3,935,006	3,900,000	3,900,000	4,400,000	4,900,000	4,900,000	4,900,000	4,900,000
Installation Fees	171,882	250,000	250,000	250,000	250,000	250,000	250,000	300,000
Other Revenues	416,975	260,000	260,000	260,000	260,000	260,000	260,000	260,000
Interest	104,167	91,000	91,000	97,000	95,000	76,000	70,000	82,000
Transfers In	490,315	429,498	567,238	567,723	567,900	567,900	570,700	570,000
Total Revenues	44,295,613	44,230,498	42,068,238	43,574,723	47,172,900	50,253,900	53,550,700	55,412,000
Expenditures								
Personnel	5,671,696	6,247,562	6,144,212	7,013,414	7,594,200	7,860,000	8,253,000	8,624,400
Non-Personnel	6,681,021	6,414,179	6,363,301	6,191,818	5,947,300	5,725,400	5,358,100	5,440,500
Water Purchases	21,193,728	25,900,000	24,300,000	27,500,000	27,700,000	29,100,000	33,800,000	36,600,000
Transfers Out	3,262,276	7,082,466	7,082,466	3,683,466	8,623,900	8,650,100	3,677,100	3,704,900
Total Expenditures	36,808,721	45,644,207	43,889,979	44,388,698	49,865,400	51,335,500	51,088,200	54,369,800
Annual Surplus/(Shortfall)	7,486,892	(1,413,709)	(1,821,741)	(813,975)	(2,692,500)	(1,081,600)	2,462,500	1,042,200
Ending Fund Balance	**26,863,323**	**25,449,614**	**25,041,582**	**24,227,607**	**21,535,107**	**20,453,507**	**22,916,007**	**23,958,207**

Forecast Assumptions

- Water sales revenue for FY 2016 and FY 2017 include a proposed average rate adjustment of 15 and 9 percent respectively, and are dependent on usage, to be considered by the City Council in July 2015 and effective October 1, 2015. Level rate adjustments of 6 percent in FY 2018 and FY 2019, and 3 percent in FY 2020 are assumed. Actual proposed adjustments beyond FY 2017 will depend on SFPUC wholesale rates and water consumption.

- Service charges revenue for FY 2016 and FY 2017 is based on proposed average rate adjustments of 17 and 14 percent respectively to be considered by the City Council in July 2015 and effective October 1, 2015.

- Estimated water consumption has conservatively assumed a reduction of 9 percent in FY 2016, no change in FY 2017, and an increase of 1% through the duration of the planning period.

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

- Debt service obligation of $700,000 annually, of which about 60 percent is paid from the Water System Capital Improvement Fund and other funds.

- Transfers out assumes $10 million transfer to Water System Capital Replacement Fund ($5 million in FY 2017 and FY 2018) to cover the cost of the Advanced Metering Infrastructure conversion.

WASTEWATER MAINTENANCE & OPERATIONS 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 may be required to implement needed system improvements.

The five-year forecast assumes increases of 3 percent in FY 2016 through FY 2018, no increase in FY 2019, and a 3 percent increase in FY 2020. As staff evaluates the costs of implementing WPCF and sewer collection system projects identified in the recently updated Master Plans, the projected rate adjustments may require modification.

Beginning in FY 2015, the Wastewater Fund funds the addition of two positions, a laboratory technician and WPCF Operator. Beginning in FY 2016, the Wastewater Fund will support a portion of the proposed Water Resources Manager position. This position will have oversight of water supply development, including specific responsibility for the groundwater management program and development of recycled water projects to increase the City's delivery of tertiary treated wastewater for suitable purposes. Also in FY 2016, the Wastewater Fund will support the addition of two WPCF Operator-in-Training (OIT) positions, which allows the City to hire non-certified individuals and provide them the training and work experience necessary to become certified Operators.

The near-term budget deficit has been addressed through appropriate rate adjustments and prudent spending constraints. The Fund is expected to be out of deficit by FY 2017.

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

Forecast

Wastewater Maintenance & Operations Funds 610

	FY 2014 Actual	FY 2015 Revised	FY 2015 Estimated	FY 2016 Adopted	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Beginning Fund Balance	**12,021,538**	**14,424,549**	**14,424,549**	**15,891,992**	**15,137,882**	**15,474,426**	**15,995,170**	**16,875,714**
Program Revenues								
Sewer Service Charges	19,008,673	18,600,000	18,600,000	19,000,000	19,600,000	20,200,000	20,400,000	20,900,000
Sewer Connection Fees	5,414,073	4,000,000	4,000,000	4,500,000	3,000,000	3,000,000	3,000,000	3,000,000
Other Revenues	280,749	96,000	96,000	96,000	96,000	96,000	96,000	96,000
Interest	80,389	71,000	71,000	66,000	63,000	64,000	67,000	71,000
Transfers In	2,030,112	1,950,520	1,950,520	1,951,645	1,951,675	1,734,775	1,735,375	1,584,075
Total Revenues	26,813,996	24,717,520	24,717,520	25,613,645	24,710,675	25,094,775	25,298,375	25,651,075
Expenditures								
Personnel	5,794,605	7,095,215	7,095,215	7,738,008	8,124,900	8,409,300	8,829,800	9,227,100
Non-Personnel	8,327,178	9,209,566	7,991,784	9,354,669	8,512,231	8,414,731	7,824,031	7,656,131
Transfers Out	10,289,202	8,163,078	8,163,078	9,275,078	7,737,000	7,750,000	7,764,000	7,778,000
Total Expenditures	24,410,985	24,467,859	23,250,077	26,367,755	24,374,131	24,574,031	24,417,831	24,661,231
Annual Surplus/(Shortfall)	2,403,011	249,661	1,467,443	(754,110)	336,544	520,744	880,544	989,844
Ending Fund Balance	**14,424,549**	**14,674,210**	**15,891,992**	**15,137,882**	**15,474,426**	**15,995,170**	**16,875,714**	**17,865,558**

Assumptions

- Wastewater service charges revenue for FY 2016 and FY 2017 are based on proposed average rate adjustments of 3 percent per year to be considered by the City Council in July 2015 and effective October 1, 2015. Planning level rate adjustments in following years range from 0 to 3 percent per year.
- No increases assumed in other revenue sources.
- Beginning in FY 2016, the Wastewater Fund will support a portion of a proposed Water Resources Manager, responsible for water supply development, specifically Recycled Water. The Wastewater Fund will also support two Operator-in-Training positions beginning in FY 2016.
- Debt service obligation of about $4,200,000 annually, of which nearly 50 percent is paid from Capital Improvement and Replacement Funds.

STORMWATER MAINTENANCE & OPERATIONS FUND

The Stormwater Maintenance & Operations Enterprise Fund provides funding for 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, do not change 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.

The Fund projects an annual shortfall starting in FY 2015. While there is adequate fund balance to cover the gap in the near term, absent new revenues, the only option to balance the fund in the future will be to either transfer funds from other City funds fund balance or reduce expenses.

Forecast

Stormwater Maintenance & Operations Funds 615

	FY 2014 Actual	FY 2015 Revised	FY 2015 Estimated	FY 2016 Adopted	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Beginning Fund Balance	**3,110,457**	**3,344,659**	**3,344,659**	**3,279,361**	**3,388,841**	**3,399,841**	**3,374,241**	**3,289,541**
Program Revenues								
Stormwater Fees	2,018,628	2,000,000	2,000,000	2,010,000	2,015,000	2,020,000	2,025,000	2,030,000
Street Cleaning Fees	750,281	680,000	680,000	700,000	750,000	770,000	790,000	830,000
Inspection Fees	8,294	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Other Revenues	25	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Interest	16,824	16,000	16,000	16,000	17,000	17,000	17,000	16,000
Transfers In	0	0	0	0	0	0	0	0
Total Revenues	2,794,052	2,713,000	2,713,000	2,743,000	2,799,000	2,824,000	2,849,000	2,893,000
Expenditures								
Personnel	1,677,837	1,715,689	1,718,690	1,567,316	1,700,000	1,751,000	1,803,600	1,857,700
Non-Personnel	741,453	938,264	938,264	944,030	963,000	970,700	999,200	1,012,900
Transfers Out	119,214	121,344	121,344	122,174	125,000	127,900	130,900	134,000
Total Expenditures	2,538,504	2,775,297	2,778,298	2,633,520	2,788,000	2,849,600	2,933,700	3,004,600
Annual Surplus/(Shortfall)	255,548	(62,297)	(65,298)	109,480	11,000	(25,600)	(84,700)	(111,600)
Ending Fund Balance	**3,344,659**	**3,282,362**	**3,279,361**	**3,388,841**	**3,399,841**	**3,374,241**	**3,289,541**	**3,177,941**

Assumptions

- No assumed stormwater fee increases
- FY 2017 reflects increase in cleaning fee as a result of the new Franchise Agreement

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

AIRPORT ENTERPRISE FUND

Hayward Executive Airport is a 527 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 207 City-owned hangars and 106 tiedown spaces. In 2014, there were 402 based-aircraft, and total aircraft operations reported by the FAA were 112,726, an increase of twelve percent over the previous year. We anticipate this growth will continue over the next several years. 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.

Analysis

The general aviation industry is emerging from the effects of the recent recession. Correspondingly, there has been an increase in aircraft operations of 12% and a 21% increase in jet fuel sales in FY 2014. The airport's current Fixed Base Operator (FBO) has announced plans to construct new office and hangar facilities. Additionally a second FBO is scheduled to break ground on a new office and hangar facilities in July 2015. As the industry continues to rebound we are forecasting improvements to commission revenues from fuel flowage and increase in land leases. The Airport Fund maintains a healthy fund balance, and the annual shortfalls experienced in prior fiscal years was avoided in FY 2015 due in large part to new development, appropriate rate adjustments, restructuring of landing fees, and prudent spending practices.

Forecast

Airport Operating Fund - Fund 620

	FY 2014 Actual	FY 2015 Adopted	FY 2015 Estimated	FY 2016 Adopted	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Beginning Fund Balance	**2,539,340**	**2,722,381**	**2,722,381**	**2,990,585**	**3,144,188**	**3,389,397**	**3,538,137**	**3,952,992**
Program Revenues								
Rents	2,984,732	2,697,808	2,750,925	2,820,355	2,918,771	2,918,771	3,186,559	3,186,559
Commissions	326,021	320,000	320,404	340,000	455,000	480,000	500,000	530,000
Interest	59,761	42,540	42,540	42,540	42,965	43,825	44,701	45,595
Other Revenues	13,654	12,720	9,000	12,720	12,847	13,104	13,366	13,634
Transfers In	0	0	0	0	0	0	0	0
Total Revenues	3,384,168	3,073,068	3,122,869	3,215,615	3,429,583	3,455,700	3,744,626	3,775,788
Expenditures								
Personnel	1,269,594	1,543,101	1,236,552	1,533,204	1,548,536	1,564,021	1,579,662	1,595,458
Non-Personnel	524,163	660,639	675,698	702,999	710,029	717,129	724,301	731,544
Transfers Out	1,407,370	942,415	942,415	825,809	925,809	1,025,809	1,025,809	1,125,809
Total Expenditures	3,201,127	3,146,155	2,854,665	3,062,012	3,184,374	3,306,960	3,329,771	3,452,811
Annual Surplus/(Shortfall)	183,041	-73,087	268,204	153,603	245,209	148,740	414,855	322,977
Ending Fund Balance	**2,722,381**	**2,649,294**	**2,990,585**	**3,144,188**	**3,389,397**	**3,538,137**	**3,952,992**	**4,275,969**

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

Assumptions

- Hangar rates increase every other year (biennially) In July of odd numbered years (e.g. July 2015, July 2017, etc.). Hangar rates apply to all hangars and storage spaces, excluding tiedowns. The rate adjustment is calculated using a factor of 75 percent 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 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 percent of the gross receipts, whichever amount is greater. The commission from HARD (for the Skywest Golf Course & Restaurant) is calculated at six percent of the first $100,000, eight percent of the next $50,000, and ten percent 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 are decreasing. Measure D funds are a direct function of solid waste deposited in landfills; to the extent that City waste diversion and recycling programs are successfully diverting solid waste from landfills, the amount of Measure D revenue decreases. Staff anticipates the annual disbursement of Measure D funds to stabilize after FY 2016. This will cause an annual shortfall in the fund. The City Council approved an integrated waste management fee to supplement Measure D funds as part of the new solid waste and recycling services franchise agreement in FY 2015. For planning purposes, $360,000/year beginning in FY 2019 is projected for this new fee.

Forecast

Recycling Funds 230/231/232

	FY 2014 Actual	FY 2015 Revised	FY 2015 Estimated	FY 2016 Adopted	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Beginning Fund Balance	**1,516,458**	**1,384,901**	**1,384,901**	**1,098,854**	**999,861**	**761,761**	**503,261**	**582,261**
Program Revenues								
Measure D Funds[1]	408,164	360,000	360,000	340,000	320,000	320,000	320,000	320,000
ACWMA Mitigation Funds	0	0	0	0	0	0	0	0
DOC Grant	0	0	0	0	0	0	0	0
Used Oil Grants/CalRecycle	42,025	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Donations (student contest)	0	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Interest	4,716	7,000	7,000	5,000	5,000	5,000	4,000	3,000
Waste Reduction-Recycling Grants	0	0	0	0	0	0	0	0
Schools Recycling Program	0	0	0	0	0	0	0	0
Integrated Waste Management Fee [1]	0	0	0	0	0	0	360,000	370,000
Reimb for Delinquent Assessment	0	10,000	15,262	10,000	10,000	10,000	10,000	10,000
Reimb for Franchise Agreement Admin [2]	0	0	0	100,000	0	0	0	0
Total Revenues	454,905	419,500	424,762	497,500	377,500	377,500	736,500	745,500
Expenditures								
Personnel	348,198	399,288	399,288	381,387	397,000	413,000	430,000	447,000
Non-Personnel	156,076	232,831	229,333	133,833	134,800	136,700	138,600	140,600
Transfers Out	82,188	82,188	82,188	81,273	83,800	86,300	88,900	91,600
Total Expenditures	586,462	714,307	710,809	596,493	615,600	636,000	657,500	679,200
Annual Surplus/(Shortfall)	(131,557)	(294,807)	(286,047)	(98,993)	(238,100)	(258,500)	79,000	66,300
Ending Fund Balance	**1,384,901**	**1,090,094**	**1,098,854**	**999,861**	**761,761**	**503,261**	**582,261**	**648,561**

(1) Integrated Waste Management Fee approved as per the Solid Waste and Recycling Franchise Agreement

(2) Reimbursement from WMAC for consulting services fees incurred in FY 2015 as a result of Franchise Agreement negotioations

Assumptions

- No assumed Measure D fund increases.
- Integrated Waste management fee assumed in FY 2019, with projected annual revenue of $360,000.

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

FACILITY MANAGEMENT OPERATION FUND

Facility Management is part of the Maintenance Services Department and is responsible for maintenance and repair of City facilities. 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. Capital projects are budgeted in the Facilities Capital Improvement Fund (fund 726) to repair/replace aged HVAC units, roofs, flooring and window coverings, and all other facility repair/replacement needs. Program revenue is generated by service fees charged to other City departments, based on operation, maintenance, repair, and capital improvement of City facilities.

Forecast

Facility Management Operating Fund - Fund 725

	FY 2013 Actual	FY 2014 Actuals	FY 2015 Adopted	FY 2015 Projected	FY 2016 Adopted	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Beginning WC Fund Balance	**139,438**	**226,845**	**255,006**	**255,005**	**139,629**	**2,141**	**(180,780)**	**(452,769)**	**(930,271)**
Revenue									
Operational Service Rate	3,462,744	3,462,746	3,601,254	3,601,254	3,601,254	3,601,254	3,601,254	3,601,254	3,601,254
Rental Fees	69,277	34,559	32,000	22,000	22,000	22,000	22,000	22,000	22,000
Other Revenue	14,609	118,052	114,000	119,753	114,000	114,000	114,000	-	
Total Revenues	3,546,630	3,615,357	3,747,254	3,743,007	3,737,254	3,737,254	3,737,254	3,623,254	3,623,254
Expenditures									
Staffing	1,125,337	1,161,037	1,307,881	1,195,081	1,287,940	1,313,699	1,339,973	1,366,772	1,394,108
Utilities	748,013	832,418	843,796	840,472	848,875	848,875	878,586	909,336	941,163
Maintenance	330,817	384,894	276,756	406,386	320,745	322,490	328,940	335,519	342,229
Janitorial and Security Service	388,327	408,485	427,965	464,554	456,824	470,535	484,651	499,191	514,166
Supplies and Services	298,611	209,146	198,486	229,154	237,622	237,622	242,374	247,222	252,166
Debt Service - 2 Loans	163,438	172,897	168,138	168,138	168,138	168,138	168,138	168,138	168,138
ISF: Fleet and Tech Svcs	104,811	101,039	113,992	113,992	113,992	113,992	117,412	120,934	124,562
GF Cost Allocation, Self-Insur	139,870	137,280	140,606	140,606	140,606	144,824	149,169	153,644	158,253
Transfer to Facility CIP	160,000	180,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Total Expenditures	3,459,223	3,587,196	3,777,620	3,858,383	3,874,742	3,920,175	4,009,243	4,100,756	4,194,785
Annual Surplus/(Shortfall)	87,407	28,161	(30,366)	(115,376)	(137,488)	(182,921)	(271,989)	(477,502)	(571,531)
Ending WC Fund Balance	**226,845**	**255,006**	**224,640**	**139,629**	**2,141**	**(180,780)**	**(452,769)**	**(930,271)**	**(1,501,802)**

Assumptions

- *Revenue growth rate – A z*ero percent growth rate is applied to the operational service rate – the fee charged to other City departments, based on operation, maintenance, and repair of City facilities. The lack of revenue growth results in a negative fund balance beginning in FY 2017; future rate increases will need to be considered to balance.

- *Expense growth rate* - 3 percent growth rate is applied to forecasted budgets for staff, maintenance, supplies, services, along with transfers out, which include the General Fund Cost Allocation and Self-Insurance charges.

- *Working Capital Balance* - The Facilities Operating Fund plans to utilize its positive working capital balance in FY 2016.
  - Future rate increases are needed to balance FY 2017+.
  - Staff is in the process of performing a comprehensive facilities needs analysis, from which a long-term funding mechanism will be sought for the timely replacement of infrastructure which, if left unaddressed, may compromise City facilities.

- *Facility Capital Projects* - Beginning in FY 2011, the Facilities Operating Fund began self-funding its capital improvement projects through service rates. Facilities capital improvement projects are presented in the ten-year Capital Improvement Program budget (fund 726). Beginning in FY 2015, $300,000 is transferred annually from the Facilities Management Operating Fund for capital projects.

Ten Year **Facilities Capital Improvement Project Contributions** *($ in 1,000's)*									
FY 11	**FY 12**	**FY 13**	**FY 14**	**FY 15**	**FY 16**	**FY 17**	**FY 18**	**FY 19**	**FY 20**
$65k	$80k	$160k	$180k	$300k	$300k	$300k	$300k	$300k	$300k

- *Facility Management Debt Service*- The Facilities ISF supports debt service payments for two loans:

  - **2005 Certificate of Participation (COP) - $1,035,000:** The City entered into a lease purchase agreement to purchase a solar powered electrical 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 (CEC 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.

  More detailed debt service information is reflected in the Debt section of this document.

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

FLEET MANAGEMENT OPERATIONS FUND

Fleet Management is part of the Maintenance Services Department and provides for the operation, maintenance, repair, and acquisition of a City fleet of over 420 vehicles and related equipment. Fleet Management is responsible for performing preventative maintenance services, vehicle repairs, State mandated inspections, and complying with all applicable hazardous material regulations for the City's fleet. Program revenue is generated by service fees charged to other City departments, based on operation, maintenance, and repair of vehicles and equipment.

Forecast

Fleet Management Operating Fund - Fund 735

	FY 2014 Actual	FY 2015 Adopted	FY 2015 Projected	FY 2016 Adopted	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Beginning WC Fund Balance	**1,084,198**	**1,262,421**	**1,262,421**	**979,042**	**649,741**	**501,763**	**538,638**	**761,417**
Program Revenue								
Operational Service Rate	4,125,716	4,231,126	4,231,126	4,315,772	4,402,087	4,490,129	4,579,932	4,671,530
Other Revenues	173,957	-	2,000	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-
Total Revenue/Resources	**4,299,674**	**4,231,126**	**4,233,126**	**4,315,772**	**4,402,087**	**4,490,129**	**4,579,932**	**4,671,530**
Expenditures								
Staffing	1,044,297	1,184,720	1,214,720	1,199,089	1,235,062	1,272,114	1,310,277	1,349,586
Debt Service (CIP Vehicle Purchase)	957,084	1,217,312	1,144,841	1,184,636	985,816	782,076	575,839	575,839
Fuel	1,010,506	1,110,616	1,050,000	1,102,500	1,135,575	1,169,642	1,204,732	1,240,873
Maintenance, Repair, and Other Op Costs	828,911	738,899	838,899	882,100	908,563	935,820	963,894	992,811
ISF: Facilities and Tech Svcs	125,687	111,571	111,571	120,275	123,883	127,600	131,428	135,371
GF Cost Allocation, Self-Insur	154,965	156,473	156,473	156,473	161,167	166,002	170,982	176,112
Total Expenditures	**4,121,450**	**4,519,591**	**4,516,504**	**4,645,073**	**4,550,066**	**4,453,254**	**4,357,152**	**4,470,592**
Annual Surplus/(Shortfall)	178,223	(288,465)	(283,379)	(329,301)	(147,979)	36,875	222,780	200,939
Ending WC Fund Balance	**1,262,421**	**973,956**	**979,042**	**649,741**	**501,763**	**538,638**	**761,417**	**962,356**

Assumptions

- *Revenue assumptions* – A 2% growth rate is applied to the operational service rate – the fee charged to the City's customer departments, based on operation, maintenance, and repair of vehicles and equipment.

- *Operating expense assumptions* –
  - A 3% growth rate is applied for staff expense.
  - A 3% growth rate is applied for fuel expense.
  - A 3% growth rate is applied for auto parts, and other operational expenses.
  - A 3% growth rate is applied the General Fund Cost Allocation and the Risk Management Self Insurance charges.
  - Debt service expense is based on the debt payment schedule, reflected in the debt section of the budget document. FY 2017 will be the last year that fleet management is planning to take out a bank loan to fund a vehicle replacement. Debt expense starts to decline in FY 2017 as vehicle loans are paid off.

- *Working Capital Balance* –
  - The Fleet Operating Fund has a positive working capital balance and will be drawing down on its balance in FY 2016 and in FY 2017.

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

Fleet Capital Replacement Fund

Fleet Management maintains a ten-year vehicle and equipment replacement plan. Replacement funds are collected from the City's customer departments to fund future purchase of new and replacement vehicles and equipment.

- General Fund Vehicle and Equipment Replacement – In FY 2013, the General Fund began an annual contribution to the Fleet Capital Replacement fund in the form of a fund transfer. Starting in FY 2015, a replacement funding contribution was also incorporated in customer fleet rates. Replacement funds are collected and then deposited into the Fleet Capital Replacement Fund.

Ten Year
General Fund Vehicle and Equipment Cash Contribution Overview *($ in 1,000s)*

	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
Cash	$0	$0	$500	$600	$1,000	$1,500	$2,000	$2,500	$3,000	$3,000
Loans	$3,170	$815	$520	$1,359	$1,267	$800	$0	$0	$0	$0
Total	**$3,170**	**$815**	**$1,020**	**$1,959**	**$2,267**	**$2,300**	**$2,000**	**$2,500**	**$3,000**	**$3,000**

- Enterprise Fund (EF) Vehicle and Equipment Replacement – In FY 2011, an annual contribution amount based on the replacement value of each enterprise funds vehicles and equipment was initiated. Replacement funds are collected and then deposited into the EF fleet capital account, where new and replacement vehicles and equipment are purchased from. In FY 2016, Wastewater and Water replacement rates were reduced to coincide with a change in life cycle assumptions.

Ten Year
Enterprise Fund Vehicle and Equipment Cash Contribution Overview *($ in 1,000s)*

Fund	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
Airport	$71	$71	$71	$71	$71	$71	$71	$71	$71	$71
Stormwater	$85	$85	$85	$85	$155	$85	$85	$85	$85	$85
Wastewater	$240	$240	$590	$240	$640	$215	$215	$215	$215	$215
Water	$286	$286	$286	$286	$286	$180	$180	$180	$180	$180
Total	**$682**	**$682**	**$1032**	**$682**	**$1,152**	**$551**	**$551**	**$551**	**$551**	**$551**

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 2014 Actual	FY 2015 Adopted	FY 2015 Adjusted	FY 2015 Estimated	FY 2016 Adopted	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Beginning Fund Balance	**601,433**	**591,014**	**591,014**	**591,014**	**423,672**	**423,672**	**423,792**	**424,949**	**427,451**
Program Revenues									
Information Technology Fee	4,057,173	4,997,119	3,633,720	4,997,119	5,678,708	5,849,069	6,033,315	6,223,364	6,419,400
Technology Capital Fee	0	0	0	0	606,000	606,000	610,000	614,000	618,000
PEG Revenue	252,977	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000
Other Revenue	32,477	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
Fund Interest	495	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Transfers In	0	0	0	0	0	0	0	0	0
Total Revenues	4,343,122	5,255,119	3,891,720	5,255,119	6,542,708	6,713,069	6,901,315	7,095,364	7,295,400
Expenditures									
Personnel	2,350,810	2,508,579	2,212,795	2,508,579	3,046,743	3,138,145	3,232,290	3,329,258	3,429,136
Non-Personnel	1,809,202	2,528,933	2,112,869	2,692,181	2,692,633	2,773,412	2,856,614	2,942,313	3,030,582
Transfers Out	193,529	221,701	187,880	221,701	795,701	801,392	811,254	821,291	831,510
Total Expenditures	4,353,541	5,259,213	4,513,544	5,422,461	6,535,077	6,712,949	6,900,158	7,092,863	7,291,228
Annual Surplus/(Shortfall)	-10,419	-4,094	-621,824	-167,342	7,631	120	1,157	2,502	4,172
Ending Fund Balance	**591,014**	**586,920**	**-30,810**	**423,672**	**431,303**	**423,792**	**424,949**	**427,451**	**431,623**

Assumptions

- Fees increased in FY 2016 due to additional authorized staffing, software maintenance fees and cloud service subscription fees
- In FY 2015 Council authorized the use of $40,748 of fund balance reserves for primary website redesign and automated license plate reader system one time expenditures.

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 2016 the projected total charges are $5,678,708 and represent Information Technology Fee revenue to the fund.

What is included?

The fee covers the cost of Information Technology operations, including 17 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:

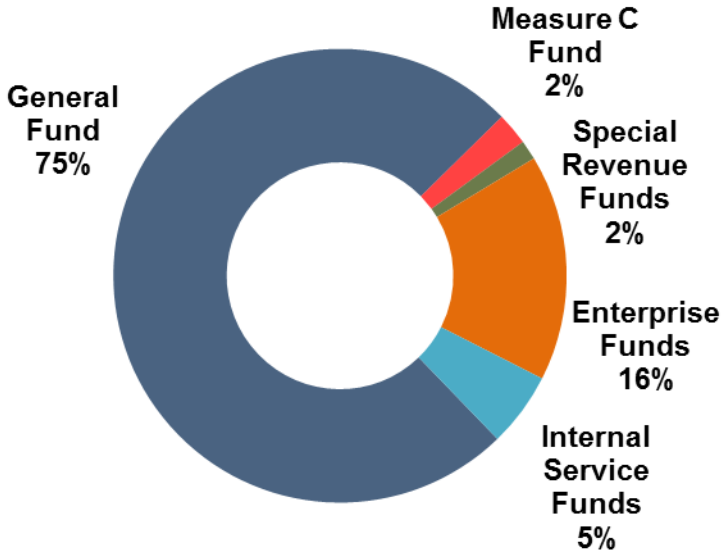
- ✓ Payroll system for all City employees
- ✓ Procurement and payment system for goods and services for departments
- ✓ Billing system for services provided by departments to residents, businesses and customers.
- ✓ Email, word processing, spreadsheet applications for City staff
- ✓ Network infrastructure 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 $606,000 for capital replacement begins 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 2016 Adopted Budget includes a total of 864.2 full time equivalent (FTE) positions. The majority of City staffing (75 percent or 646.7 FTE) is funded in the General Fund, with the remaining 25 percent spread out in the Measure C Fund, Special Revenue Funds, Enterprise Funds, and Internal Service Funds.



Compared to FY 2015, total staffing has grown by 40 FTE positions. This growth is largely in non-General Fund funds, with 20 FTE a result of new Measure C funding.

Total FTE by Funding Type

Fund Type	FY 2015 Adopted	FY 2016 Adopted	change
General Fund	642.7	646.7	4.0
Measure C Fund	0	20.0	20.0
Special Revenue Funds	15	12	-3.0
Enterprise Funds	125.5	139.6	14.1
Internal Service Funds	41	45.9	4.9
Citywide Total	824.2	864.2	40.0

CITYWIDE STAFFING SUMMARY BY DEPARTMENT - GENERAL FUND

	FY 2013 Adopted	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted
Mayor & City Council Department	8	8	8	7
City Attorney Department	5	5	6	6
City Clerk Department	4	4	4	4
City Manager Department	19	22	22	23
Development Services Department	30	32	36	39
Finance Department	20.5	22	25	23.3
Fire Department	133.5	134.5	135.5	135.5
Human Resources Department	7	7	9	8.8
Information Technology Department	0	0	0	0
Library & Community Services Dept.	33.55	33.55	34.2	37.2
Maintenance Services Department	26	26	27	22.29
Police Department	303	303	304	306.5
Public Works-Engineering & Transp. Dept.	32	32	32	33.9
Utilities & Environmental Services Dept.	0	0	0	0.25
	621.55	**629.05**	**642.7**	**646.7**

CITYWIDE STAFFING SUMMARY - BY FUND

		FY 2013 Adopted	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted
General Fund					
100	General Fund [1]	**621.6**	**629.1**	**642.7**	**646.7**
101	Measure C Fund	**0.0**	**0.0**	**0.0**	**20.0**
Special Revenue Funds					
220	Neighborhood Promise Grant Fund	0	2	2	2
230	Recycling Fund	3	3	3	0
223	CDBG-Housing Rehab Loan Fund	2	0	0	0
225	Community Development Block Grant Fund[4]	2	4	4	0
227	CDBG-Small Business Loan Fund	0	0	0	0
232	Measure D Fund[5]	0	0	0	2.8
245	Housing Authority	0	0	0	0
246	Affordable Housing	1	2	2	2
217	Measure B - Paratransit Fund[6]	1	1	2	3
-	Redevelopment Agency Operating Fund	0	0	0	0
266-281	LLD #1 - #13 and Maint Dist #1 and #2[7]	0	0	0	0.3
295	South Hayward BART JPA Fund[8]	0	0	0	0.01
815	Redevelopment Successor Agency	2	2	2	2
		11	**14**	**15**	**12.04**
Enterprise Funds					
615	Stormwater Operating Fund[9]	9	10	10	13.2
610	Wastewater Operating Fund[10]	42	43	46	57.2
605	Water Operating Fund[11]	58.4	58.5	58.5	57.3
620	Airport Operating Fund[12]	11	11	11	12.02
		120.4	**122.5**	**125.5**	**139.62**
Internal Service Funds					
705	Worker's Compensation Fund[13]	2	2	3	3.2
710	General Liability Insurance Fund	3	3	3	3
725	Facilities Management Fund[14]	8	8	9	9.3
730	Information Technology Fund[15]	15.5	17	17	21
735	Fleet Management[16]	9	8	9	9.4
		37.5	**38.0**	**41.0**	**45.9**
		790.5	**803.6**	**824.2**	**864.2**

CITYWIDE STAFFING SUMMARY - BY FUND

Staffing Changes:

1. Addition of 4.0 FTE in General Fund
2. Addition of 20.0 FTE in Measure C Fund
3. Deletion of 3.0 FTE in State Grants/Recycling Fund
4. Deletion of 4.0 FTE in Community Development Block Grand Fund
5. Addition of 2.75 FTE in Measure D Fund
6. Addition of 1.0 FTE in Measure B-Paratransit Fund
7. Addition of .28 FTE in LLD #1 - #13 and Maint Dist #1 and #2
8. Addition of .01 FTE in South Hayward BART JPA Fund
9. Addtion of 3.15 FTE in Stormwater Operating Fund
10. Addition of 11.15 FTE in Wastewater Operating Fund
11. Deletion of 1.2 FTE in Water Operating Fund
12. Addition of 1.02 FTE in Airport Operating Fund
13. Addition of .2 FTE un Workers Compensation Fund
14. Addtion of .3 FTE in Facilities Management Fund
15. Addition of 3.0 FTE in Information Technology Fund
16. Addtion of .35 FTE in Fleet Management Fund

CITYWIDE STAFFING SUMMARY BY DEPARTMENT - ALL FUNDS

	FY 2013 Adopted	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted
Mayor & City Council Department[1]	8	8	8	7
City Attorney Department	8	8	9	9
City Clerk Department	4	4	4	4
City Manager Department[2]	22	28	27	30
Development Services Department[3]	30	32	36	39
Finance Department[4]	27.4	29	32	35
Fire Department	133.5	134.5	135.5	135.5
Human Resources Department	9	9	12	12
Information Technology	15.5	17	17	17
Library & Community Services Department[5]	39.55	38.55	40.2	42.2
Maintenance Services Department[6]	53	53	56	61
Police Department[7]	303.0	303.0	304.00	321.5
Public Works-Engineering & Transportation[8]	43	43	44	46
Utilities & Environmental Services[9]	95.5	96.5	99.5	105
	791.45	**803.55**	**824.2**	**864.2**

Staffing Changes:

1. Deletion of 1.0 FTE Mayor & City Council Department
2. Addition of 3.0 FTE City Manager Department
3. Addition of 3.0 FTE Development Services Department.
4. Addition of 3.0 FTE Finance Department
5. Addition of 2.0 FTE Library & Community Services Department.
6. Addition of 5.0 FTE Maintenance Services Department.
7. Addition of 17.5 FTE Police Department.
8. Addition of 2.0 FTE Public Works-Engineering & Transportation Department.
9. Addition of 5.5 FTE Utilities & Environmental Services Department.

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2013 Adopted	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted
MAYOR & CITY COUNCIL DEPARTMENT				
City Councilmembers	6	6	6	6
Executive Assistant	1	1	1	0
Mayor	1	1	1	1
	8	**8**	**8**	**7**
CITY ATTORNEY DEPARTMENT				
Assistant City Attorney	4	3	4	4
City Attorney	1	1	1	1
Deputy City Attorney II	1	2	1	1
Legal Secretary I/II	2	2	2	1
Paralegal	0	0	1	2
	8	**8**	**9**	**9**
CITY CLERK DEPARTMENT				
Administrative Analyst I/II	0	0	0	1
City Clerk	1	1	1	1
Deputy City Clerk	1	1	1	1
Senior Secretary	2	2	2	1
	4	**4**	**4**	**4**
CITY MANAGER DEPARTMENT				
Administrative Analyst I/II	0	1	1	1
Administrative Clerk I/II	1	3	3	3
Assistant City Manager	1	1	1	1
Audio Video Specialist	0	0	0	1
City Manager	1	1	1	1
Code Enforcement Inspector I/II	0	8	7	7
Code Enforcement Supervisor	1	1	1	1
Community & Media Relations Officer	1	1	1	1
Community Preservation Inspector	4	0	0	0
Community Service Officer	0	1	1	1
Economic Development Coordinator	1	0	0	0
Economic Development Manager	1	1	1	1
Economic Development Specialist	0	2	2	2
Executive Assistant	1	1	1	2
Housing Development Specialist	1	1	1	0
Housing Inspector	3	0	0	0
Housing Manager	0	0	0	0
Management Fellow	1	1	1	1
Neighborhood Development Manager	1	1	1	1
Neighborhood Partnership Manager	1	1	0	0
Redevelopment Project Manager	1	0	0	0
Secretary	1	1	1	0
Senior Code Enforcement Inspector	0	1	2	2
Senior Secretary	1	1	1	2
Video Assistant	0	0	0	1

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2013 Adopted	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted
Web Design/Developer	0	0	0	1
	22	**28**	**27**	**30**
DEVELOPMENT SERVICES DEPARTMENT				
Administrative Analyst I/II	0	1	1	1
Administrative Clerk I/II	0	1	2	3
Administrative Secretary	1	1	1	1
Assistant Planner	0	0	1	1
Associate Planner	3	3	3	3
Building Inspector	3	3	3	3
City Building Official	1	1	1	1
Deputy Director of Development Services	0	0	1	1
Development Review Engineer	1	1	1	1
Development Review Specialist	0	0	1	1
Development Services Director	1	1	1	1
Graphics/Planning Illustrator	1	1	1	1
Landscape Architect	1	1	1	1
Permit Technician	4	4	4	4
Plan Checker	2	2	2	1
Plan Checking Engineer	1	1	1	1
Planning Manager	1	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 Permit Technician	1	1	1	1
Senior Plan Checker	1	1	0	1
Senior Planner	2	2	2	3
Senior Secretary	1	1	1	1
Supervising Building Inspector	0	0	0	1
Supervising Plan Checker & Expeditor	0	0	1	1
	30	**32**	**36**	**39**
FINANCE DEPARTMENT				
Accountant	0	0	1	1
Accounting Manager	1	1	1	1
Accounting Technician	3	3	0	0
Administrative Analyst II	0	0	1	2
Administrative Clerk I	0.4	0	0	0
Budget Officer	0	0	0	1
Customer Account Clerk	6	7	6	6
Data Systems Operator	0	0	0	1
Deputy Director of Finance	0	1	1	1
Director Of Finance	1	1	1	1
Door Hanger Clerk	0	0	0	1
Finance Analyst	2	1	2	0
Finance Supervisor	1	1	0	0
Finance Technician	1	2	6	6

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2013 Adopted	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted
Mail & Purchasing Clerk	1	1	1	1
Purchasing & Services Manager	1	1	1	1
Purchasing Technician	1	1	1	1
Revenue Manager	0	1	1	1
Senior Account Clerk	2	2	4	4
Senior Accountant	1	1	1	1
Senior Accounting Technician	3	2	0	0
Senior Customer Account Clerk	3	3	4	5
	27.4	**29**	**32**	**35**
FIRE DEPARTMENT				
Administrative Analyst I/II	0	0	1	1
Administrative Analyst III	1	1	1	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	0	0	0	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 Technician I/II	3	3	2	2
Fire Training Officer	1	1	1	1
Firefighter (56 Hr)	41	41	41	41
Hazardous Materials Investigator	2	2	2	2
Hazardous Materials Program Coordinator	1	1	1	1
Mail Clerk	0.5	0.5	0.5	0.5
Senior Secretary	0	0	1	1
Staff Fire Captain	2	3	3	3
	133.5	**134.5**	**135.5**	**135.5**
HUMAN RESOURCES DEPARTMENT				
Administrative Intern	0	0	1	1
Human Resources Administrative Secretary	1	0	0	0
Human Resources Analyst I/II	4	4	4	4
Human Resources Director	1	1	1	1
Human Resources Manager	1	1	0	0
Human Resources Technician	2	3	4	4
Senior Human Resources Analyst	0	0	2	2
	9	**9**	**12**	**12**
INFORMATION TECHNOLOGY DEPARTMENT				
Administrative Secretary	1	1	1	1
Audio Video Specialist	1	1	1	0

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2013 Adopted	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted
Data & Systems Coordinator	1	1	1	0
Data Systems Operator	1	1	1	0
Geographic Info Systems Coordinator	1	1	1	0
GIS Analyst	0	0	0	1
GIS Technician	0	0	0	1
Information Systems Manager	1	1	1	0
Information Technology Director	1	1	1	1
Information Technology Manager	0	0	0	3
IT Analyst I/II	1	1	1	2
IT Technician I/II	0	0	0	4
Network Systems Specialist	1	1	1	0
Network/Microsystem Specialist	3	3	3	0
Programmer Analyst	2	2	2	3
Technology Solutions Analyst I/II	0	1	1	1
Video Assistant	0.5	1	1	0
Web Specialist	1	1	1	0
	15.5	**17**	**17**	**17**
LIBRARY & COMMUNITY SERVICES DEPARTMENT				
Administrative Analyst I/II	2	3	3	3
Administrative Clerk I/II	0.25	0.25	0	1
Administrative Secretary	1	1	1	1
Community Services Manager	0	1	1	1
Educational Services Coordinator	1	1	1	0
Housing Development Specialist	0	0	0	1
Information Systems Support Technician	1	1	1	1
Lead Library Assistant	1	1	1	3
Librarian I	6.5	6.5	6.5	6.5
Library & Community Services Director	1	1	1	1
Library Assistant	7.5	7.5	8.5	8.5
Library Operations Manager	1	1	1	1
Library Page	3.9	3.9	3.9	3.9
Literacy Program Coordinator	1	1	1	1
Paratransit Coordinator	1	0	0	0
Secretary	1	0	0	0
Senior Library Assistant	3	3	3	1
Senior Library Page	2.4	2.4	1.8	1.8
Senior Property Rehabilitation Specialist	1	1	1	1
Social Services Planning Manager	1	0	0	0
Supervising Librarian I	3	3	3	4
Volunteer Program Assistant	0	0	1.5	1.5
	39.55	**38.55**	**40.2**	**42.2**
MAINTENANCE SERVICES DEPARTMENT				
Administrative Analyst I/II	2	2	2	2
Administrative Secretary	1	1	1	1
Director Of Maintenance Services	1	1	1	1
Electrician I/II	1	1	1	1
Equipment Mechanic I/II	6	5	6	6

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2013 Adopted	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted
Equipment Parts Storekeeper	1	1	1	1
Facilities & Building Manager	1	1	1	1
Facilities Carpenter II	2	2	2	2
Facilities Painter I	1	1	1	0
Facilities Painter II	1	1	1	1
Facilities Service Worker II	1	1	1	2
Fleet Management Supervisor	1	1	1	1
Groundskeeper I/Laborer	10	10	10	12
Groundskeeper II	3	3	3	2
Groundskeeper III	1	1	1	1
HVAC Mechanic	0	0	1	1
Landscape Maintenance Supervisor	1	1	1	1
Maintenance Leader	2	2	2	3
Maintenance Worker/Laborer	6	6	7	9
Secretary	1	1	0	0
Senior Maintenance Leader	1	2	2	2
Senior Secretary	1	1	2	2
Senior Sweeper Equipment Operator	1	0	0	0
Streets Maintenance Manager	0	0	1	1
Streets Maintenance Supervisor	1	1	0	0
Sweeper Equipment Operator	4	5	5	5
Tree Trimmer	2	2	2	3
	53	**53**	**56**	**61**
POLICE DEPARTMENT				
Administrative Analyst III	1	1	1	0
Administrative Secretary	2	2	2	2
Animal Care Attendant	8	8	8	5
Animal Control Officer	1	2	2	3
Animal Services Administrator	1	1	1	1
Animal Services Supervisor	1	0	0	0
Animal Shelter Supervisor	2	2	2	0
Call Taker	0	0	0	8
Chief Of Police	1	1	1	1
Communications Administrator	1	1	1	1
Communications Operator	19	19	19	19
Communications Supervisor	4	4	4	5
Community Service Officer	21	20	19	21
Counseling Supervisor	1	1	1	1
Crime Analyst	1	1	1	1
Crime Analyst Supervisor	0	0	0	1
Crime Prevention Specialist	2	2	2	2
Crime Scene Technician	4	4	4	4
Family Counselor I	8	8	8	8
Inspector	10	7	5	2
Jail Administrator	0	0	0	1
Jail Supervisor	4	4	4	4
Latent Fingerprint Examiner	0	0	0	1
Operations Support Services Manager	1	1	1	1

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2013 Adopted	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted
Personnel & Training Administrator	0	1	1	1
Police Captain	2	2	3	3
Police Lieutenant	11	11	10	10
Police Officer	142	144	147	153
Police Programs Analyst I/II	1	1	1	1
Police Records Clerk II	17	17	16	15
Police Records Supervisor	0	0	0	0
Police Sergeant	25	26	27	28
Property & Evidence Supervisor	1	1	1	0
Property Technician	2	2	3	4
Property/Evidence Administrator	1	1	1	1
Records Administrator	1	1	1	1
Records Supervisor	3	3	3	2
Reserve Officer Coordinator	0	0	0	0.5
Secretary	3	3	3	5
Senior Management Analyst	0	0	0	1
Shelter Operations Supervisor	0	0	0	2
Shelter Volunteer Coordinator	0	0	0	1
Youth & Family Services Administrator	1	1	1	1
	303.00	**303.00**	**304.00**	**321.5**
PUBLIC WORKS-ENGINEERING & TRANSPORTATION				
Administrative Analyst I/II	2	2	2	2
Administrative Secretary	0	0	1	1
Airport Maintenance Worker	4	4	4	4
Airport Manager	1	1	1	1
Airport Operations Supervisor	1	1	1	1
Assistant City Engineer	1	1	1	1
Assistant Transportation Engineer	1	1	1	1
Assoc Civil Engineer/Assist Civil Engineer	9	9	9	8
Assoc Transportation Engineer	1	1	1	1
Assoc Transportation Planner	0	0	1	1
Construction Inspector	3	3	3	4
Director of Engineering & Transportation	1	1	1	1
Engineering Technician	4	4	4	4
Noise Abatement Analyst	1	1	1	1
Secretary	2	2	2	2
Senior Airport Maintenance Worker	1	1	1	1
Senior Civil Engineer	1	1	1	2
Senior Construction Inspector	2	2	2	2
Senior Secretary	3	3	2	2
Senior Transportation Engineer	1	1	1	1
Supervising Construction Inspector	1	1	1	1
Survey Engineer	0	0	0	1
Surveyor	1	1	1	1
Traffic Signal Technician	1	1	1	1
Transportation Manager	1	1	1	1
	43	**43**	**44**	**46**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2013 Adopted	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted
UTILITIES & ENVIRONMENTAL SERVICES				
Administrative Analyst I/II	1	1	1	2
Administrative Analyst III	1	1	1	0
Administrative Intern	0	0	0	0.5
Administrative Secretary	2	2	1	1
Assoc Civil Engineer/Assist Civil Engineer	2.5	2.5	2.5	2.5
Backflow/Cross Connection Tester	1	1	1	1
Chemist	0	0	0	1
Cross Connection Control Specialist	1	1	1	1
Director of Utilities & Environmental Services	1	1	1	1
Electrician I/II	5	5	5	5
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	1	1	1	1
Operator in Training	0	0	0	2
Recycling Specialist	1	1	1	0
Secretary	3	2	2	2
Senior Water Pollution Source Control Inspecto	1	1	1	1
Senior Management Analyst	0	0	0	1
Senior Secretary	2	2	3	3
Senior Utilities Engineer	2	2	2	2
Senior Utility Customer Service Leader	1	1	1	1
Senior Utility Leader	2	2	1	1
Senior Utility Leader - Sewer	0	0	1	1
Senior Utility Service Representative	1	1	1	1
Sewer Collection System Maintenance Supervis	0	0	1	0
Solid Waste Manager	1	1	1	1
Storekeeper - Expediter	1	1	1	1
Sustainability Technician/Assistant	0	1	1	1
Technical Intern	0.5	0.5	0.5	0.5
Utilities Field Services Supervisor	1	1	1	1
Utilities Maintenance Mechanic	9	9	9	9
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	5	5	3	3
Utility Leader - Sewer	0	0	2	2
Utility Worker - Sewer/Laborer	0	0	6	6
Utility Worker/Laborer	15	15	11	11
Wastewater Collections Sys Supervisor	0	0	0	1
Water Meter Mechanic	3	3	3	3
Water Meter Reader	2.5	2.5	2.5	2.5
Water Pollution Control Administrator	1	1	1	1
Water Pollution Control Facility (WPCF) Manag	1	1	1	1
Water Pollution Source Control Inspector	3	3	3	3
Water Resources Manager	0	0	0	1

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2013 Adopted	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted
WPCF Lead Operator	6	6	6	6
WPCF Maintenance Supervisor	1	1	1	1
WPCF Operations & Maintenance Manager	0	1	1	1
WPCF Operations Supervisor	1	1	1	1
WPCF Operator	5	5	5	6
	95.5	**96.5**	**99.5**	**105**

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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 2015 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Provided legislative and policy development for the City Manager in support of the community's priorities of Safe, Clean, and Green; continued participation in the Neighborhood Partnership Program and sponsored and attended neighborhood improvement meetings to assure Council was consistently informed of community needs and wants.
2. Allocated and approved City financial resources and labor contracts in support of achieving long-term financial stability for the City.
3. Approved New Solid Waste, Recycling, and Organics Services Franchise Agreement with Waste Management of Alameda County that increases diversion and recycling goals and services while minimizing rate increases to Hayward residents and businesses.
4. Adopted an Affordable Housing Ordinance to provide the City with the resources and ability to cause the development of quality affordable housing in the City.
5. Adopted a new massage regulations ordinance consistent with recently adopted State law that allows for more local control and safeguards against inappropriate and illegal activities associated with some massage parlors.
6. Commissioned the fourth citizen satisfaction survey of Hayward residents, which identified an overall satisfaction rate with the quality of life in Hayward at 85%, up from 79.6% in 2012.
7. Adopted a new Housing Element for the City's General Plan for 2015-2023 that outlines the priorities and policies of the City with respect to housing in the community.
8. Held City Council retreat in April 2015 to facilitate more effective working relationships with the Council and key executive staff.
9. Responded to constituent concerns throughout the city.

MAYOR & CITY COUNCIL DEPARTMENT

FY 2016 KEY SERVICE OBJECTIVES/GOALS

1. Continue to provide direction to staff for achievement of the driving priorities of Safe, Clean, and Green.
2. Continue to oversee the implementation of a comprehensive city-wide performance management program.
3. Continue efforts to bring structural balance to the City's finances and stability to the City's labor environment.
4. Continue partnership with the community and Hayward Unified School District to improve the educational performance of Hayward's public schools.
5. Other programs and initiatives that will receive major attention in FY 2016 include:
    a. Economic Development
    b. Performance Management
    c. Revision and Update of Land Use policies and regulations
    d. Simplification of City operational and regulatory procedures for businesses and residents.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2016

FY 2016 Proposed Changes – (-1.0 FTE)

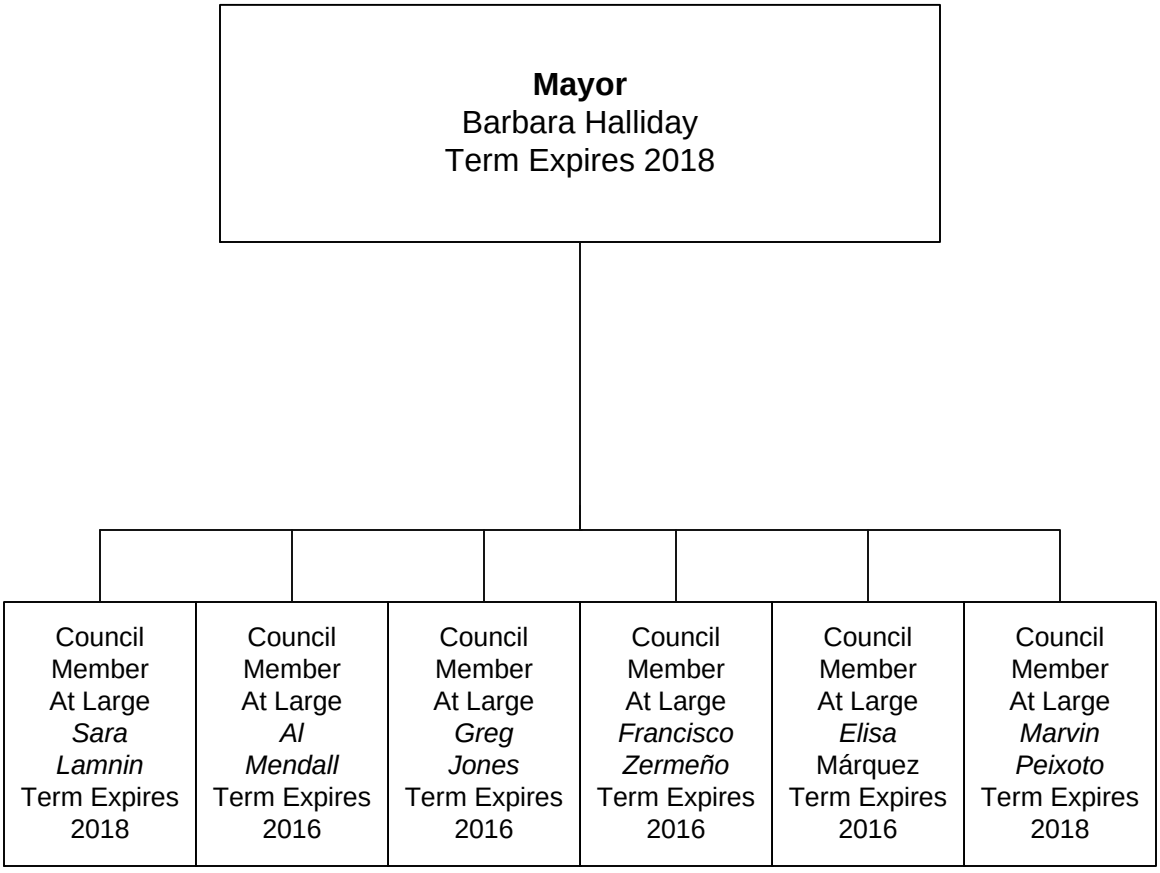
- Relocated 1.0 FTE Executive Assistant from Mayor and City Council to City Manager Administration Division

DEPARTMENT PERFORMANCE METRICS

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.

FY 2016 STAFFING
7.0 FTE

Mayor & City Council Department



Mayor & City Council Department

General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
None	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	266,597	270,889	271,220	191,538
Overtime	1,173	3,564	-	-
Benefits				
Fringe Benefits	79,391	74,849	73,896	30,984
Retiree Medical	14,424	14,400	14,400	11,445
PERS	45,765	48,209	54,887	36,101
Charges (to)/from other programs	-	(321)	-	-
Net Staffing Expense	**407,350**	**411,590**	**414,403**	**270,068**
Supplies & Services	46,978	30,102	56,900	56,900
Internal Service Fees	28,841	29,343	56,499	70,367
Net Operating Expenses	**75,819**	**59,445**	**113,399**	**127,267**
Total Expenditures	**483,169**	**471,035**	**527,802**	**397,335**
General Fund Subsidy	**483,169**	**471,035**	**527,802**	**397,335**

FY 2016 Significant Budget Changes:

1. Relocate 1.0 FTE Executive Assistant to the City Manager's Office.

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. 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 and Planning Commission; 3) Prompt and courteous customer service for community residents; and 4) Aggressive representation in court and administrative forums.

Rent Review Program

The Rent Review Program is responsible for: 1) Administration of the City's two rent control ordinances: one covering houses/apartments and the other covering mobile home spaces, including determinations regarding rental unit fee requirements; 2) Coordination of the mediation and arbitration dispute process and response to inquiries; and 3) Representation in litigation concerning the ordinances.

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 iability Insurance program; 3) Procurement of the City's general liability, property, auto, and fiduciary insurance coverages; and 4) Review and determination regarding government claims.

FY 2015 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Successfully defended or settled several high-exposure lawsuits without significantly impacting the General Fund.
2. Closed or resolved 62 claims, with only thirty-three claims resulting in payment of City funds.
3. Closed or resolved eight lawsuits. The City generated over $175,000 in revenue through affirmative claims and cost recovery.
4. Actively assisted in Community Preservation and code compliance programs.

5. Administered the City's rent stabilization ordinances.
6. Monitored and apprised clients of changes in state law regarding public meetings and conflicts of interest.
7. Advised the City Clerk on election issues.
8. Provided periodic training to City departments on legal issues as needed.
9. Engaged in targeted neighborhood nuisance abatement program ('SMASH'), along with other key City departments.
10. Facilitated responses to over 200 Public Records Act requests.

DEPARTMENT PERFORMANCE METRICS

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Legal Services Program	Timely and efficient responses to client inquires	ACHIEVED
	Demonstrates thorough knowledge of applicable laws and regulations	ACHIEVED
Rent Review Program	Maintains accurate and current status of rent-controlled units and spaces	ACHIEVED
	Directs non-applicable rent ordinance inquiries to other referral agencies	ACHIEVED
	Aggressively defends mobile home and residential arbitration decisions in court	ACHIEVED
	Responds to 90% of inquiries and complaints within 48 hours	ACHIEVED
Risk Management	Seeks competitive insurance coverages for all City operations through active involvement with joint powers authority	ACHIEVED
	Tracks information associated with City's general liability, property insurance, and claim costs	ACHIEVED
	Aggressively defends City's interests in litigation and labor arbitrations	ACHIEVED

CITY ATTORNEY DEPARTMENT

FY 2016 KEY SERVICE OBJECTIVES/GOALS

1. Continue to efficiently manage in-house litigation efforts and special counsel services.
2. Administer and monitor the City's rent stabilization ordinances and ensure consistency with State law.
3. Monitor and apprise Council and City staff of any changes in State law regarding public meetings and conflicts of interest.
4. Manage, evaluate, and settle claims, as necessary and appropriate, and defend the City in Litigation.
5. Provide legal counsel to Planning Commission and other advisory bodies, as necessary and appropriate.
6. Deploy departmental assets to support City Council priorities.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2016

FY 2016 reflects changes made during the FY 2015 mid-year process as well and those proposed for FY 2016.

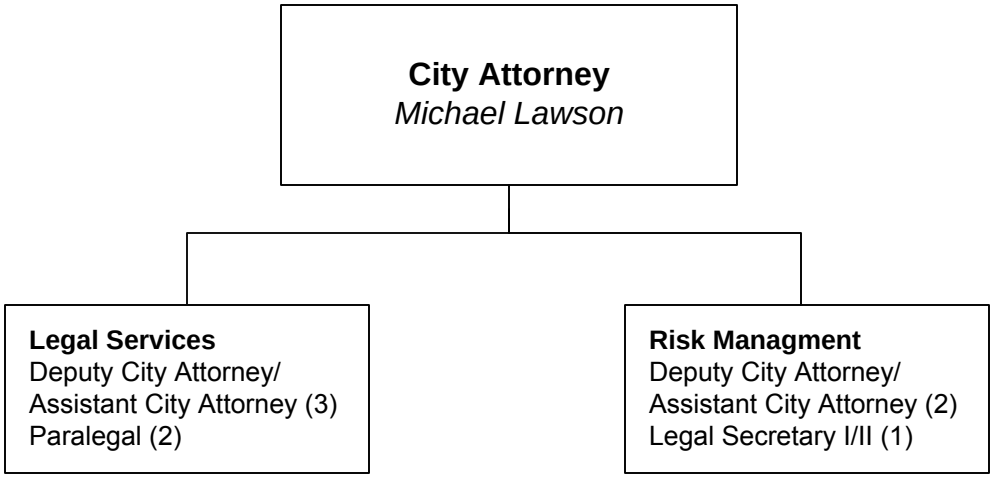
FY 2015 Mid-year Changes – none

FY 2016 Proposed Changes

- Delete 1.0 FTE Legal Secretary II
- Add 1.0 FTE Paralegal

FY 2016 STAFFING
9.0 FTE

Office of the City Attorney



All Funds Summary - By Category

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue and Transfers in from Other Funds				
General Fund Revenue	6,670	82,543	6,781	6,781
Risk Management Fund	3,273,760	3,779,281	3,119,511	3,119,511
Risk Management Fund Balance	(510,249)	985,404	46,395	43,430
	2,770,180	**4,847,228**	**3,172,687**	**3,169,722**
Fund Subsidy				
General Fund Subsidy	**901,690**	**877,659**	**1,133,120**	**1,099,900**
Total Revenues	**3,671,870**	**5,724,887**	**4,305,807**	**4,269,622**
EXPENDITURES				
Expenditures				
Salary				
Regular	922,137	1,000,478	1,095,705	1,055,899
Overtime	-	13	-	-
Benefits				
Fringe Benefits	155,816	152,433	186,582	159,993
Retiree Medical	14,424	14,400	16,200	16,350
PERS	172,028	187,519	239,863	257,589
Chrgs (to)/from other programs	(5,506)	1,916	-	-
Net Staffing Expense	**1,258,900**	**1,356,758**	**1,538,350**	**1,489,831**
Maintenance & Utilities	1,246	1,442	1,800	1,700
Supplies & Services	2,006,010	3,961,654	2,338,186	2,333,473
Internal Service Fees	78,168	77,487	90,099	107,246
Capital	-	-	-	-
Net Operating Expense	**2,085,424**	**4,040,583**	**2,430,085**	**2,442,419**
Transfers out to other funds	**327,546**	**327,546**	**337,372**	**337,372**
Total Expenditures	**3,671,870**	**5,724,887**	**4,305,807**	**4,269,622**

All Funds Summary - By Program

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue and Transfers in from Other Funds				
General Fund Revenue	6,670	82,543	6,781	6,781
Risk Management Fund	3,273,760	3,779,281	3,119,511	3,119,511
Risk Management Fund Balance	(510,249)	985,404	46,395	43,430
	2,770,180	**4,847,228**	**3,172,687**	**3,169,722**
Fund Subsidy				
General Fund Subsidy	**901,690**	**877,659**	**1,133,120**	**1,099,900**
Total Revenues	**3,671,870**	**5,724,887**	**4,305,807**	**4,269,622**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds By Program				
General Fund	908,360	960,202	1,139,901	1,106,681
Risk Management Fund	2,763,510	4,764,685	3,165,906	3,162,941
Total Expenditures	**3,671,870**	**5,724,887**	**4,305,807**	**4,269,622**
Net Change	**-**	**-**	**-**	**-**

General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Other Revenue	17	75,248	-	-
Rental Review Fees	6,653	7,295	6,781	6,781
Total Revenues	**$6,670**	**$82,543**	**$6,781**	**$6,781**
EXPENDITURES				
Expenditures				
Salary				
Regular	613,071	663,932	738,198	713,499
Benefits				
Fringe Benefits	94,987	89,987	127,626	99,492
Retiree Medical	9,015	9,000	10,800	11,445
PERS	113,545	120,801	161,593	173,803
Chrgs (to)/from other programs	(1,924)	5,073	-	-
Net Staffing Expense	**828,695**	**888,792**	**1,038,217**	**998,239**
Maintenance & Utilities	1,246	1,200	1,500	1,400
Supplies & Services	27,406	18,552	38,429	31,429
Internal Service Fees	51,013	51,658	61,755	75,613
Capital Outlay	-	-	-	-
Net Operating Expense	**79,665**	**71,410**	**101,684**	**108,442**
Total Expenditures	**$908,360**	**$960,202**	**$1,139,901**	**$1,106,681**
General Fund Subsidy	**$901,690**	**$877,659**	**$1,133,120**	**$1,099,900**

FY 2016 Significant Budget Changes:

1. Deletion of 1.0 FTE Legal Secretary II
2. Addition of 1.0 FTE Paralegal

Risk Management - Internal Service Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beginning Working Capital Balance	**$2,007,457**	**$2,517,706**	**$1,532,302**	**$1,485,907**
REVENUES				
Revenue				
Interest	2,840	-	-	-
Other Revenue	213	282,485	-	-
	3,053	282,485	-	-
Transfer In				
Liability Insurance Premium	3,270,707	3,496,796	3,119,511	3,119,511
From General Fund	-	-	-	-
	3,270,707	3,496,796	3,119,511	3,119,511
Total Revenues	**3,273,760**	**3,779,281**	**3,119,511**	**3,119,511**
EXPENDITURES				
Expenditures				
Salary				
Regular	309,066	336,546	357,507	342,400
Overtime	-	13	-	-
Benefits				
Fringe Benefits	60,829	62,446	58,956	60,501
Retiree Medical	5,409	5,400	5,400	4,905
PERS	58,483	66,718	78,270	83,786
Chrgs (to)/from other programs	(3,582)	(3,157)	-	-
Net Staffing Expense	**430,205**	**467,966**	**500,133**	**491,592**
Maintenance & Utilities	-	242	300	300
Supplies & Services	894,982	2,840,575	1,072,044	1,072,044
Internal Service Fees	27,155	25,829	28,344	31,633
Insurance	1,083,622	1,102,527	1,227,713	1,230,000
Net Operating Expense	**2,005,759**	**3,969,173**	**2,328,401**	**2,333,977**
Transfers out to other funds				
Transfer to General Fund - Cost Allocation	327,546	327,546	337,372	337,372
Total Transfers Out	**327,546**	**327,546**	**337,372**	**337,372**
Total Expenditures	**$2,763,510**	**4,764,685**	**3,165,906**	**3,162,941**
Net Change	**$510,249**	**(985,404)**	**(46,395)**	**(43,430)**
Ending Working Capital Balance	**$2,517,706**	**$1,532,302**	**$1,485,907**	**$1,442,477**

FY 2016 Significant Budget Changes:

1 None.

CITY CLERK DEPARTMENT

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 with the Fair Political Practices Commission.

Council, Boards & Commissions

The City Clerk's Office is also responsible for: 1) Supporting City Council and Planning Commission proceedings; 2) Conducting the recruitment and facilitating the appointment for the various City Council 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, including maintaining the filings of the Form 700- Statement of Economic Interests, campaign disclosure statements and posting the Form 806 Agency Report of Public Official Appointments.

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 Request.

CITY CLERK DEPARTMENT

FY 2015 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Successfully maintained all aspects of department operations, including making public records readily available and accessible to City staff, policy makers, and the community at large.
2. Facilitated the City's response to public records in accordance with the California Public Records Act.
3. Managed the recruitment of the Council's appointed bodies, participated in outreach community events to enhance the recruitment process including conducting a Volunteer Open House.
4. Provided guidance to members of the Council's appointed bodies regarding the Brown Act, training requirements, attendance policy, and overall members' responsibilities.
5. Continued to provide passport services according to guidelines established by the U.S. Department of State.
6. Completed successful implementation of NetFile, the City's paperless electronic filing and administration system for Statement of Economic Interests (FPPC Form 700).
7. Completed a workload and staffing review of the City Clerk's Office which resulted in the reclassification of a Senior Secretary position to Administrative Analyst to accomplish work demands.

DEPARTMENT PERFORMANCE METRICS – FY 2015

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Records Management	Maintain the legislative history of City Council and Planning Commission 100% of the time	**ACHIEVED** Processed 35 City Council packets/cancellations and 11 Planning Commission packets.
	Accurately process documents in the Laserfiche Imaging System	**ACHIEVED** Processed 1,144 documents.
	Meet noticing requirements 100% of the time	**ACHIEVED** Processed 115 legal publications.
	Comply with the City Charter 100% of the time - fully execute ordinances upon adoption	**ACHIEVED** Processed 18 ordinances.
	Review 100% of all 700 Forms for compliance with the Fair Political Practices Commission requirements	**ACHIEVED** Processed 193 forms of Form 700 filers.

CITY CLERK DEPARTMENT

Council, Boards & Commissions	Conduct recruitment for the Hayward Youth Commission and all Council's appointed bodies.	**ACHIEVED** Council's appointed bodies Applications received: 48 Appointments: 22 Hayward Youth Commission Applications received: 28 applications Appointments: 11
	Facilitate trainings to remain compliant with established requirements	N/A
Elections	Meet California Elections Code requirements 100% of the time	N/A
Public Service	Meet U.S. Department of State guidelines for processing passport applications	N/A
	Meet 10-day requirement response deadlines set by the Public Records Act	**ACHIEVED** Processed 162 Public Records Act Requests.

FY 2016 KEY SERVICE OBJECTIVES/GOALS

1. Conduct a municipal election.
2. In coordination with the Information Technology Department and the City Manager's Office, implement a city-wide agenda management system.
3. Identify a vendor for the conversion of the online version of the Hayward Municipal Code into a robust searchable Internet database, and oversee its implementation.
4. Perform a feasibility study on performing civil marriage ceremonies at City Hall.
5. Consider an agreement with technical schools for the purpose of operating an ongoing internship program.
6. Maintain service level goals for all aspects of department operations.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2016

FY 2015 Mid-year Changes

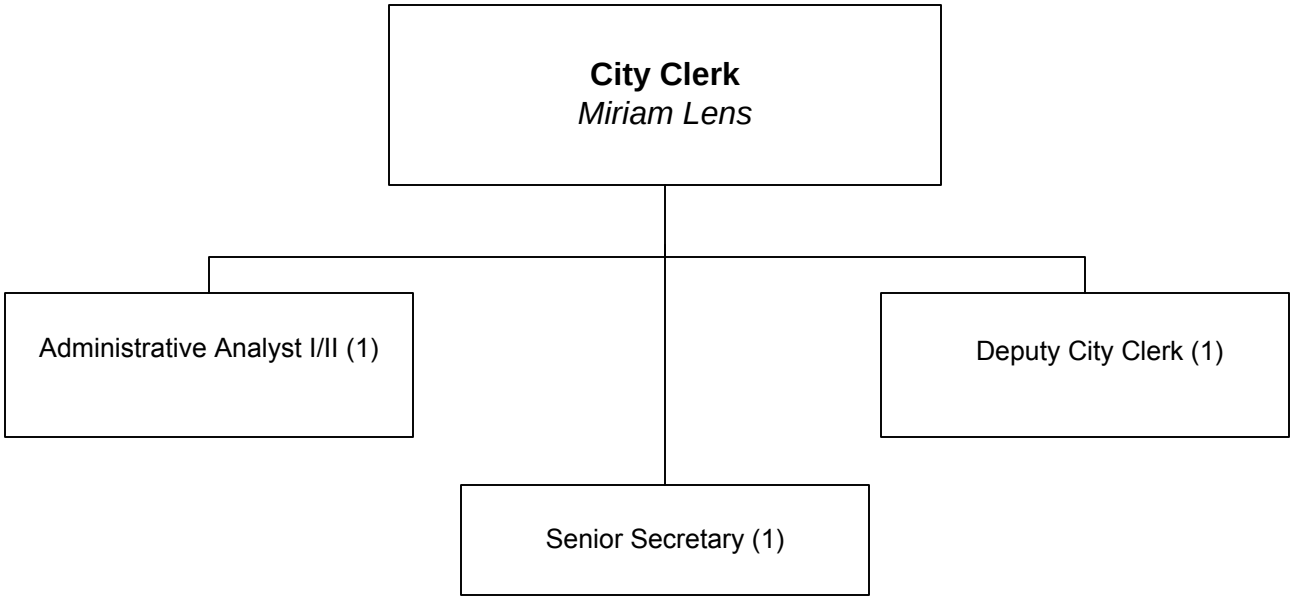
- Delete 1.0 FTE Senior Secretary
- Add 1.0 FTE Administrative Analyst

FY 2016 Proposed Changes

- Add $249,000 for FY 2016 elections costs

FY 2016 STAFFING
4.0 FTE

Office of the City Clerk



General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Sale of Documents - Passports	11,035	9,253	16,697	10,000
Sale of Documents - Election	-	-	-	-
Sale of Documents - General	1,568	3,283	917	3,000
Total Revenues	**12,602**	**12,536**	**17,614**	**13,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	330,452	320,738	329,550	344,960
Overtime	-	3,308	-	-
Benefits				
Fringe Benefits	69,501	69,954	71,078	74,852
Retiree Medical	7,212	7,200	7,200	6,540
PERS	62,508	62,880	72,345	84,413
Charges (to)/from other programs	3,738	-	-	-
Net Staffing Expense	**473,411**	**464,081**	**480,173**	**510,765**
Maintenance & Utilities	975	1,200	800	1,400
Supplies & Services	31,268	73,396	56,280	63,280
Election Expense	-	-*	-	249,000
Internal Service Fees	74,414	75,422	81,465	89,111
Net Operating Expense	**106,657**	**150,018**	**138,545**	**402,791**
Total Expenditures	**580,068**	**614,099**	**618,718**	**913,556**
General Fund Subsidy	**567,466**	**601,563**	**601,104**	**900,556**

**FY14 Election Expense ($244,405) will not be reflected until FY15 Actuals as the invoice was not received and processed until after the close of the FY14 fiscal year.*

FY 2016 Significant Budget Changes:

1. Added Election expense for FY 2016.
2. Deletion of 1.0 FTE Senior Secretary (FY15 Mid-Year).
3. Addition of 1.0 FTE Administrative Analyst I/II (FY15 Mid-Year).

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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, neighborhood partnerships, community preservation, 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.

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 Residential Housing Inspection Program, which includes a Self-Certification sub-program, to safeguard the stock, sale, and sanitary conditions of rental units. The Division also helps support the efforts of the Keep Hayward Clean & Green Task Force and other volunteer blight elimination activities. The Tobacco Enforcement Program, Weed Abatement Program, Illegal Construction Program and the award-winning mural art program are also managed by this Division.

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 with staff in other departments to facilitate development and retention of businesses. In addition, the Division works to improve the image of Hayward through a variety of activities and events.

CITY MANAGER'S OFFICE

Neighborhood Partnerships

The Neighborhood Partnership Division is responsible for creatively engaging with Hayward neighborhoods to resolve a variety of community issues, from crime to traffic to cleanliness, and facilitates collaborative solutions to complex community concerns.

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.

FY 2015 KEY PERFORMANCE/ACCOMPLISHMENTS

Administration

1. Successfully closed the financing and began construction on the South Hayward BART Transit Oriented Development project that includes 206 market rate units and 151 affordable housing units.
2. Submitted all Redevelopment Successor Agency reports on time and participated in several Meet and Confer sessions to protect the City's financial interests during the continued dissolution process of the former Redevelopment Agency.
3. Successfully negotiated and presented to Council for approval a Community Workforce Agreement for the new library project with the Building Trades Council of Alameda County.

Communications & Media Relations

1. Completed citywide brand assessment and development of brand and style guide for economic development marketing communications pursuant to the directives set forth in the Economic Development Strategic Plan.
2. Designed, produced, and launched a dedicated micro-site for drought awareness/water conservation.
3. Developed a "creative signage" pilot program to support traffic calming efforts in the Hayward Hills that garnered international media attention.
4. Completed RFP selection process for the complete redevelopment of the City's primary website.
5. Increased organic Twitter reach by 63% (1,262 to 2,059), Facebook reach by 78% (1,271 to 2,256) and LinkedIn reach by 53% (482 to 737).

Code Enforcement

1. Developed and implemented ordinances and programs associated with Illegal Construction, Tobacco Retail Sales Licenses, and Self Certification for Residential Rental Inspection.
2. Responded to and resolved approximately 3,744 complaints/violations of the Community Preservation and Zoning Ordinance and over 6,640 code violations within the Residential Rental Inspection Program (in approximately 3,524 units).

3. Marked increases in customer approval of Code Enforcement services since FY2013:
    a. "Employee effectiveness" rated 5% higher in the superior category.
    b. "Timeliness to respond" rated 5% higher in the superior category.
    c. "Courtesy" rated 9% higher in the superior category.
    d. "Exceeded expectations" rated 5% higher in the superior category.
4. Completed fourteen new Mural Arts Projects throughout the City.
5. Increased the total Adopt a Block teams to thirty-two throughout the City in partnership with the Keep Hayward Clean and Green Task Force.

Economic Development

1. Developed and implemented a Business Concierge Program to facilitate business attraction, retention and expansion.
2. Developed and implemented an innovative "early concept" approach to developments of primary interest to Council and the community.
3. Completed the Industrial Technology and Innovation Corridor Baseline Profile Study, which includes a new industrial business database that tracks establishment by sector and employment trends.
4. Updated City socioeconomic and commercial real estate data sets, including labor market statistics and industrial and retail inventory profiles.
5. Facilitated community events that promote Hayward (including Summer Movie Series, downtown street parties, Light up the Season, and the Wine Walk).

Neighborhood Partnerships

1. Continued the implementation of Neighborhood Partnership Program meetings in fifteen Hayward neighborhoods. Of these, five represented ongoing Phase II work with neighborhoods initiated in previous years and ten represented additional neighborhoods initiated this year.
2. Planned, implemented, and/or participated in the following civic engagement events:
    a. HPD's National Night Out;
    b. HPD's Citizen's Academy;
    c. Hosted 80 students from China to tour the City of Hayward and introduce them to local American government;
    d. Coordinated dual Memorial Ceremonies for Setsuko Tsurumoto (a founding member of the Funabashi Sister City Committee) with Funabashi City public officials in Japan, and City and other Hayward officials, community members, and family members in Hayward;
    e. The 2015 Immigration Naturalization Workshop;
    f. 2015 Volunteer Recognition Ceremony;
    g. 2015 Hayward Volunteer Open House;
    h. Operation Independence V – Emergency Preparedness Community Expo;
    i. The 2015 Emergency Volunteer Center (EVC) community training; and
    j. Multiple neighborhood focused Map Your Neighborhood emergency preparation trainings.

3. Managed over 100 individual constituent cases addressing a wide variety of issues and concerns.
4. Implemented the Hayward Food Sharing Permit Ordinance and continue to coordinate the administration and enforcement of that ordinance.

DEPARTMENT PERFORMANCE METRICS

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
City Manager's Office	Management Achievement Plans (MAPs) are completed for all Directors and for their Senior Managers and performance assessment annual sessions are held and documented	ACHIEVED
	Timely completion and delivery of Council reports	CONTINUED EFFORT NEEDED
	KHRT (Channel 15) is being transmitted as scheduled	ACHIEVED
	Council is fully and appropriately informed on the financial performance of the organization on a regular and timely basis	ACHIEVED
	Budget is developed and presented to Council on time and fully balanced	CONTINUED EFFORT NEEDED
	Council believes the organization is responding to and properly supporting Council priorities	ACHIEVED
Code Enforcement	Customers reporting community appearance issues and code violations to the City will rate their satisfaction with City services as above average	ACHIEVED
	Steady decrease in complaints received through the Neighborhood Partnership Program that relate to community appearance issues and code violations	ACHIEVED
	Concise, complete, and accurate code enforcement case files will be used to support abatements, public hearings, warrant processes, and required statistical reports that measure caseloads, timeliness, efficiencies, cost recovery, and accountability	ACHIEVED
Economic Development	The Economic Development Strategic Plan includes 102 work tasks, many of which are multi-year initiatives. In FY 2016, 53 work tasks are scheduled to commence	ACHIEVED
	Pro-actively recruit businesses to the City of Hayward by working with brokers, retailers, and property owners as well as networking at retailer industry events.	ACHIEVED
	Provide staff support to guide important downtown	ACHIEVED

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
	related initiatives such as the Downtown Business Improvement Assessment to ensure downtown vitality and develop a marketing campaign, a new website, and a banner program to promote business attraction, retention, expansion, and visitor attraction.	
	Sponsor business events designed to bring capital to key business clusters and facilitate at least six annual events through the Northern Silicon Valley Partnership.	**REQUIRES ATTENTION**
	Implement a public-private partnership to install fiber optic broadband infrastructure in underserved areas. This network will provide businesses the opportunity to connect to high speed broadband and serve as a critical tool for economic development.	**REQUIRES ATTENTION**
Neighborhood Partnerships	A minimum of 15 neighborhood meetings and the annual Neighborhood Leadership Academy (to include youth and adult participants) will be conducted in FY 2015 to enhance communication and partnerships between constituents and City officials.	**REQUIRES ATTENTION**
	Web-based social media and translation services will be made available to constituents to enhance communication and partnerships with City officials.	**REQUIRES ATTENTION**
	Allocate Neighborhood Improvement Grants to neighborhood groups in support of neighborhood and community improvement projects and activities.	**CONTINUED EFFORT NEEDED**
	Plan and implement programs, projects and events that engage community stakeholders in civic action.	**CONTINUED EFFORT NEEDED**

FY 2016 KEY SERVICE OBJECTIVES/GOALS

Administration

1. Successfully hire a new Director of Information Technology.
2. Partner with the City Attorney's Office in the successful defense of the City in anticipated litigation against the State Department of Finance regarding the dissolution of the former Redevelopment Agency.
3. In partnership with the City Clerk's Office and I.T. Department, implement a new electronic agenda and voting management software.

CITY MANAGER'S OFFICE

Communications & Media Relations

1. Launch the City's new primary website and associated web properties.
2. Achieve minimum 25% continued growth in organic social media reach and additional 25% growth in general email subscriptions (from 6,000).
3. Substantially increase original programming on KHRT Channel 15 and the City's YouTube Channel, and develop associated use policies.
4. In support of Economic Development, develop and implement the Advanced Industries "crescent" identification and signage program.

Code Enforcement

1. Process, inspect, and certify all Residential Rental Housing Self Certification applications.
2. Support HFD 365 fire season fire suppression efforts
3. Complete eight to ten new Mural Arts/Utility Box projects
4. Increase commercial and industrial illegal construction inspections by 10%.
5. Complete all first round annual inspections of the new Tobacco Retail License program.

Economic Development

1. Develop and implement a Business Ombudsman Program to provide existing businesses with permitting and/or process assistance.
2. Develop a Business Incentive Program to address interior and exterior infrastructure elements of commercial real estate.
3. Develop and implement a Broadband (Fiber) Master Plan to provide high speed internet service to businesses.
4. Finalize and strategically deploy economic development marketing and branding collateral to attract targeted businesses.

Neighborhood Partnerships

1. Create and implement new strategies to engage members of the public in local government, with particular emphasis on expansion of online options.
2. Continue to develop increased opportunities for limited and non-English speaking Hayward constituents to participate in neighborhood/community improvement activities and public decision making processes.
3. Continue to actively support the Hayward Promise Neighborhoods (HPN) Grant program.
4. Initiate a new phase of the Neighborhood Partnership Program to re-connect at least annually with previously contacted neighborhoods, as well as with other established Home Owner and Neighborhood Associations and Neighborhood Watch groups, and new Neighborhood Emergency Preparedness groups.

CITY MANAGER'S OFFICE

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2016

FY 2015 Mid-year Changes (+1.0 FTE)

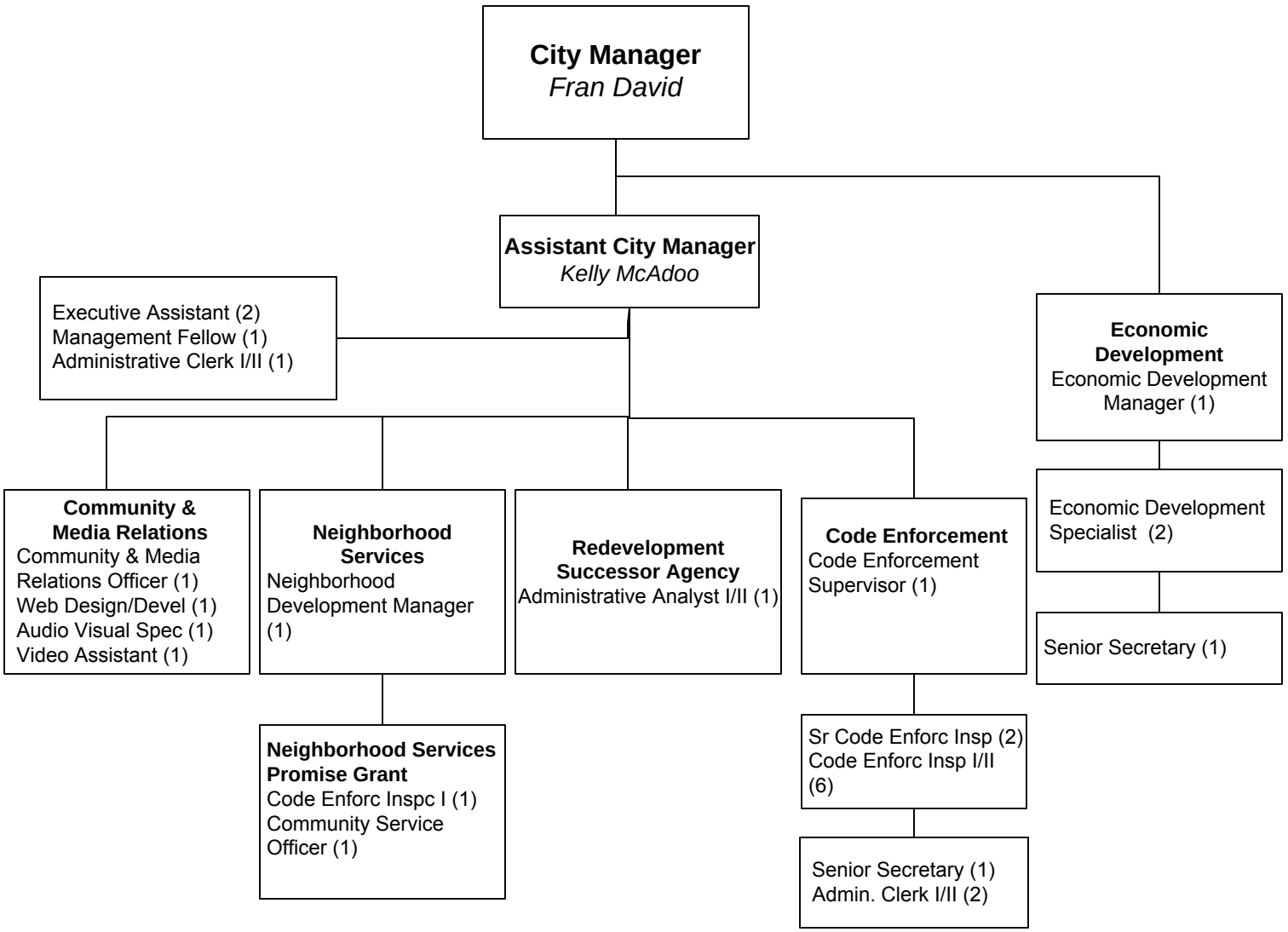
- Reclassify 1.0 FTE Secretary to 1.0 FTE Senior Secretary (Code Enforcement)
- Add 1.0 FTE Administrative Clerk (City Manager's Office)

FY 2016 Proposed Changes (+2.0 FTE)

- Delete 1.0 FTE Housing Specialist (move to the Library & Community Services Department)
- Delete 1.0 FTE Administrative Clerk (move to the Library & Community Services Department)
- Relocate 1.0 FTE Executive Assistant from Mayor & City Council to City Manager Administration Division
- Create a Communications & Media Relations Division.
    - Add 1.0 FTE Video Assistant (moved from the Information Technology Department)
    - Add 1.0 FTE Audio Video Specialist (moved from the Information Technology Department)
    - Add 1.0 FTE new Web Design/Developer position

FY 2016 STAFFING
30.00 FTE

Office of the City Manager



All Funds Summary - By Category

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue and Transfers In From Other Funds				
General Fund Revenue	654,176	609,171	724,716	694,280
Promise Grant Revenue	-	249,298	239,608	212,088
Downtown Business Improve Prog	55,774	48,104	57,000	-
Successor Agency RDA	11,333,309	10,225,408	6,029,481	8,249,150
Neighborhood Stabil Grant Prog	35,000	-	-	-
	12,078,260	11,131,982	7,050,805	9,155,518
(Contribution to)/ Use of Fund Balance				
Promise Grant	41,041	(65,081)	(40,307)	-
Downtown Business Improve Prog	(16,165)	(9,018)	30,000	96,000
Successor Agency RDA	(17,573)	7,011,038	1,118,566	(3,549,503)
Neighborhood Stabil Grant Prog	95,262	-	-	-
	102,564	6,936,939	1,108,259	(3,453,503)
Fund Subsidy				
General Fund Subsidy	3,499,201	3,090,987	3,353,705	3,935,032
Information Tech Fund Subsidy	-	-	-	307,872
	3,499,201	3,090,987	3,353,705	4,242,904
Total Revenues	**15,680,025**	**21,159,907**	**11,512,769**	**9,944,919**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,280,398	2,189,185	2,209,052	2,687,526
Overtime	5,113	19,381	-	-
Benefits				
Fringe Benefits	510,080	427,215	521,999	665,991
Retiree Medical	41,454	46,800	43,200	49,051
PERS	410,094	407,757	484,881	650,608
Charges (to)/from other programs	26,737	164,748	36,627	(107,687)
Net Staffing Expense	**3,273,876**	**3,255,086**	**3,295,759**	**3,945,489**

All Funds Summary - By Category

Continued

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Supplies & Services	1,890,378	933,236	1,648,050	1,468,750
Grants & Loans	113,853	-	-	-
Community Promotions	27,000	25,985	32,000	32,000
HUSD/HARD Contracts	9,000	-	-	-
Hayward Clean and Green	10,000	10,889	-	10,000
Neighborhood Initiatives	15,060	-	-	-
Internal Service Fees	247,995	241,969	266,533	340,918
Maintenance & Utilities	16,687	27,973	66,484	66,614
Loan Interest	2,400,322	2,335,995	2,253,588	2,173,931
Principal Retirement	2,373,859	1,605,000	1,750,000	1,835,000
Project Expenditures	-	41,800	-	-
Capital	-	62,856	-	-
Net Operating Expense	**7,104,154**	**5,285,703**	**6,016,655**	**5,927,213**
Transfers to Other Funds	**5,301,995**	**12,619,118**	**2,200,355**	**72,217**
Total Expenditures	**15,680,025**	**21,159,907**	**11,512,769**	**9,944,919**
Net Change	-	-	-	-

All Funds Summary - By Program

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue and Transfers In From Other Funds				
General Fund Revenue	654,176	609,171	724,716	694,280
Promise Grant	-	249,298	239,608	212,088
Downtown Business Improvement	55,774	48,104	57,000	-
Successor Agency RDA	11,333,309	10,225,408	6,029,481	8,249,150
Neighborhood Stabil Grant Prog	35,000	-	-	-
	12,078,260	11,131,982	7,050,805	9,155,518
(Contribution to)/ Use of Fund Balance				
Promise Grant	41,041	(65,081)	(40,307)	-
Downtown Business Improvement	(16,165)	(9,018)	30,000	96,000
Successor Agency RDA	(17,573)	7,011,038	1,118,566	(3,549,503)
Neighborhood Stabilization Program	95,262	-	-	-
	102,564	6,936,939	1,108,259	(3,453,503)
Fund Subsidy				
General Fund Subsidy	3,499,201	3,090,987	3,353,705	3,935,032
Information Technology Fund Subsidy	-	-	-	307,872
	3,499,201	3,090,987	3,353,705	4,242,904
Total Revenues	**15,680,025**	**21,159,907**	**11,512,769**	**9,944,919**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds				
Office of the City Manager	4,153,377	3,700,158	4,078,421	4,629,312
Information Technology	-	-	-	307,872
Promise Grant	41,041	184,217	199,301	212,088
Downtown Business Improvement	39,609	39,086	87,000	96,000
Successor Agency RDA	11,315,736	17,236,446	7,148,047	4,699,647
Neighborhood Stabilization Program	130,262	-	-	-
Total Expenditures	**15,680,025**	**21,159,907**	**11,512,769**	**9,944,919**
Net Change	-	-	-	-

General Fund Summary

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Grants	-	-	-	-
Code Enforcement Fees	131,084	92,004	331,200	200,000
Rental Inspection Fees	523,092	510,155	393,516	458,000
Miscellaneous Fees	-	389	-	36,280
Fines and Forfeitures	-	1,300	-	-
Other Revenue	-	5,324	-	-
Total Revenues	**654,176**	**609,171**	**724,716**	**694,280**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,068,401	1,933,930	1,929,996	2,207,336
Overtime	4,736	14,770	-	-
Benefits				
Fringe Benefits	469,493	376,862	455,883	529,977
Retiree Medical	37,848	40,500	36,000	37,606
PERS	369,849	358,125	423,251	535,003
Charges (to)/from other programs	(43,775)	(6,915)	(101,253)	(107,687)
Net Staffing Expense	2,906,553	2,717,273	2,743,877	3,202,235
Maintenance & Utilities	8,409	21,342	42,600	42,730
Supplies & Services	929,360	619,844	993,411	1,005,111
Community Promotions	27,000	25,985	32,000	32,000
HUSD/HARD Contracts	9,000	-	-	-
Hayward Clean and Green	10,000	10,889	-	10,000
Neighborhood Initiatives	15,060	-	-	-
Internal Service Fees	247,995	241,969	266,533	337,236
Capital	-	62,856	-	-
Net Operating Expense	1,246,825	982,885	1,334,544	1,427,077
Total Expenditures	**4,153,377**	**3,700,158**	**4,078,421**	**4,629,312**
General Fund Subsidy	**3,499,201**	**3,090,987**	**3,353,705**	**3,935,032**

Administration-General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
None	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	481,371	498,251	638,716	649,785
Overtime	-	3,084	-	-
Benefits				
Fringe Benefits	76,712	82,091	110,076	100,849
Retiree Medical	9,015	9,000	9,000	8,993
PERS	91,175	89,414	139,924	157,536
Charges (to)/from other programs	37,381	(1,771)	(50,775)	(50,775)
Net Staffing Expense	695,654	680,068	846,941	866,388
Maintenance & Utilities	1,246	1,200	1,400	1,200
Supplies & Services	196,909	195,108	273,736	268,374
Internal Service Fees	66,060	57,614	67,011	85,468
Capital	-	-	-	-
Net Operating Expense	264,215	253,921	342,147	355,042
Total Expenditures	**959,869**	**933,989**	**1,189,088**	**1,221,430**
General Fund Subsidy	**959,869**	**933,989**	**1,189,088**	**1,221,430**

FY 2016 Significant Budget Changes:

1. Relocation of 1.0 FTE Community & Media Relations Officer to Comm & Marketing Division
2. Addition of 1.0 FTE Administrative Clerk I/II (KHCG)(FY2015 Mid-Year)
3. Relocation of 1.0 FTE Executive Assistant from City Council & Mayor's Office

Code Enforcement - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Code Enforcement Fees	131,084	92,004	331,200	200,000
Miscellaneous Fees	45,852	389	1,000	36,280
Fines & Forfeitures	-	1,300	-	-
Rental Inspection Fees	523,092	510,155	393,516	458,000
Total Revenues	**700,028**	**603,848**	**725,716**	**694,280**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,065,927	993,333	897,911	907,019
Overtime	4,736	11,079	-	-
Benefits				
Fringe Benefits	230,152	215,689	271,836	250,011
Retiree Medical	19,833	22,500	19,800	17,985
PERS	176,237	185,535	196,538	218,696
Charges (to)/from other programs	(81,156)	(7,443)	-	-
Net Staffing Expense	1,415,729	1,420,692	1,386,085	1,393,711
Maintenance & Utilities	6,533	18,954	41,200	41,200
Supplies & Services	87,131	88,241	54,995	64,695
Internal Service Fees	159,972	162,392	171,872	186,086
Capital	-	62,856	-	-
Net Operating Expense	253,636	332,444	268,067	291,981
Total Expenditures	**1,669,365**	**1,753,136**	**1,654,152**	**1,685,692**
General Fund Subsidy	**969,337**	**1,149,288**	**928,436**	**991,412**

FY 2016 Significant Budget Changes:

1. Reclass 1.0 FTE Secretary to 1.0 FTE Senior Secretary (FY2015 Mid-Year)

Communications & Marketing - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Other	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	124,999
Overtime	-	-	-	-
Benefits				
Fringe Benefit	-	-	-	37,828
Retiree Medical	-	-	-	2,453
PERS	-	-	-	30,588
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	-	-	-	195,868
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	123,075
Internal Service Fees	-	-	-	11,419
Capital	-	-	-	-
Net Operating Expense	-	-	-	134,494
Total Expenditures	**-**	**-**	**-**	**330,362**
Net Change	**-**	**-**	**-**	**330,362**

FY 2016 Significant Budget Changes:

1. Creation of new Communications & Marketing Division
2. Relocation of 1.0 FTE Community & Media Relations Officer from Administration

Economic Development - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Other Revenue	-	1,324	-	-
Total Revenues	**-**	**1,324**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	274,836	299,120	393,369	382,699
Overtime	-	608	-	-
Benefits				
Fringe Benefits	44,332	47,335	73,971	110,858
Retiree Medical	3,606	7,200	7,200	6,540
PERS	47,506	54,952	86,789	93,231
Charges (to)/from other programs	8,916	4,334	(50,478)	(50,478)
Net Staffing Expense	379,197	413,549	510,851	542,850
Maintenance & Utilities	114	-	-	-
Supplies & Services	103,291	114,312	413,559	302,609
Community Promotions	8,000	25,985	32,000	32,000
Internal Service Fees	13,915	14,030	27,650	44,402
Capital				
Net Operating Expense	125,320	154,326	473,209	379,011
Total Expenditures	**504,517**	**567,875**	**984,060**	**921,861**
General Fund Subsidy	**504,517**	**566,552**	**984,060**	**921,861**

FY 2016 Significant Budget Changes:

1. None.

Neighborhood Services - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Grants	-	-	9,194	-
Code Enforcement Fees	-	-	-	-
Other Revenue	-	4,000	-	-
Total Revenues	**-**	**4,000**	**9,194**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	161,038	143,226	145,691	142,834
Overtime	33	-	-	-
Benefits				
Fringe Benefits	33,292	31,747	31,488	30,431
Retiree Medical	1,803	1,800	1,800	1,635
PERS	31,617	28,225	31,513	34,952
Charges (to)/from other programs	(39,914)	(2,035)	(6,434)	(6,434)
Net Staffing Expense	187,869	202,963	204,058	203,418
Maintenance & Utilities	1,018	1,188	330	330
Supplies & Services	251,810	222,183	251,121	246,358
HUSD/HARD Contracts	-	-	-	-
Hayward Clean and Green	97	10,889	10,000	10,000
Neighborhood Initiatives	-	-	-	-
Internal Service Fees	7,833	7,933	8,764	9,861
Capital	-	-	-	-
Net Operating Expense	260,758	242,194	270,215	266,549
Total Expenditures	**448,627**	**445,157**	**474,273**	**469,967**
General Fund Subsidy	**448,627**	**441,157**	**465,079**	**469,967**

FY 2016 Significant Budget Changes:

1. None.

Neighborhood Promise Grant - Special Revenue Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beginning Working Capital Balance	**-**	**(41,041)**	**24,041**	**64,348**
REVENUES				
Revenue				
Grants	-	249,298	239,608	212,088
Total Revenues	**-**	**249,298**	**239,608**	**212,088**
EXPENDITURES				
Expenditures				
Salary				
Regular	27,211	97,864	138,068	149,454
Overtime	-	4,611	-	-
Benefits				
Fringe Benefits	3,393	18,294	27,110	23,841
Retiree Medical	-	2,700	3,600	3,270
PERS	4,236	18,991	30,523	35,523
Charges (to)/from other programs	-	(238)	-	-
Net Staffing Expense	34,841	142,222	199,301	212,088
Maintenance & Utilities	-	-	-	-
Supplies & Services	6,200	195	-	-
Project Expenditures	-	41,800	-	-
Capital	-	-	-	-
Net Operating Expense	6,200	41,995	-	-
Total Expenditures	**41,041**	**184,217**	**199,301**	**212,088**
Net Change	**(41,041)**	**65,081**	**40,307**	**-**
Ending Working Capital Balance	**(41,041)**	**24,041**	**64,348**	**64,348**

FY 2016 Significant Budget Changes:

1. None.

Downtown Business Improvement Program-Special Revenue Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beg Working Capital Balance	**149,517**	**165,682**	**174,701**	**144,701**
REVENUES				
Fund Revenue				
Business License Surcharge	54,794	46,883	57,000	-
Interest Income	350	1,221	-	-
Other Revenue	631	-	-	-
	55,774	**48,104**	**57,000**	**-**
Fund Transfers In From				
Redevelop Agency Operating Fund	-	-	-	
Total Revenues	**55,774**	**48,104**	**57,000**	**-**
EXPENDITURES				
Expenditures				
Charges (to)/from other programs	4,181	13,769	-	-
Supplies & Services	35,428	25,317	87,000	96,000
Net Operating Expense	**39,609**	**39,086**	**87,000**	**96,000**
Total Expenditures	**39,609**	**39,086**	**87,000**	**96,000**
Net Change	**16,165**	**9,018**	**(30,000)**	**(96,000)**
Ending Working Capital Balance	**165,682**	**174,701**	**144,701**	**48,701**

FY 2016 Significant Budget Changes:

1. None.

Information Technology - Internal Service Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Other Revenue	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	190,803
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	62,642
Retiree Medical	-	-	-	4,905
PERS	-	-	-	45,840
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	-	-	-	304,190
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	-
Internal Service Fees	-	-	-	3,682
Capital	-	-	-	-
Net Operating Expense	-	-	-	3,682
Total Expenditures	**-**	**-**	**-**	**307,872**
Information Tech Fund Subsidy	**-**	**-**	**-**	**307,872**

FY 2016 Significant Budget Changes:

1. Relocation of 1.0 FTE Video Assistant from IT Department
2. Relocation of 1.0 FTE Audio Visual Specialist from IT Department
3. Addition of 1.0 FTE Web Design/Developer

Successor Agency RDA Operating Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beg Working Capital Balance	**299,611**	**317,184**	**(6,693,855)**	**(7,812,421)**
REVENUES				
Fund Revenue				
Property Tax (80% Tax Increment)	4,934,694	4,317,292	5,370,477	7,600,240
Interest on Fund Balance	3,597	47,722	2,557	2,557
Principal	16,186	18,873	19,447	19,447
Success Agency Admin Allowance	125,000	138,427	250,000	250,000
HUSD Pass Thru Fee	-	-	-	-
School Impact Fee Reimb	902,236	409,937	337,000	326,906
Lease Pmt - Cinema Place	50,000	50,000	50,000	50,000
Other Revenue	4,625	-	-	-
	6,036,338	**4,982,251**	**6,029,481**	**8,249,150**
Fund Transfers In from				
Transf to Successor Agency RDA	-	615,000	-	-
Capital Transfer From General Fund	5,296,972	4,628,157	-	-
	5,296,972	**5,243,157**	**-**	**-**
Total Revenues	**11,333,309**	**10,225,408**	**6,029,481**	**8,249,150**
Fund Expenditures				
Salary				
Regular	184,786	157,391	140,988	139,933
Overtime	377	-	-	-
Benefits				
Fringe Benefits (Med, Dent, etc)	37,195	32,059	39,006	49,531
Retiree Medical	3,606	3,600	3,600	3,270
PERS	36,009	30,641	31,107	34,242
Charges (to)/from other programs	49,926	158,131	137,880	-
Net Staffing Expense	**311,897**	**381,822**	**352,581**	**226,976**
Supplies & Services	919,387	287,880	567,639	367,639
Maintenance & Utilities	8,278	6,631	23,884	23,884
Internal Service Fees	-	-	-	-
Loan Interest	2,400,322	2,335,995	2,253,588	2,173,931
Principal Retirement	2,373,859	1,605,000	1,750,000	1,835,000
Project Expenditures	-	-	-	-
Net Operating Expense	**5,701,845**	**4,235,506**	**4,595,111**	**4,400,454**
Fund Transfers Out to				
DS - 2004 HRA TABS Succ Agency	3,368,982	3,370,357	-	-
DS - 2006 HRA TABS Succ Agency	636,340	638,300	-	-
Housing Authority Transfer	-	165,000		
DDR Payment	-	5,856,617	-	-
Misc Trsfr - TABS Success Agency	4,500	4,500	-	-

Successor Agency RDA Operating Fund

Continued

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Transfer per Cooperative Agreement	1,292,172	2,584,344	2,200,355	72,217
	5,301,994	**12,619,118**	**2,200,355**	**72,217**
Total Expenditures	**11,315,736**	**17,236,446**	**7,148,047**	**4,699,647**
Net Change	**17,573**	**(7,011,038)**	**(1,118,566)**	**3,549,503**
Ending Working Capital Balance	**317,184**	**(6,693,855)**	**(7,812,421)**	**(4,262,918)**

FY 2016 Significant Budget Changes:

1. Successor RDA Debt Service is housed in the Operating Fund (Effective FY2015)

Neighborhood Stabilization Grant Program

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beg Working Capital Balance	**95,121**	**-**	**-**	**-**
REVENUES				
Revenue				
Grant	-	-	-	-
Interest Payments	-	-	-	-
Other Revenue	35,000	-	-	-
Total Revenue	**35,000**	**-**	**-**	**-**
Total Revenues	**35,000**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Charges (to)/from other programs	16,405	-	-	-
Net Staffing Expense	**16,405**	**-**	**-**	**-**
Supplies & Services	3	-	-	-
Grants & Loans	113,853	-	-	-
Net Operating Expense	**113,856**	**-**	**-**	**-**
		-		
Total Expenditures	**130,262**	**-**	**-**	**-**
Net Change	**(95,262)**	**-**	**-**	**-**
Ending Working Capital Balance	**(141)**	**-**	**-**	**-**

FY 2016 Significant Budget Changes:

1. None.

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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.

DEPARTMENT OVERVIEW

The Development Services Department is comprised of the Administration, Building, and Planning Divisions and assists Council, through strong community interaction, in planning for and regulating development in Hayward, in order to assure the economic, aesthetic, and environmental health of the community and a high quality of life for its residents. Within a business-friendly and customer service-oriented environment, the Department 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 applicants and residents to achieve high-quality development that will add value to the City of Hayward within the goals and policies established by Council.

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 the California Code of Regulations, Title 24 Building Code, Mechanical Code, Electrical Code, Plumbing Code and Green Building Code, as adopted and amended by the City of Hayward City Council. The Building Division is committed to fulfilling the needs of the community and protecting the lives and safety of the residents and businesses 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 Council; and for assuring that the Zoning Ordinance and other municipal land use regulations are updated regularly in support of Council priorities and direction. The Planning Division also provides support to the Planning Commission, which serves as an advisory body to the City Council to help assure that the Hayward General Plan and its policies are implemented, and also functions as the decision-making body for various development proposals. The Planning Division is comprised of:

The Current Planning Section, in partnership with the community and applicants, reviews development applications associated with a wide variety of projects from a land use and physical design perspective for 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 provides information about planning, land use/zoning, and landscape architecture requirements to the public; and Staff 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 Council for amendments to the General Plan, Zoning Ordinance, and other City regulations related to land use.

Development Review Section, 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 Council.

FY 2015 KEY PERFORMANCE/ACCOMPLISHMENTS

BUILDING DIVISION

1. Implemented the Permitting Component of the City's new Enterprise Resource Planning (ERP) software system.
2. Improved process review efficiencies, including developing a comprehensive set of written procedures and policies for development applications.
3. Completed scanning of all back-logged street files and microfiche.
4. Significantly increased the percent of on-time reviews for building permit applications (91.7%).
5. Prepared an ordinance for Council adoption allowing plastic pipe to be utilized in the development and building process, creating cost efficiencies for contractors, business owners, and residents in the community.
6. Implemented an "Over the Counter" residential solar permit process.
7. Developed and implemented post-construction customer service surveys.

PLANNING DIVISION

1. Processed to City adoption and State certification a new Housing Element for the General Plan.
2. Initiated the Downtown Specific Plan project.
3. Revised the City's Sign regulations to create more flexibility and better consistency.
4. Developed regulations for Vacant Property Fencing to help ensure community beautification.

DEVELOPMENT SERVICES DEPARTMENT

DEPARTMENT PERFORMANCE METRICS – FY 2015

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Building	Comply with established processing time-frames for building permit application reviews 90% of the time	**ACHIEVED** Processing time-frames for building permit applications have improved from 47% on-time performance to 91.7% on-time
	Inspect all life and safety violations by end of next business day.	**ACHIEVED** All inspections are conducted by the end of the next business day 98+% of the time.
Planning	Comply with the established review time-frames for planning application submittals of thirty calendar days for initial reviews and fifteen days for re-submittals 90% of the time	**CONTINUED EFFORT NEEDED** Review time-frames for planning application submittals have been improved by 15% but have not achieved target yet.
	Process to completion each planning application involving an administrative decision within six weeks of determining application to be complete, and each application involving hearings within twelve weeks of determining application to be complete	**ACHIEVED** Based on a random sampling, administrative decisions and planning applications involving hearings were complete within the specified timeframes 100% of the time.
	Provide comments on Building Permit application plan checks within established time frames 90% of the time	**ACHIEVED** Comments are being provided within established time lines 90+% of the time.

DEVELOPMENT SERVICES DEPARTMENT

FY 2016 KEY SERVICE OJECTIVES/GOALS

1. Continue progress in process improvements through aggressive staff training, staff accountability, and use of technology.
2. Review of Fee Schedules to ensure full cost recovery (new fee study anticipated in first half of Fiscal Year 2016).
3. Establish a voluntary seismic retrofit program for single-family homes.
4. Work on developing a soft-story building ordinance and related funding opportunities for existing multi-family residential developments.
5. Develop regulations requiring solar photovoltaic systems on new large residential projects.
6. Implement AB2188 requirements (streamlined review for small solar photovoltaic systems).
7. Develop program to phase in electronic application submittal and electronic plan check review.
8. Develop a new draft Downtown Specific Plan that will establish a vision for Downtown Hayward and guide and regulate future development and infrastructure improvements (Plan to be completed in FY2017).
9. Develop new zoning regulations for the Industrial area to better attract and accommodate “Class A” Advanced Industries.
10. Work with Economic Development staff to establish and implement a Fiber Optics/Broadband Strategic Plan, which will help attract Advanced Industries.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2016

As the economy improves, so does the workload and activities of the Development Services Department. After years of staffing reductions, this budget proposes one staffing addition to address critical service demands. As shown below, FY 2016 reflects changes made during the FY 2015 mid-year process and those proposed for FY 2016.

FY 2015 Mid-year Recurring Changes (+2.0 FTE)

- Add 1.0 FTE Supervising Building Inspector
- Add 1.0 FTE Senior Plan Checker
- Delete 1.0 FTE Plan Checker
- Add 1.0 Senior Planner (two-year position)
- All FY 2015 adopted and mid-year one-time adjustments are removed from FY 2016

FY 2016 Proposed Changes (+1.0 FTE)

- Add 1.0 FTE Administrative Clerk I/II in Building Division (offset with Target Savings for FY16)
- Increase of $25,000 for Current Planning training
- Increase of $20,000 for Building Division training

FY 2016 STAFFING
39.00 FTE

Development Services Department



All Funds Summary - By Category

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
General Fund Revenue	3,741,420	5,113,550	4,432,300	4,834,000
Park Districts	180,579	541,789	2,235,906	2,235,906
	3,921,999	**5,655,339**	**6,668,206**	**7,069,906**
(Contribution)/Use of Fund Balance				
Park District Funds	1,336,178	241,881	402,910	402,910
	1,336,178	**241,881**	**402,910**	**402,910**
Fund Subsidy				
General Fund Subsidy	**649,726**	**(469,051)**	**1,872,758**	**759,890**
Total Revenues	**5,907,903**	**5,428,170**	**8,943,874**	**8,232,706**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,873,425	2,789,699	3,368,274	3,619,039
Overtime	7,158	15,994	2,700	2,700
Target Savings	-	-	-	(90,101)
Benefits				
Fringe Benefits	589,084	548,957	769,588	827,850
Retiree Medical	54,090	57,600	64,800	64,992
PERS	500,280	530,394	742,128	878,936
Charges (to)/from other programs	(651,586)	(783,803)	(514,601)	(1,094,800)
Net Staffing Expense	**3,372,452**	**3,158,841**	**4,432,889**	**4,208,616**
Maintenance & Utilities	4,856	7,232	7,700	7,700
Supplies & Services	1,976,619	1,701,301	3,835,987	3,282,887
Internal Service Fees	553,976	560,684	648,398	714,603
Capital	-	112	18,900	18,900
Projects	-	-	-	-
Net Operating Expense	**2,535,451**	**2,269,329**	**4,510,985**	**4,024,090**
Total Expenditures	**5,907,903**	**5,428,170**	**8,943,874**	**8,232,706**

All Funds Summary - By Program

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Building	3,435,848	4,660,499	3,863,000	4,312,000
Planning	305,572	453,051	569,300	522,000
Park Districts	180,579	541,789	2,235,906	2,235,906
	3,921,999	**5,655,339**	**6,668,206**	**7,069,906**
(Contribution)/Use of Fund Balance				
Park District Funds	1,336,178	241,881	402,910	402,910
	1,336,178	**241,881**	**402,910**	**402,910**
Fund Subsidy				
General Fund Subsidy	**649,726**	**(469,051)**	**1,872,758**	**759,890**
Total Revenues	**5,907,903**	**5,428,170**	**8,943,874**	**8,232,706**
EXPENDITURES				
Expenditures				
Administration	384,261	405,460	733,238	746,972
Building	2,922,838	3,071,772	3,242,167	3,524,763
Planning	1,084,047	1,167,267	2,329,653	1,322,155
Park Districts	1,516,756	783,670	2,638,816	2,638,816
Total Expenditures	**5,907,903**	**5,428,170**	**8,943,874**	**8,232,706**

Development Services Department

General Fund Summary

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Licenses & Permits	1,634,789	1,448,421	1,920,000	2,181,000
Fees & Service Charges	2,105,891	3,664,469	2,512,000	2,652,000
Other Revenue	740	660	300	1,000
Total Revenues	**3,741,420**	**5,113,550**	**4,432,300**	**4,834,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,873,425	2,789,699	3,368,274	3,619,039
Overtime	7,158	15,994	2,700	2,700
Target Savings	-	-	-	(90,101)
Benefits				
Fringe Benefits	589,084	548,957	769,588	827,850
Retiree Medical	54,090	57,600	64,800	64,992
PERS	500,280	530,394	742,128	878,936
Charges (to)/from other programs	(660,047)	(787,706)	(519,801)	(1,100,000)
Net Staffing Expense	**3,363,990**	**3,154,938**	**4,427,689**	**4,203,416**
Maintenance & Utilities	4,856	7,232	7,700	7,700
Supplies & Services	468,324	921,534	1,202,371	649,271
Internal Service Fees	553,976	560,684	648,398	714,603
Capital	-	112	18,900	18,900
Net Operating Expense	**1,027,157**	**1,489,562**	**1,877,369**	**1,390,474**
Total Expenditures	**4,391,146**	**4,644,499**	**6,305,058**	**5,593,890**
General Fund Subsidy	**649,726**	**(469,051)**	**1,872,758**	**759,890**

Administration - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Other Revenue	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	235,132	271,761	482,394	492,118
Benefits				
Fringe Benefits	41,409	44,263	86,550	74,582
Retiree Medical	3,606	5,400	7,200	6,540
PERS	45,002	53,564	106,431	119,789
Charges (to)/from other programs	22,674	(1,140)	-	-
Net Staffing Expense	**347,822**	**373,848**	**682,575**	**693,029**
Maintenance & Utilities	1,294	1,200	1,200	1,200
Supplies & Services	8,966	3,842	16,040	16,040
Internal Service Fees	26,179	26,570	33,423	36,703
Net Operating Expense	**36,439**	**31,612**	**50,663**	**53,943**
Total Expenditures	**384,261**	**405,460**	**733,238**	**746,972**
General Fund Subsidy	**384,261**	**405,460**	**733,238**	**746,972**

FY 2016 Significant Budget Changes:

1. None

Building - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Licenses & Permits	1,574,611	1,448,421	1,920,000	2,181,000
Fees & Service Charges	1,860,528	3,212,078	1,943,000	2,131,000
Other Revenue	709	-	-	-
Total Revenues	**3,435,848**	**4,660,499**	**3,863,000**	**4,312,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,598,620	1,456,142	1,575,303	1,723,136
Overtime	4,522	15,732	2,200	2,200
Target Savings	-	-	-	(90,101)
Benefits				
Fringe Benefits	373,496	354,123	442,153	485,783
Retiree Medical	30,651	32,400	32,400	31,883
PERS	277,375	277,375	347,559	420,182
Charges (to)/from other programs	(19,910)	(34,554)	(39,602)	-
Net Staffing Expense	**2,264,754**	**2,101,217**	**2,360,013**	**2,573,083**
Maintenance & Utilities	3,227	5,787	6,000	6,000
Supplies & Services	323,469	629,813	481,561	501,561
Internal Service Fees	331,388	334,843	388,593	438,119
Capital	-	112	6,000	6,000
Net Operating Expense	**658,084**	**970,555**	**882,154**	**951,680**
Total Expenditures	**2,922,838**	**3,071,772**	**3,242,167**	**3,524,763**
General Fund Subsidy	**(513,010)**	**(1,588,727)**	**(620,833)**	**(787,237)**

FY 2016 Significant Budget Changes:

1. Addition of 1.0 FTE Supervising Building Inspector (FY2015 Mid-Year)
2. Deletion of 1.0 FTE Plan Checker (FY2015 Mid-Year)
3. Addition of 1.0 FTE Senior Plan Checker (FY2015 Mid-Year)
4. Addition of 1.0 FTE Administrative Clerk I/II (Unfunded FY2016-Target Savings)

Planning - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Licenses & Permits	60,178	-	-	-
Fees & Service Charges	245,363	452,391	569,000	521,000
Other Revenue	31	660	300	1,000
Total Revenues	**305,572**	**453,051**	**569,300**	**522,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,039,673	1,061,796	1,310,577	1,403,785
Overtime	2,637	263	500	500
Benefits				
Fringe Benefits	174,179	150,572	240,885	267,485
Retiree Medical	19,833	19,800	25,200	26,569
PERS	177,902	199,454	288,138	338,965
Charges (to)/from other programs	(662,811)	(752,012)	(480,199)	(1,100,000)
Net Staffing Expense	**751,414**	**679,873**	**1,385,101**	**937,304**
Maintenance & Utilities	336	245	500	500
Supplies & Services	135,889	287,878	704,770	131,670
Internal Service Fees	196,409	199,271	226,382	239,781
Capital	-	-	12,900	12,900
Net Operating Expense	**332,634**	**487,394**	**944,552**	**384,851**
Total Expenditures	**1,084,047**	**1,167,267**	**2,329,653**	**1,322,155**
General Fund Subsidy	**778,475**	**714,216**	**1,760,353**	**800,155**

FY 2016 Significant Budget Changes:

1. Addition of 1.0 FTE Senior Planner (2 Year Temporary)(FY2015 Mid-Year)

Park Districts - Special Revenue Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beginning Working Capital Balance	**2,998,864**	**1,375,862**	**2,756,983**	**2,354,073**
REVENUES				
Revenue				
Interest and Rents	4,962	16,157	-	-
Other Revenue	175,617	525,632	2,235,906	2,235,906
Total Revenues	**180,579**	**541,789**	**2,235,906**	**2,235,906**
EXPENDITURES				
Expenditures				
Salary	-	-	-	-
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	-
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	8,462	3,904	5,200	5,200
Net Staffing Expense	**8,462**	**3,904**	**5,200**	**5,200**
Supplies & Services	1,508,295	779,767	2,633,616	2,633,616
Net Operating Expense	**1,508,295**	**779,767**	**2,633,616**	**2,633,616**
Total Expenditures	**1,516,756**	**783,670**	**2,638,816**	**2,638,816**
Net Change	**(1,336,178)**	**(241,881)**	**(402,910)**	**(402,910)**
Ending Fund Balance	**1,375,862**	**2,756,983**	**2,354,073**	**1,951,163**

FY 2016 Significant Budget Changes

1. None

FINANCE DEPARTMENT

MISSION STATEMENT

In a spirit of excellence, integrity, and dedication, the Finance Department is committed to providing timely, accurate, clear, transparent, and complete financial information in support of city operations, citizens, and the community at large – and to ensure Hayward's long-term fiscal stability.

DEPARTMENT OVERVIEW

The Finance Department provides fiscal oversight and management of the City's financial operations and various related organizations. This includes financial reporting, fiscal analysis, budgeting, all accounting functions in the management of the city's finances, oversight of an external financial audit for compliance with City laws and policies, debt management, investment of the City's cash, grants administration, provision of purchasing services and ensuring compliance with all purchasing laws and policies, service to all the City's sales and use tax payers, billing and collections of the City's utility and tax bills.

DIVISION/PROGRAM SUMMARIES

Administration & Budget Division

The Administration & Budget Division provides department leadership, policy direction, and administrative support to all other divisions in the department – as well as fiscal support to other City departments. Program area responsibilities include managing the city-wide Operating Budget and Ten-Year Financial Plans; managing the City's investment portfolio; providing support to the City Council Budget & Finance Committee, as well as the City's Deferred Compensation and Investment Advisory Committees; and providing 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: management of the general ledger, debt portfolio, and preparation of internal and external financial reports and statements. The division also manages city-wide payroll and benefits, accounts receivable, accounts payable, bank reconciliation, fixed assets, and special assessment administration. Accounting staff record all City financial transactions in compliance with Generally Accepted Accounting Principles (GAAP) and are responsible for overseeing the annual financial and compliance audits performed by external auditors, as well as preparing the City's Comprehensive Annual Financial Report (CAFR).

Revenue Billing & Collections Division

Revenue is responsible for the City's cashiering services, billing & collection (various City tax and utility programs, which include Business License Tax, Excise Tax, Transient Occupancy Tax, and Transfer

Tax), various permit issuances, administration of parking citations, as well as the Municipal Code revenue and taxation sections. The division provides debt collection for City accounts receivable, utility payments, miscellaneous taxes, returned checks, and liens.

Purchasing and General Services Division

Purchasing oversees and supports procurement of all City materials, supplies, equipment, and maintenance services. The purchasing process involves the administration and preparation of contracts, purchase orders, and related documents pertaining to insurance requirements, bonding, and maintenance of all files related to purchases. The division also provides a Central Services Program that processes all internal mail for most City facilities, and includes over one million pieces of U.S. mail annually; and manages contract-printing services, provides shipping and receiving services, and works with departments to update and redesign City forms.

FY 2015 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Implemented the citywide Enterprise Resource Planning (ERP) System for electronic payroll, utility billing, business licenses, and established related policies and procedures.
2. Further refined the ERP processes related to financial Accounting and procurement.
3. Refined the City's Ten-Year financial plans and benefit liability funding plans.
4. Successfully completed the FY 2014 annual audits and issued the FY 2014 Comprehensive Annual Financial Report (CAFR).
5. Completed a $10 million financing of Hayward's Fire Station #7 and Firehouse Clinic.
6. Completed the creation of a new Community Facilities District (CFD) No. 3 for the South Hayward BART Transient Oriented Development project and the annexation of properties into the existing CFD No. 2 (Cannery Place).
7. Converted over 2,700 requisitions into Purchase Orders and 180 into Contracts.
8. Processed twenty-nine Requests for Bids, Quotes and Proposals.
9. Handled 50,000 telephone calls and 10,000 walk-in customers during FY 2015.
10. Implemented an in-house lockbox system saving the City $25,000 annually.

FINANCE DEPARTMENT

DEPARTMENT PERFORMANCE METRICS – FY 2015

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Administration and Budget Division	Compile and present the City's operating budget for adoption in compliance with City Charter requirements.	**ACHIEVED**
	Provide timely, quarterly financial reporting to City Manager and City Council.	**ACHIEVED**
	Invest City funds, in compliance with approved City policy, 100% of the time.	**ACHIEVED**
	Meet investment reporting deadlines 100% of the time.	**ACHIEVED**
Accounting and Payroll Division	Meet federal, state and local financial reporting deadlines 100% of the time.	**ACHIEVED**
	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.	**CONTINUED EFFORT NEEDED** The audits were successfully completed; however, the annual audit was completed by March 31, 2015 instead of December 2014 due to delays caused by the implementation of the City's new financial system.
	Provide timely payment of City obligations, including payroll, benefits, taxes, contracts, vendors and debt service 100% of the time.	**ACHIEVED**
	Successfully update and implement financial policies by July 2015.	**ACHIEVED** New policies implemented in FY 2015 include a new Employee Expense Reimbursement, Cash Handling, Petty Cash, and payroll corrections.
Revenue Billing and Collections Division	Receive feedback from customers that reflect above average customer service 95% of the time related to courtesy, timeliness, and ability to address customer requests.	**ACHIEVED** Met the target goal. Even with the implementation of the new utility billing and business license systems, the Revenue Division continues to receive high marks from our customers.

FINANCE DEPARTMENT

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
	Maintain high collection rate, with a collection account ratio averaging better than 90%.	**ACHIEVED**
	Maintain record of 100% timely mailing of utility bills to all residents.	**REQUIRES ATTENTION** The implementation of the new utility billing system caused billing delays in FY 2015 that should not re-occur in FY 2016.
Purchasing and General Services Division	Meet purchase process timelines 95% of the time: single purchase (10 working days); bids and quotes (6 weeks); and proposals (8 weeks).	For single purchases and blanket purchase order, overall met this goal with improvement over the course of the fiscal year. Bids, quotes and proposals goals were met.
	Review a minimum of 90% of all open purchase orders for compliance annually.	Continue to work towards this goal as it was not met due to time and manpower challenges.

FY 2016 KEY SERVICE OBJECTIVES/GOALS

1. Implement a comprehensive Measure C financing plan and issue related debt (about $80 million) for new library, improvements to fire stations/new training center, and streets improvements.
2. Draft and issue a Request for Proposals for banking and cash management services.
3. Commence Business License Tax ordinance review.
4. Implement Vendor online self-service.
5. Draft and implement updated Purchasing Policies & Guidelines.
6. Conduct and implement a citywide Master Fee Study.
7. Implement citywide Cash Handling Policies and Guidelines and conduct related training.
8. Draft and implement a citywide grants management policy.
9. Maintain high collection rate with a collection account ratio averaging better than 90%.
10. Maintain record of 100% timely mailing of bills and collection notices.

FINANCE DEPARTMENT

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2016

The Finance Department has struggled in recent years to meet increased service demands with a reduced and changing workforce. The Department has focused on rebuilding its staffing resources and structure and is now seeing positive results. The changes proposed in FY 2016 are related to the Department's utility operations and are funded through non-General Fund sources.

FY 2015 Mid-year Changes - none

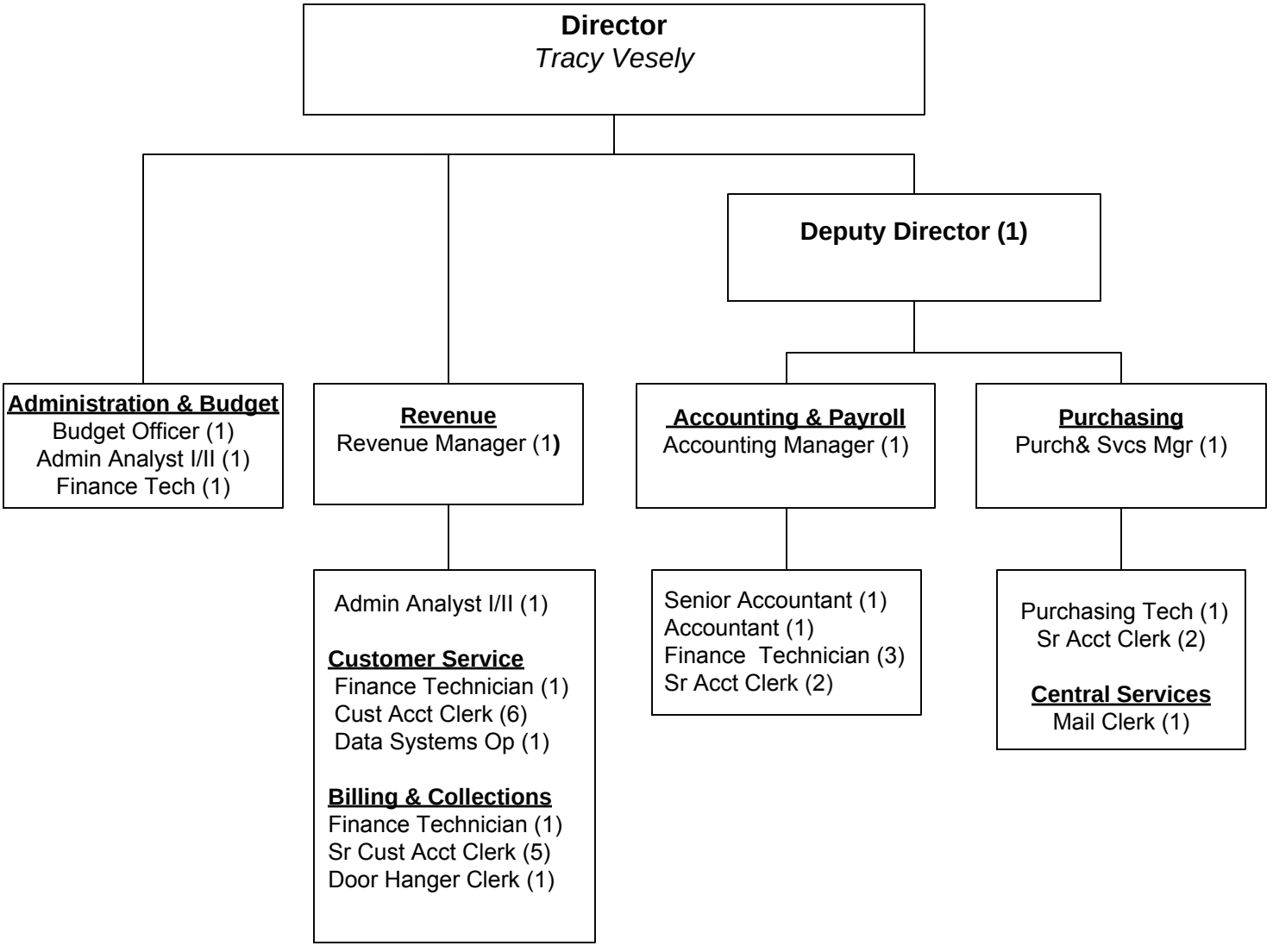
FY 2016 Proposed Changes (+3.0 FTE)

- Add 1.0 FTE Door Hanger Clerk (converted from existing temporary position) – Water Fund
- Add 1.0 FTE Data Systems Operator (moved from Information Technology Department) – IT ISF
- Add 1.0 FTE Senior Customer Account Clerk – Water Fund
- Delete 2.0 FTE Financial Analyst – General Fund
- Add 1.0 FTE Budget Officer – General Fund
- Add 1.0 FTE Administrative Analyst I/II – General Fund
- Relocate 2.0 FTE Senior Account Clerks from the Accounting Division to the Purchasing Division

The Door Hanger Clerk is currently a temporary position and is a Public Utilities Commission requirement (noticing customers). The intent is to make this a permanent position in the Revenue Division. The Data Systems Operator is an existing position in the Information Technology Department that is being transferred to Finance due to the type of work completed. The new Senior Customer Account Clerk is a truly a new position to the department as is needed to augment the operation of utility billing.

FY 2016 STAFFING
35.00 FTE

Finance Department



All Funds Summary - By Category

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue and Transfers In From Other Funds				
General Fund Revenue	202,070	431,627	299,013	735,397
	202,070	**431,627**	**299,013**	**735,397**
Fund Subsidy				
General Fund Subsidy	3,029,198	2,731,221	3,456,233	3,076,419
Water Fund Subsidy	1,132,185	1,115,053	1,263,369	1,439,009
Information Tech Fund Subsidy	-	-	-	86,478
	4,161,383	**3,846,274**	**4,719,602**	**4,601,906**
Total Revenues	**4,363,453**	**4,277,901**	**5,018,615**	**5,337,303**
EXPENDITURES				
Expenditures By Category				
Salary				
Regular	2,123,599	2,142,853	2,559,764	2,682,283
Overtime	14,519	60,446	8,000	8,000
Benefits				
Fringe Benefits	441,893	425,590	673,930	602,964
Retiree Medical	52,287	52,200	57,600	56,652
PERS	363,530	371,582	563,800	649,491
Charges (to)/from other programs	(16,179)	(12,926)	(70,860)	-
Net Staffing Expense	**2,979,648**	**3,039,745**	**3,792,234**	**3,999,390**
Maintenance & Utilities	6,733	3,640	4,558	6,528
Supplies & Services	1,008,834	864,898	817,012	856,356
Internal Service Fees	368,237	369,618	404,811	475,029
Capital	-	-	-	-
Net Operating Expense	**1,383,804**	**1,238,157**	**1,226,381**	**1,337,913**
Total Expenditures	**4,363,453**	**4,277,901**	**5,018,615**	**5,337,303**
Net Change	**-**	**-**	**-**	**-**

All Funds Summary - By Program

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
General Fund	202,070	431,627	299,013	735,397
	202,070	**431,627**	**299,013**	**735,397**
Fund Subsidy				
General Fund Subsidy	3,029,198	2,731,221	3,456,233	3,076,419
Water Fund Subsidy	1,132,185	1,115,053	1,263,369	1,439,009
Information TechFund Subsidy	-	-	-	86,478
	4,161,383	**3,846,274**	**4,719,602**	**4,601,906**
Total Revenues	**4,363,453**	**4,277,901**	**5,018,615**	**5,337,303**
EXPENDITURES				
Expenditures By Program				
Administration	933,484	718,095	1,023,131	1,058,583
Accounting	1,128,594	1,175,421	1,449,363	1,262,183
Information Technology	-	-	-	86,478
Purchasing	494,193	452,239	483,913	658,819
Revenue	674,997	817,093	798,839	832,231
Utility Billing	1,132,185	1,115,053	1,263,369	1,439,009
Total Expenditures	**4,363,453**	**4,277,901**	**5,018,615**	**5,337,303**
Net Change	**-**	**-**	**-**	**-**

Finance - General Fund Summary

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Fees & Charges for Service	96,474	202,958	136,397	167,397
Intergovernmental	78,484	64,954	76,000	441,000
Fines & Forfeitures	837	152,435	50,000	100,000
Licenses & Permits	1,469	4,775	-	2,000
Other Revenue	24,807	6,505	36,616	25,000
Total Revenues	**202,070**	**431,627**	**299,013**	**735,397**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,587,006	1,664,155	2,123,797	1,958,892
Overtime	10,621	52,624	2,000	2,000
Benefits				
Fringe Benefits	345,815	322,338	541,319	413,606
Retiree Medical	37,863	39,600	45,000	38,095
PERS	285,811	291,005	467,612	473,697
Charges (to)/from other programs	(97,321)	(101,687)	(290,119)	-
Net Staffing Expense	2,169,795	2,268,035	2,889,609	2,886,290
Maintenance & Utilities	3,190	2,567	2,500	4,350
Supplies & Services	743,124	572,759	514,206	503,550
Internal Service Fees	315,160	319,487	348,931	417,626
Capital	-	-	-	-
Net Operating Expense	1,061,474	894,814	865,637	925,526
Total Expenditures	**3,231,268**	**3,162,848**	**3,755,246**	**3,811,816**
General Fund Subsidy	**3,029,198**	**2,731,221**	**3,456,233**	**3,076,419**

Administration - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Fees & Charges for Service	89,694	201,358	136,397	136,397
Intergovernmental	78,484	64,954	76,000	76,000
Licenses & Permits	17,598	133,565	15,572	90,000
Other Revenue	-	3,471	36,616	3,000
Total Revenues	**185,776**	**403,348**	**264,585**	**305,397**
EXPENDITURES				
Expenditures				
Salary				
Regular	329,353	370,898	593,469	565,424
Overtime	2,646	2,993	-	-
Benefits				
Fringe Benefits	63,037	68,603	122,893	113,139
Retiree Medical	7,212	7,200	9,000	7,766
PERS	60,774	72,867	130,477	138,361
Charges (to)/from other programs	3,682	(5,613)	(58,642)	-
Net Staffing Expense	466,704	516,948	797,197	824,690
Maintenance & Utilities	1,246	2,166	1,700	2,600
Supplies & Services	430,064	163,093	189,306	185,800
Internal Service Fees	35,470	35,888	34,928	45,493
Capital	-	-	-	-
Net Operating Expense	466,780	201,147	225,934	233,893
Total Expenditures	**933,484**	**718,095**	**1,023,131**	**1,058,583**
General Fund Subsidy	**747,708**	**718,095**	**758,546**	**1,058,583**

FY 2016 Significant Budget Changes:

1. Deletion of 2.0 FTE Financial Analyst.
2. Addition of 1.0 FTE Budget Officer.
3. Addition of 1.0 FTE Administrative Analyst I/II.

Accounting - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Other Revenue	24,807	2,118	-	2,000
Total Revenues	**24,807**	**2,118**	**-**	**2,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	607,519	614,707	764,386	638,955
Overtime	1,207	8,683	2,000	2,000
Benefits				
Fringe Benefits	129,234	113,776	214,307	168,710
Retiree Medical	14,424	14,400	18,000	13,080
PERS	103,047	92,152	168,645	155,328
Charges (to)/from other programs	(6,854)	(8,681)	-	-
Net Staffing Expense	848,577	835,038	1,167,338	978,073
Maintenance & Utilities	806	-	500	500
Supplies & Services	182,728	242,629	160,050	154,050
Internal Service Fees	96,483	97,754	121,475	129,560
Net Operating Expense	280,017	340,384	282,025	284,110
Total Expenditures	**1,128,594**	**1,175,421**	**1,449,363**	**1,262,183**
General Fund Subsidy	**1,103,788**	**1,173,303**	**1,449,363**	**1,260,183**

FY 2016 Significant Budget Changes:

1. Relocate 2.0 FTE Senior Account Clerks to Purchasing Division.

Purchasing and Central Services - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Other Revenue	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	258,474	206,011	234,437	375,124
Overtime	-	30,306	-	-
Benefits				
Fringe Benefits	47,309	24,808	48,357	32,473
Retiree Medical	5,409	5,400	5,400	8,175
PERS	47,860	34,159	51,725	87,684
Charges (to)/from other programs	-	(289)	-	-
Net Staffing Expense	359,051	300,395	339,919	503,456
Maintenance & Utilities	1,139	402	300	1,250
Supplies & Services	13,078	28,569	22,250	24,500
Internal Service Fees	120,925	122,874	121,444	129,613
Capital	-	-	-	-
Net Operating Expense	135,142	151,845	143,994	155,363
Total Expenditures	**494,193**	**452,239**	**483,913**	**658,819**
General Fund Subsidy	**494,193**	**452,239**	**483,913**	**658,819**

FY 2016 Significant Budget Changes:

1. Relocate 2.0 FTE Senior Account Clerk's from Accounting Division.

Revenue - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Licenses & Permits	1,469	4,775	-	2,000
Fees & Charges for Service	6,780	1,600	-	31,000
Intergovernmental	-	-	-	365,000
Fines & Forfeiture	837	152,435	50,000	100,000
Other Revenue	-	916	-	20,000
Total Revenues	**9,085**	**5,691**	**50,000**	**518,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	391,661	472,538	531,505	379,389
Overtime	6,768	10,643	-	-
Benefits				
Fringe Benefits	106,235	115,150	155,762	99,284
Retiree Medical	10,818	12,600	12,600	9,074
PERS	74,131	91,827	116,765	92,324
Charges (to)/from other programs	(94,149)	(87,104)	(231,477)	-
Net Staffing Expense	495,462	615,654	585,155	580,071
Maintenance & Utilities	-	-	-	-
Supplies & Services	117,253	138,467	142,600	139,200
Internal Service Fees	62,282	62,971	71,084	112,960
Capital	-	-	-	-
Net Operating Expense	179,535	201,438	213,684	252,160
Total Expenditures	**674,997**	**817,093**	**798,839**	**832,231**
General Fund Subsidy	**665,912**	**811,402**	**748,839**	**314,231**

FY 2016 Significant Budget Changes:

1. None

Utility Billing - Enterprise Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
EXPENDITURES				
Expenditures				
Salary				
Regular	536,593	478,698	435,967	657,477
Overtime	3,897	7,822	6,000	6,000
Benefits			-	
Fringe Benefits	96,078	103,252	132,611	185,531
Retiree Medical	14,424	12,600	12,600	16,922
PERS	77,719	80,577	96,188	160,692
Charges (to)/from other programs	81,142	88,761	219,259	-
Net Staffing Expense	809,854	771,710	902,625	1,026,622
Maintenance & Utilities	3,543	1,073	2,058	2,178
Supplies & Services	265,711	292,139	302,806	352,806
Internal Service Fees	53,077	50,131	55,880	57,403
Net Operating Expense	322,331	343,343	360,744	412,387
Total Expenditures	**1,132,185**	**1,115,053**	**1,263,369**	**1,439,009**
Water Fund Subsidy	**1,132,185**	**1,115,053**	**1,263,369**	**1,439,009**

FY 2016 Significant Budget Changes:

1. Addition of 1.0 FTE Senior Customer Account Clerk
2. Addition of 1.0 FTE Door Hanger Clerk

Information Technology - Internal Service Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
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 2016 Significant Budget Changes:

1. Relocation of 1.0 FTE Data Systems Operator from Information Technology Department

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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, as well as all training functions, 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 three 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.

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

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.

FY 2015 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Conducted one recruit academy in order to maintain full staffing capacities and control overtime expenses; graduated ten recruits to Fire Fighter.
2. Implemented Smoke Detector Program, which provided 136 smoke detectors to citizens in need.
3. In conjunction with Public Works, continued to implement and oversee the construction of Fire Station No. 7 and the adjacent innovative Fire House Clinic, ensuring that the project is completed on time and within budget.
4. Acquired replacement self-contained breathing apparatus units for the department through the use of capital funds and a federal grant; 88 units were funded through the grant, while 23 were funded through the Capital Improvement Program.

5. Assisted with the selection of a construction management firm to oversee the planned renovations at Fire Stations 1-6 as well as the new training facility at Fire Station No. 6, which are expected to commence construction during FY 2016.
6. Pursued and secured funding from the Federal Assistance to Firefighters Grant program for Department-wide Rescue Systems Certifications and Training.
7. Participated in California Urban Search and Rescue (USAR) Task Force 4.
8. Secured long-term storage sites for recently received disaster medicine caches, as well as identifying treatment sites.
9. Held four classes and trained 78 City staff in CPR/AED.
10. Fire personnel logged 8,568 hours assisting other agencies with ten out-of-area incidents (i.e. wildfires) in May and July through September of 2014. All hours were fully compensated via mutual aid agreements at a rate of 116% (100% cost recovery and 16% overhead reimbursement).
11. By the end of FY 2015, all City staff members were trained on basic disaster response fundamentals; in addition, a total of 67 staff participated in EOC training.

DEPARTMENT PERFORMANCE METRICS – FY 2015

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Administration	Assure personnel have adequate resources and training to mitigate an array of emergencies	**CONTINUED EFFORT NEEDED** Through concerted and focused budgeting efforts, substantial resources and training were provided to Fire staff during FY 2015 in order to address a wide range of emergencies
	Continue to provide for a professional representation of Department at schools, hospital, volunteer and professional functions	**ACHIEVED** During FY 2015, Fire staff conducted 33 school tours and 29 fire station visits
	Assure that all City employees have received and maintain up-to-date the appropriate level of disaster response and management training.	**ACHIEVED** By the end of FY 2015, all City staff received basic disaster response training and 67 staff received EOC training
Special Operations	Perform approximately two thousand eight hundred fire and four hundred hazardous material inspections in accordance with the Office of the State Fire Marshal.	**CONTINUED EFFORT NEEDED** During FY 2015, Fire staff performed approximately 2,500 fire inspections and 400 hazardous material inspections

HAYWARD FIRE DEPARTMENT

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
	Provide plan review with a turnaround time of five days on basic projects and fifteen days on large facilities and tract developments in accordance with "best practice timeline" recommendation(s) from Structech Consulting (June 2009).	**ACHIEVED** Fire staff regularly achieved a turn-around time for plan review on basic projects of five days or less during FY 2015 and fifteen days or less on larger facilities or tract developments
	Provide disaster preparedness training and Community Emergency Response Team (CERT) training to bolster community state of readiness currently set at two sessions per year. Most recent class had 52 graduates /year in conjunction with web-based resources	**ACHIEVED** Fire staff continued to hold two CERT classes in FY 2015; the Fall class had 52 graduates, while the Spring class included 48 participants. Both classes were conducted in a bi-lingual setting
Operations	Respond to emergency calls for service with first arriving units on scene in 5 minutes or less 90% of the time with balance of assignment arriving in less than 8 minutes	**ACHIEVED** The department continued to exceed this goal in FY 2015 by responding to 17,481 emergency calls for service in 5 minutes or less 94.7% of the time (the national standard is 5 minutes, 50 seconds 90% of the time).
	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	**ACHIEVED** As the department's Firefighters are also required to be trained paramedics, each piece of apparatus that arrives on a call is staffed with multiple paramedics
	Provide mandated and elective training to operations (approximately one hundred and forty four hours/year) and regulatory personnel (approximately one hundred hours/year)	**ACHIEVED** All requisite Fire Department staff received appropriate levels of training in order to ensure compliance with basic regulatory requirements as well as advanced training in order to enhance their effectiveness to address and respond to various types of calls for assistance within the community
	Maintain thorough training records - managed through web-based Target Safety program	**ACHIEVED** Fire staff remained diligent in ensuring that all received training was thoroughly documented and recorded for each employee

HAYWARD FIRE DEPARTMENT

FY 2016 KEY SERVICE OBJECTIVES/GOALS

1. Assure that the Department maintains response times meeting the highest professional and “best practices” response times.
2. Develop City tabletop disaster exercise, which includes the scheduling and planning of a full, inter-agency field exercise.
3. In conjunction with Public Works, oversee the renovations to Fire Stations 2, 3, and 4 during FY 2016.
4. Implementation of Fire House Clinic and associated innovative practices.
5. 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, implement real-time performance dashboard.
6. Obtain California State Fire Marshal Firefighter II certification for all sworn personnel.
7. Establish a permanent static Emergency Operations Center (EOC) for City Hall personnel.
8. 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.

SIGNIFICANT CHANGES PLANNED FOR FY 2016

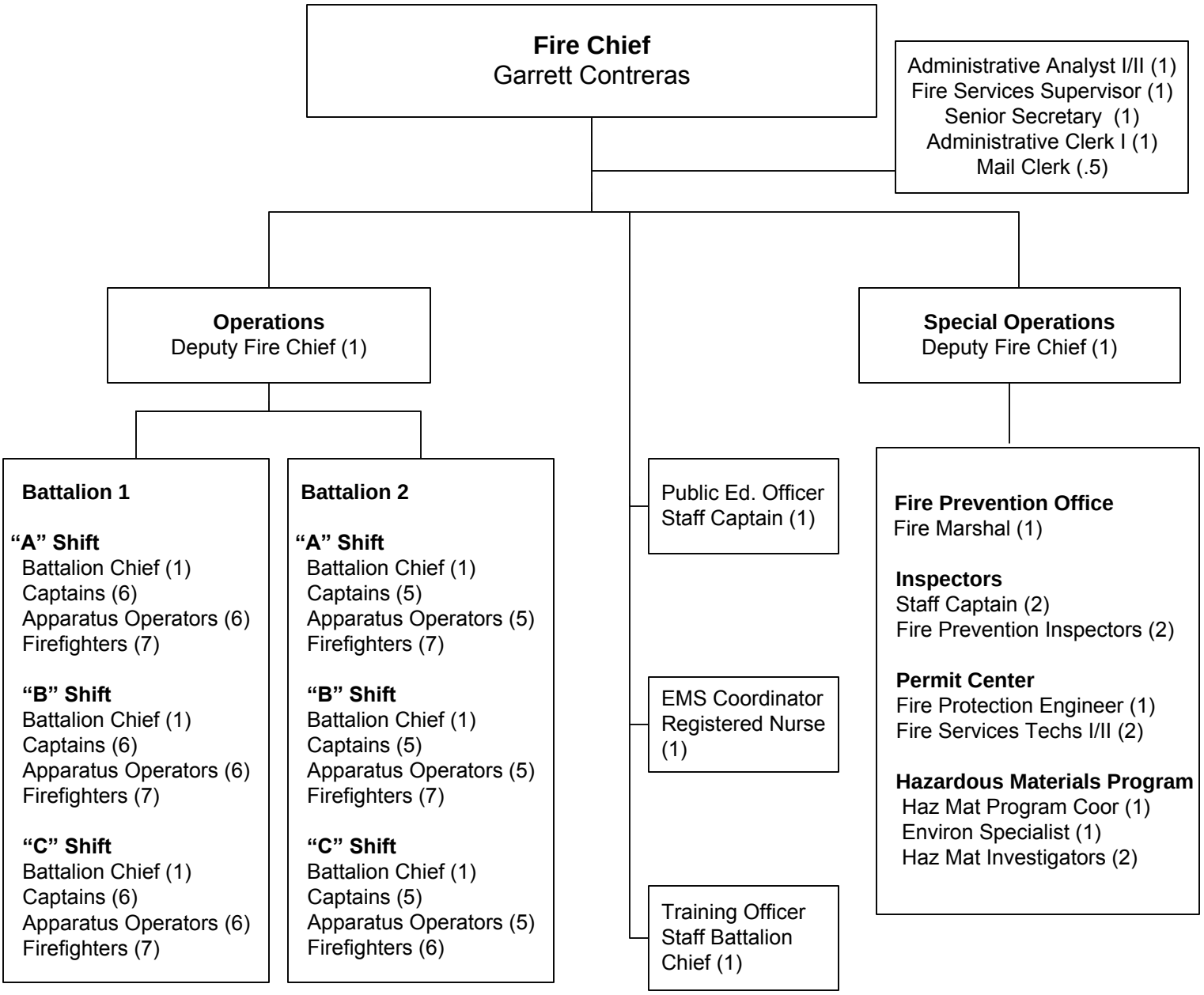
There are no staffing changes proposed in the FY 2016 budget. However, there are a number of notable assumptions:

- Increased Mutual Aid Reimbursement revenue projection by $110,000 in anticipation of fire season activity.
- Increase vacancy savings by $250,000 based on an estimated average of three vacant positions throughout the course of the year due to normal attrition.
- Relocated 1.0 FTE Admin Clerk I/II from Special Operations to Administration.
- Relocated 1.0 FTE Deputy Fire Chief from Operations to Special Operations.

While, there is a recognized critical need for the creation of an Emergency Manager position to direct the City’s disaster preparedness efforts, limited resources necessitated deferring this additional cost at this time.

FY 2016 STAFFING
135.5 FTE

Fire Department



Fire - General Fund Summary

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Licenses & Permits	1,168,197	1,204,729	1,368,568	1,368,568
Fees & Service Charges	800,092	1,067,890	797,839	950,000
Fairview FPD Reimbursement	2,575,392	2,637,914	2,700,000	2,783,300
EMS Reimbursement	476,543	407,436	501,000	501,000
Mutual Aid Reimbursement	89,505	640,106	390,000	500,000
Mt Eden Fire Services	-	-	-	-
Other Revenue	2,680	8,131	-	-
Total Revenues	**5,112,409**	**5,966,207**	**5,757,407**	**6,102,868**
EXPENDITURES				
Expenditures				
Salary				
Regular	16,550,976	17,307,642	17,610,811	18,211,188
Overtime	3,182,616	3,948,572	2,523,646	2,523,646
Vacancy Savings	-	-	(250,000)	(500,000)
Benefits				
Fringe Benefits	3,816,427	4,011,142	4,537,455	4,400,810
Retiree Medical	696,662	796,500	665,100	839,618
PERS	4,647,643	4,470,940	5,490,462	6,130,518
Charges (to)/from other programs	(11,914)	6,003	19,801	-
Net Staffing Expense	28,882,410	30,540,799	30,597,275	31,605,780
Maintenance & Utilities	86,607	61,455	67,200	55,200
Supplies & Services	581,823	574,273	563,272	575,272
Internal Service Fees	1,637,313	1,651,127	2,328,643	2,806,657
Capital	-	-	-	-
Net Operating Expense	2,305,744	2,286,855	2,959,115	3,437,129
Total Expenditures	**31,188,154**	**32,827,653**	**33,556,390**	**35,042,909**
General Fund Subsidy	**26,075,745**	**26,861,446**	**27,798,983**	**28,940,041**

Note: $500,000 of budgeted overtime is budgeted for mutual aid.

General Fund - Summary By Program

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Administration	-	-	-	-
Special Operations	1,970,969	2,275,191	2,166,407	2,318,568
Operations	3,141,441	3,691,016	3,591,000	3,784,300
Total Revenues	**5,112,409**	**5,966,207**	**5,757,407**	**6,102,868**
EXPENDITURES				
Expenditures				
Administration	641,044	664,460	822,029	973,041
Special Operations	2,381,939	2,872,215	2,862,950	3,192,247
Operations	28,165,171	29,290,979	29,871,411	30,877,621
Total Expenditures	**31,188,154**	**32,827,653**	**33,556,390**	**35,042,909**
General Fund Subsidy	**26,075,745**	**26,861,446**	**27,798,983**	**28,940,041**

Administration - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Other Revenue	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	387,342	397,634	479,979	542,865
Overtime	21	12,289	-	-
Benefits				
Fringe Benefits	50,844	53,304	86,480	125,256
Retiree Medical	9,139	9,900	10,500	13,200
PERS	117,108	106,047	135,745	163,898
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	564,454	579,173	712,704	845,219
Maintenance & Utilities	5,969	537	-	-
Supplies & Services	33,667	34,746	31,100	30,100
Internal Service Fees	36,954	50,003	78,225	97,722
Capital	-	-	-	-
Net Operating Expense	76,590	85,287	109,325	127,822
Total Expenditures	**641,044**	**664,460**	**822,029**	**973,041**
General Fund Subsidy	**641,044**	**664,460**	**822,029**	**973,041**

FY 2016 Significant Budget Changes:

1. Relocated 1.0 FTE Admin Clerk I/II from Special Operations.

Special Operations General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Licenses & Permits	1,168,197	1,204,729	1,368,568	1,368,568
Fees & Service Charges	800,092	1,067,890	797,839	950,000
Other Revenue	2,680	2,572	-	-
Total Revenues	**1,970,969**	**2,275,191**	**2,166,407**	**2,318,568**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,406,498	1,813,950	1,662,878	1,819,317
Overtime	60,359	65,623	35,000	35,000
Benefits				
Fringe Benefits	310,895	336,381	405,120	423,165
Retiree Medical	40,286	52,200	45,000	58,474
PERS	340,479	355,403	454,331	571,161
Charges (to)/from other programs	9,415	19,577	19,801	-
Net Staffing Expense	2,167,932	2,643,135	2,622,130	2,907,117
Maintenance & Utilities	1,523	-	-	-
Supplies & Services	59,148	74,428	51,330	52,330
Internal Service Fees	153,336	154,652	189,490	232,800
Net Operating Expense	214,007	229,080	240,820	285,130
Total Expenditures	**2,381,939**	**2,872,215**	**2,862,950**	**3,192,247**
General Fund Subsidy	**410,970**	**597,024**	**696,543**	**873,679**

FY 2016 Significant Budget Changes:

1. Relocated 1.0 FTE Admin Clerk I/II to Administration.
2. Relocated 1.0 FTE Deputy Fire Chief from Operations.

Operations - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Fairview FPD Reimbursement	2,575,392	2,637,914	2,700,000	2,783,300
EMS Reimbursement	476,543	407,436	501,000	501,000
Mutual Aid Reimbursement	89,505	640,106	390,000	500,000
Mt Eden Fire Services	-	-	-	-
Other Revenue	-	5,560	-	-
Total Revenues	**3,141,441**	**3,691,016**	**3,591,000**	**3,784,300**
EXPENDITURES				
Expenditures				
Salary				
Regular	14,757,136	15,096,059	15,467,954	15,849,006
Overtime	3,122,236	3,870,660	2,488,646	2,488,646
Vacancy Savings	-	-	(250,000)	(500,000)
Benefits				
Fringe Benefits	3,454,688	3,621,457	4,045,855	3,852,389
Retiree Medical	647,237	734,400	609,600	767,944
PERS	4,190,056	4,009,490	4,900,386	5,395,459
Charges (to)/from other programs	(21,329)	(13,574)	-	-
Net Staffing Expense	26,150,025	27,318,491	27,262,441	27,853,444
Maintenance & Utilities	79,115	60,917	67,200	55,200
Supplies & Services	489,008	465,098	480,842	492,842
Internal Service Fees	1,447,023	1,446,472	2,060,928	2,476,135
Capital	-	-	-	-
Net Operating Expense	2,015,146	1,972,488	2,608,970	3,024,177
Total Expenditures	**28,165,171**	**29,290,979**	**29,871,411**	**30,877,621**
General Fund Subsidy	**25,023,730**	**25,599,962**	**26,280,411**	**27,093,321**

FY 2016 Significant Budget Changes:

1. Relocated 1.0 FTE Deputy Fire Chief to Special Operations.

Note: $500,000 of budgeted overtime is budgeted for mutual aid.

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HUMAN RESOURCES DEPARTMENT

MISSION STATEMENT

The Human Resources Department strives to support City Council priorities and organizational business goals through continued partnerships and collaboration and by utilizing strategies designed to attract, develop, motivate, and retain a diverse and efficient workforce within a 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 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 2015 KEY PERFORMANCE/ACCOMPLISHMENTS

1. In partnership with City of Hayward local businesses, hosted the City's second annual job fair. Approximately 600 people attended the event and received professional career advice and resume review.
2. Continued implementation of the Workers Compensation Program strategies and reduced number of Workers Compensation claims filed by over twenty-five percent.
3. Implemented recruitment and testing strategies to improve selection pools. Conducted ninety-four (94) recruitments, with over 4,500 applicants, filling several key positions citywide.
4. Facilitated twenty-six (26) City sponsored trainings.
5. Partnered with Kaiser Hospital and hosted a free flu shot clinic. 108 employees received free influenza vaccinations, double the participation level of the previous year.
6. With the support of the Mayor, City Manager, and other City Department Directors and staff, hosted the City of Hayward's third annual "Take our Sons/Daughters to Work" Day. The event was well attended with over fifty (50) children and their parents participating.

DEPARTMENT PERFORMANCE METRICS – FY 2015

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Benefits Administration	Provide high quality health and welfare benefits at competitive rates.	**ACHIEVED** The City continues to provide high quality benefits to its employees and eligible dependents. Partnered with Alliant to maintain competitive rates and reduce costs where possible.
	Issue eligibility notices within legal timelines 100% of the time.	**ACHIEVED** Met goal to issue notices within legal timelines 100% of the time.
Employee and Labor Relations	Receive feedback from the management team that reflects 95% of the time work products met or exceeded expectations for timeliness, accuracy of information provided, and ability to assist with resolution of employee and labor relations matters.	**CONTINUED EFFORT NEEDED**
	Achieve agreement on successor contracts for employee groups with contracts that expire during FY 2015 and FY 2016.	**CONTINUED EFFORT NEEDED** Negotiations continue.

HUMAN RESOURCES DEPARTMENT

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Workers Compensation & Leave Administration	Reduce lost days by 5% and reduce reporting delays by 25%	**ACHIEVED**
Workplace Safety	Complete comprehensive update of the City's Illness and Injury Prevention Program.	**REQUIRES ATTENTION** Project delayed due to staffing vacancies and competing priorities.
	Implement an Ergonomics Program City-Wide in order prevent repetitive motion injuries.	**REQUIRES ATTENTION** Project delayed due to staffing vacancies and competing priorities.
Employee Development and Training	100% attendance for mandatory training sponsored by Human Resources Department.	**CONTINUED EFFORT NEEDED** Improved attendance levels, but did not meet goal.
	Complete Citywide Training Needs Assessment	**REQUIRES ATTENTION** Project delayed due to staffing vacancies and competing priorities.
	Complete training needs to support a quality succession plan for key positions throughout the organization.	**REQUIRES ATTENTION** Project delayed due to staffing vacancies and competing priorities.
Recruitment and Selection	Eligibility lists established on average within 12 weeks of approval to begin recruitment 95% of the time.	**ACHIEVED**
Classification & Compensation	Complete the update of job descriptions to align with the City's Classification Plan for 100% of open recruitments.	**ACHIEVED**
	On an annual basis, revise Salary Plan for Council adoption and revise the Classification Plan for Commission approval.	**ACHIEVED**

HUMAN RESOURCES DEPARTMENT

FY 2016 KEY SERVICE OBJECTIVES/GOALS

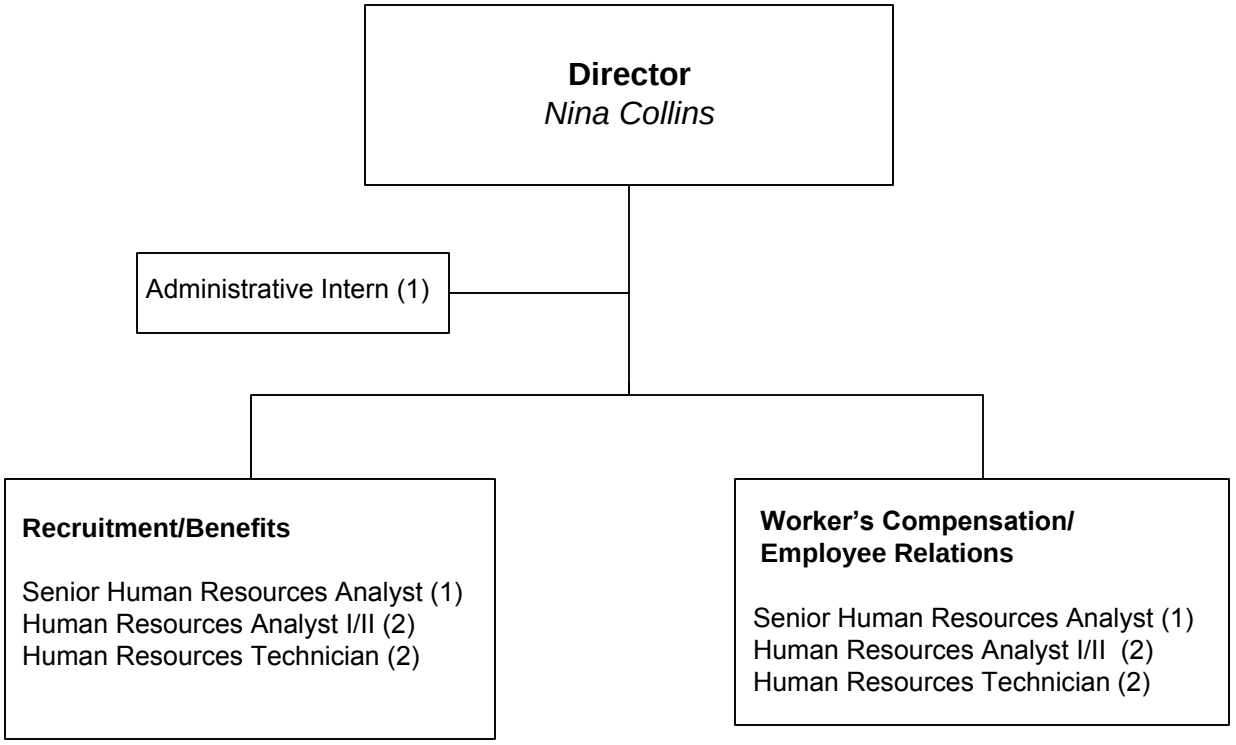
1. In coordination with the City Manager, resolve all open labor contract negotiations such that departmental resources are not consumed by negotiation responsibilities and support.
2. Develop and implement a new employee orientation that highlights the benefits, roles and responsibilities of effective public service.
3. Develop and implement key policies and processes related to compliance with the federal Affordable Care Act.
4. Participate in and support the implementation of HR Modules in the City's new Enterprise Resource Planning (ERP) Software, Munis.
5. Increase citywide training opportunities.
6. In partnership with the Utilities and Environmental Services Department, complete the citywide safety gap analysis and develop implementation plan.
7. Facilitate a variety of health and wellness activities to encourage employees to make healthy lifestyle choices.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2016

No significant changes are included in the proposed budget.

FY 2016 STAFFING
12.00 FTE

Human Resources Department



All Funds Summary - By Category

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue and Transfers In from Other Funds				
General Fund Revenue	-	34,731	-	30,000
Worker's Compensation Fund	6,212,160	6,762,652	6,000,681	6,346,433
Employee Benefits Fund	2,632,337	4,641,400	2,567,400	3,191,374
	8,844,497	**11,438,783**	**8,568,081**	**9,567,807**
(Contributions)/Use of Fund Balance				
Worker's Compensation	159,605	669,308	80,293	(279,248)
Employee Benefits	(136,412)	(694,109)	30,008	-
	23,193	**(24,801)**	**110,301**	**(279,248)**
Fund Subsidy				
General Fund Subsidy	**1,281,400**	**1,466,158**	**1,782,076**	**1,797,736**
Total Revenues	**10,149,091**	**12,880,140**	**10,460,458**	**11,086,295**
EXPENDITURES				
Expenditures By Expense Category				
Salary				
Regular	739,723	888,032	1,008,657	992,622
Overtime	5,788	5,088	-	-
Benefits				
Fringe Benefits	128,603	231,984	344,394	356,713
Retiree Medical	16,227	16,200	19,800	17,985
PERS	124,957	151,745	214,365	232,650
Charges (to)/from other programs	(9,912)	(3,307)	-	-
Net Staffing Expense	**1,005,386**	**1,289,742**	**1,587,216**	**1,599,970**
Worker's Compensation Expense	5,145,551	6,328,074	4,900,530	4,845,530
Retiree Medical Benefits	2,495,925	3,947,291	2,597,408	3,191,374
Maintenance & Utilities	1,246	2,059	2,550	2,550
Supplies & Services	1,208,428	1,020,701	1,025,002	1,080,002
Internal Service Fees	133,839	133,425	182,261	201,378
Capital	-	-	-	-
Net Operating Expense	**8,984,989**	**11,431,550**	**8,707,751**	**9,320,834**
Transfers Out To Other Funds	**158,715**	**158,848**	**165,491**	**165,491**
Total Expenditures	**10,149,091**	**12,880,140**	**10,460,458**	**11,086,295**
Net Change	**-**	**-**	**-**	**-**

Human Resources Department

All Funds Summary - By Program

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue and Transfers In from Other Funds				
General Fund	-	34,731	-	30,000
Worker's Compensation Fund	6,212,160	6,762,652	6,000,681	6,346,433
Employee Benefits Fund	2,632,337	4,641,400	2,567,400	3,191,374
	8,844,497	**11,438,783**	**8,568,081**	**9,567,807**
(Contributions)/Use of Fund Balance				
Worker's Compensation	159,605	669,308	80,293	(279,248)
Employee Benefits	(136,412)	(694,109)	30,008	-
	23,193	**(24,801)**	**110,301**	**(279,248)**
Fund Subsidy				
General Fund Subsidy	**1,281,400**	**1,466,158**	**1,782,076**	**1,797,736**
Total Revenues	**10,149,091**	**12,880,140**	**10,460,458**	**11,086,295**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds By Program				
HR - General Fund	1,281,400	1,500,889	1,782,076	1,827,736
Worker's Compensation	6,371,765	7,431,960	6,080,974	6,067,185
Employee Benefits	2,495,925	3,947,291	2,597,408	3,191,374
Total Expenditures	**10,149,091**	**12,880,140**	**10,460,458**	**11,086,295**
Net Change	**-**	**-**	**-**	**-**

Human Resources - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Medicare Part D Subsidy	-	34,731	-	30,000
Interim Supplement Impv Tax	-	-	-	-
HR Outside Training	-	-	-	-
Total Revenues	**-**	**34,731**	**-**	**30,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	584,428	636,292	749,364	709,970
Overtime	1,984	2,766	-	-
Benefits				
Fringe Benefits	88,802	180,796	283,191	294,173
Retiree Medical	12,621	12,600	14,400	12,753
PERS	96,323	101,407	157,622	164,276
Charges (to)/from other programs	(52,725)	(24,505)	(53,472)	-
Net Staffing Expense	**731,433**	**909,356**	**1,151,105**	**1,181,172**
Maintenance & Utilities	1,246	1,690	2,550	2,310
Supplies & Services	445,642	485,494	477,788	477,788
Internal Service Fees	103,079	104,349	150,633	166,466
Capital Outlay	-	-	-	-
Net Operating Expense	**549,967**	**591,533**	**630,971**	**646,564**
Fund Transfers Out to				
Worker's Compensation Fund				
Out	**-**	**-**	**-**	**-**
Total Expenditures	**1,281,400**	**1,500,889**	**1,782,076**	**1,827,736**
General Fund Subsidy	**1,281,400**	**1,466,158**	**1,782,076**	**1,797,736**

FY 2016 Significant Budget Changes:

1. None.

**Fringe Benefits for FY2015 & FY2016 includes $150,000 for Unemployment Insurance*

Worker's Compensation - Internal Service Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beginning Working Capital Balance	**(1,964,523)**	**(2,124,128)**	**(2,793,436)**	**(2,873,729)**
REVENUES				
Revenue				
Worker's Compensation Premium	5,897,258	6,452,652	6,000,681	6,346,433
Interest	4,902	-	-	-
Other Revenue	-	-	-	-
nue	**5,902,160**	**6,452,652**	**6,000,681**	**6,346,433**
Fund Transfers In from				
General Fund	310,000	310,000	-	-
Total Transfers In	**310,000**	**310,000**	**-**	**-**
Total Revenues	**6,212,160**	**6,762,652**	**6,000,681**	**6,346,433**
EXPENDITURES				
Fund Expenditures				
Salary				
Regular	155,295	251,740	259,293	282,652
Overtime	3,804	2,322	-	-
Benefits				
Fringe Benefits	39,801	51,188	61,203	62,540
Retiree Medical	3,606	3,600	5,400	5,232
PERS	28,633	50,338	56,743	68,374
Charges (to)/from other programs	42,814	21,198	53,472	-
Net Staffing Expense	**273,953**	**380,386**	**436,111**	**418,798**
Worker's Compensation Expense	5,145,551	6,328,074	4,900,530	4,845,530
Maintenance & Utilities	-	369	-	240
Supplies & Services	762,786	535,207	547,214	602,214
Internal Service Fees	30,760	29,076	31,628	34,912
Capital Outlay	-	-	-	-
Net Operating Expense	**5,939,097**	**6,892,726**	**5,479,372**	**5,482,896**
Fund Transfers Out to				
General Fund - Cost Allocation	152,438	152,438	157,011	157,011
Liability Insurance Premium	6,277	6,410	8,480	8,480
Total Transfers Out	**158,715**	**158,848**	**165,491**	**165,491**
Total Expenditures	**6,371,765**	**7,431,960**	**6,080,974**	**6,067,185**
Net Change	**(159,605)**	**(669,308)**	**(80,293)**	**279,248**
Ending Working Capital Balance	**(2,124,128)**	**(2,793,436)**	**(2,873,729)**	**(2,594,481)**

FY 2016 Significant Budget Changes:

1. None.

Employee Benefits - Internal Service Fund

	FY 2013 Actual	FY 2014 Actual	FY 2016 Adopted	FY 2015 Adopted
Beginning Working Capital Balance	**685,251**	**821,663**	**1,515,772**	**1,485,764**
REVENUES				
Revenue				
Interest	811	-	-	-
Fire - Payroll Contribution	-	-	-	-
Retiree Medical Premium	2,631,526	2,663,400	2,567,400	3,191,374
	2,632,337	**2,663,400**	**2,567,400**	**3,191,374**
Fund Transfers In				
Transfer from General Fund	-	1,978,000	-	-
	-	**1,978,000**	**-**	**-**
Total Revenues	**2,632,337**	**4,641,400**	**2,567,400**	**3,191,374**
EXPENDITURES				
Expenditures				
Empl bene - 1909 1% Retiree Medical	-	-	-	-
Retiree Insurance Benefit	739,975	-	-	-
OPEB Unfunded Liability Expense	-	1,060,000		-
Admin Fee	46,833	27,228	-	-
Police	746,176	642,191	519,482	1,482,425
Fire	494,580	1,621,882	1,558,444	819,180
Misc	468,360	595,990	519,482	889,769
Retiree Medical Expense	**2,495,925**	**3,947,291**	**2,597,408**	**3,191,374**
Total Expenditures	**2,495,925**	**3,947,291**	**2,597,408**	**3,191,374**
Net Change	**136,412**	**694,109**	**(30,008)**	**-**
Ending Working Capital Balance	**821,663**	**1,515,772**	**1,485,764**	**1,485,764**

FY 2016 Significant Budget Changes:

1. None.

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INFORMATION TECHNOLOGY DEPARTMENT

MISSION STATEMENT

The mission of the Information Technology Department is to deliver technology resources and tools to City Staff, the Mayor and Council, Boards and Commissions, and the citizens of Hayward that enable and empower them to achieve their goals and objectives in support of the Council priorities: a Clean, Green, and Safe Hayward. The technology services will be current, reliable, proactively maintained, secure, and delivered on schedule. The department will provide excellent customer service, use industry standard best practices, and provide services and resources in a cost effective manner.

DEPARTMENT OVERVIEW

The Information Technology Department prioritizes, coordinates, and implements technology initiatives that are consistent with the strategic goals and resources of the City. This includes identifying new approaches and emerging technologies that can respond to the changing methods of delivering City services to mobile constituents and staff, and to the unique operational needs of City departments.

Information Technology provides a comprehensive management information system for all City departments consisting of specialized computer applications that meet each department's needs. The Department maintains and supports 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. This includes managing and maintaining the citywide network and server infrastructure, supporting the citywide VOIP telephone system, maintaining and expanding the Downtown wireless hotspot, and administering Public-Educational-Government cable television technology.

DIVISION/PROGRAM SUMMARIES

Infrastructure supports the City's network, server, data systems, and telephony for eighteen geographical locations. The division's main priorities include support of citywide data systems and applications, data and network security, and business resiliency and disaster recovery.

Public Safety Systems delivers mission critical software application and hardware support on a 24-7 basis to the City's Police and Fire Departments, including CAD (Computer Aided Dispatch) and Fire/Police report writing databases. This division also supports and maintains the Mobile Data Computers (MDC) installed in Public Safety vehicles that provide access to applications in the field via a secure wireless network.

Customer Support provides all City departments with client systems including desktop computers, notebook computers, cellphones, and other mobile devices, computer peripheral devices (printers, scanners, etc.), and audio video technology. The division supports over 1,000 devices, 800 customers via the Customer Service (Help) Desk, and also provides installation,

configuration, and maintenance services for operating systems and all City client software applications.

FY 2015 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Completed the implementation of planned modules for the citywide ERP system in partnership with city departments.
2. In partnership with the Communications Officer, began redesign of City website.
3. Started implementation of citywide network infrastructure replacement.
4. Started council chamber and conference room technology upgrade project.
5. Replaced over 300 desktop computers at City Hall and Public Safety locations.
6. Started body worn camera and digital evidence management system implementation.
7. Completed installation of automated license plate readers onto two patrol vehicles.
8. Upgraded public safety CAD/RMS system computer hardware.
9. Completed the new Airport Administration Building technology implementation.
10. Expanded enterprise mobility for city staff utilizing tablet computers.
11. Participated in assessment of public safety mobile connectivity issues.
12. Partnered with stakeholders to select a replacement agenda management system and started implementation.

DEPARTMENT PERFORMANCE METRICS – FY 2015

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Information Technology	Meet organization-wide business continuity goal of 99.999% system uptime	**ACHIEVED** Met goal of 99.999% uptime
	Cable cast 100% of Council and Planning Commission meetings and make webcasts of meetings available to public on City Website within 48 hours of meeting conclusion	**ACHIEVED** Broadcast and webcast 100% of Council and Planning Commission Meetings. 48 hour website publishing goal met over 98% of the time
	Make new website content available to public within 24 hours of submission by City department. Make content corrections within 24 hours of notification.	**ACHIEVED** 24 hour website posting and correction goals met
	Meet five-year desktop computer replacement cycle goal. An adequate system refresh cycle enhances customer service by maintaining staff productivity.	**ACHIEVED** By replacing over 300 desktop computers in FY 2015 on target to meet five year desktop computer replacement goal by September 2015

INFORMATION TECHNOLOGY DEPARTMENT

FY 2016 KEY SERVICE OBJECTIVES/GOALS

1. Continue partnership to launch redesigned City website and expand online and mobile access to city services.
2. Complete network infrastructure replacement project.
3. Upgrade free downtown Wi-Fi and investigate expansion to other retail areas of the city.
4. Complete body worn camera and digital evidence management system implementation.
5. Begin implementation of cloud-based email and office productivity applications for city staff.
6. Complete the council chamber and conference room technology upgrade project.
7. Support new agenda management system implementation.
8. Implement Mobile Device Management (MDM) solution to improve enterprise mobility for city staff.
9. Support 21st Century Library and Community Learning Center technology implementation.
10. Fully implement proposed solutions to public safety mobile connectivity issues.
11. Partner with Economic Development to improve broadband services in key industrial areas of the City.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2016

The department is restructuring its staffing operations to best meet the needs of the City and has undergone a comprehensive staffing study and reorganization.

FY 2015 Mid-year Changes - (+3.0 FTE)

- Add 1.0 FTE IT Manager-Public Safety
- Add 1.0 FTE IT Technician I for public safety
- Add 1.0 FTE Programmer Analyst (converted from temporary position)
- Reclassify 1.0 FTE Data & Systems Coordinator to 1.0 FTE IT Manager-Customer Support
- Reclassify 1.0 FTE Network System Specialist to 1.0 FTE IT Manager-Infrastructure

FY 2016 Proposed Changes - (-3.0 FTE)

- Delete 1.0 FTE Data Systems Operator (moved to Finance Department)
- Delete 1.0 1.0 Video Assistant (moved to City Manager)
- Delete 1.0 Audio Video Specialist (moved to City Manager)
- Delete 1.0 FTE Information Systems Manager
- Add 1.0 FTE GIS Technician
- Upgrade 1.0 FTE Web Specialist to 1.0 FTE IT Analyst II
- Retitle Network/Microcomputer Specialist to IT Technician
- Retitle GIS Coordinator to GIS Analyst

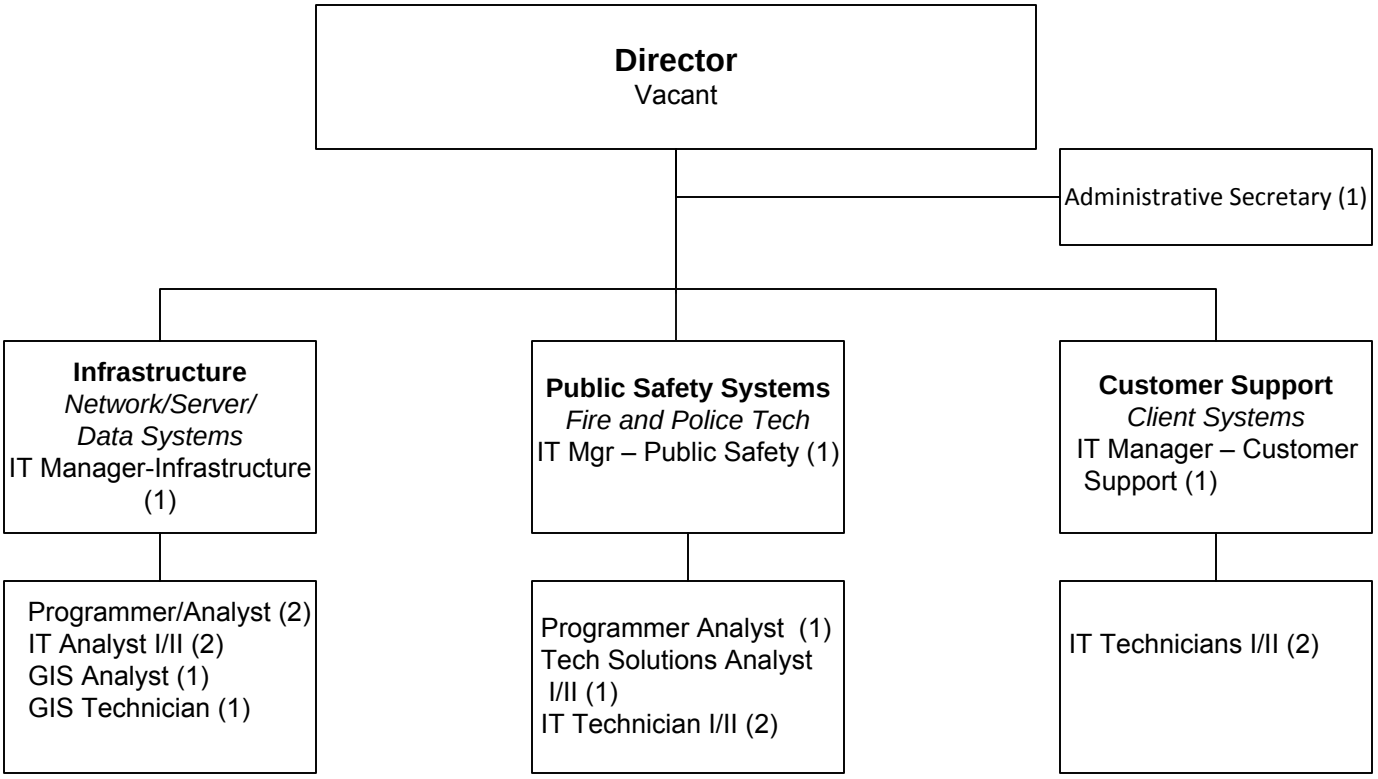
INFORMATION TECHNOLOGY DEPARTMENT

Other non-staffing budget changes include funding for:

- $46,500 Microsoft Office licensing and upgrade
- $28,000 cloud service
- $180,000 Munis annual software maintenance
- $136,000 body camera technology annual maintenance

FY 2016 STAFFING
17.00 FTE

Information Technology Department



Information Technology - Internal Service Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Information Technology Internal Srv Fee	4,038,968	4,057,173	4,997,119	6,284,692
Fund Interest	5	18,720	6,000	6,000
PEG Revenue	261,863	252,977	220,000	220,000
Other Revenue	29,291	14,252	32,000	32,000
Total Revenue	**4,330,127**	**4,343,121**	**5,255,119**	**6,542,692**
Fund Transfers In from				
General Fund	-	130,000	-	-
Total Transfers In	**-**	**130,000**	**-**	**-**
Total Revenues	**4,330,127**	**4,473,121**	**5,255,119**	**6,542,692**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,444,457	1,548,131	1,642,858	1,964,318
Overtime	94,797	129,373	90,000	90,000
Benefits				
Fringe Benefits	291,877	346,348	400,171	483,051
Retiree Medical	28,848	30,600	30,600	34,335
PERS	275,601	296,735	344,950	475,039
Charges (to)/from other programs	(12,309)	(376)	-	-
Net Salary & Benefits	2,123,271	2,350,810	2,508,579	3,046,743
Maintenance & Utilities	696,595	912,471	1,343,720	1,735,420
Supplies & Services	626,177	349,419	656,887	428,401
Internal Service Fees	142,412	129,674	138,213	147,033
Debt Service Computer Equipment	115,976	106,971	-	-
Debt Service CAD/RMS	405,226	376,332	390,113	382,556
Capital	(11,009)	17,645	-	-
Net Operating Expense	1,975,377	1,892,512	2,528,933	2,693,410
Fund Transfers Out to				
General Fund - Cost Allocation	131,713	131,713	135,664	135,664
Fleet Replacement Capital Fund	-	-	32,000	-
Information Tech Capital Fund	-	-	-	605,984
Liability Insurance Premium	56,178	61,816	54,037	54,037
	187,891	**193,529**	**221,701**	**795,685**
Total Expenditures	**4,286,539**	**4,436,852**	**5,259,213**	**6,535,838**

Information Technology - Internal Service Fund

Continued

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Net Change	**43,588**	**36,269**	**(4,094)**	**6,854**
Other Dept Operating Costs (Finance Department, City Manager's Department)	**-**	**-**	**-**	**(394,350)**
Net IT Department Expenditures	**4,286,539**	**4,436,852**	**5,259,213**	**6,141,488**

FY 2016 Significant Budget Changes:

1. Addition of 1.0 FTE IT Manager (FY2015 Mid-Year).
2. Addition of 1.0 FTE Web Design/Developer (City Manager's Office).
3. Addition of 1.0 FTE IT Technician (FY2015 Mid-Year)
4. Addition of 1.0 FTE GIS Technician
5. Relocation of 1.0 FTE Data Systems Operator to Finance Department.
6. Relocation of 1.0 FTE Audio Visual Specialist to City Manager's Office.
7. Relocation of 1.0 FTE Video Assistant to City Manager's Office
8. Reclass 1.0 FTE Data Systems Coordinator to 1.0 FTE IT Manager (FY2015 Mid-Year).
9. Reclass 1.0 FTE Network Systems Specialist to 1.0 FTE IT Manager (FY2015 Mid-Year)
10. Reclass 1.0 FTE Web Specialist to 1.0 FTE IT Analyst II
11. Deletion of 1.0 FTE Information Systems Manager
12. Addition of 1.0 FTE Programmer Analyst (FY2015 Mid-Year).
13. Retitle Network/Microcomputer Specialist to IT Technician.
14. Retitle GIS Coordinator to GIS Analyst.

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LIBRARY AND COMMUNITY SERVICES DEPARTMENT

MISSION STATEMENT

The mission of the Library and Community Services Department is to deliver equal opportunity in education to every Hayward resident, and to preserve and enhance the quality of life for all members of the Hayward community. In every service we provide, our goal is to transform lives and contribute to the health and success of our community.

DEPARTMENT OVERVIEW

The Library and Community Services Department is responsible for:

- ✓ **Public Library Services** including books/media/technology access, lifelong learning, community and reading programs;
- ✓ **Education Services** including adult literacy training, homework tutoring for Hayward students K-12, and early childhood education and parenting programs;
- ✓ **Community Agency Grant Program** including Community Development Block Grant (CDBG), Social Services Program grants, and Arts/Music funding;
- ✓ **Housing Rehabilitation Program** to enable Hayward seniors and people who have disabilities to live more independently in their homes;
- ✓ **Paratransit Services** to provide transportation alternatives to Hayward seniors and others who have mobility issues that prevent them from taking regular public transit; and
- ✓ **Affordable Housing Services** to provide development, rehabilitation, and maintenance of quality affordable housing in the Hayward community.

DIVISION/PROGRAM SUMMARIES

Administration

Library and Community Services Administration has the responsibility to:

- Deliver excellent customer service;
- Establish department goals and performance measures;
- Manage, implement, and evaluate department programs and activities;
- Develop and monitor the department budget;
- Provide leadership and development of department staff and programs, including volunteers;
- Coordinate department activities with other City departments and external agency partners;

- Secure grants and other external resources to support City programs and services;
- Provide staff support to the Library Commission and the Community Services Commission; and
- Serve as the primary City - Community liaison for the department.

Library Operations

The Library Operations Division has the responsibility to:

- Deliver excellent customer service;
- Manage two brick-and-mortar public library facilities and twelve satellite service delivery locations;
- Organize and circulate the library's materials collection;
- Maintain the library's website and electronic resources;
- Maintain the Integrated Library System (library patron records database); and
- Manage the billing and collection of library 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 youth;
- Provide literacy tutoring to illiterate and low-literate Hayward adults; and
- Conduct early childhood education and parenting programs to improve reading skills and kindergarten readiness among Hayward children ages 0-5.

Community Services

The Community Services Division has the responsibility to:

- Deliver excellent customer service;
- Manage the Community Development Block Grant (CDBG), Social Services Grant, and Arts & Music Funding programs;
- Provide technical assistance for resource development, grants administration, and capacity-building to community service organizations (e.g. nonprofits) that serve Hayward residents;
- Help low-income Hayward residents, especially seniors and people with disabilities, to live independently in their homes longer through housing rehabilitation projects;
- Deliver door-to-door transportation services for eligible Hayward residents who are unable to use other forms of public transportation because of a medical condition or disability; and
- Manage the development, rehabilitation, and maintenance of affordable housing in the Hayward community.

LIBRARY AND COMMUNITY SERVICES DEPARTMENT

FY 2015 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Completed the final schematic and construction design phases of the 21st Century Library & Community Learning Center. Project website: www.haywardlibrary.org
2. Launched two new Homework Tutoring Center locations (Hayward High School and Tennyson High School), increasing total number of locations to twelve.
3. Completed a comprehensive monitoring and reconciliation of the entire CDBG program from its inception in 1976 to the current program year 2014; achieved HUD approval and a clean audit.

DEPARTMENT PERFORMANCE METRICS – FY 2015

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Administration	Meet department budget and grant reporting deadlines 100% of the time	**ACHIEVED**
	Meet or exceed department service delivery outcomes 100% of the time	**ACHIEVED**
	Secure new grants and volunteer/intern resources in an amount equal to at least 15% of total department General Fund budget	**ACHIEVED** Grants and volunteer resources secured in FY 2015 were valued at approximately 25% of total department budget.
	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 93% "superior" or "good" in FY 2015.
Library Operations	Fulfill 90% of library patrons' materials requests within four business days	**ACHIEVED** No known instances of delayed materials requests occurred in FY 2015.
	Increase customer use of self-service systems by 10%	**ACHIEVED** Automated Materials Handling System and Self-Check-in units implemented in FY 2015.
	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 93% "superior" or "good" in FY 2015.

LIBRARY AND COMMUNITY SERVICES DEPARTMENT

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Education Services Division	Improve student test scores in After School Homework Support Centers by 10%, reflecting accuracy and effectiveness of tutor training and instruction.	**ACHIEVED** Average student performance on academic tests improved 11% after ten visits to the Homework Support Centers.
	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.
	Receive quality feedback from customers and the community that reflects above average customer satisfaction with division services 90% of the time.	**ACHIEVED** Surveys rated department services 93% "superior" or "good" in FY 2015.
Community Services Division	Meet federal CDBG reporting deadlines 100% of the time.	**ACHIEVED** Met 100% of reporting deadlines.
	Maintain 100% compliance with program regulations, procurement regulations, labor standards regulations, and environmental review.	**ACHIEVED** 100% Met. Comprehensive CDBG program reconciliation was successfully implemented in FY 2015.
	Complete 24 housing rehabilitation projects to improve accessibility and make health/safety repairs for income-eligible homeowners, including seniors and people who have disabilities.	**ACHIEVED** Over 30 projects completed in FY 2015.
	Maintain 100% compliance with Alameda County Transportation Commission (ACTC) contract guidelines for Paratransit service performance and financial reporting.	**ACHIEVED** 100% of grant deadlines and requirements were met in FY 2015.
	Receive feedback from customers that reflect above average customer satisfaction with division services 90% of the time.	**ACHIEVED** Customer surveys in Access Hayward rated department services 93% "superior" or "good" in FY 2015.

LIBRARY AND COMMUNITY SERVICES DEPARTMENT

FY 2016 KEY SERVICE OBJECTIVES/GOALS

1. Award construction contract for the 21st Century Library & Community Learning Center project; initiate construction phase, furniture, fixtures & equipment selection, and logistics.
2. Coordinate with the Friends of the Library capital fundraising campaign to develop additional community investment in the new library facility.
3. Manage the FY 2017 Community Agency Funding process (CDBG, Social Services, Arts & Music); work with Community Services Commission to develop FY 2017 funding recommendations for City Council approval.
4. In cooperation with Development Services and other departments and community agencies, develop and complete a comprehensive strategic plan for development, rehabilitation, and maintenance of quality affordable housing in Hayward.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2016

FY 2016 reflects changes made during the FY 2015 mid-year process as well and those proposed for FY 2016.

FY 2015 Mid-year Changes

- Upgrade 1.0 FTE Senior Library Assistant to 1.0 FTE Lead Library Assistant

FY 2016 Proposed Changes – (+2.0 FTE)

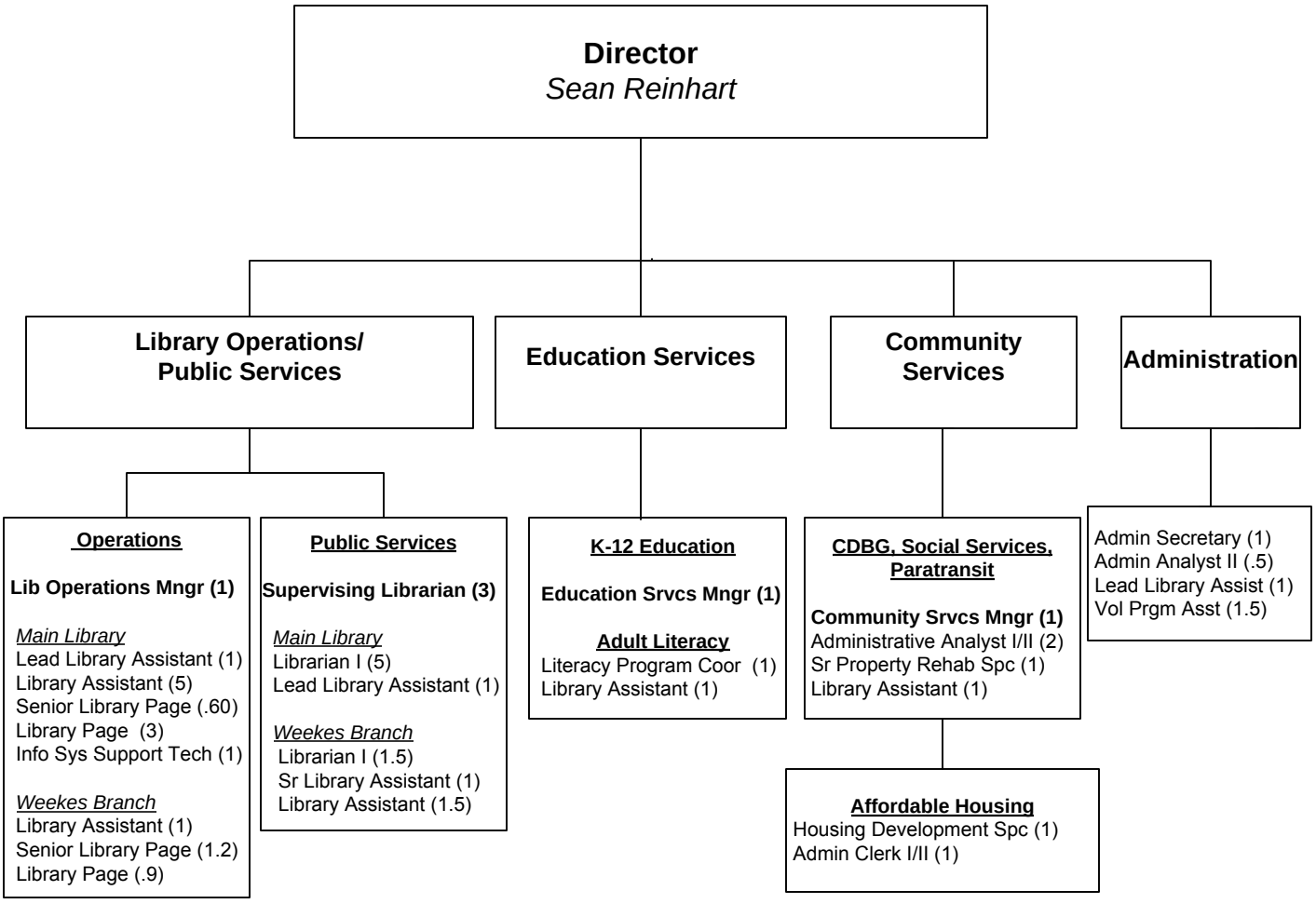
- Add 1.0 FTE Housing Specialist (moved from City Manager's Office)
- Add 1.0 FTE Administrative Clerk (moved from City Manager's Office)
- Increase Social Services Grant Program by $125,000 to bring to the pre-recession total allocation of $455,000.
- Reallocate 1.0 FTE Community Services Manager from CDBG to the General Fund
- Reallocate 2.0 FTE Administrative Analyst I/II from CDBG to the General Fund

Reallocation of the positions associated with the federal CDBG program moved them off of the CDBG fund onto the General Fund in response to a recent audit finding. Eligible staffing costs will continue to be charged to the CDBG program and will offset most of the General Fund cost of this program staffing – except for approximately $74,000 in new General Fund cost.

Commencing in FY 2016, the Affordable Housing program is moving from the City Manager's Office to Library & Community Services for better coordination with the City's housing programs and CDBG/Social services programs.

FY 2016 STAFFING
42.2 FTE

Library & Community Services Department



Library & Community Services Department

All Funds Summary - By Category

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue and Transfers In From Other Funds				
General Fund Revenue	95,718	85,325	83,231	83,231
Community & Econ Block Grant	1,428,731	1,311,216	1,729,463	1,711,609
Housing Authority Fund	3,185,928	3,737,396	3,069,425	181,144
Affordable Housing Monitoring Fund	138,828	92,377	85,768	120,719
HOME Investment Prtnrshp Block Grant Prog	2,272,220	940,049	277,661	255,536
Paratransit Program	735,665	774,837	786,474	1,565,779
Hayward Promise Neighbor Grant	-	179,861	186,802	148,892
	7,857,090	**7,121,062**	**6,218,824**	**4,066,910**
(Contribution)/Use of Fund Balance				
Community & Econ Block Grant	(84,353)	263,952	989,501	(56,057)
Housing Authority Fund	(2,455,564)	(3,571,060)	(2,899,101)	(58,879)
Affordable Housing Monitoring Fund	109,734	31,755	98,783	171,403
HOME Investment Prtnrshp Block Grant Prog	82,312	(157)	-	-
Paratransit Program	(181,676)	12,931	803,810	33,634
	(2,529,547)	**(3,262,579)**	**(1,007,007)**	**90,101**
Fund Subsidy				
General Fund Subsidy	**4,594,397**	**4,754,738**	**5,005,518**	**5,261,465**
Total Revenues	**9,921,940**	**8,613,220**	**10,217,335**	**9,418,476**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,661,764	2,721,523	2,969,291	2,809,413
Overtime	5,508	7,500	-	-
Benefits				
Fringe Benefits	569,486	585,551	766,906	767,978
Retiree Medical	102,771	104,400	106,200	62,621
PERS	473,566	492,922	631,147	661,697
Charges (to)/from other programs	(53,392)	(8,888)	(74,163)	11,816
Net Staffing Expense	**3,759,702**	**3,903,008**	**4,399,381**	**4,313,525**
Maintenance & Utilities	183,712	176,216	110,485	112,066
Supplies & Services	1,923,343	2,911,178	4,174,185	2,832,601
Grants	2,713,087	807,261	673,176	777,238
Internal Service Fees	616,117	624,607	721,634	806,183
Project Costs	-	-	10,000	-
Capital	-	56,349	54,064	547,814
Net Operating Expense	**5,436,259**	**4,575,612**	**5,743,544**	**5,075,902**

All Funds Summary - by Category

Continued

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Transfers to Other Funds	**725,979**	**114,934**	**74,410**	**29,049**
Total Expenditures	**9,921,940**	**8,593,554**	**10,217,335**	**9,418,476**
Net Change	**-**	**19,666**	**-**	**-**

Library & Community Services Department

All Funds Summary - By Program

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue and Transfers in from Other Funds				
General Fund Revenue	95,718	85,325	83,231	83,231
Community & Econ Block Grant	1,428,731	1,311,216	1,729,463	1,711,609
Housing Authority Fund	3,185,928	3,737,396	3,069,425	181,144
Affordable Housing Monitoring Fund	138,828	92,377	85,768	120,719
HOME Investment Prtnrshp Block Grant Prog	2,272,220	940,049	277,661	255,536
Paratransit Program	735,665	774,837	786,474	1,565,779
Hayward Promise Neighbor Grant	-	179,861	186,802	148,892
	7,857,090	**7,121,062**	**6,218,824**	**4,066,910**
(Contribution)/Use of Fund Balance				
Community & Econ Block Grant	(84,353)	263,952	989,501	(10,696)
Housing Authority Fund	(2,455,564)	(3,571,060)	(2,899,101)	(58,879)
Affordable Housing Monitoring Fund	109,734	31,755	98,783	171,403
HOME Investment Prtnrshp Block Grant Prog	82,312	(157)	-	-
Paratransit Program	(181,676)	12,931	803,810	33,634
	(2,529,547)	**(3,262,579)**	**(1,007,007)**	**135,462**
Fund Subsidy				
General Fund Subsidy	**4,594,397**	**4,754,738**	**5,005,518**	**5,261,465**
Total Revenues	**9,921,940**	**8,613,220**	**10,217,335**	**9,463,837**
EXPENDITURES				
Expenditures and Transfers Out to Other Funds				
Administration	393,023	533,500	623,706	643,311
Library Services	3,770,395	3,802,349	3,911,562	3,990,842
Community Services	526,697	504,214	553,481	710,543
Community & Econ Block Grant	1,344,378	1,575,168	2,718,964	1,655,552
Housing Authority Fund	730,364	166,336	170,324	122,265
Affordable Housing Monitoring Fund	248,562	124,132	184,551	292,122
HOME Investment Prtnrshp Block Grant Prog	2,354,532	939,892	277,661	255,536
Paratransit Program	553,989	787,768	1,590,284	1,599,413
Hayward Promise Neighbor Grant	-	160,195	186,802	148,892
Total Expenditures	**9,921,940**	**8,593,554**	**10,217,335**	**9,418,476**
Net Change	**-**	**19,666**	**-**	**-**

Library - General Fund Summary

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Library Fines	94,373	84,295	83,231	83,231
Grants	1,309	1,029	-	-
Other Revenue	36	-	-	-
Total Revenues	**95,718**	**85,325**	**83,231**	**83,231**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,188,031	2,210,580	2,160,223	2,416,022
Overtime	5,508	7,490	-	-
Benefits				
Fringe Benefits	472,208	485,812	553,067	662,076
Retiree Medical	91,953	91,800	90,000	54,446
PERS	386,479	397,638	453,071	566,000
Charges (to)/from other programs	(8,473)	105,720	166,071	(247,524)
Net Staffing Expense	3,135,706	3,299,040	3,422,432	3,451,020
Maintenance & Utilities	183,664	176,216	107,985	109,566
Supplies & Services	410,696	729,542	481,428	481,047
Grants	388,255	55,838	411,950	536,950
Internal Service Fees	571,794	579,427	664,954	766,113
Capital	-	-	-	-
Net Operating Expense	1,554,409	1,541,023	1,666,317	1,893,676
Total Expenditures	**4,690,115**	**4,840,063**	**5,088,749**	**5,344,696**
General Fund Subsidy	**4,594,397**	**4,754,738**	**5,005,518**	**5,261,465**

Administration - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Grants	1,309	1,029	-	-
Total Revenues	**1,309**	**1,029**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	244,078	286,603	294,086	392,487
Overtime	-	468	-	-
Benefits				
Fringe Benefits	59,100	76,028	74,956	102,107
Retiree Medical	5,409	5,400	5,400	6,540
PERS	45,818	55,373	64,884	96,043
Charges (to)/from other programs	(2,515)	22,269	36,628	(91,209)
Net Staffing Expense	351,890	446,141	475,954	505,968
Maintenance & Utilities	1,246	1,200	3,250	4,450
Supplies & Services	1,076	46,769	97,372	81,233
Internal Service Fees	38,811	39,390	47,130	51,660
Capital	-	-	-	-
Net Operating Expense	41,133	87,359	147,752	137,343
Total Expenditures	**393,023**	**533,500**	**623,706**	**643,311**
General Fund Subsidy	**391,714**	**532,470**	**623,706**	**643,311**

FY 2016 Significant Changes:

1. Relocation of 1.0 FTE Administrative Analyst I/II from CDBG Fund

Library Services - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Library Fines	94,373	84,295	83,231	83,231
Grants	-	-	-	-
Other Revenue	36	-	-	-
Total Revenues	**94,409**	**84,295**	**83,231**	**83,231**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,943,953	1,923,977	1,866,137	1,816,886
Overtime	5,508	7,022	-	-
Benefits				
Fringe Benefits	413,108	409,785	478,111	514,589
Retiree Medical	86,544	86,400	84,600	44,636
PERS	340,661	342,265	388,187	419,390
Charges (to)/from other programs	(71,180)	(22,803)	(12,088)	-
Net Staffing Expense	2,718,594	2,746,645	2,804,947	2,795,501
Maintenance & Utilities	182,418	172,466	104,735	105,116
Supplies & Services	64,448	70,294	108,642	124,400
Books & Materials	271,952	272,907	275,414	275,414
Internal Service Fees	532,983	540,037	617,824	690,411
Capital	-	-	-	-
Net Operating Expense	1,051,801	1,055,704	1,106,615	1,195,341
Total Expenditures	**3,770,395**	**3,802,349**	**3,911,562**	**3,990,842**
General Fund Subsidy	**3,675,986**	**3,718,054**	**3,828,331**	**3,907,611**

FY 2016 Significant Changes:

1. None

Community Services - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
None	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	206,649
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	45,380
Retiree Medical	-	-	-	3,270
PERS	-	-	-	50,567
Charges (to)/from other programs	65,222	106,254	141,531	(156,315)
Net Staffing Expense	65,222	106,254	141,531	149,551
Maintenance & Utilities	-	2,550	-	-
Supplies & Services	73,220	339,572	-	-
Internal Service Fees	-	-	-	24,042
Grants	388,255	55,838	411,950	536,950
Net Operating Expense	461,475	397,960	411,950	560,992
Total Expenditures	**526,697**	**504,214**	**553,481**	**710,543**
General Fund Subsidy	**526,697**	**504,214**	**553,481**	**710,543**

FY 2016 Significant Changes:

1. Relocation of 1.0 FTE Administrative Analyst I/II from CDBG Fund
2. Relocation of 1.0 FTE Community Services Manager from CDBG Fund

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

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beginning Working Capital Balance	**2,362,533**	**2,446,886**	**2,182,934**	**1,193,433**
REVENUES				
Revenue				
Grants	1,049,977	901,161	1,420,271	1,402,417
Delayed Loan Payments	147,976	223,707	175,000	135,000
Principal Payments	161,141	170,394	115,280	115,280
Interest Earned	(2,177)	(41,224)	9,216	49,216
Other Revenue	71,814	57,178	9,696	9,696
	1,428,731	**1,311,216**	**1,729,463**	**1,711,609**
Transfers In From Other Funds				
From Revlvg Loan to Com Econ Dev Blk Grant	-	-	-	-
From Sm Bus Loan to Sm Bus Loan Delivery	-	-	-	-
	-	**-**	**-**	**-**
Total Revenues	**1,428,731**	**1,311,216**	**1,729,463**	**1,711,609**
EXPENDITURES				
Expenditures				
Salary				
Regular	274,137	297,480	410,810	-
Benefits				
Fringe Benefits	64,023	57,711	88,913	-
Retiree Medical	7,212	7,200	7,200	-
PERS	50,469	53,667	90,208	-
Charges (to)/from other programs	(27,662)	(85,446)	(122,853)	265,012
Net Staffing Expense	**368,179**	**330,612**	**474,278**	**265,012**
Maintenance & Utilities	-	-	-	-
Supplies & Services	30,607	36,459	205,851	138,810
Internal Service Fees	23,098	20,134	42,854	-
Grants	865,899	1,131,102	1,944,343	1,245,453
Project Costs	-	-	-	-
Net Operating Expense	**919,604**	**1,187,695**	**2,193,048**	**1,384,263**
Fund Transfers Out to				
From HRLP Loan to HRLP Admin	-	-	-	-
From Sm Bus Loan to Sm Bus Loan Delivery	-	-	-	-
Cost Allocation to General Fund	44,040	44,040	45,361	-
Liability Insurance Premium	12,555	12,821	6,277	6,277
	56,595	**56,861**	**51,638**	**6,277**
Total Expenditures	**1,344,378**	**1,575,168**	**2,718,964**	**1,655,552**

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

Continued

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Net Difference Gain (Use) of Fund Bal	**84,353**	**(263,952)**	**(989,501)**	**56,057**
Ending Working Capital Balance	**2,446,886**	**2,182,934**	**1,193,433**	**1,249,490**

FY 2016 Significant Changes:

1. Relocation of 1.0 FTE Administrative Analyst I/II to Library Administration Division
2. Relocation of 1.0 FTE Community Services Manager to Library Community Services Division
3. Relocation of 1.0 FTE Administrative Analyst I/II to Library Community Services Division

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

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beginning Working Capital Balance	**2,362,533**	**2,446,886**	**2,182,934**	**1,193,433**
REVENUES				
Revenue				
Revolving Loan Program - Administration	154,946	-	-	-
Comm Econ Dev Blk Grant	1,092,232	1,252,722	1,430,867	1,413,013
Small Business Loan Delivery	181,553	-	-	-
Revolving Loan Program	-	(83,061)	175,000	175,000
Small Business Revolving Loan	-	141,555	123,596	123,596
Total Revenues	**1,428,731**	**1,311,216**	**1,729,463**	**1,711,609**
EXPENDITURES				
Expenditures				
Revolving Loan Program - Administration	164,297	-	-	-
Community Economic Development Blk Grant	1,180,081	1,561,529	1,556,436	1,402,417
Small Business Loan Delivery	-	-	-	-
Revolving Loan Program	-	13,639	513,260	175,000
Small Business Revolving Loan	-	-	649,268	123,496
Total Expenditures	**1,344,378**	**1,575,168**	**2,718,964**	**1,700,913**
Net Difference Gain (Use) of Fund Bal	**84,353**	**(263,952)**	**(989,501)**	**10,696**
Ending Working Capital Balance	**2,446,886**	**2,182,934**	**1,193,433**	**1,204,129**

FY 2016 Significant Changes:

1. Relocation of 1.0 FTE Administrative Analyst I/II to Library Administration Division
2. Relocation of 1.0 FTE Administrative Analyst I/II to Library Community Services Division
3. Relocation of 1.0 FTE Community Services Manager to Library Community Services Division

Measure B - Paratransit Program - Special Revenue Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beginning Working Capital Balance	**782,007**	**963,683**	**950,753**	**146,943**
REVENUES				
Revenue				
Interest	1,274	5,644	3,000	3,000
Measure B	734,391	751,227	723,874	811,613
Measure BB	-	-	-	731,166
Other Revenue	-	17,966	59,600	20,000
Total Revenues	**735,665**	**774,837**	**786,474**	**1,565,779**
EXPENDITURES				
Expenditures				
Salary				
Regular	95,762	107,537	248,872	236,528
Overtime	-	10	-	-
Benefits				
Fringe Benefits	18,371	28,608	83,362	64,285
Retiree Medical	1,803	1,800	5,400	4,905
PERS	17,821	21,180	54,909	57,879
Charges (to)/from other programs	(36,633)	(5,640)	(123,815)	(47,891)
Net Staffing Expense	**97,123**	**153,496**	**268,728**	**315,706**
Maintenance & Utilities	48	-	2,500	2,500
Supplies & Services	429,813	605,272	1,270,024	715,046
Internal Service Fees	12,735	14,663	6,913	24,042
Capital	-	-	25,000	525,000
Net Operating Expense	**442,596**	**619,935**	**1,304,437**	**1,266,588**
Fund Transfers Out				
Cost Allocation to General Fund	11,132	11,132	11,466	11,466
Liability Insurance Premium	3,138	3,205	5,653	5,653
Total Transfers Out	**14,270**	**14,337**	**17,119**	**17,119**
Total Expenditures	**553,989**	**787,768**	**1,590,284**	**1,599,413**
Net Difference Gain (Use) of Fund Balance	**181,676**	**(12,931)**	**(803,810)**	**(33,634)**
Ending Working Capital Balance	**963,683**	**950,753**	**146,943**	**113,309**

FY 2016 Significant Changes:

1. None

Hayward Promise Neighborhood Grant - Special Revenue Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Project Revenue	-	179,861	143,302	-
Grant	-	-	43,500	148,892
Total Revenues	**-**	**179,861**	**186,802**	**148,892**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	-
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	-	6,304	6,434	6,568
Net Staffing Expense	-	6,304	6,434	6,568
Supplies & Services	-	97,541	141,304	119,510
Capital	-	56,349	29,064	22,814
Projects (Grants and Loans)	-	-	10,000	-
Net Operating Expense	-	153,891	180,368	142,324
Total Expenditures	**-**	**160,195**	**186,802**	**148,892**
Net Change	**-**	**(19,666)**	**-**	**-**

FY 2016 Significant Changes:

1. None.

Housing Authority Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beg Working Capital Balance	**5,674,580**	**8,130,144**	**11,701,204**	**14,600,305**
REVENUES				
Revenue				
Contribution In	-	-	-	-
Fund Interest	1,038	17,706	10,000	10,000
Interest Income	25,140	50,374	35,025	34,998
Principal Income	526,605	181,185	96,701	63,929
Other Revenue	271	115	-	-
	553,054	249,380	141,726	108,927
Fund Transfers In From				
Capital Transfer From General Fund	-	-	-	-
Hsng Auth-Low & Mod Hsng Loans	602,030	-	-	-
Rt 238 Admin Fund	738,672	738,672	-	-
Successor Agency	1,292,172	2,749,344	2,927,699	72,217
Total Transfers In	2,632,874	3,488,016	2,927,699	72,217
Total Revenues	**3,185,928**	**3,737,396**	**3,069,425**	**181,144**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	-
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	35,388	7,990	84,824	36,765
Net Staffing Expense	**35,388**	**7,990**	**84,824**	**36,765**
Supplies & Services	43,000	117,816	85,500	85,500
Grants & Loans	-	-	-	-
Internal Service Fees	-	-	-	-
Net Operating Expense	**43,000**	**117,816**	**85,500**	**85,500**
Fund Transfers Out				
General Fund-Cost Allocation	40,531	40,531	-	-
Liability Insurance Premium	9,415	-	-	-
Transfer to Successor Agency RDA	-	-	-	-
Capital Improvement Program	-	-	-	-
Housing Auth First-Time Homebuyer	602,030	-	-	-
Total Transfers Out	**651,976**	**40,531**	**-**	**-**
Total Expenditures	**730,364**	**166,336**	**170,324**	**122,265**

Housing Authority Fund

Continued

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Net Difference Gain (Use) of Fund Bal	**2,455,564**	**3,571,060**	**2,899,101**	**58,879**
Ending Working Capital Balance	**8,130,144**	**11,701,204**	**14,600,305**	**14,659,184**

FY 2016 Significant Changes:

1. Fund moved from City Manager Department to Library & Community Services Department

Affordable Housing Monitoring Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beg Working Capital Balance	**1,074,864**	**965,130**	**933,375**	**834,592**
REVENUES				
Revenue				
Interest Income	21,912	5,724	5,500	5,500
Mortgage Bonds Admin Fee	116,916	86,653	80,268	115,219
Total Revenues	**138,828**	**92,377**	**85,768**	**120,719**
EXPENDITURES				
Expenditures				
Salary				
Regular	103,834	105,926	149,386	156,863
Overtime	-	-	-	-
Benefits				
Fringe Benefits	14,884	13,420	41,564	41,617
Retiree Medical	1,803	3,600	3,600	3,270
PERS	18,797	20,437	32,959	37,818
Charges (to)/from other programs	(44,212)	(55,887)	(101,259)	(16,362)
Net Staffing Expense	**95,106**	**87,495**	**126,250**	**223,206**
Supplies & Services	141,828	23,049	45,735	47,235
Internal Service Fees	8,490	10,383	6,913	16,028
Net Operating Expense	**150,318**	**33,432**	**52,648**	**63,263**
Fund Transfers Out				
Liability Insurance Premium	3,138	3,205	5,653	5,653
MISC Transfer Out to Other Depts	-	-	-	-
Total Transfers Out	**3,138**	**3,205**	**5,653**	**5,653**
Total Expenditures	**248,562**	**124,132**	**184,551**	**292,122**
Net Difference Gain (Use) of Fund Bal	**(109,734)**	**(31,755)**	**(98,783)**	**(171,403)**
Ending Working Capital Balance	**965,130**	**933,375**	**834,592**	**663,189**

FY 2016 Significant Changes:

1. Fund moved from City Manager Department to Library & Community Services Department

HOME Investment Partnerships Block Grant Program

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beg Working Capital Balance	**(17,847)**	**(100,159)**	**(100,002)**	**(100,002)**
REVENUES				
Revenue				
Grants	2,272,220	940,049	277,661	255,536
Total Fund Revenue	**2,272,220**	**940,049**	**277,661**	**255,536**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	-
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	28,200	18,072	16,435	15,248
Net Staffing Expense	28,200	18,072	16,435	15,248
Grants & Loans	2,324,832	751,423	261,226	240,288
Supplies & Services	1,500	170,397	-	-
Net Operating Expense	2,326,332	921,821	261,226	240,288
Total Expenditures	**2,354,532**	**939,892**	**277,661**	**255,536**
Net Change	**(82,312)**	**157**	**-**	**-**
Ending Working Capital Balance	**(100,159)**	**(100,002)**	**(100,002)**	**(100,002)**

FY 2016 Significant Budget Changes:

1. Fund moved from City Manager Department to Library & Community Services Department

MAINTENANCE SERVICES DEPARTMENT

MISSION STATEMENT

The mission of the Maintenance Services Department is to provide for the maintenance of City streets, landscaping, facilities, and City vehicles/equipment. The Department's emphasis is to support the City Council's Safe, Clean, and Green priorities, along with the Council's Neighborhood Services Initiative; and to always strive to enhance the quality of life for City residents while appropriately managing City resources..

DEPARTMENT OVERVIEW

The Maintenance Services Department provides front line services that are visible to residents and contribute to a safe, clean, and green community, consistent with Council's priorities. The Department is responsible for a wide range of functions including: maintaining the City's streets; graffiti removal on public property; illegal dumping removal in the public right-of-way; major road corridor maintenance and improvement; street sweeping and cleaning of storm drains; emergency response to street, landscape, or hazardous material spill emergencies; maintenance of public landscaping; maintenance and operation of City buildings and structures; and acquisition, maintenance, and repair of City vehicles and equipment.

DIVISION/PROGRAM SUMMARIES

Maintenance Services Administration

The Administration Division provides management and support services required by all of the Department's programs. Administration priorities are: 1) To set the overall direction of the department; 2) Oversee implementation of department programs and completion of projects on time and within budget; 3) Develop and monitor the overall departmental budget; 4) Provide support services to other City departments and community groups; and 5) Manage various other special programs and initiatives.

Facilities Management Division

This Division maintains priorities of: 1) keeping City buildings at a condition whereby building occupants are satisfied with the maintenance service and the appearance and condition of the facility and 2) adequately completing preventative maintenance items on a schedule that meets industry standards, and which prolongs structure life and functionality.

Facilities staff provides overall operation and maintenance of thirty-five City buildings and structures. This includes: 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 tasks of the Division include design/construction services for minor

remodeling to City facilities; scheduling for the City Hall Volunteer Station; and booking and facilitating the use of City Council Chambers, Rotunda, and City Hall Plaza.

Revenue for this program is generated by internal service rates charged to user departments for the operation, maintenance, repair, and capital improvements of facilities. Funding for facility capital improvement projects is accomplished by transferring a portion of the annual service rates to the facilities capital improvement fund.

Fleet Management Division

This Division provides for the efficient and effective delivery of City fleet services by providing customer departments with safe, reliable, economically, and environmentally sound transportation and work vehicles.

Fleet staff is responsible for performing preventative maintenance services, vehicle repairs, State mandated inspections, and complying with all applicable hazardous materials regulations for over 420 City vehicles and pieces of equipment. Fleet staff purchases replacement vehicles and equipment based on a ten-year vehicle replacement plan that maximizes vehicle use, and allocates available resources to conserve vehicle value and equipment investment.

Revenue for this program is generated by internal service fees charged to user departments for the operation, maintenance, and repair of vehicles. Funding for new vehicle acquisition is accomplished with a combination of bank loans and City cash resources.

Landscape Maintenance Division

Division priorities include: 1) protecting the Public's Health and Safety; 2) protecting and enhancing the City's tree infrastructure (trees are an infrastructure element that appreciate in value each year); 3) enhancing the cleanliness of the City; and 4) enhancing the green aesthetic qualities of the City. The Landscape Maintenance Division includes the Landscape Maintenance Program, Tree Maintenance Program, and Landscape Water Conservation Program and plays a key role in conserving water use on and within City facilities.

Landscape Maintenance – 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, Industrial Parkway, Hesperian Boulevard, A and D Streets, and Winton Avenue, and many other City-owned landscape areas.

Tree Maintenance – Staff maintains 30,000 street trees in a healthy and safe condition. Both proactive and reactive tree trimming is done annually to minimize safety hazards, provide clearance for vehicles and pedestrians, and improve the health of trees. The Division maintains a comprehensive tree inventory software system that tracks the history of work done on each public tree.

Water Conservation – Staff maintains low-water usage irrigation and backflow devices in City right-of-ways, medians, and City owned areas. Work includes installation, maintenance, and upgrades to systems including water conservation devices and Bay friendly, drought-resistant landscaping. Calsense irrigation controllers are installed at 47 City managed sites.

Landscape and Lighting Districts (LLD) and Maintenance Districts (MD) – Staff manages landscape maintenance contracts for thirteen LLDs and two MDs. These services are funded by property tax assessments charged to benefitted parties, whereas each benefit zone has a separate budget pertaining to its respective maintained improvements.

Street Maintenance Division

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 painting out of graffiti; 3) maintaining the City's infrastructure; 4) providing support to neighborhood and community groups such as Keep Hayward Clean and Green Task Force (KHCG), Adopt-A-Block, and downtown street parties; and 5) providing support to the Department of Public Works-Engineering & Transportation and the Department of Utilities & Environmental Services for major capital projects. The Streets Maintenance Division includes the Streets Maintenance Program, Traffic Program, Street Sweeping Program, and Stormwater Maintenance Program.

Streets Maintenance Program – Staff maintains 266 miles of City streets and sidewalks. Maintenance activities include, but are not limited to, patching potholes and repairing failed areas of roadway, along with deep lift repair, and utility cuts replacement. Staff is responsible for sidewalk patching to reduce trip and fall accidents, concrete work, and repair of barricades and guard rails. Staff abates graffiti on the public right-of-way within a 48-hour period and the removal of illegally dumped trash and debris within a 72-hour period. Staff is also responsible for 24-hour stand-by and response to all emergency requests and hazardous material spills. Staff provides support for all road closures and detours during all parades, street parties, and neighborhood events, and participates and provides support to KHCG, and other neighborhood partnership groups. Staff administers the Weekend Litter Program, where City staff and volunteers go out every weekend to pick up trash in the City's public right-of-ways.

Traffic Program – Staff installs and maintains lane markings, striping, signage, symbol painting, and button installations. Staff installs striping and signage for pavement overlay projects, speed bump and bike lane projects, and manufactures the majority of City signs installed in the City of Hayward.

Street Sweeping – Staff cleans residential and commercial streets bi-weekly, with the goal of keeping our City clean and our neighborhoods looking good. Street sweeping provides two primary benefits to the City. The more obvious benefit is the collection and removal of leaves and other debris that collect in the gutters and 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 - Staff is responsible for the maintenance and cleaning of over 3,000 storm drains, and 80 storm drain trash capture devices in the City. This includes the maintenance of ditches and retention ponds, storm drain stenciling, and repair and replacement of damaged grates.

FY 2015 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Facilities Management – Completed the following major projects:
   - City Hall:
     - Completed installation of security camera system in City Hall parking structure.
     - Completed ten major cubicle reconfigurations.
     - Installed bird netting for City Hall HVAC units.
     - Replaced carpet in main common areas and permit center.
   - Police Department
     - Built a new technology room to house new equipment.
     - Facilitated installation of new backup power equipment for server room.
     - Remodeled bathroom for new Police Fitness Facility.
   - Fire Department
     - Completed temporary Fire Station #7 building remodel.
     - Installed new generator and transfer switch at Fire Station 6.
   - Library
     - Remodeled administration offices at main library to allow for installation of new automated materials handling system.
     - Installed new security system at Main Library.
   - Corporation Yard
     - Replaced roof on street maintenance shed.

2. Fleet Management – Completed the purchase and/or replacement of twenty-eight vehicles and pieces of equipment.

3. Landscape Maintenance – Installed two Calsense irrigation controllers, bringing the City managed total to 47. The Calsense irrigation system automatically monitors and adjusts water usage daily based on real time weather data and enhances water efficiency.

4. Landscape Maintenance – Completed a beautification project in a collaborative effort with the Keep Hayward Clean and Green Task Force at Industrial Blvd. and Tennyson Road, which focused on planting drought tolerant trees and plants, and beautifying the area with bark mulch and decorative boulders.

5. Landscape Maintenance – Completed a beautification project in a collaborative effort with the Alameda County Public Works Department. The project in the Burbank Neighborhood covered almost a mile stretch of railroad in the right-of-way on Western Blvd, between A Street and Sunset Blvd. Activities included weed abatement and trimming of trees and shrubs.

6. Landscape Maintenance – Completed fire prevention efforts by performing weed abatement in City owned areas such as parking lots, drainage ditches, firebreaks, and vacant lots.

7. Landscape Maintenance – Provided tree removal and trimming services for the Utility and Environmental Services department. Completed three projects to remove over thirty dying and hazardous trees, and trimming of trees and shrubs.

8. Landscape Maintenance - Held the 28th Arbor Day in May 2015 and qualified for Hayward's 29th recognition as a Tree City USA (in 2014).

9. Landscape Maintenance – Completed eleven memorial tree plantings in areas such as City Hall, Giuliani Plaza, Main Library, and various other City-owned landscaped areas.

10. Street Maintenance - Abated 2,438 reports of illegal dumping in public right-of-ways within seventy-two hours. A total of 5,139 cubic yards of trash and debris were removed.

11. Street Maintenance- Enforced the Community Preservation and Improvement Ordinance Article 5.7 (Illegal Dumping Ordinance). In the past twelve months, initiated fifty-six cases: thirty of which the property owner abated, and twenty-six of which the City abated. In all, the City noticed and invoiced property owners in eleven of the cases.

12. Street Maintenance - Abated 1,154 reports of graffiti on public right-of-ways within 48 hours, painting over 85,447 cubic feet of tagging.

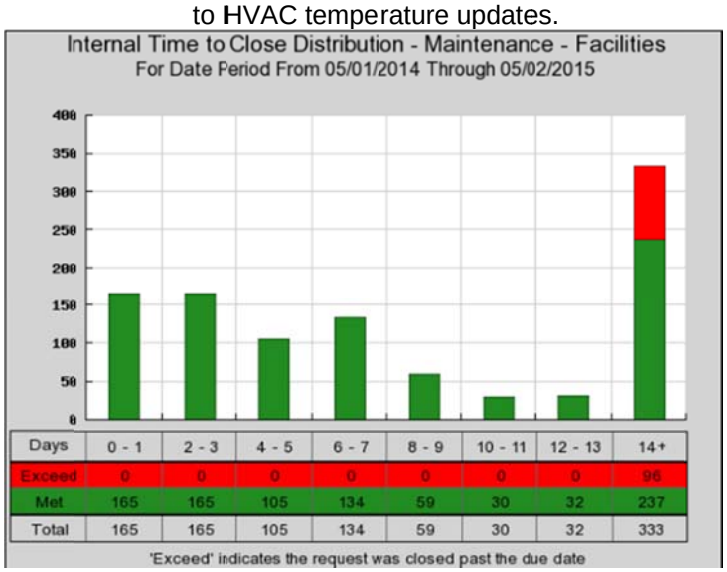
13. Street Maintenance – Participated in ten monthly KHCG meetings for planning, follow-up, and feedback; and supported ten monthly clean-up events by removing an average of twenty cubic yards of debris at each.

14. Street Maintenance – Removed over 2,000 cubic yards of debris in FY 2015 through the Weekend Litter Program.

15. Street Maintenance – Supported the City's annual Clean-Up Day Event at Weekes Park, in conjunction with the Department of Utilities & Environmental Services. Over 200 volunteers picked up 100 cubic yards of trash and recyclables.

MAINTENANCE SERVICES DEPARTMENT

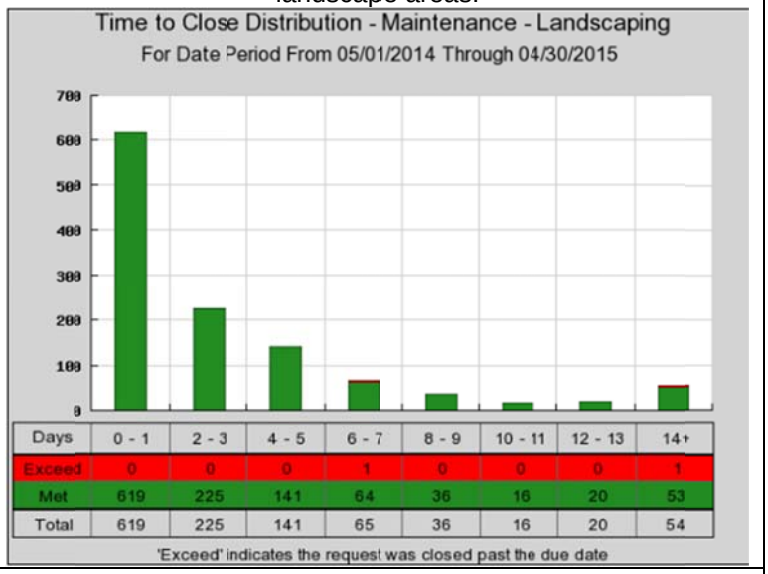
DEPARTMENT PERFORMANCE METRICS – FY 2015

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Facilities Management Division	Continue providing an above-average response 95% of the time as measured by the CRM system (Access Hayward).	**CONTINUED EFFORT NEEDED** In the past twelve months, facility staff resolved 1,023 internal CRM requests for routine maintenance. 43% of requests were responded to within five days. Requests varied from painting to HVAC temperature updates.  Internal Time to Close Distribution - Maintenance - Facilities For Date Period From 05/01/2014 Through 05/02/2015 400 350 300 250 200 150 100 50 0 Days: 0 - 1 | 2 - 3 | 4 - 5 | 6 - 7 | 8 - 9 | 10 - 11 | 12 - 13 | 14+ Exceed: 0 | 0 | 0 | 0 | 0 | 0 | 0 | 96 Met: 165 | 165 | 105 | 134 | 59 | 30 | 32 | 237 Total: 165 | 165 | 105 | 134 | 59 | 30 | 32 | 333 'Exceed' indicates the request was closed past the due date
	Complete all CIP projects on schedule and within budget.	**ACHIEVED** Completed Fire Station #6 generator replacement, Street Maintenance Shed Roof replacement, and City Hall parking structure camera installation.
	Respond to HVAC issues within 24 hours.	**CONTINUED EFFORT NEEDED** Filled a newly established HVAC staff position in March 2015. All HVAC issues were responded to within two hours during regular duty hours, and within three hours after duty hours.
	Exercise major emergency generators monthly, and service annually.	**ACHIEVED** Performed monthly generator test and serviced generators annually.

MAINTENANCE SERVICES DEPARTMENT

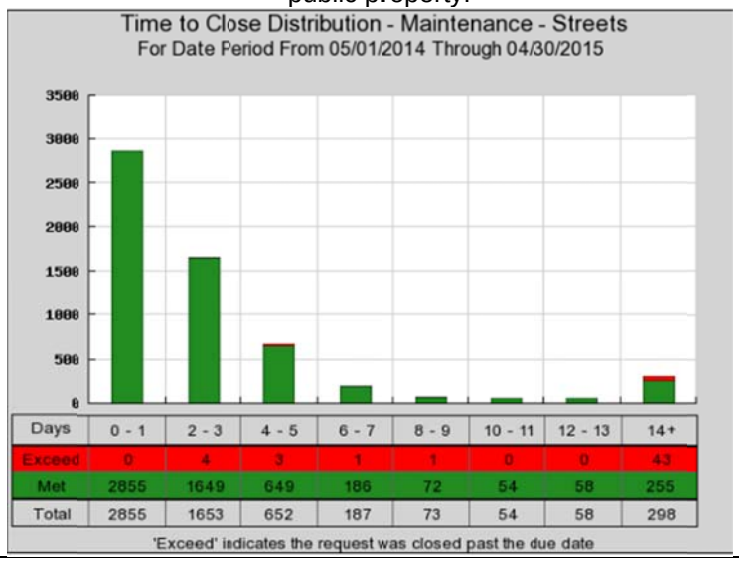
Fleet Management Division	Ensure 100% of emergency road service calls are responded to within thirty minutes during business hours and within one hour after hours.	**ACHIEVED** Responded to all emergency road service calls within thirty minutes during duty hours and 60 minutes after hours.
	Introduce an Administrative Rule, “Anti Idling policy” with a goal of 5% fuel reduction	**ACHIEVED** Drafted and submitted a new “Anti-Idling Policy” Administrative Rule for approval. Labeled the inside of all heavy duty diesel vehicles to remind operators of our anti-idling policy. All new heavy duty diesel vehicles include a system that shuts down the engine if excessive idling is detected.
	Ensure the Hayward Police Department Patrol Division does not have more than eight vehicles out of service at one time.	**ACHIEVED** Fleet Management is notified of police equipment mechanical issues immediately, with service scheduled promptly to ensure 90% of the patrol fleet is up and running at all times. The fleet shop maintains a well outfitted service truck that is capable of road repairs either at the Police Department or on the street.
	Ensure Hayward Fire Department has either a front line or reserve fire apparatus in-service at each station at all times.	**ACHIEVED** Fleet Management is notified of fire equipment mechanical issues immediately, with service scheduled promptly to ensure that front line and reserve equipment are operable and available.
	Replace vehicles with Hybrid or electric vehicles where operationally possible.	**ACHIEVED** Purchased twenty-eight vehicles, twenty-two of which were replacements for older, high mileage vehicles with new vehicles that incorporate better technology, lower emissions, and greater fuel efficiency.

MAINTENANCE SERVICES DEPARTMENT

<table>
<tr><td rowspan="5">Landscape Maintenance Division</td><td>Continue providing an above-average response 95% of the time as measured by the CRM system (Access Hayward).</td><td>CONTINUED EFFORT NEEDED
In the past twelve months, Landscape staff resolved 1,176 CRM requests. 84% of requests were resolved within five days. 73% of requests were for tree trimming and city-owned landscape areas.
 

<table>
<tr><td>Days</td><td>0 - 1</td><td>2 - 3</td><td>4 - 5</td><td>6 - 7</td><td>8 - 9</td><td>10 - 11</td><td>12 - 13</td><td>14+</td></tr>
<tr><td>Exceed</td><td>0</td><td>0</td><td>0</td><td>1</td><td>0</td><td>0</td><td>0</td><td>1</td></tr>
<tr><td>Met</td><td>619</td><td>225</td><td>141</td><td>64</td><td>36</td><td>16</td><td>20</td><td>53</td></tr>
<tr><td>Total</td><td>619</td><td>225</td><td>141</td><td>65</td><td>36</td><td>16</td><td>20</td><td>54</td></tr>
</table>
'Exceed' indicates the request was closed past the due date</td></tr>
<tr><td>Secure all hazardous landscape conditions within 24 hours</td><td>ACHIEVED
In the past twelve months, Landscape staff repaired and secured all hazardous landscape conditions within the twenty-four hours of being reported.</td></tr>
<tr><td>Respond and/or inspect all CRM requests within 48 hours.</td><td>ACHIEVED
In the past twelve months, 100% of CRM requests were responded to or inspected within forty-eight hours.</td></tr>
<tr><td>Additional water conservation practices, using Bay Friendly practices and installation of no less than one Calsense irrigation unit in City owned landscape areas.</td><td>ACHIEVED
Installed two Calsense irrigation management systems, bringing the City managed total to forty-seven. These systems automatically adjust water flow thru monitoring of real-time weather data.</td></tr>
<tr><td>Plant a minimum of 400 new trees in the City right of way annually</td><td>CONTINUED EFFORT NEEDED
Planted 275 trees in FY 2015. Due to a severe drought, future tree planting will be restricted to replacing those trees that are dead or dying.</td></tr>
</table>

MAINTENANCE SERVICES DEPARTMENT

Street Maintenance Division	Continue providing an above-average response 95% of the time as measured by the CRM system (Access Hayward).	**CONTINUED EFFORT NEEDED** In the past twelve months, Streets staff resolved 5,830 CRM requests. 88% of requests were resolved within five days. 70% of requests were for illegal dumping and graffiti abatement on public property.  Time to Close Distribution - Maintenance - Streets For Date Period From 05/01/2014 Through 04/30/2015 3500 3000 2500 2000 1500 1000 500 0 Days | 0 - 1 | 2 - 3 | 4 - 5 | 6 - 7 | 8 - 9 | 10 - 11 | 12 - 13 | 14+ Exceed | 0 | 4 | 3 | 1 | 1 | 0 | 0 | 43 Met | 2855 | 1649 | 649 | 186 | 72 | 54 | 58 | 255 Total | 2855 | 1653 | 652 | 187 | 73 | 54 | 58 | 298 'Exceed' indicates the request was closed past the due date
	Secure or repair all hazardous street and sidewalk issues within 24 hours.	**ACHIEVED** In the past twelve months, Streets staff repaired and secured all hazardous street and sidewalk within the twenty-four hours of being reported.
	Enforce “No Parking” during street sweeping 100% of the time.	**ACHIEVED** In the past twelve months, parking enforcement staff has issued over 19,000 citations in accordance with the bi-weekly street sweeping schedule. Posting “No Parking” limit signs for scheduled street sweeping hours encourages vehicles to relocate so that street sweepers have a clear path to clean the streets. Signs are placed on streets where vehicles often remained parked on street sweeping days.
	Remove illegal dumping within 72 hours.	**ACHIEVED** In the past twelve months, Streets staff responded to 2,438 reports of illegal dumping, picking up a total of 5,139 cubic yards of trash and debris.
	Abate graffiti within 48 hours on public property or in the public right of way.	**ACHIEVED** In the past twelve months, streets staff responded to 1,154 reports of graffiti on public property, painting over 85,447 square feet of tagging. All requests were resolved within forty-eight hours of receipt.

MAINTENANCE SERVICES DEPARTMENT

FY 2016 KEY SERVICE OBJECTIVES/GOALS

1. Facility & Fleet Management – Update facility ten-year projected operating budget plans and ten-year facility replacement plans.

2. Fleet Management - Improve scheduling of vehicle preventive maintenance checks and services.

3. Fleet Management - Enhance vehicle diagnostics reporting capabilities by installing additional GPS devices.

4. Landscape Maintenance – Conserve water resources by monitoring and adjusting water usage to all Landscape Division managed areas.

5. Landscape Maintenance - Conduct the 29th Arbor Day Celebration (event held in May 2016) and qualify for the 30th recognition as a Tree City USA (submit application December 2015).

6. Landscape Maintenance – Replace up to fifty old and damaged concrete trash cans citywide with new ones, provided by Waste Management of Alameda County as part of the new Franchise Agreement for garbage and recycling services.

7. Landscape Maintenance – Install up to twenty Big Belly solar-powered trash compactors in the City, provided by Waste Management of Alameda County as part of the new Franchise Agreement for garbage and recycling services.

8. Street Maintenance- Abate illegal dumping in public right-of-ways within seventy-two hours and continue the enforcement of Community Preservation and Improvement Ordinance Article 5.7 (Illegal Dumping Ordinance).

9. Street Maintenance - Abate graffiti on public right-of-ways within forty-eight hours.

10. Street Maintenance - Assist KHCG, Adopt-A-Block, and other City volunteer groups by attending meetings and removing collected debris at clean-up events.

11. Street Maintenance – Conduct “Weekend Litter Program” each weekend to pick up trash and debris in City right-of-ways.

12. Street Maintenance – Support the City’s annual “Clean-Up Day Event” at Weekes Park, in conjunction with the Department of Utilities & Environmental Services.

MAINTENANCE SERVICES DEPARTMENT

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2016

FY 2016 reflects changes made during the FY 2015 mid-year process as well and those proposed for FY 2016.

FY 2015 Mid-year Changes (+5.0 FTE – Measure C)

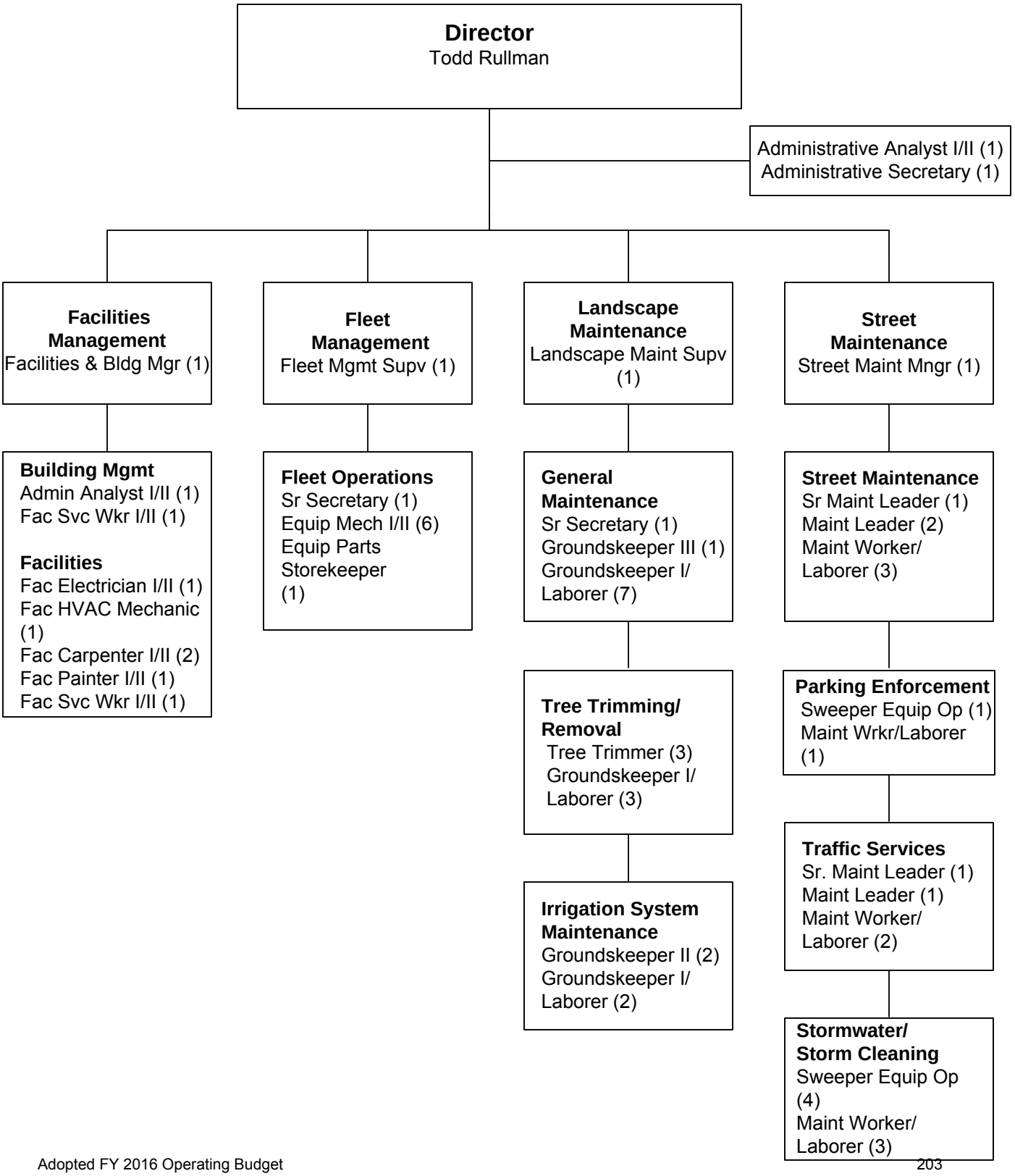
- Add 2.0 FTE Laborer/Maintenance Workers
- Add 1.0 FTE Maintenance Leader
- Add 2.0 FTE Laborer/Groundkeeper I

FY 2016 Proposed Changes

- Add 1.0 FTE Tree Trimmer
- Delete 1.0 FTE Groundkeeper II
- Add 1.0 FTE Facilities Service Worker I/II
- Delete 1.0 FTE Facilities Painter I/II
- Add $40,000 for one-time increase fleet overtime budget

FY 2016 STAFFING
61.0 FTE

Maintenance Services Department



Maintenance Services Department

All Funds Summary - By Category

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
General Fund Revenue	716,846	1,251,258	900,000	1,032,000
Stormwater Revenue	-	-	-	-
Facilities Revenue	3,546,630	3,615,357	3,747,254	3,747,254
Fleet Revenue	4,117,271	4,260,410	4,231,126	4,315,772
S. Hayward B.A.R.T. JPA Rev	-	1	-	20,000
LLD/MD	894,890	987,740	993,230	993,230
	9,275,637	**10,114,766**	**9,871,610**	**10,108,256**
(Contribution)/Use of Fund Balance				
Facilities	(87,405)	(29,425)	71,277	83,362
Fleet Management	360,840	(144,366)	1,473,665	1,080,739
LLD/MD	(48,653)	(30,705)	14,957	104,355
	224,782	**(204,497)**	**1,559,899**	**1,268,456**
Fund Subsidy				
Gen Fund Subsidy - Maint Svc	2,931,640	2,514,681	3,449,190	3,601,024
Gen Fund Subsidy - Facilities	-	-	-	-
Measure C Fund Subsidy	-	-	-	576,466
S. Hayward B.A.R.T. JPA Sub	-	-	-	(13,655)
Stormwater Fund Sub - Streets	1,480,615	1,522,111	1,672,491	1,534,966
Water Fund Sub - Landscape	783,479	859,531	873,547	865,239
	5,195,734	**4,896,324**	**5,995,228**	**6,564,040**
Transfers In From Other Funds	**8,733**	**-**	**-**	**-**
Total Revenues	**14,704,886**	**14,806,593**	**17,426,737**	**17,940,752**
EXPENDITURES				
Expenditures				
Salary				
Regular	3,733,024	3,868,517	4,187,299	4,413,165
Overtime	648,681	629,985	369,778	409,778
Benefits				
Fringe Benefits	1,374,187	1,404,151	1,473,745	1,538,277
Retiree Medical	95,559	95,400	100,800	97,740
PERS	721,486	752,252	919,755	1,050,985
Charges (to)/from other program	(537,459)	(480,462)	(98,506)	(17,904)
Net Staffing Expense	**6,035,478**	**6,269,844**	**6,952,871**	**7,492,041**
Maintenance & Utilities	2,277,404	2,924,109	2,599,168	2,441,168
Supplies & Services	2,787,267	2,487,159	2,959,513	3,496,813
Internal Service Fees	1,551,697	1,532,978	1,729,745	1,809,439

All Fund Summary - By Category

Continued

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Debt Service	1,105,190	1,120,258	1,403,361	1,304,212
Net Operating Expense	**7,721,558**	**8,064,504**	**8,691,787**	**9,051,632**
Transfers Out to Other Funds	**947,850**	**472,245**	**1,782,079**	**1,397,079**
Total Expenditures	**14,704,886**	**14,806,592**	**17,426,737**	**17,940,752**
Net Change	**-**	**1**	**-**	**-**

Maintenance Services Department

All Funds Summary - By Program

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Administration - General Fund	-	-	-	-
Landscape - General Fund	6,192	4,478	-	-
Streets - General Fund	710,654	1,246,780	900,000	1,032,000
Streets - Stormwater	-	-	-	-
Facilities - Internal Svc Fund	3,546,630	3,615,357	3,747,254	3,747,254
Fleet Management - Internal Svc	4,117,271	4,260,410	4,231,126	4,315,772
S. Hayward B.A.R.T. JPA Fund	-	1	-	20,000
LLD/MD - Special Revenue Fund	894,890	987,740	993,230	993,230
	9,275,637	10,114,766	9,871,610	10,108,256
(Contribution)/Use of Fund Balance				
Facilities	(87,405)	(29,425)	71,277	83,362
Fleet Management	360,840	(144,366)	1,473,665	1,080,739
LLD/MD	(48,653)	(30,705)	14,957	104,355
	224,782	(204,497)	1,559,899	1,268,456
Fund Subsidy				
Gen Fund Subsidy - Maint Svc	2,931,640	2,514,681	3,449,190	3,601,024
Measure C Fund Subsidy	-	-	-	576,466
S. Hayward B.A.R.T. JPA Sub	-	-	-	(13,655)
Transfers In - Fleet Management	8,733	-	-	-
Water Fund Sub - Landscape	783,479	859,531	873,547	865,239
Stormwater Subsidy - Streets	1,480,615	1,522,111	1,672,491	1,534,966
	5,204,467	4,896,324	5,995,228	6,564,040
Total Revenues	**14,704,886**	**14,806,593**	**17,426,737**	**17,940,752**
EXPENDITURES				
Expenditures				
Administration - Gen Fund	19,732	45,650	95,883	148,951
Landscape - Gen Fund	2,176,813	2,166,510	2,465,239	2,440,161
Landscape - Water Fund	783,479	859,531	873,547	865,239
Streets - Gen Fund	1,451,941	1,553,779	1,788,068	2,043,912
Streets - Stormwater Fund	1,480,615	1,522,111	1,672,491	1,534,966
Measure C Programs	-	-	-	576,466
S. Hayward B.A.R.T. JPA Sub	-	-	-	6,345
Facilities	3,459,225	3,585,932	3,818,531	3,830,616
Fleet	4,486,844	4,116,044	5,704,791	5,396,511
LLD/MD	846,237	957,035	1,008,187	1,097,585
Total Expenditures	**14,704,886**	**14,806,592**	**17,426,737**	**17,940,752**
Net Change	**-**	**1**	**-**	**-**

Maintenance Services - General Fund Summary

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Interest & Rents	-	-	-	-
Fines & Forfeitures	-	1,232,325	900,000	1,032,000
Fees & Service Charges	692,065	11,694	-	
Other Revenue	24,781	7,239	-	-
Total Revenues	**716,846**	**1,251,258**	**900,000**	**1,032,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,847,308	1,879,881	2,032,003	1,676,736
Overtime	340,779	307,515	235,778	235,778
Benefits				
Fringe Benefits	683,318	657,863	677,408	563,654
Retiree Medical	46,878	46,800	48,600	36,450
PERS	355,964	364,936	446,941	385,833
Charges (to)/from other program	(932,400)	(811,729)	(669,850)	(17,904)
Net Staffing Expense	**2,341,847**	**2,445,267**	**2,770,880**	**2,880,547**
Maintenance & Utilities	202,342	191,774	268,654	250,280
Supplies & Services	216,905	238,423	272,405	320,311
Internal Service Fees	887,392	890,476	1,037,251	1,181,886
Capital Outlay	-	-	-	-
Net Operating Expense	**1,306,639**	**1,320,673**	**1,578,310**	**1,752,477**
Total Expenditures	**3,648,486**	**3,765,939**	**4,349,190**	**4,633,024**
General Fund Subsidy	**2,931,640**	**2,514,681**	**3,449,190**	**3,601,024**

Maintenance Services Department

Administration - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
None	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	339,747	346,596	344,309	79,374
Overtime	4,756	1,408	-	-
Benefits				
Fringe Benefits	65,415	57,077	53,543	16,088
Retiree Medical	5,409	5,400	5,400	1,159
PERS	57,799	67,690	75,537	19,418
Charges (to)/from other program	(474,336)	(458,199)	(413,355)	-
Net Staffing Expense	**(1,210)**	**19,973**	**65,434**	**116,039**
Maintenance & Utilities	1,247	1,200	2,400	800
Supplies & Services	737	5,380	6,515	7,275
Internal Service Fees	18,958	19,097	21,534	24,837
Capital Outlay	-	-	-	-
Net Operating Expense	**20,942**	**25,677**	**30,449**	**32,912**
Total Expenditures	**19,732**	**45,650**	**95,883**	**148,951**
General Fund Subsidy	**19,732**	**45,650**	**95,883**	**148,951**

FY 2016 Significant Budget Changes:

1. None.

Street Maintenance - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Interest & Rents	-	-	-	-
Fines & Forfeitures	-	1,232,325	900,000	1,032,000
Fees & Service Charges	692,065	10,943	-	
Other Revenue	18,589	3,512	-	-
Total Revenues	**710,654**	**1,246,780**	**900,000**	**1,032,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	642,014	667,911	729,084	675,646
Overtime	258,743	228,463	174,778	174,778
Benefits				
Fringe Benefits	270,231	258,351	264,942	206,170
Retiree Medical	16,227	16,200	18,000	13,145
PERS	126,269	130,777	160,370	140,867
Charges (to)/from other program	(402,322)	(273,396)	(250,851)	(8,548)
Net Staffing Expense	**911,162**	**1,028,307**	**1,096,323**	**1,202,058**
Maintenance & Utilities	56,079	24,317	30,854	16,260
Supplies & Services	151,900	167,995	181,174	225,900
Internal Service Fees	332,800	333,161	479,717	599,694
Capital Outlay	-	-	-	-
Net Operating Expense	**540,779**	**525,472**	**691,745**	**841,854**
Total Expenditures	**1,451,941**	**1,553,779**	**1,788,068**	**2,043,912**
General Fund Subsidy	**741,287**	**306,999**	**888,068**	**1,011,912**

FY 2016 Significant Budget Changes:

1. Increase in Street Sweeping Citation Revenue
2. Addition of Downtown Parking Citation Revenue
3. Addition of Temporary Staff for Downtown Parking Enforcement

Landscape Maintenance - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Fees & Service Charges	-	751	-	-
Other Revenue	6,192	3,727	-	-
Total Revenues	**6,192**	**4,478**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	865,547	865,374	958,610	921,716
Overtime	77,280	77,645	61,000	61,000
Benefits				
Fringe Benefits	347,672	342,435	358,923	341,396
Retiree Medical	25,242	25,200	25,200	22,146
PERS	171,896	166,468	211,034	225,548
Charges (to)/from other program	(55,742)	(80,135)	(5,644)	(9,356)
Net Staffing Expense	**1,431,895**	**1,396,987**	**1,609,123**	**1,562,450**
Maintenance & Utilities	145,016	166,257	235,400	233,220
Supplies & Services	64,268	65,048	84,716	87,136
Internal Service Fees	535,634	538,218	536,000	557,355
Capital Outlay	-	-	-	-
Net Operating Expense	**744,918**	**769,523**	**856,116**	**877,711**
Total Expenditures	**2,176,813**	**2,166,510**	**2,465,239**	**2,440,161**
General Fund Subsidy	**2,170,621**	**2,162,032**	**2,465,239**	**2,440,161**

FY 2016 Significant Budget Changes:

1. Deletion of 1.0 FTE Groundskeeper II
2. Addition of 1.0 FTE Tree Trimmer

Landscape Maintenance (Water Fund) - Enterprise Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
EXPENDITURES				
Expenditures				
Salary				
Regular	257,161	269,566	262,704	277,115
Overtime	28,597	47,173	6,000	6,000
Benefits				
Fringe Benefits	101,026	111,276	103,303	114,381
Retiree Medical	7,212	7,200	7,200	6,867
PERS	49,460	53,219	57,960	67,812
Charges (to)/from other program	(26,959)	(18,289)	25,413	-
Net Staffing Expense	**416,497**	**470,145**	**462,580**	**472,175**
Maintenance & Utilities	237,887	263,221	295,500	297,300
Supplies & Services	6,978	12,480	13,800	12,000
Internal Service Fees	122,117	113,685	101,667	83,764
Capital Outlay	-	-	-	-
Net Operating Expense	**366,982**	**389,386**	**410,967**	**393,064**
Total Expenditures	**783,479**	**859,531**	**873,547**	**865,239**
Water Fund Subsidy	**783,479**	**859,531**	**873,547**	**865,239**

FY 2016 Significant Budget Changes:

1. None

Street Maintenance (Stormwater Fund) - Enterprise Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Other Revenue	-	-	-	-
Interest and Rents	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	376,025	458,704	452,701	657,861
Overtime	115,939	115,740	33,000	33,000
Benefits				
Fringe Benefits	166,463	196,304	200,181	223,364
Retiree Medical	10,818	12,600	12,600	15,287
PERS	72,598	86,830	99,878	159,964
Charges (to)/from other program	325,655	233,883	371,000	-
Net Staffing Expense	**1,067,498**	**1,104,060**	**1,169,360**	**1,089,476**
Maintenance & Utilities	16,177	23,493	21,037	17,288
Supplies & Services	92,810	92,467	116,830	120,867
Internal Service Fees	304,130	302,091	365,264	307,335
Capital Outlay	-	-	-	-
Net Operating Expense	**413,117**	**418,051**	**503,131**	**445,490**
Total Expenditures	**1,480,615**	**1,522,111**	**1,672,491**	**1,534,966**
Stormwater Fund Subsidy	**1,480,615**	**1,522,111**	**1,672,491**	**1,534,966**

FY 2016 Significant Budget Changes:

1. None.

Facilities Management - Internal Service Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Facilities Service Fee	3,462,744	3,463,206	3,601,254	3,601,254
Interest & Rents	69,277	33,468	32,000	32,000
Fees & Service Charges	-	-	-	-
Other Revenue	14,609	118,684	114,000	114,000
	3,546,630	3,615,357	3,747,254	3,747,254
Transfer In				
From General Fund	-	-	-	-
Total Revenues	**3,546,630**	**3,615,357**	**3,747,254**	**3,747,254**
EXPENDITURES				
Expenditures				
Salary				
Regular	668,863	686,020	773,886	753,631
Overtime	54,155	56,408	45,000	45,000
Benefits				
Fringe Benefits	214,530	222,224	253,942	270,166
Retiree Medical	14,424	14,400	16,200	15,206
PERS	131,791	134,753	168,499	182,999
Charges (to)/from other program	41,575	47,233	50,354	-
Net Staffing Expense	**1,125,338**	**1,161,037**	**1,307,881**	**1,267,002**
Maintenance	719,144	700,778	659,721	315,745
Utilities	748,013	832,418	798,796	853,995
Supplies & Services	298,611	303,128	311,486	694,446
Internal Service Fees	104,811	101,039	113,992	90,684
Capital Outlay	-	-	-	-
Debt Service Payments	163,438	170,252	186,049	168,138
Net Operating Expense	**2,034,017**	**2,107,615**	**2,070,044**	**2,123,008**
Fund Transfers Out to				
General Fund - Cost Allocation	108,187	108,187	111,433	111,433
Liability Insurance Premium	31,683	29,093	29,173	29,173
Debt Svc - Solar Panels	-	-	-	
Transfer to Capital	160,000	180,000	300,000	300,000
	299,870	**317,280**	**440,606**	**440,606**
Total Expenditures	**3,459,225**	**3,585,932**	**3,818,531**	**3,830,616**
Net Change	**87,405**	**29,425**	**(71,277)**	**(83,362)**

FY 2016 Significant Budget Changes:

1. Deletion of 1.0 FTE Facilities Painter I/II
2. Addition of 1.0 FTE Facilities Service Worker I/II

Fleet Management - Internal Service Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Vehicle Maint/Operating Rate	4,115,346	4,125,716	4,231,126	4,315,772
Interest	1,841	3,634	-	-
Other Revenue	84	131,059	-	-
	4,117,271	**4,260,410**	**4,231,126**	**4,315,772**
Fund Transfers In from				
Misc. Trans from General Fund	1,994	-	-	-
Misc. Transfer from Sewer Fund	1,671	-	-	-
Misc. Transfer from Water Fund	1,671	-	-	-
Misc. Transfer from Debt Service	3,397	-	-	-
Asset Transfer from Other	-		-	-
	8,733	**-**	**-**	**-**
Total Revenues	**4,126,004**	**4,260,410**	**4,231,126**	**4,315,772**
EXPENDITURES				
Expenditures				
Salary				
Regular	583,667	574,346	666,005	718,861
Overtime	109,211	103,148	50,000	90,000
Benefits				
Fringe Benefits	208,850	216,484	238,911	201,087
Retiree Medical	16,227	14,400	16,200	15,287
PERS	111,673	112,514	146,477	173,854
Charges (to)/from other program	14,655	23,403	67,127	-
Net Staffing Expense	**1,044,283**	**1,044,297**	**1,184,720**	**1,199,089**
Maintenance & Utilities	88,178	199,645	193,670	196,620
Supplies & Services	108,119	62,992	91,704	85,480
Fuel	956,813	1,003,983	1,110,616	1,102,500
Auto Parts	566,472	574,467	453,725	600,000
Internal Service Fees	133,247	125,687	111,571	120,275
Debt Service Payments	941,752	950,006	1,217,312	1,136,074
Capital	-	-	-	-
Net Operating Expense	**2,794,581**	**2,916,782**	**3,178,598**	**3,240,949**
Fund Transfers Out to				
Liability Insurance Premium	43,360	41,795	39,908	39,908
Misc. Trans to Fleet Mgmt Cap	491,450	-	1,185,000	800,000

Fleet Management - Internal Service Fund

Continued

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
General Fund - Cost Allocation	113,170	113,170	116,565	116,565
	647,980	**154,965**	**1,341,473**	**956,473**
Total Expenditures	**4,486,844**	**4,116,044**	**5,704,791**	**5,396,511**
Net Change	**(360,840)**	**144,366**	**(1,473,665)**	**(1,080,739)**

FY 2016 Significant Budget Changes:

1. Increase to Fleet Overtime Budget

Landscape & Light Districts and Maint Districts Summary-Special Rev

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beginning Working Capital Balance	**2,575,825**	**2,624,478**	**2,655,183**	**2,640,226**
Fund Revenue				
Special Assessments	891,037	972,340	993,230	993,230
Interest and Rents	3,853	15,400	-	-
Total Revenues	**894,890**	**987,740**	**993,230**	**993,230**
Fund Expenditures				
Salary				
Regular	-	-	-	24,389
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	5,599
Retiree Medical	-	-	-	458
PERS	-	-	-	5,990
Charges (to)/from other program	40,015	45,038	57,450	-
Net Staffing Expense	**40,015**	**45,038**	**57,450**	**36,436**
Maintenance & Utilities	265,663	712,780	361,790	508,940
Supplies & Services	540,559	199,217	588,947	552,209
Capital Expenditure	-	-	-	-
Net Operating Expense	**806,222**	**911,997**	**950,737**	**1,061,149**
Total Expenditures	**846,237**	**957,035**	**1,008,187**	**1,097,585**
Net Change	**48,653**	**30,705**	**(14,957)**	**(104,355)**
Ending Working Capital Balance	**2,624,478**	**2,655,183**	**2,640,226**	**2,535,871**

FY 2016 Significant Budget Changes:

1. None.

Measure C Programs - Measure C Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
None	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	300,313
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	158,993
Retiree Medical	-	-	-	8,175
PERS	-	-	-	73,490
Charges (to)/from other program	-	-	-	-
Net Staffing Expense	**-**	**-**	**-**	**540,971**
Maintenance & Utilities	-	-	-	1,000
Supplies & Services	-	-	-	9,000
Internal Service Fees	-	-	-	25,495
Capital Outlay	-	-	-	-
Net Operating Expense	**-**	**-**	**-**	**35,495**
Total Expenditures	**-**	**-**	**-**	**576,466**
General Fund Subsidy	**-**	**-**	**-**	**576,466**

FY 2016 Significant Budget Changes:

1. Addition of 2.0 FTE Laborer/Groundskeeper I (FY2015 Mid-Year)
2. Addition of 2.0 FTE Laborer/Maintenance Worker (FY2015 Mid-Year)
3. Addition of 1.0 FTE Maintenance Leader (FY2015 Mid-Year)

South Hayward B.A.R.T. JPA

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
In-House Parking Collection	-	-	-	20,000
Total Revenues	**-**	**-**	**-**	**20,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	4,259
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	1,033
Retiree Medical	-	-	-	10
PERS	-	-	-	1,043
Charges (to)/from other program	-	-	-	-
Net Staffing Expense	**-**	**-**	**-**	**6,345**
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	-
Internal Service Fees	-	-	-	-
Capital Outlay	-	-	-	-
Net Operating Expense	**-**	**-**	**-**	**-**
Total Expenditures	**-**	**-**	**-**	**6,345**
S. Hayward B.A.R.T. JPA Fund Sub	**-**	**-**	**-**	**(13,655)**

FY 2016 Significant Budget Changes:

1. Creation of South Hayward B.A.R.T. JPA (FY2015)

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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 a newly created 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. It includes Internal Affairs and Research & Development/CALEA Administration.

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, who is the Commission on Accreditation for Law Enforcement Agencies (CALEA) Accreditation Manager, ensures compliance with over 480 nationally recognized standards. The position is also responsible for policy maintenance, research and development of departmental policies, procedures, methods and systems; and completes a wide range of administrative, financial, and statistical projects.

Patrol Division

The Patrol Division is the Police Department's primary contact with the Hayward community. The Patrol Division responds to emergency and non-emergency calls for service from the community around the clock. The Division focuses on intervention and prevention of youth-related crime and violence, drug activity, and domestic violence. All aspects of the Patrol Division's operations are guided and shaped by the Department's Community Policing and Problem Solving Philosophy.

HAYWARD POLICE DEPARTMENT

Special Operations Division

The Special Operations Division oversees specialized law enforcement and problem-solving units. In order 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. It uses traffic-related data and focused enforcement to reduce the number of traffic-related accidents and injuries in the City. It investigates fatal and major injury accidents, manages the abandoned vehicle abatement program, and coordinates Countywide traffic enforcement through the Office of Traffic Safety AVOID the 21 and STEP Grants.

- 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 are heavily involved in supporting community-oriented events, e.g. the Farmers' Market, Southland Mall, summer Street Parties, and others, monitor registration compliance of convicted sex offenders residing in the City, and numerous other special projects.

- The Personnel and Training Bureau manages Departmental recruitments, screening, hiring; affirmative action efforts; uniforms and equipment; Workers' Compensation issues; employee training; and the Chaplaincy and Peer Support Programs, which assist personnel following critical incidents.

- The Hayward Police Department's K-9 unit has four Police Officer/handlers and four Police Service Dogs. The K9s ride with the handlers and are deployed on the street as part of the uniformed patrol force. The dogs differ in skills and abilities, but are all certified annually to the standards of the California Commission on Peace Officer Standards and Training.

- In many other agencies, Hayward's Special Response Unit would be called a S.W.A.T. team. It is a critical incident response team of sworn law enforcement personnel from throughout the Police Department. They are used whenever the resolution of a situation requires specialized training and equipment outside the capabilities of beat officers. These officers are on call 24 hours a day, 365 days a year. The SRU consists of twenty-five tactical officers, nine critical incident negotiators, two tactical support officers, and two paramedics. They respond to an average of ten-twelve incidents per year. In order to be able to properly respond to these situations, officers assigned to the Special Response Unit receive an additional 160 hours of specialized training each year.

Investigation Division

The Investigation Division manages the Criminal Investigation Bureau, the Special Investigation Bureau, Crime Analysis Unit, and Youth & Family Services Bureau. The Criminal Investigation Bureau & the Special Investigation Bureau are staffed to conduct in-depth investigations of crimes of violence, property crimes, and crimes that disrupt public order such as vice and municipal code violations. The Youth and Family Services Bureau provides youth-related intervention and prevention services, school campus safety services, and family counseling. Crime Analysis develops strategies for crime prevention and suppression, and provides case matching, lead generation, graphics manipulation, photo enhancement, and specialized services.

Support Services Division

The Support Services Division manages the Communications, Jail, Records, Property & Evidence, Crime Scene, and Animal Services Bureaus.

- Communications provides continuous 911 and non-emergency answering services and prioritizes and dispatches appropriate police and fire responders.

- The Jail provides temporary detention of all persons arrested in the course of police actions.

- The Records Bureau: assists the public at the front counter; processes, distributes and maintains public record information; manages fingerprinting services; and processes criminal warrants, subpoenas and civil orders to meet State and local mandates. Additionally, the Bureau assembles, compiles and submits crime statistics to the FBI in support of the UCR (Uniform Crime Reporting) system.

- The Property and Evidence Bureau serves as the custodian of physical evidence required in the prosecution of crime. As such, it ensures strict accountability and integrity in the chain of custody to ensure that evidence retains its maximum evidentiary value in the courtroom, as well as the purging/destruction of evidence after adjudication. Additionally, it is the repository for found property, returning lost property to rightful owners whenever possible.

- The Crime Scene Unit conducts crime scene investigations, collects and analyzes physical evidence, and collects fingerprint evidence to identify possible suspects.

- The Animal Services Bureau enforces City, State, and federal laws involving animals, animal licensing, and rabies prevention. The shelter facilitates adoptions and provides assistance in resolving animal-related issues. An active volunteer program supplements the Animal Services' operation.

Additional responsibilities of this Division include the coordination/management of the Department's motor vehicle fleet, Police facilities and the management of the Public Safety Technology Committee (PSTC), which oversees all Police and Fire Department technology issues/initiatives.

FY 2015 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Completed initial rollout of body worn cameras to specialized units.
2. Completed field testing of deployed public camera systems to combat crime and evaluate deployment of hot spot camera placement on an as-needed basis.
3. Prepared and presented to Council for adoption a massage parlor ordinance granting additional local regulatory control.
4. Expanded School Resource Office program to elementary schools thru COPS grants.
5. Implementation of customer service satisfaction survey available online to all customers.
6. Created Law Enforcement Fitness/Training Center.
7. Created Countywide Internal Affairs working group.
8. Digitized CALEA related record keeping system to improve our accreditation process.
9. Created major accident investigation team.

DEPARTMENT PERFORMANCE METRICS

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Office of the Chief	To invest in the future of the Department with the creation of a Training Needs Assessment committee, a mentorship program and a comprehensive succession plan.	CONTINUED EFFORT NEEDED
	To attract potential employees to the Hayward Police Department through the development of a recruitment plan and a recruitment team.	ACHIEVED
	To implement the recommendations of an upcoming Department-wide staffing study, this will aim to help deploy resources based on a combination of current city demographics, financial and human resources and forecasted needs moving forward.	CONTINUED EFFORT NEEDED
	To continue to maintain compliance with CALEA standards.	ACHIEVED
	To continue to meet or exceed council priorities.	CONTINUED EFFORT NEEDED

HAYWARD POLICE DEPARTMENT

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Patrol Division	Directed enforcement and compliance checks on known offenders with the goal of reducing theft-related crime by 5%	**CONTINUED EFFORT NEEDED**
	Continue to reduce crime in targeted areas where a cluster of crime is occurring by utilizing "hot spot" policing strategies.	**ACHIEVED**
	Continue the participation of patrol officers and supervisors in all community meetings and neighborhood partnership programs with the goal of enhancing police-community relations.	**ACHIEVED**
	Hold two Division-wide supervisor/ management meetings each fiscal year with the goal of identifying the Division's SWOT (Strengths, Weaknesses, Opportunities and Threats) and ultimately, improve the Division's function and effectiveness.	**ACHIEVED**
Special Operations Division	Reduce the number of traffic accidents citywide over the next year with the goal of reducing accidents by 10% within the top three accident zones.	**CONTINUED EFFORT NEEDED**
	To relocate the Southern District Office to a central location along the Tennyson Corridor.	**CONTINUED EFFORT NEEDED**
	Conduct nine SMASH operations aimed to reduce chronic criminal behavior.	**ACHIEVED** Six SMASH operations have been completed in FY 2015. However, a total of nine SMASH operations have been completed since January 2014.
	To utilize the Social Nuisance Ordinance to improve neighborhood health and safety by abating chronic nuisance-creating behaviors.	**ACHIEVED** Successfully utilized the Social Nuisance Ordinance to abate over a dozen issues/locations that could have otherwise required SMASH operations to abate.
	Improve the clearance rate in Murder, Rape, Robbery, and Burglary cases handled by investigators	**ACHIEVED**

HAYWARD POLICE DEPARTMENT

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Investigation Division	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. Assist with information/intelligence gathering to assure that the City is prepared to evaluate and implement gang injunction(s) when appropriate.	**ACHIEVED**
	Decrease the number of alcohol-related violations by licensed establishments by 10%	**ACHIEVED**
	Maintain working relationships with State & Federal law enforcement agencies to enhance prosecution of criminal offenders at the State and local level.	**ACHIEVED**
	Increase the number of juvenile truancy violators diverted from judicial sanctions by 10%	**CONTINUED EFFORT NEEDED**
	70% of participants in gang prevention and intervention programs will demonstrate improved academics, improved school behavior, and decreased gang involvement.	**ACHIEVED**
	70% of youth receiving family counseling and diversion services will experience a reduction of identified “at-risk” behaviors and demonstrate improved family functioning.	**ACHIEVED**
	The Records Bureau will work with Information Technology to offer more services on-line to the community.	**CONTINUED EFFORT NEEDED**

HAYWARD POLICE DEPARTMENT

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Support Services Division	The Animal Services Bureau will work closely with the City Attorney's Office to: • Bolster our options under the Municipal Code to enhance our ability to respond to and address nuisance complaints. • Develop a new Municipal Code to present to Council requiring all Hayward veterinarians to provide Animal Services with monthly anti-rabies vaccination reports ensuring all Hayward dog owners are in compliance with license ordinances.	CONTINUED EFFORT NEEDED
	In order to maximize evidence review, the manager of the crime scene investigations bureau will continue to work with the county of Alameda to secure the installation of a fingerprint identification system.	ACHIEVED
	The Technology Solutions Analyst will collaborate with the website committee to identify and share best practices for communication with the public.	CONTINUED EFFORT NEEDED
	To continue implementation of the recommendations provided in the Communications Bureau staffing study conducted in May 2013.	CONTINUED EFFORT NEEDED
	To implement body worn cameras to all Hayward Police Department sworn officers in an effort to accurately document a police officer's contact with the public, ultimately improving transparency, accountability and evidence collection	CONTINUED EFFORT NEEDED

FY 2016 KEY SERVICE OBJECTIVES/GOALS

1. Physical expansion of the Dispatch center in order to accommodate the newly created Call Taker positions. The call taker positions were created as a result of the recent staffing study of the dispatch center and are being funded utilizing new Measure C revenues.
2. Complete roll out of body worn cameras to all sworn uniformed personnel.
3. Implementation of recommendations from Departmental staffing study department wide.
4. Maintain compliance with CALEA's standards. More specifically, address the nine areas of improvement that the on-site CALEA assessors indicated may be problematic during the Department's next re-accreditation.
5. Continue to collaborate with the Public Works department to identify potential traffic design changes that may enhance traffic safety.

6. Continue as County Coordinator for Avoid the 21 and STEP grants.
7. Increase participation in the Crime Free-Multi Housing Program.
8. Hold two Division-wide supervisor / management meetings each calendar year to conduct a S.W.O.T. (Strengths, Weaknesses, Opportunities and Threats) analysis and address issues facing Patrol division.
9. Continue to research and implement improved electronic mechanisms for improving the quality of data keeping and tracking of YFSB counseling services.

SIGNIFICANT CHANGES PLANNED FOR FY 2016

The Police Department continues to refine and improve its operational structure to best meet the needs of the City and the citizens the department serves. A number of changes were made in FY 2015 as a result of a department reorganization – as well as the addition of Measure C funded positions. FY 2016 proposes some new resources to address long-term needs of the department.

FY 2015 Mid-year Changes (+15.0 FTE – Measure C)

- Add 1.0 FTE Crime Analyst
- Add 2.0 FTE Police Officers – Traffic
- Add 1.0 FTE Police Officer – Downtown
- Add 1.0 FTE Sergeant - Downtown
- Add 1.0 FTE Latent Fingerprint Examiner
- Add 1.0 FTE Communications Supervisor
- Add 8.0 FTE Call Takers (Dispatch)

FY 2015 department reorganization

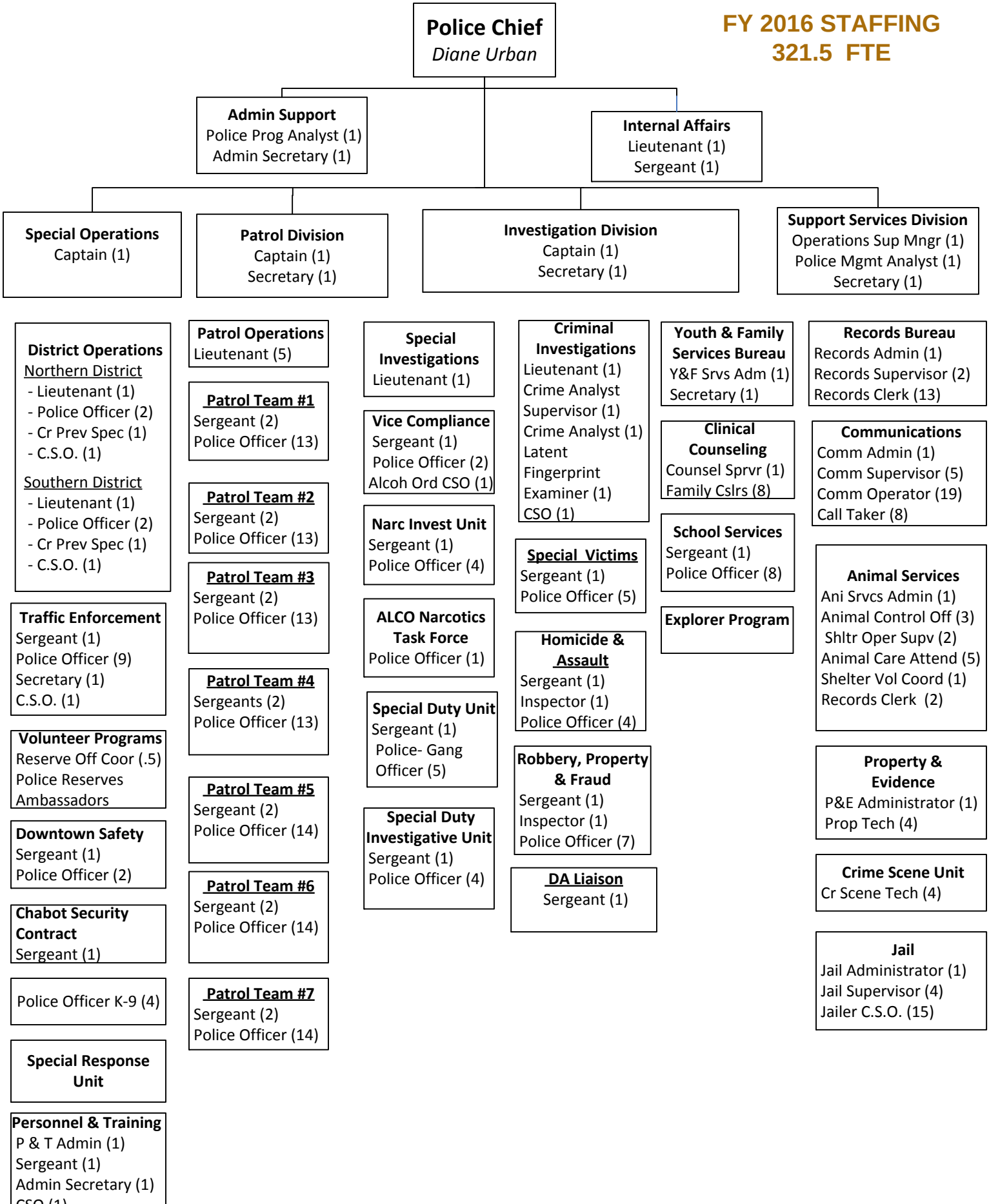
- Delete 2.0 FTE Animal Shelter Supervisors
- Delete 1.0 Records Supervisor
- Add 2.0 Shelter Operations Supervisors
- Delete 3.0 FTE Animal Care Attendant
- Add 1.0 FTE Shelter Volunteer Coordinator
- Add 1.0 FTE Animal Control Officer
- Add 1.0 FTE Jail Administrator
- Add 1.0 FTE Property & Evidence Technician
- Delete 1.0 FTE Property & Evidence Supervisor
- Upgrade 1.0 FTE Crime Analyst to 1.0 FTE Crime Analyst Supervisor
- Salary adjustment for 1.0 FTE Animal Services Administrator
- Salary adjustment for 1.0 FTE Records Administrator

FY 2016 Changes (+ 3.5 FTE)

- Add 1.0 FTE Secretary
- Add 2.0 FTE Community Service Officer
- Add .5 FTE Reserve Officer Coordinator
- Increased overtime budget by $666,000 based on projected position vacancies and need to backfill staffing
- Increased salary savings projection by $781,509 based on projected vacancies

Police Department

FY 2016 STAFFING
321.5 FTE



All Funds Summary - By Category

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue and Trans in from Other Funds				
General Fund Revenue	3,676,300	4,731,233	4,014,493	4,564,318
Community Oriented Policing Grant	197,628	276,275	184,000	184,000
Byrnes Grant	54,920	47,538	47,864	47,864
Narc Asset Seizure-Spec Rev Fund	9,039	-	-	-
	3,937,886	**5,055,046**	**4,246,357**	**4,796,182**
(Contribution)/Use of Fund Balance				
Community Oriented Policing Grant	-	-	-	-
Byrnes Grant	1	-	-	-
Narcotic Asset Seizure	39,313	-	-	-
	39,313	**-**	**-**	**-**
Fund Subsidy				
General Fund Subsidy	55,700,826	54,113,074	56,931,573	61,430,615
Measure C Fund Subsidy	-	-	-	2,316,048
	55,700,826	**54,113,074**	**56,931,573**	**63,746,663**
Total Revenues	**59,678,025**	**59,168,121**	**61,177,930**	**68,542,845**
EXPENDITURES				
Expenditures By Expense Category				
Salary				
Regular	31,056,753	30,829,858	31,680,775	34,452,801
Overtime	3,224,487	3,423,431	2,563,623	3,229,623
Vacancy Savings	-	-	(1,000,000)	(1,781,509)
Benefits				
Fringe Benefits	8,946,099	9,205,457	9,998,242	10,822,600
Retiree Medical	1,258,739	1,175,700	1,184,100	1,688,844
PERS	7,716,891	7,388,068	9,130,060	11,412,569
Charges (to)/from other programs	29,342	11,582	-	-
Net Staffing Expense	**52,232,312**	**52,034,097**	**53,556,800**	**59,824,928**
Maintenance & Utilities	413,276	403,204	458,723	551,338
Supplies & Services	2,406,350	2,012,518	1,660,700	1,767,970
Internal Service Fees	4,309,421	4,337,788	5,269,843	6,166,745
Capital	64,119	56,701	-	-
Net Operating Expense	**7,193,166**	**6,810,211**	**7,389,266**	**8,486,053**
Transfers to other funds	**252,548**	**323,813**	**231,864**	**231,864**
Total Expenditures	**59,678,026**	**59,168,121**	**61,177,930**	**68,542,845**
Net Change	**-**	**-**	**-**	**-**

All Funds Summary - By Program

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue and Transfers in from Other Funds				
Office of the Chief	55,089	54,908	54,500	-
Special Operations	673,377	427,086	24,115	273,000
Patrol Division	-	163,508	100,000	90,000
Investigations	1,513,519	1,795,595	1,595,540	1,679,221
Support Services	819,771	940,009	806,838	880,242
Special Programs	614,544	1,350,127	1,433,500	1,641,855
Community Oriented Policing Grant	197,628	276,275	184,000	184,000
Byrnes Grant	54,920	47,538	47,864	47,864
Narcotic Asset Seizure	9,039	-	-	-
	3,937,886	**5,055,046**	**4,246,357**	**4,796,182**
(Contribution)/Use of Fund Balance				
Community Oriented Policing Grant	-	-	-	-
Byrnes Grant	1	-	-	-
Narcotic Asset Seizure	39,313	-	-	-
	39,313	**-**	**-**	**-**
Fund Subsidy				
General Fund Subsidy	55,700,826	54,113,074	56,931,573	61,430,615
Measure C Fund Subsidy	-	-	-	2,316,048
	55,700,826	**54,113,074**	**56,931,573**	**63,746,663**
Total Revenues	**59,678,025**	**59,168,121**	**61,177,930**	**68,542,845**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds				
Office of the Chief - General Fund	2,710,621	3,352,164	2,861,995	1,380,719
Special Operations - General Fund	29,367,322	3,889,565	4,558,964	6,526,332
Patrol Division	-	24,362,263	25,858,191	28,246,724
Investigations	13,287,206	13,131,134	13,754,168	15,368,071
Support Services - General Services	11,701,663	11,780,384	11,551,509	11,784,753
Special Programs (Grants) - General Fund	2,310,316	2,328,797	2,361,239	2,688,334
Measure C Programs	-	-	-	2,316,048
Community Oriented Policing Grant	197,628	276,275	184,000	184,000
Byrnes Grant	54,920	47,538	47,864	47,864
Narc Asset Seizure-Spec Rev Fund	48,351	-	-	-
Total Expenditures	**59,678,026**	**59,168,121**	**61,177,930**	**68,542,845**
Net Change	**-**	**-**	**-**	**-**

Police - General Fund Summary

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Licenses & Permits	313,381	443,229	398,242	420,242
Photo Red Light	465,275	280,074	-	-
Fines & Forfeitures	39,122	46,957	33,500	38,000
Intergovernmental	2,115,620	2,984,802	2,881,636	2,948,395
Fees & Service Charges	705,160	962,500	691,115	908,000
Other Revenue	37,743	13,671	10,000	249,681
Total Revenues	**3,676,300**	**4,731,233**	**4,014,493**	**4,564,318**
EXPENDITURES				
Expenditures				
Salary				
Regular	31,056,753	30,829,858	31,680,775	33,198,051
Overtime	3,224,487	3,423,431	2,563,623	3,229,623
Vacancy Savings	-	-	(1,000,000)	(1,781,509)
Benefits				
Fringe Benefits	8,946,099	9,205,457	9,998,242	10,331,676
Retiree Medical	1,258,739	1,175,700	1,184,100	1,640,759
PERS	7,716,891	7,388,068	9,130,060	11,057,612
Charges (to)/from other programs	29,342	11,582	-	-
Net Staffing Expense	**52,232,312**	**52,034,097**	**53,556,800**	**57,676,212**
Maintenance & Utilities	413,276	403,204	458,723	493,200
Supplies & Services	2,384,823	2,012,518	1,660,700	1,751,840
Internal Service Fees	4,309,421	4,337,788	5,269,843	6,073,681
Capital	37,295	56,701	-	-
Net Operating Expense	**7,144,814**	**6,810,211**	**7,389,266**	**8,318,721**
Total Expenditures	**59,377,126**	**58,844,307**	**60,946,066**	**65,994,933**
General Fund Subsidy	**55,700,826**	**54,113,074**	**56,931,573**	**61,430,615**

Office of the Chief - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Intergovernmental	55,089	53,928	54,500	-
Other Revenue	-	980	-	-
Total Revenues	**55,089**	**54,908**	**54,500**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,250,457	1,463,694	1,446,947	740,578
Overtime	50,434	75,481	18,000	16,500
Vacancy Savings	-	-	(40,926)	-
Benefits				
Fringe Benefits	344,413	366,298	347,552	196,880
Retiree Medical	36,680	36,300	36,300	25,845
PERS	324,126	348,419	396,812	248,961
Charges (to)/from other programs	87,216	130,400	-	-
Net Staffing Expense	**2,093,327**	**2,420,592**	**2,204,685**	**1,228,764**
Maintenance & Utilities	37,721	22,917	12,500	10,200
Supplies & Services	472,836	797,581	466,837	39,084
Internal Service Fees	108,677	111,074	177,973	102,671
Capital	(1,940)	-	-	-
Net Operating Expense	**617,294**	**931,572**	**657,310**	**151,955**
Total Expenditures	**2,710,621**	**3,352,164**	**2,861,995**	**1,380,719**
General Fund Subsidy	**2,655,532**	**3,297,256**	**2,807,495**	**1,380,719**

FY 2016 Significant Budget Changes:

1. Deletion of 1.0 FTE Crime Analyst (FY2015 Mid-Year)
2. Relocation of Personnel & Training Program to Special Operations Division
3. Relocation of 1.0 FTE Administrative Analyst III to Support Services Division

Patrol Division - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Fees & Service Charges	-	151,330	90,000	90,000
Other Revenue	-	12,178	10,000	-
Total Revenues	**-**	**163,508**	**100,000**	**90,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	12,617,343	13,135,274	13,735,071
Overtime	-	1,454,307	1,308,823	1,929,823
Vacancy Savings	-	-	(430,095)	(1,000,000)
Benefits				
Fringe Benefits	-	3,967,005	4,260,080	4,521,231
Retiree Medical	-	562,800	562,800	829,385
PERS	-	3,240,231	4,077,271	4,984,324
Charges (to)/from other programs	-	405,333	-	-
Net Staffing Expense	**-**	**22,247,019**	**22,914,153**	**24,999,834**
Maintenance & Utilities	-	3,388	1,000	-
Supplies & Services	-	19,520	80,600	57,784
Internal Service Fees	-	2,092,337	2,862,438	3,189,106
Capital	-	-	-	-
Net Operating Expense	**-**	**2,115,245**	**2,944,038**	**3,246,890**
Total Expenditures	**-**	**24,362,263**	**25,858,191**	**28,246,724**
General Fund Subsidy	**-**	**24,198,755**	**25,758,191**	**28,156,724**

FY 2016 Significant Budget Changes:

1. None

Investigations - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Licenses & Permits	30,961	126,584	130,000	140,000
Intergovernmental	1,442,937	1,606,875	1,407,540	1,324,540
Fees & Service Charges	39,621	62,137	58,000	58,000
Other Revenue	-	-	-	156,681
Total Revenues	**1,513,519**	**1,795,595**	**1,595,540**	**1,679,221**
EXPENDITURES				
Expenditures				
Salary				
Regular	7,481,578	7,475,273	7,341,483	8,060,563
Overtime	568,271	694,143	690,000	690,000
Vacancy Savings	-	-	(235,780)	(453,000)
Benefits				
Fringe Benefits	2,115,702	2,178,244	2,322,646	2,441,606
Retiree Medical	307,549	279,900	279,900	409,935
PERS	1,922,631	1,820,666	2,207,437	2,772,603
Charges (to)/from other programs	(228,820)	(401,321)	-	-
Net Staffing Expense	**12,166,912**	**12,046,906**	**12,605,686**	**13,921,707**
Maintenance & Utilities	1,700	18,364	18,100	81,000
Supplies & Services	361,229	314,607	422,915	276,484
Internal Service Fees	736,065	745,937	707,467	1,088,880
Capital	21,300	5,320	-	-
Net Operating Expense	**1,120,294**	**1,084,229**	**1,148,482**	**1,446,364**
Total Expenditures	**13,287,206**	**13,131,134**	**13,754,168**	**15,368,071**
General Fund Subsidy	**11,773,687**	**11,335,539**	**12,158,628**	**13,688,850**

FY 2016 Significant Budget Changes:

1. Addition of 1.0 FTE Crime Analyst Supervisor (FY2015 Mid-Year)
2. Addition of 1.0 FTE Secretary (MAA Funding)
3. Addition of 1.0 FTE Community Service Officer (Alcohol Ordinance)

Special Operations - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Licenses and Permits	25,959	27,155	24,000	30,000
Photo Red Light	465,275	280,074	-	-
Fees & Service Charges	182,143	119,857	115	185,000
Other Revenue	-	-	-	58,000
Total Revenues	**673,377**	**427,086**	**24,115**	**273,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	15,184,936	2,066,822	2,289,473	3,078,612
Overtime	1,588,312	156,080	197,000	243,500
Vacancy Savings	-	-	(75,957)	(278,509)
Benefits				
Fringe Benefits	4,535,549	696,767	809,153	946,470
Retiree Medical	704,122	90,900	89,100	145,910
PERS	3,994,813	513,252	674,447	1,024,760
Charges (to)/from other programs	10,110	(124,881)	-	-
Net Staffing Expense	**26,017,842**	**3,398,939**	**3,983,216**	**5,160,743**
Maintenance & Utilities	5,716	8,000	13,400	26,000
Supplies & Services	844,463	76,890	61,653	752,604
Internal Service Fees	2,488,439	405,736	500,695	586,985
Capital	10,862	-	-	-
Net Operating Expense	**3,349,479**	**490,626**	**575,748**	**1,365,589**
Total Expenditures	**29,367,322**	**3,889,565**	**4,558,964**	**6,526,332**
General Fund Subsidy	**28,693,945**	**3,462,479**	**4,534,849**	**6,253,332**

FY 2016 Significant Budget Changes:

1. Addition of 0.5 FTE Reserve Officer Coordinator (Offset by Vacancy Savings)
2. Addition of 1.0 FTE Community Service Officer (Personnel & Training)
3. Relocation of Personnel & Training Program from Office of the Chief

Support Services - General Services

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Licenses & Permits	256,461	289,491	244,242	250,242
Intergovernmental	42,172	20,830	19,596	20,000
Fees & Service Charges	483,396	629,176	543,000	575,000
Other Revenue	37,743	513	-	35,000
Total Revenues	**819,771**	**940,009**	**806,838**	**880,242**
EXPENDITURES				
Expenditures				
Salary				
Regular	5,985,273	6,023,320	6,091,765	6,080,970
Overtime	826,879	789,063	349,800	349,800
Vacancy Savings	-	-	(182,491)	(50,000)
Benefits				
Fringe Benefits	1,604,241	1,599,574	1,778,664	1,732,347
Retiree Medical	155,058	154,800	154,800	139,384
PERS	1,158,623	1,152,881	1,343,283	1,480,295
Charges (to)/from other programs	64,942	105,260	-	-
Net Staffing Expense	**9,795,016**	**9,824,898**	**9,535,821**	**9,732,796**
Maintenance & Utilities	368,139	350,535	413,723	376,000
Supplies & Services	562,267	601,454	580,695	577,884
Internal Service Fees	976,240	982,704	1,021,270	1,098,073
Capital	-	20,793	-	-
Net Operating Expense	**1,906,646**	**1,955,486**	**2,015,688**	**2,051,957**
Total Expenditures	**11,701,663**	**11,780,384**	**11,551,509**	**11,784,753**
General Fund Subsidy	**10,881,891**	**10,840,375**	**10,744,671**	**10,904,511**

FY 2016 Significant Budget Changes:

1. Deletion of 1.0 FTE Records Supervisor (FY2015 Mid-Year Reorg)
2. Deletion of 1.0 FTE Property & Evidence Supervisor (FY2015 Mid-Year Reorg)
3. Deletion of 3.0 FTE Animal Care Attendants (FY2015 Mid-Year Reorg)
4. Deletion of 1.0 FTE Police Records Clerk II (FY2015 Mid-Year)
5. Addition of 1.0 FTE Secretary (FY2015 Mid-Year)
6. Addition of 2.0 FTE Shelter Operations Supervisor (FY2015 Mid-Year Reorg)
7. Addition of 1.0 FTE Shelter Volunteer Coordinator (FY2015 Mid-Year Reorg)
8. Addition of 1.0 FTE Jail Administrator (FY2015 Mid-Year Reorg)
9. Addition of 1.0 FTE Property Technician (FY2015 Mid-Year Reorg)
10. Relocation of 1.0 FTE Administrative Analyst III from Office of the Chief
11. Addition of 1.0 FTE Animal Control Officer (FY2015 Mid-Year Reorg)

Special Programs (Grants) - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Fines and Forfeitures	39,122	46,957	33,500	38,000
Grant Revenue	575,422	1,303,170	1,400,000	1,603,855
Total Revenues	**614,544**	**1,350,127**	**1,433,500**	**1,641,855**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,154,508	1,183,407	1,375,833	1,502,257
Overtime	190,590	254,356	-	-
Vacancy Savings	-	-	(34,751)	
Benefits				
Fringe Benefits	346,194	397,569	480,147	493,142
Retiree Medical	55,330	51,000	61,200	90,300
PERS	316,698	312,620	430,810	546,669
Charges (to)/from other programs	95,894	(103,208)	-	-
Net Staffing Expense	**2,159,215**	**2,095,743**	**2,313,239**	**2,632,368**
Maintenance & Utilities	-	-	-	-
Supplies & Services	144,028	202,465	48,000	48,000
Internal Service Fees	-	-	-	7,966
Capital	7,073	30,589	-	-
Net Operating Expense	**151,101**	**233,054**	**48,000**	**55,966**
Total Expenditures	**2,310,316**	**2,328,797**	**2,361,239**	**2,688,334**
General Fund Subsidy	**1,695,771**	**978,670**	**927,739**	**1,046,479**

FY 2016 Significant Budget Changes:

1. None

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

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beginning Working Capital Balance	**304,779**	**120,779**	**304,779**	**304,779**
REVENUES				
Revenue				
Interest	-	-	-	-
Intergovernmental	197,628	276,275	184,000	184,000
Total Revenues	**197,628**	**276,275**	**184,000**	**184,000**
EXPENDITURES				
Fund Transfers Out to				
Trsfr to General Fund	197,628	276,275	184,000	184,000
	197,628	**276,275**	**184,000**	**184,000**
Total Expenditures	**197,628**	**276,275**	**184,000**	**184,000**
Net Change	**-**	**-**	**-**	**-**
Ending Working Capital Balance	**304,779**	**120,779**	**304,779**	**304,779**

FY 2016 Significant Budget Changes:

1. None.

Byrne Justice Assistance Grant - Special Revenue Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beginning Working Capital Balance	**319**	**319**	**319**	**319**
REVENUES				
Revenue				
Interest	-	-	-	-
Intergovernmental	54,920	47,538	47,864	47,864
Total Revenues	**54,920**	**47,538**	**47,864**	**47,864**
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	54,920	47,538	47,864	47,864
	54,920	**47,538**	**47,864**	**47,864**
Total Expenditures	**54,920**	**47,538**	**47,864**	**47,864**
Net Diff Gain (Use) of Fund Bal	**(1)**	**-**	**-**	**-**
Ending Working Capital Balance	**319**	**319**	**319**	**319**

FY 2016 Significant Budget Changes:

1. None

Narcotic Asset Seizure - Special Revenue Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beginning Working Capital Balance	**359,930**	**320,617**	**320,617**	**320,617**
REVENUES				
Revenue				
Fines & Forfeitures	9,039	-	-	-
Interest	-	-	-	-
Total Revenues	**9,039**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits				
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	-	-	-	-
Maintenance & Utilities	-	-	-	-
Supplies & Services	21,527	-	-	-
Internal Service Fees	-	-	-	-
Capital	26,824	-	-	-
Net Operating Expense	48,351	-	-	-
Fund Transfers Out				
Trsfr to Police Capital Projects	-	-	-	-
	-	**-**	**-**	**-**
Total Expenditures	**48,351**	**-**	**-**	**-**
Net Diff Gain (Use) of Fund Balance	**(39,313)**	**-**	**-**	**-**
Ending Working Capital Balance	**320,617**	**320,617**	**320,617**	**320,617**

FY 2016 Significant Budget Changes:

1. None

Measure C Police Programs

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Other Revenue	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	1,254,750
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	490,924
Retiree Medical	-	-	-	48,085
PERS	-	-	-	354,957
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**-**	**-**	**-**	**2,148,716**
Maintenance & Utilities	-	-	-	58,138
Supplies & Services	-	-	-	16,130
Internal Service Fees	-	-	-	93,064
Capital	-	-	-	-
Net Operating Expense	**-**	**-**	**-**	**167,332**
Total Expenditures	**-**	**-**	**-**	**2,316,048**
Measure C Fund Subsidy	**-**	**-**	**-**	**2,316,048**

FY 2016 Significant Budget Changes:

1. Addition of 1.0 FTE Crime Analyst (Investigations Division)(FY2015 Mid-Year)
2. Addition of 1.0 FTE Latent Fingerprint Examiner (Investigations Division)(FY2015 Mid-Year)
3. Addition of 1.0 FTE Communications Supervisor (Support Services Division)(FY2015 Mid-Year)
4. Addition of 8.0 FTE Call Takers (Support Services Division)(FY2015 Mid-Year)
5. Addition of 1.0 FTE Police Sergeant (Downtown; Special Operations Division)(FY2015 Mid-Year)
6. Addition of 3.0 FTE Police Officer (2.0 FTE-Traffic, 1.0 FTE-Downtown; Special Oper Div)(FY2015 Mid-Year)

PUBLIC WORKS-ENGINEERING &TRANSPORTATION DEPARTMENT

MISSION STATEMENT

The Public Works-Engineering and 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 reasonable timelines.

DEPARTMENT OVERVIEW

The Public Works-Engineering and Transportation Department is organized into six divisions: Administration, Design/Development Services, Construction Services, Transportation, Survey, and the Executive Airport Enterprise. 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 major portion 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 serving as a construction liaison. This Division is responsible for review of grading plans, subdivision maps, improvement plans, and soils and geological reports.

Construction Services

Construction Services is responsible for the construction inspection of public works projects and development improvements.

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

PUBLIC WORKS-ENGINEERING &TRANSPORTATION DEPARTMENT

Planning Section is responsible for 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.

FY 2015 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Completed design of the new 21st Century Library and Community Learning Center.
2. Completed construction of the Executive Airport Administration Building.
3. Completed design of Fire Station No. 7 & Firehouse Clinic and started construction.
4. Began Transit Connector (Shuttle) Feasibility study, Downtown Parking Study, and City-wide Intersection Improvement Study.
5. Prepared and provided the Capital Improvement Program on-time to Council and the public.
6. Began design of Phases 2 and 3 of the Mission Blvd. Corridor Improvements.
7. Completed design and started construction of 880/92 Reliever Route Project.

PUBLIC WORKS-ENGINEERING &TRANSPORTATION DEPARTMENT

DEPARTMENT PERFORMANCE METRICS – FY 2015

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Administration	Ensure at least a 95% positive response rate to CRM requests in terms of courtesy, attentiveness, and responsiveness to customer's request; assure that the Department is an engaged and consistent participant in appropriate community meetings	. **ACHIEVED**
	Prepare and deliver for adoption the Capital Improvement Program on-time to Council and the public	**ACHIEVED**
Design/Development Services	Review and comment on development proposals from Development Services Department within established deadlines 90% of time	**ACHIEVED**
	Design projects related to at least six miles of pavement rehabilitation, 20,000 square feet of sidewalk, and 100 wheelchair ramps	**ACHIEVED** 8.8 miles of roadway paved, approximately 23,000 square feet of sidewalk repaired and 224 wheelchair ramps installed.
Construction Services	Ensure a timely and complete inspection of all City construction projects, as well as subdivisions, grading/clearing permits, and Public Works encroachment permits.	**ACHIEVED**
Survey	Maintain complete and accurate information related to public roadway and city-owned properties, both for record and for facilitating potential new development.	**ACHIEVED**
	Acknowledge requests for survey and property characteristics assistance from other departments within twenty-four hours; provide the data in a timely and efficient manner.	**ACHIEVED**
ns por tati on	Ensure traffic signal system operates in safe and efficient manner, reducing travel times and traffic	**ACHIEVED**

PUBLIC WORKS-ENGINEERING &TRANSPORTATION DEPARTMENT

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
	congestion on the City's major corridors.	
	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**
	Closely follow transportation-related legislation and potential available funding to ensure Hayward's interests are protected.	**ACHIEVED**
	Respond to community requests for traffic-calming assistance within five days of receiving the request.	**ACHIEVED**
	Continue process to recover 60% of costs for knock downs of street lights and traffic signals from insurers and private parties	**ACHIEVED**
Hayward Executive Airport	Airport Safety measured by Annual FAA Audit results and unresolved discrepancies list; the goal is zero annual safety related discrepancies. Any safety-related discrepancies will be resolved by next scheduled audit period.	**ACHIEVED**
	Responses to citizen inquiries will be handled within 72 hours through written response, e-mail or direct telephone contact	**ACHIEVED**
	Continue to reduce the number of noise-related complaints	**ACHIEVED** Annual complaints decreased from 552 in CY 2013 to 483 in CY 2014, a reduction of over 12 percent
	Strive to incur zero accidents; properly and timely report any accidents that do happen	**ACHIEVED**
	Grant funding success will be measured by FAA responsiveness to annual ACIP program submittals and funding approval above annual entitlement amount of $150,000 for safety and capacity related Capital projects	**ACHIEVED**

PUBLIC WORKS-ENGINEERING &TRANSPORTATION DEPARTMENT

FY 2016 KEY OBJECTIVES/GOALS

1. Substantially complete construction of the 880/92 Reliever Route Project.
2. Begin construction of the 21st Century Library and Community Learning Center.
3. Complete streets improvements as part of Measure C funding program.
4. Begin design of various fire station improvements and fire training center supported by the passage of Measure C.
5. Complete construction and rehabilitation of municipal parking lots #3 and #4.
6. Complete design of the Sulphur Creek Mitigation Project at the Hayward Executive Airport.
7. Complete construction of Fire Station No. 7 and Firehouse Clinic.
8. Complete the Downtown Parking Study and the Traffic Calming Program, and substantially complete Traffic Impact Fee and Citywide Intersection Improvement studies.
9. Substantially complete design of phase two of the Mission Blvd. Corridor Improvement Project.

SIGNIFICANT RESOURCES CHANGES PLANNED FOR FY 2016

Thankfully the City is experiencing an increase in funding for specific capital projects related to the successful passage of Measure C and Measure BB. The amount and complexity of related City projects has greatly increased and additional resources are required to provide adequate project management and oversight. FY 2016 reflects changes made during the FY 2015 mid-year process as well and those proposed for FY 2016.

FY 2015 Mid-year Changes – (+1.0 FTE)

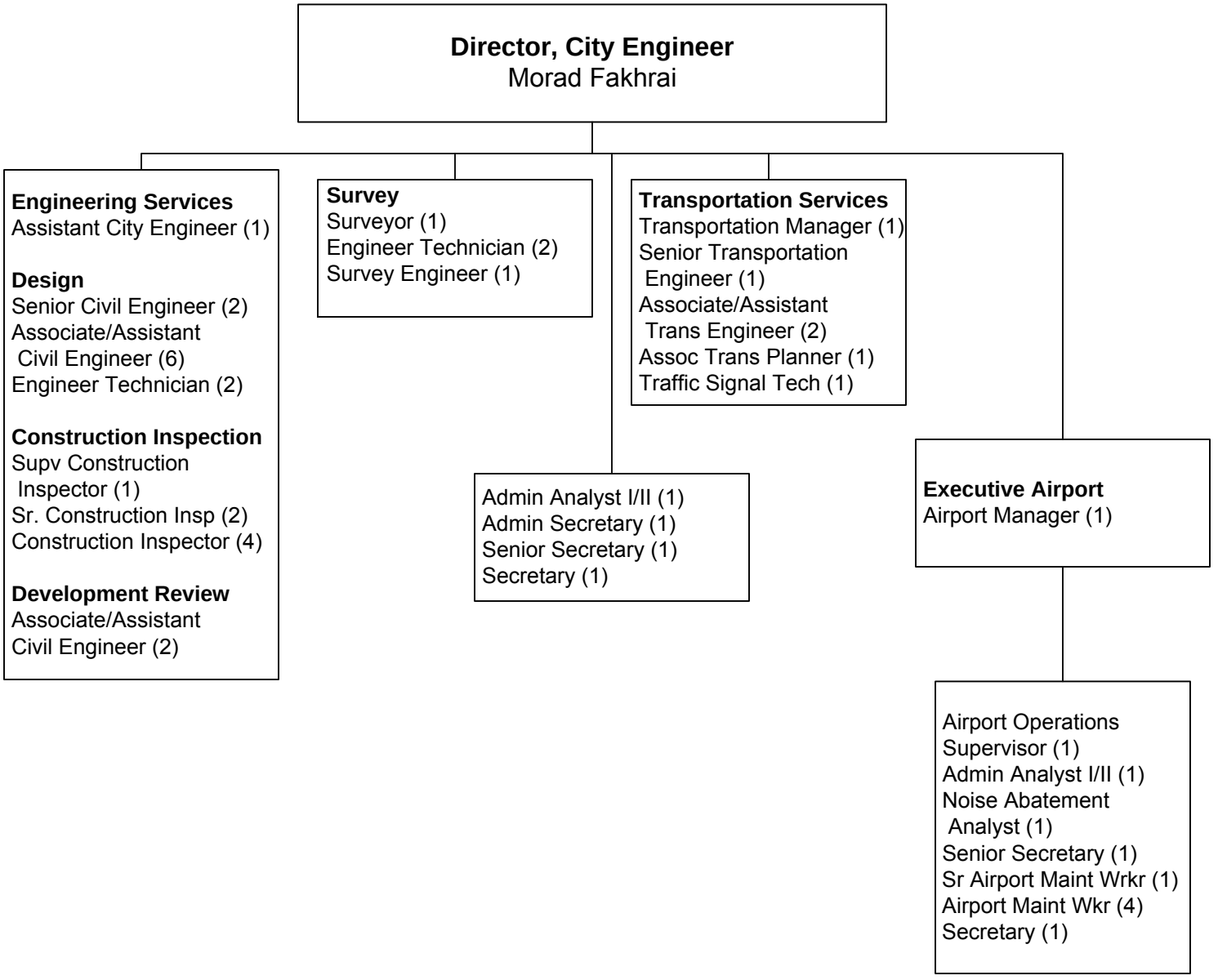
- Add 1.0 FTE Survey Engineer
- Delete 1.0 FTE Associate Civil Engineer
- Add 1.0 FTE Senior Civil Engineer

FY 2016 Changes (+ 1.0 FTE)

- Add 1.0 FTE Construction Inspector
- Increase of $30,000 to the Internal Services Fund and $20,000 to the CIP for purchase and maintenance of project management software
- Increase to projected Airport revenues $123,000 due to fee increases and increased land lease revenue
- Increase in Airport expenditures of $42,000 for various operating expenses (janitorial, supplies, water utilities)

FY 2016 STAFFING
46.0 FTE

Public Works
Engineering & Transportation Department



Public Works-Engineering & Transportation Department

All Funds Summary - By Category

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue and Transfers In from Other Funds				
General Fund Revenue	152,554	211,847	217,957	304,300
Airport Maint & Operation	2,977,548	3,390,334	3,073,068	3,195,615
	3,130,102	**3,602,181**	**3,291,025**	**3,499,915**
(Contribution)/Use of Fund Balance				
Airport Maint & Operation	(507,526)	2,285,865	74,087	(16,307)
	(507,526)	**2,285,865**	**74,087**	**(16,307)**
Fund Subsidy				
General Fund Subsidy	**1,104,587**	**1,361,796**	**1,621,987**	**1,948,461**
Total Revenues	**3,727,163**	**7,249,842**	**4,987,099**	**5,432,069**
EXPENDITURES				
Expenditures By Expense Category				
Salary				
Regular	3,835,384	3,925,476	4,184,983	4,348,659
Overtime	180,703	74,519	33,150	33,150
Benefits				
Fringe Benefits	879,810	915,539	1,104,180	1,104,417
Retiree Medical	77,529	77,400	79,200	74,998
PERS	728,705	754,509	919,896	1,056,486
Charges (to)/from other prog	(3,768,585)	(3,466,806)	(3,583,056)	(3,540,690)
Net Staffing Expense	**1,933,547**	**2,280,638**	**2,738,353**	**3,077,020**
Maintenance & Utilities	183,004	184,622	203,620	225,880
Supplies & Services	296,641	441,561	314,244	334,244
Internal Service Fees	(192,778)	763,651	787,467	834,510
Capital	-	-	-	-
Net Operating Expense	**286,867**	**1,389,834**	**1,305,331**	**1,394,634**
Transfers Out to Other Funds	**1,506,749**	**3,579,370**	**943,415**	**960,415**
Total Expenditures	**3,727,163**	**7,249,842**	**4,987,099**	**5,432,069**
Net Change	**-**	**-**	**-**	**-**

Public Works-Engineering & Transportation Department

All Funds Summary - By Program

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue and Trans in from Other Funds				
General Fund Revenue	152,554	211,847	217,957	304,300
Hayward Executive Airport	2,977,548	3,390,334	3,073,068	3,195,615
	3,130,102	**3,602,181**	**3,291,025**	**3,499,915**
(Contri)/Use of Fund Balance				
Hayward Executive Airport	(507,526)	2,285,865	74,087	(16,307)
	(507,526)	**2,285,865**	**74,087**	**(16,307)**
Fund Subsidy				
General Fund Subsidy	**1,104,587**	**1,361,796**	**1,621,987**	**1,948,461**
Total Revenues	**3,727,163**	**7,249,842**	**4,987,099**	**5,432,069**
EXPENDITURES				
Expend and Trans Out to Other Funds By Prog				
General Fund	1,257,141	1,573,643	1,839,944	2,252,761
Executive Airport	2,470,023	5,676,199	3,147,155	3,179,308
Total Expenditures	**3,727,163**	**7,249,842**	**4,987,099**	**5,432,069**
Net Change	**-**	**-**	**-**	**-**

Public Works-Engineering & Transportation Department

Engineering & Transportation - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Sales and Other Taxes	-	-	1,700	1,700
Interest and Rents	-	33,109	22,160	30,500
Intergovernmental	13,257	-	18,900	-
Fees & Service Charges	68,254	168,264	136,197	272,100
Other Revenue	71,043	10,474	39,000	-
Total Revenues	**152,554**	**211,847**	**217,957**	**304,300**
EXPENDITURES				
Expenditures				
Salary				
Regular	3,051,401	3,141,784	3,307,827	3,378,067
Overtime	153,087	50,438	6,400	6,400
Benefits				
Fringe Benefits	667,562	718,670	868,058	848,376
Retiree Medical	57,696	57,600	59,400	55,345
PERS	577,144	601,093	727,397	819,739
Charges (to)/from other prog	(3,798,758)	(3,558,931)	(3,773,830)	(3,564,111)
Net Staffing Expense	**708,132**	**1,010,653**	**1,195,252**	**1,543,816**
Maintenance & Utilities	1,479	2,867	8,115	8,015
Supplies & Services	27,766	34,630	64,371	64,371
Internal Service Fees	519,763	525,492	572,206	636,559
Net Operating Expense	**549,008**	**562,989**	**644,692**	**708,945**
Total Expenditures	**1,257,141**	**1,573,643**	**1,839,944**	**2,252,761**
General Fund Subsidy	**1,104,587**	**1,361,796**	**1,621,987**	**1,948,461**

FY 2016 Significant Budget Changes:

1. Addition of 1.0 FTE Survey Engineer (FY2015 Mid-Year)
2. Deletion of 1.0 FTE Associate Civil Engineer (FY2015 Mid-Year)
3. Addition of 1.0 FTE Senior Civil Engineer (FY2015 Mid-Year)
4. Addition of 1.0 FTE Construction Inspector

Public Works-Engineering & Transportation Department

Hayward Executive Airport - Enterprise Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Interest & Rents	14,389	59,761	158,251	158,251
Land Rent	2,900,382	2,493,443	1,615,417	1,699,164
Hangar Rent	-	817,310	970,000	1,008,800
Fees & Service Charges	7,129	11,736	9,400	9,400
Other Revenue	55,648	8,083	320,000	320,000
Total Revenue	**2,977,548**	**3,390,334**	**3,073,068**	**3,195,615**
Total Revenues	**2,977,548**	**3,390,334**	**3,073,068**	**3,195,615**
EXPENDITURES				
Expenditures				
Salary				
Regular	783,983	783,693	877,156	970,592
Overtime	27,616	24,081	26,750	26,750
Benefits				
Fringe Benefits	212,248	196,870	236,122	256,041
Retiree Medical	19,833	19,800	19,800	19,653
PERS	151,561	153,416	192,499	236,747
Charges (to)/from other prog	30,173	92,126	190,774	23,421
Net Staffing Expense	**1,225,415**	**1,269,985**	**1,543,101**	**1,533,204**
Maintenance & Utilities	181,525	181,755	195,505	217,865
Supplies & Services	268,875	406,931	249,873	269,873
Internal Service Fees	(712,541)	238,159	215,261	197,951
Project Expenditure	-	-	-	-
Net Operating Expense	**(262,141)**	**826,844**	**660,639**	**685,689**
Fund Transfers Out to				
Cost Allocation to General Fund	114,181	114,181	117,606	117,606
Liability Insurance Premium	66,568	62,189	53,815	53,815
Water Maint Fund for DS	-	105,000	171,994	171,994
Tech Services ERP	26,000	26,000	-	17,000
Airport Capital Fund	1,300,000	3,272,000	600,000	600,000
Total Transfers Out	**1,506,749**	**3,579,370**	**943,415**	**960,415**
Total Expenditures	**2,470,023**	**5,676,199**	**3,147,155**	**3,179,308**
Net Change	**507,526**	**(2,285,865)**	**(74,087)**	**16,307**

FY 2016 Significant Budget Changes:

1. None.

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

MISSION STATEMENT

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

DEPARTMENT OVERVIEW

The Utilities & Environmental Services Department is responsible for 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 System. In addition to operating and maintaining utilities facilities and equipment, this Department is responsible for compliance with all applicable local, state, and federal 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

The Administration, Planning, and Engineering Division manages the procurement of potable water, 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 water conservation programs, the administration of new utility service connections, and works closely with the City's wholesale water supplier, the San Francisco Public Utilities Commission.

Water Distribution and Wastewater Collection Operations and Maintenance

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 also provides customer and meter reading field services.

Water Pollution Control Facility

The Water Pollution Control Facility 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.

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

Environmental Services

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), solid waste reduction and recycling, minimizing stormwater pollutant discharge into the San Francisco Bay, and implementing sustainability programs and initiatives contained in the City's Climate Action Plan.

FY 2015 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Negotiated new long-term agreement for solid waste and recycling services.
2. Prepared environmental assessment and began design of recycled water distribution system.
3. Completed pilot testing of advanced metering infrastructure.
4. Completed and commissioned the WPCF's Cogeneration System, which provides 100% of WPCF's energy needs and uses excess renewable energy at other City sites.
5. Began construction of Mission Boulevard aqueduct seismic improvements.
6. Initiated the construction of a new 1.2 million gallon water reservoir at the 1,530-foot elevation zone (Stonebrae).

DEPARTMENT PERFORMANCE METRICS – FY 2015

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Water Operations and Maintenance	Deliver drinking water that meets all federal and state water quality standards and the water system's California Department of Public Heath permit requirements 100% of the time.	**ACHIEVED** Zero violations
	Limit water outages in any neighborhood resulting from main breaks or system repairs to a duration of less than four hours during the day, and less than eight hours at night.	**ACHIEVED**
	Review and comment on utilities-related aspects of development projects within five days of receipt 95% of the time.	**ACHIEVED**
Wastewater Collection	Limit the number of sanitary sewer overflows (SSOs) to six per year (i.e., not to exceed two occurrences per 100 miles of collection system); and none considered "major" by the regulatory agencies.	**ACHIEVED** 3 overflows None considered "major"

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

Division	FY 2015 Performance Measures/Goals	FY 2015 Performance
Water Pollution Control Facility	Reuse or dispose of wastewater in accordance with all federal and state regulations so that the City's applicable National Pollutant Discharge Elimination System Permit is not violated at any time.	**ACHIEVED** Zero violations
	Ensure that at least 50% of electric energy used at the wastewater treatment plant is generated on site using renewable sources (not purchased energy), such as solar and bio-gas.	**ACHIEVED** Current average electric energy produced on-site using renewable sources is 100%
Environmental Services	Ensure that sanitary sewer discharge and stormwater runoff throughout the community are in compliance with applicable local, state and federal standards and permits	**ACHIEVED**
	Respond within two working days to complaints regarding missed pickups of solid waste and recycling containers 95% of the time.	**ACHIEVED**
	Maintain satisfactory progress towards the goal of ensuring that only 10% of readily recyclable materials remain in the waste stream.	**CONTINUED EFFORT NEEDED** Achieved 74% waste diversion from landfill. On course to achieve 75% diversion in CY 2015.
	Implement objectives of the City's Climate Action Plan according to the performance measures and timelines stated in the Plan.	**CONTINUED EFFORT NEEDED** NR-7 (Energy Reduction Initiative) & NR-16 (Green Portal) to be implemented in 2014-2016 as called for in General Plan
	Maintain a residential gallons per-capita per day water usage (R-GPCPD) that is in the lower half of all Bay Area water purveyors, using public education, conservation, water conservation pricing, etc.	**ACHIEVED** The City's R-GPCPD remains among the lowest in the State: -62 GPCPD in Summer -52 GPCPD in Winter

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

FY 2016 KEY SERVICE OBJECTIVES/GOALS

1. Initiate City-wide deployment of advanced metering infrastructure.
2. Initiate construction of an additional one megawatt solar energy system at WPCF.
3. Complete construction of new 1.2 million gallon reservoir at the 1,530-foot elevation zone.
4. Design renovation of and improvements to the WPCF administration and operations building.
5. Implement Pay-As-You-Save (PAYS) water and energy efficiency program for multi-family properties.
6. Begin the design of second reservoir and pump station improvements at Garin Hills.
7. Assess feasibility of installing solar energy at various water facilities.
8. Begin distribution of non-potable water for street sweeping, dust control, and other approved uses.
9. Begin construction of the City's recycled water distribution system.
10. Achieve the goal of 75% waste diversion from landfill in FY2016. Begin working towards the goal of 80% diversion by FY2018.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2016

FY 2016 reflects changes made during the FY 2015 mid-year process as well and those proposed for FY 2016. All of these changes are needed to address critical obligations related to the City's utility operations.

FY 2015 Mid-year Changes - (+2.0 FTE)

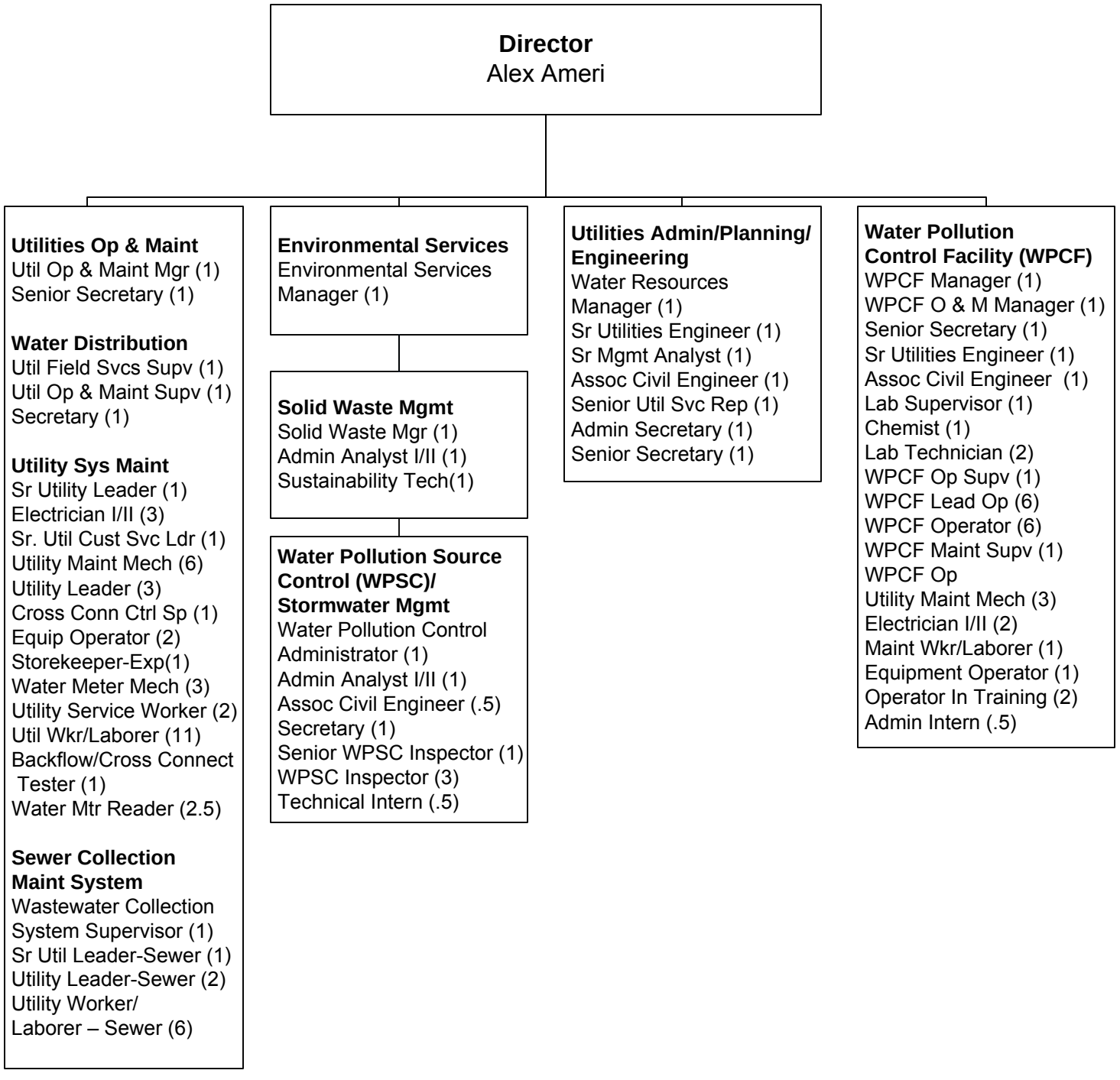
- Add 1.0 FTE Water Pollution Control Facility (WPCF) Operator
- Add 1.0 FTE Laboratory Technician
- Reclassify 1.0 FTE Laboratory Technician to 1.0 FTE Chemist

FY 2016 Changes - (+ 5.5 FTE)

- Add 2.0 FTE Utility Workers (Temporary/Limited Duration)
- Add 1.0 FTE Water Resources Manager
- Add 2.0 FTE Operators-in-Training
- Add .5 Administrative Intern (Sewer)

FY 2016 STAFFING
105.0 FTE

Utilities & Environmental Services Department



Utilities & Environmental Services Department

All Funds Summary - By Category

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue and Transfers In from Other Funds				
General Fund Revenue	10,239	22,670	8,257	9,000
Recycling Program - Special Revenue Fund	514,891	467,612	416,500	496,500
Stormwater Maint & Operation	2,825,752	2,794,052	2,713,000	2,743,000
Waste Water Maint & Operation	23,282,076	26,570,029	24,703,945	25,611,945
Water Maint & Operation	41,796,708	44,509,289	43,621,498	43,436,498
Regional Water Inter-Tie - Enterprise Fund	141,703	1,158	83,500	110,000
	68,571,369	**74,364,811**	**71,546,700**	**72,406,943**
(Contribution)/Use of Fund Balance				
Recycling Program	23,478	103,949	198,566	113,534
Stormwater Maint & Operation	(298,985)	(255,549)	62,297	(120,985)
Waste Water Maint & Operation	(4,325,625)	(2,521,218)	(174,037)	422,884
Water Maint & Operation	(4,584,398)	(7,637,005)	(1,386,364)	837,453
Regional Water Inter-Tie	(66,481)	72,287	-	-
	(9,252,011)	**(10,237,536)**	**(1,299,538)**	**1,252,886**
Fund Subsidy				
General Fund Subsidy	**23,374**	**21,889**	**44,500**	**38,317**
Total Revenues	**59,342,732**	**64,149,164**	**70,291,662**	**73,698,146**
EXPENDITURES				
Expenditures By Expense Category				
Salary				
Regular	8,517,651	8,484,303	9,363,714	10,402,927
Overtime	680,676	776,430	364,900	364,900
Benefits				
Fringe Benefits	2,624,670	2,603,948	3,024,303	3,215,630
Retiree Medical	207,345	207,000	212,400	213,694
PERS	1,597,110	1,616,477	2,058,906	2,510,534
Charges (to)/from other programs	(210,796)	(164,670)	512,544	(275,000)
Net Staffing Expense	**13,416,656**	**13,523,487**	**15,536,767**	**16,432,685**
Maintenance & Utilities	1,826,788	1,972,464	2,319,626	2,333,479
Supplies & Services	9,077,300	7,005,626	7,180,219	7,264,489
Internal Service Fees	2,381,860	2,254,844	2,366,293	2,136,590
Water Purchases	22,302,215	21,193,728	25,900,000	27,500,000
Debt Service	-	5,691,556	4,958,639	4,867,785
Capital	-	-	-	-
Net Operating Expense	**35,588,162**	**38,118,218**	**42,724,777**	**44,102,343**
Transfers Out to Other Funds	**10,337,914**	**12,507,459**	**12,030,118**	**13,163,118**
Other Department Operating Costs	**435,048**	**(3,496,695)**	**(3,809,407)**	**(3,839,214)**
Total Expenditures	**59,777,780**	**60,652,469**	**66,482,255**	**69,858,932**
Net Change	**(435,048)**	**3,496,695**	**3,809,407**	**3,839,214**

All Funds Summary - By Program

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue and Transfers in from Other Funds				
General Fund Revenue	10,239	22,670	8,257	9,000
Recycling Program	514,891	467,612	416,500	496,500
Stormwater	2,825,752	2,794,052	2,713,000	2,743,000
Wastewater	23,282,076	26,570,029	24,703,945	25,611,945
Water	41,796,708	44,509,289	43,621,498	43,436,498
Regional Water Inter-Tie	141,703	1,158	83,500	110,000
	68,571,369	**74,364,811**	**71,546,700**	**72,406,943**
(Contribution)/Use of Fund Balance				
Recycling Program	23,478	103,949	198,566	113,534
Stormwater	(298,985)	(255,549)	62,297	(120,985)
Wastewater	(4,325,625)	(2,521,218)	(174,037)	422,884
Water	(4,584,398)	(7,637,005)	(1,386,364)	837,453
Regional Water Inter-Tie	(66,481)	72,287	-	-
	(9,252,011)	**(10,237,536)**	**(1,299,538)**	**1,252,886**
Fund Subsidy				
General Fund Subsidy	**23,374**	**21,889**	**44,500**	**38,317**
Total Revenues	**59,342,732**	**64,149,164**	**70,291,662**	**73,698,146**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds By Program				
General Fund	33,613	44,559	52,757	47,317
Recycling	538,369	571,561	615,066	610,034
Stormwater	1,046,151	1,016,392	1,102,806	1,087,049
Wastewater	18,956,452	24,048,811	24,529,908	26,034,829
Water	39,127,974	34,897,700	40,098,218	41,969,703
Regional Water Inter-Tie	75,222	73,446	83,500	110,000
Total Expenditures	**59,777,780**	**60,652,469**	**66,482,255**	**69,858,932**
Net Change	**(435,048)**	**3,496,695**	**3,809,407**	**3,839,214**

Solid Waste Program - General Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Fees & Service Charges	10,239	22,670	8,257	9,000
Total Revenues	**10,239**	**22,670**	**8,257**	**9,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	29,136
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	8,121
Retiree Medical	-	-	-	-
PERS	-	-	-	7,131
Charges (to)/from other programs	30,721	43,822	49,828	-
Net Staffing Expense	**30,721**	**43,822**	**49,828**	**44,388**
Maintenance & Utilities	-	-	-	-
Supplies & Services	2,892	737	2,929	2,929
Internal Service Fees	-	-	-	-
Capital	-	-	-	-
Net Operating Expense	**2,892**	**737**	**2,929**	**2,929**
Total Expenditures	**33,613**	**44,559**	**52,757**	**47,317**
General Fund Subsidy	**23,374**	**21,889**	**44,500**	**38,317**

FY 2016 Significant Budget Changes:

1. None.

Recycling Program - Special Revenue Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Special Assessment-Deliq Bills	26,241	-	10,000	10,000
Interest & Rents	2,600	8,423	4,000	4,000
Intergovernmental	485,100	452,689	400,000	480,000
Fees and Service Charges	-	6,500	-	-
Other Revenue	950	-	2,500	2,500
Total Revenue	**514,891**	**467,612**	**416,500**	**496,500**
Fund Transfers In - None	**-**	**-**	**-**	**-**
Total Revenues	**514,891**	**467,612**	**416,500**	**496,500**
EXPENDITURES				
Expenditures				
Salary				
Regular	208,496	133,950	260,845	255,026
Overtime	612	9	-	-
Benefits				
Fringe Benefits	53,119	33,050	85,146	68,068
Retiree Medical	5,409	5,400	5,400	4,496
PERS	39,221	25,854	57,075	61,974
Charges (to)/from other programs	39,952	125,682	(9,461)	-
Net Staffing Expense	**346,809**	**323,945**	**399,005**	**389,564**
Maintenance & Utilities	394	290	4,098	1,100
Supplies & Services	81,162	141,011	102,927	105,925
Internal Service Fees	24,875	24,127	25,806	30,215
Capital	-	-	-	-
Net Operating Expense	**106,431**	**165,428**	**132,831**	**137,240**
Fund Transfers Out to				
Cost Allocation to General Fund	72,573	72,573	74,750	74,750
Misc Trsfr to Sewer Collection	-	-	-	-
Liability Insurance Premium	12,555	9,615	8,480	8,480
Total Transfers Out	**85,128**	**82,188**	**83,230**	**83,230**
Total Expenditures	**538,369**	**571,561**	**615,066**	**610,034**
Net Change	**(23,478)**	**(103,949)**	**(198,566)**	**(113,534)**

FY 2016 Significant Budget Changes:

1. None

Stormwater - Enterprise Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Stormwater Revenue	2,088,809	2,024,574	2,016,000	2,010,000
Street Cleaning Fees	732,737	750,281	680,000	700,000
Fines and Forfeitures	-	-	-	-
Interest	4,098	16,824	16,000	16,000
Fees and Service Charges	-	-	-	17,000
Other Revenue	107	2,373	1,000	-
Total Revenue	**2,825,752**	**2,794,052**	**2,713,000**	**2,743,000**
Total Revenues	**2,825,752**	**2,794,052**	**2,713,000**	**2,743,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	619,753	691,970	701,344	1,010,436
Overtime	115,939	115,740	34,000	34,000
Benefits				
Fringe Benefits	202,819	236,457	261,966	311,566
Retiree Medical	16,227	18,000	18,000	21,500
PERS	118,199	132,588	154,736	245,313
Charges (to)/from other programs	567,266	483,082	545,643	-
Net Staffing Expense	**1,640,204**	**1,677,837**	**1,715,689**	**1,622,815**
Maintenance & Utilities	32,557	31,527	31,524	26,275
Supplies & Services	374,801	359,277	496,894	502,431
Internal Service Fees	354,305	350,649	409,846	349,150
Capital	-	-	-	-
Net Operating Expense	**761,663**	**741,453**	**938,264**	**877,856**
Fund Transfers Out to				
Cost Allocation to General Fund	90,363	90,363	93,074	93,074
Liability Insurance Premium	34,537	28,851	28,270	28,270
Capital Trsfr for Stormwater Sys Imp.	-	-	-	-
Total Transfers Out	**124,900**	**119,214**	**121,344**	**121,344**
Total Expenditures	**2,526,767**	**2,538,503**	**2,775,297**	**2,622,015**
Other Department Operating Costs (Maintenance Services - Street Maintenance)	(1,480,616)	(1,522,111)	(1,672,491)	(1,534,966)
Total Department Expenditures	**1,046,151**	**1,016,392**	**1,102,806**	**1,087,049**
Net Change	**298,985**	**255,549**	**(62,297)**	**120,985**

FY 2016 Significant Budget Changes:

1. FY16 Fees and Service Charges Revenue previously reported under Stormwater Revenue.

Wastewater - Enterprise Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Sewer Service Charge	18,610,510	19,008,673	18,600,000	19,000,000
Sewer Connection Charge	2,596,976	5,414,073	4,000,000	4,500,000
EBDA Maint. By City	32,478	8,691	16,000	16,000
Other Fees	92,629	68,182	80,000	80,000
Interest	15,814	71,698	58,000	66,000
Other Revenue	3,631	49,896	-	-
Total Revenue	**21,352,038**	**24,621,214**	**22,754,000**	**23,662,000**
Fund Transfers In from				
DS Bag 2001	78,846	-	-	-
Misc Trsfr WWTP Replacement	500	500	-	-
DS CA WPCF Loan/Sewer	-	-	-	-
DS 07 Sewer Rev Refunding	267,228	364,851	366,482	366,482
DS CEC Loan	219,714	219,714	219,713	219,713
DS CA SWRCB Loan/Sewer	1,363,750	1,363,750	1,363,750	1,363,750
Total Transfers In	**1,930,038**	**1,948,815**	**1,949,945**	**1,949,945**
Total Revenues	**23,282,076**	**26,570,029**	**24,703,945**	**25,611,945**
EXPENDITURES				
Salary				
Regular	3,440,645	3,262,409	3,895,643	4,800,755
Overtime	262,196	333,258	117,800	117,800
Benefits				
Fringe Benefits	1,059,117	993,981	1,235,993	1,462,753
Retiree Medical	77,529	77,400	82,800	94,258
PERS	654,049	624,689	855,061	1,161,939
Charges (to)/from other programs	271,223	502,869	907,702	(150,000)
Net Staffing Expense	**5,764,758**	**5,794,606**	**7,094,999**	**7,487,505**
Maintenance & Utilities	725,021	799,431	1,155,529	1,155,649
Supplies & Services	4,812,819	2,766,595	3,073,679	3,089,714
Internal Service Fees	795,907	771,148	814,441	856,216
Debt Service	-	4,873,250	4,228,182	4,170,667
Capital	-	-	-	-
Net Operating Expense	**6,333,746**	**9,210,424**	**9,271,831**	**9,272,246**
Fund Transfers Out to				
Cost Allocation to General Fund	418,725	418,725	431,287	431,287
Liability Insurance Premium	367,747	331,904	292,791	292,791
Cap Proj Transf to Tech Replacement	124,500	124,500	39,000	51,000
Sewer Capital Replacement	3,000,000	3,000,000	3,400,000	4,000,000
Transfer to Fleet Mgmt-Ent Cap	350,000	-	-	-
Connection Fee to Sewer Imprvmnt	2,596,976	5,168,652	4,000,000	4,500,000
Total Transfers Out	**6,857,948**	**9,043,781**	**8,163,078**	**9,275,078**
Total Expenditures	**18,956,452**	**24,048,811**	**24,529,908**	**26,034,829**

Wastewater - Enterprise Fund

Continued

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Net Change	**4,325,625**	**2,521,218**	**174,037**	**(422,884)**

FY 2016 Significant Budget Changes:

1. Addition of 1.0 FTE WPCF Operator (FY2015 Mid-Year)
2. Addition of 1.0 FTE FTE Lab Technician (FY2015 Mid-Year)
3. Reclass of 1.0 FTE Lab Technician to 1.0 FTE Chemist (FY2015 Mid-Year)
4. Addition of 2.0 FTE Operators In Training
5. Addition of 0.5 FTE Administrative Intern

Water - Enterprise Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
REVENUES				
Revenue				
Water Sales	36,854,944	39,177,268	38,700,000	38,000,000
Water Service Charges	3,880,550	3,935,006	3,900,000	4,400,000
Installation Fees	215,400	171,882	250,000	250,000
Other Fees and Charges	131,683	445,503	200,000	200,000
Interest & Rents	43,088	104,166	82,000	97,000
Other Revenue	101,770	185,148	60,000	60,000
Total Revenue	**41,227,434**	**44,018,973**	**43,192,000**	**43,007,000**
Fund Transfers In from				
D/S ABAG 2001-02 (ABAG XXIV)	-	-	-	-
D/S 01 Water System Transfer	-	-	-	-
D/S 04 Water System Transfer	301,309	300,297	257,504	257,504
Misc. Transfer from Airport	189,119	190,019	171,994	171,994
Misc. Transfer from Water Improv Fund	78,846	-	-	-
Total Transfers In	**569,274**	**490,316**	**429,498**	**429,498**
Total Revenues	**41,796,708**	**44,509,289**	**43,621,498**	**43,436,498**
EXPENDITURES				
Expenditures				
Salary				
Regular	4,248,757	4,395,973	4,505,882	4,307,574
Overtime	301,930	327,423	213,100	213,100
Benefits				
Fringe Benefits	1,309,615	1,340,460	1,441,198	1,365,122
Retiree Medical	108,180	106,200	106,200	93,440
PERS	785,641	833,347	992,034	1,034,177
Charges (to)/from other programs	(1,150,111)	(1,331,707)	(1,011,168)	(150,000)
Net Staffing Expense	**5,604,011**	**5,671,695**	**6,247,246**	**6,863,413**
Water Purchases	22,302,215	21,193,728	25,900,000	27,500,000
Maintenance & Utilities	1,041,579	1,093,104	1,083,475	1,085,455
Supplies & Services	3,787,794	3,724,255	3,495,290	3,543,490
Internal Service Fees	1,206,773	1,108,920	1,116,200	901,009
Debt Service	-	818,306	730,457	697,118
Net Operating Expense	**28,338,361**	**27,938,313**	**32,325,422**	**33,727,072**
Fund Transfers Out to				
Cost Allocation to General Fund	824,700	824,700	849,441	849,441
Liability Insurance Premium	292,738	285,076	249,025	249,025
Water Capital Replacement	2,000,000	2,000,000	2,500,000	2,500,000
Misc Trsfr to Equipt Mgmt Fd	-	-	-	-
Cap Proj Transfer to Tech Replacement	152,500	152,500	64,000	85,000
Net Transfers Out	**3,269,938**	**3,262,276**	**3,662,466**	**3,683,466**
Total Fund Expenditures	**37,212,310**	**36,872,284**	**42,235,134**	**44,273,951**

Water - Enterprise Fund

Continued

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Other Department Operating Costs (Finance Dept - Utility Billing) (Maintenance Services - Landscape Division)	1,915,664	(1,974,584)	(2,136,916)	(2,304,248)
Total Department Expenditures	**39,127,974**	**34,897,700**	**40,098,218**	**41,969,703**
Net Change	**4,584,398**	**7,637,005**	**1,386,364**	**(837,453)**

FY 2016 Significant Budget Changes:

1. Addition of 2.0 FTE Utility Workers (Temporary/Limited Duration)
2. Addition of 1.0 FTE Water Resources Manager

Regional Water Inter-Tie - Enterprise Fund

	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted
Beginning Working Capital Balance	**165,141**	**231,622**	**159,335**	**159,335**
REVENUES				
Revenue				
SFPUC/EBMUD Reimbursement	140,901	-	83,500	110,000
Interest	802	1,158	-	-
Net Revenue	**141,703**	**1,158**	**83,500**	**110,000**
Total Revenues	**141,703**	**1,158**	**83,500**	**110,000**
EXPENDITURES				
Expenditures				
Salary	-	-	-	-
Regular	-	-	-	-
Overtime				
Benefits				
Fringe Benefits	-	-	-	-
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	30,153	11,583	30,000	25,000
Net Staffing Expense	**30,153**	**11,583**	**30,000**	**25,000**
Maintenance & Utilities	27,238	48,113	45,000	65,000
Supplies & Services	17,831	13,750	8,500	20,000
Internal Service Fees	-	-	-	-
Net Operating Expense	**45,069**	**61,863**	**53,500**	**85,000**
Total Expenditures	**75,222**	**73,446**	**83,500**	**110,000**
Net Change	**66,481**	**(72,287)**	**-**	**-**
Ending Working Capital Balance	**231,622**	**159,335**	**159,335**	**159,335**

FY 2016 Significant Budget Changes:

1. None.

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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 (June 30, 2014) – 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 2014 assessed valuation (less other exemptions)	$ 16,942,220,272
Debt limit (15% of assessed value)	$ 2,541,333,041
Amount of debt applicable to the debt limit	$ 31,598,686*
Legal debt margin (if Hayward were a general law city)	$ 2,541,333,041

* In 2016 the City plans to increase its Debt amount by issuing debt to fund Measure C (1/2 cent Transactions & Use Tax) projects. It is anticipated that the debt will total more than $80 million. This issuance will not put the City at risk of reaching 1% of the FY 2014 assessed valuation (taxable property value). The City does not have any bonded debt that is subject to this limitation.

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 – *C*redit ratings are opinions about credit risk published by a rating agency that analyze the ability and willingness of an agency to meet its financial obligations in accordance with the terms of those obligations. Credit ratings have a significant impact on the interest rate the City will pay when issuing debt. In the recent fiscal years the City has received very high ratings from the various rating agencies, including a Fitch AA+ rating of the 2007 COP refunding; and a AA+ rating by Standard & Poors of the 2013 Water bonds.

	Issuance Date	Maturity Date	Original Debt	Debt as of 6/30/2015	Total Debt as of 6/30/2015	Annual P&I (FY 2016)
General Fund					**$ 29,242,391**	
07Refunding COP	FY2008	FY2027	$ 31,820,000	$ 21,195,000		$ 2,624,175
02ABAG/ABAG 33 Refunding	FY2002	FY2021	$ 1,309,835	$ 450,000		$ 90,394
15Fire Station #7/Firehouse Clinic	FY2015	FY2025	$ 5,500,000	$ 5,351,673		$ 452,854
15Streetlight Conversion #05188	FY2015	FY2024	$ 2,488,880	$ 2,245,718		$ 276,262
Measure C Fund					**$ -**	
16Library/Fire Stations/Streets ¥	FY 2016	FY2034	$ 80,000,000			$ 6,600,000
Internal Service Fund - Facilities					**$ 1,233,018**	
05Equip Lease/Solar Power Energy	FY2006	FY2030	$ 1,035,000	$ 712,710		$ 72,724
CEC Solar Energy Loan #7214	FY2012	FY2024	$ 887,152	$ 520,308		$ 95,414
Internal Service Fund - Fleet					**$ 4,445,648**	
09Equip Fleet Loan from Sewer	FY2010	FY2017	$ 1,000,000	$ 226,191		$ 145,833
11Equip Lease-Fire/Maint Vehicles	FY2011	FY2021	$ 3,170,082	$ 1,485,272		$ 364,706
12Equip Lease-PD Replace. Vehs	FY2012	FY2016	$ 815,000	$ 105,548		$ 106,630
13Equip Lease-PD Replace.Vehs	FY2013	FY2017	$ 520,000	$ 198,158		$ 133,826
14Equip Lease-Fire Truck	FY2014	FY2024	$ 824,000	$ 752,364		$ 96,226
14Equip Lease-PD Vehicles	FY2014	FY2018	$ 535,000	$ 406,115		$ 141,259
TDA Fire Truck Loan (Planned) ¥	FY2015	FY2024	$ 1,272,000	$ 1,272,000		$ 147,594
TDA Fire Truck Loan (Planned) ¥	FY2016	FY2025	$ 800,000			$ 48,925
Internal Service Fund - Technology					**$ 2,762,119**	
15Equip Lease/ Network Cisco Hardware (planned) ¥	FY 2015	FY2020	$ 1,699,358	$ 1,699,358		$ 354,690
12Equip Lease/ERP Cisco Hardware	FY2012	FY2017	$ 759,591	$ 312,761		$ 160,569
CAD/RMS Replacement Loan	FY2010	FY2016	$ 2,250,000	$ 750,000		$ 382,556
Water					**$ 6,055,000**	
13Water Refunding Bonds	FY2014	FY2025	$ 7,245,000	$ 6,055,000		$ 697,118
Sewer					**$ 37,263,192**	
07Sewer Refunding	FY2008	FY2018	$ 9,880,000	$ 2,095,000		$ 1,225,356
SWRCB Loan	FY2006	FY2029	$ 54,550,018	$ 33,298,718		$ 2,727,501
WPCF Solar Energy Loan #7505	FY2011	FY2025	$ 2,450,000	$ 1,869,474		$ 217,810
Total Governmental and Business Activity Debt					**$ 81,001,368**	
Fiduciary					**$ 6,688,902**	
13Community Facility District #1	FY2014	FY2033	$ 7,076,294	$ 6,688,902		$ 535,726
Successor Agency of the Hayward Redevelopment Agency					**$ 54,751,841**	
RDA Repayment Agreement (GF) *	**FY 2016**	FY2022	$ 11,156,841	$ 11,156,841		*
04 RDA TABS	FY2004	FY2034	$ 44,790,000	$ 32,125,000		$ 3,372,325
06 RDA TABS	FY2006	FY2036	$ 11,800,000	$ 11,470,000		$ 636,606
Special Assessment Districts					**$ 1,225,000**	
LID 16	FY1994	FY2020	$ 2,815,000	$ 1,000,000		$ 234,965
LID 17	FY2000	FY2024	$ 396,014	$ 225,000		$ 28,253

** Outstanding balance as of 12/31/2014 (PER ROPS) IS $11,156,841. Includes previous payments returned to the SA after assets were transferred to City in FY 11.*

¥ Financing agreement for this debt has not been executed. Amounts presented are for informational purposes only and are based on estimates.

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.

2007 Certificates of Participation Civic Center
Provided $31.8 million to enable the City to refinance the 1996 Civic Center certificates financing 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, 2015	FY 2016 Principal & Interest
2002 ABAG Refunding	12/1/2001	12/1/2020	3.0%-5.0%	$1,309,835	$450,000	$90,394
2007 COP Refunding	8/1/2007	8/1/2026	4.0%-4.5%	$31,820,000	$21,195,000	$2,624,175
Total				**$33,129,835**	**$21,645,000**	**$2,714,569**

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.

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, 2015	FY 2016 Principal & Interest
2015 Fire Station #7/Clinic	8/1/2014	8/1/2029	2.84%	$5,500,000	$5,351,673	$452,854
Total				**$5,500,000**	**$5,351,673**	**$452,854**

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 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 that is considered discretionary in nature. 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 July of FY 2016 the City plans to issue approximately, $80,000,000 in new debt funded by the Measure C authorized district Transactions & Use Tax. The chart below reflects estimated amounts that will be refined through the debt issuance process.

Measure C Debt Service

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Estimated Issuance	Outstanding at June 30, 2015	FY 2016 Principal & Interest
2016 Library/Fire Stations/Streets	7/31/2015	12/31/2034	3.5 - 4.0% *	$80,000,000	$0	$6,600,000
Total				**$80,000,000**	**$0**	**$6,600,000**
* Financing agreement for this debt has not been executed. Amounts presented are for informational purposes only and are based on estimates.						

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, 2015	FY 2016 Principal & Interest
2005 Solar Power Electrical Generating System COP	3/1/2005	3/15/2030	4.50%	$1,035,000	$712,710	$72,724
2012 Solar Photovoltaic Panels Loan	6/29/2012	6/22/2021	3.00%	$887,152	$520,308	$95,414
Total				**$1,922,152**	**$1,233,018**	**$168,138**

FLEET MANAGEMENT - VEHICLE LEASE/PURCHASE DEBT SERVICE

2009 Wastewater Loan Advance - $1,000,000: City wastewater fund inter-fund loan for the purchase of a fire vehicle.

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

2012 Equipment Lease - $815,000: Bank lease for the purchase of fire and police vehicles.

2013 Equipment Lease - $520,000: Bank lease for the purchase of police vehicles.

2014 Equipment Leases - $1,359,000: Bank lease for the purchase of fire ($824,000) and police ($535,000) vehicles.

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

2016 Equipment Lease *(Planned)* **- $800,000:** 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, 2015	FY 2016 Principal & Interest
2009 Fleet Loan from Sewer	10/20/2009	12/31/2016	2.00%	$1,000,000	$226,191	$145,833
2011 Equipment Lease - Fire & Maint. Svcs.	10/22/2010	10/22/2017-10/22/2020	2.85%-5.05%	$3,170,082	$1,485,272	$364,706
2012 Equipment Lease - Police	11/10/2011	11/10/2015	4.00%	$815,000	$105,548	$106,630
2013 Equipment Lease - Police	11/16/2012	11/15/2016	1.30%	$520,000	$198,158	$133,826
2014 Equipment Lease - Fire	1/17/2014	1/17/2024	2.46%	$824,000	$752,364	$96,226
2014 Equipment Lease - Police	1/17/2014	1/17/2018	3.05%	$535,000	$406,115	$141,259
2015 Equipment Lease - Fire *	6/15/2015	6/15/2025	2.92%	$1,272,000	$1,272,000	$147,594
2016 Equipment Lease - Fire *	Planned FY 2016	12/15/2026	4.00%	$800,000	$0	$48,925
Total				**$8,936,082**	**$4,445,648**	**$1,184,999**

* Financing agreement for this debt has not been executed. Amounts presented are for informational purposes only and are based on estimates.

ENGINEERING & TRANSPORTSTION 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, 2015	FY 2016 Principal & Interest
2015 Streetlight Conversion #05188	6/22/2014	12/22/2023	0.00%	$2,488,880	$2,245,718	$276,262
Total				**$2,488,880**	**$2,245,718**	**$276,262**

INFORMATION TECHNOLOGY DEBT SERVICE

2012 Equipment Lease/Comp ERP Cisco Hardware
Information Technology entered in a lease agreement with Cisco Systems for ERP computer equipment.

Computer Aided Dispatch/ Records Management System (CAD/RMS) Replacement
Internal funding for this Public Safety project comes from the Sewer Fund with interest equal to the City's investment portfolio rate of return. The debt service will be made with possible grant funding, reduction of existing maintenance costs, and salary savings achieved through elimination of one Police Records Clerk position.

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

Information Technology Loans/Lease-Purchase Agreements

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2015	FY 2016 Principal & Interest
2009 CAD/RMS Replacement Loan	6/23/2009	6/30/2016	2.00%	$2,250,000	$750,000	$382,556
2012 Equipment Lease/ERP Cisco Hardware	5/9/2012	4/25/2017	2.36%	$759,591	$312,761	$160,569
2015 Equipment Lease/ERP Cisco Hardware	6/15/2015	6/15/2020	2.18%	$1,699,358	$1,699,358	$354,690
Total				**$4,708,949**	**$2,762,119**	**$897,815**

* Financing agreement for this debt has not been executed. Amounts presented are for informational purposes only and are based on estimates.

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, 2015	FY 2016 Principal & Interest
2013 Water Revenue Refunding Bonds	8/1/2013	6/30/2025	2.76%	$7,245,000	$6,055,000	$697,118
Total				**$7,245,000**	**$6,055,000**	**$697,118**

WASTEWATER (SEWER) FUND DEBT SERVICE

2007 Sewer Refunding Certificates of Participation (COPs)
The City's 2007 Sewer Refunding Certificates of Participation are due August 1, 2026 and bear interest at rates of 4.0% and 4.5%. The proceeds from the 2007 COPs were used to advance refund the remaining outstanding balance on the City's 1996 and 1998 Sewer System Improvement COPs.

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.

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, 2015	FY 2016 Principal & Interest
2007 Sewer Refunding COPs	8/15/2007	2/1/2018	4.0% - 4.5%	$9,880,000	$2,095,000	$1,225,356
SWRCB Loan	8/1/2006	6/30/2028	0.00%	$54,550,018	$33,298,718	$2,727,501
WPCF Solar Energy Loan #7505	2/18/2011	6/22/2025	3.00%	$2,450,000	$1,869,474	$217,810
Total				**$66,880,018**	**$37,263,192**	**$4,170,667**

SPECIAL ASSESSMENTS DEBT SERVICE

Special Assessments

A special assessment is charges imposed against a property in a particular locality because that property receives a special benefit by virtue of some public improvement, separate and apart from the general benefit accruing to the public at large. Special assessments may be apportioned according to the value of the benefit received, rather than the cost of the improvement.

The City has sponsored special assessment debt issues 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, whereas the "benefited" property owners pay a tax to fund the principle and interest of the bond used to fund the improvements. Repayment services are handled by outside firms.

Source of Repayment Funds

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

Limited Obligation Improvement Bond – Local Improvement District (LID)

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)

CFD 1 – Eden Shores
Eden Shores public street improvements, including traffic signals, and various sanitary sewer and storm facilities. Issued Special Tax Refunding Bonds, Series 2013 (The Community Facilities District No. 1, Eden Shores), issuing Special Tax Refunding Bonds of $7,076,294 to refund 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.

Special Assessment Debt

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2015	FY 2016 Principal & Interest
1994 - LID 16	6/2/1994	9/2/2019	6.75% - 7.1%	$2,815,000	$1,000,000	$234,965
1999 - LID 17	8/5/1999	9/2/2024	4.5% - 6.125%	$396,014	$225,000	$28,253
2013 - CFD 1	10/17/2013	9/1/2032	4.13%	$7,076,294	$6,688,902	$535,726
Total				**$10,287,308**	**$7,913,902**	**$798,944**

Note: The City contracts with Willdan Financials for administration of the LIDs listed above.
The City contracts with Goodwin Consulting Group 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

2004 RDA Tax Allocation Bonds **-** $44,790,000 in financing for a variety of public projects as well as to retire outstanding balance of the 1996 Agency bonds. Projects included various improvements to public parking in the downtown, as well as public improvements associated with construction of the new Burbank School and expanded Cannery Park.

2006 RDA Tax Allocation Bonds - $11,800,000 financing associated with increased costs for a variety of public improvements including the Cinema Place parking structure in the downtown, as well as public improvements associated with construction of the new Burbank School and expanded Cannery Park.

1990 Water Fund Advance - The City's Water Fund loaned $5.9 million to the RDA to finance the purchase of land for development. Scheduled debt service payments are made from available tax increment funds. Due to decreased tax increment revenue the RDA had postponed payments on this loan to the Water for three fiscal years. Repayment now pending the RDA Dissolution process.

2003 Sewer Fund Advance - During FY 2003, the Wastewater Fund loaned $2.35 million to the Agency to partially finance sidewalk improvements. As with the Water advance, debt service payments were made from available tax increment revenues. Due to decreased tax increment revenue, the RDA had postponed payments on the loan to the Wastewater Fund for three fiscal years. Repayment now pending the RDA Dissolution process.

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, 2015	FY 2016 Principal & Interest
2004 RDA TABS	6/4/2004	3/1/2034	3.00% - 5.23%	$44,790,000	$32,125,000	$3,372,325
2006 RDA TABS	6/1/2006	3/1/2036	3.75%- 4.30%	$11,800,000	$11,470,000	$636,606
2008 RDA Repayment Agreement (GF)	6/1/2008	6/30/2022	2.0%-5.0%	$11,156,841	$11,156,841	*
Total				**$67,746,841**	**$54,751,841**	**$4,008,931**

**pending approval of Successor Agency ROPS by Department of Finance*

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CAPITAL IMPROVEMENT PROGRAM FY 2016 – FY 2025

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 related 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, 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 projects 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 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 2016 CAPITAL IMPROVEMENT BUDGET

The City of Hayward's FY 2016 capital budget totals about $187 million, with approximately $507 million programmed for the period FY 2016 through FY 2025. The CIP also includes a list of unfunded capital needs, which for the current period totals about $304 million.

The Capital Improvement Program contains 18 funds in which projects are funded and programmed: Gas Tax (210), Measure B - Local Transportation (215), Measure B - Pedestrian & Bicycle (216), Vehicle Registration Fee (218), 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).

Major projects in the FY 2016 capital budget, not previously identified, include the following:	
Fire Station No. 6 Training Center, Measure C (406)	6,500,000
21st Century Library & Community Learning Center Construction Measure C (406)	60,300,000
Cast Iron Water Pipeline Replacement – Local Streets (603)	1,500,000
New Pressure Regulating Stations at New 265' Zone Site (604)	2,760,000
Headworks Renewal and Replacement Project (611)	1,100,000
Harder Road Sewer System Improvement (611)	2,500,000
Secondary Flow Equalization Improvements (611)	1,100,000
Pavement Rehabilitation – Runway (621)	2,205,000
	77,965,000

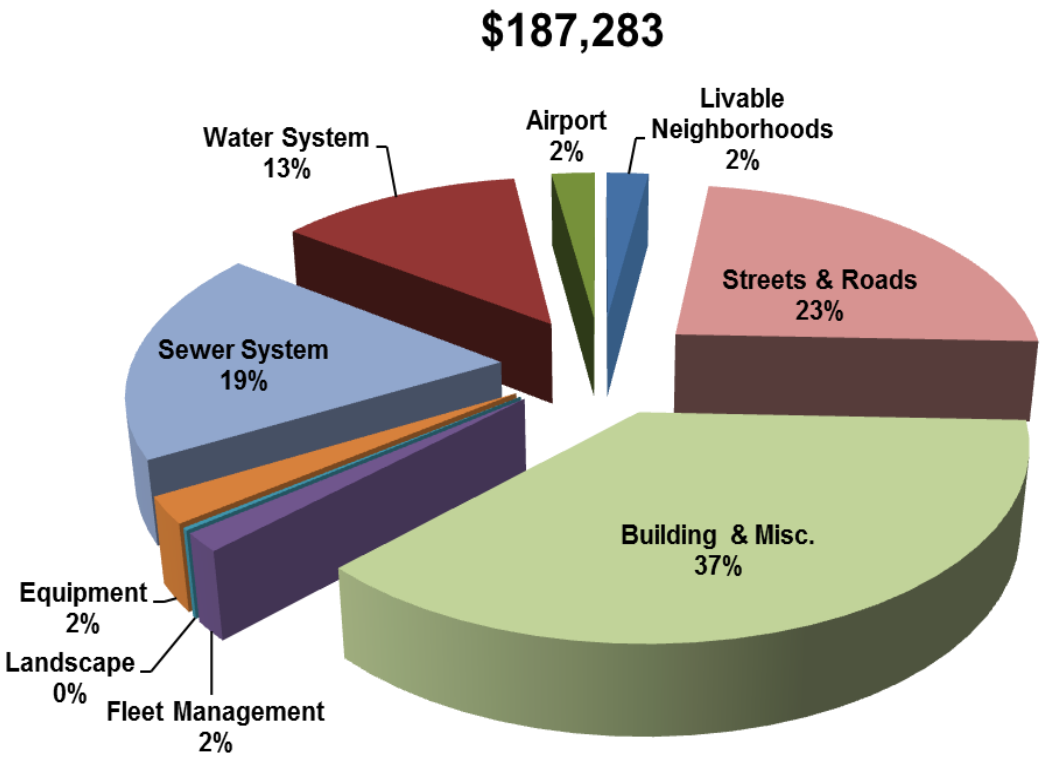
Major continuing projects in the FY 2016 capital budget include the following:	
Pavement Rehabilitation FY16 (210)	2,000,000
Pavement Reconstruction FY16 (215)	1,000,000
Pavement Rehabilitation Measure B FY16 (215)	3,600,000
880/92 Reliever Route Project (450)	28,280,000
Pavement Reconstruction FY16 (450)	750,000
Conversion to Advanced Metering Infrastructure (603)	16,100,000
Cast Iron Water Pipeline Replacement (603)	5,000,000
Solar Power at Various Water Facilities (604)	3,000,000
New 3MG Reservoir at High School Reservoir Site (604)	7,003,000
West Trickling Filter and Biofilter Project (611)	19,500,000
WPCF Administration Building Renovation and Addition (612)	4,500,000
New Operations Building (612)	5,600,000
Replacement and Relocation of EBDA Pump Station (612)	8,800,000
Recycled Water Treatment and Distribution Facilities (612)	12,000,000
Sulphur Creek Mitigation – Design + Construction (621)	2,500,000
Enterprise Resource Planning System (731)	4,210,000
	123,843,000

OPERATING BUDGET IMPACTS

Because the City operating budget essentially funds many 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 operating budget. 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 of these projects, including the new Route 238 Corridor.

FY 2016 CIP EXPENDITURES BY CATEGORY – ALL FUNDS



Project Category	FY 2015 Adopted	FY 2016 Adopted	Change (+/-)
Livable Neighborhoods Projects	2,665,000	4,069,000	1,404,000
Road and Street Projects	28,285,000	43,932,000	15,647,000
Building & Misc. Projects	1,940,000	68,948,000	67,008,000
Fleet Management Projects	4,354,000	3,014,000	(1,340,000)
Landscape Projects	320,000	437,000	117,000
Equipment Projects	2,239,000	4,325,000	2,086,000
Sewer System Projects	22,420,000	34,906,000	12,486,000
Water System Projects	16,232,000	23,428,000	7,196,000
Airport Projects	3,542,000	4,184,000	642,000
Total Capital Improvement Projects	**$ 81,997,000**	**$ 187,243,000**	**$ 105,246,000**

GENERAL FUND FIVE-YEAR CIP COSTS

Program Areas	FY 2016 Proposed	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Capital Projects (General)	243	279	289	368	399
Transfer to Fund 405					
Transportation System Improvement	350	350	350	350	350
Transfer to Fund 460					
Information Technology	1,380	230	248	450	50
Transfer to Fund 731					
Transfer from General Fund	**1,973**	**859**	**887**	**1,168**	**799**
General Fund Fleet ISF Charges	1,500	2,000	2,500	3,000	3,000
Transfer to Fund 736					
Total General Fund CIP	**3,473**	**2,859**	**3,387**	**4,168**	**3,799**

FY 2016 - FY 2025 CAPITAL IMPROVEMENT PROGRAM

LIVABLE NEIGHBORHOODS EXPENDITURE SUMMARY

PROJECT DESCRIPTION	TOTAL	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Pedestrian and Bicycle Improvements	200	20	20	20	20	20	20	20	20	20	20
Wheelchair Ramps	1,200	120	120	120	120	120	120	120	120	120	120
Sidewalk Rehabilitation & New Sidewalks	16,400	2,090	1,640	1,490	1,640	1,640	1,590	1,540	1,590	1,540	1,640
Speed Hump Installation & Traffic Calming	1,640	170	170	170	170	160	160	160	160	160	160
Street Trees/Median Landscaping/Murals	4,090	655	655	975	1,175	105	105	105	105	105	105
Traffic Signal & Streetlight Energy/Maintenance	10,495	964	983	1,002	1,021	1,040	1,059	1,078	1,097	1,116	1,135
New and Replacement Street Lights	500	50	50	50	50	50	50	50	50	50	50
TOTAL CAPITAL EXPENDITURES	34,525	4,069	3,638	3,827	4,196	3,135	3,104	3,073	3,142	3,111	3,230

NOTE: All expenditures expressed in $1,000's.

FY16 LIVABLE NEIGHBORHOODS

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY16 EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJECT NUMBER**	**DESCRIPTION**												
PEDESTRIAN AND BICYCLE IMPROVEMENTS														
Measure B Tax (216)	05175	Pedestrian Traffic Signal Improvements	221	20	20	20	20	20	20	20	20	20	20	421
		SUBTOTAL		**20**	**20**	**20**	**20**	**20**	**20**	**20**	**20**	**20**	**20**	**200**
WHEELCHAIR RAMPS														
Gas Tax Fund (210)	TBD	Wheelchair Ramps FY16 - Districts 2 & 3	12	108										120
Gas Tax Fund (210)	TBD	Wheelchair Ramps FY17 - Districts 6 & 9	0	12	108									120
Gas Tax Fund (210)	TBD	Wheelchair Ramps FY18 - FY25			12	120	120	120	120	120	120	120	120	972
		SUBTOTAL		**120**	**120**	**120**	**120**	**120**	**120**	**120**	**120**	**120**	**120**	**1,200**
SIDEWALK REHABILITATION & NEW SIDEWALK														
Measure B Tax (216)	05268	New Sidewalks FY16: Hayward Blvd.	50	1,200										1,250
Measure B Tax (216)	05260	Project Predesign Services	35	40	40	40	40	40	40	40	40	40	40	435
Measure B Tax (216)	TBD	New Sidewalks FY17	0	50	700									750
Measure B Tax (216)	TBD	New Sidewalks FY18 - FY25			50	750	800	800	750	800	850	800	900	6,500
Street System Imp (450)	05267	Sidewalk Rehab Project FY16 - Districts 1 & 8	50	750										800
Street System Imp (450)	TBD	Sidewalk Rehabilitation FY16 - Districts 2 & 3	0	50	800									850
Street System Imp (450)	TBD	Sidewalk Rehabilitation FY17 - Districts 6 & 9	0	0	50	650								700
Street System Imp (450)	TBD	Sidewalk Rehabilitation FY18 - FY25	0	0	0	50	800	800	800	700	700	700	700	5,250
		SUBTOTAL		**2,090**	**1,640**	**1,490**	**1,640**	**1,640**	**1,590**	**1,540**	**1,590**	**1,540**	**1,640**	**16,400**
SPEED HUMP INSTALLATION & TRAFFIC CALMING														
Measure B Tax (215)	05166	Speed Monitoring Devices	247	30	30	30	30	30	30	30	30	30	30	547
Capital Proj (Gov't) (405)	06950	Neighborhood Partnership Program Project	402	50	50	50	50	50	50	50	50	50	50	902
Transp Sys Imp (460)	05734	Traffic Calming Implementation Program	80	90	90	90	90	80	80	80	80	80	80	920
		SUBTOTAL		**170**	**170**	**170**	**170**	**160**	**160**	**160**	**160**	**160**	**160**	**1,640**

FY16 LIVABLE NEIGHBORHOODS

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY16 EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJECT NUMBER**	**DESCRIPTION**												
STREET TREES/MEDIAN LANDSCAPING/MURALS														
Capital Proj (Gov't) (405)	06906	Mural Art Program	165	50										215
Capital Proj (Gov't) (405)	05102	Landscape Material/Street Tree Replacements	68	55	55	55	55	55	55	55	55	55	55	618
Capital Proj (Gov't) (405)	06938	Annual Median Tree & Shrub Replacement	57	50	50	50	50	50	50	50	50	50	50	557
Street System Imp (450)	05263	Median Landscaping Improvement Project FY16 - Industrial Parkway - Hesperian to Hwy 880	50	450										500
Street System Imp (450)	TBD	Median Landscaping Improvement Project FY16 - Hesperian - Winton to Chabot Ct.	0	50	450									500
Street System Imp (450)	TBD	Median Landscaping Improvement Project FY17 - Hesperian - West A St. to Winton	0	0	100	770								870
Street System Imp (450)	TBD	Median Landscaping Improvement Project FY18 - Industrial Blvd. - Hwy 92 to Arf Ave.	0	0	0	100	1,070							1,170
		SUBTOTAL		**655**	**655**	**975**	**1,175**	**105**	**105**	**105**	**105**	**105**	**105**	**4,090**
TRAFFIC SIGNAL AND STREETLIGHT ENERGY/MAINTENANCE														
Gas Tax Fund (210)	05186	Traffic Signal Energy	734	251	253	255	257	259	261	263	265	267	269	3,334
Gas Tax Fund (210)	05187	Traffic Signal Maintenance	593	193	198	203	208	213	218	223	228	233	238	2,748
Gas Tax Fund (210)	05188	Streetlight Energy	2,105	391	398	405	412	419	426	433	440	447	454	6,330
Gas Tax Fund (210)	05189	Streetlight Maintenance	639	129	134	139	144	149	154	159	164	169	174	2,154
		SUBTOTAL		**964**	**983**	**1,002**	**1,021**	**1,040**	**1,059**	**1,078**	**1,097**	**1,116**	**1,135**	**10,495**
NEW AND REPLACEMENT STREETLIGHTS														
Gas Tax Fund (210)	05132	New and Replacement Street Lights	546	50	50	50	50	50	50	50	50	50	50	1,046
		SUBTOTAL		**50**	**50**	**50**	**50**	**50**	**50**	**50**	**50**	**50**	**50**	**500**
		TOTAL LIVABLE NEIGHBORHOODS PROJECTS		**4,069**	**3,638**	**3,827**	**4,196**	**3,135**	**3,104**	**3,073**	**3,142**	**3,111**	**3,230**	**34,525**

FY 2016 - FY 2025 CAPITAL IMPROVEMENT PROGRAM

CAPITAL PROJECT EXPENDITURE SUMMARY

PROJECT DESCRIPTION	PROJECT TOTAL	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Livable Neighborhoods	34,525	4,069	3,638	3,827	4,196	3,135	3,104	3,073	3,142	3,111	3,230
Road & Street Projects	127,936	43,932	22,604	6,845	6,894	7,701	7,558	7,965	7,922	8,279	8,236
Building/Misc Projects	82,930	68,948	11,412	340	105	615	85	615	285	270	255
Fleet Management	32,922	3,014	2,736	3,709	3,072	3,014	4,498	3,181	3,211	3,159	3,328
Landscaping & Parks	437	437	0	0	0	0	0	0	0	0	0
Equipment	17,055	4,325	1,405	2,522	1,533	1,363	618	1,746	1,249	1,117	1,177
Water System Projects	79,092	23,428	14,514	9,340	1,340	3,590	12,220	1,940	2,840	7,940	1,940
Sewer System Projects	108,647	34,906	42,396	3,210	4,370	2,815	5,490	2,915	4,965	4,665	2,915
Airport Projects	22,974	4,184	2,125	3,035	560	12,290	170	135	170	135	170
TOTAL CAPITAL EXPENDITURES	506,518	187,243	100,830	32,828	22,070	34,523	33,743	21,570	23,784	28,676	21,251

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.	FY16 EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	TOTAL
			(In thousands)											
LIVABLE NEIGHBORHOODS														
Gas Tax Fund (210)	05132	New and Replacement Street Lights	616	50	50	50	50	50	50	50	50	50	50	1,116
Gas Tax Fund (210)	05186	Traffic Signal Energy	734	251	253	255	257	259	261	263	265	267	269	3,334
Gas Tax Fund (210)	05187	Traffic Signal Maintenance	593	193	198	203	208	213	218	223	228	233	238	2,748
Gas Tax Fund (210)	05188	Streetlight Energy	2,105	391	398	405	412	419	426	433	440	447	454	6,330
Gas Tax Fund (210)	05189	Streetlight Maintenance	639	129	134	139	144	149	154	159	164	169	174	2,154
Gas Tax Fund (210)	TBD	Wheelchair Ramps FY16 Districts 2 & 3	12	108										120
Gas Tax Fund (210)	TBD	Wheelchair Ramps FY17 Districts 6 & 9	0	12	108									120
Gas Tax Fund (210)	TBD	Wheelchair Ramps FY18 - FY25	0	0	12	120	120	120	120	120	120	120	120	972
Measure B Tax (215)	05166	Speed Monitoring Devices	247	30	30	30	30	30	30	30	30	30	30	547
Measure B Tax (216)	05268	New Sidewalks FY16: Hayward Blvd	50	1,200										1,250
Measure B Tax (216)	05175	Pedestrian Traffic Signal Improvements	221	20	20	20	20	20	20	20	20	20	20	421
Measure B Tax (216)	05260	Project Predesign Services	35	40	40	40	40	40	40	40	40	40	40	435
Measure B Tax (216)	TBD	New Sidewalks FY17	0	50	700									750
Measure B Tax (216)	TBD	New Sidewalks FY18-FY25	0	0	50	750	800	800	750	800	850	800	900	6,500
Capital Proj (Gov't) (405)	06906	Mural Art Program	165	50										215
Capital Proj (Gov't) (405)	05102	Landscape Material/Street Tree Replacements	68	55	55	55	55	55	55	55	55	55	55	618
Capital Proj (Gov't) (405)	06938	Annual Median Tree & Shrub Replacement	57	50	50	50	50	50	50	50	50	50	50	557
Capital Proj (Gov't) (405)	06950	Neighborhood Partnership Program Project	402	50	50	50	50	50	50	50	50	50	50	902
Street System Imp (450)	05263	Median Landscaping Improvement Project FY15- Industrial Parkway - Hesperian to Hwy 880	50	450										500
Street System Imp (450)	05267	Sidewalk Rehabilitation FY15 - Districts 1 & 8	50	750										800
Street System Imp (450)	TBD	Sidewalk Rehabilitation FY16-Districts 2 & 3	0	50	800									850
Street System Imp (450)	TBD	Sidewalk Rehabilitation FY17-Districts 6 & 9	0	0	50	650								700
Street System Imp (450)	TBD	Sidewalk Rehabilitation FY18-FY25	0	0	0	50	800	800	800	700	700	700	700	5,250
Street System Imp (450)	TBD	Median Landscaping Improvement Project FY16 - Hesperian - Winton to Cabot Court	0	50	450									500
Street System Imp (450)	TBD	Median Landscaping Improvement Project FY17- Hesperian-West A St to Winton	0	0	100	770								870
Street System Imp (450)	TBD	Median Landscaping Improvement Project FY18- Industrial Blvd-Hwy 92 to Arf Ave	0	0	0	100	1,070							1,170
Transp Sys Imp (460)	05734	Traffic Calming Implementation Program	80	90	90	90	90	80	80	80	80	80	80	920
		TOTAL LIVABLE NEIGHBORHOODS PROJECTS	6,124	4,069	3,638	3,827	4,196	3,135	3,104	3,073	3,142	3,111	3,230	40,649

CAPITAL PROJECTS BY CATEGORY

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY16 EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJ. NO.**	**DESCRIPTION**												
ROAD AND STREET PROJECTS														
Gas Tax Fund (210)	05106	Project Predesign	30	30	30	30	30	30	30	30	30	30	30	330
Gas Tax Fund (210)	05110	Pavement Management Program	54	65	15	65	15	65	15	65	15	65	15	454
Gas Tax Fund (210)	05116	Congestion Management Program	87	92	97	103	109	116	123	130	137	144	151	1,289
Gas Tax Fund (210)	05140	Miscellaneous Curb and Gutter Repair	30	30	30	30	30	30	30	30	30	30	30	330
Gas Tax Fund (210)	TBD	Pavement Rehabilitation - Gas Tax FY16	50	1,650										1,700
Gas Tax Fund (210)	TBD	Pavement Rehabilitation - Gas Tax FY17	0	50	650									700
Gas Tax Fund (210)	TBD	Pavement Rehabilitation - Gas Tax FY18 - FY25	0	0	50	800	800	800	800	900	900	1,100	1,100	7,250
Measure B Tax (215)	05199	Project Predesign Services	64	30	30	30	30	30	30	30	30	30	30	364
Measure B Tax (215)	TBD	Pavement Reconstruction FY16	50	950										1,000
Measure B Tax (215)	TBD	Pavement Rehabilitation, Measure B FY16	100	3,500										3,600
Measure B Tax (215)	TBD	Pavement Reconstruction FY17	0	50	950									1,000
Measure B Tax (215)	TBD	Pavement Rehabilitation, Measure B FY17	0	50	3,150									3,200
Measure B Tax (215)	TBD	Pavement Reconstruction FY18 - FY25	0	0	50	950	1,000	1,000	1,000	1,000	1,000	1,000	1,000	8,000
Measure B Tax (215)	TBD	Pavement Rehabilitation, Measure B FY18-FY25	0	0	50	3,250	3,300	3,400	3,500	3,400	3,600	3,500	3,600	27,600
Vehicle Reg Fee (218)	TBD	Pavement Rehabilitation VRF FY16	50	800										850
Vehicle Reg Fee (218)	TBD	Pavement Rehabilitation VRF FY17	0	50	700									750
Vehicle Reg Fee (218)	TBD	Pavement Rehabilitation VRF FY18 - FY25	0	0	50	800	800	800	750	800	800	800	800	6,400
Measure C Capital (406)	TBD	Pavement Rehabilitation Project	0	12,000										12,000
Route 238 Imp (410)	05194	Prelim Design/Env Study - Phases 2 and 3	1,200	800										2,000
Route 238 Imp (410)	05114	Administration and Predesign	372	60	60	60	60	60	60	60	60	60	60	972
Route 238 Imp (410)	05270	Rte 238 Corridor Improvement Project - Phase 2	0	4,000	15,900									19,900
Street System Imp (450)	05197	880/92 Reliever Route Project - Phase I	10,999	17,281										28,280
Street System Imp (450)	TBD	City Municipal Parking Lot #4	0	270										270
Street System Imp (450)	05148	Project Predesign Services	277	30	30	30	30	30	30	30	30	30	30	577
Street System Imp (450)	TBD	Pavement Reconstruction FY16	50	700										750
Street System Imp (450)	TBD	Pavement Reconstruction FY17	0	50	200									250
Street System Imp (450)	TBD	City Municipal Parking Lot #1	0	0	322									322
Street System Imp (450)	TBD	Pavement Reconstruction FY18-FY25	0	0	50	200	200	550	600	700	700	700	800	4,500
Street System Imp (450)	TBD	City Municipal Parking Lot #3	0	134	0	0								134
Street System Imp (450)	TBD	City Municipal Parking Lot #7	0	0	0	107								107
Street System Imp (450)	TBD	Slurry Seal/Preventive Maintenance - FY19-FY25	0	0	0	0	300	400	400	400	400	400	400	2,700
Street System Imp (450)	TBD	Bridge Structures Maintenance FY16		225										225
Transp Sys Imp (460)	05705	Citywide Intersection Improvement Study	300	100										400
Transp Sys Imp (460)	05709	Traffic Control Devices Repair/Replacement	40	40	40	40	40	40	40	40	40	40	40	440
Transp Sys Imp (460)	05856	Controller Cabinet Replacement Program	25	30	30	30	30	30	30	30	30	30	30	325
Transp Sys Imp (460)	05877	Transportation System Management Projects	45	50	50	50	50	50	50	50	50	50	50	545
Transp Sys Imp (460)	05893	Quick Response Traffic Safety Projects	0	30	20	20	20	20	20	20	20	20	20	210
Transp Sys Imp (460)	05701	Sig Timing and Contlr Repl Prog-Hesperian,Tennyson,Winton	649	45										694
Transp Sys Imp (460)	5274	Traffic Impact Fee Study	0	200										200
Transp Sys Imp (460)	TBD	Intersection Improvement Project - TBD	0	0	50	250	50	250	50	250	50	250	50	1,250
Transp Sys Imp (460)	NEW	Mission/Blanche and Huntwood/Gading Traffic Signal	0	540										540
		TOTAL ROAD AND STREET PROJECTS	14,472	43,932	22,604	6,845	6,894	7,701	7,558	7,965	7,922	8,279	8,236	142,408

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.	FY16 EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	TOTAL
			(In thousands)											
BUILDING/MISC PROJECTS														
Capital Proj (Gov't) (405)	06909	Downtown Parking Study	0	130										130
Capital Proj (Gov't) (405)	05160	Surplus Property Maintenance	15	15	15	15	15	15	15	15	15	15	15	165
Capital Proj (Gov't) (405)	06121	Property Taxes on Excess Right-of-Way	5	5	5	5	5	5	5	5	5	5	5	55
Capital Proj (Gov't) (405)	06907	Project Predesign Services	35	35	35	35	35	35	35	35	35	35	35	385
Capital Proj (Gov't) (405)	06904	Community Satisfaction Survey	32	0	32									64
Capital Proj (Gov't) (405)	06968	Sealing Centennial Hall Parking Deck	0	0	0	0	0	0	30					30
Capital Proj (Gov't) (405)	07472	Fire Station No. 7 and Firehouse Clinic - Construction	3,795	6,205										10,000
Measure C Capital (406)	TBD	Fire Station No. 2 Improvements	0	2,200										2,200
Measure C Capital (406)	TBD	Fire Station No. 3 Improvements	0	1,500										1,500
Measure C Capital (406)	TBD	Fire Station No. 4 Improvements	0	1,500										1,500
Measure C Capital (406)	TBD	21st Century Library & Community Learning Center-Construction	0	56,700										56,700
Measure C Capital (406)	TBD	Fire Station No. 1 Improvements	0	0	1,900									1,900
Measure C Capital (406)	TBD	Fire Station No. 5 Improvements	0	0	1,200									1,200
Measure C Capital (406)	TBD	Fire Station No. 6 Improvements	0	0	1,400									1,400
Measure C Capital (406)	TBD	Fire Station No. 6 New Training Center	0		6,500									6,500
Facilities Capital (726)	07215	City Hall Camera System Security Upgrade	180	70										250
Facilities Capital (726)	07216	Fire Alarm/Smoke Detector Replacement	55	50	50									155
Facilities Capital (726)	07202	Miscellaneous Flooring Replacement	114	250	20	20								404
Facilities Capital (726)	07209	Emergency Generator Replacements	137	18	0	0	0	0	0	0	0	145	150	450
Facilities Capital (726)	07203	Roof Repair/Replacement	279	60	115	0	0	425						879
Facilities Capital (726)	07217	Exterior Painting of City Facilities	33	0	10	0	0	115	0	90	100			348
Facilities Capital (726)	07210	Window Covering Replacement	49	0	0	100								149
Facilities Capital (726)	07221	Interior Painting of City Facilities	5	0	0	20	50	20	0	20	0	20		135
Facilities Capital (726)	07220	Furniture Replacement	0	60										60
Facilities Capital (726)	07218	Animal Control Floor Coating	0	50	40									90
Facilities Capital (726)	07201	HVAC Replacement/Various Units	236	45	50	125	0	0	0	450	130			1,036
Facilities Capital (726)	NEW	City Facility Update	0	45	40									85
Facilities Capital (726)	NEW	City Hall Moat	0	10	0	20								30
Facilities Capital (726)	NEW	Elevator Overhaul	0	0	0	0	0	0	0	0	0	50	50	100
		TOTAL BUILDING & MISCELLANEOUS PROJECTS	4,970	68,948	11,412	340	105	615	85	615	285	270	255	87,900

CAPITAL PROJECTS BY CATEGORY

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY16 EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJ. NO.**	**DESCRIPTION**												
FLEET MANAGEMENT														
Fleet Mgmt Capital (736)	07301	Vehicle Replacement Needs - Fire	6,461	835	824	849	912	900	2,533	1,594	1,156	1,013	1,200	18,277
Fleet Mgmt Capital (736)	07302	Vehicle Replacement Needs - Other General Fund	1,872	720	725	909	780	727	707	697	711	627	719	9,194
Fleet Mgmt Capital (736)	07303	Vehicle Replacement Needs - Police	2,537	567	637	809	1,009	769	716	676	760	859	865	10,204
Fleet Mgmt Enterprise (737)	07352	Vehicle Replacement Needs - Sewer	1,512	272	159	563	180	99	281	86	0	268	403	3,823
Fleet Mgmt Enterprise (737)	07353	Vehicle Replacement Needs - Water	1,226	278	170	38	191	406	0	74	0	392	141	2,916
Fleet Mgmt Enterprise (737)	07350	Vehicle Replacement Needs - Airport	87	67	221	64	0	113	0	0	246	0	0	798
Fleet Mgmt Enterprise (737)	07351	Vehicle Replacement Needs - Stormwater	498	275	0	477	0	0	261	54	338	0	0	1,903
		TOTAL FLEET MANAGEMENT PROJECTS	14,193	3,014	2,736	3,709	3,072	3,014	4,498	3,181	3,211	3,159	3,328	47,115
LANDSCAPE PROJECTS														
Water Replacement (603)	07047	Water Efficient Landscape Surveys and Incentives	225	250										475
Water Replacement (603)	07050	Bay-Friendly Water Conservation Demonstration Garden	10	160										170
Sewer Improvement (612)	07545	Water Pollution Control Facility Shrub Planting	49	27										76
		TOTAL LANDSCAPE PROJECTS	284	437	0	0	0	0	0	0	0	0	0	721
EQUIPMENT														
Gas Tax Fund (210)	05133	StreetView System Upgrade	180	0	60	0	60	0	60	0	60	0	60	480
Capital Proj (Gov't) (405)	07402	Supporting Services Equipment	78	25	165	82	52	27	54	25	32	30	30	600
Capital Proj (Gov't) (405)	07405	SWAT Team Equipment	188	44	17	18	30	16	17	47	84	72	72	605
Capital Proj (Gov't) (405)	07409	Police Officer Equipment	311	72	66	240	175	321	66	60	240	156	156	1,863
Capital Proj (Gov't) (405)	07411	Field Operations Equipment	66	27	2	2	25	22	27	32	19	25	25	272
Capital Proj (Gov't) (405)	07412	Criminal Investigations Equipment	25	8	14	2	28	14	2	20	2	22	22	159
Capital Proj (Gov't) (405)	NEW	Tower Surveillance System	0	60										60
Capital Proj (Gov't) (405)	NEW	Emergency Portable Generator	25	44										69
Capital Proj (Gov't) (405)	07452	Fire Special Operations	505	82	200	157	82	103	82	82	82	82	82	1,539
Capital Proj (Gov't) (405)	07451	Defibrillators	250	0	0	240								490
Capital Proj (Gov't) (405)	07466	Self-Contained Breathing Apparatus	1	899										900
Capital Proj (Gov't) (405)	07475	Replacement Equipment for Maintenance Services	130	25	25	25	25	10	10	10	10	10	10	290
Street System Imp (450)	05153	Alameda County Aerial Photography	100	0	50	0	0	50						200
Water Replacement (603)	TBD	SCADA System Evaluation and Upgrade	0	0	100	400								500
Sewer Replacement (611)	TBD	Collection Systems SCADA System Evaluation and Upgrade	0	0	0	300								300
Sewer Replacement (611)	TBD	WPCF SCADA System Evaluation and Upgrade	0	0	0	0	0	500						500
Info Tech Capital (731)	07260	Enterprise Content Management	0	50										50
Info Tech Capital (731)	07261	Business Intelligence/Analytics/Open Data	62	88										150
Info Tech Capital (731)	07262	Security Camera Pilot Project	0	200										200
Info Tech Capital (731)	07255	Enterprise Resource Planning (ERP) System	3,970	240										4,210
Info Tech Capital (731)	07253	Desktop Computer Replacement Program	1,075	280	125	125	125	125	125	125	125	125	125	2,480
Info Tech Capital (731)	07256	Public Safety Mobile Replacement Project	1,084	125	50	400	400	50	50	50	50	50	50	2,359
Info Tech Capital (731)	07257	Network Server Replacement Project	349	173	100	100	100	100	100	100	100	100	100	1,422
Info Tech Capital (731)	07259	Geographic Information System Improvements	0	100	25	25	25	25	25	25	25	25	25	325
Info Tech Capital (731)	07263	Network Infrastructure Replacement - Police Department	20	187	58	58	58	0	0	60	60	60	60	621
Info Tech Capital (731)	07264	Network Infrastructure Replacement	0	696	348	348	348	0	0	360	360	360	360	3,180
Info Tech Capital (731)	NEW	Agenda Management System Replacement	0	100										100
Info Tech Capital (731)	NEW	Council Chambers Technology Upgrade	0	800	0	0	0	0	0	750				1,550
		TOTAL EQUIPMENT	8,419	4,325	1,405	2,522	1,533	1,363	618	1,746	1,249	1,117	1,177	25,474

CAPITAL PROJECTS BY CATEGORY

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY16 EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJ. NO.**	**DESCRIPTION**												
WATER SYSTEM PROJECTS														
Water Replacement (603)	07001	Utilities Storage Building Fabric Replacement	60	50										110
Water Replacement (603)	07035	City Irrigation System Backflow Replacements	140	10	10	10	10	10	10	10	10	10	10	240
Water Replacement (603)	07056	Well B and D2 Evaluation and Repairs	400	200										600
Water Replacement (603)	07047	Water Efficient Landscape Surveys and Incentives	87	138	350									575
Water Replacement (603)	07025	Conversion to Advanced Metering Infrastructure	100	6,000	5,000	5,000								16,100
Water Replacement (603)	07003	Miscellaneous Hydrant Replacement Program	70	25	25	25	25	25	25	25	25	25	25	320
Water Replacement (603)	07006	Annual System Replacement Program	150	150	150	150	150	150	200	200	200	200	200	1,900
Water Replacement (603)	07013	High Efficiency Fixture Replacement Program	1,000	200	200	100	100	100	150	150	150	150	150	2,450
Water Replacement (603)	07030	Project Predesign Services	25	25	25	25	25	25	25	25	25	25	25	275
Water Replacement (603)	07059	Reservoir Coating Inspection/Recoating at 250' East, 250' West, Garin, South Walpert, Treeview, and 1000'	0	1,500	1,500									3,000
Water Replacement (603)	07046	Replace 16" Water Line near Mission & Willis	0	0	0	0	0	250	1,780					2,030
Water Replacement (603)	TBD	Annual Line Replacements FY16	0	500										500
Water Replacement (603)	TBD	Annual Line Replacements FY17	0	0	500									500
Water Replacement (603)	TBD	Annual Line Replacements FY18-FY25	0	0	0	500	1,000	1,500	1,500	1,500	1,500	1,500	1,500	10,500
Water Replacement (603)	NEW	Erosion Control at 1530' Reservoir	0	300										300
Water Replacement (603)	NEW	Air Release with Blow Off Access and Rehabilitation	0	160	160									320
Water Replacement (603)	NEW	Easement Protection & Landscape Clearing - Various Loc	0	250	250									500
Water Replacement (603)	NEW	Cast Iron Water Pipeline Replacement - Local Streets	0	500	500	500								1,500
Water Replacement (603)	NEW	Water main replacement Mission between Fairway St. and Lexin	0	2,000										2,000
Water Improvement (604)	07105	Solar Power at Various Water Facilities	500	2,500										3,000
Water Improvement (604)	07108	D St,Treeview,Maitland Reservr Water Quality Pump Upgrade	200	250										450
Water Improvement (604)	07176	Utility Center Renovations/Training Center Addition	6	500	2,494									3,000
Water Improvement (604)	07136	System Seismic Upgrades	100	300										400
Water Improvement (604)	07180	New 8" Pipeline - BART Access Road Near Maint Yard	300	150										450
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	500	2,350										2,850
Water Improvement (604)	07185	Overhead Structures at 250' and 500' Pump Stations	160	150										310
Water Improvement (604)	07029	Project Predesign Services	15	15	15	15	15	15	15	15	15	15	15	165
Water Improvement (604)	07119	Radio Telemetry & Transducer Replacement & Upgrade	15	15	15	15	15	15	15	15	15	15	15	165
Water Improvement (604)	07160	Seismic Retrofit Maitland Reservoir and Appurtenances	227	0	1,903									2,130
Water Improvement (604)	07173	Seismic Retrofit Highland 250 Reservoirs	129	0	897									1,026

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.	FY16 EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	TOTAL
			(In thousands)											
Water Improvement (604)	07058	Green Hayward PAYS Program		1,000										1,000
Water Improvement (604)	07172	New 3 MG Reservoir at High School Reservoir Site	103	0	0	0	0	0	0	0	900	6,000		7,003
Water Improvement (604)	TBD	New 12" Pipeline - Navan/Benmore Drive	0	110										110
Water Improvement (604)	TBD	Rehabilitation of Pressure Regulation Station in 250' Zone	0	500										500
Water Improvement (604)	TBD	Groundwater Mgmnt Plan Modeling & Implementation	0	0	0	3,000								3,000
Water Improvement (604)	TBD	New 2 MG Reservoir and Booster Station at Hesperian Site	0	0	0	0	0	1,500	8,500					10,000
Water Improvement (604)	NEW	Hesperian Water Field Improvements	0	300										300
Water Improvement (604)	NEW	New Pressure Regulating Stations at New 265' Zone	0	2,760										2,760
Water Improvement (604)	NEW	Solar Photovoltaic at Hesperian Pump Station	0	0	500									500
Water Improvement (604)	NEW	Weather Based Irrigation Controllers at Various Locations	0	20	20	20	20	20	20	20	20	20	20	200
		TOTAL WATER SYSTEM PROJECTS	4,387	23,428	14,514	9,340	1,340	3,590	12,220	1,940	2,840	7,940	1,940	83,439

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.	FY16 EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	TOTAL
			(In thousands)											
SEWER SYSTEM PROJECTS														
Sewer Replacement (611)	07551	Sewer Spot Repairs at Various Easement Areas	300	300										600
Sewer Replacement (611)	07667	Sanitary Sewer System Repair at Various Locations	70	1,230										1,300
Sewer Replacement (611)	07668	WPCF West Trickling Filter and Biofilter Project	0	2,200	17,300									19,500
Sewer Replacement (611)	07516	EBDA Outfall Replacement Payment	100	120	120	120	120	150	150	150	150	150	150	1,480
Sewer Replacement (611)	07524	Project Predesign Services	15	15	15	15	15	15	15	15	15	15	15	165
Sewer Replacement (611)	07529	Miscellaneous Plant Replacements	300	300	300	300	300	350	350	350	350	350	350	3,600
Sewer Replacement (611)	07575	Miscellaneous Lift Station Equipment Replacement	100	100	100	100	100	150	150	150	150	150	150	1,400
Sewer Replacement (611)	07594	Collection Systems SCADA & Transducer Replacement	15	20	20	20	20	20	20	20	20	20	20	215
Sewer Replacement (611)	07596	WPCF SCADA System Miscellaneous Replacements	15	15	15	15	15	15	15	15	15	15	15	165
Sewer Replacement (611)	07648	WPCF Seismic Retrofit of Miscellaneous Buildings	5	370										375
Sewer Replacement (611)	07544	Stormwater Trash Capture Device - Phase II	0	0	150									150
Sewer Replacement (611)	07656	Main 480V MCC Electrical Distribution Repairs	0	0	0	0	0	50	1,175					1,225
Sewer Replacement (611)	TBD	WPCF Access Roads Rehabilitation	0	500										500
Sewer Replacement (611)	TBD	WPCF Heating and Mixing Building Improvements	0	540										540
Sewer Replacement (611)	TBD	WPCF Site Waste Pump Station and Control Bldg Impr	0	230	870									1,100
Sewer Replacement (611)	TBD	WPCF Structural Repairs and Canopy Covers	0	225	225	225								675
Sewer Replacement (611)	TBD	WPCF Headworks Renewal and Replacement Project	0	0	1,100									1,100
Sewer Replacement (611)	TBD	Valle Vista Submersible Pump Repl and Wet Well Rehab	0	0	0	700								700
Sewer Replacement (611)	TBD	Digester #2 Cleaning and Dome Rehabilitation	0	0	0	500								500
Sewer Replacement (611)	TBD	Annual Line Replacements FY18 - FY25	0	0	0	500	500	1,200	1,200	2,000	2,000	2,000	2,000	11,400
Sewer Replacement (611)	TBD	Digester #1 Cleaning and Dome Rehabilitation	0	0	0	0	500							500
Sewer Replacement (611)	TBD	Gravity Belt Thickener Rebuilding	0	0	0	0	500							500
Sewer Replacement (611)	TBD	Tennyson Lift Station Submersible Pump Repl & Wet Well Rehab	0	0	0	0	0	350						350
Sewer Replacement (611)	NEW	Air Release with Blow Off Access and Rehabilitation	0	80										80
Sewer Replacement (611)	NEW	WPCF UST Removal at Old Cogen Facility	0	100										100
Sewer Replacement (611)	NEW	WPCF Biofilter Media Replacement	0	130										130
Sewer Replacement (611)	NEW	Soto Road Sewer Improvement	0	190										190
Sewer Replacement (611)	NEW	WPCF Chlorination System Improvement	0	215										215
Sewer Replacement (611)	NEW	WPCF Cross Connection Prevention Project	0	300										300
Sewer Replacement (611)	NEW	Annual Line Replacements FY16	0	500										500
Sewer Replacement (611)	NEW	Cypress Avenue Sewer Improvement	0	520										520
Sewer Replacement (611)	NEW	Trash Capture Device and Litter Reduction Education Proj	0	800										800
Sewer Replacement (611)	NEW	Tennyson Sewer Basin Improvement	0	0	246									246
Sewer Replacement (611)	NEW	Annual Line Replacements FY17	0	0	500									500

CAPITAL PROJECTS BY CATEGORY

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY16 EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJ. NO.**	**DESCRIPTION**												
Sewer Replacement (611)	NEW	Tyrell Avenue Sewer Improvement	0	0	520									520
Sewer Replacement (611)	NEW	Flow Equalization, Pond Eval, Expansion, & Lining Rehab	0	0	900									900
Sewer Replacement (611)	NEW	WPCF Final Clarifiers Mechanisms Preplacement									1,800			1,800
Sewer Replacement (611)	NEW	Harder Road Sewer System Improvement	0	0	0	500	2,000							2,500
Sewer Improvement (612)	07507	Recycled Water Treatment and Distribution Facilities	1,600	10,400										12,000
Sewer Improvement (612)	07515	WPCF Convert Gravity Thickener to New Primary Clarifier	2,430	570										3,000
Sewer Improvement (612)	07534	WPCF Headworks Hydraulic Forcemain Improvement	75	590										665
Sewer Improvement (612)	07564	WPCF Digester Gas Flare Project	50	375										425
Sewer Improvement (612)	07565	WPCF Digester Piping and Gas Metering Optimization	70	560										630
Sewer Improvement (612)	07566	WPCF Digester Sludge Mixing Tank	165	1,500										1,665
Sewer Improvement (612)	07567	WPCF Sludge Screening	270	2,100										2,370
Sewer Improvement (612)	07568	WPCF New Operations Building	900	4,700										5,600
Sewer Improvement (612)	07523	Project Predesign Services	15	15	15	15	15	15	15	15	15	15	15	165
Sewer Improvement (612)	07506	WPCF Administration Building Renovation and Addition	154	1,346	3,000									4,500
Sewer Improvement (612)	TBD	Upgrade Valle Vista Station Discharge	0	200										200
Sewer Improvement (612)	TBD	WPCF Chlorine Disinfection System Improvements	0	800	6,400									7,200
Sewer Improvement (612)	TBD	WPCF Replacement & Relocation of EBDA Pump Station	0	1,000	7,800									8,800
Sewer Improvement (612)	TBD	WPCF Mechanical Sludge Dewatering Facility	0	0	2,600									2,600
Sewer Improvement (612)	TBD	WPCF Aeration Blower	0	0	0	0	85							85
Sewer Improvement (612)	TBD	WPCF Primary Effluent Flow Equalization	0	0	0	0	0	300	2,200					2,500
Sewer Improvement (612)	TBD	WPCF New Standby Power Generator	0	0	0	0	0	0	0	0	250	1,750		2,000
Sewer Improvement (612)	NEW	Cogeneration System Maintenance Contract	200	200	200	200	200	200	200	200	200	200	200	2,200
Sewer Improvement (612)	NEW	WPCF Polymer Relocation and New Solids Line	0	60										60
Sewer Improvement (612)	NEW	WPCF Fats, Oils, and Grease Receiving Station Improvements	0	150										150
Sewer Improvement (612)	NEW	WPCF Snail Bin Relocation	0	180										180
Sewer Improvement (612)	NEW	WPCF Solids Pumping Improvements	0	300										300
Sewer Improvement (612)	NEW	WPCF Sluice Gate Repair/Replacement and Actuation	0	460										460
Sewer Improvement (612)	NEW	Small Package Recycled Water System		400										400
		TOTAL SEWER SYSTEM PROJECTS	6,849	34,906	42,396	3,210	4,370	2,815	5,490	2,915	4,965	4,665	2,915	115,496

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.	FY16 EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	TOTAL
			(In thousands)											
AIRPORT PROJECTS														
Airport Capital (621)	06814	Sulphur Creek Mitigation - Design + Construction	46	2,454										2,500
Airport Capital (621)	06820	Airport Striping Maintenance (Runways 28L/10R)	31	15	15									61
Airport Capital (621)	06816	Sulphur Creek 10-Year Monitoring	101	5	23	6	23	24						182
Airport Capital (621)	06805	Project Predesign Services	30	30	30	30	30	30	30	30	30	30	30	330
Airport Capital (621)	06806	Consultant Predesign Services	10	15	10	10	10	10	10	10	10	10	10	115
Airport Capital (621)	06891	Miscellaneous Pavement/Building/Grounds Repairs	130	50	50	50	50	50	50	50	50	50	50	630
Airport Capital (621)	06898	Noise Monitoring	577	45	45	45	45	45	45	45	45	45	45	1,027
Airport Capital (621)	06818	Airport Pavement Management Program Update	70	0	35	0	35	0	35	0	35	0	35	245
Airport Capital (621)	06895	Landscaping Noise Berm & Associated Areas	26	15										41
Airport Capital (621)	06840	Crash Rescue Equipment	226	0	0	0	0	250						476
Airport Capital (621)	06822	South Side Access Road and perimeter Road Improvements	520	280										800
Airport Capital (621)	TBD	Airport Pavement Rehabilitation FY16	0	275										275
Airport Capital (621)	TBD	Realignment of Taxiway Zulu	0	0	167	2,444								2,611
Airport Capital (621)	TBD	East T-Hangar Foam Re-roofing	0	0	100	450	200							750
Airport Capital (621)	TBD	EMAS Runway Safety Area Improvements	0	0	0	0	167	8,333						8,500
Airport Capital (621)	TBD	Rehab of TWY Alpha and 10L/28R & Rehab TWY Delta	0	0	0	0	0	539						539
Airport Capital (621)	TBD	Golf Course Modifications/Road Relocation	0	0	0	0	0	3,009						3,009
Airport Capital (621)	NEW	Pavement Rehabilitation - Runways 28L/10R	55	500	1,650									2,205
Airport Capital (621)	NEW	Electrical Services for South Sidde of Airport	0	500										500
		TOTAL AIRPORT PROJECTS	1,822	4,184	2,125	3,035	560	12,290	170	135	170	135	170	24,796

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RESOLUTIONS

HAYWARD CITY COUNCIL

RESOLUTION NO. 15-114

Introduced by Council Member Zermeño

RESOLUTION APPROVING THE OPERATING BUDGET OF THE CITY OF HAYWARD FOR FISCAL YEAR 2016; ADOPTING APPROPRIATIONS FOR FISCAL YEAR 2016, EXCEPT FOR GENERAL FUND COMMUNITY AGENCY FUNDING

WHEREAS, the City Manager has submitted to the City Council of the City of Hayward estimates of revenues from all sources and estimates of expenditures required for the proper conduct of the activities of the City of Hayward for fiscal year 2016 contained in those documents entitled "City of Hayward Proposed FY 2016 Operating Budget," with adjustments to the Proposed Budget as discussed at the June 16, 2015 Council Public Hearing and contained herein;

WHEREAS, three Council Work Sessions and a public hearing were held by the City Council of the City of Hayward, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the budget recommended by the City Manager.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward as follows:

1. That the budget presented by the City Manager in the document entitled "City of Hayward Proposed FY 2016 Operating Budget," with adjustments to the proposed budget as outlined in the June 23, 2015 budget report is hereby approved and adopted as the budget of the City of Hayward for FY 2016, with specific exception of General Fund Community Agency funding, which is separately addressed in Resolution No. 15-115. Copies of the budget documents and the staff reports presented by the City Manager are on file in the office of the City Clerk and are hereby referred to, incorporated herein, and made a part of this resolution as though set forth in full.

2. That except as may be otherwise provided, any and all expenditures relating to the objectives described in the budget are hereby approved and authorized and payments therefore may be made by the Director of Finance of the City of Hayward without further action of Council.

3. That for the purposes of determining whether the City Manager is authorized to execute a contract for a commodity or service pursuant to City Charter section 701 subsection 8, the City Manager shall have the authority to expend such funds and enter into and execute any and all contracts and documents necessary to carry out the priorities and service delivery outcomes of the Council's appropriations as set forth in this budget.

4. The City Manager shall have the authority to bind and prepay all coverage and to negotiate and execute all documents necessary to obtain the insurance, third party administration services, loss fund stabilization and defense of claims budgeted for in the Liability Insurance Fund. In consultation with the City Attorney, the City Manager and/or City Attorney shall be authorized to represent the City on the board of the Exclusive Risk Management Authority of California and take any and all actions necessary or appropriate to advance the City's interests in connection with risk management services and procuring of insurance coverage.

5. The Director of Finance is hereby authorized to transfer the amounts from one fund to another as indicated in Exhibit A at such time as he/she may determine, giving consideration to the intended purposes for which the transfers are made and available balances in each of the funds.

6. The amounts as reflected in Exhibit B are hereby appropriated for expenditure.

7. Any monies received during FY 2016 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.

8. The Director of Finance is directed to comply with GASB 31 (Unrealized investment gains and losses) and is authorized to make such entries as are required to the City's financial records. In addition, the Director of Finance is authorized to make such changes to the budget as are required by GASB 31.

9. There are hereby appropriated the following amounts to the General Fund Reserve and Designation of Fund Balances, which the Director of Finance shall enter upon the records and reflect in the financial statement of the City:

General Fund - Fund Balance Designations		FY 2016
Unassigned		19,991
Total Designated Fund Balance	$	19,992
Proposed Use of Fund Balance		–
Total Reserves & Designated	$	19,992

In addition to the above specified amounts, the balances in each fund that are not otherwise appropriated are hereby appropriated to Contingency Reserves in those funds.

Expenditures from Reserves or Designated Fund Balances shall require the approval of the City Council.

10. The Director of Finance is hereby authorized and directed to distribute the above appropriations, transfers, and reserves to the various accounts of the City in accordance with generally accepted accounting principles and consistent with the purposes and objectives as outlined in the approved budget.

11. Any contract for professional services 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.

12. The City Manager is hereby authorized to enter into a revolving loan Credit Agreement with Bank of the West, in a form which is satisfactory to the City Attorney.

13. That the City Council adopts the budget-related Financial Policies, as updated and approved by City Council as part of the FY 2016 budget process.

IN COUNCIL, HAYWARD, CALIFORNIA June 23, 2015

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS: Zermeño, Mendall, Jones, Peixoto, Lamnin, Márquez
MAYOR: Halliday

NOES: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

_____
City Attorney of the City of Hayward

FY 2016 Fund Transfers To/From

EXHIBIT A

General Fund Transfers In			
100-00-0000-00000-49100	232	Cost Allocation From Recycling Fund	(74,750)
100-00-0000-00000-49100	217	Cost Allocation From Paratransit Measure B Fund	(11,466)
100-00-0000-00000-49100	615	Cost Allocation From Stormwater Enterprise Fund	(93,074)
100-00-0000-00000-49100	610	Cost Allocation From Sewer Enterprise Fund	(431,287)
100-00-0000-00000-49100	605	Cost Allocation From Water Enterprise Fund	(849,441)
100-00-0000-00000-49100	620	Cost Allocation From Airport Enterprise Fund	(117,606)
100-00-0000-00000-49100	705	Cost Allocation From Workers Compensation Fund	(157,011)
100-00-0000-00000-49100	710	Cost Allocation From Liability Insurance Fund	(337,372)
100-00-0000-00000-49100	725	Cost Allocation From Facilities Fund	(111,433)
100-00-0000-00000-49100	730	Cost Allocation From Information Technology Fund	(135,664)
100-00-0000-00000-49100	735	Cost Allocation From Equipment Management Fund	(116,565)
100-00-0000-00000-49535	210	Transfer From Gas Tax Fund	(723,000)
100-00-0000-00000-49540	220	Transfer From Citizens Option for Public Safety (COPS) Grant	(184,000)
100-00-0000-00000-49540	220	Transfer-Byrnes Justice Assistance Grant	(47,864)
100-00-0000-00000-49545	810	Misc. Transfer From CFD #1 for Trustee Costs	(8,000)
100-00-0000-00000-49545	810	Misc. Transfer From CFD #2 for Police Services	(284,000)
100-00-0000-00000-49545	810	Misc. Transfer From CFD #3 for Police & Fire Services	(172,788)
		Transfers In Total	**(3,855,321)**
General Fund Transfers Out			
100-00-0000-00000-98115	405	Transfer To Capital Projects	243,000
100-00-0000-00000-98200	710	Liability Insurance Allocation	2,337,949
100-00-0000-00000-98115	460	Capital Transfer To Transportation Sys Improvement Fund	350,000
100-00-0000-00000-98115	731	Supplemental To Technology Replacement Fund	1,380,000
100-00-0000-00000-98100	720	OPEB Retiree Medical Liability	1,070,000
100-00-0000-00000-98110	300	D/S ABAG 2001-02 (ABAG 33)	90,394
100-00-0000-00000-98110	300	D/S City Hall Debt Service	2,624,175
100-00-0000-00000-98110	300	Transfer In D/S Fire Station #7 & Firehouse Clinic	452,854
100-00-0000-00000-98110	300	Miscellaneous Transfer To Debt Service Fund	1,665
100-00-0000-00000-98110	736	D/S 15 Streetlight Conversion #05188	276,262
		Transfers Out Total	**8,826,299**
Measure C Fund			
101-00-0000-00000-98110	406	D/S New Library & Education Center	6,600,000
		Measure C Fund	**6,600,000**
Paratransit Fund			
217-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	11,466
217-00-0000-00000-98200	710	Transfer Out To Liability Insurance	5,653
		Paratransit Fund	**17,119**
Byrnes Justice Assist Grant Fund			
220-00-0000-00000-98100	100	Transfer Out Byrnes Justice Assist G	47,864
		Byrnes Justice Assist Grant Fund	**47,864**
Citizen's Option in for Public Safety Fund			
220-00-0000-00000-98100	100	Transfer Out To General Fund for COPS Grant	184,000
		Citizen's Opt in for Public Safety Fund	**184,000**
Community Development Block Grant Fund (CDBG)			
225-00-0000-00000-98200	710	Transfer Out To Liability Insurance	6,277
		Community Development Block Grant Fund (CDBG)	**6,277**

FY 2016 Fund Transfers To/From

EXHIBIT A

Recycling Fund			
232-00-0000-00000-97100	100	Transfer Out Cost Allocation to General Fund	74,750
232-00-0000-00000-98200	710	Transfer Out Liability Insurance	8,480
		Recycling Fund	**83,230**
Housing Authority Fund			
245-00-0000-00000-49530	815	Transfer In From Hayward Redevelopment Successor Agency	(72,217)
		Housing Authority Fund	**(72,217)**
Affordable Housing Fund			
246-00-0000-00000-98200	710	Transfer Out To Liability Insurance	5,653
		Affordable Housing Fund	**5,653**
Certificates of Participation Fund			
300-00-0000-00000-49545	100	Transfer In D/S ABAG 2001-02 (ABAG 33)	(90,394)
300-00-0000-00000-49545	100	Transfer In D/S City Hall Debt Service	(2,624,175)
300-00-0000-00000-49545	100	Transfer In D/S Fire Station #7 & Firehouse Clinic	(452,854)
300-00-0000-00000-49545	100	Transfer In D/S 15 Streetlight Conversion #05188	(276,262)
300-00-0000-00000-49545	100	Transfer In Misc. Transfer From General Fund	(1,665)
		Certificates of Participation	**(3,445,350)**
Water Maintenance & Operations Fund			
605-00-0000-00000-49545	604	Transfer In D/S 04 Water Sys Transfer	(257,504)
605-00-0000-00000-49545	621	Transfer In Misc. Transfer From Airport	(171,994)
605-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	849,441
605-00-0000-00000-98200	710	Transfer Out To Liability Insurance	249,025
605-00-0000-00000-98115	603	Transfer Out Capital Reserves To Water	2,500,000
605-00-0000-00000-98115	731	Transfer Out to Information Technology Capital Fund	85,000
		Water Maintenance & Operations Fund	**3,253,968**
Sewer Maintenance & Operations Fund			
610-00-0000-00000-49545	611	Transfer In D/S07 Sewer Rev Refund Bonds	(366,482)
610-00-0000-00000-49545	612	Transfer In D/S CA SWRCB Loan/Sewer	(1,583,463)
610-00-0000-00000-97100	100	Transfer Out Cost Allocation to General Fund	431,287
610-00-0000-00000-98115	611	Transfer Out Capital Reserves to Sewer Replacement	4,000,000
610-00-0000-00000-98115	731	Transfer Out Capital Information Technology Capital Fund	51,000
610-00-0000-00000-98200	711	Transfer Out To Liability Insurance	292,791
610-00-0000-00000-98115	612	Transfer Out Connect Fee Tran To Sewer Improvement Fund	4,500,000
		Sewer Maintenance & Operations Fund	**7,325,133**
Stormwater Maint. & Operations Fund			
615-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	93,074
615-00-0000-00000-98200	710	Transfer Out To Liability Insurance	28,270
		Stormwater Maint. & Operations Fund	**121,344**
Airport Operations Fund			
620-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	117,606
620-00-0000-00000-98200	710	Transfer Out To Liability Insurance	53,815
620-00-0000-00000-98115	621	Transfer Out Cap Reserves To Airport Capital	600,000
620-00-0000-00000-98115	731	Transfer Out to Information Technology Capital Fund	17,000
620-00-0000-00000-98110	605	Transfer Out Miscellaneous Transfer to Water Maintenance	171,994
		Airport Operations Fund	**960,415**

FY 2016 Fund Transfers To/From

EXHIBIT A

Workers' Compensation Fund			
705-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	157,011
705-00-0000-00000-98200	710	Transfer Out To Liability Insurance	8,480
		Workers' Compensation Fund	**165,491**
Risk Management Fund			
710-00-0000-00000-49100	100	Transfer In Liability Insurance-General Fund	(2,337,949)
710-00-0000-00000-49100	230	Transfer In Liability Insurance-Recycling	(8,480)
710-00-0000-00000-49100	225	Transfer In Liability Insurance-Block Grant	(6,277)
710-00-0000-00000-49100	246	Transfer In Liability Insurance-Housing Mortg	(5,653)
710-00-0000-00000-49100	217	Transfer In Liability Insurance-Meas B2 PRTRNST	(5,653)
710-00-0000-00000-49100	615	Transfer In Liability Insurance-Stormwater	(28,270)
710-00-0000-00000-49100	610	Transfer In Liability Insurance-WWTP M & O	(292,791)
710-00-0000-00000-49100	605	Transfer In Liability Insurance-Water M & O	(249,025)
710-00-0000-00000-49100	620	Transfer In Liability Insurance-Airport	(53,815)
710-00-0000-00000-49100	705	Transfer In Liability Insurance-Workers Comp	(8,480)
710-00-0000-00000-49100	725	Transfer In Liability Insurance-Facilities FD	(29,173)
710-00-0000-00000-49100	730	Transfer In Liability Insurance-Tech Services FD	(54,037)
710-00-0000-00000-49100	735	Transfer In Liability Insurance-Equip Mgmt.	(39,908)
710-00-0000-00000-97100	100	Transfer Out Cost Allocation to General Fund	337,372
		Risk Management Fund	**(2,782,139)**
Retiree Medical Fund			
720-00-0000-00000-49530	100	Transfer In From General Fund - OPEB Liability	(1,070,000)
		Retiree Medical Fund	**(1,070,000)**
Facilities Management Fund			
725-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	111,433
725-00-0000-00000-98200	710	Transfer Out To Liability Insurance	29,173
725-00-0000-00000-98115	726	Transfer Out Capital Project Transfer Facilities Capital Fund	300,000
		Facilities Management Fund	**440,606**
Information Technology Fund			
730-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	135,664
730-00-0000-00000-98115	731	Transfer Out To IT Replacement Fund	605,984
730-00-0000-00000-98200	710	Transfer Out To Liability Insurance	54,037
		Information Technology Fund	**795,685**
Fleet Management Fund			
735-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	116,565
735-00-0000-00000-98200	710	Transfer Out To Liability Insurance	39,908
735-00-0000-00000-98115	736	Transfer Out Miscellaneous Transfer to Fleet Mgmt. Capital	1,185,000
		Fleet Management Fund	**1,341,473**
Comm. Facility District Fund			
810-00-0000-00000-98100	100	Transfer Out To General Fund for Trust Expenses CFD #1	8,000
810-00-0000-00000-98100	100	Transfer Out To General Fund for Police Services CFD #2	284,000
810-00-0000-00000-98100	100	Transfer Out To General Fund for Police&Fire Svcs CFD #3	172,788
		Comm. Facility District Fund	**464,788**
Successor Agency-RDA of COH			
815-00-0000-00000-98100	245	Transfer Out To Housing Authority	72,217
		Successor Agency-RDA of COH	**72,217**

FY 2016 Fund Expenditure Appropriations - Operating Budget

EXHIBIT B

General Fund		
100		140,422,265
Measure C Fund		
101		9,492,514
Special Revenue Funds		
217	Paratransit Fund	1,599,413
220	Home Loan Fund	255,536
220	Byrne Justice Assistance	47,864
220	Citizen's Option for Public Safety	184,000
223	CDBG-Housing Rehab Loan Fund	175,000
225	Community Development Block Grant Fund	1,357,056
227	CDBG-Small Business Loan Fund	123,496
230	Recycling Donation Account	5,797
231	Used Oil Fund	40,000
232	Recycling/Measure D Fund	564,237
235	Neighborhood Svcs-Promise Grant	360,980
245	Housing Authority	122,265
246	Affordable Housing Fund	292,122
255	Park Dedication - Zone A	1,261,916
256	Park Dedication - Zone B	71,300
257	Park Dedication - Zone C	657,300
258	Park Dedication - Zone D	447,650
259	Park Dedication - Zone E	200,650
266	LLD Zone 1	9,350
267	LLD Zone 2	10,440
268	LLD Zone 3	112,652
269	LLD Zone 4	24,127
270	MD 1	104,335
271	MD 2	114,906
272	LLD Zone 5	8,916
273	LLD Zone 6	17,084
274	LLD Zone 7	191,088
275	LLD Zone 8	9,258
276	LLD Zone 9	5,110
277	LLD Zone 10	190,840
278	LLD Zone 12	52,683
279	LLD Zone 11	196,764
280	Downtown Bus Improvement	96,000
281	LLD Zone 13	50,032
295	So. Hayward B.A.R.T. JPA	6,345
	Special Revenue Fund Total	8,966,512
Enterprise Funds		
615	Stormwater	2,622,015
610	Wastewater	26,034,829
605	Water	44,273,951
620	Airport	3,179,308
606	Regional Intertie	110,000
	Enterprise Fund Total	76,220,103
Debt Service/Non-Departmental Funds		
300	Certificate of Participation	10,045,349
805/810	Special Assessment District	1,303,732
	Debt Service Fund Total	11,349,081

FY 2016 Fund Expenditure Appropriations - Operating Budget

EXHIBIT B

Internal Service Funds		
705	Worker's Compensation	6,067,185
710	Risk Management	3,162,941
725	Facilities	3,830,616
730	Information Technology	6,535,838
735	Fleet	5,396,511
720	Employee Benefits	3,191,374
	Internal Service Fund Total	28,184,465
Hayward Redevelopment Successor Agency (HRSA)		
815		4,699,647
Total Appropriation Authority		**279,334,587**

HAYWARD CITY COUNCIL

RESOLUTION NO. 15-115

Introduced by Council Member Jones

RESOLUTION APPROVING AND APPROPRIATING
THE COMMUNITY AGENCY FUNDING
RECOMMENDATIONS FOR FISCAL YEAR 2016

BE IT RESOLVED that the City Council of the City of Hayward hereby approves and appropriates the Community Agency Funding recommendations for Fiscal Year 2016, as approved by City Council on April 21, 2015 and shown in Exhibit A, in a total amount not to exceed $1,434,319 which is incorporated by reference herein.

BE IT FURTHER RESOLVED that except as may be otherwise provided, any and all expenditures relating to the objectives described in the Community Agency budget are hereby approved and authorized and payments therefore may be made by the Director of Finance of the City of Hayward without further action of Council.

IN COUNCIL, HAYWARD, CALIFORNIA June 23, 2015

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS: Zermeño, Mendall, Jones, Peixoto, Márquez
MAYOR: Halliday

NOES: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: Lamnin

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

_____
City Attorney of the City of Hayward

COMMUNITY AGENCY FUNDING PROGRAM
GRANT ALLOCATIONS - FY 2016
Approved by City Council 4/21/2015
All Sources

SUMMARY	
CATEGORY	AMOUNT*
CDBG grants to community agencies	$ 253,500
Social Services grants	$ 453,500
Arts & Music grants	$ 81,955
Total grants to community agencies	**$ 788,955**
CDBG - City operated programs	$ 594,364
CDBG - HUD required fair housing activities	$ 51,000
Total City-operated programs	**$ 645,364**
GRAND TOTAL FY 2016 Allocations (All Sources)	**$ 1,434,319**

CDBG - Community Agency Infrastructure and Services

LINE	Agency	Program Description	FY16 Allocation*
1	Abode Services	Permanent supportive housing placement	$ 39,000
2	Community Child Care Council (4-Cs)	Child care provider training / business development	$ 27,000
3	Day Labor Center (via Community Initiatives)	Job placement, job training, job creation	$ 27,000
4	East Bay Community Recovery Project	Rehab facility repairs	$ 42,000
5	Eden Area YMCA	ADA accessible commerical kitchen renovation	$ 11,500
6	Eden Council for Hope and Opportunity (ECHO)	Fair housing audit, tenant/landlord counseling	$ 51,000
7	FACES for the Future (via St. Rose)	Youth career training in health care	$ 17,500
8	Hayward Area Recreation District	Memorial Park ADA access project	$ 11,500
9	International Institute of the Bay Area	Immigrant legal services and education	$ 10,000
10	St. Rose Hospital Foundation	ADA accessible emergency room entrance	$ 17,000
11	**TOTAL - CDBG Community Agency Infrastructure and Services**		**$ 253,500**
12	Total Amount Available for Grants		$ 253,500
13			
14			

GENERAL FUND - SOCIAL SERVICES

	Agency	Program Description	FY16 Allocation*
16	BOSS (via ACCFB)	Alameda County Community Food Bank - Food scholarship	$ 4,000
17	Bridges of Faith (via ACCFB)	Alameda County Community Food Bank - Food scholarship	$ 7,000
18	CALICO	School based food production and farming program	$ 25,000
19	Centro Legal de la Raza	Tenant-landlord legal consultations	$ 26,000
20	CRIL	Life skills support for disabled adults	$ 21,000
21	East Bay Agency for Children	In-school youth mental health services	$ 18,500
22	Eden I &R	2-1-1 referral service	$ 50,000
23	Family Emergency Shelter (FESCO)	22 Bed Emergency shelter for Hayward Families	$ 40,000
24	Family Violence Law Center	Legal advice/ rep. for domestic violence victims	$ 60,000
25	Horizon Services	Lambda program for at risk LGBTQ youth	$ 48,000
26	Legal Assistance for Seniors	Legal assistance to at risk Hayward Seniors	$ 20,000
27	Magnolia Women (via ACCFB)	Alameda County Community Food Bank - Food scholarship	$ 500
28	Ruby's Place	Domestic violence shelter serving Hayward	$ 60,000
29	Salvation Army (via ACCFB)	Alameda County Community Food Bank - Food scholarship	$ 1,600
30	SAVE/COPS	Safe Alternatives to Violence prorgam coord.with HPD	$ 24,000
31	South Hayward Parish Food Pantry (via ACCFB)	Alameda County Community Food Bank - Food scholarship	$ 26,180
32	South Hayward Parish Food Pantry*	Purchase of food for food pantry	*Funded on line 31

* Approved by City Council on 4/21/2015

COMMUNITY AGENCY FUNDING PROGRAM
GRANT ALLOCATIONS - FY 2016
Approved by City Council 4/21/2015
All Sources

	Agency	Program Description	FY16 Allocation*
33	Spectrum Community Services	Hot meals / dining sites for low income Hayward seniors	$ 21,000
34	United Smith (via ACCFB)	Alameda County Community Food Bank - Food scholarship	$ 720
35	**TOTAL - SOCIAL SERVICES**		**$ 453,500**
36	Total Amount Available for Grants		$ 453,500
37			
38	**GENERAL FUND - ARTS & MUSIC**		
	Agency	**Program Description**	**FY16 Allocation***
40	Hayward Arts Council (via HAHS)	Art education and gallery operations	$ 18,134
41	Hayward Band & Orchestra Festival (via HAHS)	Student concerts	$ 8,140
42	Hayward Municipal Band (via HAHS)	Summer concerts	$ 16,165
43	Pacific Chamber Symphony (via HAHS)	Orchestral music school assemblies	$ 5,693
44	Sun Gallery (via HAHS)	Art education and workshops	$ 30,195
45	Youth Orchestra of So. Alameda Co. (via HAHS)	Orchestra workshops and concerts	$ 3,628
46	**TOTAL - ARTS & MUSIC**		**$ 81,955**
47	Total Amount Available for Grants		$ 81,955
48			
49	**CDBG - HUD-Required Fair Housing and City-Operated Services**		
	Program	**Description**	**FY16 Allocation***
51	Housing Rehabilitation Program	Accessibility/health/safety repairs for low-income homeowners	$ 344,496
52	Family Educ. Program (incl. Data Collection/Analysis subaward J.Bromstead $59,895)	Literacy/academic support for low-income Hayward families	$ 147,864
53	Economic Dev. Business Incentive Program	Technical assistance/infrastructure/expansion for small businesses	$ 102,004
54	Eden Council for Hope and Opportunity (ECHO)	Fair housing audit, tenant/landlord counseling	$ 51,000
55	**TOTAL - CDBG HUD-Required Fair Housing and City-Operated Services**		**$ 645,364**
56	Total Amount Available for Programs		$ 645,364

* Approved by City Council on 4/21/2015

REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY OF HAYWARD

RESOLUTION NO. RSA 15-04

Introduced by Agency Member Peixoto

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAYWARD, ACTING AS THE GOVERNING BOARD OF THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD, APPROVING THE BUDGET OF THE REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY OF HAYWARD AND ADOPTING APPROPRIATIONS FOR FISCAL YEAR 2016

WHEREAS, the City Manager has submitted to the Successor Agency of the Redevelopment Agency (the "Redevelopment Successor Agency") of the City of Hayward estimates of revenue from all sources and estimates of expenditures required for the proper conduct of the activities of the Redevelopment Successor Agency of the City of Hayward for fiscal year 2016; and

WHEREAS, a public hearing was held by the Redevelopment Successor Agency of the City of Hayward, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the recommended budget.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Successor Agency of the City of Hayward that:

1. The budget presented by the Executive Director is hereby approved and adopted as the budget of the Redevelopment Successor Agency of the City of Hayward for FY 2016.

2. Any and all expenditures relating to the objectives described in the budget are hereby approved and authorized and payments therefore may be made by the Finance Director of the City of Hayward.

3. The Director of Finance is directed to comply with GASB 31 (Unrealized investment gains and losses) and is authorized to make such entries as are required to the Redevelopment Successor Agency's financial records. In addition, the Director of Finance is authorized to make such changes to the budget as are required by GASB 31.

4. The following amounts are hereby estimated resources and appropriated expenditures:

Hayward Redevelopment Successor Agency (HRSA) Fund (815)	FY 2016
Revenue	
Property Tax (Tax Increment)	7,600,240
Interest Income	2,557
Principal	19,447
Successor Agency Administrative Allowance	250,000
School Impact Fee Reimbursement	326,906
Lease Payment - Cinema Place	50,000
Total Revenue	**8,249,150**
Operating Expenses	
Salary & Benefits	226,976
Charges to/from other programs	-
Supplies & Services	367,639
Maintenance & Utilities	23,884
Total Operating Expenses	618,499
HRSA Debt Service & Transfers Out	
HRSA Debt Service, 2004 TABS	3,372,325
HRSA Debt Service, 2006 TABS	636,606
HRSA Debt Service, misc charges	-
Transfer Out to Housing Authority	72,217
Total Debt Service & Transfers Out	4,081,148
Total Expenditures	**4,699,647**

5. Except as limited in paragraph 6 of this resolution, the Executive Director is authorized without further action from the Board to enter into a contract or agreement for any commodity or service included in the annual budget of the Redevelopment Successor Agency.

6. For the purposes of determining whether the Executive Director has the authority to execute a contract for a commodity or service pursuant to section 4 above, the Executive Director shall have the authority to expend such funds and enter into and execute any and all contracts and documents necessary to carry out the objectives of the Redevelopment Successor Agency's appropriations as set forth in this budget.

7. Any contract for professional services included in the annual budget that will cost more than $25,000 shall be executed by the Executive Director only upon approval of the contract by the Redevelopment Successor Agency Board given at a meeting of the Redevelopment Successor Agency and upon final approval by the Oversight Board and Department of Finance.

IN COUNCIL, HAYWARD, CALIFORNIA June 23, 2015

ADOPTED BY THE FOLLOWING VOTE:

AYES: AGENCY MEMBERS: Zermeño, Mendall, Jones, Peixoto, Lamnin, Márquez
CHAIR: Halliday

NOES: AGENCY MEMBERS: None

ABSTAIN: AGENCY MEMBERS: None

ABSENT: AGENCY MEMBERS: None

ATTEST: _____
Secretary of the Redevelopment Successor Agency of the City of Hayward

APPROVED AS TO FORM:

_____
General Counsel of the Redevelopment Successor Agency of the City of Hayward

HOUSING AUTHORITY OF THE CITY OF HAYWARD

RESOLUTION NO. HA 15-01

Introduced by Commissioner Márquez

RESOLUTION CONFIRMING THE PROPOSED HAYWARD HOUSING AUTHORITY BUDGET FOR FISCAL YEAR 2016

WHEREAS, the Executive Director has submitted to the Hayward Housing Authority Board of Directors estimates of revenues from all sources and estimates of expenditures required for the proper conduct of the activities of the Hayward Housing Authority for fiscal year 2016 contained in those documents entitled "Proposed FY 2016 Operating Budget;" and

WHEREAS, a public hearing was held by the Housing Authority Board of Directors, on June 16, 2015, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the budget recommended by the Executive Director; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Hayward Housing Authority as follows:

1. That the budget for FY2016 presented by the Executive Director in the document entitled Proposed FY 2016 Operating Budget is hereby accepted and confirmed as the budget of the Hayward Housing Authority for FY 2016. Copies of the budget documents and the staff reports presented by the Executive Director are on file in the office of the City Clerk and are hereby referred to, incorporated herein, and made a part of this resolution as though set forth in full.

2. The Director of Finance is directed to comply with GASB 31 (Unrealized investment gains and losses) and is authorized to make such entries as are required to the Housing Authority's financial records. In addition, the Director of Finance is authorized to make such changes to the budget as are required by GASB 31.

3. Except as limited in paragraph 5 of this resolution, the Executive Director is authorized without further action from the Board to enter into a contract or agreement for any commodity or service included in the annual budget of the Housing Authority.

4. For the purposes of determining whether the Executive Director has the authority to execute a contract for a commodity or service pursuant to section 3 above, the Executive Director shall have the authority to expend such funds and enter into and execute any and all contracts and documents necessary to carry out the objectives of the Housing Authority's appropriations as set forth in this budget.

5. Any contract for professional services included in the annual budget that will cost more than $25,000 shall be executed by the Executive Director only upon approval of the contract by the Housing Authority Board given at a meeting of the Housing Authority.

HAYWARD, CALIFORNIA June 23, 2015

ADOPTED BY THE FOLLOWING VOTE:

AYES: COMMISSION MEMBERS: Zermeño, Mendall, Jones, Peixoto, Lamnin, Márquez
CHAIR: Halliday

NOES: COMMISSION MEMBERS: None

ABSTAIN: COMMISSION MEMBERS: None

ABSENT: COMMISSION MEMBERS: None

ATTEST: _____
Secretary of the Housing Authority
of the City of Hayward

APPROVED AS TO FORM:
_____
General Counsel of the Housing Authority
of the City of Hayward

HAYWARD CITY COUNCIL

RESOLUTION NO. 15-116

Introduced by Council Member Mendall

RESOLUTION APPROVING CAPITAL IMPROVEMENT PROJECTS FOR FISCAL YEAR 2016

WHEREAS, the City Manager has submitted to the City Council of the City of Hayward estimates of revenues from all sources and estimates of expenditures required for the proper conduct of the activities of the City of Hayward for Fiscal Year 2016 contained in the document entitled "Recommended Capital Improvement Program FY 2016-25"; and

WHEREAS, a public hearing was held by the City Council of the City of Hayward, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the Capital Improvement Program budget recommended by the City Manager; and

WHEREAS, by Resolution No. 15-114, dated June 23, 2015, the City Council adopted the budget and appropriated funds for operating expenses for Fiscal Year 2016.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward as follows:

1. That the Capital Improvement Projects for Fiscal Year 2016, as embodied in Recommended Capital Improvement Program FY 2016-25, are hereby adopted as the Capital Improvement Program for Fiscal Year 2016. Copies of the budget documents and the staff reports presented by the City Manager are on file in the office of the City Clerk and are hereby referred to, incorporated herein, and made a part of this resolution as though set forth in full.

2. That, except as may be otherwise provided, any and all expenditures relating to the objectives described in the Capital Improvement Program budget are hereby approved and authorized and payments therefore may be made by the Director of Finance without further action of Council.

3. That, for the purposes of determining whether the City Manager is authorized to execute a contract for a commodity or service pursuant to

City Charter section 701 subsection 8, the City Manager shall have the authority to expend such funds and enter into and execute any and all contracts and documents necessary to carry out the objectives of the Council's appropriations as set forth in this Capital Improvement Program budget.

4. The following are hereby approved for expenditure:

I. CAPITAL PROJECTS EXPENDITURE APPROPRIATIONS

Fund	Amount
Gas Tax Fund (210)	4,270,000
Measure B Tax Fund (Local Transportation) (215)	4,560,000
Measure B Tax Fund (Pedestrian & Bicycle) (216)	1,310,000
Vehicle Registration Fee Fund (218)	850,000
Capital Projects (Governmental) Fund (405)	7,851,000
Measure C Fund (406)	73,900,000
Route 238 Corridor Improvement Fund (410)	5,260,000
Street System Improvements Fund (450)	19,990,000
Transportation System Improvement Fund (460)	1,035,000
Water Replacement Fund (603)	11,580,000
Water Improvement Fund (604)	14,549,000
Sewer Replacement Fund (611)	9,640,000
Sewer Improvement Fund (612)	27,543,000
Airport Capital Fund (621)	4,184,000
Facilities Capital Fund (726)	658,000
Information Technology Capital Fund (731)	3,039,000
Fleet Management Capital Fund (736)	2,182,000
Fleet Management Enterprise (737)	892,000
TOTAL: ALL CAPITAL FUNDS	**193,293,000**

5. The Director of Finance is hereby authorized to transfer the following amounts from one fund to another as indicated below at such time as she may determine, giving consideration to the intended purposes for which the transfers are made and available balances in each of the funds.

II. FUND TRANSFERS

In order to provide for completion of work on projects previously authorized but not completed as of June 30, 2015, in addition to the above appropriations for capital expenditures, appropriation balances remaining as of June 30, 2015, for capital projects previously authorized but uncompleted, are hereby appropriated for expenditure in fiscal year 2016.

FROM FUND	TO FUND	AMOUNT
General (100)	Capital Projects (Governmental) (405)	243,000
General (100)	Transportation System Improvement (460)	350,000
General (100)	Information Technology Capital (731)	1,380,000
General (100)	Fleet Management Capital (736)	1,460,527
Measure C (101)	Measure C Capital (406)	6,600,000
Gas Tax (210)	General (100)	723,000
Gas Tax (210)	Street System Improvements (450)	693,000
Police Capital (405)	Fleet Management Capital (736)	60,000
Route 238 (410)	Street System Improvements (450)	400,000
Water Improvement (604)	Water Replacement (603)	500,000
Water Operations (605)	Water Replacement (603)	2,500,000
Water Operations (605)	Information Technology Capital (731)	85,000
Water Operations (605)	Fleet Management Enterprise (737)	180,406
Sewer Operations (610)	Sewer Replacement (611)	4,000,000
Sewer Operations (610)	Sewer Improvement (612)	4,500,000
Sewer Operations (610)	Information Technology Capital (731)	51,000
Sewer Operations (610)	Fleet Management Enterprise (737)	215,418
Sewer Replacement (611)	Sewer Improvement (612)	270,000
Sewer Improvement (612)	Street System Improvements (450)	533,000
Stormwater Operations (615)	Fleet Management Enterprise (737)	84,650
Airport Operations (620)	Airport Capital (621)	600,000
Airport Operations (620)	Information Technology Capital (731)	17,000
Airport Operations (620)	Fleet Management Enterprise (737)	71,433
Facilities Operations (725)	Facilities Capital (726)	300,000
Facilities Operations (725)	Fleet Management Capital (736)	29,605
Information Technology Operations (730)	Information Technology Capital (731)	605,984
Information Technology Operations (730)	Fleet Management Capital (736)	9,868
Fleet Operations (735)	Fleet Management Capital (736)	800,000

6. Any monies received during fiscal year 2016 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 Finance Director to make payments therefore in accordance with the terms and conditions and for the purposes of the grant.

7. The Director of Finance is hereby authorized and directed to distribute the above appropriations to the various accounts of the City in accordance with generally accepted accounting practices and consistent with the purposes and objectives as outlined in the approved budget.

8. The budget for capital projects for fiscal year 2016, as contained in the document entitled " Recommended Capital Improvement Program FY 2016-25," is hereby approved.

9. Any contract for professional services 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.

IN COUNCIL, HAYWARD, CALIFORNIA June 23, 2015

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS: Zermeño, Mendall, Jones, Peixoto, Lamnin, Márquez
MAYOR: Halliday

NOES: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

_____
City Attorney of the City of Hayward

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 – existing
2. Use of One-time Revenue for One-time Expenditures Policy – NEW
3. Benefit Liabilities Funding Plan Policy – NEW
4. Long Range Financial Forecasting Policy – existing
5. Reserves Policy – UPDATED
6. Investment Policy - existing
7. Debt Issuance and Management Policy - existing
8. Charges and Fees Policy - existing
9. Multi-Year Capital Improvement Program Plan Policy- existing
10. Internal Service Maintenance & Capital Replacement Policy - existing

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 of any other short-term balancing actions that may be taken. Further, the plan should be

[1] *NACSLB's Practices located on GFOA's web site at* www.gfoa.org

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.

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)

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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 & ACRONYMNS

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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