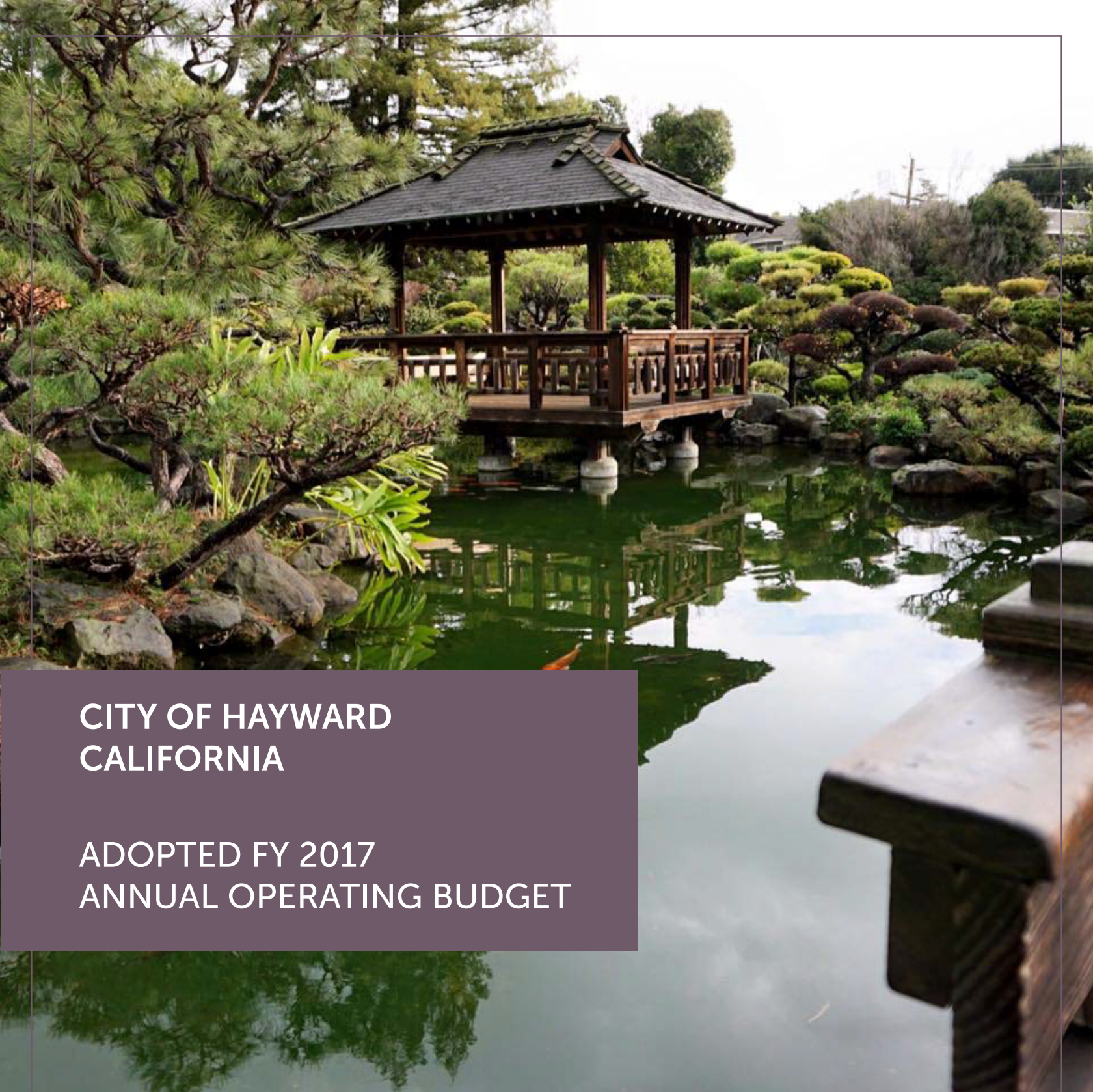

CITY OF HAYWARD
CALIFORNIA

ADOPTED FY 2017
ANNUAL OPERATING BUDGET

HAYWARD

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ADOPTED FY 2017 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

Al Mendall
Council Member
Term Expires 2020

Greg Jones
Council Member
Term Expires 2016

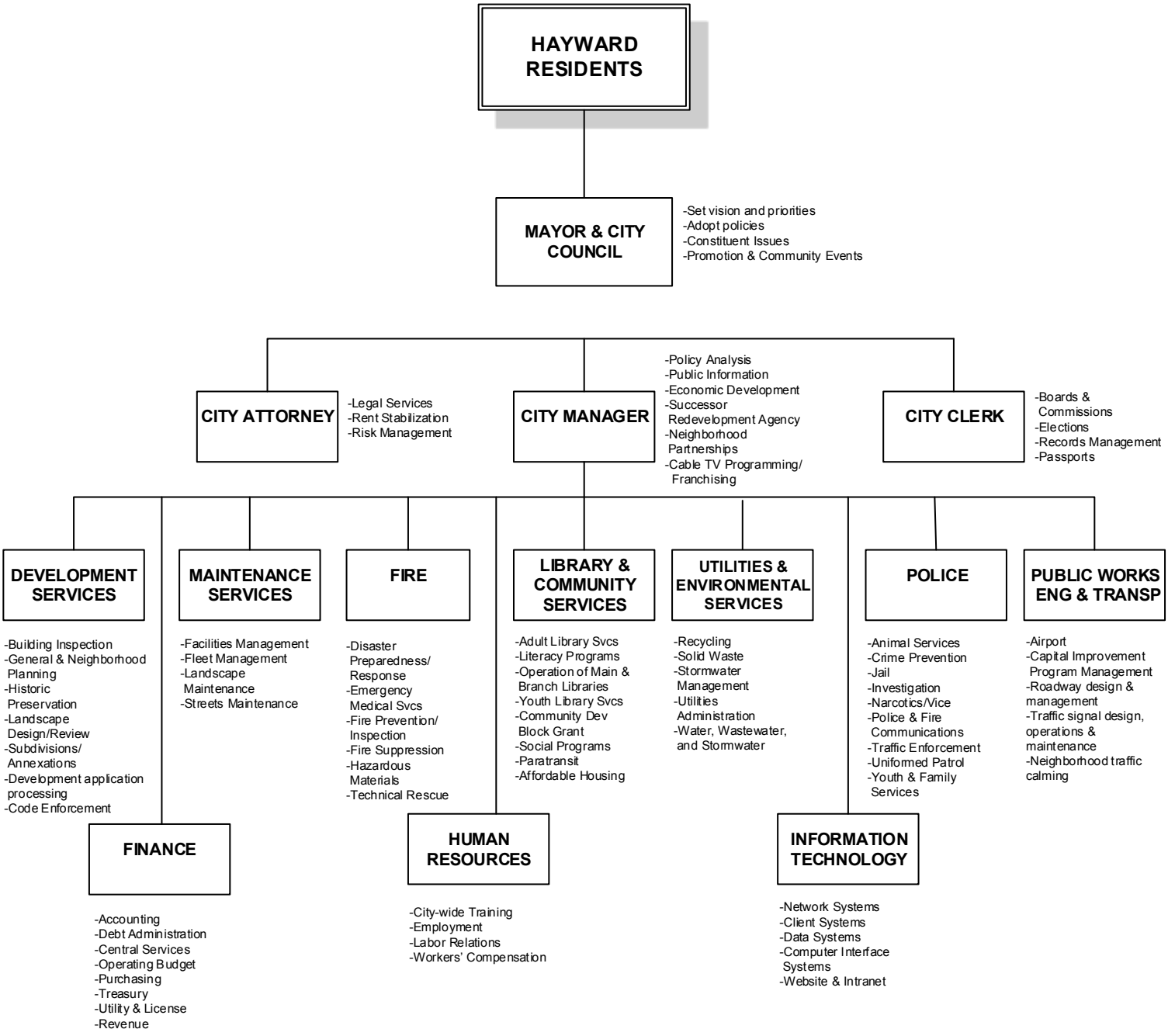
Marvin Peixoto
Council Member
Term Expires 2018

Sara Lamnin
Council Member
Term Expires 2018

Francisco Zermeño
Council Member
Term Expires 2020

Elisa Márquez
Council Member
Term Expires 2020

CITYWIDE ORGANIZATION



ADMINISTRATIVE STAFF

Appointed by City Council

City Manager	F ran David
City Attorney	Michael Lawson
City Clerk	Mir iam Lens

Department Directors

Assistant City Manager	Kelly McAdoo
Development Services	David Rizk
Finance	Dustin Claussen (Interim)
Fire Chief	Garrett Contreras
Human Resources	Nina Morris Collins
Information Technology	Adam Kostrzak
Library & Community Services	Sean Reinhart
Mai ntenance Services	Todd Rullman
Police	Chief Diane Stuart
Public Works - Engineering & Transportation	Morad Fakhrai
Utilities & Environmental Services	Alex Ameri

BUDGET AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) presented the City of Hayward with a *Distinguished Budget Presentation Award* for its annual budget for the fiscal year beginning July 1, 2015. This is the highest budget award presented by GFOA. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a one-year period.

COMMUNITY PROFILE

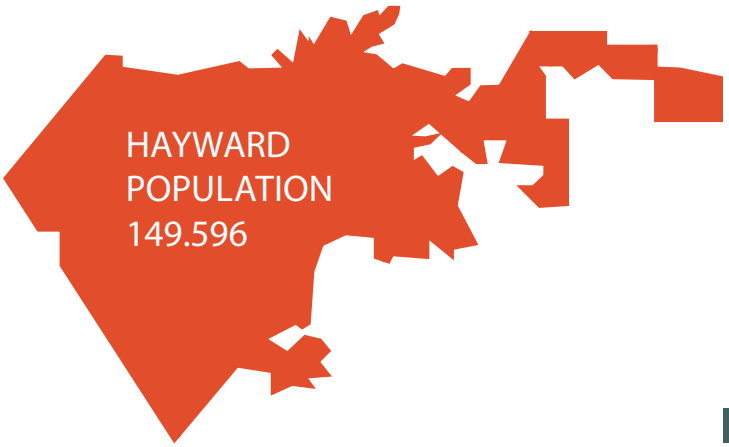
Hayward is located in Alameda County, California, on the eastern shore of the San Francisco Bay, 25 miles southeast of San Francisco, 14 miles south of Oakland, 26 miles north of San Jose, and 10 miles west of the Livermore Valley.

The City of Hayward encompasses 61 square miles ranging from the shore of the Bay east - ward 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.

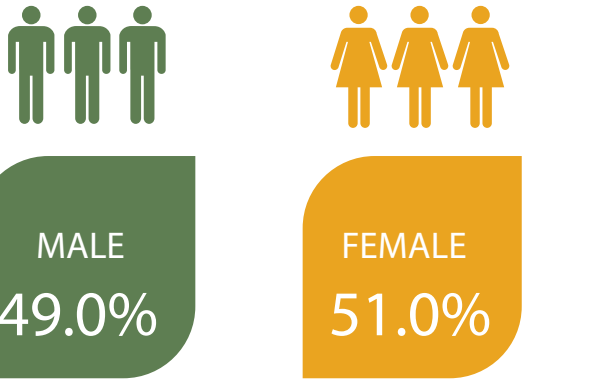
Hayward continues to plan for the future, maintaining a balance between the needs of our diverse residents and a growing business community. Hayward's Growth Management Strategy, designed with input from citizens, balances the needs of our growing population with the preservation of open space, and the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

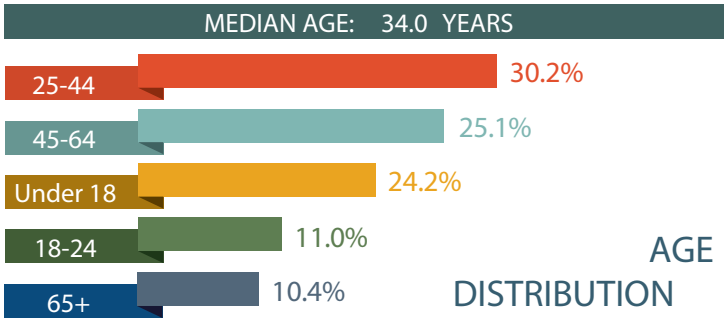
We are creating a pedestrian-friendly down - town with a balanced mix of housing, retail shops, offices and restaurants. The new Civic Center serves as the focal point for this re - vitalization. Encouraging new businesses to move to Hayward, expanding our sales tax base and strengthening our diverse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

DEMOGRAPHICS



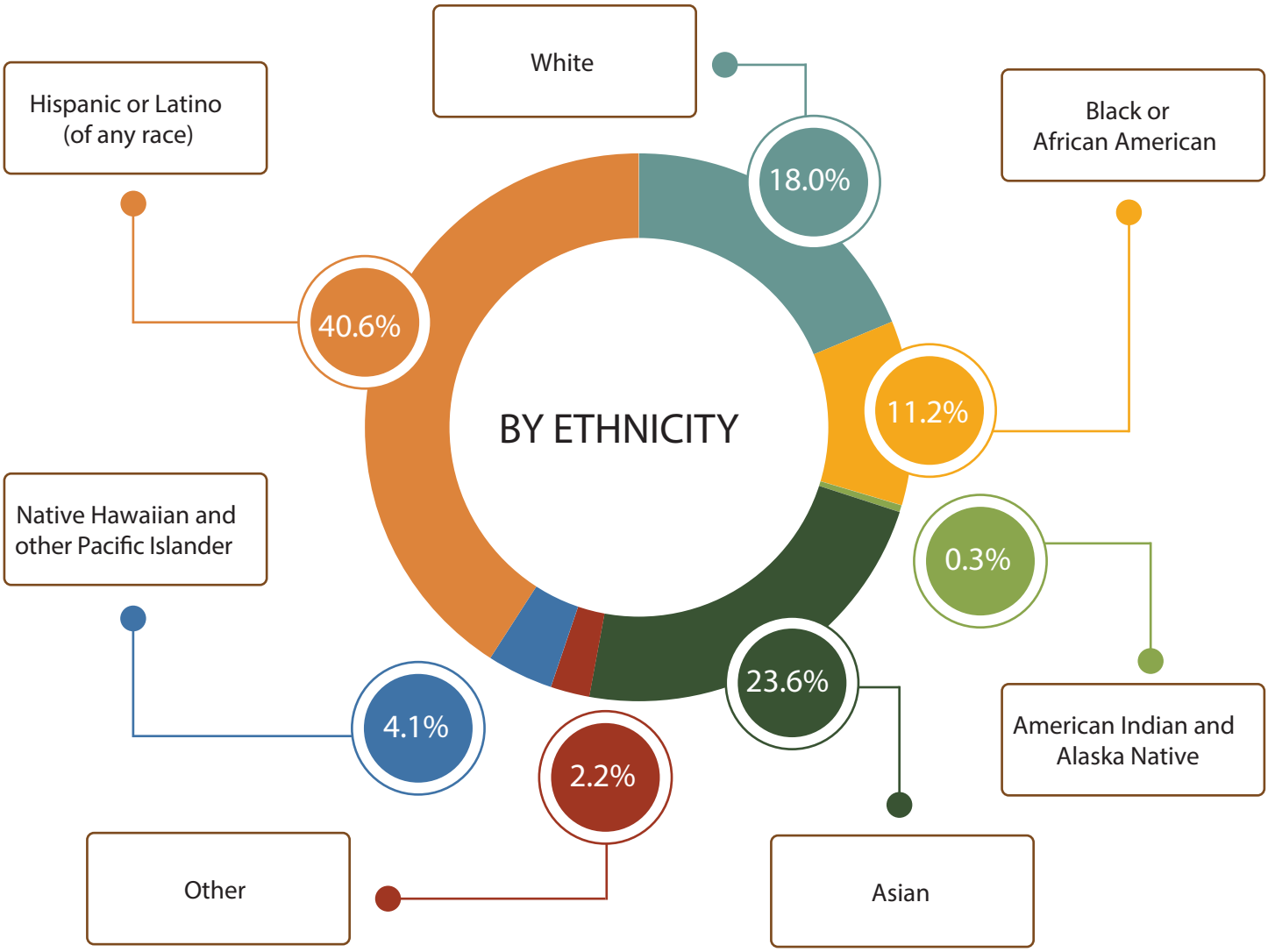
With a median age of just 34.0 years, the City of Hayward is younger than the United States as a whole by 3.4 years.



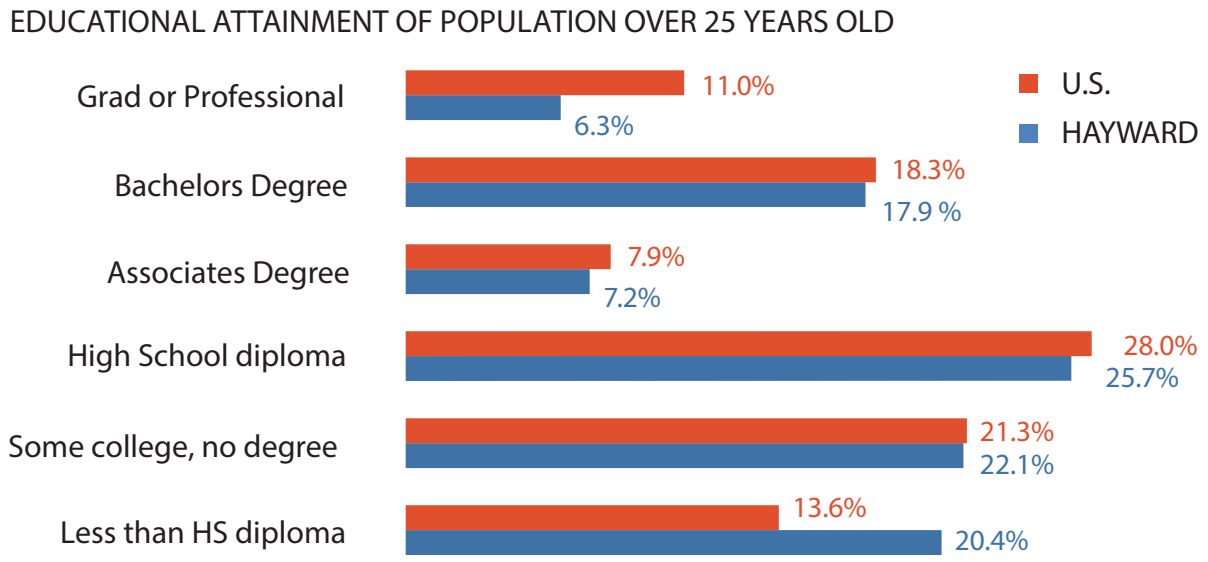


Demographic statistics source: 2010-2014 American Community Survey 5-year estimates.

COMMUNITY PROFILE



EDUCATION



COMMUNITY PROFILE

A CITY THAT EDUCATES: SCHOOLS IN HAYWARD

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

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

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

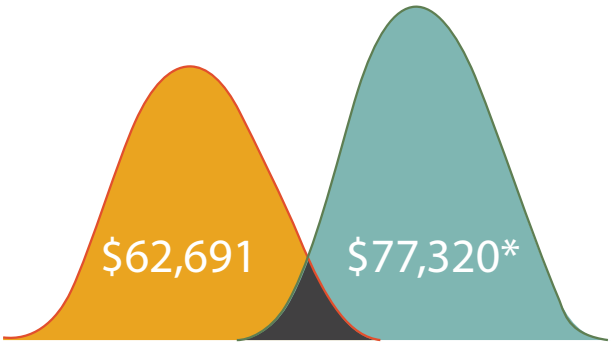
EMPLOYMENT, ECONOMY & HOUSING

TOP HAYWARD EMPLOYERS

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

MEDIAN HOUSEHOLD INCOME

AVERAGE HOUSEHOLD INCOME



Source: 2010-2014 American Community Survey 5-year estimates.
*2009-2013 American Community Survey 5-year estimates.

$550,000

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

$415,000

Median sale price of new and existing condominiums and townhomes in Hayward.

Source: Bay East Association of Realtors (March 2016)

COMMUNITY ENGAGEMENT

60,858
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 (2016) the US Census Bureau (2010) and the American Community Survey (5 years estimates from 2010-2014). 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 FY 2017

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

- % of Hayward Students Participating in After-School Programs
- % of Population Living within Walking Distance to Public Transit
- Resident Satisfaction Rates according to Biennial Residential Satisfaction Surveys
- % of Population with High Speed Internet

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 FY17-26 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 2017 Budget Development Calendar

Key Dates	Actions
February 2016	
18	Operating budget development instructions issued to departments
22	Council Budget & Finance Committee review FY 2016 mid-year and General Fund Ten-Year
24	Executive Team review of General Fund Ten-Year Plan
March 2016	
1	FY 2017 Baseline budget established
14	Department budget submittals due to Finance
15	City Council FY 2016 Mid-year review & Ten-Year Plan update
17-24	Budget meetings with City Manager, Departments & Finance
April 2016	
5	City Council Work Session - Community Agency Funding
19	City Council to adopt FY 2017 Master Fee Schedule
19	Public Hearing - Community Agency Funding: CDBG, Social Services, and Arts/Music
May 2016	
3	City Council - presentation of the Proposed Operating & CIP Budgets
21	City Council Budget Work Session #1 (Saturday)
24	City Council Worksession FY 2017-2026 Ten-Year Capital Improvement Program Budget
June 2016	
14	City Council Budget Work Session #2
21	City Council Public Hearing-operating and capital budgets
21	City Council to adopt FY 2017 GANN Appropriations Limit
28	City Council adopt operating and capital budgets

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CITY OF
HAYWARD
HEART OF THE BAY

July 2016

Honorable Mayor, Members of the City Council and Hayward Community:

I am pleased to present to you the City of Hayward's FY 2017 Annual Operating Budget as adopted by City Council on June 28, 2016. The City Council has made many difficult and courageous decisions over the past several years to manage and balance the City's budget during an extended time of fiscal difficulties. As a result of prudent policy decisions, support from the City's dedicated employees and the Hayward community, and assistance from a recovering economy, the City is in a stronger position than it has been in past years to continue to provide quality services to the community of Hayward and to further our investment in our future.

The leadership exhibited over the last several years by Council has substantially decreased the long-term $30 million General Fund deficit originally projected in 2011. While the City has made great strides in establishing fiscal sustainability, we continue to struggle with a structural gap driven by increasing costs of operation, primarily the cost of labor. The FY 2017 budget is balanced with the assumed use of $4.4 million of the General Fund Reserve. The structural gap grows in future years absent additional cost cutting measures and/or increased sources of revenue; and continued use of the Reserves will deplete it within a few short years.

Achieving progress during this recent time of fiscal adversity is a testament to the commitment and dedication of City employees and the City Council. Hayward has seen positive economic improvement in many of its key General Fund revenues, such as Property Tax. At the same time, we continue to experience an astronomical rise in employee benefit costs, particularly pension and healthcare costs.

A challenge to balance…

While the FY 2017 General Fund budget is balanced with the dangerous use of the General Fund Reserve, achieving even this tenuous balance is the result of some difficult choices faced and resolved by Council and employees alike. The intent of the budget balancing decisions these last six years has been to allow time to work toward a budget that is structurally balanced in the long-term while maintaining current and future service levels to the community.

The voters of Hayward have been instrumental in helping the City cope with the challenge of maintaining service levels in a resource-constrained environment. "Measure A", passed in June 2009, generating roughly $16.5 million annually in Utility Users Tax revenues, which has allowed us to maintain staffing levels in public safety, as well as other critical City services. "Measure C", passed in June of 2014 will generate about $13.5 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, a new fire training center; increased policing capacity, as well as to pave additional streets and provide funding for increased maintenance and landscaping services. In the June 2016 election, the voters of Hayward once again provided the

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

City with a vote of confidence approving Measure D by a significant majority and extending the City's Utility Users Tax through June 30, 2039.

The community should take pride in all of the successful efforts made to effectively utilize the Measure A revenue in a way intended by Council and the voters. Even during the darkest periods of the recent Great Recession, we have been able to maintain the same number of sworn personnel as before the recession, both Fire and Police. We did that while maintaining other essential services, albeit with a reduced staff, and while adding police services such as bike patrols in the Downtown and on Tennyson Ave. We will be able to continue doing this even with the unanticipated enormous increases in employee benefit costs affecting us now and into the future; all thanks to Measure A/Measure D revenue.

Several other cities in California have been dealing with similar issues created by the unprecedented and unpredictable economy, layered with an unimaginable growth in employee benefit costs. In many cases, the progressive stages of meeting the financial challenge have been all too similar:

(1) reduced over-all operating costs and stretched existing dollars;
(2) increased employees' share of benefit costs as part of a tenuous and intentional plan to protect robust benefits for employee as part of a larger program to maintain organizational capacity by retaining and attracting quality employees;
(3) explored innovative ways to fund and construct service delivery models; and
(4) finally, and reluctantly, reduced or eliminated services.

We have accomplished all possibilities in step one. We are continuously working, and making gradual progress, on step two to protect our benefit package while asking employees to share more of the cost. We are midway into step three. And, even in FY 2017, we continue to struggle to avoid step four – although it is quite possible we will need to take this step in the near future if we cannot get "ends to meet" and eliminate our ongoing structural deficit.

The City of Hayward has long prided itself on being a lean, efficient, and nimble organization, making the most of the resources entrusted to us. The previous recession forced the organization to make hard choices about which services to provide to the community, and how best to provide them. Through it all, the organization has continued to do more with less, based on a strong ethic of commitment to the community we serve; and to do it with creative energy and an innovative approach. Within that effort, our executives, managers, and employees are successful in their efforts to identify innovations and define better and more effective ways to deliver services.

While the budget reflects the presumed spending plan for FY 2017 in keeping with City Council priorities, there are many unfunded needs not represented in this budget that will impact future funding levels – including capital infrastructure, capital acquisition of needed equipment, streets and roads maintenance and improvements, technology, and critical staffing.

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 of services over the years and is now at a breaking point – particularly as service demands increase. As might be expected, we are a victim of our own success: the more we do, the more that is expected from us. This is a problem we embrace and to which we proudly respond. Even with this positive attitude and deep commitment, the organization is reaching the breaking point.

In order to prevent total employee burn-out and to meet essential service delivery demands, I have requested and Council has approved limited additional staffing resources in sensitive 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. In addition, we want to honor our labor agreements and to be judicious and transparent about our analysis of what work needs to be done in-house and what needs to be contracted out. A high-performing organization runs most effectively on a delicate balance of these factors based on sound analysis of the applicable finances and needs of the organization.

Based on our recent employee engagement survey and conversations with the City Manager, the City Manager and the City's executives have a renewed commitment to engaging employees in decisions about their work environment and new or replaced equipment and to fully utilizing the skill, intelligence, and work experience of those doing the day-to-day work to improve and refine our decision-making. Those doing the day-to-day work remain our greatest asset. As such, we remain committed to having the most enabled and engaged workforce in the Bay Area.

A slowly recovering budget...

We are making remarkable progress in our elusive quest for fiscal sustainability: City employees have assumed a greater burden of their benefit costs; Council has adopted key financial policies to provide the framework for stability; and Council has focused on managing the City's benefit liabilities. Council has also provided clear priorities that allow the City Manager to manage the organization's limited resources in a focused and highly productive manner. However, the General Fund Ten-Year Plan clearly demonstrates that we cannot continue to balance the budget with the use of Reserves. At our current pace, projections show that at our current rate, the City will deplete its reserves by FY 2019.

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 and will continue to do so for at least the next six to ten years. At that point, we will begin to see some recognizable benefit from the voter-approved changes to the statewide CalPERS system.

While CalPERS has finally implemented long-overdue policies and procedures that help stabilize the fund and provide it with a more positive and less volatile future, these changes continue to heavily impact the members of the system, driving our costs up higher and faster than we could possibly have predicted. Even as recent as this month, we have received news that CalPERS again missed their investment revenue targets by a significant margin. Healthcare costs also show no sign of slowing and continue to rise at a double digit rate: we recently received preliminary news that healthcare costs are expected to increase close to 33% more in 2017 than even the highest estimates made in early 2016.

In this struggle to resolve our structural deficit 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. It is largely through the partnership of our elected officials, our executives and unrepresented employees, and our multiple bargaining groups that the City is able to manage the structural deficit even to the tenuous degree reflected in this budget.

While this is the last budget I will be presenting to you as your City Manager, I look to a bright future for the City of Hayward as you make even more progress toward fiscal stability in FY 2017; and to continuous improvement in the quality of services the City delivers to Hayward residents and businesses. Our municipal organization is one of “family”, despite the difficulties we have suffered over the last few difficult years; one that has continually shown its grit and mettle as well as its commitment to community service. Hayward approaches the next phase of its future with maturity and strength; with a revitalized commitment to long-term economic health.

Hayward is a wonderful community that understands and honors the value of culture, race, and lifestyle diversity within a positive and productive community. It is a model for a currently troubled nation. Thank you for the honor and the privilege of being your City Manager and allowing me to be a part of and to lead our organization in service to this wonderful community over the last ten years.

Sincerely,

Fran David
City Manager
ICMA-CM

Attachment: FY 2017 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 single largest fund and represents revenue for which the City Council has the most discretion. The total adopted City expenditure budget for the FY 2017 is $286 million, with a General Fund budget of $149 million.

Table 1: City Expenditure Budget Summary – All Funds

Expenditures

in 1,000's	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted	$ Change	% Change
General Fund	133,304	140,422	149,029	8,607	6.1%
All Other Funds	119,646	138,913	136,554	(2,359)	-1.7%
Total City Budget	**252,950**	**279,335**	**285,583**	6,248	2.2%

The FY 2017 adopted budget reflects limited General Fund expenditure growth over the FY 2016 adopted budget (6.1%) and a 1.7% reduction in Other Funds, primarily attributed to the infusion of Measure C District Sales Tax funds. Total overall growth is a projected at 2.2% for all funds combined.

CITYWIDE STAFFING

The FY 2017 adopted budget reflects a limited number of staffing changes over FY 2016 resulting in a net increase of 4.5 Full Time Equivalents (FTE) to the General Fund and 6.1 FTE additions to other revenue funds. Staffing changes result in a 1.2% 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 2015	FY 2016	FY 2017 Adopted	# Change	% Change
General Fund	772.8	642.7	646.7	651.2	4.5	0.7%
All Other Funds	164.0	181.5	217.5	223.6	6.1	2.8%
Total City Positions	936.8	824.2	864.2	874.8	10.6	1.2%

[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.), and Internal Service Funds (Facilities, Fleet/Equipment, Technology).

CITYWIDE BUDGET OVERVIEW

GENERAL FUND DISCUSSION

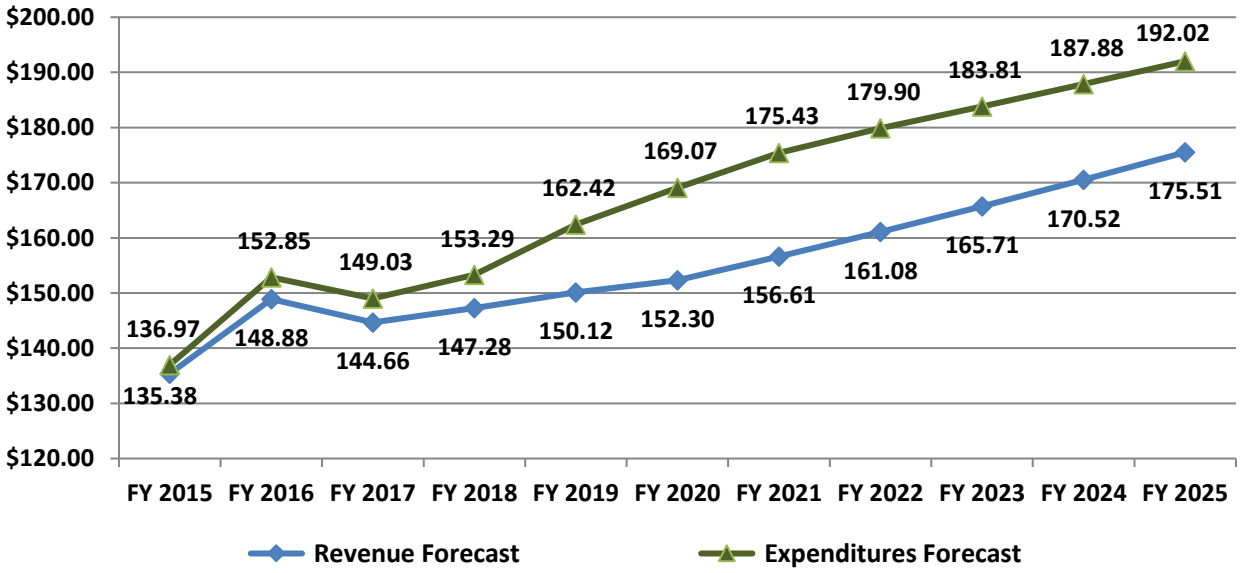
The General Fund represents over fifty percent of the City's total operating costs, and provides many important services such as police and fire services, street maintenance, code enforcement, library and learning services, and other community programs for the residents of Hayward.

The economic crisis that began in 2008 hit the General Fund the hardest of all of the City's funds. In 2011, the General Fund 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% to be achieved by FY 2015, or as otherwise agreed upon. To date, all groups have achieved 12%–17% in overall structural savings, allowing the City to avoid significant service reductions and to preserve services and jobs.

The FY 2017 adopted budget shows a structural deficit of $4.4 million re-appearing. The adopted FY 2016 budget was balanced without the forecasted use of General Fund Reserves. This structural gap continues through FY 2018 and is projected to widen in future fiscal years unless consistently and permanently addressed.

Table 3: General Fund 10-Year Gap Forecast



Key assumptions to help reduce projected FY 2017 deficit

- Increased revenue projections that reflect improved economic conditions
- Increased assumed salary savings based on current vacancy levels
- Reduction in contributions toward funding OPEB unfunded liability

CITYWIDE BUDGET OVERVIEW

Basic General Fund Ten-Year Plan Assumptions

The General Fund Ten-Year Plan (Plan) is a dynamic planning tool to assist City Council and staff in managing and projecting the City's current and future fiscal status. Staff considers a variety of assumptions in constructing and updating the Plan; these variables can easily influence the fiscal forecast.

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

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

General Fund Reserve

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

While FY 2016 assumed no use of the Reserve Fund when the budget was adopted, the Ten-Year Plan now assumes the need to use about $4.0 million of the Reserve in FY 2016. (The actual use of the Reserve could change depending on actual year-end results.) Based on the Ten-Year Plan projections and another planned use of the Reserve of $4.4 million, the estimated FY 2017 ending General Fund Reserve (cash) is approximately $15.6 million, resulting in a projected Reserve level of 10% - far below Council policy.

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 past uses of reserves, and staff has made every effort to maintain those reserve levels as close to Council policy as possible.

KEY FY 2017 BUDGET CHANGES

The following General Fund analysis provides a comparison of the FY 2017 Adopted Budget to the immediate previous years. FY 2016 "projected" is based on what staff knows currently about how this fiscal year will end; the actual ending balance may be different when the year is closed.

General Fund Revenues

General Fund revenue projections reflect improvements to several key revenues, refined further from the projections presented this past March during the FY 2016 mid-year review. Overall, staff is proposing to increase FY 2017 revenues over FY 2016 Adopted by about $4.2 million or 3%. Each revenue category varies in its change over the prior year, with some revenues seeing declines and others experiencing increases

Table 4: FY 2017 General Fund Revenues

	A	B	C	D	E	F
(in the 1,000's)	FY 2015 Actuals	FY 2016 Adopted	FY 2016 Projected	FY 2017 Adopted	Change $ (D-B)	Change % (D/B-1)
Revenue						
Property Tax - recurring	39,637	42,021	42,455	44,405	2,384	5.7%
RPTTF Pass-Thru & Annual	1,866	1,500	1,500	1,600	100	6.7%
Property Tax - one-time	625	-	-	-	-	0.0%
Property Tax Total	42,128	43,521	43,955	46,005	2,484	5.7%
Sales Tax	31,058	34,064	33,274	32,600	(1,464)	-4.3%
UUT	15,681	16,411	16,461	16,543	132	0.8%
UUT Prior Period Payment	-	-	6,033	-	-	0.0%
Franchise Fees	10,128	9,585	9,609	9,362	(223)	-2.3%
Property Transfer Tax	5,710	6,500	7,000	7,154	654	10.1%
Business License Tax	2,603	2,721	2,771	2,846	125	4.6%
Transient Occupancy Tax	2,033	1,996	1,996	2,036	40	2.0%
Emergency Facilities Tax	1,887	1,831	1,831	1,840	9	0.5%
Charges for Services	9,939	9,924	10,255	11,137	1,213	12.2%
Other Revenue	648	431	539	451	20	4.6%
Intergovernmental	7,856	7,262	8,131	8,038	776	10.7%
Fines and Forfeitures	2,413	1,767	1,822	2,014	247	14.0%
Interest and Rents	117	555	555	614	59	10.7%
Total Revenue	**132,201**	**136,567**	**144,230**	**140,640**	**4,073**	**3.0%**
Transfers in	3,177	3,855	4,655	4,025	170	4.4%
Total Revenue/Resources	**135,378**	**140,422**	**148,885**	**144,665**	**4,243**	**3.0%**

A summary of key revenue assumptions for FY 2017 follows. Please note that the General Fund section of the budget document contains further discussion and analysis of key General Fund revenue categories.

Property Tax – Property Tax is tied directly to assessed valuation and the decline of these revenues 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 rising 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.

CITYWIDE BUDGET OVERVIEW

With the majority of the second installment of Property Tax revenues received in April 2016 by the City, and following a discussion with the County Assessor about projected FY 2017 valuations in early March, staff is proposing an increase to Property Tax revenue projections for FY 2017 totaling 5.7% over the adopted FY 2016 revenues. Future annual growth is projected at 2-4%.

Sales Tax – While Sales Tax revenues have rebounded from pre-recession lows, this revenue category has experienced some regression. Revenue projections for FY 2017 reflect a -4.3% contraction over FY 2016 Adopted. However, $1.2 million of this reduction 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 results in FY 2017 reduction of about 0.8 percent.

Aside from these factors the City has experienced sales tax erosion like many California municipalities. When adjusted for inflation, sales tax revenues are not keeping pace. There are many reasons for this, but the impact is such that sales tax is actually declining when viewed on a per capita basis. At a time when the City is experiencing higher costs in municipal government and a growing demand for services from the community, the City is actually collecting less sales tax per person than in the early years of the tax. However, considering some economic development improvements and a sustained level of receipts, staff assumes a steady economic growth of sales tax revenue of 1–4%in future years.

Real Property Transfer Tax – FY 2017 Transfer Tax revenues are projected at $7.2 million – of which $4.8 million are considered recurring baseline revenues pursuant to current Council policy. This is an increase over FY 2016 adopted revenues of 10%. This optimistic projection anticipates a couple of large commercial transactions to occur in FY 2017. It is difficult to project this volatile revenue; however, future annual growth is estimated at 6% in FY 2018 and 2% thereafter.

- *RPTT Volatility and Base Annual Revenues:* RPTT is volatile revenue – and is entirely connected to Hayward's real estate market conditions, both value and rate of 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, currently $4.8 million, are considered non-recurring and are to be used toward one-time expenses such as capital improvements and reductions of benefit liabilities. This prudent fiscal approach helps avoid the mistake of budgeting recurring costs against one-time spikes in revenue – thereby exacerbating the City's structural gap.

Franchise Fees – This revenue category is comprised of franchise fees assessed on utilities doing business within City limits (e.g., refuse, gas, electricity, cable, etc.) and is assessed as a percentage of gross receipts. While some categories show slight growth, overall franchise fees are experiencing a 2.3% decrease for FY 2017.

Charges for Services – This revenue category is comprised of a variety of fees for building related activities. Given current levels of activity, FY 2017 projects a 12.2% increase. Future years reflect lower annual growth of 2–3% 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. Unfortunately, the State has significantly lowered its Gas Tax allocation to cities in recent years – and projections for FY 2017 are no exception. FY 2017 revenues reflect a

$496,000 reduction. This directly translates to an increased use of General Funds for these services.

General Fund Expenditures

Overall – the adopted FY 2017 expenditures have increased over the FY 2016 adopted budget by $8.6 million or 6.1%. There are several factors driving the expenditure growth, almost all due to escalating employee-related costs.

Table 5: FY 2017 General Fund Expenditures

	A	B	C	D	E	F
(in the 1,000's)	FY 2015 Actuals	FY 2016 Adopted	FY 2016 Projected	FY 2017 Adopted	Change $ (D-B)	Change % (D/B-1)
Expenditures						
Salary	63,732	68,097	69,567	71,808	3,711	5.4%
Overtime	6,973	6,000	7,235	5,530	(470)	-7.8%
Wages Subtotal	**70,705**	**74,097**	**76,802**	**77,338**	**3,241**	4.4%
Medical & Dental	10,197	12,596	12,723	13,054	458	3.6%
Retiree Medical (pay-go)	2,248	2,809	2,809	2,846	36	1.3%
Worker's Compensation	5,324	5,162	5,197	6,343	1,181	22.9%
Other Benefits	1,976	1,720	1,731	2,067	347	20.2%
Retirement (CalPERS)	18,008	21,308	21,240	23,919	2,611	12.3%
Benefits Subtotal	**37,753**	**43,596**	**43,700**	**48,229**	**4,633**	10.6%
Assumed Vacancy Savings	-	(2,282)	(2,700)	(2,860)	(579)	25.4%
Interdepartmental (ID) Charges	(3,723)	(5,037)	(5,019)	(4,832)	205	-4.1%
Unemployment Self Insurance	68	150	150	150	-	0.0%
OPEB Liability Contribution*	2,060	1,000	-	-	(1,000)	-100.0%
Net Staffing Expense	**106,863**	**111,524**	**112,934**	**118,024**	**6,500**	**5.8%**
Maintenance & Utilities	1,007	976	1,078	1,025	49	5.0%
Supplies & Services	9,554	6,811	9,411	6,940	129	1.9%
Internal Service Fees	11,553	13,336	13,336	14,413	1,077	8.1%
Minor Capital Outlay	33	19	33	25	6	31.6%
Debt Service*	3,302	3,445	3,710	3,710	265	7.7%
Liability Insurance*	2,385	2,338	3,838	2,889	551	23.6%
Economic Dev. Fund (from RPTTF)*	350	-	-	350	350	100.0%
Capital Funding*	1,925	1,973	2,480	1,654	(319)	-16.2%
Non-Personnel Expenses Subtotal	**30,108**	**28,898**	**33,886**	**31,005**	**2,107**	7.3%
UUT Prior Period Payment Offset	-	-	6,033	-	-	0.0%
Total Expenditures	**136,971**	**140,422**	**152,853**	**149,029**	**8,607**	**6.1%**

**Transfers Out of General Fund Total*

Salary – FY 2017 includes the contracted Cost of Living Adjustment (COLA) for all bargaining groups. This was a critical necessity to keep our organization market-competitive and to respect the five years or more than our employees had weathered without any increase to base salary. FY 2017 includes all position changes approved by City Council as part of the FY 2016 mid-year review and the adopted FY 2017 changes – a total increase of 4.5 FTE to the General Fund.

Overtime – Projected FY 2017 Overtime is $5.53 million – which is 7.8% less than budgeted in FY 2016. However, planned staffing changes in the Fire Department will reduce overtime usage

in FY 2017. Much of the General Fund overtime use is in the Police and Fire Departments and is necessary for mandatory staffing levels. 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 2017 anticipates an increase based on the current payment levels and number of retirees.

Medical & Dental Benefits – Medical benefit rates are anticipated to increase by 3.4% over 2016 rates (effective January 2017 and prorated accordingly). The budgeted increase of 6% reflects the anticipated rate growth based on current medical plan selections. Increases to dental benefits are assumed at 2% each year.

CalPERS Retirement Rates – Retirement rates increase significantly in FY 2017 – with total costs increasing 12.3%. The FY 2017 rates increase over prior year levels by 1.92% to as much as 4.8% 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% for public safety plans and 7% or 8% for miscellaneous plans). The Public Employees' Pension Reform Act of 2013 (PEPRA) introduced new benefit formulas effective January 1, 2013 that affect new employees to the City that have not previously been part of the CalPERS system. While there is little immediate financial benefit to the City with this "two-tiered" system, the long-term benefit of lower retiree costs is anticipated to be significant.

Most employee groups contribute beyond the Employee Contribution portion and pay a portion of the Employer Contribution: 6% for sworn police and fire personnel, 1% for all non-sworn personnel (with a multi-year phased-in increase to 3%). The Employer rates displayed in Table 6 represent the full Employer cost as assessed by CalPERS, and do not reflect these cost-sharing agreements, as these agreements do not affect the overall cost of CalPERS, only who pays what share.

Table 6 – CalPERS Rates

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Miscellaneous								
CalPERS 10/2015 Valuation	22.1%	24.47%	26.39%	28.10%	29.80%	31.40%	32.00%	32.50%
Change over prior year	**2.36%**	**2.41%**	**1.92%**	**1.71%**	**1.70%**	**1.60%**	**0.60%**	**0.50%**
Police								
CalPERS 10/2015 Valuation	39.80%	42.40%	47.22%	50.08%	54.50%	58.10%	59.00%	59.70%
Change over prior year	**4.61%**	**2.60%**	**4.82%**	**2.86%**	**4.42%**	**3.60%**	**0.90%**	**0.70%**
Fire								
CalPERS 10/2015 Valuation	37.15%	40.40%	43.12%	46.10%	49.10%	52.10%	52.80%	53.70%
Change over prior year	**3.75%**	**3.25%**	**2.73%**	**2.98%**	**3.00%**	**3.00%**	**0.70%**	**0.90%**

Vacancy Savings – Vacancy savings are assumed based on normal attrition and known staffing vacancies. Adopted FY 2017 vacancy savings are $2.86 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 2017 assumes no contribution toward the City's Other Post-Employment Benefits (OPEB) Retiree Medical unfunded liability. The City plans to phase in the funding of the total Annual Required Contribution (ARC) for its OPEB liability – reaching this minimum annual funding level by FY 2022. Should the City have available resources to increase the FY 2017 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 $1.08 million or 8.1% over FY 2016. The Facilities ISF reflects a rate increase of 3% for FY 2017 as reached from 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. FY 2017 budget reflects no Fleet Capital Fund transfers or cost allocations to the General Fund and indicates a reduction in fuel charges of $102,500.

The Technology Internal Service Fund represents an increase of about $257,000 in FY 2017 for specific recurring technology costs that no longer include General Fund cost allocations, but do include:

- Munis and other program annual software maintenance
- 1 new FTE position charged to the fund
- Transfer of $614,719 to the Technology Capital Fund

Capital Funding

This category is fairly unchanged from FY 2016. FY 2017 includes $750,000 in one-time allocations for a variety of critical Information Technology projects:

- IT security assessment
- Server replacement/network server replacement
- Network infrastructure replacement
- Online permitting
- Council Chambers technology upgrade

Some of these projects will require funding in future years as well to complete; however, funding levels will be contingent on future budget processes. In addition, there are similarly critical technology needs that remain on the unfunded list, as can be seen in the Capital Improvement Plan budget for FY 2017.

Other Funds

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

Measure C – During the June 3, 2014 municipal election, the voters of the City of Hayward passed a ballot measure (Measure C) to increase the City's Transaction and Use (Sales) Tax by half a percent for twenty years. This half cent increase became effective October 1, 2014, bringing Hayward's Sales and Use Tax rate to 10.0%. This is a general tax and is considered discretionary in nature. Staff estimates that the new sales tax will generate approximately $13.5 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 City's existing fire training center. Of the $13.5 million in annual revenue, staff estimates annual 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 2017 budget.

- *Revenue:* The City began receiving allocations of the Measure C Transaction and Use (sales) Tax effective January 1, 2015. Staff anticipates receiving approximately $13.5 million in revenues from Measure C for FY 2017. As previously approved by Council, staff established a new fund within the General Fund to allow for easy tracking of the revenues and expenses associated with Measure C (Fund 101).

- *Expenditures:* Given the timing of the design of the Measure C funded capital projects, FY 2017 is estimating expenses of $6 million for related staffing (police and maintenance) and estimated debt service.

UNFUNDED NEEDS & LIABILITIES

While the adopted FY 2017 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 2016 reviewing its benefit liabilities and considering funding plans toward adequately funding the unfunded portions of these liabilities.

Unfunded Capital Needs

The FY 2017 Capital Improvement Program reflects "Identified Capital Needs" totaling almost $370 million for which funding is undetermined. In accord with Council policy, as one-time funding becomes available, Council will allocate funds toward these unfunded CIP needs.

Benefit Liabilities & Funding Status

The City actively manages its benefit liabilities and completes actuarial valuations for all benefit liabilities with the exception of accrued leave payouts (analysis conducted by staff). These valuations consider the economic, demographic, and historical compositions of the benefit programs and establish amounts that the City should allocate each year to fund its benefit-related financial obligations. In today's economic climate, it is critical that the City continue to manage its benefit liabilities to ensure long-term fiscal stability and the continuance of these valuable benefits to City employees. Actuarial valuations identify the Annual Required Contribution (ARC) an agency should make toward the funding of the benefit. This is essentially the minimum funding amount that should be responsibly made by any organization. The ARC is generally comprised of two elements: a portion of funding for current costs (sometimes referred to as "pay go") and a portion of funding for future costs (the Unfunded Actuarial Liability or UAL).

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

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	6/30/2014	$ 320.42	$ 215.85	67.4%	$ 104.56	32.6%
CalPERS Fire Safety Plan	6/30/2014	$ 245.01	$ 174.18	71.1%	$ 70.83	28.9%
CalPERS Miscellaneous Plan	6/30/2014	$ 386.83	$ 280.14	72.4%	$ 106.69	27.6%
Total CalPERS		**$ 952.25**	**$ 670.17**	**70.4%**	**$ 282.08**	**29.6%**
OPEB - Retiree Medical Police Office	6/30/2013	$ 43.37	$ -	0.0%	$ 43.37	100.0%
OPEB - Retiree Medical Firefighters	6/30/2013	$ 12.82	$ 0.76	6.0%	$ 12.06	94.0%
OPEB - Retiree Medical Miscellaneou	6/30/2013	$ 19.60	$ 0.08	0.4%	$ 19.53	99.6%
Total OPEB-Retiree Medical (1)		**$ 75.80**	**$ 0.84**	**1.1%**	**$ 74.96**	**98.9%**
Workers' Compensation	6/30/2015	$ 18.37	$ 9.65	52.5%	$ 8.72	47.5%
Accrued Leave Payouts (2)	6/30/2015	$ 7.10	$ -	0.0%	$ 7.10	100.0%
Total		**$ 1,053.52**	**$ 680.66**	**64.6%**	**$ 372.87**	**35.4%**

(1) Updated OPEB actuarial valuation in progress
(2) Accrued Leave Payouts - no actuarial valuation

Retirement Annual cost (annual cost: $23.9 million) – The City is fully meeting its annual required contribution (ARC) amounts based on the CalPERS premium rates. Given the new CalPERS "smoothing" methodology, the long-term intent is to fund the City's liability over the 30-year amortization period. See Attachment I for further discussion regarding funding policies. However, while recent changes adopted by the CalPERS Board will increase Hayward's Employer rates, the changes will improve the plan's funding status over the next thirty years.

Workers' Compensation (annual cost: $6.3 million) – Pursuant to the current actuarial valuation conducted for the program, a funding status of 70 – 85% is recommended. Table 7 shows that the City is currently at about a 52.5% funding level. Staff recommended funding at the 80% level and beginning in FY 2013, implemented a plan to build the fund balance toward achieving this funding level over the next four years. Workers' Compensation rates charged against live payroll include a component of cost (about $1.5 million/year) toward unfunded liability. Once the 80% funding level is reached (about $9 million in fund balance reserved for future liability) – the Workers' Compensation rates will be adjusted downward.

*Retiree Medical – O*PEB (annual cost: $2.85 million "pay go") – The estimated actuarial calculation of the City's ARC is $7.9 million ($2.85 million "pay go" and $5 million toward future unfunded liability). The City is not funding the full ARC due to its budget pressures – but is fully funding the annual $2.85 million "pay go" portion for active retirees. Effective FY 2014, the City began contributing toward the unfunded liability based on available resources and phases in the cost of fully funding the ARC by FY 2022.

Accrued Leave Payouts (annual cost: varies) – Staff has taken strong action to lower this liability during the past two years by managing employees to approved vacation caps. This has helped to prevent large accrued leave payouts to retiring or terminating employees. The total liability has reduced from the FY 2013 balance of $8.6 million to the FY 2015 balance of $7.1 million – a 17% 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.

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FINANCIAL SUMMARIES – ALL FUNDS

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

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

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

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

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

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

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

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

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

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

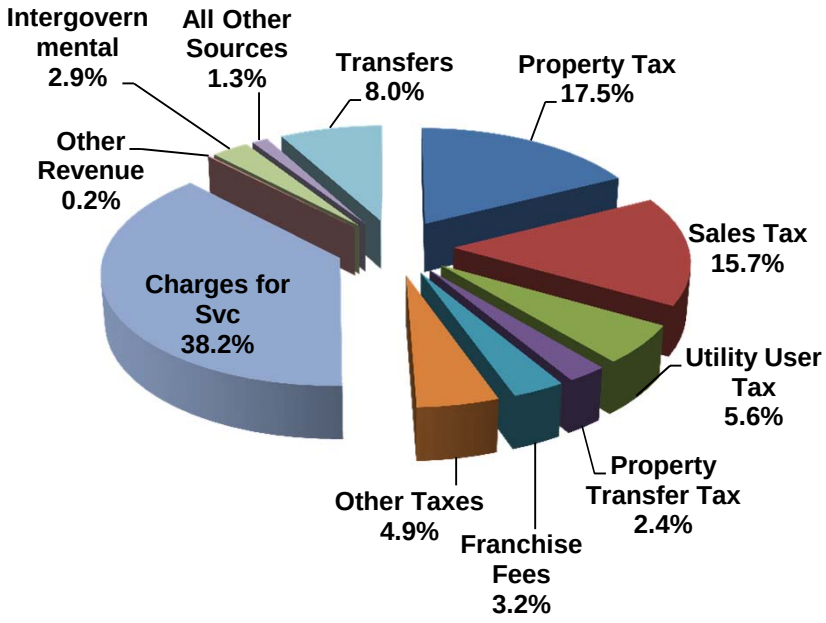
ALL OPERATING FUNDS - SUMMARY

	General	Measure C	Special Revenue	Debt Service	Enterprise	Internal Service	Successor RDA	TOTAL
Revenues								
Property Tax	46,005	-	-	-	-	-	5,409	51,414
Sales Tax	32,600	13,469	-	-	-	-	-	46,069
Util User Tax	16,543	-	-	-	-	-	-	16,543
Real Property Trnsfr Tax	7,154	-						7,154
Franchise Fees	9,362	-	-	-	-	-	-	9,362
Other Taxes	6,722	-	7,778	-	-	-	-	14,500
Charges for Service	11,137	-	-	-	75,045	25,814	-	111,996
Other Revenue	451	-	-	-	-	-	-	451
Intergovernmental	8,038	-	-	-	-	-	577	8,615
From All Other Sources	2,628	-	-	966	-	-	72	3,666
	140,640	**13,469**	**7,778**	**966**	**75,045**	**25,814**	**6,058**	**269,769**
Trnsfrs from other funds*	**4,025**	**-**	**350**	**12,907**	**2,140**	**4,000**	**-**	**23,421**
Total Revenues	**144,665**	**13,469**	**8,128**	**13,872**	**77,185**	**29,814**	**6,058**	**293,191**
Expenditures								
Salary								
Regular	71,808	1,609	801	-	12,289	4,526	156	91,189
Overtime	5,530	-	-	-	392	225	-	6,147
Vacancy Savings	(2,860)	-	-	-	-	-	-	(2,860)
Benefits								
Fringe Benefits	21,613	642	201	-	3,980	1,305	36	27,776
Retiree Medical	2,846	58	17	-	228	75	3	3,228
PERS	23,919	470	194	-	2,942	1,090	38	28,653
Chrgs (to)/fr other prog	(4,832)	-	338	-	(275)	-	(89)	(4,857)
Net Staffing Expense	**118,024**	**2,779**	**1,551**	**-**	**19,556**	**7,221**	**144**	**149,275**
Maintenance & Utilities	1,025	59	707	-	2,570	4,175	8	8,544
Supplies & Services	6,361	53	4,855	44	6,499	7,465	206	25,482
Internal Service Fee	14,413	126	103	-	2,224	451	-	17,317
Capital	25		407	-	-	-	-	432
Debt Service	-	-	-	7,103	4,145	1,217	4,009	16,475
All Other Uses	579	-	1,545	-	28,300	6,748	-	37,172
	22,402	**239**	**7,617**	**7,148**	**43,738**	**20,056**	**4,223**	**105,422**
Total Expense	**140,426**	**3,018**	**9,167**	**7,148**	**63,294**	**27,277**	**4,367**	**254,697**
Transfers to other funds*	**8,603**	**2,802**	**341**	**465**	**16,722**	**1,114**	**840**	**30,886**
Subtotal Expenditures	**149,029**	**5,819**	**9,508**	**7,612**	**80,017**	**28,391**	**5,206**	**285,583**
Total Expenditures	**149,029**	**5,819**	**9,508**	**7,612**	**80,017**	**28,391**	**5,206**	**285,583**
(Use)/Add to fund bal	**(4,364)**	**7,650**	**(1,380)**	**6,260**	**(2,831)**	**1,423**	**852**	**7,608**

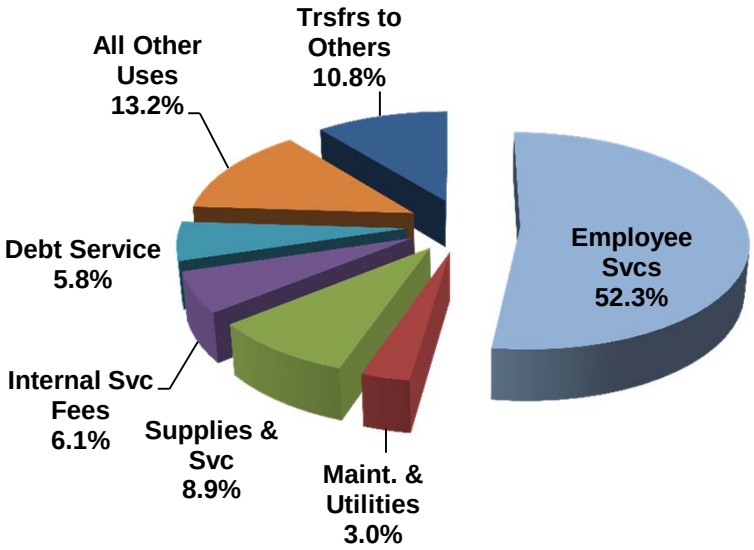
Note: General Fund column represents fund 100 only.

Summary of Revenues and Expenditures - All Operating Funds

FY 2017 All Operating Funds
Revenues - By Type
$293.2 Million
(Amounts Stated in Millions)



FY 2017 All Operating Funds
Expenditures - By Category
$285.6 Million
(Amounts Stated in Millions)



ALL OPERATING FUNDS - DEPARTMENT SUMMARY

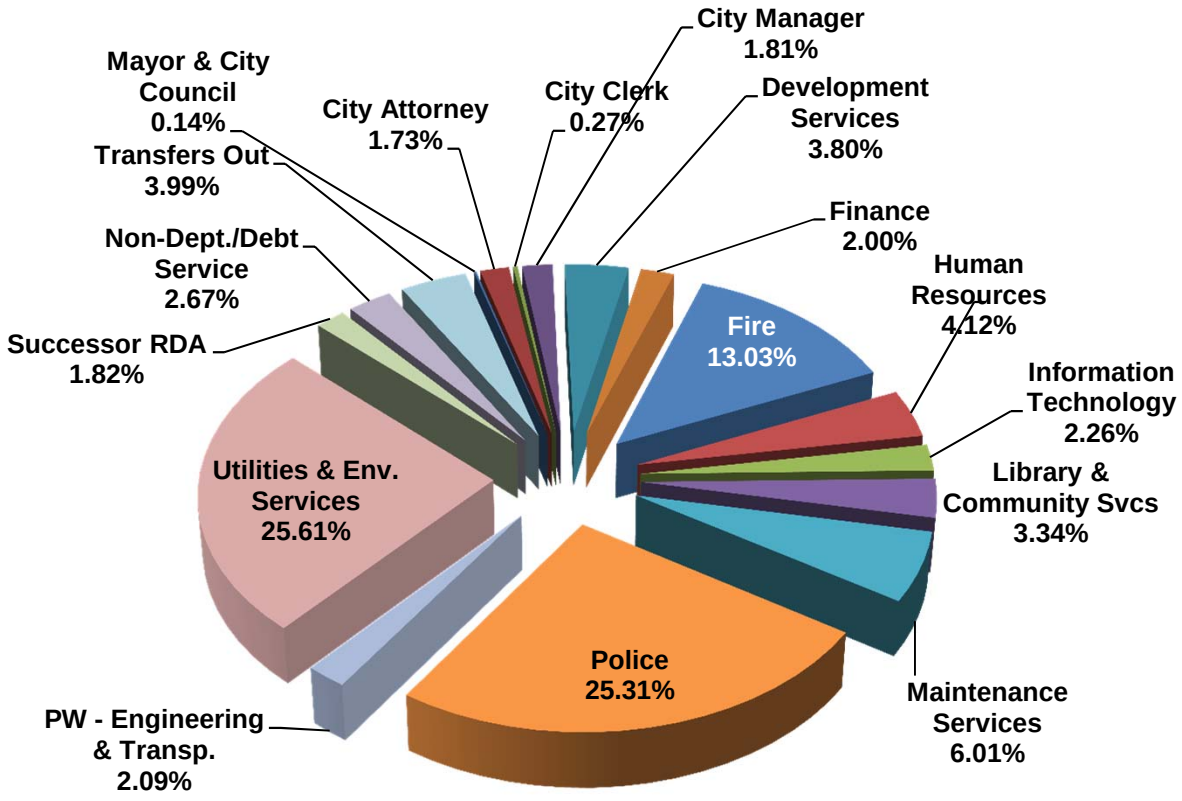
	General	Measure C	Special Revenue	Debt Service	Enterprise	Internal Service	Successor RDA	TOTAL
Revenues								
Mayor/City Council	-	-	-	-	-	-	-	-
City Attorney	14	-	-	-	-	4,000	-	4,014
City Clerk	13	-	-	-	-	-	-	13
City Manager	67	-	983	-	-	-	6,058	7,109
Development Services	6,275	-	2,236	-	-	-	-	8,510
Finance	900	-	-	-	-	-	-	900
Fire	6,736	-	-	-	-	-	-	6,736
Human Resources	30	-	-	-	-	10,825	-	10,855
Information Technology	-	-	-	-	-	6,796	-	6,796
Library & Comm. Services	83	-	3,541	-	-	-	-	3,624
Maintenance Services	1,434	-	961	-	-	8,192	-	10,587
Police	4,973	-	-	-	-	-	-	4,973
PW-Engineering & Transp	327	-	-	-	3,204	-	-	3,531
Utilities & Env Services	-	-	407	-	73,981	-	-	74,388
Non-dept/Transfers In	123,813	13,469	-	13,872	-	-	-	151,154
Total Revenues	**144,665**	**13,469**	**8,128**	**13,872**	**77,185**	**29,814**	**6,058**	**293,191**
Expenditures								
Mayor/City Council	399	-	-	-	-	-	-	399
City Attorney	1,305	-	-	-	-	3,625	-	4,929
City Clerk	758	-	-	-	-	-	-	758
City Manager	3,490	-	1,335	-	-	351	5,206	10,383
Development Services	8,219	-	2,639	-	-	-	-	10,858
Finance	4,133	-	-	-	1,589	-	-	5,722
Fire	37,221	-	-	-	-	-	-	37,221
Human Resources	1,956	-	-	-	-	9,803	-	11,759
Information Technology	-	-	-	-	-	6,442	-	6,442
Library & Comm. Services	5,625	-	3,900	-	-	-	-	9,525
Maintenance Services	4,807	602	1,017	-	2,581	8,169	-	17,177
Police	69,879	2,415	-	-	-	-	-	72,294
PW-Engineering & Transp	2,583	-	-	-	3,386	-	-	5,969
Utilities & Env Services	51	-	617	-	72,460	-	-	73,128
Non-dept/Transfers Out	8,603	2,802	-	7,612	-	-	-	19,017
Total Expenditures	**149,029**	**5,819**	**9,508**	**7,612**	**80,017**	**28,391**	**5,206**	**285,583**
(Use)/Add to fund bal	**(4,364)**	**7,650**	**(1,380)**	**6,260**	**(2,831)**	**1,423**	**852**	**7,608**

Note: General Fund column represents fund 100 only.

SUMMARY OF EXPENDITURES BY DEPARTMENT-ALL FUNDS

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Mayor & City Council	471,035	470,933	397,335	398,673
City Attorney	5,724,887	4,344,730	4,269,622	4,929,328
City Clerk	614,099	852,560	913,556	758,060
City Manager	3,923,461	4,462,428	5,245,272	5,176,269
Development Services	5,428,170	4,743,969	8,232,706	10,857,896
Finance	4,277,901	5,026,949	5,337,303	5,722,230
Fire	32,827,653	34,243,169	35,042,909	37,221,441
Human Resources	12,880,140	12,963,401	11,086,295	11,759,073
Information Technology	4,436,852	5,222,143	6,141,488	6,442,488
Library & Community Svcs	8,593,554	10,261,622	9,418,476	9,525,392
Maintenance Services	14,806,592	15,624,047	17,940,752	17,176,773
Police	59,168,121	62,598,514	68,542,845	72,294,452
PW - Engineering & Transp.	7,249,842	4,903,255	5,432,069	5,969,372
Utilities & Env. Services	60,652,469	64,554,382	69,858,932	73,127,937
Successor RDA	17,236,446	6,550,184	4,699,647	5,206,475
Non-Dept./Debt Service	7,865,619	6,574,797	17,949,081	7,612,480
Transfers Out	14,313,624	10,307,173	8,826,299	11,404,427
	$ 260,470,465	**$ 253,704,256**	**$ 279,334,587**	**$ 285,582,766**

FY 2017 Adopted
All Funds Expenditures by Service Area



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GENERAL FUND SUMMARY & CASH BALANCE

$ in 1,000s	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beginning Cash Fund Balance	**$ 28,115**	**$ 25,052**	**$ 23,458**	**$ 23,458**
Revenues				
Property Tax	$ 38,971	$ 42,128	$ 43,521	$ 46,005
Sales Tax	31,019	31,058	34,064	32,600
Utility Users Tax	15,762	15,681	16,411	16,543
Franchise Fees	9,765	10,128	9,585	9,362
Real Property Transfer Tax	4,879	5,710	6,500	7,154
Other Taxes	6,214	6,523	6,548	6,722
Charges for Services	10,466	9,939	9,923	11,137
Inter-Governmental	6,771	7,856	7,262	8,038
Fines & Forfeitures	2,227	2,413	1,767	2,014
Other Revenues	690	648	431	451
Interest & Rents	563	117	555	614
Transfers In	3,390	3,177	3,855	4,025
Total Operating Revenues:	**$ 130,717**	**$ 135,378**	**$ 140,422**	**$ 144,665**
Expenditures				
Salaries & Benefits	$ 100,188	$ 104,804	$ 110,454	$ 118,024
Maintenance & Utilities	871	1,007	976	1,025
Supplies & Services	7,511	9,587	6,811	6,940
Internal Service Fees	9,367	11,553	13,336	14,413
Capital	120	-	19	25
Transfers Out	13,207	10,021	8,826	8,603
Total Operating Expenditures:	**$ 131,264**	**$ 136,972**	**$ 140,422**	**$ 149,029**
Annual Surplus/(Shortfall)	**$ (547)**	**$ (1,594)**	**$ -**	**$ (4,364)**
Adjustments to Fund Balance	$ (2,516)	**$ -**	**$ -**	**$ -**
Ending Fund Cash Balance (CAFR)	**$ 25,052**	**$ 23,458**	**$ 23,458**	**$ 19,094**

Cash Fund Balance Designations	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Proposed
Unassigned	-	-	$ 23,458	$ 19,094
Contingencies	$ 5,000	$ 5,000	-	-
Economic Uncertainty	5,000	5,000	-	-
Liquidity	5,052	5,000	-	-
Emergencies	10,000	8,458	-	-
Total Designated Fund Balance	**$ 25,052**	**$ 23,458**	**$ 23,458**	**$ 19,094**

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 2017 Adopted

		PY2 Actual FY 2015	PY1 Adopted FY 2016	PY1 Projected FY 2016	Year 1 Adopted FY 2017	Year 2 Forecast FY 2018	Year 3 Forecast FY 2019	Year 4 Forecast FY 2020	Year 5 Forecast FY 2021	Year 6 Forecast FY 2022	Year 7 Forecast FY 2023	Year 8 Forecast FY 2024	Year 9 Forecast FY 2025	Year 10 Forecast FY 2026
1	**Revenue**													
2	Annual Property Tax	39,637	42,021	42,455	44,405	46,312	48,147	50,056	52,040	54,103	56,249	58,479	60,798	62,481
3	RPTTF Pass-Thru & Annual Remittance	1,866	1,500	1,500	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
4	One-time RPPTF	625	-	-	-	-	-	-	-	-	-	-	-	-
5	Property Tax	**42,128**	**43,521**	**43,955**	**46,005**	**47,912**	**49,747**	**51,656**	**53,640**	**55,703**	**57,849**	**60,079**	**62,398**	**64,081**
6	Sales Tax	31,058	34,064	33,274	32,600	32,628	33,966	35,358	36,808	38,317	39,888	41,524	43,226	44,954
7	UUT	15,681	16,411	16,461	16,543	16,623	16,664	16,706	16,748	16,790	16,832	16,874	16,924	16,975
8	UUT Prior Period Payment	-	-	6,033	-	-	-	-	-	-	-	-	-	1
9	Franchise Fees	10,128	9,585	9,609	9,362	9,155	8,934	9,219	9,513	9,818	10,132	10,456	10,790	11,048
10	Property Transfer Tax Recurring	5,710	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,801
11	Property Transfer Tax One-Time (effective FY 2016)	-	1,700	2,200	2,354	2,495	2,545	2,596	2,648	2,701	2,755	2,810	2,866	2,924
12	Business License Tax	2,603	2,721	2,771	2,846	3,131	3,193	3,257	3,322	3,389	3,456	3,526	3,596	3,668
13	Transient Occupancy Tax	2,033	1,996	1,996	2,036	2,077	2,118	2,161	2,204	2,248	2,293	2,339	2,385	2,385
14	Emergency Facilities Tax	1,887	1,831	1,831	1,840	1,849	1,859	1,868	1,877	1,887	1,896	1,906	1,915	1,915
15	Charges for Services	9,939	9,924	10,255	11,137	11,360	11,587	11,818	12,055	12,296	12,542	12,793	13,049	13,310
16	Other Revenue	648	431	539	451	400	400	400	400	400	400	400	400	400
17	Intergovernmental	7,856	7,262	8,131	8,038	8,038	7,538	5,567	5,567	5,567	5,567	5,567	5,567	5,567
18	Fines and Forfeitures	2,413	1,767	1,822	2,014	2,055	2,096	2,138	2,180	2,224	2,268	2,314	2,360	2,360
19	Interest and Rents	117	555	555	614	621	628	636	643	650	658	666	673	681
20	**Total Revenue**	**132,201**	**136,567**	**144,230**	**140,641**	**143,143**	**146,075**	**148,179**	**152,405**	**156,788**	**161,335**	**166,051**	**170,950**	**175,070**
21	Transfers in	3,177	3,855	4,655	4,025	4,141	4,044	4,123	4,205	4,289	4,379	4,469	4,560	4,660
22	**Total Revenue/Resources**	**135,378**	**140,422**	**148,885**	**144,665**	**147,284**	**150,119**	**152,302**	**156,610**	**161,078**	**165,715**	**170,519**	**175,510**	**179,730**
23	**Expenditures**													
24	Salary	63,732	68,097	69,567	71,806	72,616	75,305	76,810	78,312	79,876	81,439	83,066	84,692	86,350
25	Overtime	6,973	6,000	7,235	5,530	5,641	5,754	5,869	5,986	6,106	6,228	6,352	6,479	6,609
26	**Wages Subtotal**	**70,705**	**74,097**	**76,802**	**77,336**	**78,257**	**81,059**	**82,678**	**84,298**	**85,982**	**87,667**	**89,419**	**91,171**	**92,959**
27	Medical Benefits	9,250	11,491	11,632	12,065	12,656	13,283	13,948	14,652	15,399	16,190	17,029	17,918	18,861
28	Dental Benefits	947	1,105	1,091	990	1,009	1,030	1,050	1,071	1,093	1,114	1,137	1,159	1,183
29	Retiree Medical (payments to current retirees)	2,248	2,809	2,809	2,846	2,903	2,961	3,020	3,081	3,142	3,205	3,269	3,335	3,401
30	Worker's Compensation	5,324	5,162	5,197	6,343	6,470	6,600	6,732	6,866	7,004	7,144	7,287	7,432	7,581
31	Other Benefits	1,976	1,720	1,731	2,067	2,109	2,160	2,205	2,254	2,309	2,362	2,417	2,475	2,535
32	PERS	18,008	21,308	21,240	23,919	25,764	28,872	31,488	32,678	33,863	34,542	35,247	35,954	36,675
33	**Benefits Subtotal**	**37,753**	**43,596**	**43,700**	**48,230**	**50,912**	**54,905**	**58,443**	**60,602**	**62,809**	**64,558**	**66,386**	**68,273**	**70,236**
34	Vacancy Savings (wages & benefits)	-	(2,282)	(2,700)	(2,860)	(2,700)	(2,000)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,499)
35	Interdepartmental (ID) Charges to other funds	(3,723)	(5,037)	(5,019)	(4,832)	(4,898)	(4,898)	(4,898)	(4,898)	(4,898)	(4,898)	(4,898)	(4,898)	(4,898)
36	Unemployment Self-Insurance	68	150	150	150	150	150	150	150	150	150	150	151	152
37	**Salaries & Benefits Subtotal**	**104,803**	**110,524**	**112,934**	**118,023**	**121,722**	**129,216**	**134,874**	**138,652**	**142,543**	**145,976**	**149,556**	**153,198**	**156,950**
38	Transfer to OPEB Liability Trust Fund*	2,060	1,000	-	-	1,000	2,000	3,000	4,000	5,000	5,100	5,202	5,306	5,412
40	**Net Staffing Expense**	**106,863**	**111,524**	**112,934**	**118,023**	**122,722**	**131,216**	**137,874**	**142,652**	**147,543**	**151,076**	**154,758**	**158,504**	**162,362**
41	Maintenance & Utilities	1,007	976	1,078	1,025	1,035	1,046	1,056	1,067	1,077	1,088	1,099	1,110	1,110
42	Supplies & Services	9,554	6,811	9,411	6,940	7,079	7,220	7,365	7,512	7,662	7,815	7,972	8,131	8,294
43	Internal Service Fees	11,553	13,336	13,336	14,413	14,560	14,708	14,858	15,010	15,163	15,318	15,474	15,632	15,791
44	Minor Capital Outlay	33	19	33	25	-	-	-	-	-	-	-	-	-
45	Transfer to Debt Service Fund*	3,302	3,445	3,710	3,710	3,707	3,707	3,707	3,707	3,707	3,707	3,707	3,707	3,708
46	Transfer to Liability Insurance Fund*	2,385	2,338	3,838	2,889	2,947	3,006	3,066	3,127	3,190	3,253	3,319	3,385	3,453
47	Transfer to Economic Development Fund (from RPTTF)*	350	-	-	350	350	350	350	350	350	350	350	350	350
48	Transfer to Capital Improvement Program Fund*	1,925	1,973	2,480	1,654	887	1,168	799	2,003	1,206	1,206	1,206	1,206	1,206
49	**Net Operating Expense**	**30,108**	**28,898**	**33,886**	**31,005**	**30,564**	**31,204**	**31,200**	**32,775**	**32,354**	**32,737**	**33,125**	**33,520**	**33,911**
50	UUT Prior Year Payments Set-aside			**6,033**										
51	**Expenditures Subtotal**	**136,971**	**140,422**	**152,853**	**149,029**	**153,285**	**162,420**	**169,074**	**175,427**	**179,898**	**183,813**	**187,884**	**192,024**	**196,273**
55	**Total Expenditures**	**136,971**	**140,422**	**152,853**	**149,029**	**153,285**	**162,420**	**169,074**	**175,427**	**179,898**	**183,813**	**187,884**	**192,025**	**196,275**
56	**Total Surplus/(Shortfall)**	**(1,593)**	**(0)**	**(3,968)**	**(4,364)**	**(6,002)**	**(12,301)**	**(16,772)**	**(18,816)**	**(18,820)**	**(18,099)**	**(17,364)**	**(16,514)**	**(16,545)**
57	** Transfers Out of the General Fund Total*	*10,022*	*8,756*	*10,028*	*8,603*	*8,890*	*10,230*	*10,921*	*13,187*	*13,452*	*13,616*	*13,783*	*13,954*	*14,128*
58														
60	**Beginning Fund Balance**	**25,052**	**23,458**	**23,458**	**19,490**	**15,126**	**9,124**	**(3,177)**	**(19,948)**	**(38,765)**	**(57,585)**	**(75,683)**	**(93,048)**	**(109,562)**
61	Change to Reserves	(1,593)	(0)	(3,968)	(4,364)	(6,002)	(12,301)	(16,772)	(18,816)	(18,820)	(18,099)	(17,364)	(16,514)	(16,545)
63	**Ending Fund Balance**	**23,458**	**23,458**	**19,490**	**15,126**	**9,124**	**(3,177)**	**(19,948)**	**(38,765)**	**(57,585)**	**(75,683)**	**(93,048)**	**(109,562)**	**(126,107)**
64	*% of Expenditures (Council Policy is minimum of 20%)*	*17%*	*17%*	*13%*	*10%*	*6%*	*-2%*	*-12%*	*-22%*	*-32%*	*-41%*	*-50%*	*-57%*	*-64%*

GENERAL FUND - FUND TRANSFER SUMMARY

Fund Transfers (FY 2014 - 2017)

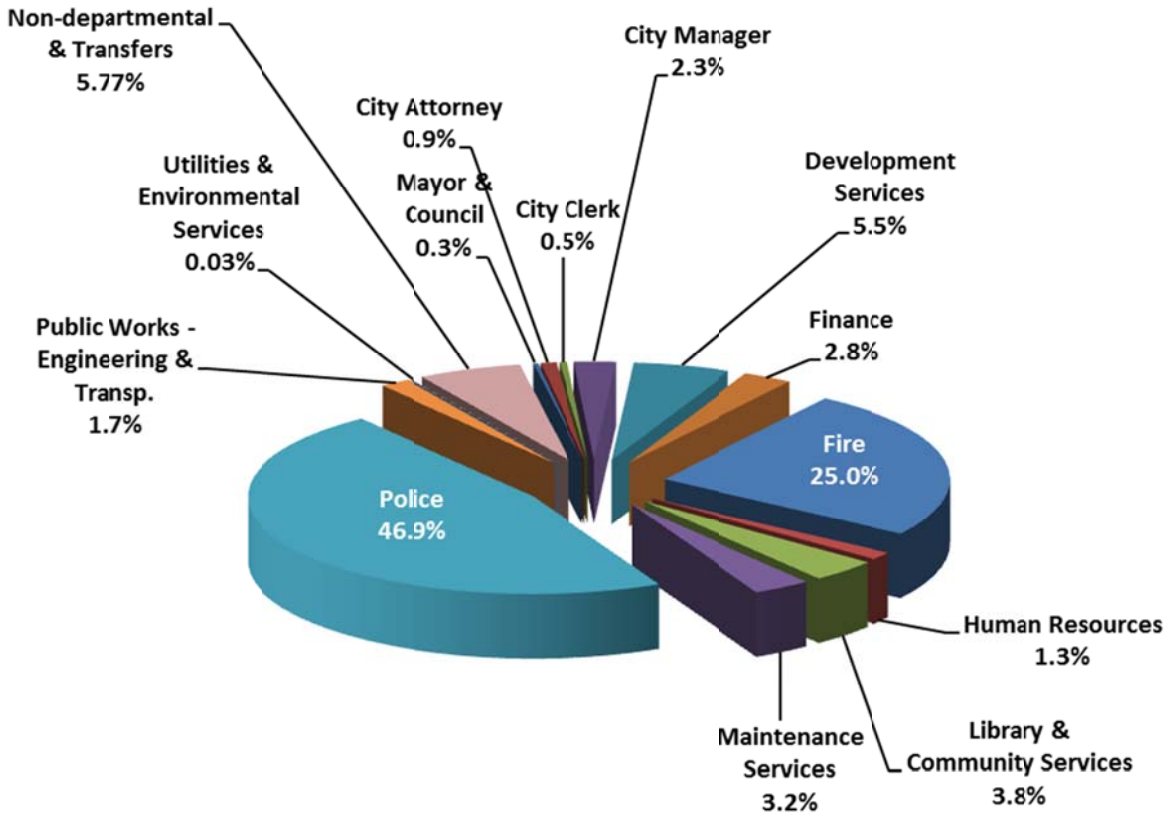
'$'s in 1,000's	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted
Transfers into the General Fund				
Transfer for Cost Allocation	2,450	2,523	2,436	2,333
Transfer from Successor RDA Loan Repayment	-	-	-	800
Transfer from So. Hwd B.A.R.T. JPA	-	-	-	200
Transfer from Special Gas Tax	1,148	223	723	227
Transfer from Citizen's Option Grant	184	184	184	-
Transfer from Byrnes Justice Assist Grant	55	55	48	-
Transfer from CFD #2 for Police Services	-	278	284	284
Transfer from CFD #1 Fund	8	8	8	8
Transfer from CFD #3 for Police & Fire Services	-	-	173	173
Transfers into the General Fund	**3,845**	**3,271**	**3,856**	**4,025**
Transfers out of the General Fund				
Transfer to Debt Service	2,809	3,301	3,445	3,572
Transfer for Risk Management Premium	2,621	2,338	2,338	2,889
Transfer to Economic Development Fund	-	-	-	350
Transfer to Trans Sys Improvement Fund	350	350	350	350
Transfer to Worker's Compensation Fund	310	-	-	-
Transfer to InformationTechnology Operating Fund	130	-	-	-
Transfer to Capital Projects	3,646	1,360	1,623	1,304
Transfer to Water Fund	-	-	-	138
Transfer to Retiree Medical Fund	918	2,060	1,000	-
Transfers out of the General Fund	**10,784**	**9,408**	**8,756**	**8,603**

EXPENDITURES BY DEPARMENT – GENERAL FUND

Summary of Expenditures by Department - General Fund

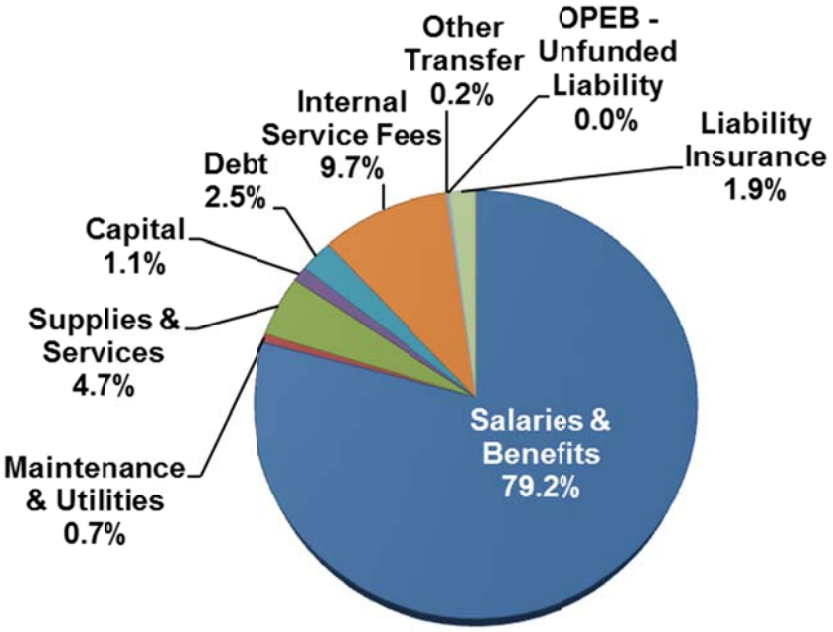
	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Mayor & Council	471,035	470,933	397,335	398,673
City Attorney	960,202	928,248	1,106,681	1,304,716
City Clerk	614,099	852,560	913,556	758,060
City Manager	3,700,158	4,220,436	4,629,312	3,490,271
Development Services	4,644,499	4,556,249	5,593,890	8,219,080
Finance	3,162,848	3,774,834	3,811,816	4,133,162
Fire	32,827,653	34,243,169	35,042,909	37,221,441
Human Resources	1,500,889	1,411,092	1,827,736	1,955,588
Library & Community Services	4,840,063	4,827,204	5,344,696	5,625,297
Maintenance Services	3,765,939	4,303,963	4,633,024	4,807,360
Police	58,844,307	62,254,874	65,994,933	69,878,969
Public Works - Engineering & Transp	1,573,643	185,266	2,252,761	2,582,939
Utilities & Environmental Services	44,559	41,724	47,317	50,571
Non-departmental & Transfers	14,313,624	14,900,448	8,826,299	8,602,899
	$ 131,263,518	**$ 136,971,000**	**$ 140,422,265**	**$ 149,029,026**

FY 2017 = $149.0 M

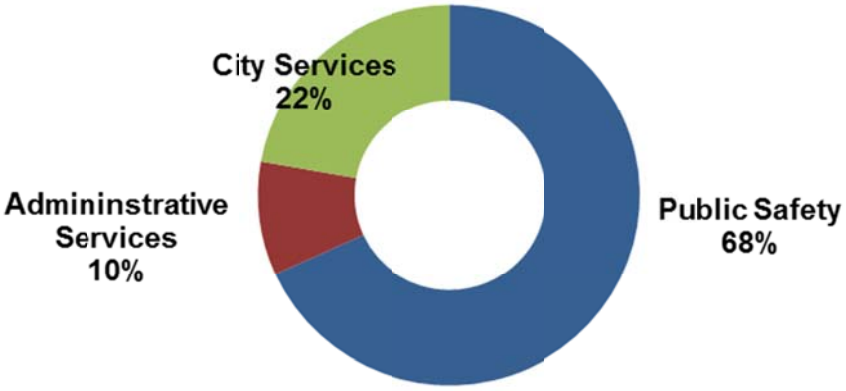


GENERAL FUND EXPENDITURES & STAFFING

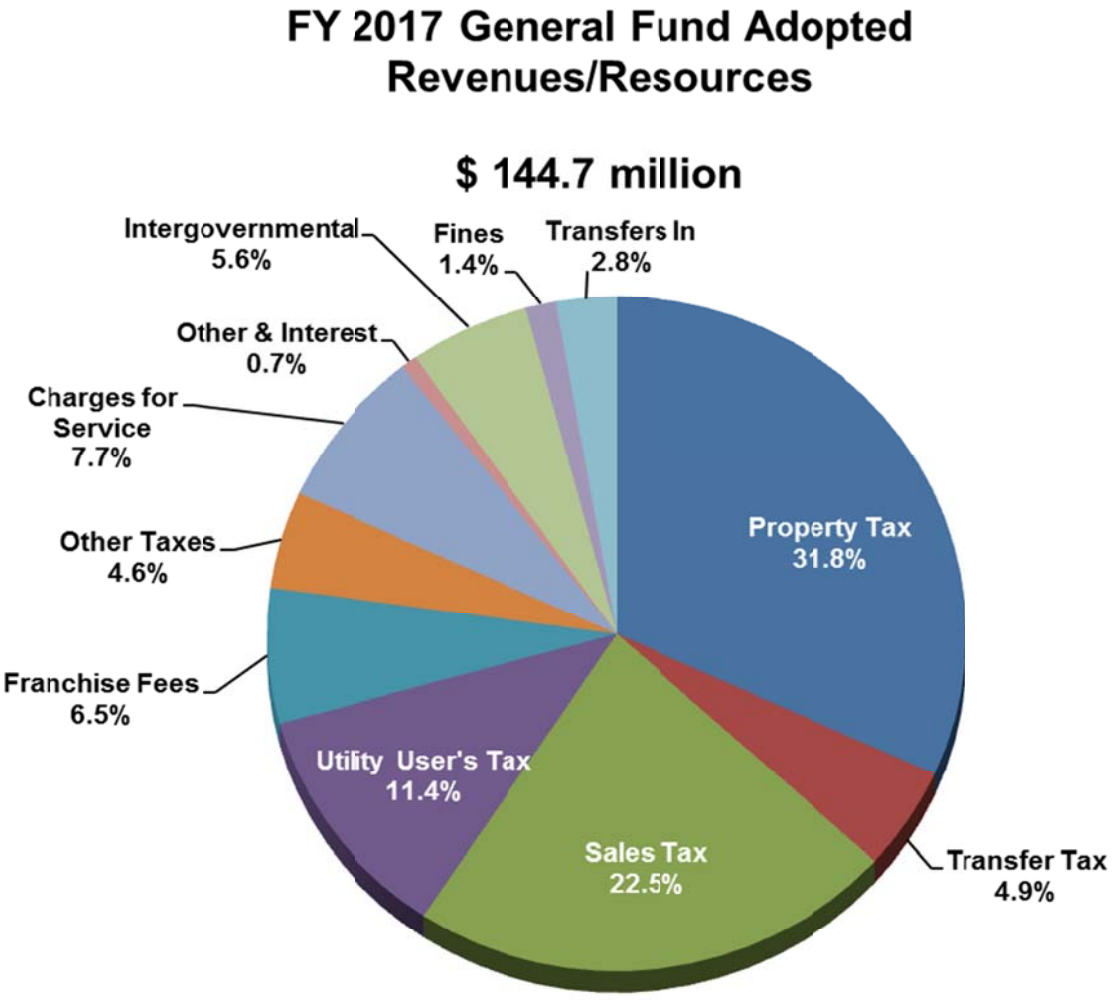
FY 2017
General Fund Expenditures by Category



FY 2017
General Fund Staffing by Service Area



GENERAL FUND REVENUES BY SOURCE



GENERAL FUND REVENUES

Revenues by Category *in 1,000's*	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Property Taxes				
Property Tax Secured	$ 24,050	$ 26,005	$ 27,674	$ 29,459
Property Tax Unsecured	1,444	1,555	1,606	1,654
RPTTF (Redistribution & Pass-Thru)	2,073	2,491	1,500	1,600
Property Tax - VLF Swap	11,404	12,077	12,741	13,292
Total Property Taxes	**$ 38,971**	**$ 42,128**	**$ 43,521**	**$ 46,005**
Sales & Use Tax				
Sales and Use Taxes	$ 22,396	$ 22,324	$ 27,700	$ 31,800
Sales Tax/Public Safety	773	764	773	800
Sales Tax Triple Flip	7,850	7,970	5,591	-
Total Sales & Use Tax	**31,019**	**31,058**	**34,064**	**32,600**
Utility Users Tax	**15,762**	**15,681**	**16,411**	**16,543**
Franchise Fee Tax				
Franchise - refuse	$ 4,099	$ 4,313	$ 4,510	$ 4,532
Franchise - water	1,799	1,439	1,079	756
Franchise - Sewer	986	789	592	414
Franchise - gas & electric	1,425	2,122	2,000	2,060
Franchise - Cable TV	1,456	1,465	1,404	1,600
Total Franchise Fee Tax	**9,765**	**10,128**	**9,585**	**9,362**
Real Property Transfer Tax	**$ 4,879**	**$ 5,710**	**$ 6,500**	**$ 7,154**
Other Taxes				
Business License Tax	$ 2,602	$ 2,603	$ 2,721	$ 2,846
Emergency Facilities Tax	1,694	1,887	1,831	1,840
Transient Occupancy Tax	1,918	2,033	1,996	2,036
Total Other Taxes	**$ 6,214**	**$ 6,523**	**$ 6,548**	**$ 6,722**
Charges for Services *(comprised of Licenses & Permits, Fees & Service Charges, Construction Related Fees)*				
Licenses and Permits				
Fire Licenses & Permits	$ 1,205	$ 1,110	$ 1,369	$ 1,492
Police Licenses & Permits	443	402	420	423
Other Licenses & Permits	138	155	127	188
Total Licenses and Permits	**$ 1,786**	**$ 1,667**	**$ 1,916**	**$ 2,103**
Fees and Service Charges				
Fire Fees & Svc Charges	$ 1,068	$ 1,060	$ 950	$ 1,117
Police Fees & Svc Charges	897	1,041	981	1,014
Residential Rental Inspections	735	773	658	808
Other Fees & Svc Charges	492	381	473	399
Total Fees and Service Charges	**$ 3,192**	**$ 3,255**	**$ 3,062**	**$ 3,338**

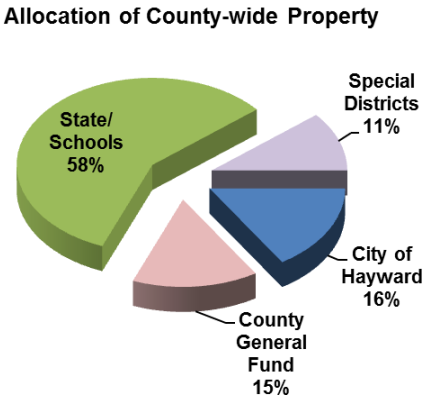
GENERAL FUND REVENUES

Revenues by Category *in 1,000's*	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Construction Related Fees				
Construction Permits	$ 1,603	$ 1,416	$ 2,170	$ 2,556
Plan Checking & New Constr. Insp.	3,399	2,989	2,425	2,600
Supplemental Improvement Tax	486	612	350	540
Total Construction Related Fees	**$ 5,488**	**$ 5,017**	**$ 4,945**	**$ 5,696**
Total Charges for Services	**$ 10,466**	**$ 9,939**	**$ 9,923**	**$ 11,137**
Inter-Governmental				
Police Grants/Reimb	$ 2,985	$ 4,176	$ 3,007	$ 3,445
Fire County EMS Reimb	407	371	501	300
Fairview Fire Protection District	$ 2,639	$ 2,720	$ 2,783	$ 2,828
Vehicle License Fee (VLF)	65	63	76	70
Fire Mutual Aid Reimb	640	199	500	1,000
Miscellaneous	35	327	395	395
Total From Other Agencies	**$ 6,771**	**$ 7,856**	**$ 7,262**	**$ 8,038**
Fines and Forfeitures				
Vehicle Fines	$ 428	$ 454	$ 500	$ 300
Parking Citations - In House	1,229	1,587	1,180	1,560
Parking Citations - DMV	107	-	-	-
FTB Parking Tax Offset	3	35	4	-
Photo Red Light	280	244	-	70
Criminal Fines	90	12	-	-
Administrative Citations	5	6	-	1
Library Fines	85	75	83	83
Total Fines and Forfeitures	**$ 2,227**	**$ 2,413**	**$ 1,767**	**$ 2,014**
Other Revenues				
Other	690	648	431	451
Total Other Revenues	**$ 690**	**$ 648**	**$ 431**	**$ 451**
Interest & Rents				
Interest Earned	$ 186	$ 42	$ 348	$ 400
Miscellaneous Interest Income	196	-	200	200
Building & Parking Rental	181	75	7	14
Total Interest & Rents	**$ 563**	**$ 117**	**$ 555**	**$ 614**
Total General Fund Revenues	**$ 127,327**	**$ 132,201**	**$ 136,567**	**$ 140,640**
Transfers In	3,390	3,177	3,855	4,025
Total Revenues Including Transfers	**$ 130,717**	**$ 135,378**	**$ 140,422**	**$ 144,665**

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, reassessment results in one or more supplemental tax bills being sent to the property owner during the year, in addition to the annual property tax bill.

Vehicle In-lieu Tax/License Fees (VLF)

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

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

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

Personal Property Taxes

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

KEY GENERAL FUND REVENUES

PROPERTY TAXES, continued

Analysis

Factors that affect revenue generated by property taxes include:

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

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

Forecast

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

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

PROPERTY TAXES (All)	Actual Revenue			Projected Revenue				
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Total Collections	39,181	38,971	42,128	43,955	46,005	47,912	49,747	51,656
$ Change	3,465	(210)	3,157	1,827	2,050	1,907	1,835	1,909
% Change	9.70%	-0.54%	8.10%	4.34%	4.66%	4.15%	3.83%	3.84%

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

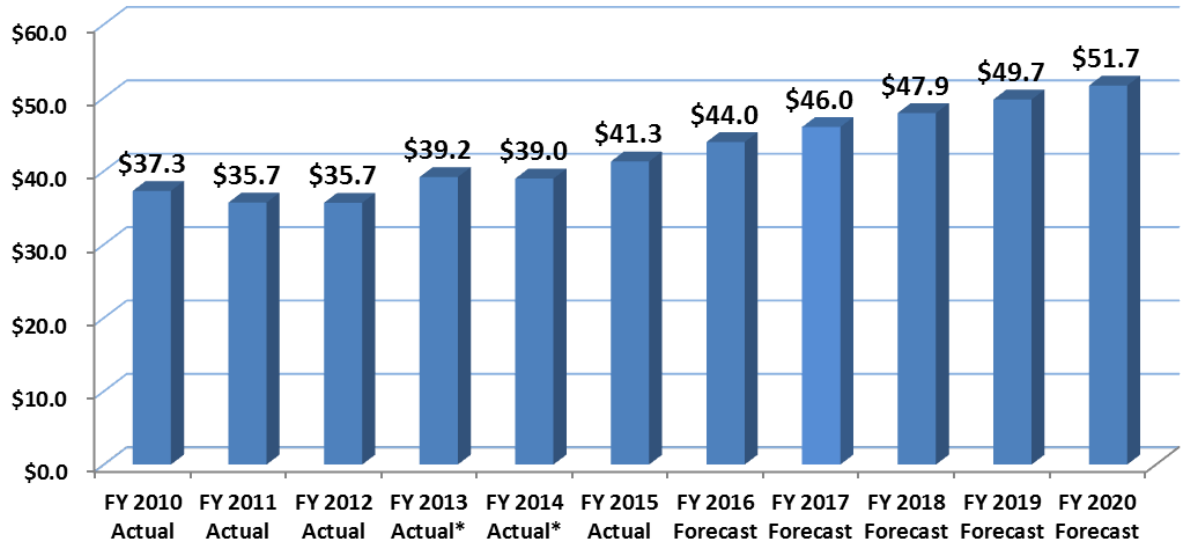
KEY GENERAL FUND REVENUES

PROPERTY TAXES, continued

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

Overall Property Tax revenues are projected to grow by a total of 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
*FY 2015 includes $625,000 in one-time revenue

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

Recent information from the County Assessor projects FY 2017 net land and improvements value growth of about 5.5% (the City is assuming a 5%). 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 Index (CCPI) growth factor and cannot exceed 2 percent, as prescribed by

KEY GENERAL FUND REVENUES

Proposition 13. While the October to October CPI was .45% in FY 2015 and 1.9% in FY 2016 – it is 1.5% for FY 2017. Therefore, the projected growth for FY 2017 is based on 1.5% of CPI growth and about 3.5% of growth from reassessed values and assessment roll gains from new construction, etc.

KEY GENERAL FUND REVENUES

SALES AND USE TAXES

Sales and Use Tax is the General Fund's second largest source of revenue and represents 23 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	**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 rate to 10% (with the passage of Alameda County's Measure BB .5% Sales Tax increase). This is a general tax and is considered discretionary in nature. However, City Council has adopted specific expenditures intended to be funded with this revenue that includes debt service for capital expenses associated with the new 21st Century Library and Learning Center, a new fire training center, improvements to fire stations, streets and roads improvements and increases in police and maintenance services. Staff estimates that the District Sales Tax will generate approximately $13.5 million annually in locally controlled revenue that can be allocated by City Council and will remain in place for a period of twenty years.

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

KEY GENERAL FUND REVENUES

SALES AND USE TAXES, continued

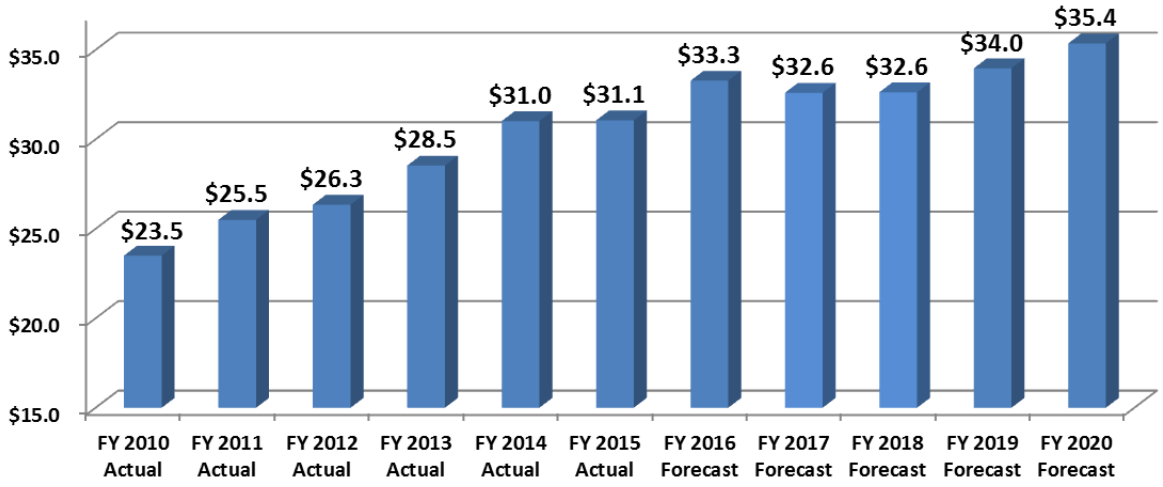
Analysis

Factors that affect revenue generated by Sales Tax include:

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

Forecast

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



Based on the City's current sales tax base, large jumps in sales tax receipts in future years are not expected (absent significant economic development growth). City sales tax revenues experienced moderate growth of 3.2% from March 2015 to March 2016 (Alameda County growth of 6.1%). With the conclusion of the Triple Flip, FY 2016 is projected to see revenue growth of about 7% due to one-time true-up payments. FY 2017 revenues are projected to decrease by 2% from FY 2016 after excluding the one-time revenues. A continued lowering of revenues is reflected in FY 2018 due to the loss of one of the City's largest sales tax generators, Gillig Corporation. Future growth is projected at 4%.

TOTAL SALES & USE TAX *(in 1,000s)*	Actual Revenue			Projected Revenue				
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Total Collections	$28,534	$31,020	$31,058	$33,274	$32,600	$32,628	$33,966	$35,358
$ Change	2,188	2,486	38	2,216	-674	28	1,338	1,392
% Change	8.30%	8.71%	0.12%	7.14%	-2.03%	0.09%	4.10%	4.10%

KEY GENERAL FUND REVENUES

UTILITY USERS TAX

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

Analysis

Some factors that affect the revenue generated by UUT are:

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

Forecast

UUT is forecasted with limited net growth. Gas and electricity rates are likely to rise in future years, but trends indicate that reduced consumption offsets much of these cost increases (and resulting UUT revenues). In FY 2014 the City experienced an increase in revenues from the new power plant's electricity use. This is now built into the forecast.

UTILITY USERS TAX	Actual Revenue			Projected Revenue				
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Total Collections	$14,940	$15,762	$15,681	$16,461	$16,543	$16,623	$16,664	$16,706
$ Change	143	822	-81	780	82	80	41	42
% Change	0.97%	5.50%	-0.51%	4.97%	0.50%	0.48%	0.25%	0.25%

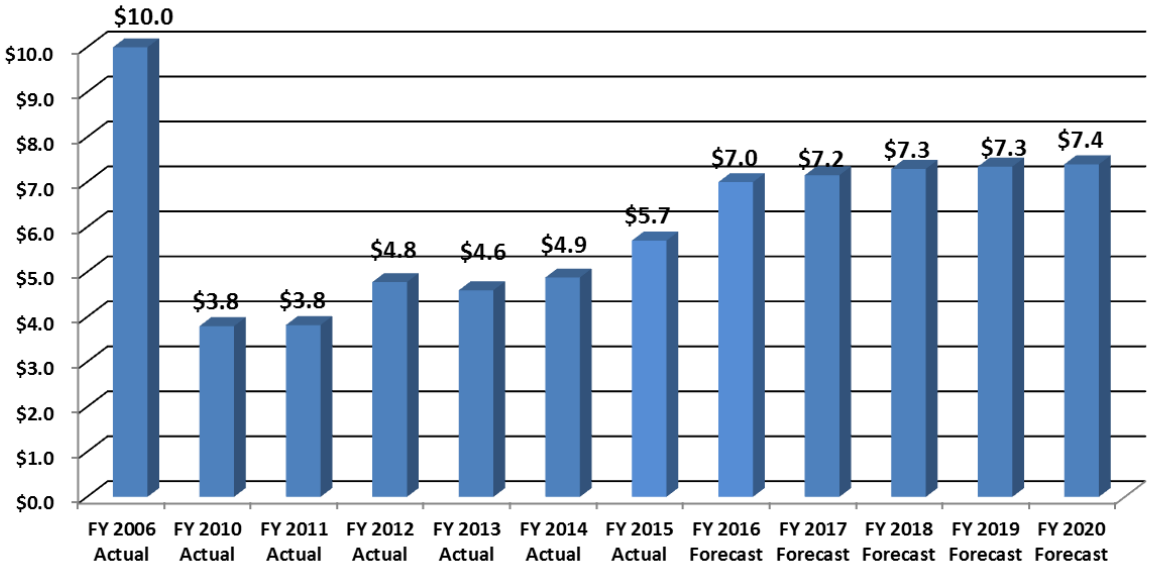
Recent passage of AB1717 is intended to address the loss of revenues the City has experienced from wireless services. While slow to materialize from the Board of Equalization, the City anticipates a related growth in revenue for pre-paid wireless UUT in FY 2016 and FY 2017. However, this will level off in FY 2018 as we reach market saturation since this tax will have reached the vast majority of payees in the City and 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 documents of transfer are recorded with the County. Title companies collect the tax as part of the sale closing process, and remit the funds to Alameda County when sales or transfers are finalized. Penalties are imposed on delinquent payments, and interest is charged from the date of delinquency until paid. Alameda County remits the amounts due monthly, and the amounts are credited to the General Fund.

Analysis



Because Real Property Transfer Tax is tied directly to all real property sales, it is a volatile revenue source, and is difficult to predict for more than one year at a time. Factors that affect the revenue generated by Transfer Taxes are the 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% loss of revenues.

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

Forecast

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

KEY GENERAL FUND REVENUES

REAL PROPERTY TRANSFER TAXES, continued

PROPERTY TRANSFER TAX	Actual Revenue			Projected Revenue				
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Total Collections	$4,596	$4,879	$5,750	$6,500	$7,000	$7,154	$7,295	$7,345
$ Change	-182	283	871	750	500	154	141	50
% Change	-3.81%	6.16%	17.85%	13.04%	7.69%	2.20%	1.97%	0.69%

Revenues received in FY 2015 totaled $5.7 million, an almost18% increase over FY 2014. Again, this revenue is entirely percent driven by the residential and commercial real estate markets. While assessed values have improved the residential market – the number of transactions drive these revenues. FY 2017 and FY 2018 growth assumes market activity remains active – and also that one or more large commercial transactions may occur. However, the forecast reflects moderate growth projections through FY 2019 and projects a drop in growth in FY 2020 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 BLT revenues. This is a large project that ultimately will need to be approved by a vote of Hayward residents.

Forecast

BLT revenues are expected to increase by 2.7% over FY 2016 projections, with forecasted annual growth of 2%. 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 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Collections	$2,493	$2,602	$2,603	$2,771	$2,846	$3,131	$3,193	$3,257
$ Change	10	109	1	168	75	285	62	64
% Change	0.40%	4.37%	0.04%	6.45%	2.71%	10.01%	1.98%	2.00%

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MEASURE C – DISTRICT SALES TAX

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

While Measure C is included in Hayward's Sales and Use Tax rate of 10%, the half cent District Sales tax portion is collected and segregated from the remaining 9.5%. This distinction is important because the application of the District Sales Tax differs from the other portion: the District Sales Tax is applied to goods and services whose "destination" resides within the City. In other words, where the Bradley Burns Sales Tax is generally allocated to the jurisdiction where the sale is negotiated or the order is taken, the Measure C District Sales Tax is allocated directly to the City when goods are delivered and placed into use in Hayward.

This is a general tax that is considered discretionary in nature; however these funds, are intended to fund debt service for construction of the new 21st Century Library and Community Learning Center, completion of fire station retrofits and improvements, rehabilitation and expansion of the existing fire training center, as well as for extensive street improvements. Of the $13.5 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.

Analysis

Because the Measure C District Sales Tax is included as part of Hayward's 10% sales tax rate, the economic factors that affect State Sales and Use Tax are mostly the same as those that will influence this revenue:

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

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

Forecast

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

MEASURE C – DISTRICT SALES TAX

	FY 2015 Actual	FY 2016 Estimated	FY 2017 Proposed	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Revenues						
Measure C	8,090,470	13,076,598	13,468,896	13,872,963	14,011,692	14,151,809
Bond Issuance		67,535,000				
Total Revenues	**8,090,470**	**80,611,598**	**13,468,896**	**13,872,963**	**14,011,692**	**14,151,809**
Expenditures						
Library/Learning Center	-	7,250,000	32,000,000	15,430,000	-	-
Other Capital Expenditures	-	5,950,000	16,400,000	11,850,000	11,900,000	4,300,000
Personnel Expenditures	205,969	3,039,750	3,252,533	3,480,210	3,723,824	3,984,492
Debt Service Expenditures	-	1,494,293	2,730,688	2,730,688	5,426,563	5,424,813
Total Expenditures	**205,969**	**17,734,043**	**54,383,220**	**33,490,897**	**21,050,387**	**13,709,305**
Annual Surplus/Shortfall	7,884,501	62,877,555	(40,914,324)	(19,617,934)	(7,038,695)	442,505
Ending Fund Balance	**7,884,501**	**70,762,056**	**29,847,732**	**10,229,798**	**3,191,103**	**3,633,608**

FY 2015 actuals represent revenues collected from October 1, 2014 through June 30 2015. The above forecast assumes a 3% annual increase in District Sales Tax revenues for FY 2017 and FY 2018, and a conservative 1% increase in fiscal years 2019 and 2020 in anticipation of slow growth after the economic recovery from the Great Recession has subsided.

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

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 of water per day 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 9.3 percent increase in the wholesale rate in FY 2017. Over the next five years, wholesale water rates are expected to increase by nearly 30 percent, due in large part to the costs of improving the reliability of the regional water system.

The Water Fund has also been impacted by reduced water consumption in recent years. 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.

The City is projecting a 5% reduction in consumption for FY 2017, 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 in 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 2017, the Water Fund will support a portion of the proposed cost of hiring a Utilities Engineering Manager position. This position will have oversight of the Utilities Engineering Division, responsible for implementing all Utilities capital projects. The Water Fund will also begin supporting two 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.

Forecast

Water Maintenance & Operations Fund 605

	FY 2015 Actual	FY 2016 Revised	FY 2016 Estimated	FY 2017 Proposed	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected
Beginning Fund Balance	**26,836,323**	**28,355,249**	**28,355,249**	**19,198,979**	**16,172,956**	**16,657,756**	**17,546,856**	**15,725,056**
Program Revenues								
Water Sales	37,084,371	38,000,000	36,000,000	39,100,000	43,300,000	46,900,000	49,600,000	52,400,000
Service Charges	3,954,559	4,400,000	4,400,000	4,900,000	4,900,000	4,900,000	4,900,000	4,900,000
Installation Fees	363,104	250,000	250,000	250,000	250,000	250,000	250,000	300,000
Other Revenues	745,518	260,000	260,000	260,000	260,000	260,000	260,000	260,000
Interest	104,433	97,000	97,000	97,000	94,000	83,000	88,000	79,000
Transfers In	429,498	567,433	567,433	0	567,900	570,700	570,000	572,300
Total Revenues	42,681,483	43,574,433	41,574,433	44,607,000	49,371,900	52,963,700	55,668,000	58,511,300
Expenditures								
Personnel	5,695,260	6,919,284	6,919,284	7,802,738	8,305,700	8,721,000	9,113,400	9,523,500
Non-Personnel	6,230,453	6,218,862	6,227,953	5,579,744	5,490,400	5,121,000	5,201,100	5,287,600
Water Purchases	22,154,379	27,500,000	25,900,000	28,300,000	30,800,000	33,900,000	38,800,000	38,900,000
Transfers Out [(1)]	7,082,466	3,683,466	11,683,466	5,950,541	4,291,000	4,332,600	4,375,300	4,419,300
Total Expenditures	41,162,557	44,321,612	50,730,703	47,633,023	48,887,100	52,074,600	57,489,800	58,130,400
Annual Surplus/(Shortfall)	1,518,926	(747,179)	(9,156,270)	(3,026,023)	484,800	889,100	(1,821,800)	380,900
Ending Fund Balance	**28,355,249**	**27,608,070**	**19,198,979**	**16,172,956**	**16,657,756**	**17,546,856**	**15,725,056**	**16,105,956**

(1) Increased transfer to Water Replacement Capital Fund for Advanced Metering Infrastructure project in FY 2016 ($8M) and FY 2017 ($2M)

Forecast Assumptions

- Water sales revenue for FY 2017 includes an adopted average rate adjustment of 9 percent. Level rate adjustments of 6 percent in FY 2018 and FY 2021 are assumed. Actual proposed adjustments beyond FY 2017 will depend on SFPUC wholesale rates and water consumption.
- Service charges revenue for FY 2017 is based on an adopted average rate adjustments of 14 percent.
- Estimated water consumption has conservatively assumed a reduction of 5 percent 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.
- Beginning in FY 2017, the Wastewater Fund will support a portion of a proposed Utilities Engineering Manager, responsible for oversight of the Utilities Engineering Division, as well as 2.0 FTE Utility Workers.
- 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 ($8 million in FY 2016 and $2 million FY 2017) to cover the cost of the Advanced Metering Infrastructure conversion.

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

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 2017 and FY 2018, no increase in FY 2019, a 3 percent increase in FY 2020, and no increase in FY 2021. 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 2017, the Wastewater Fund will support a portion of the proposed Utilities Engineering Manager position. This position will have oversight of the Utilities Engineering Division, responsible for implementing all Utilities capital projects. Also in FY 2016, the Wastewater Fund will support the addition of a 0.50 FTE Associate Civil Engineer (increasing an existing 0.50 FTE Associate Civil Engineer to 1.0FTE).

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 2018.

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

Forecast

Wastewater Maintenance & Operations Funds 610

	FY 2015 Actual	FY 2016 Revised	FY 2016 Estimated	FY 2017 Proposed	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected
Beginning Fund Balance	**14,424,549**	**18,105,599**	**18,105,599**	**17,827,797**	**17,582,947**	**17,902,830**	**18,643,405**	**19,215,780**
Program Revenues								
Sewer Service Charges	19,869,327	19,000,000	19,000,000	19,600,000	20,200,000	20,400,000	20,900,000	21,000,000
Sewer Connection Fees	5,773,583	4,500,000	8,000,000	4,500,000	3,000,000	3,000,000	3,000,000	3,000,000
Other Revenues	94,278	96,000	96,000	96,000	96,000	96,000	96,000	96,000
Interest	59,199	66,000	66,000	66,000	89,000	90,000	94,000	97,000
Transfers In	2,030,112	1,951,645	1,951,645	1,514,476	1,734,775	1,735,375	1,584,075	1,584,075
Total Revenues	27,826,499	25,613,645	29,113,645	25,776,476	25,119,775	25,321,375	25,674,075	25,777,075
Expenditures								
Personnel	6,376,442	7,690,159	7,690,159	8,227,256	8,522,300	8,956,000	9,365,900	9,794,100
Non-Personnel	8,205,795	8,926,210	8,926,210	8,140,368	8,093,592	7,416,800	7,494,800	7,574,500
Transfers Out	9,563,212	9,275,078	12,775,078	9,653,702	8,184,000	8,208,000	8,241,000	8,267,000
Total Expenditures	24,145,449	25,891,447	29,391,447	26,021,326	24,799,892	24,580,800	25,101,700	25,635,600
Annual Surplus/(Shortfall)	3,681,050	(277,802)	(277,802)	(244,850)	319,883	740,575	572,375	141,475
Ending Fund Balance	**18,105,599**	**17,827,797**	**17,827,797**	**17,582,947**	**17,902,830**	**18,643,405**	**19,215,780**	**19,357,255**

Assumptions

- Wastewater service charges revenue for FY 2017 is based on an adopted average rate adjustment of 3 percent per year. 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 Utilities Engineering Manager, responsible for oversight of the Utilities Engineering Division, as well as a proposed 0.50 FTE Associate Civil Engineer.
- 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.

Forecast

Stormwater Maintenance & Operations Funds 615

	FY 2015 Actual	FY 2016 Revised	FY 2016 Estimated	FY 2017 Proposed	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected
Beginning Fund Balance	**3,344,659**	**3,694,647**	**3,694,647**	**3,913,271**	**4,226,799**	**4,662,399**	**5,055,000**	**5,375,900**
Program Revenues								
Stormwater Fees	2,026,110	2,010,000	2,010,000	2,015,000	2,020,000	2,025,000	2,030,000	2,040,000
Street Cleaning Fees	780,387	700,000	700,000	790,000	798,000	806,000	814,000	822,000
Inspection Fees	21,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Other Revenues	5,206	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Interest	13,762	16,000	16,000	16,000	20,000	21,000	22,000	23,000
Transfers In	0	0	0	200,000	200,000	200,000	200,000	200,000
Total Revenues	2,846,465	2,743,000	2,743,000	3,038,000	3,055,000	3,069,000	3,083,000	3,102,000
Expenditures								
Personnel	1,567,278	1,496,614	1,496,614	1,903,440	1,699,100	1,750,100	1,802,700	1,856,800
Non-Personnel	809,985	905,588	905,588	856,534	955,300	956,700	985,100	998,700
Transfers Out	119,214	122,174	122,174	160,549	165,000	169,600	174,300	179,200
Total Expenditures	2,496,477	2,524,376	2,524,376	2,920,523	2,819,400	2,876,400	2,962,100	3,034,700
Annual Surplus/(Shortfall)	349,988	218,624	218,624	117,477	235,600	192,600	120,900	67,300
Ending Fund Balance	**3,694,647**	**3,913,271**	**3,913,271**	**4,030,748**	**4,462,399**	**4,854,999**	**5,175,900**	**5,443,200**

Assumptions

- No assumed stormwater fee increases
- Beginning in FY17 the Stormwater Fund will support an additional proposed 1.0 FTE Street Sweeper, the cost of which is offset by a $200K transfer from street sweeping parking ticket revenue.

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 2015, there were 426 based-aircraft, and total aircraft operations reported by the FAA were 120,191, an increase of 6.5% 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 6.5% and a 19% increase in jet fuel sales in FY 2015. The airport's current Fixed Base Operator (FBO) has begun construction of new office and hangar facilities. Additionally a second FBO is scheduled to complete construction of new office and hangar facilities in September 2016. As the industry continues to rebound improvements to commission revenues from fuel flowage and increase in land leases are forecasted.

Forecast

Airport Operating Fund - Fund 620

	FY 2015 Actual	FY 2016 Adopted	FY 2016 Estimated	FY 2017 Proposed	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected
Beginning Fund Balance	2,722,381	2,670,011	2,670,011	2,870,702	2,688,451	2,530,490	2,360,354	2,214,332
Program Revenues								
Interest & Rents	1,251,437	158,251	2,772,305	182,683	186,337	188,200	193,846	195,784
Land Rent	921,984	1,699,164	310,770	1,656,699	1,772,668	1,772,668	1,772,668	1,772,668
Hangar Rent	546,588	1,008,800	55,123	1,008,800	1,028,976	1,028,976	1,059,845	1,059,845
Fees & Service Charges	5,159	9,400	9,400	6,000	6,120	6,242	6,367	6,495
Other Revenues	273,251	320,000	10,711	350,000	378,000	408,240	440,899	476,171
Total Revenues	2,998,419	3,195,615	3,158,309	3,204,182	3,372,101	3,404,326	3,473,626	3,510,963
Expenditures								
Personnel	1,354,520	1,533,204	1,444,838	1,676,469	1,709,998	1,744,198	1,779,082	1,814,664
Non-Personnel	752,854	685,689	724,359	776,664	784,431	792,275	800,198	808,200
Transfers Out	943,415	960,415	788,421	933,300	1,035,633	1,037,989	1,040,368	1,042,771
Total Expenditures	3,050,789	3,179,308	2,957,618	3,386,433	3,530,062	3,574,462	3,619,648	3,665,635
Annual Surplus/(Shortfall)	(52,370)	16,307	200,691	(182,251)	(157,961)	(170,136)	(146,022)	(154,671)
Ending Fund Balance	**2,670,011**	**2,686,318**	**2,870,702**	**2,688,451**	**2,530,490**	**2,360,354**	**2,214,332**	**2,059,661**

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 (July 2017, July 2021, July 2025 etc.) to ensure that hangar rates are consistent with the prevailing market rates.

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

- Commissions are collected from fuel flowage and the Hayward Area Recreational District (HARD). The commission from fuel flowage is five cents per gallon of petroleum products delivered or an amount equal to 3 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 decreasing. Measure D funds are directly tied to the amount of solid waste deposited in landfills; to the extent that the City's waste diversion and recycling programs are successfully diverting solid waste from landfills, a correlating amount of Measure D revenue decreases. Staff anticipates the annual disbursement of Measure D funds to stabilize after FY 2019. This will cause an annual shortfall in the fund in FY 2017 and FY 2018. Council approved an integrated waste management fee to supplement Recycling Fund activities 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 2015 Actual	FY 2016 Revised	FY 2016 Estimated	FY 2017 Proposed	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected
Beginning Fund Balance	1,384,901	1,275,537	1,275,537	1,411,870	1,198,100	959,500	1,055,000	1,144,600
Program Revenues								
Measure D Funds[1]	413,957	440,000	440,000	340,000	340,000	330,000	330,000	330,000
ACWMA Mitigation Funds	0	0	0	0	0	0	0	0
DOC Grant	39,006	0	0	0	0	0	0	0
Used Oil Grants/CalRecycle	42,341	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Donations (student contest)	3,382	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Interest	0	0	0	0	0	0	0	0
Waste Reduction-Recycling Grants	1,300	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Schools Recycling Program	0	0	0	0	0	360,000	370,000	380,000
Integrated Waste Management Fee [1]	25,996	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Reimb for Delinquent Assessment	30,000	0	0	0	0	0	0	0
Reimb for Franchise Agreement Admin [2]	0	250,000	250,000	0	0	0	0	0
Total Revenues	555,981	746,500	746,500	396,500	396,500	746,500	756,500	766,500
Expenditures								
Personnel	375,188	395,148	395,148	418,960	432,000	445,000	458,000	472,000
Non-Personnel	207,970	132,831	132,831	153,465	156,996	158,596	160,196	161,796
Transfers Out	82,188	82,188	82,188	44,824	46,100	47,400	48,700	50,000
Total Expenditures	665,345	610,167	610,167	617,249	635,096	650,996	666,896	683,796
Annual Surplus/(Shortfall)	(109,364)	136,333	136,333	(220,749)	(238,596)	95,504	89,604	82,704
Ending Fund Balance	**1,275,537**	**1,411,870**	**1,411,870**	**1,191,121**	**959,504**	**1,055,004**	**1,144,604**	**1,227,304**

(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 negotiations

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 (Facilities) is part of the Maintenance Services Department and is responsible for maintenance and repair of City facilities. Facilities services include janitorial and security services, maintenance and repair for all building needs, including HVAC, electrical, lighting, locksmith services, painting, plumbing, and carpentry work. Program revenue is generated by service fees charged for rental of City owned facilities and City departments, based on operation, maintenance, repair, and capital improvement of City facilities.

Analysis

The facilities operating fund has not been adequately funded in the past and is forecasting a declining balance. Staff is in the process of completing an RFP for a comprehensive facilities analysis, from which a long-term funding mechanism to fund operations and pay for the timely replacement of infrastructure will be sought. In mid-FY 2016, the security contract for Cinema Place parking garage was transferred from the Successor Agency to Facilities; this cost will be incurred by Facilities in future years.

Forecast

Facility Management Operating Fund - Fund 725

	FY 2015 Actuals	FY 2016 Adopted	FY 2016 Revised	FY 2016 Estimated	FY 2017 Proposed	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected
Beginning Fund Balance	**170,822**	**221,195**	**221,195**	**221,195**	**251,898**	**237,504**	**257,568**	**173,373**	**99,212**
Revenue									
Operational Service Rate	3,601,253	3,601,254	3,601,254	3,601,254	3,709,292	3,820,571	4,935,188	4 053,244	,174,841
Rental Fees	29,344	32,000	32,000	32,000	27,500	27,500	27,500	27,500	27,500
Other Revenue	124,699	114,000	114,000	136,000	136,000	136,000	22,000	22,000	22,000
GF Transfer In	-	-	35,730	35,730	-	-	-	-	-
Total Revenues	3,755,296	3,747,254	3,782,984	3,804,984	3,872,792	3,984,071	4,984,688	4 102,744	,224,341
Expenditures									
Staffing	1,077,733	1,267,002	1,294,777	1,100,000	1,316,858	1,356,364	1,397,055	1 438,966	,482,135
Utilities	768,303	853,875	853,875	800,000	802,580	826,657	851,457	877,001	903,311
Janitorial, Security, and Alarm Service	566,832	542,598	607,197	607,197	675,000	695,250	716,108	737,591	759,718
Maintenance, Supplies, and Svcs	554,182	467,713	497,657	497,657	454,650	468,290	482,338	496,808	511,713
Debt Service - 2 Loans	183,276	168,138	168,138	168,138	168,139	168,138	168,138	168,138	168,138
ISF: Fleet and Tech Svcs	140,606	90,684	90,684	90,684	110,320	113,630	117,038	120,550	124,166
GF Cost Allocation, Self-Insur	113,992	140,606	140,606	140,606	34,639	35,678	36,749	37,851	38,986
Transfer to Facility CIP	300,000	300,000	370,000	370,000	325,000	300,000	300,000	300,000	300,000
Total Expenditures	3,704,923	4,830,616	3,022,934	3,774,281	3,887,186	4,964,006	4,068,882	4 176,905	,288,168
Annual Surplus/(Shortfall)	50,373	(83,362)	(239,950)	30,703	(14,394)	20,064	(84,195)	(74,161)	(63,827)
Ending Fund Balance	**221,195**	**137,833**	**(18,755)**	**251,898**	**237,504**	**257,568**	**173,373**	**99,212**	**35,385**

Assumptions

- *Revenue growth rate* –
  - A 3% 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.

- *Expense growth rate* –
  - Staffing – A 3% growth rate is applied to forecasted budgets for staffing. The staffing line shows a disproportional increase between FY 2016 estimated and FY 2017 proposed. This is due to staff vacancies in FY 2016.
  - General Expenses - A 3% growth rate is applied to forecasted budgets for maintenance, supplies, services, and self-insurance charges. In FY 2016, the security contract for the

Cinema Place parking garage was transferred from the Successor Agency to the Facilities Operation Fund. This expense will be incurred by Facilities going forward.
  - Cost Allocation – Beginning in FY 2017, the General Fund cost allocation expense is no longer allocated to internal service funds.
  - Debt Service – Detailed debt service information is reflected in the debt section of this document. As of 6/30/2015, the total outstanding principal balance was $1.2 million.

- *Fund Balance* –
  - The facilities operating fund has a positive fund balance, however, increases in expenses will begin to deplete the ending fund balance. Facilities long-term prudent financial planning goal includes maintaining a 20% fund balance, with the purpose being to have a reserve funds for unanticipated high value repairs.

Facilities Capital Fund

Facility Management maintains a ten-year capital plan. Capital projects are budgeted in the Facilities Capital Improvement Fund (fund 726) to repair/replace HVAC units, roofs, flooring and window coverings, and all other facility repair/replacement needs. Replacement funds are transferred from the Facility Operating Fund to the Facilities Capital Fund to pay for needed updates. As seen in the chart below, the self-funding of CIP projects began in FY 2011. Staff is in the process of completing an RFP for a comprehensive facilities analysis, from which a long-term funding mechanism to fund the timely replacement of infrastructure will be sought.

Ten Year
Facilities Capital Improvement Project Contributions *($ in 1,000's)*

FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
65,000	80,000	160,000	180,000	300,000	370,000	325,000	300,000	300,000	300,000

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

FLEET MANAGEMENT OPERATIONS FUND

Fleet Management (Fleet) is part of the Maintenance Services Department and provides for the operation, maintenance, repair, and acquisition of the City's fleet of over 420 vehicles and related equipment. Fleet 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 City departments, based on operation, maintenance, and repair of vehicles and equipment.

Analysis

The fleet operating fund is stable, with its largest expense (debt service) declining. As of June 30, 2015, fleet's long-term principal debt burden was over $4.4 million dollars. With FY 2015 being the last year that the City utilized a bank loan to fund vehicle replacement, the City will now begin to see annual debt service expense decline over the life of the five-year plan. Fuel prices have fallen from recent highs in 2012. As these large expenses have declined, fund balance has grown. In FY 2016, Fleet was able to use the accumulated cash balance for the planned purchase of a fire engine. This purchase was originally planned to be funded by a bank loan, however, due to the decline in Fleet expenses over previous fiscal years, the City was able to purchase the item with cash, saving future interest expenses.

Forecast

Fleet Management Operating Fund - Fund 735

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

	FY 2015 Actual	FY 2016 Revised	FY 2016 Estimated	FY 2017 Proposed	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected
Beginning Fund Balance		**1,428,780**	**1,428,780**	**558,730**	**603,635**	**773,873**	**767,727**	**774,558**
Program Revenue								
Operational Service Rate	4,240,854	4,315,772	4,315,772	4,317,484	4,317,484	4,317,484	4,317,484	4,317,484
Other Revenues	6,784	-	27,000	2,000	2,000	2,000	2,000	2,000
Transfers In	-	-	-	-	-	-	-	-
Total Revenue/Resources	**4,247,638**	**4,315,772**	**4,342,772**	**4,319,484**	**4,319,484**	**4,319,484**	**4,319,484**	**4,319,484**
Expenditures								
Staffing	1,096,190	1,087,290	1,087,290	1,357,183	1,397,898	1,439,835	1,483,031	1,527,521
Debt Service (GF Vehicle Purchase)	1,164,233	1,136,074	1,136,074	888,545	684,805	478,568	478,568	361,194
Fuel	886,356	1,061,538	950,000	1,000,000	1,030,000	1,060,900	1,092,727	1,125,509
Maintenance, Repair, and Other Op Cos	814,772	1,150,133	1,000,000	852,780	878,363	904,714	931,856	959,811
ISF: Facilities and Tech Svcs	111,571	120,275	120,275	125,551	129,318	133,197	137,193	141,309
Trsfr: Fleet Capital	-	800,000	800,000	-	-	-	-	-
Trsfr: GF Cost Allocation, Self-Insur	156,473	156,473	156,473	50,520	52,036	53,597	55,205	56,861
Total Expenditures	**4,229,595**	**5,511,783**	**5,250,112**	**4,274,579**	**4,172,421**	**4,070,812**	**4,178,579**	**4,172,205**
Annual Surplus/(Shortfall)	18,043	(1,196,011)	(907,340)	44,905	147,064	248,672	140,905	147,279
Ending Fund Balance	**1,428,780**	**232,769**	**521,440**	**603,635**	**750,698**	**1,022,545**	**908,632**	**921,837**

Assumptions

- *Revenue growth* –
  - Operational Service Rate – In FY 2017, a slight increase in rates is shown. For future forecasted years, a zero percent growth rate is applied to the Operational Service Rate – the fee charged to the City's customer departments, based on administrative costs, operation, maintenance, and repair of vehicles and equipment. Rates are charged based on past maintenance history, fuel

consumption, and vehicle class data. Debt service payments are charged to the department where the vehicle/equipment was purchased and is in service.

- *Expense growth* –
  - Staffing – The staffing line shows a disproportional increase between FY 2016 estimated and FY 2017 proposed. This is due to staff vacancies in FY 2016, where temporary help was hired using the "Other Op Costs" budget. Other FY 2016 changes include the upgrade of a Fleet Supervisor to Fleet Manager.
  - General Expenses - A 3% growth rate is applied to forecasted budgets for maintenance, utilities, supplies, services, ISF fees, and self-insurance.
  - Fuel – A 3% growth rate is applied to forecasted budgets. There is some economic uncertainty regarding future fuel prices. Fuel prices have declined from their 2012 highs; however, future fuel prices are uncertain and could go up at any time depending on geo/political circumstances.
  - Cost Allocation - Starting in FY 2017, the General Fund cost allocation expense is no longer allocated to Internal Service Funds.
  - Debt Service - Detailed debt service information is reflected in the Debt Service section of this document. As of 6/30/2015, the total outstanding principal balance was $4.4 million. As loans are paid down, debt expense will start to decline.

- *Fund Balance* –
  - The Fleet Operating Fund has a positive fund balance. Fleet's long-term prudent financial planning goal includes maintaining a minimum fund balance of 20% of total expenditures, with the purpose being to have a reserve for fuel price economic uncertainty and/or unanticipated high value vehicle and/or equipment repairs.

Fleet Vehicle and Equipment 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 – In FY 2013, the General Fund began an annual cash contribution to the Fleet Capital Replacement fund in the form of a lump sum transfer. Beginning in FY 2015, this replacement contribution was distributed and charged to individual General Fund departments as a fleet capital replacement charge. For FY 2016, the "general fund" fleet capital fund received additional resources of $1.9 million, for a grand total of $3.4 million. The General Fund department contributions were $1.5 million. Several additional resources contributed to the FY 2016 total. They included 1) additional general fund resources of $456k were provided for the purchase of an Aircraft Rescue and Fire Fighting (ARFF) vehicle, 2) the Fleet Operating Fund transferred $800k for the planned purchase of a fire engine, 3) insurance reimbursements of $225k were received to replace totaled police vehicles, 4) Measure C provided $213k for the purchase of police vehicles, and 5) various CIP projects provided $180k for the purchase of miscellaneous vehicles. Of note, the fire engine purchase was originally planned as a bank loan purchase; however, cash funds were available to purchase the engine from the fleet operating fund. As seen in the chart below, the General Fund department contributions started at $500k in FY 2011, and will grow to $3 million in FY 2019, and going forward.

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

Ten Year
General Fund - Vehicle and Equipment Cash and Loan 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	$50	0	$60	0	$1,000	$1,500	$2,200	0	$2,700	$3,000	0	$3,000
Other	$0	$0	$0	$0	$0	$1,874	$0	$0	$0	$0
Loans	$3,170	$815	$520	$1,359	$1,272	$0	$0	$0	$0	$0
Total	**$3,170**	**815**	**$1,020**	**$1,959**	**$2,272**	**$3,374**	**$2,200**	**$2,700**	**$3,000**	**$3,000**

- Enterprise Fund – In FY 2011, an annual replacement contribution amount was established for enterprise fund programs based on the replacement value of enterprise fund vehicles and equipment. In FY 2016, replacement rates for Wastewater and Water were reduced to coincide with a change in life cycle assumptions. Also starting in FY 2016, street sweeping citation revenue contributed to the Stormwater Fleet Capital fund to allow for the replacement of street sweepers in accordance with best practices.

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 (SW)	$85	$85	$85	$85	$155	$85	$85	$85	$85	$85
Citation Rev (SW)	$0	$0	$0	$0	$0	$20	5	$17	5	$17	5	$100	$100
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**	**$756**	**$726**	**$726**	**$651**	**$651**

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 2015 Actual	FY 2016 Adopted	FY 2016 Adjusted	FY 2016 Estimated	FY 2017 Proposed	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected
Beginning Fund Balance	**591,014**	**700,741**	**700,741**	**700,741**	**678,372**	**682,279**	**687,449**	**694,199**	**702,866**
Program Revenues									
Information Technology Fee	4,997,119	5,678,708	5,678,708	5,678,708	5,923,743	6,110,341	6,302,817	6,501,355	6,706,148
Technology Capital Fee	0	606,000	606,000	606,000	614,719	622,000	630,000	638,000	646,000
PEG Revenue	312,074	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000
Other Revenue	19,708	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
Fund Interest	2,969	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	5,331,870	6,542,708	6,542,708	6,542,708	6,796,462	6,990,341	7,190,817	7,397,355	7,610,148
Expenditures									
Personnel	2,526,192	3,046,743	3,046,743	3,046,743	3,259,049	3,356,820	3,457,525	3,561,251	3,668,088
Non-Personnel	2,474,251	2,692,633	2,722,633	2,722,633	2,840,510	2,925,725	3,013,497	3,103,902	3,197,019
Transfers Out	221,701	795,701	795,701	795,701	692,996	702,625	713,044	723,535	734,101
Total Expenditures	5,222,144	6,535,077	6,565,077	6,565,077	6,792,555	6,985,171	7,184,066	7,388,688	7,599,209
Annual Surplus/(Shortfall)	109,727	7,631	(22,369)	(22,369)	3,907	5,170	6,750	8,667	10,939
Ending Fund Balance	**700,741**	**708,372**	**678,372**	**678,372**	**682,279**	**687,449**	**694,199**	**702,866**	**713,805**

Assumptions

Fees increased in FY 2017 due to additional authorized staffing, software maintenance fees and internet data line fees.

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

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

Information Technology Fee
The Information Technology Internal Service Fund charges an internal service fee to each City department. This fee supports each department's use of technology, appropriately sharing the true cost of their respective operations. In FY 2017 the projected total charges are $5,923,743 and represent Information Technology Fee revenue to the fund.

What is included?

The fee covers the cost of Information Technology operations, including 21 (3 of which are included in the City Manager's Office org chart for the Public Information Office) full time employees, server and network infrastructure maintenance agreements, software licenses, subscription and maintenance fees, as well as citywide telephone and data line charges. Additionally, the internal service fees charged to each department provides support for:

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

What is NOT included?
Currently, the internal service fees do not cover replacement costs of all technology related equipment, including network infrastructure replacement and the cost of replacement desktop PC's. A nominal charge representing $606,000 for capital replacement began in FY 2016. At present, capital expenditures are primarily funded by direct transfers from operating funds.

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

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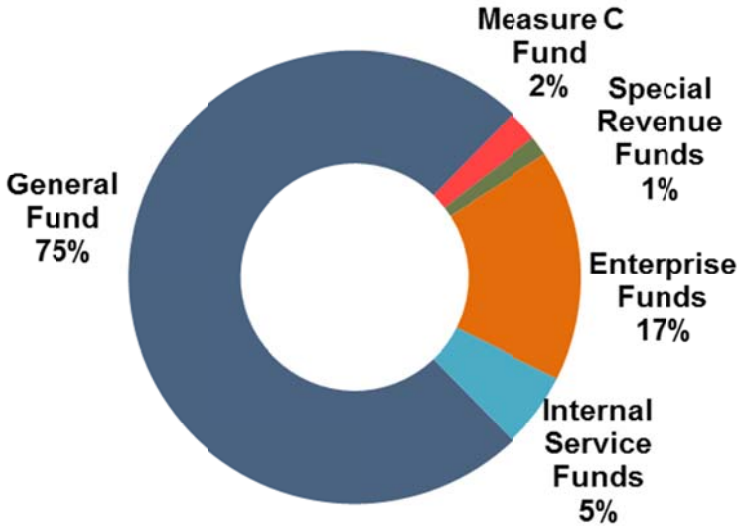
CITYWIDE STAFFING CHANGES SUMMARY

The FY 2017 Adopted Budget includes a total of 874.8 full time equivalent (FTE) positions. The majority of City staffing (75% or 651.2 FTE) is funded in the General Fund, with the remaining 25% spread out in the Measure C Fund, Special Revenue Funds, Enterprise Funds, and Internal Service Funds.



Compared to FY 2016, total staffing has grown by 10.6 FTE positions. The majority of the growth is in non-General Fund funds.

Total FTE by Funding Type

Fund Type	FY 2016 Adopted	FY 2017 Adopted	change
General Fund	646.7	651.2	4.5
Measure C Fund	20.0	20.0	0.0
Special Revenue Funds	12.0	12.3	0.3
Enterprise Funds	139.6	144.0	4.4
Internal Service Funds	45.9	47.3	1.4
Citywide Total	864.2	874.8	10.6

CITYWIDE STAFFING SUMMARY BY DEPARTMENT - GENERAL FUND

	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted
Mayor & City Council Department	8.00	8.00	7.00	7.00
City Attorney Department	5.00	6.00	6.00	6.00
City Clerk Department	4.00	4.00	4.00	4.00
City Manager Department	22.00	22.00	23.00	13.00
Development Services Department	32.00	36.00	39.00	50.00
Finance Department	22.00	25.00	23.30	24.20
Fire Department	134.50	135.50	135.50	136.50
Human Resources Department	7.00	9.00	8.80	8.55
Library & Community Services Dept.	33.55	34.20	37.20	37.80
Maintenance Services Department	26.00	27.00	22.29	22.57
Police Department	303.00	304.00	306.50	307.50
Public Works-Engineering & Transp. Dept.	32.00	32.00	33.85	33.85
Utilities & Environmental Services Dept.	0.00	0.00	0.25	0.25
	629.05	**642.70**	**646.69**	**651.22**

CITYWIDE STAFFING SUMMARY - BY FUND

		FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted
General Fund					
100	General Fund[1]	**629.05**	**642.70**	**646.69**	**651.22**
101	Measure C Fund	**0.00**	**0.00**	**20.00**	**20.00**
Special Revenue Funds					
217	Measure B - Paratransit Fund	1.00	2.00	3.00	3.00
220	Neighborhood Promise Grant Fund[2]	2.00	2.00	2.00	2.00
225	Community Development Block Grant Fund	4.00	4.00	0.00	0.00
230	Recycling Fund	3.00	3.00	0.00	0.00
232	Measure D Fund	0.00	0.00	2.75	2.75
246	Affordable Housing	2.00	2.00	2.00	2.00
266-281	LLD #1 - #13 and Maint Dist #1 and #2[3]	0.00	0.00	0.28	0.00
295	South Hayward BART JPA Fund[4]	0.00	0.00	0.01	0.54
815	Redevelopment Successor Agency	2.00	2.00	2.00	2.00
		14.00	**15.00**	**12.04**	**12.29**
Enterprise Funds					
605	Water Operating Fund[5]	58.50	58.50	57.30	60.61
610	Wastewater Operating Fund[6]	43.00	46.00	57.15	58.15
615	Stormwater Operating Fund[7]	10.00	10.00	13.15	13.43
620	Airport Operating Fund[8]	11.00	11.00	12.02	11.80
		122.50	**125.50**	**139.62**	**143.99**
Internal Service Funds					
705	Worker's Compensation Fund[9]	2.00	3.00	3.20	3.45
710	General Liability Insurance Fund[10]	3.00	3.00	3.00	4.00
725	Facilities Management Fund[11]	8.00	9.00	9.30	9.38
730	Information Technology Fund	17.00	17.00	21.00	21.00
735	Fleet Management[12]	8.00	9.00	9.35	9.47
		38.00	**41.00**	**45.85**	**47.30**
		803.55	**824.20**	**864.20**	**874.80**

CITYWIDE STAFFING SUMMARY - BY FUND

Staffing Changes:

1. Addition of 4.53 FTE in General Fund
2. Funding for these positions ends December 31, 2016
3. Deletion of 0.28 FTE in LLD#1-#13 and Maint. Districts #1 and #2
4. Addition of 0.53 FTE in South Hayward BART JPA Fund
5. Addition of 3.31 FTE in Water Operating Fund
6. Addition of 1.0 FTE in Wastewater Operating Fund
7. Addition of 0.28 FTE in Stormwater Fund
8. Deletion of 0.22 FTE in Airport Operating Fund
9. Addition of 0.25 FTE in Worker's Compensation Fund
10. Addition of 1.0 FTE in General Liability Insurance Fund
11. Addition of 0.08 FTE in Facilities Management Fund
12. Addition of 0.12 FTE in Fleet Management Fund

CITYWIDE STAFFING SUMMARY BY DEPARTMENT - ALL FUNDS

	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted
Mayor & City Council Department	8.00	8.00	7.00	7.00
City Attorney Department[1]	8.00	9.00	9.00	10.00
City Clerk Department	4.00	4.00	4.00	4.00
City Manager Department[2]	28.00	27.00	30.00	20.00
Development Services Department[3]	32.00	36.00	39.00	50.00
Finance Department[4]	29.00	32.00	35.00	35.50
Fire Department[5]	134.50	135.50	135.50	136.50
Human Resources Department	9.00	12.00	12.00	12.00
Information Technology[6]	17.00	17.00	17.00	18.00
Library & Community Services Department[7]	38.55	40.20	42.20	42.80
Maintenance Services Department[8]	53.00	56.00	61.00	62.00
Police Department[9]	303.00	304.00	321.50	322.50
Public Works-Engineering & Transportation	43.00	44.00	46.00	46.00
Utilities & Environmental Services[10]	96.50	99.50	105.00	108.50
	803.55	**824.20**	**864.20**	**874.80**

Staffing Changes:

1. Addition of 1.0 FTE City Attorney Department
2. Deletion of 10.0 FTE City Manager Department
3. Addition of 11.0 FTE Development Services Department
4. Addition of 0.5 FTE Finance Department
5. Addition of 1.0 FTE Fire Department
6. Addition of 1.0 FTE Information Technology Departmet (FY16 Mid-Year)
7. Addition of 0.60 FTE Library & Community Services Department
8. Addition of 1.0 FTE Maintenance Services Department
9. Addition of 1.0 FTE Police Department
10. Addition of 3.5 FTE Utilities & Environmental Services Department

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted
MAYOR & CITY COUNCIL DEPARTMENT				
City Councilmembers	6	6	6	6
Executive Assistant	1	1	0	0
Mayor	1	1	1	1
	8	**8**	**7**	**7**
CITY ATTORNEY DEPARTMENT				
Asst City Attorney/Deputy City Attorney I/II	5	5	5	6
City Attorney	1	1	1	1
Legal Secretary I/II	2	2	1	1
Paralegal	0	1	2	2
	8	**9**	**9**	**10**
CITY CLERK DEPARTMENT				
City Clerk	1	1	1	1
Deputy City Clerk	1	1	1	1
Management Analyst I/II	0	0	1	1
Senior Secretary	2	2	1	1
	4	**4**	**4**	**4**
CITY MANAGER DEPARTMENT				
Administrative Clerk I/II	3	3	3	2
Assistant City Manager	1	1	1	1
Assistant to the City Manager	0	0	0	1
Audio Video Specialist	0	0	1	1
City Manager	1	1	1	1
Code Enforcement Inspector I/II	8	7	7	1
Code Enforcement Supervisor	1	1	1	0
Community & Media Relations Officer	1	1	1	1
Community Service Officer	1	1	1	1
Digital Applications Designer	0	0	1	1
Economic Development Manager	1	1	1	1
Economic Development Specialist	2	2	2	2
Executive Assistant	1	1	2	2
Graphics/Planning Illustrator	0	0	0	1
Housing Development Specialist	1	1	0	0
Management Analyst I/II	1	1	1	2
Management Fellow	1	1	1	0
Neighborhood Development Manager	1	1	1	0
Neighborhood Partnership Manager	1	0	0	0
Secretary 1		1	0	0
Senior Code Enforcement Inspector	1	2	2	0
Senior Secretary	1	1	2	1
Video Assistant	0	0	1	1
	28	**27**	**30**	**20**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted
DEVELOPMENT SERVICES DEPARTMENT				
Administrative Clerk I/II	1	2	3	4
Administrative Secretary	1	1	1	1
Assistant Planner	0	1	1	1
Associate Planner	3	3	3	3
Building Inspector	3	3	3	3
City Building Official	1	1	1	1
Code Enforcement Inspector I/II	0	0	0	6
Code Enforcement Manager	0	0	0	1
Deputy Director of Development Services	0	1	1	1
Development Review Engineer	1	1	1	0
Development Review Specialist	0	1	1	1
Development Services Director	1	1	1	1
Graphics/Planning Illustrator	1	1	1	0
Landscape Architect	1	1	1	1
Management Analyst I/II	1	1	1	1
Permit Technician	4	4	4	4
Plan Checker	2	2	1	1
Plan Checking Engineer	1	1	1	1
Planning Manager	1	1	1	1
Principal Planner	0	0	0	1
Secretary	2	2	2	2
Senior Building Inspector/Electrical	1	1	1	1
Senior Building Inspector/Plumb-Mechanical	1	1	1	1
Senior Building Inspector/Structural	1	1	1	1
Senior Civil Engineer	0	0	0	1
Senior Code Enforcement Inspector	0	0	0	2
Senior Permit Technician	1	1	1	1
Senior Plan Checker	1	0	1	1
Senior Planner	2	2	3	3
Senior Secretary	1	1	1	2
Supervising Building Inspector	0	0	1	1
Supervising Plan Checker & Expeditor	0	1	1	1
	32	**36**	**39**	**50**
FINANCE DEPARTMENT				
Account Clerk	0	0	0	0.5
Accountant	0	1	1	2
Accounting Manager	1	1	1	1
Accounting Technician	3	0	0	0
Administrative Analyst II	0	1	2	2
Budget Officer	0	0	1	1
Customer Account Clerk	7	6	6	6
Data Systems Operator	0	0	1	1
Deputy Director of Finance	1	1	1	1
Director Of Finance	1	1	1	1
Door Hanger Clerk	0	0	1	1

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted
Finance Analyst	1	2	0	0
Finance Supervisor	1	0	0	0
Finance Technician	2	6	6	5
Mail & Purchasing Clerk	1	1	1	1
Purchasing & Services Manager	1	1	1	1
Purchasing Technician	1	1	1	1
Revenue Manager	1	1	1	1
Senior Account Clerk	2	4	4	4
Senior Accountant	1	1	1	1
Senior Accounting Technician	2	0	0	0
Senior Customer Account Clerk	3	4	5	5
	29	**32**	**35**	**35.5**
FIRE DEPARTMENT				
Administrative Analyst III	1	1	0	0
Administrative Clerk I/II	1	1	1	1
Apparatus Operator (56 Hr)	33	33	33	33
Battalion Chief (56 Hr)	6	6	6	6
Deputy Fire Chief (40 Hr)	2	2	2	2
Emergency Medical Services Coordinator	1	1	1	1
Environmental Specialist	0	0	1	1
Fire Captain (56 Hr)	33	33	33	33
Fire Chief	1	1	1	1
Fire Marshal (40 Hr)	1	1	1	1
Fire Prevention Inspector	2	2	2	2
Fire Protection Engineer	1	1	1	1
Fire Services Supervisor	1	1	1	1
Fire Technician I/II	3	2	2	3
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
Management Analyst I/II	0	1	1	1
Senior Secretary	0	1	1	1
Staff Fire Captain	3	3	3	3
	134.5	**135.5**	**135.5**	**136.5**
HUMAN RESOURCES DEPARTMENT				
Administrative Intern	0	1	1	1
Deputy Director of Human Resources	0	0	0	1
Human Resources Analyst I/II	4	4	4	4
Human Resources Director	1	1	1	1
Human Resources Manager	1	0	0	0
Human Resources Technician	3	4	4	4
Senior Human Resources Analyst	0	2	2	1
	9	**12**	**12**	**12**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted
INFORMATION TECHNOLOGY DEPARTMENT				
Administrative Secretary	1	1	1	1
Audio Video Specialist	1	1	0	0
Data & Systems Coordinator	1	1	0	0
Data Systems Operator	1	1	0	0
Geographic Info Systems Coordinator	1	1	0	0
GIS Analyst	0	0	1	1
GIS Technician	0	0	1	1
Information Systems Manager	1	1	0	0
Information Technology Director	1	1	1	1
Information Technology Manager	0	0	3	3
IT Analyst I/II	1	1	2	2
IT Technician I/II	0	0	4	4
Network Systems Specialist	1	1	0	1
Network/Microsystem Specialist	3	3	0	0
Programmer Analyst	2	2	3	3
Technology Solutions Analyst I/II	1	1	1	1
Video Assistant	1	1	0	0
Web Specialist	1	1	0	0
	17	**17**	**17**	**18**
LIBRARY & COMMUNITY SERVICES DEPARTMENT				
Administrative Clerk I/II	0.25	0	1	1
Administrative Secretary	1	1	1	1
Community Services Manager	1	1	1	1
Educational Services Manager	0	0	1	1
Educational Services Coordinator	1	1	0	0
Housing Development Specialist	0	0	1	1
Information Systems Support Technician	1	1	1	1
Lead Library Assistant	1	1	3	3
Librarian I	6.5	6.5	6.5	6.5
Library & Community Services Director	1	1	1	1
Library Assistant	7.5	8.5	8.5	9
Library Operations Manager	1	1	1	1
Library Page	3.9	3.9	3.9	3.9
Literacy Program Coordinator	1	1	1	1
Management Analyst I/II	3	3	3	3
Senior Library Assistant	3	3	1	0
Senior Library Page	2.4	1.8	1.8	2.4
Senior Property Rehabilitation Specialist	1	1	1	1
Supervising Librarian I	3	3	3	3
Volunteer Program Assistant	0	1.5	1.5	2
	38.55	**40.2**	**42.2**	**42.8**
MAINTENANCE SERVICES DEPARTMENT				
Administrative Secretary	1	1	1	1
Director Of Maintenance Services	1	1	1	1

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted
Electrician I/II	1	1	1	1
Equipment Mechanic I/II	5	6	6	6
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	0	0
Facilities Painter II	1	1	1	1
Facilities Service Worker II	1	1	2	2
Fleet Maintenance Manager	0	0	0	1
Fleet Management Supervisor	1	1	1	0
Groundskeeper I/Laborer	10	10	12	12
Groundskeeper II	3	3	2	2
Groundskeeper III	1	1	1	1
HVAC Mechanic	0	1	1	1
Landscape Maintenance Manager	0	0	0	1
Landscape Maintenance Supervisor	1	1	1	0
Maintenance Leader	2	2	3	3
Maintenance Worker/Laborer	6	7	9	9
Management Analyst I/II	2	2	2	2
Secretary	1	0	0	0
Senior Maintenance Leader	2	2	2	2
Senior Secretary	1	2	2	2
Streets Maintenance Manager	0	1	1	1
Streets Maintenance Supervisor	1	0	0	0
Sweeper Equipment Operator	5	5	5	6
Tree Trimmer	2	2	3	3
	53	**56**	**61**	**62**
POLICE DEPARTMENT				
Administrative Secretary	2	2	2	1
Administrative Supervisor	0	0	0	1
Animal Care Attendant	8	8	5	5
Animal Control Officer	2	2	3	3
Animal Services Administrator	1	1	1	1
Animal Shelter Supervisor	2	2	0	0
Call Taker	0	0	8	8
Chief Of Police	1	1	1	1
Communications Administrator	1	1	1	1
Communications Operator	19	19	19	19
Communications Supervisor	4	4	5	5
Community Service Officer	20	19	21	21
Counseling Supervisor	1	1	1	1
Crime Analyst	1	1	1	1
Crime Analyst Supervisor	0	0	1	1
Crime Prevention Specialist	2	2	2	2
Crime Scene Technician	4	4	4	4
Family Counselor I	8	8	8	9
Inspector	7	5	2	1
Jail Administrator	0	0	1	1

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted
Jail Supervisor	4	4	4	4
Latent Fingerprint Examiner	0	0	1	1
Operations Support Services Manager	1	1	1	1
Personnel & Training Administrator	1	1	1	1
Police Captain	2	3	3	3
Police Lieutenant	11	10	10	11
Police Officer	144	147	153	154
Police Programs Analyst I/II	1	1	1	1
Police Records Clerk II	17	16	15	15
Police Sergeant	26	27	28	27
Property & Evidence Supervisor	1	1	0	0
Property Technician	2	3	4	4
Property/Evidence Administrator	1	1	1	1
Records Administrator	1	1	1	1
Records Supervisor	3	3	2	2
Reserve Officer Coordinator	0	0	0.5	0.5
Secretary	3	3	5	5
Senior Management Analyst	1	1	1	1
Shelter Operations Supervisor	0	0	2	2
Shelter Volunteer Coordinator	0	0	1	1
Youth & Family Services Administrator	1	1	1	1
	303.00	**304.00**	**321.5**	**322.5**
PUBLIC WORKS-ENGINEERING & TRANSPORTATION				
Administrative Secretary	0	1	1	1
Airport Maintenance Worker	4	4	4	3
Airport Business Supervisor	0	0	0	1
Airport Manager	1	1	1	1
Airport Operations Supervisor	1	1	1	1
Assistant City Engineer	1	1	1	1
Assoc/Assist Civil Engineer	9	9	8	8
Assoc/Assist Transportation Engineer	2	2	2	2
Assoc Transportation Planner	0	1	1	1
Construction Inspector	3	3	4	4
Director of Engineering & Transportation	1	1	1	1
Engineering Technician	4	4	4	4
Management Analyst I/II	2	2	2	2
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	2	2
Senior Construction Inspector	2	2	2	2
Senior Secretary	3	2	2	2
Senior Transportation Engineer	1	1	1	1
Supervising Construction Inspector	1	1	1	1
Survey Engineer	0	0	1	1
Surveyor 1		1	1	1

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted
Traffic Signal Technician	1	1	1	1
Transportation Manager	1	1	1	1
	43	**44**	**46**	**46**
UTILITIES & ENVIRONMENTAL SERVICES				
Administrative Intern	0	0	0.5	0.5
Administrative Secretary	2	1	1	1
Assoc Civil Engineer/Assist Civil Engineer	2.5	2.5	2.5	3
Backflow/Cross Connection Tester	1	1	1	1
Chemist	0	0	1	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/Laborer	1	1	1	1
Management Analyst I/II	1	1	2	2
Operator in Training	0	0	2	2
Recycling Specialist	1	1	0	0
Secretary 2		2	2	2
Senior Water Pollution Source Control Inspector	1	1	1	1
Senior Management Analyst	1	1	1	1
Senior Secretary	2	3	3	3
Senior Utilities Engineer	2	2	2	2
Senior Utility Customer Service Leader	1	1	1	1
Senior Utility Leader	2	1	1	1
Senior Utility Leader - Sewer	0	1	1	1
Senior Utility Service Representative	1	1	1	1
Sewer Collection System Maintenance Supervisor	0	1	0	0
Solid Waste Program Manager	1	1	1	1
Storekeeper - Expediter	1	1	1	1
Sustainability Technician/Assistant	1	1	1	1
Technical Intern	0.5	0.5	0.5	0.5
Utilities Engineering Manager	0	0	0	1
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	3	3	3
Utility Leader - Sewer	0	2	2	2
Utility Worker - Sewer/Laborer	0	6	6	6
Utility Worker/Laborer	15	11	11	13
Wastewater Collections Systems Supervisor	0	0	1	1
Water Meter Mechanic	3	3	3	3
Water Meter Reader	2.5	2.5	2.5	2.5
Water Pollution Control Administrator (WPSC)	1	1	1	1

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted
Water Pollution Control Facility (WPCF) Manager	1	1	1	1
Water Pollution Source Control Inspector	3	3	3	3
Water Resources Manager	0	0	1	1
WPCF Lead Operator	6	6	6	6
WPCF Maintenance Supervisor	1	1	1	1
WPCF Operations & Maintenance Manager	1	1	1	1
WPCF Operations Supervisor	1	1	1	1
WPCF Operator	5	5	6	6
	96.5	**99.5**	**105**	**108.5**

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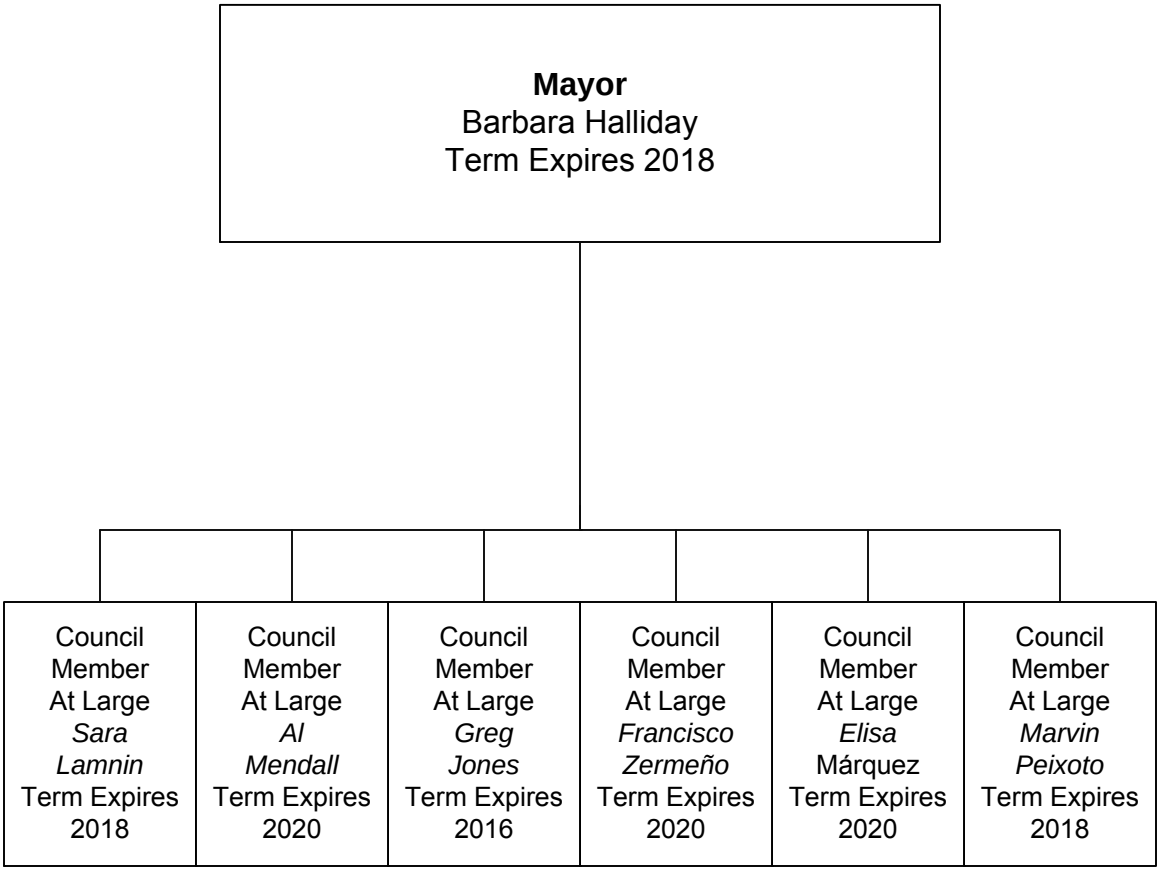
FY 2017 STAFFING
7.0 FTE

Mayor & City Council Department



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 2016 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Provided legislative and policy development for the City Manager in support of the community's priorities of Safe, Clean, Green and Thriving.
2. Allocated and approved City financial resources and labor contracts in support of achieving long-term financial stability for the City.
3. Authorized, supported, and broke ground on the 21st Century Library and Heritage Plaza, an environmentally sustainable library, park, and community gathering place.
4. Authorized, supported, broke ground on, and dedicated the Hayward 9-11 Memorial to recognize and pay respect to Hayward first responders and military personnel who have been killed in the line of duty.
5. Adopted new ordinances regulating signs, vacant property fencing, and unattended collection boxes setting higher standards for the appearance of commercial and vacant properties in Hayward.
6. Opened the first Firehouse Clinic in the state to provide affordable, quality health care to residents.
7. Responded to constituent concerns throughout the city.
8. During FY 2016, City Councilmembers held 71 City Council meetings and chaired and attended 83 Council Committee meetings.

FY 2017 KEY SERVICE OBJECTIVES/GOALS

1. Continue to provide direction to staff for achievement of the driving priorities of Safe, Clean, Green, and Thriving.
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 2017 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.
6. Continue to provide excellent response in addressing concerns and questions from constituents.

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.

General Fund

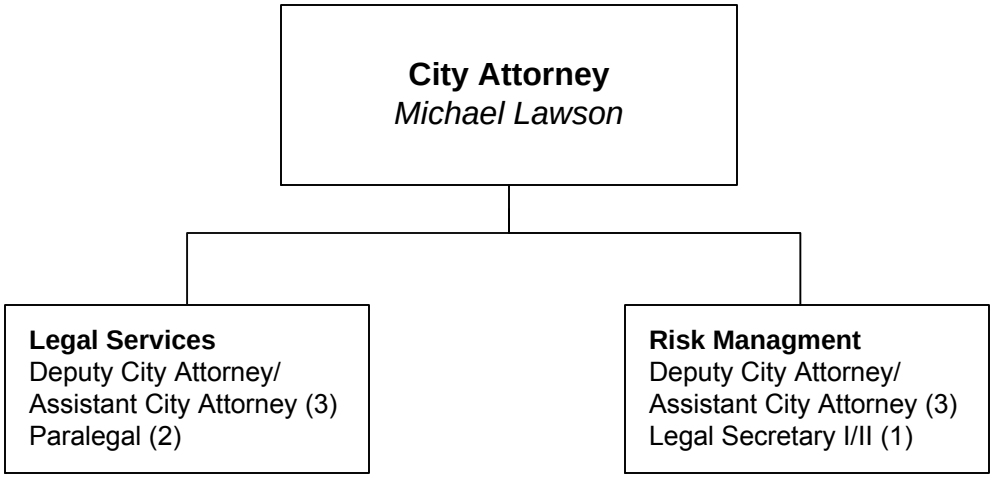
	FY 2014 Actual	FY 2015 Actuals	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
None	-	96	-	
Total Revenues	**-**	**96**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	270,889	272,962	191,538	191,538
Overtime	3,564	4,635	-	-
Benefits				
Fringe Benefits	74,849	41,519	30,984	31,264
Retiree Medical	14,400	14,400	11,445	11,445
PERS	48,209	50,622	36,101	38,783
Charges (to)/from other programs	(321)	-	-	-
Net Staffing Expense	**411,590**	**384,138**	**270,068**	**273,030**
Supplies & Services	30,102	30,295	56,900	56,900
Internal Service Fees	29,343	56,499	70,367	68,743
Net Operating Expenses	**59,445**	**86,794**	**127,267**	**125,643**
Total Expenditures	**471,035**	**470,933**	**397,335**	**398,673**
General Fund Subsidy	**471,035**	**470,837**	**397,335**	**398,673**

FY 2017 Significant Budget Changes:

1 None

FY 2017 STAFFING
10.0 FTE

Office of the City Attorney



CITY ATTORNEY DEPARTMENT

MISSION STATEMENT

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

DEPARTMENT OVERVIEW

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

DIVISION/PROGRAM SUMMARIES

Legal Services Program

The Legal Services Program is responsible for: 1) Timely and accurate legal advice on transactional matters; 2) Attendance at policy-making meetings, including City Council, Planning Commission and Personnel Commission; 3) legal and staff support to the organization in the development, interpretation, and administration of various aspects of the Municipal Code; 4) Prompt and courteous customer service for community residents; and 5) 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 liability 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 2015-16 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Successfully defended or settled several high-exposure lawsuits.
2. Closed or resolved 85 claims, with only 15 claims resulting in payment of City funds.
3. Closed or resolved 16 lawsuits. The City Attorney's Department generated over $29,000 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 300+ Public Records Act requests. Litigated a high-profile lawsuit involving a Public Record Act Dispute.
11. Recruited additional Paralegal staff support for litigation.

DEPARTMENT PERFORMANCE METRICS

Division	FY 2016 Performance Measures/Goals	FY 2016 Performance
Legal Services Program	Timely and efficient responses to client inquiries	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 98% of inquiries and complaints within 48 hours	ACHIEVED
	Coordinates tenant clinics with community based legal services	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 in litigation and labor arbitrations	ACHIEVED

CITY ATTORNEY DEPARTMENT

FY 2017 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, conflicts of interest and Public Records Act compliance requirements.
4. Manage, evaluate, and settle claims, as necessary and appropriate, and defend the City in litigation.
5. Provide legal counsel to City Council, Planning Commission and Personnel Commission, other advisory bodies as necessary and appropriate.
6. Deploy departmental assets to support City Council priorities.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2017

1. Add 1.0 FTE Assistant City Attorney/Deputy City Attorney I/II.

All Funds Summary - By Category

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue and Transfers in from Other Funds				
General Fund Revenue	82,543	8,740	6,781	14,000
Risk Management Fund	3,779,281	3,167,633	3,119,511	4,000,000
Risk Management Fund Balance	985,404	248,849	43,430	(375,388)
	4,847,228	**3,425,222**	**3,169,722**	**3,638,612**
Fund Subsidy				
General Fund Subsidy	**877,659**	**919,508**	**1,099,900**	**1,290,716**
Total Revenues	**5,724,887**	**4,344,730**	**4,269,622**	**4,929,328**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,000,478	968,201	1,055,899	1,347,629
Overtime	13	10,599	-	-
Benefits				
Fringe Benefits	152,433	124,923	159,993	218,990
Retiree Medical	14,400	16,200	16,350	14,715
PERS	187,519	210,711	257,589	327,880
Chrgs (to)/from other programs	1,916	-	-	-
Net Staffing Expense	**1,356,758**	**1,330,635**	**1,489,831**	**1,909,214**
Maintenance & Utilities	1,442	1,785	1,700	6,400
Supplies & Services	3,961,654	2,584,839	2,333,473	2,867,490
Internal Service Fees	77,487	90,099	107,246	121,224
Capital	-	-	-	25,000
Net Operating Expense	**4,040,583**	**2,676,722**	**2,442,419**	**3,020,114**
Transfers out to other funds	**327,546**	**337,372**	**337,372**	**-**
Total Expenditures	**5,724,887**	**4,344,730**	**4,269,622**	**4,929,328**

All Funds Summary - By Program

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue and Transfers in from Other Funds				
General Fund Revenue	82,543	8,740	6,781	14,000
Risk Management Fund	3,779,281	3,167,633	3,119,511	4,000,000
Risk Management Fund Balance	985,404	248,849	43,430	(375,388)
	4,847,228	**3,425,222**	**3,169,722**	**3,638,612**
Fund Subsidy				
General Fund Subsidy	**877,659**	**919,508**	**1,099,900**	**1,290,716**
Total Revenues	**5,724,887**	**4,344,730**	**4,269,622**	**4,929,328**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds By Program				
General Fund	960,202	928,248	1,106,681	1,304,716
Risk Management Fund	4,764,685	3,416,482	3,162,941	3,624,612
Total Expenditures	**5,724,887**	**4,344,730**	**4,269,622**	**4,929,328**
Net Change	**-**	**-**	**-**	**-**

General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Other Revenue	75,248	2,431	-	-
Rental Review Fees	7,295	6,310	6,781	14,000
Total Revenues	**$82,543**	**$8,740**	**$6,781**	**$14,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	663,932	625,168	713,499	817,538.00
Overtime	-	195	-	-
Benefits				
Fringe Benefits	89,987	68,663	99,492	115,322.00
Retiree Medical	9,000	10,800	11,445	9,810.00
PERS	120,801	136,036	173,803	199,383.00
Chrgs (to)/from other programs	5,073	3,901	-	-
Net Staffing Expense	**888,792**	**844,763**	**998,239**	**1,142,053**
Maintenance & Utilities	1,200	1,219	1,400	5,600.00
Supplies & Services	18,552	20,511	31,429	44,429.00
Internal Service Fees	51,658	61,755	75,613	87,634.00
Capital Outlay	-	-	-	25,000.00
Net Operating Expense	**71,410**	**83,485**	**108,442**	**162,663**
Total Expenditures	**$960,202**	**$928,248**	**$1,106,681**	**$1,304,716**
General Fund Subsidy	**$877,659**	**$919,508**	**$1,099,900**	**$1,290,716**

FY 2017 Significant Budget Changes:

1. None

Risk Management - Internal Service Fund

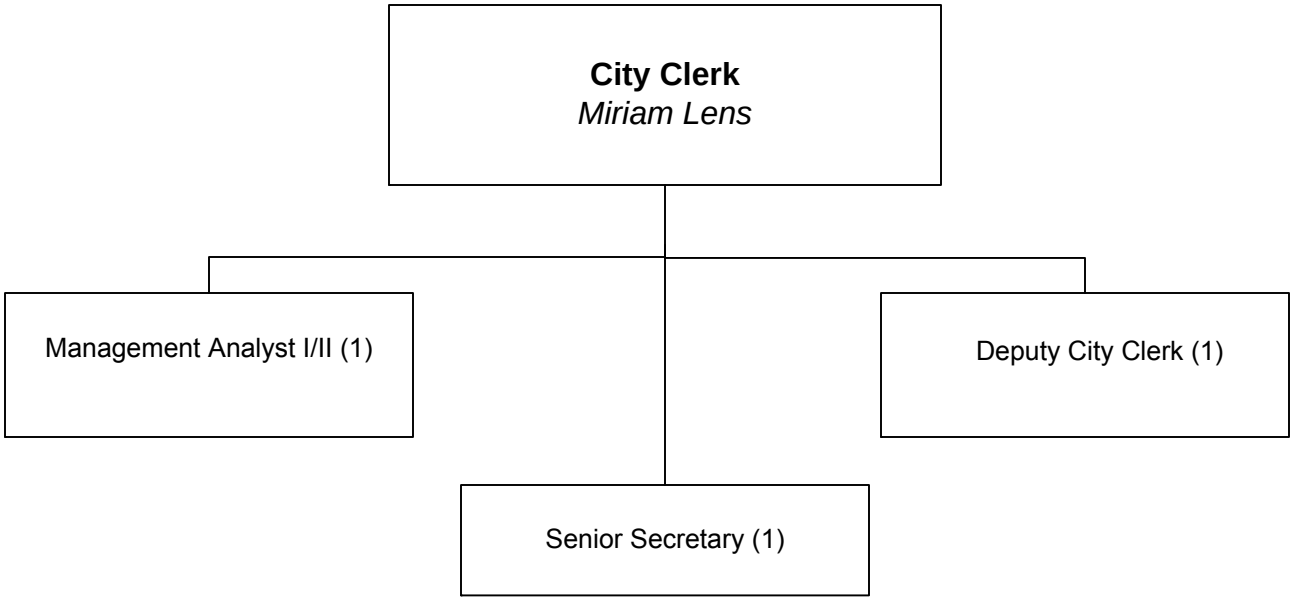
	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beginning Working Capital Balance	**$2,517,706**	**$1,532,302**	**$1,283,453**	**$1,240,023**
REVENUES				
Revenue				
Interest	-	-	-	-
Other Revenue	282,485	1,122	-	-
	282,485	1,122	-	-
Transfer In				
Liability Insurance Premium	3,496,796	3,166,511	3,119,511	4,000,000
From General Fund	-	-	-	-
	3,496,796	3,166,511	3,119,511	4,000,000
Total Revenues	**3,779,281**	**3,167,633**	**3,119,511**	**4,000,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	336,546	343,034	342,400	530,091
Overtime	13	10,404	-	-
Benefits				
Fringe Benefits	62,446	56,260	60,501	103,668
Retiree Medical	5,400	5,400	4,905	4,905
PERS	66,718	74,675	83,786	128,497
Chrgs (to)/from other programs	(3,157)	(3,901)	-	-
Net Staffing Expense	**467,966**	**485,872**	**491,592**	**767,161**
Maintenance & Utilities	242	566	300	800
Supplies & Services	2,840,575	1,366,420	1,072,044	1,325,061
Internal Service Fees	25,829	28,344	31,633	33,590
Insurance	1,102,527	1,197,907	1,230,000	1,498,000
Net Operating Expense	**3,969,173**	**2,593,237**	**2,333,977**	**2,857,451**
Transfers out to other funds				
Transfer to General Fund - Cost Allocation	327,546	337,372	337,372	-
Total Transfers Out	**327,546**	**337,372**	**337,372**	**-**
Total Expenditures	**4,764,685**	**3,416,482**	**3,162,941**	**3,624,612**
Net Change	**(985,404)**	**(248,849)**	**(43,430)**	**375,388**
Ending Working Capital Balance	**$1,532,302**	**$1,283,453**	**$1,240,023**	**$1,615,411**

FY 2017 Significant Budget Changes:

1. Add 1.0 FTE Assistant City Attorney/Deputy City Attorney I/II
2. General Fund Cost Allocation no longer charged effective FY 2017

FY 2017 STAFFING
4.0 FTE

Office of the City Clerk



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 according to regulations set forth by the Fair Political Practices Commission.

Council, Boards, Commissions, Committees & Task Force

The City Clerk's Office is responsible for: 1) Supporting City Council and Planning Commission proceedings; 2) Conducting the recruitment and facilitating the appointment for 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.

Open Government/Transparency

The City Clerk's Office is responsible for: 1) Managing the filings of Statements of Economic Interests – Form 700, Campaign Forms during an election cycle, and Agency Report of Public Official Appointments – Form 806, and making them available to the public on the City's website; and 2) Conducting a Volunteer Open House.

CITY CLERK DEPARTMENT

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.

FY 2016 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 requests in accordance with the California Public Records Act.
3. Implemented a new recruitment process for new members of the Council's appointed bodies and a new process for reappointing eligible and current members.
4. Participated in outreach community events to enhance the recruitment process of Council's appointed bodies including conducting a Volunteer Open House.
5. Provided guidance to members of the Council's appointed bodies regarding the Brown Act, training requirements, attendance policy, and overall members' responsibilities.
6. Continued to provide passport services according to guidelines established by the U.S. Department of State.
7. In coordination with the Information Technology Department completed successful implementation of Phase I of Granicus: Legistar, the city-wide agenda management system; iLegislate; VoteCast; and Granicus Minutes.
8. Completed a Request for Proposal for professional codification services of the Hayward Municipal Code and identified the vendor for the conversion of the online version of the HMC into a robust searchable Internet database.
9. Entered into an agreement between the City Clerk's Office and Chabot College – CalWORKs Work Study for an Internship Program. The goal of the program is to offer Chabot College students work experience and exposure to local government and for the City Clerk's Office to utilize skillsets of qualified local interns.
10. Successfully managed the election of four open Council seats.
11. Successfully managed the Ballot Measure C initiative amending the City Charter and Hayward Municipal Code to change the City's General Municipal Election from June to November, and the Ballot Measure D seeking voter approval relating to the renewal of the Utility Users Tax.

CITY CLERK DEPARTMENT

DEPARTMENT PERFORMANCE METRICS – FY 2016

Division	FY 2016 Performance Measures/Goals	FY 2016 Performance
Records Management	Maintain the legislative history of City Council and Planning Commission 100% of the time	**ACHIEVED** Processed 71 City Council packets/cancellations and 28 Planning Commission packets.
	Accurately process documents in the Laserfiche Imaging System	**ACHIEVED** Processed 1,775 documents.
	Meet noticing requirements 100% of the time	**ACHIEVED** Processed 78 legal publications.
	Comply with the City Charter 100% of the time - fully execute ordinances upon adoption	**ACHIEVED** Processed 27ordinances.
	Review 100% of all 700 Forms for compliance with the Fair Political Practices Commission requirements	**ACHIEVED** Processed 408 forms of Form 700 filers.
Council, Boards & Commissions	Conduct recruitment for the Hayward Youth Commission and all Council's appointed bodies.	**ACHIEVED** <u>Council's appointed bodies</u> Applications received: 48 Appointments: 31 <u>Hayward Youth Commission</u> Applications received: 35 applications Appointments: 15
	Coordinated trainings to remain compliant with established requirements	**ACHIEVED**
Elections	Meet California Elections Code requirements 100% of the time	**ACHIEVED**
Public Service	Meet U.S. Department of State guidelines for processing passport applications	**ACHIEVED**
	Meet 10-day requirement response deadlines set by the Public Records Act	**ACHIEVED** Processed 183 Public Records Act Requests.

CITY CLERK DEPARTMENT

FY 2017 KEY SERVICE OBJECTIVES/GOALS

1. Study automated public records request programs to streamline recording, tracking, and answering public records requests.
2. Implement Phase II of the agenda management system to include the remainder of Boards and Commissions so that all meeting bodies align on one single platform.
3. Implement the online filing of Campaign Forms according to regulations set forth by the Fair Political Practices Commission.
4. Maintain service level goals for all aspects of department operations.
5. Perform a feasibility study on performing civil marriage ceremonies at City Hall.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2017

- No Election expense for FY 2017

General Fund

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Sale of Documents - Passports	9,253	13,465	10,000	10,000
Sale of Documents - General	3,283	3,260	3,000	3,000
Total Revenues	**12,536**	**16,725**	**13,000**	**13,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	320,738	334,341	344,960	390,657
Overtime	3,308	1,477	-	-
Benefits				
Fringe Benefits	69,954	66,946	74,852	78,087
Retiree Medical	7,200	7,200	6,540	6,540
PERS	62,880	72,797	84,413	94,559
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**464,081**	**482,760**	**510,765**	**569,843**
Maintenance & Utilities	1,200	1,737	1,400	5,600
Supplies & Services	73,396	42,192	63,280	75,280
Election Expense	-*	244,405	249,000	-
Internal Service Fees	75,422	81,465	89,111	107,337
Net Operating Expense	**150,018**	**369,799**	**402,791**	**188,217**
Total Expenditures	**614,099**	**852,560**	**913,556**	**758,060**
General Fund Subsidy	**601,563**	**835,835**	**900,556**	**745,060**

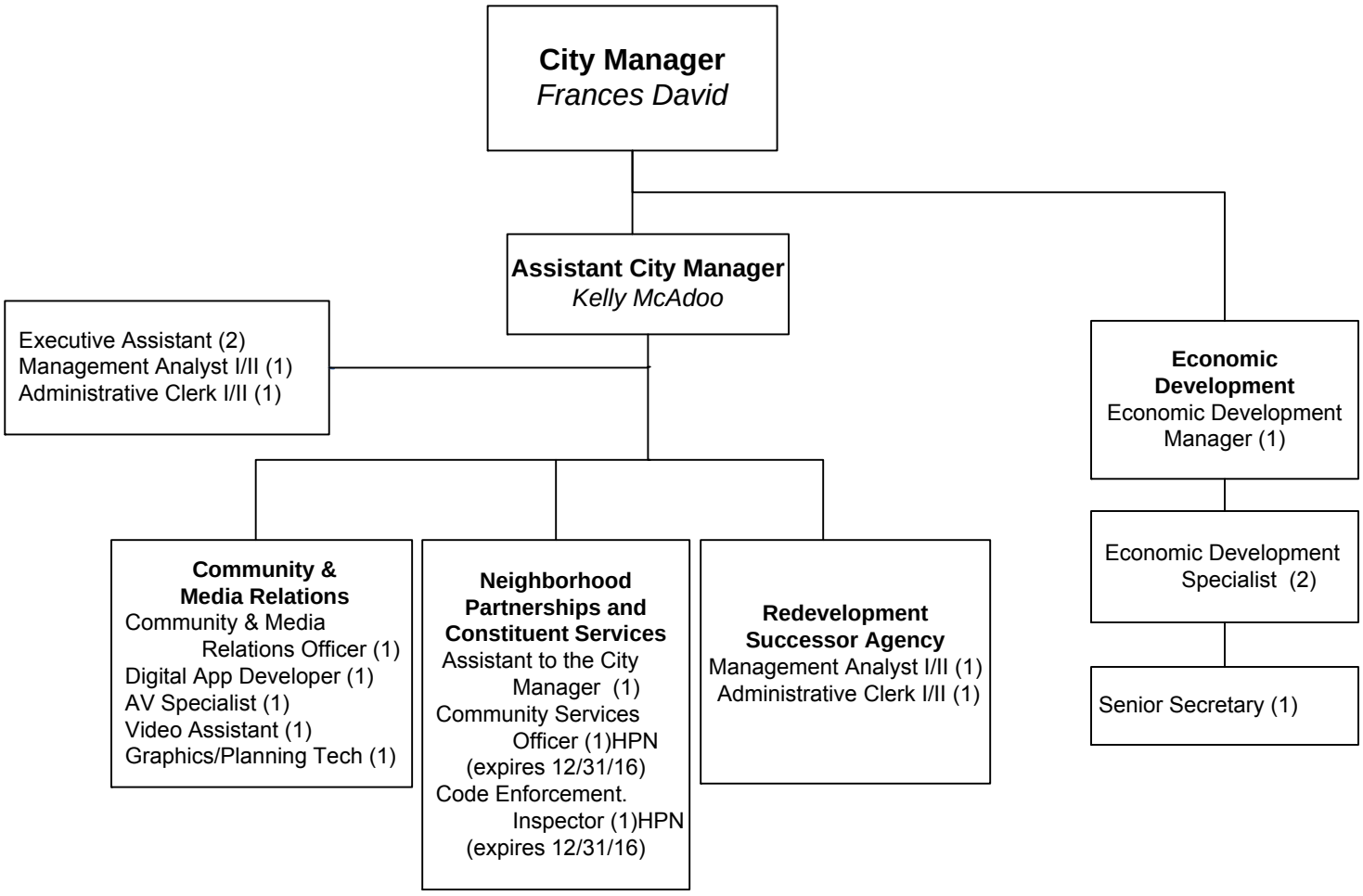
**FY14 Election Expense ($244,405) is not reflected until FY15 Actuals as the invoice was not received and processed until after the close of the FY14 fiscal year.*

FY 2017 Significant Budget Changes:

1. No Election expense for FY2017 Budget Year.

FY 2017 STAFFING
20.0 FTE

Office of the City Manager



CITY MANAGER'S OFFICE

MISSION STATEMENT

The City Manager's Office is dedicated to fostering innovation, ownership, and accountability among employees in order to provide quality and timely service to our community within a fiscally sustainable model according to priorities defined by the City Council. 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 has operational responsibility for economic development, neighborhood partnerships, constituent services, and communications and media relations. Management of the Successor Agency to the Hayward Redevelopment Agency also falls under the purview of this department.

DIVISION/PROGRAM SUMMARIES

Communications & Media Relations

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

Economic Development

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

Neighborhood Partnerships and Constituent Services

The Neighborhood Partnerships and Constituent Services Division is responsible for creatively engaging with Hayward neighborhoods to identify and resolve a variety of community issues, from crime to traffic to cleanliness; and facilitates collaborative solutions to complex community concerns. This division also helps individual constituents access needed information and services; fosters community civic engagement; and supports inter-agency coordination and collaboration.

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 2016 KEY PERFORMANCE/ACCOMPLISHMENTS

Administration

1. Introduced Lean Startup management initiative throughout the organization.
2. Developed and coordinated Measure A/UUT renewal campaign.
3. Successfully negotiated and executed Purchase and Sale Agreement with Caltrans for the surplus 238 Bypass properties.
4. Completed the 2016 Employee Satisfaction Survey with an employee response rate of over 60%.
5. Drafted and submitted the City's 2016 Local Hazard Mitigation Plan to CalOES and FEMA.
6. Introduced a Mills Act Historical Property Tax Abatement ordinance.

Communications & Media Relations

1. Completed the comprehensive overhaul of the City's web presence, including differentiated portal sites for Police, Fire, Airport and Library.
2. Increased organic Twitter reach by 26% (2,059 to 2,602), Facebook reach by 78% (2,256 to 4,240) and LinkedIn reach by 26% (737 to 927).
3. Produced full portfolio of branded marketing materials for economic development activities.
4. Produced 25 original videos run on KHRT Channel 15 and distributed via social media channels for an additional >60,000 views.
5. Provided strategic and crisis communications support across the organization.

Economic Development

1. Facilitated the acquisition and land entitlement approvals of Eden Shores Industrial Park including 275,000 Square feet of Class "A" Flexible Industrial space targeted specifically for Advanced Industries. Developed business statistics and content for new data-driven marketing materials that support new business recruitment, expansion, and retention activities.
2. Facilitated community events that promote Hayward (including Summer Movie Series, downtown street parties, Light up the Season, Rubik Cube Rumble, Passport to Downtown, and the Wine Walk).
3. Developed Fiber Implementation Strategy including the creation of an interactive GIS mapping system, exploration of Public/Private Partnership opportunities, pursuit of Federal grant funding and initiation of Fiber Master Plan formation.
4. Improved City partnerships with the Chamber of Commerce, County Workforce and Small Business Development agencies to coordinate and provide resources to new and existing Hayward businesses.

CITY MANAGER'S OFFICE

Neighborhood Partnerships and Constituent Services

1. Assisted over 120 individual constituents addressing a wide variety of issues and concerns, including connections to needed City services and community housing, food, health, mental health, financial, social, and recreational services.
2. Continued work with twenty-two (22) Neighborhood Partnership Program (NPP) neighborhoods to address ongoing neighborhood quality of life issues.
3. Introduced #ConnectHayward - the next iteration of the Neighborhood Partnership Program - where online and other civic engagement strategies were utilized in addition to neighborhood meetings and City sponsored events to civically engage residents and other community stakeholders. This included the launch of the #ConnectHayward Community Survey to determine which communication methods constituents prefer using to get information from - and provide information to - the City.
4. Coordinated the HPN Neighborhood Health and Empowerment Network and collaborated with other HPN Community Partner Agencies to improve the safety of the neighborhoods and schools in which HUSD students live and learn. Includes work with (HPN) Community Resident Engagement Specialists to address neighborhood issues in coordination with local apartment owners, managers, and tenants.
5. Leveraged HPN funds and NIP Grant Funds to better prepare the Jackson Triangle neighborhood for a major emergency event, and to support the Fairway Park Neighborhood's desire to install an exercise par course along Mission Blvd.

DEPARTMENT PERFORMANCE METRICS

Division	FY 2016 Performance Measures/Goals	FY 2016 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
	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
an d M ed	Begin concerted media tracking to establish a baseline for positive media mentions, followed by an aggressive earned media outreach strategy	ACHIEVED

	producing a steady upward trend.	
	Ongoing user training for website administration, including written style, photography standards, best practices for page development and search engine optimization. (Quantified by number of training sessions and number of attendees/departments represented.)	ACHIEVED
	Increased social media reach by 25% across all platforms. Increased broadcast email subscriptions of at least 25%.	ACHIEVED
	Continued original programming production, averaging at least one video package per week (52 annually), inclusive of promotional spots, PSAs and "news" spots.	ACHIEVED
	KHRT (Channel 15) is being transmitted as scheduled	ACHIEVED
Economic Development	The Economic Development Strategic Plan (EDSP) includes 102 work tasks, many of which are multi-year initiatives. Progress has been made on multiple work tasks and requiring updates to program work tasks of the EDSP in order to be aligned with economic development activity.	CONTINUED EFFORT NEEDED
	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 downtown related initiatives such as the Downtown Business Improvement Assessment to ensure downtown vitality and develop a business support marketing campaign, and a banner program to promote business attraction, retention, expansion, and visitor attraction.	ACHIEVED
	Sponsor Real Estate Broker Events designed to bring capital to key development business clusters and facilitate at least an annual broker event as part of the Silicon Valley Economic Development Association.	CONTINUED EFFORT NEEDED
	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.	CONTINUED EFFORT NEEDED
Neighborhood Partnerships and Constituent Services	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.	ACHIEVED
	Web-based social media and translation services will be made available to constituents to enhance communication and partnerships with City officials.	ACHIEVED
	Allocate Neighborhood Improvement Grants to neighborhood groups in support of neighborhood and community improvement projects and activities.	ACHIEVED
	Plan and implement programs, projects and events that engage community stakeholders in civic action.	ACHIEVED

CITY MANAGER'S OFFICE

FY 2017 KEY SERVICE OBJECTIVES/GOALS

Administration

1. Assure the health and well-being of the organization and its employees.
2. Successfully expand the Lean Startup Initiative throughout the organization
3. Develop and implement a Caltrans property development process.
4. Complete the 2017 Resident Satisfaction Survey
5. Successfully hire a new Community and Media Relations Officer.
6. Successfully hire a new Chief Financial Officer

Communications & Media Relations

1. Complete the 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.

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.
5. Successfully bring some of the Caltrans properties to market at a profit to the City.

Neighborhood Partnerships

1. Continue to expand new strategies that engage community members in civic activities, with particular emphasis on the expansion of online engagement options and other alternatives to neighborhood and community meetings.
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 and sustain the Hayward Promise Neighborhoods (HPN) Grant program.

4. Based on constituent input, create alternative methods for constituents to communicate with the City about their needs, desires, and community improvement ideas.
5. Continue to connect, at least annually, with established Home Owner and Neighborhood Associations, Neighborhood Watch groups, Neighborhood Emergency Preparedness groups, local business associations and groups, and other constituent organizations to ensure that City officials remain aware of and responsive to community needs.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2017

FY 2016 Mid-Year Changes (+1.0 FTE)

- ❑ Add 1.0 FTE Graphics/Planning Technician – relocated from Development Services to City Manager's Office

FY 2017 Changes (-11.0 FTE)

- ❑ Relocate Code Enforcement Division from City Manager's Office to Development Services
    - Delete 1.0 FTE Code Enforcement Supervisor
    - Delete 2.0 FTE Senior Code Enforcement Inspectors
    - Delete 6.0 FTE Code Enforcement Inspectors
    - Delete 1.0 FTE Senior Secretary
    - Delete 1.0 FTE Admin Clerk I/II
- ❑ Delete 1.0 FTE Management Fellow
- ❑ Add 1.0 FTE Management Analyst I/II (50% of the position's cost will be charged to the Fire Department)
- ❑ Funding for 1.0 FTE Code Enforcement Inspector and 1.0 FTE Community Services Officer ends December 31, 2016 with the expiration of the Neighborhood Promise Grant

All Funds Summary - By Category

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue and Transfers In From Other Funds				
General Fund Revenue	609,171	814,564	694,280	67,399
Economic Development Fund	-	-	-	350,000
Promise Grant Revenue	249,298	168,710	212,088	212,088
Downtown Business Improve Prog	48,104	56,961	-	-
South Hayward B.A.R.T. JPA	-	533,877	20,000	421,280
Successor Agency RDA	10,225,408	5,597,011	8,249,150	6,058,155
	11,131,982	7,171,123	9,175,518	7,108,922
(Contribution to)/ Use of Fund Balance				
Economic Development Fund	-	-	-	-
Promise Grant	(65,081)	(10,783)	-	(89,096)
Downtown Business Improve Prog	(9,018)	11,210	96,000	96,000
South Hayward B.A.R.T. JPA	-	(518,588)	(13,655)	417,045
Successor Agency RDA	7,011,038	953,173	(3,549,503)	(851,680)
	6,936,939	435,013	(3,467,158)	(427,731)
Fund Subsidy				
General Fund Subsidy	3,090,987	3,405,872	3,935,032	3,422,872
Information Tech Fund Subsidy	-	605	307,872	350,786
	3,090,987	3,406,477	4,242,904	3,773,658
Total Revenues	**21,159,907**	**11,012,612**	**9,951,264**	**10,454,849**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,189,185	2,300,015	2,691,785	1,978,573
Overtime	19,381	2,325	-	-
Benefits				
Fringe Benefits	427,215	511,002	667,024	490,621
Retiree Medical	46,800	45,000	49,061	33,584
PERS	407,757	496,782	651,651	480,071
Charges (to)/from other programs	164,748	15,201	(107,687)	(88,555)
Net Staffing Expense	**3,255,086**	**3,370,326**	**3,951,834**	**2,894,294**

All Funds Summary - By Category

Continued

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Supplies & Services	933,236	1,261,463	1,468,750	1,959,314
Community Promotions	25,985	4,368	32,000	32,000
Hayward Clean and Green	10,889	6,400	10,000	10,000
Maintenance & Utilities	27,973	49,265	66,614	43,657
Loan Interest	2,335,995	2,974,293	2,173,931	2,089,188
Principal Retirement	1,605,000	1,750,000	1,835,000	1,920,000
Project Expenditures	41,800	-	-	-
Capital	62,856	-	-	281,500
Internal Service Fees	241,969	304,326	340,918	185,051
Net Operating Expense	**5,285,703**	**6,350,115**	**5,927,213**	**6,520,710**
Transfers to Other Funds	**12,619,118**	**1,292,172**	**72,217**	**1,039,846**
Total Expenditures	**21,159,907**	**11,012,612**	**9,951,264**	**10,454,849**
Net Change	-	-	-	-

All Funds Summary - By Program

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue and Transfers In From Other Funds				
General Fund Revenue	609,171	814,564	694,280	67,399
Economic Development Fund	-	-	-	350,000
Promise Grant	249,298	168,710	212,088	212,088
Downtown Business Improvement	48,104	56,961	-	-
South Hayward B.A.R.T. JPA	-	533,877	20,000	421,280
Successor Agency RDA	10,225,408	5,597,011	8,249,150	6,058,155
	11,131,982	7,171,123	9,175,518	7,108,922
(Contribution to)/ Use of Fund Balance				
Economic Development Fund	-	-	-	-
Promise Grant	(65,081)	(10,783)	-	(89,096)
Downtown Business Improvement	(9,018)	11,210	96,000	96,000
South Hayward B.A.R.T. JPA	-	(518,588)	(13,655)	417,045
Successor Agency RDA	7,011,038	953,173	(3,549,503)	(851,680)
	6,936,939	435,013	(3,467,158)	(427,731)
Fund Subsidy				
General Fund Subsidy	3,090,987	3,405,872	3,935,032	3,422,872
Information Technology Fund Subsidy	-	605	307,872	350,786
	3,090,987	3,406,477	4,242,904	3,773,658
Total Revenues	**21,159,907**	**11,012,612**	**9,951,264**	**10,454,849**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds				
Office of the City Manager	3,700,158	4,220,436	4,629,312	3,490,271
Information Technology	-	605	307,872	350,786
Economic Development Fund	-	-	-	350,000
Promise Grant	184,217	157,927	212,088	122,993
Downtown Business Improvement	39,086	68,171	96,000	96,000
South Hayward B.A.R.T. JPA	-	15,289	6,345	766,220
Successor Agency RDA	17,236,446	6,550,184	4,699,647	5,206,475
Other Department Operating Costs	-	-	-	72,105
Total Expenditures	**21,159,907**	**11,012,612**	**9,951,264**	**10,454,849**
Net Change	-	-	-	-

General Fund Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Grants	**-**	**-**	**-**	
Code Enforcement Fees	92,004	275,978	200,000	-
Rental Inspection Fees	510,155	496,983	458,000	-
Miscellaneous Fees	389	40,644	36,280	-
Fines and Forfeitures	1,300	-	-	-
Other Revenue	5,324	958	-	67,399
Total Revenues	**609,171**	**814,564**	**694,280**	**67,399**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,933,930	1,980,726	2,207,336	1,513,513
Overtime	14,770	1,673	-	-
Benefits				
Fringe Benefits	376,862	457,744	529,977	326,354
Retiree Medical	40,500	38,400	37,606	21,256
PERS	358,125	428,540	535,003	367,884
Charges (to)/from other programs	(6,915)	11,568	(107,687)	-
Net Staffing Expense	2,717,273	2,918,651	3,202,235	2,229,007
Maintenance & Utilities	21,342	40,891	42,730	12,057
Supplies & Services	619,844	945,800	1,005,111	1,027,688
Community Promotions	25,985	4,368	32,000	32,000
Hayward Clean and Green	10,889	6,400	10,000	10,000
Internal Service Fees	241,969	304,326	337,236	179,519
Capital	62,856	-	-	-
Net Operating Expense	982,885	1,301,785	1,427,077	1,261,264
Total Expenditures	**3,700,158**	**4,220,436**	**4,629,312**	**3,490,271**
General Fund Subsidy	**3,090,987**	**3,405,872**	**3,935,032**	**3,422,872**

Administration-General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Miscellaneous Revenue	-	-	-	67,399
Total Revenues	**-**	**-**	**-**	**67,399**
EXPENDITURES				
Expenditures				
Salary				
Regular	498,251	510,432	649,785	722,780
Overtime	3,084	538	-	-
Benefits				
Fringe Benefits	82,091	91,138	100,849	109,082
Retiree Medical	9,000	9,000	8,993	8,993
PERS	89,414	112,155	157,536	176,013
Charges (to)/from other programs	(1,771)	11,616	(50,775)	-
Net Staffing Expense	680,068	734,878	866,388	1,016,868
Maintenance & Utilities	1,200	1,128	1,200	10,700
Supplies & Services	195,108	273,209	268,374	331,673
Internal Service Fees	57,614	78,992	85,468	110,214
Capital	-	-	-	-
Net Operating Expense	253,921	353,329	355,042	452,587
Total Expenditures	**933,989**	**1,088,207**	**1,221,430**	**1,469,455**
General Fund Subsidy	**933,989**	**1,088,207**	**1,221,430**	**1,402,056**

FY 2017 Significant Budget Changes:

1. Delete 1.0 FTE Management Fellow
2. Add 1.0 FTE Management Analyst I/II (50% charged to Fire)

Code Enforcement - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Code Enforcement Fees	92,004	275,978	200,000	-
Miscellaneous Fees	389	40,644	36,280	-
Fines & Forfeitures	1,300	-	-	-
Rental Inspection Fees	510,155	496,983	458,000	-
Total Revenues	**603,848**	**813,606**	**694,280**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	993,333	902,798	907,019	-
Overtime	11,079	314	-	-
Benefits				
Fringe Benefits	215,689	244,385	250,011	-
Retiree Medical	22,500	20,400	17,985	-
PERS	185,535	198,579	218,696	-
Charges (to)/from other programs	(7,443)	(1,209)	-	-
Net Staffing Expense	1,420,692	1,365,268	1,393,711	-
Maintenance & Utilities	18,954	38,816	41,200	-
Supplies & Services	88,241	69,827	64,695	-
Internal Service Fees	162,392	183,852	186,086	-
Capital	62,856	-	-	-
Net Operating Expense	332,444	292,495	291,981	-
Total Expenditures	**1,753,136**	**1,657,762**	**1,685,692**	**-**
General Fund Subsidy	**1,149,288**	**844,156**	**991,412**	**-**

FY 2017 Significant Budget Changes:

1. Relocate division from City Manager's Office to Development Services

Communications & Media Relations - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Other	-	-	-	
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	832	124,999	229,765
Overtime	-	20	-	-
Benefits				
Fringe Benefit	-	158	37,828	69,048
Retiree Medical	-	-	2,453	4,088
PERS	-	173	30,588	55,776
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	-	1,182	195,868	358,677
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	123,075	148,075
Internal Service Fees	-	-	11,419	17,327
Capital	-	-	-	-
Net Operating Expense	-	-	134,494	165,402
Total Expenditures	**-**	**1,182**	**330,362**	**524,079**
Net Change	**-**	**1,182**	**330,362**	**524,079**

FY 2017 Significant Budget Changes:

1. Relocation of 1.0 FTE Graphics/Planning Tech from Development Srvcs to City Manager's Office

Economic Development - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Other Revenue	1,324	918	-	
Total Revenues	**1,324**	**918**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	299,120	420,558	382,699	413,849
Overtime	608	801	-	-
Benefits				
Fringe Benefits	47,335	102,687	110,858	124,951
Retiree Medical	7,200	7,200	6,540	6,540
PERS	54,952	86,008	93,231	100,215
Charges (to)/from other programs	4,334	1,162	(50,478)	-
Net Staffing Expense	413,549	618,415	542,850	645,555
Maintenance & Utilities	-	-	-	-
Supplies & Services	114,312	402,461	302,609	302,609
Community Promotions	25,985	4,368	32,000	32,000
Internal Service Fees	14,030	32,718	44,402	41,466
Net Operating Expense	154,326	439,548	379,011	376,075
Total Expenditures	**567,875**	**1,057,963**	**921,861**	**1,021,630**
General Fund Subsidy	**566,552**	**1,057,045**	**921,861**	**1,021,630**

FY 2017 Significant Budget Changes:

1. None.

Neighborhood Services - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Grants	-	-	-	-
Code Enforcement Fees	-	-	-	-
Other Revenue	4,000	40	-	-
Total Revenues	**4,000**	**40**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	143,226	146,106	142,834	147,119
Overtime	-	-	-	-
Benefits				
Fringe Benefits	31,747	19,377	30,431	23,273
Retiree Medical	1,800	1,800	1,635	1,635
PERS	28,225	31,625	34,952	35,880
Charges (to)/from other programs	(2,035)	-	(6,434)	-
Net Staffing Expense	202,963	198,908	203,418	207,907
Maintenance & Utilities	1,188	947	330	1,357
Supplies & Services	222,183	200,303	246,358	245,331
Hayward Clean and Green	10,889	6,400	10,000	10,000
Internal Service Fees	7,933	8,763	9,861	10,512
Net Operating Expense	242,194	216,414	266,549	267,200
Total Expenditures	**445,157**	**415,321**	**469,967**	**475,107**
General Fund Subsidy	**441,157**	**415,281**	**469,967**	**475,107**

FY 2017 Significant Budget Changes:

1. None

Neighborhood Promise Grant - Special Revenue Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beginning Working Capital Balance	**(41,041)**	**24,041**	**34,824**	**34,824**
REVENUES				
Revenue				
Grants	249,298	168,710	212,088	212,088
Total Revenues	**249,298**	**168,710**	**212,088**	**212,088**
EXPENDITURES				
Expenditures				
Salary				
Regular	97,864	112,370	149,454	76,625
Overtime	4,611	652	-	-
Benefits				
Fringe Benefits	18,294	19,249	23,841	24,740
Retiree Medical	2,700	3,000	3,270	3,270
PERS	18,991	23,092	35,523	18,358
Charges (to)/from other programs	(238)	(437)	-	-
Net Staffing Expense	142,222	157,927	212,088	122,993
Maintenance & Utilities	-	-	-	-
Supplies & Services	195	-	-	-
Internal Service Fees	-	-	-	-
Project Expenditures	41,800	-	-	-
Capital	-	-	-	-
Net Operating Expense	41,995	-	-	-
Total Expenditures	**184,217**	**157,927**	**212,088**	**122,993**
Net Change	**65,081**	**10,783**	**-**	**89,096**
Ending Working Capital Balance	**24,041**	**34,824**	**34,824**	**123,919**

FY 2017 Significant Budget Changes:

1. Grant Program expires December 31, 2016

Downtown Business Improvement Program-Special Revenue Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beg Working Capital Balance	**165,682**	**174,701**	**163,490**	**67,490**
REVENUES				
Fund Revenue				
Business License Surcharge	46,883	56,001	-	-
Interest Income	1,221	960	-	-
Other Revenue	-	-	-	-
	48,104	**56,961**	**-**	**-**
Fund Transfers In From				
Redevelop Agency Operating Fund	-	-		
	-	**-**	**-**	**-**
Total Revenues	**48,104**	**56,961**	**-**	**-**
EXPENDITURES				
Expenditures				
Charges (to)/from other programs	13,769	15,672	-	-
Supplies & Services	25,317	52,500	96,000	96,000
Net Operating Expense	**39,086**	**68,171**	**96,000**	**96,000**
Total Expenditures	**39,086**	**68,171**	**96,000**	**96,000**
Net Change	**9,018**	**(11,210)**	**(96,000)**	**(96,000)**
Ending Working Capital Balance	**174,701**	**163,490**	**67,490**	**(28,510)**

FY 2017 Significant Budget Changes:

1. None

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

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beg Working Capital Balance	**-**	**-**	**518,588**	**532,243**
REVENUES				
Revenue				
In-House Parking Collection	-	27,356	20,000	-
Interest Income		344	-	-
Other Revenue		506,177	-	421,280
Total Revenues	**-**	**533,877**	**20,000**	**421,280**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	37	4,259	34,502
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	7	1,033	9,468
Retiree Medical	-	-	10	883
PERS	-	5	1,043	8,082
Charges (to)/from other programs	-	802	-	-
Net Staffing Expense	**-**	**851**	**6,345**	**52,935**
Maintenance & Utilities	-	-	-	24,000
Supplies & Services	-	14,438	-	279,890
Capital Outlay	-	-	-	281,500
Net Operating Expense	**-**	**14,438**	**-**	**585,390**
Fund Transfers Out to				
General Fund	-	-	-	200,000
Total Expenditures	**-**	**15,289**	**6,345**	**838,325**
Other Department Operating Costs (Maintenance Services Department)	**-**	**851**	**6,345**	**72,105**
Net City Manager Dept Expenditures	**-**	**14,438**	**-**	**766,220**
Net Change	**-**	**518,588**	**13,655**	**(417,045)**
Ending Working Capital Balance	**-**	**518,588**	**532,243**	**115,198**

FY 2017 Significant Budget Changes:

1. None

Information Technology - Internal Service Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Other Revenue	-	-	-	
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	379	190,803	197,766
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	133	62,642	94,351
Retiree Medical	-	-	4,905	4,905
PERS	-	93	45,840	48,232
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	-	605	304,190	345,254
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	-
Internal Service Fees	-	-	3,682	5,532
Capital	-	-	-	-
Net Operating Expense	-	-	3,682	5,532
Total Expenditures	**-**	**605**	**307,872**	**350,786**
Information Tech Fund Subsidy	**-**	**(605)**	**307,872**	**350,786**

FY 2017 Significant Budget Changes:

1. None

Successor Agency RDA Operating Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beg Working Capital Balance	**6,123,073**	**(887,966)**	**(1,841,139)**	**1,708,364**
REVENUES				
Fund Revenue				
Property Tax (80% Tax Increment)	4,317,292	5,365,287	7,600,240	5,409,245
Interest on Fund Balance	47,722	2,974	2,557	2,557
Principal	18,873	53,750	19,447	19,447
Success Agency Admin Allowance	138,427	125,000	250,000	250,000
School Impact Fee Reimb	409,937	-	326,906	326,906
Lease Pmt - Cinema Place	50,000	50,000	50,000	50,000
Other Revenue	-	-	-	-
	4,982,251	**5,597,011**	**8,249,150**	**6,058,155**
Fund Transfers In from				
Transf to Successor Agency RDA	615,000	-	-	-
Capital Transfer From General Fund	4,628,157	-	-	-
	5,243,157	**-**	**-**	**-**
Total Revenues	**10,225,408**	**5,597,011**	**8,249,150**	**6,058,155**
Fund Expenditures				
Salary				
Regular	157,391	206,504	139,933	156,167
Overtime	-	-	-	-
Benefits				
Fringe Benefits	32,059	33,869	49,531	35,708
Retiree Medical	3,600	3,600	3,270	3,270
PERS	30,641	45,052	34,242	37,515
Charges (to)/from other programs	158,131	(12,405)	-	(88,555)
Net Staffing Expense	**381,822**	**276,620**	**226,976**	**144,105**
Supplies & Services	287,880	248,725	367,639	205,736
Maintenance & Utilities	6,631	8,374	23,884	7,600
Loan Interest	2,335,995	2,974,293	2,173,931	2,089,188
Principal Retirement	1,605,000	1,750,000	1,835,000	1,920,000
Project Expenditures	-	-	-	-
Net Operating Expense	**4,235,506**	**4,981,392**	**4,400,454**	**4,222,524**
Fund Transfers Out to				
Liability Insurance Premium	-	-	-	39,846
DS - 2004 HRA TABS Succ Agency	3,370,357	-	-	-
DS - 2006 HRA TABS Succ Agency	638,300	-	-	-
Housing Authority Transfer	165,000			
General Fund	-	-	-	
DDR Payment	5,856,617	-	-	-
Misc Trsfr - TABS Success Agency	4,500	-	-	-

Successor Agency RDA Operating Fund

Continued

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Transfer per Cooperative Agreement	2,584,344	1,292,172	72,217	800,000
	12,619,118	**1,292,172**	**72,217**	**839,846**
Total Expenditures	**17,236,446**	**6,550,184**	**4,699,647**	**5,206,475**
Net Change	**(7,011,038)**	**(953,173)**	**3,549,503**	**851,680**
Ending Working Capital Balance	**(887,966)**	**(1,841,139)**	**1,708,364**	**2,560,044**

FY 2017 Significant Budget Changes:

1. None

Economic Development-Economic Development Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beginning Working Capital Balance	**-**	**-**	**-**	**350,000**
REVENUES				
Revenue				
Transfers In	-	-	-	350,000
Total Revenues	**-**	**-**	**-**	**350,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	-
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**-**	**-**	**-**	**-**
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	350,000
Internal Service Fees	-	-	-	-
Capital Outlay	-	-	-	-
Net Operating Expense	**-**	**-**	**-**	**350,000**
Total Expenditures	**-**	**-**	**-**	**350,000**
Net Change	**-**	**-**	**-**	**-**
Ending Working Capital Balance	**-**	**-**	**-**	**350,000**

FY 2017 Significant Budget Changes:

1. Transfer in from General Fund at FY16 Mid-Year. ($350,000)

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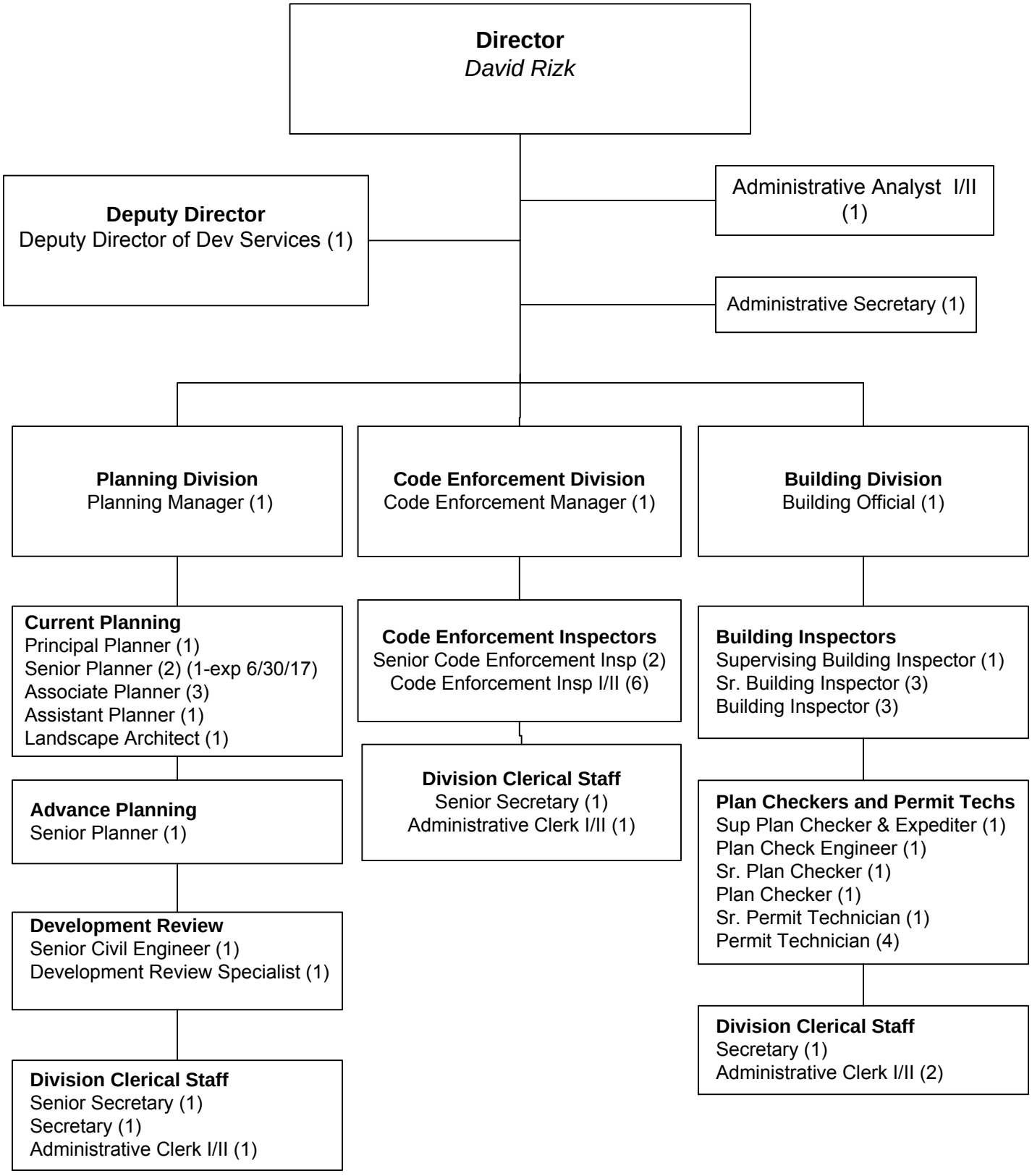
FY 2017 STAFFING
50.00 FTE

Development Services Department



DEVELOPMENT SERVICES DEPARTMENT

MISSION STATEMENT

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

DEPARTMENT OVERVIEW

The Development Services Department is comprised of the Building, Planning and Code Enforcement Divisions and assists Council through strong community interaction, in planning 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 Title 24 of the California Code of Regulations, including the California Building Code, Mechanical Code, Electrical Code, Plumbing Code and Green Building Standards Code, as adopted and amended by the City of Hayward City Council. The Building Division is committed to fulfilling the needs 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 a decision-making and 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, which 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. Also within the Current Planning Section is the Development Review Engineer and supporting staff, who in partnership with developers and builders, processes subdivision maps, property boundary adjustments, and provides basic engineering analysis on planning applications consistent with long-range plans and the direction of Council. The Development Review Engineer also prepares annual budgets and recommended assessments each fiscal year for the City's landscape and lighting assessment district and maintenance districts.

The Advanced or Long-Range Planning Section provides innovative leadership in community long-range planning, completes special planning studies, and prepares recommendations to Council for amendments to the General Plan, Zoning Ordinance, and other City regulations related to land use. Advanced Planning Section staff was the lead in processing to adoption in July of 2014 a new General Plan for Hayward.

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.

DEVELOPMENT SERVICES DEPARTMENT

FY 2016 KEY PERFORMANCE/ACCOMPLISHMENTS

BUILDING DIVISION

- Implemented the Permitting Component of the City's new Enterprise Resource Planning (ERP) software system.
- Improved process review efficiencies, including developing a comprehensive set of written procedures and policies for development applications.
- Completed scanning of all back-logged street files and microfiche, thereby improving efficiency of access for the public to such files and information.
- Significantly increased the percent of on-time reviews for building permit applications (91.7%).
- Prepared an ordinance for Council adoption allowing plastic pipe to be utilized in construction, creating cost efficiencies for contractors, business owners, and residents in the community.
- Implemented an "Over the Counter" residential solar permit process.

PLANNING DIVISION

- Processed to City adoption and State certification a new Housing Element for the General Plan.
- Initiated the Downtown Specific Plan project.
- Revised for Council adoption the City's Sign regulations to create more flexibility and better consistency.
- Developed regulations for Council adoption Vacant Property Fencing to help ensure community beautification.
- Created new regulations for Council adoption related to Unattended Collection Boxes to facilitate recycling of textiles while reducing visual blight and dumping to the community.
- Finalized the web-based General Plan, which will integrate into the citywide website update.
- Initiated the scanning of planning files.
- Developed for adoption new regulations for the keeping of chickens and bees in residential areas.
- Established with Council adoption a Zoning Conformance Permit including "Over-the-Counter" processing.
- Researched and developed a comprehensive handout of recommended/alternative amenities for project proponents seeking a rezone approval for a Planned Development.

DEVELOPMENT SERVICES DEPARTMENT

Code Enforcement

- Developed and implemented ordinances and programs associated with Illegal Construction, Tobacco Retail Sales Licenses, and Self Certification for Residential Rental Inspection.
- Conducted assessment and implementation of first round customer surveys for potential ordinance updates.
- 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).
- Marked increases in customer approval of Code Enforcement services since FY2013:
    - "Employee effectiveness" rated 5% higher in the superior category.
    - "Timeliness to respond" rated 5% higher in the superior category.
    - "Courtesy" rated 9% higher in the superior category.
    - "Exceeded expectations" rated 5% higher in the superior category.
- Completed fourteen new Mural Arts Projects and conducted 12 tours.
- Increased the total Adopt-a-Block teams to thirty-two throughout the City in partnership with the Keep Hayward Clean and Green Task Force.

DEVELOPMENT SERVICES DEPARTMENT

DEPARTMENT PERFORMANCE METRICS – FY 2016

Division	FY 2016 Performance Measures/Goals	FY 2016 Performance
Building	Establish a voluntary seismic retrofit program for single-family homes.	**ACHIEVED** Voluntary Seismic Retrofit Program established including an over-the-counter process; conducted outreach to all applicable properties.
	Work on developing a soft-story building ordinance and related funding opportunities for existing multi-family residential developments.	**REQUIRES ATTENTION** Anticipate presenting new regulations in first quarter of Fiscal Year 2017; with community outreach planned prior to such presentation.
	Implement AB2188 requirements (streamlined review for small solar photovoltaic systems).	**ACHIEVED** Developed policy and implement expedited processes, including "Solar Tuesdays"; typically processing 5-10 permits for such systems a week.

Division	FY 2016 Performance Measures/Goals	FY 2016 Performance
Planning	Develop regulations requiring solar photovoltaic systems on new large residential projects.	**REQUIRES ATTENTION** However, typically require solar PV installations on requested Planned Development District projects
	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).	**CONTINUED EFFORT NEEDED** Delay in project due to changing consultant; anticipate restart of project in late Fiscal Year 2016 and completion of project in first half of Fiscal Year 2018.
	Develop new zoning regulations for the Industrial area to better attract and accommodate "Class A" Advanced Industries.	**REQUIRES ATTENTION** Developed an outline of project scope; plan to hire consultant if requested budget and recommended new Policy Planning Fee are approved; anticipate completing in Fiscal Year 2017.

	Work with Economic Development staff to establish and implement a Fiber Optics/Broadband Strategic Plan, which will help attract Advanced Industries.	**IN PROGRESS** Economic Development staff have hired a consultant to develop a Master Plan; anticipated to be implemented in Fiscal Year 2017.

Division	FY 2016 Performance Measures/Goals	FY 2016 Performance
Code Enforcement	Process, inspect, and certify all Residential Rental Housing Self Certification applications.	**ACHIEVED** Over 200 applications have been received, processed and inspected; 169 applications are now deemed certified within the SC program; three applications were denied; the remaining 28 are in the re-inspection phase.
	Support Hayward Fire Department'365 Fire Season' fire suppression efforts (approximately 473 cases w/locations to inspect within Hazard Survey Areas and an additional 544 overgrown weeds cases via complaint/pro-active).	**ACHIEVED** 100% of properties on the survey are inspected with violations corrected by July 4th and October 1st annually.
	Complete eight to ten new Mural Arts/Utility Box projects.	**IN PROGRESS** All mural projects under contract; weather permitting, anticipate completion by July 1, 2016.
	Increase commercial and industrial illegal construction inspections by 10%.	**NOT ACHIEVED** Due to increased complexities in construction cases and additional programs with staffing levels, this will not be attainable.
	Complete all first round annual inspections of the Tobacco Retail License program. (Approximately 145 establishments)	**ACHIEVED** Processed and inspected 152 tobacco establishments and corresponding licensing applications.

Division	FY 2016 Performance Measures/Goals	FY 2016 Performance
Department Wide	Continue progress in process improvements through aggressive staff training, staff accountability, and use of technology.	**ACHIEVED/ONGOING** Completed twelve new trainings. All certification courses up to date. Technology tools upgraded. Some evaluation on a face-time inspection process.
	Review of Fee Schedules to ensure full cost recovery (new fee study anticipated in first half of Fiscal Year 2016).	**ACHIEVED** Fee Study is anticipated to be completed in late Fiscal Year

		2016, with new fees anticipated to be adopted and effective in first quarter of Fiscal Year 2017.
	Develop program to phase in electronic application submittal and electronic plan check review.	**REQUIRES ATTENTION** Assessment of options anticipated to be completed by first quarter of FY 2017, and if recommended option and funding is approved (assuming a new system is recommended), a new system is anticipated to be phased in over Fiscal Year 2017.

FY 2017 KEY SERVICE OJECTIVES/GOALS

BUILDING

1. Develop a soft-story building ordinance and related funding opportunities for existing multi-family residential developments.
2. Maintain next day inspections at 98% or higher.
3. Develop Earthquake/Disaster Preparedness processes and policies for Building Inspection Section related to its role in the Damage Assessment Unit for Emergency Response.

PLANNING

1. Continue developing 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 FY2018).
2. Develop new zoning regulations for the Industrial area to better attract and accommodate “Class A” Advanced Industries.
3. Update the Form Based Codes regulations to facilitate development in line with the City vision along the Mission Boulevard Corridor.
4. In coordination with the Hayward Area Shoreline Planning Agency (HASPA) partners, identify funding and work toward developing a Hayward Shoreline Realignment Plan.
5. Work with Economic Development staff to establish and implement a Fiber Optics/Broadband Strategic Plan, which will help attract Advanced Industries.
6. Develop regulations requiring solar photovoltaic systems on new large residential projects.
7. Complete scanning of all back-logged street files.
8. Ensure 25% or more of all the new single and multi-family projects shall have a Green Point Rating score of 100 points or more, and up to 25% of new commercial and industrial projects shall have LEED certification.

9. Evaluate and increase when possible sq. footage of useable indoor/outdoor community space as part of new projects.
10. Develop guidelines and standards for small lot single family developments. Depending on funding request and caseload, this project may roll over into early/mid FY18.
11. Update the City's Parking regulations to better reflect industry standards. Depending on funding request and caseload, this project may roll over into early/mid FY18.
12. Certify and train selected staff assigned to the Emergency Operations Center Planning and Intelligence Section for disaster preparedness.

CODE ENFORCEMENT

1. Process, inspect, and certify all Residential Rental Housing Self Certification applications as they are received.
2. Support Hayward Fire Department '365 Fire Season' fire suppression efforts.
3. Increase commercial and industrial illegal construction inspections by 10%.
4. Complete all annual inspections of the Tobacco Retail License program.
5. Complete all first round inspections relating to the new vacant fence (approximately 477 locations) and collection box (approximately 61 sites) ordinances.
6. Complete phase two of the community preservation ordinance outreach survey.
7. Develop and issue an RFP for a Master Art Plan; hire a consultant to oversee and possibly implement first phase.
8. Complete five new Mural Arts Projects.
9. Complete mural art GIS mapping overlay of projects citywide.
10. Continue to expand product-line and tours within Mural Art Program.
11. Develop Earthquake/Disaster Preparedness processes and policies for Code Inspection Division.

DEPARTMENT WIDE

1. Review of Fee Schedules to ensure full cost recovery (new fee study anticipated in first half of Fiscal Year 2016).
2. Assess various options for a new permitting software, including electronic permitting and plan checking, and recommend to Council best approach and, if approved, issue an RFP, hire a consultant, and work with IT Department staff to implement such system.
3. Manage first year roll out of new website.
4. Continue progress in process improvements through aggressive staff training, staff accountability, and use of technology.
5. Evaluate and determine reconfiguration (including technology) for first floor that includes Permit Center.

DEVELOPMENT SERVICES DEPARTMENT

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2017

FY 2016 Mid-Year Changes (-1.0 FTE)

- *Delete 1.0 FTE Graphics/Planning Technician – relocated from Development Services to City Manager's Office*

FY 2017 Changes (+12.0 FTE)

- Relocate Code Enforcement Division from City Manager's Office to Development Services
  - Add 1.0 FTE Code Enforcement Supervisor
  - Add 2.0 FTE Senior Code Enforcement Inspectors
  - Add 6.0 FTE Code Enforcement Inspectors
  - Add 1.0 FTE Senior Secretary
  - Add 1.0 FTE Admin Clerk I/II
- Delete 1.0 FTE Code Enforcement Supervisor
- Add 1.0 FTE Code Enforcement Manager
- Add 1.0 FTE Principal Planner
- Extend funding of 1.0 FTE Senior Planner through June 30, 2017 (position set to expire April 2017).
- Delete 1.0 FTE Development Review Engineer
- Add 1.0 FTE Senior Civil Engineer

All Funds Summary - By Category

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
General Fund Revenue	5,113,550	4,596,568	4,834,000	6,274,500
Park Districts	541,789	1,630,996	2,235,906	2,235,906
Energy Efficiency Conservation Block Grant	-	-	-	-
	5,655,339	**6,227,564**	**7,069,906**	**8,510,406**
(Contribution)/Use of Fund Balance				
Park District Funds	241,881	(1,443,276)	402,910	402,910
	241,881	**(1,443,276)**	**402,910**	**402,910**
Fund Subsidy				
General Fund Subsidy	**(469,051)**	**(40,319)**	**759,890**	**1,944,580**
Total Revenues	**5,428,170**	**4,743,969**	**8,232,706**	**10,857,896**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,789,699	2,057,604	3,619,039	4,884,962
Overtime	15,994	13,859	2,700	2,700
Target Savings	-	-	(90,101)	(78,874)
Benefits				
Fringe Benefits	548,957	666,474	827,850	1,226,258
Retiree Medical	57,600	64,800	64,992	79,707
PERS	530,394	668,506	878,936	1,182,077
Charges (to)/from other programs	(783,803)	(614,429)	(1,094,800)	(929,800)
Net Staffing Expense	**3,158,841**	**2,856,814**	**4,208,616**	**6,367,030**
Maintenance & Utilities	7,232	6,035	7,700	50,600
Supplies & Services	1,701,301	1,232,722	3,282,887	3,484,882
Internal Service Fees	560,684	648,397	714,603	955,384
Capital	112	-	18,900	-
Projects	-	-	-	-
Net Operating Expense	**2,269,329**	**1,887,155**	**4,024,090**	**4,490,866**
Transfers Out to Other Funds	**-**	**-**	**-**	**-**
Total Expenditures	**5,428,170**	**4,743,969**	**8,232,706**	**10,857,896**

All Funds Summary - By Program

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Administration	-	-	-	-
Building 4,660,499		4,027,651	4,312,000	4,717,000
Planning	453,051	568,917	522,000	696,500
Code Enforcement	-	-	-	861,000
Energy Efficiency Conservation Block Grant	-	-	-	-
Park Districts	541,789	1,630,996	2,235,906	2,235,906
	5,655,339	**6,227,564**	**7,069,906**	**8,510,406**
(Contribution)/Use of Fund Balance				
Park District Funds	241,881	(1,443,276)	402,910	402,910
	241,881	**(1,443,276)**	**402,910**	**402,910**
Fund Subsidy				
General Fund Subsidy	**(469,051)**	**(40,319)**	**759,890**	**1,944,580**
Total Revenues	**5,428,170**	**4,743,969**	**8,232,706**	**10,857,896**
EXPENDITURES				
Expenditures				
Administration	405,460	695,966	746,972	819,431
Building 3,071,772		3,423,093	3,524,763	3,739,423
Planning	1,167,267	437,190	1,322,155	1,870,505
Code Enforcement	-	-	-	1,789,721
Park Districts	783,670	187,720	2,638,816	2,638,816
Total Expenditures	**5,428,170**	**4,743,969**	**8,232,706**	**10,857,896**

General Fund Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Licenses & Permits	1,448,421	2,499,636	2,181,000	2,556,000
Fees & Service Charges	3,664,469	2,071,021	2,652,000	2,885,000
Code Enforcement Fees	-	-	-	350,000
Rental Inspection Fees	-	-	-	458,000
Other Revenue	660	25,911	1,000	25,500
Total Revenues	**5,113,550**	**4,596,568**	**4,834,000**	**6,274,500**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,789,699	2,057,604	3,619,039	4,884,962
Overtime	15,994	13,859	2,700	2,700
Target Savings	-	-	(90,101)	(78,874)
Benefits				
Fringe Benefits	548,957	666,474	827,850	1,226,258
Retiree Medical	57,600	64,800	64,992	79,707
PERS	530,394	668,506	878,936	1,182,077
Charges (to)/from other programs	(787,706)	(616,415)	(1,100,000)	(935,000)
Net Staffing Expense	**3,154,938**	**2,854,828**	**4,203,416**	**6,361,830**
Maintenance & Utilities	7,232	6,035	7,700	50,600
Supplies & Services	921,534	1,046,988	649,271	851,266
Internal Service Fees	560,684	648,397	714,603	955,384
Capital	112	-	18,900	-
Net Operating Expense	**1,489,562**	**1,701,421**	**1,390,474**	**1,857,250**
Total Expenditures	**4,644,499**	**4,556,249**	**5,593,890**	**8,219,080**
General Fund Subsidy	**(469,051)**	**(40,319)**	**759,890**	**1,944,580**

Administration - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Other Revenue	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	271,761	475,895	492,118	538,908
Overtime	-	-	-	-
Benefits				
Fringe Benefits	44,263	69,749	74,582	80,613
Retiree Medical	5,400	7,200	6,540	6,540
PERS	53,564	103,710	119,789	130,645
Charges (to)/from other programs	(1,140)	(561)	-	-
Net Staffing Expense	**373,848**	**655,993**	**693,029**	**756,706**
Maintenance & Utilities	1,200	1,206	1,200	1,200
Supplies & Services	3,842	5,344	16,040	16,040
Internal Service Fees	26,570	33,423	36,703	45,485
Capital	-	-	-	-
Net Operating Expense	**31,612**	**39,973**	**53,943**	**62,725**
Total Expenditures	**405,460**	**695,966**	**746,972**	**819,431**
General Fund Subsidy	**405,460**	**695,966**	**746,972**	**819,431**

FY 2017 Significant Budget Changes:

1. None

Building - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Licenses & Permits	1,448,421	2,499,636	2,181,000	2,556,000
Fees & Service Charges	3,212,078	1,502,990	2,131,000	2,136,000
Other Revenue	-	25,025	-	25,000
Total Revenues	**4,660,499**	**4,027,651**	**4,312,000**	**4,717,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,456,142	1,462,696	1,723,136	1,821,532
Overtime	15,732	9,607	2,200	2,200
Target Savings	-	-	(90,101)	(78,874)
Benefits				
Fringe Benefits	354,123	379,978	485,783	517,201
Retiree Medical	32,400	32,400	31,883	31,883
PERS	277,375	320,228	420,182	438,928
Charges (to)/from other programs	(34,554)	(19,286)	-	-
Net Staffing Expense	**2,101,217**	**2,185,624**	**2,573,083**	**2,732,870**
Maintenance & Utilities	5,787	4,775	6,000	6,000
Supplies & Services	629,813	844,102	501,561	545,661
Internal Service Fees	334,843	388,593	438,119	454,892
Capital	112	-	6,000	-
Net Operating Expense	**970,555**	**1,237,469**	**951,680**	**1,006,553**
Total Expenditures	**3,071,772**	**3,423,093**	**3,524,763**	**3,739,423**
General Fund Subsidy	**(1,588,727)**	**(604,558)**	**(787,237)**	**(977,577)**

FY 2017 Significant Budget Changes:

1. None

Planning - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Fees & Service Charges	452,391	568,031	521,000	696,000
Other Revenue	660	886	1,000	500
Total Revenues	**453,051**	**568,917**	**522,000**	**696,500**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,061,796	119,013	1,403,785	1,560,729
Overtime	263	4,252	500	500
Benefits				
Fringe Benefits	150,572	216,747	267,485	360,937
Retiree Medical	19,800	25,200	26,569	23,299
PERS	199,454	244,568	338,965	378,614
Charges (to)/from other programs	(752,012)	(596,568)	(1,100,000)	(935,000)
Net Staffing Expense	**679,873**	**13,211**	**937,304**	**1,389,079**
Maintenance & Utilities	245	54	500	200
Supplies & Services	287,878	197,542	131,670	211,870
Internal Service Fees	199,271	226,382	239,781	269,356
Capital	-	-	12,900	-
Net Operating Expense	**487,394**	**423,978**	**384,851**	**481,426**
Total Expenditures	**1,167,267**	**437,190**	**1,322,155**	**1,870,505**
General Fund Subsidy	**714,216**	**(131,728)**	**800,155**	**1,174,005**

FY 2017 Significant Budget Changes:

1. Relocate 1.0 FTE Graphics/Planning Tech from Development Srvcs to City Manager's Office
2. Add 1.0 FTE Principal Planner
3. Extend funding for 1.0 FTE Senior Planner until June 30, 2017 (was set to expire April 2017)
4. Delete 1.0 FTE Development Review Engineer
5. Add 1.0 FTE Senior Civil Engineer

Code Enforcement - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Code Enforcement Fees	-	-	-	350,000
Miscellaneous Fees	-	-	-	53,000
Rental Inspection Fees	-	-	-	458,000
Total Revenues	**-**	**-**	**-**	**861,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	963,793
Overtime	-	-	-	-
Benefits	-	-		
Fringe Benefits	-	-	-	267,507
Retiree Medical	-	-	-	17,985
PERS	-	-	-	233,890
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	-	-	-	1,483,175
Maintenance & Utilities	-	-	-	43,200
Supplies & Services	-	-	-	77,695
Internal Service Fees	-	-	-	185,651
Capital	-	-	-	-
Net Operating Expense	-	-	-	306,546
Total Expenditures	**-**	**-**	**-**	**1,789,721**
General Fund Subsidy	**-**	**-**	**-**	**928,721**

FY 2017 Significant Budget Changes:

1. Relocate division from City Manager's Office to Development Services
2. Delete 1.0 FTE Code Enforcement Supervisor
3. Add 1.0 FTE Code Enforcement Manager

Park Districts - Special Revenue Fund

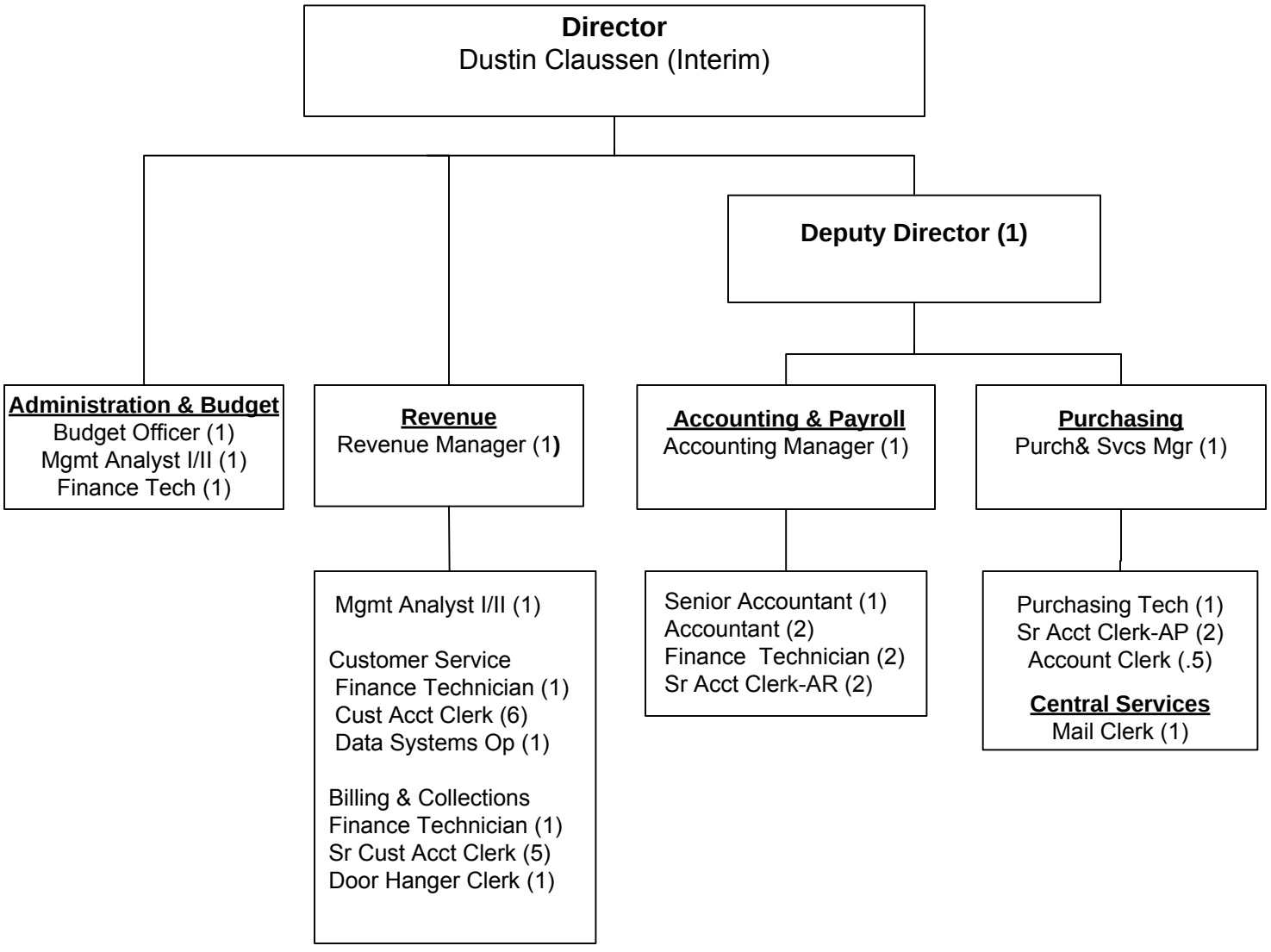
	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beginning Working Capital Balance	**1,375,862**	**1,133,981**	**2,577,257**	**2,174,347**
REVENUES				
Revenue				
Interest and Rents	16,157	11,814	-	-
Other Revenue	525,632	1,619,182	2,235,906	2,235,906
Total Revenues	**541,789**	**1,630,996**	**2,235,906**	**2,235,906**
EXPENDITURES				
Expenditures				
Salary	-	-	-	-
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	-
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	3,904	1,986	5,200	5,200
Net Staffing Expense	**3,904**	**1,986**	**5,200**	**5,200**
Supplies & Services	779,767	185,734	2,633,616	2,633,616
Net Operating Expense	**779,767**	**185,734**	**2,633,616**	**2,633,616**
Fund Transfers Out to Other Funds				
RDA TABS - Capital Fund	-	-	-	
	-	**-**		
Total Expenditures	**783,670**	**187,720**	**2,638,816**	**2,638,816**
Net Change	**(241,881)**	**1,443,276**	**(402,910)**	**(402,910)**
Ending Fund Balance	**1,133,981**	**2,577,257**	**2,174,347**	**1,771,437**

FY 2017 Significant Budget Changes

1. None

FY 2017 STAFFING
35.50 FTE

Finance Department



FINANCE DEPARTMENT

MISSION STATEMENT

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

DEPARTMENT OVERVIEW

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

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

DIVISION/PROGRAM SUMMARIES

Administration & Budget Division

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

Accounting & Payroll Division

Accounting oversees the City's general accounting functions, maintains the general ledger, and prepares internal and external financial reports and statements. The division also manages city-wide

payroll, accounts receivable, banking, day to day cash management, records maintenance for the City's fixed assets, and administers the City's special assessment districts. Accounting staff records all financial transactions in compliance with Generally Accepted Accounting Principles (GAAP) and are responsible for overseeing the City's financial and compliance audits performed by external auditors, as well as preparing the City's Comprehensive Annual Financial Report (CAFR).

Revenue Billing & Collections Division

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

Purchasing and General Services Division

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

FY 2016 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, including ERP processes related to financial Accounting and procurement.
2. Refined the City's Ten-Year financial plans and benefit liability funding plans.
3. Successfully completed the FY 2015 annual audits and issued the FY 2015 Comprehensive Annual Financial Report (CAFR).
4. Implemente d Electronic W-2s.
5. Completed a comprehensive Measure C financing plan and issued debt (about $75 million) for new library, improvements to fire stations/new training center, and streets improvements.
6. Successfully implemented new Purchasing Policies and Procedures.
7. Commenced comprehensive user fee study.
8. Converted over 3,500 requisitions into Purchase Orders and 175 into Contracts.
9. Processed 25 Requests for Bids, Quotes and Proposals and 31,840 payments through Accounts Payable.
10. Handled 60,000 telephone calls and 54,127 walk-in customers during FY 2016.

11. Implemented a credit card convenience fee for online and telephone payments saving the City over $150,000 annually.
12. Outsourced the processing and collection of Hayward Police Department issued parking citations increasing revenue collections by 50%.

DEPARTMENT PERFORMANCE METRICS – FY 2016

Division	FY 2016 Performance Measures/Goals	FY 2016 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.	**ACHIEVED**
	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 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 2016 Performance Measures/Goals	FY 2016 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.	**ACHIEVED**
Purchasing, Accounts Payable 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).	**ACHIEVED**
	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 staffing challenges.
	Provide timely payment of City obligations, including benefits, contracts and vendors 100% of the time.	**ACHIEVED** New Accounts Payable Schedule published and distributed in FY 2015
	Successfully update and implement financial policies by July 2015.	**ACHIEVED** New policies implemented in FY 2015 including Purchasing, Employee Expense Reimbursement, Travel and Petty Cash

FY 2017 SERVICE OBJECTIVES/GOALS

1. Draft and issue a Request for Proposal for banking and cash management services.
2. Commence Business License Tax ordinance revision and update.
3. Implement Vendor online self-service.
4. Draft and implement updated Accounts Payable Policies & Guidelines.
5. Finalize and implement the citywide user fee study.
6. Conduct citywide training for new cash handling policies, including partnering with the Public Treasury Institute to host a regional Cashiering training for Cashiers and Supervisors
7. Draft and implement a citywide grants management policy.
8. Maintain high collection rate with a collection account ratio averaging better than 90%.
9. Maintain record of 100% timely mailing of bills and collection notices.
10. Initiate an annual Customer Appreciation Week in the Revenue Division.

11. Conduct a customer satisfaction survey both online and in-person.
12. Conduct an audit review of unassigned utility accounts.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2017

The Finance Department struggled in recent years to meet increased service demands with a reduced and changing workforce. The Department has rebuilt its staffing resources and structure and is now stabilized and is seeing positive results.

FY 2017 Changes (+.5 FTE)

- Add 0.5 FTE Account Clerk – General Fund

  The Account Clerk is a new position in the Purchasing Division to provide key cross-functional support and provide vital back-up to multiple positions within the division.

All Funds Summary - By Category

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue and Transfers In From Other Funds				
General Fund Revenue	565,192	686,514	825,397	900,000
	565,192	**686,514**	**825,397**	**900,000**
Fund Subsidy				
General Fund Subsidy	2,597,656	3,058,320	2,986,419	3,233,162
Water Fund Subsidy	1,115,053	1,282,115	1,439,009	1,589,068
Information Tech Fund Subsidy	-	-	86,478	-
	3,712,709	**4,340,435**	**4,511,906**	**4,822,230**
Total Revenues	**4,277,901**	**5,026,949**	**5,337,303**	**5,722,230**
EXPENDITURES				
Expenditures By Category				
Salary				
Regular	2,142,853	2,363,549	2,682,283	2,935,066
Overtime	60,446	37,882	8,000	8,000
Benefits				
Fringe Benefits	425,590	463,036	602,964	683,007
Retiree Medical	52,200	57,600	56,652	56,652
PERS	371,582	493,534	649,491	698,863
Charges (to)/from other programs	(12,926)	(19,978)	-	-
Net Staffing Expense	**3,039,745**	**3,395,623**	**3,999,390**	**4,381,588**
Maintenance & Utilities	3,640	6,081	6,528	6,528
Supplies & Services	864,898	1,220,435	856,356	818,644
Internal Service Fees	369,618	404,810	475,029	515,470
Capital	-	-	-	-
Net Operating Expense	**1,238,157**	**1,631,326**	**1,337,913**	**1,340,642**
Total Expenditures	**4,277,901**	**5,026,949**	**5,337,303**	**5,722,230**
Net Change	**-**	**-**	**-**	**-**

All Funds Summary - By Program

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
General Fund	565,192	686,514	825,397	900,000
	565,192	**686,514**	**825,397**	**900,000**
Fund Subsidy				
General Fund Subsidy	2,597,656	3,058,320	2,986,419	3,233,162
Water Fund Subsidy	1,115,053	1,282,115	1,439,009	1,589,068
Information TechFund Subsidy	-	-	86,478	-
	3,712,709	**4,340,435**	**4,511,906**	**4,822,230**
Total Revenues	**4,277,901**	**5,026,949**	**5,337,303**	**5,722,230**
EXPENDITURES				
Expenditures By Program				
Administration 718,095		1,194,221	1,058,583	1,134,747
Accounting	1,175,421	1,247,688	1,262,183	1,364,887
Information Technology	-	-	86,478	-
Purchasing	452,239	394,069	658,819	728,734
Revenue	817,093	908,856	832,231	904,794
Utility Billing	1,115,053	1,282,115	1,439,009	1,589,068
Total Expenditures	**4,277,901**	**5,026,949**	**5,337,303**	**5,722,230**
Net Change	**-**	**-**	**-**	**-**

Finance - General Fund Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Fees & Charges for Service	202,958	140,763	167,397	162,000
Intergovernmental	64,954	318,565	441,000	435,000
Fines & Forfeitures	152,435	71,013	100,000	130,000
Licenses & Permits	138,340	115,175	92,000	138,000
Other Revenue	6,505	40,998	25,000	35,000
Total Revenues	**565,192**	**686,514**	**825,397**	**900,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,664,155	1,861,041	1,958,892	2,187,729
Overtime	52,624	30,773	2,000	2,000
Benefits				
Fringe Benefits	322,338	345,256	413,606	454,672
Retiree Medical	39,600	45,000	38,095	38,749
PERS	291,005	395,075	473,697	522,948
Charges (to)/from other programs	(101,687)	(72,001)	-	-
Net Staffing Expense	2,268,035	2,605,144	2,886,290	3,206,098
Maintenance & Utilities	2,567	4,974	4,350	4,350
Supplies & Services	572,759	785,787	503,550	468,550
Internal Service Fees	319,487	348,930	417,626	454,164
Capital	-	-	-	-
Net Operating Expense	894,814	1,139,690	925,526	927,064
Total Expenditures	**3,162,848**	**3,744,834**	**3,811,816**	**4,133,162**
General Fund Subsidy	**2,597,656**	**3,058,320**	**2,986,419**	**3,233,162**

Administration - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Fees & Charges for Service	201,358	136,642	136,397	150,000
Intergovernmental	64,954	62,743	76,000	70,000
Licenses & Permits	133,565	113,362	90,000	120,000
Other Revenue	3,471	2,090	3,000	3,000
Total Revenues	**403,348**	**314,837**	**305,397**	**343,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	370,898	499,174	565,424	622,518
Overtime	2,993	76	-	-
Benefits				
Fringe Benefits	68,603	78,394	113,139	106,516
Retiree Medical	7,200	9,000	7,766	7,766
PERS	72,867	105,769	138,361	150,988
Charges (to)/from other programs	(5,613)	(25,392)	-	-
Net Staffing Expense	516,948	667,021	824,690	887,788
Maintenance & Utilities	2,166	3,647	2,600	2,600
Supplies & Services	163,093	488,625	185,800	188,800
Internal Service Fees	35,888	34,928	45,493	55,559
Capital	-	-	-	-
Net Operating Expense	201,147	527,199	233,893	246,959
Total Expenditures	**718,095**	**1,194,221**	**1,058,583**	**1,134,747**
General Fund Subsidy	**718,095**	**879,384**	**1,058,583**	**1,134,747**

FY 2017 Significant Budget Changes:

1. None

Accounting - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Other Revenue	2,118	1,832	2,000	2,000
Total Revenues	**2,118**	**1,832**	**2,000**	**2,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	614,707	639,828	638,955	725,528
Overtime	8,683	18,530	2,000	2,000
Benefits				
Fringe Benefits	113,776	123,668	168,710	168,818
Retiree Medical	14,400	18,000	13,080	13,080
PERS	92,152	136,173	155,328	173,157
Charges (to)/from other programs	(8,681)	-	-	-
Net Staffing Expense	835,038	936,198	978,073	1,082,583
Maintenance & Utilities	-	1,091	500	500
Supplies & Services	242,629	188,924	154,050	158,050
Internal Service Fees	97,754	121,475	129,560	123,754
Net Operating Expense	340,384	311,490	284,110	282,304
Total Expenditures	**1,175,421**	**1,247,688**	**1,262,183**	**1,364,887**
General Fund Subsidy	**1,173,303**	**1,245,856**	**1,260,183**	**1,362,887**

FY 2017 Significant Budget Changes:

1. Reclassed 1.0 FTE Finance Technician to 1.0 FTE Accountant (FY16 Mid-Year)

Purchasing and Central Services - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Other Revenue	-	-	-	
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	206,011	241,960	375,124	417,141
Overtime	30,306	-	-	-
Benefits				
Fringe Benefits	24,808	29,396	32,473	72,760
Retiree Medical	5,400	5,400	8,175	8,175
PERS	34,159	48,294	87,684	98,725
Charges (to)/from other programs	(289)	(4,505)	-	-
Net Staffing Expense	300,395	320,545	503,456	596,801
Maintenance & Utilities	402	236	1,250	1,250
Postage Offset	-	-	-	(50,000)
Supplies & Services	28,569	(48,156)	24,500	28,500
Internal Service Fees	122,874	121,444	129,613	152,183
Net Operating Expense	151,845	73,524	155,363	131,933
Total Expenditures	**452,239**	**394,069**	**658,819**	**728,734**
General Fund Subsidy	**452,239**	**394,069**	**658,819**	**728,734**

FY 2017 Significant Budget Changes:

1. Add 0.5 FTE Account Clerk

Revenue - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Licenses & Permits	4,775	1,813	2,000	18,000
Fees & Charges for Service	1,600	4,121	31,000	12,000
Intergovernmental	-	255,822	365,000	365,000
Fines & Forfeiture	152,435	71,013	100,000	130,000
Other Revenue	916	37,076	20,000	30,000
Total Revenues	**5,691**	**369,845**	**518,000**	**555,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	472,538	480,079	379,389	422,542
Overtime	10,643	12,167	-	-
Benefits				
Fringe Benefits	115,150	113,799	99,284	106,578
Retiree Medical	12,600	12,600	9,074	9,728
PERS	91,827	104,839	92,324	100,078
Charges (to)/from other programs	(87,104)	(42,105)	-	-
Net Staffing Expense	615,654	681,379	580,071	638,926
Maintenance & Utilities	-	-	-	-
Supplies & Services	138,467	156,393	139,200	143,200
Internal Service Fees	62,971	71,084	112,960	122,668
Capital	-	-	-	-
Net Operating Expense	201,438	227,477	252,160	265,868
Total Expenditures	**817,093**	**908,856**	**832,231**	**904,794**
General Fund Subsidy	**811,402**	**539,011**	**314,231**	**349,794**

FY 2017 Significant Budget Changes:

1. Relocation of 1.0 FTE Data Systems Operator from IT fund to Revenue (40%) and Utility Billing (60%)

Utility Billing - Enterprise Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
None	-	-	-	
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	478,698	502,508	657,477	747,337
Overtime	7,822	7,110	6,000	6,000
Benefits		-		
Fringe Benefits	103,252	117,780	185,531	228,335
Retiree Medical	12,600	12,600	16,922	17,903
PERS	80,577	98,458	160,692	175,915
Charges (to)/from other programs	88,761	52,024	-	-
Net Staffing Expense	771,710	790,480	1,026,622	1,175,490
Maintenance & Utilities	1,073	1,107	2,178	2,178
Supplies & Services	292,139	434,648	352,806	350,094
Internal Service Fees	50,131	55,880	57,403	61,306
Net Operating Expense	343,343	491,635	412,387	413,578
Total Expenditures	**1,115,053**	**1,282,115**	**1,439,009**	**1,589,068**
Water Fund Subsidy	**1,115,053**	**1,282,115**	**1,439,009**	**1,589,068**

FY 2017 Significant Budget Changes:

1. Relocation of 1.0 FTE Data Systems Operator from IT fund to Revenue (40%) and Utility Billing (60%)

Information Technology - Internal Service Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES				
Expenditures				
Salary				
Regular	-	597	65,914	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	63	3,827	-
Retiree Medical	-	-	1,635	-
PERS	-	85	15,102	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	-	746	86,478	-
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	-
Internal Service Fees	-	-	-	-
Capital		-		
Net Operating Expense	-	-	-	-
Total Expenditures	**-**	**746**	**86,478**	**-**
Information Technology Fund Subsidy	**-**	**746**	**86,478**	**-**

FY 2017 Significant Budget Changes:

1. Relocation of 1.0 FTE Data Systems Operator from IT fund to Revenue (40%) and Utility Billing (60%)

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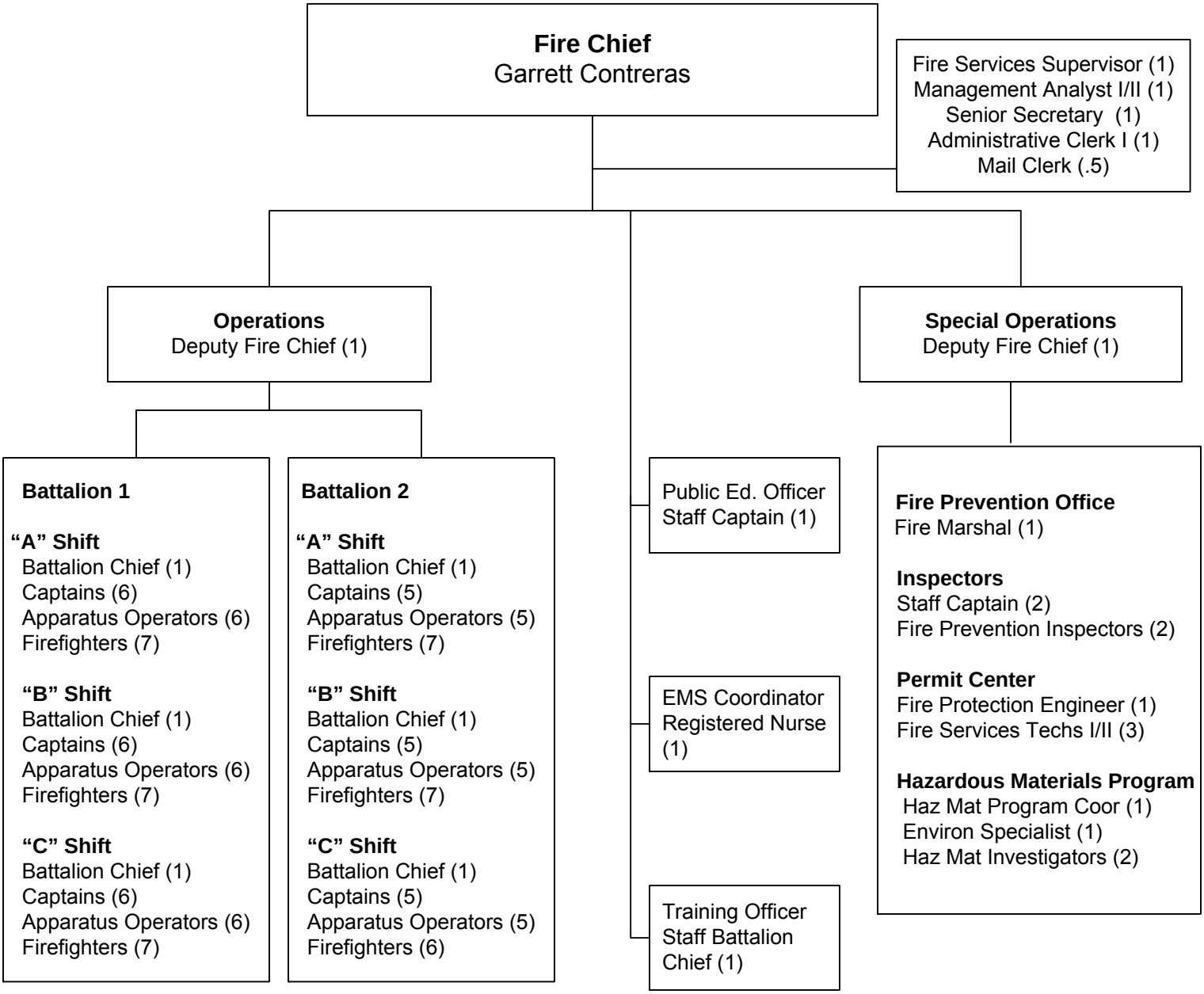
FY 2017 STAFFING
136.5 FTE

Fire Department



HAYWARD FIRE DEPARTMENT

MISSION STATEMENT

The mission of the Hayward Fire Department is to protect lives and property by providing superior fire suppression, fire prevention services and activities, timely and thorough emergency medical services (EMS), and aggressive emergency disaster response leadership..

DEPARTMENT OVERVIEW

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

DIVISION/PROGRAM SUMMARIES

Fire Administration

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

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

Operations Division

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

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

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, routine oversight of hazardous materials facilities; and 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. .

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 2016 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. Limited the use of non-mutual aid overtime, resulting in a savings of about 18%.
3. Implemented Smoke Detector Program, which provided 226 smoke detectors to citizens in need, during calendar year 2015.
4. In conjunction with Public Works, oversaw the successful construction of Fire Station No. 7 and the adjacent innovative Fire House Clinic, ensuring that the project was completed within budget.
5. 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.
6. 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 2017.
7. Participated in California Urban Search and Rescue (USAR) Task Force 4. Added four new task force members and seventeen more reserves.
8. Secured long-term storage sites for recently received disaster medicine caches, as well as identifying treatment sites.
9. Held ten classes and trained 102 residents in CPR/AED during calendar year 2015.

10. Fire personnel logged 13,822 hours assisting other agencies with eighteen out-of-area incidents (i.e. wildfires) from June through September of 2015. 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 2016, all new and existing City staff members were trained on basic disaster response fundamentals; in addition, a total of 225 staff participated in EOC-related workshops.

HAYWARD FIRE DEPARTMENT

DEPARTMENT PERFORMANCE METRICS – FY 2016

Division	FY 2016 Performance Measures/Goals	FY 2016 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 2016 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 calendar year 2015, Fire staff conducted 15 school tours and 83 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 2016, all new and existing City staff received basic disaster response training; in addition, 225 staff participated in EOC-related workshops
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 calendar year 2015, Fire staff performed approximately 2,500 fire inspections and 560 hazardous material inspections
	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 2016 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 calendar year 2015; the Fall and Spring classes totaled 77 participants. Both classes were conducted in a bi-lingual setting

HAYWARD FIRE DEPARTMENT

Division	FY 2016 Performance Measures/Goals	FY 2016 Performance
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 calendar year 2015 by responding to 16,823 emergency calls for service in 5 minutes or less 91.7% 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. For calendar year 2015, Fire staff logged a total of 17,462 hours of training.
	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

FY 2017 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.
4. Analysis of service delivery for Fire House Clinic.
5. Expansion of services at Fire House Clinic by incorporating dental component.
6. 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.

7. Procurement and implementation of new emergency management system.
8. Obtain California State Fire Marshal Firefighter II certification for all sworn personnel.
9. Establish a permanent static Emergency Operations Center (EOC) for City Hall personnel.
10. 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 2017

FY 2017 Changes (+1.0 FTE)

- Add 1.0 FTE Fire Services Technician I/II.
- Increase Mutual Aid Revenue by $500,000
- Increase Overtime Budget by $500,000 (Mutual Aid)

Fire - General Fund Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Licenses & Permits	1,204,729	1,102,213	1,368,568	1,491,568
Fees & Service Charges	1,067,890	1,060,092	950,000	1,117,000
Fairview FPD Reimbursement	2,637,914	2,729,615	2,783,300	2,827,913
EMS Reimbursement	407,436	370,619	501,000	300,000
Mutual Aid Reimbursement	640,106	199,116	500,000	1,000,000
Mt Eden Fire Services	-	-	-	-
Other Revenue	8,131	52,969	-	-
Total Revenues	**5,966,207**	**5,514,623**	**6,102,868**	**6,736,481**
EXPENDITURES				
Expenditures				
Salary				
Regular	17,307,642	17,619,621	18,211,188	18,610,083
Overtime	3,948,572	3,215,566	2,523,646	2,023,646
Vacancy Savings	-	-	(500,000)	(500,000)
Benefits				
Other Benefits	4,011,142	4,499,192	4,400,810	5,253,496
Retiree Medical	796,500	665,100	839,618	808,973
PERS	4,470,940	5,295,837	6,130,518	6,744,848
Charges (to)/from other programs	6,003	3,754	-	-
Net Staffing Expense	30,540,799	31,299,071	31,605,780	32,941,046
Maintenance & Utilities	61,455	58,674	55,200	45,200
Supplies & Services	574,273	556,781	575,272	585,272
Internal Service Fees	1,651,127	2,328,643	2,806,657	3,649,923
Capital	-	-	-	-
Net Operating Expense	2,286,855	2,944,098	3,437,129	4,280,395
Total Expenditures	**32,827,653**	**34,243,169**	**35,042,909**	**37,221,441**
General Fund Subsidy	**26,861,446**	**28,728,545**	**28,940,041**	**30,484,960**

Note: $1,000,000 of budgeted overtime is budgeted for mutual aid.

General Fund - Summary By Program

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Administration	-	-	-	-
Special Operations	2,275,191	2,196,355	2,318,568	2,608,568
Operations	3,691,016	3,318,268	3,784,300	4,127,913
Total Revenues	**5,966,207**	**5,514,623**	**6,102,868**	**6,736,481**
EXPENDITURES				
Expenditures				
Administration	664,460	814,537	973,041	942,849
Special Operations	2,872,215	2,714,083	3,192,247	3,602,292
Operations	29,290,979	30,714,548	30,877,621	32,676,300
Total Expenditures	**32,827,653**	**34,243,169**	**35,042,909**	**37,221,441**
General Fund Subsidy	**26,861,446**	**28,728,545**	**28,940,041**	**30,484,960**

Administration - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Other Revenue	-	-	-	
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	397,634	465,518	542,865	542,876
Overtime	12,289	3,276	-	-
Benefits				
Other Benefits	53,304	98,190	125,256	131,641
Retiree Medical	9,900	10,500	13,200	8,175
PERS	106,047	129,531	163,898	156,565
Net Staffing Expense	579,173	707,016	845,219	839,257
Maintenance & Utilities	537	-	-	-
Supplies & Services	34,746	29,297	30,100	30,100
Internal Service Fees	50,003	78,225	97,722	73,492
Capital	-	-	-	-
Net Operating Expense	85,287	107,521	127,822	103,592
Total Expenditures	**664,460**	**814,537**	**973,041**	**942,849**
General Fund Subsidy	**664,460**	**814,537**	**973,041**	**942,849**

FY 2017 Significant Budget Changes:

1. None

Special Operations General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Licenses & Permits	1,204,729	1,102,213	1,368,568	1,491,568
Fees & Service Charges	1,067,890	1,060,092	950,000	1,117,000
Other Revenue	2,572	34,050	-	-
Total Revenues	**2,275,191**	**2,196,355**	**2,318,568**	**2,608,568**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,813,950	1,586,839	1,819,317	2,006,465
Overtime	65,623	65,877	35,000	35,000
Benefits				
Other Benefits	336,381	355,879	423,165	535,408
Retiree Medical	52,200	45,000	58,474	57,004
PERS	355,403	413,145	571,161	628,142
Charges (to)/from other programs	19,577	6,925	-	-
Net Staffing Expense	2,643,135	2,473,665	2,907,117	3,262,019
Maintenance & Utilities	-	-	-	-
Supplies & Services	74,428	50,929	52,330	52,330
Internal Service Fees	154,652	189,490	232,800	287,943
Net Operating Expense	229,080	240,419	285,130	340,273
Total Expenditures	**2,872,215**	**2,714,083**	**3,192,247**	**3,602,292**
General Fund Subsidy	**597,024**	**517,728**	**873,679**	**993,724**

FY 2017 Significant Budget Changes:

1. Add 1.0 FTE Fire Services Technician

Operations - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Local Agency Reimbursement	2,637,914	2,729,615	2,783,300	2,827,913
EMS Reimbursement	407,436	370,619	501,000	300,000
Mutual Aid Reimbursement	640,106	199,116	500,000	1,000,000
Other Revenue	5,560	18,918	-	-
Total Revenues	**3,691,016**	**3,318,268**	**3,784,300**	**4,127,913**
EXPENDITURES				
Expenditures				
Salary				
Regular	15,096,059	15,567,264	15,849,006	16,060,742
Overtime	3,870,660	3,146,413	2,488,646	1,988,646
Vacancy Savings	-	-	(500,000)	(500,000)
Benefits				
Other Benefits	3,621,457	4,045,124	3,852,389	4,586,447
Retiree Medical	734,400	609,600	767,944	743,794
PERS	4,009,490	4,753,161	5,395,459	5,960,141
Charges (to)/from other programs	(13,574)	(3,171)	-	-
Net Staffing Expense	27,318,491	28,118,390	27,853,444	28,839,770
Maintenance & Utilities	60,917	58,674	55,200	45,200
Supplies & Services	465,098	476,556	492,842	502,842
Internal Service Fees	1,446,472	2,060,928	2,476,135	3,288,488
Capital	-	-	-	-
Net Operating Expense	1,972,488	2,596,158	3,024,177	3,836,530
Total Expenditures	**29,290,979**	**30,714,548**	**30,877,621**	**32,676,300**
General Fund Subsidy	**25,599,962**	**27,396,280**	**27,093,321**	**28,548,387**

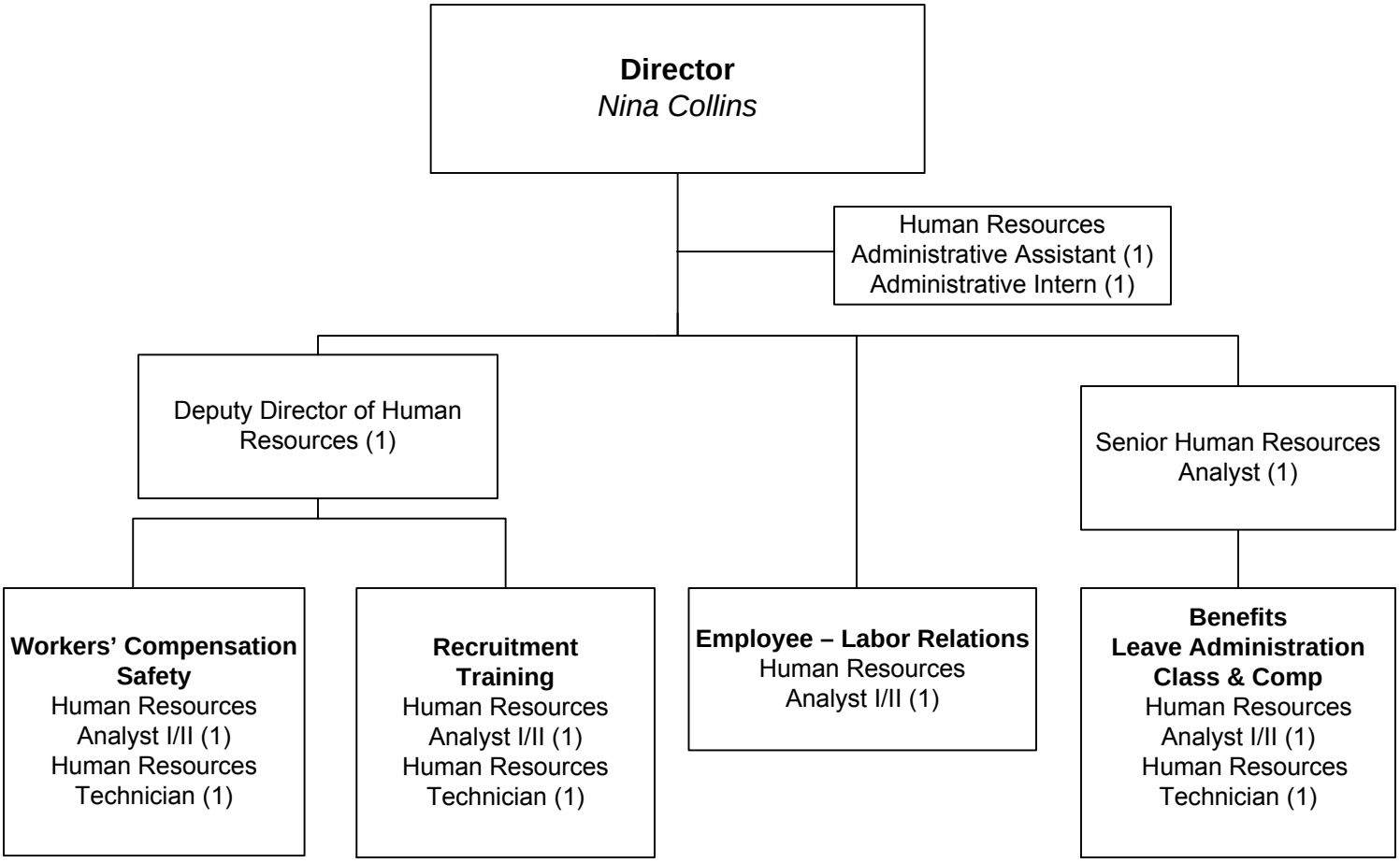
FY 2017 Significant Budget Changes:

1. Reduction in Overtime budget by $500,000

Note: $1,000,000 of budgeted overtime is budgeted for mutual aid.

FY 2017 STAFFING
12.00 FTE

Human Resources Department



HUMAN RESOURCES DEPARTMENT

MISSION STATEMENT

The Human Resources Department strives to support City Council priorities and organizational business goals by providing for a diverse, well qualified, innovative, and high performing workforce**;** promoting a safe, healthy, and productive work environment**;** and assuring that the City of Hayward is among the most desirable employers in the area.

DEPARTMENT OVERVIEW

The Human Resources Department serves as a strategic business partner to its internal and external customers and provides leadership, expertise, support, and guidance in all areas of HR administration. The team prides itself on its commitment to our values and providing excellent customer service.

DIVISION/PROGRAM SUMMARIES

Benefits Administration

Benefits Administration 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.

Workers Compensation and Leave Administration

Workers Compensation Program administration provides oversight of the City's Worker's Compensation and Leave Programs, including assuring compliance with all laws and regulations, delivering timely and quality service to injured and eligible employees, and returning employees to a productive work status as quickly as possible.

Workplace Safety

Work Place Safety 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.

HUMAN RESOURCES DEPARTMENT

Employee Development and Training

Through our Development and Training section, we help to identify training needs and provide organizational development opportunities. HR staff also administers the Educational Reimbursement Program and assists all departments in succession planning efforts.

Recruitment and Selection

Recruitment and Selection efforts assure that a high-quality, technically competent pool of candidates is available to all hiring entities in the City in a timely and professional manner. This 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.

FY 2016 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Continued implementation of the Workers Compensation Program strategies and reduced number of Workers Compensation claims filed by over twenty-five percent.
2. Implemented recruitment and testing strategies to improve selection pools. Conducted ninety-two (92) recruitments including sixteen (16) internal promotional and transfer with over 5,500 applicants, filling several key positions citywide.
3. Facilitated twenty-five (25) City sponsored trainings.
4. Partnered with Kaiser Hospital and hosted a free flu shot clinic. Ninety (90) employees received free influenza vaccinations, double the participation level of the previous year.
5. With the support of the Mayor, City Manager, and other City Department Directors and staff, hosted the City of Hayward's fourth annual "Take our Sons/Daughters to Work" Day. The event was well attended with over fifty (50) children and their parents participating.
6. Facilitated first City of Hayward Employee Engagement Survey with a 62% citywide participation rate.
7. Implemented Open Enrollment module online through Munis for Medical, Dental and Vision.
8. Over one hundred fifty (150) employees have taken advantage of the Health & Wellness benefit, and 24 employees have tried our City sponsored Yoga.

HUMAN RESOURCES DEPARTMENT

DEPARTMENT PERFORMANCE METRICS – FY 2016

Division	FY 2016 Performance Measures/Goals	FY 2016 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, increase benefits where possible, and reduce costs.
	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 expired during FY 2015 and FY 2016.	**ACHIEVED** Completed negotiations with SEIU, Local 21 and Hayward Police Management.
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.	**CONTINUTED EFFORT NEEDED** Consultant is working with Departments to complete.
	Implement an Ergonomics Program City-Wide in order prevent repetitive motion injuries.	**REQUIRES ATTENTION** Project delayed due to staffing vacancies and competing priorities.

HUMAN RESOURCES DEPARTMENT

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.
	Implement training program that supports 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**

FY 2017 KEY SERVICE OBJECTIVES/GOALS

1. In partnership with the City Manager's Office, implement Employee Engagement Survey initiatives.
2. Develop City negotiation philosophy and strategies for upcoming negotiations.
3. Develop and implement a new employee on-boarding process that highlights the benefits, roles and responsibilities of effective public service.
4. Develop and implement key policies and processes related to compliance with the Federal Affordable Care Act.
5. Participate in and support the implementation of HR Modules in the City's new Enterprise Resource Planning (ERP) Software, Munis.
6. Develop and facilitate supervisor and management training program.
7. In partnership with the Utilities and Environmental Services Department, complete the citywide safety gap analysis and develop implementation plan.
8. Expand the City's Health and Wellness Program, which will include hosting and facilitating a variety of health and wellness activities to encourage employees to make healthy lifestyle choices.

HUMAN RESOURCES DEPARTMENT

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2017

FY 2016 Mid-Year Changes (+0.0 FTE)

- ❑ Delete 1.0 FTE Senior Human Resources Analyst
- ❑ Add 1.0 FTE Human Resources Manager

FY 2017 Changes (+0.0 FTE)

- ❑ Delete 1.0 FTE Human Resources Technician
- ❑ Add 1.0 FTE Administrative Assistant
- ❑ Delete 1.0 FTE Human Resources Manager
- ❑ Add 1.0 FTE Deputy Director of Human Resources

All Funds Summary - By Category

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue and Transfers In from Other Funds				
General Fund Revenue	34,731	31,906	30,000	30,000
Worker's Compensation Fund	6,762,652	6,280,064	6,346,433	7,597,229
Employee Benefits Fund	4,641,400	4,629,200	3,191,374	3,227,574
	11,438,783	**10,941,170**	**9,567,807**	**10,854,803**
(Contributions)/Use of Fund Balance				
Worker's Compensation	669,308	1,556,463	(279,248)	(1,021,318)
Employee Benefits	(694,109)	(913,417)	-	-
	(24,801)	**643,046**	**(279,248)**	**(1,021,318)**
Fund Subsidy				
General Fund Subsidy	**1,466,158**	**1,379,186**	**1,797,736**	**1,925,588**
Total Revenues	**12,880,140**	**12,963,401**	**11,086,295**	**11,759,073**
EXPENDITURES				
Expenditures By Expense Category				
Salary				
Regular	888,032	851,635	992,622	1,120,146
Overtime	5,088	1,318	-	-
Benefits				
Fringe Benefits	231,984	204,984	356,713	374,360
Retiree Medical	16,200	19,800	17,985	17,985
PERS	151,745	183,485	232,650	265,576
Charges (to)/from other programs	(3,307)	-	-	-
Net Staffing Expense	**1,289,742**	**1,261,223**	**1,599,970**	**1,778,067**
Worker's Compensation Expense	6,328,074	6,656,604	4,845,530	5,250,000
Retiree Medical Benefits	3,947,291	3,715,783	3,191,374	3,227,574
Maintenance & Utilities	2,059	2,084	2,550	2,550
Supplies & Services	1,020,701	979,955	1,080,002	1,268,288
Internal Service Fees	133,425	182,262	201,378	222,493
Capital	-	-	-	-
Net Operating Expense	**11,431,550**	**11,536,687**	**9,320,834**	**9,970,905**
Transfers Out To Other Funds	**158,848**	**165,491**	**165,491**	**10,101**
Total Expenditures	**12,880,140**	**12,963,401**	**11,086,295**	**11,759,073**
Net Change	**-**	**-**	**-**	**-**

All Funds Summary - By Program

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue and Transfers In from Other Funds				
General Fund	34,731	31,906	30,000	30,000
Worker's Compensation Fund	6,762,652	6,280,064	6,346,433	7,597,229
Employee Benefits Fund	4,641,400	4,629,200	3,191,374	3,227,574
	11,438,783	**10,941,170**	**9,567,807**	**10,854,803**
(Contributions)/Use of Fund Balance				
Worker's Compensation	669,308	1,556,463	(279,248)	(1,021,318)
Employee Benefits	(694,109)	(913,417)	-	-
	(24,801)	**643,046**	**(279,248)**	**(1,021,318)**
Fund Subsidy				
General Fund Subsidy	**1,466,158**	**1,379,186**	**1,797,736**	**1,925,588**
Total Revenues	**12,880,140**	**12,963,401**	**11,086,295**	**11,759,073**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds By Program				
HR - General Fund	1,500,889	1,411,092	1,827,736	1,955,588
Worker's Compensation	7,431,960	7,836,526	6,067,185	6,575,911
Employee Benefits	3,947,291	3,715,783	3,191,374	3,227,574
Total Expenditures	**12,880,140**	**12,963,401**	**11,086,295**	**11,759,073**
Net Change	**-**	**-**	**-**	**-**

Human Resources - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Medicare Part D Subsidy	34,731	31,906	30,000	30,000
Total Revenues	**34,731**	**31,906**	**30,000**	**30,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	636,292	588,343	709,970	770,931
Overtime	2,766	1,135	-	-
Benefits				
Fringe Benefits	180,796	157,934	294,173	300,779
Retiree Medical	12,600	14,400	12,753	12,753
PERS	101,407	125,227	164,276	180,408
Charges (to)/from other programs	(24,505)	-	-	-
Net Staffing Expense	**909,356**	**887,040**	**1,181,172**	**1,264,871**
Maintenance & Utilities	1,690	1,445	2,310	2,310
Supplies & Services	485,494	371,974	477,788	502,788
Internal Service Fees	104,349	150,633	166,466	185,619
Capital Outlay	-	-	-	-
Net Operating Expense	**591,533**	**524,052**	**646,564**	**690,717**
Total Expenditures	**1,500,889**	**1,411,092**	**1,827,736**	**1,955,588**
General Fund Subsidy	**1,466,158**	**1,379,186**	**1,797,736**	**1,925,588**

FY 2017 Significant Budget Changes:

1. Delete 1.0 FTE HR Technician
2. Add 1.0 FTE HR Administrative Assistant

**Fringe Benefits for FY2015 and on include $150,000 for Unemployment Insurance*

Worker's Compensation - Internal Service Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beginning Working Capital Balance	**(2,124,128)**	**(2,793,436)**	**(4,349,899)**	**(4,070,651)**
REVENUES				
Revenue				
Worker's Compensation Premium	6,452,652	6,280,064	6,346,433	7,597,229
	6,452,652	**6,280,064**	**6,346,433**	**7,597,229**
Fund Transfers In from				
General Fund	310,000	-	-	
Total Transfers In	**310,000**	**-**	**-**	**-**
Total Revenues	**6,762,652**	**6,280,064**	**6,346,433**	**7,597,229**
EXPENDITURES				
Fund Expenditures				
Salary				
Regular	251,740	263,292	282,652	349,215
Overtime	2,322	183	-	-
Benefits				
Fringe Benefits	51,188	47,050	62,540	73,581
Retiree Medical	3,600	5,400	5,232	5,232
PERS	50,338	58,258	68,374	85,168
Charges (to)/from other programs	21,198	-	-	-
Net Staffing Expense	**380,386**	**374,183**	**418,798**	**513,196**
Worker's Compensation Expense	6,328,074	6,656,604	4,845,530	5,250,000
Maintenance & Utilities	369	638	240	240
Supplies & Services	535,207	607,981	602,214	765,500
Internal Service Fees	29,076	31,629	34,912	36,874
Net Operating Expense	**6,892,726**	**7,296,852**	**5,482,896**	**6,052,614**
Fund Transfers Out to				
General Fund - Cost Allocation	152,438	157,011	157,011	-
Liability Insurance Premium	6,410	8,480	8,480	10,101
Total Transfers Out	**158,848**	**165,491**	**165,491**	**10,101**
Total Expenditures	**7,431,960**	**7,836,526**	**6,067,185**	**6,575,911**
Net Change	**(669,308)**	**(1,556,463)**	**279,248**	**1,021,318**
Ending Working Capital Balance*	**(2,793,436)**	**(4,349,899)**	**(4,070,651)**	**(3,049,333)**

**Unfunded actuarial liability is included in balance*

FY 2017 Significant Budget Changes:

1. Delete 1.0 FTE Snr HR Analyst (FY16 Mid-Year)
2. Add 1.0 FTE HR Manager (FY16 Mid-Year)
3. Delete 1.0 FTE HR Manager
4. Add 1.0 FTE Deputy Director of Human Resources
5. General Fund Cost Allocation no longer charged effective FY 2017

Employee Benefits - Internal Service Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beginning Working Capital Balance	**821,663**	**1,515,772**	**2,429,189**	**2,429,189**
REVENUES				
Revenue				
Interest	-	-	-	-
Fire - Payroll Contribution	-	-	-	-
Retiree Medical Premium	2,663,400	2,569,200	3,191,374	3,227,574
	2,663,400	**2,569,200**	**3,191,374**	**3,227,574**
Fund Transfers In				
Transfer from General Fund	1,978,000	2,060,000	-	
	1,978,000	**2,060,000**	**-**	**-**
Total Revenues	**4,641,400**	**4,629,200**	**3,191,374**	**3,227,574**
EXPENDITURES				
Expenditures				
Empl bene - 1909 1% Retiree Medical	-	-	-	-
Retiree Insurance Benefit	-	-	-	-
OPEB Unfunded Liability Expense	1,060,000	1,000,000	-	-
Admin Fee	27,228	(11,500)	-	-
Police	642,191	709,604	1,482,425	1,558,592
Fire	1,621,882	1,466,298	819,180	786,900
Misc	595,990	551,380	889,769	882,082
Retiree Medical Expense	**3,947,291**	**3,715,783**	**3,191,374**	**3,227,574**
Total Expenditures	**3,947,291**	**3,715,783**	**3,191,374**	**3,227,574**
Net Change	**694,109**	**913,417**	**-**	**-**
Ending Working Capital Balance	**1,515,772**	**2,429,189**	**2,429,189**	**2,429,189**

FY 2017 Significant Budget Changes:

1. General Fund Cost Allocation no longer charged effective FY 2017.

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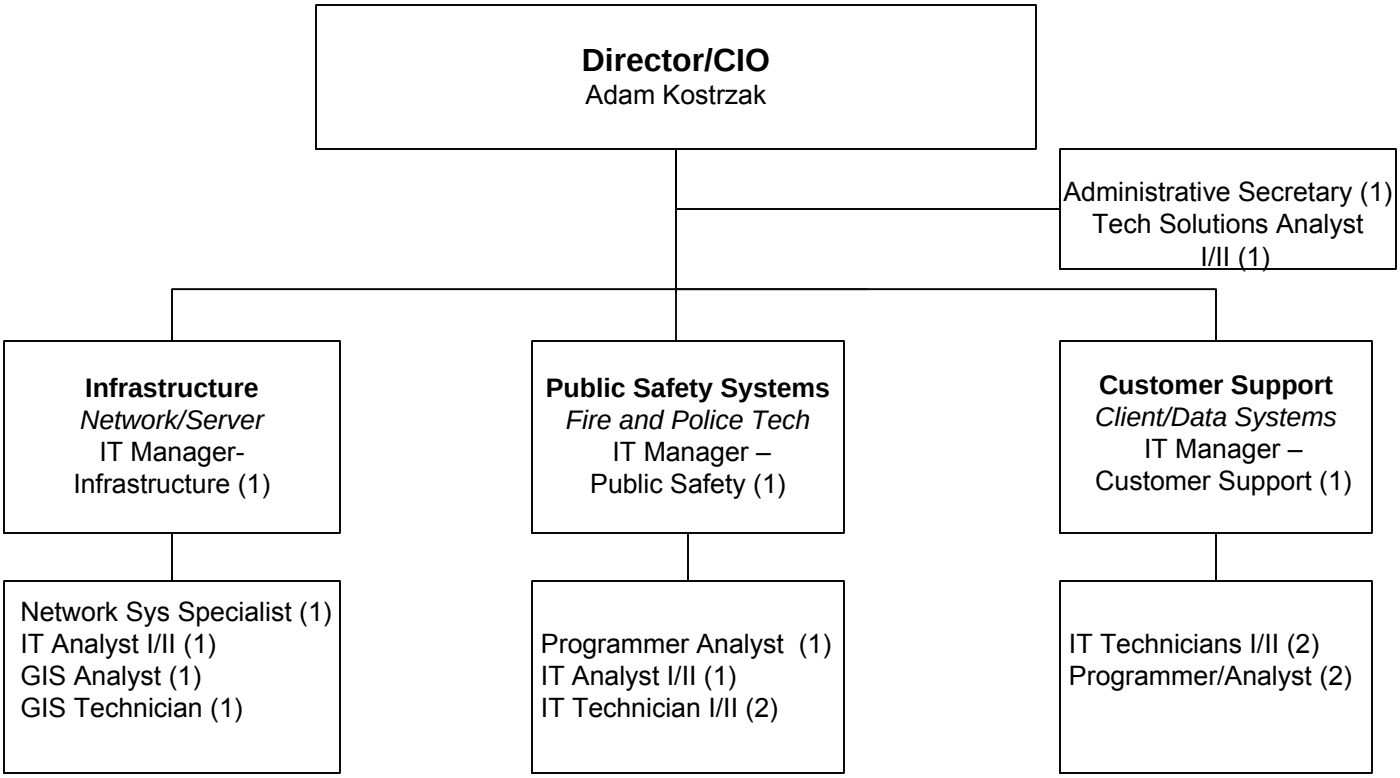
FY 2017 STAFFING
18.00 FTE

Information Technology Department



INFORMATION TECHNOLOGY DEPARTMENT

MISSION STATEMENT

With a renewed sense of purpose and a clear direction on its future, the Information Technology Department developed a new vision: *to be a leading digital and connected city.*

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

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

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

DEPARTMENT OVERVIEW

In order to better meet the needs of the organization and improve services to our residents while adopting current industry best practices, the Information Technology Department developed a new three-year IT strategy that focuses on five key areas:

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

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

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.

INFORMATION TECHNOLOGY DEPARTMENT

Customer Support provides all City departments with client systems including desktop computers, notebook computers, tablets, smartphones, computer peripheral devices (printers, scanners, etc.), and audio video technology. The division supports over 1,000 devices, 850 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 2016 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Launched redesigned City website and expanded online and mobile access to city services.
2. Replaced entire core network infrastructure.
3. Upgraded City Hall Wi-Fi network.
4. Completed body worn camera and digital evidence management system implementation.
5. Completed Discovery, review and licensing agreement for cloud-based email and office productivity applications for city staff.
6. Completed the council chamber and conference room technology upgrade project.
7. Completed the new agenda management system implementation.
8. Completed the upgrade of free downtown Wi-Fi and investigated expansion to other retail areas of the city.
9. Implemented Wi-Fi in the City's Corporation Yard to support mobility of city staff.
10. Fully implemented proposed solutions to public safety mobile connectivity issues.

DEPARTMENT PERFORMANCE METRICS – FY 2016

Division	FY 2016 Performance Measures/Goals	FY 2016 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** Replaced 20% of our desktop computers, maintaining the goal of a five year refresh cycle.

INFORMATION TECHNOLOGY DEPARTMENT

FY 2017 KEY SERVICE OBJECTIVES/GOALS

1. Implementation of cloud-based email and office productivity applications for city staff.
2. Evaluate and implement a replacement wireless router for the Police Department Patrol vehicle MDCs (Mobile Data Computers).
3. Upgrade Fire Department Telestaff to the latest web-based, mobile-friendly product to improve ease of use on mobile devices.
4. Deploy new enterprise infrastructure backup solution, integrating on-prem with hosted solution set.
5. Deploy an integrated Client Management System to provide more efficient updating and management of desktop computers and mobile devices.
6. Continue to support new City building projects including the 21st Century Library and Community Learning Center technology implementation.
7. Upgrade 15% of City desktop and notebook computers to the Windows 10 Operating System.
8. Implement IT Intern program to provide front line IT support.
9. Test, validate, and recommend new compact, energy efficient “mini PC” form factor to replace existing standard desktop.
10. Upgrade technology for the City’s EOC (Emergency Operations Center.)
11. Build a secure, cloud-based environment to evaluate and test software and operating system upgrades and updates.
12. Build an innovation center for City and IT staff to collaborate, experiment, and create software solutions and tools.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2017

FY 2016 Mid-year Changes - (+1.0 FTE)

- Add 1.0 FTE Network Systems Specialist

Other budget changes include funding for:

- $43,929 Microsoft Enterprise Agreement including Office 365
- $203,000 Internet Data Line upgrades
- $40,620 Annual System Maintenance for the Council Chambers Audio Video System
- $34,200 Granicus Agenda and Meeting Management Software and Hardware Maintenance Fees
- $50,000 Information Technology Department Internship program

Information Technology - Internal Service Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Information Technology Internal Srv Fee	4,057,173	4,997,119	6,284,692	6,538,462
Fund Interest	18,720	2,969	6,000	6,000
PEG Revenue	252,977	312,074	220,000	220,000
Other Revenue	14,252	19,708	32,000	32,000
Total Revenue	**4,343,121**	**5,331,870**	**6,542,692**	**6,796,462**
Fund Transfers In from				
General Fund	130,000	-		
Total Transfers In	**130,000**	**-**	**-**	**-**
Total Revenues	**4,473,121**	**5,331,870**	**6,542,692**	**6,796,462**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,548,131	1,633,576	1,964,318	2,072,996
Overtime	129,373	142,603	90,000	90,000
Benefits				
Fringe Benefits	346,348	372,915	483,051	556,931
Retiree Medical	30,600	30,600	34,335	34,335
PERS	296,735	346,689	475,039	504,787
Charges (to)/from other programs	(376)	(192)	-	-
Net Salary & Benefits	2,350,810	2,526,192	3,046,743	3,259,049
Maintenance & Utilities	912,471	1,163,955	1,735,420	2,057,169
Supplies & Services	349,419	636,512	428,401	478,401
Internal Service Fees	129,674	138,213	147,033	144,371
Debt Service Computer Equipment	106,971	-	-	-
Debt Service CAD/RMS/ERP/Cisco	376,332	535,570	382,556	160,569
Capital	17,645	-	-	-
Net Operating Expense	1,892,512	2,474,250	2,693,410	2,840,510
Fund Transfers Out to				
General Fund - Cost Allocation	131,713	135,664	135,664	-
Fleet Replacement Capital Fund	-	32,000	-	-
Information Tech Capital Fund	-	-	605,984	614,719
Liability Insurance Premium	61,816	54,037	54,037	78,996
	193,529	**221,701**	**795,685**	**693,715**
Total Expenditures	**4,436,852**	**5,222,143**	**6,535,838**	**6,793,274**

Information Technology - Internal Service Fund

Continued

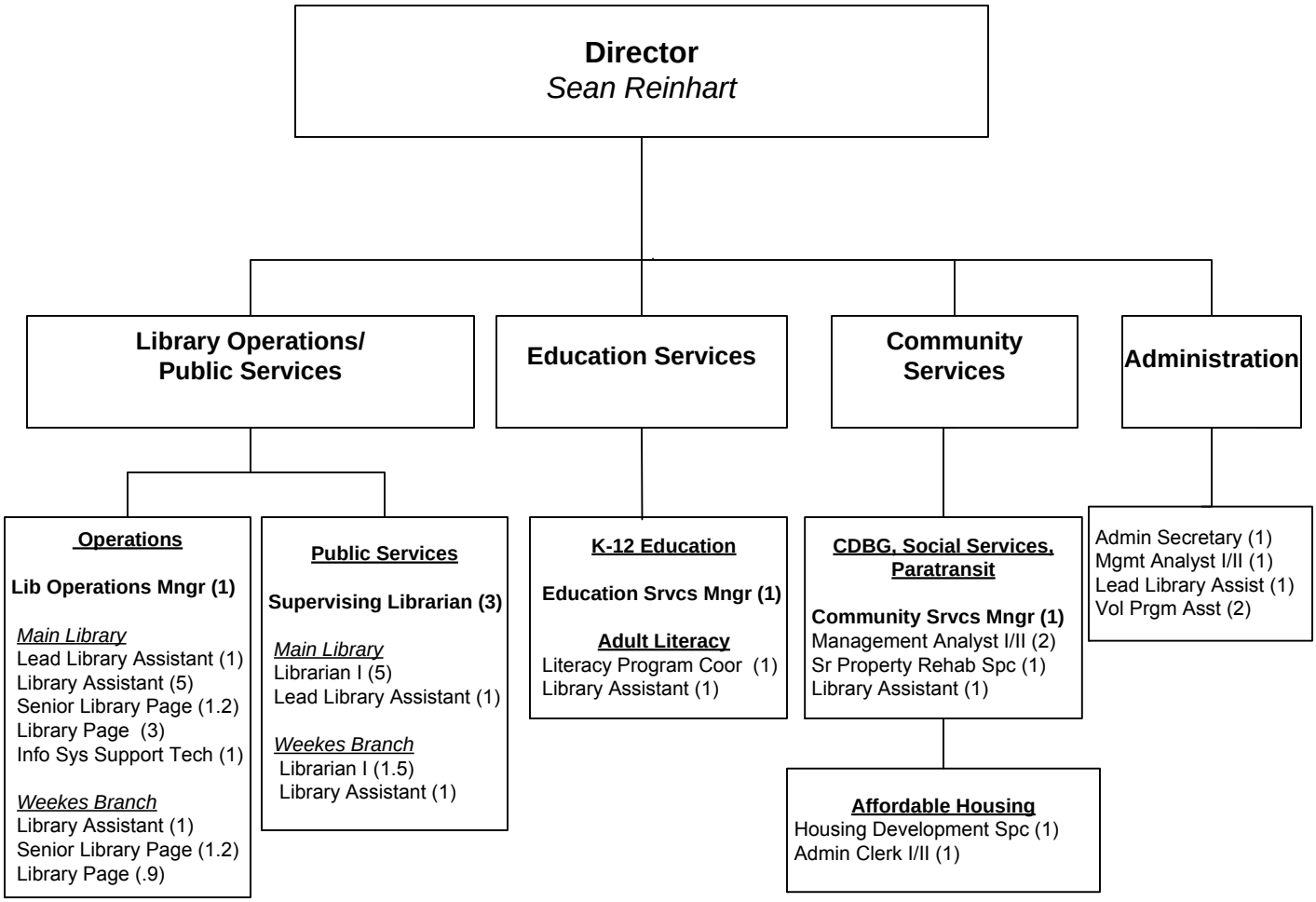
	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Net Change	**36,269**	**109,727**	**6,854**	**3,188**
Other Dept Operating Costs (Finance Department, City Manager's Department)	**-**	**-**	**(394,350)**	**(350,786)**
Net IT Department Expenditures	**4,436,852**	**5,222,143**	**6,141,488**	**6,442,488**

FY 2017 Significant Budget Changes:

1. Add 1.0 FTE Network System Specialist (FY16 Mid-Year)
2. General Fund Cost Allocation no longer charged effective FY 2017

FY 2017 STAFFING
42.8 FTE

Library & Community Services Department



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 through improved affordable housing, paratransit services, and support to the community's non-profit agencies. In every service we provide, our goal is to transform lives and contribute to the health and success of our community while providing quality customer service.

DEPARTMENT OVERVIEW

The Library and Community Services Department is responsible for:

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

Library Operations and Public Services

The Library Operations and Public Services Division has the responsibility to:

- Manage two brick-and-mortar public library facilities and twelve satellite service delivery locations;
- Organize and circulate the library's materials collection;
- Provide library educational programs and outreach to the Hayward community;

- 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:

- 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:

- 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.

FY 2016 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Began the construction phase of the 21st Century Library & Heritage Plaza Project. Construction website: www.haywardlibrary.org
2. Affirmed and strengthened the city/school partnership by operating homework tutoring centers at ten local schools; increasing the total number of locations to twelve.
3. Implemented a residential seismic retrofit incentive program (Bolt & Brace) in low-income census tracts through the Housing Rehabilitation Program in coordination with Development Services.
4. Implemented short-term "gap" strategies to address homelessness including winter warming centers and the Downtown Streets Team "work-first" program, in addition to the ongoing long term strategies already in motion such as EveryOne Home and AC Impact.

5. Completed the transition of the Affordable Housing Program from the City Manager's Office to the Library & Community Services Department for better coordination with the City's housing programs and CDBG/Social services programs.

DEPARTMENT PERFORMANCE METRICS – FY 2016

Division	FY 2016 Performance Measures/Goals	FY 2016 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 2016 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 90% "superior" or "good" in FY 2016.
Library Operations	Fulfill 90% of library patrons' materials requests within four business days	**ACHIEVED** No known instances of delayed materials requests occurred in FY 2016.
	Increase customer use of self-service systems by 10%	**ACHIEVED** Implemented new self-service credit/debit library fines payment system in FY 2016.
	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 90% "superior" or "good" in FY 2016.
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.

LIBRARY AND COMMUNITY SERVICES DEPARTMENT

Division	FY 2016 Performance Measures/Goals	FY 2016 Performance
	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 90% "superior" or "good" in FY 2016.
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** Met full compliance with CDBG program requirements in FY 2016.
	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 24 projects were completed in FY 2016; implemented new residential seismic retrofit (Bolt & Brace) program
	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 2016.
	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 90% "superior" or "good" in FY 2016.

FY 2017 KEY SERVICE OBJECTIVES/GOALS

1. **Complete the primary construction phase** of the 21st Century Library & Heritage Plaza project; complete the strategic plan (staffing, operations, technology, services, operations, etc.) for the new facility; coordinate with the Friends of Hayward Library fundraising campaign to develop additional community investment in the new library

Opening Day Collection.

2. **Continue staff development and succession planning efforts** through focusing on training and development of all staff to prepare for: more substantive projects and leadership roles; the heightened service expectations of the new library/learning center and plaza; and the continuing trend toward multi-agency coordination to achieve and sustain major community initiatives like the planned South Hayward Youth and Family Center project.

3. **Work with Community Services Commission** to develop recommended funding priorities and options for process revisions to the FY 2018 Community Agency Funding Program (CDBG, Social Services, Arts & Music) for Council review and approval before the next round of funding commences in October 2016.

4. **Develop and complete a comprehensive strategic plan** for quality affordable housing opportunities in Hayward, including: acquisition, rehabilitation, and preservation of existing affordable housing properties; development of new affordable housing construction; and implementation of housing affordability programs for low/mod income Hayward residents such as first-time homebuyers down payment assistance, in cooperation with Development Services and other departments and community agencies.

5. **Complete the close out phase for the end of Hayward Promise Neighborhood** (HPN) grant funding at the end of CY 2016; assure continuation of critically important City of Hayward services (education, public safety, community engagement) currently funded through HPN; maintain close communication and coordination with partner agencies and the Council during the potentially challenging close-out phase of the grant.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2017

The Library & Community Services Department FY 2017 budget proposal contains relatively few significant proposed changes to General Fund budgeted expenditures.

FY 2017 Changes (+0.6 FTE)

- ❑ Delete 1.0 FTE Senior Library Assistant
- ❑ Add 0.5 FTE Library Assistant
- ❑ Add 0.5 FTE Volunteer Program Assistant
- ❑ Add 0.6 FTE Senior Library Page

All Funds Summary - By Category

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue and Transfers In From Other Funds				
General Fund Revenue	85,325	212,921	83,231	83,231
Community Development Block Grant	1,311,216	1,633,131	1,711,609	1,549,416
Housing Authority Fund	3,737,396	1,662,805	181,144	131,947
Affordable Housing Monitoring Fund	92,377	124,544	120,719	154,529
HOME Investment Prtnrshp Block Grant Proç	940,049	1,147,786	255,536	292,379
Paratransit Program Measure B	774,837	810,384	1,565,779	886,483
Paratransit Program Measure BB	-	-	-	526,082
Hayward Promise Neighborhood Grant	179,861	377,951	148,892	-
	7,121,062	**5,969,522**	**4,066,910**	**3,624,067**
(Contribution)/Use of Fund Balance				
Community Development Block Grant	263,952	(186,246)	(56,057)	148,002
Housing Authority Fund	(3,571,060)	(238,311)	(58,879)	(5,265)
Affordable Housing Monitoring Fund	31,755	25,733	171,403	142,714
HOME Investment Prtnrshp Block Grant Proç	(157)	26,030	-	-
Paratransit Program Measure B	12,931	36,941	33,634	289,891
Paratransit Program Measure BB	-	-	-	216,082
	(3,262,579)	**(335,854)**	**90,101**	**791,424**
Fund Subsidy				
General Fund Subsidy	**4,754,738**	**4,614,283**	**5,261,465**	**5,542,066**
Total Revenues	**8,613,220**	**10,247,951**	**9,418,476**	**9,957,556**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,721,523	2,614,422	2,809,413	3,065,499
Overtime	7,500	8,497	-	-
Benefits				
Fringe Benefits	585,551	498,083	767,978	723,898
Retiree Medical	104,400	104,400	62,621	59,678
PERS	492,922	532,724	661,697	711,372
Charges (to)/from other programs	(8,888)	(23,601)	11,816	2
Net Staffing Expense	**3,903,008**	**3,734,525**	**4,313,525**	**4,560,449**
Maintenance & Utilities	176,216	182,939	112,066	154,036
Supplies & Services	2,911,178	4,272,226	2,832,601	2,932,686
Grants	807,261	1,326,318	777,238	812,115
Internal Service Fees	624,607	716,566	806,183	845,422
Capital	56,349	-	547,814	125,000
Net Operating Expense	**4,575,612**	**6,498,048**	**5,075,902**	**4,869,259**

All Funds Summary - by Category

Continued	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Transfers to Other Funds	**114,934**	**29,049**	**29,049**	**95,684**
Total Expenditures	**8,593,554**	**10,261,622**	**9,418,476**	**9,525,392**
Net Change	**19,666**	**(13,670)**	**-**	**432,164**

All Funds Summary - By Program

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue and Transfers in from Other Funds				
General Fund Revenue	85,325	212,921	83,231	83,231
Community Development Block Grant	1,311,216	1,633,131	1,711,609	1,549,416
Housing Authority Fund	3,737,396	1,662,805	181,144	131,947
Affordable Housing Monitoring Fund	92,377	124,544	120,719	154,529
HOME Investment Prtnrshp Block Grant Prog	940,049	1,147,786	255,536	292,379
Paratransit Program Measure B	774,837	810,384	1,565,779	886,483
Paratransit Program Measure BB	-	-	-	526,082
Hayward Promise Neighborhood Grant	179,861	377,951	148,892	-
	7,121,062	**5,969,522**	**4,066,910**	**3,624,067**
(Contribution)/Use of Fund Balance				
Community Development Block Grant	263,952	(186,246)	(10,696)	148,002
Housing Authority Fund	(3,571,060)	(238,311)	(58,879)	(5,265)
Affordable Housing Monitoring Fund	31,755	25,733	171,403	142,714
HOME Investment Prtnrshp Block Grant Prog	(157)	26,030	-	-
Paratransit Program Measure B	12,931	36,941	33,634	289,891
Paratransit Program Measure BB	-	-	-	216,082
	(3,262,579)	**(335,854)**	**135,462**	**791,424**
Fund Subsidy				
General Fund Subsidy	**4,754,738**	**4,614,283**	**5,261,465**	**5,542,066**
Total Revenues	**8,613,220**	**10,247,951**	**9,463,837**	**9,957,556**
EXPENDITURES				
Expenditures and Transfers Out to Other Funds				
Administration	533,500	498,488	643,311	746,722
Library Services	3,802,349	3,769,303	3,990,842	4,162,014
Community Services	504,214	559,412	710,543	716,561
Community Development Block Grant	1,575,168	1,446,885	1,655,552	1,697,417
Housing Authority Fund	166,336	1,424,493	122,265	126,682
Affordable Housing Monitoring Fund	124,132	150,277	292,122	297,243
HOME Investment Prtnrshp Block Grant Prog	939,892	1,173,816	255,536	292,379
Paratransit Program Measure B	787,768	847,325	1,599,413	1,176,374
Paratransit Program Measure BB	-	-	-	310,000
Hayward Promise Neighborhood Grant	160,195	404,552	148,892	-
Total Expenditures	**8,593,554**	**10,274,552**	**9,418,476**	**9,525,392**
Net Change	**19,666**	**(26,601)**	**45,361**	**432,164**

Library - General Fund Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Library Fines	84,295	75,247	83,231	83,231
Grants	1,029	132,000	-	-
Other Revenue	-	5,674	-	-
Total Revenues	**85,325**	**212,921**	**83,231**	**83,231**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,210,580	2,219,619	2,416,022	2,649,435
Overtime	7,490	5,798	-	-
Benefits				
Fringe Benefits	485,812	412,294	662,076	630,904
Retiree Medical	91,800	95,400	54,446	51,503
PERS	397,638	447,154	566,000	610,879
Charges (to)/from other programs	105,720	13,458	(247,524)	(278,733)
Net Staffing Expense	3,299,040	3,193,724	3,451,020	3,663,988
Maintenance & Utilities	176,216	182,228	109,566	150,536
Supplies & Services	729,542	376,697	481,047	485,347
Grants	55,838	381,950	536,950	536,950
Internal Service Fees	579,427	692,604	766,113	788,476
Capital	-	-	-	-
Net Operating Expense	1,541,023	1,633,480	1,893,676	1,961,309
Total Expenditures	**4,840,063**	**4,827,204**	**5,344,696**	**5,625,297**
General Fund Subsidy	**4,754,738**	**4,614,283**	**5,261,465**	**5,542,066**

Administration - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Grants	1,029	-	-	
Total Revenues	**1,029**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	286,603	292,416	392,487	463,397
Overtime	468	174	-	-
Benefits				
Fringe Benefits	76,028	66,585	102,107	131,817
Retiree Medical	5,400	5,400	6,540	6,540
PERS	55,373	62,676	96,043	111,428
Charges (to)/from other programs	22,269	(2,364)	(91,209)	(98,942)
Net Staffing Expense	446,141	424,887	505,968	614,240
Maintenance & Utilities	1,200	2,493	4,450	3,450
Supplies & Services	46,769	23,978	81,233	82,233
Internal Service Fees	39,390	47,130	51,660	46,799
Net Operating Expense	87,359	73,601	137,343	132,482
Total Expenditures	**533,500**	**498,488**	**643,311**	**746,722**
General Fund Subsidy	**532,470**	**498,488**	**643,311**	**746,722**

FY 2017 Significant Budget Changes:

1. None

Library Services - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Library Fines	84,295	75,247	83,231	83,231
Grants	-	132,000	-	-
Other Revenue	-	5,674	-	-
Total Revenues	**84,295**	**212,921**	**83,231**	**83,231**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,923,977	1,833,307	1,816,886	1,945,207
Overtime	7,022	5,282	-	-
Benefits				
Fringe Benefits	409,785	331,291	514,589	459,845
Retiree Medical	86,400	84,600	44,636	41,693
PERS	342,265	364,545	419,390	440,716
Charges (to)/from other programs	(22,803)	-	-	-
Net Staffing Expense	2,746,645	2,619,025	2,795,501	2,887,461
Maintenance & Utilities	172,466	179,735	105,116	147,086
Supplies & Services	70,294	84,128	124,400	127,700
Books & Materials	272,907	268,591	275,414	275,414
Internal Service Fees	540,037	617,824	690,411	724,353
Net Operating Expense	1,055,704	1,150,278	1,195,341	1,274,553
Total Expenditures	**3,802,349**	**3,769,303**	**3,990,842**	**4,162,014**
General Fund Subsidy	**3,718,054**	**3,556,383**	**3,907,611**	**4,078,783**

FY 2017 Significant Budget Changes:

1. Delete of 1.0 FTE Senior Library Assistant
2. Add 0.6 FTE Senior Library Page
3. Add 0.5 FTE Library Assistant
4. Add 0.5 FTE Volunteer Program Assistant

Community Services - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
None	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	93,896	206,649	240,831
Overtime	-	342	-	-
Benefits				
Fringe Benefits	-	14,418	45,380	39,242
Retiree Medical	-	5,400	3,270	3,270
PERS	-	19,933	50,567	58,735
Charges (to)/from other programs	106,254	15,822	(156,315)	(179,791)
Net Staffing Expense	106,254	149,812	149,551	162,287
Maintenance & Utilities	2,550	-	-	-
Supplies & Services	339,572	-	-	-
Internal Service Fees	-	27,650	24,042	17,324
Grants	55,838	381,950	536,950	536,950
Net Operating Expense	397,960	409,600	560,992	554,274
Total Expenditures	**504,214**	**559,412**	**710,543**	**716,561**
General Fund Subsidy	**504,214**	**559,412**	**710,543**	**716,561**

FY 2017 Significant Budget Changes:

1. None

Community Development Block Grant - By Category - Special Revenue Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beginning Working Capital Balance	**2,601,178**	**2,337,226**	**2,523,472**	**2,579,529**
REVENUES				
Revenue				
Grants	901,161	1,188,114	1,402,417	1,402,417
Delayed Loan Payments	223,707	326,690	135,000	83,313
Principal Payments	170,394	94,639	115,280	55,462
Interest Earned	(41,224)	7,458	49,216	1,667
Other Revenue	57,178	16,230	9,696	6,557
	1,311,216	**1,633,131**	**1,711,609**	**1,549,416**
Total Revenues	**1,311,216**	**1,633,131**	**1,711,609**	**1,549,416**
EXPENDITURES				
Expenditures				
Salary				
Regular	297,480	161,938	-	-
Overtime	-	282	-	-
Benefits				
Fringe Benefits	57,711	33,555	-	-
Retiree Medical	7,200	-	-	-
PERS	53,667	34,410	-	-
Charges (to)/from other programs	(85,446)	-	265,012	272,239
Net Staffing Expense	**330,612**	**230,185**	**265,012**	**272,239**
Maintenance & Utilities	-	-	-	-
Supplies & Services	36,459	291,214	138,810	141,996
Internal Service Fees	20,134	-	-	-
Grants	1,131,102	919,210	1,245,453	1,269,714
Net Operating Expense	**1,187,695**	**1,210,424**	**1,384,263**	**1,411,710**
Fund Transfers Out to				
Cost Allocation to General Fund	44,040	-	-	-
Liability Insurance Premium	12,821	6,277	6,277	13,468
	56,861	**6,277**	**6,277**	**13,468**
Total Expenditures	**1,575,168**	**1,446,885**	**1,655,552**	**1,697,417**
Net Difference Gain (Use) of Fund Bal	**(263,952)**	**186,246**	**56,057**	**(148,002)**
Ending Working Capital Balance	**2,337,226**	**2,523,472**	**2,579,529**	**2,431,528**

FY 2017 Significant Budget Changes:

1. None

Community Development Block Grant - By Program - Special Revenue Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beginning Working Capital Balance	**2,264,165**	**2,000,213**	**2,186,459**	**2,197,155**
REVENUES				
Revenue				
Community Development Block Grant	1,252,722	1,204,698	1,413,013	1,408,983
Revolving Loan Program	(83,061)	327,771	175,000	83,313
Small Business Revolving Loan	141,555	100,662	123,596	57,120
Total Revenues	**1,311,216**	**1,633,131**	**1,711,609**	**1,549,416**
EXPENDITURES				
Expenditures				
Community Development Block Grant	1,561,529	1,272,979	1,402,417	1,402,417
Revolving Loan Program	13,639	3,390	175,000	295,000
Small Business Revolving Loan	-	170,516	123,496	-
Total Expenditures	**1,575,168**	**1,446,885**	**1,700,913**	**1,697,417**
Net Difference Gain (Use) of Fund Bal	**(263,952)**	**186,246**	**10,696**	**(148,002)**
Ending Working Capital Balance	**2,000,213**	**2,186,459**	**2,197,155**	**2,049,154**

FY 2017 Significant Budget Changes:

1. None

Measure B - Paratransit Program - Special Revenue Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beginning Working Capital Balance	**963,683**	**950,753**	**913,811**	**880,177**
REVENUES				
Revenue				
Interest	5,644	4,249	3,000	-
Measure B	751,227	781,845	811,613	845,183
Measure BB	-	-	731,166	-
Other Revenue	17,966	24,289	20,000	41,300
Total Revenues	**774,837**	**810,384**	**1,565,779**	**886,483**
EXPENDITURES				
Expenditures				
Salary				
Regular	107,537	140,625	236,528	257,886
Overtime	10	-	-	-
Benefits				
Fringe Benefits	28,608	37,309	64,285	50,947
Retiree Medical	1,800	5,400	4,905	4,905
PERS	21,180	30,787	57,879	62,402
Charges (to)/from other programs	(5,640)	(15,983)	(47,891)	(26,485)
Net Staffing Expense	**153,496**	**198,138**	**315,706**	**349,655**
Maintenance & Utilities	-	711	2,500	3,500
Supplies & Services	605,272	614,309	715,046	592,894
Internal Service Fees	14,663	17,049	24,042	46,440
Capital	-	-	525,000	125,000
Net Operating Expense	**619,935**	**632,068**	**1,266,588**	**767,834**
Fund Transfers Out				
Cost Allocation to General Fund	11,132	11,466	11,466	48,784
Liability Insurance Premium	3,205	5,653	5,653	10,101
Total Transfers Out	**14,337**	**17,119**	**17,119**	**58,885**
Total Expenditures	**787,768**	**847,325**	**1,599,413**	**1,176,374**
Net Difference Gain (Use) of Fund Balance	**(12,931)**	**(36,941)**	**(33,634)**	**(289,891)**
Ending Working Capital Balance	**950,753**	**913,811**	**880,177**	**590,286**

FY 2017 Significant Budget Changes:

1. Moved Measure BB to a new fund.

Measure BB - Paratransit Program - Special Revenue Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beginning Working Capital Balance	**-**	**-**	**-**	**-**
REVENUES				
Revenue				
Interest	-	-	-	-
Measure BB	-	-	-	526,082
Other Revenue	-	-	-	-
Total Revenues	**-**	**-**	**-**	**526,082**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	-
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**-**	**-**	**-**	**-**
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	310,000
Internal Service Fees	-	-	-	-
Capital	-	-	-	-
Net Operating Expense	**-**	**-**	**-**	**310,000**
Fund Transfers Out				
Cost Allocation to General Fund	-	-	-	-
Liability Insurance Premium	-	-	-	-
Total Transfers Out	**-**	**-**	**-**	**-**
Total Expenditures	**-**	**-**	**-**	**310,000**
Net Difference Gain (Use) of Fund Balance	**-**	**-**	**-**	**216,082**
Ending Working Capital Balance	**-**	**-**	**-**	**216,082**

FY 2017 Significant Budget Changes:

1. Creation of separate fund for Measure BB

Hayward Promise Neighborhood Grant - Special Revenue Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Project Revenue	179,861	-	-	-
Grant	-	377,951	148,892	-
Total Revenues	**179,861**	**377,951**	**148,892**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	-
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	6,304	2,525	6,568	-
Net Staffing Expense	6,304	2,525	6,568	-
Supplies & Services	97,541	402,027	119,510	-
Capital	56,349	-	22,814	-
Projects (Grants and Loans)	-		-	-
Net Operating Expense	153,891	402,027	142,324	-
Total Expenditures	**160,195**	**404,552**	**148,892**	**-**
Net Change	**(19,666)**	**26,601**	**-**	**-**

FY 2017 Significant Budget Changes:

1. Expiration of grant effective December 31, 2016

Housing Authority Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beg Working Capital Balance	**2,944,059**	**6,515,119**	**6,753,430**	**6,812,309**
REVENUES				
Revenue				
Fund Interest	17,706	26,518	10,000	10,000
Interest Income	50,374	91,141	34,998	47,385
Principal Income	181,185	252,732	63,929	74,562
Other Revenue	115	242	-	-
	249,380	370,633	108,927	131,947
Fund Transfers In From				
Rt 238 Admin Fund	738,672	-	-	-
Successor Agency	2,749,344	1,292,172	72,217	-
Total Transfers In	3,488,016	1,292,172	72,217	-
Total Revenues	**3,737,396**	**1,662,805**	**181,144**	**131,947**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	9,005	-	-
Overtime	-	197	-	-
Benefits				
Fringe Benefits	-	1,172	-	-
PERS	-	2,030	-	-
Charges (to)/from other programs	7,990	2,338	36,765	37,641
Net Staffing Expense	**7,990**	**14,743**	**36,765**	**37,641**
Supplies & Services	117,816	1,409,751	85,500	85,500
Grants & Loans	-	-	-	-
Net Operating Expense	**117,816**	**1,409,751**	**85,500**	**85,500**
Fund Transfers Out				
General Fund-Cost Allocation	40,531	-	-	3,541
Total Transfers Out	**40,531**	**-**	**-**	**3,541**
Total Expenditures	**166,336**	**1,424,493**	**122,265**	**126,682**
Net Difference Gain (Use) of Fund Bal	**3,571,060**	**238,311**	**58,879**	**5,265**
Ending Working Capital Balance	**6,515,119**	**6,753,430**	**6,812,309**	**6,817,574**

FY 2017 Significant Budget Changes:

1. None

Affordable Housing Monitoring Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beg Working Capital Balance	**965,130**	**933,375**	**907,642**	**736,239**
REVENUES				
Revenue				
Interest Income	5,724	4,325	5,500	5,500
Mortgage Bonds Admin Fee	86,653	120,219	115,219	149,029
Total Revenues	**92,377**	**124,544**	**120,719**	**154,529**
EXPENDITURES				
Expenditures				
Salary				
Regular	105,926	83,234	156,863	158,178
Overtime	-	2,220	-	-
Benefits				
Fringe Benefits	13,420	13,754	41,617	42,047
Retiree Medical	3,600	3,600	3,270	3,270
PERS	20,437	18,342	37,818	38,091
Charges (to)/from other programs	(55,887)	(30,226)	(16,362)	(21,874)
Net Staffing Expense	**87,495**	**90,924**	**223,206**	**219,712**
Supplies & Services	23,049	46,787	47,235	47,235
Internal Service Fees	10,383	6,913	16,028	10,506
Net Operating Expense	**33,432**	**53,700**	**63,263**	**57,741**
Fund Transfers Out				
General Fund-Cost Allocation	-	-	-	13,056
Liability Insurance Premium	3,205	5,653	5,653	6,734
MISC Transfer Out to Other Depts	-	-	-	-
Total Transfers Out	**3,205**	**5,653**	**5,653**	**19,790**
Total Expenditures	**124,132**	**150,277**	**292,122**	**297,243**
Net Difference Gain (Use) of Fund Bal	**(31,755)**	**(25,733)**	**(171,403)**	**(142,714)**
Ending Working Capital Balance	**933,375**	**907,642**	**736,239**	**593,525**

FY 2017 Significant Budget Changes:

1. None

HOME Investment Partnerships Block Grant Program

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beg Working Capital Balance	**(100,159)**	**(100,002)**	**(126,032)**	**(126,032)**
REVENUES				
Revenue				
Grants	940,049	1,147,002	255,536	281,987
Program Income	-	-	-	10,392
Interest Income	-	784	-	-
Total Fund Revenue	**940,049**	**1,147,786**	**255,536**	**292,379**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	9,571	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	1,248	-	-
Retiree Medical	-	2,112	-	-
PERS	-	-	-	-
Charges (to)/from other programs	18,072	4,287	15,248	17,214
Net Staffing Expense	18,072	17,218	15,248	17,214
Grants & Loans	751,423	944,368	240,288	275,165
Supplies & Services	170,397	212,230	-	-
Net Operating Expense	921,821	1,156,598	240,288	275,165
Total Expenditures	**939,892**	**1,173,816**	**255,536**	**292,379**
Net Change	**157**	**(26,030)**	**-**	**-**
Ending Working Capital Balance	**(100,002)**	**(126,032)**	**(126,032)**	**(126,032)**

FY 2017 Significant Budget Changes:

1. None

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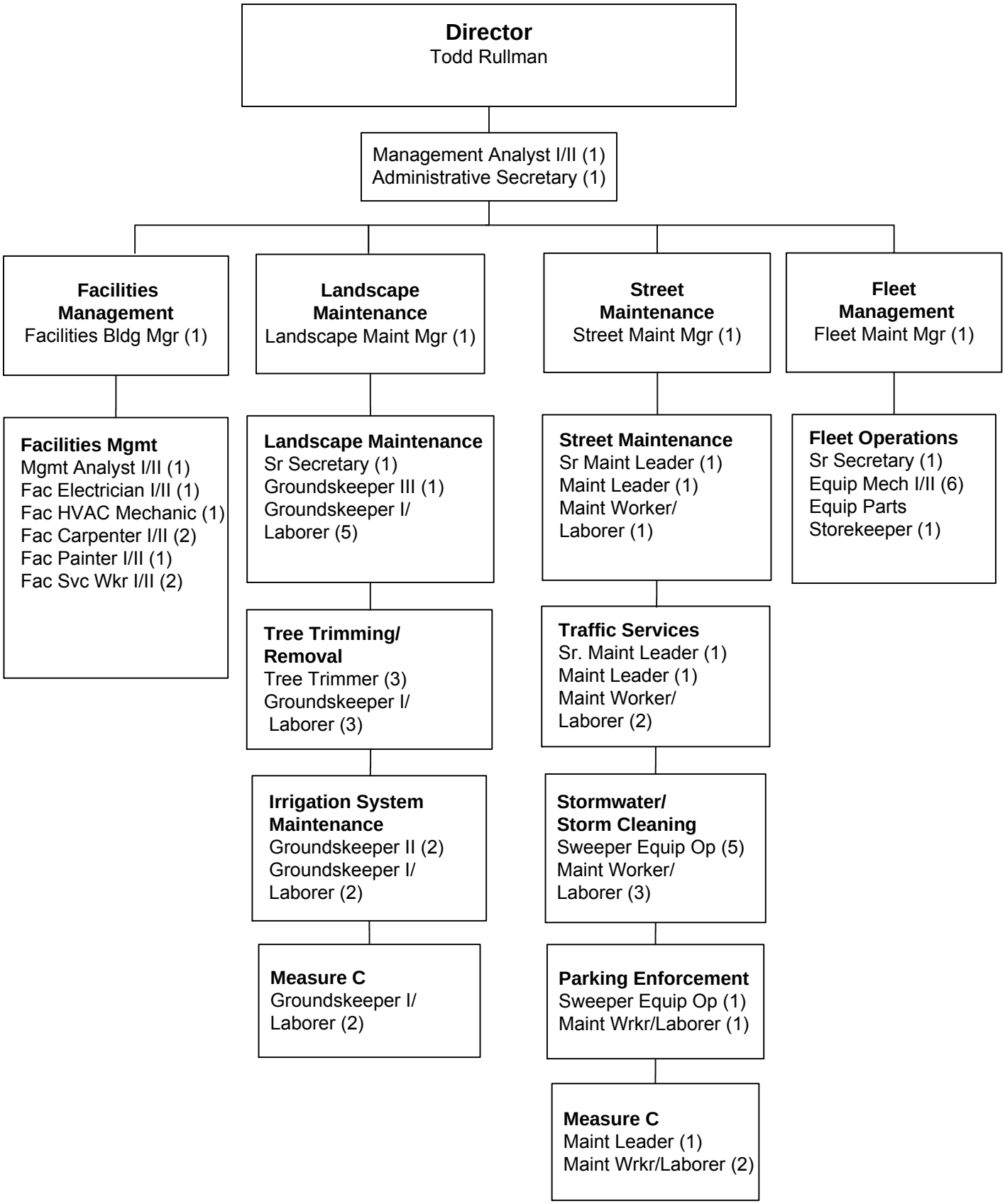
FY 2017 STAFFING
62.0 FTE

Maintenance Services Department



MAINTENANCE SERVICES DEPARTMENT

MISSION STATEMENT

The mission of the Maintenance Services Department is to provide for the maintenance of City streets, landscaping, fleet, and facilities. The Department's emphasis is to enhance the quality of life for City residents, businesses, and visitors by supporting the City Council's priorities of a safe, clean, and green community.

DEPARTMENT OVERVIEW

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

DIVISION/PROGRAM SUMMARIES

Maintenance Services Administration

Administration staff provides overall department management and administrative support. Administration priorities include: 1) 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 departmental budget; 4) Provide support to other City departments and community groups; and 5) Manage various other special programs and initiatives.

Street Maintenance Division

The division provides various services that include: maintaining the City's streets; painting over graffiti on public property; picking up illegal dumping in the public right-of-way; road corridor maintenance and improvement; street sign installation and replacement; and street sweeping and cleaning of storm drains. Division priorities include: 1) Protect the public's health and safety; 2) Improve the appearance and cleanliness of the City through removal of illegal dumping and painting out of graffiti in the public areas and right-of-way; 3) Maintain the City's infrastructure; 4) Provide support to neighborhood and community groups such as Keep Hayward Clean and Green (KHCG) Task Force, Adopt-A-Block, and downtown street parties; and 5) Provide support to the Engineering & Transportation and Utilities & Environmental Services departments for capital projects. Programs include the Measure C Team, Streets Maintenance Program, Graffiti and Illegal Dumping Program, Parking Enforcement Program, Traffic Program, Street Sweeping Program, and Stormwater Maintenance Program. The Measure C team is funded through the City's voter approved sales tax measure and takes a proactive approach to abating litter, graffiti, and illegal dumping. This effort is in addition to public requests that the department receives through Access Hayward.

MAINTENANCE SERVICES DEPARTMENT

Landscape Maintenance Division

The division provides landscaping services to City owned areas. Division priorities include 1) Protect the public's health and safety; 2) Protect and enhance the City's tree infrastructure (trees are an infrastructure element that appreciate in value each year); 3) Enhance the cleanliness of the City; and 4) Enhance the green aesthetic qualities of the City. Programs include the Tree Maintenance Program, Landscape Maintenance Program, Landscape Water Conservation Program, and management of Landscape and Lighting Districts and Maintenance Districts throughout the City.

Fleet Management Division

The division provides fleet management to City staff by providing customer departments with safe, reliable, and environmentally friendly transportation and equipment for over 420 vehicles and pieces of equipment. Division priorities include: 1) Provide timely repair of vehicles and equipment; 2) Perform preventive maintenance services in according to manufacturer specifications; 3) Perform state mandated inspections; 4) Comply with all applicable hazardous materials regulations; and 5) Manage vehicles and equipment replacement based on a ten-year vehicle replacement plan that maximizes vehicle use and allocates available resources to conserve vehicle value and equipment investment.

Facilities Management Division

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

FY 2016 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Measure C Team - Abated 46 homeless encampments and removed 460 cubic yards of debris in collaboration with the Hayward Police Department.

2. Street Maintenance Program - In preparation of El Nino, staff continued ongoing efforts to maintain over 3,000 storm water inlets, culverts, and creeks to minimize any potential flooding. In addition, Harder Road underpass was modified with new piping and storm inlet protective covers to eliminate trash entering into inlets causing potential flooding. Over five tons of rocks were placed on the hillside to eliminate any further erosion to the area. In addition, over 2,500 sand bags were distributed to Hayward residents and businesses.

3. Street Maintenance Program – Painted out 793 cases of Graffiti resulting in refreshing 44,537 square feet of buildings, sidewalks, utility boxes, and fences.

4. Street Maintenance Program – Responded to 2,715 reports of illegal dumping in public right-of-ways within 72 hours and removed 6,046 cubic yards of trash and debris.

5. Street Maintenance Program – Provided support to community clean-up groups at 24 clean-up events by removing an average of 20 cubic yards of debris at each event. Groups included Adopt-A-Block, Keep Hayward Clean and Green, and Glassbrook Neighborhood Group.

6. Parking Enforcement Program – Posted an additional 35 streets with restrictive street sweeping signage in an effort to better clean problem areas in which vehicles frequently remain parked on scheduled street sweeping days. Sign posting is determined through a combination of resident requests and staff observation.

7. Traffic Program – Assisted the Engineering and Transportation department in completing the rehabilitation of municipal lots. Lots 3 & 4 received new striping, parking restrictions signs, and poles. Muni Lot 8 received six new, more visible parking signs.

8. Traffic Program - Installed 2,000 feet of bike lane, two ladder crosswalks, and a revised striping layout in and around the new Fire Station #7 and Community Health Center.

9. Stormwater Maintenance Program – Installed 100 replacement storm drain grates in various locations throughout the City, concentrating on major thoroughfares and bike lane routes. New areas are being identified for residential areas for replacement of the cast iron grates.

10. Landscape and Streets Maintenance Program – Completed four beautification projects in collaboration with the Hayward Police Department (Torrano Blvd., Traynor Street, Banbury Street/Willimet Way, Belhaven Street).

11. Landscape Maintenance Program – Installed five weather-based irrigation controllers, bringing the City managed total to 52. The systems automatically monitor and adjust daily water usage based on real-time weather data, which enhances water efficiency.

12. Landscape Maintenance Program – Completed a beautification project in collaborative with the Keep Hayward Clean and Green Task Force. The project installed drought tolerant trees and plants, and beautified the area with bark mulch and decorative boulders (Hesperian Blvd. between Panama Street and Bolero Ave.).

13. Landscape Maintenance Program – Completed annual fire prevention efforts by performing weed abatement in City owned areas, such as municipal lots (11), drainage ditches (3), fire breaks (11), and vacant lots (6).

14. Landscape Maintenance Program - Held the 29th Arbor Day in May 2016 and qualified for Hayward's 30th year of recognition as a Tree City USA (in December 2015). The annual Arbor Day Celebration is a collaborative effort between the City of Hayward, Hayward Unified School District, and the Hayward Area Recreation District.

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

16. Landscape Maintenance Program – Completed a Lawn Conversion Project for the Utility Office on Soto Road. Conversion consisted of retrofitting irrigation to an “in-line drip” system; sheet mulching; conversion to a zero-waste lawn; and installation of water-saving trees, shrubs and perennials.

17. Fleet Management – Placed FY 2016 orders in the amount of $3.4 million dollars for 43 new/replacement vehicles and pieces of equipment. (Airport – 3; Fire – 5; Misc. – 8; Police – 20; Sewer – 4; Stormwater – 1; Water – 2.) Five of the 43 were Ford Fusion Hybrids, bringing the City’s green vehicle number to 19. Four of the police vehicles were paid for using Measure C funds to support new officer positions, while five others were purchases using insurance reimbursements.

18. Facilities Management – Completed the following operating projects:

    - City Hall - Replaced carpet in the revenue office entrance and first floor hallway. Aided in Council Technology Upgrade Project for the Council Chambers and Room 2A. Renovated the John O’Lague Galleria by installing new art hanging system, painting walls, and upgrading display boxes.
    - Police Department - Remodeled new fitness facility bathroom. Remodeled communication center. Added electrical equipment for new back-up power in server room. Designed and built cabinets for body camera battery charging stations. Built new K-9 shed.
    - Fire Department - Installed new Self-Contained Breathing Apparatus machine at fire stations 1 & 6. Confirmed that the six underground storage tanks were EPA compliant.
    - Library - Installed new security system at Weekes Branch Library.

19. Facilities Management – Completed the following capital projects:

    - City Hall - Installed additional security cameras to our existing City Hall building and the parking structure system for enhanced security. Replaced furniture in Conference Room 2B.
    - Corporation Yard - Remodeled streets and fleet administrative offices. Remodeled fleet kitchen using 90% energy conservation and sustainable products.
    - Fire Stations - Completed upgrades to underground storage tanks at Fire Station 2 and 6 to comply with State Water Board Control Board Audit findings.

DEPARTMENT PERFORMANCE METRICS – FY 2016

	FY 2016 Performance Measures/Goals	FY 2016 Performance
Street Maintenance	Secure or repair all hazardous street and sidewalk issues	**ACHIEVED** In the past 12 months, Streets staff repaired and secured all hazardous street and sidewalk within the 24 hours of being reported.

	within 24 hours.	
	Enforce “No Parking” during street sweeping 100% of the time.	**ACHIEVED** Posted 35 additional “No Parking” signs for scheduled street sweeping hours, encouraging 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. In the past 12 months, parking enforcement staff has issued over 24,000 citations in accordance with the bi-weekly street sweeping schedule. Enforcement revenue totaled $1.4 million.
	Remove illegal dumping within 72 hours.	**ACHIEVED** In the past 12 months, Streets staff responded to 2,715 reports of illegal dumping, and picked-up a total of 6,046 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 12 months, Streets staff responded to 793 reports of graffiti on public property, and painted over 44,537 square feet of tagging. All requests were resolved within 48 hours of receipt.

MAINTENANCE SERVICES DEPARTMENT

	FY 2016 Performance Measures/Goals	FY 2016 Performance
Landscape Maintenance	Secure all hazardous landscape conditions within 24 hours.	**ACHIEVED** In the past 12 months, Landscape staff repaired and secured all hazardous landscape conditions within the 24 hours of being reported.
	Respond/ inspect all CRM requests within 48 hours.	**ACHIEVED** In the past 12 months, 100% of CRM requests were responded to or inspected within 48 hours.
	Implement water conservation practices.	**ACHIEVED** Installed 5 weather-based irrigation management systems, bringing the City managed total to 52. These systems automatically adjust water flow thru monitoring of real-time weather data.
	Plant a minimum of 400 new trees in the City right of way annually.	**CONTINUED EFFORT NEEDED** Due to drought conditions, tree planting was restricted to replacing those trees that were damaged, dead, or dying.

MAINTENANCE SERVICES DEPARTMENT

	FY 2016 Performance Measures/Goals	FY 2016 Performance
Fleet Management	Ensure 100% of emergency road service calls are responded to within 30 minutes during business hours and within 1 hour after hours.	**ACHIEVED** Responded to all emergency road service calls within 30 minutes during duty hours and 60 minutes after hours.
	Implement an Administrative Rule, "Anti Idling policy" with a goal of 5% fuel reduction	**CONTINUED EFFORT NEEDED** Anti-Idling Policy Administrative Rule draft submitted to City Manager Office for review. 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 Program always has 90% of patrol vehicles available and in service.	**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. Fleet Management 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/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.
	Complete CIP projects on schedule and within budget.	**ACHIEVED** Placed $3.4 million in orders for 43 new/replacements vehicles/equipment for older, high mileage vehicles with new vehicles that incorporate better technology, lower emissions, and greater fuel efficiency. In addition to CIP funds, four police vehicles were funded by Measure C, and five police vehicles were funded by insurance claims for totaled vehicles. With the incorporation of five hybrid purchases, the City's total number of green vehicles will be 19.

MAINTENANCE SERVICES DEPARTMENT

	FY 2016 Performance Measures/Goals	FY 2016 Performance
Facilities Management	Continue providing an above-average response 95% of the time as measured by the Access Hayward.	**CONTINUED EFFORT NEEDED** In the past 12 months, facility staff resolved 1,163 internal CRM requests for routine maintenance, with 51% responded to within 5 days. Requests varied from HVAC temperature updates, to cubicle reconfiguration.
	Complete CIP projects on schedule and within budget.	**CONTINUED EFFORT NEEDED** Installed additional security cameras to the City Hall building and parking structure for enhanced security. Replaced furniture in Conference Room 2B. Remodeled streets and fleet administrative offices. Remodeled fleet kitchen using 90% energy conservation and sustainable products. Completed upgrades to underground storage tanks at Fire Station 2 and 6 to comply with State Water Board Control Board Audit findings. Ongoing projects: City Hall carpet replacement, Conference Room 2A furniture replacement, Animal Control improvements, HVAC replacement at HPD, City Hall security swipe card installation, and Replacement Lighting Study.
	Respond to HVAC issues within 24 hours.	**ACHIEVED** All HVAC issues were responded to within 2 hours during regular duty hours, and within 3 hours after duty hours.
	Exercise major emergency generators monthly, and service annually.	**ACHIEVED** Performed monthly generator test and serviced generators annually.

FY 2017 KEY SERVICE OBJECTIVES/GOALS

1. Street Maintenance Program - Remove illegally dumped trash and debris within a 48 hour period.

2. Street Maintenance Program - Abate graffiti on the public right-of-way within a 48 hour period.

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

4. Street Sweeping Program – Promote further growth and expansion of the Street Sweeping Restrictive Signage Program to support current and future resident requests for “No Parking” restrictions on sweeping days. Program goals will be accomplished through posting restrictive signs on additional streets, along with adding a Sweeper Operator to support consecutive day sweeping for posted streets.

5. Parking Enforcement Program – Continue to provide parking enforcement in the downtown area while an analysis is completed and recommendations received for a permanent solution to both parking and enforcement of the area.

6. Landscape Water Conservation Program – Continue to conserve water resources by monitoring and adjusting water usage to City managed areas.

7. Landscape Maintenance Program - Conduct the 30th Arbor Day Celebration (event held in May 2017) and qualify for the 31st year of recognition as a Tree City USA (submit application December 2016).

8. Landscape Maintenance Program – Maintain the City of Hayward Bay Friendly Certification by upgrading existing landscape areas to bay friendly standards.

9. Landscape Maintenance Program – Establish 2 new landscape maintenance contracts for newly landscaped City areas. Both areas are scheduled to come online in FY 2017, and include the Highway 92 Reliever Route (which spans from West Winton Ave. to Highway 92); and Industrial Blvd. median near the Chiropractic College.

10. Fleet Management – Update ten-year operating and capital financial plans.

11. Fleet Management – Complete budgeted capital vehicle and equipment purchases on time and within budget.

12. Fleet Management – Improve the quality, quantity, and accuracy of fleet data in the Fleet Management database.

13. Fleet Management – Complete preventative maintenance services within manufacturer specifications.

14. Fleet Management – Enroll in a state program where eligible vehicles are automatically smog tested through data transmitted by their GPS units.

15. Fleet Management - Research wireless maintenance and diagnostic equipment options and provide a recommendation.

16. Facilities Management – Complete a facility needs assessment study, and present recommendations.

17. Facilities Management – Update ten-year operating and capital financial plans.

18. Facilities Management – Complete budgeted capital facilities projects on time and within budget

MAINTENANCE SERVICES DEPARTMENT

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2017

FY 2017 reflects changes made during the FY 2016 mid-year process as well and those for FY 2017.

FY 2016 Mid-year Changes

- Upgrade 1.0 FTE Fleet Supervisor to Fleet Manager.
- Add $30k for weekend enforcement of south Hayward street sweeping areas.

FY 2017 Changes

- Upgrade 1.0 FTE Landscape Supervisor to Landscape Manager.
- Add 1.0 FTE Sweeper Operator (fully offset by citation revenue).
- Continue $100k funding for temporary downtown parking enforcement staff.
- Permanently add $30k for weekend enforcement of south Hayward street sweeping areas.
- Add $15k for Keep Hayward Clean and Green Adopt a Block supplies and annual beautification project.
- Internal service fee rate increases (Fleet Management – 1%, Facilities Management – 3%).

All Funds Summary - By Category

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
General Fund Revenue	1,251,258	1,528,568	1,032,000	1,433,520
Stormwater Revenue	-	406	-	-
Facilities Revenue	3,615,357	3,761,050	3,747,254	3,872,792
Fleet Revenue	4,260,410	4,247,637	4,315,772	4,319,484
S. Hayward B.A.R.T. JPA Rev	1	-	-	-
LLD/MD	987,740	992,043	993,230	960,955
	10,114,766	**10,529,705**	**10,088,256**	**10,586,751**
(Contribution)/Use of Fund Balance				
Facilities	(29,425)	(53,021)	83,362	19,016
Fleet Management	(144,366)	(18,043)	1,080,739	(41,826)
LLD/MD	(30,705)	94,168	104,355	(16,444)
	(204,497)	**23,104**	**1,268,456**	**(39,254)**
Fund Subsidy				
Gen Fund Subsidy - Maint Svc	2,514,681	2,775,395	3,601,024	3,373,840
Gen Fund Subsidy - Facilities	-	-	-	-
Measure C Fund Subsidy	-	-	576,466	602,248
S. Hayward B.A.R.T. JPA Sub	-	-	6,345	72,105
Stormwater Fund Sub - Streets	1,522,111	1,535,251	1,534,966	1,649,929
Water Fund Sub - Landscape	859,531	760,593	865,239	931,154
	4,896,324	**5,071,238**	**6,584,040**	**6,629,276**
Transfers In From Other Funds	**-**	**-**	**-**	**-**
Total Revenues	**14,806,593**	**15,624,047**	**17,940,752**	**17,176,773**
EXPENDITURES				
Expenditures				
Salary				
Regular	3,868,517	3,909,702	4,413,165	4,589,002
Overtime	629,985	487,818	409,778	439,778
Benefits				
Fringe Benefits	1,404,151	1,268,833	1,538,277	1,792,283
Retiree Medical	95,400	100,800	97,740	98,099
PERS	752,252	825,903	1,050,985	1,081,270
Charges (to)/from other programs	(480,462)	(196,695)	(17,904)	-
Net Staffing Expense	**6,269,844**	**6,396,362**	**7,492,041**	**8,000,432**

All Fund Summary - By Category

Continued

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Maintenance & Utilities	2,924,109	2,366,285	2,441,168	2,356,591
Supplies & Services	2,487,159	3,187,067	3,496,813	3,480,936
Internal Service Fees	1,532,978	1,729,745	1,809,439	1,871,971
Debt Service	1,120,258	1,347,509	1,304,212	1,056,684
Capital Outlay	-	-	-	-
Net Operating Expense	**8,064,504**	**8,630,606**	**9,051,632**	**8,766,182**
Transfers Out to Other Funds	**472,245**	**597,079**	**1,397,079**	**410,159**
Total Expenditures	**14,806,592**	**15,624,047**	**17,940,752**	**17,176,773**
Net Change	**1**	**-**	**-**	**-**

Maintenance Services Department

All Funds Summary - By Program

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Administration - General Fund	-	-	-	-
Landscape - General Fund	4,478	357	-	-
Streets - General Fund	1,246,780	1,528,211	1,032,000	1,433,520
Streets - Stormwater	-	406	-	-
Facilities - Internal Svc Fund	3,615,357	3,761,050	3,747,254	3,872,792
Fleet Management - Internal Svc	4,260,410	4,247,637	4,315,772	4,319,484
S. Hayward B.A.R.T. JPA Fund	1	-	-	-
LLD/MD - Special Revenue Fund	987,740	992,043	993,230	960,955
	10,114,766	10,529,705	10,088,256	10,586,751
(Contribution)/Use of Fund Balance				
Facilities	(29,425)	(53,021)	83,362	19,016
Fleet Management	(144,366)	(18,043)	1,080,739	(41,826)
LLD/MD	(30,705)	94,168	104,355	(16,444)
	(204,497)	23,104	1,268,456	(39,254)
Fund Subsidy				
Gen Fund Subsidy - Maint Svc	2,514,681	2,775,395	3,601,024	3,373,840
Gen Fund Subsidy - Facilities	-	-	-	-
Measure C Fund Subsidy	-	-	576,466	602,248
S. Hayward B.A.R.T. JPA Sub	-	-	6,345	72,105
Transfers In - Fleet Management	-	-	-	-
Water Fund Sub - Landscape	859,531	760,593	865,239	931,154
Stormwater Subsidy - Streets	1,522,111	1,535,251	1,534,966	1,649,929
	4,896,324	5,071,238	6,584,040	6,629,276
Total Revenues	**14,806,593**	**15,624,047**	**17,940,752**	**17,176,773**
EXPENDITURES				
Expenditures				
Administration - Gen Fund	45,650	147,254	148,951	88,355
Landscape - Gen Fund	2,166,510	2,300,202	2,440,161	2,544,482
Landscape - Water Fund	859,531	760,593	865,239	931,154
Streets - Gen Fund	1,553,779	1,856,507	2,043,912	2,174,523
Streets - Stormwater Fund	1,522,111	1,535,657	1,534,966	1,649,929
Measure C Programs	-	-	576,466	602,248
S. Hayward B.A.R.T. JPA Sub	-	-	6,345	72,105
Facilities	3,585,932	3,708,029	3,830,616	3,891,808
Fleet	4,116,044	4,229,595	5,396,511	4,277,658
LLD/MD	957,035	1,086,211	1,097,585	944,511
Total Expenditures	**14,806,592**	**15,624,047**	**17,940,752**	**17,176,773**
Net Change	**1**	**-**	**-**	**-**

Maintenance Services - General Fund Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Interest & Rents	-	-	-	-
Fines & Forfeitures	1,232,325	1,520,433	1,032,000	1,431,020
Fees & Service Charges	11,694	2,789		
Other Revenue	7,239	5,346	-	2,500
Total Revenues	**1,251,258**	**1,528,568**	**1,032,000**	**1,433,520**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,879,881	1,802,551	1,676,736	1,636,626
Overtime	307,515	230,848	235,778	265,778
Benefits				
Fringe Benefits	657,863	583,100	563,654	626,694
Retiree Medical	46,800	48,600	36,450	35,266
PERS	364,936	374,971	385,833	385,394
Charges (to)/from other programs	(811,729)	(337,360)	(17,904)	(54,090)
Net Staffing Expense	**2,445,267**	**2,702,709**	**2,880,547**	**2,895,668**
Maintenance & Utilities	191,774	258,923	250,280	249,132
Supplies & Services	238,423	305,081	320,311	436,279
Internal Service Fees	890,476	1,037,251	1,181,886	1,226,281
Capital Outlay	-	-	-	-
Net Operating Expense	**1,320,673**	**1,601,254**	**1,752,477**	**1,911,692**
Total Expenditures	**3,765,939**	**4,303,963**	**4,633,024**	**4,807,360**
General Fund Subsidy	**2,514,681**	**2,775,395**	**3,601,024**	**3,373,840**

Administration - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
None	-	-	-	
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	346,596	244,167	79,374	50,296
Overtime	1,408	245	-	-
Benefits				
Fringe Benefits	57,077	32,607	16,088	10,745
Retiree Medical	5,400	5,400	1,159	703
PERS	67,690	44,769	19,418	12,161
Charges (to)/from other programs	(458,199)	(207,307)	-	(27,045)
Net Staffing Expense	**19,973**	**119,882**	**116,039**	**46,860**
Maintenance & Utilities	1,200	913	800	192
Supplies & Services	5,380	4,925	7,275	7,703
Internal Service Fees	19,097	21,534	24,837	33,600
Net Operating Expense	**25,677**	**27,372**	**32,912**	**41,495**
Total Expenditures	**45,650**	**147,254**	**148,951**	**88,355**
General Fund Subsidy	**45,650**	**147,254**	**148,951**	**88,355**

FY 2017 Significant Budget Changes:

1. None

Street Maintenance - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Fines & Forfeitures	1,232,325	1,520,433	1,032,000	1,431,020
Fees & Service Charges	10,943	2,789	-	-
Other Revenue	3,512	4,989	-	2,500
Total Revenues	**1,246,780**	**1,528,211**	**1,032,000**	**1,433,520**
EXPENDITURES				
Expenditures				
Salary				
Regular	667,911	667,629	675,646	617,375
Overtime	228,463	162,337	174,778	204,778
Benefits				
Fringe Benefits	258,351	237,134	206,170	221,207
Retiree Medical	16,200	18,000	13,145	12,115
PERS	130,777	142,462	140,867	145,274
Charges (to)/from other programs	(273,396)	(95,163)	(8,548)	-
Net Staffing Expense	**1,028,307**	**1,132,399**	**1,202,058**	**1,200,749**
Maintenance & Utilities	24,317	27,058	16,260	23,320
Supplies & Services	167,995	217,333	225,900	333,840
Internal Service Fees	333,161	479,718	599,694	616,614
Capital Outlay	-	-	-	-
Net Operating Expense	**525,472**	**724,108**	**841,854**	**973,774**
Total Expenditures	**1,553,779**	**1,856,507**	**2,043,912**	**2,174,523**
General Fund Subsidy	**306,999**	**328,296**	**1,011,912**	**741,003**

FY 2017 Significant Budget Changes:

1. Relocated $100,000 for temporary hires from Salary & Benefits to Supplies & Services
2. Add 1.0 FTE Sweeper Equipment Operator (fully offset by increased revenues)

Landscape Maintenance - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Fees & Service Charges	751	-	-	-
Other Revenue	3,727	357	-	-
Total Revenues	**4,478**	**357**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	865,374	890,754	921,716	968,955
Overtime	77,645	68,266	61,000	61,000
Benefits				
Fringe Benefits	342,435	313,358	341,396	394,742
Retiree Medical	25,200	25,200	22,146	22,448
PERS	166,468	187,740	225,548	227,959
Charges (to)/from other programs	(80,135)	(34,890)	(9,356)	(27,045)
Net Staffing Expense	**1,396,987**	**1,450,428**	**1,562,450**	**1,648,059**
Maintenance & Utilities	166,257	230,951	233,220	225,620
Supplies & Services	65,048	82,823	87,136	94,736
Internal Service Fees	538,218	535,999	557,355	576,067
Capital Outlay	-	-	-	-
Net Operating Expense	**769,523**	**849,773**	**877,711**	**896,423**
Total Expenditures	**2,166,510**	**2,300,202**	**2,440,161**	**2,544,482**
General Fund Subsidy	**2,162,032**	**2,299,844**	**2,440,161**	**2,544,482**

FY 2017 Significant Budget Changes:

1. Upgraded 1.0 FTE Landscape Supervisor to 1.0 FTE Landscape Manager

Landscape Maintenance (Water Fund) - Enterprise Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
None	-	-	-	
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	269,566	269,748	277,115	311,313
Overtime	47,173	43,755	6,000	6,000
Benefits				
Fringe Benefits	111,276	107,435	114,381	138,276
Retiree Medical	7,200	7,200	6,867	7,210
PERS	53,219	59,221	67,812	73,139
Charges (to)/from other programs	(18,289)	(65,784)	-	-
Net Staffing Expense	**470,145**	**421,575**	**472,175**	**535,938**
Maintenance & Utilities	263,221	223,579	297,300	296,860
Supplies & Services	12,480	13,772	12,000	12,500
Internal Service Fees	113,685	101,667	83,764	85,856
Capital Outlay	-	-	-	-
Net Operating Expense	**389,386**	**339,018**	**393,064**	**395,216**
Total Expenditures	**859,531**	**760,593**	**865,239**	**931,154**
Water Fund Subsidy	**859,531**	**760,593**	**865,239**	**931,154**

FY 2017 Significant Budget Changes:

1. None

Street Maintenance (Stormwater Fund) - Enterprise Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Other Revenue	-	406	-	-
Interest and Rents	-	-	-	-
Total Revenues	**-**	**406**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	458,704	529,212	657,861	709,163
Overtime	115,740	82,447	33,000	33,000
Benefits				
Fringe Benefits	196,304	195,532	223,364	297,671
Retiree Medical	12,600	12,600	15,287	15,746
PERS	86,830	116,779	159,964	167,017
Charges (to)/from other programs	233,883	95,155	-	-
Net Staffing Expense	**1,104,060**	**1,031,726**	**1,089,476**	**1,222,597**
Maintenance & Utilities	23,493	27,332	17,288	14,288
Supplies & Services	92,467	111,335	120,867	123,867
Internal Service Fees	302,091	365,264	307,335	289,177
Capital Outlay	-	-	-	-
Net Operating Expense	**418,051**	**503,931**	**445,490**	**427,332**
Total Expenditures	**1,522,111**	**1,535,657**	**1,534,966**	**1,649,929**
Stormwater Fund Subsidy	**1,522,111**	**1,535,251**	**1,534,966**	**1,649,929**

FY 2017 Significant Budget Changes:

1. None

Facilities Management - Internal Service Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Facilities Service Fee	3,463,206	3,601,253	3,601,254	3,709,292
Interest & Rents	33,468	30,196	32,000	27,500
Other Revenue	118,684	129,601	114,000	136,000
	3,615,357	3,761,050	3,747,254	3,872,792
Total Revenues	**3,615,357**	**3,761,050**	**3,747,254**	**3,872,792**
EXPENDITURES				
Expenditures				
Salary				
Regular	686,020	672,915	753,631	797,113
Overtime	56,408	48,337	45,000	45,000
Benefits				
Fringe Benefits	222,224	180,018	270,166	275,427
Retiree Medical	14,400	16,200	15,206	15,336
PERS	134,753	133,962	182,999	188,604
Charges (to)/from other programs	47,233	29,407	-	-
Net Staffing Expense	**1,161,037**	**1,080,838**	**1,267,002**	**1,321,480**
Maintenance	700,778	459,953	315,745	132,000
Utilities	832,418	768,361	853,995	802,580
Supplies & Services	303,128	661,002	694,446	997,650
Internal Service Fees	101,039	113,992	90,684	110,320
Debt Service Payments	170,252	183,276	168,138	168,139
Net Operating Expense	**2,107,615**	**2,186,585**	**2,123,008**	**2,210,689**
Fund Transfers Out to				
General Fund - Cost Allocation	108,187	111,433	111,433	-
Liability Insurance Premium	29,093	29,173	29,173	34,639
Transfer to Capital	180,000	300,000	300,000	325,000
	317,280	**440,606**	**440,606**	**359,639**
Total Expenditures	**3,585,932**	**3,708,029**	**3,830,616**	**3,891,808**
Net Change	**29,425**	**53,021**	**(83,362)**	**(19,016)**

FY 2017 Significant Budget Changes:

1. General Fund Cost Allocation no longer charged effective FY 2017

Fleet Management - Internal Service Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Vehicle Maint/Operating Rate	4,125,716	4,240,854	4,315,772	4,317,484
Interest	3,634	5,027	-	2,000
Other Revenue	131,059	1,757	-	-
	4,260,410	**4,247,637**	**4,315,772**	**4,319,484**
Total Revenues	**4,260,410**	**4,247,637**	**4,315,772**	**4,319,484**
EXPENDITURES				
Expenditures				
Salary				
Regular	574,346	635,103	718,861	776,091
Overtime	103,148	79,141	90,000	90,000
Benefits				
Fringe Benefits	216,484	200,289	201,087	295,478
Retiree Medical	14,400	16,200	15,287	15,483
PERS	112,514	139,623	173,854	183,210
Charges (to)/from other programs	23,403	25,833	-	-
Net Staffing Expense	**1,044,297**	**1,096,190**	**1,199,089**	**1,360,262**
Maintenance & Utilities	199,645	162,307	196,620	182,180
Supplies & Services	62,992	89,266	85,480	70,600
Fuel	1,003,983	886,356	1,102,500	1,000,000
Auto Parts	574,467	563,199	600,000	600,000
Internal Service Fees	125,687	111,571	120,275	125,551
Debt Service Payments	950,006	1,164,233	1,136,074	888,545
Net Operating Expense	**2,916,782**	**2,976,932**	**3,240,949**	**2,866,876**
Fund Transfers Out to				
Liability Insurance Premium	41,795	39,908	39,908	50,520
Misc. Trans to Fleet Mgmt Cap	-	-	800,000	-
General Fund - Cost Allocation	113,170	116,565	116,565	-
	154,965	**156,473**	**956,473**	**50,520**
Total Expenditures	**4,116,044**	**4,229,595**	**5,396,511**	**4,277,658**
Net Change	**144,366**	**18,043**	**(1,080,739)**	**41,826**

FY 2017 Significant Budget Changes:

1. Upgrade 1.0 FTE Fleet Maint. Supervisor to 1.0 FTE Fleet Maint. Manager (FY16 Mid-Year)
2. Reduction in Fuel Charges ($102,500)
3. General Fund Cost Allocation no longer charged effective FY 2017

Landscape & Lighting and Maint. Districts Summary-Special Rev

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beginning Working Capital Balance	**2,624,478**	**2,655,183**	**2,561,016**	**2,456,661**
Fund Revenue				
Special Assessments	972,340	980,328	993,230	960,955
Interest and Rents	15,400	11,715	-	-
Total Revenues	**987,740**	**992,043**	**993,230**	**960,955**
Fund Expenditures				
Salary				
Regular	-	173	24,389	-
Overtime	-	3,290	-	-
Benefits				
Fringe Benefits	-	2,459	5,599	-
Retiree Medical	-	-	458	-
PERS	-	1,347	5,990	-
Charges (to)/from other programs	45,038	56,054	-	54,090
Net Staffing Expense	**45,038**	**63,324**	**36,436**	**54,090**
Maintenance & Utilities	712,780	465,830	508,940	678,551
Supplies & Services	199,217	557,057	552,209	211,870
Net Operating Expense	**911,997**	**1,022,887**	**1,061,149**	**890,421**
Total Expenditures	**957,035**	**1,086,211**	**1,097,585**	**944,511**
Net Change	**30,705**	**(94,168)**	**(104,355)**	**16,444**
Ending Working Capital Balance	**2,655,183**	**2,561,016**	**2,456,661**	**2,473,105**

FY 2017 Significant Budget Changes:

1. None

Measure C Programs - Measure C Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
None	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	80,070	300,313	324,194
Overtime	-	1,419	-	-
Benefits				
Fringe Benefits	-	40,299	158,993	149,269
Retiree Medical	-	-	8,175	8,175
PERS	-	17,387	73,490	75,824
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**-**	**139,175**	**540,971**	**557,462**
Maintenance & Utilities	-	-	1,000	1,000
Supplies & Services	-	120	9,000	9,000
Internal Service Fees	-	-	25,495	34,786
Capital Outlay	-	52,420	-	-
Net Operating Expense	**-**	**52,540**	**35,495**	**44,786**
Total Expenditures	**-**	**191,715**	**576,466**	**602,248**
General Fund Subsidy	**-**	**191,715**	**576,466**	**602,248**

FY 2017 Significant Budget Changes:

1. None

South Hayward B.A.R.T. JPA

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Fines and Forfeiture	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	37	4,259	34,502
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	7	1,033	9,468
Retiree Medical	-	-	10	883
PERS	-	5	1,043	8,082
Charges (to)/from other programs	-	802	-	-
Net Staffing Expense	**-**	**851**	**6,345**	**52,935**
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	19,170
Internal Service Fees	-	-	-	-
Capital Outlay	-	-	-	-
Net Operating Expense	**-**	**-**	**-**	**19,170**
Total Expenditures	**-**	**851**	**6,345**	**72,105**
S. Hwrd B.A.R.T. JPA Fund Subsidy	**-**	**851**	**6,345**	**72,105**

FY 2017 Significant Budget Changes:

1. None

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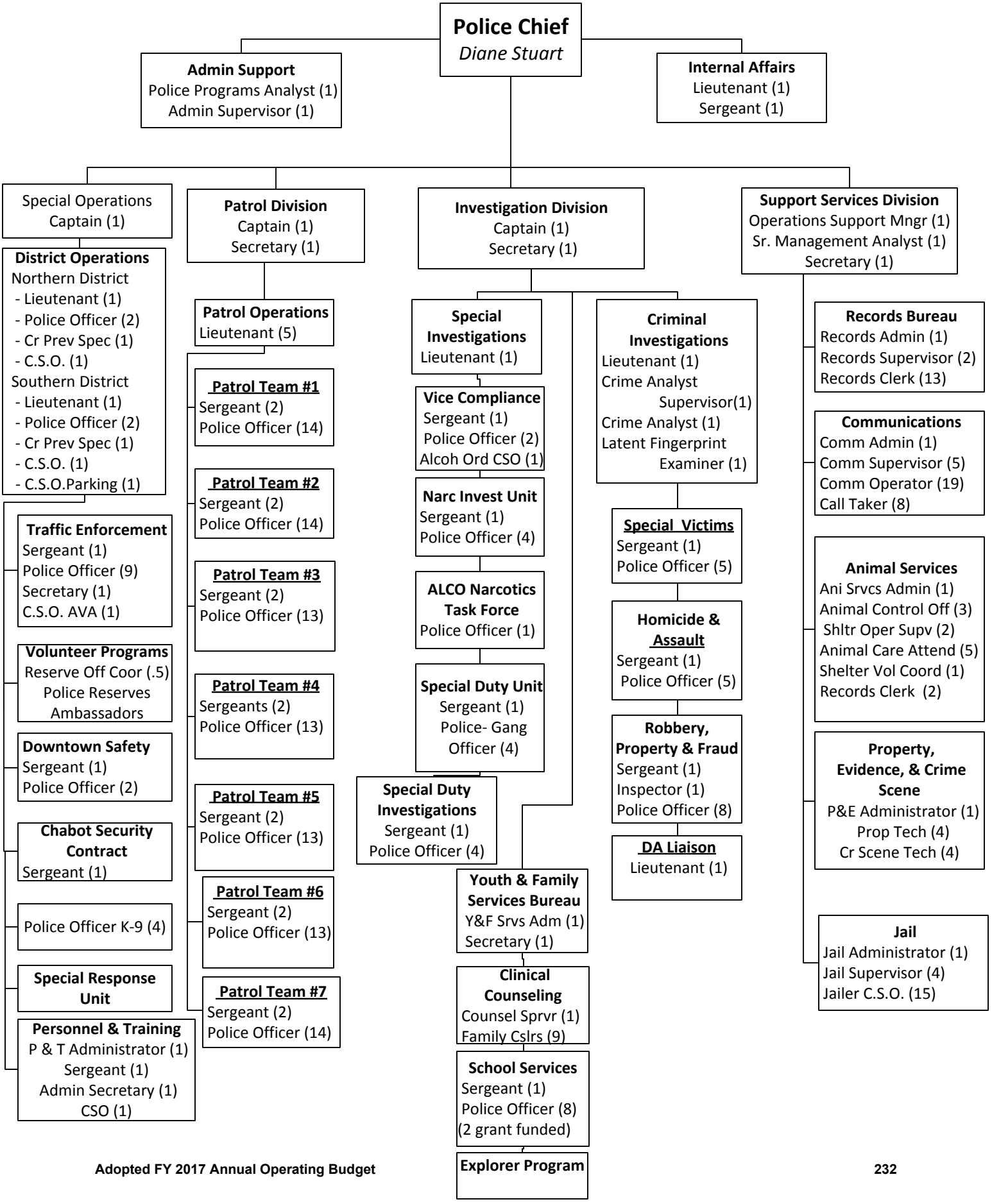
Police Department

FY 2017 STAFFING
322.5 FTE



HAYWARD POLICE DEPARTMENT

MISSION STATEMENT

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

DEPARTMENT OVERVIEW

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

DIVISION/PROGRAM SUMMARIES

Office of the Chief

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

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

Patrol Division

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

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

Special Operations Division

The Special Operations Division oversees the Departmental Personnel and Training Bureau as well as the 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, 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 support community-oriented events monitor registration compliance of convicted sex offenders residing in the City, and assist with 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 certified Police Service Dogs. .

- The Special Response Unit (SRU) is comprised of both the SWAT and Crisis Negotiations Teams. SRU is a critical incident response team of sworn law enforcement personnel from throughout the Police Department that is deployed when the resources or capabilities necessary for resolving a situation are outside the capabilities of our patrol staff.

Investigation Division

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

- The Crime and Intelligence Analysis Unit improves the ability of the department to monitor the criminal activity and behavior of people within the city through analysis of related information, to obtain knowledge about the activity of known criminals through intelligence analysis, to improve tactical planning, and to improve short and long term decision making. It also improves the ability of the department to manage, allocate, and deploy resources through practical analyses.
- The Special Victims Unit thoroughly investigates incidents that are reported through a diverse range of sources, such as teachers, citizens, mental health professionals, and preliminary investigations by Patrol Officers. SVU investigators work collaboratively with CALICO (Child Abuse Listening, Interviewing and Coordination Center) interviewers, Children's Hospital's Center for the Protection of Children for forensic medical examinations and expertise, Shelters Against Violent Environments (SAVE) for domestic violence victim services, and the Alameda County SAFE (Sexual Assault Felony Enforcement) Task Force for investigation of sexually violent predators and sexually-based criminal enterprises.
- The Robbery and Property Crimes Unit investigates, arrests, and prosecutes suspects who commit specific crimes in the City of Hayward, and provides investigative support to Officers engaged in community policing efforts. These crimes include but are not limited to, robbery, burglary, carjacking, fraud, and elder/dependent adult financial abuse.
- The Homicide and Assault Unit investigates significant violent crimes that elude the department's prevention efforts, arrests and prosecutes suspects who commit them, locates missing adults, and investigates hate crimes.
- The Special Duty Unit and Special Duty Investigative Unit provides specialized police response to identified problem areas and to those areas most impacted by the activities of criminal street gangs. Their focus is on protecting lives and property, reducing violent crime (especially violent crimes committed by criminal street gang members), and reducing fear among the people we serve (especially those who live in neighborhoods where criminal street gang members actively engage in their illicit activities).
- The Narcotics Unit investigates mid to upper level drug traffickers operating within the City of Hayward. The unit's primary mission is to identify, investigate, arrest, and prosecute mid to upper level drug traffickers.
- The Vice-Intelligence-ABC Unit actively enforces and/or abates alcohol related violations, prostitution, tobacco ordinances, illegal gambling, and other closely related crimes within the City.
- The School Resource Officer Unit ensures a safe school environment for students and staff. The SROs are responsible for police functions at the three Hayward public high schools, one continuation high school, one private high school, one community day school, five middle schools, twenty two elementary schools, one independent studies program, one adult school, and one ROP program. They spend most of their work

shifts actually on the campuses of these schools, providing police services and support to students, parents and school administrators.

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

Support Services Division

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

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

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

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

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

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

HAYWARD POLICE DEPARTMENT

FY 2016 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Completed rollout of body worn cameras department wide.
2. Completed deployment of public camera systems to combat crime in hot spot locations.
3. Initiated a massage parlor program in accordance to the massage parlor ordinance.
4. Created Countywide Homicide Investigators working group.
5. Identified a site for relocation of Southern District Station.
6. Implemented transition of false alarm program to Cry Wolf.
7. Department recommendations of Matrix staffing restructure were completed.
8. Completed physical expansion of dispatch center to accommodate Measure C call taker positions.
9. All sworn Measure C positions have been filled.
10. Mentorship program was implemented.

DEPARTMENT PERFORMANCE METRICS

Division	FY 2016 Performance Measures/Goals	FY 2016 Performance
Office of the Chief	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.	ON-GOING
	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

	FY 2016 Performance Measures/Goals	FY 2016 Performance
Patrol Division	Directed enforcement and compliance checks on known offenders with the goal of reducing theft-related crime by 5%	ON-GOING
	Continue to reduce crime in targeted areas where a cluster of crime is occurring by utilizing "hot spot" policing strategies.	ON-GOING

	Continue the participation of patrol officers and supervisors in all community meetings and neighborhood partnership programs with the goal of enhancing police-community relations.	**ON-GOING**
	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.	**ON-GOING**
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.	**ACHIEVED**
	Increase Special Response Unit's SWAT team training hours to meet State training mandates and Industry Standard best practices	**ACHIEVED**
	Conduct nine SMASH operations aimed to reduce chronic criminal behavior.	**ACHIEVED** Six SMASH operations have been completed in FY 2015. A total of nine SMASH operations have been completed since January 2014.
	Revise the Neighborhood Alert program to increase participation and reach a broader spectrum of the community.	**ACHIEVED**
	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.
	To invest in the future of the Department with the creation of a Training Needs Assessment committee and a comprehensive succession plan.	**IN PROGRESS** Both training needs assess and succession plan updated in 2015
	To attract potential employees to the Hayward Police Department through the development of a recruitment plan and a recruitment team.	**ON-GOING**

	Complete annual Training Plan and Executive Team review protocol.	**IN PROGRESS**
	Institute Department wide Procedural Justice/Fair and Impartial Policing Training.	**IN PROGRESS**
	Fill newly created Measure C positions.	**IN PROGRESS**

Division	FY 2016 Performance Measures/Goals	FY 2016 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.	**ON-GOING**
	Decrease the number of alcohol-related violations by licensed establishments.	**ON-GOING**
	Maintain working relationships with State & Federal law enforcement agencies to enhance prosecution of criminal offenders at the State and local level.	**ON-GOING**
	Increase the number of juvenile truancy violators diverted from judicial sanctions.	**ON-GOING**
	Reduce the number of open cases and improve the clearance rate in part 1 crimes	**ON-GOING**
	70% of youth receiving family counseling and diversion services will experience a reduction of identified “at-risk” behaviors and demonstrate improved family functioning.	**ON-GOING**

Division	FY 2016 Performance Measures/Goals	FY 2016 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.	**ON-GOING**

	• 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.	
	The Technology Solutions Analyst will collaborate with PSTC committee to identify and share best practices for communication with the public as to social media.	**ON-GOING**
	To continue implementation of the recommendations provided in the Communications Bureau staffing study conducted in May 2013.	**ON-GOING**
	The Records Bureau will work with Information Technology to offer more services on-line to the community.	**ON-GOING**

FY 2017 KEY SERVICE OBJECTIVES/GOALS

1. Complete the implementation of recommendations from Departmental staffing study department wide.
2. Successfully achieve second CALEA accreditation.
3. Continue to collaborate with the Public Works department to identify potential traffic design changes that may enhance traffic safety.
4. Continue as County Coordinator for Avoid the 21 and STEP grants.
5. Increase participation in the Crime Free Multi-Housing Program.
6. 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.
7. Continue to research and implement improved electronic mechanisms for improving the quality of data keeping and tracking of YFSB counseling services.
8. Provide a city wide portable radio plan for transition to East Bay Regional Interoperability Communications System.
9. Fill the remaining measure C vacancies.
10. Re-structure Division's Management Span of Control, by creating a Special Teams Lieutenant to address growth and increase responsibilities within the SO Division.

HAYWARD POLICE DEPARTMENT

SIGNIFICANT CHANGES PLANNED FOR FY 2017

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. Changes were made in FY 2016 to address long term needs of the department. FY 2017 proposes additional resources to address other long-term needs of the department.

FY 2017 Changes (+1.0 FTE)

- Upgrade 1.0 FTE Administrative Secretary to 1.0 FTE Administrative Supervisor
- Add 1.0 FTE YFSB Counselor (MAA Funding)
- Upgrade 1.0 FTE DA Liaison Sergeant to 1.0 FTE Special Teams Lieutenant
- Funding added for Gang Prevention Specialist Contract Services

All Funds Summary - By Category

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue and Trans in from Other Funds				
General Fund Revenue	4,731,233	5,864,387	4,564,318	4,972,501
Community Oriented Policing Grant	276,275	250,504	184,000	-
Byrnes Grant	47,538	47,864	47,864	-
Narc Asset Seizure-Spec Rev Fund	-	141,358	-	-
	5,055,046	**6,304,113**	**4,796,182**	**4,972,501**
(Contribution)/Use of Fund Balance				
Community Oriented Policing Grant	-	(66,504)	-	-
Byrnes Grant	-	-	-	-
Narcotic Asset Seizure	-	(29,582)	-	-
	-	**(96,087)**	**-**	**-**
Fund Subsidy				
General Fund Subsidy	54,113,074	56,390,488	61,430,615	64,906,468
Measure C Fund Subsidy	-	-	2,316,048	2,415,483
	54,113,074	**56,390,488**	**63,746,663**	**67,321,951**
Total Revenues	**59,168,121**	**62,598,514**	**68,542,845**	**72,294,452**
EXPENDITURES				
Expenditures By Expense Category				
Salary				
Regular	30,829,858	30,867,350	34,452,801	35,807,324
Overtime	3,423,431	3,419,230	3,229,623	3,229,623
Vacancy Savings	-	-	(1,781,509)	(2,281,509)
Benefits				
Fringe Benefits	9,205,457	9,511,335	10,822,600	12,200,447
Retiree Medical	1,175,700	1,184,100	1,688,844	1,764,194
PERS	7,388,068	9,328,710	11,412,569	13,102,588
Charges (to)/from other programs	11,582	9,892	-	-
Net Staffing Expense	**52,034,097**	**54,320,618**	**59,824,928**	**63,822,667**
Maintenance & Utilities	403,204	448,874	551,338	551,338
Supplies & Services	2,012,518	2,327,314	1,767,970	1,802,170
Internal Service Fees	4,337,788	5,269,844	6,166,745	6,118,277
Capital	56,701	-	-	-
Net Operating Expense	**6,810,211**	**8,046,032**	**8,486,053**	**8,471,785**
Transfers to other funds	**323,813**	**231,864**	**231,864**	**-**
Total Expenditures	**59,168,121**	**62,598,514**	**68,542,845**	**72,294,452**
Net Change	**-**	**-**	**-**	**-**

All Funds Summary - By Program

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue and Transfers in from Other Funds				
Office of the Chief	54,908	79,467	-	-
Special Operations	427,086	464,439	273,000	509,000
Patrol Division	163,508	71,752	90,000	70,000
Investigations	1,795,595	1,894,766	1,679,221	1,692,540
Support Services	940,009	975,873	880,242	958,242
Special Programs	1,350,127	2,381,005	1,641,855	1,742,719
Community Oriented Policing Grant	276,275	250,504	184,000	-
Byrnes Grant	47,538	47,864	47,864	-
Narcotic Asset Seizure	-	141,358	-	-
	5,055,046	**6,307,029**	**4,796,182**	**4,972,501**
(Contribution)/Use of Fund Balance				
Community Oriented Policing Grant	-	(66,504)	-	-
Byrnes Grant	-	-	-	-
Narcotic Asset Seizure	-	(29,582)	-	-
	-	**(96,087)**	**-**	**-**
Fund Subsidy				
General Fund Subsidy	54,113,074	56,390,488	61,430,615	64,906,468
Measure C Fund Subsidy	-	-	2,316,048	2,415,483
	54,113,074	**56,390,488**	**63,746,663**	**67,321,951**
Total Revenues	**59,168,121**	**62,601,431**	**68,542,845**	**72,294,452**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds				
Office of the Chief - General Fund	3,352,164	3,598,633	1,380,719	1,455,469
Special Operations - General Fund	3,889,565	4,630,954	6,526,332	7,411,991
Patrol Division	24,362,263	25,592,930	28,246,724	29,419,183
Investigations	13,131,134	13,838,732	15,368,071	16,580,092
Support Services - General Services	11,780,384	11,718,679	11,784,753	12,300,370
Special Programs (Grants) - General Fund	2,328,797	2,874,946	2,688,334	2,711,864
Measure C Programs	-	-	2,316,048	2,415,483
Community Oriented Policing Grant	276,275	184,000	184,000	-
Byrnes Grant	47,538	47,864	47,864	-
Narc Asset Seizure-Spec Rev Fund	-	111,776	-	-
Total Expenditures	**59,168,121**	**62,598,514**	**68,542,845**	**72,294,452**
Net Change	**-**	**2,917**	**-**	**-**

Police - General Fund Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Licenses & Permits	443,229	401,584	420,242	423,242
Photo Red Light	280,074	243,905	-	70,000
Fines & Forfeitures	46,957	41,222	38,000	41,000
Intergovernmental	2,984,802	4,177,330	2,948,395	3,425,259
Fees & Service Charges	962,500	999,840	908,000	938,000
Other Revenue	13,671	505	249,681	75,000
Total Revenues	**4,731,233**	**5,864,387**	**4,564,318**	**4,972,501**
EXPENDITURES				
Expenditures				
Salary				
Regular	30,829,858	30,867,350	33,198,051	34,522,497
Overtime	3,423,431	3,419,230	3,229,623	3,229,623
Vacancy Savings	-	-	(1,781,509)	(2,281,509)
Benefits				
Fringe Benefits	9,205,457	9,511,335	10,331,676	11,708,067
Retiree Medical	1,175,700	1,184,100	1,640,759	1,714,401
PERS	7,388,068	9,328,710	11,057,612	12,707,916
Charges (to)/from other programs	11,582	9,892	-	-
Net Staffing Expense	**52,034,097**	**54,320,618**	**57,676,212**	**61,600,995**
Maintenance & Utilities	403,204	448,874	493,200	493,200
Supplies & Services	2,012,518	2,215,539	1,751,840	1,758,040
Internal Service Fees	4,337,788	5,269,844	6,073,681	6,026,734
Capital	56,701	-	-	-
Net Operating Expense	**6,810,211**	**7,934,256**	**8,318,721**	**8,277,974**
Total Expenditures	**58,844,307**	**62,254,874**	**65,994,933**	**69,878,969**
General Fund Subsidy	**54,113,074**	**56,390,488**	**61,430,615**	**64,906,468**

Office of the Chief - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Intergovernmental	53,928	79,467	-	-
Other Revenue	980	-	-	-
Total Revenues	**54,908**	**79,467**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,463,694	1,569,993	740,578	772,266
Overtime	75,481	107,201	16,500	16,500
Benefits				
Fringe Benefits	366,298	372,589	196,880	231,020
Retiree Medical	36,300	36,300	25,845	20,809
PERS	348,419	416,383	248,961	287,463
Charges (to)/from other programs	130,400	94,364	-	-
Net Staffing Expense	**2,420,592**	**2,596,829**	**1,228,764**	**1,328,058**
Maintenance & Utilities	22,917	18,908	10,200	10,200
Supplies & Services	797,581	804,923	39,084	39,084
Internal Service Fees	111,074	177,973	102,671	78,127
Net Operating Expense	**931,572**	**1,001,804**	**151,955**	**127,411**
Total Expenditures	**3,352,164**	**3,598,633**	**1,380,719**	**1,455,469**
General Fund Subsidy	**3,297,256**	**3,519,166**	**1,380,719**	**1,455,469**

FY 2017 Significant Budget Changes:

1. Delete 1.0 FTE Administrative Secretary
2. Add 1.0 FTE Administrative Supervisor

Special Operations - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Grants-Citizens' Option for Public Safety	-	-	-	184,000
Licenses and Permits	27,155	24,612	30,000	30,000
Photo Red Light	280,074	243,905	-	70,000
Fees & Service Charges	119,857	195,922	185,000	185,000
Other Revenue	-	-	58,000	40,000
Total Revenues	**427,086**	**464,439**	**273,000**	**509,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,066,822	2,293,342	3,078,612	3,284,320
Overtime	156,080	280,032	243,500	243,500
Vacancy Savings	-	-	(278,509)	(278,509)
Benefits				
Fringe Benefits	696,767	741,559	946,470	1,120,573
Retiree Medical	90,900	89,100	145,910	152,352
PERS	513,252	705,932	1,024,760	1,210,102
Charges (to)/from other programs	(124,881)	(63,771)	-	-
Net Staffing Expense	**3,398,939**	**4,046,194**	**5,160,743**	**5,732,338**
Maintenance & Utilities	8,000	10,919	26,000	26,000
Supplies & Services	76,890	73,147	752,604	752,604
Internal Service Fees	405,736	500,695	586,985	901,049
Capital	-	-	-	-
Net Operating Expense	**490,626**	**584,760**	**1,365,589**	**1,679,653**
Total Expenditures	**3,889,565**	**4,630,954**	**6,526,332**	**7,411,991**
General Fund Subsidy	**3,462,479**	**4,166,515**	**6,253,332**	**6,902,991**

FY 2017 Significant Budget Changes:

1. Revenue For Cititzen's Option for Public Safety Grant now recorded in General Fund

Patrol Division - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees & Service Charges	151,330	71,752	90,000	70,000
Other Revenue	12,178	-	-	-
Total Revenues	**163,508**	**71,752**	**90,000**	**70,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	12,617,343	12,317,969	13,735,071	14,195,536
Overtime	1,454,307	1,364,123	1,929,823	1,929,823
Vacancy Savings	-	-	(1,000,000)	(1,500,000)
Benefits				
Fringe Benefits	3,967,005	4,174,158	4,521,231	5,051,468
Retiree Medical	562,800	562,800	829,385	884,307
PERS	3,240,231	4,175,248	4,984,324	5,873,088
Charges (to)/from other programs	405,333	86,079	-	-
Net Staffing Expense	**22,247,019**	**22,680,377**	**24,999,834**	**26,434,222**
Maintenance & Utilities	3,388	1,741	-	-
Supplies & Services	19,520	48,375	57,784	57,784
Internal Service Fees	2,092,337	2,862,438	3,189,106	2,927,177
Capital	-	-	-	-
Net Operating Expense	**2,115,245**	**2,912,553**	**3,246,890**	**2,984,961**
Total Expenditures	**24,362,263**	**25,592,930**	**28,246,724**	**29,419,183**
General Fund Subsidy	**24,198,755**	**25,521,178**	**28,156,724**	**29,349,183**

FY 2017 Significant Budget Changes:

1. Increase to Vacancy Savings of $500,000
2. Addition of 1.0 FTE Police Officer - relocated from Special Programs

Investigations - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Licenses & Permits	126,584	131,882	140,000	140,000
Intergovernmental	1,606,875	1,741,302	1,324,540	1,519,540
Fees & Service Charges	62,137	21,582	58,000	33,000
Other Revenue	-	-	156,681	-
Total Revenues	**1,795,595**	**1,894,766**	**1,679,221**	**1,692,540**
EXPENDITURES				
Expenditures				
Salary				
Regular	7,475,273	7,471,706	8,060,563	8,475,168
Overtime	694,143	456,610	690,000	690,000
Vacancy Savings	-	-	(453,000)	(453,000)
Benefits				
Fringe Benefits	2,178,244	2,257,370	2,441,606	2,847,959
Retiree Medical	279,900	279,900	409,935	430,077
PERS	1,820,666	2,304,547	2,772,603	3,244,342
Charges (to)/from other programs	(401,321)	(180,528)	-	-
Net Staffing Expense	**12,046,906**	**12,589,604**	**13,921,707**	**15,234,546**
Maintenance & Utilities	18,364	37,872	81,000	81,000
Supplies & Services	314,607	503,787	276,484	282,684
Internal Service Fees	745,937	707,468	1,088,880	981,862
Capital	5,320	-	-	-
Net Operating Expense	**1,084,229**	**1,249,127**	**1,446,364**	**1,345,546**
Total Expenditures	**13,131,134**	**13,838,732**	**15,368,071**	**16,580,092**
General Fund Subsidy	**11,335,539**	**11,943,965**	**13,688,850**	**14,887,552**

FY 2017 Significant Budget Changes:

1. Add 1.0 FTE Family Counselor I (MAA Funding)
2. Funding for Contract Services Gang Prevention Specialist ($50,000)

Support Services - General Services

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Licenses & Permits	289,491	245,090	250,242	253,242
Intergovernmental	20,830	19,695	20,000	20,000
Fees & Service Charges	629,176	710,584	575,000	650,000
Other Revenue	513	505	35,000	35,000
Total Revenues	**940,009**	**975,873**	**880,242**	**958,242**
EXPENDITURES				
Expenditures				
Salary				
Regular	6,023,320	5,804,867	6,080,970	6,362,882
Overtime	789,063	974,870	349,800	349,800
Vacancy Savings	-	-	(50,000)	(50,000)
Benefits				
Fringe Benefits	1,599,574	1,474,820	1,732,347	1,910,190
Retiree Medical	154,800	154,800	139,384	139,384
PERS	1,152,881	1,245,328	1,480,295	1,498,436
Charges (to)/from other programs	105,260	108,664	-	-
Net Staffing Expense	**9,824,898**	**9,763,348**	**9,732,796**	**10,210,692**
Maintenance & Utilities	350,535	379,434	376,000	376,000
Supplies & Services	601,454	554,626	577,884	577,884
Internal Service Fees	982,704	1,021,270	1,098,073	1,135,794
Capital	20,793	-	-	-
Net Operating Expense	**1,955,486**	**1,955,331**	**2,051,957**	**2,089,678**
Total Expenditures	**11,780,384**	**11,718,679**	**11,784,753**	**12,300,370**
General Fund Subsidy	**10,840,375**	**10,742,806**	**10,904,511**	**11,342,128**

FY 2017 Significant Budget Changes:

1. None

Special Programs (Grants) - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Fines and Forfeitures	46,957	41,222	38,000	41,000
Grant Revenue	1,303,170	2,336,867	1,603,855	1,701,719
Rental Income	-	2,917	-	-
Total Revenues	**1,350,127**	**2,381,005**	**1,641,855**	**1,742,719**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,183,407	1,409,475	1,502,257	1,432,325
Overtime	254,356	236,394	-	-
Vacancy Savings	-	-	-	-
Benefits				
Fringe Benefits	397,569	490,839	493,142	546,857
Retiree Medical	51,000	61,200	90,300	87,472
PERS	312,620	481,273	546,669	594,485
Charges (to)/from other programs	(103,208)	(34,915)	-	-
Net Staffing Expense	**2,095,743**	**2,644,266**	**2,632,368**	**2,661,139**
Maintenance & Utilities	-	-	-	-
Supplies & Services	202,465	230,680	48,000	48,000
Internal Service Fees	-	-	7,966	2,725
Capital	30,589	-	-	-
Net Operating Expense	**233,054**	**230,680**	**55,966**	**50,725**
Total Expenditures	**2,328,797**	**2,874,946**	**2,688,334**	**2,711,864**
General Fund Subsidy	**978,670**	**493,941**	**1,046,479**	**969,145**

FY 2017 Significant Budget Changes:

1. Byrne Justice Assistance Grant revenue being recorded directly into Special Programs-Grants (General Fund)
2. Deletion of 1.0 FTE Police Officer - relocated to Patrol

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

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beginning Working Capital Balance	**120,779**	**120,779**	**187,283**	**187,283**
REVENUES				
Revenue				
Interest	-	-	-	-
Intergovernmental	276,275	250,504	184,000	-
Total Revenues	**276,275**	**250,504**	**184,000**	**-**
EXPENDITURES				
Fund Transfers Out to				
Trsfr to General Fund	276,275	184,000	184,000	-
	276,275	**184,000**	**184,000**	**-**
Total Expenditures	**276,275**	**184,000**	**184,000**	**-**
Net Change	**-**	**66,504**	**-**	**-**
Ending Working Capital Balance	**120,779**	**187,283**	**187,283**	**187,283**

FY 2017 Significant Budget Changes:

1. Revenue being recorded directly into Special Operations Division (General Fund)

Byrne Justice Assistance Grant - Special Revenue Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beginning Working Capital Balance	**319**	**319**	**319**	**319**
REVENUES				
Revenue				
Interest	-	-	-	-
Intergovernmental	47,538	47,864	47,864	-
Total Revenues	**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	47,538	47,864	47,864	-
	47,538	**47,864**	**47,864**	**-**
Total Expenditures	**47,538**	**47,864**	**47,864**	**-**
Net Diff Gain (Use) of Fund Bal	**-**	**-**	**-**	**-**
Ending Working Capital Balance	**319**	**319**	**319**	**319**

FY 2017 Significant Budget Changes:

1. Revenue being recorded directly into Special Programs-Grants (General Fund)

Narcotic Asset Seizure - Special Revenue Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beginning Working Capital Balance	**320,617**	**320,617**	**350,200**	**350,200**
REVENUES				
Revenue				
Fines & Forfeitures	-	139,251	-	-
Interest	-	2,107	-	-
Total Revenues	**-**	**141,358**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits				
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	-	-	-	-
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	111,776	-	-
Internal Service Fees	-	-	-	-
Capital	-	-	-	-
Net Operating Expense	-	111,776	-	-
Fund Transfers Out				
Trsfr to Police Capital Projects	-	-	-	
	-	**-**	**-**	**-**
Total Expenditures	**-**	**111,776**	**-**	**-**
Net Diff Gain (Use) of Fund Balance	**-**	**29,582**	**-**	**-**
Ending Working Capital Balance	**320,617**	**350,200**	**350,200**	**350,200**

FY 2017 Significant Budget Changes:

1. None

Measure C Program - Measure C Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Other Revenue	-	-	-	
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	1,254,750	1,284,827
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	490,924	492,380
Retiree Medical	-	-	48,085	49,793
PERS	-	-	354,957	394,672
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**-**	**-**	**2,148,716**	**2,221,672**
Maintenance & Utilities	-	-	58,138	58,138
Supplies & Services	-	-	16,130	44,130
Internal Service Fees	-	-	93,064	91,543
Capital	-	-	-	-
Net Operating Expense	**-**	**-**	**167,332**	**193,811**
Total Expenditures	**-**	**-**	**2,316,048**	**2,415,483**
Measure C Fund Subsidy	**-**	**-**	**2,316,048**	**2,415,483**

FY 2017 Significant Budget Changes:

1. Upgrade 1.0 FTE Sergeant to 1.0 FTE Lieutenant

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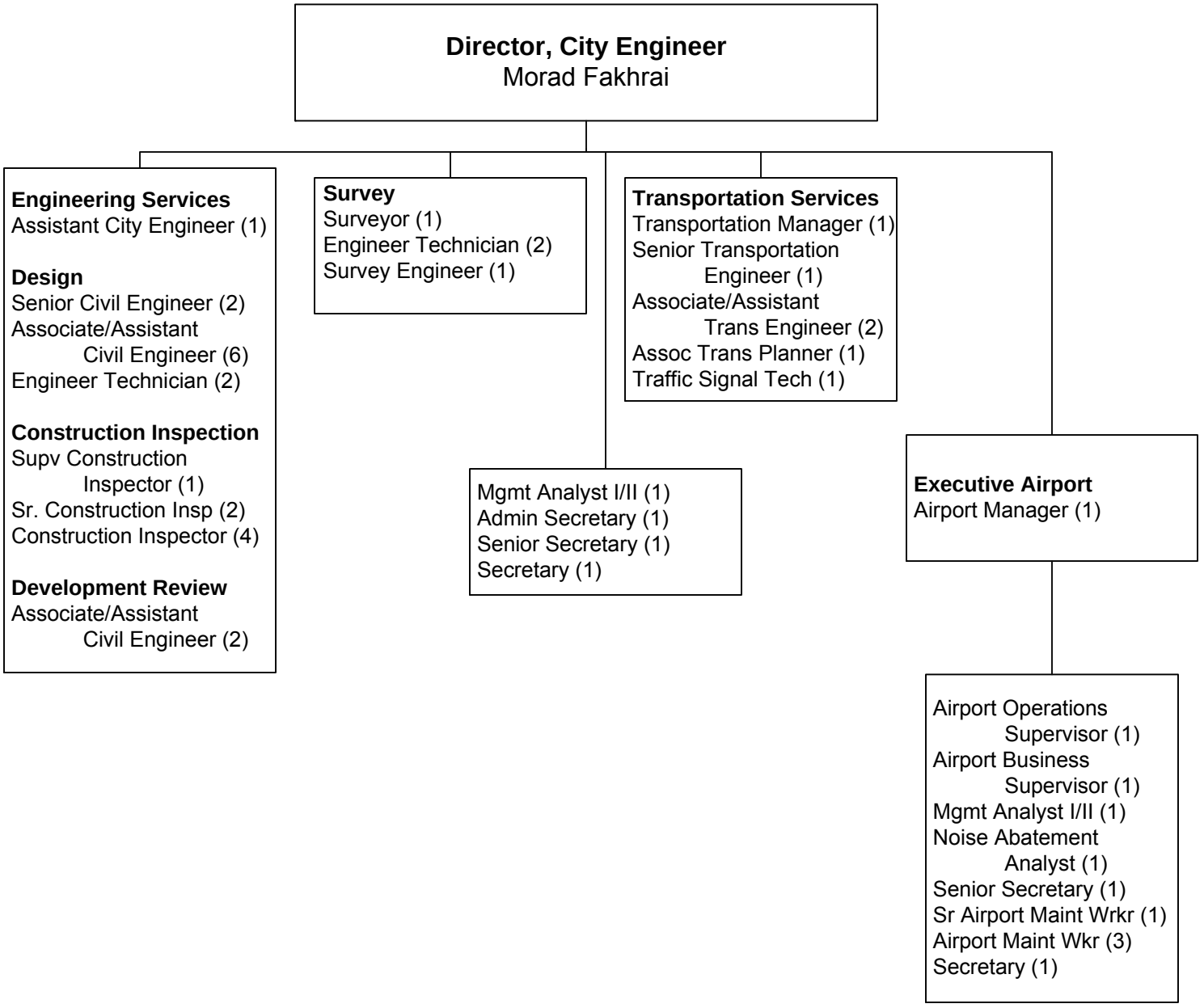
FY 2017 STAFFING
46.0 FTE

Public Works
Engineering & Transportation Department



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 established 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. 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

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

Design/Development Services

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

Construction Services

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

Transportation

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

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

Survey

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

Hayward Executive Airport

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

FY 2016 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Completed design and began construction of the new 21st Century Library and Community Learning Center.
2. Began design of the Sulphur Creek Mitigation at Hayward Executive Airport.
3. Completed Construction of Fire Station No. 7 & Firehouse Clinic.
4. Began design of improvements to Fire Station Nos. 1-6 and the Fire Training Center.
5. Began Transit Connector (Shuttle) Feasibility study, Downtown Parking Study, City-wide Intersection Improvement Study, and Neighborhood Traffic Calming Study.
6. Prepared and provided the FY 2016-FY 2025 Capital Improvement Program on-time to Council and the public.
7. Began design of Phases 2 and 3 of the Mission Boulevard Corridor Improvement projects.
8. Substantially completed construction of I880-SR92 Reliever Route Project.
9. Completed the South Side Access Road at the Hayward Executive Airport.

PUBLIC WORKS-ENGINEERING &TRANSPORTATION DEPARTMENT

DEPARTMENT PERFORMANCE METRICS – FY 2016

Division	FY 2016 Performance Measures/Goals	FY 2016 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 Major projects include: Blackstone Subdivision (106 Townhouses & 52 single family homes); Stonebrae Village D (109 single family homes); La Vista (179 single family homes); Spindrift (118 single family homes); and FEDEX (227,600 square-foot commercial warehouse).
	Design projects related to at least six miles of pavement rehabilitation, 20,000 square feet of sidewalk, and 100 wheelchair ramps	ACHIEVED Designed projects for paving 24 lane miles of roadway, repairing approximately 30,000 square feet of sidewalk and installing 150 wheelchair ramps.
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

PUBLIC WORKS-ENGINEERING &TRANSPORTATION DEPARTMENT

Division	FY 2016 Performance Measures/Goals	FY 2016 Performance
	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
Transportation	Ensure traffic signal system operates in safe and efficient manner, reducing travel times and traffic congestion on the City's major corridors.	ACHIEVED Staff routinely monitors traffic signal operations throughout the city to ensure we maintain an efficient and safe roadway network.
	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 Staff employs a multi-modal approach when evaluating all existing and proposed roadway improvements to ensure compliance with all applicable design standards.
	Closely follow transportation-related legislation and potential available funding to ensure Hayward's interests are protected.	ACHIEVED Staff secured $21.5 million from Measure BB for the completion of Phases 2 and 3 of the Mission Blvd Improvement project. Staff also secured $1.5 million for the preliminary planning/environmental phase of the I-880/Winton interchange improvement project.
	Respond to community requests for traffic-calming assistance within five days of receiving the request.	ACHIEVED
	Continue process to recover 60% of costs for knockdowns 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 The most recent annual inspection disclosed no items requiring immediate attention.
	Responses to citizen inquiries will be handled within 72 hours through written response, e-mail or direct telephone contact	ACHIEVED Approximately 600 public inquiries were received from the public, including 502 noise complaints. All but six of the initial responses

PUBLIC WORKS-ENGINEERING &TRANSPORTATION DEPARTMENT

Division	FY 2016 Performance Measures/Goals	FY 2016 Performance
		were made within 72 hours.
	Continue to reduce the number of noise-related complaints	ACHIEVED Annual complaints decreased from 606 in CY 2014 to 502 in CY 2015, a reduction of over 17%
	Strive to incur zero accidents; properly and timely report any accidents that do happen	On February 15, 2015 a single engine aircraft crashed on takeoff from the airport. There were no fatalities or injuries. The NTSB probable cause was loss of engine power.
	Closely follow Aviation-related legislation and potential available funding as it relates to Hayward Executive Airport	ACHIEVED A Caltrans grant of $499,000 was received for pavement rehabilitation of Runway 10R-28L. The FAA has tentatively allocated a grant of $2.09 million for a runway pavement rehabilitation project.

FY 2017 KEY OBJECTIVES/GOALS

1. Complete construction of the I880-SR92 Reliever Route Project.
2. Continue construction of the 21st Century Library and Community Learning Center.
3. Complete streets improvements as part of Measure C funding program.
4. Complete design of various fire station improvements and fire training center supported by the passage of Measure C.
5. Continue construction of the Sulphur Creek Mitigation Project at the Hayward Executive Airport.
6. Complete the Downtown Parking Study and the Neighborhood Traffic Calming Study, and substantially complete the City-wide Intersection Improvement Study and Transit Connector Feasibility Study.
7. Substantially complete design of Phase Two and Phase Three of the Mission Boulevard. Corridor Improvement Project.

PUBLIC WORKS-ENGINEERING &TRANSPORTATION DEPARTMENT

SIGNIFICANT RESOURCES CHANGES PLANNED FOR FY 2017

No additional FTE's are proposed. Changes made during the FY 2016 mid-year process and those proposed for FY 2017 are listed below

FY 2016 Mid-year Changes (+0.0 FTE)

- Upgrade 1.0 FTE Assistant Transportation Engineer to 1.0 FTE Associate Transportation Engineer
- Increased Airport Water Debt Loan Repayment to $65,166

FY 2017 Changes (+0.0 FTE)

- Add 1.0 FTE Airport Business Supervisor
- Delete 1.0 FTE Airport Maintenance Worker

Public Works-Engineering & Transportation Department

All Funds Summary - By Category

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue and Transfers In from Other Funds				
General Fund Revenue	211,847	493,304	304,300	327,200
Airport Maint & Operation	3,390,334	2,998,419	3,195,615	3,204,182
	3,602,181	**3,491,723**	**3,499,915**	**3,531,382**
(Contribution)/Use of Fund Balance				
Airport Maint & Operation	2,285,865	52,370	(16,307)	182,251
	2,285,865	**52,370**	**(16,307)**	**182,251**
Fund Subsidy				
General Fund Subsidy	**1,361,796**	**1,359,162**	**1,948,461**	**2,255,739**
Total Revenues	**7,249,842**	**4,903,255**	**5,432,069**	**5,969,372**
EXPENDITURES				
Expenditures By Expense Category				
Salary				
Regular	3,925,476	3,377,533	4,348,659	4,695,835
Overtime	74,519	71,608	33,150	33,150
Benefits				
Fringe Benefits	915,539	952,447	1,104,417	1,125,933
Retiree Medical	77,400	79,200	74,998	74,638
PERS	754,509	848,000	1,056,486	1,138,723
Charges (to)/from other prog	(3,466,806)	(2,731,059)	(3,540,690)	(3,564,111)
Net Staffing Expense	**2,280,638**	**2,597,729**	**3,077,020**	**3,504,168**
Maintenance & Utilities	184,622	197,403	225,880	231,880
Supplies & Services	441,561	208,507	334,244	251,625
Internal Service Fees	763,651	787,467	834,510	886,613
Capital	-	168,735	-	161,786
Net Operating Expense	**1,389,834**	**1,362,111**	**1,394,634**	**1,531,904**
Transfers Out to Other Funds	**3,579,370**	**943,415**	**960,415**	**933,300**
Total Expenditures	**7,249,842**	**4,903,255**	**5,432,069**	**5,969,372**
Net Change	**-**	**-**	**-**	**-**

Public Works-Engineering & Transportation Department

All Funds Summary - By Program

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue and Trans in from Other Funds				
General Fund Revenue	211,847	493,304	304,300	327,200
Hayward Executive Airport	3,390,334	2,998,419	3,195,615	3,204,182
	3,602,181	**3,491,723**	**3,499,915**	**3,531,382**
(Contri)/Use of Fund Balance				
Hayward Executive Airport	2,285,865	52,370	(16,307)	182,251
	2,285,865	**52,370**	**(16,307)**	**182,251**
Fund Subsidy				
General Fund Subsidy	**1,361,796**	**1,359,162**	**1,948,461**	**2,255,739**
Total Revenues	**7,249,842**	**4,903,255**	**5,432,069**	**5,969,372**
EXPENDITURES				
Expend and Trans Out to Other Funds By Prog				
General Fund	1,573,643	1,852,466	2,252,761	2,582,939
Executive Airport	5,676,199	3,050,789	3,179,308	3,386,433
Total Expenditures	**7,249,842**	**4,903,255**	**5,432,069**	**5,969,372**
Net Change	**-**	**-**	**-**	**-**

Public Works-Engineering & Transportation Department

Engineering & Transportation - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Sales and Other Taxes	-	-	1,700	1,700
Interest and Rents	33,109	61,486	30,500	50,500
Fees & Service Charges	168,264	347,357	272,100	275,000
Other Revenue	10,474	84,461	-	-
Total Revenues	**211,847**	**493,304**	**304,300**	**327,200**
EXPENDITURES				
Expenditures				
Salary				
Regular	3,141,784	2,502,320	3,378,067	3,601,208
Overtime	50,438	48,135	6,400	6,400
Benefits				
Fringe Benefits	718,670	739,505	848,376	852,656
Retiree Medical	57,600	59,400	55,345	55,345
PERS	601,093	655,802	819,739	876,201
Charges (to)/from other prog	(3,558,931)	(2,761,953)	(3,564,111)	(3,564,111)
Net Staffing Expense	**1,010,653**	**1,243,209**	**1,543,816**	**1,827,699**
Maintenance & Utilities	2,867	1,720	8,015	8,015
Supplies & Services	34,630	35,331	64,371	64,371
Internal Service Fees	525,492	572,206	636,559	682,854
Capital	-	-	-	-
Net Operating Expense	**562,989**	**609,257**	**708,945**	**755,240**
Total Expenditures	**1,573,643**	**1,852,466**	**2,252,761**	**2,582,939**
General Fund Subsidy	**1,361,796**	**1,359,162**	**1,948,461**	**2,255,739**

FY 2017 Significant Budget Changes:

1. Upgrade 1.0 FTE Assist. Transp. Engineer to 1.0 FTE Assoc. Transp. Engineer (FY16 Mid-Year)

Public Works-Engineering & Transportation Department

Hayward Executive Airport - Enterprise Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Interest & Rents	59,761	1,251,437	158,251	182,683
Land Rent	2,493,443	921,984	1,699,164	1,656,699
Hangar Rent	817,310	546,588	1,008,800	1,008,800
Fees & Service Charges	11,736	5,159	9,400	6,000
Other Revenue	8,083	273,251	320,000	350,000
Total Revenue	**3,390,334**	**2,998,419**	**3,195,615**	**3,204,182**
Total Revenues	**3,390,334**	**2,998,419**	**3,195,615**	**3,204,182**
EXPENDITURES				
Expenditures				
Salary				
Regular	783,693	875,212	970,592	1,094,627
Overtime	24,081	23,473	26,750	26,750
Benefits				
Fringe Benefits	196,870	212,943	256,041	273,277
Retiree Medical	19,800	19,800	19,653	19,293
PERS	153,416	192,199	236,747	262,522
Charges (to)/from other prog	92,126	30,893	23,421	-
Net Staffing Expense	**1,269,985**	**1,354,520**	**1,533,204**	**1,676,469**
Maintenance & Utilities	181,755	195,683	217,865	223,865
Supplies & Services	406,931	173,175	269,873	187,254
Internal Service Fees	238,159	215,261	197,951	203,759
Capital - Debt Service	-	168,735	-	161,786
Net Operating Expense	826,844	752,854	685,689	776,664
Fund Transfers Out to				
Cost Allocation to General Fund	114,181	117,606	117,606	162,611
Liability Insurance Premium	62,189	53,815	53,815	70,689
Water Maint Fund for DS	105,000	171,994	171,994	-
Tech Services ERP	26,000	-	17,000	-
Airport Capital Fund	3,272,000	600,000	600,000	700,000
Total Transfers Out	**3,579,370**	**943,415**	**960,415**	**933,300**
Total Expenditures	**5,676,199**	**3,050,789**	**3,179,308**	**3,386,433**
Net Change	**(2,285,865)**	**(52,370)**	**16,307**	**(182,251)**

FY 2017 Significant Budget Changes:

1. Delete 1.0 FTE Airport Maintenance Worker
2. Add 1.0 FTE Airport Business Supervisor

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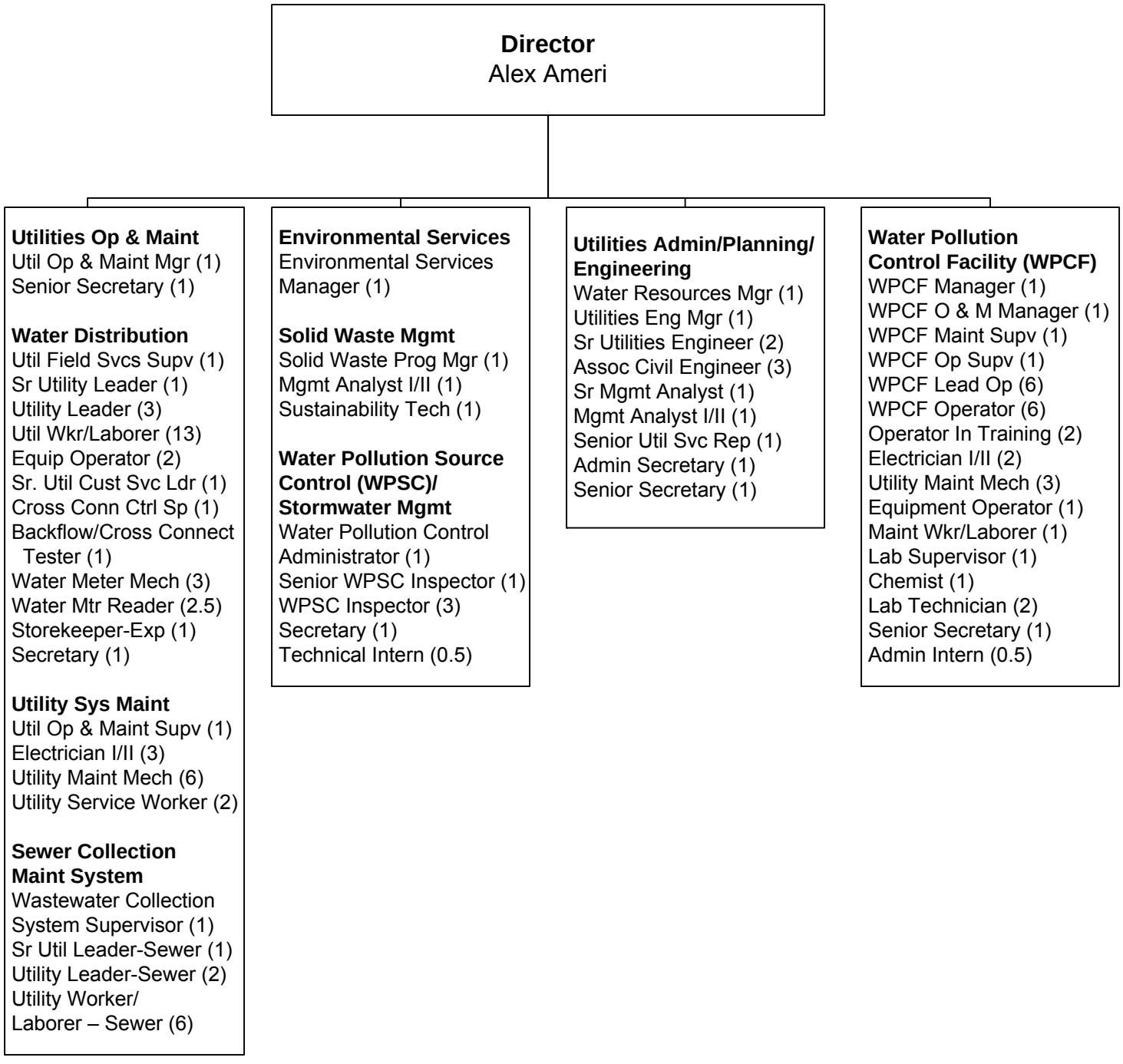
FY 2017 STAFFING
108.5 FTE

Utilities & Environmental Services Department



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 the management of the City's Water Distribution System and Wastewater Collection and Treatment Systems, as well as the Solid Waste and Recycling Program, and the Stormwater Management 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 the financial management of the Department, including Water, Wastewater, and Stormwater Enterprise Funds and Recycling Special Fund, 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 is also responsible for meter reading and meter maintenance, field customer service, maintenance and repair of the water distribution system mains, and installation of new utility services.

Water Pollution Control Facility

The Water Pollution Control Facility (WPCF) is responsible for treatment and disposal or beneficial reuse of wastewater from residential, commercial, and industrial customers. In addition to normal operations and maintenance functions, the WPCF staff plans, designs, and constructs needed rehabilitation, replacement, and capital improvement projects. The Division develops and expands the use of clean and renewable energy sources, such as solar

photovoltaic and cogeneration of electric power and heat using biogas, a renewable resource, to eliminate or reduce the facility's reliance on purchased power.

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 2016 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Completed State Revolving Loan Fund application process to fund the Recycled Water Project.
2. Completed construction of Mission Boulevard aqueduct seismic improvements.
3. Completed field pilot testing and selected Advanced Metering Infrastructure (AMI) technology and received Council approval for execution of a contract for City-wide deployment.
4. Achieved the Council goal of 75% waste diversion from landfill (currently being reviewed by CalReycle).
5. Implemented the Youth-based Trash Capture and Stormwater Pollution Prevention Education Program funded by a $800K U.S. Environmental Protection Agency grant.
6. Exceeded Mandatory State Water Conservation Regulation requirement of 8% cumulative reduction by 200%.
7. Began the implementation of Pay-As-You-Save (PAYS) water and energy efficiency program for multi-family properties.
8. Completed the construction of and placed in service a new 1.2 million gallon water reservoir at the 1,530-foot elevation zone (Stonebrae).
9. Initiated the design of second reservoir and pump station improvements at the Garin Hills site.
10. Completed the conversion of the gravity thickener to a new primary clarifier at the WPCF to improve performance of primary treatment.
11. Completed the design of the WPCF Headwords Rehabilitation Project.
12. Completed the design and bidding process, and obtained Council approval for awarding the construction of the WPCF Digester Improvement Project.
13. Completed the design of a water main replacement project on the southern portions of Mission Boulevard in advance of the City's scheduled streets improvement project.

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

DEPARTMENT PERFORMANCE METRICS – FY 2016

Division	FY 2016 Performance Measures/Goals	FY 2016 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** 2 overflows None considered "major"
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 76% waste diversion from landfill (currently in CalRecycle review)

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

Division	FY 2016 Performance Measures/Goals	FY 2016 Performance
	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, etc.	**ACHIEVED** The City's R-GPCPD remains among the lowest in the State at 51 gallons GPCPD in the first half of FY2016.

FY 2017 KEY SERVICE OBJECTIVES/GOALS

1. Complete 30% of City-wide deployment of Advanced Metering Infrastructure (AMI) Project
2. Initiate construction of an additional one megawatt solar energy system at WPCF.
3. Design renovation of and improvements to the WPCF administration and operations building. Assess feasibility of installing solar energy at various water facilities.
4. Expand distribution of non-potable water for street sweeping, dust control, and other approved municipal uses.
5. Begin construction of the City's recycled water distribution system.
6. Complete the construction of the WPCF Headworks Rehabilitation Project.
7. Complete construction of the WPCF Digester Improvements project.
8. Complete the design of the City Recycled Water Storage and Distribution Project.
9. Complete the design of the second water tank and pump station improvements at the Garin Hills site.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2017

All of these changes are needed to address critical obligations related to the City's utility operations.

FY 2017 Changes - (+ 3.5 FTE)

- Add 1.0 FTE Utilities Engineering Manager
- Upgrade existing 0.5 FTE Associate Civil Engineer to 1.0 FTE
- Add 2.0 FTE Laborer/Utility Workers

Utilities & Environmental Services Department

All Funds Summary - By Category

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue and Transfers In from Other Funds				
General Fund Revenue	22,670	12,527	9,000	-
Recycling Program - Special Revenue Fund	467,612	671,339	496,500	406,500
Stormwater Maint & Operation	2,794,052	2,846,466	2,743,000	2,838,000
Waste Water Maint & Operation	26,570,029	27,747,255	25,611,945	25,996,189
Water Maint & Operation	44,509,289	42,687,121	43,436,498	45,012,593
Regional Water Inter-Tie - Enterprise Fund	1,158	107,609	110,000	134,271
	74,364,811	**74,072,317**	**72,406,943**	**74,387,553**
(Contribution)/Use of Fund Balance				
Recycling Program	103,949	(10,269)	113,534	210,749
Stormwater Maint & Operation	(255,549)	(349,802)	(120,985)	(19,200)
Waste Water Maint & Operation	(2,280,427)	(640,206)	422,884	25,137
Water Maint & Operation	(7,637,005)	(4,996,641)	837,453	2,643,278
Regional Water Inter-Tie	72,287	24,984	-	-
	(9,996,745)	**(5,971,934)**	**1,252,886**	**2,859,964**
Fund Subsidy				
General Fund Subsidy	**21,889**	**29,197**	**38,317**	**50,571**
Total Revenues	**64,389,955**	**68,129,579**	**73,698,146**	**77,298,088**
EXPENDITURES				
Expenditures By Expense Category				
Salary				
Regular	8,484,303	9,051,593	10,402,927	11,499,880
Overtime	776,430	656,242	364,900	364,900
Benefits				
Fringe Benefits	2,603,948	2,619,063	3,215,630	3,788,987
Retiree Medical	207,000	215,566	213,694	213,683
PERS	1,616,477	1,908,356	2,510,534	2,753,711
Charges (to)/from other programs	(164,670)	(224,398)	(275,000)	(275,000)
Net Staffing Expense	**13,523,487**	**14,226,423**	**16,432,685**	**18,346,161**
Maintenance & Utilities	1,972,464	1,805,320	2,333,479	2,347,728
Supplies & Services	7,005,626	6,585,318	7,264,489	6,420,139
Internal Service Fees	2,250,214	2,366,291	2,136,590	2,066,739
Water Purchases	21,193,728	22,154,379	27,500,000	28,300,000
Debt Service	5,691,556	7,191,315	4,867,785	3,983,434
Capital	-	-	-	-
Net Operating Expense	**38,113,588**	**40,102,622**	**44,102,343**	**43,118,040**
Transfers Out to Other Funds	**12,752,880**	**13,803,701**	**13,163,118**	**15,833,887**
Other Department Operating Costs	**(3,496,695)**	**(3,578,364)**	**(3,839,214)**	**(4,170,151)**
Total Expenditures	**60,893,260**	**64,554,382**	**69,858,932**	**73,127,937**
Net Change	**3,496,695**	**3,575,198**	**3,839,214**	**4,170,151**

Utilities & Environmental Services Department

All Funds Summary - By Program

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue and Transfers in from Other Funds				
General Fund Revenue	22,670	12,527	9,000	-
Recycling Program	467,612	671,339	496,500	406,500
Stormwater	2,794,052	2,846,466	2,743,000	2,838,000
Wastewater	26,570,029	27,747,255	25,611,945	25,996,189
Water	44,509,289	42,687,121	43,436,498	45,012,593
Regional Water Inter-Tie	1,158	107,609	110,000	134,271
	74,364,811	**74,072,317**	**72,406,943**	**74,387,553**
(Contribution)/Use of Fund Balance				
Recycling Program	103,949	(10,269)	113,534	210,749
Stormwater	(255,549)	(349,802)	(120,985)	(19,200)
Wastewater	(2,280,427)	(640,206)	422,884	25,137
Water	(7,637,005)	(4,996,641)	837,453	2,643,278
Regional Water Inter-Tie	72,287	24,984	-	-
	(9,996,745)	**(5,971,934)**	**1,252,886**	**2,859,964**
Fund Subsidy				
General Fund Subsidy	**21,889**	**29,197**	**38,317**	**50,571**
Total Revenues	**64,389,955**	**68,129,579**	**73,698,146**	**77,298,088**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds By Program				
General Fund	44,559	41,724	47,317	50,571
Recycling	571,561	661,070	610,034	617,249
Stormwater	1,016,392	961,007	1,087,049	1,168,871
Wastewater	24,289,602	27,107,049	26,034,829	26,021,326
Water	34,897,700	35,647,773	41,969,703	45,135,649
Regional Water Inter-Tie	73,446	132,593	110,000	134,271
Total Expenditures	**60,893,260**	**64,551,215**	**69,858,932**	**73,127,937**
Net Change	**3,496,695**	**3,578,364**	**3,839,214**	**4,170,151**

Solid Waste Program - General Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Fees & Service Charges	22,670	12,527	9,000	-
Total Revenues	**22,670**	**12,527**	**9,000**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	12,902	29,136	31,075
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	3,166	8,121	8,579
Retiree Medical	-		-	409
PERS	-	2,752	7,131	7,579
Charges (to)/from other programs	43,822	22,123	-	-
Net Staffing Expense	**43,822**	**40,943**	**44,388**	**47,642**
Maintenance & Utilities	-	-	-	-
Supplies & Services	737	780	2,929	2,929
Internal Service Fees	-	-	-	-
Capital	-	-	-	-
Net Operating Expense	**737**	**780**	**2,929**	**2,929**
Total Expenditures	**44,559**	**41,724**	**47,317**	**50,571**
General Fund Subsidy	**21,889**	**29,197**	**38,317**	**50,571**

FY 2017 Significant Budget Changes:

1. None

Recycling Program - Special Revenue Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Special Assessment-Deliq Bills	-	25,996	10,000	10,000
Waste Management Impact Fee	-	113,114	-	-
Interest & Rents	8,423	6,100	4,000	4,000
Intergovernmental	452,689	495,679	480,000	390,000
Fees and Service Charges	6,500		-	-
Other Revenue	-	30,450	2,500	2,500
Total Revenue	**467,612**	**671,339**	**496,500**	**406,500**
Fund Transfers In - None	**-**	**-**	**-**	
Total Revenues	**467,612**	**671,339**	**496,500**	**406,500**
EXPENDITURES				
Expenditures				
Salary				
Regular	133,950	204,739	255,026	274,306
Overtime	9	5,553	-	-
Benefits				
Fringe Benefits	33,050	53,834	68,068	73,541
Retiree Medical	5,400	5,400	4,496	4,496
PERS	25,854	44,198	61,974	66,617
Charges (to)/from other programs	125,682	65,826	-	-
Net Staffing Expense	**323,945**	**379,551**	**389,564**	**418,960**
Maintenance & Utilities	290	195	1,100	1,100
Supplies & Services	141,011	172,289	105,925	105,925
Internal Service Fees	24,127	25,806	30,215	46,440
Capital	-	-	-	-
Net Operating Expense	**165,428**	**198,289**	**137,240**	**153,465**
Fund Transfers Out to				
Cost Allocation to General Fund	72,573	74,750	74,750	34,723
Liability Insurance Premium	9,615	8,480	8,480	10,101
Total Transfers Out	**82,188**	**83,230**	**83,230**	**44,824**
Total Expenditures	**571,561**	**661,070**	**610,034**	**617,249**
Net Change	**(103,949)**	**10,269**	**(113,534)**	**(210,749)**

FY 2017 Significant Budget Changes:

1. None

Stormwater - Enterprise Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Revenue				
Stormwater Revenue	2,024,574	2,034,400	2,010,000	2,015,000
Street Cleaning Fees	750,281	780,387	700,000	790,000
Interest	16,824	13,762	16,000	16,000
Fees and Service Charges	-	14,310	17,000	17,000
Other Revenue	2,373	3,606	-	-
Total Revenue	**2,794,052**	**2,846,466**	**2,743,000**	**2,838,000**
Total Revenues	**2,794,052**	**2,846,466**	**2,743,000**	**2,838,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	691,970	835,236	1,010,436	1,089,454
Overtime	115,740	85,790	34,000	34,000
Benefits				
Fringe Benefits	236,457	271,230	311,566	397,114
Retiree Medical	18,000	18,000	21,500	21,959
PERS	132,588	183,462	245,313	259,190
Charges (to)/from other programs	483,082	173,810	-	-
Net Staffing Expense	**1,677,837**	**1,567,527**	**1,622,815**	**1,801,717**
Maintenance & Utilities	31,527	31,422	26,275	23,275
Supplies & Services	359,277	366,525	502,431	505,431
Internal Service Fees	350,649	409,846	349,150	327,828
Net Operating Expense	**741,453**	**807,792**	**877,856**	**856,534**
Fund Transfers Out to				
Cost Allocation to General Fund	90,363	93,074	93,074	126,875
Liability Insurance Premium	28,851	28,270	28,270	33,674
Total Transfers Out	**119,214**	**121,344**	**121,344**	**160,549**
Total Expenditures	**2,538,503**	**2,496,664**	**2,622,015**	**2,818,800**
Other Department Operating Costs (Maintenance Services - Street Maintenance)	(1,522,111)	(1,535,657)	(1,534,966)	(1,649,929)
Total Department Expenditures	**1,016,392**	**961,007**	**1,087,049**	**1,168,871**
Net Change	**255,549**	**349,802**	**120,985**	**19,200**

FY 2017 Significant Budget Changes:

1. None

Wastewater - Enterprise Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
REVENUES				
Sewer Service Charge	19,008,673	19,869,327	19,000,000	19,600,000
Sewer Connection Charge	5,414,073	5,773,583	4,500,000	4,500,000
EBDA Maint. By City	8,691	-	16,000	16,000
Other Fees	68,182	29,118	80,000	80,000
Interest	71,698	59,199	66,000	66,000
Other Revenue	49,896	66,083	-	-
Total Revenue	**24,621,214**	**25,797,310**	**23,662,000**	**24,262,000**
Fund Transfers In from				
Misc Trsfr WWTP Replacement	500	-	-	-
DS 07 Sewer Rev Refunding	364,851	366,482	366,482	150,726
DS CEC Loan	219,714	219,713	219,713	219,713
DS CA SWRCB Loan/Sewer	1,363,750	1,363,750	1,363,750	1,363,750
Total Transfers In	**1,948,815**	**1,949,945**	**1,949,945**	**1,734,189**
Total Revenues	**26,570,029**	**27,747,255**	**25,611,945**	**25,996,189**
EXPENDITURES				
Salary				
Regular	3,262,409	3,898,318	4,800,755	5,260,858
Overtime	333,258	237,609	117,800	117,800
Benefits				
Fringe Benefits	993,981	1,119,925	1,462,753	1,630,630
Retiree Medical	77,400	82,800	94,258	92,051
PERS	624,689	843,551	1,161,939	1,275,917
Charges (to)/from other programs	502,869	110,720	(150,000)	(150,000)
Net Staffing Expense	**5,794,606**	**6,292,923**	**7,487,505**	**8,227,256**
Maintenance & Utilities	799,431	735,301	1,155,649	1,155,649
Supplies & Services	2,766,595	2,629,714	3,089,714	2,737,885
Internal Service Fees	766,518	814,441	856,216	799,104
Debt Service	4,873,250	6,698,009	4,170,667	3,447,730
Net Operating Expense	**9,205,794**	**10,877,465**	**9,272,246**	**8,140,368**
Fund Transfers Out to				
Cost Allocation to General Fund	418,725	431,287	431,287	777,723
Liability Insurance Premium	331,904	292,791	292,791	375,979
Cap Proj Transf to Tech Replacement	124,500	39,000	51,000	-
Sewer Capital Replacement	3,000,000	3,400,000	4,000,000	4,000,000
Connection Fee to Sewer Imprvmnt	5,414,073	5,773,583	4,500,000	4,500,000
Total Transfers Out	**9,289,202**	**9,936,661**	**9,275,078**	**9,653,702**
Total Expenditures	**24,289,602**	**27,107,049**	**26,034,829**	**26,021,326**

Wastewater - Enterprise Fund

Continued

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Net Change	**2,280,427**	**640,206**	**(422,884)**	**(25,137)**

FY 2017 Significant Budget Changes:

1. Increase 0.5 FTE Associate Civil Engineer to 1.0 FTE Associate Civil Engineer (50% to Water)
2. Add 1.0 FTE Utilities Engineering Manager (50% to Water)

Water - Enterprise Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Revenue				
Water Sales	39,177,268	37,084,371	38,000,000	39,100,000
Water Service Charges	3,935,006	3,954,559	4,400,000	4,900,000
Installation Fees	171,882	363,104	250,000	250,000
Other Fees and Charges	445,503	457,011	200,000	200,000
Interest & Rents	104,166	104,433	97,000	97,000
Other Revenue	185,148	294,146	60,000	60,000
Total Revenue	**44,018,973**	**42,257,623**	**43,007,000**	**44,607,000**
Fund Transfers In from				
D/S 13 Water System Transfer	-	-	-	267,852
D/S 04 Water System Transfer	300,297	257,504	257,504	-
Misc. Transfer from Airport	190,019	171,994	171,994	-
D/S Fire Stn #7 Transfer from Gen Fund	-	-	-	137,741
Total Transfers In	**490,316**	**429,498**	**429,498**	**405,593**
Total Revenues	**44,509,289**	**42,687,121**	**43,436,498**	**45,012,593**
Expenditures				
Salary				
Regular	4,395,973	4,069,959	4,307,574	4,844,187
Overtime	327,423	325,249	213,100	213,100
Benefits				
Fringe Benefits	1,340,460	1,167,024	1,365,122	1,679,123
Retiree Medical	106,200	106,200	93,440	94,768
PERS	833,347	831,119	1,034,177	1,144,408
Charges (to)/from other programs	(1,331,707)	(612,870)	(150,000)	(150,000)
Net Staffing Expense	**5,671,695**	**5,886,681**	**6,863,413**	**7,825,586**
Water Purchases	21,193,728	22,154,379	27,500,000	28,300,000
Maintenance & Utilities	1,093,104	971,765	1,085,455	1,102,704
Supplies & Services	3,724,255	3,405,685	3,543,490	3,047,969
Internal Service Fees	1,108,920	1,116,198	901,009	893,367
Debt Service	818,306	493,306	697,118	535,704
Net Operating Expense	**27,938,313**	**28,141,334**	**33,727,072**	**33,879,744**
Fund Transfers Out to				
Cost Allocation to General Fund	824,700	849,441	849,441	1,141,469
Liability Insurance Premium	285,076	249,025	249,025	309,072
Water Capital Replacement	2,000,000	2,500,000	2,500,000	4,500,000
Cap Proj Transfer to Tech Replacement	152,500	64,000	85,000	-
Net Transfers Out	**3,262,276**	**3,662,466**	**3,683,466**	**5,950,541**
Total Fund Expenditures	**36,872,284**	**37,690,481**	**44,273,951**	**47,655,871**

Water - Enterprise Fund

Continued

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Other Department Operating Costs (Finance Dept - Utility Billing) (Maintenance Services - Landscape Division)	(1,974,584)	(2,042,707)	(2,304,248)	(2,520,222)
Total Department Expenditures	**34,897,700**	**35,647,773**	**41,969,703**	**45,135,649**
Net Change	**7,637,005**	**4,996,641**	**(837,453)**	**(2,643,278)**

FY 2017 Significant Budget Changes:

1. Add 2.0 FTE Utility Worker/Laborer
2. Increase 0.5 FTE Associate Civil Engineer to 1.0 FTE Associate Civil Engineer (50% to Sewer)
3. Add 1.0 FTE Utilities Engineering Manager (50% to Sewer)

Regional Water Inter-Tie - Enterprise Fund

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Beginning Working Capital Balance	**231,622**	**159,335**	**134,351**	**134,351**
REVENUES				
Revenue				
SFPUC/EBMUD Reimbursement	-	106,941	110,000	134,271
Interest	1,158	668	-	-
Net Revenue	**1,158**	**107,609**	**110,000**	**134,271**
Total Revenues	**1,158**	**107,609**	**110,000**	**134,271**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	30,439	-	-
Overtime	-	2,042	-	-
Benefits				
Fringe Benefits	-	3,883	-	-
Retiree Medical	-	-	-	-
PERS	-	3,273	-	-
Charges (to)/from other programs	11,583	15,994	25,000	25,000
Net Staffing Expense	**11,583**	**55,631**	**25,000**	**25,000**
Maintenance & Utilities	48,113	66,637	65,000	65,000
Supplies & Services	13,750	10,325	20,000	20,000
Internal Service Fees	-	-	-	-
Net Operating Expense	**61,863**	**76,962**	**85,000**	**85,000**
Fund Transfers Out to				
Cost Allocation to General Fund	-	-	-	24,271
Total Fund Expenditures	**73,446**	**132,593**	**110,000**	**134,271**
Net Change	**(72,287)**	**(24,984)**	**-**	**-**
Ending Working Capital Balance	**159,335**	**134,351**	**134,351**	**134,351**

FY 2017 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, 2016) – 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 2015 assessed valuation (less other exemptions)	$ 17,367,781,844
Debt limit (15% of assessed value)	$ 2,605,167,277
Amount of debt applicable to the debt limit	$ 101,221,765*
Legal debt margin (if Hayward were a general law city)	$ 2,503,945,512

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

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

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

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

Credit Ratings – Credit ratings are opinions about credit risk published by a rating agency that has analyzed the City's ability and willingness to meet its financial obligations in accordance with the terms of the debt obligations. Credit ratings have a significant impact on the interest rate the City will pay when issuing debt. In recent fiscal years the City has received very high ratings from the various rating agencies, including a AA rating from both Fitch and Standard & Poor's of the 2015 Certificates of Participation and a AA+ rating by Standard & Poor's for the 2013 Water Bonds. The City also has an implied general obligation rating of AA+ with a stable outlook from both rating agencies. In addition, Standard & Poor's Ratings Services recently reviewed the rating of the 2004 and 2006 TABS and upgraded its rating from A- to A and

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

The City's credit ratings are per debt issuance and not all issuances are rated or have been re-rated recently. However, below is a summary of some of the City's larger issuances and their current ratings. The 2007 COP refunding was re-rated by Fitch in June 2014 and an AA+ rating was upheld; this issuance was also recently re-rated by Standard & Poors and the rating was increased from an A+ to AA.

CITY OF HAYWARD DEBT SUMMARY

	Issuance Date	Maturity Date	Original Debt	Debt as of 6/30/2016	Total Debt as of 6/30/2016	Annual P&I (FY 2017)
General Fund					**$ 30,169,652**	
07Refunding COP	FY2008	FY2027	$ 31,820,000	$ 29,425,000		$ 617,075
02ABAG/ABAG 33 Refunding	FY2002	FY2021	$ 1,309,835	$ 380,000		$ 87,069
15Fire Station #7/Firehouse Clinic	FY2015	FY2025	$ 5,500,000	$ 5,048,671		$ 452,854
15Fire Station #7 Loan from Sewer	FY2016	FY2035	$ 3,421,000	$ 3,379,625		$ 134,258
15Streetlight Conversion #05188	FY2015	FY2024	$ 2,488,880	$ 1,936,356		$ 276,262
Measure C Fund					**$ 67,535,000**	
16Library/Fire Stations/Streets	FY 2016	FY2034	$ 67,535,000	$ 67,535,000		$ 730,688
Internal Service Fund - Facilities					**$ 1,122,245**	
05Equip Lease/Solar Power Energy	FY2006	FY2030	$ 927,290	$ 682,300		$ 72,724
CEC Solar Energy Loan #7214	FY2012	FY2024	$ 666,330	$ 439,945		$ 95,414
Internal Service Fund - Fleet					**$ 3,428,227**	
09Equip Fleet Loan from Sewer	FY2010	FY2017	$ 1,000,000	$ 83,333		$ 71,845
11Equip Lease-Fire/Maint Vehicles	FY2011	FY2021	$ 3,170,082	$ 1,165,104		$ 364,707
13Equip Lease-PD Replacement Vehicles	FY2013	FY2017	$ 520,000	$ 66,481		$ 66,913
14Equip Lease-Fire Truck	FY2014	FY2024	$ 824,000	$ 678,527		$ 96,226
14Equip Lease-PD Vehicles	FY2014	FY2018	$ 535,000	$ 274,039		$ 141,259
15 TDA Fire Truck Loan	FY2015	FY2024	$ 1,272,000	$ 1,160,743		$ 147,594
Internal Service Fund - Technology					**$ 1,546,267**	
15Equip Lease/ Network Cisco Hardware	FY 2015	FY2020	$ 1,699,356	$ 1,013,043		$ 354,686
12Equip Lease/Comp ERP Cisco Hardware	FY2012	FY2017	$ 759,591	$ 158,224		$ 160,569
CAD/RMS Replacement Loan	FY2010	FY2016	$ 2,250,000	$ 375,000		$ -
Water					**$ 5,525,000**	$ -
13Water Refunding Bonds	FY2014	FY2025	$ 7,245,000	$ 5,525,000		$ 697,490
Sewer					**$ 38,114,198**	$ -
07Sewer Refunding	FY2008	FY2018	$ 9,880,000	$ 950,000		$ 502,419
SWRCB Loan	FY2006	FY2029	$ 54,550,018	$ 25,457,512		$ 727,501
CEC Solar Energy Loan #7505	FY2011	FY2025	$ 2,450,000	$ 1,706,686		$ 217,810
Total Governmental and Business Activity Debt					**$ 147,440,589**	
Fiduciary					**$ 6,403,957**	
13Community Facility District #1	FY2014	FY2033	$ 7,076,294	$ 6,403,957		$ 535,499
Successor Agency of the Hayward Redevelopment Agency					**$ 51,940,526**	
RDA Repayment Agreement with Gen.Fund	FY2016	FY2022	$ 11,156,841	$ 10,180,526	*	$ 800,000
04 RDA TABS	FY2004	FY2034	$ 44,790,000	$ 30,380,000		$ 371,182
06 RDA TABS	FY2006	FY2036	$ 11,800,000	$ 11,380,000		$ 8,006
Special Assessment Districts					**$ 780,000**	
LID 16	FY1994	FY2020	$ 2,815,000	$ 570,000		$ 165,855
LID 17	FY2000	FY2024	$ 396,014	$ 210,000		$ 32,225

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

DEBT SERVICE FUND
CERTIFICATES OF PARTICIPATION (COP)

COP and Lease Purchase Agreements

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

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

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

Use of Proceeds

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

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, 2016	FY 2017 Principal & Interest
2002 ABAG Refunding	12/1/2001	12/1/2020	3.0%-5.0%	$1,309,835	$ 380,000	$87,069
2007 COP Refunding	8/1/2007	8/1/2026	4.0%-4.5%	$31,820,000	$ 19,425,000	$2,617,075
Total				**$33,129,835**	**$19,805,000**	**$2,704,144**

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, 2016	FY 2017 Principal & Interest
2015 Fire Station #7/Clinic	8/1/2014	8/1/2029	2.84%	$5,500,000	$5 ,048,671	$452,854
Total				**$5,500,000**	**$5,048,671**	**$452,854**

ENGINEERING & TRANSPORTATION STREETLIGHT DEBT SERVICE

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

Engineering & Transportation Loan

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2016	FY 2017 Principal & Interest
2015 Streetlight Conversion #05188	6/22/2014	12/22/2023	0.00%	$2,488,880	$1 ,936,356	$276,262
Total				**$2,488,880**	**$1,936,356**	**$276,262**

MEASURE C DEBT SERVICE

2016 Measure C debt: library/fire stations/streets: During the June 3, 2014 municipal election, the voters of the City of Hayward passed a ballot measure (Measure C) to increase the City's Transaction and Use (Sales) Tax by one half of a percent 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 October of FY 2016 the City issued approximately, $67,535,000 in new debt funded by the Measure C authorized district Transactions & Use Tax.

Measure C Debt Service

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Estimated Issuance	Outstanding at June 30, 2016	FY 2017 Principal & Interest
2016 Library/Fire Stations/Streets	10/1/2015	12/31/2034	3.0- 5.0%	$67, 535,000	$67,535,000	$2, 730,688
Total				**$67,535,000**	**$67,535,000**	**$2,730,688**

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, 2016	FY 2017 Principal & Interest
2005 Solar Power Electrical Generating System COP	3/1/2005	3/15/2030	4.50%	$1,035,000	$68 2,300	$72,724
2012 Solar Photovoltaic Panels Loan	6/29/2012	6/22/2021	3.00%	$666,330	$43 9,945	$95,414
Total				**$1,701,330**	**$1,122,245**	**$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 - $1,272,000: Bank lease for the purchase of a fire vehicle.

Maintenance Services Loans and Lease Purchase Agreements

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2016	FY 2017 Principal & Interest
2009 Fleet Loan from Sewer	10/20/2009	12/31/2016	2.00%	$1,000,000	$8 3,333	$71,845
2011 Equipment Lease - Fire & Maint. Svcs.	10/22/2010	10/22/2017-10/22/2020	2.85%-5.05%	$3,170,082	$1 ,165,104	$364,706
2012 Equipment Lease - Police	11/10/2011	11/10/2015	4.00%	$815,000	$0	$0
2013 Equipment Lease - Police	11/16/2012	11/15/2016	1.30%	$520,000	$6 6,481	$66,913
2014 Equipment Lease - Fire	1/17/2014	1/17/2024	2.46%	$824,000	$67 8,527	$96,226
2014 Equipment Lease - Police	1/17/2014	1/17/2018	3.05%	$535,000	$27 4,039	$141,259
2015 Equipment Lease - Fire	6/15/2015	6/15/2025	2.92%	$1,272,000	$1 ,160,743	$147,594
Total				**$8,136,082**	**$3,428,227**	**$888,543**

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 entered into a lease agreement with Cisco Systems to upgrade/replace its Information Systems Network Infrastructure.

Information Technology

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2016	FY 2017 Principal & Interest
2009 CAD/RMS Replacement Loan	6/23/2009	6/30/2016	2.00%	$2,250,000	$37 5,000	$0
2012 Equipment Lease/ERP Cisco Hardware	5/9/2012	4/25/2017	2.36%	$759,591	$15 8,224	$160,569
2015 Equipment Lease/ERP Cisco Hardware	6/15/2015	6/15/2020	2.18%	$1,699,358	$1 ,013,043	$354,686
Total				**$4,708,949**	**$1,546,267**	**$515,255**

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, 2016	FY 2017 Principal & Interest
2013 Water Revenue Refunding Bonds	8/1/2013	6/30/2025	2.76%	$7,245,000	$5 ,525,000	$697,490
Total				**$7,245,000**	**$5,525,000**	**$697,490**

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, 2016	FY 2017 Principal & Interest
2007 Sewer Refunding COPs	8/15/2007	2/1/2018	4.0% - 4.5%	$9,880,000	$950,000	$502,419
SWRCB Loan	8/1/2006	6/30/2028	0.00%	$54,550,018	$35,457,512	$2,727,501
WPCF Solar Energy Loan #7505	2/18/2011	6/22/2025	3.00%	$2,450,000	$1 ,706,686	$217,810
Total				**$66,880,018**	**$38,114,198**	**$3,447,730**

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, 2016	FY 2017 Principal & Interest
1994 - LID 16	6/2/1994	9/2/2019	6.75% - 7.1%	$2,815,000	$5 70,000	$165,855
1999 - LID 17	8/5/1999	9/2/2024	4.5% - 6.125%	$396,014	$2 10,000	$32,225
2013 - CFD 1	10/17/2013	9/1/2032	4.13%	$7,076,294	$6,403,957	$535,499
Total				**$10,287,308**	**$7,183,957**	**$733,579**

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, 2016	FY 2017 Principal & Interest
2004 RDA TABS	6/4/2004	3/1/2034	3.00% - 5.23%	$44,790,000	$30 ,380,000	$3,371,182
2006 RDA TABS	6/1/2006	3/1/2036	3.75%- 4.30%	$11,800,000	$11 ,380,000	$638,006
2008 RDA Repayment Agreement (GF)	6/1/2008	6/30/2022	2.0%-5.0%	$11,156,841	$10 ,180,526	$800,000
Total				**$67,746,841**	**$51,940,526**	**$4,809,188**

CAPITAL IMPROVEMENT PROGRAM FY 2017 – FY 2026

CIP OVERVIEW AND PROCESS

The Capital Improvement Program (CIP) is a planning document for the upcoming ten-year period, 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, Measure BB, and enterprise (e.g., Sewer, Water, and Airport) funds. In years in which the General Fund is able to support capital projects, it provides a 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, revenue estimates are projected by staff, and capital project requests are submitted by City departments for evaluation by an internal capital infrastructure review committee. 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 2017 CAPITAL IMPROVEMENT BUDGET

The City of Hayward's FY 2017 capital budget project expenditures total about $194.8 million, with an additional $7.8 million in transfers, and approximately $517 million programmed for the period FY 2017 through FY 2026. The CIP also includes a list of unfunded capital needs, which for the current period totals about $370 million.

The Capital Improvement Program contains 20 funds in which projects are funded and programmed: Gas Tax (210), Measure BB – Local Transportation (212), Measure BB – Pedestrian & Bicycle (213), 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 2017 capital budget, not previously identified, include the following:	
Pavement Reconstruction FY17, Measure BB (212)	2,100,000
Mission Blvd. Improvement Phs. 3, Final Design & Construction, Measure BB (212)	8,500,000
Pavement Rehabilitation FY17, Measure B (215)	2,275,000
Utility Center Renovation/Training Center Addition (2nd Floor) (604)	3,000,000
Sewer Main Replacements – Various Locations (611)	2,620,000
WPCF Sludge Screening (612)	2,370,000
WPCF New Operations Building (612)	5,600,000
WPCF Replacement and Relocation of EBDA Pump Station (612)	1,000,000
	27,465,000

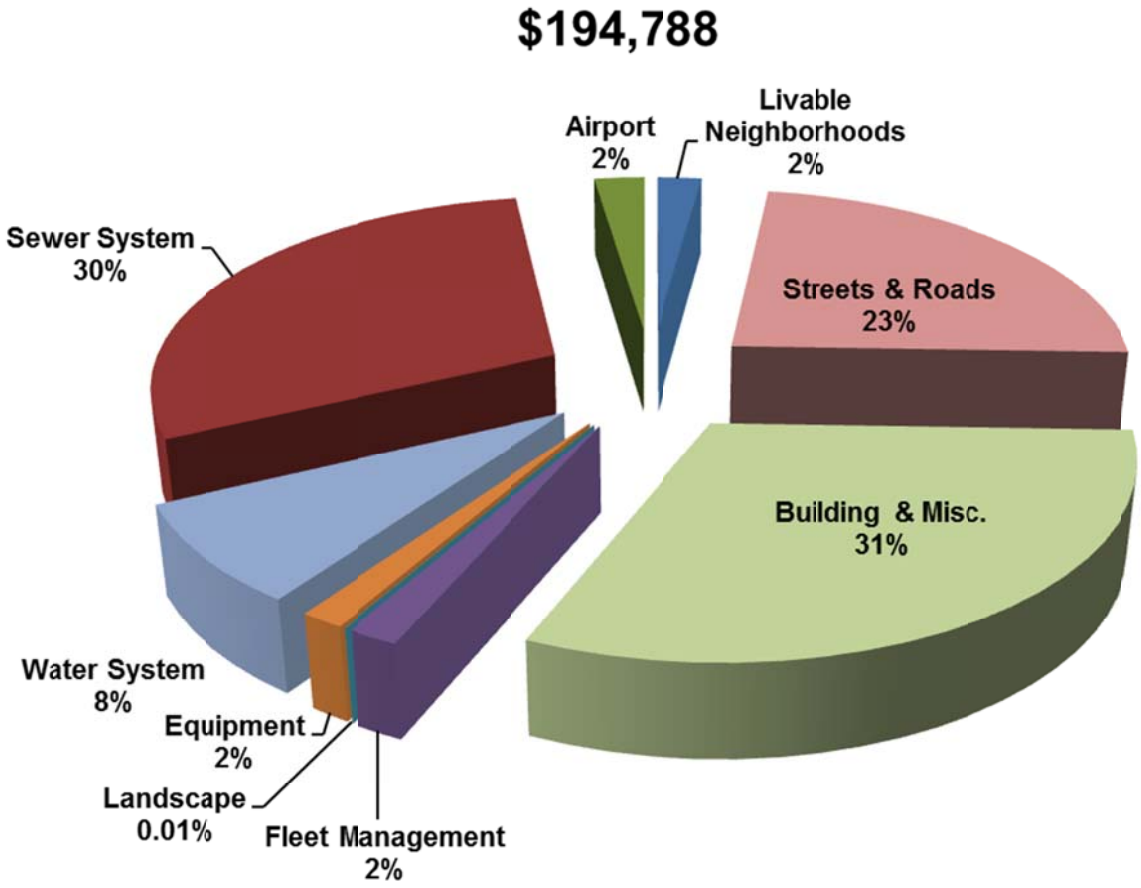
Major continuing projects in the FY 2017 capital budget include the following:	
Pavement Rehabilitation FY16 (210)	1,140,000
Pavement Reconstruction FY16 (215)	1.000,000
Pavement Rehabilitation Measure B FY16 (215)	3,600,000
21st Century Library & Community Learning Center Construction Measure C (406)	41,230,000
Pavement Rehabilitation Measure C, (406)	11,500,000
Improvements to Fire Stations Nos. 1-6, Measure C (406)	18,350,000
Route 238 Corridor Improvement, Phase 2 Construction (410)	15,900,000
880/92 Reliever Route Project (450)	2,600,000
Pavement Reconstruction FY16 (450)	2,200,000
750'Reservoir Inspection and Repair (603)	1,300,000
New 0.75MG Tank, Pumps, and generator at Garin Reservoir (604)	2,500,000
Solar Power at Various Water Facilities (604)	3,000,000
WPCF Headworks Wetwell Concrete Evaluation, Repair & Coating (611)	1,100,000
WPCF Admin. Building Renovation and Addition (612)	3,000,000
Replacement and Relocation of EBDA Pump Station (612)	1,000,000
Recycled Water Treatment and Distribution Facilities (612)	9,600,000
Pavement Rehabilitation – Runways 28L/10R (621)	2,800,000
	120,820,000

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 2017 CIP EXPENDITURES BY CATEGORY – ALL FUNDS



Project Category	FY 2016 Adopted	FY 2017 Adopted	Change (+/-)
Livable Neighborhoods Projects	4,069,000	4,209,000	140,000
Road and Street Projects	43,932,000	45,492,000	1,560,000
Building & Misc. Projects	68,948,000	60,337,000	(8,611,000)
Fleet Management Projects	3,014,000	3,387,000	373,000
Landscape Projects	437,000	27,000	(410,000)
Equipment Projects	4,325,000	2,861,000	(1,464,000)
Water System Projects	23,428,000	15,884,000	(7,544,000)
Sewer System Projects	34,906,000	58,048,000	23,142,000
Airport Projects	4,184,000	4,543,000	359,000
Total Capital Improvement Projects	**$ 187,243,000**	**$ 194,788,000**	7,545,000

GENERAL FUND FIVE-YEAR CIP COSTS

Program Areas	FY 2017 Adopted	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected
Capital Projects (General) Transfer to Fund 405	279	289	368	399	403
Transportation System Improvement Transfer to Fund 460	350	350	350	350	350
Information Technology Transfer to Fund 731	980	248	450	50	50
Transfer from General Fund	**1,609**	**887**	**1,168**	**799**	**803**
General Fund Fleet ISF Charges Transfer to Fund 736	2,245	2,500	3,000	3,000	3,000
Total General Fund CIP	**3,854**	**3,387**	**4,168**	**3,799**	**3,803**

FY 2017 - FY 2026 CAPITAL IMPROVEMENT PROGRAM

LIVABLE NEIGHBORHOODS EXPENDITURE SUMMARY

PROJECT DESCRIPTION	TOTAL	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Pedestrian and Bicycle Improvements	550	125	225	25	25	25	25	25	25	25	25
Wheelchair Ramps	1,222	142	120	120	120	120	120	120	120	120	120
Sidewalk Rehabilitation & New Sidewalks	16,980	1,840	1,520	1,665	1,645	1,740	1,665	1,710	1,715	1,740	1,740
Speed Hump Installation & Traffic Calming	2,000	215	200	200	200	200	200	200	185	200	200
Street Trees/Median Landscaping/Murals	3,618	673	205	955	1,155	105	105	105	105	105	105
Traffic Signal & Streetlight Energy/Maintenance	11,034	1,164	1,064	1,062	1,074	1,084	1,095	1,107	1,117	1,128	1,139
New and Replacement Street Lights	500	50	50	50	50	50	50	50	50	50	50
TOTAL CAPITAL EXPENDITURES	35,904	4,209	3,384	4,077	4,269	3,324	3,260	3,317	3,317	3,368	3,379

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

FY17 LIVABLE NEIGHBORHOODS

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJECT NUMBER**	**DESCRIPTION**												
PEDESTRIAN AND BICYCLE IMPROVEMENTS														
Measure B Tax (216)	05175	Pedestrian Traffic Signal Improvements	22	25	25	25	25	25	25					172
Measure BB Tax (213)	TBD	Pedestiran Traffic Signal Improvements								25	25	25	25	100
Measure B Tax (216)	05271	Pedestrian Master Plan/Update Bicycle Master Plan		100	200									300
		SUBTOTAL		**125**	**225**	**25**	**25**	**25**	**25**	**25**	**25**	**25**	**25**	**550**
WHEELCHAIR RAMPS														
Gas Tax Fund (210)	05211	Wheelchair Ramps FY17 - Districts 6 & 9	12	130										142
Gas Tax Fund (210)	TBD	Wheelchair Ramps FY18 - FY26		12	120	120	120	120	120	120	120	120	120	1,092
		SUBTOTAL		**142**	**120**	**120**	**120**	**120**	**120**	**120**	**120**	**120**	**120**	**1,222**
SIDEWALK REHABILITATION & NEW SIDEWALK														
Measure BB Tax (213)	05259	New Sidewalks FY17- Walpert		350										350
Measure BB Tax (213)	05246	New Sidewalks FY18-FY26		40	325	350	375	370	450	770	775	800	800	5,055
Measure BB Tax (213)	05278	Project Predesign Services		20	20	20	20	20	20	40	40	40	40	280
Measure B Tax (216)	05260	Project Predesign Services	97		25	25	25	25	25					222
Measure B Tax (216)	05258	New Sidewalks FY17 - Walpert	50	430										480
Measure B Tax (216)	TBD	New Sidewalks FY18 - FY26			200	420	425	425	320					1,790
Street System Imp (450)	05256	Sidewalk Rehabilitation FY16 - Districts 2 & 3	50	900										950
Street System Imp (450)	05249	Sidewalk Rehabilitation FY17 - Districts 6 & 9		100	900									1,000
Street System Imp (450)	TBD	Sidewalk Rehabilitation FY18 - FY26			50	850	800	900	850	900	900	900	900	7,050
		SUBTOTAL		**1,840**	**1,520**	**1,665**	**1,645**	**1,740**	**1,665**	**1,710**	**1,715**	**1,740**	**1,740**	**16,980**
SPEED HUMP INSTALLATION & TRAFFIC CALMING														
Measure B Tax (213)	05166	Speed Monitoring Devices	58							60	60	60	60	298
Measure B Tax (215)	05166	Speed Monitoring Devices	277	60	60	60	60	60	60					637
Capital Proj (Gov't) (405)	06950	Neighborhood Partnership Program Project	402	50	50	50	50	50	50	50	50	50	50	902
Capital Proj (Gov't) (405)	06952	Neighborhood Improavment Grant Program		15										15
Transp Sys Imp (460)	05734	Traffic Calming Implementation Program	90	90	90	90	90	90	90	90	75	90	90	975
		SUBTOTAL		**215**	**200**	**200**	**200**	**200**	**200**	**200**	**185**	**200**	**200**	**2,000**

FY17 LIVABLE NEIGHBORHOODS

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJECT NUMBER**	**DESCRIPTION**												
STREET TREES/MEDIAN LANDSCAPING/MURALS														
Capital Proj (Gov't) (405)	06906	Mural Art Program	215	68										283
Capital Proj (Gov't) (405)	05102	Landscape Material/Street Tree Replacements	63	55	55	55	55	55	55	55	55	55	55	613
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)	06978	Foothill Gateway Landscape Plan		50										50
Street System Imp (450)	05255	Median Landscaping Improvement Project FY16 - Hesperian - Winton to Chabot Ct.	50	450										500
Street System Imp (450)	TBD	Median Landscaping Improvement Project FY17 - Hesperian - West A St. to Winton	0	0	100	750								850
Street System Imp (450)	TBD	Median Landscaping Improvement Project FY18 - Industrial Blvd. - Hwy 92 to Arf Ave.	0	0	0	100	1,050							1,150
		SUBTOTAL		**673**	**205**	**955**	**1,155**	**105**	**105**	**105**	**105**	**105**	**105**	**3,618**
TRAFFIC SIGNAL AND STREETLIGHT ENERGY/MAINTENANCE														
Gas Tax Fund (210)	05186	Traffic Signal Energy	1,056	311	303	294	297	300	303	306	309	312	315	3,050
Gas Tax Fund (210)	05187	Traffic Signal Maintenance	920	258	210	212	214	216	219	221	223	225	227	3,145
Gas Tax Fund (210)	05188	Streetlight Energy	2,576	415	419	423	428	432	436	441	445	449	454	6,918
Gas Tax Fund (210)	05189	Streetlight Maintenance	847	180	132	133	135	136	137	139	140	142	143	2,264
		SUBTOTAL		**1,164**	**1,064**	**1,062**	**1,074**	**1,084**	**1,095**	**1,107**	**1,117**	**1,128**	**1,139**	**11,034**
NEW AND REPLACEMENT STREETLIGHTS														
Gas Tax Fund (210)	05132	New and Replacement Street Lights	897	50	50	50	50	50	50	50	50	50	50	1,397
		SUBTOTAL		**50**	**50**	**50**	**50**	**50**	**50**	**50**	**50**	**50**	**50**	**500**
		TOTAL LIVABLE NEIGHBORHOODS PROJECTS		**4,209**	**3,384**	**4,077**	**4,269**	**3,324**	**3,260**	**3,317**	**3,317**	**3,368**	**3,379**	**35,904**

FY 2017- FY 2026 CAPITAL IMPROVEMENT PROGRAM

CAPITAL PROJECT EXPENDITURE SUMMARY

PROJECT DESCRIPTION	PROJECT TOTAL	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Livable Neighborhoods	35,904	4,209	3,384	4,077	4,269	3,324	3,260	3,317	3,317	3,368	3,379
Road & Street Projects	130,050	45,492	20,235	7,294	8,876	8,758	8,805	8,582	8,114	6,866	7,028
Building/Misc Projects	89,317	60,337	22,095	4,375	645	85	660	285	250	255	330
Fleet Management	35,189	3,387	3,272	3,357	3,149	4,936	3,046	4,106	3,041	3,147	3,748
Landscaping & Parks	196	27	169	0	0	0	0	0	0	0	0
Equipment	15,953	2,861	1,872	2,522	1,493	883	1,766	1,209	1,137	1,115	1,095
Water System Projects	66,203	15,884	8,961	9,278	2,165	4,915	10,340	2,840	7,940	1,940	1,940
Sewer System Projects	117,353	58,048	24,065	9,275	3,320	4,370	2,895	4,945	4,645	2,895	2,895
Airport Projects	28,027	4,543	1,106	3,012	3,088	3,611	9,067	885	870	935	910
TOTAL CAPITAL EXPENDITURES	518,192	194,788	85,159	43,190	27,005	30,882	39,839	26,169	29,314	20,521	21,325

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.			PRIOR EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJ. NO.**	**DESCRIPTION**												
LIVABLE NEIGHBORHOODS														
Gas Tax Fund (210)	05132	New and Replacement Street Lights	897	50	50	50	50	50	50	50	50	50	50	500
Gas Tax Fund (210)	05186	Traffic Signal Energy	1,056	311	303	294	297	300	303	306	309	312	315	3,050
Gas Tax Fund (210)	05187	Traffic Signal Maintenance	920	258	210	212	214	216	219	221	223	225	227	2,225
Gas Tax Fund (210)	05188	Streetlight Energy	2,576	415	419	423	428	432	436	441	445	449	454	4,342
Gas Tax Fund (210)	05189	Streetlight Maintenance	847	180	132	133	135	136	137	139	140	142	143	1,417
Gas Tax Fund (210)	05211	Wheelchair Ramps FY17 Districts 6 & 9	12	130										130
Gas Tax Fund (210)	05213	Wheelchair Ramps FY18 - FY25		12	120	120	120	120	120	120	120	120	120	1,092
Measure BB Tax (212)	TBD	Speed Monitoring Devices								60	60	60	60	240
Measure BB Tax (213)	05278	Project Predesign Services		20	20	20	20	20	20	40	40	40	40	280
Measure BB Tax (213)	05259	New Sidewalks FY17 Walpert		350										350
Measure BB Tax (213)	05246	New Sidewalks FY18- FY26		40	325	350	375	370	450	770	775	800	800	5,055
Measure BB Tax (213)	TBD	Pedestrian Traffic Signal Improvements								25	25	25	25	100
Measure B Tax (215)	05166	Speed Monitoring Devices	277	60	60	60	60	60	60					360
Measure B Tax (216)	05271	Pedestrian Master Plan/Update Bicycle Master Plan		100	200									300
Measure B Tax (216)	05175	Pedestrian Traffic Signal Improvements	22	25	25	25	25	25	25					150
Measure B Tax (216)	05260	Project Predesign Services	97		25	25	25	25	25					125
Measure B Tax (216)	05258	New Sidewalks FY17 -Walpert	50	430										430
Measure B Tax (216)	TBD	New Sidewalks FY18-FY25			200	420	425	425	320					1,790
Capital Proj (Gov't) (405)	06906	Mural Art Program	215	68										68
Capital Proj (Gov't) (405)	05102	Landscape Material/Street Tree Replacements	63	55	55	55	55	55	55	55	55	55	55	550
Capital Proj (Gov't) (405)	06938	Annual Median Tree & Shrub Replacement	57	50	50	50	50	50	50	50	50	50	50	500
Capital Proj (Gov't) (405)	06978	Foothill Gateway Landscape Plan		50										50
Capital Proj (Gov't) (405)	06950	Neighborhood Partnership Program Project	402	50	50	50	50	50	50	50	50	50	50	500
Capital Proj (Gov't) (405)	06952	Neighborhood Improvement Grant Program		15										15
Street System Imp (450)	05256	Sidewalk Rehabilitation FY16-Districts 2 & 3	50	900										900
Street System Imp (450)	05249	Sidewalk Rehabilitation FY17-Districts 6 & 9		100	900									1,000
Street System Imp (450)	TBD	Sidewalk Rehabilitation FY18-FY26			50	850	800	900	850	900	900	900	900	7,050
Street System Imp (450)	05255	Median Landscaping Improvement Project FY16 - Hesperian - Winton to Cabot Court	50	450										450
Street System Imp (450)	TBD	Median Landscaping Improvement Project FY17- Hesperian- West A St to Winton			100	750								850
Street System Imp (450)	TBD	Median Landscaping Improvement Project FY18- Industrial Blvd- Hwy 92 to Arf Ave				100	1,050							1,150
Transp Sys Imp (460)	05734	Traffic Calming Implementation Program	90	90	90	90	90	90	90	90	75	90	90	885
		TOTAL LIVABLE NEIGHBORHOODS PROJECTS	7,681	4,209	3,384	4,077	4,269	3,324	3,260	3,317	3,317	3,368	3,379	35,904

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.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	TOTAL
			(In thousands)											
ROAD AND STREET PROJECTS														
Gas Tax Fund (210)	05106	Project Predesign Services	30	40	40	40	40	40	40	40	40	40	40	430
Gas Tax Fund (210)	05110	Pavement Management Program	71	15	65	15	65	15	65	15	65	15	65	471
Gas Tax Fund (210)	05116	Congestion Management Program	104	97	103	109	116	123	130	137	144	151	158	1,372
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)	05124	Rule 20A Payment		200										200
Gas Tax Fund (210)	05210	Pavement Rehabilitation - Gas Tax FY17	50	600										650
Gas Tax Fund (210)	05214	Pavement Rehabilitation - Gas Tax FY18 - FY26	0	50	950	950	950	1,000	975	1,000	1,250	1,300	1,250	9,675
Measure BB Tax (212)	05208	Project Predesign Services	200	30	30	30	30	30	30	30	30	30	30	500
Measure BB Tax (212)	05207	Pavement Reconstruction, Measure BB FY17	50	2,100										2,150
Measure BB Tax (212)	05245	Pavement Reconstruction, Measure BB FY18-FY26		75	2,000	2,050	2,050	2,050	2,600	4,250	4,250	4,250	4,250	27,825
Measure BB Tax (212)	NEW	Mission Blvd (238) Phase 3 Final Design/Construction		8,500	13,000									21,500
Measure B Tax (215)	05199	Project Predesign Services	55	30	30	30	30	30	30					235
Measure B Tax (215)	05209	Pavement Rehabilitation, Measure B FY17	50	2,275										2,325
Measure B Tax (215)	05212	Pavement Rehabilitation, Measure B FY18-FY26	0	100	2,200	2,200	2,200	2,300	1,700					10,700
Vehicle Reg Fee (218)	05205	Pavement Rehabilitation VRF FY17	50	800										850
Vehicle Reg Fee (218)	TBD	Pavement Rehabilitation VRF FY18 - FY26	0	25	770	750	775	800	775	800	825	820	825	7,165
Measure C Capital (406)	05204	Pavement Rehabilitation Project	500	11,500										12,000
Route 238 Imp (410)	05114	Administration and Predesign	432	60	60	60	60	60						732
Route 238 Imp (410)	05270	Rte 238 Corridor Improvement Project - Phase 2	4,000	15,900										19,900
Street System Imp (450)	05197	880/92 Reliever Route Project - Phase I	28,080	2,400										30,480
Street System Imp (450)	05148	Project Predesign Services	30	30	30	30	30	30	30	30	30	30	30	330
Street System Imp (450)	05248	City Municipal Parking Lot #1		100	450									550
Street System Imp (450)	TBD	Pavement Reconstruction FY19-FY24				800	2,150	2,050	2,050	2,050	1,100			10,200
Street System Imp (450)	TBD	City Municipal Parking Lot #7			107									107
Street System Imp (450)	05275	Transit Connector & Feasibility Study - Industrial/Cannery	377	100										477
Transp Sys Imp (460)	05709	Traffic Control Devices Repair/Replacement		50	50	50	50	50	50	50	50	50	50	500
Transp Sys Imp (460)	05856	Controller Cabinet Replacement Program	30	30	30	30	30	30	30	30	30	30	30	330
Transp Sys Imp (460)	05877	Transportation System Management Projects	50	50	50	50	50	50	50	50	50	50	50	550
Transp Sys Imp (460)	05893	Quick Response Traffic Safety Projects	30	20	20	20	20	20	20	20	20	20	20	230
Transp Sys Imp (460)	05274	Traffic Impact Fee Study		200										200
Transp Sys Imp (460)	TBD	Intersection Improvement Project - TBD			220	50	200	50	200	50	200	50	200	1,220
Transp Sys Imp (460)	NEW	Huntwood/Sandoval & Huntwood/Industrial Coordination Software		85										85
		TOTAL ROAD AND STREET PROJECTS	34,219	45,492	20,235	7,294	8,876	8,758	8,805	8,582	8,114	6,866	7,028	164,269

CAPITAL PROJECTS BY CATEGORY

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FUND:	PROJ. NO.	DESCRIPTION	PRIOR EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	TOTAL
			(In thousands)											
BUILDING/MISC PROJECTS														
Capital Proj (Gov't) (405)	06909	Downtown Parking Study	130	30										160
Capital Proj (Gov't) (405)	NEW	Downtown Parking Improvements		100										100
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	40	32										72
Capital Proj (Gov't) (405)	06968	Sealing Centennial Hall Parking Deck						30						30
Capital Proj (Gov't) (405)	NEW	City of Hayward 100th Anniversary Events											100	100
Capital Proj (Gov't) (405)	NEW	Temporary Fire Station No. 7 Move Out		105										105
Measure C Capital (406)	07478	Fire Station No. 2 Improvements	0	2,300	400									2,700
Measure C Capital (406)	07476	Fire Station No. 3 Improvements	0	1,700	400									2,100
Measure C Capital (406)	07477	Fire Station No. 4 Improvements	0	1,800	400									2,200
Measure C Capital (406)	06988	21st Century Library & Community Learning Center-Construction	12,250	41,230	8,000									61,480
Measure C Capital (406)	07479	Fire Station No. 1 Improvements		1,250	250									1,500
Measure C Capital (406)	07480	Fire Station No. 5 Improvements		1,300	400									1,700
Measure C Capital (406)	07481	New Fire Station No. 6		3,000	1900									4,900
Measure C Capital (406)	07482	Fire Station No. 6 New Training Center		7,000	10,000	4,300								21,300
Facilities Capital (726)	07201	HVAC Replacement/Various Units	286		90									376
Facilities Capital (726)	07202	Miscellaneous Flooring Replacement	263	200	100									563
Facilities Capital (726)	07203	Roof Repair/Replacement	338				375		115				100	928
Facilities Capital (726)	07209	Emergency Generator Replacements	150								145	150		445
Facilities Capital (726)	07210	Window Covering Replacement	42				100						75	217
Facilities Capital (726)	07216	Fire Alarm/Smoke Detector Replacement	55	50	50									155
Facilities Capital (726)	07217	Exterior Painting of City Facilities	43				115		90	100				348
Facilities Capital (726)	07218	Animal Control Floor Coating	50	40										90
Facilities Capital (726)	07220	Furniture Replacement	60	60					400	130				650
Facilities Capital (726)	07222	City Facility Update	45	50	50									145
Facilities Capital (726)	07223	City Hall Moat		10		20								30
Facilities Capital (726)	07224	Elevator Overhaul									50	50	100	
Facilities Capital (726)	NEW	HPD Facility Update		25										25
		TOTAL BUILDING & MISCELLANEOUS PROJECTS	13,807	60,337	22,095	4,375	645	85	660	285	250	255	330	103,099

CAPITAL PROJECTS BY CATEGORY

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FUND:	PROJ. NO.	DESCRIPTION	PRIOR EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	TOTAL
			(In thousands)											
FLEET MANAGEMENT														
Fleet Mgmt Capital (736)	07301	Vehicle Replacement Needs - Fire	7,779	800	824	992	1,022	2,572	968	955	1,013	1,200	1,422	19,547
Fleet Mgmt Capital (736)	07302	Vehicle Replacement Needs - Other General Fund	2,709	910	771	630	705	558	635	712	627	719	520	9,496
Fleet Mgmt Capital (736)	07303	Vehicle Replacement Needs - Police	3,988	864	890	917	944	973	1,002	1,032	1,063	1,095	1,128	13,896
Fleet Mgmt Enterprise (737)	07352	Vehicle Replacement Needs - Sewer	1,825	278	210	610	76	265	41	836				4,141
Fleet Mgmt Enterprise (737)	07353	Vehicle Replacement Needs - Water	1,487	245	62	208	342	39	400	183		133	130	3,229
Fleet Mgmt Enterprise (737)	07350	Vehicle Replacement Needs - Airport	188	150	82		60	293		60				833
Fleet Mgmt Enterprise (737)	07351	Vehicle Replacement Needs - Stormwater	784	140	433			236		328	338	0	548	2,807
		TOTAL FLEET MANAGEMENT PROJECTS	18,760	3,387	3,272	3,357	3,149	4,936	3,046	4,106	3,041	3,147	3,748	53,949
LANDSCAPE PROJECTS														
Water Replacement (603)	07050	Bay-Friendly Water Conservation Demonstration Garden	1		169									170
Sewer Improvement (612)	07545	Water Pollution Control Facility Shrub Planting	49	27										76
		TOTAL LANDSCAPE PROJECTS	50	27	169	0	0	0	0	0	0	0	0	246
EQUIPMENT														
Capital Proj (Gov't) (405)	07402	Supporting Services Equipment	72	165	82	52	27	54	25	32	30	30	30	599
Capital Proj (Gov't) (405)	07405	SWAT Team Equipment	76	17	18	30	16	17	47	84	72	50	50	477
Capital Proj (Gov't) (405)	07409	Police Officer Equipment	196	88	200	175	321	66	60	240	156	156	156	1,814
Capital Proj (Gov't) (405)	07411	Field Operations Equipment	68	56	6	25	22	27	32	19	25	25	25	330
Capital Proj (Gov't) (405)	07412	Criminal Investigations Equipment	26	24	17	28	14	2	20	2	22	22	2	179
Capital Proj (Gov't) (405)	07452	Fire Special Operations	82	340	157	82	103	82	82	82	82	82	82	1,256
Capital Proj (Gov't) (405)	07451	Defibrillators	254	240										494
Capital Proj (Gov't) (405)	NEW	Dental Chairs for Fire Station Clinic		60										60
Capital Proj (Gov't) (405)	NEW	Emergency Management System		130										130
Capital Proj (Gov't) (405)	07475	Replacement Equipment for Maintenance Services	84	25	25	25	10	10	10	10	10	10	10	229
Street System Imp (450)	05153	Alameda County Aerial Photography	105	50			50							205
Water Replacement (603)	07133	SCADA System Evaluation and Upgrade		100	300									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)	TBD	WPCF SCADA System Evaluation and Upgrade						500						500
Info Tech Capital (731)	07255	Enterprise Resource Planning (ERP) System	4,210	150										4,360
Info Tech Capital (731)	07253	Desktop Computer Replacement Program	1,393	125	125	125	125	125	125	125	125	125	125	2,643
Info Tech Capital (731)	07256	Public Safety Mobile Replacement Project	1,084	50	400	400	50	50	50	50	50	50	50	2,284
Info Tech Capital (731)	07257	Network Server Replacement Project	522	278	100	100	100	100	100	100	100	100	100	1,700
Info Tech Capital (731)	07259	Geographic Information System Improvements		25	25	25	25	25	25	25	25	25	25	250
Info Tech Capital (731)	07263	Network Infrastructure Replacement - Police Department	207	58	49	58			60	60	60	60	60	672
Info Tech Capital (731)	07264	Network Infrastructure Replacement	696	450	348	348			360	360	360	360	360	3,642
Info Tech Capital (731)	07266	Council Chambers Technology Upgrade	800	100					750					1,650
Info Tech Capital (731)	NEW	Online Permitting		190										
Info Tech Capital (731)	NEW	Security Assessment and Improvement		120										
		TOTAL EQUIPMENT	9,890	2,861	1,872	1,493	883	1,078	1,766	1,209	1,137	1,115	1,095	24,089

CAPITAL PROJECTS BY CATEGORY

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FUND:	PROJ. NO.	DESCRIPTION	PRIOR EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	TOTAL
			(In thousands)											
WATER SYSTEM PROJECTS														
Water Replacement (603)	07110	750' Reservoir Inspection and Repair	747	1,300										
Water Replacement (603)	07026	Wter System Leak Detection Survey and Repair	97		178									
Water Replacement (603)	07035	City Irrigation System Backflow Replacements	150	10	10	10	10	10	10	10	10	10	10	250
Water Replacement (603)	07057	Restore Water Mains at I-880				550								550
Water Replacement (603)	07003	Miscellaneous Hydrant Replacement Program	25	25	25	25	25	25	25	25	25	25	25	275
Water Replacement (603)	07006	Annual System Replacement Program	150	150	150	150	150	150	150	200	200	200	200	1,850
Water Replacement (603)	07013	High Efficiency Fixture Replacement Program	529	200	200	100	100	100	100	150	150	150	150	1,929
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'			1,200	1,200								2,400
Water Replacement (603)	07046	Replace 16" Water Line near Mission & Willis					250	1,500						1,750
Water Replacement (603)	07135	Annual Line Replacements FY17		500										500
Water Replacement (603)	07010	Air Release with Blow Off Access and Rehabilitation	160	160										320
Water Replacement (603)	07134	Cast Iron Water Pipeline Replacement - Local Streets		500	500	500								1,500
Water Replacement (603)	TBD	Annual Line Replacements FY18-FY25			500	500	500	1,500	1,500	1,500	1,500	1,500	1,500	10,500
Water Replacement (603)	07009	Easement Protection & Landscape Clearing - Various Loc	250	250										500
Water Replacement (603)	NEW	Water Main Replacement at Highland, Carroll, Zephyr, etc.		1,700	1,500	1,500	1,000							5,700
Water Replacement (603)	NEW	Water Pump Station Valve Repair & Upgrade at Various St.		75	75	75	75	75						375
Water Replacement (603)	NEW	Pressure Reducing Station Regulator Replacement		150	150	150								450
Water Replacement (603)	NEW	Well B Evaluation and Repair		495										495
Water replacement (604)	07105	Solar Power at Various Water Facilities		3,000										3,000
Water Improvement (604)	07176	Utility Center Renovations/Training Center Addition	6	2,994										3,000
Water Improvement (604)	07178	Hesperian Site Additional Paving			90									90
Water Improvement (604)	07182	New 12" Pipeline - Dunn Road	100	500										600
Water Improvement (604)	07183	New 0.75MG Tank, Pumps, and Generator at Garin Reservoir/Pumps Station Site	350	2,500										2,850
Water Improvement (604)	07029	Project Predesign Services	15	15	15	15	15	15	15	15	15	15	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	27		500	1,603								2,130
Water Improvement (604)	07173	Seismic Retrofit Highland 250 Reservoirs	29		486	600								1,115
Water Improvement (604)	07172	New 3 MG Reservoir at High School Reservoir Site	105							900	6,000			7,005
Water Improvement (604)	07014	Rehabilitation of Pressure Regulation Station in 250' Zone		500										500
Water Improvement (604)	TBD	Groundwater Mgmnt Plan Modeling & Implementation			3,000									3,000
Water Improvement (604)	TBD	New 2 MG Reservoir and Booster Station at Hesperian Site						1,500	8,500					10,000
Water Improvement (604)	07016	New Pressure Regulating Stations at New 265' Zone			500	2,260								2,760

CAPITAL PROJECTS BY CATEGORY

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FUND:	PROJ. NO.	DESCRIPTION	PRIOR EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	TOTAL
			(In thousands)											
Water Improvement (604)	07186	Solar Photovoltaic at Hesperian Pump Station		500										500
Water Improvement (604)	07017	Weather Based Irrigation Controllers at Various Locations		20	20	20	20	20	20	20	20	20	20	200
Water Improvement (604)	NEW	New University Pressure Reducing Station		200										200
Water Improvement (604)	NEW	Arc Flash Survey - Water Share		100										100
Water Improvement (604)	NEW	New Emergency Well B2					2,000							2,000
		TOTAL WATER SYSTEM PROJECTS	1,936	15,884	8,961	9,278	2,165	4,915	10,340	2,840	7,940	1,940	1,940	66,499

CAPITAL PROJECTS BY CATEGORY

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FUND:	PROJ. NO.	DESCRIPTION	PRIOR EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	TOTAL
			(In thousands)											
SEWER SYSTEM PROJECTS														
Sewer Replacement (611)	07668	WPCF West Trickling Filter and Biofilter Project	2,200	17,300										19,500
Sewer Replacement (611)	07516	EBDA Outfall Replacement Payment	100	120	120	120	150	150	150	150	150	150	150	1,510
Sewer Replacement (611)	07524	Project Predesign Services	15	15	15	15	15	15	15	15	15	15	15	165
Sewer Replacement (611)	07529	WPCF Miscellaneous Plant Replacements	300	300	300	300	350	350	350	350	350	350	350	3,650
Sewer Replacement (611)	07575	Miscellaneous Lift Station Equipment Replacement	100	100	100	100	150	150	150	150	150	150	150	1,450
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			150									150
Sewer Replacement (611)	07656	Main 480V MCC Electrical Distribution Repairs		50	1,175									1,225
Sewer Replacement (611)	07649	WPCF Access Roads Rehabilitation	50	450										500
Sewer Replacement (611)	07658	WPCF Heating and Mixing Building Improvements	540	160										700
Sewer Replacement (611)	07660	WPCF Headworks Wetwell Concrete Evaluation, Repair & Interior Coating	497	1,100										1,597
Sewer Replacement (611)	07678	Air Release with Blow Off Access and Rehabilitation		80										80
Sewer Replacement (611)	07677	WPCF Biobeds Media Replacement	130	260										390
Sewer Replacement (611)	07674	WPCF Cross Connection Prevention Project		300										300
Sewer Replacement (611)	07685	Annual Line Replacements FY17		500										500
Sewer Replacement (611)	07686	Tyrell Avenue Sewer Improvement		520										520
Sewer Replacement (611)	07688	Flow Equalization, Pond Eval, Expansion, & Lining Rehab		900										900
Sewer Replacement (611)	07653	WPCF Site Waste Pump Station and Control Bldg Impr	230	870	225									1,325
Sewer Replacement (611)	07650	WPCF Structural Repairs and Canopy Covers	225	225										450
Sewer Replacement (611)	TBD	Valle Vista Submersible Pump Repl and Wet Well Rehab			700	0								700
Sewer Replacement (611)	TBD	Digester #2 Cleaning and Dome Rehabilitation			500									500
Sewer Replacement (611)	TBD	Annual Line Replacements FY18 - FY25			500	500	1,200	1,200	2,000	2,000	2,000	2,000	2,000	13,400
Sewer Replacement (611)	TBD	Digester #1 Cleaning and Dome Rehabilitation			0	500								500
Sewer Replacement (611)	TBD	Gravity Belt Thickener Rebuilding			0	500								500
Sewer Replacement (611)	TBD	Tennyson Lift Station Submersible Pump Repl & Wet Well Rehab			0	0	350							350
Sewer Replacement (611)	TBD	Collection Systems SCADA System Evauationl & Upgrade			300									300
Sewer Replacement (611)	TBD	WPCF Final Clarifiers Mechanisms Preplacement								1,800				1,800
Sewer Replacement (611)	TBD	WPCF SCADA System Evaluation and Upgrade					500							500
Sewer Replacement (611)	NEW	WPCF Laboratory Improvements		70										70
Sewer Replacement (611)	NEW	Sewer Main Replacements - Various Locations		2,620										2,620
Sewer Replacement (611)	NEW	WPCF Chlorination System Improvement		215										215
Sewer Replacement (611)	NEW	WPCF Diversion Ponds 2,3, & 7 Gate Restoration		50	500									550
Sewer Replacement (611)	NEW	WPCF Programmable Logic Controller Cabinet Upgrade		60										60
Sewer Replacement (611)	07687	Tennyson Sewer Basin Improvement		246										246

CAPITAL PROJECTS BY CATEGORY

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJ. NO.**	**DESCRIPTION**												
Sewer Replacement (611)	NEW	WPCF REXA Valve Replacement		235										235
Sewer Replacement (611)	NEW	Sewer Manhole Rehabilitation - Various Locations		250										250
Sewer Replacement (611)	NEW	Harder Road Sewer System Improvement		0	500	2,000								2,500
Sewer Replacement (611)	NEW	WPCF Underground Conduit Repair (494 Pump & Sludge Beds)			80									80
Sewer Replacement (611)	NEW	WPCF VFD Replacement		290										290
Sewer Replacement (611)	NEW	Pump Station Valve Repair & Upgrade at Various Stations		75	75	75	75	75						375
Sewer Improvement (612)	07506	WPCF Administration Building Renovation and Addition	1,500	3,000										4,500
Sewer Improvement (612)	07507	Recycled Water Treatment and Distribution Facilities	2,339	9,661										12,000
Sewer Improvement (612)	07519	Utilities Laboratory Information Mgmt & Data Entry		40										40
Sewer Improvement (612)	07523	Project Predesign Services	15	15	15	15	15	15	15	15	15	15	15	165
Sewer Improvement (612)	07530	WPCE Solar Power Design and Construction Phase II One MW		5,206										5,206
Sewer Improvement (612)	07556	WPCF Chlorine Disinfection System Improvements		800	6,400									7,200
Sewer Improvement (612)	07558	WPCF Replacement & Relocation of EBDA Pump Station		1,000	7,800									8,800
Sewer Improvement (612)	07559	WPCF Solids Pumping Improvements		300										300
Sewer Improvement (612)	07561	Operational Evaluation of WPCF Blowers		50										50
Sewer Improvement (612)	07564	WPCF Digester Gas Flare Project	425	130										555
Sewer Improvement (612)	07565	WPCF Digester Piping and Gas Metering Optimization	630	190										820
Sewer Improvement (612)	07566	WPCF Digester Sludge Mixing Tank	1,665	500										2,165
Sewer Improvement (612)	07567	WPCF Sludge Screening		2,370										2,370
Sewer Improvement (612)	07568	WPCF New Operations Building		5,600										5,600
Sewer Improvement (612)	07679	Cogeneration System Maintenance Contract	200	200	200	200	200	200	200	200	200	200	200	2,200
Sewer Improvement (612)	07680	WPCF Sluice Gate Repair/Replacement and Actuation		460										460
Sewer Improvement (612)	07683	WPCF Snail Bin Relocation		180										180
Sewer Improvement (612)	TBD	WPCF Mechanical Sludge Dewatering Facility			2,600									2,600
Sewer Improvement (612)	TBD	WPCF Aeration Blower				85								85
Sewer Improvement (612)	TBD	WPCF Primary Effluent Flow Equalization					300	2,200						2,500
Sewer Improvement (612)	TBD	WPCF New Standby Power Generator								250	1,750			2,000
Sewer Improvement (612)	NEW	WPCF Stormwater and Site Grading Improvements		50	480									530
Sewer Improvement (612)	NEW	WPCF Maintenance Building Improvements		150										150
Sewer Improvement (612)	NEW	WPCF Security Improvements			15									15
Sewer Improvement (612)	NEW	WPCF High Pressure Gas Storage Vessel Inspection and Coating		100										100
Sewer Improvement (612)	NEW	Arc Flash Survey - Sewer Share		100										100
Sewer Improvement (612)	NEW	Lower Enterprise Avenue Relocation		200	1,300									1,500
Sewer Improvement (612)	NEW	WPCF Co-Generation Engine #2				2,000								2,000
Sewer Improvement (612)	NEW	WPCF New Digester Gas Storage				2,850								2,850
		TOTAL SEWER SYSTEM PROJECTS	11,181	58,048	24,065	9,275	3,320	4,370	2,895	4,945	4,645	2,895	2,895	128,534

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.	FY17 EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	TOTAL
			(In thousands)											
AIRPORT PROJECTS														
Airport Capital (621)	06820	Airport Striping Maintenance (Runways 28L/10R)	31	10										41
Airport Capital (621)	06816	Sulphur Creek 10-Year Monitoring	101	23	6	23	24							177
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	25	10	10	10	10	10	10	10	10	10	10	125
Airport Capital (621)	06891	Miscellaneous Pavement/Building/Grounds Repairs	60	75	50	50	50	50	50	50	50	50	50	585
Airport Capital (621)	06898	Noise Monitoring	45	45	45	45	45	45	45	45	45	45	45	495
Airport Capital (621)	06818	Airport Pavement Management Program Update	35	0	35	0	35	0	35	0	35	0	35	210
Airport Capital (621)	06895	Landscaping Noise Berm & Associated Areas	41	20										61
Airport Capital (621)	06819	Taxiway Foxtrot Pavement Rehabilitation FY16	275	800										1,075
Airport Capital (621)	06814	Sulpher Creek Mitigation - Design and Construction	63		300	2,137								0
Airport Capital (621)	06823	Perimeter Fence Repairt	62	10	50									122
Airport Capital (621)	06826	East T-Hangar Foam Re-roofing		100	200	200	250							750
Airport Capital (621)	06824	Pavement Rehabilitation - Runways 28L/10R	50	2,800										2,850
Airport Capital (621)	06825	Electrical Services for South Side of Airport		500										500
Airport Capital (621)	TBD	Realignment of Taxiway Zulu				167	2,444							2,611
Airport Capital (621)	TBD	EMAS Runway Safety Area Improvements						167	8,333					8,500
Airport Capital (621)	TBD	Rehab of TWY Alpha & Rehab TWY Delta							539					539
Airport Capital (621)	TBD	Golf Course Modifications/Road Relocation						3,009						3,009
Airport Capital (621)	NEW	Airport Pavement Preventative Maintenance FY17			150	350	200	300	25	750	700	800	740	4,015
Airport Capital (621)	NEW	LED Lighting Retrofit		70										70
Airport Capital (621)	NEW	Tower Renovation		50	150									200
Airport Capital (621)	NEW	View Park			80									80
		TOTAL AIRPORT PROJECTS	818	4,543	1,106	3,012	3,088	3,611	9,067	885	870	935	910	21,980

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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.

[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 a nd performance data on capital maintenance compared to budgeted expenditures performance data (e.g., budgeted improve ments 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 & ACRONYMS

GLOSSARY AND ACRONYMS

Account Balance: Total dollars remaining in an account after current revenues are added and current expenditures are subtracted.

(ADA) American Disabilities Act: The Americans with Disabilities Act gives civil rights protections to individuals with disabilities similar to those provided to individuals on the basis of race, color, sex, national origin, age, and religion.

Appropriation: An authorization granted by the City Council to make expenditures and to incur obligations for specific purposes.

Assessed Valuation: A dollar value placed on real estate or other property by Alameda County as a basis for levying property taxes.

Audit: A review of the City's accounts by an independent accounting firm to verify that the City's financial statements accurately reflect the City's financial position.

(BART) Bay Area Rapid Transit: providing train service throughout the San Francisco metropolitan area including the East Bay.

Base Budget: Estimate of the funding level required to continue existing service levels during the next fiscal year, including the deletion of current year funding for one-time activities and additions necessary to meet current expenditure patterns and to provide for anticipated inflationary cost increases.

(BAAQMD) Bay Area Air Quality Management District: Agency which sponsors programs and regulates industry and employers to promote clean air.

(BIA) Business Improvement Association: is a public-private partnership in which businesses in a defined area pay an additional tax or fee in order to fund improvements within the district's boundaries. Also known as (DBI) Downtown Business Improvement.

Bond: Capital raised by issuing a written promise to pay a specified sum of money, called the face value or principal amount, with interest at predetermined intervals.

Budget: A comprehensive financial plan of operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

(CAD/RMS) Public Safety Computer Aided Dispatch/Records Management System: This system provides support for public safety dispatch and the management of the related records and reports that results from police and fire responses

(CALEA): Commission on Accreditation for Law Enforcement Agencies: It was created in 1979 as a credentialing authority through the joint efforts of law enforcement's major executive associations.

(CalPERS) California Public Employees' Retirement Systems: The retirement system, administered by the State of California, to which all permanent City employees belong.

Capital Acquisitions: Items of a permanent or semi-permanent nature that cost in excess of $5,000.

Capital Improvements: A permanent major addition to the City's real property assets including the design, construction, purchase, or major renovation of land, buildings, or facilities. Examples are the installation or repair of new or existing streets, traffic signals, sewer lines, roads, and parks.

(CDBG) Community Development Block Grant: Federal funding that allows communities to create flexible, locally designed comprehensive community development strategies to enable them to develop viable urban communities (Title I, Housing and Community Development Act of 1974).

(CIP) Capital Improvement Program: An ongoing plan of single and multiple year capital expenditures, which is updated annually.

(COPs) Certificates of Participation: A lending agreement secured by a lease on the acquired asset or other Coty assets

(CPI) Consumer Price Index: An indicator of inflation, used in some salary-increase or other calculations.

Debt Service: The payment of interest and principal on borrowed funds.

Deficit: The result of an excess of expenditures over

available resources. A **Structural Deficit** is a recurring financial gap between ongoing revenues and ongoing expenditures.

Department: A major administrative division of the City with overall management responsibility for an operation or a group of related operations within a functional area.

Designated Reserve: Funds specifically appropriated and set aside for anticipated expenditure requirements which are uncertain.

Division: An organizational sub-unit of a department which encompasses a substantial portion of the duties assigned to a department.

Employee Services: An expenditure category used to account for the salaries, overtime, and benefits for City employees.

Encumbrance: A commitment of funds for goods or services for which the expenditure has not yet occurred.

Enterprise Fund: A fund established to finance and account for the acquisition, operation, and maintenance of governmental facilities and services that are entirely or predominantly self-supported by user charges.

(ERAF) Educational Revenue Augmentation Fund: State legislation that shifted partial financial responsibility for funding education to local government (cities, counties, and special districts) through allocation of local property tax revenues from local government to "educational revenue augmentation funds" (ERAFs) to support schools.

(ERP) Enterprise Resource Planning: It is an integrated computer-based system used to manage internal and external resources (e.g., financial, human resources, utility, permitting, etc.). ERP systems consolidate all business operations into a uniform and enterprise wide system environment

Expenditure: The amount of cash paid or to be paid for services rendered, goods received or an asset purchased.

Fund Balance: The total dollars remaining in a fund after current expenditures for operations and capital improvements are subtracted.

Fund: A separate, independent accounting entity used to set forth the financial position of results of operations related to the specific purpose for which the fund was created.

Franchise Fee: State statutes provide cities with the authority to impose negotiated fees on privately owned utility and other companies for the privilege of using city owned rights-of-way.

(FTE) Full-time Equivalent: The decimal equivalent of a position converted to a full-time basis. For example, one person working half time would count as 0.5 FTE; one person working full-time would count as 1.0 FTE.

(FY) Fiscal Year: The twelve-month period to which the annual budget applies. In Hayward, this period of time is July 1 through June 30.

Gann Limit: State of California legislation that limits a City's appropriations growth rate to changes in population and either the change in California per capita income or the change in the local assessment roll due to non-residential new construction.

(GASB) Governmental Accounting Standards Board: This is the organization that establishes generally accepted accounting principles for state and local governments.

(GF) General Fund: The City's principal operating fund, which is supported by general taxes and fees and which can be used for any legal government purpose.

Grant: A contribution by a government or other organization to support a particular function or project. Grants may be classified as either categorical or block, depending upon the amount of discretion allowed the recipient.

Housing Authority: Housing Authority provides affordable housing opportunities through a variety of mechanisms and programs. Among the powers, duties and functions of the Housing Authority are the ability to acquire, construct, finance, operate, rehabilitate, refinance, or development affordable housing.

GLOSSARY AND ACRONYMS

(HARD) Hayward Area Recreation and Park District: The Hayward Area Recreation & Park District is an independent special use district providing park and recreation services for the City of Hayward and other agencies.

(HUD) Housing and Urban Development: Department of Housing and Urban Development: the United States federal department that administers federal programs dealing with better housing and urban renewal; created in 1965

Interdepartmental Charges and Credits: A mechanism through which one program may bill another program (charges) and be reimbursed (credits) for the cost of various services provided. Interdepartmental charges and credits are based on the actual, direct costs of the service provided. They function as cost allocation tools, allowing the financial reports to more accurately reflect the real cost of individual programs.

Infrastructure: Facilities on which the continuance and growth of the community depend on, such as roads, sidewalks, parks, public buildings, etc.

Inter-fund Transfers: The movement of money from one fund to another for costs associated with liability insurance, worker's compensation, and cost allocation. Most transfers are made on a quarterly basis.

(ISF) Internal Service Fund: A fund that is used to finance and account for goods and /or services provided by one City department to other City departments on a cost-reimbursement basis. These include the Worker's Compensation Insurance, Liability Insurance, and Equipment Management funds.

(LLD) Landscape and Lighting District: A 1972 State of California Act: Landscaping and Lighting District is a flexible tool used by local government agencies to pay for landscaping, lighting and other improvements and services in public areas.

(MD) Maintenance District: Maintenance Districts are formed for the payment, in whole or in part, of the costs and expenses of maintaining and operating public improvements which are local in nature and which specially benefit the lots or parcels assessed.

Maintenance and Utilities: An expenditure category used to account for costs related to the repair and maintenance of equipment, buildings, and grounds that are not performed by City employees. This category also includes utility charges for some departments.

(MOU) Memorandum of Understanding: The documented agreements resulting from labor negotiations between the City of Hayward and its bargaining units.

Object: A term used in the expenditure classification to distinguish the article purchased or services obtained, for example, salaries, utility costs, or office supplies.

(OPEB) Other Post-Employment Benefits: Post-employment benefits are those benefits other than pension benefits, including post-employment healthcare (retiree medical) and other non-pension benefits.

Operating Budget: Annual appropriation of funds to support ongoing program costs, including employee services, maintenance, supplies, and equipment.

Ordinance: A formal legislative enactment by the City Council, which has the full force and effect of law within the City boundaries unless it is in conflict with any higher form of law, such as a state statute or constitutional provision.

Overhead: Charges to various funds to cover the cost of administrative services, rent, custodial services, etc.

(PEG) Public/Educational/Government service: The availability of a cable or state franchise holder's system for public, educational, or governmental use by various agencies, institutions, organizations, groups, and individuals, including the City and its designated access providers, to acquire, create, and distribute programming not under a state franchise holder's editorial control.

(PG&E) Pacific Gas and Electric: Pacific Gas and Electric Company, incorporated in California in 1905, is one of the largest combination natural gas and electric utilities in the United States. Based in San

Francisco, the company is a subsidiary of PG&E Corporation.

Program: An activity or group of activities that is an organizational subunit of a department, and is directed toward providing a particular service or support function. Each City department may be responsible for a number of programs.

Property Tax: Property tax is an ad valorem (value-based) tax imposed on real property and tangible personal property within the City's jurisdiction; and is further explained in the General Fund section of the document.

Proprietary Fund: A term also used to describe enterprise funds or those funds used to account for City operations that are financed and operated like private business enterprises, i.e., facilities and services owned by the City.

Reserved Fund Balance: Accounts used to record a portion of the fund balance as legally segregated for a specific use or not available for appropriation.

Resolution: A special order by the City Council that requires less legal formality than an ordinance in terms of public notice prior to approval.

Resources: Total amount available for appropriation, including estimated revenues, beginning fund balances, and fund transfers.

Revenue: Income received during the fiscal year from taxes, fees, permits, franchises, interest, and intergovernmental sources.

(RPTT) Real Property Transfer Tax: RPTT is levied when real property is sold, based on the sale price and the rate is $4.50 per thousand dollars, based on the full purchase price of residential, commercial, and industrial property transfers.

Salaries and Benefits: A budget category that accounts for salaries of employees, overtime, and employee benefits, such as retirement and medical premiums.

Sales Tax: Sales Tax is an excise tax imposed on retailers for the privilege of selling tangible personal property.

Special Revenue Fund: A fund used to account for revenue sources that are restricted by law or administrative action to expenditures for specified purposes. Examples of Hayward special revenue funds are the Small Business Economic Development Loan, Recycling, and Local Law Enforcement Block Grant funds.

Supplies and Services: An expenditure category used to account for all departmental expenses except for personnel, maintenance, utilities, and capital costs.

(TOT) Transient Occupancy Tax: A tax imposed on travelers who stay in temporary lodging facilities within the City.

Undesignated Fund Balance: Accounts used to record a portion of the fund balance not legally segregated for a specific use and, therefore available for appropriation.

Use Tax: Use Tax is an excise tax imposed on a person for the storage, use, or other consumption of tangible personal property purchased from any retailer.

(UUT) Utility Users Tax: The UUT may be imposed by a city on the consumption of utility services, including (but not limited to) electricity, gas, water, sewer, telephone (including cell phone and long distance), sanitation and cable television.

(VLF) Vehicle License Fee: The "true" VLF component is a tax on the ownership of a registered vehicle in place of taxing vehicles as personal property. The in-lieu tax is calculated based on individual vehicles' market value and depreciation rate.

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RESOLUTIONS

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-126

Introduced by Council Member Zermeño

RESOLUTION APPROVING THE OPERATING BUDGET OF THE CITY OF HAYWARD FOR FISCAL YEAR 2017; ADOPTING APPROPRIATIONS FOR FISCAL YEAR 2017, 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 2017 contained in those documents entitled "City of Hayward Proposed FY 2017 Operating Budget," with adjustments to the Proposed Budget as discussed at the June 21, 2016 Council Public Hearing and contained herein;

WHEREAS, two 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 2017 Operating Budget," with adjustments to the proposed budget as outlined in the June 21, 2016 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. 16-128. 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 2017 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	FY2017
Unassigned	$ 19,084
Total Designated Fund Balance	$ 19,084
Proposed Use of Fund Balance	-
Total Reserves & Designated	$ 19,084

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 $75,000 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 28, 2016

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 2017 Fund Transfers To/From

EXHIBIT A

General Fund Transfers In			
100-00-0000-00000-49100	217	Cost Allocation From Paratransit Measure B Fund	(48,784)
100-00-0000-00000-49100	231	Cost Allocation From Used Oil Fund	(1,159)
100-00-0000-00000-49100	232	Cost Allocation From Measure D Fund	(33,564)
100-00-0000-00000-49100	245	Cost Allocation From Housing Authority Fund	(3,541)
100-00-0000-00000-49100	246	Cost Allocation From Affordable Housing Fund	(13,056)
100-00-0000-00000-49100	605	Cost Allocation From Water Enterprise Fund	(1,141,469)
100-00-0000-00000-49100	606	Cost Allocation From Water Inter-tie Fund	(24,271)
100-00-0000-00000-49100	610	Cost Allocation From Sewer Enterprise Fund	(777,723)
100-00-0000-00000-49100	615	Cost Allocation From Stormwater Enterprise Fund	(126,875)
100-00-0000-00000-49100	620	Cost Allocation From Airport Enterprise Fund	(162,611)
100-00-0000-00000-49530	295	Transfer From So. Hwd B.A.R.T. JPA for Startup Repayment	(200,000)
100-00-0000-00000-49530	815	Transfer From Successor RDA Fund D/S Repayment	(800,000)
100-00-0000-00000-49535	210	Transfer From Gas Tax Fund	(227,000)
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	**(4,024,841)**
General Fund Transfers Out			
100-00-0000-00000-98100	102	Transfer to Economic Development Fund	350,000
100-00-0000-00000-98110	300	D/S ABAG 2001-02 (ABAG 33)	87,069
100-00-0000-00000-98110	300	D/S City Hall Debt Service	2,617,075
100-00-0000-00000-98110	300	Transfer D/S Fire Station #7	452,854
100-00-0000-00000-98110	300	Transfer D/S Firehouse Clinic	134,258
100-00-0000-00000-98110	300	Miscellaneous Transfer To Debt Service Fund	4,900
100-00-0000-00000-98110	605	Fire Station #7 Repayment to Water Fund	137,741
100-00-0000-00000-98110	736	D/S 15 Streetlight Conversion #05188	276,262
100-00-0000-00000-98115	405	Transfer To Capital Projects	279,000
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	980,000
100-00-0000-00000-98115	736	Transfer to Fleet Mgmt (Bldg Inspection Vehicle)	45,000
100-00-0000-00000-98200	710	Liability Insurance Allocation	2,888,740
		Transfers Out Total	**8,602,899**
Measure C Fund			
101-00-0000-00000-98110	301	D/S New Library & Education Center	2,730,688
101-00-0000-00000-98110	301	D/S New Library & Education Center Admin Fees	3,500
101-00-0000-00000-98200	710	Transfer Out to Liability Insurance	67,340
		Measure C Fund	**2,801,528**
Economic Development Fund			
102-00-0000-00000-49530	100	Transfer In From General Fund	(350,000)
		Economic Development Fund	**(350,000)**
Paratransit Fund			
217-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	48,784
217-00-0000-00000-98200	710	Transfer Out To Liability Insurance	10,101
		Paratransit Fund	**58,885**
Community Development Block Grant Fund (CDBG)			
225-00-0000-00000-98200	710	Transfer Out To Liability Insurance	13,468
		Community Development Block Grant Fund (CDBG)	**13,468**

FY 2017 Fund Transfers To/From

EXHIBIT A

Used Oil Fund			
231-00-0000-00000-98100	100	Transfer Out Cost Allocation to General Fund	1,159
		Used Oil Fund	**1,159**
Measure D Fund			
232-00-0000-00000-97100	100	Transfer Out Cost Allocation to General Fund	33,564
232-00-0000-00000-98200	710	Transfer Out Liability Insurance	10,101
		Measure D Fund	**43,665**
Housing Authority Fund			
245-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	3,541
		Housing Authority Fund	**3,541**
Affordable Housing Fund			
246-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	13,056
246-00-0000-00000-98200	710	Transfer Out To Liability Insurance	6,734
		Affordable Housing Fund	**19,790**
So. Hwd B.A.R.T. JPA Fund			
295-00-0000-00000-98100	100	Transfer to General Fund Startup Repayment	200,000
		So. Hwd B.A.R.T. JPA Fund	**200,000**
Certificates of Participation Fund			
300-00-0000-00000-49555	100	Transfer In D/S ABAG 2001-02 (ABAG 33)	(87,069)
300-00-0000-00000-49555	100	Transfer In D/S City Hall Debt Service	(2,617,075)
300-00-0000-00000-49555	100	Transfer In D/S Fire Station #7	(452,854)
300-00-0000-00000-49555	100	Transfer In D/S Firehouse Clinic	(134,258)
300-00-0000-00000-49555	100	Transfer In D/S 15 Streetlight Conversion #05188	(276,262)
300-00-0000-00000-49555	100	Transfer In Misc. Transfer From General Fund	(4,900)
		Certificates of Participation Fund	**(3,572,418)**
Measure C Debt Service Fund			
301-00-0000-00000-49555	101	D/S New Library & Education Center	(2,730,688)
301-00-0000-00000-49555	101	D/S New Library & Education Center Admin Fees	(3,500)
301-00-0000-00000-49555	406	Transfer From Measure C CIP Fund (Correct FY16 Transfer)	(6,600,000)
		Measure C Debt Service Fund	**(9,334,188)**
Water Maintenance & Operations Fund			
605-00-0000-00000-49555	100	Transfer In From General Fund Fire Station #7 Repayment	(137,741)
605-00-0000-00000-49555	604	Transfer In D/S 13 Water System	(267,852)
605-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	1,141,469
605-00-0000-00000-98200	710	Transfer Out To Liability Insurance	309,072
605-00-0000-00000-98115	603	Transfer Out Capital Reserves To Water	2,500,000
605-00-0000-00000-98115	603	Transfer Out Capital Reserves To Water (AMI Conversion)	2,000,000
		Water Maintenance & Operations Fund	**5,544,948**
Water Inter-Tie Fund			
606-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	24,271
		Water Inter-Tie Fund	**24,271**

FY 2017 Fund Transfers To/From

EXHIBIT A

Sewer Maintenance & Operations Fund			
610-00-0000-00000-49555	611	Transfer In D/S07 Sewer Rev Refund Bonds	(150,726)
610-00-0000-00000-49555	612	Transfer In D/S CEC Loan	(219,713)
610-00-0000-00000-49555	612	Transfer In D/S CA SWRCB Loan/Sewer	(1,363,750)
610-00-0000-00000-97100	100	Transfer Out Cost Allocation to General Fund	777,723
610-00-0000-00000-98115	611	Transfer Out Capital Reserves to Sewer Replacement	4,000,000
610-00-0000-00000-98200	711	Transfer Out To Liability Insurance	375,979
610-00-0000-00000-98115	612	Transfer Out Connect Fee Tran To Sewer Improvement Fund	4,500,000
		Sewer Maintenance & Operations Fund	**7,919,513**
Stormwater Maint. & Operations Fund			
615-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	126,875
615-00-0000-00000-98200	710	Transfer Out To Liability Insurance	33,674
		Stormwater Maint. & Operations Fund	**160,549**
Airport Operations Fund			
620-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	162,611
620-00-0000-00000-98200	710	Transfer Out To Liability Insurance	70,689
620-00-0000-00000-98115	621	Transfer Out Cap Reserves To Airport Capital	700,000
		Airport Operations Fund	**933,300**
Workers' Compensation Fund			
705-00-0000-00000-98200	710	Transfer Out To Liability Insurance	10,101
		Workers' Compensation Fund	**10,101**
Risk Management Fund			
710-00-0000-00000-49100	100	Transfer In Liability Insurance-General Fund	(2,888,740)
710-00-0000-00000-49100	101	Transfer In Liability Insurance-Measure C Fund	(67,340)
710-00-0000-00000-49100	217	Transfer In Liability Insurance-Meas B2 PRTRNST	(10,101)
710-00-0000-00000-49100	225	Transfer In Liability Insurance-Block Grant	(13,468)
710-00-0000-00000-49100	232	Transfer In Liability Insurance-Recycling	(10,101)
710-00-0000-00000-49100	246	Transfer In Liability Insurance-Housing Mortg	(6,734)
710-00-0000-00000-49100	605	Transfer In Liability Insurance-Water M & O	(309,072)
710-00-0000-00000-49100	610	Transfer In Liability Insurance-WWTP M & O	(375,979)
710-00-0000-00000-49100	615	Transfer In Liability Insurance-Stormwater	(33,674)
710-00-0000-00000-49100	620	Transfer In Liability Insurance-Airport	(70,689)
710-00-0000-00000-49100	705	Transfer In Liability Insurance-Workers Comp	(10,101)
710-00-0000-00000-49100	725	Transfer In Liability Insurance-Facilities FD	(34,639)
710-00-0000-00000-49100	730	Transfer In Liability Insurance-Tech Services FD	(78,996)
710-00-0000-00000-49100	735	Transfer In Liability Insurance-Equip Mgmt.	(50,520)
710-00-0000-00000-49100	815	Transfer In Liability Insurance-Successor RDA Fund	(39,846)
		Risk Management Fund	**(4,000,000)**
Facilities Management Fund			
725-00-0000-00000-98200	710	Transfer Out To Liability Insurance	34,639
725-00-0000-00000-98115	726	Transfer Out Capital Project Transfer Facilities Capital Fund	325,000
		Facilities Management Fund	**359,639**
Information Technology Fund			
730-00-0000-00000-98115	731	Transfer Out To IT Replacement Fund	614,719
730-00-0000-00000-98200	710	Transfer Out To Liability Insurance	78,996
		Information Technology Fund	**693,715**

FY 2017 Fund Transfers To/From

EXHIBIT A

Fleet Management Fund			
735-00-0000-00000-98200	710	Transfer Out To Liability Insurance	50,520
		Fleet Management Fund	**50,520**
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	100	Transfer Out To General Fund D/S Loan Repayment	800,000
815-00-0000-00000-98200	710	Transfer Out To Liability Insurance	39,846
		Successor Agency-RDA of COH	**839,846**

FY 2017 Fund Expenditure Appropriations - Operating Budget

EXHIBIT B

General Fund		
100		149,029,026
Measure C Fund		
101		5,819,259
Special Revenue Funds		
102	Economic Development Fund	350,000
214	Paratransit Fund - Measure BB	310,000
217	Paratransit Fund - Measure B	1,176,374
220	Home Loan Fund	292,379
220	Neighborhood Svcs-Promise Grant	122,993
223	CDBG-Housing Rehab Loan Fund	295,000
225	Community Development Block Grant Fund	1,402,417
230	Recycling Fund	5,797
231	Used Oil Fund	41,159
232	Recycling/Measure D Fund	570,293
245	Housing Authority	126,682
246	Affordable Housing Fund	297,243
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	6,438
267	LLD Zone 2	9,746
268	LLD Zone 3	110,592
269	LLD Zone 4	17,086
270	MD 1	33,778
271	MD 2	95,789
272	LLD Zone 5	7,427
273	LLD Zone 6	14,825
274	LLD Zone 7	127,478
275	LLD Zone 8	7,219
276	LLD Zone 9	3,492
277	LLD Zone 10	134,971
278	LLD Zone 12	36,341
279	LLD Zone 11	149,182
280	Downtown Bus Improvement	96,000
281	LLD Zone 13	190,148
295	So. Hayward B.A.R.T. JPA	838,325
	Special Revenue Fund Total	9,507,990
Enterprise Funds		
605	Water	47,655,871
606	Regional Intertie	134,271
610	Wastewater	26,021,326
615	Stormwater	2,818,800
620	Airport	3,386,433
	Enterprise Fund Total	80,016,701
Debt Service/Non-Departmental Funds		
300	Certificate of Participation	3,572,417
301	Measure C Debt Service	2,734,188
805/810	Special Assessment District	1,305,875
	Debt Service Fund Total	7,612,480

FY 2017 Fund Expenditure Appropriations - Operating Budget

EXHIBIT B

Internal Service Funds		
705	Worker's Compensation	6,575,911
710	Risk Management	3,624,612
720	Employee Benefits	3,227,574
725	Facilities	3,891,808
730	Information Technology	6,793,274
735	Fleet	4,277,658
	Internal Service Fund Total	28,390,837
Hayward Redevelopment Successor Agency (HRSA)		
815		5,206,475
Total Appropriation Authority		**285,582,768**

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-128

Introduced by Council Member Zermeño

RESOLUTION APPROVING AND APPROPRIATING THE COMMUNITY AGENCY FUNDING RECOMMENDATIONS FOR FISCAL YEAR 2017

BE IT RESOLVED that the City Council of the City of Hayward hereby approves and appropriates the Community Agency Funding recommendations for Fiscal Year 2017, as approved by City Council on April 19, 2016 and shown in Exhibit A, in a total amount not to exceed $1,328,815 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 28, 2016

ADOPTED BY THE FOLLOWING VOTE:

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

NOES: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: Jones

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:
_____
City Attorney of the City of Hayward

Comm Services Commission 3/16/16
Accepted for Recommendation to Council

COMMUNITY AGENCY FUNDING PROGRAM
COMMISSION RECOMMENDATIONS - FY 2017

SUMMARY		
CATEGORY		**AMOUNT***
Infrastructure and Economic Development grants	$	253,500
Social Services grants	$	450,000
Arts & Music grants	$	81,955
Total Grants to Community Agencies	$	785,455
CDBG - City operated programs	$	492,360
CDBG - HUD required fair housing activities	$	51,000
Total City-operated and HUD mandated programs	$	543,360
GRAND TOTAL	$	1,328,815

INFRASTRUCTURE AND ECONOMIC DEVELOPMENT CATEGORY GRANTS

Agency	Program Description		FY17 Recommendation
Community Child Care Council (4-Cs)	Childcare Provider Training	$	27,625
Downtown Streets, Inc.	Hayward Downtown Streets Team	$	90,000
Rising Sun Energy Center	Green Energy Training Services	$	45,000
Eden Area YMCA	Eden Area YMCA	$	15,000
Family Emergency Shelter Coalition (FESCO)	Shelter Services	$	20,875
Hayward Area Recreation and Park District	ADA Restroom Memorial Park	$	15,000
St. Rose Hospital Foundation	Emergency Department ADA Compliance Project	$	40,000
	TOTAL	$	253,500
	Estimated Available	$	253,500

SOCIAL SERVICES CATEGORY GRANTS

Agency	Program Description		FY17 Recommendation
Abode Services	AC Impact	$	30,000
*BOSS: Building Opps. For Self-Sufficiency (via ACCFB)	Alameda County Community Food Bank - line of credit	$	11,247
Bridge of Faith (via ACCFB)	Alameda County Community Food Bank - line of credit	$	5,688
CALICO	Hayward Child Abuse Intervention	$	20,000
Centro Legal de la Raza	Legal Services for Tenants, Refugee Children, Migrant Families	$	26,000
Community Initiatives - Day Labor Center	Job Referral and Education	$	27,000
EBAC: East Bay Agency for Children	Child Assault Prevention Program (CAP)	$	18,500
Eden I&R, Inc.	2-1-1 Communication System	$	40,000
Family Violence Law Center	Family Violence and Homelessness Prevention Project	$	40,000
FESCO: Family Emergency Shelter Coalition	Les Marquis House - Shelter Services	$	40,000
Horizon Services, Inc.	Lambda Project	$	30,000
International Institute of the Bay Area	Legal Services for Immigrants	$	10,000
Legal Assistance for Seniors	Legal Services & Education to Hayward Seniors	$	20,000
*Magnolia's Women's Recovery (via ACCFB)	Alameda County Community Food Bank - line of credit	$	1,577
Ruby's Place	Shelter Services	$	40,000
*Salvation Army-Hayward (via ACCFB)	Alameda County Community Food Bank - line of credit	$	1,188
SAVE/ COPS	SAVE/COPS	$	15,000
South Hayward Parish	South Hayward Parish Food Pantry	$	15,000
*South Hayward Parish (via ACCFB)	Alameda County Community Food Bank - line of credit	$	18,763
Spectrum Community Services	Meal Program for Seniors	$	21,000
St. Rose Hospital Foundation	FACES for the Future	$	17,500
*United Smith (via ACCFB)	Alameda County Community Food Bank - line of credit	$	1,617
	TOTAL	$	450,000
	Estimated Available	$	450,000

* Agencies are represented by a fiscal administrator

Comm Services Commission 3/16/16
Accepted for Recommendation to Council

COMMUNITY AGENCY FUNDING PROGRAM
COMMISSION RECOMMENDATIONS - FY 2017

ARTS & MUSIC CATEGORY GRANTS

Agency	Program: Description		FY17 Recommendation
*Hayward Arts Council (via HAHS)	Art education and gallery operations	$	18,134
*Hayward Band & Orchestra Festival (via HAHS)	Student concerts	$	8,140
*Hayward Municipal Band (via HAHS)	Summer concerts	$	16,165
*Pacific Chamber Symphony (via HAHS)	Orchestral music school assemblies	$	5,693
*Sun Gallery (via HAHS)	Art education and workshops	$	30,195
*Youth Orchestra of So. Alameda Co. (via HAHS)	Orchestra workshops and concerts	$	3,628
	TOTAL	$	81,955
	Estimated Available	$	81,955

CDBG - CITY OPERATED SERVICES AND HUD-MANDATED FAIR HOUSING

Program	Description		FY17 Cost
Housing Rehabilitation Program	Accessibility/health/safety repairs for low-income homeowners	$	344,496
Family Educ. Program (incl. Data Collection/Analysis subaward J.Bromstead $59,895)	Literacy/academic support for low-income Hayward families	$	147,864
Eden Council for Hope and Opportunity (ECHO)	Fair housing audit, tenant/landlord counseling	$	51,000
	TOTAL	$	543,360

* Agencies are represented by a fiscal administrator

REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY OF HAYWARD

RESOLUTION NO. RSA 16-03

Introduced by Agency Member Zermeño

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 2017

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 2017; 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 2017.

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 2017
Revenue	
Property Tax (Tax Increment)	5,409,245
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	**6,058,155**
Operating Expenses	
Salary & Benefits	144,105
Supplies & Services	205,736
Maintenance & Utilities	7,600
Total Operating Expenses	357,441
HRSA Debt Service & Transfers Out	
HRSA Debt Service, 2004 TABS	3,371,182
HRSA Debt Service, 2006 TABS	638,006
HRSA Debt Service, General Fund Repayment	800,000
Liability Insurance Premium	39,846
Total Debt Service & Transfers Out	4,849,034
Total Expenditures	**5,206,475**

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 $75,000 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.

HAYWARD, CALIFORNIA June 28, 2016

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 16-01

Introduced by Commissioner Zermeño

RESOLUTION CONFIRMING THE PROPOSED HAYWARD HOUSING AUTHORITY BUDGET FOR FISCAL YEAR 2017

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 2017 contained in those documents entitled "Proposed FY 2017 Operating Budget;" and

WHEREAS, a public hearing was held by the Housing Authority Board of Directors, on June 21, 2016, 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 FY2017 presented by the Executive Director in the document entitled Proposed FY 2017 Operating Budget is hereby accepted and confirmed as the budget of the Hayward Housing Authority for FY 2017. 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 $75,000 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.

IN COUNCIL, HAYWARD, CALIFORNIA June 28, 2016

ADOPTED BY THE FOLLOWING VOTE:

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

NOES: COMMISSION MEMBERS: None

ABSTAIN: COMMISSION MEMBERS: None

ABSENT: COMMISSION MEMBERS: None

ATTEST: _____
Secretary of the Housing Authority
City of Hayward

APPROVED AS TO FORM:

_____
General Counsel of the Housing Authority
of the City of Hayward

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-127

Introduced by Council Member Zermeño

RESOLUTION APPROVING CAPITAL
IMPROVEMENT PROJECTS FOR FISCAL YEAR 2017

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 2017 contained in the document entitled "Recommended Capital Improvement Program FY 2017-26"; 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. 16-126, dated June 28, 2016, 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 2017, as embodied in Recommended Capital Improvement Program FY 2017-26, are hereby adopted as the Capital Improvement Program for Fiscal Year 2017. 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

Capital Projects Expenditure Appropriations

Fund	Amount
Gas Tax Fund (210)	2,388,000
Measure BB Tax Fund (Local Transportation) (212)	10,705,000
Measure BB Tax Fund (Local Transportation) (213)	410,000
Measure B Tax Fund (Local Transportation) (215)	2,465,000
Measure B Tax Fund (Pedestrian & Bicycle) (216)	555,000
Vehicle Registration Fee Fund (218)	825,000
Capital Projects (Governmental) Fund (405)	1,755,000
Measure C Fund (406)	71,080,000
Route 238 Corridor Improvement Fund (410)	15,960,000
Street System Improvements Fund (450)	4,130,000
Transportation System Improvement Fund (460)	525,000
Water Replacement Fund (603)	5,640,000
Water Improvement Fund (604)	10,344,000
Sewer Replacement Fund (611)	27,766,000
Sewer Improvement Fund (612)	30,329,000
Airport Capital Fund (621)	4,543,000
Facilities Capital Fund (726)	435,000
Information Technology Capital Fund (731)	1,546,000
Fleet Management Capital Fund (736)	2,574,000
Fleet Management Enterprise (737)	813,000
TOTAL: ALL CAPITAL FUNDS	**194,788,000**

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

Fund Transfers

FROM FUND	TO FUND	AMOUNT
General (100)	Capital Projects (Governmental) (405)	279,000
General (100)	Transportation System Improvement (460)	350,000
General (100)	Information Technology Capital (731)	980,000
General (100)	Fleet Management Capital (736)	2,178,373
General (100)	Fleet Management Capital (736)	45,000
Gas Tax (210)	General (100)	227,000
Gas Tax (210)	Street System Improvements (450)	360,000
Measure C CIP (406)	Measure C Debt Service (301)	6,600,000
Route 238 (410)	Street System Improvements (450)	400,000
Water Improvement (604)	Water Replacement (603)	500,000
Water Improvement (604)	Water Operations (605)	267,852
Water Improvement (604)	Sewer Improvement (612)	385,000
Water Operations (605)	Water Replacement (603)	2,500,000
Water Operations (605)	Water Replacement (603)	2,000,000
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)	Fleet Management Enterprise (737)	215,418
Sewer Replacement (611)	Sewer Operations (610)	150,726
Sewer Replacement (611)	Sewer Improvement (612)	270,000
Sewer Improvement (612)	Sewer Operations (610)	1,363,750
Stormwater Operations (615)	Fleet Management Enterprise (737)	84,650
Airport Operations (620)	Airport Capital (621)	700,000
Airport Operations (620)	Fleet Management Enterprise (737)	71,433
Facilities Operations (725)	Facilities Capital (726)	325,000
Facilities Operations (725)	Fleet Management Capital (736)	16,391
Information Technology Operations (730)	Information Technology Capital (731)	614,719
Information Technology Operations (730)	Fleet Management Capital (736)	5,238

In order to provide for completion of work on projects previously authorized but not completed as of June 30, 2016, in addition to the above appropriations for capital expenditures, appropriation balances remaining as of June 30, 2016, for capital projects previously authorized but uncompleted, are hereby appropriated for expenditure in fiscal year 2017.

6. Any monies received during fiscal year 2017 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 2017, as contained in the document entitled " Recommended Capital Improvement Program FY 2017-26," is hereby approved.

9. Any contract for professional services included in the annual budget that will cost more than $75,000 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 28, 2016

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

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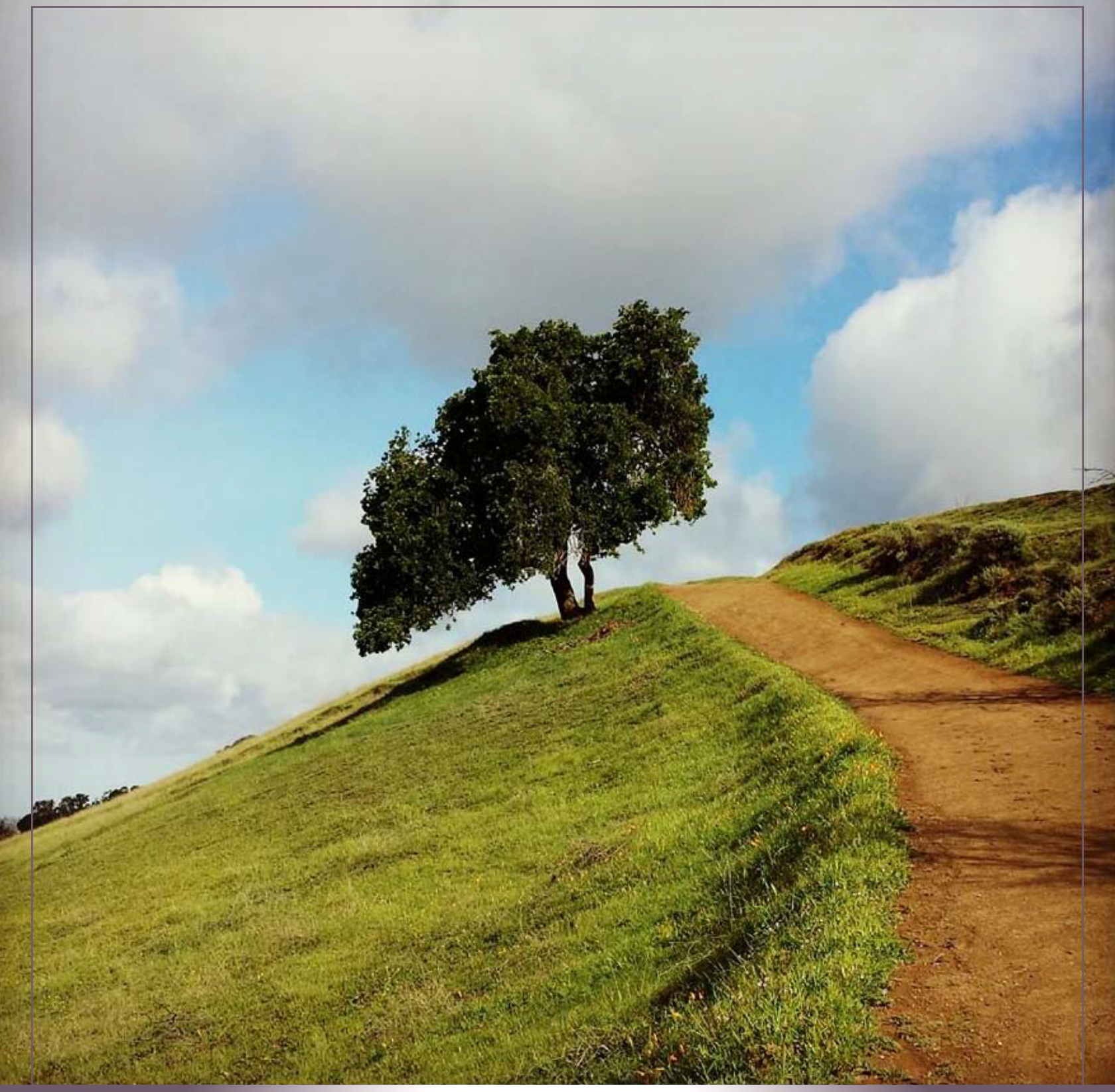

HAYWARD

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