HAYWARD

FISCAL YEAR 2018
ADOPTED BUDGET





FRONT COVER

The 21st Century Library is the most environmentally sustainable public building ever to begin construction in Hayward. The 21st Century Library is a three-story, 58,000 square foot, urban public library facility designed to serve the Hayward community for the next 100 years. Constructed of steel, concrete, glass and terracotta, the new library and adjacent parking garage will be fitted with rooftop solar panels that will offset 100% of the energy consumed by the new library as well as the parking garage. When completed, Hayward's new library will be among the largest "Zero Net Energy" public buildings in the nation.

The project also includes an innovative rainwater catchment and recycling system that will save and recycle 400,000 gallons of rainwater per year. The water will be filtered and treated then used to flush toilets in the new library and irrigate landscaping in Heritage Plaza. After construction of the new library is complete in late 2017, the deteriorating old library building will be torn down to make way for installation of an underground rainwater reservoir as well as the complete restoration of Heritage Plaza.

HAYWARD



ADOPTED FY 2018 OPERATING BUDGET

Director of Finance: Dustin Claussen

Prepared by Department of Finance

THIS PAGE INTENTIONALLY LEFT BLANK

ELECTED OFFICIALS

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



Barbara Halliday
Mayor
Term Expires 2018



Sara Lamnin
Council Member
Term Expires 2018



Elisa Márquez
Council Member
Term Expires 2020



Al Mendall
Council Member
Term Expires 2020



Marvin Peixoto
Council Member
Term Expires 2018

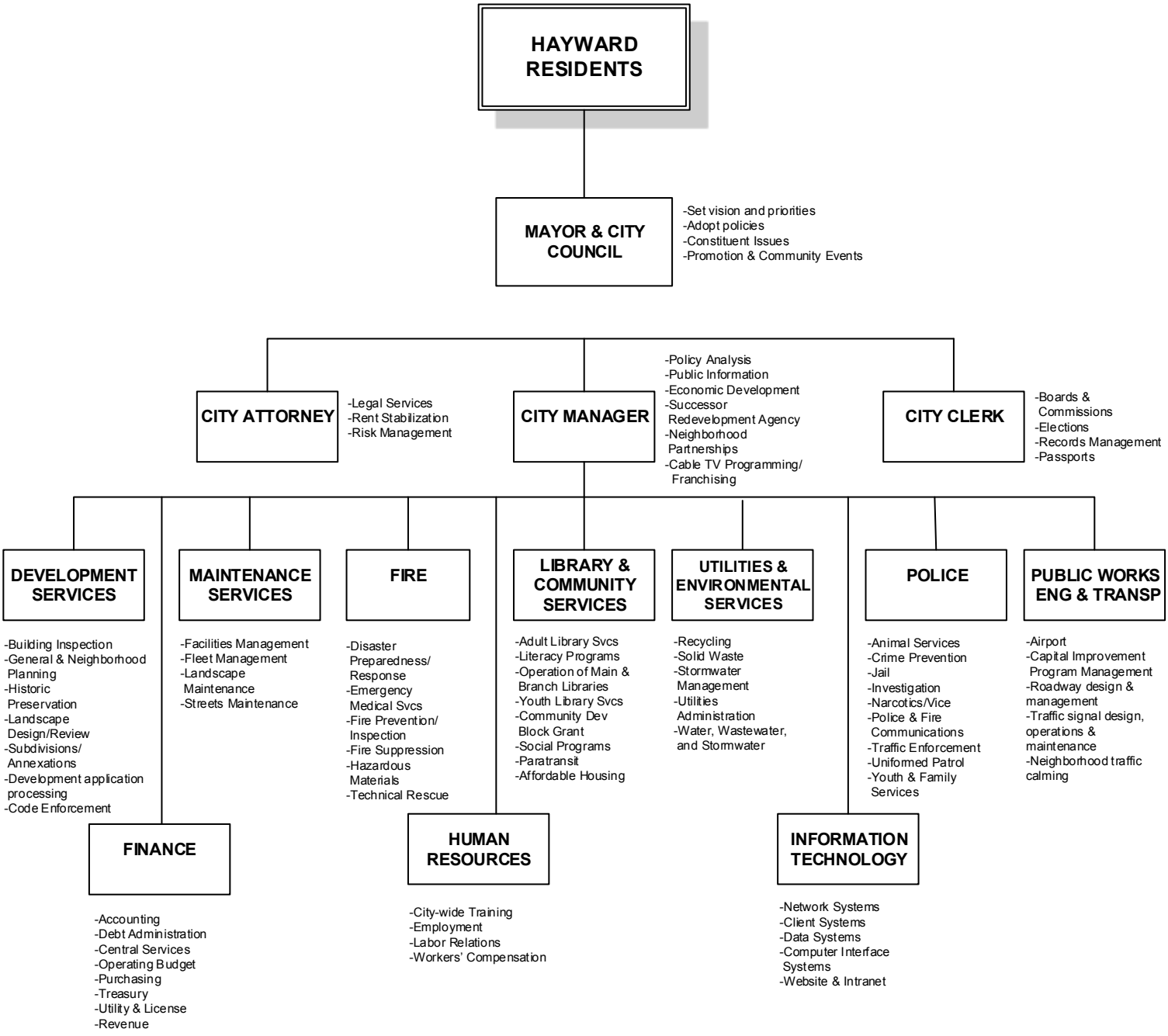


Mark Salinas
Council Member
Term Expires 2020



Francisco Zermeño
Council Member
Term Expires 2020

CITYWIDE ORGANIZATION



ADMINISTRATIVE STAFF

Appointed by City Council

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

Department Directors

Assistant City Manager	Maria Hurtado
Development Services	David Rizk
Finance	Dustin Claussen
Fire	Chief Garrett Contreras
Human Resources	Nina Morris Collins
Information Technology	Adam Kostrzak
Library & Community Services	Sean Reinhart
Maintenance Services	Todd Rullman
Police	Chief Mark Koller
Public Works - Engineering & Transportation	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, 2016. 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.

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

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

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



DEMOGRAPHICS



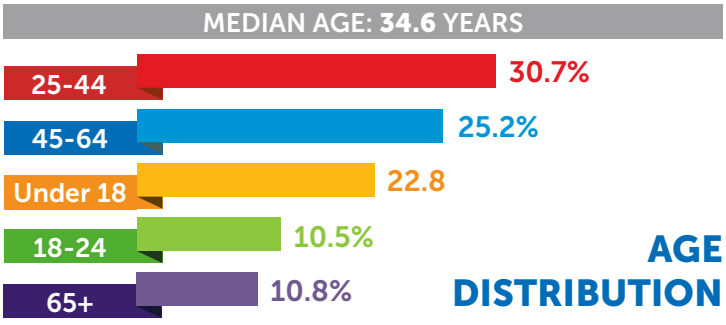
With a median age of just 34.6 years, the City of Hayward is younger than the United States as a whole by 3.9 years.





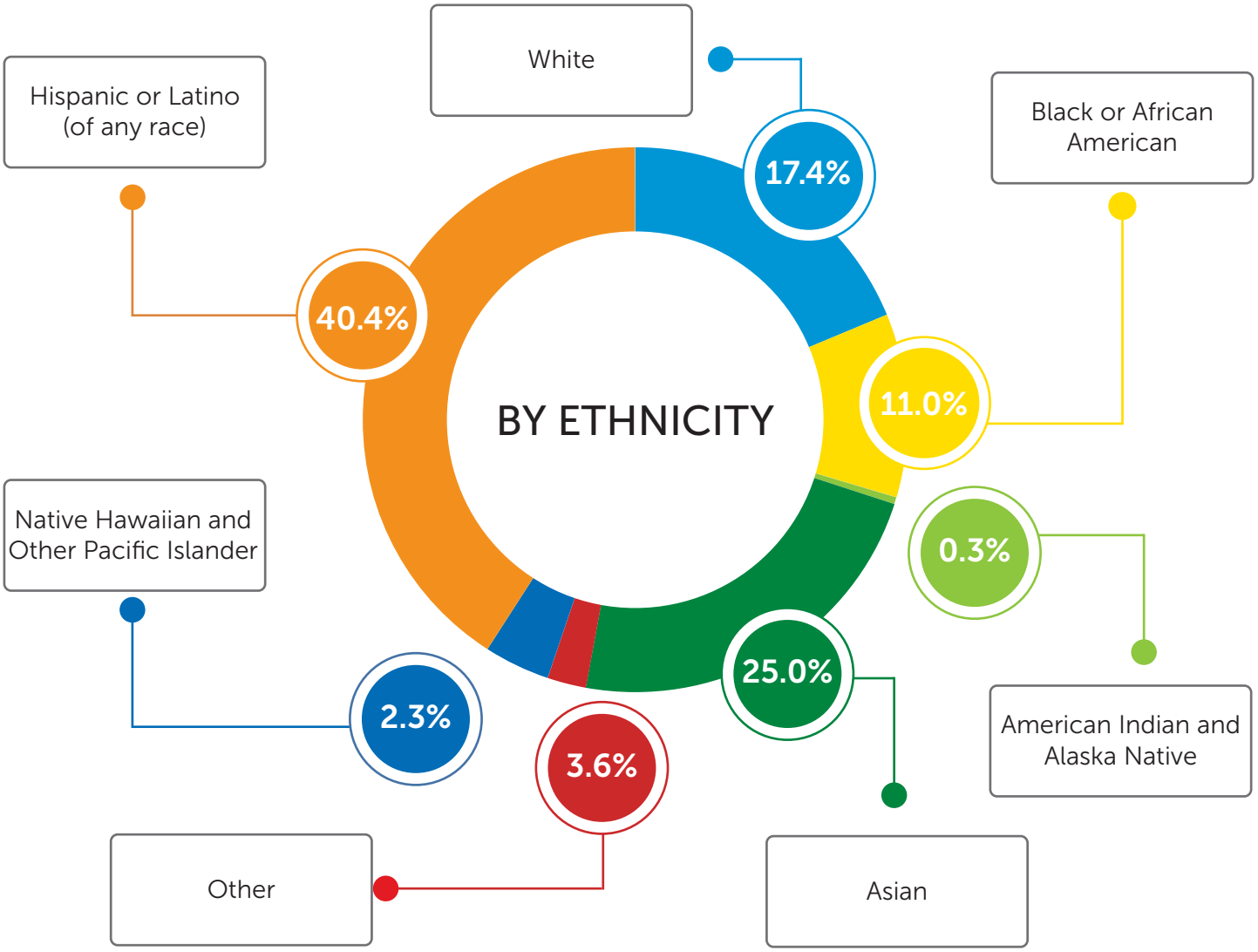
MALE 47.9%

FEMALE 52.1%



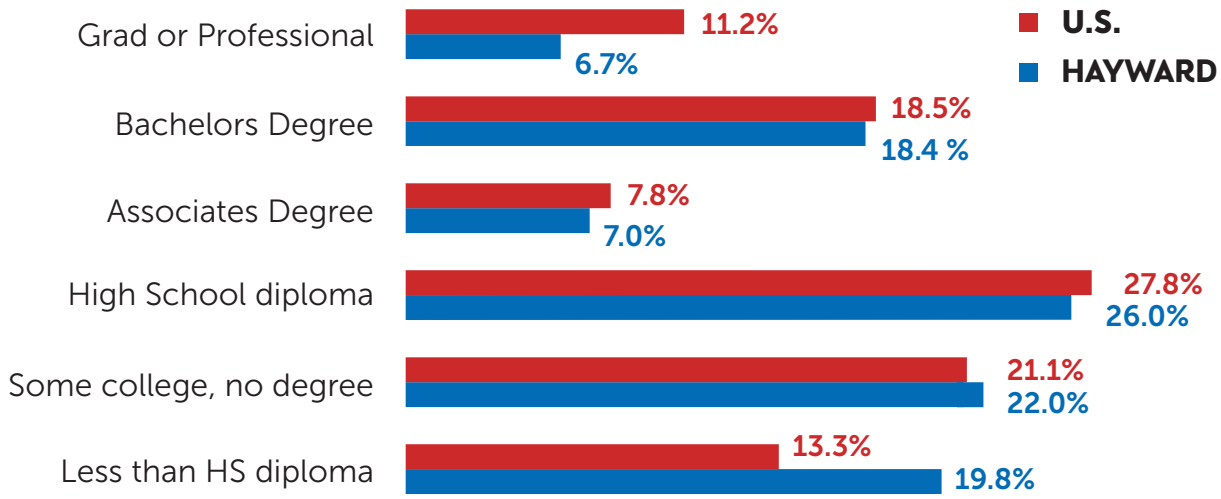
Demographic statistics source: 2011-2015 American Community Survey 5-year estimates.

COMMUNITY PROFILE



EDUCATION

EDUCATIONAL ATTAINMENT OF POPULATION OVER 25 YEARS OLD



COMMUNITY PROFILE

A CITY THAT EDUCATES: SCHOOLS IN HAYWARD



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

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

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

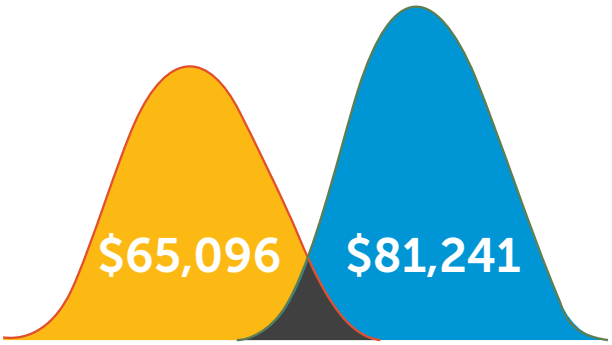
EMPLOYMENT, ECONOMY & HOUSING

TOP HAYWARD EMPLOYERS

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

MEDIAN HOUSEHOLD INCOME

AVERAGE HOUSEHOLD INCOME



Source: 2011-2015 American Community Survey 5-year estimates.

$630,000

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



$497,373

Median sale price of new and existing condominiums in Hayward.

Source: Bay East Association of Realtors (March 2017)

COMMUNITY ENGAGEMENT

67,267
Registered Hayward voters
(Alameda Co. Registrar of Voters)

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

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

45 Home Owners Associations & neighborhood interest groups.



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

COMMUNITY PROFILE

OTHER HAYWARD AREA AMENITIES

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

JAPANESE GARDENS

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

HISTORICAL NOTES & TRIVIA

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

The numbers reflected are mainly based on 2014 estimates by the Nielsen Company. When such estimates were not available, the data used is from Infogroup, Inc (2013), Bay East Association of Realtors (2015) the US Census Bureau (2010) and the American Community Survey (5 years estimates from 2011-2015). 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 FY2018



CITY COUNCIL STRATEGIC INITIATIVE 2017- 2019

Complete Communities

PURPOSE

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






GOAL 1

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

OBJECTIVES

⇒ Increase neighborhood safety & cohesion

⇒ Foster a sense of place & support neighborhood pride

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

⇒ Create resilient & sustainable neighborhoods

⇒ Actively value diversity & promote inclusive activities

PERFORMANCE MEASURES

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

GOAL 2

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

OBJECTIVES

⇒ Centralize and expand housing services

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

⇒ Conserve & improve the existing housing stock

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

PERFORMANCE MEASURES

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

GOAL 3

Develop a Regulatory Toolkit for Policy Makers.

OBJECTIVES

⇒ Update, streamline, and modernize zoning & codes

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

⇒ Develop and refine other regulatory tools

PERFORMANCE MEASURES

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

CITY COUNCIL STRATEGIC INITIATIVE 2017- 2019

Complete Streets

PURPOSE

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







GOAL 1

Prioritize safety for all modes of travel

OBJECTIVES

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

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

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

PERFORMANCE MEASURES

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

GOAL 2

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

OBJECTIVES

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

PERFORMANCE MEASURES

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

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

GOAL 3

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

OBJECTIVES

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

⇒ Establish a maintenance plan for complete streets projects

PERFORMANCE MEASURES

- Percentage of funding provided by grants

CITY COUNCIL STRATEGIC INITIATIVE 2017- 2019

Tennyson Corridor

PURPOSE

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



GOAL 1

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

OBJECTIVES

- ⇒ Work to understand community needs & desires for the Corridor
- ⇒ Identify funding options for future Corridor planning, improvements & infrastructure
- ⇒ Lead development & construction of South Hayward Family Center

PERFORMANCE MEASURES

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

GOAL 2

Increase Pedestrian and Cyclist Safety

OBJECTIVES

- ⇒ Enhance bike & pedestrian ways
- ⇒ Increase bicycle safety education
- ⇒ Collaborate with community members to improve public safety
- ⇒ Improve safety through Increased lighting

PERFORMANCE MEASURES

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

GOAL 3

Improve Community Appearance

OBJECTIVES

- ⇒ Update, streamline, & modernize zoning & codes
- ⇒ Identify & design appropriate in-lieu fees to provide community amenities
- ⇒ Develop & refine other regulatory tools

PERFORMANCE MEASURES

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

GOAL 4

Foster a Cohesive Sense of Place

OBJECTIVES

- ⇒ Identify possible locations & a cohesive theme for public art along the Corridor
- ⇒ Increase City sponsored events & projects in the Tennyson Community
- ⇒ Explore using branding and signage to identify Corridor
- ⇒ Explore innovative placemaking opportunities

PERFORMANCE MEASURES

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

GOAL 5

Increase Community Resiliency

OBJECTIVES

- ⇒ Increase awareness of & access to City services
- ⇒ Increase # of residents with medical & dental service access
- ⇒ Increase resident emergency preparedness
- ⇒ Increase access to effective public transit
- ⇒ Facilitate economic development & Growth within Corridor
- ⇒ Reduce resident utility bills

PERFORMANCE MEASURES

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

TABLE OF CONTENTS

Table of Contents
- Budget Guide 1
- Budget Process & Calendar 2

Budget Message & Overview 4

Financial Summaries 20

General Fund 26

Enterprise & Other Revenue Funds 46

Staffing Summary 62

Departments
- Mayor & City Council 78
- City Attorney 82
- City Clerk 90
- City Manager 100
- Development Services 126
- Finance 148
- Fire 164
- Human Resources 178
- Information Technology 190
- Library & Community Services 200
- Maintenance Services 226
- Police 254
- Public Works-Engineering & Transportation 284
- Utilities & Environmental Services 300

Non-departmental Debt Service 318

Capital Improvement Program 332

Supplemental
- Resolutions 350
- Financial Policies 372
- Budget Practices 382
- Glossary & Acronyms 386

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 FY18-27 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 2018 Budget Development Calendar

Key Dates	Actions
February 2017	
9	Operating budget development instructions issued to departments
22	Council Budget & Finance Committee review FY 2017 mid-year and General Fund Ten-Year
24	Executive Team review of General Fund Ten-Year Plan
March 2017	
Early March	Public Budget Engagement Workshop
1	FY 2018 Baseline budget established
13	Department budget submittals due to Finance
14	City Council FY 2017 Mid-year review & Ten-Year Plan update
16-23	Budget meetings with City Manager, Departments & Finance
April 2017	
4	City Council Work Session - Community Agency Funding
18	City Council to adopt FY 2018 Master Fee Schedule
18	Public Hearing - Community Agency Funding: CDBG, Social Services, and Arts/Music
May 2017	
9	City Council - presentation of the Proposed Operating & CIP Budgets
20	City Council Budget Work Session #1 (Saturday)
23	City Council Worksession FY 2018-2027 Ten-Year Capital Improvement Program Budget
June 2017	
13	City Council Budget Work Session #2
20	City Council Public Hearing-operating and capital budgets
20	City Council to adopt FY 2018 GANN Appropriations Limit
27	City Council adopt operating and capital budgets

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF
HAYWARD
HEART OF THE BAY

July 2017

Honorable Mayor and Members of the City Council:

Like most cities throughout the nation, Hayward has been forced to deal with the lingering impacts of the Great Recession that started in December 2007 and lasted until June 2009. Nevertheless, due to prudent and difficult policy decisions, continued support from the City's dedicated employees and the Hayward community, and assistance from a recovering economy, the City of Hayward has continued to provide quality services and has worked to invest in its future.

While the City has taken significant steps towards attaining fiscal sustainability over the last five years, much work remains and we continue to struggle with a structural budget gap driven by increasing costs of operations, primarily relating to the rising costs of labor. This budget is largely a status quo fiscal plan with limited growth in necessary areas and is "balanced" with the assumed use of $2.4 million of the General Fund Reserve. Nevertheless, the structural gap continues to grow in future years absent additional cost cutting measures and expanded or increased sources of revenue. As such, the City is collaborating with a consulting firm, Management Partners, to develop an enhanced and refined forecasting model that will allow for the quick modification of key cost and revenue drivers and the testing of measures to achieve fiscal sustainability. This model is expected to be completed in the next few months and we anticipate that it will continue to show an increasing structural deficit. Additionally, Management Partners will prepare a report that includes an analysis and recommendations of measures the Council can consider to reduce or eliminate the General Fund structural deficit over the coming fiscal years. This report will present various combinations of recommended strategies that will include revenue-generation, expenditure control shifts, service delivery model options, and if necessary, service reduction, and ways to do so that will be the least impactful to the Hayward community. Deliberation of these various options and discussion of a strategy to eliminate the General Fund structural deficit will be the focus of the upcoming Council retreat in the fall of 2017. Because this is an ongoing effort, I did not ask departments to reduce service levels to balance the FY 2018 budget.

Achieving progress during the Great Recession and the subsequent period of slow recovery is a testament to the hard work and dedication of all City employees and the City Council. Hayward continues to see positive economic improvement in many of its key General Fund revenues, such as Property Tax and Sales Tax, but we continue to experience an astronomical rise in employee benefit costs, particularly pension and post employment healthcare costs. The recent phased in lowering of the CalPERS discount rate to 7% and modification to their mortality and investment risk assumptions only exacerbate the already steep growth in retirement benefit rates for cities. Unfortunately, CalPERS is likely not done with these types of changes that will make it harder for cities, including Hayward, to fund ongoing operations and services to the communities we serve.

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

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

A continuing challenge to balance…

While the FY 2018 General Fund budget is balanced with the reluctant use of General Fund Reserve, achieving even this delicate balance is the result of some difficult choices faced by Council and employees alike. For example, while the City is committed to paying down its unfunded liabilities, the FY 2018 adopted budget includes funding the pay as you go portion of $2.9 million and an additional $1.0 million towards the annually required contribution (ARC) amount for retiree healthcare (OPEB) contributions totaling $3.9 million in FY 2018. Additionally, while the budget does not contain expenditure reductions, it maintains current service levels and includes very limited growth in necessary areas such as minimal staffing increases. Given these facts, the City is still struggling to meet the rising costs of doing business and the adopted budget requires a use of $2.4 million in General Fund Reserves.

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

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

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

While the Great Recession severely impacted cities throughout the nation, the State and more specifically the East Bay have seen healthy economic growth over the past year. The nation as a whole has added 200,000 jobs per month since early 2010 and California job growth leads the nation. California added 19,300 jobs in March 2017; 2.1% greater than the year prior. State unemployment is down to 4.9% and the economy is being driven by increases in construction, healthcare, and consumer spending. East Bay unemployment was 4.1% as of January 2017 and continues to remain lower than the State average. Further helping local revenues is a 3.5% surge in consumer spending over the 2016 calendar year.

Nevertheless, despite these encouraging signs, the economy is on the 8th year of its recovery and seems due for a correction based on normal economic cycles. While no economist can definitively predict the next recession, many are forecasting a slowdown around FY 2019; albeit forecasters predict one much less severe than the Great Recession. Additionally, the new Trump administration produces much uncertainty and anxiety for California as its policies are often diametrically opposed to the core values and beliefs the State prides itself on. Of particular concern is the proposed restriction against or "clawback" of grant funding for cities

that adopt sanctuary city status as it relates to cooperation with Federal immigration officials. While the ability of the Federal government to take this action will likely not stand up on legal grounds, it nevertheless presents cities, like Hayward, that value diversity and inclusion, with many challenges and concerns. In reality though, no one truly knows what the current administration will actually do, not even the President's own political party; this poses the greatest anxiety of all. Thus, the City of Hayward needs to prepare itself for the possibility of and further work towards measures that will achieve long-term fiscal sustainability and to prepare to react and respond to actions coming out of Washington.

The City of Hayward has long prided itself on being a lean, efficient, and nimble organization, making the most of the resources entrusted to us. The previous recession forced the organization to make hard choices about which services were provided to the community, and how best to provide them. In addition, our employees were a key element in our financial survival during the Great Recession as they provided significant additional benefit cost sharing with the City. Through it all, the organization has continued to do more with less, based on a strong ethic of commitment to the community we serve; and to do it with creative energy and an innovative approach.

While the proposed budget reflects the presumed spending plan for FY 2018 in keeping with City Council priorities, there are many unfunded needs not represented in this budget that will impact future funding levels – including critical staffing, capital infrastructure, and technology. The budget does however work towards achieving the goals set forth by the Complete Communities, Complete Streets, and Tennyson Corridor initiatives discussed with Council this spring. The City continues to work towards a Safe, Clean, Green, and Thriving community and these initiatives will help to ensure that Hayward is not only a fun place to live, work, and play, but also a place that is convenient and accessible to all.

Balancing the budget and staffing resources to meet service demands…
Staffing resources in the General Fund are at 654.5 positions, down from a high in FY 2003 of 773 General Fund positions. Total citywide staffing (inclusive of all operating funds) hit a high of 937 in FY 2003; in FY 2018 880.8 positions were approved. This loss of resources did not translate to a reduction in service demands. In fact, the City has enhanced and improved its quality services over the years and is now at a breaking point – particularly as service demands continue to increase. As might be expected, we are a victim of our own success: the more we do, the more that is expected from us. This is a problem we embrace and to which we proudly respond. Even with this positive attitude and deep commitment, we are reaching the breaking point and risk burning out employees.

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

The quest towards long-term fiscal sustainability...
For the past several years, we have worked towards moving away from the use of the reserves to balance the budget; and yet, the adopted budget includes the use of some General Fund Reserve. We continue to make remarkable progress in our elusive quest for fiscal sustainability, but as previously stated, work remains. Thus, we will be working with Management Partners to not only create an enhanced and refined financial model, but will also be collaborating with them and all departments to identify operational efficiencies which can be implemented. As strategies are developed and refined, they will be discussed with Council so as to ensure alignment with goals and priorities. While difficult decisions may be necessary, the General Fund Ten-Year

Plan clearly demonstrates that we cannot continue to balance the budget with the use of Reserves. At our current pace, projections show the City depleting its reserves by FY 2020.

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

In this struggle to resolve our structural deficit and meet the demands of the future, I want to recognize and be thankful for the leadership and courage of our Mayor and Council. The decisions you have had to make over the last eight or more years have been extremely difficult, and you met them each with honesty, fairness, and a keen sense of your responsibilities to both the organization and its employees and the community you represent. It is largely through the partnership with our elected officials, our executives and unrepresented employees, and our multiple bargaining groups that the City is able to close the annual operating deficit even to the delicate degree reflected in this budget.

I look to a bright future for all of us as we make more progress toward fiscal stability in FY 2018, as well as continuing to improve the quality of services we deliver to Hayward residents and businesses. We must always be mindful of the future and the long-term consequences of our actions today, but we will work towards solutions that have meaningful impact together. Hayward is a wonderful community that understands and truly honors the value of diversity in every facet of life. Our municipal organization is committed to the value of being a “family” despite our immediate differences; one that has shown its grit and mettle over the tough years; and one that looks to the future with maturity, strength, and a strong commitment to service. Thank you for the honor and the privilege of being your City Manager and leading such an organization in service to our community.

Sincerely,



Kelly McAdoo
City Manager
ICMA-CM

Attachment: FY 2018 Budget Overview

CITYWIDE BUDGET OVERVIEW

CITYWIDE FINANCIALS

The City operating budget is comprised of a number of different funding sources.[1] The General Fund is the largest single fund and represents the revenue for which the City Council has the most discretion. The total adopted City expenditure budget for the FY 2018 is $287.5 million, with a General Fund budget of $151.5 million.

Table 1: City Expenditure Budget Summary – All Funds

Expenditures *in 1,000's*	**FY 2016 Adopted**	**FY 2017 Adopted**	**FY 2018 Adopted**	**$ Change**	**% Change**
General Fund	140,422	149,029	151,562	2,533	1.7%
All Other Funds	112,528	130,306	135,938	5,632	4.3%
Total City Budget	**252,950**	**279,335**	**287,500**	8,165	2.9%

The FY 2018 adopted budget reflects limited General Fund expenditure growth over the FY 2017 adopted budget of 1.7% and an increase to All Other Funds of 4.3% primarily due to reduced vacancies, expenses related to the opening of the City's 21st Century Library and Community Learning Center and transfers related to the funding of critical capital needs. Total overall growth is projected at 2.9% for all funds combined.

CITYWIDE STAFFING

The FY 2018 adopted budget reflects a limited number of staffing changes over what was approved at the time of adoption of the FY 2017 Budget resulting in a net increase of 3.3 Full Time Equivalents (FTE) to the General Fund and 2.7 FTE additions to other revenue funds. Staffing changes result in a 0.7% increase in overall labor resources. The FY 2018 increase in staffing levels to the General Fund include the approval of a Librarian I (1.0 FTE) and Hazmat Inspector (1.0 FTE). The remaining 1.3 FTE positions were added during the FY 2017 mid-year.

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 2016**	**FY 2017**	**FY 2018 Adopted**	**# Change**	**% Change**
General Fund	772.8	646.7	651.2	654.5	3.3	0.5%
All Other Funds	164.0	217.5	223.6	226.3	2.7	1.2%
Total City Positions	936.8	864.2	874.8	880.8	6.0	0.7%

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

CITYWIDE BUDGET OVERVIEW

GENERAL FUND DISCUSSION

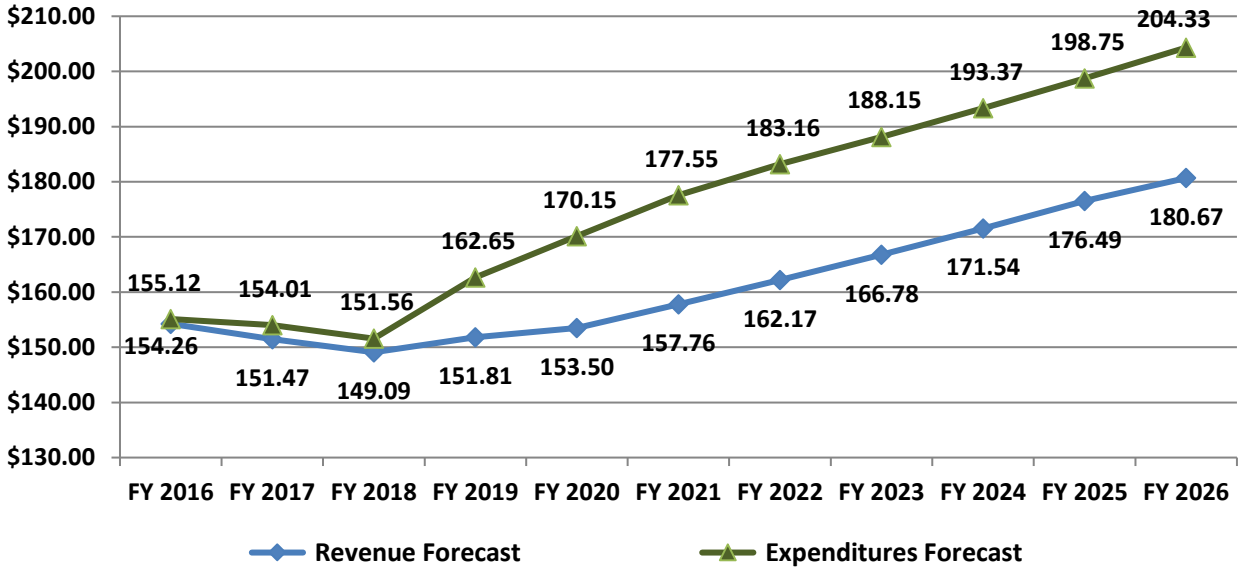
The General Fund represents over fifty percent of the City's total operating costs, and provides many important services such as police and fire services, street maintenance, code enforcement, library and learning services, and other community programs for the residents of Hayward.

The economic crisis that began in 2008 hit the General Fund the hardest of all of the City's funds. In 2011, the General Fund deficit was forecast 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. All groups achieved between 12%–17% in overall structural savings, allowing the City to avoid significant service reductions and to preserve services and jobs.

The FY 2018 adopted budget shows a structural deficit of $2.4 million. This structural gap continues to widen in future fiscal years. The adopted FY 2017 budget indicated a structural deficit of $4.4 million. However, with the FY2017 projection showing a reduction in the general fund deficit to $2.5 million. In collaboration with the consulting firm Management Partners, staff is currently working to update the ten-year financial projection too. The updated General Fund budget model will be brought back to Council in the fall of 2017 with measures for consideration to assist the City in closing its ongoing structural gap.

Table 3: General Fund 10-Year Gap Forecast



CITYWIDE BUDGET OVERVIEW

Key One-Time Strategies implemented to help reduce projected FY 2018 deficit

- Reduction in General Fund allocation to Internal Service Funds (ISF)
- Deferral of Recruitment for Vacant Non-Sworn Positions for a 3-Month Period
- Pre-payment of FY 2018 PERS ARC

Basic General Fund Ten-Year Plan Assumptions

The General Fund Ten-Year Plan (Plan) has been a dynamic planning tool used to assist City Council and staff in managing and projecting the City's current and future fiscal status. Staff determined appropriate assumptions in constructing and updating the Plan; these variables can easily influence the fiscal forecast. The City is currently updating its model with the assistance of Management Partners to ensure that projections are as accurate as possible, and that the City uses best practices when creating assumptions used for modeling. This work will also result in the provision of a menu of options for Council to choose from to help close the City's structural deficit. This project's anticipated completion is late fall 2017.

The General Fund section of the budget document contains a detailed General Fund Ten-Year Plan. Critical Cost Drivers impacting FY 2018 and beyond include:

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

General Fund Reserve

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

While FY 2017 assumed a use of $4.4 million of General Fund Reserves when the budget was adopted, the Ten-Year Plan now assumes the need to use about $2.5 million of General Fund Reserves to balance the FY 2017 year-end budget (the actual use of reserves could change depending on actual year-end results). Based on the Ten-Year Plan projections and another planned use of the Reserve of $2.4 million to balance the FY 2018 budget. The estimated FY 2018 ending General Fund Reserve (cash) is approximately $19.1 million, resulting in a projected Reserve level of 17% - slightly below Council policy.

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

CITYWIDE BUDGET OVERVIEW

KEY FY 2018 BUDGET CHANGES

The following General Fund analysis provides a comparison of the FY 2018 Adopted Budget to the immediate previous years. FY 2017 "projected" is based on what staff currently knows about how this fiscal year will end; the actual ending balance may be different when the year is closed.

General Fund Revenues

General Fund revenue projections reflect improvements to several key revenues, refined further from the projections presented this past March during the FY 2017 mid-year review. Overall, staff is proposing to increase FY 2018 revenues over FY 2017 Adopted by about $4.4 million or 3.1%. Each revenue category varies in its change over the prior year, with some revenues seeing declines and others experiencing increases.

Table 4: FY 2018 General Fund Revenues

(in the 1,000's)	FY 2016 Actual	FY 2017 Adopted	FY 2017 Projected	FY 2018 Adopted	Change $ (D-B)	Change % (D/B-1)
Revenue						
Property Tax - recurring	41,828	44,405	45,334	46,512	2,107	4.7%
RPTTF Pass-Thru & Annual	2,331	1,600	2,400	2,400	800	50.0%
Property Tax - one-time	-	-	-	-	-	0.0%
Property Tax Total	44,159	46,005	47,734	48,912	2,907	6.3%
Sales Tax	33,059	32,600	33,401	32,609	9	0.0%
UUT	16,017	16,543	16,543	17,663	1,120	6.8%
UUT Prior Period Payment	6,023	-	3,027	-	-	0.0%
Franchise Fees	10,139	9,362	9,362	9,462	100	1.1%
Property Transfer Tax	7,849	7,154	7,800	7,154	-	0.0%
Business License Tax	2,623	2,846	2,846	2,846	-	0.0%
Transient Occupancy Tax	2,591	2,036	2,036	2,036	0	0.0%
Emergency Facilities Tax	2,153	1,840	1,840	1,838	(2)	-0.1%
Charges for Services	12,218	11,137	11,787	12,799	1,662	14.9%
Other Revenue	959	452	400	656	204	45.1%
Intergovernmental	8,893	8,038	8,038	6,424	(1,614)	-20.1%
Fines and Forfeitures	1,899	2,014	2,014	2,114	100	5.0%
Interest and Rents	151	614	614	614	-	0.0%
Total Revenue	**148,733**	**140,641**	**147,443**	**145,127**	4,486	3.2%
Transfers in	5,529	4,025	4,025	3,960	(65)	-1.6%
Total Revenue/Resources	**154,262**	**144,665**	**151,467**	**149,087**	**4,422**	3.1%

A summary of key revenue assumptions for FY 2018 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.

With the majority of the second installment of Property Tax revenues received in April 2017 by the City, and following a discussion with the County Assessor about projected FY 2018 valuations in early March, staff is proposing an increase to Property Tax revenue projections for FY 2018 totaling 4.7% over the adopted FY 2017 revenues. Future annual growth is projected at between 2–5%.

Sales Tax – While Sales Tax revenues have rebounded from pre-recession lows, this revenue category has experienced some regression. Revenue projections for FY 2018 reflect no growth from the amount adopted in FY 2017.

The City has experienced sales tax erosion like many California municipalities. In addition, the City anticipates the projected loss of a key sales tax generating business in the next fiscal year, which has a significant impact on projected sales tax revenue. With the loss of a sales tax generating business, and adjustments for inflation sales tax revenues are not keeping pace. When viewed on a per capita basis, these contributing factors indicate a significant decline in sales tax projections. 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 collecting less sales tax per person than in the early years. However, considering some economic development improvements and a sustained level of receipts, staff assumes a steady economic growth of sales tax revenue of 3–4% in future years.

Real Property Transfer Tax – FY 2018 Transfer Tax revenues are projected at $7.2 million – of which $4.8 million are considered recurring baseline revenues pursuant to current Council policy. This is not an increase over FY 2017 adopted revenues. It is difficult to project this volatile revenue; however, future annual growth is estimated at 2% in future fiscal years.

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

Franchise Fees – This revenue category is comprised of franchise fees assessed on utilities doing business within City limits (e.g., refuse, gas, electricity, cable, etc.) and is assessed as a percentage of gross receipts. While some categories show slight growth, overall franchise fees are experiencing a slight increase of 1.1% for FY 2018.

Charges for Services – This revenue category is comprised of a variety of fees for building and development related activities. Given current levels of activity, FY 2018 projects a 14.9% 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. The projections for FY 2018 revenues reflect a nominal increase of $2,000. The FY2017 Adopted budget indicated revenue projections of $227,000, with the FY2018 Adopted budget of $229,000 in projected revenue collection. While the City has seen a decline in its Gas Tax allocations in recent years, the FY2018 assumes minimal change in its projected allocation.

General Fund Expenditures

Overall, the adopted FY 2018 expenditures have increased over the FY 2017 adopted budget by $2.5 million or 1.7%. There are several factors driving the expenditure growth, almost all due to escalating employee-related costs.

Table 5: FY 2018 General Fund Expenditures

(in the 1,000's)	FY 2016 Actual	FY 2017 Adopted	FY 2017 Projected	FY 2018 Adopted	Change $ (D-B)	Change % (D/B-1)
Expenditures						
Salary	67,497	71,806	68,759	74,243	2,437	3.4%
Overtime	7,778	5,530	7,059	5,566	36	0.7%
Wages Subtotal	**75,275**	**77,336**	**75,818**	**79,809**	2,473	3.2%
Medical & Dental	10,958	13,054	11,366	12,737	(318)	-2.4%
Retiree Medical (pay-go)	2,810	2,846	2,846	2,794	(52)	-1.8%
Worker's Compensation	5,732	6,343	6,000	5,899	(444)	-7.0%
Other Benefits	2,133	2,067	2,067	1,674	(393)	-19.0%
Retirement (CalPERS)	20,689	23,919	23,065	23,600	(319)	-1.3%
Benefits Subtotal	**42,322**	**48,230**	**45,344**	**46,703**	(1,527)	-3.2%
Assumed Vacancy Savings	-	(2,860)	-	(1,931)	929	-32.5%
Interdepartmental (ID) Charges	(4,451)	(4,832)	(4,404)	(4,602)	230	-4.8%
Unemployment Self Insurance	52	150	100	-	(150)	0.0%
OPEB Liability Contribution*	1,106	-	-	1,000	1,000	
Net Staffing Expense	**114,304**	**118,023**	**116,858**	**120,980**	**2,957**	**2.5%**
Maintenance & Utilities	907	1,025	756	1,115	90	8.8%
Supplies & Services	8,900	6,940	8,797	8,154	1,214	17.5%
Internal Service Fees	13,336	14,413	14,413	11,863	(2,550)	-17.7%
Minor Capital Outlay	-	25	25	-	(25)	0.0%
Debt Service*	3,445	3,710	3,568	3,420	(290)	-7.8%
Liability Insurance*	2,338	2,889	4,389	2,907	18	0.6%
Economic Dev. Fund (from RPTTF)*	-	350	350	350	-	0.0%
Capital Funding*	2,444	1,654	1,654	2,773	1,119	67.7%
Stormwater Fund*			173	-	-	0.0%
Capital Improvement Program FY 2015	3,420				-	0.0%
Non-Personnel Expenses Subtotal	**34,790**	**31,005**	**34,124**	**30,582**	(424)	-1.4%
UUT Prior Period Payment Offset	6,023	-	3,027		-	0.0%
Total Expenditures	**155,117**	**149,029**	**154,009**	**151,562**	**2,533**	**1.7%**

**Transfers Out of General Fund Total*

Salary – FY 2018 includes the contracted Cost of Living Adjustment (COLA) for all applicable bargaining groups. This was a critical necessity to keep our organization market-competitive and to respect the five years or more that our employees had weathered without any increase to base salary. FY 2018 includes all position changes approved by City Council as part of the FY 2017 mid-year review, and the FY 2018 changes – a total increase of 3.3 FTE to the General

Fund. The increase in staffing includes a Librarian I (1.0 FTE), and a Hazmat Inspector (1.0 FTE). The remaining FTEs were added at mid-year.

Overtime –FY 2018 Overtime is $5.56 million – which is 0.7% more than budgeted in FY 2017. Much of the General Fund overtime use is in the Police and Fire Departments and is necessary to meet mandatory staffing level requirements.

CalPERS Retirement Rates – Retirement rates increase significantly in FY 2018 – with total costs increasing 11.1%. The FY 2018 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% by FY2018). 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	FY 2023
Miscellaneous									
Employer Contribution ($)	$ 9,192	$ 9,754	$ 10,436	$ 11,437	$ 12,786	$ 14,204	$ 15,818	$ 16,220	$ 17,079
Change over prior year	**$ 492**	**$ 562**	**$ 682**	**$ 1,001**	**$ 1,349**	**$ 1,418**	**$ 1,614**	**$ 402**	**$ 859**
Employer Contribution Rate	22.10%	24.47%	26.39%	27.40%	29.80%	32.10%	33.30%	34.50%	35.30%
Change over prior year	**2.36%**	**2.37%**	**1.92%**	**1.01%**	**2.40%**	**2.30%**	**1.20%**	**1.20%**	**0.80%**
Police									
Employer Contribution ($)	$ 9,024	$ 9,910	$ 10,846	$ 12,204	$ 13,788	$ 15,457	$ 16,510	$ 17,572	$ 18,390
Change over prior year	**$ 364**	**$ 886**	**$ 936**	**$ 1,358**	**$ 1,584**	**$ 1,669**	**$ 1,053**	**$ 1,062**	**$ 818**
Employer Contribution Rate	39.80%	42.40%	47.22%	50.30%	55.10%	60.00%	62.20%	64.30%	65.30%
Change over prior year	**4.61%**	**2.60%**	**4.82%**	**3.08%**	**4.80%**	**4.90%**	**2.20%**	**2.10%**	**1.00%**
Fire									
Employer Contribution ($)	$ 6,168	$ 6,559	$ 7,057	$ 7,953	$ 9,004	$ 10,110	$ 10,867	$ 11,675	$ 12,258
Change over prior year	**$ 542**	**$ 391**	**$ 498**	**$ 896**	**$ 1,051**	**$ 1,106**	**$ 757**	**$ 808**	**$ 583**
Employer Contribution Rate	37.15%	40.40%	43.12%	45.20%	49.70%	54.20%	56.50%	59.00%	60.10%
Change over prior year	**2.36%**	**3.25%**	**2.72%**	**2.08%**	**4.50%**	**4.50%**	**2.30%**	**2.50%**	**1.10%**

Nevertheless, while the rates shown above are alarming in themselves, they do not reflect that the CalPERS Board lowered the discount rate from 7.5% to 7.0% in December 2016. Lowering the discount rate, also known as the assumed rate of return, means employers that contract with CalPERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities in order to make the plan more sustainable in the long term. Active members hired after January 1, 2013, under the Public Employees' Pension Reform Act will also see their contribution rates rise.

The most recent actuarial valuations provided to the City of Hayward by CalPERS in August 2016 reflect the final rates for FY 2018; however, these rates did not incorporate the change to discount rates, which result in FY 2018 rates increasing over FY 2017 rates by between 1 – 8 percent of payroll. The above noted change to the assumed discount rates impacts the City's required contributions significantly in the coming years.

The new valuations the City received in August 2016 reflect rate projections that include all of the rate actions taken by the CalPERS Board to date. Table 7 provides a summary of what the City's projected CalPERS rates will be based on CalPERS recent change to the discount rate. Please note that these projections are an estimate based on a model and are not entirely reflective of what the City's exact rates will be. Immediately upon receipt of the CalPERS Actuarial Valuation Report (reportedly late July 2017), staff will return to the Council with updated projections and further discussion.

Table 7 – CalPERS Rates (Projected Assuming 7.0% Discount Rate Phase In)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Miscellaneous									
Employer Contribution ($)	$ 9,192	$ 9,754	$ 10,436	$ 11,437	$ 13,183	$ 15,067	$ 17,227	$ 19,000	$ 20,648
Change over prior year	**$ 492**	**$ 562**	**$ 682**	**$ 1,001**	**$ 1,746**	**$ 1,884**	**$ 2,160**	**$ 1,773**	**$ 1,648**
Employer Contribution Rate	22.10%	24.47%	26.39%	27.40%	30.70%	34.00%	37.80%	40.50%	42.70%
Change over prior year	**2.36%**	**2.37%**	**1.92%**	**1.01%**	**3.30%**	**3.30%**	**3.80%**	**2.70%**	**2.20%**
Police									
Employer Contribution ($)	$ 9,024	$ 9,910	$ 10,846	$ 12,204	$ 14,207	$ 16,369	$ 18,653	$ 20,421	$ 21,985
Change over prior year	**$ 364**	**$ 886**	**$ 936**	**$ 1,358**	**$ 2,003**	**$ 2,162**	**$ 2,284**	**$ 1,768**	**$ 1,564**
Employer Contribution Rate	39.80%	42.40%	47.22%	50.30%	56.80%	63.60%	70.30%	74.70%	78.10%
Change over prior year	**4.61%**	**2.60%**	**4.82%**	**3.08%**	**6.50%**	**6.80%**	**6.70%**	**4.40%**	**3.40%**
Fire									
Employer Contribution ($)	$ 6,168	$ 6,559	$ 7,057	$ 7,953	$ 9,304	$ 10,762	$ 12,399	$ 13,717	$ 14,836
Change over prior year	**$ 542**	**$ 391**	**$ 498**	**$ 896**	**$ 1,351**	**$ 1,458**	**$ 1,637**	**$ 1,318**	**$ 1,119**
Employer Contribution Rate	37.15%	40.40%	43.12%	45.20%	51.40%	57.70%	64.50%	69.30%	72.80%
Change over prior year	**2.36%**	**3.25%**	**2.72%**	**2.08%**	**6.20%**	**6.30%**	**6.80%**	**4.80%**	**3.50%**

Vacancy Savings – Vacancy savings are assumed based on normal attrition and known staffing vacancies. Projected FY 2018 vacancy savings are $1.9 million in the General Fund and assume savings primarily attributed to police and fire staffing.

Retiree Medical Unfunded Liabilities – City Council policy is to pre-fund the City's benefit liabilities to the greatest extent possible within existing operating resources. FY 2018 adopted budget includes a $1 million contribution toward the City's Other Post-Employment Benefits (OPEB) Retiree Medical unfunded liability. The City will continue to phase in the funding of the total Annual Required Contribution (ARC) for its OPEB liability – reaching this minimum annual funding level by FY 2022.

Internal Service Fees – The Internal Service Funds (ISF) for FY 2018 adopted shows a decrease of $2.6 million or 17.7% over the FY 2017 adopted budget. To help close the structural budget gap for FY 2018, Council approved a reduction to the General Fund allocation made to Internal Service Funds. The reduction in General Fund allocation is a one-time approach, and it is anticipated that the General Fund allocation to Internal Service Funds will resume in FY 2019.

The Technology Internal Service Fund presents specific recurring technology costs, and also include:

- Munis and other program annual software maintenance
- 1 new FTE position charged to the fund (to be assigned to Library & Community Services for support of the new Library facility)

Capital Funding

The Technology Capital Fund requests $1.5 million or 92.4% over the FY2017 Adopted budget. The FY2018 adopted budget includes:

- IT security assessment
- Server replacement/network server replacement
- Network infrastructure replacement

- Council Chambers technology upgrade
- Highspeed Hayward fiber plan implementation
- EBRCS Subscription

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 2018.

Other Funds

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

Measure C – During the June 3, 2014 municipal election, the voters of the City of Hayward passed a ballot measure (Measure C) to increase the City's Transaction and Use (Sales) Tax by half a percent for twenty years. This half cent increase became effective October 1, 2014, bringing Hayward's Sales and Use Tax rate to 10.0%. This is a general tax and is considered discretionary in nature. Staff originally estimated that the new sales tax would generate approximately $10 million annually in locally controlled revenue that can be allocated by the City Council and will remain in place for a period of twenty years. In FY 2018, staff projects that the City will receive $13.5 million in Measure C sales tax revenues.

The City Council, as well as the ballot language, established a number of spending priorities for these funds. These priorities include a mix of capital projects and funding allocations toward operating services. The Measure C revenues 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 $5.4 million annually. The remaining funds are to be allocated among police services, maintenance services, and street repairs.

Staff presented recommendations for the use of the Measure C funds to both the Council Budget & Finance Committee and the City Council in November and December 2014[2]. Consistent with those discussions, staff is including assumed revenues and expenditures for Measure C as part of the FY 2018 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 2018. 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 2018 estimates expenses of $6.2 million for staffing (police and maintenance) and estimated debt service.

CITYWIDE BUDGET OVERVIEW

UNFUNDED NEEDS & LIABILITIES

While the FY 2018 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 and 2017 reviewing its benefit liabilities and considering funding plans toward adequately funding the unfunded portions of these liabilities.

Unfunded Capital Needs

The FY 2018 Capital Improvement Program reflects "Identified Capital Needs" totaling almost $400.3 million for which funding is undetermined. In accord with Council policy, as one-time funding becomes available, Council will allocate funds toward these unfunded CIP needs.

Benefit Liabilities & Funding Status

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

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

Table 8 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 8: 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	6/30/2015	$ 327.80	$ 214.90	65.6%	$ 112.90	34.4%
CalPERS Fire Safety Plan	6/30/2015	$ 249.30	$ 172.20	69.1%	$ 77.10	30.9%
CalPERS Miscellaneous Plan	6/30/2015	$ 393.50	$ 277.00	70.4%	$ 116.50	29.6%
Total CalPERS		**$ 970.60**	**$ 664.10**	**68.4%**	**$ 306.50**	**31.6%**
OPEB - Retiree Medical Police Office	6/30/2015	$ 55.69	$ 1.36	2.4%	$ 54.33	97.6%
OPEB - Retiree Medical Firefighters	6/30/2015	$ 22.47	$ 0.94	4.2%	$ 21.53	95.8%
OPEB - Retiree Medical Miscellaneou	6/30/2015	$ 30.18	$ 1.38	4.6%	$ 28.80	95.4%
Total OPEB-Retiree Medical		**$ 108.34**	**$ 3.68**	**3.4%**	**$ 104.66**	**96.6%**
Workers' Compensation	6/30/2016	$ 17.37	$ 7.46	42.9%	$ 9.91	57.1%
Accrued Leave Payouts (1)	6/30/2016	$ 7.66	$ -	0.0%	$ 7.66	100.0%
Total		**$ 1,103.97**	**$ 675.24**	**61.2%**	**$ 428.73**	**38.8%**

(1) Accrued Leave Payouts - no actuarial valuation

Retirement Annual cost (annual cost: $23.1 million) – The City is fully meeting its annual required contribution (ARC) amounts based on the CalPERS premium rates. Given the new CalPERS "smoothing" methodology, the long-term intent is to fund the City's liability over the 30-year amortization period. 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: $4.8 million) – Pursuant to the current actuarial valuation conducted for the program, a funding status of 70 – 85% is recommended. Table 8 shows that the City is currently at about a 42.9% 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: $2.9 million "pay go") – The estimated actuarial calculation of the City's ARC is $13.2 million ($2.9 million "pay go" and $10.3 million toward future unfunded liability). The City is not funding the full ARC due to its budget pressures but is fully funding the annual $2.9 million "pay go" portion for active retirees. Effective FY 2014, the City began contributing toward the unfunded liability based on available resources and had a planned phase in in which it intended to fully funding the ARC by FY 2022. A change in the actuarial valuation, lack of resources and significant increases to the ARC have jeopardized this approach. This will be examined as part of the work done with Management Partners in Fall of 2017.

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 2016 balance of $7.7 million – a 10.5% reduction in liability.

FINANCIAL SUMMARIES – ALL FUNDS

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

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

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

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

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

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

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

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

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

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

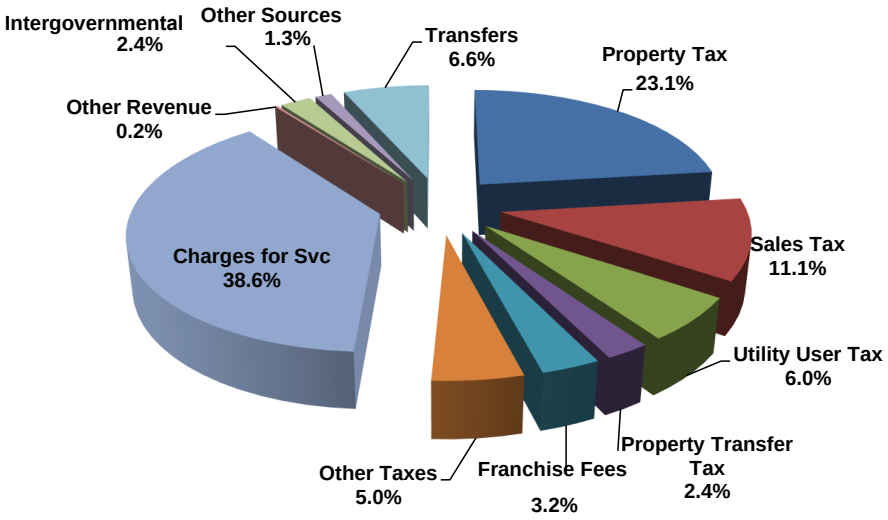
ALL OPERATING FUNDS - SUMMARY

	General	Measure C	Special Revenue	Debt Service	Enterprise	Internal Service	Successor RDA	TOTAL
Revenues								
Property Tax	48,912	13,469	0	0	0	0	5,409	67,790
Sales Tax	32,609	0	0	0	0	0	*0*	32,609
Util User Tax	17,663	0	0	0	0	0	*0*	17,663
Real Property Trnsfr Tax	7,154	0	0	0	0	0	*0*	7,154
Franchise Fees	9,462	0	0	0	0	0	*0*	9,462
Other Taxes	6,720	0	7,827	0	0	0	*0*	14,548
Charges for Service	12,799	0	0	0	75,921	24,661	*0*	113,381
Other Revenue	656	0	0	0	0	0	*0*	656
Intergovernmental	6,424	0	0	0	0	0	577	7,001
From All Other Sources	2,728	0	0	966	0	0	72	3,766
	145,127	**13,469**	**7,827**	**966**	**75,921**	**24,661**	**6,058**	**274,029**
Trnsfrs from other funds	**3,960**	**0**	**556**	**6,017**	**3,855**	**5,000**	**0**	**19,388**
Total Revenues	**149,087**	**13,469**	**8,383**	**6,983**	**79,777**	**29,661**	**6,058**	**293,418**
Expenditures								
Salary								
Regular	74,243	1,724	1,032	0	13,043	4,866	164	95,072
Overtime	5,566	0	0	0	392	225	0	6,183
Vacancy Savings	(1,931)	0	0	0	0	0	0	(1,931)
Benefits								
Fringe Benefits	20,309	575	229	0	3,953	1,134	44	26,245
Retiree Medical	2,794	56	12	0	225	74	3	3,165
PERS	23,600	442	170	0	2,552	975	33	27,772
Chrgs (to)/fr other prog	(4,602)	0	259	0	(275)	0	(89)	(4,706)
Net Staffing Expense	**119,980**	**2,796**	**1,703**	**0**	**19,890**	**7,275**	**157**	**151,800**
Maintenance & Utilities	1,115	60	988	0	2,560	4,303	8	9,033
Supplies & Services	8,154	121	5,213	71	6,124	8,341	206	28,229
Internal Service Fee	11,863	113	121	0	2,286	427	26	14,835
Capital	0		332	0	0	0	0	332
Debt Service	0		0	6,587	4,147	853	3,236	14,823
All Other Uses	0		1,558	0	27,600	7,250	0	36,408
	21,132	**293**	**8,212**	**6,657**	**42,717**	**21,173**	**3,475**	**103,659**
Total Expense	**141,112**	**3,089**	**9,916**	**6,657**	**62,607**	**28,448**	**3,631**	**255,460**
Transfers to other funds	**10,450**	**5,152**	**218**	**473**	**14,105**	**799**	**843**	**32,040**
Subtotal Expenditures	**151,562**	**8,241**	**10,133**	**7,130**	**76,712**	**29,247**	**4,475**	**287,500**
Total Expenditures	**151,562**	**8,241**	**10,133**	**7,130**	**76,712**	**29,247**	**4,475**	**287,500**
(Use)/Add to fund bal	**(2,474)**	**5,228**	**(1,750)**	**(148)**	**3,065**	**414**	**1,583**	**5,918**

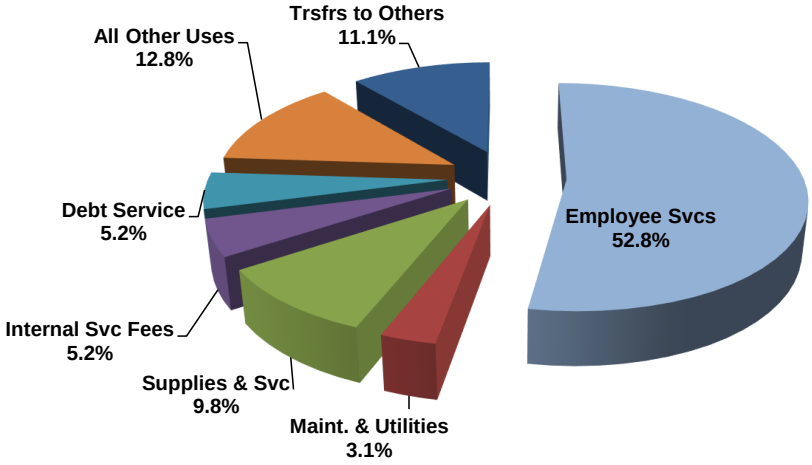
Note: General Fund column represents fund 100 only.

Summary of Revenues and Expenditures - All Operating Funds

FY 2018 All Operating Funds
Revenues - By Type
$293.4 Million
(Amounts Stated in Millions)



FY 2018 All Operating Funds
Expenditures - By Category
$287.5 Million
(Amounts Stated in Millions)



ALL OPERATING FUNDS - DEPARTMENT SUMMARY

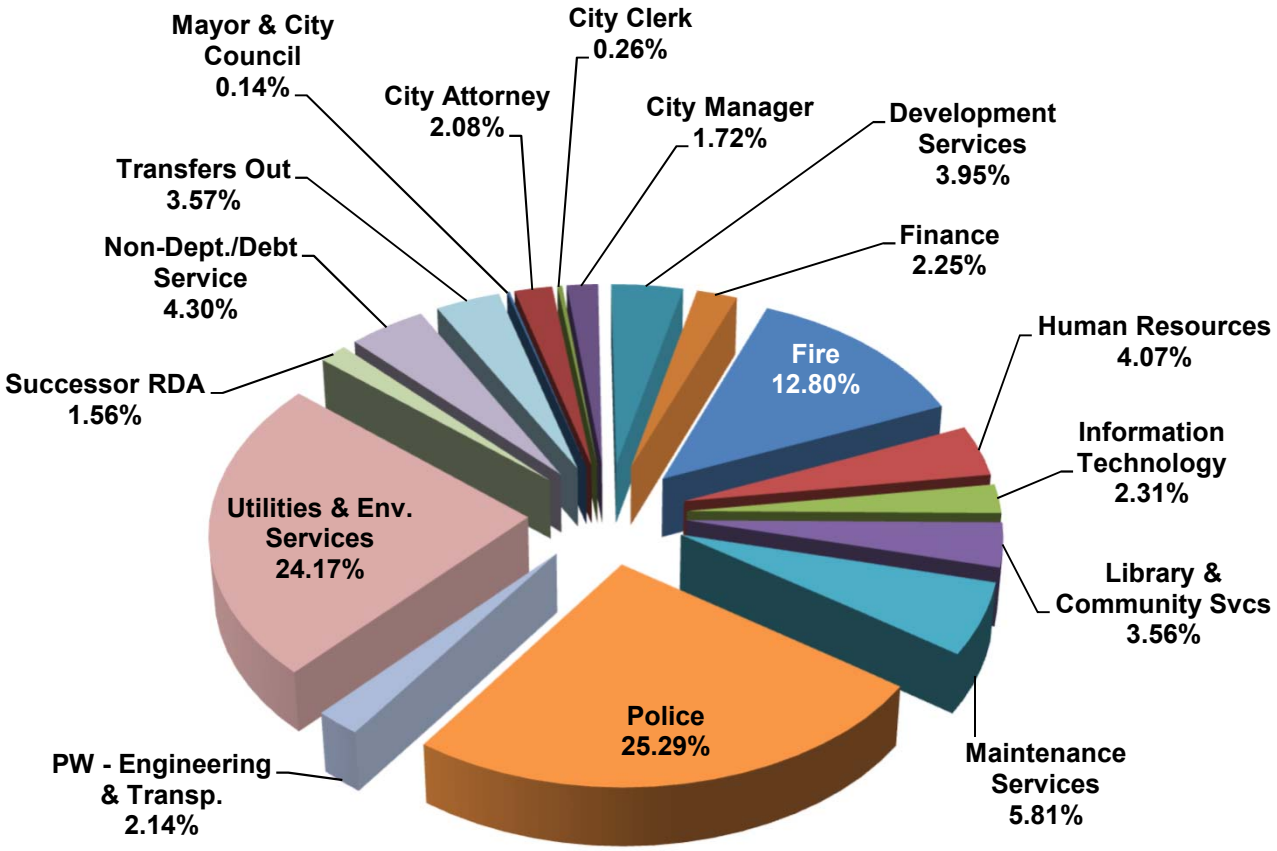
	General	Measure C	Special Revenue	Debt Service	Enterprise	Internal Service	Successor RDA	TOTAL
Revenues								
Mayor/City Council	-	-	-	-	-	-	-	-
City Attorney	14	-	-	-	-	4,000	-	4,014
City Clerk	3	-	-	-	-	-	-	3
City Manager	67	-	1,026	-	-	-	6,058	7,151
Development Services	7,647	-	2,236	-	-	-	-	9,882
Finance	900	-	-	-	-	-	-	900
Fire	6,866	-	-	-	-	-	-	6,866
Human Resources	30	-	-	-	-	11,763	-	11,793
Information Technology	-	-	-	-	-	6,675	-	6,675
Library & Comm. Services	83	-	3,711	-	-	-	-	3,794
Maintenance Services	1,534	-	1,014	-	-	7,223	-	9,771
Police	3,619	-	-	-	-	-	-	3,619
PW-Engineering & Transp	441	-	-	-	3,512	-	-	3,953
Utilities & Env Services	-	-	397	-	76,265	-	-	76,661
Non-dept/Transfers In	127,885	13,469	-	6,983	-	-	-	148,336
Total Revenues	**149,087**	**13,469**	**8,383**	**6,983**	**79,777**	**29,661**	**6,058**	**293,418**
Expenditures								
Mayor/City Council	416	-	-	-	-	-	-	416
City Attorney	1,257	-	-	-	-	4,730	-	5,986
City Clerk	753	-	-	-	-	-	-	753
City Manager	3,435	-	1,186	-	-	327	4,475	9,422
Development Services	8,726	-	2,639	-	-	-	-	11,365
Finance	4,836	-	-	-	1,632	-	-	6,468
Fire	36,814	-	-	-	-	-	-	36,814
Human Resources	1,955	-	-	-	-	9,753	-	11,708
Information Technology	-	-	-	-	-	6,654	-	6,654
Library & Comm. Services	5,855	-	4,376	-	-	-	-	10,231
Maintenance Services	4,412	612	1,315	-	2,578	7,782	-	16,699
Police	70,311	2,410		-	-	-	-	72,720
PW-Engineering & Transp	2,471	-	-	-	3,671	-	-	6,142
Utilities & Env Services	47	-	618	-	68,830	-	-	69,495
Non-dept/Transfers Out	10,275	5,220		7,130				22,625
Total Expenditures	**151,562**	**8,241**	**10,133**	**7,130**	**76,712**	**29,247**	**4,475**	**287,500**
(Use)/Add to fund bal	**(2,474)**	**5,228**	**(1,750)**	**(148)**	**3,065**	**414**	**1,583**	**5,918**

Note: General Fund column represents fund 100 only.

SUMMARY OF EXPENDITURES BY DEPARTMENT-ALL FUNDS

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Mayor & City Council	470,933	379,661	398,673	415,951
City Attorney	4,344,730	4,269,622	4,929,328	5,986,493
City Clerk	852,560	913,556	758,060	753,105
City Manager	4,462,428	5,449,325	5,176,269	4,947,697
Development Services	4,743,969	8,232,706	10,857,896	11,365,205
Finance	5,026,949	5,337,303	5,722,230	6,468,021
Fire	34,243,169	35,042,909	37,221,441	36,813,703
Human Resources	12,963,401	11,086,295	11,759,073	11,707,868
Information Technology	5,222,143	5,760,478	6,442,488	6,654,354
Library & Community Svcs	10,261,622	8,853,478	9,525,392	10,230,868
Maintenance Services	15,624,047	17,367,063	17,176,773	16,698,636
Police	62,598,514	67,738,310	72,294,452	72,720,485
PW - Engineering & Transp.	4,903,255	5,085,506	5,969,372	6,141,587
Utilities & Env. Services	64,554,382	81,681,443	73,127,937	69,495,403
Successor RDA	6,550,184	5,972,781	5,206,475	4,474,774
Non-Dept./Debt Service	6,574,797	24,715,455	7,612,480	12,350,211
Transfers Out	10,307,173	15,851,981	11,404,427	10,275,154
	$ 253,704,256	**$ 303,737,872**	**$ 285,582,766**	**$ 287,499,515**

FY 2018 Adopted
All Funds Expenditures by Service Area



THIS PAGE INTENTIONALLY LEFT BLANK

GENERAL FUND SUMMARY & CASH BALANCE

$ in 1,000s	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beginning Cash Fund Balance	**$ 25,052**	**$ 23,458**	**$ 25,950**	**$ 21,586**
Revenues				
Property Tax	$ 42,128	$ 44,159	$ 46,005	$ 48,912
Sales Tax	31,058	33,059	32,600	32,609
Utility Users Tax	15,681	22,041	16,543	17,663
Franchise Fees	10,128	10,139	9,362	9,462
Real Property Transfer Tax	5,710	7,850	7,154	7,154
Other Taxes	6,523	7,368	6,722	6,720
Charges for Services	9,939	12,218	11,137	12,799
Inter-Governmental	7,856	8,893	8,038	6,424
Fines & Forfeitures	2,413	1,899	2,014	2,114
Other Revenues	648	720	451	656
Interest & Rents	117	151	614	614
Transfers In	3,177	5,529	4,025	3,960
Total Operating Revenues:	**$ 135,378**	**$ 154,026**	**$ 144,665**	**$ 149,087**
Expenditures				
Salaries & Benefits	$ 104,804	$ 112,988	$ 118,024	$ 119,980
Maintenance & Utilities	1,007	908	1,025	1,115
Supplies & Services	9,587	8,831	6,940	8,154
Internal Service Fees	11,553	13,336	14,413	11,863
Capital	-	-	25	-
Transfers Out	10,021	15,471	8,603	10,450
Total Operating Expenditures:	**$ 136,972**	**$ 151,534**	**$ 149,029**	**$ 151,562**
Annual Surplus/(Shortfall)	**$ (1,594)**	**$ 2,492**	**$ (4,364)**	**$ (2,474)**
Adjustments to Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**
Ending Fund Cash Balance (CAFR)	**$ 23,458**	**$ 25,950**	**$ 21,586**	**$ 19,112**

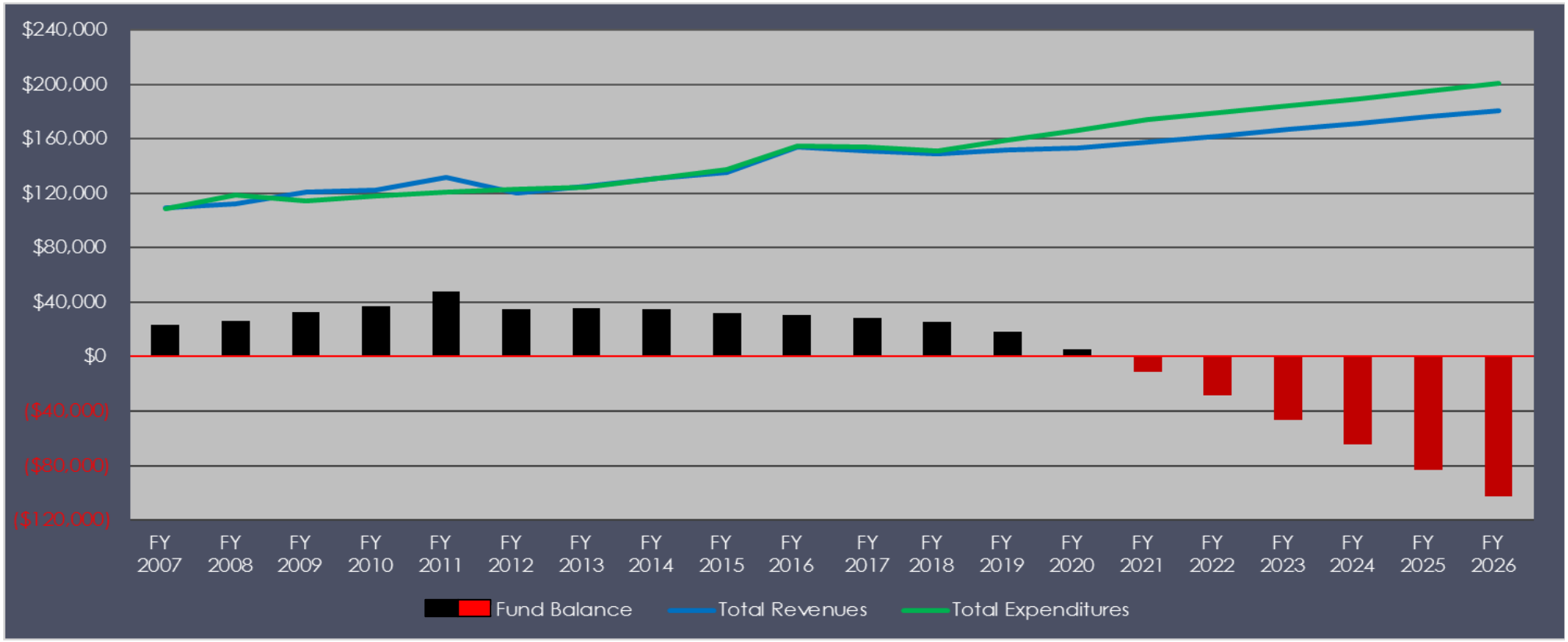
Cash Fund Balance Designations	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Proposed
Unassigned	-	$ 25,950	$ 21,586	$ 19,112
Contingencies	$ 5,000	-	-	-
Economic Uncertainty	5,000	-	-	-
Liquidity	5,000	-	-	-
Emergencies	8,458	-	-	-
Total Designated Fund Balance	**$ 23,458**	**$ 25,950**	**$ 21,586**	**$ 19,112**

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 2018 Proposed Update

		PY3 Actual FY 2015	PY2 Actual FY 2016	PY1 Projected FY 2017	Year 1 Proposed FY 2018	Year 2 Forecast FY 2019	Year 3 Forecast FY 2020	Year 4 Forecast FY 2021	Year 5 Forecast FY 2022	Year 6 Forecast FY 2023	Year 7 Forecast FY 2024	Year 8 Forecast FY 2025	Year 9 Forecast FY 2026
1	**Revenue**												
2	Annual Property Tax	39,637	41,828	45,334	46,512	47,932	49,370	51,326	53,361	55,477	57,676	59,963	61,615
3	RPTTF Pass-Thru & Annual Remittance	1,866	2,331	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
4	One-time RPPTF	625	-		-	-	-	-	-	-	-	-	-
5	Property Tax	**42,128**	**44,159**	**47,734**	**48,912**	**50,332**	**51,770**	**53,726**	**55,761**	**57,877**	**60,076**	**62,363**	**64,015**
6	Sales Tax	31,058	33,059	33,401	32,609	32,902	34,232	35,616	37,057	38,576	40,158	41,803	43,473
7	UUT	15,681	16,017	16,543	17,663	16,664	16,706	16,748	16,790	16,832	16,874	16,924	16,975
8	UUT Prior Period Payment		6,023	3,027	-	-	-	-	-	-	-	-	1
9	Franchise Fees	10,128	10,139	9,362	9,462	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	4,801
11	Property Transfer Tax One-Time (effective FY 2016)		3,049	3,000	2,354	3,244	3,308	3,375	3,442	3,511	3,581	3,653	3,726
12	Business License Tax	2,603	2,623	2,846	2,903	3,193	3,257	3,322	3,389	3,456	3,526	3,596	3,668
13	Transient Occupancy Tax	2,033	2,591	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	2,153	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	12,218	11,787	12,799	13,055	13,316	13,582	13,854	14,131	14,414	14,702	14,996
16	Other Revenue	622	959	400	547	400	400	400	400	400	400	400	400
17	Intergovernmental	7,904	8,893	8,038	6,424	7,538	5,567	5,567	5,567	5,567	5,567	5,567	5,567
18	Fines and Forfeitures	2,413	1,899	2,014	2,114	2,096	2,138	2,180	2,224	2,268	2,314	2,360	2,360
19	Interest and Rents	117	151	614	614	628	636	643	650	658	666	673	681
20	**Total Revenue**	**132,223**	**148,733**	**147,443**	**145,127**	**147,762**	**149,377**	**153,554**	**157,885**	**162,397**	**167,074**	**171,932**	**176,012**
21	Transfers in	3,177	5,529	4,025	3,960	4,044	4,123	4,205	4,289	4,379	4,469	4,560	4,660
22	**Total Revenue/Resources**	**135,400**	**154,262**	**151,467**	**149,087**	**151,806**	**153,500**	**157,759**	**162,175**	**166,776**	**171,543**	**176,493**	**180,672**
23	**Expenditures**			-									
24	Salary	63,732	67,497	68,759	74,243	75,305	76,810	78,312	79,876	81,439	83,066	84,692	86,350
25	Overtime	6,973	7,778	7,059	5,566	5,677	5,791	5,907	6,025	6,145	6,268	6,394	6,521
26	**Wages Subtotal**	**70,705**	**75,275**	**75,818**	**79,809**	**80,983**	**82,601**	**84,218**	**85,901**	**87,584**	**89,334**	**91,085**	**92,871**
27	Medical Benefits	9,250	10,031	10,487	11,837	13,283	13,948	14,652	15,399	16,190	17,029	17,918	18,861
28	Dental Benefits	947	927	879	968	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	2,810	2,846	2,794	2,850	2,907	2,965	3,024	3,085	3,146	3,209	3,274
30	Worker's Compensation	5,324	5,732	6,000	5,903	6,600	6,732	6,866	7,004	7,144	7,287	7,432	7,581
31	Other Benefits	1,976	2,133	2,067	1,776	2,160	2,205	2,254	2,309	2,362	2,417	2,475	2,535
32	PERS	18,008	20,689	23,065	23,600	27,382	30,821	33,029	35,331	37,052	38,875	40,794	42,816
33	**Benefits Subtotal**	**37,753**	**42,322**	**45,344**	**46,878**	**53,304**	**57,662**	**60,838**	**64,159**	**66,947**	**69,891**	**72,988**	**76,249**
34	Vacancy Savings (wages & benefits)	-		-	(1,931)	(2,000)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,499)
35	Interdepartmental (ID) Charges to other funds	(3,731)	(4,451)	(4,404)	(4,602)	(4,898)	(4,898)	(4,898)	(4,898)	(4,898)	(4,898)	(4,898)	(4,898)
36	Unemployment Self-Insurance	68	52	100	-	150	150	150	150	150	150	151	152
37	**Salaries & Benefits Subtotal**	**104,795**	**113,198**	**116,858**	**120,154**	**127,539**	**134,015**	**138,808**	**143,812**	**148,283**	**152,978**	**157,826**	**162,875**
38	Transfer to OPEB Liability Trust Fund*	2,060	1,106	-	1,000	2,000	3,000	4,000	5,000	5,100	5,202	5,306	5,412
40	**Net Staffing Expense**	**106,855**	**114,304**	**116,858**	**121,154**	**129,539**	**137,015**	**142,808**	**148,812**	**153,383**	**158,180**	**163,132**	**168,287**
41	Maintenance & Utilities	1,007	907	756	1,115	1,126	1,137	1,149	1,160	1,172	1,184	1,195	1,195
42	Supplies & Services	9,760	8,900	8,797	8,154	8,317	8,483	8,653	8,826	9,003	9,183	9,366	9,554
43	Internal Service Fees	11,553	13,336	14,413	11,863	11,984	12,106	12,230	12,354	12,480	12,608	12,736	12,866
44	Minor Capital Outlay	0	0	25	0	-	-	-	-	-	-	-	-
45	Transfer to Debt Service Fund*	3,302	3,445	3,568	3,283	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	4,389	2,907	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	2,444	1,654	2,736	1,168	799	2,003	1,206	1,206	1,206	1,206	1,206
	Transfer to Stormwater Fund			173									
49	Transfer to Capital Improvement Program FY 2015		3,420	-									
50	**Net Operating Expense**	**30,281**	**34,790**	**34,124**	**30,408**	**29,658**	**29,649**	**31,218**	**30,793**	**31,171**	**31,555**	**31,946**	**32,332**
51	UUT Prior Year Payments Set-aside		**6,023**	**3,027**									
52	**Expenditures Subtotal**	**137,136**	**155,117**	**154,009**	**151,562**	**159,196**	**166,664**	**174,026**	**179,605**	**184,555**	**189,735**	**195,078**	**200,619**
53	**Mid Year Adjustments**												
56	**Total Expenditures**	**137,136**	**155,117**	**154,009**	**151,562**	**159,196**	**166,664**	**174,026**	**179,605**	**184,555**	**189,735**	**195,079**	**200,621**
57	**Total Surplus/(Shortfall)**	**(1,736)**	**(855)**	**(2,542)**	**(2,474)**	**(7,391)**	**(13,164)**	**(16,267)**	**(17,430)**	**(17,778)**	**(18,192)**	**(18,586)**	**(19,949)**
58	** Transfers Out of the General Fund Total*	*10,022*	*9,333*	*9,961*	*10,276*	*10,230*	*10,921*	*13,187*	*13,452*	*13,616*	*13,783*	*13,954*	*14,128*
59													
61	**Beginning Fund Balance**	**33,420**	**31,684**	**30,829**	**28,287**	**25,813**	**18,422**	**5,258**	**(11,009)**	**(28,440)**	**(46,218)**	**(64,410)**	**(82,996)**
62	Change to Reserves	(1,736)	(855)	(2,542)	(2,474)	(7,391)	(13,164)	(16,267)	(17,430)	(17,778)	(18,192)	(18,586)	(19,949)
64	**Ending Fund Balance**	**31,684**	**30,829**	**28,287**	**25,813**	**18,422**	**5,258**	**(11,009)**	**(28,440)**	**(46,218)**	**(64,410)**	**(82,996)**	**(102,945)**
65	*% of Expenditures (Council Policy is minimum of 20%)*	*23%*	*20%*	*18%*	*17%*	*12%*	*3%*	*-6%*	*-16%*	*-25%*	*-34%*	*-43%*	*-51%*

General Fund Historical and Projected Fund Balance



FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY* 17	FY* 18	FY* 19	FY* 20	FY* 21	FY* 22	FY* 23	FY* 24	FY* 25	FY* 26
7.0	6.1	4.2	11.1	2.7	0.5	0.5	1.7	0.9	2.5	2.4	7.4	13.2	16.3	17.4	17.8	18.2	18.6	19.9

**Projected*

GENERAL FUND - FUND TRANSFER SUMMARY

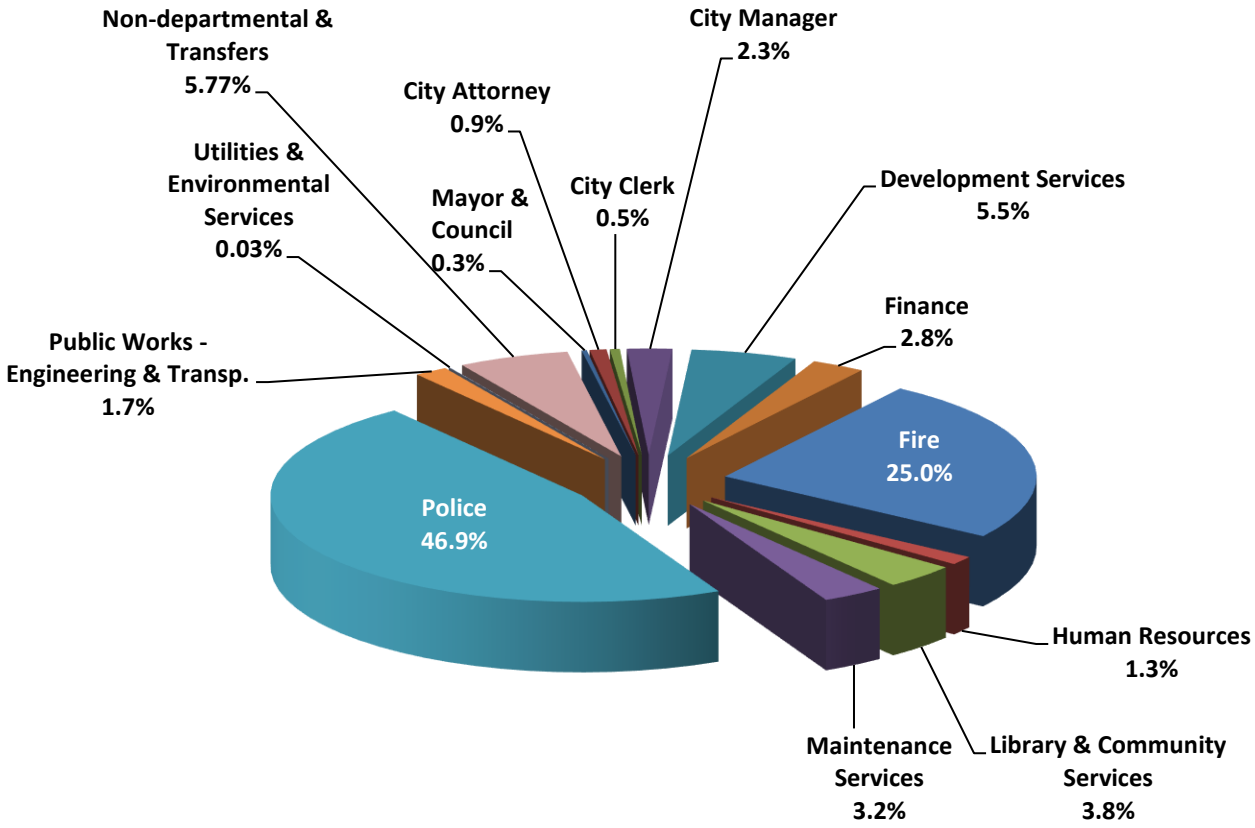
Fund Transfers (FY 2015 - 2018)

'$'s in 1,000's	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted
Transfers into the General Fund				
Transfer for Cost Allocation	2,523	2,436	2,333	2,458
Transfer from Successor RDA Loan Repayment	-	-	800	800
Transfer from So. Hwd B.A.R.T. JPA	-	-	200	-
Transfer from Special Gas Tax	223	723	227	229
Transfer from Citizen's Option Grant	184	184	-	-
Transfer from Byrnes Justice Assist Grant	55	48	-	-
Transfer from CFD #2 for Police Services	278	284	284	290
Transfer from CFD #1 Fund	8	8	8	8
Transfer from CFD #3 for Police & Fire Services	-	173	173	175
Transfers into the General Fund	**3,271**	**3,856**	**4,025**	**3,960**
Transfers out of the General Fund				
Transfer to Debt Service	3,301	3,445	3,572	3,283
Transfer for Risk Management Premium	2,338	2,338	2,889	2,907
Transfer to Economic Development Fund	-	-	350	350
Transfer to Trans Sys Improvement Fund	350	350	350	450
Transfer to Worker's Compensation Fund	-	-	-	-
Transfer to InformationTechnology Operating Fund	-	-	-	-
Transfer to Capital Projects	1,360	1,623	1,304	2,148
Transfer to Water Fund	-	-	138	138
Transfer to Retiree Medical Fund	2,060	1,000	-	1,000
Transfers out of the General Fund	**9,408**	**8,756**	**8,603**	**10,275**

Summary of Expenditures by Department - General Fund

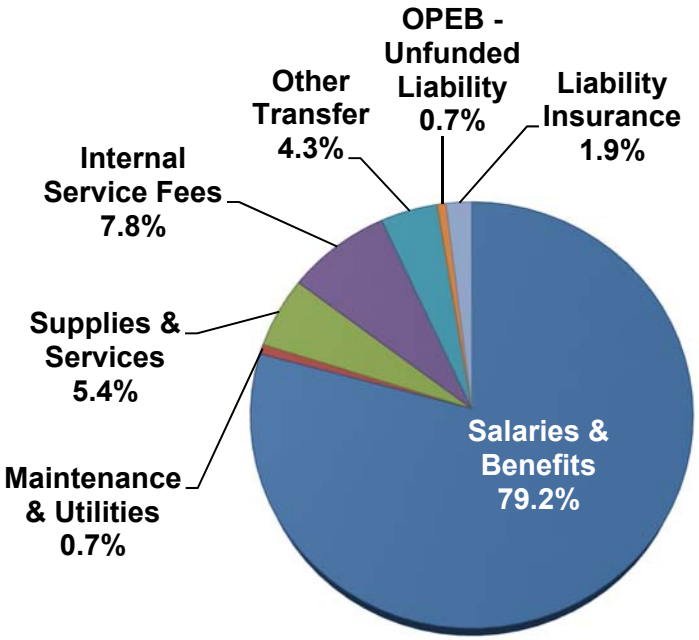
	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Mayor & Council	470,933	379,661	398,673	415,951
City Attorney	928,248	1,052,316	1,304,716	1,256,524
City Clerk	852,560	994,991	758,060	753,105
City Manager	4,220,436	4,906,051	3,490,271	3,434,830
Development Services	4,556,249	6,436,616	8,219,080	8,726,389
Finance	3,774,834	4,462,066	4,133,162	4,835,812
Fire	34,243,169	37,462,287	37,221,441	36,813,703
Human Resources	1,411,092	1,430,880	1,955,588	1,954,550
Library & Community Services	4,827,204	5,329,695	5,625,297	5,855,001
Maintenance Services	4,303,963	4,666,663	4,807,360	4,411,626
Police	62,254,874	66,936,610	69,878,969	70,310,985
Public Works - Engineering & Transp.	185,266	1,975,549	2,582,939	2,470,897
Utilities & Environmental Services	41,724	28,988	50,571	47,259
Non-departmental & Transfers	14,900,448	15,471,545	8,602,899	10,275,154
	$ 136,971,000	**$ 151,533,918**	**$ 149,029,026**	**$ 151,561,786**

FY 2018 = $ 151.6M

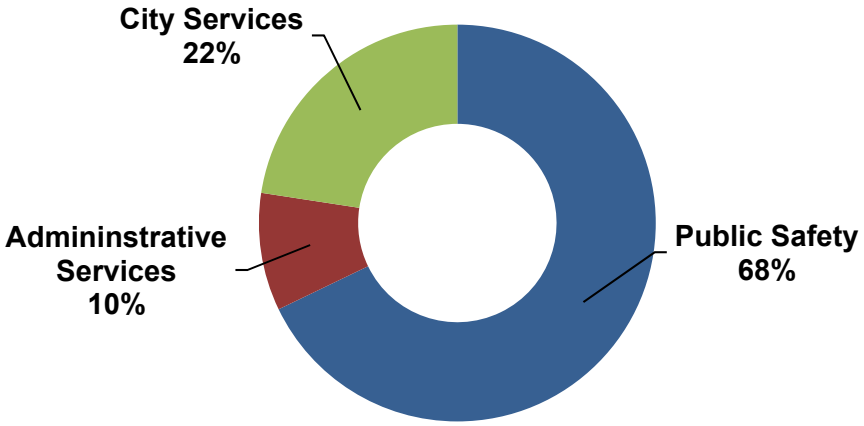


GENERAL FUND EXPENDITURES & STAFFING

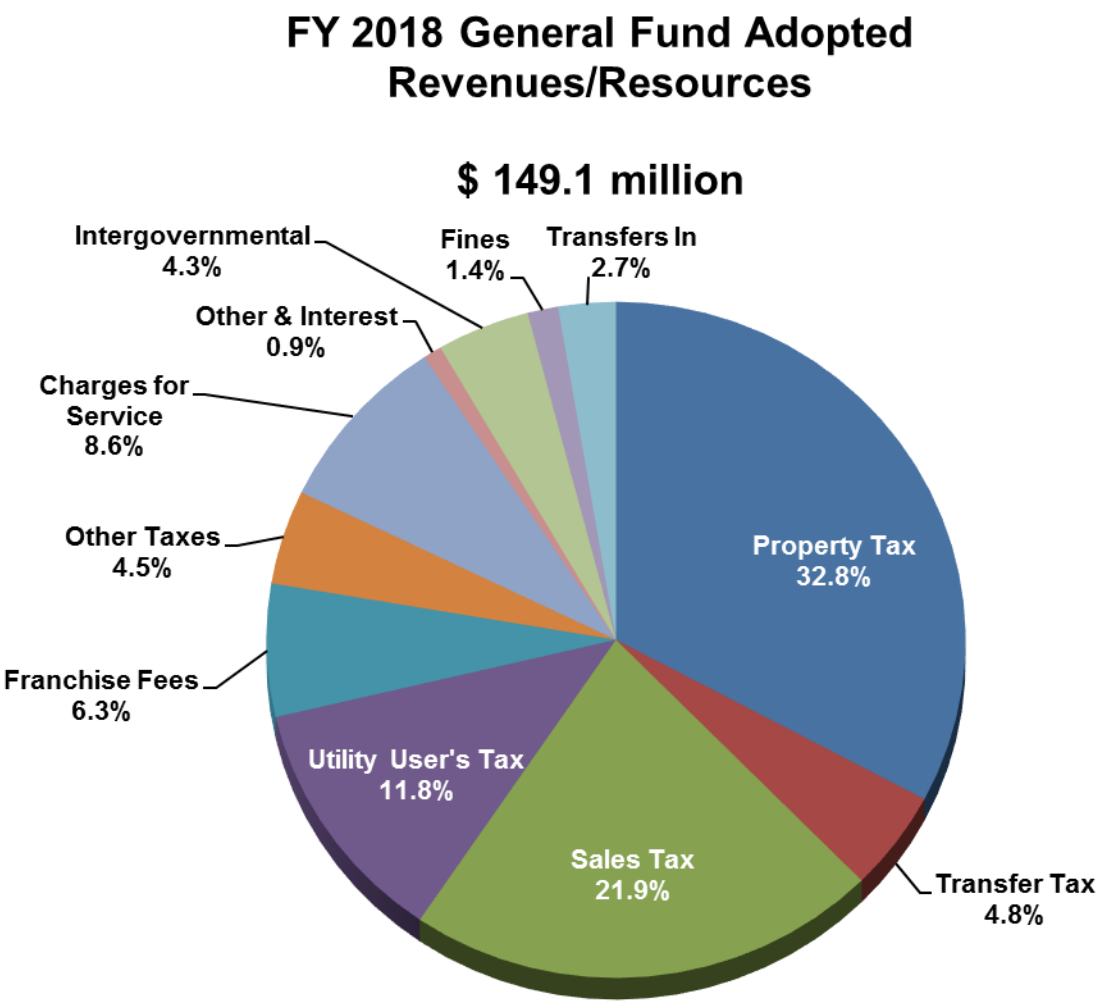
FY 2018
General Fund Expenditures by Category



FY 2018
General Fund Staffing by Service Area



GENERAL FUND REVENUES BY SOURCE



GENERAL FUND REVENUES

Revenues by Category *in 1,000's*	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Property Taxes				
Property Tax Secured	$ 26,005	$ 27,487	$ 29,459	$ 30,355
Property Tax Unsecured	1,555	1,548	1,654	2,014
RPTTF (Redistribution & Pass-Thru)	2,491	2,331	1,600	2,400
Property Tax - VLF Swap	12,077	12,793	13,292	14,143
Total Property Taxes	**$ 42,128**	**$ 44,159**	**$ 46,005**	**$ 48,912**
Sales & Use Tax				
Sales and Use Taxes	$ 22,324	$ 26,679	$ 31,800	$ 31,735
Sales Tax/Public Safety	764	839	800	874
Sales Tax Triple Flip	7,970	5,541	-	-
Total Sales & Use Tax	**31,058**	**33,059**	**32,600**	**32,609**
Utility Users Tax	**15,681**	**22,041**	**16,543**	**17,663**
Franchise Fee Tax				
Franchise - Refuse	$ 4,313	$ 4,956	$ 4,532	$ 5,100
Franchise - Water	1,439	1,079	756	453
Franchise - Sewer	789	592	414	249
Franchise - Gas & Electric	2,122	1,971	2,060	2,060
Franchise - Cable TV	1,465	1,541	1,600	1,600
Total Franchise Fee Tax	**10,128**	**10,139**	**9,362**	**9,462**
Real Property Transfer Tax	**$ 5,710**	**$ 7,850**	**$ 7,154**	**$ 7,154**
Other Taxes				
Business License Tax	$ 2,603	$ 2,623	$ 2,846	$ 2,846
Emergency Facilities Tax	1,887	2,153	1,840	1,838
Transient Occupancy Tax	2,033	2,591	2,036	2,036
Total Other Taxes	**$ 6,523**	**$ 7,367**	**$ 6,722**	**$ 6,720**
Charges for Services *(comprised of Licenses & Permits, Fees & Service Charges, Construction Related Fees)*				
Licenses and Permits				
Fire Licenses & Permits	$ 1,110	$ 1,223	$ 1,492	$ 1,630
Police Licenses & Permits	402	293	423	423
Other Licenses & Permits	155	183	188	188
Total Licenses and Permits	**$ 1,667**	**$ 1,699**	**$ 2,103**	**$ 2,241**
Fees and Service Charges				
Fire Fees & Svc Charges	$ 1,060	$ 1,321	$ 1,117	$ 1,368
Police Fees & Svc Charges	1,041	1,271	1,014	1,014
Residential Rental Inspections	773	956	808	1,000
Other Fees & Svc Charges	381	467	399	535
Total Fees and Service Charges	**$ 3,255**	**$ 4,015**	**$ 3,338**	**$ 3,917**

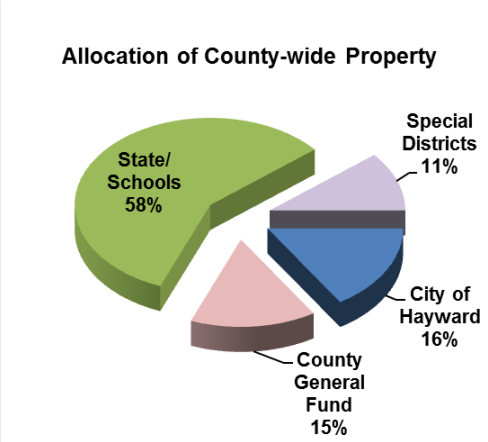
GENERAL FUND REVENUES

Revenues by Category *in 1,000's*	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Construction Related Fees				
Construction Permits	$ 1,416	$ 3,603	$ 2,556	$ 3,500
Plan Checking & New Constr. Insp.	2,989	2,310	2,600	2,600
Supplemental Improvement Tax	612	591	540	540
Total Construction Related Fees	**$ 5,017**	**$ 6,504**	**$ 5,696**	**$ 6,640**
Total Charges for Services	**$ 9,939**	**$ 12,218**	**$ 11,137**	**$ 12,799**
Inter-Governmental				
Police Grants/Reimb	$ 4,176	$ 2,737	$ 3,445	$ 2,091
Fire County EMS Reimb	371	631	300	300
Fairview Fire Protection District	$ 2,720	$ 2,772	$ 2,828	$ 2,847
Vehicle License Fee (VLF)	63	62	70	70
Fire Mutual Aid Reimb	199	1,064	1,000	720
Miscellaneous	327	1,627	395	395
Total From Other Agencies	**$ 7,856**	**$ 8,893**	**$ 8,038**	**$ 6,424**
Fines and Forfeitures				
Vehicle Fines	$ 454	$ 185	$ 300	$ 300
Parking Citations - In House	1,587	1,244	1,560	1,660
Parking Citations - DMV	-	16	-	-
FTB Parking Tax Offset	35	12	-	-
Photo Red Light	244	317	70	70
Criminal Fines	12	52	-	-
Administrative Citations	6	4	1	1
Library Fines	75	69	83	83
Total Fines and Forfeitures	**$ 2,413**	**$ 1,899**	**$ 2,014**	**$ 2,114**
Other Revenues				
Other	648	721	451	656
Total Other Revenues	**$ 648**	**$ 721**	**$ 451**	**$ 656**
Interest & Rents				
Interest Earned	$ 42	$ 133	$ 400	$ 400
Miscellaneous Interest Income	-	-	200	200
Building & Parking Rental	75	18	14	14
Total Interest & Rents	**$ 117**	**$ 151**	**$ 614**	**$ 614**
Total General Fund Revenues	**$ 132,201**	**$ 148,497**	**$ 140,640**	**$ 145,127**
Transfers In	3,177	5,529	4,025	3,960
Total Revenues Including Transfers	**$ 135,378**	**$ 154,026**	**$ 144,665**	**$ 149,087**

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	44,159	46,005	48,912	49,747	51,656
$ Change	3,465	(210)	3,157	2,031	1,846	2,907	835	1,909
% Change	9.70%	-0.54%	8.10%	4.82%	4.18%	6.32%	1.71%	3.84%

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

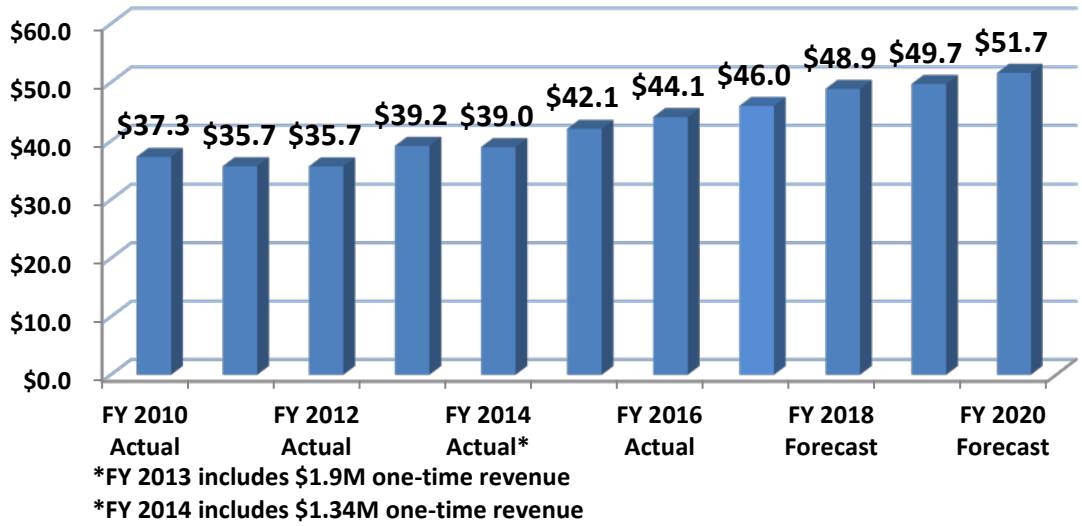
KEY GENERAL FUND REVENUES

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.



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 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 9.75 percent and distributed per the chart below.

DISTRIBUTION OF SALES TAX COLLECTIONS WITHIN ALAMEDA COUNTY

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

Measure C – District .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

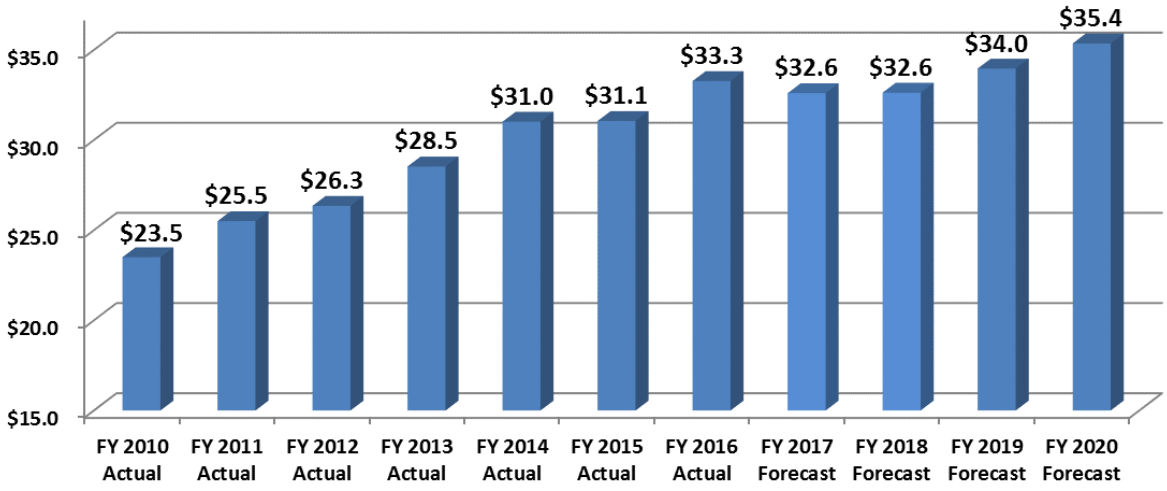
Analysis

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 saw revenue growth of about 6.5% due to one-time true-up payments. FY 2017 revenues are projected to decrease by 1.5% 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	$33,059	$32,600	$32,609	$33,966	$35,358
$ Change	2,188	2,486	38	2,001	-459	9	1,357	1,392
% Change	8.30%	8.71%	0.12%	6.44%	-1.39%	0.03%	4.16%	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	$22,041	$16,543	$17,663	$17,664	$17,706
$ Change	143	822	-81	6,360	-5,498	1,120	1	42
% Change	0.97%	5.50%	-0.51%	40.56%	-24.94%	6.77%	0.01%	0.24%

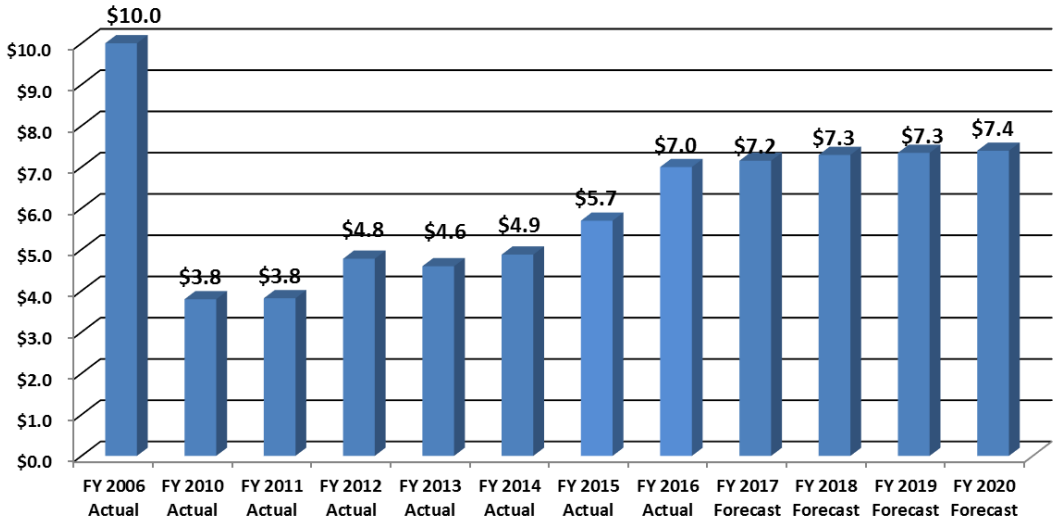
Passage of AB1717 is intended to address the loss of revenues the City has experienced from wireless services. While slow to materialize from the Board of Equalization, the City has observed growth in revenue for pre-paid wireless UUT. The significant rise in revenues received in FY 2016 is a result of the City receiving a back UUT payment from a major UUT contributor. In FY 2017, the UUT projection returned to a normalized annual revenue projections. However, 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	$7,850	$7,154	$7,154	$7,295	$7,345
$ Change	-182	283	871	2,100	-696	0	141	50
% Change	-3.81%	6.16%	17.85%	36.52%	-8.87%	0.00%	1.97%	0.69%

Revenues received in FY 2016 totaled $7.8 million, a 36.5% increase over FY 2015. Again, this revenue is entirely driven by the residential and commercial real estate markets. While assessed values have improved the residential market – the number of transactions drive these revenues. FY 2017 projects a decline of FY2016, with FY 2018 projecting no growth. 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 remain relatively flat from the FY 2017 projection to FY 2018, with forecasted annual growth of 2% beginning in FY2020. The forecast includes an assumed growth of 12 percent in FY 2019 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	$2,623	$2,846	$2,846	$3,193	$3,257
$ Change	10	109	1	20	223	0	347	64
% Change	0.40%	4.37%	0.04%	0.77%	8.50%	0.00%	12.19%	2.00%

THIS PAGE INTENTIONALLY LEFT BLANK

MEASURE C – DISTRICT SALES TAX

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

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

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

Analysis

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

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

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

Forecast

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

MEASURE C – DISTRICT SALES TAX

	FY 2016 Actual	FY 2017 Projected	FY 2018 Adopted	FY 2019 Projected	FY 2020 Projected
Revenues					
Measure C District Sales Tax	$13,436,227	$14,207,509	$ 13,468,896	$ 15,109,746	$ 15,680,518
Other Revenues (Interest)		115,023			
Total Revenues	13,436,227	14,322,532	13,468,896	15,109,746	15,680,518
Expenditures					
Capital					
Library / Learning Center	10,607,338	15,038,056	37,873,000		
Fire Facilities Design	930,859	1,255,383			
Fire Station 1		187,592	250,000		
Fire Station 2		320,937	400,000		
Fire Station 3		298,810	400,000		
Fire Station 4		110,592	400,000		
Fire Station 5		69,869	400,000		
Fire Station 6 & Regional Training Center		336,966	4,500,000	29,400,000	19,000,000
Street Rehabilitation	490,845	10,549,961			
Street Slurry Seal					
Debt Service	2,326,436	6,050,000	2,730,688	5,426,563	5,424,813
Operating					
Personnel	854,997	2,180,819	2,796,121	2,991,849	3,201,279
Other Operating	423,087	250,000	224,927	250,000	250,000
Total Expenditures	15,633,562	36,648,985	49,974,736	38,068,412	27,876,092
Beginning Fund Balance	7,884,501	71,476,963	49,150,510	12,644,670	(10,313,997)
Annual Surplus/Shortfall	(2,197,335)	(22,326,453)	(36,505,840)	(22,958,666)	(12,195,574)
Proceeds from Issuance of COPs*	65,789,797				
Ending Fund Balance	$71,476,963	$49,150,510	$ 12,644,670	$ (10,313,997)	$ (22,509,571)

* The Difference between the $67.5 million in COPs issued and the $65.8 million shown relate to the costs of issuance for the COPs

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

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

WATER MAINTENANCE & OPERATIONS FUND (Water Fund)

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

Analysis

The high cost of purchasing wholesale water is the most significant issue impacting the Water Fund. Over the next five years, wholesale water rates are expected to increase by over 25 percent, due in large part to the costs of improving the reliability of the regional water system. The Water Fund has also been impacted by reduced water consumption in recent years, which can be partially attributed to the extraordinarily dry conditions experienced throughout the State, apart from 2017. While this is a good thing in relation to conservation and the drought, it does impact revenues to the fund.

The City is projecting consumption in FY 2018 to remain consistent with estimated FY 2017 year-end, which assumes a 3 percent reduction from the FY 2017 original assumption. Projected consumption for the planning period in its entirety assumes it will remain relatively flat, with small increases on the order of around 1 percent in the out years. The budget deficits experienced in FY 2016 and estimated in FY 2017, relate in large part to the significant increase in wholesale water rates in those years (28 and 9.3 percent respectively), decreases in consumption during the drought, as well as an increase in the amounts transferred to the Water System Capital Replacement Fund for the Advanced Metering Infrastructure conversion. These deficits, some of which were anticipated, will be largely absorbed by available working capital fund reserves, which will negate the need for large rate escalations.

There are no FY 2018 staffing changes requested in Water Fund. The employee services costs in the Fund will remain very low, at approximately 16 percent of the total expenditure budget.

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

Forecast

Water Maintenance & Operations Fund 605

	FY 2016 Actual	FY 2017 Revised	FY 2017 Estimated	FY 2018 Adopted	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected
Beginning Fund Balance	**28,355,249**	**21,221,721**	**21,221,721**	**18,178,443**	**18,924,351**	**20,716,951**	**22,385,251**	**22,444,851**
Program Revenues								
Water Sales	34,545,573	39,100,000	38,000,000	39,200,000	39,500,000	41,500,000	43,800,000	46,500,000
Service Charges	4,946,223	4,900,000	4,900,000	5,800,000	6,700,000	6,700,000	6,700,000	6,700,000
Installation Fees	334,225	250,000	250,000	250,000	250,000	250,000	250,000	300,000
Other Revenues	667,077	260,000	260,000	260,000	260,000	260,000	260,000	260,000
Interest	155,361	97,000	97,000	105,000	91,000	104,000	114,000	115,000
Transfers In	288,484	405,593	405,593	405,595	397,300	396,900	398,300	397,500
Total Revenues	40,936,944	45,012,593	43,912,593	46,020,595	47,198,300	49,210,900	51,522,300	54,272,500
Expenditures								
Personnel	6,306,694	7,825,586	7,825,586	7,779,685	8,232,600	8,644,400	9,033,400	9,440,000
Non-Personnel	5,215,829	5,579,744	5,579,744	5,409,038	5,045,300	5,127,400	5,214,300	5,299,100
Water Purchases	24,864,482	28,300,000	27,600,000	27,600,000	27,600,000	28,800,000	32,200,000	35,400,000
Transfers Out	11,683,466	5,950,541	5,950,541	4,485,964	4,527,800	4,970,800	5,015,000	5,060,500
Total Expenditures	48,070,472	47,655,871	46,955,871	45,274,687	45,405,700	47,542,600	51,462,700	55,199,600
Annual Surplus/(Shortfall)	(7,133,528)	(2,643,278)	(3,043,278)	745,908	1,792,600	1,668,300	59,600	(927,100)
Ending Fund Balance	**21,221,721**	**18,578,443**	**18,178,443**	**18,924,351**	**20,716,951**	**22,385,251**	**22,444,851**	**21,517,751**

Forecast Assumptions

- Water sales revenue for FY 2018 and FY 2019 reflect no increase to the consumption water rate, while the fixed service charges are increased by $2 per month in FY 2018 and FY 2019 for the most common water services. This is about a 3 percent increase for most residential customers. Level rate adjustments of 6 percent in FY 2020 through FY 2022 are assumed. Actual proposed adjustments beyond FY 2019 will depend on SFPUC wholesale rates and water consumption.

- Estimated water consumption has conservatively assumed no increase from FY 2017 Estimated in FY 2018 and FY 2019, and an increase of 1% through the duration of the planning period.

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

- The debt service obligation of the Water Fund is $700,000 annually, of which 50 percent is paid from the Water System Capital Improvement Fund.

- Transfers out assumes $3 million transfer to Water System Capital Replacement Fund in FY 2018 and FY 2019, increasing to $3.4 million in FY 2020 and for the duration of the planning period.

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

WASTEWATER MAINTENANCE & OPERATIONS FUND (Sewer Fund)

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

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

Analysis

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

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

For sewer service charges, increases of 5 percent in FY 2018 and FY 2019, 3 percent in FY 2020, no increase in FY 2021, and 3 percent increase in FY 2021 are assumed. 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 further adjustment in future years.

Beginning in FY 2018, the Wastewater Fund will support the proposed additional 1.0 FTE Utilities Maintenance Mechanic and 1.0 FTE Electrician I/II. Given the operation of the new cogeneration system, the recently commissioned fourth primary clarifier, and the recycled water distribution project, which is currently in design, these positions are needed to ensure continued proper operation and maintenance of the WPCF systems.

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

Forecast

Wastewater Maintenance & Operations Funds 610

	FY 2016 Actual	FY 2017 Revised	FY 2017 Estimated	FY 2018 Adopted	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected
Beginning Fund Balance	**18,105,599**	**19,606,198**	**19,606,198**	**19,581,061**	**21,915,319**	**23,748,082**	**24,463,746**	**24,855,110**
Program Revenues								
Sewer Service Charges	18,995,440	19,600,000	19,600,000	20,500,000	21,500,000	22,300,000	22,500,000	23,000,000
Sewer Connection Fees	13,685,782	4,500,000	4,500,000	3,000,000	3,000,000	3,000,000	3,000,000	3,500,000
Other Revenues	180,676	96,000	96,000	96,000	96,000	96,000	96,000	96,000
Interest	153,560	66,000	66,000	66,000	101,000	110,000	114,000	116,000
Transfers In	1,949,946	1,734,189	1,734,189	3,449,711	1,363,800	1,583,500	1,583,500	1,583,500
Total Revenues	34,965,404	25,996,189	25,996,189	27,111,711	26,060,800	27,089,500	27,293,500	28,295,500
Expenditures								
Personnel	6,910,586	8,227,256	8,227,256	8,594,383	8,659,400	9,099,900	9,516,100	9,951,000
Non-Personnel	8,093,359	8,140,368	8,140,368	7,959,413	7,312,636	8,992,936	9,071,036	9,150,836
Transfers Out	18,460,860	9,653,702	9,653,702	8,223,657	8,256,000	8,281,000	8,315,000	8,842,000
Total Expenditures	33,464,805	26,021,326	26,021,326	24,777,453	24,228,036	26,373,836	26,902,136	27,943,836
Annual Surplus/(Shortfall)	1,500,599	(25,137)	(25,137)	2,334,258	1,832,764	715,664	391,364	351,664
Ending Fund Balance	**19,606,198**	**19,581,061**	**19,581,061**	**21,915,319**	**23,748,082**	**24,463,746**	**24,855,110**	**25,206,773**

Assumptions

- Wastewater service charges revenue for FY 2017 is based on an adopted average rate adjustment of 3 percent. A 5 percent rate increase is proposed for sewer service charges in FY 2018 and FY 2019. Planning level rate adjustments in following years range from 0 to 3 percent per year.
- Connection fee revenue decreases in FY 2018 to $3 million due to the sunset of the payment agreement with Russell City Energy Center for the facility's connection fees.
- No increases assumed in other revenue sources.
- Beginning in FY 2018, the Wastewater Fund will support an additional 1.0 FTE Utilities Maintenance Mechanic and 1.0 FTE Electrician I/II.
- The current debt service obligation of the Sewer Fund is about $4,200,000 annually, of which nearly 50 percent is paid from Capital Improvement and Replacement Funds.

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

STORMWATER MAINTENANCE & OPERATIONS FUND

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

Analysis

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

Forecast

Stormwater Maintenance & Operations Funds 615

	FY 2016 Actual	FY 2017 Revised	FY 2017 Estimated	FY 2018 Adopted	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected
Beginning Fund Balance	**3,694,647**	**4,112,013**	**4,112,013**	**4,271,213**	**4,411,748**	**4,438,748**	**4,416,748**	**4,324,048**
Program Revenues								
Stormwater Fees	1,965,771	2,015,000	2,015,000	2,015,000	2,020,000	2,025,000	2,030,000	2,035,000
Street Cleaning Fees	920,279	790,000	930,000	950,000	975,000	985,000	995,000	1,005,000
Inspection Fees	8,200	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Other Revenues	551	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Interest	26,922	16,000	16,000	16,000	22,000	22,000	22,000	22,000
Transfers In	0	0	0	0	0	0	0	0
Total Revenues	2,921,724	2,838,000	2,978,000	2,998,000	3,034,000	3,049,000	3,064,000	3,079,000
Expenditures								
Personnel	1,640,032	1,801,717	1,801,717	1,828,225	1,889,600	1,946,200	2,004,500	2,064,700
Non-Personnel	742,982	856,534	856,534	870,442	954,200	957,000	979,700	987,500
Transfers Out	121,344	160,549	160,549	158,798	163,200	167,800	172,500	177,300
Total Expenditures	2,504,357	2,818,800	2,818,800	2,857,465	3,007,000	3,071,000	3,156,700	3,229,500
Annual Surplus/(Shortfall)	417,366	19,200	159,200	140,535	27,000	(22,000)	(92,700)	(150,500)
Ending Fund Balance	**4,112,013**	**4,131,213**	**4,271,213**	**4,411,748**	**4,438,748**	**4,416,748**	**4,324,048**	**4,173,548**

Assumptions

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

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

AIRPORT ENTERPRISE FUND

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 2016, there were 427 based-aircraft, and annual aircraft operations reported by the FAA were 108,680, a decrease of nine and one-half percent (9.5 %) compared with FY 2015 due to periods of inclement weather that reduced the number of recreational and instructional flights. We anticipate that growth in activity will resume in 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 still emerging from the effects of the nationwide recession. For this reason, as well as due to periods of inclement weather, there was a decrease in annual aircraft operations of nine and one-half percent (9.5%). However, there was an increase of eleven percent (11%) in annual fuel sales due to the presence of a second Fixed Base Operator (FBO) and increased use of the airport by charter operators and corporate flight departments.

Forecast

Construction of two multi-million dollar FBO facilities was completed in FY 2017. Due to efforts by the FBOs to market these new facilities, as well as continuing improvement in the local and national economy, some improvement in revenue from fuel flowage commissions and increased revenue from land leases are forecast.

Airport Operating Fund - Fund 620

	FY 2016 Actual	FY 2017 Revised	FY 2017 Estimated	FY 2018 Adopted	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected
Beginning Fund Balance	**2,767,983**	**3,040,788**	**2,596,090**	**3,017,359**	**2,827,454**	**2,753,112**	**2,835,214**	**2,898,058**
Program Revenues								
Interest & Tower Rent	**160,861**	**182,683**	**167,425**	**181,263**	**183,076**	**184,906**	**186,755**	**188,623**
Land Rent	**1,733,467**	**1,656,699**	**1,760,599**	**1,753,903**	**1,876,676**	**1,876,676**	**1,876,676**	**1,876,676**
Hangar Rent	**1,070,624**	**1,008,800**	**1,074,000**	**1,253,376**	**1,181,172**	**1,354,419**	**1,354,419**	**1,462,320**
Fees & Service Charges	**7,854**	**6,000**	**9,699**	**15,757**	**15,915**	**16,074**	**16,234**	**16,397**
Other Revenues	**304,697**	**350,000**	**350,000**	**307,754**	**310,832**	**313,940**	**317,079**	**320,250**
Total Revenues	3,277,503	3,204,182	3,361,723	3,512,054	3,567,670	3,746,015	3,751,164	3,864,266
Expenditures								
Personnel	1,471,954	1,611,829	1,384,259	1,662,650	1,679,277	1,696,069	1,713,030	1,730,160
Non-Personnel	381,822	488,206	441,959	532,124	537,445	542,820	548,248	553,730
Transfers Out	1,150,922	1,548,845	1,558,943	1,215,037	1,558,915	1,559,985	1,563,354	1,521,160
Total Expenditures	3,004,698	3,648,880	3,385,161	3,409,811	3,775,637	3,798,874	3,715,414	3,805,051
Annual Surplus/(Shortfall)	272,805	(444,698)	(23,438)	102,243	(207,967)	(52,859)	35,750	59,215
Ending Fund Balance*	**3,040,788**	**2,596,090**	**3,017,359**	**2,827,454**	**2,753,112**	**2,835,214**	**2,898,058**	**3,094,947**

**This amount does not include the $5,343,800 held in this fund as an Emergency Reserve.*

ENTERPRISE FUNDS – OVERVIEW & FORECASTS

Assumptions

- Hangar rates increase every other year (biennially) In July of odd numbered years (e.g. July 2017, July 2019, etc.). Hangar rates apply to all hangars and storage spaces, excluding tiedowns. The rate adjustment is calculated using a factor of 75 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. This will cause an annual shortfall in the fund in FY 2018 and FY 2019. Staff anticipates the annual disbursement of Measure D funds to stabilize after FY 2020. Council approved an integrated waste management fee to supplement Recycling Fund activities as part of the current solid waste and recycling services franchise agreement in FY 2015. For planning purposes, $360,000/year beginning in FY 2020 is projected for this new fee, with increases tied to Consumer Price Index (CPI) for the out years. Once it comes into effect, the Integrated Waste Management Fee will reverse the losses in the Fund.

Forecast

Recycling Funds 230/231/232

	FY 2016 Actual	FY 2017 Revised	FY 2017 Estimated	FY 2018 Adopted	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected
Beginning Fund Balance	1,275,537	1,429,237	1,429,237	1,257,264	1,035,982	807,784	914,486	1,015,088
Program Revenues								
Measure D Funds	401,550	350,000	350,000	340,000	340,000	330,000	330,000	330,000
CalRecycle Grant	39,863	0	38,776	0	0	0	0	0
Used Oil Grant	42,051	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Interest	12,535	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Donations (student contest)	650	2500	2500	2500	2500	2500	2500	2500
Integrated Waste Management Fee [(1)]	0	0	0	0	0	360,000	370,000	380,000
WMAC Special Assessment Delinq. Reimb.	13,270	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Street Impact Fee	226,584	0	0	0	0	0	0	0
Total Revenues	736,503	406,500	445,276	396,500	396,500	746,500	756,500	766,500
Expenditures								
Personnel	372,955	418,960	418,960	416,907	416,000	428,000	441,000	454,000
Non-Personnel	126,618	153,465	153,465	152,494	158,998	160,698	162,398	164,098
Transfers Out	83,230	44,824	44,824	48,381	49,700	51,100	52,500	54,000
Total Expenditures	582,803	617,249	617,249	617,782	624,698	639,798	655,898	672,098
Annual Surplus/(Shortfall)	153,700	(210,749)	(171,973)	(221,282)	(228,198)	106,702	100,602	94,402
Ending Fund Balance	**1,429,237**	**1,218,488**	**1,257,264**	**1,035,982**	**807,784**	**914,486**	**1,015,088**	**1,109,490**

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

Assumptions

- No assumed Measure D fund increases.
- Integrated Waste management fee assumed in FY 2020, with projected annual revenue of $360,000.

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

FACILITY MANAGEMENT OPERATION FUND

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

Analysis

The Facility operating fund is maintaining a minimum fund balance. Staff is in the process of completing an RFP to establish a comprehensive facility needs analysis. This study will establish a long-term capital plan and associated funding requirements.

Forecast

Facility Management Operating Fund - Fund 725

	FY 2016 Actuals	FY 2017 Revised	FY 2017 Estimated	FY 2018 Adopted	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected
Beginning Fund Balance	**236,666**	**343,899**	**343,899**	**264,954**	**267,334**	**270,984**	**275,942**	**282,249**
Revenue								
Operational Service Rate	3,231,316	3,384,292	3,384,292	3,614,664	3,723,104	3,834,797	3,949,841	4,028,838
Rental Fees	31,925	27,000	33,286	36,917	38,025	39,165	40,340	41,550
Other Revenue	150,804	136,000	145,651	144,688	145,183	145,693	146,220	146,765
GF Transfer In	35,730		167,000	-	-	-	-	-
Total Revenues	3,449,775	3,547,292	3,730,229	3,796,269	3,906,311	4,019,655	4,136,401	4,217,153
Expenditures								
Staffing	1,148,096	1,321,660	1,358,613	1,340,519	1,380,735	1,422,157	1,464,821	1,508,766
Utilities	754,143	802,400	945,127	907,256	934,474	962,508	991,383	1,021,125
Janitorial, Security, and Alarm Service	532,784	625,000	645,000	690,680	711,400	732,742	754,725	777,366
Maintenance, Supplies, and Svcs	508,748	507,938	547,336	564,466	581,400	598,842	616,807	635,311
Debt Service - 2 Loans	167,481	168,139	168,139	168,139	168,138	168,138	168,138	72,724
ISF: Fleet and Tech Svcs	90,684	110,320	110,320	88,537	91,193	93,929	96,747	99,649
GF Cost Allocation, Self-Insur	140,606	34,639	34,639	34,293	35,322	36,381	37,473	38,597
Total Expenditures	3,342,542	3,570,096	3,809,174	3,793,889	3,902,662	4,014,697	4,130,094	4,153,539
Annual Surplus/(Shortfall)	107,233	(22,804)	(78,945)	2,380	3,650	4,958	6,307	63,614
Ending Fund Balance	**343,899**	**321,095**	**264,954**	**267,334**	**270,984**	**275,942**	**282,249**	**345,864**

Assumptions

- *Revenue growth rate* –
  - Service Fee – in FY 2018 a **4%** 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. Various future rate increases will consist of the following: **3%** for each year FY19 through FY21 and **2%** for FY22.

- *Expense growth rate* –
  - Staffing – A **3%** growth rate is applied to forecasted budgets for staffing.
  - General Expenses - A **3%** growth rate is applied to forecasted budgets for maintenance, supplies, services, and self-insurance charges.
  - PG&E – an overall increase in utilities is due to a consolidation of City department bills, in conjunction with a reduction in the estimated cost for the new library.

- Debt Service- Detailed debt service information is reflected in the debt section of this document. As of 6/30/2016, the total outstanding principal balance was $925,764.

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

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

FLEET MANAGEMENT OPERATIONS FUND

Fleet Management (Fleet) is part of the Maintenance Services Department and provides for the operation, maintenance, repair, acquisition, and disposal 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 charging an operational service fee to our City staff customer departments, based on historical operation, maintenance, repair, and administrative cost.

Analysis

The fleet operating fund is in a stable financial position. A decade ago, funds were depleted from the fleet operating and capital funds, and bank loans were used to fund minimal fleet equipment replacements. In FY 2013, a consorted effort to fund vehicle replacements with City cash was initiated. These cash contributions started at $500,000 in FY 2013 and ended in FY 2017 at $2.7 million. To reduce the general fund deficit, all FY 2018 general fund equipment replacements will be deferred, except for a replacement fire engine. This will enable $2.14 million to remain in the general fund to help reduce the estimated deficit.

As for bank loan expense, the last vehicle replacement bank loan was taken out in FY 2015. Since then, the City has been paying down the debt service expense, and subsequently has not taken out any additional bank loans. This has enabled the bank loan expense to go down going forward. Aside from staff, fleet's largest expense is for fuel. Fuel prices are always of concern as prices can rapidly change due to changes in macroeconomics or geo-political events. Although fuel costs have dropped from their FY 2012 high of $1 million, the future of fuel costs is inexact going forward.

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.

Note: FY 2018 General Fund operational service rate reduced by 30% to assist with deficit.

	FY 2016 Actual	FY 2017 Revised	FY 2017 Estimated	FY 2018 Adopted	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected
Beginning Fund Balance	**1,580,446**	**793,282**	**793,282**	**851,199**	**1,168,088**	**1,426,054**	**1,448,724**	**1,399,839**
Program Revenue								
Operational Service Rate	4,315,772	4,317,484	4,317,484	4,300,788	4,252,722	4,188,931	4,126,097	4,064,205
Other Revenues	25,595	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Transfers In	-	-	-	-	-	-	-	-
Total Revenue/Resources	**4,341,367**	**4,321,484**	**4,321,484**	**4,304,788**	**4,256,722**	**4,192,931**	**4,130,097**	**4,068,205**
Expenditures								
Staffing/Temp Staffing	1,312,564	1,485,031	1,485,031	1,335,183	1,375,238	1,416,496	1,458,991	1,502,760
Fuel	713,297	850,000	800,000	900,000	945,000	992,250	1,041,863	1,093,956
Maintenance, Repair, and Other Op Costs	894,315	913,920	863,920	889,658	916,348	943,838	972,153	1,001,318
Debt Service (GF Vehicle Loan Purchase)	1,131,607	888,545	888,545	684,805	478,568	478,568	361,194	243,819
ISF: Facilities and Tech Svcs	120,275	125,551	125,551	125,159	128,914	132,781	136,765	140,868
Trsfr: Fleet Capital (736)	800,000	-	-		100,000	150,000	150,000	150,000
Trsfr: GF Cost Allocation, Self-Insur	156,473	50,520	50,520	53,094	54,687	56,327	58,017	59,758
Total Expenditures	**5,128,531**	**4,313,567**	**4,213,567**	**3,987,899**	**3,998,755**	**4,170,261**	**4,178,982**	**4,192,478**
Annual Surplus/(Shortfall)	(787,164)	7,917	107,917	316,889	257,967	22,670	(48,885)	(124,273)
Ending Fund Balance	**793,282**	**801,199**	**901,199**	**1,168,088**	**1,426,054**	**1,448,724**	**1,399,839**	**1,275,566**

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

Assumptions

- *Revenue Future Estimates* **–**
  - Operational Service Fee – In FY 2018, an $800,000 reduction in the general fund operational service rate was implemented. This rate decrease was necessitated based upon the fleet operating fund balance and contribution needed for the general fund deficit reduction.

- *Expense Future Estimates* **–**
  - Staffing – A **3%** growth rate is applied to forecasted years for staffing.
  - General Expenses - A **3%** growth rate is applied to forecasted years for maintenance, utilities, supplies, services, ISF fees, and self-insurance.
  - Fuel – A **5%** growth rate is applied to forecasted years for fuel.
  - Debt Service – Debt Service expense is forecasted based on the loan repayment schedule. Detailed debt service information is available in the Debt Service section of this document. As of June 30, 2017, the total outstanding debt will be $2.6 million dollars. With FY 2015 being the last year that the City utilized a bank loan to fund vehicle replacement, the fund will now begin to see annual debt service expense decline over the life of the five-year plan.

- *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 economic uncertainty related to fuel prices, and/or unanticipated high value vehicle or equipment repairs.

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

INFORMATION TECHNOLOGY FUND

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

Analysis

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

Forecast

Information Technology Fund 730

	FY 2016 Actual	FY 2017 Adopted	FY 2017 Adjusted	FY 2017 Estimated	FY 2018 Adopted	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected
Beginning Fund Balance	**700,741**	**788,063**	**791,970**	**795,877**	**799,784**	**1,272,008**	**1,760,519**	**2,266,117**	**2,789,634**
Program Revenues									
Information Technology Fee	5,678,708	5,923,743	5,923,743	5,923,743	6,573,630	6,780,699	6,994,291	7,214,612	7,441,872
Technology Capital Fee	605,984	614,719	614,719	614,719	622,104	622,000	630,000	638,000	646,000
PEG Revenue	308,726	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000
Other Revenue	20,700	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
Fund Interest	8,281	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	6,622,399	6,796,462	6,796,462	6,796,462	7,453,734	7,660,699	7,882,291	8,110,612	8,345,872
Expenditures									
Personnel	3,046,743	3,259,049	3,259,049	3,259,049	3,337,716	3,437,847	3,540,983	3,647,212	3,756,629
Non-Personnel	2,692,633	2,840,510	2,840,510	2,840,510	2,942,638	3,030,917	3,121,845	3,215,500	3,311,965
Transfers Out	795,701	692,996	692,996	692,996	701,156	703,424	713,866	724,382	734,974
Total Expenditures	6,535,077	6,792,555	6,792,555	6,792,555	6,981,510	7,172,188	7,376,694	7,587,095	7,803,567
Annual Surplus/(Shortfall)	87,322	3,907	3,907	3,907	472,224	488,511	505,598	523,517	542,304
Ending Fund Balance	**788,063**	**791,970**	**795,877**	**799,784**	**1,272,008**	**1,760,519**	**2,266,117**	**2,789,634**	**3,331,938**

Assumptions

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

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

INTERNAL SERVICE FUNDS – OVERVIEW & FORECAST

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

What is included?

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

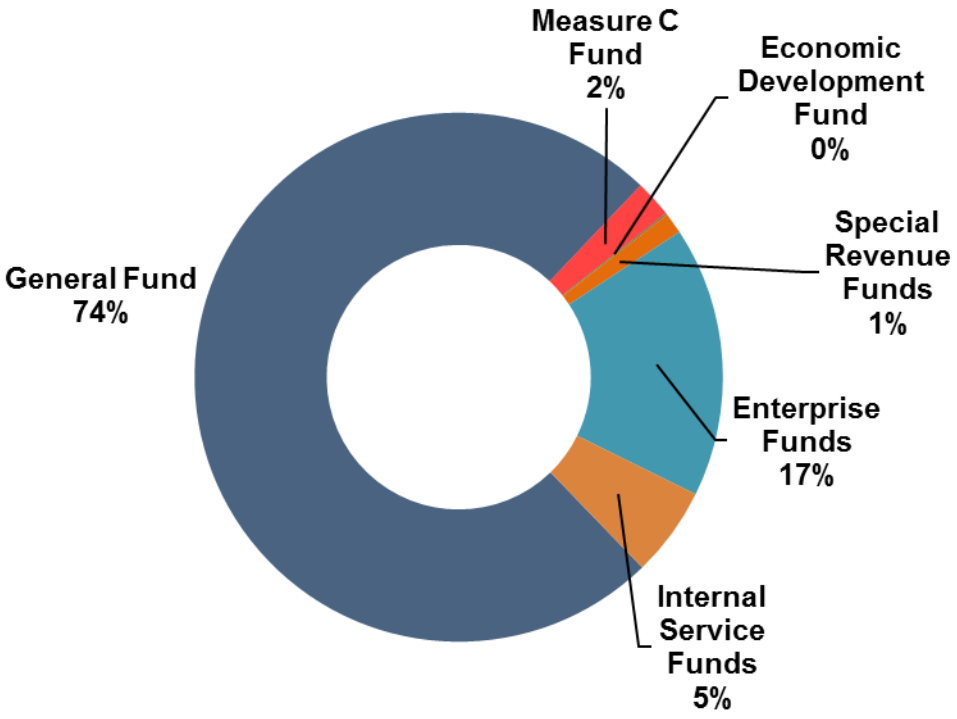
- ✓ Payroll system for all City employees
- ✓ Procurement and payment system for goods and services for departments
- ✓ Billing system for services provided by departments to residents, businesses and customers.
- ✓ Email, word processing, spreadsheet applications for City staff
- ✓ Network infrastructure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

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

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

CITYWIDE STAFFING CHANGES SUMMARY

The FY 2018 Adopted Budget includes a total of 880.8 full time equivalent (FTE) positions. The majority of City staffing (74% or 654.5 FTE) is funded in the General Fund, with the remaining 26% spread out in the Measure C Fund, Economic Development Fund, Special Revenues Funds, Enterprise Fund, and Internal Service Funds.



Compared to FY 2017, total staff has increased by 6.0 FTE positions. The majority of the growth is within enterprise funds, internal services funds, and general fund.

Total FTE by Funding Type

Fund Type	FY 2017 Adopted	FY 2018 Adopted	change
General Fund	651.2	654.5	3.3
Measure C Fund	20.0	20.0	0.0
Economic Development Fund		1.0	1.0
Special Revenue Funds	12.3	11.2	-1.1
Enterprise Funds	144.0	145.8	1.8
Internal Service Funds	47.3	48.3	1.0
Citywide Total	874.8	880.8	6.0

CITYWIDE STAFFING SUMMARY BY DEPARTMENT - GENERAL FUND

	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted
Mayor & City Council Department	8.00	7.00	7.00	7.00
City Attorney Department	6.00	6.00	6.00	6.00
City Clerk Department	4.00	4.00	4.00	4.00
City Manager Department	22.00	23.00	13.00	13.00
Development Services Department	36.00	39.00	50.00	50.00
Finance Department	25.00	23.30	24.20	24.25
Fire Department	135.50	135.50	136.50	137.50
Human Resources Department	9.00	8.80	8.55	8.55
Library & Community Services Dept.	34.20	37.20	37.80	38.80
Maintenance Services Department	27.00	22.29	22.57	22.81
Police Department	304.00	306.50	307.50	307.50
Public Works-Engineering & Transp. Dept.	32.00	33.85	33.85	34.85
Utilities & Environmental Services Dept.	0.00	0.25	0.25	0.25
	642.70	**646.69**	**651.22**	**654.51**

CITYWIDE STAFFING SUMMARY - BY FUND

		FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted
General Fund					
100	General Fund[1]	**642.70**	**646.69**	**651.22**	**654.51**
101	Measure C Fund	**0.00**	**20.00**	**20.00**	**20.00**
102	Economic Development[2]	**0.00**	**0.00**	**0.00**	**1.00**
Special Revenue Funds					
217	Measure B - Paratransit Fund	2.00	3.00	3.00	3.00
220	Neighborhood Promise Grant Fund[3]	2.00	2.00	2.00	0.00
225	Community Development Block Grant Fund	4.00	0.00	0.00	0.00
230	Recycling Fund	3.00	0.00	0.00	0.00
232	Measure D Fund	0.00	2.75	2.75	2.75
246	Affordable Housing[4]	2.00	2.00	2.00	3.00
266-281	LLD #1 - #13 and Maint Dist #1 and #2[5]	0.00	0.28	0.00	0.45
295	South Hayward BART JPA Fund[6]	0.00	0.01	0.54	0.00
815	Redevelopment Successor Agency	2.00	2.00	2.00	2.00
		15.00	**12.04**	**12.29**	**11.20**
Enterprise Funds					
605	Water Operating Fund[7]	58.50	57.30	60.61	60.46
610	Wastewater Operating Fund[8]	46.00	57.15	58.15	60.15
615	Stormwater Operating Fund	10.00	13.15	13.43	13.43
620	Airport Operating Fund[9]	11.00	12.02	11.80	11.75
		125.50	**139.62**	**143.99**	**145.79**
Internal Service Funds					
705	Worker's Compensation Fund	3.00	3.20	3.45	3.45
710	General Liability Insurance Fund	3.00	3.00	4.00	4.00
725	Facilities Management Fund	9.00	9.30	9.38	9.38
730	Information Technology Fund[10]	17.00	21.00	21.00	22.00
735	Fleet Management	9.00	9.35	9.47	9.47
		41.00	**45.85**	**47.30**	**48.30**
		824.20	**864.20**	**874.80**	**880.80**

CITYWIDE STAFFING SUMMARY - BY FUND

Staffing Changes:

1. Addition of 3.3 FTE in General Fund
2. Addition of 1.0 FTE in Economic Development Fund
3. Deletion of 2.0 FTE in Neighborhood Promise Grant Fund (Funding ended December 31, 2016)
4. Addition of 1.0 FTE in Affordable Housing Fund
5. Addition of 0.45 FTE in LLD #1 - #13 and Maint Dist #1 and #23
6. Deletion of 0.54 FTE in South Hayward BART JPA Fund
7. Deletion of 0.15 FTE in Water Operating Fund
8. Addition of 2.0 FTE in Wastewater Operating Fund
9. Deletion of 0.05 FTE in Airport Operating Fund
10. Addition of 1.0 FTE in Information Technology Fund

CITYWIDE STAFFING SUMMARY BY DEPARTMENT - ALL FUNDS

	FY 2014 Adopted	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted
Mayor & City Council Department	0.00	8.00	7.00	7.00	7.00
City Attorney Department	0.00	9.00	9.00	10.00	10.00
City Clerk Department	0.00	4.00	4.00	4.00	4.00
City Manager Department[1]	0.00	27.00	30.00	20.00	19.00
Development Services Department[2]	0.00	36.00	39.00	50.00	50.00
Finance Department	0.00	32.00	35.00	35.50	35.50
Fire Department[3]	0.00	135.50	135.50	136.50	137.50
Human Resources Department	0.00	12.00	12.00	12.00	12.00
Information Technology[4]	0.00	17.00	17.00	18.00	19.00
Library & Community Services Department[5]	0.00	40.20	42.20	42.80	44.80
Maintenance Services Department	0.00	56.00	61.00	62.00	62.00
Police Department	0.00	304.00	321.50	322.50	322.50
Public Works-Engineering & Transportation[6]	0.00	44.00	46.00	46.00	47.00
Utilities & Environmental Services[7]	96.50	99.50	105.00	108.50	110.50
	96.5	**824.20**	**864.20**	**874.80**	**880.80**
Change from previous fiscal year	96.50	727.70	40.00	10.60	6.00

Staffing Changes From FY 2017 to FY 2018:

1. Deletion of 1.0 FTE in City Manager Department (Deletion of 2.0 FTE; Addition of 1.0 FTE FY17 Mid-Year)
2. Addition of 1.0 FTE, Deletion of 1.0 FTE in Development Services Department
3. Addition of 1.0 FTE in Fire Department
4. Addition of 1.0 FTE in Information Technology Department
5. Addition of 2.0 FTE in Library & Community Services Department
6. Addition of 1.0 FTE in Public Works: Engineering & Transportation Department (FY17 Mid-Year)
7. Addition of 2.0 FTE in Utilities & Environmental Services Department
8. Addition of 1.0 FTE in Development Services Department

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted
MAYOR & CITY COUNCIL DEPARTMENT				
City Councilmembers	6	6	6	6
Executive Assistant	1	0	0	0
Mayor	1	1	1	1
	8	**7**	**7**	**7**
CITY ATTORNEY DEPARTMENT				
Asst City Attorney/Deputy City Attorney I/II	5	5	6	6
City Attorney	1	1	1	1
Legal Secretary I/II	2	1	1	0
Paralegal	1	2	2	3
	9	**9**	**10**	**10**
CITY CLERK DEPARTMENT				
City Clerk	1	1	1	1
Deputy City Clerk	1	1	1	1
Management Analyst I/II	0	1	1	1
Senior Secretary	2	1	1	1
	4	**4**	**4**	**4**
CITY MANAGER DEPARTMENT				
Administrative Clerk I/II	3	3	2	2
Assistant City Manager	1	1	1	1
Assistant to the City Manager	0	0	1	1
Audio Video Specialist	0	1	1	1
City Manager	1	1	1	1
Code Enforcement Inspector I/II	7	7	1	0
Code Enforcement Supervisor	1	1	0	0
Community & Media Relations Officer	1	1	1	1
Community Service Officer	1	1	1	0
Digital Applications Designer	0	1	1	1
Economic Development Manager	1	1	1	2
Economic Development Specialist	2	2	2	2
Executive Assistant	1	2	2	2
Graphics/Media Technician	0	0	1	1
Housing Development Specialist	1	0	0	0
Management Analyst I/II	1	1	2	2
Management Fellow	1	1	0	0
Neighborhood Development Manager	1	1	0	0
Neighborhood Partnership Manager	0	0	0	0
Secretary	1	0	0	0
Senior Code Enforcement Inspector	2	2	0	0
Senior Secretary	1	2	1	1
Video Assistant	0	1	1	1
	27	**30**	**20**	**19**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted
DEVELOPMENT SERVICES DEPARTMENT				
Administrative Clerk I/II	2	3	4	4
Administrative Secretary	1	1	1	1
Assistant Civil Engineer	0	0	0	1
Assistant Planner	1	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	6	6
Code Enforcement Manager	0	0	1	1
Deputy Director of Development Services	1	1	1	1
Development Review Engineer	1	1	0	0
Development Review Specialist	1	1	1	0
Development Services Director	1	1	1	1
Graphics/Planning Illustrator	1	1	0	0
Landscape Architect	1	1	1	1
Management Analyst I/II	1	1	1	1
Management Fellow	0	0	0	1
Permit Technician	4	4	4	3
Plan Checker	2	1	1	1
Plan Checking Engineer	1	1	1	1
Planning Manager	1	1	1	1
Principal Planner	0	0	1	1
Secretary	2	2	2	2
Senior Building Inspector/Electrical	1	1	1	1
Senior Building Inspector/Plumb-Mechanical	1	1	1	1
Senior Building Inspector/Structural	1	1	1	1
Senior Civil Engineer	0	0	1	1
Senior Code Enforcement Inspector	0	0	2	2
Senior Permit Technician	1	1	1	1
Senior Plan Checker	0	1	1	1
Senior Planner	2	3	3	3
Senior Secretary	1	1	2	2
Supervising Building Inspector	0	1	1	1
Supervising Plan Checker & Expeditor	1	1	1	1
Supervising Permit Technician	0	0	0	1
	36	**39**	**50**	**50**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted
FINANCE DEPARTMENT				
Account Clerk	0	0	0.5	0.5
Accountant	1	1	2	2
Accounting Manager	1	1	1	1
Accounting Technician	0	0	0	0
Administrative Analyst II	1	2	2	2
Budget Officer	0	1	1	1
Customer Account Clerk	6	6	6	6
Data Systems Operator	0	1	1	1
Deputy Director of Finance	1	1	1	1
Director Of Finance	1	1	1	1
Mail & Revenue Clerk	0	1	1	1
Finance Analyst	2	0	0	0
Finance Supervisor	0	0	0	0
Finance Technician	6	6	5	4
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	4	4	4	4
Senior Accountant	1	1	1	1
Senior Accounting Technician	0	0	0	0
Senior Customer Account Clerk	4	5	5	5
Supervising Customer Account Clerk	0	0	0	1
	32	**35**	**35.5**	**35.5**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted
FIRE DEPARTMENT				
Administrative Analyst III	1	0	0	0
Administrative Clerk I/II	1	1	1	1
Apparatus Operator (56 Hr)	33	33	33	33
Battalion Chief (56 Hr)	6	6	6	6
Deputy Fire Chief (40 Hr)	2	2	2	2
Emergency Medical Services Coordinator	1	1	1	1
Environmental Specialist	0	1	1	1
Fire Captain (56 Hr)	33	33	33	33
Fire Chief	1	1	1	1
Fire Marshal (40 Hr)	1	1	1	1
Fire Prevention Inspector	2	2	2	2
Fire Protection Engineer	1	1	1	1
Fire Services Supervisor	1	1	1	1
Fire Technician I/II	2	2	3	3
Fire Training Officer	1	1	1	1
Firefighter (56 Hr)	41	41	41	41
Hazardous Materials Investigator	2	2	2	3
Hazardous Materials Program Coordinator	1	1	1	1
Mail Clerk	0.5	0.5	0.5	0.5
Management Analyst I/II	1	1	1	1
Senior Secretary	1	1	1	1
Staff Fire Captain	3	3	3	3
	135.5	**135.5**	**136.5**	**137.5**
HUMAN RESOURCES DEPARTMENT				
Administrative Intern	1	1	1	1
Deputy Director of Human Resources	0	0	1	1
Human Resources Administrative Assistant	0	0	0	1
Human Resources Analyst I/II	4	4	4	4
Human Resources Director	1	1	1	1
Human Resources Manager	0	0	0	0
Human Resources Technician	4	4	4	3
Senior Human Resources Analyst	2	2	1	1
	12	**12**	**12**	**12**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted
INFORMATION TECHNOLOGY DEPARTMENT				
Administrative Secretary	1	1	1	1
Audio Video Specialist	1	0	0	0
Data & Systems Coordinator	1	0	0	0
Data Systems Operator	1	0	0	0
Geographic Info Systems Coordinator	1	0	0	1
GIS Analyst	0	1	1	0
GIS Technician	0	1	1	1
Information Systems Manager	1	0	0	0
Information Technology Director	1	1	1	1
Information Technology Manager	0	3	3	3
IT Analyst I/II	1	2	2	3
IT Technician I/II	0	4	4	4
Network Systems Specialist	1	0	1	1
Network/Microsystem Specialist	3	0	0	0
Programmer Analyst	2	3	3	3
Senior Information Systems Support Tech	0	0	0	
Video Assistant	1	0	0	0
Web Specialist	1	0	0	0
	17	**17**	**18**	**19**
LIBRARY & COMMUNITY SERVICES DEPARTMENT				
Administrative Clerk I/II	0	1	1	1
Administrative Secretary	1	1	1	1
Community Services Manager	1	1	1	1
Community Programs Specialist	0	0	0	1
Educational Services Manager	0	1	1	1
Educational Services Coordinator	1	0	0	0
Housing Development Specialist	0	1	1	1
Housing Manager	0	0	0	1
Information Systems Support Technician	1	1	1	1
Lead Library Assistant	1	3	3	3
Librarian I	6.5	6.5	6.5	7.5
Library & Community Services Director	1	1	1	1
Library Assistant	8.5	8.5	9	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	1	0	0
Senior Library Page	1.8	1.8	2.4	2.4
Senior Property Rehabilitation Specialist	1	1	1	0
Supervising Librarian I	3	3	3	3
Volunteer Program Assistant	1.5	1.5	2	2
	40.2	**42.2**	**42.8**	**44.8**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted
MAINTENANCE SERVICES DEPARTMENT				
Administrative Secretary	1	1	1	1
Director Of Maintenance Services	1	1	1	1
Electrician I/II	1	1	1	1
Equipment Mechanic I/II	6	6	6	5
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	0	0	0
Facilities Painter II	1	1	1	1
Facilities Service Worker II	1	2	2	2
Fleet Maintenance Manager	0	0	1	1
Fleet Management Supervisor	1	1	0	0
Groundskeeper I/Laborer	10	12	12	12
Groundskeeper II	3	2	2	2
Groundskeeper III	1	1	1	1
HVAC Mechanic	1	1	1	1
Landscape Maintenance Manager	0	0	1	1
Landscape Maintenance Supervisor	1	1	0	0
Maintenance Leader	2	3	3	3
Maintenance Worker/Laborer	7	9	9	9
Management Analyst I/II	2	2	2	2
Secretary	0	0	0	0
Senior Equipment Mechanic	0	0	0	1
Senior Maintenance Leader	2	2	2	2
Senior Secretary	2	2	2	2
Streets Maintenance Manager	1	1	1	1
Streets Maintenance Supervisor	0	0	0	0
Sweeper Equipment Operator	5	5	6	6
Tree Trimmer	2	3	3	3
	56	**61**	**62**	**62**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted
POLICE DEPARTMENT				
Administrative Secretary	2	2	1	1
Administrative Supervisor	0	0	1	1
Animal Care Attendant	8	5	5	5
Animal Control Officer	2	3	3	3
Animal Services Administrator	1	1	1	1
Animal Shelter Supervisor	2	0	0	0
Call Taker	0	8	8	8
Chief Of Police	1	1	1	1
Communications Administrator	1	1	1	1
Communications Operator	19	19	19	19
Communications Supervisor	4	5	5	5
Community Service Officer	19	21	21	21
Counseling Supervisor	1	1	1	1
Crime Analyst	1	1	1	1
Crime Analyst Supervisor	0	1	1	1
Crime Prevention Specialist	2	2	2	2
Crime Scene Technician	4	4	4	4
Family Counselor I	8	8	9	9
Inspector	5	2	1	0
Jail Administrator	0	1	1	1
Jail Supervisor	4	4	4	4
Latent Fingerprint Examiner	0	1	1	1
Operations Support Services Manager	1	1	1	1
Personnel & Training Administrator	1	1	1	1
Police Captain	3	3	3	3
Police Lieutenant	10	10	11	11
Police Officer	147	153	154	155
Police Programs Analyst I/II	1	1	1	1
Police Records Clerk II	16	15	15	15
Police Sergeant	27	28	27	27
Property & Evidence Supervisor	1	0	0	0
Property Technician	3	4	4	4
Property/Evidence Administrator	1	1	1	1
Records Administrator	1	1	1	1
Records Supervisor	3	2	2	2
Reserve Officer Coordinator	0	0.5	0.5	0.5
Secretary	3	5	5	5
Senior Management Analyst	1	1	1	1
Shelter Operations Supervisor	0	2	2	2
Shelter Volunteer Coordinator	0	1	1	1
Youth & Family Services Administrator	1	1	1	1
	304.00	**321.5**	**322.5**	**322.5**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted
PUBLIC WORKS-ENGINEERING & TRANSPORTATION				
Administrative Secretary	1	1	1	1
Airport Maintenance Worker	4	4	3	3
Airport Business Manager	0	0	1	1
Airport Manager	1	1	1	1
Airport Operations Specialist	0	0	0	1
Airport Operations Supervisor	1	1	1	1
Assistant City Engineer	1	1	1	0
Assoc/Assist Civil Engineer	9	8	8	8
Assoc/Assist Transportation Engineer	2	2	2	2
Assoc Transportation Planner	1	1	1	1
Construction Inspector	3	4	4	4
Deputy Director of Engineering & Transportation	0	0	0	1
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	0
Secretary	2	2	2	1
Senior Airport Maintenance Worker	1	1	1	1
Senior Civil Engineer	1	2	2	2
Senior Construction Inspector	2	2	2	2
Senior Management Analyst	0	0	0	1
Senior Secretary	2	2	2	3
Senior Transportation Engineer	1	1	1	1
Supervising Construction Inspector	1	1	1	1
Survey Engineer	0	1	1	1
Surveyor	1	1	1	1
Traffic Signal Technician	1	1	1	1
Transportation Manager	1	1	1	1
	44	**46**	**46**	**47**

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted
UTILITIES & ENVIRONMENTAL SERVICES				
Administrative Intern	0	0.5	0.5	0.5
Administrative Secretary	1	1	1	1
Assoc Civil Engineer/Assist Civil Engineer	2.5	2.5	3	3
Backflow/Cross Connection Tester	1	1	1	1
Chemist	0	1	1	1
Cross Connection Control Specialist	1	1	1	1
Development Review Specialist	0	0	0	1
Director of Utilities & Environmental Services	1	1	1	1
Electrician I/II	5	5	5	6
Environmental Services Manager	1	1	1	1
Equipment Operator	3	3	3	3
Lab Supervisor	1	1	1	1
Laboratory Technician	2	2	2	2
Maintenance Worker/Laborer	1	1	1	1
Management Analyst I/II	1	2	2	2
Operator in Training	0	2	2	2
Recycling Specialist	1	0	0	0
Secretary	2	2	2	2
Senior Water Pollution Source Control Inspector	1	1	1	1
Senior Management Analyst	1	1	1	1
Senior Secretary	3	3	3	3
Senior Utilities Engineer	2	2	2	2
Senior Utility Customer Service Leader	1	1	1	1
Senior Utility Leader	1	1	1	1
Senior Utility Leader - Sewer	1	1	1	1
Senior Utility Service Representative	1	1	1	0
Sewer Collection System Maintenance Supervisor	1	0	0	0
Solid Waste Program Manager	1	1	1	1
Storekeeper - Expediter	1	1	1	1
Sustainability Specialist	0	0	0	1
Sustainability Technician	1	1	1	0
Technical Intern	0.5	0.5	0.5	0.5
Utilities Engineering Manager	0	0	1	1
Utilities Field Services Supervisor	1	1	1	1
Utilities Maintenance Mechanic	9	9	9	10
Utilities Operations & Maintenance Manager	1	1	1	1
Utilities Operations & Maintenance Supervisor	1	1	1	1
Utilities Service Worker	2	2	2	2
Utility Leader	3	3	3	3
Utility Leader - Sewer	2	2	2	2
Utility Worker - Sewer/Laborer	6	6	6	6
Utility Worker/Laborer	11	11	13	13
Wastewater Collections Systems Supervisor	0	1	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
Water Pollution Control Facility (WPCF) Manager	1	1	1	1

DEPARTMENT STAFFING SUMMARY - ALL FUNDS

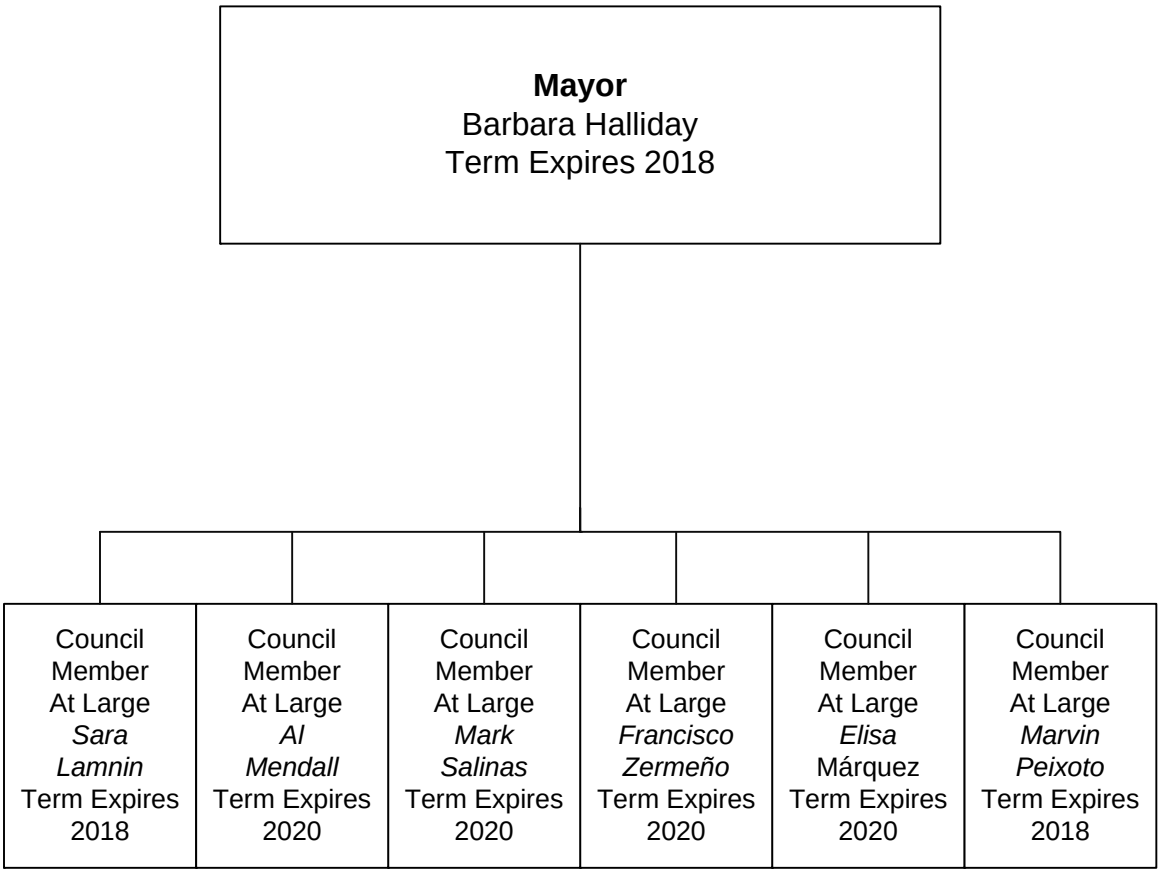
	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Adopted
Water Pollution Source Control Inspector	3	3	3	3
Water Resources Manager	0	1	1	1
WPCF Lead Operator	6	6	6	6
WPCF Maintenance Supervisor	1	1	1	1
WPCF Operations & Maintenance Manager	1	1	1	1
WPCF Operations Supervisor	1	1	1	1
WPCF Operator	5	6	6	6
	99.5	**105**	**108.5**	**110.5**

TOTAL FTE (ALL FUNDS)	**880.8**

THIS PAGE INTENTIONALLY LEFT BLANK

FY 2018 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 2017 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Provided legislative and policy development for the City Manager in support of the community's priorities: Safe, Clean, Green and Thriving. Examples of achievements include:
    a. Adopting a Zero Net Energy Goal for municipal facilities;
    b. Joining East Bay Community Energy, which allows the community to have more control over its energy sources;
    c. Forming a Geological Hazard Abatement District to prevent geological hazards in the La Vista area; and
    d. Adopting a citywide Community Workforce agreement to provide good jobs to Hayward residents.
2. Allocated and approved City financial resources and labor contracts in support of achieving long-term financial stability for the City.
3. Approved development projects at identified catalyst sites (significant projects planned and designed to cause a complementary development reaction on surrounding properties) throughout Hayward, including the Maple and Main mixed-use development.
4. Responded to constituent concerns throughout the city.
5. Hired a new City Manager.
6. Established the Community Task Force to update the City's Anti-Discrimination Action Plan.
7. Established the Council Infrastructure Committee to guide and prioritize infrastructure investments and repair.
8. Partnered with other agencies, including Hayward Areas Recreation and Park District, Hayward Unified School District, and Cal State East Bay, on projects and initiatives to provide services to the community. Examples include the Hayward Promise Neighborhood partnership and the South Hayward Family Resource Center.
9. Revised the City Council Handbook.

10. Placed cannabis taxation measure on the November 2016 ballot to ensure local control of cannabis business activities in the city.
11. Completed 360-degree performance appraisal process for City Attorney, City Clerk, and City Manager.
12. Identified strategic initiatives for the City:
    a. Complete Communities – be a community that provides multimodal access to jobs, commerce, learning, open space, recreation, and other amenities and services to provide community members with the ideal place to live, work and play.
    b. Complete Streets – provide streets that are safe, comfortable, and convenient for travel for everyone, regardless of age or ability
    c. Tennyson Corridor – develop strategies for prioritizing improvement and fostering development in the Tennyson Road area.

FY 2018 KEY SERVICE OBJECTIVES/GOALS

1. Continue to provide informed direction to staff for achievement of the key priorities: Safe, Clean, Green, and Thriving.
2. Continue to oversee the implementation of a comprehensive citywide performance management program for City departments and services.
3. Continue efforts to bring structural balance to the City's finances and stability to the City's labor environment.
4. Continue partnerships with the community and other agencies, including working with Hayward Unified School District to support and enhance the educational performance of Hayward's public schools.
5. Maintain excellence in responding to resident and community requests.
6. Evaluate and adopt recommendations from the Community Task Force, including updates to the Anti-Discrimination Action Plan.
7. Respond to federal government actions that reduce funding for identified City goals.
8. Other programs and initiatives that will receive major attention in FY 2018 include:
    a. Economic Development
    b. Revision and update of Land Use policies and regulations
    c. Simplification of City operational and regulatory procedures for businesses and residents.

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

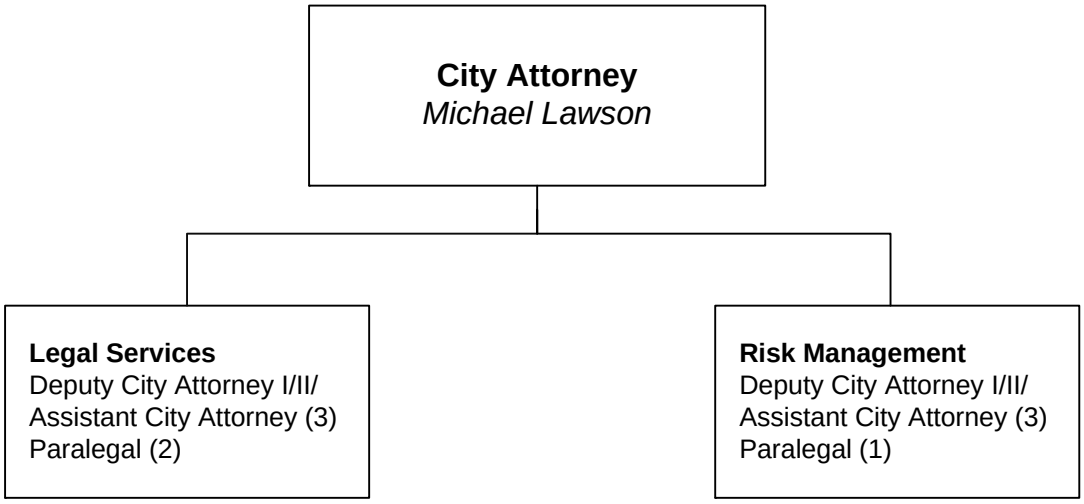
	FY 2015 Actuals	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
None	96	-	-	-
Total Revenues	**96**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	272,962	192,590	191,538	191,538
Overtime	4,635	-	-	-
Benefits				
Fringe Benefits	41,519	29,207	31,264	51,084
Retiree Medical	14,400	11,445	11,445	11,025
PERS	50,622	36,321	38,783	38,464
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**384,138**	**269,563**	**273,030**	**292,111**
Supplies & Services	30,295	39,731	56,900	56,900
Internal Service Fees	56,499	70,367	68,743	66,940
Net Operating Expenses	**86,794**	**110,098**	**125,643**	**123,840**
Total Expenditures	**470,933**	**379,661**	**398,673**	**415,951**
General Fund Subsidy	**470,837**	**379,661**	**398,673**	**415,951**

FY 2018 Significant Budget Changes:

1. None

FY 2018 STAFFING
10.0 FTE

Office of the City Attorney



CITY ATTORNEY DEPARTMENT

MISSION STATEMENT

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

DEPARTMENT OVERVIEW

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

DIVISION/PROGRAM SUMMARIES

Legal Services Program

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

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 fee requirements; 2) Coordination of the mediation and arbitration dispute process and responses to inquiries; and, 3) Representation in litigation concerning the ordinances. For FY18, the Rent Review Program will move to the new Housing Services Division so as to consolidate and better serve the community with the several programs available or expected to be developed that focus on housing affordability strategies. The administrative fees generated by this program will also move to the new Housing Services Division. Moving the rent program to the new division will allow the City Attorney's Office to focus on its core missions in Legal Services and Risk Management and Comprehensive Liability Insurance coverages.

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.

CITY ATTORNEY DEPARTMENT

FY 2017 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2017 Goals	Status
Legal Services Program	1	Respond promptly to client inquiries, including working collaboratively to obtain desired outcomes.	ACHIEVED
	2	Continue to efficiently manage in-house litigation efforts and special counsel services.	ACHIEVED
	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.	ACHIEVED
	4	Manage, evaluate, and settle claims, as necessary and appropriate, and defend the City in litigation.	ACHIEVED
	5	Provide legal counsel to City Council, Planning Commission and Personnel Commission, other advisory bodies as necessary and appropriate.	ACHIEVED
	6	Work collaboratively with City departments and follow up as needed to ensure that City Council priorities are supported.	ACHIEVED
Rent Review Program	7	Arrange monthly tenant clinics with community based legal services.	ACHIEVED
	8	Manage high surge in inquiries pursuant to residential and mobile home rent control programs.	ACHIEVED
	9	Coordinate and manage the mediation and arbitration of the rent dispute resolution process.	ACHIEVED
	10	Respond to over 100 monthly inquiries related to rent crisis, and lead effort with City departments to address and/or resolve issues.	ACHIEVED
Risk Management	11	Procure the City's general liability, property, automobile and fiduciary insurance at competitive pricing levels.	ACHIEVED
	12	Participate in insurance and risk coverage programs through joint powers authority.	ACHIEVED

CITY ATTORNEY DEPARTMENT

FY 2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals
Legal Services Program	1	Monitor and apprise Council and City staff of any changes in State law regarding public meetings and conflicts of interest.
	2	Provide legal counsel to Planning Commission and other advisory bodies, as necessary and appropriate.
	3	Working collaboratively with Code Enforcement, Police Department, abate egregious, high-risk conditions associated with abandoned commercial properties.
	4	Prepare for legalization of cannabis in 2018.
Rent Review Program	5	Transfer rent review program to new housing services division.
	6	Monitor the City's rent stabilization ordinances and ensure consistency with State law.
Risk Management	7	Manage, evaluate, and settle claims, as necessary and appropriate.
	8	Continue to efficiently manage in-house litigation efforts and special counsel services.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2018

FY 2018 *Changes* - New FTE Paralegal (conversion of existing Legal Secretary classification).

All Funds Summary - By Category

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue and Transfers in from Other Funds				
General Fund Revenue	8,740	13,977	14,000	14,000
Risk Management Fund	3,167,633	3,119,511	4,000,000	4,000,000
Risk Management Fund Balance	248,849	43,430	(375,388)	(729,969)
	3,425,222	**3,176,918**	**3,638,612**	**3,284,031**
Fund Subsidy				
General Fund Subsidy	**919,508**	**1,038,339**	**1,290,716**	**1,242,524**
Total Revenues	**4,344,730**	**4,215,257**	**4,929,328**	**4,526,554**
EXPENDITURES				
Expenditures				
Salary				
Regular	968,201	1,053,206	1,347,629	1,390,107
Overtime	10,599	91	-	-
Benefits				
Fringe Benefits	124,923	133,252	218,990	161,183
Retiree Medical	16,200	16,350	14,715	15,750
PERS	210,711	245,355	327,880	295,150
Chrgs (to)/from other programs	-	-	-	-
Net Staffing Expense	**1,330,635**	**1,448,255**	**1,909,214**	**1,862,190**
Maintenance & Utilities	1,785	5,753	6,400	1,000
Supplies & Services	2,584,839	2,316,632	2,867,490	3,998,073
Internal Service Fees	90,099	107,246	121,224	125,230
Capital	-	-	25,000	-
Net Operating Expense	**2,676,722**	**2,429,630**	**3,020,114**	**4,124,303**
Transfers out to other funds	**337,372**	**337,372**	**-**	**-**
Total Expenditures	**4,344,730**	**4,215,257**	**4,929,328**	**5,986,493**

All Funds Summary - By Program

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue and Transfers in from Other Funds				
General Fund Revenue	8,740	13,977	14,000	14,000
Risk Management Fund	3,167,633	3,119,511	4,000,000	4,000,000
Risk Management Fund Balance	248,849	43,430	(375,388)	(729,969)
	3,425,222	**3,176,918**	**3,638,612**	**3,284,031**
Fund Subsidy				
General Fund Subsidy	**919,508**	**1,038,339**	**1,290,716**	**1,242,524**
Total Revenues	**4,344,730**	**4,215,257**	**4,929,328**	**4,526,554**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds By Program				
General Fund	928,248	1,052,316	1,304,716	1,256,524
Risk Management Fund	3,416,482	3,162,941	3,624,612	4,729,969
Total Expenditures	**4,344,730**	**4,215,257**	**4,929,328**	**5,986,493**

City Attorney Department

General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Other Revenue	2,431	-	-	-
Rental Review Fees	6,310	13,977	14,000	14,000
Total Revenues	**$8,740**	**$13,977**	**$14,000**	**$14,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	625,168	710,806	817,538	840,449
Overtime	195	91	-	-
Benefits				
Fringe Benefits	68,663	72,751	115,322	97,686
Retiree Medical	10,800	11,445	9,810	9,450
PERS	136,036	161,569	199,383	178,974
Chrgs (to)/from other programs	3,901	-	-	-
Net Staffing Expense	**844,763**	**956,663**	**1,142,053**	**1,126,559**
Maintenance & Utilities	1,219	5,453	5,600	200
Supplies & Services	20,511	14,588	44,429	44,429
Internal Service Fees	61,755	75,613	87,634	85,336
Capital Outlay	-	-	25,000	-
Net Operating Expense	**83,485**	**95,653**	**162,663**	**129,965**
Total Expenditures	**$928,248**	**$1,052,316**	**$1,304,716**	**$1,256,524**
General Fund Subsidy	**$919,508**	**$1,038,339**	**$1,290,716**	**$1,242,524**

FY 2018 Significant Budget Changes:

1. None

Risk Management - Internal Service Fund

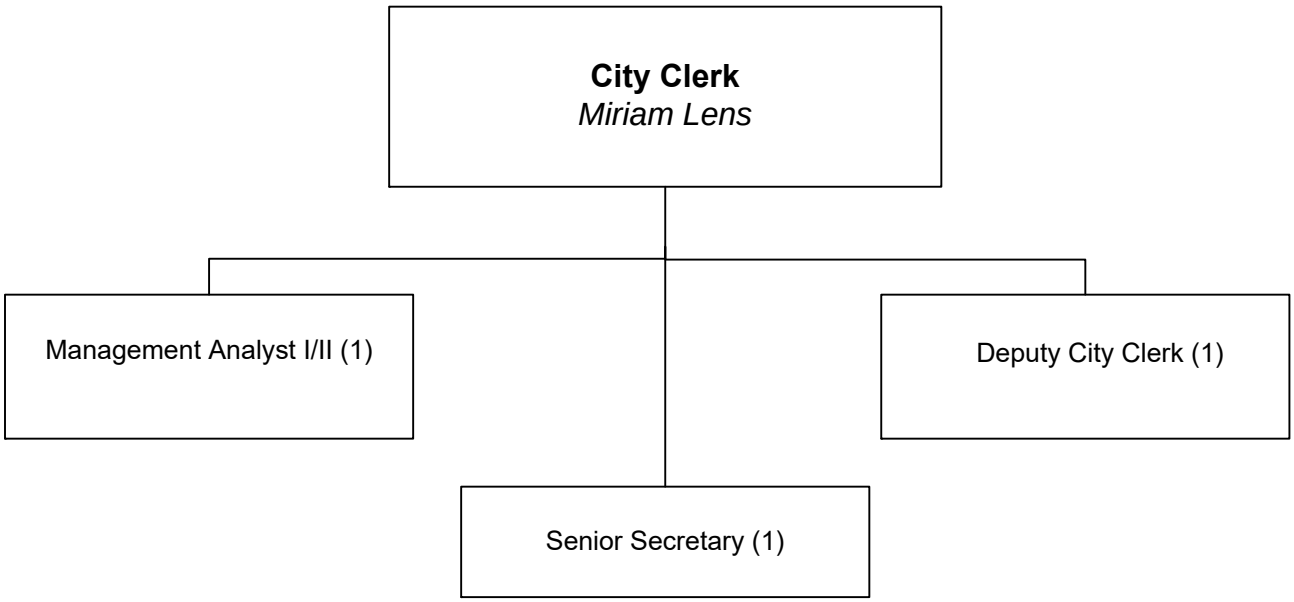
	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beginning Working Capital Balance	**$1,532,302**	**$1,283,453**	**$1,240,023**	**$1,615,411**
REVENUES				
Revenue				
Interest	-	-	-	-
Other Revenue	1,122	-	-	-
	1,122	-	-	-
Transfer In				
Liability Insurance Premium	3,166,511	3,119,511	4,000,000	4,000,000
From General Fund	-	-	-	-
	3,166,511	3,119,511	4,000,000	4,000,000
Total Revenues	**3,167,633**	**3,119,511**	**4,000,000**	**4,000,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	343,034	342,400	530,091	549,658
Overtime	10,404	-	-	-
Benefits				
Fringe Benefits	56,260	60,501	103,668	63,497
Retiree Medical	5,400	4,905	4,905	6,300
PERS	74,675	83,786	128,497	116,176
Chrgs (to)/from other programs	(3,901)	-	-	-
Net Staffing Expense	**485,872**	**491,592**	**767,161**	**735,631**
Maintenance & Utilities	566	300	800	800
Supplies & Services	1,366,420	1,072,044	1,325,061	1,953,644
Internal Service Fees	28,344	31,633	33,590	39,894
Insurance	1,197,907	1,230,000	1,498,000	2,000,000
Net Operating Expense	**2,593,237**	**2,333,977**	**2,857,451**	**3,994,338**
Transfers out to other funds				
Transfer to General Fund - Cost Allocation	337,372	337,372	-	-
Total Transfers Out	**337,372**	**337,372**	**-**	**-**
Total Expenditures	**3,416,482**	**3,162,941**	**3,624,612**	**4,729,969**
Net Change	**(248,849)**	**(43,430)**	**375,388**	**(729,969)**
Ending Working Capital Balance	**$1,283,453**	**$1,240,023**	**$1,615,411**	**$885,442**

FY 2018 Significant Budget Changes:

1. Increase to insurance premiums related to higher employee practices liability costs
2. Increase to supplies and services for litigation related expenses (settlement of claims, lawsuits or outside counsel)

FY 2018 STAFFING
4.0 FTE

Office of the City Clerk



CITY CLERK'S OFFICE

MISSION STATEMENT

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

DEPARTMENT OVERVIEW

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

DIVISION/PROGRAM SUMMARIES

Records Management

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

Council, Boards, Commissions, Committees & Task Force

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

Elections

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

Open Government/Transparency

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

Public Service

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

CITY CLERK'S OFFICE

FY 2017 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2017 Goals	Status
Records Management	1	Complete the recodification of the entire Hayward Municipal Code (HMC) and City Charter; facilitate training on its use; and facilitate the legal review.	**COMPLETED** Converted 1,926 pages (11 Chapters and 138 Articles) of the Hayward Municipal Code and the City Charter into one online robust and searchable Internet database; and hosted four training sessions.
	2	Complete the update to the City's Records Retention Schedule (Administrative Rule 1.9).	**COMPLETED** Coordinated and reviewed citywide departmental recommendations to update the City's Records Retention Schedule to ensure compliance with state statutes.
	3	Adhere to requirements set by the California Fair Political Practices Commission (FPPC) for Statement of Economic Interests – Forms 700 and Campaign Forms.	**ACHIEVED** Accepted 295 FPPC Forms 700 and 202 FPPC Campaign Statement Form filings.
	4	Facilitate responses to California Public Records Act responses.	**ACHIEVED** Facilitated responses to 204 Public Records Act requests.
	5	Maintain the legislative history of City Council, Council Standing Committees, and Council's appointed bodies.	**ACHIEVED** Processed the following in the LaserFiche database: 150 Council agendas, reports, and minutes; and 459 Council's appointed bodies agendas, reports, and minutes.

CITY CLERK'S OFFICE

Records Management	6	Maintain permanent records; and continue to build the searchable database by scanning, indexing and OCRing (Optical Character Recognition) hard copy documents into the LaserFiche database.	**ACHIEVED** Processed a total of 1,975 documents in the LaserFiche database consisting of agendas, reports, minutes, resolutions, ordinances, contracts and agreements, campaign statements, claims, and recorded documents.
	7	Meet noticing requirements for legal publications; and serve as a liaison between newspaper agency and City departments 100% of the time.	**ACHIEVED** Processed 68 newspaper legal advertisements consisting of public hearings, annual budget, master fee schedule, adoption of ordinances, and notices for various departments.
Council, Boards, Commissions, Committees & Task Force	8	Complete Phase II implementation of the Granicus Meeting and Agenda System.	**COMPLETED** Expanded the use of the system to all Boards, Commissions, Task Forces, and meeting bodies such as the South Hayward BART Access Authority, Hayward Area Shoreline Planning Agency, and Successor Agency Oversight Board. Meeting information from agendas to minutes for all bodies can be accessed via one single platform on the City's website.
	9	Coordinate Ethics and Harassment Prevention trainings for members of Council's appointed bodies.	**ACHIEVED** Provided resources for online trainings and facilitated live training sessions conducted by the City Attorney and Human Resources Department. A total of 44 Ethics and Harassment Prevention training certificates were completed.

CITY CLERK'S OFFICE

Council, Boards, Commissions, Committees & Task Force	10	Conduct an annual recruitment for Council's appointed bodies; and one Special Personnel Commission recruitment.	**ACHIEVED** Conducted recruitments through various social media channels (Facebook, Twitter, Nextdoor, and GovDelivery email subscription) as well as traditional outreach (newspapers, Channel 15, in-person recruitment at public events such as the annual Citywide Clean-up, Hayward Street Parties, Light Up the Season). A total of 14 Hayward schools were contacted for the Hayward Youth Commission recruitment. <u>Council's appointed bodies:</u> • Applications received: 33 • Appointments: 11 • Reappointments: 7 <u>Hayward Youth Commission</u> • Applications received: 44 • Interviewed: 42 • Appointments: 11 • Reappointments: 4 • Alternates: 4 <u>Personnel Commission:</u> • Applications received: 22 • Interviewed: 9 • Appointments: 4

CITY CLERK'S OFFICE

Public Service	11	Study automated public records request programs to streamline recording, tracking, and answering public records requests.	**ONGOING** Polled cities in California about their processes around Public Records Act requests and analyzed data collected. The findings concluded that while a system might help manage the volume of requests, it would not significantly reduce the workload. Staff learned from the survey that public platforms are more effective tools in addressing public requests. Staff will modify this goal by shifting efforts to building a public portal.
	12	Perform a feasibility study on performing civil marriage ceremonies at City Hall.	**COMPLETED** According to State of California legislation (Family Code Section 400.1), City Clerks and Elected Officials are authorized to solemnize marriages. While officiants cannot charge for the service, the City could charge a fee for use of its facilities and other expenses associated with providing this service. Additional staff would be required to provide this service or the City could opt to offer the service during important dates such as Valentine's Day.
	13	Provide passport services to the public at large; and meet requirements set by the U.S. Department of State for processing applications.	**ACHIEVED** Processed 862 U.S. passport applications.

Open Government/ Transparency	14	Continue to implement the online filing of Fair Political Practices Commission Campaign Forms.	**ONGOING** Collected information about the regulations set forth by the FPPC, system provider, and budget. Upon budget allocation, staff plans to proceed with implementation of the system in FY 2018.
	15	Continue to make accessible for public viewing on the City's website documents received after the publication of agenda packet for the City Council, Planning Commission, and other meeting bodies.	**ACHIEVED** Uploaded 80 documents and PowerPoint presentations for Council meetings and 55 for other meeting bodies.
	16	Continue to monitor accessibility to the City's online Document Center via the LaserFiche weblink.	**ACHIEVED** Provided access to 110 Council agendas and reports, 40 Council minutes, 196 Resolutions, and 18 Ordinances.

FY 2017 ADDITIONAL ACCOMPLISHMENTS

1. Managed the local process involved with the November 8, 2016 Special Municipal Election for Ballot Measure EE - Cannabis Transaction and Use Tax, by adhering to California Elections Code statutes and deadlines set by the Alameda County Registrar of Voters.
2. Conducted a Special Personnel Commission recruitment to fill four vacancies.
3. Launched a Granicus Boards and Commissions solution to automate the application process for Council's appointed bodies; and manage meeting body rosters, appointments, and vacancies.
4. Conducted a pilot project to evaluate the feasibility of continuing the Passport Program as a self-sufficient service with no impact to the General Fund.

CITY CLERK'S OFFICE

FY 2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals
Records Management	1	Continue to improve the Council agenda and meeting management system (Granicus: iLegislate, Legistar, LiveManager, and Votecast); and explore methods for increasing public access to Council agendas/meetings such as promoting electronic messaging alerts and e-comments.
	2	Comply with the requirements set by the California Public Records Act.
	3	Continue to adhere to requirements set by the California Fair Political Practices Commission (FPPC) for Statements of Economic Interests -Forms 700 and Campaign Forms.
Boards, Commissions, Committees, and Task Force	4	Implement the online filing of Campaign Forms in accordance with regulations set forth by the California Fair Political Practices Commission.
	5	Conduct the General Municipal Election in November 2018.
Public Services	6	Collaborate with various departments to gather and organize data that could be made available to the public via one central public portal on the City's website to improve transparency and reduce requests for public records.
	7	Continue to maintain service level goals for all aspects of department operations.
Open Government/ Transparency	8	Promote accessibility to Fair Political Practices Commission (FPPC) forms and reports via the City's website.
	9	Continue to make accessible for public viewing on the City's website documents received after the publication of agenda packet for the City Council, Planning Commission, and other meeting bodies.

CITY CLERK'S OFFICE

FY 2018 DEPARTMENT PERFORMANCE METRICS

#	**Performance Measures**	**Goal # OR %**
1	Continue to build the City's online Document Center consisting of permanent records.	Process 100% of public and disclosable records.
2	Maintain the legislative history of City Council, Council Standing Committees, and Council's appointed bodies.	Process 100% of records produced.
3	Facilitate responses to California Public Records Act requests.	Process 100% of requests received.
4	Conduct the annual recruitment for the Council's appointed bodies by engaging social media channels and traditional outreach methods.	Fill 100% of vacancies.
5	Ensure that all members of Council's appointed bodies have completed required Ethics and Harassment Prevention trainings.	Ensure 100% compliance.
6	Maintain permanent records; and continue to build the searchable database by scanning, indexing and OCRing (Optical Character Recognition) hard copy documents into the LaserFiche database.	Process 100% of permanent records.
7	Meet noticing requirements for legal publications; and serve as a liaison between newspaper agency and City departments.	Process 100% of noticing requirements.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2018

None.

General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Sale of Documents - Passports	13,465	5,949	10,000	-
Other Revenue		17,178		
Sale of Documents - General	3,260	3,246	3,000	3,000
Total Revenues	**16,725**	**26,374**	**13,000**	**3,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	334,341	356,718	390,657	396,162
Overtime	1,477	4,556	-	-
Benefits				
Fringe Benefits	66,946	72,268	78,087	52,094
Retiree Medical	7,200	6,540	6,540	6,300
PERS	72,797	79,088	94,559	83,643
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**482,760**	**519,170**	**569,843**	**538,199**
Maintenance & Utilities	1,737	5,453	5,600	200
Supplies & Services	42,192	100,366	75,280	90,280
Election Expense	244,405	280,892	-	-
Internal Service Fees	81,465	89,111	107,337	124,426
Net Operating Expense	**369,799**	**475,821**	**188,217**	**214,906**
Total Expenditures	**852,560**	**994,991**	**758,060**	**753,105**
General Fund Subsidy	**835,835**	**968,617**	**745,060**	**750,105**

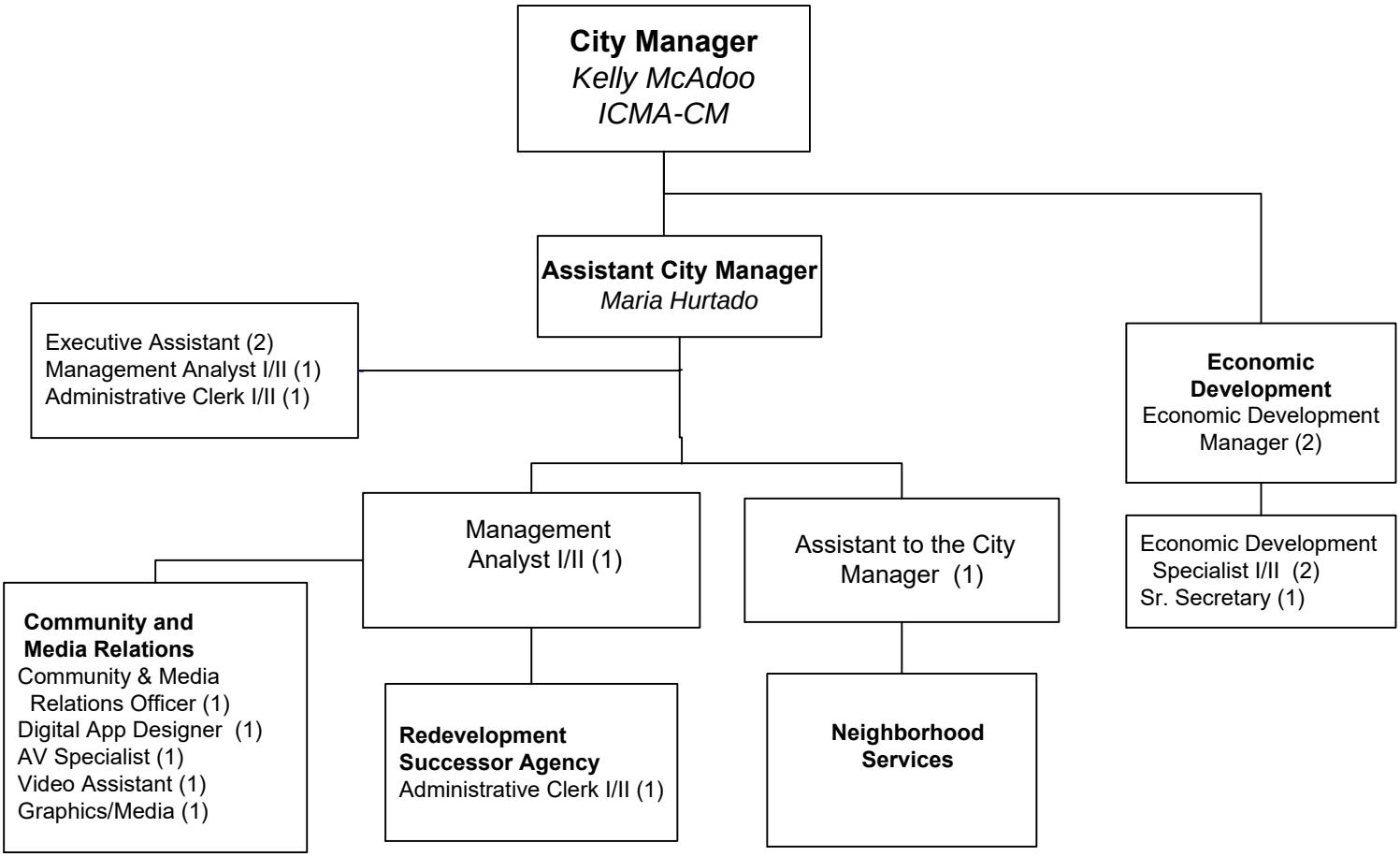
** FY15 Actuals reflect FY14 Election Expenses ($244,405), as the invoice was not received and processed until after the close of the FY14 fiscal year.*

FY 2018 Significant Budget Changes:

1 Increase in Supplies and Services for Campaign Forms and Records Storage

FY 2018 STAFFING
19.0 FTE

Office of the City Manager



CITY MANAGER'S OFFICE

MISSION STATEMENT

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

DEPARTMENT OVERVIEW

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

DIVISION/PROGRAM SUMMARIES

Communications & Media Relations

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

Economic Development

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

Neighborhood Services

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

CITY MANAGER'S OFFICE

FY 2017 KEY SERVICE GOALS/OBJECTIVES

Division	#	FY 2017 Goals	Status
City Manager's Office	1	Assure the health and well-being of the organization and its employees.	**ONGOING** Inherently a continuous process. This past fiscal year, the City Manager has increased her availability to all staff, facilitated strategic planning initiatives, and begun work on developing formalized organizational values.
	2	Successfully expand the Lean Startup Initiative throughout the organization. This initiative enables staff to combine outreach and rapid experimentation to find effective solutions to problems.	**ACHIEVED** Held a Lean Startup Boot Camp in October that trained more than 25 employees on the methodology, hosted monthly Lean Startup brown bag lunches.
	3	Develop and implement a Caltrans property development process.	**ACHIEVED** Completed September 2016.
	4	Complete the 2017 Resident Satisfaction Survey	**ACHIEVED** Completed in November 2016.
	5	Successfully hire a new Community and Media Relations Officer	**COMPLETED** Hired consultant to fill PIO position.
	6	Successfully hire a new Chief Financial Officer	**ACHIEVED** Hired Dustin Claussen in February 2017.
Community and Media Relations	7	Complete the launch of the City's new primary website and associated web properties.	**ACHIEVED** Launched in March 2016; completed in July 2016. Received 3rd place in the City Portal Category of the 2016 Center for Digital Government's Best of the Web Awards.

CITY MANAGER'S OFFICE

Community and Media Relations	8	Achieve minimum 25% continued growth in organic social media reach and additional 25% growth in general email subscriptions (from 6,000). Organic media reach refers to the number of unique persons (not counting repeat visits) who look at the City's social media.	**ACHIEVED** Increased organic social media reach on Twitter by 18% (2,524 to 2,938), Facebook by 45% (3,254 to 4,718), and LinkedIn by 26%. General email subscriptions grew to 24,000.
	9	Substantially increase original programming on the City's public access channel, KHRT Channel 15 and the City's YouTube Channel, and develop associated use policies.	**CONTINUED EFFORT NEEDED** Vacancy in the Community & Media Relations Officer position resulted in a decrease in new original programming.
	10	In support of Economic Development, develop and implement the Advanced Industries "crescent" identification and signage program intended to create a sense of place in the City's industrial zone.	**CONTINUED EFFORT NEEDED** Vacancy in the Community & Media Relations Officer position delayed project.
Economic Development	11	Develop and implement a Business Ombudsman Program to provide existing businesses with permitting and/or process assistance.	**ACHIEVED** Program began in July 2015. Assisted 29 businesses in 2016.
	12	Develop a Business Incentive Program to address interior and exterior infrastructure elements of commercial real estate.	**ONGOING/ CONTINUED EFFORT NEEDED** Brought recommendations to Council Economic Development Committee in December 2016.
	13	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.	**CONTINUED EFFORT NEEDED** Vacancy in Community & Media Relations Officer position delayed project.

CITY MANAGER'S OFFICE

Economic Development	14	Develop and implement a Broadband (Fiber) Master Plan to provide high speed internet service to businesses.	**ACHIEVED/ONGOING** Received a $2.7 million grant from the U.S. Department of Commerce Economic Development Administration in September 2016. Master Plan presented to Council in January 2017. The Plan will facilitate construction and implementation of Fiber throughout the City.
	15	Finalize and strategically deploy economic development marketing and branding collateral to attract targeted businesses.	**ACHIEVED/ONGOING** Provide a suite of marketing and branding collateral to attract and retain Hayward businesses. Currently in the process of developing biotech-specific collateral.
	16	Successfully bring some of the Caltrans properties to market at a positive return to the City.	**ONGOING** Property appraisal complete. In the process of hiring a special project manager to continue effort.
Neighborhood Services	17	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.	**ONGOING/ CONTINUED EFFORT NEEDED** Provided Spanish language 14 civic engagement trainings and simultaneous interpretation at 11 meetings in FY17. Have not expanded to other languages.

Neighborhood Services	18	Continue to actively support and sustain the Hayward Promise Neighborhoods (HPN) Grant program.	**ACHIEVED** Continued to actively support and sustain the Hayward Promise Neighborhoods (HPN) Initiative through the end of the grant in December 2016 and beyond.
	19	Based on constituent input, create alternative methods for constituents to communicate with the City about their needs, desires, and community improvement ideas.	**NOT ACHIEVED** Vacancy in the Community & Media Relations Officer position delayed project.
	20	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.	**CONTINUED EFFORT NEEDED** Met with 22 neighborhood groups in FY17; 23 outstanding.

FY 2017 ADDITIONAL ACCOMPLISHMENTS

Administration

1. Successfully hired a new Assistant City Manager.
2. Facilitated the City Council retreat, priority-setting, and identification of strategic initiatives. Began the development of strategic initiative workplans in order to better align strategic priorities with day-to-day operations.

Economic Development

1. Facilitated community events that promote Hayward. Examples include Summer Movie Series, downtown street parties, Light up the Season, Rubik's Cube Rumble, Passport to Downtown, and the Wine Walk.
2. Assisted with over $52 million in permit and land transactions through Economic Development Program activities.
3. Assisted Development Services with approval of catalyst projects intended to drive further investment in Hayward, including the Maple and Main development, the Shea Industrial property, and renovation of the Green Shutter.

CITY MANAGER'S OFFICE

Neighborhood Services

1. Assisted over 125 individual constituents in 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 23 Neighborhood Partnership Program (NPP) neighborhoods to address ongoing neighborhood quality of life issues.

FY 2018 DEPARTMENT GOALS

Division	#	FY 2018 Goals
City Manager's Office	1	Continue developing capacity for Lean Start Up projects throughout the organization.
	2	Continue leading Caltrans/Route 238 property disposition project.
	3	Ensure implementation of City Council Strategic Initiative Workplans focusing on Complete Streets, Complete Communities, and the Tennyson Corridor.
	4	Conduct the 2017 Employee Engagement Survey in Fall 2017, with a goal of increasing the participation rate to 70% or higher (from 62%.)
	5	Revise department director performance evaluation format and process to better align with City priorities and values.
	6	Develop an internal communication strategy to improve flow and availability of information throughout the organization.
	7	Develop and pilot a talent development program for City employees incorporating mentoring and peer training opportunities.
Community and Media Relations	8	Increase utilization of metric-based geotargeted advertising to further disseminate information about Economic Development and other City initiatives and programs.
	9	Provide ongoing user training for website administration, including written style, photography standards, best practices for page development and search engine optimization. (Quantified by number of training sessions and number of attendees/departments represented.)
	10	Grow social media reach for underutilized platforms, including Instagram.
	11	Expand video production for KHRT TV and YouTube, including coverage of lesser-known programs, projects, and initiatives.
	12	Work with Economic Development to develop and implement a neighborhood branding and signage program to establish and reinforce neighborhood-specific branding identities.

CITY MANAGER'S OFFICE

Economic Development	13	Develop additional incentive programs for attracting targeted development and industries to Hayward.
	14	Provide business-specific expertise to Development Services throughout the Comprehensive Update to the Industrial Zoning Regulations, including identification of potential retail and amenity sites.
	15	Develop and implement a Business Engagement Program to reinforce relationships with existing businesses and drive retention and expansion efforts.
	16	Work with Community and Media Relations to develop quality of life marketing materials that provide information on community amenities to prospective businesses.
	17	Update Hayward's psychographic data (for example, conducting an update of the 2009 Buxton study) which provides information on market characteristics for attracting new businesses to Hayward.
Neighborhood Services	18	Allocate Neighborhood Improvement Grants to neighborhood groups in support of neighborhood and community improvement projects and activities.
	19	Conduct a minimum of 10 City Hall to You [replacing NPP] neighborhood meetings with neighborhood stakeholders to enhance partnerships between City officials and neighborhood stakeholders.
	20	Plan and implement a minimum of 10 trainings, programs, projects, and/or events that engage community stakeholders in civic action.
	21	Work with Hayward residents and community members to facilitate and monitor implementation of the updated Anti-Discrimination Action Plan.
	22	Connect constituents in need of assistance with the appropriate staff member, government agency, or services to resolve their issue.

CITY MANAGER'S OFFICE

DEPARTMENT PERFORMANCE METRICS

#	Performance Measures	Goal # or %
1	Complete and deliver City Council agendas and reports in a timely manner. (Administration)	Deliver by Friday before City Council meeting 100% of the time.
2	Respond to City Council inquiries in a complete and timely manner. (Administration)	Respond to inquiries within 30 days 90% of the time.
3	Increase number of businesses served by Business Concierge Program. (Economic Development)	Increase by at least 10% in FY18.
4	Provide assistance to existing Hayward industrial and retail businesses. (Economic Development)	120
5	Attract new businesses to Hayward through Economic Development activities. (Economic Development)	25
6	Increase broadcast email subscriptions and social media reach across all platforms. (Community and Media Relations)	Increase by at least 25% in FY18.
7	Transmit KHRT (Channel 15) programming as scheduled. (Community and Media Relations)	100% of the time.
8	Conduct City Hall to You neighborhood meetings with neighborhood groups. (Neighborhood Services)	10
9	Provide trainings, programs, projects, and/or events that engage community stakeholders in civic action. (Neighborhood Services)	10

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2018

None.

All Funds Summary - By Category

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue and Transfers In From Other Funds				
General Fund Revenue	814,564	1,062,040	67,399	67,399
Economic Development Fund	-	-	350,000	556,000
Promise Grant Revenue	168,710	146,585	212,088	-
Downtown Business Improve Prog	56,961	9,154	-	-
South Hayward B.A.R.T. JPA	533,877	385,581	421,280	421,280
Successor Agency RDA	5,597,011	7,165,262	6,058,155	6,058,155
	7,171,123	8,768,622	7,108,922	7,102,834
(Contribution to)/ Use of Fund Balance				
Economic Development Fund	-	-	-	(32,509)
Promise Grant	(10,783)	(2,253)	(89,096)	-
Downtown Business Improve Prog	11,210	30,846	96,000	96,000
South Hayward B.A.R.T. JPA	(518,588)	(154,010)	417,045	169,868
Successor Agency RDA	953,173	(1,192,481)	(851,680)	(1,583,382)
	435,013	(1,317,897)	(427,731)	(1,350,023)
Fund Subsidy				
General Fund Subsidy	3,405,872	3,844,011	3,422,872	3,367,431
Information Tech Fund Subsidy	605	125,270	350,786	327,156
	3,406,477	3,969,281	3,773,658	3,694,588
Total Revenues	**11,012,612**	**11,420,006**	**10,454,849**	**9,447,399**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,300,015	2,689,486	1,978,573	2,051,682
Overtime	2,325	26,863	-	-
Benefits				
Fringe Benefits	511,002	566,686	490,621	468,339
Retiree Medical	45,000	48,146	33,584	34,588
PERS	496,782	598,103	480,071	410,673
Charges (to)/from other programs	15,201	(1,138)	(88,555)	(88,555)
Net Staffing Expense	**3,370,326**	**3,928,147**	**2,894,294**	**2,876,727**

All Funds Summary - By Category

Continued

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Supplies & Services	1,261,463	1,273,247	1,959,314	1,960,144
Community Promotions	4,368	2,500	32,000	32,000
Hayward Clean and Green	6,400	3,369	10,000	-
Maintenance & Utilities	49,265	45,143	43,657	37,057
Loan Interest	2,974,293	2,145,837	2,089,188	1,550,975
Principal Retirement	1,750,000	1,835,000	1,920,000	1,685,000
Project Expenditures	-	-	-	
Capital	-	-	281,500	281,500
Internal Service Fees	304,326	340,918	185,051	180,641
Net Operating Expense	**6,350,115**	**5,646,013**	**6,520,710**	**5,727,317**
Other Department Operating Costs (Maintenance Services Department)				**(24,928)**
Transfers to Other Funds	**1,292,172**	**1,643,462**	**1,039,846**	**843,355**
Total Expenditures	**11,012,612**	**11,217,622**	**10,454,849**	**9,422,471**
Net Change	-	202,384	-	24,928

All Funds Summary - By Program

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue and Transfers In From Other Funds				
General Fund Revenue	814,564	1,062,040	67,399	67,399
Economic Development Fund	-	-	350,000	556,000
Promise Grant	168,710	146,585	212,088	-
Downtown Business Improvement	56,961	9,154	-	-
South Hayward B.A.R.T. JPA	533,877	385,581	421,280	421,280
Successor Agency RDA	5,597,011	7,165,262	6,058,155	6,058,155
	7,171,123	8,768,622	7,108,922	7,102,834
(Contribution to)/ Use of Fund Balance				
Economic Development Fund	-	-	-	(32,509)
Promise Grant	(10,783)	(2,253)	(89,096)	-
Downtown Business Improvement	11,210	30,846	96,000	96,000
South Hayward B.A.R.T. JPA	(518,588)	(154,010)	417,045	169,868
Successor Agency RDA	953,173	(1,192,481)	(851,680)	(1,583,382)
	435,013	(1,317,897)	(427,731)	(1,350,023)
Fund Subsidy				
General Fund Subsidy	3,405,872	3,844,011	3,422,872	3,367,431
Information Technology Fund Subsidy	605	125,270	350,786	327,156
	3,406,477	3,969,281	3,773,658	3,694,588
Total Revenues	**11,012,612**	**11,420,006**	**10,454,849**	**9,447,399**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds				
Office of the City Manager	4,220,436	4,906,051	3,490,271	3,434,830
Information Technology	605	125,270	350,786	327,156
Economic Development Fund	-	-	350,000	523,491
Promise Grant	157,927	144,332	122,993	-
Downtown Business Improvement	68,171	40,000	96,000	96,000
South Hayward B.A.R.T. JPA	15,289	231,571	766,220	566,220
Successor Agency RDA	6,550,184	5,972,781	5,206,475	4,474,774
Other Department Operating Costs	-	-	72,105	24,928
Total Expenditures	**11,012,612**	**11,420,006**	**10,382,744**	**9,422,471**
Net Change	-	-	72,105	24,928

General Fund Summary

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Grants	**-**	**-**		
Code Enforcement Fees	275,978	438,603	-	-
Rental Inspection Fees	496,983	517,627	-	-
Miscellaneous Fees	40,644	54,007	-	-
Fines and Forfeitures	-	-	-	-
Other Revenue	958	51,803	67,399	67,399
Total Revenues	**814,564**	**1,062,040**	**67,399**	**67,399**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,980,726	2,325,921	1,513,513	1,552,705
Overtime	1,673	24,424	-	-
Benefits				
Fringe Benefits	457,744	507,685	326,354	318,809
Retiree Medical	38,400	37,606	21,256	19,688
PERS	428,540	533,620	367,884	328,993
Charges (to)/from other programs	11,568	(1,138)	-	-
Net Staffing Expense	2,918,651	3,428,118	2,229,007	2,220,194
Maintenance & Utilities	40,891	37,395	12,057	5,457
Supplies & Services	945,800	1,097,434	1,027,688	1,027,688
Community Promotions	4,368	2,500	32,000	32,000
Hayward Clean and Green	6,400	3,369	10,000	-
Internal Service Fees	304,326	337,236	179,519	149,491
Capital	-	-	-	-
Net Operating Expense	1,301,785	1,477,933	1,261,264	1,214,636
Total Expenditures	**4,220,436**	**4,906,051**	**3,490,271**	**3,434,830**
General Fund Subsidy	**3,405,872**	**3,844,011**	**3,422,872**	**3,367,431**

Administration-General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Miscellaneous Revenue	-	51,628	67,399	67,399
Total Revenues	**-**	**51,628**	**67,399**	**67,399**
EXPENDITURES				
Expenditures				
Salary				
Regular	510,432	667,054	722,780	888,177
Overtime	538	2,552	-	-
Benefits				
Fringe Benefits	91,138	104,737	109,082	121,529
Retiree Medical	9,000	8,993	8,993	9,450
PERS	112,155	160,893	176,013	189,787
Charges (to)/from other programs	11,616	-	-	-
Net Staffing Expense	734,878	944,229	1,016,868	1,208,943
Maintenance & Utilities	1,128	14,414	10,700	5,457
Supplies & Services	273,209	401,898	331,673	578,004
Internal Service Fees	78,992	85,468	110,214	90,446
Capital	-	-	-	-
Net Operating Expense	353,329	501,780	452,587	673,907
Total Expenditures	**1,088,207**	**1,446,008**	**1,469,455**	**1,882,850**
General Fund Subsidy	**1,088,207**	**1,394,380**	**1,402,056**	**1,815,451**

FY 2018 Significant Budget Changes:

1. Neighborhood Services program is included in CMO - Administration.

Code Enforcement - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Code Enforcement Fees	275,978	438,603	-	-
Miscellaneous Fees	40,644	54,007	-	-
Fines & Forfeitures	-	-	-	-
Rental Inspection Fees	496,983	517,627	-	-
Total Revenues	**813,606**	**1,010,237**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	902,798	926,819	-	-
Overtime	314	11,185	-	-
Benefits				
Fringe Benefits	244,385	238,703	-	-
Retiree Medical	20,400	17,985	-	-
PERS	198,579	215,840	-	-
Charges (to)/from other programs	(1,209)	(88)	-	-
Net Staffing Expense	1,365,268	1,410,445	-	-
Maintenance & Utilities	38,816	22,477	-	-
Supplies & Services	69,827	57,553	-	-
Internal Service Fees	183,852	186,086	-	-
Capital	-	-	-	-
Net Operating Expense	292,495	266,116	-	-
Total Expenditures	**1,657,762**	**1,676,561**	**-**	**-**
General Fund Subsidy	**844,156**	**666,324**	**-**	**-**

FY 2018 Significant Budget Changes:

1. None

Communications & Media Relations - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Other	-	-		
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	832	137,663	229,765	227,039
Overtime	20	1,547	-	-
Benefits				
Fringe Benefit	158	22,201	69,048	70,585
Retiree Medical	-	2,453	4,088	3,938
PERS	173	26,448	55,776	49,229
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	1,182	190,313	358,677	350,791
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	121,211	148,075	147,075
Internal Service Fees	-	11,419	17,327	16,863
Capital	-	-	-	-
Net Operating Expense	-	132,630	165,402	163,938
Total Expenditures	**1,182**	**322,943**	**524,079**	**514,729**
Net Change	**1,182**	**322,943**	**524,079**	**514,729**

FY 2018 Significant Budget Changes:

1. None

Economic Development - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Other Revenue	918	175		-
Total Revenues	**918**	**175**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	420,558	446,459	413,849	437,489
Overtime	801	9,140	-	-
Benefits				
Fringe Benefits	102,687	118,453	124,951	126,695
Retiree Medical	7,200	6,540	6,540	6,300
PERS	86,008	95,717	100,215	89,977
Charges (to)/from other programs	1,162	(1,050)	-	-
Net Staffing Expense	618,415	675,259	645,555	660,461
Maintenance & Utilities	-	-	-	-
Supplies & Services	402,461	270,490	302,609	302,609
Community Promotions	4,368	2,500	32,000	32,000
Internal Service Fees	32,718	44,402	41,466	42,182
Net Operating Expense	439,548	317,392	376,075	376,791
Total Expenditures	**1,057,963**	**992,652**	**1,021,630**	**1,037,252**
General Fund Subsidy	**1,057,045**	**992,477**	**1,021,630**	**1,037,252**

FY 2018 Significant Budget Changes:

1. None

Neighborhood Services - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Grants	-	-	-	-
Code Enforcement Fees	-	-	-	-
Other Revenue	40	-	-	-
Total Revenues	**40**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	146,106	147,926	147,119	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	19,377	23,590	23,273	-
Retiree Medical	1,800	1,635	1,635	-
PERS	31,625	34,721	35,880	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	198,908	207,873	207,907	-
Maintenance & Utilities	947	504	1,357	
Supplies & Services	200,303	246,282	245,331	
Hayward Clean and Green	6,400	3,369	10,000	-
Internal Service Fees	8,763	9,861	10,512	-
Net Operating Expense	216,414	260,015	267,200	-
Total Expenditures	**415,321**	**467,888**	**475,107**	**-**
General Fund Subsidy	**415,281**	**467,888**	**475,107**	**-**

FY 2018 Significant Budget Changes:

1. Program moved to Administration Division

Neighborhood Promise Grant - Special Revenue Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beginning Working Capital Balance	**24,041**	**34,824**	**37,076**	**126,172**
REVENUES				
Revenue				
Grants	168,710	146,585	212,088	
Total Revenues	**168,710**	**146,585**	**212,088**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	112,370	114,226	76,625	-
Overtime	652	-	-	-
Benefits				
Fringe Benefits	19,249	11,329	24,740	-
Retiree Medical	3,000	2,355	3,270	-
PERS	23,092	16,423	18,358	-
Charges (to)/from other programs	(437)	-	-	-
Net Staffing Expense	157,927	144,332	122,993	-
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	-
Internal Service Fees	-	-	-	-
Project Expenditures	-	-	-	-
Capital	-	-	-	-
Net Operating Expense	-	-	-	-
Total Expenditures	**157,927**	**144,332**	**122,993**	**-**
Net Change	**10,783**	**2,253**	**89,096**	**-**
Ending Working Capital Balance	**34,824**	**37,076**	**126,172**	**126,172**

FY 2018 Significant Budget Changes:

1. Project funding ended 12/31/2016

Downtown Business Improvement Program-Special Revenue Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beg Working Capital Balance	**174,701**	**163,490**	**132,644**	**36,644**
REVENUES				
Fund Revenue				
Business License Surcharge	56,001	7,778	-	-
Interest Income	960	1,376	-	-
Other Revenue	-	-	-	-
	56,961	**9,154**	**-**	**-**
Fund Transfers In From				
Redevelop Agency Operating Fund	-			
	-	**-**	**-**	**-**
Total Revenues	**56,961**	**9,154**	**-**	**-**
EXPENDITURES				
Expenditures				
Charges (to)/from other programs	15,672	-	-	-
Supplies & Services	52,500	40,000	96,000	96,000
Net Operating Expense	**68,171**	**40,000**	**96,000**	**96,000**
Total Expenditures	**68,171**	**40,000**	**96,000**	**96,000**
Net Change	**(11,210)**	**(30,846)**	**(96,000)**	**(96,000)**
Ending Working Capital Balance	**163,490**	**132,644**	**36,644**	**(59,356)**

FY 2018 Significant Budget Changes:

1. None

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

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beg Working Capital Balance	**-**	**518,588**	**672,598**	**255,553**
REVENUES				
Revenue				
In-House Parking Collection	27,356	46,867	-	-
Interest Income	344	2,119	-	-
Other Revenue	506,177	336,595	421,280	421,280
Total Revenues	**533,877**	**385,581**	**421,280**	**421,280**
EXPENDITURES				
Expenditures				
Salary				
Regular	37	20,049	34,502	-
Overtime	-	54	-	-
Benefits				
Fringe Benefits	7	4,359	9,468	-
Retiree Medical	-	10	883	-
PERS	5	4,769	8,082	4,928
Charges (to)/from other programs	802	-	-	-
Net Staffing Expense	**851**	**29,242**	**52,935**	**4,928**
Maintenance & Utilities	-	-	24,000	24,000
Supplies & Services	14,438	202,329	279,890	280,720
Capital Outlay	-	-	281,500	281,500
Net Operating Expense	**14,438**	**202,329**	**585,390**	**586,220**
Fund Transfers Out to				
General Fund	-	-	200,000	
Total Expenditures	**15,289**	**231,571**	**838,325**	**591,148**
Other Department Operating Costs (Maintenance Services Department)	**851**	**29,252**	**72,105**	**24,928**
Net City Manager Dept Expenditures	**14,438**	**202,319**	**766,220**	**566,220**
Net Change	**518,588**	**154,010**	**(417,045)**	**(169,868)**
Ending Working Capital Balance	**518,588**	**672,598**	**255,553**	**85,686**

FY 2018 Significant Budget Changes:

1. None

Information Technology - Internal Service Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Other Revenue	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	379	74,201	197,766	204,808
Overtime	-	2,440	-	-
Benefits				
Fringe Benefits	133	22,491	94,351	68,486
Retiree Medical	-	4,905	4,905	4,725
PERS	93	17,552	48,232	43,526
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	605	121,588	345,254	321,545
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	-
Internal Service Fees	-	3,682	5,532	5,611
Capital	-	-	-	-
Net Operating Expense	-	3,682	5,532	5,611
Total Expenditures	**605**	**125,270**	**350,786**	**327,156**
Information Tech Fund Subsidy	**(605)**	**125,270**	**350,786**	**327,156**

FY 2018 Significant Budget Changes:

1. None

Successor Agency RDA Operating Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beg Working Capital Balance	**(887,966)**	**(1,841,139)**	**(648,658)**	**203,022**
REVENUES				
Fund Revenue				
Property Tax (80% Tax Increment)	5,365,287	6,427,560	5,409,245	5,409,245
Interest on Fund Balance	2,974	4,708	2,557	2,557
Principal	53,750	20,038	19,447	19,447
Success Agency Admin Allowance	125,000	-	250,000	250,000
School Impact Fee Reimb	-	662,954	326,906	326,906
Lease Pmt - Cinema Place	50,000	50,000	50,000	50,000
Other Revenue	-	1	-	-
	5,597,011	**7,165,262**	**6,058,155**	**6,058,155**
Fund Transfers In from				
Transf to Successor Agency RDA	-	-	-	-
Capital Transfer From General Fund	-	-	-	-
	-	**-**	**-**	**-**
Total Revenues	**5,597,011**	**7,165,262**	**6,058,155**	**6,058,155**
Fund Expenditures				
Salary				
Regular	206,504	155,089	156,167	164,460
Overtime	-	-	-	-
Benefits				
Fringe Benefits	33,869	20,822	35,708	44,287
Retiree Medical	3,600	3,270	3,270	3,150
PERS	45,052	25,741	37,515	33,227
Charges (to)/from other programs	(12,405)	-	(88,555)	(88,555)
Net Staffing Expense	**276,620**	**204,921**	**144,105**	**156,569**
Supplies & Services	248,725	135,813	205,736	205,736
Maintenance & Utilities	8,374	7,748	7,600	7,600
Loan Interest	2,974,293	2,145,837	2,089,188	1,550,975
Principal Retirement	1,750,000	1,835,000	1,920,000	1,685,000
Internal Service Fees	-	-	-	25,539
Net Operating Expense	**4,981,392**	**4,124,398**	**4,222,524**	**3,474,850**
Fund Transfers Out to				
Liability Insurance Premium	-	-	39,846	43,355
DS - 2004 HRA TABS Succ Agency	-	-	-	-
DS - 2006 HRA TABS Succ Agency	-	-	-	-
Housing Authority Transfer				
General Fund	-	-		
DDR Payment	-	-	-	-
Misc Trsfr - TABS Success Agency	-	-	-	-

Successor Agency RDA Operating Fund

Continued

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Transfer per Cooperative Agreement	1,292,172	1,643,462	800,000	800,000
	1,292,172	**1,643,462**	**839,846**	**843,355**
Total Expenditures	**6,550,184**	**5,972,781**	**5,206,475**	**4,474,774**
Net Change	**(953,173)**	**1,192,481**	**851,680**	**1,583,382**
Ending Working Capital Balance	**(1,841,139)**	**(648,658)**	**203,022**	**1,786,403**

FY 2018 Significant Budget Changes:

1. None

Economic Development-Economic Development Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beginning Working Capital Balance	**-**	**-**	**350,000**	**350,000**
REVENUES				
Revenue				
Transfers In	-	-	350,000	556,000
Total Revenues	**-**	**-**	**350,000**	**556,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	129,709
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	36,757
Retiree Medical	-	-	-	7,025
PERS	-	-	-	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**-**	**-**	**-**	**173,491**
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	350,000	350,000
Internal Service Fees	-	-	-	-
Capital Outlay	-	-	-	-
Net Operating Expense	**-**	**-**	**350,000**	**350,000**
Transfers Out				
Total Expenditures	**-**	**-**	**350,000**	**523,491**
Net Change	**-**	**-**	**-**	**32,509**
Ending Working Capital Balance	**-**	**-**	**350,000**	**382,509**

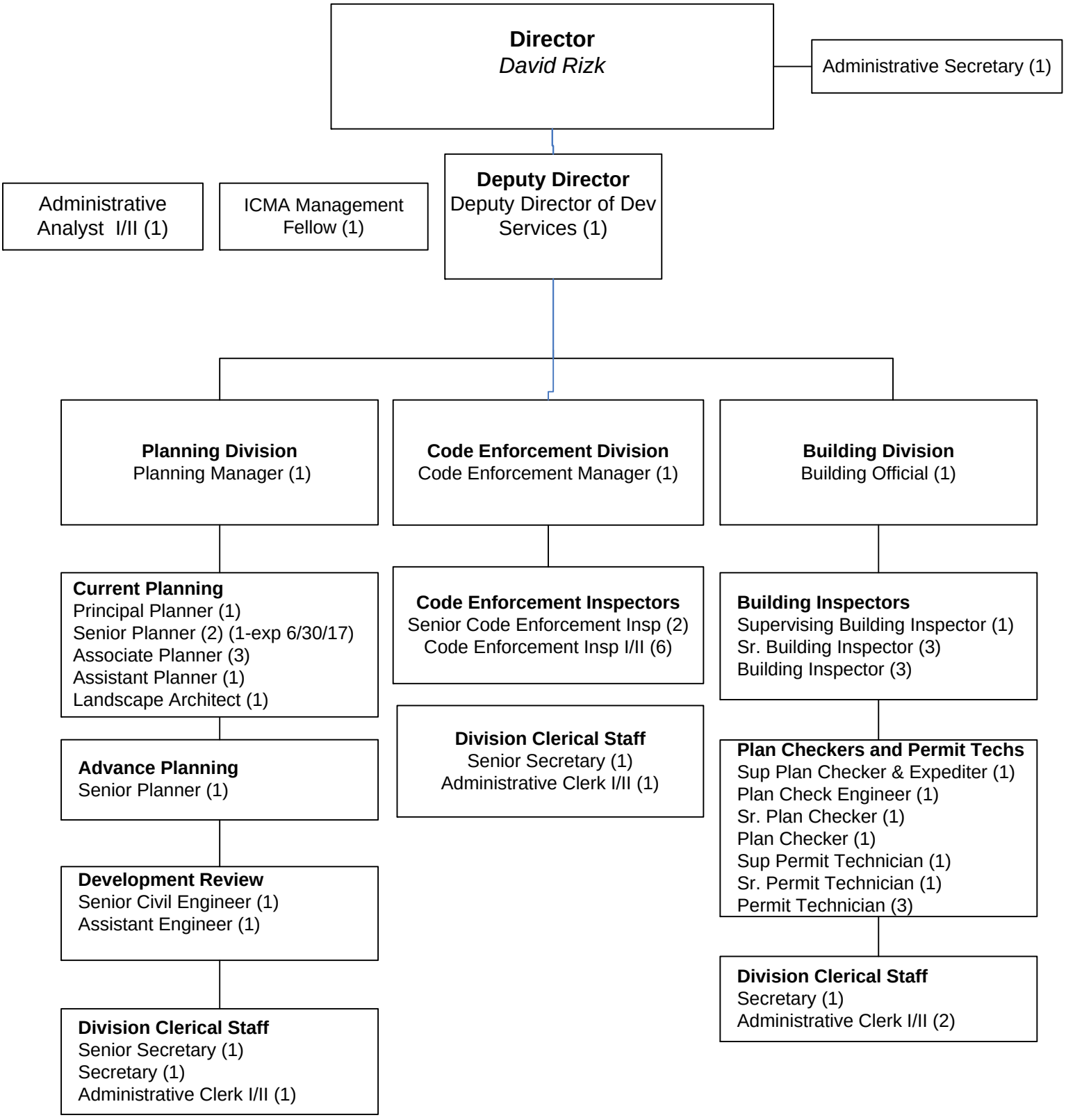
FY 2018 Significant Budget Changes:

1. Add 1.0 FTE Economic Development Manager (5-Year Project Based)

THIS PAGE INTENTIONALLY LEFT BLANK

FY 2018 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 City Council initiatives and General Plan policy; 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 City Council through strong community interaction in planning and regulating development in Hayward to ensure 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 staff seeks to protect the health and safety of the community through building inspection and enforcement of local, state, and federal standards and to work with applicants and residents to achieve high-quality development that will add value to the City of Hayward in accordance with goals and policies established in the Hayward General Plan.

DIVISION/PROGRAM SUMMARIES

Building Division

Within a customer-oriented culture, the Building Division reviews plans, approves and issues permits, and provides inspections for construction projects in conformance with Title 24 of the California Code of Regulations, including the California Building Code, Mechanical Code, Electrical Code, Plumbing Code and Green Building Standards Code, as adopted and amended by the City of Hayward City Council. The Building Division is committed to fulfilling the needs 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 the General Plan, and for assuring that zoning and other municipal land use regulations are updated regularly in support of Council priorities and General Plan program implementation. The Planning Division also provides support to the Planning Commission, which serves as a decision-making body for various development proposals and as an advisory body to the City Council for legislative actions to help ensure that the Hayward General Plan and its policies are implemented. The Planning Division is comprised of:

The Current Planning Section, which in partnership with the community and applicants, reviews development applications associated with a wide variety of projects to ensure

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

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

Code Enforcement

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

DEVELOPMENT SERVICES DEPARTMENT

FY 2017 KEY SERVICE GOALS/OBJECTIVES

Division	#	FY 2017 Goals	Status
Department-wide	1	Review of Fee Schedules to ensure full cost recovery (new fee study anticipated in first half of Fiscal Year 2016).	**ACHIEVED** as part of Master Fee Study
	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.	**IN PROGRESS** Hired consultant to assist with search; issued RFP and reviewed proposals; interviewed and viewed demonstrations by four vendors; conducted due diligence on two vendors; anticipate (with funding) hiring a vendor and implementing new software in FY18
	3	Manage first year roll out of new website.	**ACHIEVED**
	4	Continue progress in process improvements through aggressive staff training, staff accountability, and use of technology.	**ACHIEVED** Monthly efficiency matrix developed and updated regularly; monthly staff trainings occur and include staff assessments - tracked via Excel; issued at least 6 temporary certificates of occupancy and at least 14 phased permits
	5	Evaluate and determine reconfiguration (including technology) for first floor that includes Permit Center.	**ACHIEVED** Draft plan developed and RFP issued

DEVELOPMENT SERVICES DEPARTMENT

Division	#	FY 2017 Goals	Status
Building	6	Develop a soft-story building ordinance and related funding opportunities for existing multi-family residential developments.	**IN PROGRESS** Developed a database; refined database via on-site survey in Fall of 2017; held two outreach meetings; reviewed ABAG's new model ordinance; need to conduct additional outreach and develop an ordinance in FY18 .
	7	Maintain next day inspections at 98% or higher .	**ACHIEVED**
	8	Develop Earthquake/Disaster Preparedness processes and policies for Building Inspection Section related to its role in the Damage Assessment Unit for Emergency Response.	**ACHIEVED** Updated and stocked EOC supplies cabinets; developed area inspector maps; purchased individual licenses for the Arch GIS Damage Assessment app for inspectors

DEVELOPMENT SERVICES DEPARTMENT

Division	#	FY 2017 Goals	Status
Planning	9	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).	**IN PROGRESS** Held two public workshops, five task force meetings, as well as a week-long design charrette; project is on schedule.
	10	Develop new zoning regulations for the Industrial area to better attract and accommodate "Class A" Advanced Industries.	**CONTINUED EFFORT NEEDED** Delay due to nearly 60% staff vacancy rate due to departures in Planning for over a quarter of the FY; back on track for completion in FY 19
	11	Update the Form Based Codes regulations to facilitate development in line with the City vision along the Mission Boulevard Corridor.	**CONTINUED EFFORT NEEDED** Delay due to nearly 60% staff vacancy rate due to departures in Planning for over a quarter of the FY; with funding, will be completion in FY 18
	12	In coordination with the Hayward Area Shoreline Planning Agency (HASPA) partners, identify funding and work toward developing a Hayward Shoreline Realignment Plan.	**IN PROGRESS** HASPA to fund ($36,000) a part-time employee to assist with development of the Shoreline Master Plan project in FY18; HASPA to pursue a NOAA coastal resilience grant and Measure AA funds for wetland restoration projects; HASPA staff to work with Cal State professor to collect data related to development of the Shoreline Master Plan.

DEVELOPMENT SERVICES DEPARTMENT

Planning	13	Work with Economic Development staff to establish and implement a Fiber Optics/Broadband Strategic Plan, which will help attract Advanced Industries.	**IN PROGRESS** Draft Plan developed, ED & IT staffs will present Final Plan in Fall of 2017, along with implementation plan, to include details on use of $2.74M USEDA grant funds
	14	Develop regulations requiring solar photovoltaic systems on new large residential projects.	**CONTINUED NEEDED EFFORT** Delay due to nearly 60% staff vacancy rate due to departures in Planning for over a quarter of the FY; will address in Unified Development Code project in support of the Complete Communities Initiative; however, several projects approved in FY17 were required to include solar PV systems (e.g., Maple & Main; Lincoln Landing; Mission Village)
	15	Complete scanning of all back-logged street files.	**ACHIEVED** June 2017
	16	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.	**CONTINUED NEEDED EFFORT** The new Building Codes effective January 1, 2017 significantly increased energy efficiency requirements; staff will re-evaluate as part of the Unified Development Code project and related to the next round of Codes, when new residential developments will be required to achieve zero net energy.

DEVELOPMENT SERVICES DEPARTMENT

Planning	17	Evaluate and increase when possible sq. footage of useable indoor/outdoor community space as part of new projects.	**ACHIEVED** All projects processed with discretionary approvals included more than minimum amounts of required open/community space, and staff will look to increase such standards as part of the Unified Development Code project planned for FY2018-2019.
	18	Develop guidelines and standards for small lot single family developments. Depending on funding request and caseload, this project may roll over into early/mid FY2018.	**CONTINUED EFFORT NEEDED** Higher priority projects took precedence; staff will look to develop such standards as part of the Unified Development Code project planned for FY2018-2019.
	19	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.	**CONTINUED EFFORT NEEDED** Delay due to nearly 60% staff vacancy rate due to departures in Planning for over a quarter of the FY; staff will coordinate with HARD and develop such standards as part of the Unified Development Code project planned for FY2018-2019.
	20	Certify and train selected staff assigned to the Emergency Operations Center Planning and Intelligence Section for disaster preparedness.	**ACHIEVED** Staff participated in at least four training exercises and all relevant staff received ICS certifications.

DEVELOPMENT SERVICES DEPARTMENT

Division	#	FY 2017 Goals	Status
Code Enforcement	21	Process, inspect, and certify all Residential Rental Housing Self Certification applications as they are received.	**ACHIEVED** All applications processed and up to date; responded to and resolved 1,984 code violations in 1,211 units.
	22	Support Hayward Fire Department '365 Fire Season' fire suppression efforts.	**ACHIEVED** Annual notices sent 2/2017; inspections conducted in Spring of 2017.
	23	Increase commercial and industrial illegal construction inspections by 10%.	**ACHIEVED**
	24	Complete all annual inspections of the Tobacco Retail License program.	**ACHIEVED**
	25	Complete all first-round inspections relating to the new vacant fence (approximately 477 locations) and collection box (approximately 61 sites) ordinances.	**ACHIEVED**
	26	Complete phase two of the community preservation ordinance outreach survey.	**ACHIEVED** Conducted assessment and implementation of customer surveys for potential ordinance updates (Phase 1 completed through lean innovation)
	27	Develop and issue an RFP for a Master Art Plan; hire a consultant to oversee and possibly implement first phase.	**IN PROGRESS** To be completed in FY18 as part of Unified Development Code Project; completed an NEA grant application; partnered with CSEB and Sustainability Cities for two projects relating to Master Art Plan including reginal assessment and empathy work.
	28	Complete five new Mural Arts Projects.	**ACHIEVED**
	29	Complete mural art GIS mapping overlay of projects citywide.	**ACHIEVED**

Code Enforcement	30	Continue to expand product-line and tours within Mural Art Program.	**ACHIEVED** Magnets created and sold/giveaways; six tours given.
	31	Develop Earthquake/Disaster Preparedness processes and policies for Code Inspection Division.	**ACHIEVED** Several training exercises conducted, involving some CE staff assigned to the EOC.

FY 2017 ADDITIONAL ACCOMPLISHMENTS

BUILDING DIVISION

1. Processed new codes adoption, including codification of such codes
2. Promoted seismic 'Bolt & Brace' program and funding opportunities for single-family homeowners
3. Processed building permits totaling approximately $379.6M in project valuation, a 16% increase over last fiscal year
4. Processed approximately 550 permits for solar photovoltaic systems, totaling to approximately 2,930 kW of power, an increase in power of six percent compared to last fiscal year
5. Conducted over 23,260 next-day inspections, a twenty-three percent increase over last fiscal year
6. Issued over 6,200 building permits, a three percent increase over last fiscal year

PLANNING DIVISION

1. Launched the web-based General Plan.
2. Processed to entitlement two large mixed use development projects in Downtown (Maple & Main and Lincoln Landing) and a mixed-use project at the former Holiday Bowl site (Mission Crossings), which total to over 90,000 sf of retail space, nearly 50,000 sf of medical office building space, and 788 residential units (48 of which will be affordable to very low income households)
3. Processed to approval the Mission Village project at the former Holiday Bowl site at the southwest corner of Mission Boulevard and Industrial Parkway that entailed 72 townhomes and 8,000 square feet of retail space
4. Developed new regulations for accessory dwelling units, in compliance with State law
5. Processed over 350 planning applications, a five percent increase over last fiscal year

DEVELOPMENT SERVICES DEPARTMENT

CODE ENFORCEMENT DIVISION

1. Created and mailed approximately 29,000 code enforcement outreach flyers to all single-family residential properties; flyer contained photograph of inspector assigned to each home/neighborhood and information about code program responsibilities
2. Responded to and resolved 1,621 complaints/violations (Community Preservation and Zoning Ordinances)
3. Continued to maintain customer service levels at Superior rating within *Access Hayward* surveys
4. Conducted new mini-projects, including:
    - Twin Bridges – performed site inspections of 276 residential parcels for alleged tree preservation violations
    - Graffiti - Adjusted resource allocation to support targeted efforts on graffiti violations, resulting in an estimated 4% reduction of reported complaints; timeline responses to graffiti complaints reduced by 15%

DEVELOPMENT SERVICES DEPARTMENT

FY 2018 KEY SERVICE GOALS/OBJECTIVES

Division	#	FY 2018 Goals/Objectives
Department-Wide	1	Purchase and implement a new permit processing software, including with electronic plan submittal and review capabilities to expedite and improve efficiencies with the permitting processes and improve access to information for the public (General Plan Program ED-13).
	2	Develop, implement and track results of customer service surveys (GP Program ED-12).
	3	Continue progress in process improvements through aggressive staff training, staff accountability, and use of technology.
	4	Evaluate and determine reconfiguration (including technology) for first floor that includes Permit Center.
Code Enforcement	5	Evaluate and Implement new ordinance/programs that may be adopted by City Council to support the Complete Communities and blight reductions initiatives (Examples include Vacant Property and Cannabis ordinances).
	6	Create and mail code enforcement outreach flyer to commercial and industrial properties, to include inspector information and land use issues (Phase 3 - Fall/Winter 2017).
	7	Continue to maintain customer service levels at Superior rating within *Access Hayward* surveys.
Building	8	Complete development of a seismic soft-story retrofit program (General Plan Program HAZ-3).
	9	Conduct a feasibility analysis of rainwater harvesting and graywater systems for new private developments (GP Program PFS-6).
	10	Develop for adoption an ordinance in response to AB1236 to help streamline processing of permits for electric vehicle charging stations.

DEVELOPMENT SERVICES DEPARTMENT

Division	#	FY 2018 Goals/Objectives
Planning	11	Related to the Complete Communities Strategic Initiative Action Plan, initiate development of a comprehensive Unified Development Code, to include/address, but not be limited to: a. Comprehensive update to the Zoning Ordinance (Adopted General Plan Program LU-1) b. Comprehensive update to the Subdivision Ordinance (GP Program LU-2) c. Comprehensive update to the Off-Street Parking Regulations (GP Program M-20) d. Affordable housing on large sites incentives (GP Program H-11) e. Childcare services and facilities standards for new development (GP Program H-14) f. Public art ordinance/fee g. Small lot development standards h. Universal Design principles (GP Program H-16) i. Urban parks and recreation guidelines (GP Program HQL-7) j. Park dedication requirements and in-lieu fees revisions (GP Program HQL-8) k. Park dedication incentives program (GP Program HQL-9) l. Requirements for telecommunication technologies in new planned development (GP Program PFS-4) m. Undergrounding utilities regulations (GP Program PFS-7) n. Standards and incentives to ensure community benefits and sustainability features (e.g., solar PV systems) are integrated into projects to implement General Plan policies and Complete Communities goals
	12	Complete development of a Downtown Specific Plan and Code (GP Program LU-4) and Downtown Parking Management Plan (GP Program M-21).
	13	Complete comprehensive update of the Industrial Zoning District regulations (General Plan Program LU-11).
	14	Revise the City's two Form-Based Codes in order to better achieve goals and objectives of the General Plan and to improve the user-friendliness of the Codes.
	15	Develop a Density Bonus Ordinance brochure to encourage developers to take advantage of that ordinance, which will result in more affordable housing construction (GP Program H-9).

DEVELOPMENT SERVICES DEPARTMENT

DEPARTMENT PERFORMANCE METRICS

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

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2018

FY 2017 Mid-year changes (+0.0 FTE)

- Added 1.0 FTE Supervising Permit Technician (Building)
- Deleted 1.0 FTE Permit Technician (Building)
- Added 1.0 FTE Assistant Engineer (Planning)
- Deleted 1.0 FTE Development Review Specialist (Planning)

FY 2018 changes (+1.0 FTE)

- Added 1.0 FTE Management Fellow (Administration)
- Delete 1.0 FTE Two-Year Limited Term Senior Planning Position has ended (Planning)

All Funds Summary - By Category

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
General Fund Revenue	4,596,568	6,216,339	6,274,500	7,646,500
Park Districts	1,630,996	2,235,906	2,235,906	2,235,906
Energy Efficiency Conservation Block Grant	-	-	-	-
	6,227,564	**8,452,245**	**8,510,406**	**9,882,406**
(Contribution)/Use of Fund Balance				
Park District Funds	(1,443,276)	402,910	402,910	402,910
	(1,443,276)	**402,910**	**402,910**	**402,910**
Fund Subsidy				
General Fund Subsidy	**(40,319)**	**220,278**	**1,944,580**	**1,079,890**
Total Revenues	**4,743,969**	**9,075,432**	**10,857,896**	**11,365,206**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,057,604	3,280,702	4,884,962	5,015,400
Overtime	13,859	9,357	2,700	2,700
Target Savings	-	(16,296)	(78,874)	(324,328)
Benefits				
Fringe Benefits	666,474	678,445	1,226,258	1,194,350
Retiree Medical	64,800	64,991	79,707	76,782
PERS	668,506	764,907	1,182,077	1,047,250
Charges (to)/from other programs	(614,429)	(570,209)	(929,800)	(494,800)
Net Staffing Expense	**2,856,814**	**4,211,898**	**6,367,030**	**6,517,354**
Maintenance & Utilities	6,035	1,636	50,600	50,800
Supplies & Services	1,232,722	4,147,296	3,484,882	3,736,982
Internal Service Fees	648,397	714,603	955,384	885,070
Capital	-	-	-	-
Projects	-	-	-	-
Net Operating Expense	**1,887,155**	**4,863,535**	**4,490,866**	**4,672,852**
Transfers Out to Other Funds	**-**	**-**	**-**	**175,000**
Total Expenditures	**4,743,969**	**9,075,432**	**10,857,896**	**11,365,206**

Development Services Department

All Funds Summary - By Program

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Administration	-	-	-	-
Building	4,027,651	5,421,862	4,717,000	5,761,000
Planning	568,917	794,476	696,500	786,500
Code Enforcement	-	-	861,000	1,099,000
Energy Efficiency Conservation Block Grant	-	-	-	-
Park Districts	1,630,996	2,235,906	2,235,906	2,235,906
	6,227,564	**8,452,245**	**8,510,406**	**9,882,406**
(Contribution)/Use of Fund Balance				
Park District Funds	(1,443,276)	402,910	402,910	402,910
	(1,443,276)	**402,910**	**402,910**	**402,910**
Fund Subsidy				
General Fund Subsidy	**(40,319)**	**220,278**	**1,944,580**	**1,079,890**
Total Revenues	**4,743,969**	**9,075,432**	**10,857,896**	**11,365,206**
EXPENDITURES				
Expenditures				
Administration	695,966	768,109	819,431	924,459
Building	3,423,093	3,767,509	3,739,423	3,392,052
Planning	437,190	1,900,999	1,870,505	2,643,482
Code Enforcement	-	-	1,789,721	1,766,397
Park Districts	187,720	2,638,816	2,638,816	2,638,816
Total Expenditures	**4,743,969**	**9,075,432**	**10,857,896**	**11,365,206**

Development Services Department

General Fund Summary

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Licenses & Permits	2,499,636	3,630,682	2,556,000	3,500,000
Fees & Service Charges	2,071,021	2,585,656	2,885,000	3,031,000
Code Enforcement Fees	-	-	350,000	350,000
Rental Inspection Fees	-	-	458,000	650,000
Other Revenue	25,911	0	25,500	115,500
Total Revenues	**4,596,568**	**6,216,339**	**6,274,500**	**7,646,500**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,057,604	3,280,702	4,884,962	5,015,400
Overtime	13,859	9,357	2,700	2,700
Target Savings	-	(16,296)	(78,874)	(324,328)
Benefits				
Fringe Benefits	666,474	678,445	1,226,258	1,194,350
Retiree Medical	64,800	64,991	79,707	76,782
PERS	668,506	764,907	1,182,077	1,047,250
Charges (to)/from other programs	(616,415)	(575,409)	(935,000)	(500,000)
Net Staffing Expense	**2,854,828**	**4,206,698**	**6,361,830**	**6,512,154**
Maintenance & Utilities	6,035	1,636	50,600	50,800
Supplies & Services	1,046,988	1,513,680	851,266	1,103,366
Internal Service Fees	648,397	714,603	955,384	885,070
Capital	-	-	-	-
Transfer Out				175,000
Net Operating Expense	**1,701,421**	**2,229,919**	**1,857,250**	**2,214,236**
Total Expenditures	**4,556,249**	**6,436,616**	**8,219,080**	**8,726,390**
General Fund Subsidy	**(40,319)**	**220,278**	**1,944,580**	**1,079,890**

Administration - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Other Revenue	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	475,895	521,844	538,908	618,546
Overtime	-	-	-	-
Benefits				
Fringe Benefits	69,749	74,154	80,613	125,769
Retiree Medical	7,200	6,540	6,540	6,300
PERS	103,710	120,468	130,645	120,163
Charges (to)/from other programs	(561)	-	-	-
Net Staffing Expense	**655,993**	**723,006**	**756,706**	**870,778**
Maintenance & Utilities	1,206	1,207	1,200	-
Supplies & Services	5,344	7,193	16,040	16,040
Internal Service Fees	33,423	36,703	45,485	37,641
Capital	-	-	-	-
Net Operating Expense	**39,973**	**45,103**	**62,725**	**53,681**
Total Expenditures	**695,966**	**768,109**	**819,431**	**924,459**
General Fund Subsidy	**695,966**	**768,109**	**819,431**	**924,459**

FY 2018 Significant Budget Changes:

1. Addition of 1.0 FTE Management Fellow

Building - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Licenses & Permits	2,499,636	3,630,682	2,556,000	3,500,000
Fees & Service Charges	1,502,990	1,791,180	2,136,000	2,236,000
Other Revenue	25,025	0	25,000	25,000
Total Revenues	**4,027,651**	**5,421,862**	**4,717,000**	**5,761,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,462,696	1,514,452	1,821,532	1,922,726
Overtime	9,607	2,390	2,200	2,200
Target Savings	-	(16,296)	(78,874)	(324,328)
Benefits				
Fringe Benefits	379,978	391,547	517,201	454,213
Retiree Medical	32,400	31,883	31,883	30,713
PERS	320,228	349,053	438,928	387,081
Charges (to)/from other programs	(19,286)	-	-	-
Net Staffing Expense	**2,185,624**	**2,273,029**	**2,732,870**	**2,472,605**
Maintenance & Utilities	4,775	429	6,000	6,000
Supplies & Services	844,102	1,055,931	545,661	499,161
Internal Service Fees	388,593	438,119	454,892	414,286
Capital	-	-	-	-
Net Operating Expense	**1,237,469**	**1,494,479**	**1,006,553**	**919,447**
Total Expenditures	**3,423,093**	**3,767,509**	**3,739,423**	**3,392,052**
General Fund Subsidy	**(604,558)**	**(1,654,354)**	**(977,577)**	**(2,368,948)**

FY 2018 Significant Budget Changes:

1. Increase to Permit Revenue

Planning - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Fees & Service Charges	568,031	794,476	696,000	696,000
Other Revenue	886	-	500	90,500
Total Revenues	**568,917**	**794,476**	**696,500**	**786,500**
EXPENDITURES				
Expenditures				
Salary				
Regular	119,013	1,244,405	1,560,729	1,478,887
Overtime	4,252	6,967	500	500
Benefits				
Fringe Benefits	216,747	212,743	360,937	386,064
Retiree Medical	25,200	26,569	23,299	22,444
PERS	244,568	295,386	378,614	331,292
Charges (to)/from other programs	(596,568)	(575,409)	(935,000)	(500,000)
Net Staffing Expense	**13,211**	**1,210,662**	**1,389,079**	**1,719,187**
Maintenance & Utilities	54	-	200	600
Supplies & Services	197,542	450,556	211,870	483,470
Internal Service Fees	226,382	239,781	269,356	265,225
Capital	-	-	-	-
Transfer Out	-	-	-	175,000
Net Operating Expense	**423,978**	**690,337**	**481,426**	**924,295**
Total Expenditures	**437,190**	**1,900,999**	**1,870,505**	**2,643,482**
General Fund Subsidy	**(131,728)**	**1,106,523**	**1,174,005**	**1,856,982**

FY 2018 Significant Budget Changes:

1. Increase in Community Planning Fee Revenue
2. Increase in Consulting Services

Code Enforcement - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Code Enforcement Fees	-	-	350,000	350,000
Miscellaneous Fees	-	-	53,000	99,000
Rental Inspection Fees	-	-	458,000	650,000
Total Revenues	**-**	**-**	**861,000**	**1,099,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	963,793	995,241
Overtime	-	-	-	-
Benefits	-			
Fringe Benefits	-	-	267,507	228,304
Retiree Medical	-	-	17,985	17,325
PERS	-	-	233,890	208,714
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	-	-	1,483,175	1,449,584
Maintenance & Utilities	-	-	43,200	44,200
Supplies & Services	-	-	77,695	104,695
Internal Service Fees	-	-	185,651	167,918
Capital	-	-	-	-
Net Operating Expense	-	-	306,546	316,813
Total Expenditures	**-**	**-**	**1,789,721**	**1,766,397**
General Fund Subsidy	**-**	**-**	**928,721**	**667,397**

FY 2018 Significant Budget Changes:

1. None

Park Districts - Special Revenue Fund

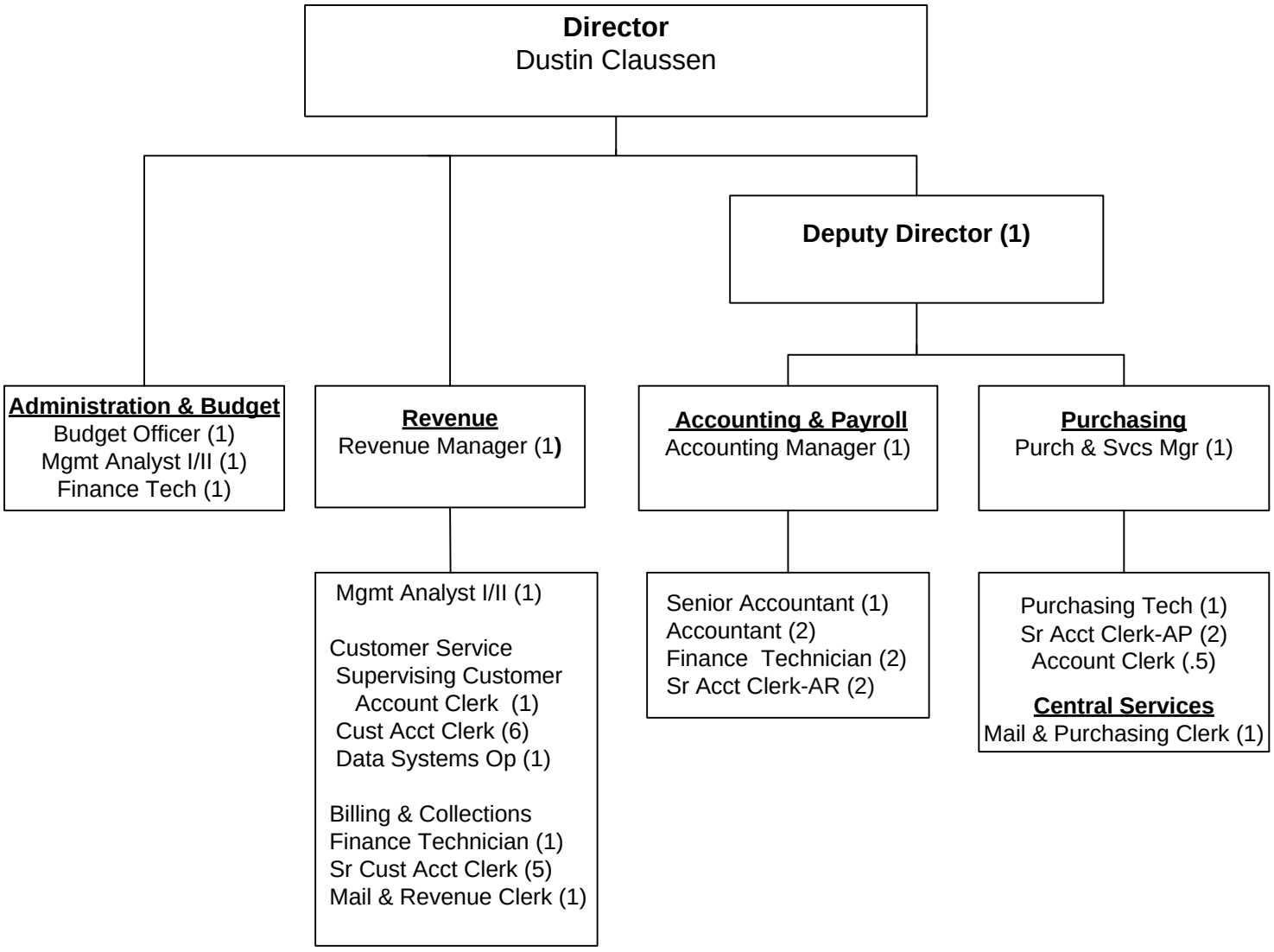
	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beginning Working Capital Balance	**1,133,981**	**2,577,257**	**2,174,347**	**1,771,437**
REVENUES				
Revenue				
Interest and Rents	11,814	-	-	-
Other Revenue	1,619,182	2,235,906	2,235,906	2,235,906
Total Revenues	**1,630,996**	**2,235,906**	**2,235,906**	**2,235,906**
EXPENDITURES				
Expenditures				
Salary	-	-	-	-
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	-
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	1,986	5,200	5,200	5,200
Net Staffing Expense	**1,986**	**5,200**	**5,200**	**5,200**
Supplies & Services	185,734	2,633,616	2,633,616	2,633,616
Net Operating Expense	**185,734**	**2,633,616**	**2,633,616**	**2,633,616**
Fund Transfers Out to Other Funds				
RDA TABS - Capital Fund	-	-		
	-			
Total Expenditures	**187,720**	**2,638,816**	**2,638,816**	**2,638,816**
Net Change	**1,443,276**	**(402,910)**	**(402,910)**	**(402,910)**
Ending Fund Balance	**2,577,257**	**2,174,347**	**1,771,437**	**1,368,527**

FY 2018 Significant Budget Changes

1. None

FY 2018 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.

FINANCE DEPARTMENT

FY2017 KEY SERVICE GOALS/OBJECTIVES

Division	#	FY2017 Goals	Status
Administration and Budget	1	Draft and implement a citywide grants management policy.	**ONGOING** Established Schedule of Expenditures of Federal Awards (SEFA) policy.
	2	Finalize and implement the citywide user fee study.	**ACHIEVED** User Fee Study presented to City Council October 18, 2016.
	3	Draft and issue a Request for Proposal (RFP) for banking and cash management services.	**ONGOING** RFP issued in January 2017, reissued in March 20, 2017. Process to be complete in Fall of 2017.
Payroll and Accounting	4	Meet Federal, State and local financial reporting deadlines 100% of the time.	**ACHIEVED**
	5	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**
	6	Provide timely payment of City obligations, including payroll, benefits, taxes, contracts, vendors and debt service 100% of the time.	**ACHIEVED**
Revenue Billing and Collections	7	Commence Business License Tax ordinance revision and update.	**ONGOING** We are continuing to work with other departments and staff, and we are hoping to make major progress in FY 2018.

Revenue Billing and Collections	8	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.	**ACHIEVED** Citywide training sessions were held on August 4 and August 5, 2015, and over 80 Hayward city employees attended the training.
	9	Maintain high collection rate with a collection account ratio averaging better than 90%.	**ACHIEVED** collection rate was 92.6% for FY2016.
	10	Maintain record of 100% timely mailing of bills and collection notices.	**ACHIEVED** 100% of bills and collection notices were mailed timely within established guidelines.
	11	Initiate an annual Customer Appreciation Week in the Revenue Division.	**ONGOING** Project on hold to allow for capital improvements.
	12	Conduct a customer satisfaction survey both online and in-person.	**ONGOING** Survey will be conducted in conjunction with Customer Appreciation Week.
	13	Conduct an audit review of unassigned utility accounts.	**ACHIEVED** Audit was completed, resulting in the collection of over $75,000 in past-due utility charges.

Purchasing, Accounts Payable and General Services	14	Implement Vendor Online Self-Service.	**CONTINUED EFFORT NEEDED** Due to security concerns, further inquiry is necessary.
	15	Draft and implement updated Accounts Payable Policies & Guidelines.	**ONGOING** Policies & Guidelines are currently in draft stage.

FY2018 KEY SERVICE GOALS/OBJECTIVES

Division	#	FY2018 Goals
Administration and Budget	1	Draft and implement a citywide grants management policy.
	2	Update City's Cost Allocation Plan.
	3	Present information/options to Council to achieve a balanced budget.
	4	Increase engagement with City Departments and the public.
	5	Roll-Out/Establish OpenGov External Site as an online program for public access to City financial data.
	6	Select banking services partner and as necessary, design and implement new banking program with all department stakeholders.
Payroll and Accounting	7	Meet federal, state and local financial reporting deadlines 100% of the time.
	8	Complete the annual audit processes and Comprehensive Annual Financial Report before December 15th of each year; complete federal Single Audit by March 31 of each year; submit and obtain the national GFOA award for financial reporting.
	9	Provide timely payment of City obligations, including payroll, benefits, taxes, contracts, vendors and debt service 100% of the time.

Revenue Billing and Collections	10	Continue working on a Business License Tax ordinance revision and update.
	11	Implement an online business license renewal system for 2018 business licenses.
	12	Conduct an audit of Hayward-based businesses, ensuring they are paying their proper taxes due.
	13	Maintain high collection rate with collection account ration averaging greater than 90%.
	14	Maintain a record of 100% timely mailing of bills and collection notices.
	15	Conduct a Customer Appreciation Week, alongside a customer satisfaction survey.
	16	Complete an update of AR Collections Admin Rule 3.2.
Purchasing, Accounts Payable and General Services	17	Generate payments to vendors from paper checks to electronic payments (ACH).
	18	Draft and implement Emergency Procurement Policies & Guidelines.
	19	Complete and implement the Accounts Payable and Purchasing Policies and Guidelines.
	20	Draft and issue a Request for Proposals for Janitorial services.

DEPARTMENT PERFORMANCE METRICS

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

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY2018

None.

All Funds Summary - By Category

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue and Transfers In From Other Funds				
General Fund Revenue	686,514	2,255,847	900,000	900,000
	686,514	**2,255,847**	**900,000**	**900,000**
Fund Subsidy				
General Fund Subsidy	3,058,320	2,206,218	3,233,162	3,935,812
Water Fund Subsidy	1,282,115	1,439,009	1,589,068	1,632,209
Information Tech Fund Subsidy	-	86,478	-	-
	4,340,435	**3,731,705**	**4,822,230**	**5,568,022**
Total Revenues	**5,026,949**	**5,987,553**	**5,722,230**	**6,468,022**
EXPENDITURES				
Expenditures By Category				
Salary				
Regular	2,363,549	2,848,219	2,935,066	3,128,840
Overtime	37,882	30,959	8,000	8,000
Targeted Savings				(63,116)
Benefits				
Fringe Benefits	463,036	546,277	683,007	606,333
Retiree Medical	57,600	56,653	56,652	55,440
PERS	493,534	624,969	698,863	661,151
Charges (to)/from other programs	(19,978)	-	-	-
Net Staffing Expense	**3,395,623**	**4,107,077**	**4,381,588**	**4,396,648**
Maintenance & Utilities	6,081	4,740	6,528	4,308
Supplies & Services	1,220,435	1,400,706	818,644	1,564,384
Internal Service Fees	404,810	475,029	515,470	502,682
Capital	-	-	-	-
Net Operating Expense	**1,631,326**	**1,880,476**	**1,340,642**	**2,071,374**
Total Expenditures	**5,026,949**	**5,987,553**	**5,722,230**	**6,468,022**
Net Change	**-**	**-**	**-**	**-**

All Funds Summary - By Program

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
General Fund	686,514	2,255,847	900,000	900,000
	686,514	**2,255,847**	**900,000**	**900,000**
Fund Subsidy				
General Fund Subsidy	3,058,320	2,206,218	3,233,162	3,935,812
Water Fund Subsidy	1,282,115	1,439,009	1,589,068	1,632,209
Information TechFund Subsidy	-	86,478	-	-
	4,340,435	**3,731,705**	**4,822,230**	**5,568,022**
Total Revenues	**5,026,949**	**5,987,553**	**5,722,230**	**6,468,022**
EXPENDITURES				
Expenditures By Program				
Administration	1,194,221	1,492,513	1,134,747	1,664,370
Accounting	1,247,688	1,331,842	1,364,887	1,457,302
Information Technology	-	86,478	-	-
Purchasing	394,069	691,778	728,734	735,233
Revenue	908,856	945,933	904,794	978,908
Utility Billing	1,282,115	1,439,009	1,589,068	1,632,209
Total Expenditures	**5,026,949**	**5,987,553**	**5,722,230**	**6,468,022**
Net Change	**-**	**-**	**-**	**-**

Finance - General Fund Summary

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Fees & Charges for Service	140,763	146,999	162,000	162,000
Intergovernmental	318,565	1,688,537	435,000	435,000
Fines & Forfeitures	71,013	243,040	130,000	130,000
Licenses & Permits	115,175	132,035	138,000	138,000
Other Revenue	40,998	45,237	35,000	35,000
Total Revenues	**686,514**	**2,255,847**	**900,000**	**900,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,861,041	2,124,828	2,187,729	2,337,918
Overtime	30,773	24,959	2,000	2,000
Targeted Savings				(63,116)
Benefits				
Fringe Benefits	345,256	356,919	454,672	413,373
Retiree Medical	45,000	38,096	38,749	38,194
PERS	395,075	449,175	522,948	510,268
Charges (to)/from other programs	(72,001)	-	-	-
Net Staffing Expense	2,605,144	2,993,977	3,206,098	3,238,637
Maintenance & Utilities	4,974	2,562	4,350	2,250
Supplies & Services	785,787	1,047,900	468,550	1,199,290
Internal Service Fees	348,930	417,626	454,164	395,635
Capital	-	-	-	-
Net Operating Expense	1,139,690	1,468,089	927,064	1,597,175
Total Expenditures	**3,744,834**	**4,462,066**	**4,133,162**	**4,835,812**
General Fund Subsidy	**3,058,320**	**2,206,218**	**3,233,162**	**3,935,812**

Administration - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Fees & Charges for Service	136,642	145,296	150,000	150,000
Intergovernmental	62,743	61,688	70,000	70,000
Licenses & Permits	113,362	113,487	120,000	120,000
Other Revenue	2,090	1,182	3,000	3,000
Total Revenues	**314,837**	**321,653**	**343,000**	**343,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	499,174	577,318	622,518	641,744
Overtime	76	-	-	-
Targets Savings				(63,116)
Benefits				
Fringe Benefits	78,394	92,295	106,516	104,413
Retiree Medical	9,000	7,766	7,766	7,560
PERS	105,769	120,331	150,988	134,622
Charges (to)/from other programs	(25,392)	-	-	-
Net Staffing Expense	667,021	797,710	887,788	825,223
Maintenance & Utilities	3,647	2,312	2,600	500
Supplies & Services	488,625	646,998	188,800	784,540
Internal Service Fees	34,928	45,493	55,559	54,107
Capital	-	-	-	-
Net Operating Expense	527,199	694,803	246,959	839,147
Total Expenditures	**1,194,221**	**1,492,513**	**1,134,747**	**1,664,370**
General Fund Subsidy	**879,384**	**1,170,860**	**791,747**	**1,321,370**

FY 2018 Significant Budget Changes:

1. None

Accounting - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Other Revenue	1,832	3,366	2,000	2,000
Total Revenues	**1,832**	**3,366**	**2,000**	**2,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	639,828	692,968	725,528	767,567
Overtime	18,530	20,989	2,000	2,000
Benefits				
Fringe Benefits	123,668	145,981	168,818	162,995
Retiree Medical	18,000	13,080	13,080	12,600
PERS	136,173	156,532	173,157	203,115
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	936,198	1,029,551	1,082,583	1,148,277
Maintenance & Utilities	1,091	-	500	500
Supplies & Services	188,924	172,731	158,050	188,050
Internal Service Fees	121,475	129,560	123,754	120,475
Net Operating Expense	311,490	302,291	282,304	309,025
Total Expenditures	**1,247,688**	**1,331,842**	**1,364,887**	**1,457,302**
General Fund Subsidy	**1,245,856**	**1,328,476**	**1,362,887**	**1,455,302**

FY 2018 Significant Budget Changes:

1. None

Purchasing and Central Services - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Other Revenue	-	-		
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	241,960	434,865	417,141	465,281
Overtime	-	65	-	
Benefits				
Fringe Benefits	29,396	32,473	72,760	47,913
Retiree Medical	5,400	8,175	8,175	8,663
PERS	48,294	88,106	98,725	85,554
Charges (to)/from other programs	(4,505)	-	-	-
Net Staffing Expense	320,545	563,684	596,801	607,411
Maintenance & Utilities	236	250	1,250	1,250
Supplies & Services	(48,156)	(1,769)	28,500	(21,500)
Internal Service Fees	121,444	129,613	152,183	148,072
Net Operating Expense	73,524	128,094	131,933	127,822
Total Expenditures	**394,069**	**691,778**	**728,734**	**735,233**
General Fund Subsidy	**394,069**	**691,778**	**728,734**	**735,233**

FY 2018 Significant Budget Changes:

1. None

Revenue - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Licenses & Permits	1,813	18,548	18,000	18,000
Fees & Charges for Service	4,121	1,703	12,000	12,000
Intergovernmental	255,822	1,626,849	365,000	365,000
Fines & Forfeiture	71,013	243,040	130,000	130,000
Other Revenue	37,076	40,689	30,000	30,000
Total Revenues	**369,845**	**1,930,828**	**555,000**	**555,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	480,079	419,678	422,542	463,326
Overtime	12,167	3,904	-	-
Benefits				
Fringe Benefits	113,799	86,170	106,578	98,052
Retiree Medical	12,600	9,074	9,728	9,371
PERS	104,839	84,206	100,078	86,978
Charges (to)/from other programs	(42,105)	-	-	-
Net Staffing Expense	681,379	603,032	638,926	657,727
Maintenance & Utilities	-	-	-	-
Supplies & Services	156,393	229,941	143,200	248,200
Internal Service Fees	71,084	112,960	122,668	72,981
Capital	-	-	-	-
Net Operating Expense	227,477	342,901	265,868	321,181
Total Expenditures	**908,856**	**945,933**	**904,794**	**978,908**
General Fund Subsidy	**539,011**	**(984,896)**	**349,794**	**423,908**

FY 2018 Significant Budget Changes:

1. None

Utility Billing - Enterprise Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
None	-	-		
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	502,508	657,477	747,337	790,922
Overtime	7,110	6,000	6,000	6,000
Benefits	-			
Fringe Benefits	117,780	185,531	228,335	192,960
Retiree Medical	12,600	16,922	17,903	17,246
PERS	98,458	160,692	175,915	150,882
Charges (to)/from other programs	52,024	-	-	-
Net Staffing Expense	790,480	1,026,622	1,175,490	1,158,010
Maintenance & Utilities	1,107	2,178	2,178	2,058
Supplies & Services	434,648	352,806	350,094	365,094
Internal Service Fees	55,880	57,403	61,306	107,047
Net Operating Expense	491,635	412,387	413,578	474,199
Total Expenditures	**1,282,115**	**1,439,009**	**1,589,068**	**1,632,209**
Water Fund Subsidy	**1,282,115**	**1,439,009**	**1,589,068**	**1,632,209**

FY 2018 Significant Budget Changes:

1. None

Information Technology - Internal Service Fund

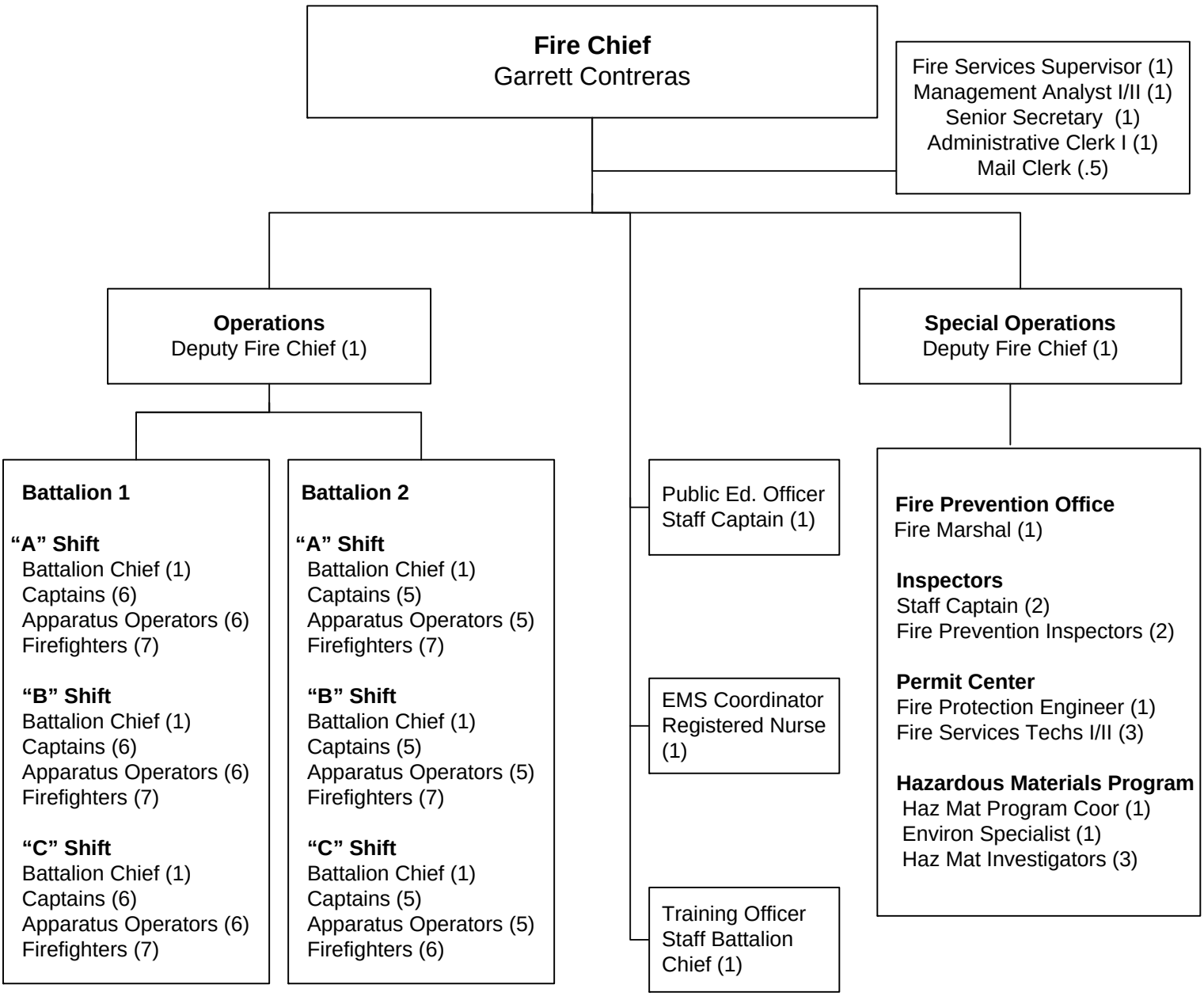
	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
EXPENDITURES				
Expenditures				
Salary				
Regular	597	65,914	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	63	3,827	-	-
Retiree Medical	-	1,635	-	-
PERS	85	15,102	-	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	746	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 2018 Significant Budget Changes:

1. None

FY 2018 STAFFING
137.5 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 and emergency medical services (EMS), supported by prevention through responsible and innovative regulatory and educational programs.

DEPARTMENT OVERVIEW

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

DIVISION/PROGRAM SUMMARIES

Fire Administration Division

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

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

Operations Division

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

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

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

HAYWARD FIRE DEPARTMENT

Special Operations Division

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

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

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

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

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

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

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

HAYWARD FIRE DEPARTMENT

FY 2017 KEY GOALS / OBJECTIVES

Division	#	FY 2017 Goals	Status
Administration	1	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 2017 in order to address a wide range of emergencies.
	2	Continue to provide for a professional representation of Department at schools, hospital, volunteer and professional functions.	**ACHIEVED** During calendar year 2016, Fire staff conducted 76 school tours and fire engine/apparatus visits.
	3	Expansion of services at Fire House Clinic by incorporating dental component.	**IN PROGRESS** This component is expected to be fully integrated into Fire House Clinic operations by the early part of FY 2018.
	4	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 2017, all new and existing City staff/Council members received basic disaster response training.
Operations	5	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 2016 by responding to 17,027 emergency calls for service in 5 minutes or less 90.38% of the time (the national standard is 5 minutes, 50 seconds 90% of the time).
	6	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.

HAYWARD FIRE DEPARTMENT

Division	#	FY 2017 Goals	Status
Operations	7	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 2016, Fire staff logged a total of 20,116 hours of training.
	8	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.	**IN PROGRESS** The dashboard was under design during FY 2017 and is expected to be completed by the end of FY 2018.
	9	Procurement and implementation of new emergency management system.	**IN PROGRESS** The performance of the existing emergency management system is currently under review, and may be potentially upgraded or replaced in the future.
	10	Maintain thorough training records - managed through web-based Target Safety program.	**ACHIEVED** Fire staff remained diligent in ensuring that all received training was thoroughly documented and recorded for each employee.

HAYWARD FIRE DEPARTMENT

Division	#	FY 2017 Goals	Status
Special Operations	11	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 2016, Fire staff performed 2,433 fire inspections and 612 hazardous material inspections.
	12	Establish a permanent static Emergency Operations Center (EOC) for City Hall personnel.	**IN PROGRESS** The permanent static EOC for City Hall personnel is included in the design for the new training center, which is expected to commence construction by the end of FY 2018.
	13	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 2017 and fifteen days or less on larger facilities or tract developments.
	14	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 77 graduates /year in conjunction with web-based resources.	**ACHIEVED** Fire staff continued to hold two CERT classes in calendar year 2016 as well as 4 classes for continuation training; both the classes and continuation training totaled 405 participants. Both classes were conducted in a bi-lingual setting.

FY 2017 ADDITIONAL ACCOMPLISHMENTS

1. Conducted one recruit academy in order to maintain full staffing capacities and control overtime expenses; graduated ten recruits to Fire Fighter.
2. Continued the highly successful Smoke Detector Program, which provided 146 smoke detectors and 50 battery changes to citizens in need, during calendar year 2016.

3. Assisted with the final design of renovations of Fire Station 1-5; construction will commence during the Spring of FY 2017.
4. All sworn personnel obtained California State Fire Marshal Firefighter II certification by the end of FY2017.
5. Initiated the collection of Fire House Clinic data, which will be utilized towards the analysis of service delivery for Fire House Clinic during FY2018.
6. Held 21 classes and trained 227 personnel in CPR/AED during calendar year 2016.
7. Fire personnel logged approximately 14,000 hours assisting other agencies with 14 out-of-area incidents (i.e. wildfires) from June through September 2016. All hours were fully compensated via mutual aid agreements at a rate of 116% (100% cost recovery and 16% overhead reimbursement).
8. During the Fall 2016, key City staff participated in full-scale tabletop EOC exercise, which occurred over the course of three days.
9. Initiated process towards becoming an Accredited Agency through the Center for Public Safety Excellence.

FY 2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals
Administration	1	Assist Public Works with the construction phase of the renovations to Fire Stations 1-5.
	2	Assure personnel have adequate resources and training to mitigate an array of emergencies.
	3	Continue to provide for a professional representation of Department at schools, hospital, volunteer and professional functions.
	4	Continue with the analysis of service delivery for Fire House Clinic.
	5	Expansion of services at Fire House Clinic by incorporating dental component.
	6	Procurement and implementation of new emergency management system.
	7	In order to further the goals of the Department, staff will continue to maximize utilization of existing resources, in particular, leveraging public and private partnerships.
	8	Continue with data analysis and program evaluation as part of the Accreditation process.
	9	Conduct one recruit academy in order to maintain full staffing capacities and control overtime expenses.
	10	Continue to evaluate options to improve service delivery.

Operations	11	Assure that the Department maintains response times meeting the highest professional and “best practices” response times.
	12	Maintain thorough training records - managed through web-based Target Safety program.
	13	Hold classes and train personnel in CPR/AED; held 21 classes and trained 227 personnel in CPR/AED during calendar year 2016.
	14	Continue to assist outside agencies with mutual aid assistance when needed; Fire personnel logged approximately 14,000 hours assisting other agencies with 14 out-of-area incidents (i.e. wildfires) from June through September of 2016.
	15	Continue the highly successful Smoke Detector Program, which provided 146 smoke detectors and 50 battery changes to citizens in need, during calendar year 2016.
	16	Continue the process to implement new technologies to enhance incident mitigation, and improve operational span of control. In coordination with the Information Technology Department and Definitive Networks, Inc. (DNI), conduct effectiveness and reliability review of connectivity. In addition, continue efforts to implement real-time performance dashboard. The dashboard was under design during FY 2017 and is expected to be completed by the end of FY 2018. Funding will be requested as part of the FY 2018 mid-year process in order to fully implement this New World Systems upgrade to the Enterprise Computer Aided Dispatch (CAD) program.
	17	Review the performance of the existing emergency management system, which is through the vendor NC4 and better known as Code Red, and potentially upgrade or replace the system in the future.
Special Operations	18	Initiate a full, inter-agency field emergency management exercise.
	19	Establish a permanent static Emergency Operations Center (EOC) for City Hall personnel at the new training center, which is expected to commence construction by the end of FY 2018.

HAYWARD FIRE DEPARTMENT

DEPARTMENT PERFORMANCE METRICS

#	Performance Measures	Goal # or %
1	Assure that all City employees have received and maintain up-to-date the appropriate level of disaster response and management training.	100%
2	Conducted one recruit academy in order to maintain full staffing capacities and control overtime expenses; graduated ten recruits to Fire Fighter.	1 academy/year
3	Response time to emergency calls for service – first arriving units and balance of assignment.	First arriving - less than 5 minutes 90% of time; balance of assignment – within 8 minutes
4	Deliver Advanced Life Support (ALS) through Engine/Truck based Paramedics that assure a Paramedic on every piece of apparatus 24 hours a day, 7 days a week, 365 days per year.	100%
5	Provide mandated and elective training to operations and regulatory personnel.	Operations – 144 hours/year per staff member; regulatory personnel – 100 hours/year per staff member
6	Perform fire and hazardous material inspections in accordance with the Office of the State Fire Marshal.	Fire inspections – 2,800/year; Hazardous Material inspections – 400/year
7	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).	100%
8	Continue to provide disaster preparedness training and Community Emergency Response Team (CERT) training to bolster community state of readiness.	2 sessions/year

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2018

FY 2018 changes (+1.0 FTE)

- □ Added 1.0 FTE Hazmat Investigator

Fire - General Fund Summary

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Licenses & Permits	1,102,213	1,215,493	1,491,568	1,630,000
Fees & Service Charges	1,060,092	1,320,786	1,117,000	1,368,432
Fairview FPD Reimbursement	2,729,615	2,772,587	2,827,913	2,847,321
EMS Reimbursement	370,619	630,887	300,000	300,000
Mutual Aid Reimbursement	199,116	1,064,334	1,000,000	720,000
Mt Eden Fire Services	-	-	-	-
Other Revenue	52,969	-	-	-
Total Revenues	**5,514,623**	**7,004,088**	**6,736,481**	**6,865,753**
EXPENDITURES				
Expenditures				
Salary				
Regular	17,619,621	18,846,487	18,610,083	19,154,171
Overtime	3,215,566	3,649,746	2,023,646	2,023,646
Vacancy Savings	-	-	(500,000)	(649,421)
Benefits				
Other Benefits	4,499,192	4,413,420	5,253,496	4,709,450
Retiree Medical	665,100	839,618	808,973	816,625
PERS	5,295,837	6,187,669	6,744,848	7,003,409
Charges (to)/from other programs	3,754	-	-	-
Net Staffing Expense	31,299,071	33,936,940	32,941,046	33,057,880
Maintenance & Utilities	58,674	45,025	45,200	45,200
Supplies & Services	556,781	673,666	585,272	601,272
Internal Service Fees	2,328,643	2,806,657	3,649,923	3,109,351
Capital	-	-	-	-
Net Operating Expense	2,944,098	3,525,348	4,280,395	3,755,823
Total Expenditures	**34,243,169**	**37,462,288**	**37,221,441**	**36,813,703**
General Fund Subsidy	**28,728,545**	**30,458,200**	**30,484,960**	**29,947,950**

General Fund - Summary By Program

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Administration	-	-	-	-
Special Operations	2,196,355	2,536,279	2,608,568	2,998,432
Operations	3,318,268	4,467,809	4,127,913	3,867,321
Total Revenues	**5,514,623**	**7,004,088**	**6,736,481**	**6,865,753**
EXPENDITURES				
Expenditures				
Administration	814,537	923,428	942,849	969,672
Special Operations	2,714,083	3,345,717	3,602,292	3,738,093
Operations	30,714,548	33,193,143	32,676,300	32,105,937
Total Expenditures	**34,243,169**	**37,462,288**	**37,221,441**	**36,813,703**
General Fund Subsidy	**28,728,545**	**30,458,200**	**30,484,960**	**29,947,950**

Administration - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Other Revenue	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	465,518	525,445	542,876	585,764
Overtime	3,276	3,120	-	-
Benefits				
Other Benefits	98,190	110,290	131,641	128,714
Retiree Medical	10,500	13,200	8,175	7,875
PERS	129,531	145,454	156,565	152,304
Net Staffing Expense	707,016	797,509	839,257	874,657
Maintenance & Utilities	-	-	-	-
Supplies & Services	29,297	28,197	30,100	30,100
Internal Service Fees	78,225	97,722	73,492	64,915
Capital	-	-	-	-
Net Operating Expense	107,521	125,919	103,592	95,015
Total Expenditures	**814,537**	**923,428**	**942,849**	**969,672**
General Fund Subsidy	**814,537**	**923,428**	**942,849**	**969,672**

FY 2018 Significant Budget Changes:

1. None.

Special Operations General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Licenses & Permits	1,102,213	1,215,493	1,491,568	1,630,000
Fees & Service Charges	1,060,092	1,320,786	1,117,000	1,368,432
Other Revenue	34,050	-	-	-
Total Revenues	**2,196,355**	**2,536,279**	**2,608,568**	**2,998,432**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,586,839	1,830,065	2,006,465	2,143,700
Overtime	65,877	141,501	35,000	35,000
Benefits				
Other Benefits	355,879	456,477	535,408	579,708
Retiree Medical	45,000	58,474	57,004	59,281
PERS	413,145	574,410	628,142	628,784
Charges (to)/from other programs	6,925	-	-	-
Net Staffing Expense	2,473,665	3,060,926	3,262,019	3,446,473
Maintenance & Utilities	-	-	-	-
Supplies & Services	50,929	51,991	52,330	52,330
Internal Service Fees	189,490	232,800	287,943	239,290
Net Operating Expense	240,419	284,791	340,273	291,620
Total Expenditures	**2,714,083**	**3,345,717**	**3,602,292**	**3,738,093**
General Fund Subsidy	**517,728**	**809,438**	**993,724**	**739,661**

FY 2018 Significant Budget Changes:

1. None.

Operations - General Fund

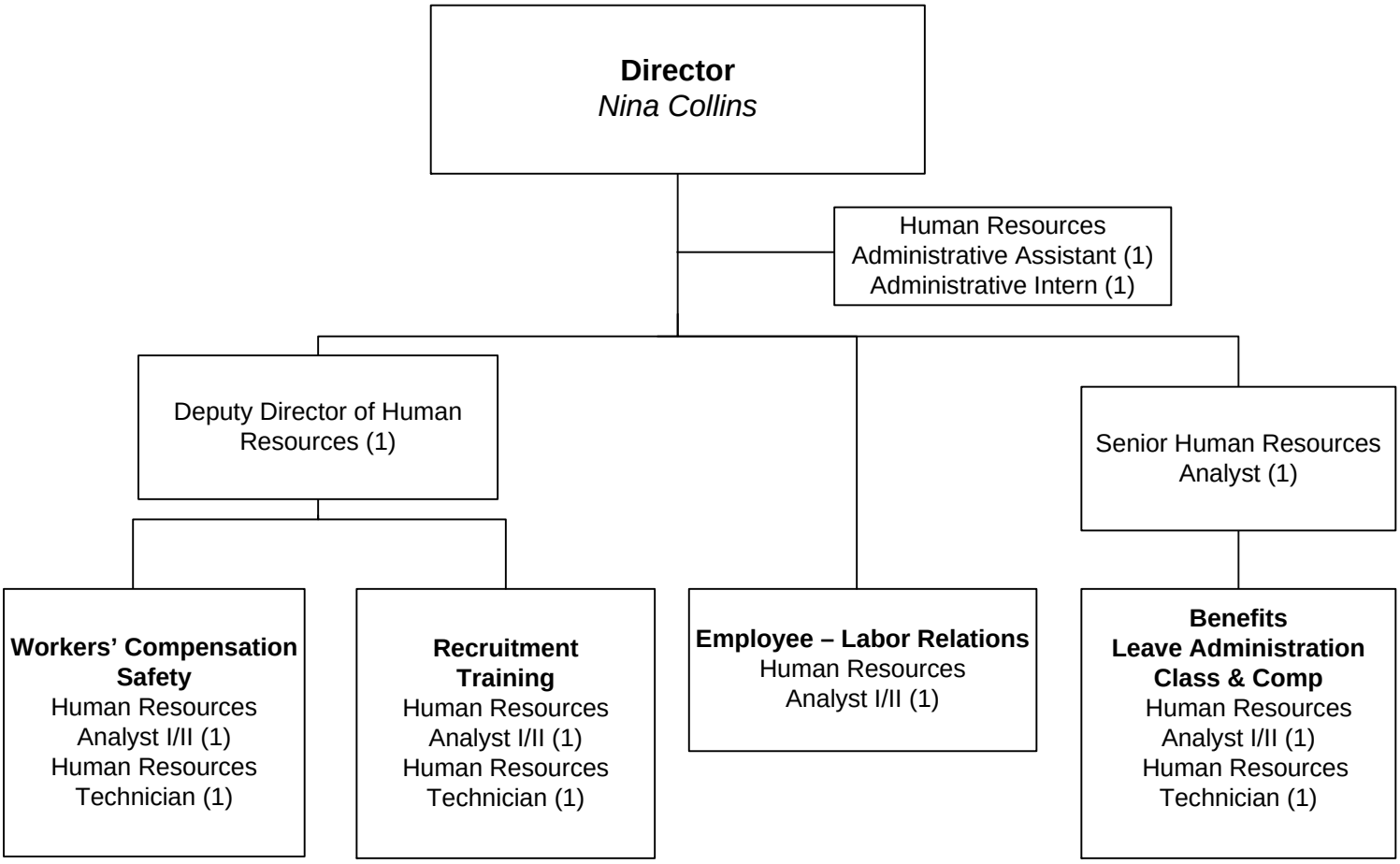
	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Local Agency Reimbursement	2,729,615	2,772,587	2,827,913	2,847,321
EMS Reimbursement	370,619	630,887	300,000	300,000
Mutual Aid Reimbursement	199,116	1,064,334	1,000,000	720,000
Other Revenue	18,918	-	-	-
Total Revenues	**3,318,268**	**4,467,809**	**4,127,913**	**3,867,321**
EXPENDITURES				
Expenditures				
Salary				
Regular	15,567,264	16,490,977	16,060,742	16,424,707
Overtime	3,146,413	3,505,125	1,988,646	1,988,646
Vacancy Savings	-	-	(500,000)	(649,421)
Benefits				
Other Benefits	4,045,124	3,846,653	4,586,447	4,001,028
Retiree Medical	609,600	767,944	743,794	749,469
PERS	4,753,161	5,467,806	5,960,141	6,222,320
Charges (to)/from other programs	(3,171)	-	-	-
Net Staffing Expense	28,118,390	30,078,505	28,839,770	28,736,749
Maintenance & Utilities	58,674	45,025	45,200	45,200
Supplies & Services	476,556	593,478	502,842	518,842
Internal Service Fees	2,060,928	2,476,135	3,288,488	2,805,146
Capital	-	-	-	-
Net Operating Expense	2,596,158	3,114,638	3,836,530	3,369,188
Total Expenditures	**30,714,548**	**33,193,143**	**32,676,300**	**32,105,937**
General Fund Subsidy	**27,396,280**	**28,725,334**	**28,548,387**	**28,238,616**

FY 2018 Significant Budget Changes:

1. Added 1.0 FTE Hazardous Materials Investigator

FY 2018 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 through continued partnerships with City of Hayward employees, bargaining units, and City leadership utilizing strategies designed to attract, develop, motivate, train, support and retain a diverse and efficient workforce within a transparent, flexible, safe, healthy, and productive service environment.

DEPARTMENT OVERVIEW

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

DIVISION/PROGRAM SUMMARIES

Benefits Administration

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

Employee and Labor Relations

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

HUMAN RESOURCES DEPARTMENT

Workers Compensation and Leave Administration

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

Workplace Safety

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

Employee Development and Training

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

Recruitment and Selection

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

Classification and Compensation

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

HUMAN RESOURCES DEPARTMENT

FY 2017 KEY GOALS / OBJECTIVES

Division	#	FY 2017 Goals	Status
Benefits Administration	1	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. Human Resources staff participated in discussions with other cities, Alameda County and the League of California Cities to become familiar with options for low cost alternatives.
	2	Issue eligibility notices within legal timelines 100% of the time.	**ACHIEVED**
Employee and Labor Relations	3	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**
	4	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	5	Reduce workers' compensation claims filed by 5%. Establish baseline data for employee sick leave usage.	**ACHIEVED** Workers' Compensation claims were reduced by 10%. Staff has compiled baseline data for sick leave usage and is currently exploring healthy workplace programs aimed at reducing sick leave usage and the costs associated with employee absences.

HUMAN RESOURCES DEPARTMENT

Workplace Safety	6	Complete comprehensive update of the City's Illness and Injury Prevention Program.	**CONTINUTED EFFORT NEEDED** Consultant is working with Departments to complete.
	7	Implement an Ergonomics Program City-Wide in order prevent repetitive motion injuries.	**CONTINUED EFFORT NEEDED** Project delayed due to staffing vacancies and competing priorities.
Employee Development and Training	8	100% attendance for mandatory training sponsored by Human Resources Department.	**CONTINUED EFFORT NEEDED** Improved attendance levels, but did not meet goal.
	9	Complete Citywide Training Needs Assessment	**ACHIEVED** Staff completed the initial phase of the assessment and the training schedule has been updated based on the results.
	10	Implement training program that supports a quality succession plan for key positions throughout the organization.	**CONTINUED EFFORT NEEDED** Offered courses for supervisory and management training through ICMA and CSAC. Formalized program will require additional discussion with Directors and employees.
Recruitment and Selection	11	Eligibility lists established on average within 12 weeks of approval to begin recruitment 95% of the time.	**ACHIEVED**
Classification & Compensation	12	Complete the update of job descriptions to align with the City's Classification Plan for 100% of open recruitments.	**ACHIEVED**.
	13	On an annual basis, revise Salary Plan for Council adoption and revise the Classification Plan for Commission approval.	**ACHIEVED**

HUMAN RESOURCES DEPARTMENT

FY 2017 ADDITIONAL ACCOMPLISHMENTS

1. Created a new employee benefits brochure and restructured the benefits enrollment process as phase one of the development of a comprehensive new employee orientation program.
2. Developed and implemented key policies and processes related to compliance with the federal Affordable Care Act.
3. Facilitated thirty (30) trainings including health and wellness and supervisor and management courses and successfully launched the Target Solutions Training Platform in January 2017.
4. In partnership with the Utilities and Environmental Services Department, completed the citywide safety gap analysis and formed the Safety Team.
5. Expanded the City's Health and Wellness Program, hosted and facilitated a variety of health and wellness courses and activities on topics including family finances, smoking cessation, and nutrition.
6. Conducted fifty-two (52) recruitments, received and reviewed over 4,000 employment applications.
7. With the support of the Mayor, City Manager, and other City Department Directors and staff, hosted the City of Hayward's fifth annual "Take our Sons/Daughters to Work" Day. The event was well attended with over fifty (50) children and their parents participating.
8. Through communications to increase awareness and invite participation, increase the number of employees using the City's Health & Wellness benefit from one hundred fifty (150) to over two hundred (200) in FY 2017.

FY 2018 KEY SERVICE OBJECTIVES/GOALS

Division	#	FY 2018 Goals
Benefits Administration	1	Complete RFP's in several key program areas that have not been bid on in five years or more including VEBA administration, Deferred Compensation, and the Employee Assistance Program.

Employee and Labor Relations	2	Negotiate successor agreements for the four bargaining units that have contracts that expire June 30, 2018. Those units are: SEIU Maintenance, SEIU Clerical, Local 21, and HAME.
	3	In partnership with the City Manager's Office facilitate the 2017 employee engagement survey, communicate outcome, and assist with development and implementation of initiatives.
Recruitment and Selection	4	Complete the implementation of the new recruitment program (NeoGov), including the electronic processing of Human Resources hiring forms.

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2018

None.

All Funds Summary - By Category

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue and Transfers In from Other Funds				
General Fund Revenue	31,906	-	30,000	30,000
Worker's Compensation Fund	6,280,064	6,346,433	7,597,229	7,597,229
Employee Benefits Fund	4,629,200	3,191,374	3,227,574	4,165,475
	10,941,170	**9,537,807**	**10,854,803**	**11,792,704**
(Contributions)/Use of Fund Balance				
Worker's Compensation	1,556,463	(279,248)	(1,021,318)	(1,009,386)
Employee Benefits	(913,417)	-	-	(1,000,000)
	643,046	**(279,248)**	**(1,021,318)**	**(2,009,386)**
Fund Subsidy				
General Fund Subsidy	**1,379,186**	**1,430,880**	**1,925,588**	**1,924,550**
Total Revenues	**12,963,401**	**10,689,439**	**11,759,073**	**11,707,867**
EXPENDITURES				
Expenditures By Expense Category				
Salary				
Regular	851,635	908,150	1,120,146	1,231,231
Overtime	1,318	392	-	-
Benefits				
Fringe Benefits	204,984	183,924	374,360	303,502
Retiree Medical	19,800	17,985	17,985	17,325
PERS	183,485	206,172	265,576	243,226
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**1,261,223**	**1,316,622**	**1,778,067**	**1,795,284**
Worker's Compensation Expense	6,656,604	4,845,530	5,250,000	5,250,000
Retiree Medical Benefits	3,715,783	3,191,374	3,227,574	3,165,475
Maintenance & Utilities	2,084	1,357	2,550	1,100
Supplies & Services	979,955	967,687	1,268,288	1,268,538
Internal Service Fees	182,262	201,378	222,493	217,346
Capital	-	-	-	-
Net Operating Expense	**11,536,687**	**9,207,326**	**9,970,905**	**9,902,459**
Transfers Out To Other Funds	**165,491**	**165,491**	**10,101**	**10,124**
Total Expenditures	**12,963,401**	**10,689,439**	**11,759,073**	**11,707,867**
Net Change	**-**	**-**	**-**	**-**

All Funds Summary - By Program

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue and Transfers In from Other Funds				
General Fund	31,906	-	30,000	30,000
Worker's Compensation Fund	6,280,064	6,346,433	7,597,229	7,597,229
Employee Benefits Fund	4,629,200	3,191,374	3,227,574	4,165,475
	10,941,170	**9,537,807**	**10,854,803**	**11,792,704**
(Contributions)/Use of Fund Balance				
Worker's Compensation	1,556,463	(279,248)	(1,021,318)	(1,009,386)
Employee Benefits	(913,417)	-	-	(1,000,000)
	643,046	**(279,248)**	**(1,021,318)**	**(2,009,386)**
Fund Subsidy				
General Fund Subsidy	**1,379,186**	**1,430,880**	**1,925,588**	**1,924,550**
Total Revenues	**12,963,401**	**10,689,439**	**11,759,073**	**11,707,867**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds By Program				
HR - General Fund	1,411,092	1,430,880	1,955,588	1,954,550
Worker's Compensation	7,836,526	6,067,185	6,575,911	6,587,843
Employee Benefits	3,715,783	3,191,374	3,227,574	3,165,475
Total Expenditures	**12,963,401**	**10,689,439**	**11,759,073**	**11,707,867**
Net Change	**-**	**-**	**-**	**-**

Human Resources - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Medicare Part D Subsidy	31,906	-	30,000	30,000
Total Revenues	**31,906**	**-**	**30,000**	**30,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	588,343	625,498	770,931	835,617
Overtime	1,135	392	-	-
Benefits				
Fringe Benefits	157,934	121,384	300,779	256,934
Retiree Medical	14,400	12,753	12,753	11,891
PERS	125,227	137,798	180,408	165,206
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**887,040**	**897,824**	**1,264,871**	**1,269,648**
Maintenance & Utilities	1,445	1,117	2,310	1,100
Supplies & Services	371,974	365,473	502,788	503,038
Internal Service Fees	150,633	166,466	185,619	180,764
Capital Outlay	-	-	-	-
Net Operating Expense	**524,052**	**533,056**	**690,717**	**684,902**
Total Expenditures	**1,411,092**	**1,430,880**	**1,955,588**	**1,954,550**
General Fund Subsidy	**1,379,186**	**1,430,880**	**1,925,588**	**1,924,550**

FY 2018 Significant Budget Changes:

1. None.

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

Worker's Compensation - Internal Service Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beginning Working Capital Balance	**(2,793,436)**	**(4,349,899)**	**(4,070,651)**	**(3,049,333)**
REVENUES				
Revenue				
Worker's Compensation Premium	6,280,064	6,346,433	7,597,229	7,597,229
	6,280,064	**6,346,433**	**7,597,229**	**7,597,229**
Fund Transfers In from				
General Fund	-	-		
Total Transfers In	**-**	**-**	**-**	**-**
Total Revenues	**6,280,064**	**6,346,433**	**7,597,229**	**7,597,229**
EXPENDITURES				
Fund Expenditures				
Salary				
Regular	263,292	282,652	349,215	395,614
Overtime	183	-	-	-
Benefits				
Fringe Benefits	47,050	62,540	73,581	46,568
Retiree Medical	5,400	5,232	5,232	5,434
PERS	58,258	68,374	85,168	78,021
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**374,183**	**418,798**	**513,196**	**525,637**
Worker's Compensation Expense	6,656,604	4,845,530	5,250,000	5,250,000
Maintenance & Utilities	638	240	240	-
Supplies & Services	607,981	602,214	765,500	765,500
Internal Service Fees	31,629	34,912	36,874	36,582
Net Operating Expense	**7,296,852**	**5,482,896**	**6,052,614**	**6,052,082**
Fund Transfers Out to				
General Fund - Cost Allocation	157,011	157,011	-	-
Liability Insurance Premium	8,480	8,480	10,101	10,124
Total Transfers Out	**165,491**	**165,491**	**10,101**	**10,124**
Total Expenditures	**7,836,526**	**6,067,185**	**6,575,911**	**6,587,843**
Net Change	**(1,556,463)**	**279,248**	**1,021,318**	**1,009,386**
Ending Working Capital Balance*	**(4,349,899)**	**(4,070,651)**	**(3,049,333)**	**(2,039,946)**

**Unfunded actuarial liability is included in balance*

FY 2018 Significant Budget Changes:

1. None.

Employee Benefits - Internal Service Fund

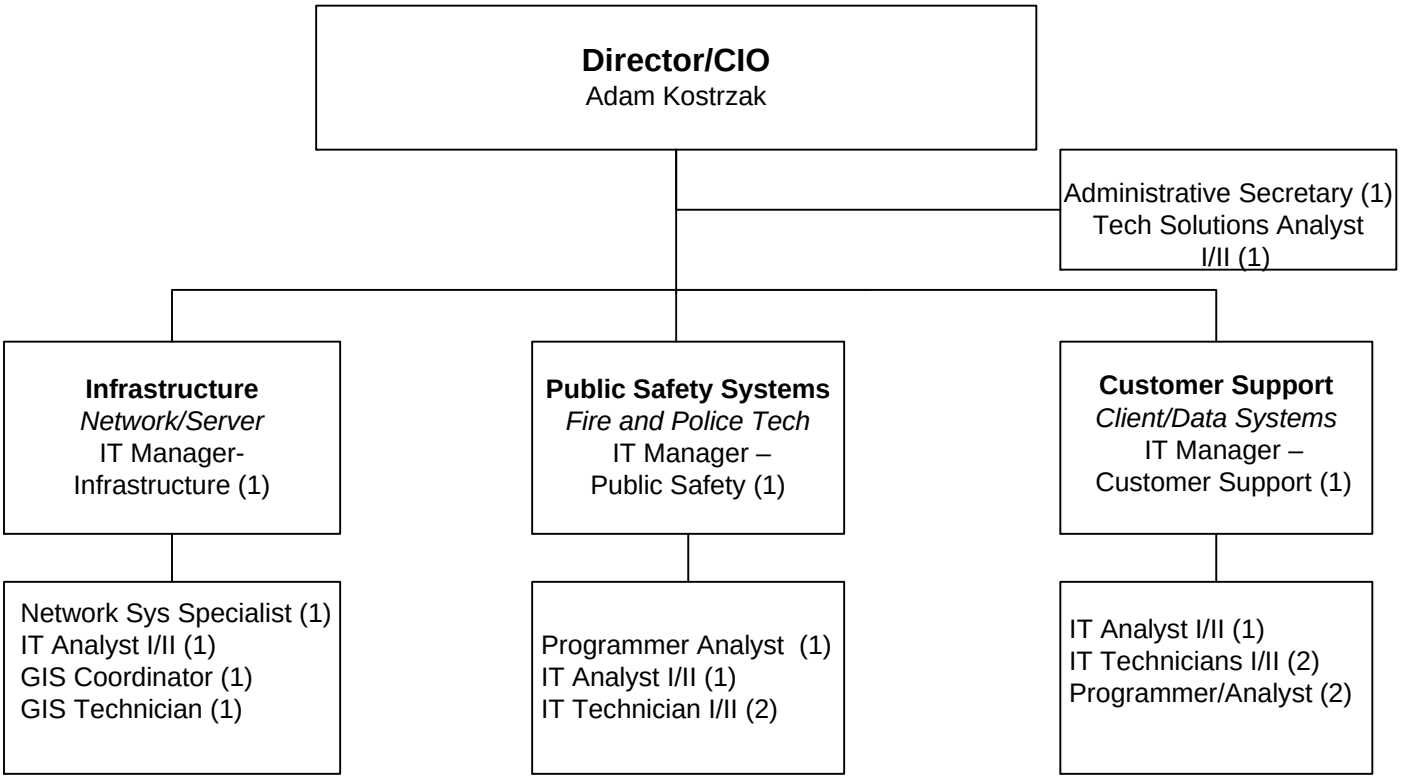
	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beginning Working Capital Balance	**1,515,772**	**2,429,189**	**2,429,189**	**2,429,189**
REVENUES				
Revenue				
Interest	-	-	-	-
Fire - Payroll Contribution	-	-	-	-
Retiree Medical Premium	2,569,200	3,191,374	3,227,574	3,165,475
	2,569,200	**3,191,374**	**3,227,574**	**3,165,475**
Fund Transfers In				
Transfer from General Fund	2,060,000	-		1,000,000
	2,060,000	**-**	**-**	**1,000,000**
Total Revenues	**4,629,200**	**3,191,374**	**3,227,574**	**4,165,475**
EXPENDITURES				
Expenditures				
Empl bene - 1909 1% Retiree Medical	-	-	-	-
Retiree Insurance Benefit	-	-	-	-
OPEB Unfunded Liability Expense	1,000,000	-	-	-
Admin Fee	(11,500)	-	-	-
Police	709,604	1,482,425	1,558,592	1,514,100
Fire	1,466,298	819,180	786,900	793,000
Misc	551,380	889,769	882,082	858,375
Retiree Medical Expense	**3,715,783**	**3,191,374**	**3,227,574**	**3,165,475**
Total Expenditures	**3,715,783**	**3,191,374**	**3,227,574**	**3,165,475**
Net Change	**913,417**	**-**	**-**	**1,000,000**
Ending Working Capital Balance	**2,429,189**	**2,429,189**	**2,429,189**	**3,429,189**

FY 2018 Significant Budget Changes:

1. None.

FY 2018 STAFFING
19.00 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

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

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

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

DIVISION/PROGRAM SUMMARIES

Infrastructure Division 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 Division 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 Division 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 provides installation, configuration, and maintenance services for all operating systems and city client software applications.

FY2017 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2017 Goals	Status
Customer Service	1	Deploy a Device Management System to provide more efficient updating and management of desktop computers and mobile devices.	**IN PROGRESS** Software and Inventory modules done Patching and mobile device management by 9/17
	2	Support new City building projects including the 21st Century Library and Community Learning Center technology implementation.	**IN PROGRESS** Technology deployment estimated from 10/17 to 12/17
	3	Upgrade nearly half of all City desktop and notebook computers to the Windows 10 Operating System.	**IN PROGRESS** 50% of City desktops will be upgraded to Windows10 by 7/17
	4	Implement IT Intern program with students from CSU-East Bay to provide front line IT support.	**ACHIEVED** Interns have been working in the IT department since 10/16
	5	Deploy new compact, energy efficient “mini PC” form factor to replace existing standard desktop.	**ACHIEVED** Mini PCs have been tested and successfully deployed in City conference rooms
	6	Implement IT cross training and development program for IT technicians.	**ACHIEVED** IT Technicians have rotated positions and have been cross-trained
	7	Perform full technology upgrade for the City’s EOC (Emergency Operations Center).	**ACHIEVED** New EOC laptops and flat screen displays have been deployed

INFORMATION TECHNOLOGY DEPARTMENT

Public Safety Systems	8	Upgrade Fire Department MDCs (Mobile Data Computers) and ruggedized wireless routers in all vehicles.	**ACHIEVED** 21 MDCs and routers installed.
	9	Implement new client management system for Youth and Family Services Bureau (YFSB).	**IN PROGRESS** YFSB testing
	10	Deployed portable security camera solution to aid Police Department in crime abatement efforts in Downtown Hayward.	**IN PROGRESS** 10 camera pilot project completed. Purchase targeted for close of FY17.
	11	Upgrade Fire Department Telestaff fire shift scheduling software to the latest web-based, mobile-friendly product to improve ease of use on mobile devices.	**IN PROGRESS** Software migration evaluation completed Pursing cloud based hosting option.
	12	Build an innovation center for City and IT staff to collaborate, experiment, and create software solutions and tools.	**IN PROGRESS** Foundation for cloud-based test environment being built.
Infrastructure	13	Implement cloud-based email and office productivity applications for city staff.	**IN PROGRESS** User network drives and email migration to the cloud completion June 2017 Department network share migration to begin June 2017.
	14	Deploy new enterprise hybrid backup solution.	**ACHIEVED** 60 terabytes or 6,000,000 megabytes of data backed up.
	15	Build a secure, cloud-based technology test environment.	**IN PROGRESS** Building cloud based routers.
	16	Implement public WiFi in several key City locations including Downtown Business District.	**ACHIEVED** 91 wireless access points for both staff and public use 121 switches, routers and firewalls installed.
	17	GIS Database and Server Upgrade.	**ACHIEVED** GIS Infrastructure has been completely upgraded.

INFORMATION TECHNOLOGY DEPARTMENT

FY2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals
Customer Support	1	Complete the Upgrade of City desktop and notebook computers to the Windows 10 Operating System.
	2	Replace aging audio video technology in the City's conference rooms to improve inter and intra department communication.
	3	Deploy additional mobile devices to replace and augment traditional desktop computer technology, enabling staff to be more productive and responsive.
	4	Deploy an Information Technology Help Desk ticketing and task management software to provide better customer service to the City.
Public Safety Systems	5	Upgrade Computer Aided Dispatch (CAD) to current vendor platform.
	6	Upgrade Fire Department Telestaff fire shift scheduling software to the latest web-based, mobile-friendly product to improve ease of use on mobile devices.
	7	Ruggedized wireless router replacement for Patrol fleet.
	8	Analyze and assess current IT data security methodology and models in order to strengthen protection against potential data security threats.
Infrastructure	9	Identify all systems eligible for cloud migration and begin transition of mapped systems.
	10	Build a secure, cloud-based environment to evaluate and test software and operating system upgrades and updates.
	11	Upgrade end-of-life server infrastructure and storage infrastructure in city hall and police department data centers.
	12	Upgrade city hall server room uninterruptible power supply unit.
	13	Implement new Online Permitting solution for Development Service Department.
	14	Replace City of Hayward's internal intranet with a current collaborative SharePoint environment.

INFORMATION TECHNOLOGY DEPARTMENT

DEPARTMENT PERFORMANCE METRICS

#	Performance Measures	Goal # OR %
1	Completed helpdesk tickets.	7,000
2	Percentage of city electronic data moved to the cloud.	50%
3	Percentage of Police fleet upgraded to new communication technology.	75%
4	Percentage of staff attending skill based improvement training	50%
5	Five-year desktop computer replacement cycle. An adequate system refresh cycle enhances customer service by maintaining staff productivity.	Replace 20% of our desktop computers, maintaining the goal of a five year refresh cycle.
6	5-year server upgrade cycle.	Replace 20% of servers

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2018

Increase: 730-30-0001-10001-62120 Administration-Computer Supplies Requesting $50,000 in additional funding.

Justification:
Historically, Administration-Computer Supplies original budget was at least $307,424 since 2011, but was reduced in FY15 to $157,424. This account is currently underfunded, as actual spending has averaged $184,909 per year over the last 7 fiscal years, with a high of $303,428 in FY15. We anticipate a negative balance in this account before the end of FY17 to meet the City's computer supply needs. We are requesting $50,000 in additional funding for this account. Spending in FY18 is expected to increase in support of Munis Financial System hardware, which has now shifted from the CIP fund to the operating budget, and we are also supporting rapidly increasing number of mobile devices requiring a wide range of accessories and peripheral devices.

Add: 1.0 FTE Information Technology Analyst I/II (1 position – 1.0 FTE) - Net change: +$130,650 730-30-0001-10001-51110

Justification:

- Position is needed to manage technology applications, network, and hardware in new library facility.
- Revenue Source: Increase to Information Technology Services Internal Service Fees

INFORMATION TECHNOLOGY DEPARTMENT

Increase: Supplies and Services – Integrated Library System and Automated Materials Handling System Annual Maintenance - Net change: +$120,652
730-30-0001-10001-61140

Justification:

- Library & Community Services upgraded ILS system in FY17; ongoing maintenance contract increased
- Increase in Automated Materials Handling System Annual Maintenance

Increase: Administration-Computer and Software Maintenance for Office 365 Licenses and Microsoft SharePoint expenses - Net change: +$104,207.40
730-30-0001-10001-61140

Justification:

- **Office 365 Licenses = $51,207.40**
  A total of $207,264 was budgeted for 850 licenses for 2018. The 850 licenses only accounted for the current staff listed in Munis at that time. This number did not include additional staff, interns, contractors, EOC computers. To accommodate multi-user systems and other user licensing needs, we are requesting an additional cost of $51,207.40 for Office 365 licenses for 2018, $22,207 for the 73 licenses already purchased, $21,598.20 for 71 additional licenses for the listed vacant positions and $7,402.20 for the cost of the 73 licenses spent in November 2016 for the subscription fee for November 2016 through February 2017.
- **Office 365 SharePoint = $40,000**
  We are replacing our current Intranet site CoHNet with a SharePoint Intranet site and will require site creation, consultation and training services.
- **Office 365 SharePoint Storage = $13,000 per year**
  We are replacing our on premise Department share file storage, the "T:Drive", with reliable, secure and more cost-effective cloud-based storage in a Microsoft SharePoint environment.

Information Technology - Internal Service Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Information Technology Internal Srv Fee	4,997,119	6,284,692	6,538,462	7,195,734
Fund Interest	2,969	8,281	6,000	6,000
PEG Revenue	312,074	308,726	220,000	220,000
Other Revenue	19,708	20,700	32,000	32,000
Total Revenue	**5,331,870**	**6,622,399**	**6,796,462**	**7,453,734**
Fund Transfers In from				
General Fund	-			
Total Transfers In	**-**	**-**	**-**	**-**
Total Revenues	**5,331,870**	**6,622,399**	**6,796,462**	**7,453,734**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,633,576	1,819,642	2,072,996	2,286,540
Overtime	142,603	120,241	90,000	90,000
Benefits				
Fringe Benefits	372,915	352,451	556,931	467,647
Retiree Medical	30,600	34,335	34,335	33,075
PERS	346,689	412,138	504,787	460,454
Charges (to)/from other programs	(192)	-	-	-
Net Salary & Benefits	2,526,192	2,738,807	3,259,049	3,337,716
Maintenance & Utilities	1,163,955	1,047,857	2,057,169	2,171,176
Supplies & Services	636,512	495,314	478,401	635,053
Internal Service Fees	138,213	147,033	144,371	136,409
Debt Service CAD/RMS/ERP/Cisco	535,570	535,782	160,569	
Capital	-	-	-	-
Net Operating Expense	2,474,250	2,225,986	2,840,510	2,942,638
Fund Transfers Out to				
General Fund - Cost Allocation	135,664	135,664	-	-
Fleet Replacement Capital Fund	32,000	-	-	-
Information Tech Capital Fund	-	605,984	614,719	622,104
Liability Insurance Premium	54,037	54,037	78,996	79,052
	221,701	**795,685**	**693,715**	**701,156**
Total Expenditures	**5,222,143**	**5,760,478**	**6,793,274**	**6,981,510**

Information Technology - Internal Service Fund

Continued

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Net Change	**109,727**	**861,921**	**3,188**	**472,224**
Other Dept Operating Costs (Finance Department, City Manager's Department)	**-**	**(216,830)**	**(350,786)**	**(327,156)**
Net IT Department Expenditures	**5,222,143**	**5,543,649**	**6,442,488**	**6,654,354**

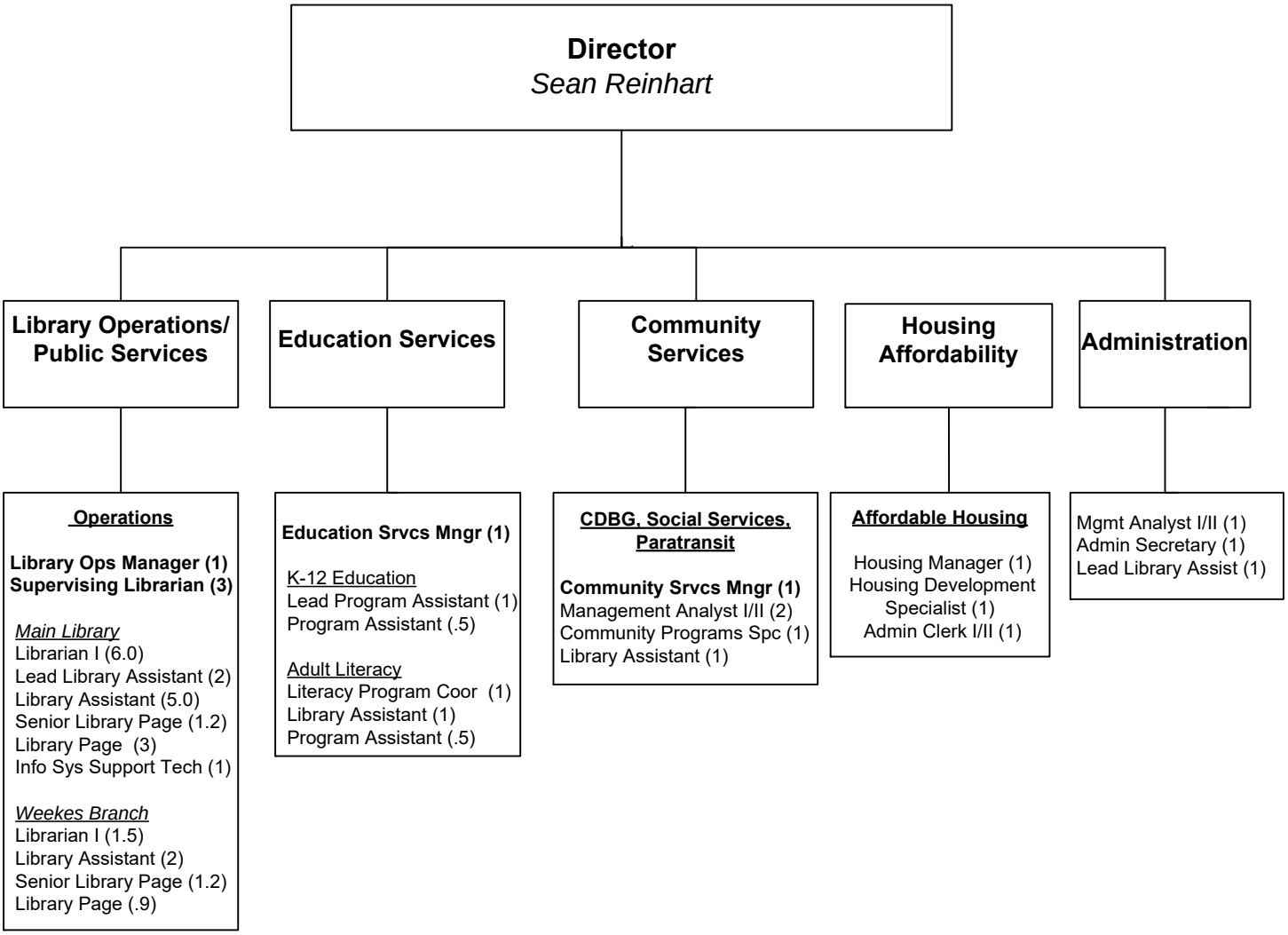
FY 2018 Significant Budget Changes:

1. Increase in Admin. Computer/Software Maintenance Costs
2. Addition of 1.0 FTE IT Analyst I

THIS PAGE INTENTIONALLY LEFT BLANK

FY 2018 STAFFING
44.8 FTE

Library & Community Services Department



LIBRARY AND COMMUNITY SERVICES DEPARTMENT

MISSION STATEMENT

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

DEPARTMENT OVERVIEW

The Library and Community Services Department is responsible for:

- ✓ Library Operations and Public Services including public access to books, media, and technology; lifelong learning opportunities; and community reading and enrichment programs;
- ✓ Education Services including adult literacy training; academic tutoring for Hayward students K-12; and early childhood education and parenting programs;
- ✓ Community Agency Funding Program to assist low-income Hayward residents through social services, community infrastructure improvements, jobs and economic development, and the arts;
- ✓ Housing Rehabilitation Programs to preserve Hayward's housing stock and enable Hayward seniors and people who are differently abled to continue to live independently in their homes;
- ✓ Paratransit Services to provide transportation alternatives to Hayward seniors and others who have mobility challenges that prevent them from taking regular public transit; and
- ✓ Housing Affordability Programs for the development, preservation, and acquisition of quality affordable housing in the Hayward community; and anti-displacement strategies and services consistent with Hayward's overall housing goals.

DIVISION/PROGRAM SUMMARIES

Administration

Library and Community Services Administration has the responsibility to:

- Deliver excellent customer service;
- Establish department vision, mission, goals, and performance measures;
- Develop and monitor department operating budget;
- Provide leadership and development of department personnel and programs;
- Execute, manage, and evaluate department programs and activities;
- Coordinate department activities with other City departments and external agency partners;
- Secure external resources including grants and volunteers to support City programs and services;

LIBRARY AND COMMUNITY SERVICES DEPARTMENT

- Provide staff support to the Library Commission, Community Services Commission, and Hayward Youth Commission;
- Implement and achieve the organizational performance outcomes set forth by the City Manager, consistent with the core values of the City organization and Council; and
- Serve as the primary City – Community liaison for the department.

Library Operations and Public Services

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

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

Education Services

The Education Services Division has the responsibility to:

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

Community Services

The Community Services Division has the responsibility to:

- Deliver excellent customer service;
- Administer the Community Agency Funding Program to support low-income Hayward residents through social services, community infrastructure improvements, jobs and economic development, and the arts;
- Operate housing rehabilitation programs to preserve Hayward's housing stock and help low-income Hayward residents, especially seniors and people who are differently abled, to live independently in their homes; and
- Provide door-to-door transportation services to eligible Hayward residents who are unable to use other forms of public transportation because of advanced age, medical condition, or disability.

LIBRARY AND COMMUNITY SERVICES DEPARTMENT

Housing Affordability

The Housing Affordability Division has the responsibility to:

- Deliver excellent customer service;
- Administer the development, acquisition, and preservation of quality affordable housing for the Hayward community;
- Maintain and monitor the City's stock of existing deed-restricted affordable housing units;
- Develop and implement anti-displacement strategies and services consistent with Hayward's overall housing goals; and
- Coordinate with housing developers, planners, attorneys, lenders, residents, service providers, advocates, tenants, landlords, realtors, and other relevant stakeholders to effectively carry out the City's housing affordability goals.

FY2017 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2017 Goals	Status
Administration	1	Meet department budget and grant reporting deadlines 100% of the time.	**ACHIEVED**
	2	Meet or exceed department service delivery outcomes 100% of the time.	**ACHIEVED**
	3	Secure new external funding and volunteer resources of a total value at least 15% of total department General Fund budget.	**ACHIEVED** External funding and volunteer resources were valued at 18% of department General Fund budget in FY 2017.
	4	Receive feedback from the community that reflects above average customer satisfaction with department services 90% of the time.	**ACHIEVED** Customer surveys in Access Hayward rated department services 98% "superior" or "good" in FY 2017.

LIBRARY AND COMMUNITY SERVICES DEPARTMENT

Library Operations & Public Services	5	Fulfill 90% of library patrons' materials requests within four business days.	**ACHIEVED** No known instances of delayed materials requests occurred in FY 2017.
	6	Increase customer use of self-service payment systems to 30% of all library fines/fees payments.	**ACHIEVED** Customer use of self-service payment systems increased to 38% of all fines/fees paid in FY 2017
	7	Receive quality feedback from customers and the community that reflects above average customer satisfaction with division services 90% of the time.	**ACHIEVED** Customer surveys in Access Hayward rated department services 98% "superior" or "good" in FY 2016.
Education Services	8	Improve student test scores in After School Homework Support Centers by 8%, reflecting accuracy and effectiveness of tutor training and instruction.	**ACHIEVED** Average student performance on academic tests improved 14% after ten visits to the Homework Support Centers.
	9	Support 80% of adult literacy program clients to meet or exceed their annual personal literacy goals, reflecting accuracy and effectiveness of tutor training and instruction.	**ACHIEVED** 80% of literacy clients met one or more personal literacy goals.
	10	Receive quality feedback from customers and the community that reflects above average customer satisfaction with division services 90% of the time.	**ACHIEVED** Access Hayward surveys rated department services 98% "superior" or "good" in FY 2017.
Community Services & Housing Affordability	11	Meet federal HUD reporting deadlines 100% of the time.	**ACHIEVED** Met 100% of reporting deadlines.
	12	Maintain 100% compliance with federal program regulations, procurement regulations, labor standards regulations, and environmental review.	**ACHIEVED** Met full compliance with federal program requirements in FY 2017.
	13	Complete 12 housing rehabilitation and bolt/brace projects to preserve Hayward's housing stock and assist income-eligible homeowners, including seniors and people who have disabilities.	**ACHIEVED** 14 projects completed in FY 2017.

Community Services & Housing Affordability	14	Maintain 100% compliance with Alameda County Transportation Commission (ACTC) contract guidelines for Paratransit service performance and financial reporting.	**ACHIEVED** 100% of ACTC deadlines and requirements were met in FY 2016.
	15	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 98% "superior" or "good" in FY 2017.

FY 2017 ADDITIONAL ACCOMPLISHMENTS

1. **Completed the initial construction phase** of the 21st Century Library & Heritage Plaza project; developed the strategic operations and staffing plan for the new facility; coordinated with the Friends of Hayward Library fundraising campaign to develop additional community investment in the new library Opening Day Collection.

2. **Implemented staff development and succession planning** efforts focused on training and development of 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 Family Center project.

3. **Worked with the Community Services Commission** to develop new Community Agency Funding Program priorities and process revisions. Presented options to Council on October 18, 2016; will return to Council for further exploration in May 2017.

4. **Developed a comprehensive update of housing affordability strategies** in Hayward, major elements of which include: development and acquisition of new deed-restricted affordable housing units; review of anti-displacement strategies including rent stabilization; discussion of opportunities for maximizing and leveraging Measure A1 affordable housing bond funds; and impact of State law changes to local ordinances regulating accessory dwelling units and the density bonus. Presented initial overview and strategy elements to Council on January 31, 2017 in cooperation with the Offices of the City Manager, City Attorney, Development Services and other departments and stakeholders; will return to Council for additional implementation steps throughout FY 2017 and FY 2018.

5. **Completed the close out phase for the end of Hayward Promise Neighborhood** grant funding at the end of CY 2016; successfully coordinated the continuation of critically important City of Hayward services (education, public safety, community engagement) that were previously funded through HPN; maintained close communication and coordination with partner agencies and Council during the challenging close-out phase of the grant.

FY2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals
Administration	1	**Complete construction phase** of the 21st Century Library & Community Learning Center project; open the new library/ community earning center facility for public use; implement strategic operating plan (staffing, operations, technology, services, operations, etc.) for the new facility.
	2	**Continue with implementation steps for comprehensive strategic plan** for housing affordability in Hayward. Create and sustain a Housing Affordability Division within the department to provide critically needed staff support toward this goal in FY2018 and going forward. Coordinate strategic plan development and execution with the Offices of the City Manager, City Attorney, Development Services and other public and private stakeholders. Key areas for 2017-18 are expected to include: development and acquisition of new deed-restricted affordable housing units; review of anti-displacement strategies including rent stabilization; maximizing opportunities for Measure A1 affordable housing bond funds in Hayward; and exploring the potential of alternative pathways to housing affordability including accessory dwelling units and micro units.
	3	**Continue staff development and succession planning** efforts through focusing on training and development of all staff to prepare for more substantive projects and leadership roles; leverage and maximize the community benefit of the new library/learning center and plaza; adapt to evolving funding priorities and processes at the federal, state, and local levels; and achieve multi-agency coordination to effectively address major regional issues like homelessness and housing affordability.

LIBRARY AND COMMUNITY SERVICES DEPARTMENT

Community Services & Housing Affordability	4	**Lead and coordinate the City organization's role in the multiagency effort** to develop, finance, build, and sustainably operate a new South Hayward Family Center facility to replace the outdated City-owned Eden Youth and Family Center facility. Coordinate closely with the City Manager's Office, counterparts in Alameda County and Hayward Area Recreation & Park District (H.A.R.D.), facility operator, community-based organizations, and community members to achieve a successful and sustainable outcome for the South Hayward community, consistent with Council's core values and goals for thriving, complete communities.

DEPARTMENT PERFORMANCE METRICS

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

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2018

In light of the anticipated opening of the new 21st Century Library and Community Learning Center facility in FY 2018 and the associated increase in service demand and added services the new facility will generate, the Library & Community Services Department FY 2018 budget contains changes to General Fund budgeted expenditures.

Also, with the City's increased focus on the critical area of housing affordability, coupled with the anticipated increase in affordable housing project activity in FY 2018 as a result of the County's Measure A1 affordable housing bond, the department FY 2018 budget contains changes to special revenue fund expenditures.

LIBRARY AND COMMUNITY SERVICES DEPARTMENT

GENERAL FUND CHANGES

Add: 1.0 FTE Librarian I/II (1 positions – 1.0 FTE)

- Positions are needed to provide professional quality support for newly created program spaces in new library facility.
- Annual total compensation per 1.0 FTE: $127,000

Increase: Supplies and Services – Library Books and Media Acquisitions

- This increase is needed to support projected increase in ongoing demand for new library materials in new library facility.
- **Net change: + 32,000**

Increase: Supplies and Services – Winter Warming Center

- This increase is needed to support winter warming center operations in Hayward.
- **Net change: + 25,000**

SPECIAL REVENUE FUNDS CHANGES

What follows is a summary of FY 2018 employee services changes in various Special Revenue Funds. These changes have no impact to the General Fund.

Add: 1.0 FTE Community Programs Specialist (1 position – 1.0 FTE)

- Position is needed to provide ongoing program coordination in the Paratransit and senior mobility programs. 100% of compensation will be sourced in special revenue funds.
- **Net change (special revenue fund): + 137,119**
- **Net impact to General Fund: None.**
- *Revenue source: Measure BB-Paratransit Fund*

Add: 1.0 FTE Housing Manager (1 position – 1.0 FTE)

- Position is needed to provide ongoing project management and development capacity in the Housing Division. 100% of compensation will be sourced from housing special revenue funds.
- **Net change (special revenue funds): + 174,753**
- *Revenue sources: AHO Fund, Housing Authority Fund, Affordable Housing Monitoring Fund*

Increase: Supplies and Services – Paratransit

- This increase is to support expanded Paratransit services to Hayward residents
- **Net expenditure change (special revenue fund): + 220,156**
- *Revenue source: Measure BB - Paratransit*

Increase: Supplies and Services – Affordable Housing

- This increase is to support expanded affordable housing activity and associated legal services
- **Net expenditure change (special revenue fund): + 41,065**

Revenue source: Affordable Housing Monitoring Fund

Library & Community Services Department

All Funds Summary - By Category

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue and Transfers In From Other Funds				
General Fund Revenue	212,921	68,534	83,231	83,231
Community Development Block Grant	1,633,131	2,510,142	1,549,416	1,488,448
Housing Authority Fund	1,662,805	550,230	131,947	132,600
Affordable Housing Monitoring Fund	124,544	176,541	154,529	161,181
HOME Investment Prtnrshp Block Grant Pro	1,147,786	177,464	292,379	292,379
Paratransit Program Measure B	810,384	881,369	886,483	910,026
Paratransit Program Measure BB	-	-	526,082	774,793
Hayward Promise Neighborhood Grant	377,951	233,104	-	-
	5,969,522	**4,597,385**	**3,624,067**	**3,842,658**
(Contribution)/Use of Fund Balance				
Community Development Block Grant	(186,246)	(231,832)	148,002	208,663
Housing Authority Fund	(238,311)	(508,105)	(5,265)	77,113
Affordable Housing Monitoring Fund	25,733	(23,675)	142,714	276,456
HOME Investment Prtnrshp Block Grant Pro	26,030	(32,017)	-	96,000
Paratransit Program Measure B	36,941	(198,367)	289,891	423,001
Paratransit Program Measure BB	-	-	216,082	464,793
	(335,854)	**(993,995)**	**791,424**	**1,546,026**
Fund Subsidy				
General Fund Subsidy	**4,614,283**	**5,261,162**	**5,542,066**	**5,799,785**
Total Revenues	**10,247,951**	**8,864,551**	**9,957,556**	**11,188,469**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,614,422	2,869,284	3,065,499	3,479,558
Overtime	8,497	6,958	-	-
Benefits				
Fringe Benefits	498,083	556,517	723,898	760,872
Retiree Medical	104,400	62,621	59,678	56,700
PERS	532,724	624,444	711,372	642,147
Charges (to)/from other programs	(23,601)	50,982	2	(207,133)
Net Staffing Expense	**3,734,525**	**4,170,806**	**4,560,449**	**4,732,144**
Maintenance & Utilities	182,939	112,027	154,036	170,300
Supplies & Services	4,272,226	3,200,587	2,932,686	3,364,115
Grants	1,326,318	534,826	812,115	812,115
Internal Service Fees	716,566	806,183	845,422	960,646
Capital	-	-	125,000	50,000
Net Operating Expense	**6,498,048**	**4,653,622**	**4,869,259**	**5,357,176**

All Funds Summary - by Category

Continued	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Transfers to Other Funds	**29,049**	**29,049**	**95,684**	**169,563**
Total Expenditures	**10,261,622**	**8,853,478**	**9,525,392**	**10,258,883**
Net Change	**(13,670)**	**11,073**	**432,164**	**929,586**

All Funds Summary - By Program

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue and Transfers in from Other Funds				
General Fund Revenue	212,921	68,534	83,231	83,231
Community Development Block Grant	1,633,131	2,510,142	1,549,416	1,488,448
Housing Authority Fund	1,662,805	550,230	131,947	132,600
Affordable Housing Monitoring Fund	124,544	176,541	154,529	161,181
HOME Investment Prtnrshp Block Grant Pro	1,147,786	177,464	292,379	292,379
Paratransit Program Measure B	810,384	881,369	886,483	910,026
Paratransit Program Measure BB	-	-	526,082	774,793
Hayward Promise Neighborhood Grant	377,951	233,104	-	-
	5,969,522	**4,597,385**	**3,624,067**	**3,842,658**
(Contribution)/Use of Fund Balance				
Community Development Block Grant	(186,246)	(231,832)	148,002	208,663
Housing Authority Fund	(238,311)	(508,105)	(5,265)	77,113
Affordable Housing Monitoring Fund	25,733	(23,675)	142,714	276,456
HOME Investment Prtnrshp Block Grant Pro	26,030	(32,017)	-	96,000
Paratransit Program Measure B	36,941	(198,367)	289,891	423,001
Paratransit Program Measure BB	-	-	216,082	464,793
	(335,854)	**(993,996)**	**791,424**	**1,546,026**
Fund Subsidy				
General Fund Subsidy	**4,614,283**	**5,261,162**	**5,542,066**	**5,799,785**
Total Revenues	**10,247,951**	**8,864,551**	**9,957,556**	**11,188,469**
EXPENDITURES				
Expenditures and Transfers Out to Other Funds				
Administration	498,488	540,326	746,722	723,337
Library Services	3,769,303	4,047,225	4,162,014	3,600,403
Community Services	559,412	742,145	716,561	628,240
Education Services				931,037
Community Development Block Grant	1,446,885	2,278,310	1,697,417	1,697,111
Housing Authority Fund	1,424,493	42,125	126,682	209,713
Affordable Housing Monitoring Fund	150,277	152,867	297,243	437,637
HOME Investment Prtnrshp Block Grant Pro	1,173,816	145,447	292,379	388,379
Paratransit Program Measure B	847,325	683,003	1,176,374	1,333,027
Paratransit Program Measure BB	-	-	310,000	310,000
Hayward Promise Neighborhood Grant	404,552	240,458	-	-
Total Expenditures	**10,274,552**	**8,871,906**	**9,525,392**	**10,258,883**
Net Change	**(26,601)**	**(7,355)**	**432,164**	**929,586**

Library - General Fund Summary

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Library Fines	75,247	68,534	83,231	83,231
Grants	132,000	-	-	-
Other Revenue	5,674	-	-	-
Total Revenues	**212,921**	**68,534**	**83,231**	**83,231**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,219,619	2,407,020	2,649,435	2,919,062
Overtime	5,798	4,628	-	-
Benefits				
Fringe Benefits	412,294	484,671	630,904	631,089
Retiree Medical	95,400	54,446	51,503	48,825
PERS	447,154	515,984	610,879	546,229
Charges (to)/from other programs	13,458	-	(278,733)	(403,302)
Net Staffing Expense	3,193,724	3,466,748	3,663,988	3,741,903
Maintenance & Utilities	182,228	110,911	150,536	166,800
Supplies & Services	376,697	452,098	485,347	552,499
Grants	381,950	533,826	536,950	536,950
Internal Service Fees	692,604	766,113	788,476	884,864
Capital	-	-	-	-
Net Operating Expense	1,633,480	1,862,947	1,961,309	2,141,113
Total Expenditures	**4,827,204**	**5,329,696**	**5,625,297**	**5,883,016**
General Fund Subsidy	**4,614,283**	**5,261,162**	**5,542,066**	**5,799,785**

FY 2018 Significant Budget Changes:

1. Addition of 1.0 FTE Staff for New 21st Century Library

Administration - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Grants	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	292,416	300,671	463,397	451,287
Overtime	174	-	-	-
Benefits				
Fringe Benefits	66,585	68,403	131,817	112,725
Retiree Medical	5,400	6,540	6,540	7,088
PERS	62,676	65,256	111,428	93,366
Charges (to)/from other programs	(2,364)	-	(98,942)	(92,489)
Net Staffing Expense	424,887	440,871	614,240	571,977
Maintenance & Utilities	2,493	2,499	3,450	1,500
Supplies & Services	23,978	45,296	82,233	101,083
Internal Service Fees	47,130	51,660	46,799	48,777
Net Operating Expense	73,601	99,455	132,482	151,360
Total Expenditures	**498,488**	**540,326**	**746,722**	**723,337**
General Fund Subsidy	**498,488**	**540,326**	**746,722**	**723,337**

FY 2018 Significant Budget Changes:

1. None.

Library Services - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Library Fines	75,247	68,534	83,231	83,231
Grants	132,000	-	-	-
Other Revenue	5,674	-	-	-
Total Revenues	**212,921**	**68,534**	**83,231**	**83,231**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,833,307	1,976,208	1,945,207	1,863,336
Overtime	5,282	4,628	-	-
Benefits				
Fringe Benefits	331,291	395,337	459,845	356,319
Retiree Medical	84,600	44,636	41,693	34,650
PERS	364,545	420,792	440,716	333,200
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	2,619,025	2,841,600	2,887,461	2,587,505
Maintenance & Utilities	179,735	108,412	147,086	165,300
Supplies & Services	84,128	143,297	127,700	143,416
Books & Materials	268,591	263,505	275,414	308,000
Internal Service Fees	617,824	690,411	724,353	396,182
Net Operating Expense	1,150,278	1,205,625	1,274,553	1,012,898
Total Expenditures	**3,769,303**	**4,047,225**	**4,162,014**	**3,600,403**
General Fund Subsidy	**3,556,383**	**3,978,691**	**4,078,783**	**3,517,172**

FY 2018 Significant Budget Changes:

1. None.

Community Services - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
None	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	93,896	130,141	240,831	267,302
Overtime	342	-	-	-
Benefits				
Fringe Benefits	14,418	20,931	39,242	60,651
Retiree Medical	5,400	3,270	3,270	3,150
PERS	19,933	29,936	58,735	53,973
Charges (to)/from other programs	15,822	-	(179,791)	(310,813)
Net Staffing Expense	149,812	184,278	162,287	74,263
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	-	-	-
Internal Service Fees	27,650	24,042	17,324	17,027
Grants	381,950	533,826	536,950	536,950
Net Operating Expense	409,600	557,868	554,274	553,977
Total Expenditures	**559,412**	**742,145**	**716,561**	**628,240**
General Fund Subsidy	**559,412**	**742,145**	**716,561**	**628,240**

FY 2018 Significant Budget Changes:

'1. None.

Community Development Block Grant - By Category - Special Revenue Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beginning Working Capital Balance	**2,337,226**	**2,523,472**	**2,755,304**	**2,607,303**
REVENUES				
Revenue				
Grants	1,188,114	2,034,701	1,402,417	1,400,000
Delayed Loan Payments	326,690	154,356	83,313	40,000
Principal Payments	94,639	101,584	55,462	36,448
Interest Earned	7,458	7,556	1,667	12,000
Other Revenue	16,230	211,946	6,557	-
	1,633,131	**2,510,142**	**1,549,416**	**1,488,448**
Total Revenues	**1,633,131**	**2,510,142**	**1,549,416**	**1,488,448**
EXPENDITURES				
Expenditures				
Salary				
Regular	161,938	133,616	-	-
Overtime	282	-	-	-
Benefits				
Fringe Benefits	33,555	21,510	-	-
Retiree Medical	-		-	-
PERS	34,410	32,748	-	-
Charges (to)/from other programs	-	47,566	272,239	257,345
Net Staffing Expense	**230,185**	**235,440**	**272,239**	**257,345**
Maintenance & Utilities	-	-	-	-
Supplies & Services	291,214	1,290,855	141,996	156,529
Internal Service Fees	-	-	-	-
Grants	919,210	745,737	1,269,714	1,283,237
Net Operating Expense	**1,210,424**	**2,036,593**	**1,411,710**	**1,439,766**
Fund Transfers Out to				
Cost Allocation to General Fund	-	-	-	-
Liability Insurance Premium	6,277	6,277	13,468	
	6,277	**6,277**	**13,468**	**-**
Total Expenditures	**1,446,885**	**2,278,310**	**1,697,417**	**1,697,111**
Net Difference Gain (Use) of Fund Bal	**186,246**	**231,832**	**(148,002)**	**(208,663)**
Ending Working Capital Balance	**2,523,472**	**2,755,304**	**2,607,303**	**2,398,640**

FY 2018 Significant Budget Changes:

1. None.

Community Development Block Grant - By Program - Special Revenue Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beginning Working Capital Balance	**2,000,213**	**2,186,459**	**2,418,291**	**2,270,290**
REVENUES				
Revenue				
Community Development Block Grant	1,204,698	2,246,124	1,408,983	1,400,000
Revolving Loan Program	327,771	158,756	83,313	40,000
Small Business Revolving Loan	100,662	105,263	57,120	48,448
Total Revenues	**1,633,131**	**2,510,142**	**1,549,416**	**1,488,448**
EXPENDITURES				
Expenditures				
Community Development Block Grant	1,272,979	2,246,717	1,402,417	1,386,030
Revolving Loan Program	3,390	31,593	295,000	232,571
Small Business Revolving Loan	170,516	-	-	78,510
Total Expenditures	**1,446,885**	**2,278,310**	**1,697,417**	**1,697,111**
Net Difference Gain (Use) of Fund Bal	**186,246**	**231,832**	**(148,002)**	**(208,663)**
Ending Working Capital Balance	**2,186,459**	**2,418,291**	**2,270,290**	**2,061,627**

FY 2018 Significant Budget Changes:

1. None

Measure B - Paratransit Program - Special Revenue Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beginning Working Capital Balance	**950,753**	**913,811**	**1,112,178**	**822,287**
REVENUES				
Revenue				
Interest	4,249	8,068	-	-
Measure B	781,845	842,667	845,183	868,726
Measure BB	-	-	-	-
Other Revenue	24,289	30,635	41,300	41,300
Total Revenues	**810,384**	**881,369**	**886,483**	**910,026**
EXPENDITURES				
Expenditures				
Salary				
Regular	140,625	237,936	257,886	263,677
Overtime	-	-	-	-
Benefits				
Fringe Benefits	37,309	47,798	50,947	51,798
Retiree Medical	5,400	4,905	4,905	4,725
PERS	30,787	54,415	62,402	55,085
Charges (to)/from other programs	(15,983)	-	(26,485)	(92,006)
Net Staffing Expense	**198,138**	**345,054**	**349,655**	**283,279**
Maintenance & Utilities	711	1,116	3,500	3,500
Supplies & Services	614,309	295,672	592,894	888,050
Internal Service Fees	17,049	24,042	46,440	58,755
Capital	-	-	125,000	50,000
Net Operating Expense	**632,068**	**320,830**	**767,834**	**1,000,305**
Fund Transfers Out				
Cost Allocation to General Fund	11,466	11,466	48,784	39,319
Liability Insurance Premium	5,653	5,653	10,101	10,124
Total Transfers Out	**17,119**	**17,119**	**58,885**	**49,443**
Total Expenditures	**847,325**	**683,003**	**1,176,374**	**1,333,027**
Net Difference Gain (Use) of Fund Balance	**(36,941)**	**198,367**	**(289,891)**	**(423,001)**
Ending Working Capital Balance	**913,811**	**1,112,178**	**822,287**	**399,286**

FY 2018 Significant Budget Changes:

1. None.

Measure BB - Paratransit Program - Special Revenue Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beginning Working Capital Balance	**-**	**-**	**533,996**	**750,078**
REVENUES				
Revenue				
Interest	-	-	-	-
Measure BB	-	751,586	526,082	774,793
Other Revenue	-	-	-	-
Total Revenues	**-**	**751,586**	**526,082**	**774,793**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	-
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**-**	**-**	**-**	**-**
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	217,590	310,000	310,000
Internal Service Fees	-	-	-	-
Capital	-	-	-	-
Net Operating Expense	**-**	**217,590**	**310,000**	**310,000**
Fund Transfers Out				
Cost Allocation to General Fund	-	-	-	-
Liability Insurance Premium	-	-	-	-
Total Transfers Out	**-**	**-**	**-**	**-**
Total Expenditures	**-**	**217,590**	**310,000**	**310,000**
Net Difference Gain (Use) of Fund Balance	**-**	**533,996**	**216,082**	**464,793**
Ending Working Capital Balance	**-**	**533,996**	**750,078**	**1,214,871**

FY 2018 Significant Budget Changes:

1. None.

Hayward Promise Neighborhood Grant - Special Revenue Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Project Revenue	-	770	-	-
Grant	377,951	232,334	-	-
Total Revenues	**377,951**	**233,104**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	-	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	-	-	-	-
Retiree Medical	-	-	-	-
PERS	-	-	-	-
Charges (to)/from other programs	2,525	-	-	-
Net Staffing Expense	2,525	-	-	-
Supplies & Services	402,027	240,458	-	-
Capital	-	-	-	-
Projects (Grants and Loans)		-	-	-
Net Operating Expense	402,027	240,458	-	-
Total Expenditures	**404,552**	**240,458**	**-**	**-**
Net Change	**26,601**	**7,355**	**-**	**-**

FY 2018 Significant Budget Changes:

1. N/A

Housing Authority Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beg Working Capital Balance	**6,515,119**	**6,753,430**	**7,261,535**	**7,266,800**
REVENUES				
Revenue				
Fund Interest	26,518	47,694	10,000	10,000
Interest Income	91,141	49,688	47,385	43,600
Principal Income	252,732	451,645	74,562	79,000
Other Revenue	242	1,203	-	-
	370,633	550,230	131,947	132,600
Fund Transfers In From				
Rt 238 Admin Fund	-	-	-	-
Successor Agency	1,292,172	-	-	-
Total Transfers In	1,292,172	-	-	-
Total Revenues	**1,662,805**	**550,230**	**131,947**	**132,600**
EXPENDITURES				
Expenditures				
Salary				
Regular	9,005	9,461	-	-
Overtime	197	46	-	-
Benefits				
Fringe Benefits	1,172	1,193	-	-
PERS	2,030	2,315	-	-
Charges (to)/from other programs	2,338	-	37,641	120,316
Net Staffing Expense	**14,743**	**13,015**	**37,641**	**120,316**
Supplies & Services	1,409,751	29,110	85,500	85,500
Grants & Loans	-	-	-	-
Net Operating Expense	**1,409,751**	**29,110**	**85,500**	**85,500**
Fund Transfers Out				
General Fund-Cost Allocation	-	-	3,541	3,897
Total Transfers Out	**-**	**-**	**3,541**	**3,897**
Total Expenditures	**1,424,493**	**42,125**	**126,682**	**209,713**
Net Difference Gain (Use) of Fund Bal	**238,311**	**508,105**	**5,265**	**(77,113)**
Ending Working Capital Balance	**6,753,430**	**7,261,535**	**7,266,800**	**7,189,687**

FY 2018 Significant Budget Changes:

1. None.

Affordable Housing Monitoring Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beg Working Capital Balance	**933,375**	**907,642**	**931,317**	**788,603**
REVENUES				
Revenue				
Interest Income	4,325	13,512	5,500	5,500
Mortgage Bonds Admin Fee	120,219	163,029	149,029	155,681
Total Revenues	**124,544**	**176,541**	**154,529**	**161,181**
EXPENDITURES				
Expenditures				
Salary				
Regular	83,234	81,251	158,178	296,819
Overtime	2,220	2,285	-	-
Benefits				
Fringe Benefits	13,754	1,345	42,047	77,985
Retiree Medical	3,600	3,270	3,270	3,150
PERS	18,342	18,983	38,091	40,833
Charges (to)/from other programs	(30,226)	1,708	(21,874)	(106,700)
Net Staffing Expense	**90,924**	**108,841**	**219,712**	**312,087**
Supplies & Services	46,787	22,345	47,235	88,300
Internal Service Fees	6,913	16,028	10,506	17,027
Net Operating Expense	**53,700**	**38,373**	**57,741**	**105,327**
Fund Transfers Out				
General Fund-Cost Allocation	-	-	13,056	13,474
Liability Insurance Premium	5,653	5,653	6,734	6,749
MISC Transfer Out to Other Depts	-	-	-	-
Total Transfers Out	**5,653**	**5,653**	**19,790**	**20,223**
Total Expenditures	**150,277**	**152,867**	**297,243**	**437,637**
Net Difference Gain (Use) of Fund Bal	**(25,733)**	**23,675**	**(142,714)**	**(276,456)**
Ending Working Capital Balance	**907,642**	**931,317**	**788,603**	**512,147**

FY 2018 Significant Budget Changes:

1. Addition of 1.0 FTE Housing Manager

HOME Investment Partnerships Block Grant Program

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beg Working Capital Balance	**(100,002)**	**(126,032)**	**(94,015)**	**(94,015)**
REVENUES				
Revenue				
Grants	1,147,002	174,059	281,987	281,987
Program Income	-	-	10,392	10,392
Interest Income	784	3,406	-	-
Total Fund Revenue	**1,147,786**	**177,464**	**292,379**	**292,379**
EXPENDITURES				
Expenditures				
Salary				
Regular	9,571	13,469	-	-
Overtime	-	-	-	-
Benefits				
Fringe Benefits	1,248	1,664	-	-
Retiree Medical	2,112		-	-
PERS	-	3,295	-	-
Charges (to)/from other programs	4,287	1,708	17,214	17,214
Net Staffing Expense	17,218	20,136	17,214	17,214
Grants & Loans	944,368	1,000	275,165	275,165
Supplies & Services	212,230	124,312	-	-
Transfer Out				96,000
Net Operating Expense	1,156,598	125,312	275,165	371,165
Total Expenditures	**1,173,816**	**145,447**	**292,379**	**388,379**
Net Change	**(26,030)**	**32,017**	**-**	**(96,000)**
Ending Working Capital Balance	**(126,032)**	**(94,015)**	**(94,015)**	**(190,015)**

FY 2018 Significant Budget Changes:

1. None.

Library & Community Services Department

Education Services - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
None	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular				337,137
Overtime				-
Benefits				
Fringe Benefits				101,394
Retiree Medical				3,938
PERS				65,690
Charges (to)/from other programs				-
Net Staffing Expense	-	-	-	508,159
Maintenance & Utilities	-	-	-	
Supplies & Services	-	-	-	-
Internal Service Fees				422,878
Net Operating Expense	-	-	-	422,878
Total Expenditures	**-**	**-**	**-**	**931,037**
General Fund Subsidy	**-**	**-**	**-**	**931,037**

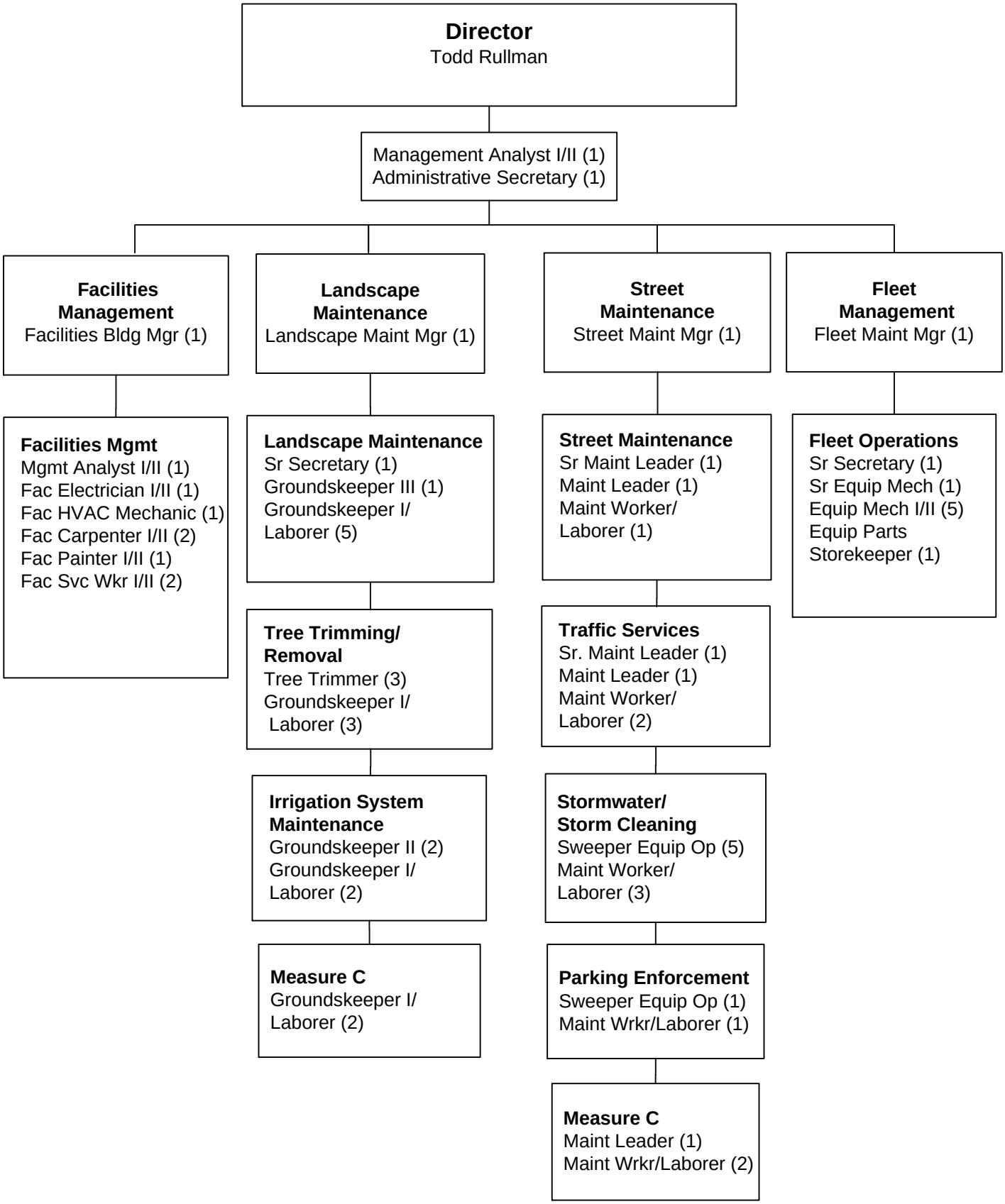
FY 2018 Significant Budget Changes:

'1. Newly established program.

THIS PAGE INTENTIONALLY LEFT BLANK

FY 2018 STAFFING
62.0 FTE

Maintenance Services Department



MAINTENANCE SERVICES DEPARTMENT

MISSION STATEMENT

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

DEPARTMENT OVERVIEW

The Maintenance Services Department operations provide front-line services that are visible to residents, businesses, visitors, and City staff alike. The Department is responsible for a wide range of functions including: 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 to include maintaining the City's streets; removing graffiti on public property; picking up illegal dumping in the public right-of-way; roadway surface 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 removal 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.

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

MAINTENANCE SERVICES DEPARTMENT

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

Graffiti and Illegal Dumping Program –Staff abates graffiti on the public right-of-way within a **72-hour** period, and completes removal of illegally dumped trash and debris within a **72-hour** period, in most instances. Staff performs litter abatement daily, to include weekends, to abate trash in the City's public right-of-way.

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

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

Keep Hayward Clean and Green – Program administration and support was moved in FY17 from the City Manager's Office to Maintenance Services.

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

Stormwater Maintenance Program - Staff is responsible for the maintenance and cleaning of over **3,000** storm drains, and **84** storm drain trash capture devices. This includes the maintenance of ditches and retention ponds, storm drain stenciling, and repair and replacement of damaged grates.

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 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.

MAINTENANCE SERVICES DEPARTMENT

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

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

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

Landscape and Lighting Districts (LLD) and Maintenance Districts (MD) – Staff manages landscape maintenance contracts for **15** LLDs and **2** MDs. These services are funded by property tax assessments charged to benefitted parties, whereas each benefit zone has a separate budget pertaining to its respective maintained improvements.

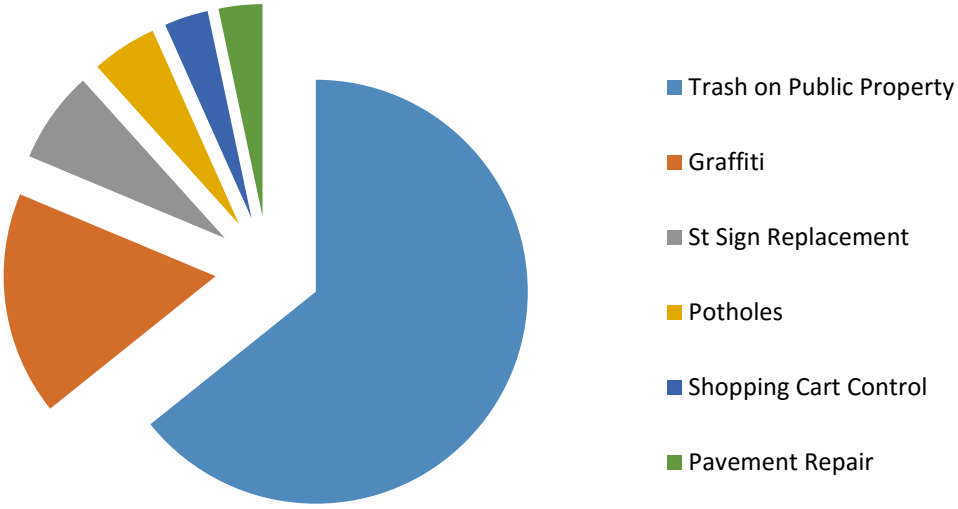
Fleet Management Division
The division provides fleet management to City staff by providing customer departments with safe, reliable, and environmentally friendly transportation and equipment for over **420** vehicles and pieces of equipment. Division priorities include 1) Provide timely repair of vehicles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

Facilities Management Division
The division 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 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.

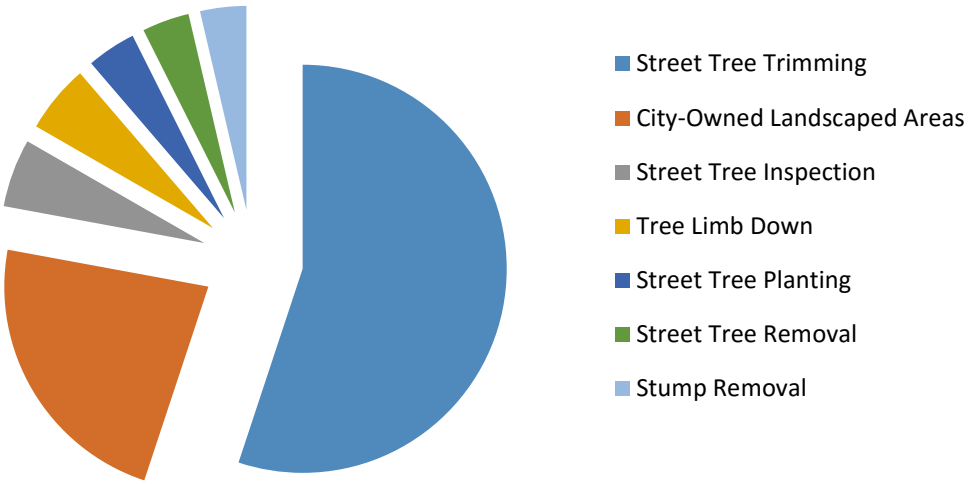
MAINTENANCE SERVICES DEPARTMENT

FY 2017 – TOP SERVICE REQUESTS BY DIVISION

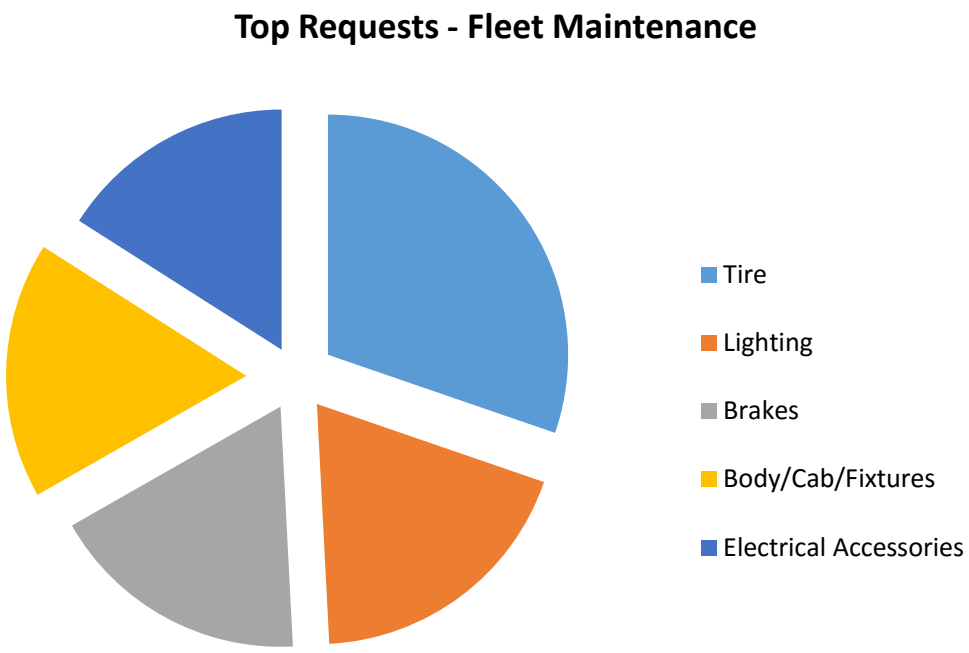
Top Requests - Streets Maintenance

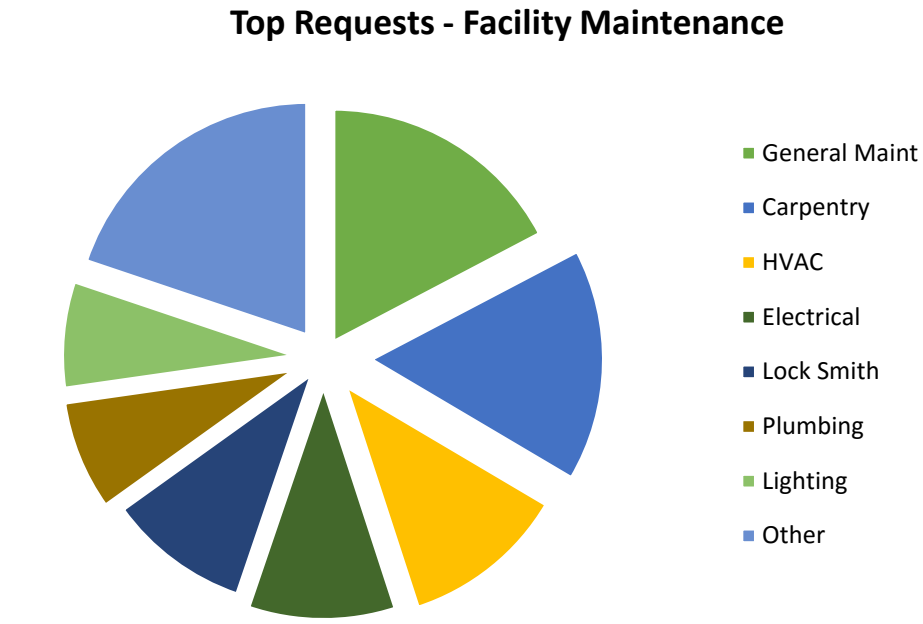


Top Requests - Landscape Maintenance



MAINTENANCE SERVICES DEPARTMENT





MAINTENANCE SERVICES DEPARTMENT

FY 2017 KEY SERVICE GOALS/OBJECTIVES

Division	#	FY 2017 Goals	Status
Street Maintenance	1	Remove illegally dumped trash and debris within a 72-hour period.	**ONGOING** Staff responded to **3,440** reports of illegal dumping, and picked-up a total of **5,221** cubic yards of trash and debris. Staff resolved **84**% of all requests for illegal dumping within **72** hours of receipt.
	2	Abate graffiti on the public right-of-way within a 72-hour period.	**ONGOING** Staff responded to **913** reports of graffiti on public property, and painted over **33,834** square feet of graffiti. Staff resolved **81**% of all requests for graffiti abatement within **72** hours of receipt.
	3	Assist Keep Hayward Clean and Green Task Force, Adopt-A-Block, and other community volunteer groups by attending meetings and removing collected debris at clean-up events.	**ONGOING** Staff attended **12** clean up events and removed **300** Cubic Yards of debris.
	4	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.	**ONGOING** Issued **755** citations in the Downtown Area in the past twelve months. Enforcement will continue until a Parking Study is completed by Public Works – Engineering and Transportation.

MAINTENANCE SERVICES DEPARTMENT

Street Maintenance	5	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.	**ONGOING** A fifth sweeper operator was hired in FY 2017. **28,416** citations were issued in accordance with the bi-weekly street sweeping schedule. In addition, **20** new "No Parking" signs were installed for scheduled street sweeping hours, encouraging vehicles to relocate so that street sweepers have a clear path to clean the streets.
Landscape Maintenance	6	Landscape Water Conservation Program - Continue to conserve water resources by monitoring and adjusting water usage to City managed areas.	**ONGOING** Installed **2** weather-based irrigation management systems, bringing the City managed total to **53**. These systems automatically adjust water flow thru monitoring of real-time weather data.
	7	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).	**ONGOING** Conducted the **31st** Arbor Day Celebration (event held in May 2017) and qualify for the **32nd** recognition as a Tree City USA (submitted application December 2016).
	8	Maintain the City of Hayward Bay Friendly Certification by upgrading existing landscape areas to bay friendly standards.	**ONGOING** Maintained the City of Hayward Bay Friendly Certification by upgrading **3** medians on Harder Road and Route 238.
	9	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.	**ONGOING** Completed request for proposal for maintenance of **2** newly landscaped City areas. Contract start date will be July 2017.

Fleet Management	10	Update ten-year operating and capital financial plans.	**ONGOING** Updated ten-year operating and capital financial plans.
	11	Complete budgeted capital vehicle and equipment purchases on time and within budget.	**COMPLETED** Placed **$3.4** million in orders for **43** new/replacements vehicles/equipment to replace older, high mileage vehicles with new vehicles that incorporate better technology, lower emissions, and greater fuel efficiency. **Three** of the replacements were "green" Ford Fusion Hybrids.
	12	Improve the quality, quantity, and accuracy of fleet data in the Fleet Management database.	**NEEDS IMPROVEMENT** Staff continuing to make improvements in administrative processes and procedures to timely enter fleet data into the fleet database.
	13	Complete preventative maintenance services within manufacturer specifications.	**NEEDS IMPROVEMENT** Fleet staff currently have a backlog of preventive maintenance services. Staffing organizational changes, to include the addition of a Senior Mechanic, along with the addition of a temporary mechanic are being recommended to improve service levels.

MAINTENANCE SERVICES DEPARTMENT

Fleet Management	14	Enroll in a state program where eligible vehicles are automatically smog tested through data transmitted by their GPS units.	**COMPLETED** Enrolled all qualified vehicles (totaling **55**) into a state program, whereas these registered vehicles automatically transmit their smog data via GPS to the Bureau of Automotive repair. This allows these vehicles to forgo their required biennial smog test.
	15	Research wireless maintenance and diagnostic equipment options and provide a recommendation.	**ONGOING** Researched options to improve workflow, which resulted in Wi-Fi being installed in the corporation yard. Staff will continue to research processes, procedures, and systems to improve maintenance operations through improved use of technology.
Facility Management	16	Complete a facility Needs Assessment Study, and present recommendations.	**NEEDS IMPROVEMENT**: Staff will be completing an RFP for a Needs Assessment Study in FY18.
	17	Update ten-year operating and capital financial plans.	**ONGOING** Updated ten-year operating and capital plans.
	18	Respond to HVAC issues within 24 hours.	**ONGOING** In the last 12 months, responded to HVAC requests within **2** hours during normal working hours and within **3** hours after normal working hours.

Facility Management	19	Complete budgeted capital facilities projects on time and within budget.	**ONGOING** Capital Projects completed 1) **Carpet** replaced: City Hall (Council Chambers, second and third floor work areas); and Police Department (Criminal Investigation Bureau, Records Bureau, Women's Locker Room, Patrol Line-up Room, and First Floor corridors); 2) **HVAC** replaced in Animal Control Administration Offices. 3) **City Hall furniture** replaced in the third-floor lobby.

FY 2017 ADDITIONAL ACCOMPLISHMENTS

1. Facility Management – Completed requests:

   A. Remodeled Police Narcotics Office,
   B. Remodeled Police Room to accommodate equipment storage,
   C. Remodeled Police Northern Office, to add carpentry enhancements,
   D. Remolded City Attorney's Office, to add an additional enclosed office space,
   E. Remodeled City Hall Conference Room 2A storage closet,
   F. Remodeled Animal Control Cat Room,
   G. Remodeled Landscape Administrative Office and Lunch Room,
   H. Repaired dry rotted Street Maintenance Carport roof,
   I. Retrofitted City Hall recycle bins/garbage cans,
   J. Painted City Hall accent walls,
   K. Installed City Hall bottle-fill water stations,
   L. Installed television monitors as part of Technology Services projector replacement project, and
   M. Installed Fire Station #1 fitness equipment.

2. Street Maintenance – In the past twelve months, staff received and repaired **93** requests for sidewalk maintenance, and patched **952** sq ft of sidewalk.

3. Street Maintenance – In the past twelve months, staff received and repaired **571** requests for street patching, and patched **25,931** sq ft of roadway.

4. Landscape and Street Maintenance – Contributed to a community project, "Lawn in a Day Conversion Project" in April 2017, in collaboration with Earth Team, KHCG, and StopWaste.org.

FY 2018 KEY SERVICE GOALS/OBJECTIVES

DIVISION	#	FY 2018 Goals
Street Maintenance	1	Replace cast iron grates with new Cal-Trans specified grates as part of a long-term Stormwater Inlet Replacement Program. The new grates are designed for bike friendly passing and meet all Cal Trans specifications for safety standards.
	2	Complete Security Enhancement Project at the Enterprise Avenue Central Garage Transfer Site. This project will install a better, higher fence; privacy mess; security camera; and motion sensor lighting.
	3	Continue expansion of the Street Sweeping Restrictive Signage Program by installing signs in **10** new areas, to support resident requests for "No Parking" restrictions on sweeping days.
Landscape Maintenance	4	Complete **1** community planting event.
	5	Re-landscape **2** medians on Tennyson Blvd incorporating weather based irrigation controllers to help conserve water resources.
	6	Upgrade **2** weather based irrigation communication hubs at Garin and Walpert sites to allow access to the hubs via radio and the internet.
Fleet Management	7	Complete new and replacement equipment and vehicle purchases on schedule and within budget.
	8	Complete preventative maintenance services within manufacturer specifications.

MAINTENANCE SERVICES DEPARTMENT

Fleet Management	9	Refine and update administrative processes and procedures for accurate and timely entry of fleet data into the fleet database.
	10	Update Fleet Ten-Year Operating and Capital plans.
Facility Management	11	Complete facility capital projects on schedule and within budget, to include replacing the City Hall fourth-floor carpet. This represents the final phase of carpet replacement throughout City Hall.
	12	Issue Request for Proposal (RFP) and select a vendor to complete a facility needs assessment inventory and recommendation. The completed study will create a long-term capital replacement plan and identify the required level of funding needed for capital asset replacement.
	13	Identify and purchase a comprehensive facilities operations and maintenance software to schedule work orders and preventative maintenance, and to track asset maintenance and replacement.
	14	Update Facilities Ten-Year Operating and Capital plans.

DEPARTMENT PERFORMANCE METRICS

#	Performance Measure	Goal # or %
1	Street Maintenance - Secure or repair all hazardous street and sidewalk issues within 24 hours, 90% of the time.	24 Hours 90% of time
2	Street Maintenance - Remove illegal dumping within 72 hours 90% of the time.	72 Hours 90% of time
3	Street Maintenance - Abate graffiti within 72 hours on public property or in the public right of way 90% of the time.	72 Hours 90% of time
4	Street Maintenance - Enforce “No Parking” during street sweeping 90% of the time.	90%
5	Landscape Maintenance - Secure all hazardous landscape conditions within 24 hours 90% of time.	24 Hours 90% of time
6	Landscape Maintenance - Plant 400 new trees in the City right of way.	400

7	Fleet Management - Ensure 90% of emergency road service calls are responded to within 60 minutes.	60 Minutes 90% of time
8	Fleet Management - Ensure the Police Patrol fleet has 80% of patrol vehicles in-service.	80% vehicles in-service
9	Fleet Management - Ensure the Fire Department has a front-line or reserve apparatus in-service 100% of the time.	100%

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2018

1. Facility Management

   A. Add $95,000 for Main and Weeks Branch utility expense (expense and budget transferred to Facilities Fund from the General Fund).
   B. Add $69,836 for Title 19 quarterly, annually, and 5-year fire sprinkler inspection.
   C. Add $45,536 for new 21st Century Learning Center maintenance costs. This facility is replacing the main library, and is three times larger in area.
   D. Add $20,000 for City Hall parking structure part-time security guard.

2. Fleet

   A. Update Staffing
      a. Delete (1) Equipment Mechanic II
      b. Add (1) Senior Equipment Mechanic

3. Landscape

   A. Two new landscape areas were upgraded through FY 2017 capital improvement projects. New maintenance contracts will be added to maintain these new areas, one over a mile long spanning the Route 92 Reliever Route; the other along Industrial Boulevard.

Maintenance Services Department

All Funds Summary - By Category

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
General Fund Revenue	1,528,568	1,073,867	1,433,520	1,533,520
Stormwater Revenue	406	847	-	-
Facilities Revenue	3,761,050	3,784,045	3,872,792	3,796,269
Fleet Revenue	4,247,637	4,359,142	4,319,484	4,304,788
S. Hayward B.A.R.T. JPA Rev	-	46,867	-	-
LLD/MD	992,043	1,165,880	960,955	1,012,955
	10,529,705	**10,430,649**	**10,586,751**	**10,647,532**
(Contribution)/Use of Fund Balance				
Facilities	(53,021)	(177,234)	19,016	(2,380)
Fleet Management	(18,043)	652,680	(41,826)	(316,889)
LLD/MD	94,168	(271,397)	(16,444)	277,438
	23,104	**204,049**	**(39,254)**	**(41,831)**
Fund Subsidy				
Gen Fund Subsidy - Maint Svc	2,775,395	3,592,796	3,373,840	2,878,107
Gen Fund Subsidy - Facilities	-	35,730	-	-
Measure C Fund Subsidy	-	708,249	602,248	611,548
S. Hayward B.A.R.T. JPA Sub	-	(17,615)	72,105	24,928
Stormwater Fund Sub - Streets	1,535,251	1,525,581	1,649,929	1,676,854
Water Fund Sub - Landscape	760,593	708,769	931,154	901,509
	5,071,238	**6,553,509**	**6,629,276**	**6,092,945**
Transfers In From Other Funds	**-**	**-**	**-**	**-**
Total Revenues	**15,624,047**	**17,188,206**	**17,176,773**	**16,698,646**
EXPENDITURES				
Expenditures				
Salary				
Regular	3,909,702	4,160,419	4,589,002	4,783,171
Overtime	487,818	639,705	439,778	439,778
Benefits				
Fringe Benefits	1,268,833	1,525,293	1,792,283	1,760,518
Retiree Medical	100,800	97,740	98,099	97,965
PERS	825,903	915,193	1,081,270	925,243
Charges (to)/from other programs	(196,695)	(189,741)	-	3,813
Net Staffing Expense	**6,396,362**	**7,148,608**	**8,000,432**	**8,010,488**

All Fund Summary - By Category

Continued

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Maintenance & Utilities	2,366,285	2,035,011	2,356,591	2,837,610
Supplies & Services	3,187,067	3,317,759	3,480,936	3,554,591
Internal Service Fees	1,729,745	1,809,439	1,871,971	1,355,627
Debt Service	1,347,509	1,299,088	1,056,684	852,943
Capital Outlay	-	181,157	-	-
Net Operating Expense	**8,630,606**	**8,642,454**	**8,766,182**	**8,600,771**
Transfers Out to Other Funds	**597,079**	**1,397,079**	**410,159**	**87,387**
Total Expenditures	**15,624,047**	**17,188,142**	**17,176,773**	**16,698,646**
Net Change	**-**	**65**	**-**	**-**

Maintenance Services Department

All Funds Summary - By Program

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Administration - General Fund	-	-	-	-
Landscape - General Fund	357	523	-	-
Streets - General Fund	1,528,211	1,073,344	1,433,520	1,533,520
Streets - Stormwater	406	847	-	-
Facilities - Internal Svc Fund	3,761,050	3,784,045	3,872,792	3,796,269
Fleet Management - Internal Svc	4,247,637	4,359,142	4,319,484	4,304,788
S. Hayward B.A.R.T. JPA Fund	-	46,867	-	-
LLD/MD - Special Revenue Fund	992,043	1,165,880	960,955	1,012,955
	10,529,705	10,430,649	10,586,751	10,647,532
(Contribution)/Use of Fund Balance				
Facilities	(53,021)	(177,234)	19,016	(2,380)
Fleet Management	(18,043)	652,680	(41,826)	(316,889)
LLD/MD	94,168	(271,397)	(16,444)	277,438
	23,104	204,049	(39,254)	(41,831)
Fund Subsidy				
Gen Fund Subsidy - Maint Svc	2,775,395	3,592,796	3,373,840	2,878,107
Gen Fund Subsidy - Facilities	-	35,730	-	-
Measure C Fund Subsidy	-	708,249	602,248	611,548
S. Hayward B.A.R.T. JPA Sub	-	(17,615)	72,105	24,928
Transfers In - Fleet Management	-	-	-	-
Water Fund Sub - Landscape	760,593	708,769	931,154	901,509
Stormwater Subsidy - Streets	1,535,251	1,525,581	1,649,929	1,676,854
	5,071,238	6,553,509	6,629,276	6,092,945
Total Revenues	**15,624,047**	**17,188,206**	**17,176,773**	**16,698,646**
EXPENDITURES				
Expenditures				
Administration - Gen Fund	147,254	(22,138)	88,355	92,018
Landscape - Gen Fund	2,300,202	2,452,746	2,544,482	2,381,803
Landscape - Water Fund	760,593	708,769	931,154	901,509
Streets - Gen Fund	1,856,507	2,236,055	2,174,523	1,937,806
Streets - Stormwater Fund	1,535,657	1,526,428	1,649,929	1,676,854
Measure C Programs	-	708,249	602,248	611,548
S. Hayward B.A.R.T. JPA Sub	-	29,252	72,105	24,928
Facilities	3,708,029	3,642,542	3,891,808	3,793,889
Fleet	4,229,595	5,011,822	4,277,658	3,987,899
LLD/MD	1,086,211	894,483	944,511	1,290,393
Total Expenditures	**15,624,047**	**17,188,206**	**17,176,773**	**16,698,646**
Net Change	**-**	**-**	**-**	**-**

Maintenance Services Department

Maintenance Services - General Fund Summary

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Interest & Rents	-	-	-	-
Fines & Forfeitures	1,520,433	1,064,042	1,431,020	1,531,020
Fees & Service Charges	2,789	-	-	-
Other Revenue	5,346	9,825	2,500	2,500
Total Revenues	**1,528,568**	**1,073,867**	**1,433,520**	**1,533,520**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,802,551	1,538,517	1,636,626	1,711,369
Overtime	230,848	453,384	265,778	265,778
Benefits				
Fringe Benefits	583,100	614,720	626,694	610,885
Retiree Medical	48,600	36,450	35,266	36,398
PERS	374,971	338,512	385,394	330,042
Charges (to)/from other programs	(337,360)	(189,741)	(54,090)	(54,090)
Net Staffing Expense	**2,702,709**	**2,791,842**	**2,895,668**	**2,900,383**
Maintenance & Utilities	258,923	248,488	249,132	345,000
Supplies & Services	305,081	444,447	436,279	439,979
Internal Service Fees	1,037,251	1,181,886	1,226,281	726,265
Capital Outlay	-	-	-	-
Net Operating Expense	**1,601,254**	**1,874,821**	**1,911,692**	**1,511,244**
Total Expenditures	**4,303,963**	**4,666,663**	**4,807,360**	**4,411,627**
General Fund Subsidy	**2,775,395**	**3,592,796**	**3,373,840**	**2,878,107**

Maintenance Services Department

Administration - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
None	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	244,167	88,655	50,296	55,904
Overtime	245	90	-	-
Benefits				
Fringe Benefits	32,607	16,084	10,745	10,822
Retiree Medical	5,400	1,159	703	693
PERS	44,769	20,577	12,161	11,215
Charges (to)/from other programs	(207,307)	(178,922)	(27,045)	(27,045)
Net Staffing Expense	**119,882**	**(52,358)**	**46,860**	**51,589**
Maintenance & Utilities	913	371	192	-
Supplies & Services	4,925	5,013	7,703	7,703
Internal Service Fees	21,534	24,837	33,600	32,726
Net Operating Expense	**27,372**	**30,221**	**41,495**	**40,429**
Total Expenditures	**147,254**	**(22,138)**	**88,355**	**92,018**
General Fund Subsidy	**147,254**	**(22,138)**	**88,355**	**92,018**

FY 2018 Significant Budget Changes:

1. None.

Street Maintenance - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Fines & Forfeitures	1,520,433	1,064,042	1,431,020	1,531,020
Fees & Service Charges	2,789	-	-	-
Other Revenue	4,989	9,302	2,500	2,500
Total Revenues	**1,528,211**	**1,073,344**	**1,433,520**	**1,533,520**
EXPENDITURES				
Expenditures				
Salary				
Regular	667,629	563,418	617,375	685,177
Overtime	162,337	357,238	204,778	204,778
Benefits				
Fringe Benefits	237,134	262,689	221,207	231,293
Retiree Medical	18,000	13,145	12,115	14,081
PERS	142,462	118,836	145,274	125,946
Charges (to)/from other programs	(95,163)	(10,819)	-	-
Net Staffing Expense	**1,132,399**	**1,304,506**	**1,200,749**	**1,261,274**
Maintenance & Utilities	27,058	25,374	23,320	21,500
Supplies & Services	217,333	306,481	333,840	335,540
Internal Service Fees	479,718	599,694	616,614	319,492
Capital Outlay	-	-	-	-
Net Operating Expense	**724,108**	**931,549**	**973,774**	**676,532**
Total Expenditures	**1,856,507**	**2,236,055**	**2,174,523**	**1,937,806**
General Fund Subsidy	**328,296**	**1,162,711**	**741,003**	**404,286**

FY 2018 Significant Budget Changes:

1. None.

Landscape Maintenance - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Fees & Service Charges	-	-	-	-
Other Revenue	357	523	-	-
Total Revenues	**357**	**523**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	890,754	886,445	968,955	970,288
Overtime	68,266	96,057	61,000	61,000
Benefits				
Fringe Benefits	313,358	335,947	394,742	368,770
Retiree Medical	25,200	22,146	22,448	21,625
PERS	187,740	199,100	227,959	192,882
Charges (to)/from other programs	(34,890)	-	(27,045)	(27,045)
Net Staffing Expense	**1,450,428**	**1,539,694**	**1,648,059**	**1,587,520**
Maintenance & Utilities	230,951	222,743	225,620	323,500
Supplies & Services	82,823	132,953	94,736	96,736
Internal Service Fees	535,999	557,355	576,067	374,047
Capital Outlay	-	-	-	-
Net Operating Expense	**849,773**	**913,051**	**896,423**	**794,283**
Total Expenditures	**2,300,202**	**2,452,746**	**2,544,482**	**2,381,803**
General Fund Subsidy	**2,299,844**	**2,452,222**	**2,544,482**	**2,381,803**

FY 2018 Significant Budget Changes:

1. Increase in Landscape Maintenance contracts

Landscape Maintenance (Water Fund) - Enterprise Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
None	-	-		
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	269,748	277,647	311,313	304,629
Overtime	43,755	6,205	6,000	6,000
Benefits				
Fringe Benefits	107,435	119,087	138,276	132,197
Retiree Medical	7,200	6,867	7,210	6,946
PERS	59,221	61,956	73,139	61,525
Charges (to)/from other programs	(65,784)	-	-	-
Net Staffing Expense	**421,575**	**471,762**	**535,938**	**511,297**
Maintenance & Utilities	223,579	141,375	296,860	289,100
Supplies & Services	13,772	11,867	12,500	20,200
Internal Service Fees	101,667	83,764	85,856	80,912
Capital Outlay	-	-	-	-
Net Operating Expense	**339,018**	**237,006**	**395,216**	**390,212**
Total Expenditures	**760,593**	**708,769**	**931,154**	**901,509**
Water Fund Subsidy	**760,593**	**708,769**	**931,154**	**901,509**

FY 2018 Significant Budget Changes:

1. None.

Street Maintenance (Stormwater Fund) - Enterprise Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Other Revenue	406	847	-	-
Interest and Rents	-	-	-	-
Total Revenues	**406**	**847**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	529,212	671,478	709,163	749,634
Overtime	82,447	36,237	33,000	33,000
Benefits				
Fringe Benefits	195,532	224,452	297,671	297,844
Retiree Medical	12,600	15,287	15,746	15,167
PERS	116,779	146,514	167,017	143,869
Charges (to)/from other programs	95,155	-	-	-
Net Staffing Expense	**1,031,726**	**1,093,968**	**1,222,597**	**1,239,514**
Maintenance & Utilities	27,332	12,902	14,288	11,867
Supplies & Services	111,335	112,224	123,867	126,000
Internal Service Fees	365,264	307,335	289,177	299,473
Capital Outlay	-	-	-	-
Net Operating Expense	**503,931**	**432,460**	**427,332**	**437,340**
Total Expenditures	**1,535,657**	**1,526,428**	**1,649,929**	**1,676,854**
Stormwater Fund Subsidy	**1,535,251**	**1,525,581**	**1,649,929**	**1,676,854**

FY 2018 Significant Budget Changes:

1. None

Facilities Management - Internal Service Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Facilities Service Fee	3,601,253	3,601,316	3,709,292	3,614,664
Interest & Rents	30,196	34,214	27,500	39,347
Other Revenue	129,601	148,516	136,000	142,258
General Fund Subsidy	-	35,730	-	-
	3,761,050	3,819,775	3,872,792	3,796,269
Total Revenues	**3,761,050**	**3,819,775**	**3,872,792**	**3,796,269**
EXPENDITURES				
Expenditures				
Salary				
Regular	672,915	705,145	797,113	840,718
Overtime	48,337	59,716	45,000	45,000
Benefits				
Fringe Benefits	180,018	215,456	275,427	276,142
Retiree Medical	16,200	15,206	15,336	14,774
PERS	133,962	152,572	188,604	163,886
Charges (to)/from other programs	29,407	-	-	-
Net Staffing Expense	**1,080,838**	**1,148,096**	**1,321,480**	**1,340,519**
Maintenance	459,953	131,524	132,000	137,545
Utilities	768,361	754,143	802,580	907,256
Supplies & Services	661,002	910,009	997,650	1,117,601
Internal Service Fees	113,992	90,684	110,320	88,537
Debt Service Payments	183,276	167,481	168,139	168,138
Net Operating Expense	**2,186,585**	**2,053,840**	**2,210,689**	**2,419,077**
Fund Transfers Out to				
General Fund - Cost Allocation	111,433	111,433	-	-
Liability Insurance Premium	29,173	29,173	34,639	34,293
Transfer to Capital	300,000	300,000	325,000	-
	440,606	**440,606**	**359,639**	**34,293**
Total Expenditures	**3,708,029**	**3,642,542**	**3,891,808**	**3,793,889**
Net Change	**53,021**	**177,234**	**(19,016)**	**2,380**

FY 2018 Significant Budget Changes:

1. Increase in service expenses related to new 21st Century Library

Maintenance Services Department

Fleet Management - Internal Service Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Vehicle Maint/Operating Rate	4,240,854	4,350,233	4,317,484	4,300,788
Interest	5,027	8,909	2,000	4,000
Other Revenue	1,757	-	-	-
	4,247,637	**4,359,142**	**4,319,484**	**4,304,788**
Total Revenues	**4,247,637**	**4,359,142**	**4,319,484**	**4,304,788**
EXPENDITURES				
Expenditures				
Salary				
Regular	635,103	627,071	776,091	793,376
Overtime	79,141	78,829	90,000	90,000
Benefits				
Fringe Benefits	200,289	222,308	295,478	280,064
Retiree Medical	16,200	15,287	15,483	14,915
PERS	139,623	139,011	183,210	156,828
Charges (to)/from other programs	25,833	-	-	-
Net Staffing Expense	**1,096,190**	**1,082,506**	**1,360,262**	**1,335,183**
Maintenance & Utilities	162,307	152,002	182,180	186,200
Supplies & Services	89,266	251,770	70,600	82,600
Fuel	886,356	730,790	1,000,000	900,000
Auto Parts	563,199	586,358	600,000	620,858
Internal Service Fees	111,571	120,275	125,551	125,159
Debt Service Payments	1,164,233	1,131,607	888,545	684,805
Capital	-	39	-	-
Net Operating Expense	**2,976,932**	**2,972,842**	**2,866,876**	**2,599,622**
Fund Transfers Out to				
Liability Insurance Premium	39,908	39,908	50,520	53,094
Misc. Trans to Fleet Mgmt Cap	-	800,000	-	
General Fund - Cost Allocation	116,565	116,565	-	-
	156,473	**956,473**	**50,520**	**53,094**
Total Expenditures	**4,229,595**	**5,011,822**	**4,277,658**	**3,987,899**
Net Change	**18,043**	**(652,680)**	**41,826**	**316,889**

FY 2018 Significant Budget Changes:

1. None

Landscape & Lighting and Maint. Districts Summary-Special Rev

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beginning Working Capital Balance	**2,655,183**	**2,561,016**	**2,832,413**	**2,848,857**
Fund Revenue				
Special Assessments	980,328	1,146,397	960,955	1,003,780
Interest and Rents	11,715	19,482	-	9,175
Total Revenues	**992,043**	**1,165,880**	**960,955**	**1,012,955**
Fund Expenditures				
Salary				
Regular	173	22,974	-	40,920
Overtime	3,290	4,569	-	-
Benefits				
Fringe Benefits	2,459	6,803	-	11,685
Retiree Medical	-	458	-	1,890
PERS	1,347	5,520	-	-
Charges (to)/from other programs	56,054	-	54,090	57,903
Net Staffing Expense	**63,324**	**40,324**	**54,090**	**112,398**
Maintenance & Utilities	465,830	593,110	678,551	959,142
Supplies & Services	557,057	261,048	211,870	218,853
Net Operating Expense	**1,022,887**	**854,158**	**890,421**	**1,177,995**
Total Expenditures	**1,086,211**	**894,483**	**944,511**	**1,290,393**
Net Change	**(94,168)**	**271,397**	**16,444**	**(277,438)**
Ending Working Capital Balance	**2,561,016**	**2,832,413**	**2,848,857**	**2,571,419**

FY 2018 Significant Budget Changes:

1. None.

Measure C Programs - Measure C Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
None	-	-	-	-
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	80,070	297,537	324,194	342,525
Overtime	1,419	765	-	-
Benefits				
Fringe Benefits	40,299	118,108	149,269	151,701
Retiree Medical	-	8,175	8,175	7,875
PERS	17,387	66,338	75,824	64,166
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**139,175**	**490,922**	**557,462**	**566,267**
Maintenance & Utilities	-	1,467	1,000	1,500
Supplies & Services	120	9,246	9,000	8,500
Internal Service Fees	-	25,495	34,786	35,281
Capital Outlay	52,420	181,118	-	-
Net Operating Expense	**52,540**	**217,326**	**44,786**	**45,281**
Total Expenditures	**191,715**	**708,249**	**602,248**	**611,548**
General Fund Subsidy	**191,715**	**708,249**	**602,248**	**611,548**

FY 2018 Significant Budget Changes:

1. None.

South Hayward B.A.R.T. JPA

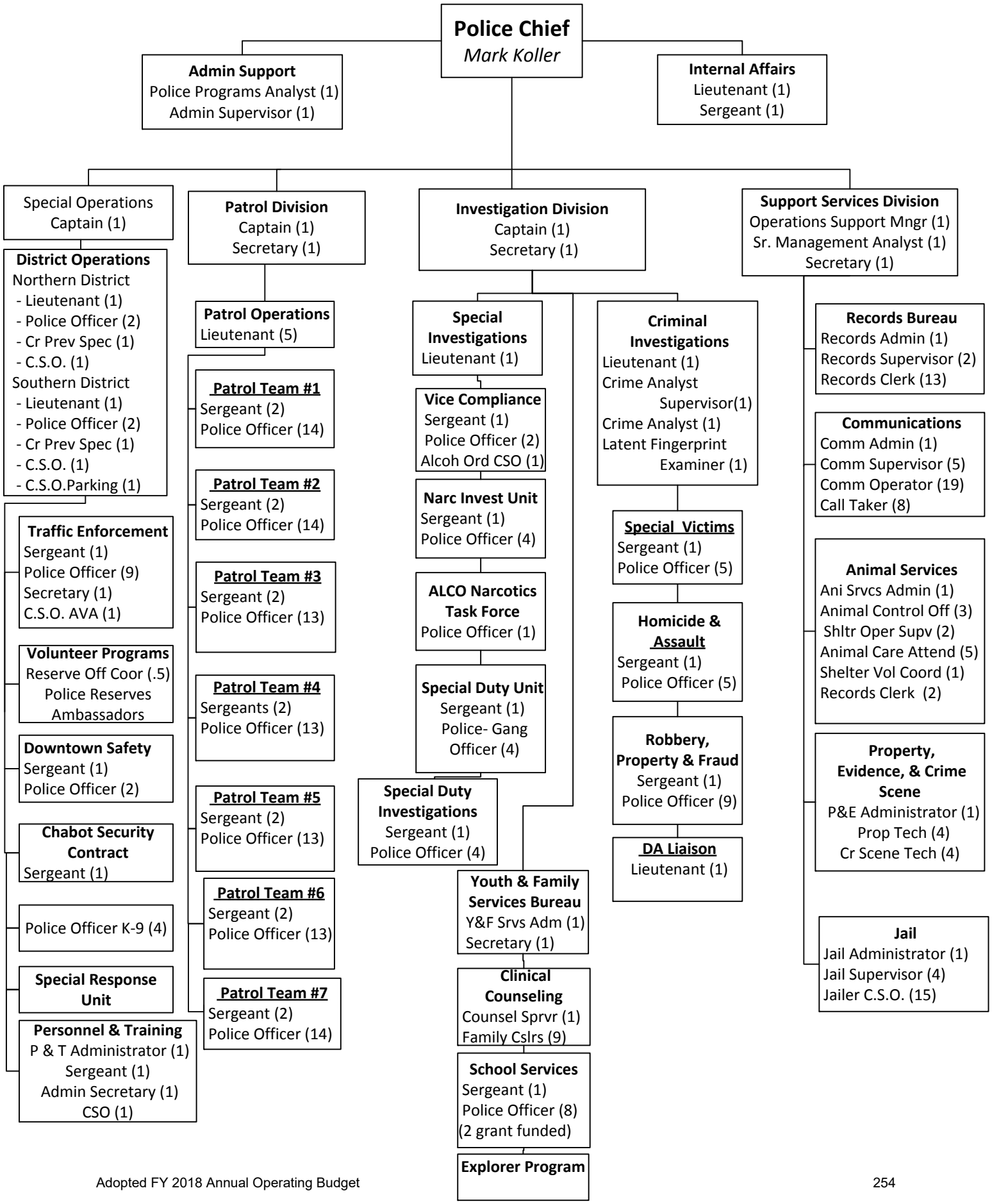
	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Fines and Forfeiture	-	46,867	-	-
Total Revenues	**-**	**46,867**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	37	20,049	34,502	-
Overtime	-	54	-	-
Benefits				
Fringe Benefits	7	4,359	9,468	-
Retiree Medical	-	10	883	-
PERS	5	4,769	8,082	4,928
Charges (to)/from other programs	802	-	-	-
Net Staffing Expense	**851**	**29,242**	**52,935**	**4,928**
Maintenance & Utilities	-	-	-	-
Supplies & Services	-	10	19,170	20,000
Internal Service Fees	-	-	-	-
Capital Outlay	-	-	-	-
Net Operating Expense	**-**	**10**	**19,170**	**20,000**
Total Expenditures	**851**	**29,252**	**72,105**	**24,928**
S. Hwrd B.A.R.T. JPA Fund Subsidy	**851**	**(17,615)**	**72,105**	**24,928**

FY 2018 Significant Budget Changes:

1. None.

Police Department

FY 2018 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 Commission on Accreditation for Law Enforcement Agencies (CALEA) Administration/Research and Development also report directly to this office.

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

Patrol Division

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

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

Special Operations Division

The Special Operations Division 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 2017 KEY PERFORMANCE/ACCOMPLISHMENTS

Division	#	FY 2017 Goals	Status
Office of the Chief	1	Maintain compliance with CALEA's standards, more specifically, address the two areas of improvement that the on-site CALEA assessors indicated may be problematic during the Department's next re-accreditation.	**ACHIEVED** HDP obtained re-accreditation with Excellence (implemented required policy change).
	2	Complete staffing needs study within the investigations division to explore and identify potential reorganization to provide more efficient department wide resources.	**CONTINUED EFFORT NEEDED** To be addressed in FY2018.
	3	Continue to maintain compliance with CALEA Standards, including CALEA's new annual reporting process.	**ACHIEVED** Re-Accredited with Excellence.
	4	Increase engagement, interaction and communication between Command Staff and the bargaining units and line level staff.	**ACHIEVED** Established monthly meetings with all bargaining units and invited to participate in Program Managers Meeting.
	5	Continue to support council priorities.	**ONGOING** Winter Storm, Hayward Eyes Program, etc.
	6	Conduct an evaluation of the strategic plan.	**ACHIEVED** Plan updated, new multi-year plan to be developed in FY 2018.

HAYWARD POLICE DEPARTMENT

Division	#	FY 2017 Goals	Status
Patrol Division	7	Enhance employee safety and efficiency through the use and/or acquisition of training, equipment and technology.	**ACHIEVED** FTOs: CIT Trained, I.C.A.T., Procedural Justice, 4x range/defensive tactics trainings. purchased ballistic helmets, 40mm launchers, funding for E.R.V.
	8	Continue to reduce crime in targeted areas where a cluster of crime is occurring by utilizing “hot spot” policing strategies.	**ACHIEVED** Weekly crime data disseminated to patrol to direct enforcement activities during discretionary time (T.N.T. Maps).
	9	Continue the participation of patrol officers and supervisors in all community meetings and neighborhood partnerships programs with the goal of enhancing police-community relations.	**ACHIEVED** Patrol Watch Commanders, Sergeants, and Beat Officers participation in all scheduled community events.
	10	Hold a Division-wide supervisor/management meeting each fiscal year with the goal of identifying the Divisions SWOT (Strengths, Weaknesses, Opportunities and Threats) and ultimately, improve the Division’s function and effectiveness.	**ACHIEVED** S.W.O.T. analysis completed. Division supervisor meeting / training scheduled for June 2017.

HAYWARD POLICE DEPARTMENT

Division	#	FY 2017 Goals	Status
Special Operations Division	11	Reduce the number of traffic accidents citywide over the next year at the identified high traffic locations.	**ONGOING** Directed enforcement at targeted locations resulted in a 47% decrease over 3 quarters.
	12	Conduct SMASH operations aimed to reduce chronic criminal behavior.	**ONGOING** 1 SMASH completed. We are also utilizing other means to abate problems (CFMH program, Social Nuisance Ordinance, etc.).
	13	Revise the Neighborhood Alert Program to increase participation and reach a broader spectrum of the community.	**ONGOING** This independent program is currently being restructured with the help of District Command.
	14	Allocate resources for a new Mobile Command Vehicle and replacement of secondary emergency rescue vehicle removed from fleet.	**ACHIEVED** Partnering with HFD. We are using mutual aid reimbursement funds, C.I.P., and BAUASI funds.
	15	To attract potential employees to the Hayward Police Department through the annual development of a recruitment plan and by use of the recruitment team.	**ACHIEVED** An annual recruitment plan is a CALEA requirement and was established.

Special Operations Division	16	Complete annual Training Plan and Executive Team review protocol.	**ACHIEVED** Protocol established and Training Plan completed (CALEA required).
	17	Institute Department-wide Procedural Justice/Fair and Impartial Policing Training.	**ACHIEVED** Training conducted in CPT.
	18	Fill newly created Measure C positions.	**ONGOING** We are still attempting to fill 7 measure C Call-Taker positions.
	19	Increase recruitment diversity.	**ONGOING** 57% of all current recruit efforts have targeting diverse populations.
Investigation Division	20	Obtain HAP (Hayward Attendance Project) Grant designed to reduce school truancy.	**IN PROGRESS** Awarded a planning grant which was completed and submitted in March 2017. Awaiting actual HAP grant for implementation.
	21	Develop inspection, investigation and enforcement protocols related to newly passed marijuana legislation.	**IN PROGRESS** HPD VICE Unit considering inspection aspect of marijuana cultivation and dispensary sites.

Investigation Division	22	Emphasize proactive anti-gang enforcement by the Special Duty Unit in collaboration with the Special Duty Investigation Unit, Patrol, the Narcotics Enforcement Unit and School Resource Officers to reduce the number of gang-related events City-wide.	**ONGOING** On-going, and in-depth response to rise in gang activity led to reassignment of narcotic unit to gang enforcement and utilization of specialized enforcement resulting in numerous arrests.
	23	Decrease the number of alcohol-related violations by licensed establishments.	**ACHIEVED** Alcohol-related violations (citations issued) has decreased.
	24	Maintain working relationships with State & Federal law enforcement agencies to enhance prosecution of criminal offenders at the State and local level.	**ONGOING** Continuing on-going relationships with HSI, DEA and other agencies to assist in drug and gang enforcement.
	25	Increase the number of juvenile truancy violators diverted from judicial sanctions.	**ONGOING** Proactive enforcement by School Resource Officers, including education and directed enforcement (Truancy Sweeps).

Investigation Division	26	Reduce the number of open cases and improve the clearance rate in part 1 crimes.	**ONGOING** Utilizing emerging forensic technology to enhance investigations and solve cases.
	27	Youth receiving family counseling and diversion services will experience a reduction of identified “at-risk” behaviors and demonstrate improved family function.	**ONGOING** YFSB counselors continue to engage families in on-going therapy, crisis intervention, prevention efforts with at risk youth and mental health services.
Support Services Division	28	Working with Information Technology Department in upgrading the Computer Aided Dispatch and Records Management.	**IN PROGRESS** Worked with IT in conducting a Business Plan Review by New World. Some issues were resolved. Plans are to upgrade to an updated version of New World to resolve outstanding issues.
	29	Develop a social media committee to disseminate timely information to the community on various events and enhance departmental transparency.	**IN PROGRESS** Established a social media committee to formalize procedures in delivering timely information to the community.

Support Services Division	30	Holding regular management, supervisory and staff meetings to enhance level of service to the community.	**ONGOING** Meeting with all employees in the Division. Bi-weekly management meetings are held. Individual Units are holding monthly supervisory meetings. Supervisors are holding weekly staff meetings.
	31	Working with Human Resources to identify long term solution to permanently staff a dedicated facility project coordinator for the Police Department.	**CONTINUED EFFORT NEEDED** Met with Human Resources and Finance Directors to identify need and to identify funding source. Additional research is needed for further discussion.
	32	To implement a training program for the continued professional development of SEIU/HAME staff.	**ONGOING** Hosted a Customer Service and Communication Training Courses. Attended Leadership Hayward and submitted application for County of Alameda Leadership Program and POST Civilian Leadership.

Support Services Division	33	To develop and implement a business intake plan for Animal Services to prevent and control various endemic outbreaks of animal related viruses.	**IN PROGRESS** Worked with UC Davis Veterinarian during a feline panleukopenia epidemic. Significant changes were made as to developing protocols as to intake and prevention measures. A business plan is currently being formulated for educational outreach to the community.
	34	To meet the Council's priorities as to going green, we are evaluating Police's fleet to incorporate more hybrid vehicles.	**ONGOING** One command vehicle was replaced with a hybrid vehicle. Plans are to replace other pool vehicles with hybrid.

FY 2017 KEY PERFORMANCE/ACCOMPLISHMENTS

1. Completed the implementation of recommendations from Departmental staffing study department wide to address growth and increase responsibilities in the department
   Status: Completed – Recommendations implemented
2. Successfully achieved second CALEA reaccreditation
   Status: Gold Standard Accreditation with Excellence
3. Continued as County Coordinator for STEP Grant
   Status: Completed - AVOID grant program ended
4. Increased participation in the Crime Free Multi-Housing Program
   Status: Increased Participation from 104 complexes to 120 (15% increase)

5. Continued to research and implement improved electronic mechanisms for improving the quality of data keeping and tracking of YFSB counseling services
   Status: Completed – selected software, purchased and implemented using outside funding
6. Implemented I-CAT (Integrating Communication Assessment and Tactics) training
   Status: On-going – first six training modules completed
7. Criminal Investigations Bureau remodel completed
   Status: Completed
8. Provided a city wide portable radio plan for transition to East Bay Regional Interoperability Communications System
   Status: Completed – EBRCS live in December, 2016
9. Re-structured Divisions Management Span of Control, by creating a Special Teams Lieutenant to address growth and increase responsibilities within the SO Division
   Status: Completed
10. Allocated resources to address mid-year spike in violent crime. Directed enforcement option that targeted criminal street gangs.
    Status: Completed: Directed enforcement option that targeted criminal street gangs

FY2018 KEY SERVICE GOALS/OBJECTIVES

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

HAYWARD POLICE DEPARTMENT

Division	#	FY 2018 Goals
Patrol Division	11	Hold a Division supervisor/management meeting with the goal of providing training, sharing information, and improving the Division functionality and effectiveness.
	12	Develop a Patrol Wellness Group to evaluate processes and/or issues that impact officer morale and efficiency.
	13	Develop a plan for re-modeling the Patrol Sergeants' Office.
Special Operations Division	14	Continue to track community participation in meetings and H.P.D. sponsored events.
	15	Implement strategic community engagement program following critical incidents aimed at reducing the fear of crime.
	16	Reduce the number of traffic accidents citywide over the next year at the identified high traffic locations.
	17	Conduct SMASH operations aimed to reduce chronic criminal behavior
	18	Revise the Neighborhood Alert Program to increase participation and reach a broader spectrum of the community.
	19	Fill newly created Measure C positions.
	20	Increase recruitment diversity.
	21	Improve collaboration with City departments regarding traffic calming and safety measures.
	22	Continue to cultivate organizational leaders through comprehensive succession planning and staff development.t
Investigations Division	23	Obtain HAP (Hayward Attendance Project) Grant designed to reduce school truancy.
	24	Develop inspection, investigation and enforcement protocols related to newly passed marijuana legislation.
	25	Emphasize proactive anti-gang enforcement by the Special Duty Unit in collaboration with the Special Duty Investigation Unit, Patrol, the Narcotics Enforcement Unit and School Resource Officers to reduce the number of gang-related events City-wide.
	26	Maintain working relationships with State & Federal law enforcement agencies to enhance prosecution of criminal offenders at the State and local level.
	27	Increase the number of juvenile truancy violators diverted from judicial sanctions.
	28	Reduce the number of open cases and improve the clearance rate in part 1 crimes.
	29	Youth receiving family counseling and diversion services will experience a reduction of identified "at-risk" behaviors and demonstrate improved family function.

HAYWARD POLICE DEPARTMENT

Division	#	FY 2018 Goals
Support Services Division	30	Working with Information Technology Department in upgrading the Computer Aided Dispatch and Records Management.
	31	Develop a social media committee to disseminate timely information to the community on various events and enhance departmental transparency.
	32	To reduce property purges to cases within a 7-year retention level.
	33	Working with Human Resources to identify long term solution to permanently staff a dedicated facility project coordinator for the Police Department.
	34	To develop and implement a business intake plan for Animal Services to prevent and control various endemic outbreaks of animal related viruses.
	35	To meet the Council's priorities as to going green, we are evaluating Police's fleet to incorporate more hybrid vehicles.

DEPARTMENT PERFORMANCE METRICS

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

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2018

None.

All Funds Summary - By Category

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue and Trans in from Other Funds				
General Fund Revenue	5,864,387	4,640,744	4,972,501	3,618,646
Community Oriented Policing Grant	250,504	275,026	-	-
Byrnes Grant	47,864	-	-	-
Narc Asset Seizure-Spec Rev Fund	141,358	-	-	-
	6,304,113	**4,915,771**	**4,972,501**	**3,618,646**
(Contribution)/Use of Fund Balance				
Community Oriented Policing Grant	(66,504)	(43,162)	-	-
Byrnes Grant	-	-	-	-
Narcotic Asset Seizure	(29,582)	-	-	-
	(96,087)	**(43,162)**	**-**	**-**
Fund Subsidy				
General Fund Subsidy	56,390,488	62,295,866	64,906,468	66,692,339
Measure C Fund Subsidy	-	569,836	2,415,483	2,409,500
	56,390,488	**62,865,701**	**67,321,951**	**69,101,838**
Total Revenues	**62,598,514**	**67,738,310**	**72,294,452**	**72,720,484**
EXPENDITURES				
Expenditures By Expense Category				
Salary				
Regular	30,867,350	32,705,322	35,807,324	36,759,087
Overtime	3,419,230	3,544,590	3,229,623	3,265,823
Vacancy Savings	-	-	(2,281,509)	(688,950)
Benefits				
Fringe Benefits	9,511,335	9,950,140	12,200,447	11,524,775
Retiree Medical	1,184,100	1,689,223	1,764,194	1,713,731
PERS	9,328,710	10,668,914	13,102,588	12,942,782
Charges (to)/from other programs	9,892	-	-	-
Net Staffing Expense	**54,320,618**	**58,558,189**	**63,822,667**	**65,517,248**
Maintenance & Utilities	448,874	447,714	551,338	548,938
Supplies & Services	2,327,314	2,280,202	1,802,170	1,942,670
Internal Service Fees	5,269,844	6,166,745	6,118,277	4,711,628
Capital	-	53,597	-	-
Net Operating Expense	**8,046,032**	**8,948,257**	**8,471,785**	**7,203,236**
Transfers to other funds	**231,864**	**231,864**	**-**	**-**
Total Expenditures	**62,598,514**	**67,738,310**	**72,294,452**	**72,720,484**
Net Change	**-**	**-**	**-**	**-**

All Funds Summary - By Program

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue and Transfers in from Other Funds				
Office of the Chief	79,467	-	-	-
Special Operations	464,439	528,272	509,000	509,000
Patrol Division	71,752	42,679	70,000	70,000
Investigations	1,894,766	1,816,014	1,692,540	1,692,540
Support Services	975,873	1,146,212	958,242	958,242
Special Programs	2,381,005	1,107,567	1,742,719	388,864
Community Oriented Policing Grant	250,504	275,026	-	-
Byrnes Grant	47,864	-	-	-
Narcotic Asset Seizure	141,358	-	-	-
	6,307,029	**4,915,771**	**4,972,501**	**3,618,646**
(Contribution)/Use of Fund Balance				
Community Oriented Policing Grant	(66,504)	43,162	-	-
Byrnes Grant	-	-	-	-
Narcotic Asset Seizure	(29,582)	-	-	-
	(96,087)	**43,162**	**-**	**-**
Fund Subsidy				
General Fund Subsidy	56,390,488	62,295,866	64,906,468	66,692,339
Measure C Fund Subsidy	-	569,836	2,415,483	2,409,500
	56,390,488	**62,865,701**	**67,321,951**	**69,101,838**
Total Revenues	**62,601,431**	**67,824,634**	**72,294,452**	**72,720,484**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds				
Office of the Chief - General Fund	3,598,633	1,462,448	1,455,469	1,443,074
Special Operations - General Fund	4,630,954	7,169,113	7,411,991	7,747,128
Patrol Division	25,592,930	27,604,077	29,419,183	29,459,082
Investigations	13,838,732	14,946,763	16,580,092	16,524,059
Support Services - General Services	11,718,679	12,583,761	12,300,370	12,437,847
Special Programs (Grants) - General Func	2,874,946	3,170,447	2,711,864	2,699,795
Measure C Programs	-	569,836	2,415,483	2,409,500
Community Oriented Policing Grant	184,000	231,864	-	-
Byrnes Grant	47,864	-	-	-
Narc Asset Seizure-Spec Rev Fund	111,776	-	-	-
Total Expenditures	**62,598,514**	**67,738,310**	**72,294,452**	**72,720,484**
Net Change	**2,917**	**86,325**	**-**	**-**

Police - General Fund Summary

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Licenses & Permits	401,584	292,947	423,242	423,242
Photo Red Light	243,905	316,851	70,000	70,000
Fines & Forfeitures	41,222	50,753	41,000	41,000
Intergovernmental	4,177,330	2,736,658	3,425,259	2,071,404
Fees & Service Charges	999,840	1,173,182	938,000	938,000
Other Revenue	505	70,354	75,000	75,000
Total Revenues	**5,864,387**	**4,640,744**	**4,972,501**	**3,618,646**
EXPENDITURES				
Expenditures				
Salary				
Regular	30,867,350	32,500,737	34,522,497	35,377,867
Overtime	3,419,230	3,537,131	3,229,623	3,265,823
Vacancy Savings	-	-	(2,281,509)	(688,950)
Benefits				
Fringe Benefits	9,511,335	9,905,548	11,708,067	11,101,944
Retiree Medical	1,184,100	1,641,138	1,714,401	1,665,506
PERS	9,328,710	10,609,561	12,707,916	12,565,205
Charges (to)/from other programs	9,892	-	-	-
Net Staffing Expense	**54,320,618**	**58,194,114**	**61,600,995**	**63,287,395**
Maintenance & Utilities	448,874	447,714	493,200	490,800
Supplies & Services	2,215,539	2,221,101	1,758,040	1,898,540
Internal Service Fees	5,269,844	6,073,681	6,026,734	4,634,250
Capital	-	-	-	-
Net Operating Expense	**7,934,256**	**8,742,496**	**8,277,974**	**7,023,590**
Total Expenditures	**62,254,874**	**66,936,610**	**69,878,969**	**70,310,985**
General Fund Subsidy	**56,390,488**	**62,295,866**	**64,906,468**	**66,692,339**

Office of the Chief - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Intergovernmental	79,467	-	-	-
Other Revenue	-	-	-	-
Total Revenues	**79,467**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,569,993	830,213	772,266	790,032
Overtime	107,201	4,932	16,500	16,500
Benefits				
Fringe Benefits	372,589	200,970	231,020	202,895
Retiree Medical	36,300	25,845	20,809	20,175
PERS	416,383	249,971	287,463	284,616
Charges (to)/from other programs	94,364	-	-	-
Net Staffing Expense	**2,596,829**	**1,311,930**	**1,328,058**	**1,314,218**
Maintenance & Utilities	18,908	8,690	10,200	9,000
Supplies & Services	804,923	39,157	39,084	39,084
Internal Service Fees	177,973	102,671	78,127	80,772
Net Operating Expense	**1,001,804**	**150,518**	**127,411**	**128,856**
Total Expenditures	**3,598,633**	**1,462,448**	**1,455,469**	**1,443,074**
General Fund Subsidy	**3,519,166**	**1,462,448**	**1,455,469**	**1,443,074**

FY 2018 Significant Budget Changes:

1. None.

Special Operations - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Grants-Citizens' Option for Public Safety	-	-	184,000	184,000
Licenses and Permits	24,612	21,675	30,000	30,000
Photo Red Light	243,905	316,851	70,000	70,000
Intergovernmental	-	2,807	-	-
Fees & Service Charges	195,922	167,689	185,000	185,000
Other Revenue	-	19,250	40,000	40,000
Total Revenues	**464,439**	**528,272**	**509,000**	**509,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,293,342	3,102,707	3,284,320	3,469,234
Overtime	280,032	407,201	243,500	243,500
Vacancy Savings	-		(278,509)	-
Benefits				
Fringe Benefits	741,559	965,195	1,120,573	1,167,448
Retiree Medical	89,100	145,910	152,352	155,588
PERS	705,932	1,002,535	1,210,102	1,210,810
Charges (to)/from other programs	(63,771)	-	-	-
Net Staffing Expense	**4,046,194**	**5,623,547**	**5,732,338**	**6,246,579**
Maintenance & Utilities	10,919	16,032	26,000	26,000
Supplies & Services	73,147	942,548	752,604	887,604
Internal Service Fees	500,695	586,985	901,049	586,945
Capital	-	-	-	-
Net Operating Expense	**584,760**	**1,545,565**	**1,679,653**	**1,500,549**
Total Expenditures	**4,630,954**	**7,169,113**	**7,411,991**	**7,747,128**
General Fund Subsidy	**4,166,515**	**6,640,840**	**6,902,991**	**7,238,128**

FY 2018 Significant Budget Changes:

1. None.

Patrol Division - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Fees & Service Charges	71,752	42,679	70,000	70,000
Other Revenue	-	-	-	-
Total Revenues	**71,752**	**42,679**	**70,000**	**70,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	12,317,969	13,148,826	14,195,536	14,481,779
Overtime	1,364,123	1,300,347	1,929,823	1,929,823
Vacancy Savings	-		(1,500,000)	(688,950)
Benefits				
Fringe Benefits	4,174,158	4,284,138	5,051,468	4,812,990
Retiree Medical	562,800	829,385	884,307	859,050
PERS	4,175,248	4,793,272	5,873,088	5,987,965
Charges (to)/from other programs	86,079	-	-	-
Net Staffing Expense	**22,680,377**	**24,355,968**	**26,434,222**	**27,382,657**
Maintenance & Utilities	1,741	-	-	-
Supplies & Services	48,375	59,004	57,784	57,784
Internal Service Fees	2,862,438	3,189,106	2,927,177	2,018,641
Capital	-	-	-	-
Net Operating Expense	**2,912,553**	**3,248,110**	**2,984,961**	**2,076,425**
Total Expenditures	**25,592,930**	**27,604,077**	**29,419,183**	**29,459,082**
General Fund Subsidy	**25,521,178**	**27,561,398**	**29,349,183**	**29,389,082**

FY 2018 Significant Budget Changes:

1. None.

Investigations - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Licenses & Permits	131,882	126,440	140,000	140,000
Intergovernmental	1,741,302	1,656,318	1,519,540	1,519,540
Fees & Service Charges	21,582	33,256	33,000	33,000
Other Revenue	-	-	-	-
Total Revenues	**1,894,766**	**1,816,014**	**1,692,540**	**1,692,540**
EXPENDITURES				
Expenditures				
Salary				
Regular	7,471,706	7,769,329	8,475,168	8,381,957
Overtime	456,610	371,089	690,000	690,000
Vacancy Savings	-		(453,000)	-
Benefits				
Fringe Benefits	2,257,370	2,265,374	2,847,959	2,591,930
Retiree Medical	279,900	410,314	430,077	411,450
PERS	2,304,547	2,622,150	3,244,342	3,199,771
Charges (to)/from other programs	(180,528)	-	-	-
Net Staffing Expense	**12,589,604**	**13,438,255**	**15,234,546**	**15,275,108**
Maintenance & Utilities	37,872	54,158	81,000	81,000
Supplies & Services	503,787	365,470	282,684	322,684
Internal Service Fees	707,468	1,088,880	981,862	845,267
Capital	-	-	-	-
Net Operating Expense	**1,249,127**	**1,508,508**	**1,345,546**	**1,248,951**
Total Expenditures	**13,838,732**	**14,946,763**	**16,580,092**	**16,524,059**
General Fund Subsidy	**11,943,965**	**13,130,750**	**14,887,552**	**14,831,519**

FY 2018 Significant Budget Changes:

1. Increase in physical evidence processing services

Support Services - General Services

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Licenses & Permits	245,090	144,833	253,242	253,242
Intergovernmental	19,695	20,718	20,000	20,000
Fees & Service Charges	710,584	929,558	650,000	650,000
Other Revenue	505	51,104	35,000	35,000
Total Revenues	**975,873**	**1,146,212**	**958,242**	**958,242**
EXPENDITURES				
Expenditures				
Salary				
Regular	5,804,867	6,133,644	6,362,882	6,818,353
Overtime	974,870	1,235,813	349,800	386,000
Vacancy Savings	-		(50,000)	-
Benefits				
Fringe Benefits	1,474,820	1,663,198	1,910,190	1,793,734
Retiree Medical	154,800	139,384	139,384	134,269
PERS	1,245,328	1,389,146	1,498,436	1,287,332
Charges (to)/from other programs	108,664	-	-	-
Net Staffing Expense	**9,763,348**	**10,561,184**	**10,210,692**	**10,419,688**
Maintenance & Utilities	379,434	368,834	376,000	374,800
Supplies & Services	554,626	555,670	577,884	543,384
Internal Service Fees	1,021,270	1,098,073	1,135,794	1,099,975
Capital	-	-	-	-
Net Operating Expense	**1,955,331**	**2,022,577**	**2,089,678**	**2,018,159**
Total Expenditures	**11,718,679**	**12,583,761**	**12,300,370**	**12,437,847**
General Fund Subsidy	**10,742,806**	**11,437,549**	**11,342,128**	**11,479,605**

FY 2018 Significant Budget Changes:

1. None.

Special Programs (Grants) - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Fines and Forfeitures	41,222	50,753	41,000	41,000
Grant Revenue	2,336,867	1,056,815	1,701,719	347,864
Rental Income	2,917	2,912	-	-
Total Revenues	**2,381,005**	**1,107,567**	**1,742,719**	**388,864**
EXPENDITURES				
Expenditures				
Salary				
Regular	1,409,475	1,516,018	1,432,325	1,436,512
Overtime	236,394	217,749	-	-
Vacancy Savings	-	-	-	-
Benefits				
Fringe Benefits	490,839	526,674	546,857	532,947
Retiree Medical	61,200	90,300	87,472	84,975
PERS	481,273	552,488	594,485	594,711
Charges (to)/from other programs	(34,915)	-	-	-
Net Staffing Expense	**2,644,266**	**2,903,229**	**2,661,139**	**2,649,145**
Maintenance & Utilities	-	-	-	-
Supplies & Services	230,680	259,252	48,000	48,000
Internal Service Fees	-	7,966	2,725	2,650
Capital	-	-	-	-
Net Operating Expense	**230,680**	**267,218**	**50,725**	**50,650**
Total Expenditures	**2,874,946**	**3,170,447**	**2,711,864**	**2,699,795**
General Fund Subsidy	**493,941**	**2,062,880**	**969,145**	**2,310,931**

FY 2018 Significant Budget Changes:

1. None.

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

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beginning Working Capital Balance	**120,779**	**187,283**	**230,445**	**230,445**
REVENUES				
Revenue				
Interest	-	-	-	-
Intergovernmental	250,504	275,026	-	-
Total Revenues	**250,504**	**275,026**	**-**	**-**
EXPENDITURES				
Fund Transfers Out to				
Trsfr to General Fund	184,000	231,864	-	-
	184,000	**231,864**	**-**	**-**
Total Expenditures	**184,000**	**231,864**	**-**	**-**
Net Change	**66,504**	**43,162**	**-**	**-**
Ending Working Capital Balance	**187,283**	**230,445**	**230,445**	**230,445**

FY 2018 Significant Budget Changes:

1. None.

Byrne Justice Assistance Grant - Special Revenue Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beginning Working Capital Balance	**319**	**319**	**319**	**319**
REVENUES				
Revenue				
Interest	-	-	-	-
Intergovernmental	47,864	-	-	-
Total Revenues	**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	47,864	-	-	-
	47,864	**-**	**-**	**-**
Total Expenditures	**47,864**	**-**	**-**	**-**
Net Diff Gain (Use) of Fund Bal	**-**	**-**	**-**	**-**
Ending Working Capital Balance	**319**	**319**	**319**	**319**

FY 2018 Significant Budget Changes:

1. N/A

Narcotic Asset Seizure - Special Revenue Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beginning Working Capital Balance	**320,617**	**350,200**	**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	**350,200**	**350,200**	**350,200**	**350,200**

FY 2018 Significant Budget Changes:

1. None

Measure C Program - Measure C Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Other Revenue	-	-		
Total Revenues	**-**	**-**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	-	204,585	1,284,827	1,381,220
Overtime	-	7,459	-	-
Benefits				
Fringe Benefits	-	44,592	492,380	422,831
Retiree Medical	-	48,085	49,793	48,225
PERS	-	59,353	394,672	377,578
Charges (to)/from other programs	-	-	-	-
Net Staffing Expense	**-**	**364,074**	**2,221,672**	**2,229,854**
Maintenance & Utilities	-	-	58,138	58,138
Supplies & Services	-	59,100	44,130	44,130
Internal Service Fees	-	93,064	91,543	77,378
Capital	-	53,597	-	-
Net Operating Expense	**-**	**205,761**	**193,811**	**179,646**
Total Expenditures	**-**	**569,836**	**2,415,483**	**2,409,500**
Measure C Fund Subsidy	**-**	**569,836**	**2,415,483**	**2,409,500**

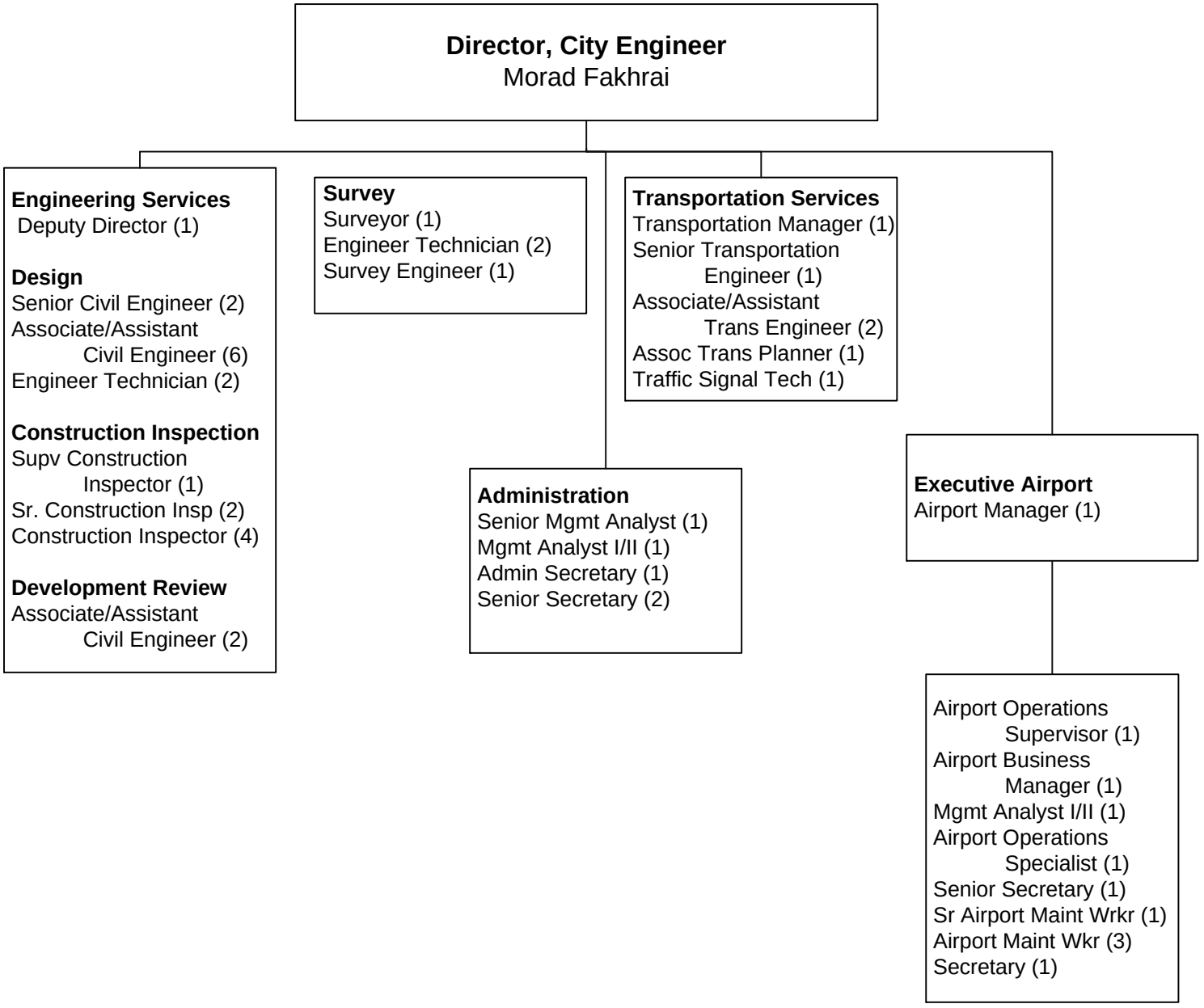
FY 2018 Significant Budget Changes:

1. None.

THIS PAGE INTENTIONALLY LEFT BLANK

FY 2018 STAFFING
47.0 FTE

Public Works
Engineering & Transportation Department



PUBLIC WORKS-ENGINEERING &TRANSPORTATION DEPARTMENT

MISSION STATEMENT

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

DEPARTMENT OVERVIEW

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

DIVISION/PROGRAM SUMMARIES

Administration

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

Design/Development Services

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

Construction Services

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

Transportation

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

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

Survey

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

Hayward Executive Airport

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

FY2017 KEY SERVICE GOALS/OBJECTIVES

Division	#	FY 2017 Goals	Status
Administration	1	Assure that the Department is an engaged and consistent participant in appropriate community meetings.	**ONGOING**
	2	Ensure at least a 90% positive response rate to CRM requests in terms of courtesy, attentiveness, and responsiveness to customer's request.	**IN PROGRESS/CONTINUED EFFORT NEEDED** Positive response rate of 85%. Improvement needed in this area.
	3	Prepare and deliver for adoption the Capital Improvement Program on-time to Council and the public.	**ONGOING**

PUBLIC WORKS-ENGINEERING &TRANSPORTATION DEPARTMENT

Design/Development Services	4	Review and comment on development proposals from Development Services Department within established deadlines 90% of time.	**ACHIEVED** Staff reviewed and commented on more than 11 major development projects and several smaller ones.
	5	Complete design of various fire station improvements and fire training center supported by the passage of Measure C.	**IN PROGRESS** Design for Fire Stations 1-5 was completed and construction begun. Design will continue on Fire Station 6 and the New Fire Training Center through Spring 2018.
	6	Design projects related to at least six miles of pavement rehabilitation, 20,000 square feet of sidewalk, and 100 wheelchair ramps.	**ONGOING** Designed projects for paving 108 miles of roadway, repairing approximately 60,736 square feet of sidewalk and installing 330 wheelchair ramps.

PUBLIC WORKS-ENGINEERING &TRANSPORTATION DEPARTMENT

Construction Services	7	Ensure a timely and complete inspection of all City construction projects, as well as subdivisions, grading/clearing permits, and Public Works encroachment permits.	**ONGOING**
	8	Complete streets improvements as part of Measure C funding program.	**ONGOING** Combined with Measure B/BB/VRF funding, it was the largest paving project in City history including 106 lane miles including improvements for pedestrians, bicycles, transit, and other users of public roadways.
	9	Continue construction of the 21st Century Library and Community Learning Center.	**IN PROGRESS** Construction continued during FY17. The Library is expected to be completed in December, 2017.
	10	Complete construction of the I880-SR92 Reliever Route Project.	**ACHIEVED**
Survey	11	Maintain complete and accurate information related to public roadway and city-owned properties, both for record and for facilitating potential new development.	**ONGOING**
	12	Acknowledge requests for survey and property characteristics assistance from other departments within twenty-four hours; provide the data in a timely and efficient manner.	**ONGOING** City Survey staff monitor requests and the timeline for acknowledgement and completion.

PUBLIC WORKS-ENGINEERING &TRANSPORTATION DEPARTMENT

Transportation	13	Ensure traffic signal system operates in safe and efficient manner, reducing travel times and traffic congestion on the City's major corridors.	**ONGOING** Staff routinely monitors traffic signal operations throughout the city to enable an efficient and safe roadway network is maintained.
	14	Substantially complete design of Phase Two and Phase Three of the Mission Boulevard Corridor Improvement Project.	**IN PROGRESS** Phase Two Design was completed. Phase 3 design will continue into FY 2018.
	15	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.	**IN PROGRESS** The Downtown Parking Study, Neighborhood Traffic Calming Study, and Transit Connector Feasibility Study are substantially completed and will be presented to Council in early FY18. All data for the Intersection Improvement Study has been collected. The study will be finalized in early FY18.
	16	Ensure all existing and proposed new roadways are designed and operate safely for all users of public roadway, such as motorists, pedestrian, and bicyclists.	**ONGOING**

Transportation	17	Closely follow transportation-related legislation and potential available funding to ensure Hayward's interests are protected.	**ONGOING** Staff obtained $23.7 million in funding for Mission Blvd. Phases 2 and 3 improvements. Staff has applied for 5 different grants from Alameda CTC for the following projects: 1. Main Street Complete Streets Project 2. C Street Complete Streets Project 3. Shuttle Implementation 4. A St at I-880 Interchange 5. Clawiter at SR 92 Interchange
	18	Respond to community requests for traffic-calming assistance within five days of receiving the request.	**ONGOING** Staff responded to requests within 5 days 90% of the time in FY 2017.
	19	Continue process to recover 60% of costs for knockdowns of street lights and traffic signals from insurers and private parties.	**CONITUED EFFORT NEEDED** FY 2017 costs were recovered at 42%. Scheduled dedicated time for staff to work on cost recovery has been implemented to improve this percentage.

PUBLIC WORKS-ENGINEERING &TRANSPORTATION DEPARTMENT

Hayward Executive Airport	20	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.	**ONGOING**
	21	Responses to citizen inquiries will be handled within 72 hours through written response, e-mail or direct telephone contact.	**ONGOING** Approximately 700 public inquiries were received, including 630 noise complaints. All but four of the initial responses were made within 72 hours.
	22	Continue to reduce the number of noise-related complaints.	**ONGOING** Annual noise complaints increased from 511 in CY 2015 to 630 in CY 2016, This is due to additional operations by jets and flight school aircraft as the result of the improving economy.
	23	Strive to incur zero accidents; properly report any accidents that do happen on a timely basis.	**ONGOING** One incident occurred in April, 2016 with no injuries, The NTSB probable cause was pilot error.
	24	Continue construction of the Sulphur Creek Mitigation Project at the Hayward Executive Airport.	**ONGOING** This project was moved out to FY 2018 and FY 2019 to accommodate the repaving of the runway in FY17.

Hayward Executive Airport	25	Closely follow Aviation-related legislation and potential available funding as it relates to Hayward Executive Airport	**ONGOING** A Caltrans grant of $440,000 and an FAA grant of $1.1 million were received for pavement rehabilitation of Runway 10R-28L.

FY 2017 KEY ADDITIONAL ACCOMPLISHMENTS

1. Completed expedited pavement rehabilitation on Runways 28L/10R with an extraordinary schedule of less than four working days.
2. Completed the South Side Access Road at the Hayward Executive Airport.
3. Continued acquisition of State-owned properties along Route 238 Bypass alignment.

PUBLIC WORKS-ENGINEERING &TRANSPORTATION DEPARTMENT

FY2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals
Administration	1	Assure that the Department is an engaged and consistent participant in appropriate community meetings.
	2	Prepare and deliver for adoption the Capital Improvement Program on-time to Council and the public.
	3	Continue construction of Phase 2 and complete design and begin construction of Phase 3 of the Mission Boulevard Corridor Improvement Project.
	4	Continue relinquishment of State Routes 92, 185, and 238.
	5	Continue Acquisition of State-owned properties in Hayward.
Design/Development Services	6	Substantially Complete construction of the 21st Century Library and Community Learning Center Building.
	7	Start construction of the Heritage Plaza and Arboretum.
	8	Start and complete streets improvements for the FY17 and FY18 street paving repair projects as part of Gas Tax, Measures B/BB and VRF funding.
	9	Substantially complete construction of Fire Stations 1-5 improvements supported by the passage of Measure C.
	10	Complete design of Fire Station 6 & Training Center supported by the passage of Measure C.
	11	Ensure a timely and complete inspection of all City construction projects, as well as subdivisions, grading/clearing permits, and Public Works encroachment permits.
	12	Maintain complete and accurate information related to public roadway and city-owned properties, both for record and for facilitating potential new development.

PUBLIC WORKS-ENGINEERING &TRANSPORTATION DEPARTMENT

Division	#	FY 2018 Goals
Construction Services	13	Acknowledge requests for survey and property characteristics assistance from other departments within twenty-four hours; provide the requested data in a timely and efficient manner.
Survey	14	Ensure traffic signal system operates in safe and efficient manner, reducing travel times and traffic congestion on the City's major corridors.
	15	Ensure all existing and proposed new roadways are designed and operate safely for all users of public roadway, such as motorists, pedestrian, and bicyclists.
Transportation	16	Closely follow transportation-related legislation and potential available funding to ensure Hayward's interests are protected.
	17	Respond to community requests for traffic-calming assistance within five days of receiving the request.
	18	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.
Hayward Executive Airport	19	Continue to reduce the number of noise-related complaints.
	20	Closely follow Aviation-related legislation and potential available funding as it relates to Hayward Executive Airport.

DEPARTMENT PERFORMANCE METRICS

#	Performance Measures	Goal # OR %
1	Review and comment on development proposals from Development Services Department within established deadlines.	90%
2	Ensure a positive response rate to Access Hayward requests in terms of courtesy, attentiveness, and responsiveness to customer's request.	80%
3	Design projects related to at least 10 miles of pavement rehabilitation, 20,000 square feet of sidewalk, and 100 wheelchair ramps.	10 Lane Miles, 20,000 sq ft of sidewalk, 100 ramps

4	Continue process to recover costs for knockdowns of street lights and traffic signals from insurers and private parties.	60%
5	Achieve zero annual safety related discrepancies as measured by Annual FAA Audit results and unresolved discrepancies list. Any safety-related discrepancies will be resolved by next scheduled audit period.	100%
6	Respond to citizen inquiries through written response, e-mail or direct telephone contact.	72 hours
7	Strive to incur zero accidents; properly and on a timely basis report any accidents that do happen.	100%

SIGNIFICANT RESOURCES CHANGES PLANNED FOR FY 2018

Changes made during the FY 2017 mid-year process and those for FY 2018 are listed below.

FY 2017 Mid-year Changes – (1 FTE)

- Changed 1.0 FTE Assistant City Engineer to Deputy Director of Public Works
- Added 1.0 FTE Senior Management Analyst

FY 2018 Changes (0 FTE)

- Change 1.0 FTE Secretary to Senior Secretary

Public Works-Engineering & Transportation Department

All Funds Summary - By Category

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue and Transfers In from Other Funds				
General Fund Revenue	493,304	518,468	327,200	440,500
Airport Maint & Operation	2,998,419	3,277,503	3,204,182	3,512,054
	3,491,723	**3,795,971**	**3,531,382**	**3,952,554**
(Contribution)/Use of Fund Balance				
Airport Maint & Operation	52,370	(167,547)	182,251	158,636
	52,370	**(167,547)**	**182,251**	**158,636**
Fund Subsidy				
General Fund Subsidy	**1,359,162**	**1,457,081**	**2,255,739**	**2,030,396**
Total Revenues	**4,903,255**	**5,085,506**	**5,969,372**	**6,141,586**
EXPENDITURES				
Expenditures By Expense Category				
Salary				
Regular	3,377,533	4,301,709	4,695,835	4,974,278
Overtime	71,608	96,927	33,150	33,150
Targeted Savings				(177,081)
Benefits				
Fringe Benefits	952,447	970,749	1,125,933	1,158,881
Retiree Medical	79,200	74,998	74,638	71,819
PERS	848,000	993,053	1,138,723	1,024,291
Charges (to)/from other prog	(2,731,059)	(3,667,487)	(3,564,111)	(3,644,111)
Net Staffing Expense	**2,597,729**	**2,769,948**	**3,504,168**	**3,441,227**
Maintenance & Utilities	197,403	205,236	231,880	230,620
Supplies & Services	208,507	382,132	251,625	260,125
Internal Service Fees	787,467	834,510	886,613	833,698
Capital	168,735	105,258	161,786	160,879
Net Operating Expense	**1,362,111**	**1,527,136**	**1,531,904**	**1,485,322**
Transfers Out to Other Funds	**943,415**	**788,421**	**933,300**	**1,215,037**
Total Expenditures	**4,903,255**	**5,085,506**	**5,969,372**	**6,141,586**
Net Change	**-**	**-**	**-**	**-**

Public Works-Engineering & Transportation Department

All Funds Summary - By Program

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue and Trans in from Other Funds				
General Fund Revenue	493,304	518,468	327,200	440,500
Hayward Executive Airport	2,998,419	3,277,503	3,204,182	3,512,054
	3,491,723	**3,795,971**	**3,531,382**	**3,952,554**
(Contri)/Use of Fund Balance				
Hayward Executive Airport	52,370	(167,547)	182,251	158,636
	52,370	**(167,547)**	**182,251**	**158,636**
Fund Subsidy				
General Fund Subsidy	**1,359,162**	**1,457,081**	**2,255,739**	**2,030,396**
Total Revenues	**4,903,255**	**5,085,506**	**5,969,372**	**6,141,586**
EXPENDITURES				
Expend and Trans Out to Other Funds By Prog				
General Fund	1,852,466	1,975,549	2,582,939	2,470,896
Executive Airport	3,050,789	3,109,956	3,386,433	3,670,690
Total Expenditures	**4,903,255**	**5,085,506**	**5,969,372**	**6,141,586**
Net Change	**-**	**-**	**-**	**-**

Public Works-Engineering & Transportation Department

Engineering & Transportation - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Sales and Other Taxes	-	-	1,700	-
Interest and Rents	61,486	80,684	50,500	65,500
Fees & Service Charges	347,357	437,693	275,000	375,000
Other Revenue	84,461	90	-	-
Total Revenues	**493,304**	**518,468**	**327,200**	**440,500**
EXPENDITURES				
Expenditures				
Salary				
Regular	2,502,320	3,329,461	3,601,208	3,877,069
Overtime	48,135	69,005	6,400	6,400
Targeted Savings				(177,081)
Benefits				
Fringe Benefits	739,505	739,473	852,656	867,842
Retiree Medical	59,400	55,345	55,345	53,313
PERS	655,802	772,198	876,201	795,145
Charges (to)/from other prog	(2,761,953)	(3,667,487)	(3,564,111)	(3,644,111)
Net Staffing Expense	**1,243,209**	**1,297,994**	**1,827,699**	**1,778,577**
Maintenance & Utilities	1,720	1,330	8,015	7,115
Supplies & Services	35,331	39,666	64,371	64,371
Internal Service Fees	572,206	636,559	682,854	620,833
Capital	-	-	-	-
Net Operating Expense	**609,257**	**677,555**	**755,240**	**692,319**
Total Expenditures	**1,852,466**	**1,975,549**	**2,582,939**	**2,470,896**
General Fund Subsidy	**1,359,162**	**1,457,081**	**2,255,739**	**2,030,396**

FY 2018 Significant Budget Changes:

1. None

Public Works-Engineering & Transportation Department

Hayward Executive Airport - Enterprise Fund

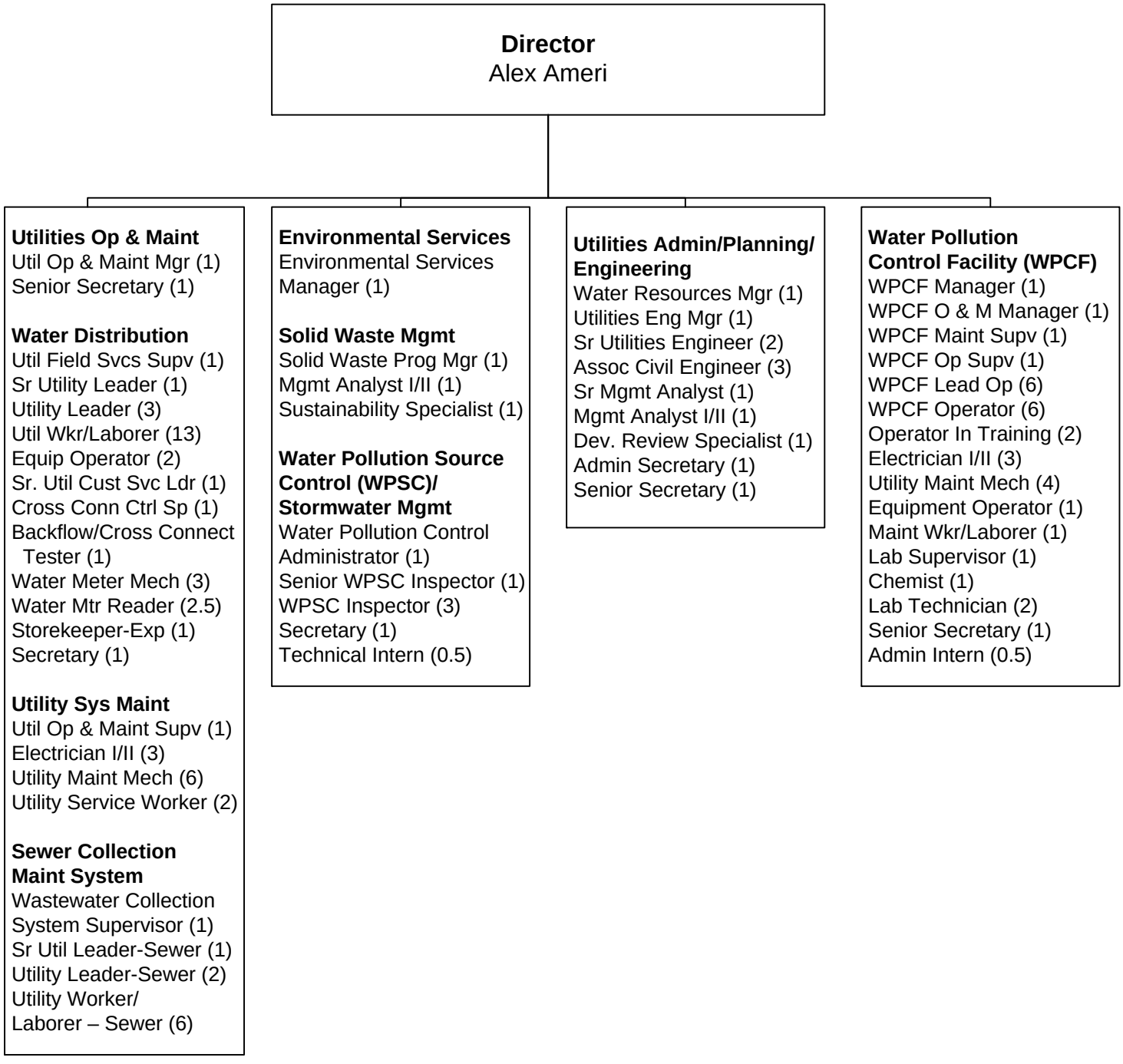
	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Interest & Rents	1,251,437	173,225	182,683	168,865
Land Rent	921,984	1,733,467	1,656,699	1,753,903
Hangar Rent	546,588	1,070,624	1,008,800	1,253,376
Fees & Service Charges	5,159	7,099	6,000	8,000
Other Revenue	273,251	293,089	350,000	327,911
Total Revenue	**2,998,419**	**3,277,503**	**3,204,182**	**3,512,054**
Total Revenues	**2,998,419**	**3,277,503**	**3,204,182**	**3,512,054**
EXPENDITURES				
Expenditures				
Salary				
Regular	875,212	972,248	1,094,627	1,097,209
Overtime	23,473	27,922	26,750	26,750
Benefits				
Fringe Benefits	212,943	231,276	273,277	291,039
Retiree Medical	19,800	19,653	19,293	18,506
PERS	192,199	220,855	262,522	229,146
Charges (to)/from other prog	30,893	-	-	-
Net Staffing Expense	**1,354,520**	**1,471,954**	**1,676,469**	**1,662,650**
Maintenance & Utilities	195,683	203,907	223,865	223,505
Supplies & Services	173,175	342,466	187,254	195,754
Internal Service Fees	215,261	197,951	203,759	212,865
Capital - Debt Service	168,735	105,258	161,786	160,879
Net Operating Expense	**752,854**	**849,581**	**776,664**	**793,003**
Fund Transfers Out to				
Cost Allocation to General Fund	117,606	117,606	162,611	185,168
Liability Insurance Premium	53,815	53,815	70,689	66,869
Water Maint Fund for DS	171,994	-	-	-
Tech Services ERP	-	17,000	-	13,000
Airport Capital Fund	600,000	600,000	700,000	950,000
Total Transfers Out	**943,415**	**788,421**	**933,300**	**1,215,037**
Total Expenditures	**3,050,789**	**3,109,956**	**3,386,433**	**3,670,690**
Net Change	**(52,370)**	**167,547**	**(182,251)**	**(158,636)**

FY 2018 Significant Budget Changes:

1. Increase in Hangar Rental revenue
2. Increase in Land Lease revenue

FY 2018 STAFFING
110.5 FTE

Utilities & Environmental Services Department



UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

MISSION STATEMENT

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

DEPARTMENT OVERVIEW

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

DIVISION/PROGRAM SUMMARIES

Administration, Planning, and Engineering (AP&E)

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

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

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

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

Water Pollution Control Facility (WPCF)

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

Environmental Services (ES)

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

FY2017 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2017 Goals	STATUS
Administration, Planning, and Engineering	1	Complete 30% of City-wide deployment of Advanced Metering Infrastructure (AMI) Project.	**CONTINUED EFFORT NEEDED** Project initiated, data collection infrastructure installed, and meter replacement estimated to be 20% complete by end of FY 2017 (approx. 7,000 meters).
	2	Initiate construction of an additional one megawatt solar energy system at WPCF.	**CONTINUED EFFORT NEEDED** Project delayed to FY 2018 due to utilities engineering staff vacancies and lack of available soil for site preparation.

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

Division	#	FY 2017 Goals	STATUS
Administration, Planning, and Engineering	3	Design renovation of and improvements to the WPCF administration and operations building.	**CONTINUED EFFORT NEEDED** Project delayed to FY 2018 to allow completion of Whitesell Road extension through the WPCF and due to utilities engineering staff vacancies.
	4	Assess feasibility of installing solar energy at various water facilities.	**CONTINUED EFFORT NEEDED** Project delayed to FY 2018 due to utilities engineering staff vacancies.
Water Pollution Control Facility	5	Expand distribution of non-potable water for street sweeping, dust control, and other approved municipal uses.	**IN PROGRESS** Infrastructure improvements in construction to WPCF to allow access to non-potable water for approved municipal use. Estimated completion by June 2017.
	6	Complete the design of the City Recycled Water Storage and Distribution Project.	**IN PROGRESS** Design underway and expected to be substantially complete by end of fiscal year.
	7	Complete the construction of the WPCF Headworks Rehabilitation Project.	**ACHEIVED**
	8	Complete construction of the WPCF Digester Improvements Project.	**ACHIEVED**
Water Dist. & Wastewater Collection O&M	9	Complete the design of the second water tank and pump station improvements at the Garin Hills site.	**ACHIEVED**

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

FY 2017 ADDITIONAL ACCOMPLISHMENTS

1. AP&E, O&M completed the construction of and placed in service the second water tank at Highland 1530.
2. AP&E implemented formation of a Groundwater Sustainability Agency in accordance with the requirements of recent State law to sustainably manage the portion of the East Bay Plain Groundwater Basin underlying the City.
3. ES facilitated the City's membership in the East Bay Community Energy Joint Powers Authority.
4. ES implemented Mandatory Recycling Ordinance, including organics recycling for multi-family customers and mandatory recycling for businesses.
5. ES achieved 79% reduction in the amount of trash reaching the San Francisco Bay, meeting the Regional Water Quality Control Board requirement for a 70% reduction by July 2017.
6. O&M completed replacement of a 30" water main located inside the I-880 Winton Avenue overpass by Utilities Field Services staff.

FY2018 KEY SERVICE GOALS / OBJECTIVES

Division	#	FY 2018 Goals
Administration, Planning, and Engineering	1	Initiate construction of an additional one megawatt solar energy system at WPCF.
	2	Design renovation of and improvements to the WPCF administration and operations building.
	3	Assess feasibility of installing solar energy at various water facilities.
	4	Initiate construction of the City's recycled water distribution and storage facilities, including retrofit of customer connections to enable delivery of recycled water.
	5	Initiate preparation of the Groundwater Sustainability Plan.
	6	Develop customer engagement website for water customers.
Water Distribution & Wastewater Collection O&M	7	Complete 50% (17,000 meters) of City-wide deployment of Advanced Metering Infrastructure (AMI) Project.
	8	Construct the second water tank and pump station improvements at the Garin Hill site.
	9	Complete replacement of over a mile of water main on Mission Boulevard in South Hayward ahead of the construction of the next phase of Mission Boulevard improvements.

UTILITIES & ENVIRONMENTAL SERVICES DEPARTMENT

Division	#	FY 2018 Goals
Water Pollution Control Facility	10	Pilot an innovative wastewater nutrient removal project using Membrane Aerated Bio-Reactor (MABR) at WPCF.
	11	In cooperation with East Bay Dischargers Authority, complete the renovation of the Hayward Effluent Pump Station (HEPS).
	12	Complete construction of the WPCF reclaimed water system improvements and begin providing reclaimed water for applicable City uses (e.g. street cleaning, dust control).
Environmental Services	13	Develop a webpage displaying sustainability metrics, including GHG emissions and real time-renewable energy production (in support of the City's Zero Net Energy goal).
	14	Review and evaluate Waste Management's financials and determine the appropriate solid waste rate increase effective March 1, 2018.
	15	Review the requirements of the 2017 National Pollutant Discharge Elimination System (NPDES) Discharge Permit tp ensure the City is in full compliance.

DEPARTMENT PERFORMANCE METRICS

#	Performance Measures	Goal # or %
1	Deliver drinking water that meets all federal and state water quality standards and the water system's California Department of Public Health permit requirements.	100%
2	Limit water outages in any neighborhood resulting from main breaks or system repairs.	< 4 hours - Day < 8 hours - Night
3	Review and comment on utilities-related aspects of development projects in a timely manner.	Within 5 days of receipt, 90% of the time
4	Limit the number of sanitary sewer overflows (SSOs) to not to exceed two occurrences per 100 miles of collection system; and none considered "major" by the regulatory agencies.	≤ 6 per year
5	Reuse or dispose of wastewater in accordance with all federal and state regulations and the City's National Pollutant Discharge Elimination System Permit.	100% Zero violations

6	Improve onsite, renewable electric energy generation at the Water Pollution Control Facility.	Meet 80% of WPCF electric demand with self-generated renewable energy
7	Ensure that sanitary sewer discharge and stormwater runoff throughout the community complies with applicable local, state and federal standards and permits	100%
8	Respond promptly to complaints regarding missed pickups of solid waste and recycling containers.	Within 2 working days, 90% of the time
9	Maintain satisfactory progress towards the goal of ensuring that 10% of readily recyclable materials remain in the waste stream.	Achieve 75% Diversion Rate
10	Implement objectives of the City's Climate Action Plan according to the performance measures and timelines stated in the Plan.	100%
11	Ensure efficient water use through effective public education and conservation programs.	Residential Gallons Per Capital Per Day (R-GPCPD) in the lower half of all Bay Area water purveyors

SIGNIFICANT RESOURCE CHANGES PLANNED FOR FY 2018

The changes are needed to address critical obligations related to the City's utility operations at the WPCF.

FY 2018 Changes: (+2.0 FTE)

- Add 1.0 FTE Utilities Maintenance Mechanic (WPCF)
- Add 1.0 FTE Electrician I/II (WPCF)

Utilities & Environmental Services Department

All Funds Summary - By Category

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue and Transfers In from Other Funds				
General Fund Revenue	12,527	21,100	-	-
Recycling Program - Special Revenue Fund	671,339	736,503	406,500	396,500
Stormwater Maint & Operation	2,846,466	2,921,725	2,838,000	2,998,000
Waste Water Maint & Operation	27,747,255	34,965,403	25,996,189	27,111,711
Water Maint & Operation	42,687,121	40,936,943	45,012,593	46,020,595
Regional Water Inter-Tie - Enterprise Fund	107,609	865	134,271	134,271
	74,072,317	**79,582,538**	**74,387,553**	**76,661,077**
(Contribution)/Use of Fund Balance				
Recycling Program	(10,269)	(153,700)	210,749	221,282
Stormwater Maint & Operation	(349,802)	(417,368)	(19,200)	(140,535)
Waste Water Maint & Operation	(640,206)	(955,693)	25,137	(2,334,258)
Water Maint & Operation	(4,996,641)	7,133,528	2,643,278	(745,908)
Regional Water Inter-Tie	24,984	109,135	-	(2,942)
	(5,971,934)	**5,715,902**	**2,859,964**	**(3,002,361)**
Fund Subsidy				
General Fund Subsidy	**29,197**	**7,888**	**50,571**	**47,259**
Total Revenues	**68,129,579**	**85,306,328**	**77,298,088**	**73,705,975**
EXPENDITURES				
Expenditures By Expense Category				
Salary				
Regular	9,051,593	9,828,350	11,499,880	12,280,153
Overtime	656,242	630,394	364,900	364,900
Benefits				
Fringe Benefits	2,619,063	2,903,936	3,788,987	3,717,107
Retiree Medical	215,566	214,936	213,683	211,349
PERS	1,908,356	2,185,297	2,753,711	2,390,022
Charges (to)/from other programs	(224,398)	(479,118)	(275,000)	(275,000)
Net Staffing Expense	**14,226,423**	**15,283,795**	**18,346,161**	**18,688,530**
Maintenance & Utilities	1,805,320	1,453,581	2,347,728	2,337,247
Supplies & Services	6,585,318	5,960,119	6,420,139	6,036,972
Internal Service Fees	2,366,291	2,136,590	2,066,739	2,118,817
Water Purchases	22,154,379	24,864,482	28,300,000	27,600,000
Debt Service	7,191,315	5,258,860	3,983,434	3,986,280
Capital	-	-	-	-
Net Operating Expense	**40,102,622**	**39,673,633**	**43,118,040**	**42,079,316**
Transfers Out to Other Funds	**13,803,701**	**30,348,900**	**15,833,887**	**12,938,129**
Other Department Operating Costs	**(3,578,364)**	**(3,624,885)**	**(4,170,151)**	**(4,210,572)**
Total Expenditures	**64,554,382**	**81,681,443**	**73,127,937**	**69,495,403**
Net Change	**3,575,198**	**3,624,885**	**4,170,151**	**4,210,572**

Utilities & Environmental Services Department

All Funds Summary - By Program

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue and Transfers in from Other Funds				
General Fund Revenue	12,527	21,100	-	-
Recycling Program	671,339	736,503	406,500	396,500
Stormwater	2,846,466	2,921,725	2,838,000	2,998,000
Wastewater	27,747,255	34,965,403	25,996,189	27,111,711
Water	42,687,121	40,936,943	45,012,593	46,020,595
Regional Water Inter-Tie	107,609	865	134,271	134,271
	74,072,317	**79,582,538**	**74,387,553**	**76,661,077**
(Contribution)/Use of Fund Balance				
Recycling Program	(10,269)	(153,700)	210,749	221,282
Stormwater	(349,802)	(417,368)	(19,200)	(140,535)
Wastewater	(640,206)	(955,693)	25,137	(2,334,258)
Water	(4,996,641)	7,133,528	2,643,278	(745,908)
Regional Water Inter-Tie	24,984	109,135	-	(2,942)
	(5,971,934)	**5,715,902**	**2,859,964**	**(3,002,361)**
Fund Subsidy				
General Fund Subsidy	**29,197**	**7,888**	**50,571**	**47,259**
Total Revenues	**68,129,579**	**85,306,328**	**77,298,088**	**73,705,975**
EXPENDITURES				
Expenditures and Transfer Out to Other Funds By Program				
General Fund	41,724	28,988	50,571	47,259
Recycling	661,070	582,803	617,249	617,782
Stormwater	961,007	977,929	1,168,871	1,180,611
Wastewater	27,107,049	34,009,710	26,021,326	24,777,453
Water	35,647,773	45,972,014	45,135,649	42,740,968
Regional Water Inter-Tie	132,593	110,000	134,271	131,329
Total Expenditures	**64,551,215**	**81,681,443**	**73,127,937**	**69,495,403**
Net Change	**3,578,364**	**3,624,885**	**4,170,151**	**4,210,572**

Solid Waste Program - General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Fees & Service Charges	12,527	21,100	-	-
Total Revenues	**12,527**	**21,100**	**-**	**-**
EXPENDITURES				
Expenditures				
Salary				
Regular	12,902	20,698	31,075	33,332
Overtime	-	-	-	-
Benefits				
Fringe Benefits	3,166	3,890	8,579	3,751
Retiree Medical		-	409	394
PERS	2,752	3,941	7,579	6,853
Charges (to)/from other programs	22,123	-	-	-
Net Staffing Expense	**40,943**	**28,530**	**47,642**	**44,330**
Maintenance & Utilities	-	-	-	-
Supplies & Services	780	458	2,929	2,929
Internal Service Fees	-	-	-	-
Capital	-	-	-	-
Net Operating Expense	**780**	**458**	**2,929**	**2,929**
Total Expenditures	**41,724**	**28,988**	**50,571**	**47,259**
General Fund Subsidy	**29,197**	**7,888**	**50,571**	**47,259**

FY 2018 Significant Budget Changes:

1. None

Recycling Program - Special Revenue Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Special Assessment-Deliq Bills	25,996	13,270	10,000	10,000
Waste Management Impact Fee	113,114	226,584	-	-
Interest & Rents	6,100	12,535	4,000	4,000
Intergovernmental	495,679	483,464	390,000	380,000
Fees and Service Charges		-	-	-
Other Revenue	30,450	650	2,500	2,500
Total Revenue	**671,339**	**736,503**	**406,500**	**396,500**
Fund Transfers In - None	**-**	**-**		
Total Revenues	**671,339**	**736,503**	**406,500**	**396,500**
EXPENDITURES				
Expenditures				
Salary				
Regular	204,739	253,619	274,306	301,241
Overtime	5,553	15,348	-	-
Benefits				
Fringe Benefits	53,834	51,755	73,541	50,953
Retiree Medical	5,400	3,434	4,496	4,331
PERS	44,198	45,895	66,617	60,382
Charges (to)/from other programs	65,826	2,905	-	-
Net Staffing Expense	**379,551**	**372,955**	**418,960**	**416,907**
Maintenance & Utilities	195	204	1,100	1,100
Supplies & Services	172,289	96,199	105,925	105,925
Internal Service Fees	25,806	30,215	46,440	45,469
Capital	-	-	-	-
Net Operating Expense	**198,289**	**126,618**	**153,465**	**152,494**
Fund Transfers Out to				
Cost Allocation to General Fund	74,750	74,750	34,723	38,257
Liability Insurance Premium	8,480	8,480	10,101	10,124
Total Transfers Out	**83,230**	**83,230**	**44,824**	**48,381**
Total Expenditures	**661,070**	**582,803**	**617,249**	**617,782**
Net Change	**10,269**	**153,700**	**(210,749)**	**(221,282)**

FY 2018 Significant Budget Changes:

1. None

Utilities & Environmental Services Department

Stormwater - Enterprise Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Revenue				
Stormwater Revenue	2,034,400	1,965,771	2,015,000	2,015,000
Street Cleaning Fees	780,387	920,279	790,000	950,000
Interest	13,762	26,922	16,000	16,000
Fees and Service Charges	14,310	8,200	17,000	17,000
Other Revenue	3,606	551	-	-
Total Revenue	**2,846,466**	**2,921,725**	**2,838,000**	**2,998,000**
Total Revenues	**2,846,466**	**2,921,725**	**2,838,000**	**2,998,000**
EXPENDITURES				
Expenditures				
Salary				
Regular	835,236	1,038,377	1,089,454	1,146,605
Overtime	85,790	41,347	34,000	34,000
Benefits				
Fringe Benefits	271,230	311,257	397,114	400,015
Retiree Medical	18,000	21,500	21,959	21,152
PERS	183,462	227,550	259,190	226,453
Charges (to)/from other programs	173,810	-	-	-
Net Staffing Expense	**1,567,527**	**1,640,031**	**1,801,717**	**1,828,225**
Maintenance & Utilities	31,422	18,092	23,275	20,854
Supplies & Services	366,525	375,740	505,431	507,564
Internal Service Fees	409,846	349,150	327,828	342,024
Net Operating Expense	**807,792**	**742,982**	**856,534**	**870,442**
Fund Transfers Out to				
Cost Allocation to General Fund	93,074	93,074	126,875	125,049
Liability Insurance Premium	28,270	28,270	33,674	33,749
Total Transfers Out	**121,344**	**121,344**	**160,549**	**158,798**
Total Expenditures	**2,496,664**	**2,504,357**	**2,818,800**	**2,857,465**
Other Department Operating Costs (Maintenance Services - Street Maintenance)	(1,535,657)	(1,526,428)	(1,649,929)	(1,676,854)
Total Department Expenditures	**961,007**	**977,929**	**1,168,871**	**1,180,611**
Net Change	**349,802**	**417,368**	**19,200**	**140,535**

FY 2018 Significant Budget Changes:

1. None

Wastewater - Enterprise Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
REVENUES				
Sewer Service Charge	19,869,327	18,995,440	19,600,000	20,500,000
Sewer Connection Charge	5,773,583	13,685,782	4,500,000	3,000,000
EBDA Maint. By City	-		16,000	-
Other Fees	29,118	57,613	80,000	96,000
Interest	59,199	153,560	66,000	66,000
Other Revenue	66,083	123,063	-	-
Total Revenue	**25,797,310**	**33,015,458**	**24,262,000**	**23,662,000**
Fund Transfers In from				
Misc Trsfr WWTP Replacement	-	-	-	-
DS 07 Sewer Rev Refunding	366,482	366,482	150,726	504,400
DS CEC Loan	219,713	219,713	219,713	217,810
DS CA SWRCB Loan/Sewer	1,363,750	1,363,750	1,363,750	2,727,501
Total Transfers In	**1,949,945**	**1,949,945**	**1,734,189**	**3,449,711**
Total Revenues	**27,747,255**	**34,965,403**	**25,996,189**	**27,111,711**
EXPENDITURES				
Salary				
Regular	3,898,318	4,451,147	5,260,858	5,742,243
Overtime	237,609	228,272	117,800	117,800
Benefits				
Fringe Benefits	1,119,925	1,241,373	1,630,630	1,683,507
Retiree Medical	82,800	96,562	92,051	90,011
PERS	843,551	1,005,519	1,275,917	1,110,822
Charges (to)/from other programs	110,720	(112,288)	(150,000)	(150,000)
Net Staffing Expense	**6,292,923**	**6,910,585**	**8,227,256**	**8,594,383**
Maintenance & Utilities	735,301	605,871	1,155,649	1,155,529
Supplies & Services	2,629,714	2,461,202	2,737,885	2,572,885
Internal Service Fees	814,441	856,216	799,104	781,288
Debt Service	6,698,009	4,714,976	3,447,730	3,449,711
Net Operating Expense	**10,877,465**	**8,638,264**	**8,140,368**	**7,959,413**
Fund Transfers Out to				
Cost Allocation to General Fund	431,287	431,287	777,723	823,783
Liability Insurance Premium	292,791	292,791	375,979	399,874
Cap Proj Transf to Tech Replacement	39,000	51,000	-	-
Sewer Capital Replacement	3,400,000	4,000,000	4,000,000	4,000,000
Connection Fee to Sewer Imprvmnt	5,773,583	13,685,782	4,500,000	3,000,000
Total Transfers Out	**9,936,661**	**18,460,860**	**9,653,702**	**8,223,657**
Total Expenditures	**27,107,049**	**34,009,710**	**26,021,326**	**24,777,453**

Wastewater - Enterprise Fund

Continued

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Net Change	**640,206**	**955,693**	**(25,137)**	**2,334,258**

FY 2018 Significant Budget Changes:

1. Addition of 1.0 FTE Utilities Maintenance Mechanic
2. Addition of 1.0 FTE Electrician I/II

Water - Enterprise Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Revenue				
Water Sales	37,084,371	34,545,573	39,100,000	39,200,000
Water Service Charges	3,954,559	4,946,223	4,900,000	5,800,000
Installation Fees	363,104	334,225	250,000	250,000
Other Fees and Charges	457,011	499,177	200,000	200,000
Interest & Rents	104,433	155,362	97,000	105,000
Other Revenue	294,146	167,899	60,000	60,000
Total Revenue	**42,257,623**	**40,648,460**	**44,607,000**	**45,615,000**
Fund Transfers In from				
D/S 13 Water System Transfer	-	-	267,852	267,854
D/S 04 Water System Transfer	257,504	257,504	-	-
Misc. Transfer from Airport	171,994	-	-	-
D/S Fire Stn #7 Transfer from Gen Fund	-	30,979	137,741	137,741
Total Transfers In	**429,498**	**288,483**	**405,593**	**405,595**
Total Revenues	**42,687,121**	**40,936,943**	**45,012,593**	**46,020,595**
Expenditures				
Salary				
Regular	4,069,959	4,064,508	4,844,187	5,056,732
Overtime	325,249	345,426	213,100	213,100
Benefits				
Fringe Benefits	1,167,024	1,295,661	1,679,123	1,578,881
Retiree Medical	106,200	93,440	94,768	95,461
PERS	831,119	902,393	1,144,408	985,511
Charges (to)/from other programs	(612,870)	(394,734)	(150,000)	(150,000)
Net Staffing Expense	**5,886,681**	**6,306,694**	**7,825,586**	**7,779,685**
Water Purchases	22,154,379	24,864,482	28,300,000	27,600,000
Maintenance & Utilities	971,765	764,415	1,102,704	1,094,764
Supplies & Services	3,405,685	3,006,521	3,047,969	2,827,669
Internal Service Fees	1,116,198	901,009	893,367	950,036
Debt Service	493,306	543,884	535,704	536,569
Net Operating Expense	**28,141,334**	**30,080,311**	**33,879,744**	**33,009,038**
Fund Transfers Out to				
Cost Allocation to General Fund	849,441	849,441	1,141,469	1,207,770
Liability Insurance Premium	249,025	249,025	309,072	278,194
Water Capital Replacement	2,500,000	10,500,000	4,500,000	3,000,000
Cap Proj Transfer to Tech Replacement	64,000	85,000	-	
Net Transfers Out	**3,662,466**	**11,683,466**	**5,950,541**	**4,485,964**
Total Fund Expenditures	**37,690,481**	**48,070,471**	**47,655,871**	**45,274,687**

Water - Enterprise Fund

Continued

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Other Department Operating Costs (Finance Dept - Utility Billing) (Maintenance Services - Landscape Division)	(2,042,707)	(2,098,457)	(2,520,222)	(2,533,719)
Total Department Expenditures	**35,647,773**	**45,972,014**	**45,135,649**	**42,740,968**
Net Change	**4,996,641**	**(7,133,528)**	**(2,643,278)**	**745,908**

FY 2018 Significant Budget Changes:

1. None

Regional Water Inter-Tie - Enterprise Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted
Beginning Working Capital Balance	**159,335**	**134,351**	**25,216**	**25,216**
REVENUES				
Revenue				
SFPUC/EBMUD Reimbursement	106,941		134,271	134,271
Interest	668	865	-	-
Net Revenue	**107,609**	**865**	**134,271**	**134,271**
Total Revenues	**107,609**	**865**	**134,271**	**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	15,994	25,000	25,000	25,000
Net Staffing Expense	**55,631**	**25,000**	**25,000**	**25,000**
Maintenance & Utilities	66,637	65,000	65,000	65,000
Supplies & Services	10,325	20,000	20,000	20,000
Internal Service Fees	-	-	-	-
Net Operating Expense	**76,962**	**85,000**	**85,000**	**85,000**
Fund Transfers Out to				
Cost Allocation to General Fund	-	-	24,271	21,329
Total Fund Expenditures	**132,593**	**110,000**	**134,271**	**131,329**
Net Change	**(24,984)**	**(109,135)**	**-**	**2,942**
Ending Working Capital Balance	**134,351**	**25,216**	**25,216**	**28,158**

FY 2018 Significant Budget Changes:

1. None

THIS PAGE INTENTIONALLY LEFT BLANK

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, 2017) – 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 2017 assessed valuation (less other exemptions)	$ 19,438,445,561
Debt limit (15% of assessed value)	$ 2,915,766,834
Amount of debt applicable to the debt limit	$ 100,463,439
Legal debt margin (if Hayward were a general law city)	$ 2,915,766,834

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

Debt Refunding - On June 1, 2016, the City issued $19.8 million of Refunding Certificates of Participation. The 2016 Certificates were issued to refund the 2007 Certificates of Participation which were used to refund previous issues for the 1996 Civic Center and 1997 Road and Seismic Retrofit COPs. The refunding resulted in an overall debt service savings of nearly $1.6 million.

On December 13, 2016, City staff, acting on behalf of the Redevelopment Successor Agency issued $35.3 million in Tax Allocation Refunding Bonds (TARBs). These TARBs were issued to refund series 2004 and 2006 Tax Allocation Bonds. This refunding will be paid entirely using funds the City receives as a portion of its annual ROPs payments from the State of California Department of Finance.

CITY OF HAYWARD DEBT

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. The City continues to receive very high ratings from the rating agencies, including a stable rating outlook from Fitch who upheld the AA rating for both the 2015 Certificates of Participation and the 2007 Certificates of Participation. Moody's Investor Service upgraded the 2005 Certificates of Participation (Solar Lease) to an Aa3 from an Aa2. The City's implied general obligation (issuer default) rating was AA+ with a stable outlook from Standard and Poor's and Fitch Ratings agencies.

The Successor Agency to the City of Hayward Redevelopment Agency also received a rating of AA- for its 2016 Tax Allocation Refunding Bonds; a significant improvement over previous rating.

CITY OF HAYWARD DEBT SUMMARY

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

	Issuance Date	Maturity Date	Original Debt	Debt as of 6/30/2017	Total Debt as of 6/30/2017	Annual P&I (FY 2018)
General Fund					**$ 27,985,380**	
16Refunding COP	FY2016	FY2027	$ 19,813,775	$17,891,383		$2,459,912
02ABAG/ABAG 33 Refunding	FY2002	FY2021	$ 1,309,835	$ 310,000		$ 88,578
15Fire Station #7/Firehouse Clinic	FY2015	FY2025	$ 5,500,000	$ 4,737,002		$ 452,854
15Fire Station #7 Loan from Water	FY2016	FY2035	$ 3,421,000	$ 3,312,644		$ 137,741
15Streetlight Conversion #05188	FY2015	FY2024	$ 2,488,880	$ 1,734,351		$ 276,262
Measure C Fund					**$ 67,535,000**	
15Library/Fire Stations/Streets	FY 2016	FY2034	$ 67,535,000	$67,535,000		$2,730,688
Internal Service Fund - Facilities					**$ 1,007,152**	
05Equip Lease/Solar Power Energy	FY2006	FY2030	$ 927,290	$ 650,037		$ 72,724
CEC Solar Energy Loan #7214	FY2012	FY2024	$ 666,330	$ 357,115		$ 95,414
Internal Service Fund - Fleet					**$ 2,622,251**	
09Equip Fleet Loan from Sewer	FY2010	FY2017	$ 1,000,000	$ -		$ -
11Equip Lease-Fire/Maint Vehicles	FY2011	FY2021	$ 3,170,082	$ 834,923		$ 299,728
13Equip Lease-PD Replacement Vehicles	FY2013	FY2017	$ 520,000	$ -		$ -
14Equip Lease-Fire Truck	FY2014	FY2024	$ 824,000	$ 602,420		$ 96,226
14Equip Lease-PD Vehicles	FY2014	FY2018	$ 535,000	$ 138,694		$ 141,259
15 TDA Fire Truck Loan	FY2015	FY2024	$ 1,272,000	$ 1,046,213		$ 147,594
Internal Service Fund - Technology					**$ 683,656**	
15Equip Lease/ Network Cisco Hardware	FY 2015	FY2020	$ 1,699,356	$ 683,656		$ 354,686
12Equip Lease/Comp ERP Cisco Hardware	FY2012	FY2017	$ 759,591	$ -		$ -
Water					**$ 4,980,000**	$ -
13Water Refunding Bonds	FY2014	FY2025	$ 7,245,000	$ 4,980,000		$ 697,448
Sewer					**$ 48,287,493**	$ -
07Sewer Refunding	FY2008	FY2018	$ 9,880,000	$ 485,000		$ 504,400
SWRCB Loan	FY2006	FY2029	$ 54,550,018	$32,730,011		$2,727,501
SWRCB Loan-17 Recycled Water	FY2019	FY2048	$ 13,533,650	$13,533,650		$ -
CEC Solar Energy Loan #7505	FY2011	FY2025	$ 2,450,000	$ 1,538,832		$ 217,810
Total Governmental and Business Activity Debt					**$ 153,100,931**	
Fiduciary					**$ 6,148,070**	
13Community Facility District #1	FY2014	FY2033	$ 7,076,294	$ 6,148,070		$ 535,264
Successor Agency of the Hayward Redevelopment Agency					**$ 42,615,526**	
RDA Repayment Agreement with Gen.Fund	FY2016	FY2022	$ 11,156,841	$ 9,380,526	*	$ 800,000
16 RDA TABS	FY2017	FY2036	$ 35,270,000	$33,235,000		$3,235,975
Special Assessment Districts					**$ 630,000**	
LID 16	FY1994	FY2020	$ 2,815,000	$ 440,000		$ 161,448
LID 17	FY2000	FY2024	$ 396,014	$ 190,000		$ 31,025

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

DEBT SERVICE FUND
CERTIFICATES OF PARTICIPATION (COP)

COP and Lease Purchase Agreements

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

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

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

Use of Proceeds

2002 ABAG Lease Revenue Bonds

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

2016 Certificates of Participation Civic Center

In FY2016, the City refunded the 2007 Certificates of Participation in the amount of $19,813,775.00 at a rate of 2.6%. The refunding enabled financing of the new City Hall, which includes a parking project, and the acquisition of land to be used for a housing project.

Source of Repayment Funds

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

Certificate of Participation and Lease Revenue Bonds

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2017	FY 2018 Principal & Interest
2002 ABAG Refunding	12/1/2001	12/1/2020	3.0%-5.0%	$1,309,835	$310,000	$88,578
2016 COP Refunding	6/27/2016	11/1/2026	2.60%	$19,813,775	$17,891,383	$2,459,912
Total				**$21,123,610**	**$18,201,383**	**$2,548,490**

FIRESTATION #7 AND FIREHOUSE CLINIC DEBT SERVICE

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

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

Fire Station #7/Firehouse Clinic Private Placement/Loan

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2017	FY 2018 Principal & Interest
2015 Fire Station #7/Clinic	8/1/2014	8/1/2029	2.84%	$5,500,000	$4,737,002	$452,854
2015 Fire Station Loan from Water	3/24/2016	12/1/2034	2.00%	$3,421,000	$3,312,644	$137,741
Total				**$8,921,000**	**$8,049,646**	**$590,595**

ENGINEERING & TRANSPORTATION STREETLIGHT DEBT SERVICE

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

Engineering & Transportation Loan

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2017	FY 2018 Principal & Interest
2015 Streetlight Conversion #05188	6/22/2014	12/22/2023	0.00%	$2,488,880	$1,734,351	$276,262
Total				**$2,488,880**	**$1,734,351**	**$276,262**

MEASURE C DEBT SERVICE

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

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

Measure C Debt Service

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Estimated Issuance	Outstanding at June 30, 2017	FY 2018 Principal & Interest
2015 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, 2017	FY 2018 Principal & Interest
2005 Solar Power Electrical Generating System COP	3/1/2005	3/15/2030	4.50%	$927,290	$650,037	$72,724
2012 Solar Photovoltaic Panels Loan	6/29/2012	6/22/2021	3.00%	$666,330	$357,115	$95,414
Total				**$1,593,620**	**$1,007,152**	**$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.

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, 2017	FY 2018 Principal & Interest
2009 Fleet Loan from Sewer	10/20/2009	12/31/2016	2.00%	$1,000,000	$0	$0
2011 Equipment Lease - Fire & Maint. Svcs.	10/22/2010	10/22/2017-10/22/2020	2.85%-5.05%	$3,170,082	$834,923	$299,728
2013 Equipment Lease - Police	11/16/2012	11/15/2016	1.30%	$520,000	$0	$0
2014 Equipment Lease - Fire	1/17/2014	1/17/2024	2.46%	$824,000	$602,420	$96,226
2014 Equipment Lease - Police	1/17/2014	1/17/2018	3.05%	$535,000	$138,694	$141,259
2015 Equipment Lease - Fire	6/15/2015	6/15/2025	2.92%	$1,272,000	$1,046,213	$147,594
Total				**$7,321,082**	**$2,622,251**	**$684,805**

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.

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, 2017	FY 2018 Principal & Interest
2012 Equipment Lease/ERP Cisco Hardware	5/9/2012	4/25/2017	2.36%	$759,591	$0	$0
2015 Equipment Lease/ERP Cisco Hardware	6/15/2015	6/15/2020	2.18%	$1,699,356	$683,656	$354,686
Total				**$2,458,947**	**$683,656**	**$354,686**

WATER FUND DEBT SERVICE

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

Water Revenue Refunding Bonds

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2017	FY 2018 Principal & Interest
2013 Water Revenue Refunding Bonds	8/1/2013	6/30/2025	2.76%	$7,245,000	$4,980,000	$697,448
Total				**$7,245,000**	**$4,980,000**	**$697,448**

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.

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

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

Waste Water COPs & Loans

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2017	FY 2018 Principal & Interest
2007 Sewer Refunding COPs	8/15/2007	2/1/2018	4.0% - 4.5%	$9,880,000	$485,000	$504,400
SWRCB Loan	8/1/2006	6/30/2028	0.00%	$54,550,018	$32,730,011	$2,727,501
SWRCB Loan-Recycled Water	2/16/2017	12/31/1947	1.00%	$13,533,650	$13,533,650	$0
WPCF Solar Energy Loan #7505	2/18/2011	6/22/2025	3.00%	$2,450,000	$1,538,832	$217,810
Total				**$80,413,668**	**$48,287,493**	**$3,449,711**

SPECIAL ASSESSMENTS DEBT SERVICE

Special Assessments

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

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

Source of Repayment Funds

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

Limited Obligation Improvement Bond – Local Improvement District (LID)

LIDs are special assessment districts.

LID 16 – Garin Avenue water storage and distribution facilities.
LID 16A – Garin Avenue water system Improvements.
LID 17 – Twin Bridges Community Park.

Mello-Roos Special Tax Bond - Community Facility District (CFD)

A Community Facility District (CFD) is similar in concept to a Limited Improvement District.

CFD 1 – Eden Shores
This CFD was set up to fund Eden Shores public street improvements, including traffic signals, and various sanitary sewer and storm facilities. Special Tax Refunding Bonds, Series 2013 issued in 2013 to refund $7,076,294 of the outstanding balance of the Special Tax Bonds, Series 2002. Refinancing resulted in securing a lower interest rate and will achieve savings of about $1 million over the remaining life of the bond for CFD taxpayers.

Special Assessment Debt

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2017	FY 2018 Principal & Interest
1994 - LID 16	6/2/1994	9/2/2019	6.75% - 7.1%	$2,815,000	$440,000	$161,448
1999 - LID 17	8/5/1999	9/2/2024	4.5% - 6.125%	$396,014	$190,000	$31,025
2013 - CFD 1	10/17/2013	9/1/2032	4.13%	$7,076,294	$6,128,070	$535,264
Total				**$10,287,308**	**$6,758,070**	**$727,736**

Note: The City contracts with Willdan Financial Services for administration of the LIDs listed above.
The City contracts with Wildan Financial Services for administration of the CFD listed above.

HAYWARD REDEVELOPMENT SUCCESSOR AGENCY DEBT SERVICE

Tax Allocation Bonds, known as a tax increment bonds, are bonds payable from the incremental increase in tax revenues realized from any increase in property value resulting from capital improvements benefiting the blighted project areas financed with these bond proceeds.

Use of Proceeds

2016 RDA Tax Allocation Bonds **-** $35,270,000 financing from refunding of 2004 and 2006 RDA Tax Allocation Bonds for a variety of public projects. Projects included various improvements to public parking in the downtown area, as well as public improvements associated with construction of the new Burbank School and expanded Cannery Park.

2008 RDA Repayment Agreement - The RDA agreed to reimburse the General Fund for a portion of project costs for the B Street/Watkins/Mission Garage and B Street Retail and Civic Center Plaza totaling $11,156,841. Repayment now pending the RDA Dissolution process.

Source of Repayment Funds – Funding for loan principal and interest payments and advances from other funds comes from the approved Recognized Obligation Payment Schedule (ROPS) of the Successor Agency and paid through property tax allocation from the former RDA.

Types of Obligations	Date of Issue	Date of Maturity	Interest Rates	Authorized and Issued	Outstanding at June 30, 2017	FY 2018 Principal & Interest
2016 RDA TABS	FY2017	3/1/2036		$35,270,000	$33,235,000	$3,235,975
2008 RDA Repayment Agreement (GF)	6/1/2008	6/30/2022	2.0%-5.0%	$11,156,841	$9,380,526	$800,000
Total				**$46,426,841**	**$42,615,526**	**$4,035,975**

CAPITAL IMPROVEMENT PROGRAM FY 2018 – FY 2027

CIP OVERVIEW AND PROCESS

The Capital Improvement Program (CIP) is a ten-year planning document, and is a separate and distinct document from the City's operating budget, although there is a direct relationship with funding. The CIP process is aligned with the operating budget process. The CIP contains revenue and expenditure estimates for public infrastructure projects (street construction and improvements, sewer and water systems upgrades), seismic retrofitting of public facilities, airport projects, replacement of major equipment, and other miscellaneous projects.

A capital budget is adopted annually by the City Council to authorize spending on the projects represented in the CIP. These funding allocations are not reflected in the City's operating budget – except for transfers from operating revenue funds to the CIP funds. Any on-going costs related to the projects such as maintenance and debt service are included in the City's operating budget.

The capital program is supported through a variety of funding sources; and is largely comprised of restricted-use funds, such as the Gas Tax, Measures B and BB, Measure C and enterprise (e.g., Sewer, Water, and Airport) funds. The General Fund supports specific capital projects, providing a limited source of revenue for general capital needs. In addition, City staff has been successful in recent years in obtaining capital project financing from outside funding sources such as state and federal grants.

During the CIP process, staff reviews available funding and an internal capital infrastructure review committee considers capital project requests from City departments. The recommended Ten-Year Capital Improvement Program is presented to the Planning Commission for conformance with the General Plan, to the Infrastructure 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 2018 CAPITAL IMPROVEMENT BUDGET

The City of Hayward's FY 2018 capital budget totals about $124 million, with $81 million accounting for new CIP appropriations, and approximately $507 million programmed for the period FY 2018 through FY 2027.

The Capital Improvement Program contains 20 funds in which projects are funded and programmed: Gas Tax (210), Measure B - Local Transportation (215), Measure B - Pedestrian & Bicycle (216), Measure BB – Local Transportation (212), Measure BB – Pedestrian & Bicycle (213),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).

CAPITAL IMPROVEMENT PROGRAM FY 2018 – FY 2027

Major New projects in the FY2018 capital budget include the following:		
Pavement Rehabilitation FY18 Gas Tax (210)	$	1,500,000
Pavement Rehabilitation FY18 Measure BB (212)	$	1,750,000
Pavement Rehabilitation FY18 measure B (215)	$	2,100,000
New Fire Training Center (406)	$	4,000,000
WPCF Final Clarifier No. 1 & 2 Equipment Coating (612)	$	910,000
WPCF Tertiary Treating Shore Discharge Feasibility Study and Facility Plan (612)	$	500,000
Network Infrastructure Replacement (731)	$	588,000
Taxiway Alpha and Foxtrot Pavement Rehabilitation (621)	$	479,000
	$	**11,827,000**

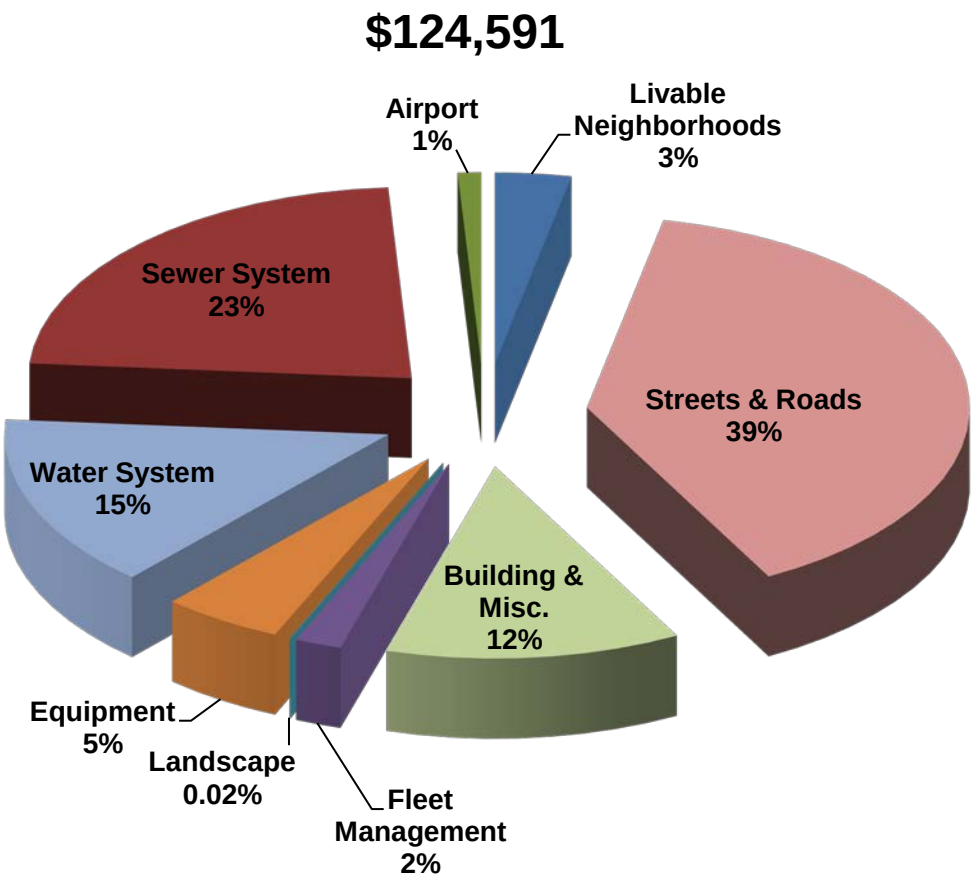
Major continuing project expenses Stated in the FY18 capital budget include the following:		
Pavement Rehabilitation FY17 Gas Tax (210)	$	600,000
Pavement Rehabilitation FY17 Measure BB (212)	$	2,150,000
Pavement Rehabilitation FY17 Measure B (215)	$	2,325,000
Mission Blvd. Improvement Phase 3, and Final Design & Construction Measure BB (212)	$	8,500,000
21st Century Library & Community Learning Center Construction Measure C (406)	$	13,000,000
Improvements to Fire Station Nos. 1-6 Measure C (406)	$	8,350,000
Solar Power at Various Water Facilities (604)	$	3,000,000
WPCF Admin Building Renovation and Addition (612)	$	4,500,000
Recycled Water Treatment and Distribution Facilities (612)	$	11,081,000
	$	**53,506,000**

GENERAL FUND IMPACTS

Because the City operating budget essentially funds some CIP projects through transfers to the CIP funds, the initial project costs have an immediate budgetary impact – and must be considered within the context of the full City budget.

In developing the CIP, the impact of new projects on the operating budget is considered and identified in the project description pages of those projects considered to have impacts on the operating budget. Many of the capital projects listed above will likely have minimal operations and maintenance impacts on the General Fund. The introduction of new infrastructure into the City's systems can be expected to result in long-term savings due to decreased maintenance requirements associated with older infrastructure. However, in the long term, the City will need to consider ongoing funding for maintenance of these projects, including the new Route 238 Corridor.

FY 2018 CIP EXPENDITURES BY CATEGORY – ALL FUNDS



Project Category	FY 2017 Adopted	FY 2018 Adopted	Change (+/-)
Livable Neighborhoods Projects	4,209,000	3,996,000	(213,000)
Road and Street Projects	45,492,000	48,527,000	3,035,000
Building & Misc. Projects	60,337,000	15,460,000	(44,877,000)
Fleet Management Projects	3,387,000	2,432,000	(955,000)
Landscape Projects	27,000	27,000	-
Equipment Projects	2,861,000	6,334,000	3,473,000
Water System Projects	15,884,000	18,218,000	2,334,000
Sewer System Projects	58,048,000	28,370,000	(29,678,000)
Airport Projects	4,543,000	1,227,000	(3,316,000)
Total Capital Improvement Projects	**$ 194,788,000**	**$ 124,591,000**	(70,197,000)

GENERAL FUND FIVE-YEAR CIP COSTS

Program Areas	FY 2018 Adopted	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected
Capital Projects (General)	289	368	435	403	406
Transfer to Fund 405					
Transportation System Improvement	450	350	350	350	350
Transfer to Fund 460					
Information Technology	1,859	1,028	350	450	1,600
Transfer to Fund 731					
Transfer from General Fund	**2,598**	**1,746**	**1,135**	**1,203**	**2,356**
General Fund Fleet ISF Charges		3,000	3,000	3,000	3,000
Transfer to Fund 736					
Total General Fund CIP	**2,598**	**4,746**	**4,135**	**4,203**	**5,356**

FY 2018 - FY 2027 CAPITAL IMPROVEMENT PROGRAM

LIVABLE NEIGHBORHOODS EXPENDITURE SUMMARY

PROJECT DESCRIPTION	TOTAL	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Pedestrian and Bicycle Improvements	450	225	25	25	25	25	25	25	25	25	25
Wheelchair Ramps	1,402	140	142	140	140	140	140	140	140	140	140
Sidewalk Rehabilitation & New Sidewalks	17,160	1,975	1,715	1,620	1,740	1,665	1,710	1,665	1,690	1,690	1,690
Speed Hump Installation & Traffic Calming	1,985	200	200	200	200	200	200	200	185	200	200
Street Trees/Median Landscaping/Murals	3,360	290	980	1,180	130	130	130	130	130	130	130
Traffic Signal & Streetlight Energy/Maintenance	11,678	1,116	1,127	1,139	1,150	1,161	1,174	1,185	1,197	1,208	1,221
New and Replacement Street Lights	500	50	50	50	50	50	50	50	50	50	50
TOTAL CAPITAL EXPENDITURES	36,535	3,996	4,239	4,354	3,435	3,371	3,429	3,395	3,417	3,443	3,456

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

FY18 LIVABLE NEIGHBORHOODS

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.

FUND:	PROJECT NUMBER	DESCRIPTION	PRIOR EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	TOTAL
			(In thousands)											
PEDESTRIAN AND BICYCLE IMPROVEMENTS														
Measure BB Tax (213)	TBD	Pedestiran Traffic Signal Improvements							25	25	25	25	25	125
Measure B Tax (216)	05175	Pedestrian Traffic Signal Improvements	76	25	25	25	25	25						201
Measure B Tax (216)	05271	Pedestrian Master Plan/Update Bicycle Master Plan	100	200										300
		SUBTOTAL		**225**	**25**	**25**	**25**	**25**	**25**	**25**	**25**	**25**	**25**	**450**
WHEELCHAIR RAMPS														
Gas Tax Fund (210)	05211	Wheelchair Ramps FY17 - Districts 6 & 9	12	130										142
Gas Tax Fund (210)	TBD	Wheelchair Ramps FY18 - Districts 4 & 5		10	132									142
Gas Tax Fund (210)	TBD	Wheelchair Ramps FY19 - FY27			10	140	140	140	140	140	140	140	140	1,130
		SUBTOTAL		**140**	**142**	**140**	**140**	**140**	**140**	**140**	**140**	**140**	**140**	**1,402**
SIDEWALK REHABILITATION & NEW SIDEWALK														
Measure BB Tax (213)	05246	New Sidewalks FY18	40	325										365
Measure BB Tax (213)	TBD	New Sidewalks FY19		25	325									350
Measure BB Tax (213)	TBD	New Sidewalks FY20-FY27			25	350	370	450	770	725	750	750	750	4,940
Measure BB Tax (213)	05278	Project Predesign Services		20	20	20	20	20	40	40	40	40	40	300
Measure B Tax (216)	05260	Project Predesign Services		25	25	25	25	25						125
Measure B Tax (216)	TBD	New Sidewalks FY18		430										430
Measure B Tax (216)	TBD	New Sidewalks FY19 - FY22			420	425	425	320						1,590
Street System Imp (450)	05249	Sidewalk Rehabilitation FY17 - Districts 6 & 9	60	1,100										1,160
Street System Imp (450)	TBD	Sidewalk Rehabilitation FY18 Districts 4 & 5		50	850									
Street System Imp (450)	TBD	Sidewalk Rehabilitation FY19 - FY27			50	800	900	850	900	900	900	900	900	7,100
		SUBTOTAL		**1,975**	**1,715**	**1,620**	**1,740**	**1,665**	**1,710**	**1,665**	**1,690**	**1,690**	**1,690**	**17,160**
TRAFFIC CALMING														
Measure B Tax (212)	TBD	Speed Monitoring Devices							60	60	60	60	60	300
Measure B Tax (215)	05166	Speed Monitoring Devices	337	60	60	60	60	60						637
Capital Proj (Gov't) (405)	06950	Neighborhood Partnership Program Project	452	50	50	50	50	50	50	50	50	50	50	952
Transp Sys Imp (460)	05734	Traffic Calming Implementation Program	90	90	90	90	90	90	90	90	75	90	90	975
		SUBTOTAL		**200**	**200**	**200**	**200**	**200**	**200**	**200**	**185**	**200**	**200**	**1,985**
STREET TREES/MEDIAN LANDSCAPING/MURALS														
Capital Proj (Gov't) (405)	06906	Mural Art Program	338	25	25	25	25	25	25	25	25	25	25	588
Capital Proj (Gov't) (405)	05102	Landscape Material/Median Tree/Shrub Replacements		105	105	105	105	105	105	105	105	105	105	1,050
Street System Imp (450)	05249	Median Landscaping Improvement Project FY15 - Industrial - Hesperian to Hwy 880	500	60										560
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
		SUBTOTAL		**290**	**980**	**1,180**	**130**	**130**	**130**	**130**	**130**	**130**	**130**	**3,360**

FY18 LIVABLE NEIGHBORHOODS

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJECT NUMBER**	**DESCRIPTION**												
TRAFFIC SIGNAL AND STREETLIGHT ENERGY/MAINTENANCE														
Gas Tax Fund (210)	05186	Traffic Signal Energy	1,371	324	327	331	334	337	341	344	348	351	355	4,763
Gas Tax Fund (210)	05187	Traffic Signal Maintenance	1,154	210	212	214	216	219	221	223	225	227	230	3,351
Gas Tax Fund (210)	05188	Streetlight Energy	3,043	450	455	459	464	468	473	478	482	487	492	7,751
Gas Tax Fund (210)	05189	Streetlight Maintenance	1,098	132	133	135	136	137	139	140	142	143	144	2,479
		SUBTOTAL		**1,116**	**1,127**	**1,139**	**1,150**	**1,161**	**1,174**	**1,185**	**1,197**	**1,208**	**1,221**	**11,678**
NEW AND REPLACEMENT STREETLIGHTS														
Gas Tax Fund (210)	05132	New and Replacement Street Lights	739	50	50	50	50	50	50	50	50	50	50	1,239
		SUBTOTAL		**50**	**50**	**50**	**50**	**50**	**50**	**50**	**50**	**50**	**50**	**500**
		TOTAL LIVABLE NEIGHBORHOODS PROJECTS		**3,996**	**4,239**	**4,354**	**3,435**	**3,371**	**3,429**	**3,395**	**3,417**	**3,443**	**3,456**	**36,535**

FY 2018- FY 2027 CAPITAL IMPROVEMENT PROGRAM

CAPITAL PROJECT EXPENDITURE SUMMARY

PROJECT DESCRIPTION	PROJECT TOTAL	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Livable Neighborhoods	36,535	3,996	4,239	4,354	3,435	3,371	3,429	3,395	3,417	3,443	3,456
Road & Street Projects	150,105	48,527	13,144	10,778	11,728	11,933	11,637	11,219	10,226	10,398	10,515
Building/Misc Projects	68,220	15,460	27,145	20,745	2,175	800	395	360	365	340	435
Fleet Management	35,423	2,432	3,254	2,984	4,991	3,136	3,938	3,368	3,818	3,823	3,679
Landscaping & Parks	196	27	169	0	0	0	0	0	0	0	0
Equipment	19,426	6,334	1,872	2,522	1,493	883	1,766	1,209	1,137	1,115	1,095
Water System Projects	72,786	18,218	8,228	7,445	5,935	11,360	3,760	8,960	2,960	2,960	2,960
Sewer System Projects	98,620	28,370	25,020	5,260	15,510	6,385	4,960	3,935	3,060	3,060	3,060
Airport Projects	26,185	1,227	3,589	6,153	1,280	8,878	959	1,399	895	885	920
TOTAL CAPITAL EXPENDITURES	507,496	124,591	86,660	60,241	46,547	46,746	30,844	33,845	25,878	26,024	26,120

NOTE: Expenditure amounts do not include reimbursements or transfers between funds, or vehicle replacements and operating/maintenance expenses. All expenditures expressed in $1,000's. Additionally, these totals do not reflect payment of debt service.

CAPITAL PROJECTS BY CATEGORY

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.

FUND:	PROJ. NO.	DESCRIPTION	PRIOR EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	TOTAL
			(In thousands)											
LIVABLE NEIGHBORHOODS														
Gas Tax Fund (210)	05132	New and Replacement Street Lights	739	50	50	50	50	50	50	50	50	50	50	1,239
Gas Tax Fund (210)	05186	Traffic Signal Energy	1,371	324	327	331	334	337	341	344	348	351	355	4,763
Gas Tax Fund (210)	05187	Traffic Signal Maintenance	1,154	210	212	214	216	219	221	223	225	227	230	3,351
Gas Tax Fund (210)	05188	Streetlight Energy	3,043	450	455	459	464	468	473	478	482	487	492	7,751
Gas Tax Fund (210)	05189	Streetlight Maintenance	1,098	132	133	135	136	137	139	140	142	143	144	2,479
Gas Tax Fund (210)	05213	Wheelchair Ramps FY17 Dists 6 & 9	12	130										142
Gas Tax Fund (210)	TBD	Wheelchair Ramps FY18 Dists 4 & 5		10	132									142
Gas Tax Fund (210)	TBD	Wheelchair Ramps FY19 - FY 27			10	140	140	140	140	140	140	140	140	1,130
Measure BB Tax (212)	TBD	Speed Monitoring Devices							60	60	60	60	60	300
Measure BB Tax (213)	05246	New Sidewalks FY18	40	325										365
Measure BB Tax (213)	TBD	New Sidewalks FY19		25	325									350
Measure BB Tax (213)	TBD	New Sidewalks FY20- FY27			25	350	370	450	770	725	750	750	750	4,940
Measure BB Tax (213)	TBD	Pedestrian Traffic Signal Improvements							25	25	25	25	25	125
Measure BB Tax (213)	05278	Project Predesign Services		20	20	20	20	20	40	40	40	40	40	300
Measure B Tax (215)	05166	Speed Monitoring Devices	337	60	60	60	60	60						637
Measure B Tax (216)	05271	Pedestrian Master Plan/Update Bicycle Master Plan	100	200										300
Measure B Tax (216)	05175	Pedestrian Traffic Signal Improvements	76	25	25	25	25	25						201
Measure B Tax (216)	TBD	New Sidewalks FY18		430										430
Measure B Tax (216)	TBD	New Sidewalks FY19-FY22			420	425	425	320						1,590
Measure B Tax (216)	05260	Project Predesign Services		25	25	25	25	25						125
Capital Proj (Gov't) (405)	06906	Mural Art Program	338	25	25	25	25	25	25	25	25	25	25	588
Capital Proj (Gov't) (405)	05102	Landscape Material/Median Tree/Shrub Replacements		105	105	105	105	105	105	105	105	105	105	1,050
Capital Proj (Gov't) (405)	06950	Neighborhood Partnership Program Project	452	50	50	50	50	50	50	50	50	50	50	952
Street System Imp (450)	05249	Sidewalk Rehabilitation FY17-Districts 6 & 9	60	1,100										1,160
Street System Imp (450)	TBD	Sidewalk Rehabilitation FY18-Districts 4 & 5		50	850									900
Street System Imp (450)	TBD	Sidewalk Rehabilitation FY19-FY27			50	800	900	850	900	900	900	900	900	7,100
Street System Imp (450)	TBD	Median Landscaping Improvement Project FY15 Industrial - Hesperian to Hwy 880	500	60										560
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	975
		TOTAL LIVABLE NEIGHBORHOODS PROJECTS	9,410	3,996	4,239	4,354	3,435	3,371	3,429	3,395	3,417	3,443	3,456	36,535

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.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	TOTAL
			(In thousands)											
ROAD AND STREET PROJECTS														
Gas Tax Fund (210)	05106	Project Predesign Services	97	40	40	40	40	40	40	40	40	40	40	497
Gas Tax Fund (210)	05110	Pavement Management Program	105	41	55	20	55	20	55	20	55	20	55	501
Gas Tax Fund (210)	05116	Congestion Management Program	224	103	109	116	123	130	137	144	151	158	165	1,560
Gas Tax Fund (210)	05140	Miscellaneous Curb and Gutter Repair	70	30	30	30	30	30	30	30	30	30	30	370
Gas Tax Fund (210)	05124	Rule 20A Payment			370									370
Gas Tax Fund (210)	05214	Pavement Rehabilitation - Gas Tax FY18	50	1,500										1,550
Gas Tax Fund (210)	TBD	Pavement Rehabilitation - Gas Tax FY19		50	3,650									3,700
Gas Tax Fund (210)	TBD	Pavement Rehabilitation - Gas Tax FY20 - FY27			50	3,750	3,600	3,625	3,700	4,075	4,125	4,200	4,200	31,325
Measure BB Tax (212)	05208	Project Predesign Services	230	30	30	30	30	30	30	30	30	30	30	530
Measure BB Tax (212)	05245	Pavement Rehabilitation Measure BB FY18	75	1,900										1,975
Measure BB Tax (212)	TBD	Pavement Rehabilitation, Measure BB FY19		50	2,100									2,150
Measure BB Tax (212)	TBD	Pavement Rehabilitation, Measure BB FY20-FY27			50	2,050	2,100	2,650	4,250	4,250	4,250	4,300	4,400	28,300
Measure BB Tax (212)	05279	Mission Blvd (238) Phase 3 Final Design/Construction	8,500	15,200										23,700
Measure BB Tax (212)	NEW	Hayward Blvd. Traffic Calming Study		110										110
Measure BB Tax (212)	NEW	Tennyson Road Corridor Improvements		25	75									100
Measure B Tax (215)	05199	Project Predesign Services	55	30	30	30	30	30						205
Measure B Tax (215)	05212	Pavement Rehabilitation, Measure B FY18	100	2,100										2,200
Measure B Tax (215)	TBD	Pavement Rehabilitation, Measure B FY19		50	2,200									2,250
Measure B Tax (215)	TBD	Pavement Rehabilitation, Measure B FY20-FY22			50	2,200	2,250	1,758						6,258
Vehicle Reg Fee (218)	TBD	Pavement Rehabilitation VRF FY18	25	875										900
Vehicle Reg Fee (218)	TBD	Pavement Rehabilitation VRF FY19		25	775									800
Vehicle Reg Fee (218)	TBD	Pavement Rehabilitation VRF FY19 - FY27			25	775	800	800	800	825	850	850	850	6,575
Route 238 Imp (410)	05114	Administration and Predesign	492	60	60	60								672
Route 238 Imp (410)	05270	Rte 238 Corridor Improvement Project - Phase 2	35	22,645										22,680
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 #2	100	400										500
Street System Imp (450)	05257	Bridge Structures Maintenance	225	365										590
Street System Imp (450)	TBD	City Municipal Parking Lot #7				107								107
Street System Imp (450)	TBD	City Municipal Parking Lot #1		50	600									650
Street System Imp (450)	TBD	Pavement Rehabilitation FY19-FY27			600	1,150	2,300	2,400	2,250	1,350	350	325	400	11,125
Street System Imp (450)	NEW	Main Street Complete Street Project		350	1,875									2,225
Street System Imp (450)	NEW	Pavement Rehabilitation - Winton Ave West		1,978										1,978
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)	05734	Traffic Calming Implementation Program		90	90	90	90	90	90	75	90	90	90	885
Transp Sys Imp (460)	05856	Controller Cabinet Replacement Program		30	30	30	30	30	30	30	30	30	30	300
Transp Sys Imp (460)	05877	Transportation System Management Projects		50	50	50	50	50	50	50	50	50	50	500
Transp Sys Imp (460)	05893	Quick Response Traffic Safety Projects		20	20	20	20	20	20	20	20	20	20	200
Transp Sys Imp (460)	05274	Traffic Impact Fee Study		200										200
Transp Sys Imp (460)	TBD	Intersection Improvement Project - TBD		50	100	150	100	150	75	200	75	175	75	1,150
		TOTAL ROAD AND STREET PROJECTS	10,413	48,527	13,144	10,778	11,728	11,933	11,637	11,219	10,226	10,398	10,515	150,105

CAPITAL PROJECTS BY CATEGORY

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJ. NO.**	**DESCRIPTION**												
BUILDING/MISC PROJECTS														
Capital Proj (Gov't) (405)	NEW	Employee Engagement Survey		45	45	45	45	25	25	25	25	25	25	330
Capital Proj (Gov't) (405)	06904	Community Satisfaction Survey	40		40		40		40		40		40	240
Capital Proj (Gov't) (405)	05160	Surplus Property Maintenance		25	25	25	25	15	15	15	15	15	15	190
Capital Proj (Gov't) (405)	06121	Property Taxes on Excess Right-of-Way		5	5	5	5	5	5	5	5	5	5	50
Capital Proj (Gov't) (405)	06907	Project Predesign Services		35	35	35	35	35	35	35	35	35	35	350
Capital Proj (Gov't) (405)	06968	Sealing Centennial Hall Parking Deck						30						30
Capital Proj (Gov't) (405)	TBD	City of Hayward 100th Anniversary Events											100	100
Measure C Capital (406)	07478	Fire Station No. 2 Improvements	2,300	400										2,700
Measure C Capital (406)	07476	Fire Station No. 3 Improvements	1,700	400										2,100
Measure C Capital (406)	07477	Fire Station No. 4 Improvements	1,800	400										2,200
Measure C Capital (406)	06988	21st Century Library & Community Learning Center-Construction	52,884	8,596										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		500	500	3,000	2,000							6,000
Measure C Capital (406)	07482	Fire Station No. 6 New Training Center	1,500	4,000	26,400	17,000								48,900
Facilities Capital (726)	07201	HVAC Replacement/Various Units	241	20				400	130					791
Facilities Capital (726)	07202	Miscellaneous Flooring Replacement	638	139									125	902
Facilities Capital (726)	07203	Roof Repair/Replacement	293			375		115				100	25	908
Facilities Capital (726)	07209	Emergency Generator Replacements	150							145	150			445
Facilities Capital (726)	07210	Window Covering Replacement	42			50								92
Facilities Capital (726)	07216	Fire Alarm/Smoke Detector Replacement	55	50										105
Facilities Capital (726)	07217	Exterior Painting of City Facilities	33	25		115		90	100			75		438
Facilities Capital (726)	07218	Animal Control Facilities Update		10	30									40
Facilities Capital (726)	07221	Interior Painting of City Facilities	30										20	50
Facilities Capital (726)	07222	City Facility Update		20	20	30								70
Facilities Capital (726)	07223	City Hall Moat		10	20									30
Facilities Capital (726)	NEW	City Center Parking Garage Fence		50										50
Facilities Capital (726)	NEW	Elevator Overhaul								50	50			100
Facilities Capital (726)	NEW	Old City Hall Update		20										20
Facilities Capital (726)	NEW	City Hall Card Access Upgrade		60										60
Facilities Capital (726)	NEW	Workspace Reconfiguration/Remodel			110	110	110	110	110	110	110	110	110	990
		TOTAL BUILDING & MISCELLANEOUS PROJECTS	64,216	15,460	27,145	20,745	2,175	800	395	360	365	340	435	132,961

CAPITAL PROJECTS BY CATEGORY

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJ. NO.**	**DESCRIPTION**												
FLEET MANAGEMENT														
Fleet Mgmt Capital (736)	07301	Vehicle Replacement Needs - Fire	8,729	1,787	845	962	2,420	951	979	1,088	1,812	2,140	1,257	22,970
Fleet Mgmt Capital (736)	07302	Vehicle Replacement Needs - Other General Fund	3,629		883	673	525	474	1,140	574	491	461	539	9,389
Fleet Mgmt Capital (736)	07303	Vehicle Replacement Needs - Police	4,942		900	920	940	960	980	1,000	1,000	1,000	1,000	13,642
Fleet Mgmt Enterprise (737)	07350	Vehicle Replacement Needs - Airport	335	150			311		96	80		26	56	1,054
Fleet Mgmt Enterprise (737)	07351	Vehicle Replacement Needs - Stormwater	1,209	400	297		315		334	345	355		188	3,443
Fleet Mgmt Enterprise (737)	07352	Vehicle Replacement Needs - Sewer	2,103	44	212	374	47	397	239	103				3,519
Fleet Mgmt Enterprise (737)	07353	Vehicle Replacement Needs - Water	1,732	51	117	55	433	354	170	178	160	196	639	4,085
		TOTAL FLEET MANAGEMENT PROJECTS	22,679	2,432	3,254	2,984	4,991	3,136	3,938	3,368	3,818	3,823	3,679	58,102
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		82	52	27	54	25	32	30	30	30	30	392
Capital Proj (Gov't) (405)	07405	SWAT Team Equipment		32	30	16	17	47	84	72	50	50	50	448
Capital Proj (Gov't) (405)	07409	Police Officer Equipment		200	175	321	66	60	240	156	156	156	60	1,590
Capital Proj (Gov't) (405)	07411	Field Operations Equipment		15	25	22	27	32	19	25	25	25	25	240
Capital Proj (Gov't) (405)	07412	Criminal Investigations Equipment		17	28	14	2	20	2	22	22	2	22	151
Capital Proj (Gov't) (405)	NEW	Leica 3-D Scanner		125										125
Capital Proj (Gov't) (405)	07452	Fire Special Operations		340	157	82	103	82	82	82	82	82	82	1,174
Capital Proj (Gov't) (405)	07451	Defibrillators	254	240										494
Capital Proj (Gov't) (405)	TBD	Dental Chairs for Fire Station Clinic		60										60
Capital Proj (Gov't) (405)	07484	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
Capital Proj (Gov't) (405)	NEW	Emergency Vehicle Preemption		188	188	188	188	188	188	188	188	188	188	1,880
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	20	20	20	20	20	20	20	20	20	20	20	220
Sewer Replacement (611)	TBD	WPCF SCADA System Evaluation and Upgrade				500								500
Info Tech Capital (731)	07255	Enterprise Resource Planning (ERP) System	50	150										200
Info Tech Capital (731)	07253	Desktop Computer Replacement Program	1,510	225	125	125	125	125	125	125	125	125	125	2,860
Info Tech Capital (731)	07256	Public Safety Mobile Replacement Project	1,804	50	400	400	50	50	50	50	50	50	50	3,004
Info Tech Capital (731)	07257	Network Server Replacement Project	642	362	100	100	100	100	100	100	100	100	100	1,904

CAPITAL PROJECTS BY CATEGORY

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJ. NO.**	**DESCRIPTION**												
Info Tech Capital (731)	07259	Geographic Information System Improvements	150	25	25	25	25	25	25	25	25	25	25	400
Info Tech Capital (731)	07263	Network Infrastructure Replacement - Police Department	234	94	58			60	60	60	60	60	60	746
Info Tech Capital (731)	07264	Network Infrastructure Replacement	1,296	588	348			360	360	360	360	360	360	4,392
Info Tech Capital (731)	07266	Council Chambers Technology Upgrade	960					750						1,710
Info Tech Capital (731)	NEW	Inspection/Weed Abatement Software		75	75	68	58	68	68					412
Info Tech Capital (731)	NEW	Fiber Optic Run to Fire Station 7		75										75
Info Tech Capital (731)	NEW	CAD Enterprise Upgrade		50	50									100
Info Tech Capital (731)	NEW	Body Worn Camera Equipment for HPD		20	20	20	20	20	20	20	20	20	20	200
Info Tech Capital (731)	NEW	City Hall Conference Room Adio Video Upgrade		50	50									100
Info Tech Capital (731)	NEW	Telestaff Upgrade for HPD		75										75
Info Tech Capital (731)	NEW	Highspeed Hayward	350	2,396	636									3,382
Info Tech Capital (731)	NEW	Fiber Optic Maintenance and Repair		25	25	25	25	25	25	25	25	25	25	250
Info Tech Capital (731)	NEW	EBRCS Subscription		250	255	260	265	270	275	281	287	293	299	2,735
		TOTAL EQUIPMENT PROJECTS	7,559	6,334	2,867	2,238	1,205	2,337	1,785	1,651	1,635	1,621	1,551	30,783

CAPITAL PROJECTS BY CATEGORY

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJ. NO.**	**DESCRIPTION**												
WATER SYSTEM PROJECTS														
Water Replacement (603)	07026	Water System Leak Detection Survey and Repair	97	178										
Water Replacement (603)	07035	City Irrigation System Backflow Replacements		10	10	10	10	10	10	10	10	10	10	100
Water Replacement (603)	07057	Restore Water Mains at I-880			550									550
Water Replacement (603)	07003	Miscellaneous Hydrant Replacement Program		25	25	25	25	25	25	25	25	25	25	250
Water Replacement (603)	07006	Annual System Replacement Program		150	150	150	150	150	150	200	200	200	200	1,700
Water Replacement (603)	07013	High Efficiency Fixture Replacement Program		200	200	100	100	100	100	150	150	150	150	1,400
Water Replacement (603)	07030	Project Predesign Services		25	25	25	25	25	25	25	25	25	25	250
Water Replacement (603)	07059	Reservoir Coating Inspection/Recoating at 250' East, 250' 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)	07047	Water Efficient Landscape Surveys and Incentives	441	100										541
Water Replacement (603)	NEW	Annual Line Replacements FY18		500										500
Water Replacement (603)	07134	Cast Iron Water Pipeline Replacement - Local Streets	500	500	500	500	500	500	500	500	500	500	500	5,500
Water Replacement (603)	TBD	Annual Line Replacements FY19-FY25			500	1,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	15,500
Water Replacement (603)	7132	Water Main Replacement at Highland, Carroll, Zephyr, etc.	1,700	1,500	1,500	1,000								5,700
Water Replacement (603)	7131	Water Pump Station Valve Repair & Upgrade at Various St.	75	75	75	75	75							375
Water replacement (604)	7130	Pressure Reducing Station Regulator Replacement	150	150	150									450
Water Improvement (604)	07105	Solar Power at Various Water Facilities		3,000										3,000
Water Improvement (604)	07176	Utility Center Renovations/Training Center Addition	6	2,994										3,000
Water Improvement (604)	07178	Hesperian Site Additional Paving			90									90
Water Improvement (604)	07182	New 12" Pipeline - Dunn Road	100	500										600
Water Improvement (604)	07183	New 0.75MG Tank, Pumps, and Generator at Garin Reservoir/Pumps Station Site	350	2,500										2,850
Water Improvement (604)	07029	Project Predesign Services	15	15	15	15	15	15	15	15	15	15	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)	TBD	Groundwater Mgmt. 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

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJ. NO.**	**DESCRIPTION**												
Water Improvement (604)	07017	Weather Based Irrigation Controllers at Various Locations		20	20	20	20	20	20	20	20	20	20	200
Water Improvement (604)	TBD	New Emergency Well B2				2,000								2,000
Water Improvement (604)	NEW	Safety Improvements to Utility Center Corp. Yard Storage		75										75
Water Improvement (604)	NEW	Disinfection Residual Management		500	500									1,000
		TOTAL WATER SYSTEM PROJECTS	3,513	18,218	8,228	7,445	5,935	11,360	3,760	8,960	2,960	2,960	2,960	76,121
SEWER SYSTEM PROJECTS														
Sewer Replacement (611)	07668	WPCF West Trickling Filter and Biofilter Project		2,500	17,000									19,500
Sewer Replacement (611)	07516	EBDA Outfall Replacement Payment	120	120	120	120	150	150	150	150	150	150	150	1,530
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	350	350	350	350	350	350	350	350	3,700
Sewer Replacement (611)	07575	Miscellaneous Lift Station Equipment Replacement	100	100	100	150	150	150	150	150	150	150	150	1,500
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)	07656	WPCF Main 480V MCC Electrical Distribution Repairs		225	1,000									1,225
Sewer Replacement (611)	NEW	Annual Line Replacements FY18		500										500
Sewer Replacement (611)	07650	WPCF Structural Repairs and Canopy Covers	450	225										675
Sewer Replacement (611)	TBD	Valle Vista Submersible Pump Repl and Wet Well Rehab			700									700
Sewer Replacement (611)	TBD	Digester #2 Cleaning and Dome Rehabilitation		50		450								500
Sewer Replacement (611)	TBD	Annual Line Replacements FY19 - FY25			1,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	17,000
Sewer Replacement (611)	TBD	Digester #1 Cleaning and Dome Rehabilitation			500									500
Sewer Replacement (611)	TBD	Gravity Belt Thickener Rebuilding			500									500
Sewer Replacement (611)	TBD	Tennyson Lift Station Submersible Pump Repl & Wet Well Rehab		350										350
Sewer Replacement (611)	TBD	Collection Systems SCADA System Evaluation & 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)	7690	WPCF Diversion Ponds 2,3, & 7 Gate Restoration	50	500										550
Sewer Replacement (611)	TBD	Harder Road Sewer System Improvement		500	2,000									2,500
Sewer Replacement (611)	7018	Pump Station Valve Repair & Upgrade at Various Stations	75	75	75	75	75							375
Sewer Replacement (611)	NEW	WPCF Gas Conditioning Skid Media Replacement		165	165	165	165	165	165	165	165	165	165	1,650
Sewer Replacement (611)	NEW	WPCF Motorized Valve Actuators for Influent Gates		105										105
Sewer Replacement (611)	NEW	WPCF North Vacuator Restoration/Improvements				160	1,600							1,760

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.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	TOTAL
			(In thousands)											
Sewer Replacement (611)	NEW	WPCF Safety Improvements		100										100
Sewer Replacement (611)	NEW	Ward Creek/Tiegen Drive Sewer Replacement		500										500
Sewer Replacement (611)	NEW	WPCF Effluent Channel Corrugated Pipe Rehbilitation		500										500
Sewer Improvement (612)	NEW	WPCF Chlorine Contact Channel Rock Slope Protection		250										250
Sewer Improvement (612)	07506	WPCF Administration Building Renovation and Addition	4,500											4,500
Sewer Improvement (612)	07507	Recycled Water Treatment and Distribution Facilities	12,000	7,330										19,330
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	5,206											5,206
Sewer Improvement (612)	07556	WPCF Chlorine Disinfection System Improvements	800	6,400										7,200
Sewer Improvement (612)	07568	WPCF New Operations Building	5,600											5,600
Sewer Improvement (612)	07679	Cogeneration System Maintenance Contract	200	200	200	200	200	200	200	200	200	200	200	2,200
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)	7696	WPCF Stormwater and Site Grading Improvements	50	480										530
Sewer Improvement (612)	TBD	WPCF Security Improvements		15										15
Sewer Improvement (612)	TBD	WPCF Co-Generation Engine #2					2,000							2,000
Sewer Improvement (612)	TBD	WPCF New Digester Gas Storage					2,850							2,850
Sewer Improvement (612)	NEW	WPCF Grit Removal System					350	3,325						3,675
Sewer Improvement (612)	NEW	WPCF Final Clarifier No. 1 & 2 Equipment Coatings		910										910
Sewer Improvement (612)	NEW	WPCF Final Clarifier No. 1 Structure Repairs		60	560									620
Sewer Improvement (612)	NEW	WPCF New Biofilter for Gravity Belt Thickener Building							100	875				975
Sewer Improvement (612)	NEW	WPCF Gravity Belt Thickener Sludge Blending Tank Coatings		175										175
Sewer Improvement (612)	NEW	WPCF Old Cogen Building Repurpose			80	320								400
Sewer Improvement (612)	NEW	WPCF Sludge Pipeline from Eq. Pond to Site Waste PS		20	140									160
Sewer Improvement (612)	NEW	WPCF MCC5 & 19 Replacement		50	450									500
Sewer Improvement (612)	NEW	WPCF Tertiary Treated Near Shore Discharge Feasibility Study and Facilities Plan		500										500
Sewer Improvement (612)	NEW	Recycled Water Facilities Plan Update		500										500
Sewer Improvement (612)	NEW	WPCF Expansion of Cogen System Gas Conditioning Skid System				425	3,375							3,800
Sewer Improvement (612)	NEW	Feasibility Study -WPCF Bio-Gas for City's CNG Vehicles		50										50
Sewer Improvement (612)	NEW	Recycled Water Facility Treatment & Disinfection-Phase I		1,300										1,300
		TOTAL SEWER SYSTEM PROJECTS	29,501	28,370	25,020	5,260	15,510	6,385	4,960	3,935	3,060	3,060	3,060	128,121

CAPITAL PROJECTS BY CATEGORY

Expenditure amounts do not include reimbursements, transfers between funds, or vehicle replacements and operating/maintenance expense.			PRIOR EXPEND.	FY18 EXPEND.	FY19 EXPEND.	FY20 EXPEND.	FY21 EXPEND.	FY22 EXPEND.	FY23 EXPEND.	FY24 EXPEND.	FY25 EXPEND.	FY26 EXPEND.	FY27 EXPEND.	TOTAL
			(In thousands)											
FUND:	**PROJ. NO.**	**DESCRIPTION**												
AIRPORT PROJECTS														
Airport Capital (621)	06816	Sulphur Creek 10-Year Monitoring	132	23	23									178
Airport Capital (621)	06805	Project Predesign Services		30	30	30	30	30	30	30	30	30	30	300
Airport Capital (621)	06806	Consultant Predesign Services		10	10	10	10	10	10	10	10	10	10	100
Airport Capital (621)	06891	Miscellaneous Pavement/Building/Grounds Repairs		50	50	50	50	50	50	50	50	50	50	500
Airport Capital (621)	06898	Noise Monitoring		45	45	45	45	45	45	45	45	45	45	450
Airport Capital (621)	06818	Airport Pavement Management Program Update			35		35		35		35		35	175
Airport Capital (621)	06819	Taxiway Alpha & Foxtrot Pavement Rehabilitation FY16	117	479	479									1,075
Airport Capital (621)	06814	Sulpher Creek Mitigation - Design and Construction	63	300	2,137									2,500
Airport Capital (621)	06823	Perimeter Fence Repair	72	10	10	10	10	10						122
Airport Capital (621)	06826	East T-Hangar Foam Re-roofing	20	50	50	400								520
Airport Capital (621)	06828	ExteriorTower Renovation	30	50										80
Airport Capital (621)	TBD	Realignment of Taxiway Zulu			360	3,009								3,369
Airport Capital (621)	TBD	EMAS Runway Safety Area Improvements					500	8,333						8,833
Airport Capital (621)	TBD	Rehab of TWY Alpha & Rehab TWY Delta Intersections							64	539				603
Airport Capital (621)	TBD	Golf Course Modifications/Road Relocation			300	2,444								2,744
Airport Capital (621)	TBD	Airport Pavement Preventative Maintenance				75	600	400	725	725	725	750	750	4,750
Airport Capital (621)	TBD	View Park				80								80
Airport Capital (621)	NEW	CCTV Upgrade			60									60
Airport Capital (621)	NEW	LED Lighting Retrofit		70										70
	NEW	Infrastructure Improvement Plan		110										110
		TOTAL AIRPORT PROJECTS	434	1,227	3,589	6,153	1,280	8,878	959	1,399	895	885	920	26,619

THIS PAGE INTENTIONALLY LEFT BLANK

RESOLUTIONS

HAYWARD CITY COUNCIL

RESOLUTION NO. 17-086

Introduced by Council Member Márquez

RESOLUTION APPROVING THE OPERATING BUDGET OF THE CITY OF HAYWARD FOR FISCAL YEAR 2018; ADOPTING APPROPRIATIONS FOR FISCAL YEAR 2018, 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 2018 contained in those documents entitled "City of Hayward Proposed FY 2018 Operating Budget," with adjustments to the Proposed Budget as discussed at the June 20, 2017 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 2018 Operating Budget," with adjustments to the proposed budget as outlined in the June 20, 2017 staff report is hereby approved and adopted as the budget of the City of Hayward for FY 2018, with specific exception of General Fund Community Agency funding, which is separately addressed in Resolution No. 17-087. 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 2018 as a consequence of a grant application approved by the City Council are hereby appropriated for the purposes for which the grant has been approved. Such appropriation includes authorization for the City Manager to expend such monies and for the Director of Finance to make payments therefore in accordance with the terms and conditions and for the purposes of the grant.

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

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

General Fund - Fund Balance Designations		FY 2018
Unassigned		21,586
Total Designated Fund Balance	**$**	**21,586**
Proposed Use of Fund Balance		**(2,474)**
Total Reserves & Designated	**$**	**19,112**

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 20, 2017

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

NOES: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ATTEST: _____
Deputy City Clerk of the City of Hayward

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

FY 2018 Fund Transfers To/From

EXHIBIT A

General Fund Transfers In			
100-00-0000-00000-49100	217	Cost Allocation From Paratransit Measure B Fund	(39,319)
100-00-0000-00000-49100	231	Cost Allocation From Used Oil Fund	(930)
100-00-0000-00000-49100	232	Cost Allocation From Measure D Fund	(37,327)
100-00-0000-00000-49100	245	Cost Allocation From Housing Authority Fund	(3,897)
100-00-0000-00000-49100	246	Cost Allocation From Affordable Housing Fund	(13,474)
100-00-0000-00000-49100	605	Cost Allocation From Water Enterprise Fund	(1,207,770)
100-00-0000-00000-49100	606	Cost Allocation From Water Inter-tie Fund	(21,329)
100-00-0000-00000-49100	610	Cost Allocation From Sewer Enterprise Fund	(823,783)
100-00-0000-00000-49100	615	Cost Allocation From Stormwater Enterprise Fund	(125,049)
100-00-0000-00000-49100	620	Cost Allocation From Airport Enterprise Fund	(185,168)
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	(229,000)
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	(290,000)
100-00-0000-00000-49545	810	Misc. Transfer From CFD #3 for Police & Fire Services	(175,000)
		Transfers In Total	**(3,960,046)**
General Fund Transfers Out			
100-00-0000-00000-98100	102	Transfer to Economic Development Fund	350,000
100-00-0000-00000-98100	720	OPEB Contribution	1,000,000
100-00-0000-00000-98110	300	D/S ABAG 2001-02 (ABAG 33)	88,578
100-00-0000-00000-98110	300	D/S City Hall Debt Service	2,459,912
100-00-0000-00000-98110	300	Transfer D/S Fire Station #7	452,854
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	289,000
100-10-1020-19120-98115	405	One-Time General Plan Update Payback (FY18 ONLY)	175,000
100-00-0000-00000-98115	460	Capital Transfer To Transportation Sys Improvement Fund	450,000
100-00-0000-00000-98115	731	Supplemental To Technology Replacement Fund	1,859,000
100-00-0000-00000-98200	710	Liability Insurance Allocation	2,906,907
		Transfers Out Total	**10,450,154**
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	3,800
101-00-0000-00000-98115	406	CIP Transfer	2,350,000
101-00-0000-00000-98200	710	Transfer Out to Liability Insurance	67,492
		Measure C Fund	**5,151,980**
Economic Development Fund			
102-00-0000-00000-49530	410	Transfer In from RTE 238	(206,000)
102-00-0000-00000-49530	100	Transfer In From General Fund	(350,000)
		Economic Development Fund	**(556,000)**
Paratransit Fund			
217-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	39,319
217-00-0000-00000-98200	710	Transfer Out To Liability Insurance	10,124
		Paratransit Fund	**49,443**

FY 2018 Fund Transfers To/From

EXHIBIT A

Used Oil Fund			
231-00-0000-00000-98100	100	Transfer Out Cost Allocation to General Fund	930
		Used Oil Fund	**930**
Measure D Fund			
232-00-0000-00000-97100	100	Transfer Out Cost Allocation to General Fund	37,327
232-00-0000-00000-98200	710	Transfer Out Liability Insurance	10,124
		Measure D Fund	**47,451**
Housing Authority Fund			
245-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	3,897
		Housing Authority Fund	**3,897**
Affordable Housing Fund			
246-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	13,474
246-00-0000-00000-98200	710	Transfer Out To Liability Insurance	6,749
		Affordable Housing Fund	**20,223**
Certificates of Participation Fund			
300-00-0000-00000-49555	100	Transfer In D/S ABAG 2001-02 (ABAG 33)	(88,578)
300-00-0000-00000-49555	100	Transfer In D/S City Hall Debt Service	(2,459,912)
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 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	**(3,282,506)**
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	(3,800)
		Measure C Debt Service Fund	**(2,734,488)**
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	(267,854)
605-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	1,207,770
605-00-0000-00000-98200	710	Transfer Out To Liability Insurance	278,194
605-00-0000-00000-98115	603	Transfer Out Capital Reserves To Water	3,000,000
		Water Maintenance & Operations Fund	**4,080,369**
Water Inter-Tie Fund			
606-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	21,329
		Water Inter-Tie Fund	**21,329**

FY 2018 Fund Transfers To/From

EXHIBIT A

Sewer Maintenance & Operations Fund			
610-00-0000-00000-49555	611	Transfer In D/S07 Sewer Rev Refund Bonds	(504,400)
610-00-0000-00000-49555	612	Transfer In D/S CEC Loan	(217,810)
610-00-0000-00000-49555	612	Transfer In D/S CA SWRCB Loan/Sewer	(2,727,501)
610-00-0000-00000-97100	100	Transfer Out Cost Allocation to General Fund	823,783
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	399,874
610-00-0000-00000-98115	612	Transfer Out Connect Fee Tran To Sewer Improvement Fund	3,000,000
		Sewer Maintenance & Operations Fund	**4,773,946**
Stormwater Maint. & Operations Fund			
615-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	125,049
615-00-0000-00000-98200	710	Transfer Out To Liability Insurance	33,749
		Stormwater Maint. & Operations Fund	**158,798**
Airport Operations Fund			
620-00-0000-00000-97100	100	Transfer Out Cost Allocation To General Fund	185,168
620-00-0000-00000-98200	710	Transfer Out To Liability Insurance	66,869
620-00-0000-00000-98115	731	IT Capital for ERP (final payment)	13,000
620-00-0000-00000-98115	621	Transfer Out Cap Reserves To Airport Capital	950,000
		Airport Operations Fund	**1,215,037**
Workers' Compensation Fund			
705-00-0000-00000-98200	710	Transfer Out To Liability Insurance	10,124
		Workers' Compensation Fund	**10,124**
Risk Management Fund			
710-00-0000-00000-49100	100	Transfer In Liability Insurance-General Fund	(2,906,907)
710-00-0000-00000-49100	101	Transfer In Liability Insurance-Measure C Fund	(67,492)
710-00-0000-00000-49100	217	Transfer In Liability Insurance-Meas B2 PRTRNST	(10,124)
710-00-0000-00000-49100	232	Transfer In Liability Insurance-Recycling	(10,124)
710-00-0000-00000-49100	246	Transfer In Liability Insurance-Housing Mortg	(6,749)
710-00-0000-00000-49100	605	Transfer In Liability Insurance-Water M & O	(278,194)
710-00-0000-00000-49100	610	Transfer In Liability Insurance-WWTP M & O	(399,874)
710-00-0000-00000-49100	615	Transfer In Liability Insurance-Stormwater	(33,749)
710-00-0000-00000-49100	620	Transfer In Liability Insurance-Airport	(66,869)
710-00-0000-00000-49100	705	Transfer In Liability Insurance-Workers Comp	(10,124)
710-00-0000-00000-49100	725	Transfer In Liability Insurance-Facilities FD	(34,293)
710-00-0000-00000-49100	730	Transfer In Liability Insurance-Tech Services FD	(79,052)
710-00-0000-00000-49100	735	Transfer In Liability Insurance-Equip Mgmt.	(53,094)
710-00-0000-00000-49100	815	Transfer In Liability Insurance-Successor RDA Fund	(43,355)
		Risk Management Fund	**(4,000,000)**
Retiree Medical Fund			
720-00-0000-00000-49530	100	OPEB Transfer Out of General Fund	(1,000,000)
		Retiree Medical Fund	**(1,000,000)**
Facilities Management Fund			
725-00-0000-00000-98200	710	Transfer Out To Liability Insurance	34,293
		Facilities Management Fund	**34,293**
Information Technology Fund			
730-00-0000-00000-98115	731	Transfer Out To IT Replacement Fund	622,104
730-00-0000-00000-98200	710	Transfer Out To Liability Insurance	79,052
		Information Technology Fund	**701,156**

FY 2018 Fund Transfers To/From

EXHIBIT A

Fleet Management Fund			
735-00-0000-00000-98200	710	Transfer Out To Liability Insurance	53,094
		Fleet Management Fund	**53,094**
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	290,000
810-00-0000-00000-98100	100	Transfer Out To General Fund for Police&Fire Svcs CFD #3	175,000
		Comm. Facility District Fund	**473,000**
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	43,355
		Successor Agency-RDA of COH	**843,355**

FY 2018 Fund Expenditure Appropriations - Operating Budget

EXHIBIT B

General Fund		
100		151,561,786
Measure C Fund		
101		8,241,027
Special Revenue Funds		
102	Economic Development Fund	523,491
214	Paratransit Fund - Measure BB	310,000
217	Paratransit Fund - Measure B	1,333,027
220	Home Loan Fund	388,379
223	CDBG-Housing Rehab Loan Fund	232,571
225	Community Development Block Grant Fund	1,386,030
227	CDBG - Small Business Loan Fund	78,510
230	Recycling Fund	30,942
231	Used Oil Fund	40,930
232	Recycling/Measure D Fund	545,910
245	Housing Authority	209,713
246	Affordable Housing Fund	437,637
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	12,571
267	LLD Zone 2	14,212
268	LLD Zone 3	164,519
269	LLD Zone 4	24,322
270	MD 1	44,533
271	MD 2	106,212
272	LLD Zone 5	10,859
273	LLD Zone 6	17,453
274	LLD Zone 7	269,973
275	LLD Zone 8	9,644
276	LLD Zone 9	6,001
277	LLD Zone 10	182,361
278	LLD Zone 12	39,096
279	LLD Zone 11	149,972
280	Downtown Bus Improvement	96,000
281	LLD Zone 13	212,515
282	LLD Zone 14	2,500
284	LLD Zone 15	23,650
295	So. Hayward B.A.R.T. JPA	591,148
	Special Revenue Fund Total	10,133,497
Enterprise Funds		
605	Water	45,274,687
606	Regional Intertie	131,329
610	Wastewater	24,777,454
615	Stormwater	2,857,465
620	Airport	3,670,690
	Enterprise Fund Total	76,711,625
Debt Service/Non-Departmental Funds		
300	Certificate of Participation	3,282,506
301	Measure C Debt Service	2,734,488
805/810	Special Assessment District	1,113,237
	Debt Service Fund Total	7,130,231

FY 2018 Fund Expenditure Appropriations - Operating Budget

EXHIBIT B

Internal Service Funds		
705	Worker's Compensation	6,587,843
710	Risk Management	4,729,969
720	Employee Benefits	3,165,475
725	Facilities	3,793,889
730	Information Technology	6,981,510
735	Fleet	3,987,899
	Internal Service Fund Total	29,246,585
Hayward Redevelopment Successor Agency (HRSA)		
815		4,474,774
Total Appropriation Authority		**287,499,525**

HAYWARD CITY COUNCIL

RESOLUTION NO. 17-087

Introduced by Council Member Márquez

RESOLUTION APPROVING AND APPROPRIATING THE COMMUNITY AGENCY FUNDING RECOMMENDATIONS FOR FISCAL YEAR 2018

BE IT RESOLVED that the City Council of the City of Hayward hereby approves and appropriates the Community Agency Funding recommendations for Fiscal Year 2018, as approved by City Council on April 18, 2017 and shown in Exhibit A, in a total amount not to exceed $1,408,996 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 20, 2017

ADOPTED BY THE FOLLOWING VOTE:

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

NOES: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ATTEST: _____
Deputy City Clerk of the City of Hayward

APPROVED AS TO FORM:

_____
City Attorney of the City of Hayward

COMMUNITY SERVICES COMMISSION
COMMUNITY AGENCY FUNDING PROCESS
DRAFT RECOMMENDATIONS FY 2018*

REVIEWED BY CSC
2/15/2017

APPROVED BY CSC
3/15/2017

REVIEWED BY COUNCIL 4/18/2017

SOURCE	CATEGORY	PROPOSAL	AGENCY NAME	FY 2018 DRAFT RECOMMENDATION*
GF	Arts, Music & Culture	Art Galleries and Art Education Programs	Hayward Arts Council	$18,134
GF	Arts, Music & Culture	Band & Orchestra Festival	Hayward Arts Council	$8,140
GF	Arts, Music & Culture	Public Music Performances	Hayward Municipal Band	$15,000
GF	Arts, Music & Culture	Music is Fun! Program	Pacific Chamber Symphony	$6,898
GF	Arts, Music & Culture	Art Gallery and Art Education Programs	Sun Gallery	$30,195
GF	Arts, Music & Culture	Scholarships for Youth Orchestral Musicians	Youth Orchestra of Alameda County	$3,628
CDBG	Jobs, Infrastructure & Economic Dev.	Homeless Housing Development Project	Abode Services	$80,000
CDBG	Jobs, Infrastructure & Economic Dev.	Child Care Business Development and Training	Community Child Care Council (4-C's)	$30,000
CDBG	Jobs, Infrastructure & Economic Dev.	Facility Roof Replacement	Community Resources for Independent Living (CRIL)	$20,000
CDBG	Jobs, Infrastructure & Economic Dev.	Homeless Employment Program	Downtown Streets, Inc.	$90,000
CDBG	Jobs, Infrastructure & Economic Dev.	Youth Employment Training	Elevating Soulciety	$40,000
CDBG	Jobs, Infrastructure & Economic Dev.	Hospital Fence Replacement and Retaining Wall	St. Rose Hospital Foundation	$55,233
GF	Services - Children at Risk	Hayward Child Abuse Intervention	CALICO	$20,000
GF	Services - Food Access	Food Scholarships for Seven Food Pantry Programs	Alameda County Community Food Bank	$40,000
GF	Services - Food Access	Operational Support - SHP Food Pantry	South Hayward Parish	$15,000
GF	Services - Health & Wellness	Positive Life Style - Mental Health Counseling	Tiburcio Vasquez Health Center, Inc.	$10,000
GF	Services - Health & Wellness	HIV Early Intervention Program	Tri-City Health Center	$10,000
GF	Services - Housing & Homelessness	Permanent Supportive Housing for Homeless	Abode Services	$38,000
GF	Services - Housing & Homelessness	Tenants Rights Services	Centro Legal de la Raza	$38,000
GF	Services - Housing & Homelessness	Family Homeless Shelter Services	FESCO	$38,000
GF	Services - Housing & Homelessness	Shelter for Victims of Domestic Violence	Ruby's Place	$38,000
GF	Services - Info. & Referral	2-1-1 Communication System	Eden I&R, Inc.	$38,000
GF	Services - Legal Services	Violence Prevention and Legal Services	Family Violence Law Center	$40,000
GF	Services - Legal Services	Legal Services for Immigrants	International Institute of the Bay Area	$10,000
GF	Services - Seniors & Differently Abled	Legal and Housing Services for Seniors	Legal Assistance for Seniors (LAS)	$20,000
GF	Services - Seniors & Differently Abled	Congregate Meal Program for Seniors	Spectrum Community Services	$22,000
GF	Services - Youth Development	Youth Summer Day Camp	Eden Area YMCA	$15,000
GF	Services - Youth Development	LGBTQ Youth Counseling and Intervention Services	Horizon Services, Inc.	$30,000
GF	Services - Youth Development	FACES for the Future Youth Career Training Program	St. Rose Hospital Foundation	$18,000
GF	Services - Youth Development	GED Basic Skills Preparation	Youth Enrichment Services (YES)	$10,000
			TOTAL DRAFT RECOMMENDATIONS FY 2018*	**$847,228**

All amounts are preliminary and subject to change. Final award amounts will be authorized by Hayward City Council on May 2, 2017.

For more information visit:
www.hayward-ca.gov/services/city-services/community-agency-funding

SOURCE	CATEGORY	DESCRIPTION	SERVICE	FY 2018 COST
CDBG	City-Operated Services	**Housing rehabilitation for low-income homeowners**	Housing Rehabilitation Program	$349,500
CDBG	City-Operated Services	**Literacy/academic support for low-income Hayward families**	Family Education Program	$161,268
CDBG	HUD-Required Fair Housing	**Fair housing audit, tenant/landlord counseling**	Eden Council for Hope and Opportunity (ECHO)	$51,000
			TOTAL COST FY 2018	**$561,768**

SUMMARY

GRAND TOTAL - ALL CATEGORIES	**$1,408,996**
Jobs, Infrastructure & Economic Development Grants	$315,233
Social Services Grants	$450,000
Arts , Music & Culture Grants	$81,995
TOTAL GRANTS TO COMMUNITY AGENCIES	**$847,228**
City-Operated Services	$510,768
HUD required fair housing activities	$51,000
Total City-operated services and HUD required fair housing	**$561,768**

REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY OF HAYWARD

RESOLUTION NO. RSA 17-02

Introduced by Agency Member Márquez

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 2018

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 2018; 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 2018.

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 2018
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	156,569
Supplies & Services	205,736
Maintenance & Utilities	7,600
Internal Service Fees	25,539
Total Operating Expenses	395,444
HRSA Debt Service & Transfers Out	
HRSA Debt Service, 2016 TABS	3,235,975
HRSA Debt Service, General Fund Repayment	800,000
Liability Insurance Premium	43,355
Total Debt Service & Transfers Out	4,079,330
Total Expenditures	**4,474,774**

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 20, 2017

ADOPTED BY THE FOLLOWING VOTE:

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

NOES: AGENCY MEMBERS: None

ABSTAIN: AGENCY MEMBERS: None

ABSENT: AGENCY MEMBERS: None

ATTEST: _____
Assistant 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

HAYWARD HOUSING AUTHORITY

RESOLUTION NO. HA 17-01

Introduced by Commissioner Márquez

RESOLUTION CONFIRMING THE PROPOSED HAYWARD HOUSING AUTHORITY BUDGET FOR FISCAL YEAR 2018

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 2018 contained in those documents entitled "Proposed FY 2018 Operating Budget;" and

WHEREAS, a public hearing was held by the Housing Authority Board of Directors, on June 20, 2017, 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 FY2018 presented by the Executive Director in the document entitled Proposed FY 2018 Operating Budget is hereby accepted and confirmed as the budget of the Hayward Housing Authority for FY 2018. 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.

HAYWARD, CALIFORNIA, June 20, 2017

ADOPTED BY THE FOLLOWING VOTE:

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

NOES: COMMISSION MEMBERS: None

ABSTAIN: COMMISSION MEMBERS: None

ABSENT: COMMISSION MEMBERS: None

ATTEST: _____
Assistant 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. 17-088

Introduced by Council Member Márquez

RESOLUTION APPROVING CAPITAL IMPROVEMENT PROJECTS FOR FISCAL YEAR 2018

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 2018 contained in the document entitled "Recommended Capital Improvement Program FY 2018-27"; 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. 17-086, dated June 20, 2017, the City Council adopted the budget and appropriated funds for operating expenses for Fiscal Year 2018.

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 2018, as embodied in Recommended Capital Improvement Program FY 2018-27, are hereby adopted as the Capital Improvement Program for Fiscal Year 2018. 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)	3,070,000
Measure BB Tax Fund (Local Transportation) (212)	17,165,000
Measure BB Tax Fund (Local Transportation) (213)	370,000
Measure B Tax Fund (Local Transportation) (215)	2,240,000
Measure B Tax Fund (Pedestrian & Bicycle) (216)	680,000
Vehicle Registration Fee Fund (218)	900,000
Capital Projects (Governmental) Fund (405)	1,121,000
Measure C Fund (406)	1,850,000
Route 238 Corridor Improvement Fund (410)	2,849,162
Street System Improvements Fund (450)	4,423,000
Transportation System Improvement Fund (460)	390,000
Water Replacement Fund (603)	5,282,000
Water Improvement Fund (604)	4,701,000
Sewer Replacement Fund (611)	7,865,000
Sewer Improvement Fund (612)	20,605,000
Airport Capital Fund (621)	698,000
Facilities Capital Fund (726)	314,000
Information Technology Capital Fund (731)	4,960,000
Fleet Management Capital Fund (736)	845,000
Fleet Management Enterprise (737)	645,000
TOTAL: ALL CAPITAL FUNDS	**80,973,162**

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)	464,000
General (100)	Transportation System Improvement (460)	450,000
General (100)	Information Technology Capital (731)	1,859,000
Measure C (101)	Measure C Capital (406)	2,350,000
Gas Tax (210)	General (100)	229,000
Gas Tax (210)	Street System Improvements (450)	637,000
Federal Grants (220)	Information Technology Capital (731)	96,000
Capital Projects (405)	Facilities Capital (726)	250,000
Capital Projects (405)	Fleet Management Capital (736)	44,000
Route 238 (410)	Street System Improvements (450)	400,000
Street System Improvements (450)	Sewer Improvement (612)	533,000
Water Improvement (604)	Sewer Improvement (612)	410,000
Water Improvement (604)	Water Operations (605)	267,852
Water Operations (605)	Water Replacement (603)	500,000
Water Operations (605)	Water Replacement (603)	3,000,000
Sewer Operations (610)	Sewer Replacement (611)	4,000,000
Sewer Operations (610)	Sewer Improvement (612)	3,000,000
Sewer Replacement (611)	Sewer Operations (610)	504,400
Sewer Replacement (611)	Sewer Improvement (612)	270,000
Sewer Improvement (612)	Sewer Operations (610)	2,727,501
Sewer Improvement (612)	Sewer Operations (610)	217,810
Sewer Improvement (612)	Water Improvements (604)	410,307
Airport Operations (620)	Airport Capital (621)	950,000
Airport Operations (620)	Information Technology Capital (731)	13,000
Information Technology Operations (730)	Information Technology Capital (731)	622,104

In order to provide for completion of work on projects previously authorized but not completed as of June 30, 2017, in addition to the above appropriations for capital expenditures, appropriation balances remaining as of June 30, 2017, for capital projects previously authorized but uncompleted, are hereby appropriated for expenditure in fiscal year 2018.

6. Any monies received during fiscal year 2018 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 2018, as contained in the document entitled " Recommended Capital Improvement Program FY 2018-27," 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 20, 2017

ADOPTED BY THE FOLLOWING VOTE:

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

NOES: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ATTEST: _____
Deputy City Clerk of the City of Hayward

APPROVED AS TO FORM:

_____
City Attorney of the City of Hayward



FINANCIAL POLICIES

FINANCIAL POLICIES

Overview of Financial Policies

Financial policies as adopted by the City Council establish the framework for Hayward's overall fiscal planning and management. They set forth decision-making guidelines against which current budgetary performance can be measured and proposals for future programs can be evaluated. Hayward's publicly adopted financial policies demonstrate the City's commitment to sound financial management and fiscal integrity. The financial policies also improve the City's fiscal stability by helping City officials plan fiscal strategy with a consistent approach. Adherence to adopted financial policies promotes sound financial management, which can lead to improvement in City bond ratings and lower cost of capital.

Below is a listing of key policies related to the citywide budget. Many of these policies have been in operation for a number of years. However, staff is introducing several new policies for consideration during the FY 2016 budget process.

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

Balanced Budget Policy[1]

The City of Hayward must adopt a balanced annual operating budget. A structurally balanced budget exists when recurring operating revenues equal or exceed recurring operating expenditures and there is no planned or actual use of reserve cash to cover any "negative gap" between the two.

1. The operating resources and resource uses that are included or excluded from the definition of a balanced budget calculation;
    a. Operating revenues and expenditures - including transfers in and transfers out.
    b. Capital Improvement Program budget funds are excluded.
    c. One-time revenues should be carefully considered before using to balance the operating budget per the newly recommended policies herein.
2. Available fund balances may be used as a resource for non-recurring expenditures as approved by City Council.
3. The modified accounting accrual basis is used to define revenues and expenditures.
4. For a variety of reasons, true structural balance may not be possible. In such a case, using reserves to balance the budget may be considered but only in the context of a plan to return to structural balance, replenish fund balance, and ultimately remediate the negative impacts

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

of any other short-term balancing actions that may be taken. Further, the plan should be clear about the time period over which returning to structural balance, replenishing reserves, and remediating the negative impacts of balancing actions are to occur

5. The City shall conduct midterm budget reviews to review the budget and take any necessary action to bring the budget into balance.
6. The balanced budget policy will be applied over a ten-year financial planning horizon for the City's General Fund and other key operating funds in order to identify and plan to avoid structural imbalances in the long term.

Use of One-Time Revenue for One-Time Expenditures

One time revenues shall be considered for use toward one-time expenditures. While one-time revenues may occur over more than a one fiscal year period (i.e. an allocation of one time funds over multiple fiscal years), they shall not support recurring operational expenses. Appropriate uses of one-time revenue funds include:

- Payments toward unfunded benefit liabilities such as Retiree Medical (other post-employment benefits – OPEB); CalPERS retirement unfunded liability, Workers' Compensation unfunded liability; or reduction of accrued leave through pay off of leave balances
- One-time capital improvements or economic development investments
- Early debt retirement
- Restoration of depleted reserve balances

Uses that increase ongoing operating expenditures should be carefully reviewed and avoided if at all possible. For example, capital expenditures that significantly increase ongoing operating expenses without a sustainable and offsetting long-term revenue plan should be avoided. Uses of one-time funds for reasons not mentioned above require explicit Council authorization.

Property Transfer Tax – Threshold for Recurring & One-time Revenue

The Real Property Transfer Tax (Transfer Tax) rate set by the City of Hayward is $4.50 per $1,000 of the value of consideration paid for the documented sale of real property or any transfer of interest in real property. Hayward's Transfer Tax revenue is volatile and is driven directly by the real estate market, based on the rate of property turn over and the sales price of said properties. The City has experienced dramatic swings in Transfer Tax.

In order to best budget this general fund revenue, the City should establish a threshold for recurring revenues that will support recurring City operations. Based on historical averages and the current economic climate, it is recommended that Council establish a baseline threshold of $4.7 million to be used to fund recurring City operations. Transfer Tax revenues received in excess of this amount should be considered one-time revenues and used in accordance with the City's policy on the Use of One-Time Revenue for One-Time Expenditures described above.

FINANCIAL POLICIES

Benefit Liabilities Funding Plan & Policies

Unfunded liabilities are defined as identifiable obligations of the City for which the organization does not have 100% of the funding (cash or other assets) set aside to cover the cost should all obligations become immediately and simultaneously due. The City's primary benefit liabilities include, but are not limited to:

- California Public Employees' Retirement System (CalPERS)
- Other Post-Employment Benefits (OPEB) – Retiree Medical Benefits
- Workers' Compensation
- Accrued Leave Payouts

Council shall identify appropriate levels to fund portions of each benefit liability considering the associated risk that the unfunded portion of the obligations present to the organization, timing of the liability's ultimate due date and realistic and responsible management of the organization's cash flows. The City's funding plans for unfunded actuarial accrued liabilities should not exceed the parameters established by GAAP.

Long Range Financial Forecasting Policy

Hayward's budget shall include a long range financial forecast of operating revenues and expenditures of the General Fund and other key operating funds. The forecast will extend five to ten years, including the budget period. The forecast, along with its underlying assumptions and methodology, will be clearly stated and made available to participants in the budget process. It will also be referenced in the final budget document. The forecast shall include a spendable fund balance calculation and any difference from established reserve levels.

Reserves Policy[2]

The City of Hayward will establish and maintain adequate financial reserves in order to prepare for the impact economic cycles and physical disasters have upon essential services to the public and assure annual fluctuations in revenue do not impede the City's ability to meet expenditure obligations. During periods of economic sufficiency, reserves may be used as a source of supplemental revenue through prudent investments and earnings while avoiding short-term cash flow deficiencies. When revenues fail to meet the normal operating requirements of essential public services, or the need for disbursements temporarily exceeds receipts, reserves, upon the recommendation of the City Manager and the authorization of the City Council, may be used in accordance with the standards set forth herein.

[2] *Determining the Appropriate Level of Unrestricted Fund Balance in the General Fund GFOA October 2009*

FINANCIAL POLICIES

Reserve goals are as follows:

Name	Minimum	Basis
General Fund	Goal of no less than two months of city operating costs or at least 20% of budgeted General Fund operating expenditures	To create a reserve that will allow the City to continue providing acceptable service levels during emergencies and economic downturns while maintaining adequate liquidity to make all payments without short term borrowing.
Internal Service Funds Fleet Replacement, Facilities Replacement Technology Replacement	As determined by the City Manager pursuant to established replacement plans and Council reserve policies	Accumulation of reserves within these discreet internal service funds will ensure timely replacement of City assets.
Internal Service Funds Risk Management General Liability	$1,000,000	The City is self-insured and therefore it is prudent to set aside reserves with this internal service fund for unforeseen claims.

The annual budget presented by the City Manager is required to include a recommendation for the amounts to be appropriated to these Reserves.

In times of economic downturn, if revenues are insufficient to meet the normal operating requirements of essential services, funds contained in the Reserve may be used if authorized by the City Council, based on the following principles:

1. Staffing levels in essential services shall be temporarily maintained, in order to avoid or reduce the necessity for immediate lay-offs: only in extreme conditions will reserves be used to support operational positions for longer than two years;
2. A hiring freeze must be implemented for designated positions as appropriate to maintain essential services to the public;
3. All other reasonable and available expenditure reduction measures have been taken by the City Manager and the City Council before using one-time funding to support operational positions;
4. User fees and services charges will be fully utilized for those services for which they were collected;
5. The level of the Reserve shall be restored in a timely manner as economic recovery occurs, consistent with the maintenance of essential services:
6. “Essential services”, “appropriate levels” of such services, and “extreme conditions” shall be determined from time to time by the City Council upon the recommendation of the City Manager.

FINANCIAL POLICIES

Investment Policy

The City of Hayward incorporates a prudent and systematic investment process and investment related activities are formalized in Annual Statement of Investment Policy. The primary objectives of the policy, in order, are safety, liquidity, and yield. City policy requires diversification of the investment portfolio, in order to reduce the risk of loss resulting from over concentration of assets in a specific maturity, issuer, or class of securities. An Investment Advisory Committee is appointed by the City Manager to oversee the City's investment program and assure it is consistent with the investment policy as approved by the Council. The committee meets quarterly to monitor portfolio performance and consider changes in strategy and investment policy. The policy is approved annually by the City Council at a public meeting. The Director of Finance provides periodic reporting to the Committee and to City Council on the status of City cash and investments.

Debt Issuance and Management Policy

The City of Hayward has developed a comprehensive debt management policy. The following parameters are to be considered before debt issuance:

1. The purposes for which debt may be issued shall be approved by City Council.
2. Legal debt limitations or limitations established by policy, including limitations on the pledge of the issuer's general credit, shall be calculated.

    - The City is bound by a provision in state law limiting indebtedness for California cities to 15% of the assessed value of all real and personal property of the city. This statutory limitation applies to bonded indebtedness of the City payable from the proceeds of taxes levied on property.

3. Types of debt permitted to be issued are:
    - short-term and long-term debt
    - general obligation and revenue debt
    - capital and variable rate debt
    - lease-backed debt, such as certificates of participation
    - special obligation debt such as assessment district debt
    - pension obligation bonds
    - conduit issues
    - State Revolving Loan Funds and Pools
    - inter-fund borrowing
    - taxable and non-taxable debt

4. Prior to the issuance of any debt, the funding source for the debt service is identified and designated. The level of debt to which the City obligates itself is managed within available resources and represents a minimal cost to general taxpayers.
5. Except in extreme conditions as defined by Council, the issuance of new debt should not in and by itself jeopardize or lower the City’s bond ratings.
6. To the extent possible, the City plans the issuance of new debt to occur when resources are made available by the retirement of an existing obligation. By managing the timing of new debt, current City operations are not affected.
7. Authorized methods of sale shall be considered on a case by case basis, including

competitive sale, negotiated sale, and private placement.
8. Method of selecting outside finance professionals shall be consistent with the City's procurement practices.
9. Compliance with federal tax law provisions, such as arbitrage requirements.

In order to be an effective management tool, the parameters of the debt issuance and management must be compatible with the City's goals pertaining to the capital improvement program and budget, the long-term financial plans, and the operating budget. Debt parameters should strike an appropriate balance between establishing limits on the debt program and providing sufficient flexibility to respond to unforeseen circumstances and new opportunities. Finally, the Director of Finance should consider debt parameters on a given issuance, and the debt program should be continuously monitored to ensure that it is in compliance with these parameters.

Debt Disclosure Policy

The City of Hayward intends to comply with all applicable federal and state securities laws. The following policy is establishing disclosure requirements for new debt issuance and continuing disclosure for ongoing debts.

Disclosure Requirements for New Debt Issuance

1. The Director of Finance will act as the City's Disclosure Coordinator and shall review any Official Statement prepared in connection with any debt issuance by the City to ensure there are no misstatements or omissions of material information in any sections that contain descriptions of information prepared by the City.
2. In connection with this review of the Official Statement, the Disclosure Coordinator shall consult with third parties, including outside professionals assisting the City, and all members of City staff, to the extent that the Disclosure Coordinator concludes they should be consulted so that the Official Statement will include all "material" information (as defined for purposes of federal securities law).
3. As part of the review process, the Disclosure Coordinator shall submit all Official Statements to the City Council for approval through a formal staff report.
4. The approval of an Official Statement by the City Council shall not be approved as a consent item. The City Council shall undertake such review following consultation with the Disclosure Coordinator, to fulfill the City Council's responsibilities under applicable federal and state securities laws. In this regard, the Disclosure Coordinator shall consult with the City's disclosure counsel to the extent the Disclosure Coordinator considers appropriate.

Continuing Disclosure Requirements for Ongoing Debts

1. Under the continuing disclosure undertakings that the City has entered into in connection with its debt offerings, the City is required each year to file annual reports with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system. Such annual reports are required to include updated financial and operating information, the City's audited financial statements and file notices of certain events in EMMA.
2. The Disclosure Coordinator is responsible for establishing a system by which:
    - the City will make the annual filings required by its continuing disclosure undertakings on a complete and timely basis, and

- the City will file notices of enumerated events on a timely basis.

When the City makes statements or releases information relating to its finances to the public that are reasonably expected to reach investors and the trading markets, the City is obligated to ensure that such statements and information are complete, true, and accurate in all material respects.

The Disclosure Coordinator shall ensure that the members of the City staff involved in the initial or continuing disclosure process and the City Council are properly trained to understand and perform their responsibilities. This training and understanding shall include Disclosure Procedures, the City's disclosure obligations under applicable federal and state securities laws and the disclosure responsibilities and potential liabilities of members of the City's staff and members of the City Council.

Charges and Fees Policy[3]

The City of Hayward supports the use of charges and fees as a method of funding governmental services. The following policy is established regarding the charge and fee setting process:

1. Hayward intends to recover the full cost of providing goods and services as appropriate. Circumstances where a charge or fee is set at less than 100 percent of full cost shall be considered and approved by City Council.
2. Charges and fees should be reviewed and updated periodically based on factors such as the impact of inflation, other cost increases, the adequacy of the coverage of costs, and current competitive rates.
3. It is intended that there be a direct relationship between the amount paid and the level and cost of the service received.
4. Information on charges and fees will be made available to the public. This includes the City's policy regarding setting fees and charges based on full cost recovery and information about the amounts of charges and fees, current and proposed, both before and after adoption.
5. The use of service charges and fees as a source of funding service levels is especially appropriate under the following circumstances:
   a. The service is similar to services provided through the private sector.
   b. Other private or public sector alternatives exist for the delivery of the services.
   c. Expedited or unusual handling or service is requested by the person or entity paying the fee.
   d. The service is regulatory in nature and voluntary compliance is not expected to be the primary method of detecting failure to meet regulatory requirements. Building permit, plan checks, and subdivision review fees for large projects would fall into this category.
6. The following general concepts will be used in developing and implementing service charges and fees:
   a. Fees structures must comply with Proposition 26 (or its replacement) – and revenues should not exceed the reasonable cost of providing the service.

---

[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

4

- John Vogt, *Capital Budgeting and Finance: A Guide for Local Governments*,(Washington, D.C.: International City/County Management Association, 2004)
- Nicole Westerman "Managing the Capital Planning Cycle: Best Practice Examples of Effective Capital Program Management," *Government Finance Review* 20, no. 3 (June 2004).
- GFOA Recommended Practices: *Establishing the Useful Life of Capital Assets* (2002); *Establishment of Strategic Plans* (2005)

f. Recognize the non-financial impacts of the project (e.g., environmental) on the community.

Internal Service Maintenance & Capital Replacement Policy

The City of Hayward maintains internal service funds for facilities, fleet, and technology. These funds create a system for planning, budgeting, and periodic assessment of capital maintenance/replacement needs. The following actions are considered in these assessments:

1. Develop and maintain a complete inventory of all capital assets and related cost.
2. Perform periodic measurement of the physical condition of all existing capital assets including estimated remaining useful life of assets.
3. Establish condition/functional performance standards to be maintained for each category/component of capital assets. Use these standards and a current condition assessment as a basis for multi-year capital planning and annual budget funding allocations for capital asset maintenance and replacement.
4. Develop financing policies for capital maintenance/replacement that encourage a high priority for those capital programs whose goal is maintaining the quality of existing assets.
5. Allocate sufficient funds in the ten-year capital improvement plan and annual operating budgets for routine maintenance, repair, and replacement of capital assets in order to extend the useful life of these assets and promote a high level of performance throughout the target period.
6. Periodically, report on long-lived capital assets, including:
   - Condition ratings jurisdiction-wide
   - Condition ratings by geographical area, asset class, and other relevant factors
   - Indirect condition data (e.g., work orders, repeat repairs)
   - Replacement life cycle(s) by asset type
   - Year-to-Year changes in net asset value
   - Actual expenditures and performance data on capital maintenance compared to budgeted expenditures performance data (e.g., budgeted improvements compared to actual)

BUDGET PRACTICES

BUDGET PRACTICES

Budget Basis

The City of Hayward operates on a fiscal year, which begins July 1 and concludes on June 30. The annual operating budget is adopted on or before the end of June for the upcoming fiscal year.

The budget resolution, adopted annually by the City Council, and administered by the City Manager, authorizes appropriations at the fund level. The appropriations are distributed to various budget programs according to the budget document.

On July 1, the adopted budget is authorized for expenditure. During the fiscal year, total City expenditures may not legally exceed the amount appropriated for the year. The only exception is if a resolution is approved by the City Council, amending or supplementing the budget. In addition, Council must approve the transfer of appropriations between funds.

On June 30, at the conclusion of the fiscal year, all remaining operating budget appropriations lapse; to the extent they have not been expended or encumbered.

Budget Control

Appropriations of fiscal resources are the responsibility of the City Council and City Manager.

Appropriations requiring Council action include:

- Expenditures from Reserves or Designated Fund Balances.
- New appropriations, not approved in the adopted budget.
- Any contract for professional service included in the annual budget that will cost more than $25,000 shall be executed by the City Manager only upon approval of the contract by the City Council given at a meeting of the City Council.
- Transfers between funds.

Appropriations requiring City Manager action include:

- Any monies received during the fiscal year as a consequence of a grant application approved by the City Council are hereby appropriated for the purposes for which the grant has been approved. Such appropriation includes authorization for the City Manager to expend such monies and for the Director of Finance to make payments therefore in accordance with the terms and conditions and for the purposes of the grant.

City Departments perform the following budgetary control functions.

- Review purchase transactions and payment requests for compliance with City rules, regulations, and budgetary limits.
- Administer the City's payment system to review, process, and pay purchasing transactions and expense claims.
- Receive and deposit all City receipts, portions of which may be invested by the Director of Finance.
- Maintain records for all these transactions and their effect on cash balances.
- Maintain a position control system, based on the budget, to control City staffing.
- Administer the City's payroll system to process personnel transactions and to review and pay personnel expenses.

BUDGET PRACTICES

Monthly financial reports on budget performance are reviewed by department managers. Staff is responsible for reviewing financial reports and identifying budget problems and recommending corrections.

Legal control of the budget is at the fund level, while supervisory control is maintained at the department level. Grant funds are reviewed by their project managers at the project level.

All City purchase orders are centrally reviewed by Finance prior to issuance to determine if funds are available.

Oversight & Internal Controls

A system of internal controls has been implemented by the Director of Finance to prevent loss of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the City.

Accounting for the Budget

The budget conforms to Generally Accepted Accounting Principles (GAAP).

Expenditures in the City's governmental fund types are recorded using the “modified accrual” basis. This means that obligations of the City are accrued, or treated as expenditures, in the year of the commitment to purchase. Revenues are recorded when they are received, or are “accrued” if they are both measurable and available to finance expenditures of the current period.

For proprietary fund types, the “full accrual” basis is employed wherein revenues are recognized in the period in which they are actually earned.

The encumbrance system serves as an extension of the City's budgetary process. Purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances outstanding at year-end are treated as reservations of fund balances, and are automatically re-appropriated for inclusion in the following year's budget.

The City prepares financial statements annually in compliance with generally accepted accounting principles (GAAP) for governmental entities, using the basis described above.

The financial statements, which are audited by an independent certified public accountant, are generally available approximately six months after the June 30 close and are contained in the City's Comprehensive Annual Financial Report.

THIS PAGE INTENTIONALLY LEFT BLANK



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.

THIS PAGE INTENTIONALLY LEFT BLANK



Finance Department, 777 B Street, Hayward, CA 94541
www.Hayward-CA.gov