

Attachment VI: Cost Saving and Efficiency Measures

Key:

Likely	In-Progress/More Research Needed	Not Recommended
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Expense Reduction	Decrease in Cost	Notes
Navigation Center	\$1.6 Million Annual (ONGOING)	Reductions in program costs due to economies of scale with Regis Village project and ongoing grant funding, with no impacts to anticipated outcomes.
Remove FY 26/27 OPEB Trust Transfer	\$1.5 Million Annual (ONE-TIME)	Remove the annual contribution to the City's OPEB trust accounts from the budget.
Rephase non-critical capital projects. Delay or scale back lower-priority CIP projects to free cash flow for operations.	To-Be-Determined (ONE-TIME)	All General Fund CIP projects are being evaluated with the directive of delaying non-essential projects. For context, the General Fund only supports about 2%-3% of annual CIP budget.
Executive Concessions	\$250,000 Annual (ONGOING)	Executives and unrepresented employees do not receive COLAS.
Vacancy Management/Maintain FY26 VSIP/Layoffs	\$8,231,453 Annual (ONGOING)	These positions will continue to be held vacant.
Overtime Management	(ONGOING)	The City is on track to stay within the OT budget for FY26, which is a 25% reduction from the FY25.
Reduce Janitorial Services at City Hall	\$160,000 Annually (ONGOING)	A new janitorial contract was issued December 2025. The scope and service was refined, resulting in an annual savings of \$160,000.
Fire Department Non-Sworn 100% Cost Recovery	To-Be-Determined (ONGOING)	Costs and fees are being reviewed and analyzed for complete cost recovery.
Restructure Hayward Jail Operations/Other Police Departmental Savings	\$1.7 Million Annually (ONGOING)	Reductions associated with pausing hiring and downsizing jail operations.

Continue Hayward Police Department Overtime Savings – Shift Change	\$2 Million Annual (ONE-TIME/ONGOING)	This will require negotiations and agreements from labor partners
Continue Hayward Fire Department Overtime Savings – Minimum Staffing	\$4 Million Annual (ONE-TIME)	This will require negotiations and agreements from labor partners
Furlough Hours (Non-Sworn)	40 hours - \$960,293 80 hours - \$1.92 Million (ONE-TIME)	This will require negotiations and agreements from labor partners.
Forgo FY2026-27 COLAs	\$3.48 Million if All Labor Groups Forgo (ONE-TIME)	This will require negotiations and agreements from labor partners.
Ensure Employee Time/Wages are Properly Charged to Enterprise Funds When Applicable	To-Be-Determined (ONGOING)	Staff is actively reviewing with a target completion of March.
Analyze/Increase Technology Fee in the Master Fee Schedule	To-Be-Determined (ONGOING)	Staff is actively reviewing for the FY 2027 fee schedule.
Analyze Current Information Technology Internal Service Fund Methodology to Ensure Proper Allocation to Departments	\$100,000 per 1% shift to non-general funds. (ONGOING)	Staff is actively reviewing for the FY 2027 budget.
Pause Measure C Projects	To-Be-Determined (ONE-TIME)	Two of the three Measure C projects were delayed indefinitely (Jackson and Harder Median projects) and the Measure C contribution to the La Vista project was reduced by 80%.
City Council and Mayor Reduce Salaries by an additional 5%	To-Be-Determined, but Minimal (ONGOING)	Would require Council action.

Technology Enhancements & Investments	Efficiency Measure	Information Technology will continue to explore methods to use technology to improve efficiency. Active research areas include: pre plan review, staff report generation, automated note taking and meeting minute creation, first responder drone technology, and Permit Center virtual queue and dashboard.
Two Council Meetings per Month	Efficiency measure	Given reductions in workforce, consider actions that reduce ongoing staff time. Would require Council approval.
Consolidate Committee Meetings	Efficiency measure	Given reductions in workforce, consider actions that reduce ongoing staff time. Would require Council approval.
Adopt a Citywide Compensation Philosophy to Create Equity and Better Define what “Market” Means in Hayward	Process Improvement	This is an active project in the Human Resources Department.
Examine Airport Administration for Efficiency Increases and Operational Reductions	No Savings to the General Fund	Hayward Executive Airport is an enterprise fund, and any savings are not shared with the General Fund.
Payroll Process Review and Analysis	Process Improvement	This is an active project in the Finance Department, with a priority of first fully staffing in the Payroll Division.
Modifications to Military Leave to Prevent Overpayment Above State and Federal Requirements	To-Be-Determined (ONGOING)	Human Resources is currently investigating rewriting existing City resolutions regarding military leave to offer better clarity.
Reduce Consultants and Outside Contractors – Freeze Non-Essential Consulting Contracts and Transition Work In-House Where Possible	To-Be-Determined (ONGOING)	Staff will continue prioritize completing work in-house without the use of outside consultants whenever possible.

Cut Temporary Staff	To-Be-Determined (ONGOING)	Where possible, temporary staff have been released.
Pause Community Events, Sponsorships, and Grants to Community Organizations	To-Be-Determined (ONE-TIME/ONGOING)	This work has been fully paused and will continue to be paused in FY 2027.
Pause Spending Related to Travel, Training, and Memberships Unless Required for Job, and Make Training Online if Possible	To-Be-Determined (ONE-TIME/ONGOING)	This pause has been in place since August 2025.
Reduce Contribution to Worker’s Compensation Fund to FY 2026 Level	\$3.7 Million Annually (ONE-TIME)	Underfunding this fund could increase the risk of unbudgeted costs from claims.
Additional 1-2% Reduction in General Fund Departmental Costs	\$2.5 - \$5 Million Annual (ONGOING)	Another across the board departmental cut would include layoffs and significant service impacts to City services.
Using the Purchase of Service Credit or “Golden Handshakes” to Reduce Staff Levels	To-Be-Determined (ONGOING)	Staff is working with CalPERS to attain an actuarial report. This is likely to have a greater cost than savings and could further impact service levels.
Stop Allowing Take Home Cars for so Many People	No Savings	For non-sworn departments, take home vehicles are limits to on-call employees. Sworn departments are actively reviewing take home cars and have already made initial changes to reduce impact.
Pursue Liability Damages in CIP Contracts	(ONE-TIME)	Work is ongoing regarding this suggestion, but it is an extremely complicated and nuanced issue.
Pause Contribution to Fleet and Technology Services Fund	(ONE-TIME)	These are core operational costs that are needed to run the infrastructure of the City (public safety, finance, revenue, etc.). Staff will work closely to ensure the budget is aligned to the

		need and those departments are evaluating costs closely.
Software Changes – Switch to Adobe from DocuSign	No Savings	Annual cost of DocuSign is much less than Adobe.
Eliminate Hayward Navigation Center	\$2.185 Million Annually (ONGOING)	Complete elimination of the Center would result in 25-30 additional unhoused on City streets every day. It would also prevent the City from receiving already approved grants.
Eliminate LINK program (part of HEART)	\$700,000 Annually (ONGOING)	The LINK program is the primary referral tool that HPD and other departments use for individuals with mental health challenges, and gives Hayward an entry into County services.
Eliminate the Hayward Jail Program	\$3 Million Annually (ONGOING)	This would increase other Police Department costs and would have major impacts on service delivery.
Expand Adopt-a-Block / Address Nuisance Properties by Utilizing the Clean and Green Commission	To-Be-Determined, but Minimal (ONGOING)	Members of the C&G Commission do not regularly attend subcommittee meetings and volunteer outreach opportunities, adding additional responsibilities to this group may not be productive.
Transition non-sworn employees to a 4-Day/32 Hour Work Week	\$7.35 Million (ONGOING)	This would require labor agreement and would impact service delivery to the community by reducing staff hours by 10%. The corresponding reduction in pay could result in employees leaving the organization.
Transition to 4/10 Work Week and close City Hall on Fridays	Minimal Savings on Facilities Costs (ONGOING)	This would require labor agreement and would impact service delivery to the community with minimal savings

Require Staff to Take Time Off During Business Closures	To-Be-Determined (ONGOING)	This would require labor agreement since it is not in line with the current practice and understanding of business closures.
Explore Merging the Library with Alameda County	To-Be-Determined	More research is needed to determine feasibility and possible cost savings.
Bilingual Pay Inequities – Some Staff are Burdened with Requests While Others Are Not, Yet All Receive the Benefit	To-Be-Determined, but Minimal (ONGOING)	Due to lack of staff capacity, staff does not recommend pursuing at this time. Any changes to the bilingual pay program would require labor agreement and the cost savings would be minor.
Eliminate SWAT Program	To-Be-Determined (ONGOING)	For public safety reasons, this is not recommended due to significant emergency and crisis training benefits beyond just use by the SWAT program and minimal to no savings, depending on use of the County program.
Business License Software – Put Revenue Division on Energov	No Savings	While there may be process benefits from this change, Revenue’s current business license software is much cheaper than Energov and no savings would be realized.