


**SPECIAL CITY COUNCIL MEETING
TUESDAY, JUNE 9, 2020**

PRESENTATIONS

ITEM 4 – WS 20-027

FY 2021 Operating Budget Work Session #1



**FY 2021
Proposed Operating Budget
Work Session #1**

FY 2021 Budget Process



June 2

FY 2021
Proposed
Budget
Update



June 6

Proposed
FY 2021
Budget
Delivered to
Council



June 9

Operating &
CIP Budget
Work
Session #1



June 16

Operating &
CIP Budget
Work
Session #2



June 23

Public
Hearing on
Operating
& Capital
Improvement
Program
Budgets
(and
possible
adoption)

Full FY2021 Proposed Budget Document available online at:

<http://www.hayward-ca.gov/your-government/documents/budget-documents>

Strategic Roadmap Update

- Adopted on January 28 , 2020
- Development of Metrics:
 - Community Indicators
 - Measure of Success
- June 2020 Update:
 - Due to the subsequent COVID-19 pandemic and economic contraction, the City's focus and financial outlook have changed.
 - Anticipate some projects for Year 1 will be amended or postponed.



Proposed General Fund Projection - June 2, 2020

\$ in 1,000s	FY 2020 Mid Year	Updated FY 2020 Projection	FY 2021 Proposed Budget
Total Revenues	\$175,950	\$167,036	\$166,315
Total Expense	\$177,800	\$178,801	\$167,479
Beginning Fund Balance	\$36,877	\$36,877	\$25,112
Change in Res-Surplus/(Shortfall)	(\$1,849)	(\$11,765)	(\$1,164)
Projected Ending Fund Balance	\$35,028	\$25,112	\$23,948
Fund Balance as a Percentage of GF Expenditures	19.7%	14.0%	14.3%

General Fund Impacts

Revenues

Overall projected decrease of \$9.6M over FY 2020 Mid-Year, and \$6.1M over FY 2020 Adopted:

Key Drivers

- Sales Tax
 - Decrease of 15.6%
- Real Property Transfer Tax (RPTT)
 - Decrease of 12.9%
- Transient Occupancy Tax (TOT)
 - Decrease of 30.8%
- Projected FEMA Reimbursement and Grants

Expenditures

Overall proposed decrease of \$10.3M over FY 2020 Mid-Year; and \$4.6M over FY 2020 Adopted:

Key Strategies

- Furlough / COLA Deferral
- Deferral of planned OPEB ARC payment
- 6-Month Hiring Freeze
- Deferral of contributions towards capital projects & capital purchases in Internal Service Funds
- Reduction in supplies and services
- Program Reductions
- Reduction in Debt Service contribution

Updated General Fund Projection – June 9, 2020

\$ in 1,000s	FY 2020 Mid Year	Updated FY 2020 Projection	FY 2021 Proposed Budget
Total Revenues	\$175,950	\$167,036	\$166,315
Total Expense	\$177,800	\$178,801	\$167,479
Additional Changes			
Removal of Proposed Layoffs			1,248
Additional Employee Savings - Furlough / COLA Deferral			(225)
			1,023
Beginning Fund Balance	\$36,877	\$36,877	\$25,112
Chng in Res-Surplus/(Shortfall)	(\$1,849)	(\$11,765)	(\$2,187)
Projected Ending Fund Balance	\$35,028	\$25,112	\$22,926
Fund Balance as a Percentage of GF Expenditures	19.7%	14.0%	13.7%

Next Steps

- Budget and CIP Work Session #2 at the **June 16, 2020** Council Meeting
- Public Hearing and potential Operating and CIP Budget Adoption will be **June 23, 2020** Council Meeting
- Adoption at the **June 30, 2020**, if not approved at previous meeting

Questions?

ITEM 5 – WS 20-024

**REVIEW OF CAPITAL IMPROVEMENT
PROGRAM FOR FY 2021 - FY 2030**

FISCAL YEARS 2021 -2030 RECOMMENDED CAPITAL IMPROVEMENT PROGRAM

City Council Work Session
June 9, 2020

Alex Ameri, Director of Public Works



COVID-19 Response

Recommended Deferment = **\$6.842M**

Fund	Project Description	Recommended FY21 Deferment (in 1,000's)
Projects funded by General Fund		
405	South Hayward Youth and Family Center	(2,000)
405	Cardiac Monitor Replacement	(92)
405	Breathing Apparatus Replacement	(108)
405	Lucas Device Replacement	(70)
405	Fire Radio Replacement	(165)
405	Integrated Fleet Cameras	(150)
726	Roof Repair/Replacement	(40)
726	Exterior Painting of City Facilities	(115)
726	City Facility Update	(100)
726	Facility Security Infrastructure	(75)
726	Workplace Reconfiguration /Remodel	(50)
731	Public Safety Mobile Replacement Project	(50)
731	GIS Improvements	(25)
731	Rotunda AV	(75)
731	City Video Monitoring System	(50)
731	Inventory / Asset Management (NEW)	(65)
736	Fire Fleet Replacement	(990)
736	GF/ISF Fleet Replacement	(460)
736	Police Fleet Replacement	(780)
General Fund Projects Subtotal		\$5.46M

+ additional **\$1.382M** in recommended deferments to reduce impact to Enterprise and other funds

FY21 Recommended CIP Budget: \$59M

Ten-Year CIP Total: \$457M

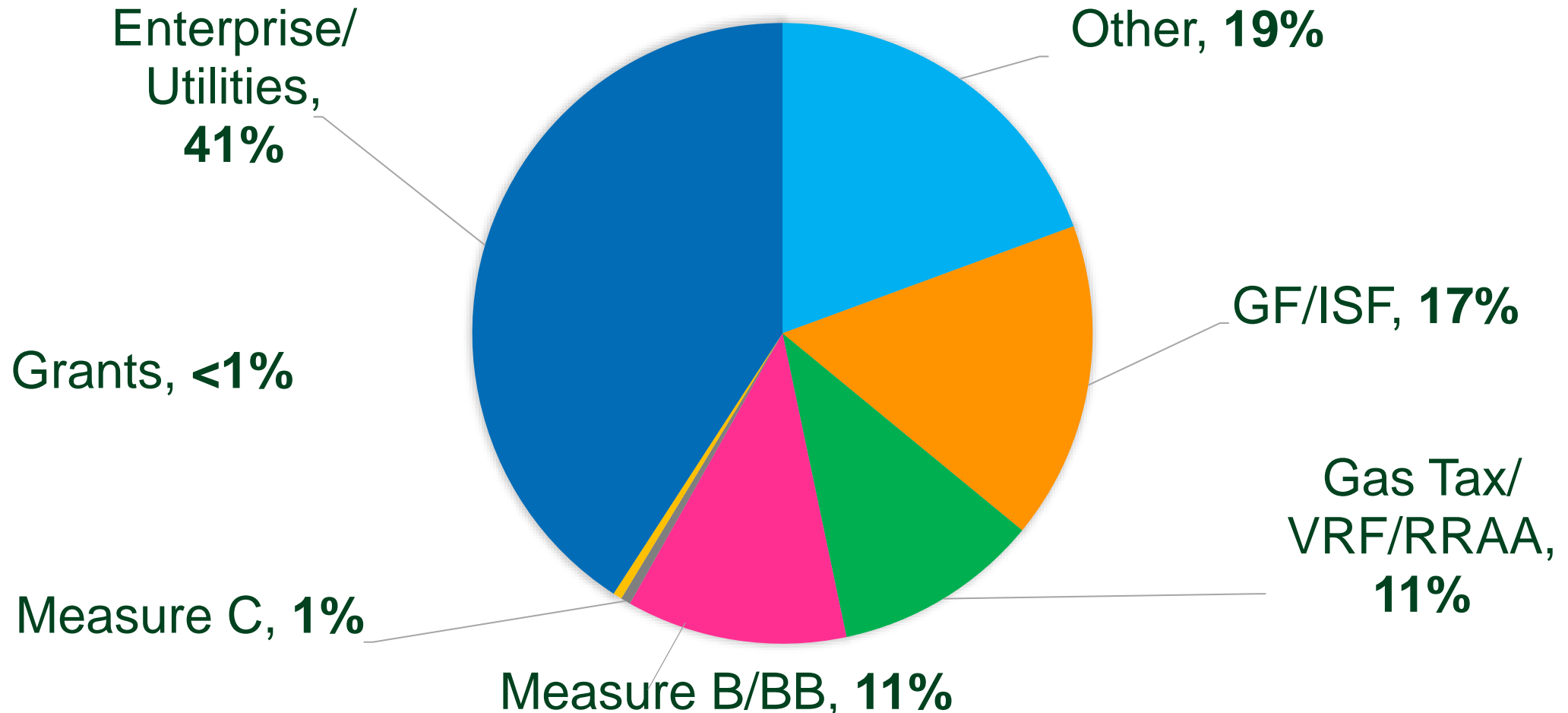
GF Transfers

CIP Fund	FY 2020 GF Transfer	FY 2021 GF Transfer	Increase/(Decrease) from FY 2020 CIP
405/Capital Projects	\$640,000	\$15,000	(\$625,000)
460/Transportation System Improvement	\$350,000	\$400,000	\$50,000
726/Facilities Management Capital	\$360,000	---	(\$360,000)
731/Information Technology Capital	\$700,000	\$435,000	(\$265,000)
736/Fleet Management Capital	\$35,000	---	(\$35,000)
Total Cost to General Fund	\$2,085,000	\$850,000	(\$1,235,000)

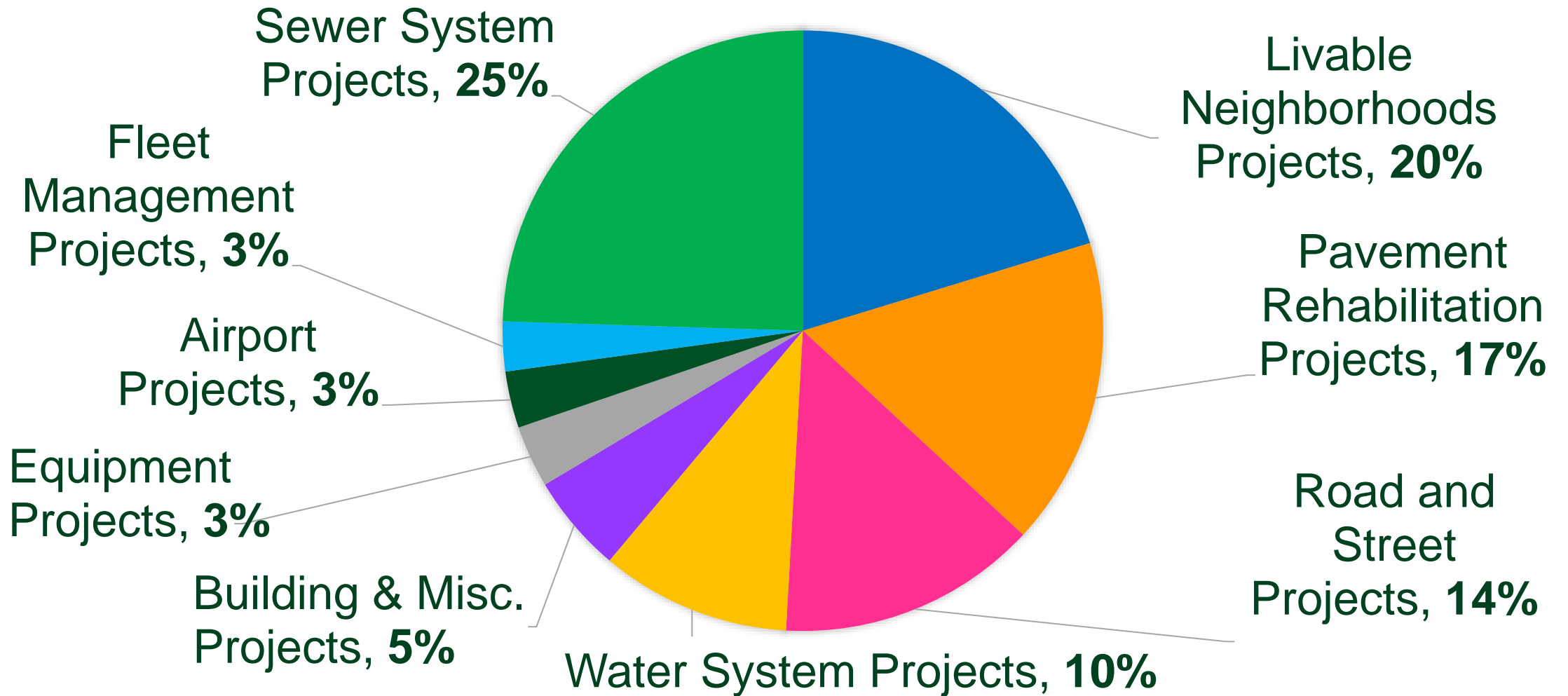
ISF Transfers

CIP Fund	FY 2020 ISF	FY 2021 ISF	Increase/(Decrease) from FY 2020 CIP
726/Facilities Management Capital	\$225,000	\$300,000	\$75,000
731/Information Technology Capital	\$756,000	\$756,000	---
736/Fleet Management Capital	\$2,325,000	\$500,000	(\$1,825,000)
Total ISF	\$3,306,000	\$1,556,000	(\$1,750,000)

FY 2021 CIP Project Cost by Funding Source



FY 2021 CIP Expenditures by Category



Livable Neighborhoods

- La Vista Park
- Hayward Blvd Traffic Calming Feasibility Study
- FY21 New Sidewalk Program



Road & Streets

- Mission Blvd Phase 2
- Mission Blvd Phase 3
- Main Street Complete Street Project



Pavement Rehabilitation

- FY21 Pavement Rehabilitation Program
- Related Strategic Roadmap Project
 - *OHHA Pavement Program*



Buildings & Miscellaneous

- Fire Station No. 6 & Training Center
- Trash Capture Device installation



Sewer System

- FY21 Sewer Line Replacement
- WPCF Headworks Bar Screens
- WPCF Facilities Plan Phase II (& Nutrient Management Plan)
- Recycled Water Project Phase 1





Water System

- Cast Iron Water Pipeline Replacement
- FY21 Water Line Replacement Project



Fleet Management

- Fleet replacement across various divisions
- Related Strategic Roadmap Projects
 - *Transition 15% of Fleet to EV/Hybrid Models*
 - *Expand EV Charging Infrastructure*





Equipment

- Fiber Optic Line Maintenance/Repair
- Network Server Replacement Project
- Other misc. equipment implementations across various Departments



Airport

- Sulphur Creek Mitigation Project
- Airplane Hangar Improvements
- Skywest Property Facilities Plan*
**Not yet in CIP*





Identified & Unfunded Capital Needs

Technology Services:	\$0
Fleet:	\$600,000
Miscellaneous:	\$850,000
Airport:	\$16,500,000
Facilities and Equipment:	\$189,450,000
Street and Transportation:	<u>\$201,502,000</u>
Total:	\$408,902,000

**HAYWARD
STRATEGIC
PRIORITIES**



Preserve, Protect & Produce Housing

Grow the Economy

Combat Climate Change

Improve Infrastructure

Improve Organizational Health

Support Quality of Life

Project 2
GATEWAY & CORRIDOR
LANDSCAPE PROJECTS

Project 12
LA VISTA PARK

Project 17
MODERNIZE TECH
& SYSTEMS

Project 18
TRANSITION TO
WEB-BASED PLATFORMS

Project 1
DOWNTOWN PARKING PLAN

Project 2.A
HAYWARD BLVD FEASIBILITY STUDY

Project 5.B
OHHA PROGRAM

Project 7
MISSION BLVD IMPROVEMENTS

Project 9
EXPAND EV INFRASTRUCTURE

Project 11.B
SULPHUR CREEK PROJECT

Project 12
FIRE ST. NO. 6 & TRAINING CTR

Project 17.A
TRASH CAPTURE DEVICES

Project 18
RECYCLED WATER
PROJECT

Project 7
TRANSITION 15% OF
CITY FLEET TO
EV/HYBRID

Project 5
RTE 238 DISPOSITION
& DEVELOPMENT

Proposed changes to the Published Recommended FY 2021 – FY 2030 CIP

Route 238 Corridor Improvement Fund 410 –

Revise Mission Blvd Phase 3 total to \$16M, restoring fund to \$174K balance

Water Improvement Fund 604 –

Revise annual SCADA* upgrade project budget to \$60,000

Enterprise Fleet Replacement Fund 737 –

Reduce Stormwater Fleet spending by \$350,000 and transfer \$180,000 citation revenue to General Fund

*Supervisory Control and Data Acquisition

Funding Shortfalls

Capital Projects Fund 405 –

Construction tax and planning fee revenue transfers increased by \$125,000 to fund required expenditures

Measure C Fund 406 –

Fire Station No. 6 & Fire Training Center's revised cost estimate of \$76M is causing a \$15.1M shortfall to the fund

Recommendation

That Council review and provide comments on the Recommended
FY 2021 – 2030 CIP

