

CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov



CITY OF
HAYWARD
HEART OF THE BAY

Agenda

Monday, April 17, 2017

4:00 PM

City Hall, Conference Room 4A

Council Budget and Finance Committee

CALL TO ORDER

ROLL CALL

PUBLIC COMMENTS:

(The Public Comment section provides an opportunity to address the City Council Committee on items not listed on the agenda as well as items on the agenda. The Committee welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the City or are within the jurisdiction of the City. As the Committee is prohibited by State law from discussing items not listed on the agenda, any comments on items not on the agenda will be taken under consideration without Committee discussion and may be referred to staff.)

REPORTS/ACTION ITEMS

1. [MIN 17-055](#) Approval of Meeting Minutes March 20, 2017

 Attachments: [Attachment I Draft Minutes March 20, 2017](#)

2. [RPT 17-061](#) Discussion on Mayor & City Council Department Budget

 Attachments: [Attachment I Staff Report](#)
 [Attachment II Financial Summary](#)
 [Attachment III Budget Narrative](#)

3. [RPT 17-062](#) Discuss the Review of the CIP Plan in Future Years and Review
 the May 20, 2017 Budget Work Session Schedule

 Attachments: [Attachment I Staff Report](#)
 [Attachment II Calendar Work Session](#)

4. [RPT 17-059](#) FY 2017 Meeting Schedule & Work Plan

 Attachments: [Attachment I FY 2017 Meeting Schedule & Work Plan](#)

FUTURE AGENDA ITEMS

COMMITTEE MEMBER/STAFF ANNOUNCEMENTS AND REFERRALS

ADJOURNMENT

NEXT REGULAR MEETING - 4:00PM, WEDNESDAY, MAY 17, 2017



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: MIN 17-055

DATE: April 17, 2017

TO: Council Budget and Finance Committee

FROM: Director of Finance

SUBJECT

Draft Meeting Minutes from March 20, 2017 Regular Meeting

RECOMMENDATION

That the Committee approves the meeting minutes from the March 20, 2017 Regular Meeting.

ATTACHMENT

Attachment I Draft Minutes March 20, 2017



COUNCIL BUDGET & FINANCE COMMITTEE MEETING
Meeting Minutes of March 20, 2017

Call to Order: 4:06 pm

Members Present: Mayor Halliday, Councilmember Lamnin and Councilmember Salinas

Members Absent: None

Staff: Kelly McAdoo, Maria Hurtado, and Dustin Claussen

Guests: None

Public Comments: No public comments.

1. **Approval of Meeting Minutes March 1, 2017.** *Action: unanimous approval as submitted.*
2. Councilmember Lamnin would like more detail in minutes and use of bullet points.
3. **Annual Review of City Issued Debt**
 - A.V. discussion.
4. **Annual City Benefit Liabilities and Funding Plan Review**
 - PERS discount rate
 - Normal rate
 - Employee share
 - Goal impacts of bringing all groups above 70%
 - OPEB
 - ARC discussion.
 - Unfunded liabilities vs. Building reserves
 - Benefits offered by City
 - Timeline of cost share agreements offered by labor groups
5. **FY 2018 budget framework**
 - Saturday worksession
 - FY 2017 goals and accomplishments.
 - Goals and how they support council priorities and initiatives.

6. FY 2017 Meeting Schedule & Work Plan. None.

Committee Members/Staff Announcements and Referrals: None.

Adjournment: The meeting was adjourned at 5:42 pm



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: RPT 17-061

DATE: April 17, 2017

TO: Council Budget and Finance Committee

FROM: Director of Finance

SUBJECT

Discussion on Mayor & City Council Department Budget

RECOMMENDATION

That the Committee reviews and provides comment on the proposed FY 2018 Mayor & City Council budget and narrative.

ATTACHMENT

Attachment I Staff Report
Attachment II Financial Summary
Attachment III Budget Narrative



DATE: April 17, 2017

TO: Council Budget and Finance Committee

FROM: Director of Finance

SUBJECT: Discussion on Mayor & City Council Department Budget

RECOMMENDATION

That the Committee reviews and provides comment on the proposed FY 2018 Mayor & City Council budget and narrative.

BACKGROUND & DISCUSSION

On May 2, 2017, the City Manager will present for City Council consideration the proposed operating budget, with planned adoption on June 27, 2017. For FY 2018, the City Manager and Finance Director have requested that all departments develop a baseline budget with budget allocations equal to or below those of FY 2017, unless the increased allocation can be offset by new, verifiable revenues or a like reduction in expenditures. The proposed Mayor & City Council budget was developed to comport with these guidelines.

As in prior years, each department was asked to prepare a budget narrative identifying the department's FY 2017 achievements, FY 2018 goals, and meaningful performance metrics to report on progress. The attached proposed budget narrative outlines achievements and goals suggested for inclusion in the FY 2018 budget document.

FISCAL IMPACT

Any increases in total expenditures will impact the General Fund in FY 2018.

NEXT STEPS

Committee comments will be incorporated into the proposed budget and narrative, and presented to the entire City Council for consideration on May 2, 2017.

Prepared by: Laurel James, Management Analyst

Recommended by: Dustin Claussen, Director of Finance

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', written in a cursive style.

Kelly McAdoo, City Manager

FY 2018 Mayor & City Council Proposed Budget

	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted	FY 2018 Proposed
REVENUES				
None	96	-	-	
Total Revenues	96	-	-	-
EXPENDITURES				
Salary				
Regular	272,962	192,590	191,538	191,538
Overtime	4,635	-	-	-
Benefits				
Fringe Benefits	41,519	29,207	31,264	31,264
Retiree Medical	14,400	11,445	11,445	11,445
PERS	50,622	36,321	38,783	38,783
Charges to/from other programs	-	-	-	-
<i>Net Staffing Expense</i>	384,138	269,563	273,030	273,030
Supplies & Services				
Office Supplies	632	295	2,300	2,300
Community Promotions	70	-	2,000	2,000
Printing & Postage	2,695	1,083	4,815	4,815
Dues & Subscriptions	4,729	4,534	14,285	14,285
Travel Expenses	4,533	7,443	2,000	2,000
Training	2,059	3,535	-	-
Discretionary Accounts				
Mayor			2,500	2,500
CM-01			2,000	2,000
CM-02			2,000	2,000
CM-03			2,000	2,000
CM-04			2,000	2,000
CM-05			2,000	2,000
CM-06			2,000	2,000
Miscellaneous Expenses	15,578	22,841	17,000	17,000
Internal Service Fees	56,499	70,367	68,743	68,743
<i>Net Operating Expenses</i>	86,795	110,098	125,643	125,643
Total Expenditures	470,933	379,661	398,673	398,673
General Fund Subsidy	470,837	379,661	398,673	398,673

Proposed FY 2018 Significant Budget Changes:

1. None

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.
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. Identified strategic initiatives for the City:
 - a. Complete Communities – be a community that provides multimodal access to jobs, shopping, 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 development in the Tennyson Road area.

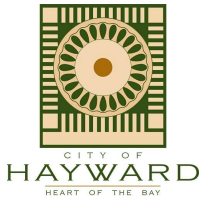
MAYOR & CITY COUNCIL DEPARTMENT

FY 2018 KEY SERVICE OBJECTIVES/GOALS

1. Continue to provide 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 partnership with the community and Hayward Unified School District to support and enhance the educational performance of Hayward's public schools.
5. 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.



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: RPT 17-062

DATE: April 17, 2017

TO: Council Budget and Finance Committee

FROM: Director of Finance

SUBJECT

Discuss the Review of the CIP Plan in Future Years and Review the May 20, 2017 Budget Work Session Schedule

RECOMMENDATION

That the Committee discusses the future review of the Capital Improvement Projects (CIP) Plan and reviews the May 20, 2017 Budget Work Session Schedule.

ATTACHMENT

Attachment I Staff Report
Attachment II Calendar Work Session



DATE: April 17, 2017

TO: Council Budget & Finance Committee

FROM: Director of Finance

SUBJECT Discuss the future review of the Capital Improvement Projects (CIP) Plan and Review the May 20, 2017 Budget Work Session Schedule

RECOMMENDATION

That the Committee discusses the future review of the Capital Improvement Projects (CIP) Plan and reviews the May 20, 2017 Budget Work Session Schedule.

BACKGROUND

The City is in the full throws of the FY 2018 budget development process. Staff is seeking to provide an opportunity for further input and feedback on the process.

DISCUSSION

DISCUSS THE FUTURE REVIEW OF THE CAPITAL IMPROVEMENT PROGRAM (CIP):

A presentation of the FY 2018 Capital Improvement Program (CIP) is scheduled for May 17, 2017 to this Committee. Historically, staff has made CIP presentations to the Budget and Finance Committee to provide the Committee an opportunity to discuss the CIP plan. On February 21, 2017, the Council established the Council Infrastructure Committee to facilitate a more in-depth review of the Capital Improvement Projects (CIP) plan, the unfunded needs, and the eventual development of a policy framework for Council consideration during the budget development process.

The Council Infrastructure Committee will meet on a quarterly basis, with the understanding that additional meetings may be necessary during the fall/spring in preparation for the CIP budget development process for the following fiscal year. The quarterly meeting schedule for the Infrastructure Committee is the 4th Wednesday of the month in January, April, July, and October from 4:00p.m. – 6:00 p.m. every year. The next Council Infrastructure Committee meeting is April 26, 2017.

Staff requests that the Budget and Finance Committee discuss options for the future review of the CIP now that the City Council established the Council Infrastructure Committee and provides staff direction.

Below are options for the Committee's consideration and discussion related to future review of the CIP Plan:

1. Present the CIP Plan to both the Budget and Finance Committee and the Infrastructure Committee separately;
2. Present the CIP Plan at a joint meeting with the Budget and Finance/Infrastructure Committees;
3. Present the CIP Plan to the Council Infrastructure Committee only and no longer take the CIP Plan to the Council Budget and Finance Committee for review; or
4. Any other option the Committee may want to discuss.

REVIEW THE MAY 20, 2017 BUDGET WORK SESSION SCHEDULE:

Attachment II provides the planned schedule for the May 20, 2017 all day Budget work session, which delineates the various department presentation times.

NEXT STEPS

Staff will continue to finalize the budget development processes to ensure a Proposed FY 2018 Budget document is presented at the Council's regularly scheduled public meeting on May 2, 2017.

Prepared and Recommended by: Dustin Claussen, Director of Finance

Approved by:



Kelly McAdoo, City Manager



MAY 20, 2017
9:00 A.M. – 5:00 P.M.

AGENDA

<u>TIME</u>	<u>TOPIC</u>	<u>LEAD</u>
9:00 – 9:20 A.M.	WELCOME & BUDGET OVERVIEW (10/10)	KELLY McADOO
9:20 – 9:50 A.M.	LIBRARY & COMMUNITY SERVICES (10/20)	SEAN REINHART
9:50 – 10:10 A.M.	MAINTENANCE SERVICES (10/10)	TODD RULLMAN
10:10 – 10:40 A.M.	PUBLIC WORKS (10/20)	MORAD FAKHRAI
10:40 – 11:00 A.M.	HUMAN RESOURCES (10/10)	NINA COLLINS
11:00 – 11:10 A.M.	BREAK	
11:10 – 11:30 A.M.	INFORMATION TECHNOLOGY (10/10)	ADAM KOSTRZAK
11:30 – 12:00 P.M.	FIRE DEPARTMENT (10/20)	CHIEF CONTRERAS
12:00 – 12:30 P.M.	LUNCH BREAK	
12:30 – 1:00 P.M.	POLICE DEPARTMENT (10/20)	CHIEF KOLLER
1:00 – 1:30 P.M.	UTILITIES & ENVIRONMENTAL SERVICES (10/20)	ALEX AMERI
1:30 – 2:00 P.M.	DEVELOPMENT SERVICES (10/20)	DAVID RIZK
2:00 – 2:15 P.M.	FINANCE (5/10)	DUSTIN CLAUSSEN
2:15 – 2:30 P.M.	CITY MANAGER'S OFFICE (5/10)	KELLY McADOO
2:30 – 2:50 P.M.	CITY ATTORNEY'S OFFICE (10/10)	MICHAEL LAWSON
2:50 – 3:05 P.M.	CITY CLERK'S OFFICE (5/10)	MIRIAM LENS
3:05 – 3:20 P.M.	BREAK	
3:20 – 5:00 P.M.	WRAP UP/ NEXT STEPS	KELLY McADOO



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: RPT 17-059

DATE: April 17, 2017

TO: Council Budget and Finance Committee

FROM: Director of Finance

SUBJECT

FY 2017 Meeting Schedule & Work Plan

RECOMMENDATION

That the Committee receives and comments on the FY 2017 Council Budget and Finance Committee Meeting Schedule & Work Plan.

ATTACHMENT

Attachment I Meeting Schedule & Work Plan



COUNCIL BUDGET AND FINANCE COMMITTEE
FY 2017 Meeting Schedule & Workplan
April 17, 2017

Meeting Location: 777 B STREET - CITY HALL - 4TH FLOOR CONFERENCE ROOM 4A
HAYWARD, CALIFORNIA

Meeting Time: 4:00 P. M.

Meeting Dates: The Council Budget & Finance Committee generally meet monthly on the 3rd Wednesday of the month, except for August, due to City Council Break. Special meetings will be scheduled as determined necessary by the Committee or the City Manager.

DATE	SUGGESTED TOPICS (subject to change)
September 28, 2016	FY 2016 annual audit process (external auditor) User Fee Study Update
October 26, 2016	Investment portfolio update (external investment manager) Review of the 2016 Community Survey Questionnaire (external consultant)
November 23, 2016 November 16, 2016 (special)	FY 2017 Statement of Investment Policy Review and Delegation of Authority General Fund Ten-Year Plan Review incl FY 2016 Preliminary YE Results FY 2018 Budget Process Plan and Development Calendar
December 28, 2016 December 21, 2016 (special)	FY 2018 Budget Development Process
January 25, 2017	Review of Proposal from Management Partners to Update General Fund Ten-Year Plan Model Discussion of FY 2018 Budget Process and Worksession Framework Update on CalPERS
February 22, 2017 March 1, 2017	FY 2017 Mid-Year Review & General Fund Ten-Year Plan Update FY 2018 Proposed Budget Discussion
March 22, 2017 March 20, 2017 (Monday)	Annual Review of City Issued Debt Annual City Benefit Liabilities and Funding Plan Review FY 2018 budget framework
April 26, 2017 April 17, 2017 (Monday)	Discussion on Mayor and City Council Department budget FY 2018 budget process update
May 24, 2017 May 17, 2017	Preview of FY 2018 CIP & Ten-Year CIP FY 2018 Proposed Budget discussion Discussion of a Potential Resident Satisfaction Focus Group
June 28, 2017 June 21, 2017	TBD
July 26, 2017 July 19, 2017	FY 2018 budget process debrief Biennial budget process discussion Measure C Annual Report

Non-scheduled future agenda topics:

- Performance Measurement
- Affordable Care Act – Health Care Exchange