

**CITY COUNCIL MEETING
TUESDAY, APRIL 27, 2019**

PRESENTATIONS

ITEM #1 – WS 19-020

**COUNCIL BUDGET WORK SESSION ON
THE PROPOSED FY 2020
OPERATING BUDGET: REVIEW OF THE
FIVE-YEAR PLAN AND RECEIVE AND
DISCUSS DEPARTMENT BUDGET
PRESENTATIONS**

City of Hayward Proposed FY 2020 Operating Budget Work Session 1



APRIL 27, 2019

AGENDA



Budget Overview, Option Walkthrough, 5 Year General Fund Plan



City Manager's Office



Maintenance Services



Library



Public Works



Police Department



Information Technology



Development Services



Fire Department



Human Resources



Finance



City Clerk's Office



City Attorney's Office



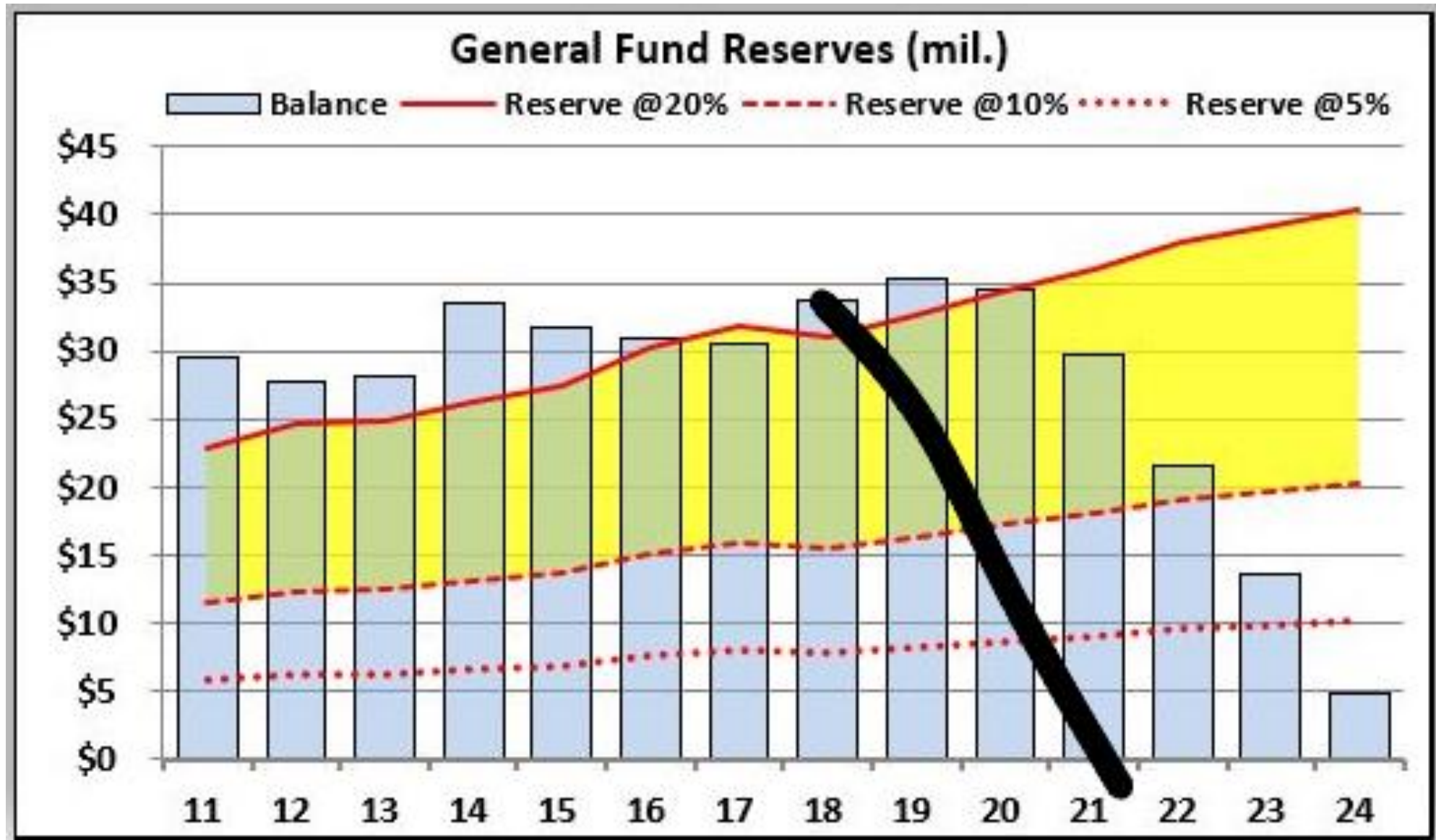
Mayor & City Council



Next Steps

General Fund Five Year Forecast - October 2017

FIVE-YEAR GENERAL FUND PROJECTION OCTOBER 2017 <i>in thousands</i>	FY 2019 Year 1	FY 2020 Year 2	FY 2021 Year 3	FY 2022 Year 4	FY 2023 Year 5
Revenues	\$158,113	\$160,690	\$164,181	\$170,353	\$176,909
Expenditures	163,266	170,963	180,068	189,690	195,683
Beginning Balance	\$29,424	\$24,271	\$13,998	(\$1,890)	(\$21,227)
<i>Change in Reserve - Surplus / (Shortfall)</i>	<i>(\$5,153)</i>	<i>(\$10,273)</i>	<i>(\$15,887)</i>	<i>(\$19,337)</i>	<i>(\$18,774)</i>
Ending Balance	\$24,271	\$13,998	(\$1,890)	(\$21,227)	(\$40,001)
Target to maintain 20% GF Reserves in Operating Expenses	\$32,653	\$34,193	\$36,014	\$37,938	\$39,137
General Fund Reserve Level as % of Total Expenses	14.9%	8.2%	-1.0%	-11.2%	-20.4%
Amount Above or (Below) Target 20%	(\$8,383)	(\$20,195)	(\$37,903)	(\$59,165)	(\$79,138)
Percentage Above or Below Target 20%	-26%	-59%	-105%	-156%	-202%



General Fund Five Year Forecast – FY 2019 Mid-Year

GENERAL FUND FORECAST <i>in thousands</i>	FY 2019 Year 1	FY 2020 Year 2	FY 2021 Year 3	FY 2022 Year 4	FY 2023 Year 5
Revenues	\$175,828	\$169,796	\$173,160	\$179,325	\$185,446
Expenditures	168,067	168,098	178,634	188,298	194,336
Net Change in Reserve - Surplus / (Shortfall)	7,761	1,698	(5,474)	(8,974)	(8,890)
Beginning Balance	\$32,385	\$40,146	\$41,844	\$36,370	\$27,396
<i>Net Change in Reserve - Surplus / (Shortfall)</i>	7,761	1,698	(5,474)	(8,974)	(8,890)
Ending Balance	\$40,146	\$41,844	\$36,370	\$27,396	\$18,506
Target to maintain 20% GF Reserves in Operating Expenses	\$33,613	\$33,620	\$35,727	\$37,660	\$38,867
General Fund Reserve Level as % of Total Expenses	23.9%	24.9%	20.4%	14.5%	9.5%
Amount Above or (Below) Target 20%	\$6,533	\$8,224	\$643	(\$10,263)	(\$20,361)
Percentage Above or (Below) Target 20%	19.4%	24.5%	1.8%	(27.3%)	(52.4%)

Council Supported Budget Balancing Options	Estimated Annual Fiscal Impact	Additional Details
Revenue Generation Strategies		
<i>Real Property Transfer Tax (RPTT)</i>	\$8,100,000	Completed - The voters of Hayward approved Measure T in the November 2018 mid-term election.
<i>Transient Occupancy Tax (TOT)</i>	\$356,000 - \$1,370,000	Potentially Place on Ballot in 2020 at 10%-14%
<i>Business License Tax (BLT)</i>	\$1,000,000	Potentially Place on Ballot in 2020 \$19.06-\$26.02 per capita
<i>Cannabis Tax</i>	\$750,000-\$2,500,000	Revenue generated from Cannabis Tax have not been realized for multiple reasons. Staff continues to work to have Cannabis based businesses operate legally and once achieved will generate revenues. These are projected on or below the Estimated Annual Fiscal Impact originally believed possible.
Expenditure Controls and Cost Shifts		
<i>Update Cost Allocation Plan</i>	\$100,000	Staff will complete this update during FY 2019 and implement any changes during the mid-year FY 2020 process
<i>Employee Cost Sharing</i>	\$1,000,000	Completed - Through colaboration with the City's bargaining groups staff was able to achieve savings over originally projected amounts and meet the option as Council supported.
Service Delivery Changes		
<i>Prioritized Use of Measure C Revenue after Projects Completed - Transfer to GF</i>	\$7,000,000 - \$7,500,000	Currently not included as part of projections, but could be as Council sees fit.
<i>Fleet Utilization Study</i>	\$121,975	The Maintenance Services Department has continued to work to increase efficeincies in use and purchasing of City vehicles.

FY 2020 Proposed Operating Budget – Expenditure Overview (Option 1)

Expenditures In 1,000's	FY 2018 Adopted	FY 2019 Adopted	FY 2020 Proposed	\$ Change	% Change
General Fund	\$151,562	\$162,790	\$172,149	\$9,359	5.7%
All Other Funds	\$135,938	\$152,474	\$178,863	\$26,389	17.3%
Total City Budget	\$287,500	\$315,264	\$351,013	\$35,749	11.3%

Overview of Proposed General Fund Staffing Changes – Option 1

Department	Position	FTE
Fire	Add Staff Captain	+1.0
	Delete Firefighter	-1.0
City Manager's Office	Add Senior Secretary	+1.0
	Add Community Program Specialist	+0.5
	Add Management Fellow	+0.5
	Delete Assistant to the City Manager	-1.0
	Change in Allocation of current FTE from other funds to GF	
	Add Admin Clerk	+0.8
	Add Housing Manager	+0.2
Development Services	Add Management Analyst	+1.0
	Add Jr. Landscape Architect	+1.0
	Delete Deputy Director of Development Services	-1.0
	Delete Management Fellow	-0.5
Human Resources	Add HR Analyst	+0.5
Library	Add Librarian II (Technology)	+1.0
Maintenance Services	Add Lead Sweeper Operator	+2.0
	Delete Maintenance Worker I	-1.0
	Change in Allocation of current FTE from other funds to GF	
	Add Various Positions	+2.4
Police	Add Records Supervisor	+1.0
	Added during the FY 2019 Mid Year process:	
	Counseling Supervisor (offset by grant revenue)	+1.0
	Lead Program Assistant (offset by grant revenue)	+2.0
Total		+11.4

General Fund Five Year Plan-Impacts of Option 1

GENERAL FUND FORECAST (FY 2020 - Option 1) <i>in thousands</i>	FY 2020 Year 1	FY 2021 Year 2	FY 2022 Year 3	FY 2023 Year 4	FY 2024 Year 5
Revenues	\$171,269	\$175,462	\$181,789	\$188,082	\$193,492
Expenditures	172,147	180,294	189,971	196,019	202,268
<i>Net Change in Reserve - Surplus / (Shortfall)</i>	(878)	(4,832)	(8,182)	(7,938)	(8,777)
Beginning Balance	\$40,146	\$39,268	\$34,436	\$26,255	\$18,317
<i>Net Change in Reserve - Surplus / (Shortfall)</i>	(878)	(4,832)	(8,182)	(7,938)	(8,777)
Ending Balance	\$39,268	\$34,436	\$26,255	\$18,317	\$9,541
Target to maintain 20% GF Reserves in Operating Expense	\$34,429	\$36,059	\$37,994	\$39,204	\$40,454
General Fund Reserve Level as % of Total Expenses	22.8%	19.1%	13.8%	9.3%	4.7%
Amount Above or (Below) Target 20%	\$4,839	(1,623)	(11,739)	(20,887)	(30,913)
Percentage Above or (Below) Target 20%	14.1%	(0.9%)	(6.2%)	(10.7%)	(15.3%)

FY 2020 Proposed Operating Budget - Option 2

Includes all
proposals in **Option
1 plus:**

1.0 FTE **Management
Analyst** in the Community
Services Division of the
City Manager's Office to
serve the purpose of
**homeless services
coordination.**

Total projected impacted
above Option 1 in FY 2020
is approximately \$457k

1.0 FTE **Emergency
Services Specialist** in the
Fire Department to assist
in community and
organizational **disaster
preparedness**

General Fund Five Year Plan-impacts of proposed changes in Option 2

GENERAL FUND FORECAST (FY 2020 - Option 2) <i>in thousands</i>	FY 2020 Year 1	FY 2021 Year 2	FY 2022 Year 3	FY 2023 Year 4	FY 2024 Year 5
Revenues	\$171,269	\$175,462	\$181,789	\$188,082	\$193,492
Expenditures	172,604	180,886	190,559	196,605	202,851
<i>Net Change in Reserve - Surplus / (Shortfall)</i>	(1,335)	(5,423)	(8,770)	(8,523)	(9,359)
Beginning Balance	\$40,146	\$38,811	\$33,388	\$24,618	\$16,095
<i>Net Change in Reserve - Surplus / (Shortfall)</i>	(1,335)	(5,423)	(8,770)	(8,523)	(9,359)
Ending Balance	\$38,811	\$33,388	\$24,618	\$16,095	\$6,735
Target to maintain 20% GF Reserves in Operating Expense	\$34,521	\$36,177	\$38,112	\$39,321	\$40,570
General Fund Reserve Level as % of Total Expenses	22.5%	18.5%	12.9%	8.2%	3.3%
Amount Above or (Below) Target 20%	\$4,291	(\$2,789)	(\$13,494)	(\$23,226)	(\$33,835)
Percentage Above or (Below) Target 20%	12.4%	(1.5%)	(7.1%)	(11.8%)	(16.7%)

FY 2020 Proposed Operating Budget - Option 3

Includes all
proposals in
Options 1 & 2
plus:

Add 2.0 FTE
Groundskeeper I in
Maintenance Services for
additional median and
general litter pick-up and
assistance with homeless
encampments

Total projected impacted
above Option 1 in FY 2020
is approximately \$1.2M and
\$765k over Option 2

Prepayment of a Lease-
increased cost of **\$530k** in
FY 2020; however, achieve
a resulting savings of
\$197k total and **\$73k**
annually

General Fund Five Year Plan-impacts of changes proposed in Option 3

GENERAL FUND FORECAST (FY 2020 - Option 3) <i>in thousands</i>	FY 2020 Year 1	FY 2021 Year 2	FY 2022 Year 3	FY 2023 Year 4	FY 2024 Year 5
Revenues	\$171,269	\$175,462	\$181,789	\$188,082	\$193,492
Expenditures	173,373	181,408	191,080	197,123	203,367
Net Change in Reserve - Surplus / (Shortfall)	(2,104)	(5,945)	(9,290)	(9,042)	(9,875)
Beginning Balance	\$40,146	\$38,042	\$32,096	\$22,806	\$13,764
Net Change in Reserve - Surplus / (Shortfall)	(2,104)	(5,945)	(9,290)	(9,042)	(9,875)
Ending Balance	\$38,042	\$32,096	\$22,806	\$13,764	\$3,889
Target to maintain 20% GF Reserves in Operating Expense	\$34,675	\$36,282	\$38,216	\$39,425	\$40,673
General Fund Reserve Level as % of Total Expenses	21.9%	17.7%	11.9%	7.0%	1.9%
Amount Above or (Below) Target 20%	\$3,367	(\$4,185)	(\$15,410)	(\$25,661)	(\$36,785)
Percentage Above or (Below) Target 20%	9.7%	(2.3%)	(8.1%)	(13.0%)	(18.1%)

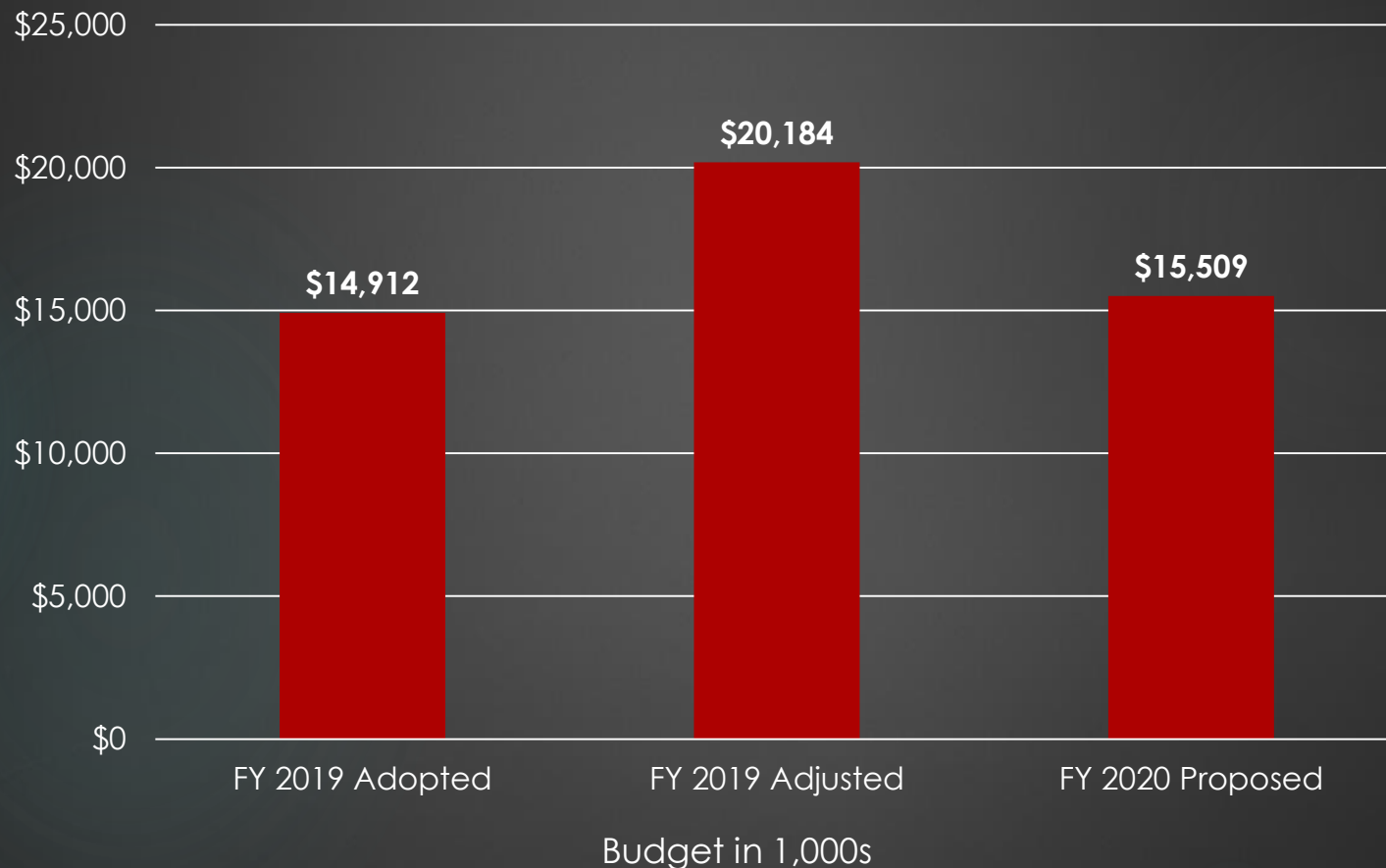
Goals for Today...

- Review department presentations & respond to all Council question
- Assist Council in gaining a clear understanding of the Proposed Budget
- Begin to receive Council's direction as it relates to the FY 2020 Operating Budget



CITY MANAGER'S OFFICE FY 2020 BUDGET PRESENTATION

CMO Budget Comparison FY 2019 vs. FY 2020



Significant Changes Planned for FY 2020

FY 2020 Significant Changes Planned

Administration:

- Delete 1.0 Assistant to the City Manager
- Add 1.0 Senior Secretary
- Add 1.0 Management Fellow
- Add 0.5 Community Program Specialist
- Add 0.5 Management Analyst I/II (from Fire)

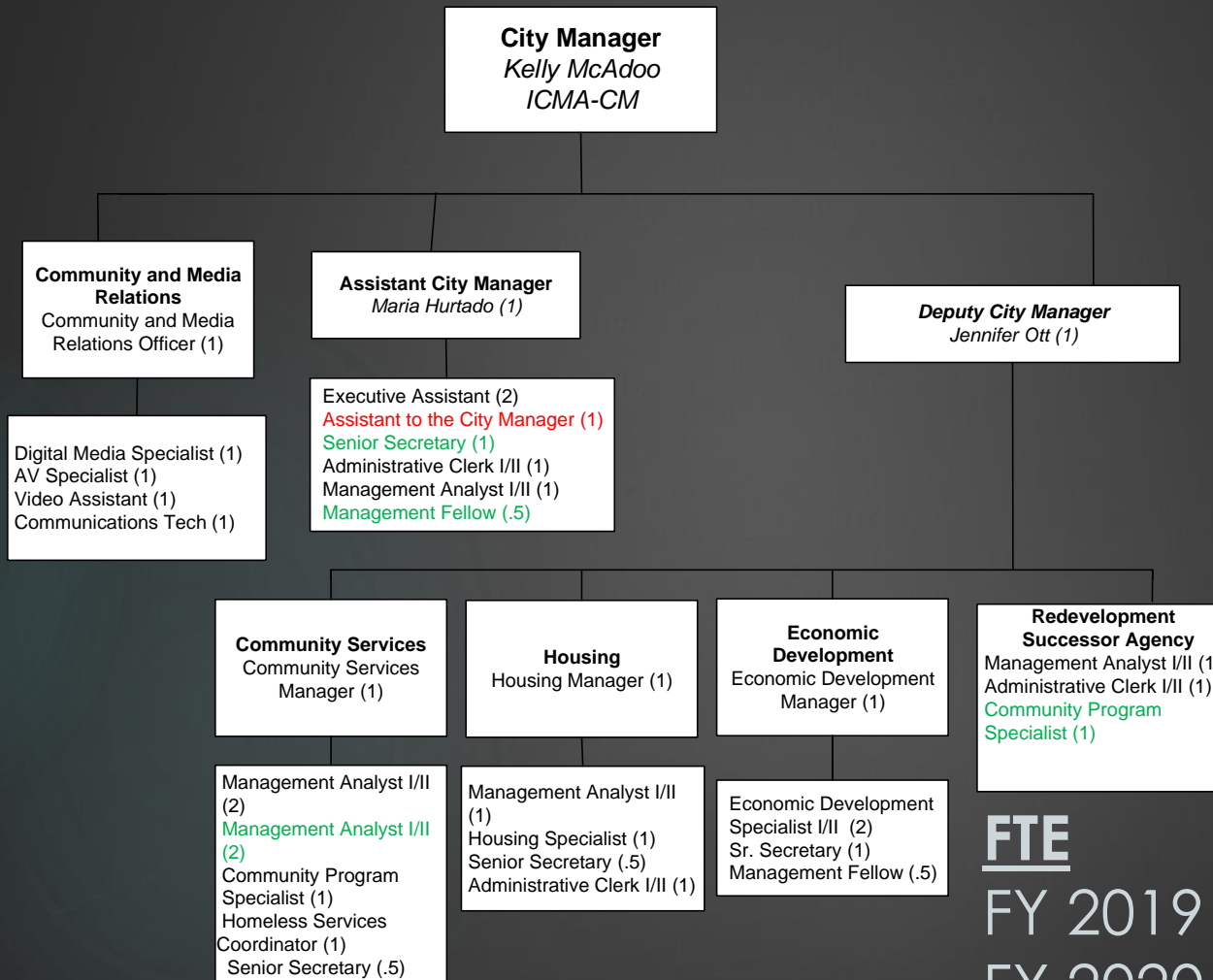
Community Services:

- Add 1.0 Management Analyst I/II (Paratransit)

Redevelopment Successor Agency:

- Add 0.5 Community Program Specialist

CMO Organization Chart



FTE

FY 2019 – 28.5

FY 2020 Proposed – 32

Status of Select FY 2019 Highlighted Goals*



FY 2019 Key Service Goals/Objectives	Status
Goal #4 - Continue leading Caltrans/Route 238 property disposition project.	Ongoing. Provided updates to Council throughout FY 2019, including a special City Council meeting to tour the Route 238 properties on 8/15/2018.
Goal #18 - Update the Economic Development Strategic Plan.	In progress. Update scheduled for CEDC prior to end of calendar year. Delayed due to vacancies.
Goal #28 - Complete Community Needs Assessment and prepare a report aligning the Community Agency Funding process with the needs identified by the assessment.	Complete

*For the full list, see pages 108-113 of the FY 2020 Proposed Operating Budget

Status of Select FY 2019 Highlighted Goals*



FY 2019 Key Service Goals/Objectives	Status
<p>Goal #29 - Return to Council with rental housing affordability strategies as outlined in the February 6, 2018 City Council meeting:</p> <ul style="list-style-type: none">• Strengthening Rental Inspection Program (September 2018)• Reducing Barriers to Entitlement of New Development (September 2018)• Rent Gap Assistance Program (December 2018)	<p>Complete; goals and actions were updated based on further Council direction.</p>
<p>Goal #32 - Propose to Council projects for Measure A1 affordable housing bond funding</p>	<p>Complete. \$26.8 million approved for 3 projects totaling 259 new units.</p>

*For the full list, see pages 108-113 of the FY 2020 Proposed Operating Budget

Highlighted Goals for FY 2020*



FY 2020 Goals

Goal #16 - Open the Hayward Housing Navigation Center to provide temporary housing and services for 45 individuals

Goal #6 - Lead the implementation of the Commitment and citywide equity and inclusion work, including supporting the City's Government Alliance on Race and Equity introductory cohort to develop a results-based racial equity work plan

Goal #23 - Implement rent stabilization policies anticipated to be approved by the Council in May 2019 consistent with Council direction

Goal #4 - Continue leading Caltrans/Route 238 property disposition project, including issuing requests for four remaining parcels and finalizing development agreements for a number of properties

Goal #22 - Lead the 2020 CDBG Consolidated Five-Year Strategic Planning process

*For the full list, see pages 114-115 of the FY 2020 Proposed Operating Budget

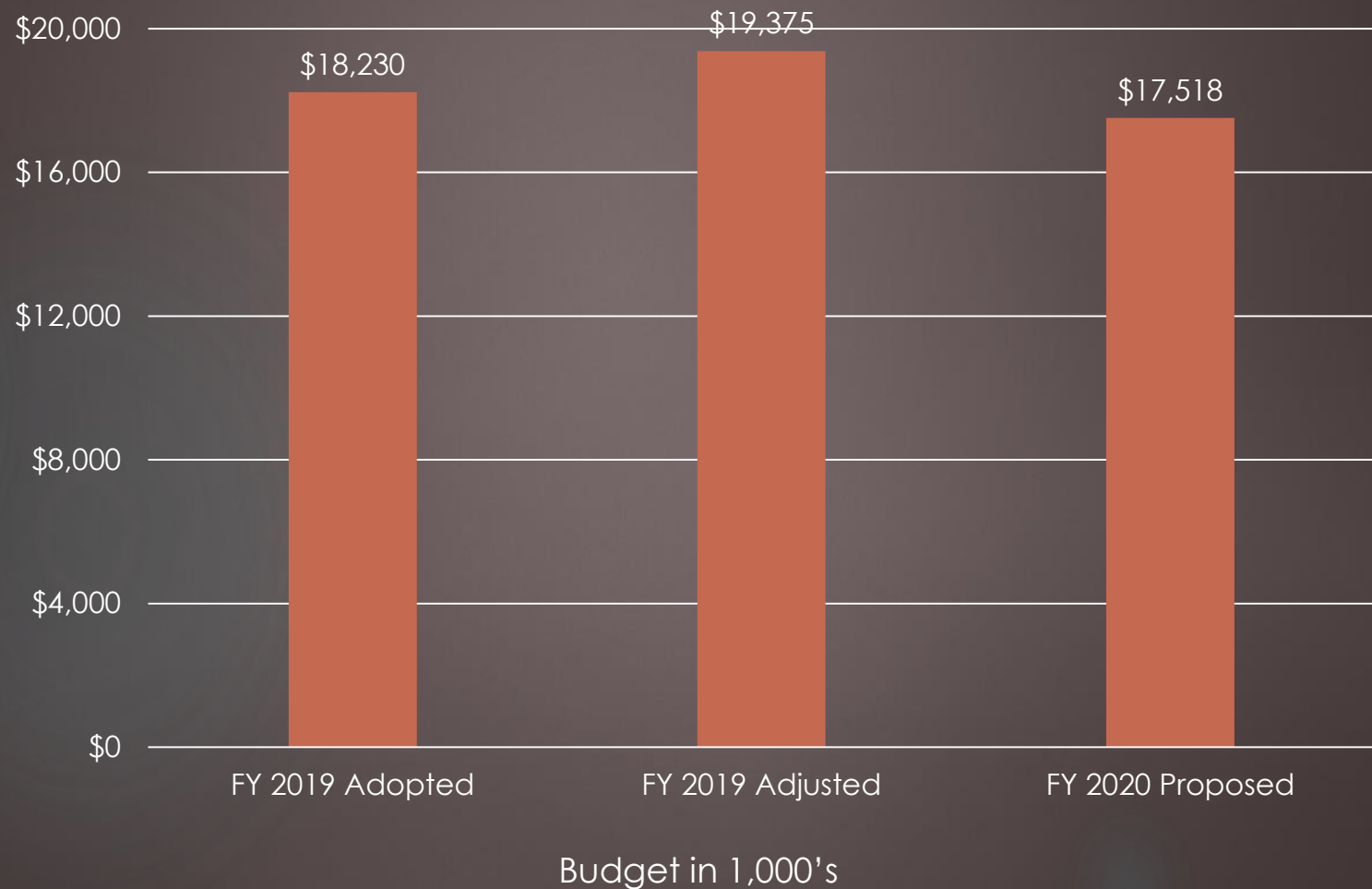
Questions & Discussion





MAINTENANCE SERVICES DEPARTMENT FY 2020 BUDGET PRESENTATION

MSD Budget Comparison FY 2019 to FY 2020



Significant Changes Planned for FY 2020

FY 2020 Significant Changes Planned

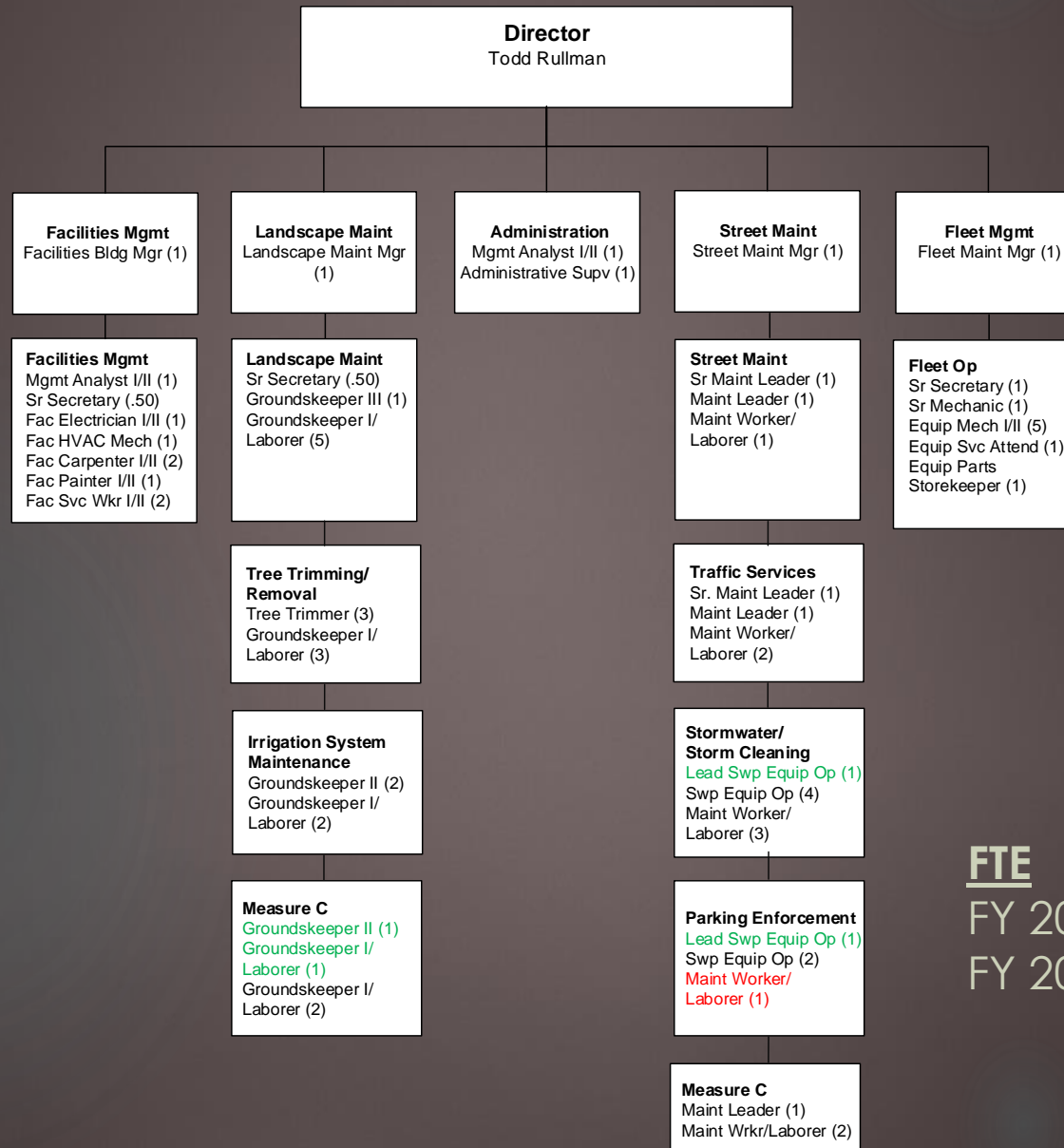
1. **Measure C – Litter Removal Program – Add 2.0 FTE**

The passage of Measure C in June 2016 created a two-person litter crew to remove litter in identified hot-spots, city medians, and thoroughfares. While this program has been successful, the community has expressed a desire to see it expanded to include more hot-spots, medians and thoroughfares. To address the additional need, 2 positions are being requested within the overall Measure C fund. The proposed staffing update is in direct support of Council's priorities and the overall messaging of Measure C.

2. **General Fund – Street Sweeping Program - Add 1.0 FTE**

City streets are swept bi-weekly to keep the City looking clean and to help reduce contaminants from entering the stormwater conveyance system that carries run-off into the SF Bay. This program staffing update is being requested to meet the growing service demand and is fully offset with revenue generated by the program.

MSD Organization Chart



FTE

FY 2019 – 63

FY 2020 Proposed – 66

Status of Select FY 2019 Highlighted Goals*



FY 2019 Key Service Goals/Objectives	Status
Goal #1 - Streets Division- Respond to all requests for illegal dumping and graffiti within 72 hours, 90% of the time.	ACHIEVED Responded to and removed illegally dumped items and graffiti within 72 hours, 96% of the time. In FY19 staff responded to 3,946 requests for illegally dumped items and graffiti.
Goal #2 - Streets Division- Expand No Parking- Street Sweeping Program by adding 25 new streets as requested by the community.	ACHIEVED Added restrictive signage for street sweeping on 27 new streets.

*For the full list see pages 238-241 of the FY 2020 Proposed Operating Budget

Status of Select FY 2019 Highlighted Goals*

FY 2019 Key Service Goals/Objectives	Status
Goal #4 - Landscape Division- Identify areas in the community that need landscape beautification with a focus on the Council's Strategic Initiatives through collaboration with the community and groups such as KHCG.	<p>ACHIEVED Completed 3 community planting events.</p> <p>1) Tennyson Rd- w/KHCG 2) Portuguese Park- w/IEDS 3) Mt. Eden HS- w/KHCG</p>
Goal #5 - Landscape Division- Begin project implementation on median landscape replacement on Tennyson Road as identified in the Tennyson Corridor Strategic Initiative.	<p>ACHIEVED Completely replaced 4 median islands. All received new trees, shrubs, pavers, bark mulch, irrigation system and a new weather-based irrigation controller to maximize efficiency and conserve water.</p>

*For the full list see pages 238-241 of the FY 2020 Proposed Operating Budget

Status of Select FY 2019 Highlighted Goals*

FY 2019 Key Service Goals/Objectives	Status
<p>Goal #8 - Fleet Division- Purchase replacements for aging fleet vehicles, with a priority on expanding the City's green fleet where possible, within budget, and in accordance with the fleet ten-year capital replacement plan.</p>	<p>ONGOING Purchased 35 vehicles. 100% of those departments whose operational needs allowed for a EV/Hybrid model received a green replacement. This included 5 hybrids cars and 4 EV police motorcycles.</p>
<p>Goal #10 - Facilities Division- Complete Facility Condition Assessment (FCA) and software installation project. Begin work to identify long-term facility component replacement costs and funding.</p>	<p>ACHIEVED Completed FCA. Staff is completing the accompanying Long-Term Capital Replacement Plan which will identify funding requirements and create a schedule to repair and replace facility components.</p>

*For the full list see pages 238-241 of the FY 2020 Proposed Operating Budget

Highlighted Goals for FY 2020*



FY 2020 Goals

Goal #1 and #3 - Clean - Promote a safe and clean City by removing illegal dumping and painting over graffiti, both within 72 hours. Additionally, continue the abatement of homeless camps on public property in a timely manner.

Goal #4 - Clean and Green - Identify and complete new landscape beautification projects in collaboration with community groups such as the Keep Hayward Clean and Green Task Force.

Goal #5 - Clean and Green - Continue implementation of the Tennyson Corridor Strategic Initiative Median Replacement Project.

Goal #7 - Green - Continue to grow our urban forest by planting at least 400 new trees.

Goal # N/A - Green - Further expand the green-footprint in our City fleet. In collaboration with HPD, receive, test, and evaluate the effectiveness of 2 Hybrid Patrol SUV for future use in the patrol division and beyond.

*For the full list see pages 243-244 of the FY 2020 Proposed Operating Budget

Highlighted Goals for FY 2020*



FY 2020 Goals

Goal #8 - Green - Purchase renewable diesel fuel in place of regular carbon diesel at all City fueling sites to reduce the City's carbon footprint. In March 2019, this project was presented to the City's Sustainability Committee.

Goal #9 - Fiscal - Continue Fuel Management Project by updating equipment and software at City owned fueling sites.

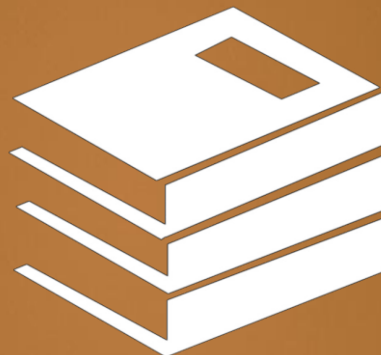
Goal #12 - Fiscal - Create a comprehensive Facilities Capital Replacement Plan that will include component replacement costs and identify long-term funding requirements.

Goal #13 - Safe, Clean, and Green - Manage and maintain inhabited and vacant City-owned properties and parcels included in the Route 238 property acquisition.

*For the full list see pages 243-244 of the FY 2020 Proposed Operating Budget

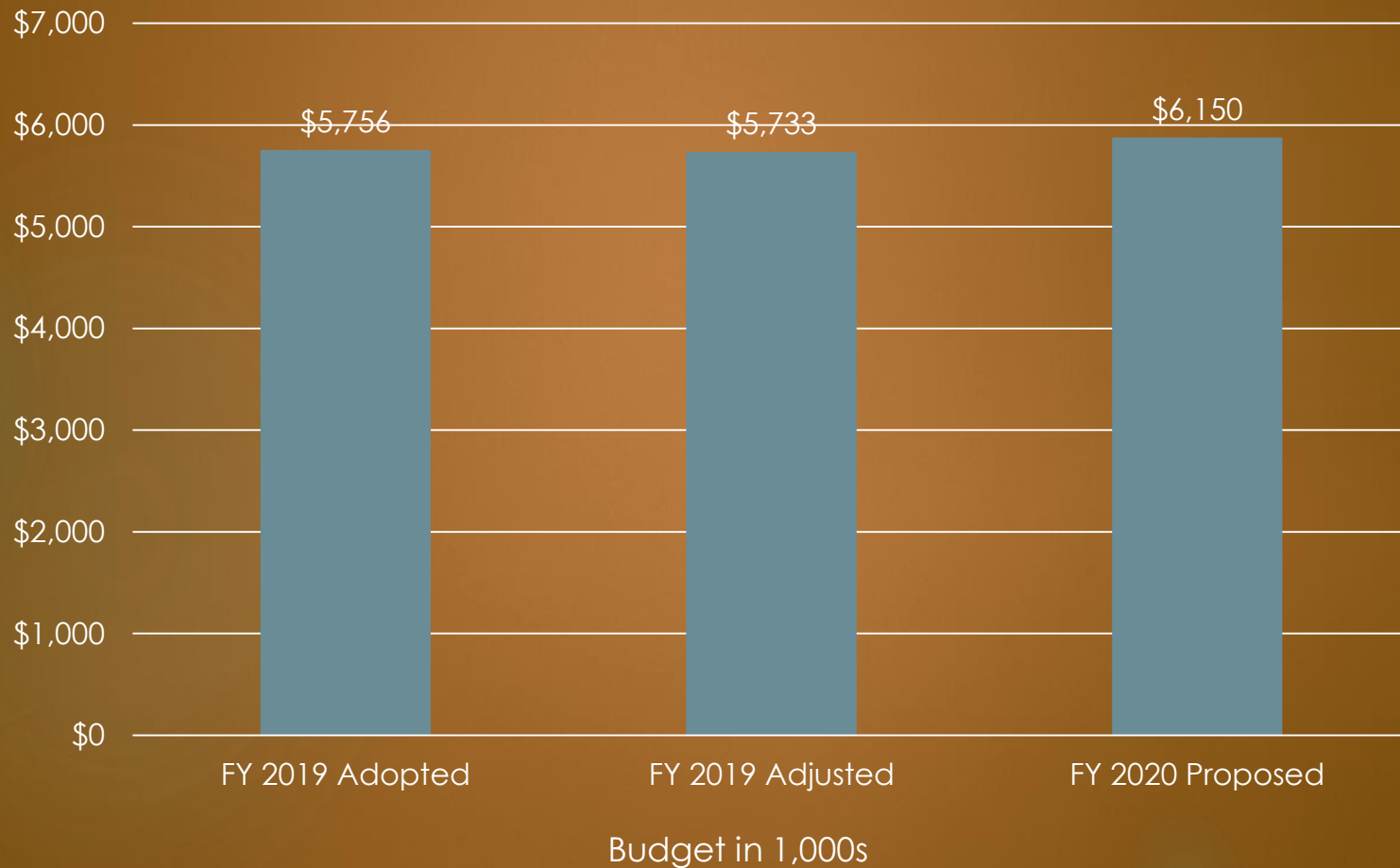
Questions & Discussion





LIBRARY DEPARTMENT FY 2020 BUDGET PRESENTATION

Library Budget Comparison FY 2019 vs. FY 2020



Significant Changes Planned for FY 2020



FY 2020 Significant Changes Planned

Complete an in depth strategic plan for Library Services

Revamp the library webpage/Virtual Branch

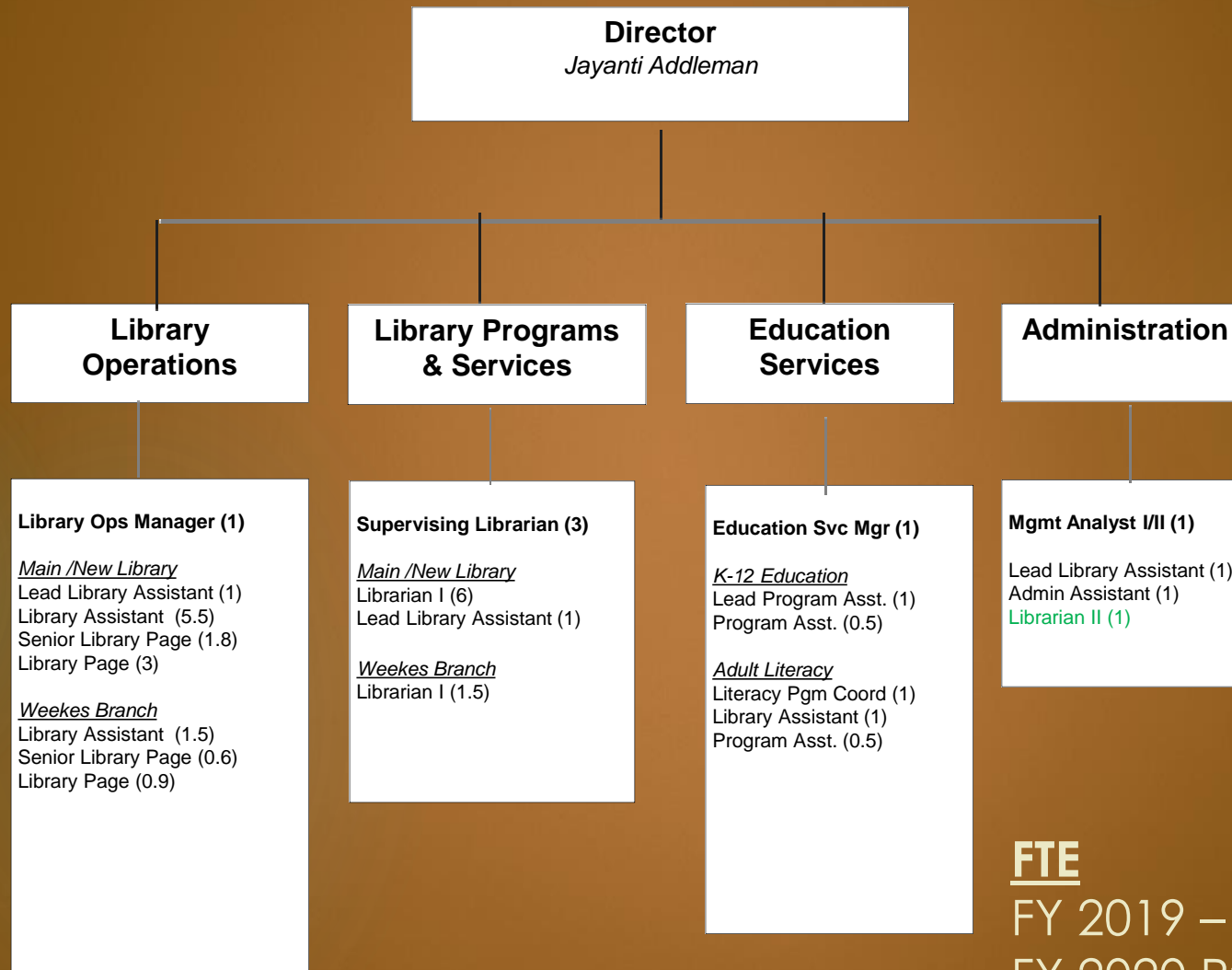
Add 1.0 FTE Librarian II (Technology Librarian)

Increased Temporary staffing funds by \$100,000

Apply to participate in the following programs to increase broadband access and receive technology discounts and funding opportunities: CTF (California Teleconnect Fund), CENIC (Corporation for Education Network Initiatives), and E-Rate

Participate in local area consortium (BALIS/PLP) and professional organizations (ALA, CLA)

Library Organization Chart



FTE

FY 2019 – 35.8

FY 2020 Proposed – 36.8

Status of Select FY 2019 Highlighted Goals*

FY 2019 Key Service Goals/Objectives	Status
Goal #1 - Complete final phase of the 21st Century Library; Implement strategic operating plan for the new facility; Achieve and sustain LEED Platinum and Net Zero Energy certifications	Construction Delay: 21 st Century Library opening delayed. Complete during FY 2020
Goal #2 - Continue staff development and succession planning efforts; Maximize the community benefit of the new library/learning center; Adapt to evolving funding priorities and processes at the federal, state, and local levels; Effectively address major regional issues like homelessness and housing affordability	ONGOING Construction Delay: New library/learning center and plaza opening delayed; Department Changes: Community Services function moved to CMO
Goal #5 - Secure external funding and volunteer resources of a total value at least 15% of total department General Fund budget	ONGOING Waiting for final tallies
Goal #6 - Receive feedback from the community that reflects above average customer satisfaction with department services 90% of the time	ONGOING No access to data at this time. Developing service tracking for Library Services.

*For the full list, see page 217 of the FY 2020 Proposed Operating Budget

Highlighted Goals for FY 2020*



FY 2020 Goals

Goal #1 - Create and implement a comprehensive strategic plan for Library Services and the new 21st Century Library facility operations

Goal #2 - Achieve LEED Platinum and Net Zero Energy environmental performance certifications for the new 21st Century Library

Goal #3 - Continue staff development and succession planning efforts

Goal #4 - Leverage and maximize the community benefit of the new 21st Century Library, adapting to evolving funding priorities and processes utilizing available funding and staffing resources

*For the full list, see page 218 of the FY 2020 Proposed Operating Budget

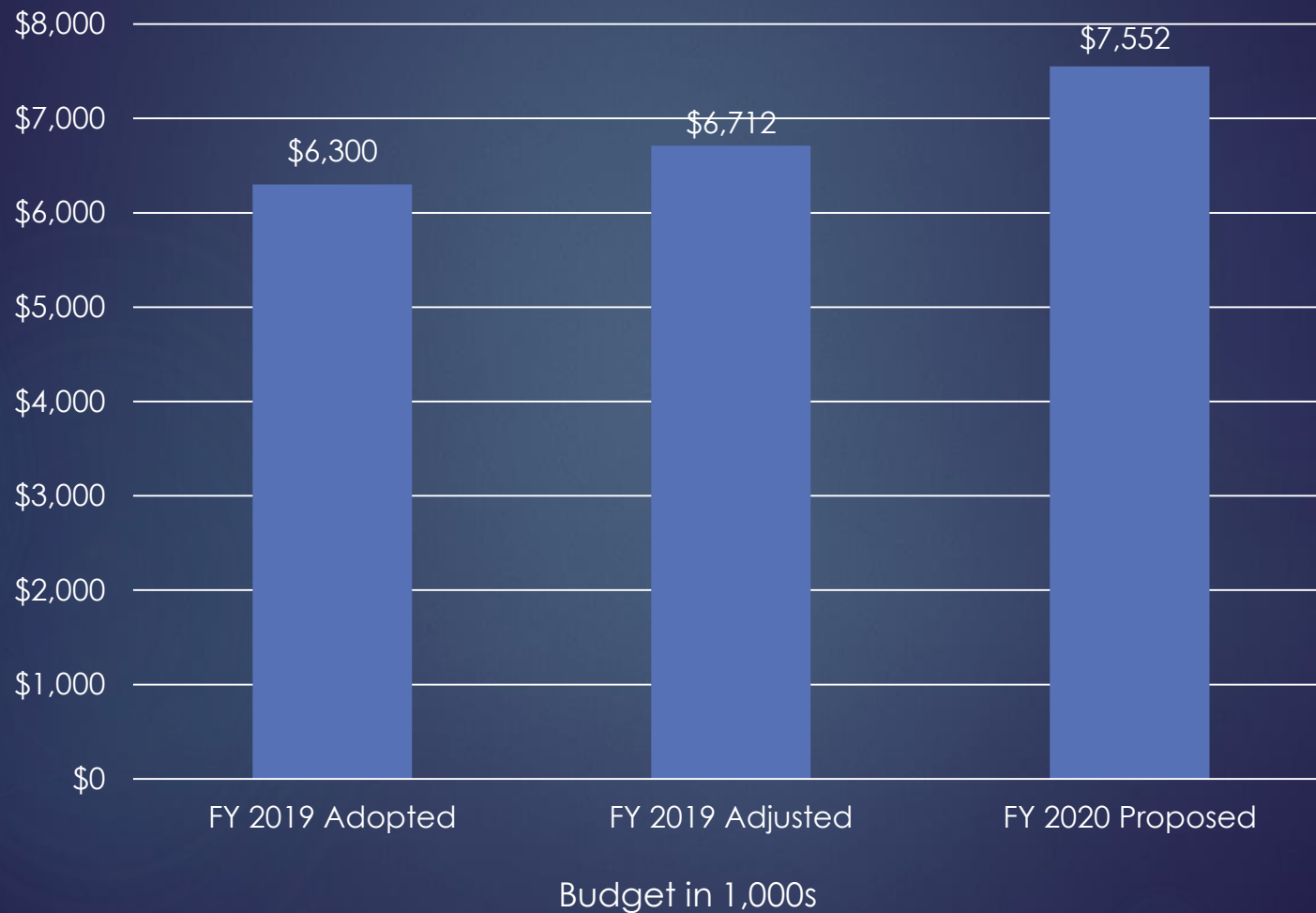
Questions & Discussion





PUBLIC WORKS & UTILITIES DEPARTMENT FY 2020 BUDGET PRESENTATION

PW-ETA Budget Comparison FY 2019 vs. FY 2020



PW-ETA Significant Changes Planned for FY 2020



FY 2020 Significant Changes Planned

Delete 2.0 FTE

Airport Management Analyst

Assistant/Associate Transportation Engineer

Add 2.0 FTE

Airport Maintenance Worker

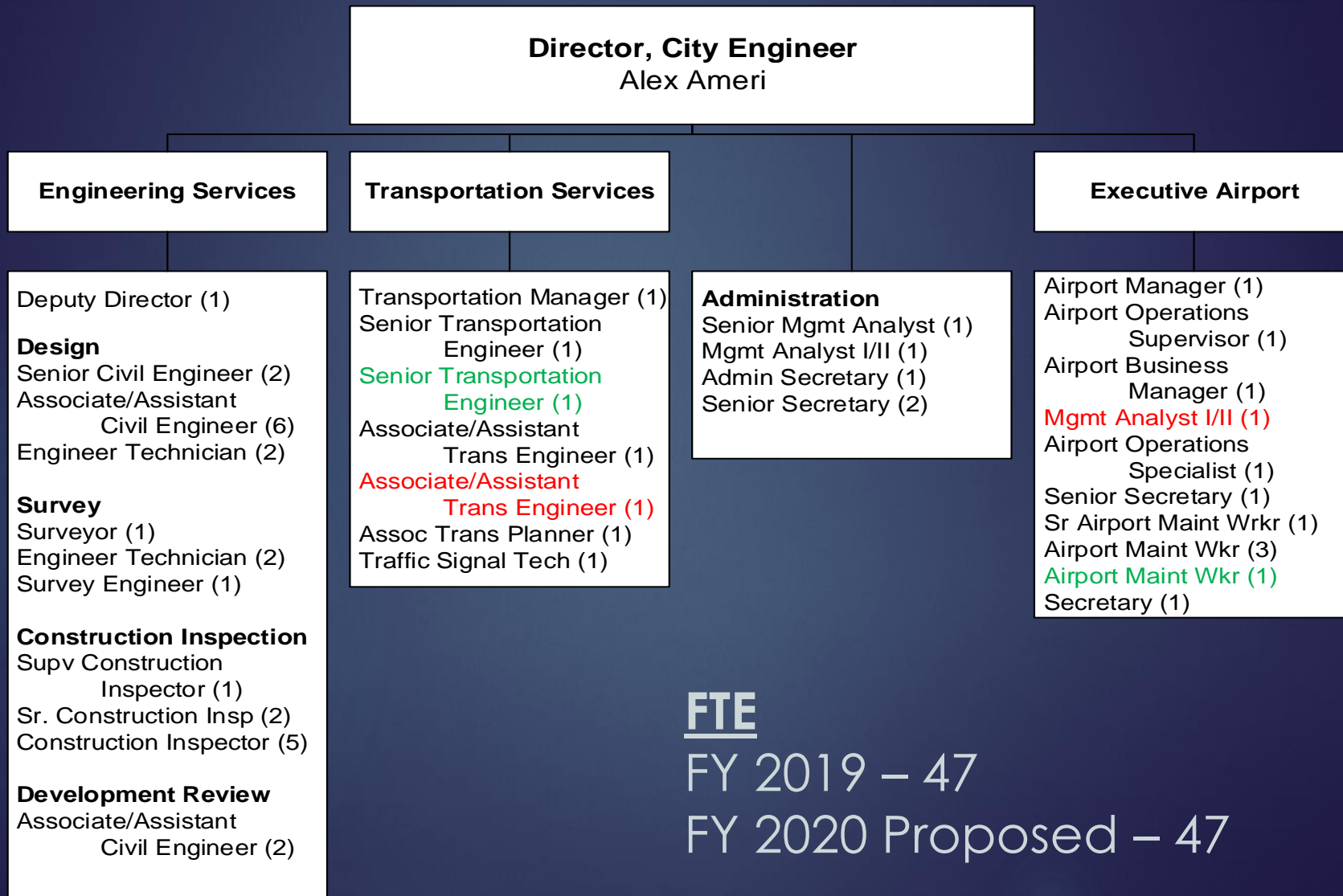
Senior Transportation Engineer

Increase transfer to Airport Capital Fund: \$425,000
(to be corrected to \$250,000 in FY 20 Adopted Budget)

Debt Services change: \$165,000

Increase Consulting Services expenditure: \$143,000

PW-ETA Organization Chart

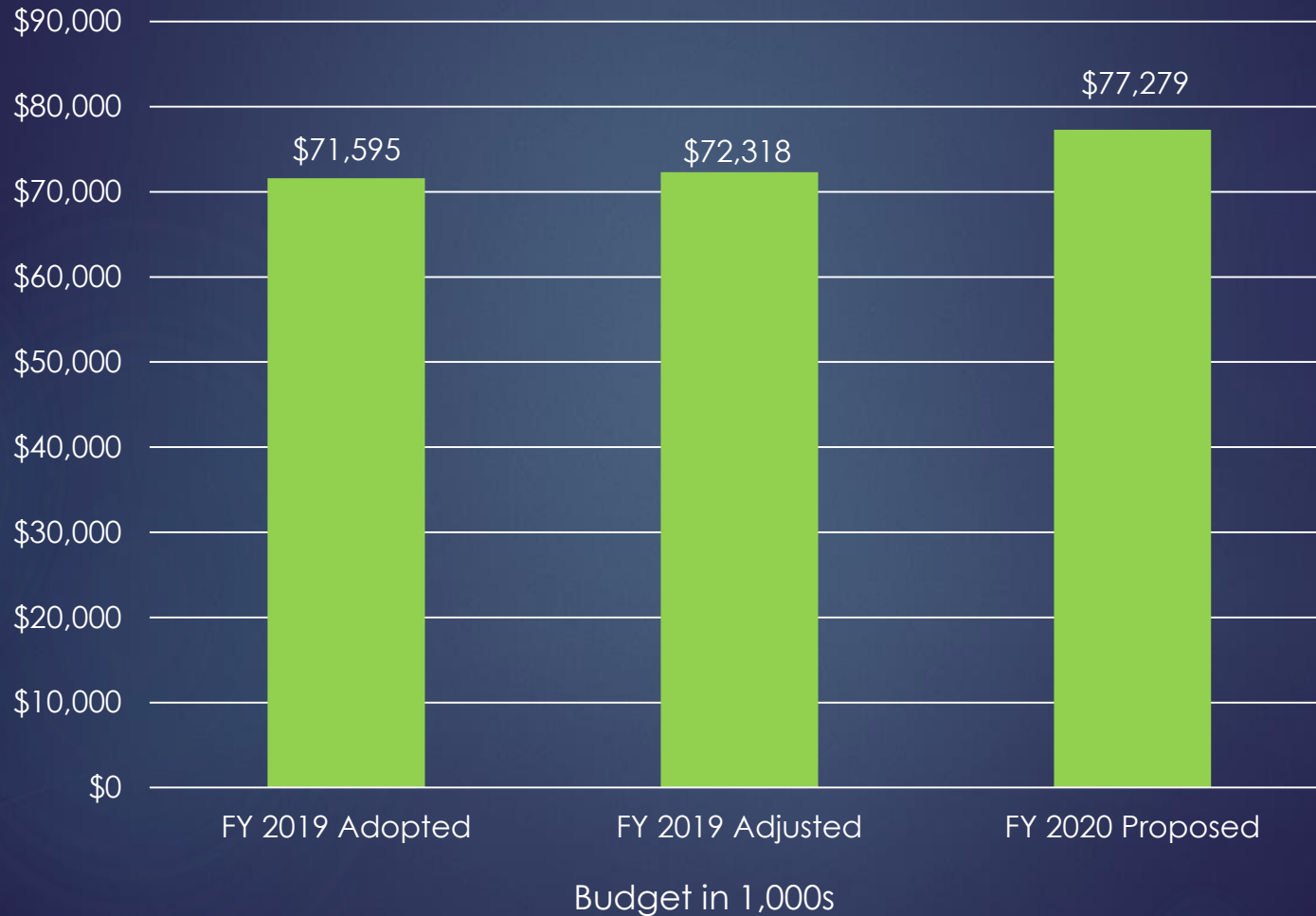


FTE

FY 2019 – 47

FY 2020 Proposed – 47

PW-U&ES Budget Comparison FY 2019 vs. FY 2020



PW-U&ES Significant Changes Planned for FY 2020



FY 2020 Significant Changes Planned

Delete 1.0 FTE Senior Water Resources Engineer

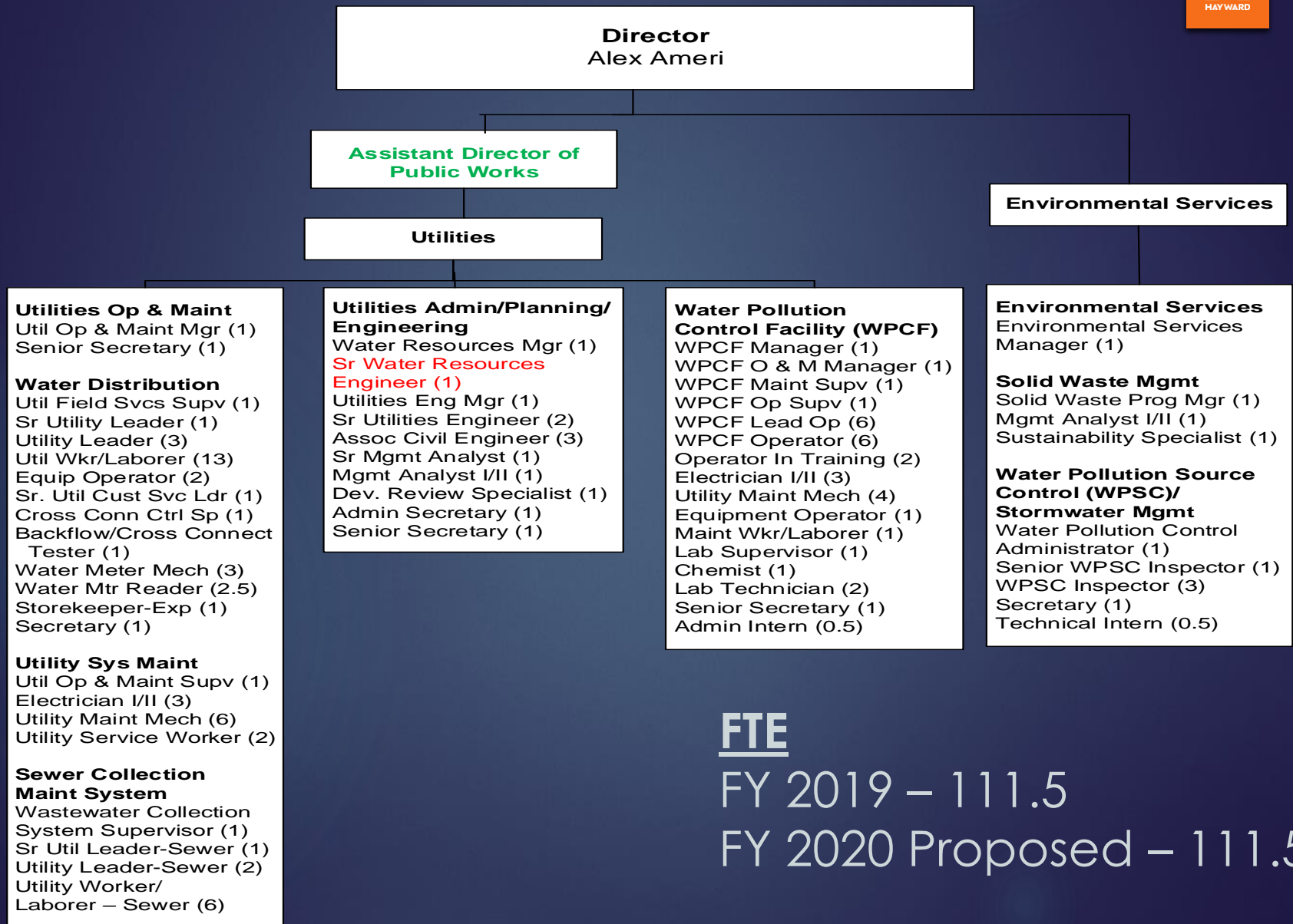
Add 1.0 FTE Assistant Director of Public Works - Utilities

Increase in water purchases: \$2.7 million

Increase transfer to Water and Sewer Capital Fund: \$2 million

Establish new Recycled Water Enterprise Fund: \$160,000

PW-U&ES Organization Chart



PW-ETA Status of Select FY 2019 Highlighted Goals*



FY 2019 Key Service Goals/Objectives	Status
Goal #4 - Complete construction of the Heritage Plaza and Arboretum	Achieved Scheduled completion in June 2019
Goal #5 - Substantially complete construction of Phase 2 and complete design and begin construction of Phase 3 of the Mission Boulevard Corridor Improvement Project	Continued Effort Needed Phase 2 - substantial completion Dec. 2019 Phase 3 - design well underway
Goal #7 - Begin Construction of Fire Station 6 and Training Center supported by the passage of Measure C	Continued Effort Needed Construction to begin summer/fall 2019 (depending on FAA action)
Goal #14 - Complete the City-wide Intersection Improvement Study (City-wide Multi-model Study)	Continued Effort Needed Re-scoped to provide multi-modal approach Scheduled completion in early 2020

*For the full list, see pages 287-290 of the FY 2020 Proposed Operating Budget

PW-U&ES Status of Select FY 2019 Highlighted Goals*



FY 2019 Key Service Goals/Objectives	Status
Goal #1 - Complete the construction of Garin 2nd tank and pump station, and commission the system	Achieved
Goal #4 - Complete construction of the Recycled Water Project distribution system pipelines	Achieved
Goal #5 - Initiate development of the Groundwater Sustainability Plan in compliance with the Sustainable Groundwater Management Act	Achieved
Goal #8 - Complete the Membrane Aerated Bio-film Reactor (MABR) Pilot and assess its effectiveness	Achieved

*For the full list, see pages 301-302 of the FY 2020 Proposed Operating Budget

PW-ETA Highlighted Goals for FY 2020*



FY 2020 Goals

Goal #4 - South Hayward Youth and Family Center Master Plan (August 2019) and Preliminary Design (October 2019)

Goal #5 - Implement the FY 2020 street improvement paving repair projects - Design completion December 2019, construction spring 2020

Goal #8 - La Vista Park - Design completion April 2020, construction begin July 2020

Goal #16 - Complete Bike and Ped Masterplan Update - early 2020

*For the full list, see pages 291-292 of the FY 2020 Proposed Operating Budget

PW-U&ES Highlighted Goals for FY 2020*



FY 2020 Goals

Goal #3 - Initiate design of Water Pollution Control Facility (WPCF) Nutrient Management Project

Goal #6 - Launch Advanced Metering Infrastructure (AMI) Customer Portal

Goal #11 - Complete construction of Recycled Water Project and begin providing service to customers

Goal #12 - Reduce trash reaching the Bay by installing a trash capture device in Arf Avenue

*For the full list, see page 303 of the FY 2020 Proposed Operating Budget

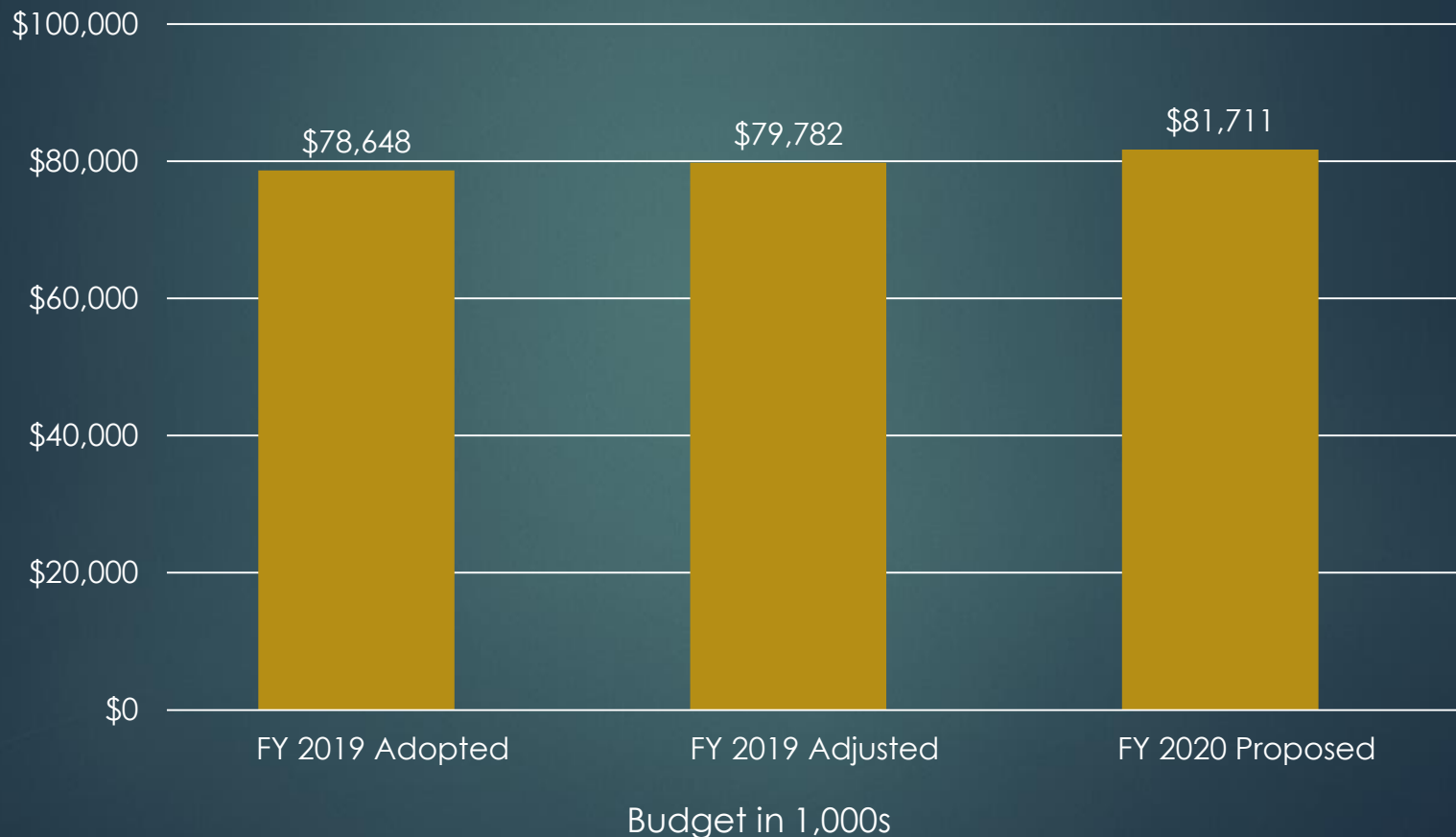
Questions & Discussion





HAYWARD POLICE DEPARTMENT FY 2020 BUDGET PRESENTATION

HPD Budget Comparison FY 2019 vs. FY 2020



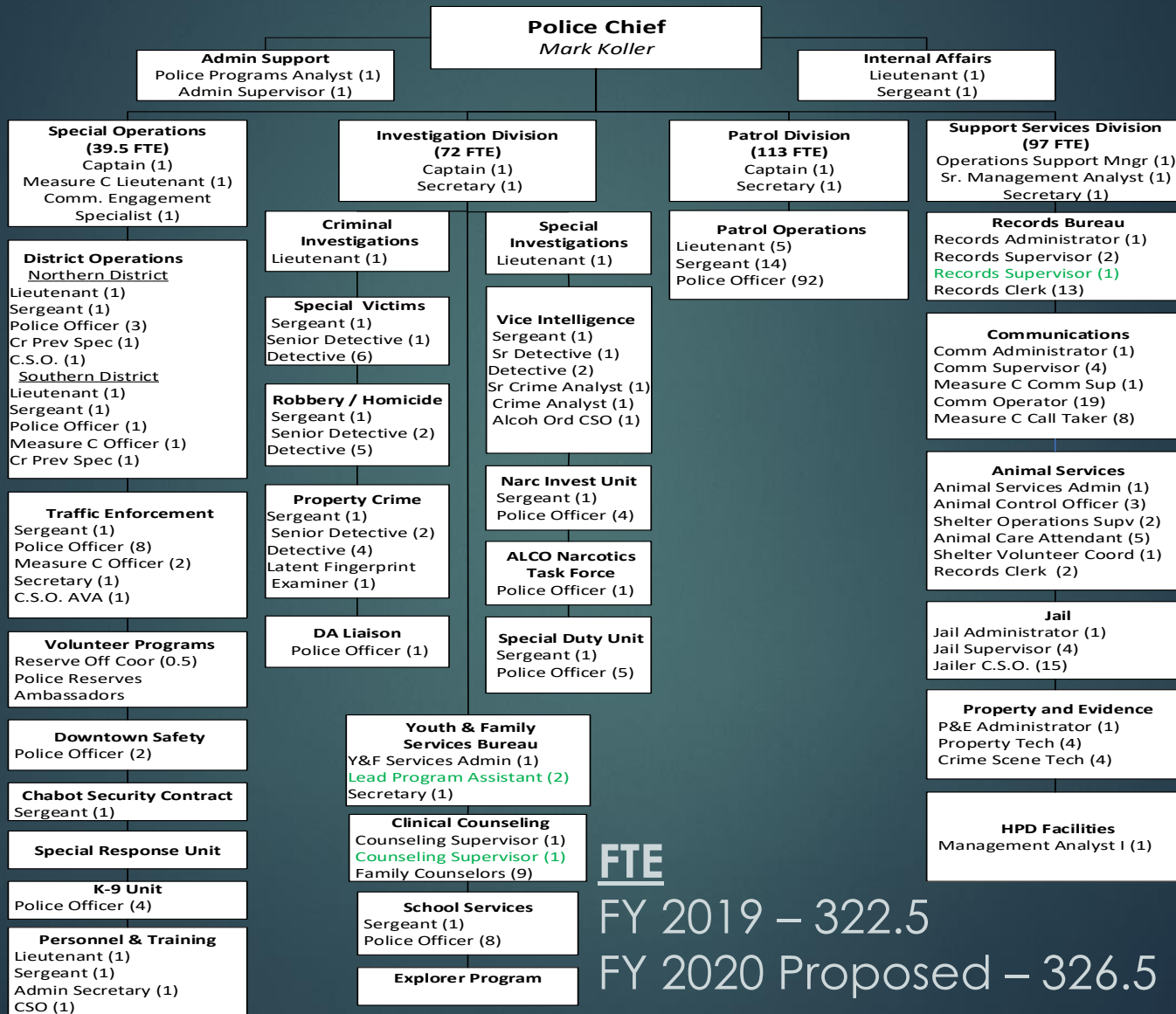
Significant Changes Planned for FY 2020

FY 2020 Significant Changes Planned

1.0 FTE Records Supervisor for Senate Bill 1421 and AB748.

General Fund savings of approximately \$87,000 by freezing a detective position.

HPD Organizational Chart



FTE

FY 2019 – 322.5

FY 2020 Proposed – 326.5

Status of Select FY 2019 Highlighted Goals*



FY 2019 Key Service Goals/Objectives	Status
Goal #1 - Improve community engagement and awareness.	ONGOING Framework established; Community Recruitment for Community Advisory Panel Open.
Goal #2 - Support Council Strategic Initiatives, Complete Communities, Complete Streets, Tennyson Corridor.	ONGOING participation by HPD staff; Obtained STEP grant to assist traffic safety for Complete Streets Initiative; YFSB additional contracts to assist with diversion & life skills for Complete Communities.
Goal #12 - SRU Emergency Vehicle Replacement.	ACHIEVED ; on going. Received new Mobile Command Vehicle. Acquisition of ERV in process.
Goal #16 - Obtain Delinquency Prevention Network (DPN) funding through the Alameda County Juvenile Probation Dept. designed to reduce youth involvement in the Juvenile Justice System.	ACHIEVED ; received \$737,500 for two contracts with DPN. These contracts will provide: Crisis Intervention, Counseling, Case Management, Diversion, Restorative Justice, and Life Skills training.
Goal #23 - To permanently staff a dedicated facility project coordinator for the Police Department.	ACHIEVED

*For the full list, see pages 265-268 of the FY 2020 Proposed Operating Budget

Highlighted Goals for FY 2020*



FY 2020 Goals

Goal #1 - Improve communication with the community.

Goal #2 - Enhance Organizational Accountability and Standards.

Goal #9 - Development of strategic community engagement program following critical incidents aimed at reducing the fear of crime.

Goal #10 - Continue and enhance community policing outreach.

Goal #11 - Focus on employee communication skills.

Goal #12 - Expand recruitment efforts to address staffing vacancies and increase recruitment diversity.

Goal #14 - Align Division structure and staff to better meet service demands.

*For the full list, see pages 269-270 of the FY 2020 Proposed Operating Budget

Questions & Discussion

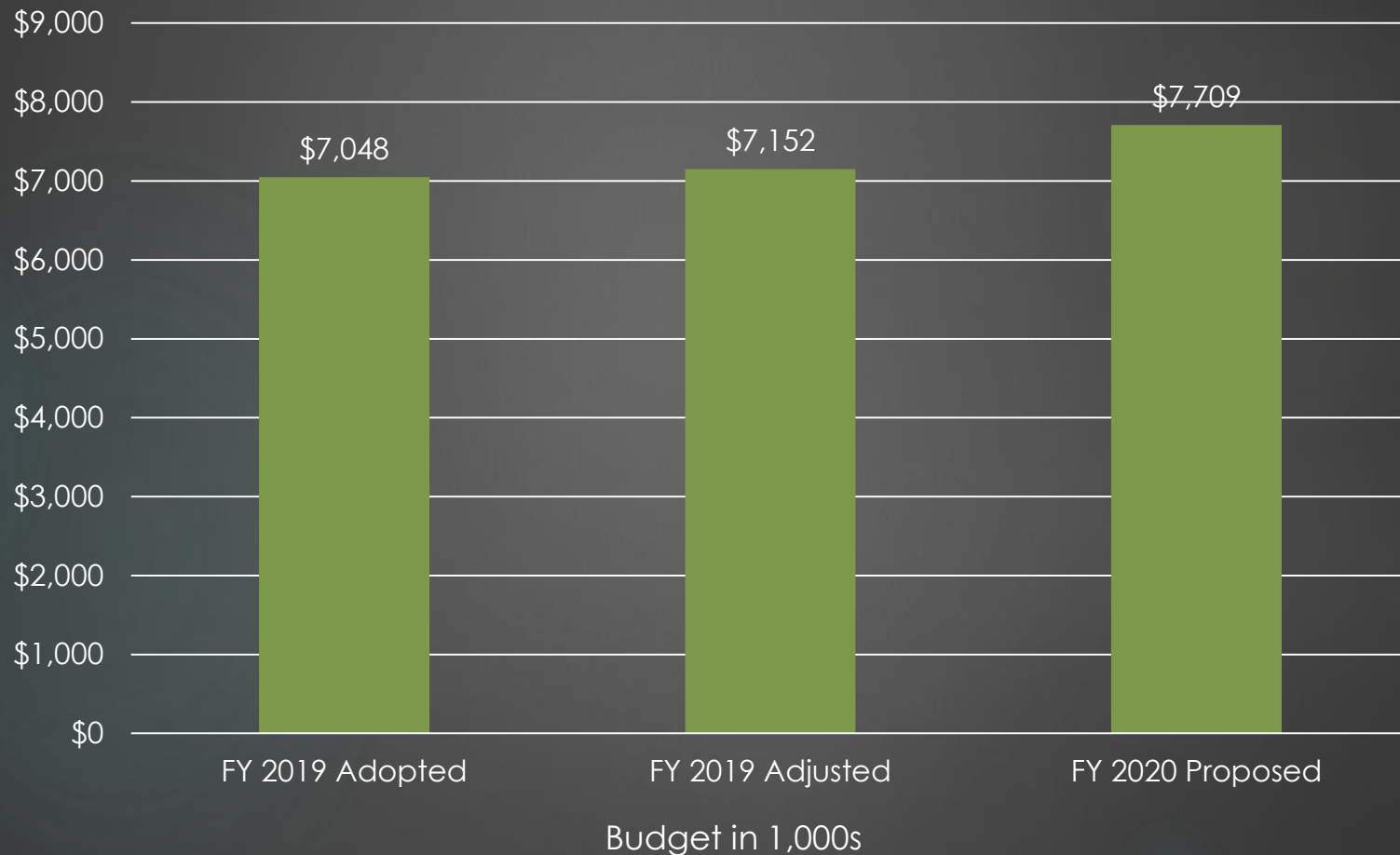




INFORMATION TECHNOLOGY DEPARTMENT

FY 2020 BUDGET PRESENTATION

IT Budget Comparison FY 2019 vs. FY 2020



Significant Changes Planned for FY 2020

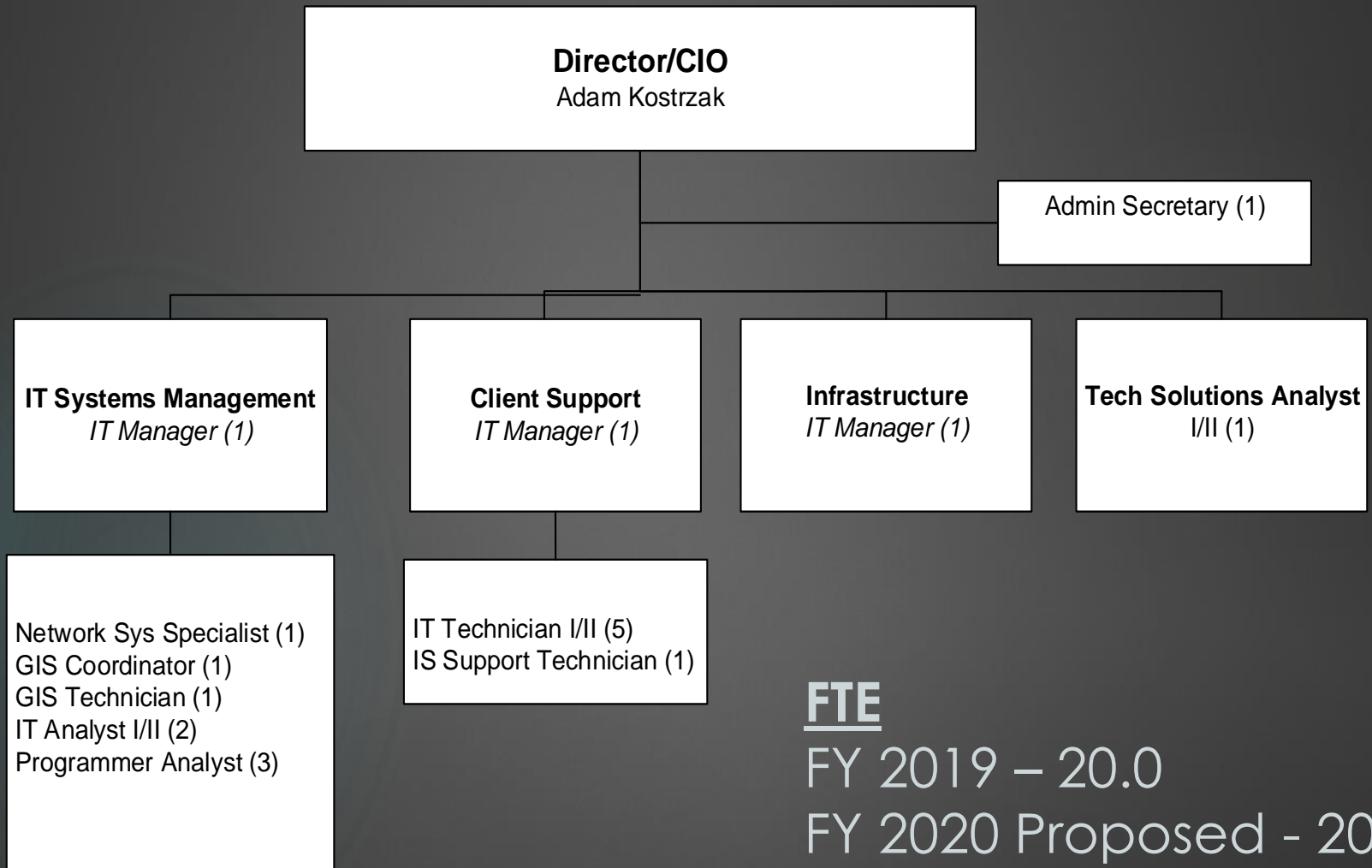
FY 2020 Significant Changes Planned

Increase to Data and Network Security efforts.

CIP projects moved to Operating Budget.

Transition of expenses to IT Budget from other departments.

IT Organization Chart



FTE

FY 2019 – 20.0

FY 2020 Proposed – 20.0

Status of Select FY 2019 Highlighted Goals*



FY 2019 Key Service Goals/Objectives	Status
Goal #6 - Upgrade Computer Aided Dispatch (CAD) to current vendor platform.	Go Live May 7th
Goal #8 - Upgrade to Munis 11.3	Complete
Goal #10 - Execute 5-year server upgrade cycle plan.	Complete
Goal #11 - Develop Office 365 Current State report to target opportunities to increase efficiency and productivity.	Complete

*For the full list, see page 209 of the FY 2020 Proposed Operating Budget

Highlighted Goals for FY 2020*



FY 2020 Goals

Goal #3 - Identify next generation of mobile data computers for public safety vehicles.

Goal #4 - Migrate Public Safety Legacy Systems

Goal #6 - Establish City Digital Document Strategy

Goal #7 - Increase Internet bandwidth through partnership with ACOE, increasing speeds to 1GBPS

*For the full list, see page 210 of the FY 2020 Proposed Operating Budget

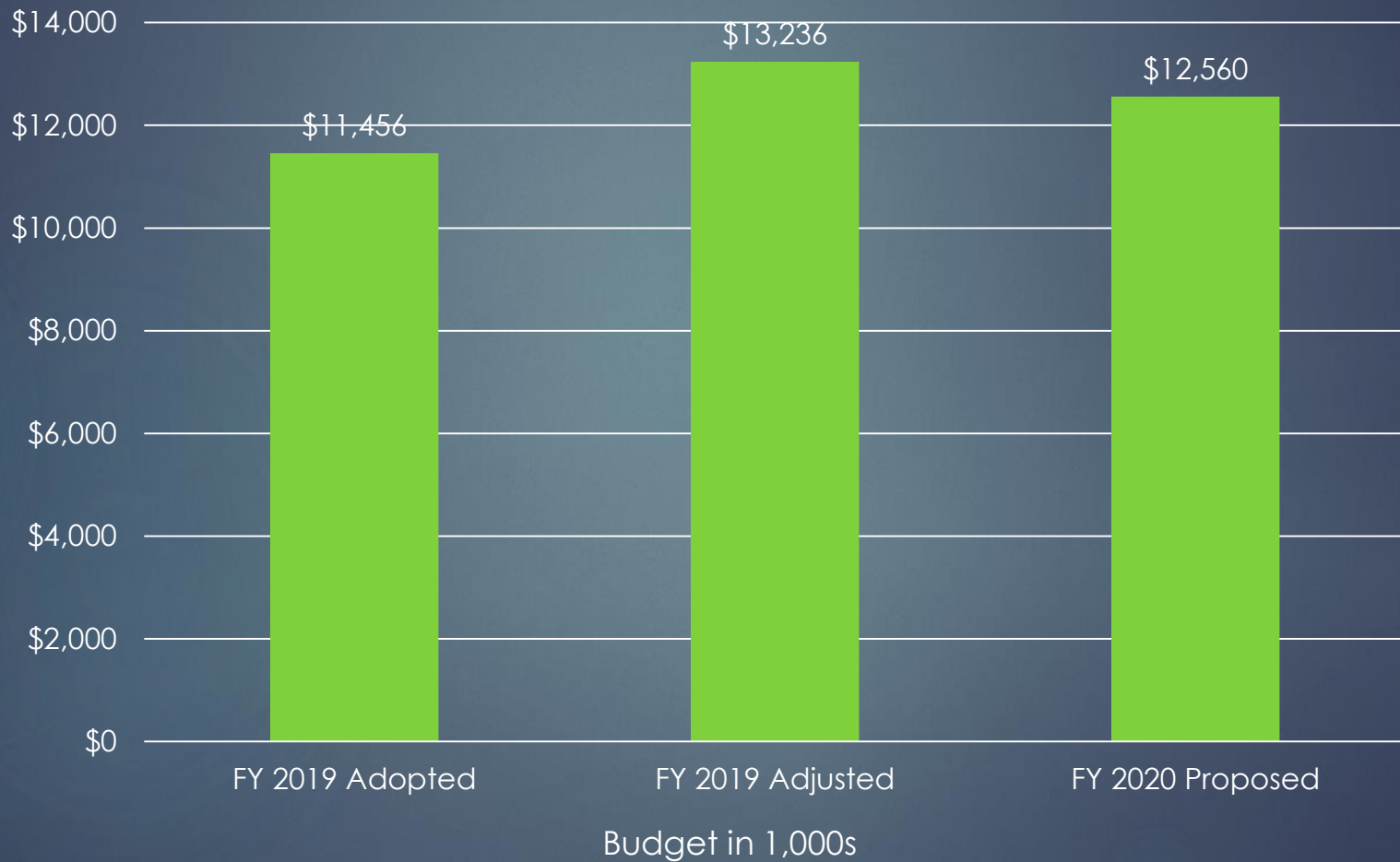
Questions & Discussion





DEVELOPMENT SERVICES DEPARTMENT FY 2020 BUDGET PRESENTATION

DSD Budget Comparison FY 2019 vs. FY 2020



Significant Changes Planned for FY 2020

FY 2020 SIGNIFICANT CHANGES PLANNED

STAFFING

Delete 1.0 FTE Deputy Director

Delete 0.5 FTE Management Fellow

Add 1.0 FTE Management Analyst I/II

Add 1.0 FTE Jr. Landscape Architect

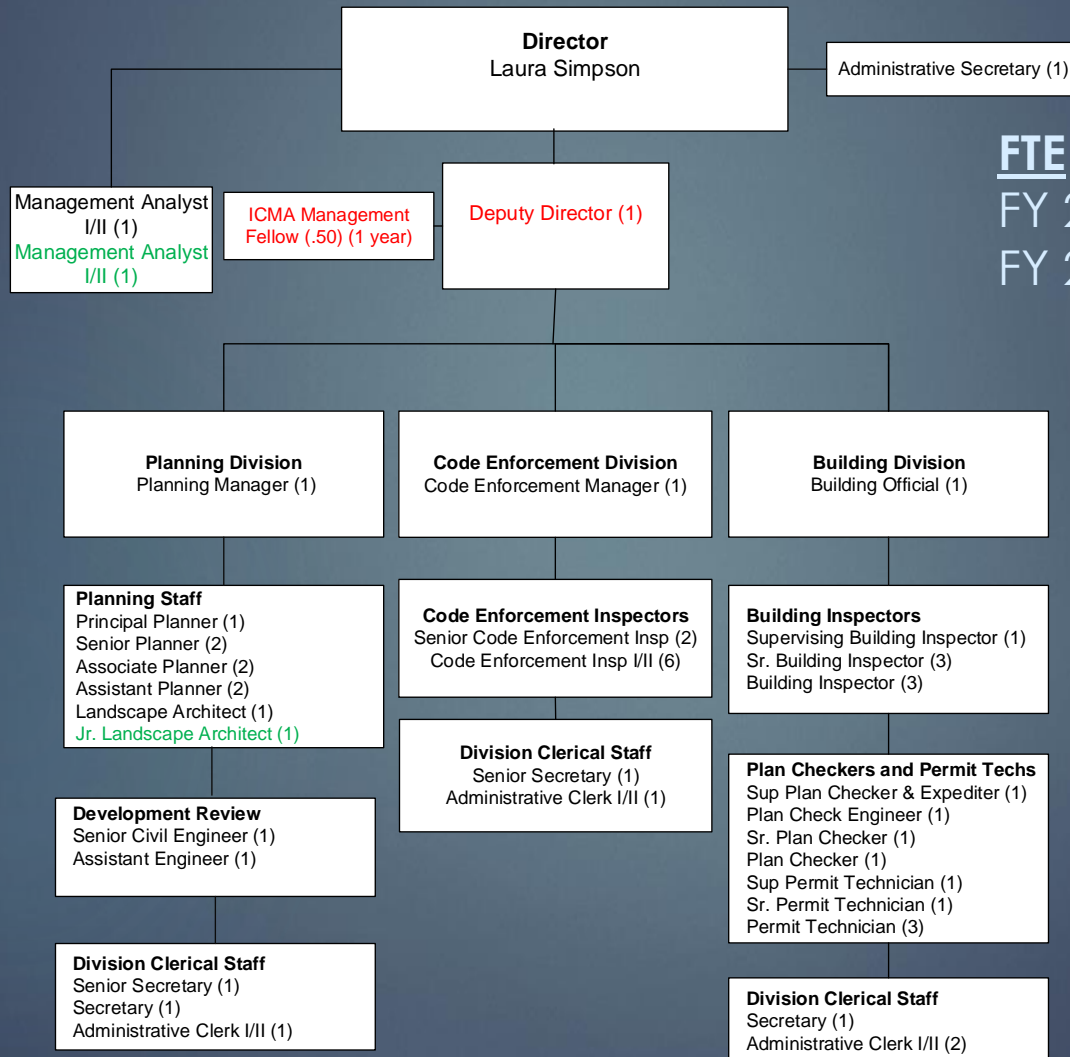
SUPPLIES & SERVICES

Bank Charges

Code Books (every 3 years)

Increase Training for Code Enforcement

Development Services Organization Chart



FTE

FY 2019 – 49.5

FY 2020 Proposed – 50.0

Status of Select FY 2019 Highlighted Goals*



FY 2019 Key Service Goals/Objectives	Status
Goal #1 - Complete lean innovation pilot project in Permit Center focused on customer wait-line management and operational improvements.	ACHIEVED
Goal #6 - Maintain a combined customer service level of Exceeds or Met Expectations, at 80% or above within Access Hayward surveys	ACHIEVED
Goal #9 - a) Maintain current level of customer service by providing next day inspections; b) Fill all vacant positions in order to fully staff the Building Division.	ACHIEVED
Goal #7 - Complete development of a seismic soft-story retrofit program.	IN-PROGRESS Anticipated adoption (6/2019)
Goal #11 - Complete development of a Downtown Specific Plan and Code (GP Program LU-4). Complete comprehensive update of the Industrial Zoning District regulations (General Plan Program LU-11).	ACHIEVED Anticipated adoption (4/2019) & (5/2019)
Goal #12 - Complete comprehensive update of the Industrial Zoning District regulations (General Plan Program LU-11)	ACHIEVED Anticipated adoption (5/2019)

*For the full list, see pages 147-152 of the FY 2020 Proposed Operating Budget

Status of Select FY 2019 Highlighted Goals*



FY 2019 Key Service Goals/Objectives	Status
Goal #1 - Department Wide: Complete lean innovation pilot project in Permit Center focused on customer wait-line management and operational improvements.	ACHIEVED
Goal #12 – Complete Comprehensive update of the Industrial Zoning District regulations (General Plan Program LU-11).	
Goal #6 - Code Enforcement Division: Maintain a combined customer service level of Exceeds or Met Expectations, at 80% or above within Access Hayward surveys	ACHIEVED
Goal #9 - Building Division: a) Maintain current level of customer service by providing next day inspections; b) Fill all vacant positions in order to fully staff the Building Division.	ACHIEVED
Goal #7 - Building: Complete development of a seismic soft-story retrofit program.	IN-PROGRESS Anticipated adoption (6/2019)
Goal #11 - Planning Division: Complete development of a Downtown Specific Plan and Code (GP Program LU-4). Complete comprehensive update of the Industrial Zoning District regulations (General Plan Program LU-11).	ACHIEVED Anticipated adoption (4/2019) & (5/2019)

*For the full list, see pages 147-152 of the FY 2020 Proposed Operating Budget

Highlighted Goals for FY 2020*



FY 2020 Goals

Goal #2 -Department-Wide: Leverage technology and lean resources to streamline a more effective method toward document management with an overarching goal to move toward paperless submittals.

Goal #9 - Planning Carry-Forward: Related to the Complete Communities Strategic Initiative – Park In-Lieu / Nexus Study.

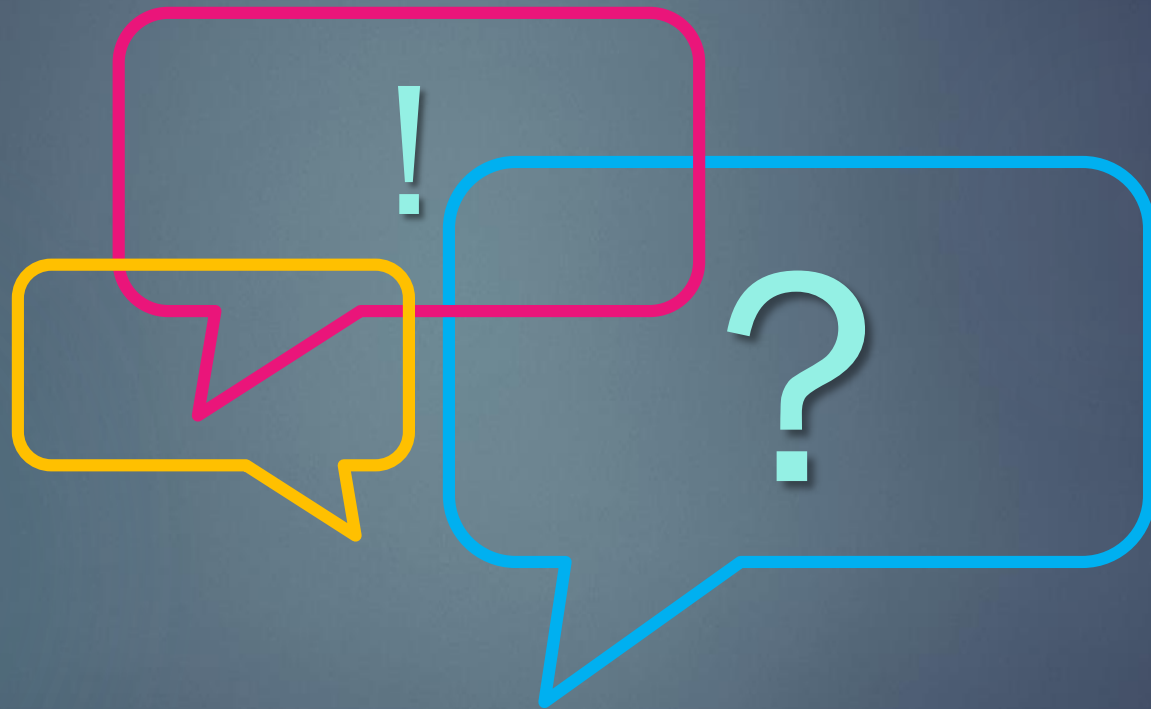
Goal #10 - Planning Carry-Forward: Revise the City's two Form-Based Codes in order to better achieve goals and objectives of the General Plan and to improve the user-friendliness of the Codes.

Goal #4 - Code Enforcement Carry-Forward: Complete and mail Code Enforcement outreach flyer to commercial and industrial properties, to include inspector information and land use issues (Phase 3 - Fall 2019).

Goal #5 - Code Enforcement Carry-Forward: Related to the Complete Communities Strategic Initiative – Vacant Building Ordinance development and adoption.

*For the full list, see pages 153-156 of the FY 2020 Proposed Operating Budget

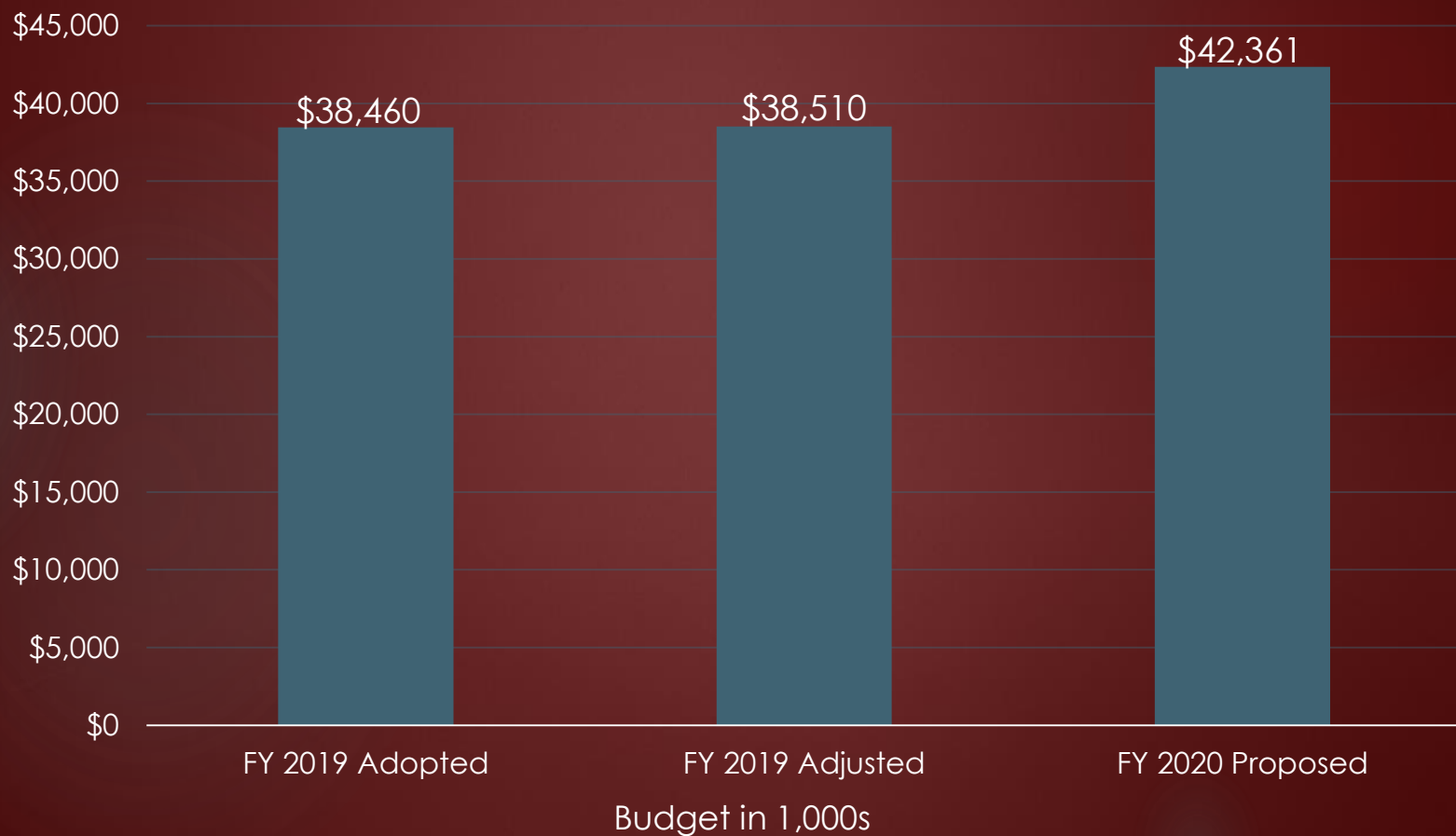
Questions & Discussion





HAYWARD FIRE DEPARTMENT FY 2020 BUDGET PRESENTATION

Fire Budget Comparison FY 2019 vs. FY 2020



Changes Planned for FY 2020



FY 2020 Significant Changes Planned

Reinstate Emergency Services Division:

- Emergency Services Officer Staff Captain (remove Firefighter position)
- \$50,000 for Supplies and Services

Increase Supplies and Services for:

- \$29,000: Annual contract with on-call doctor (required by County)
- \$16,000: Emergency medical supplies (previously provided by County's ambulance provider)
- \$4,000: Annual implicit-bias training for all Firefighters

* Offset to these costs: Reduction of 0.5 Management Analyst

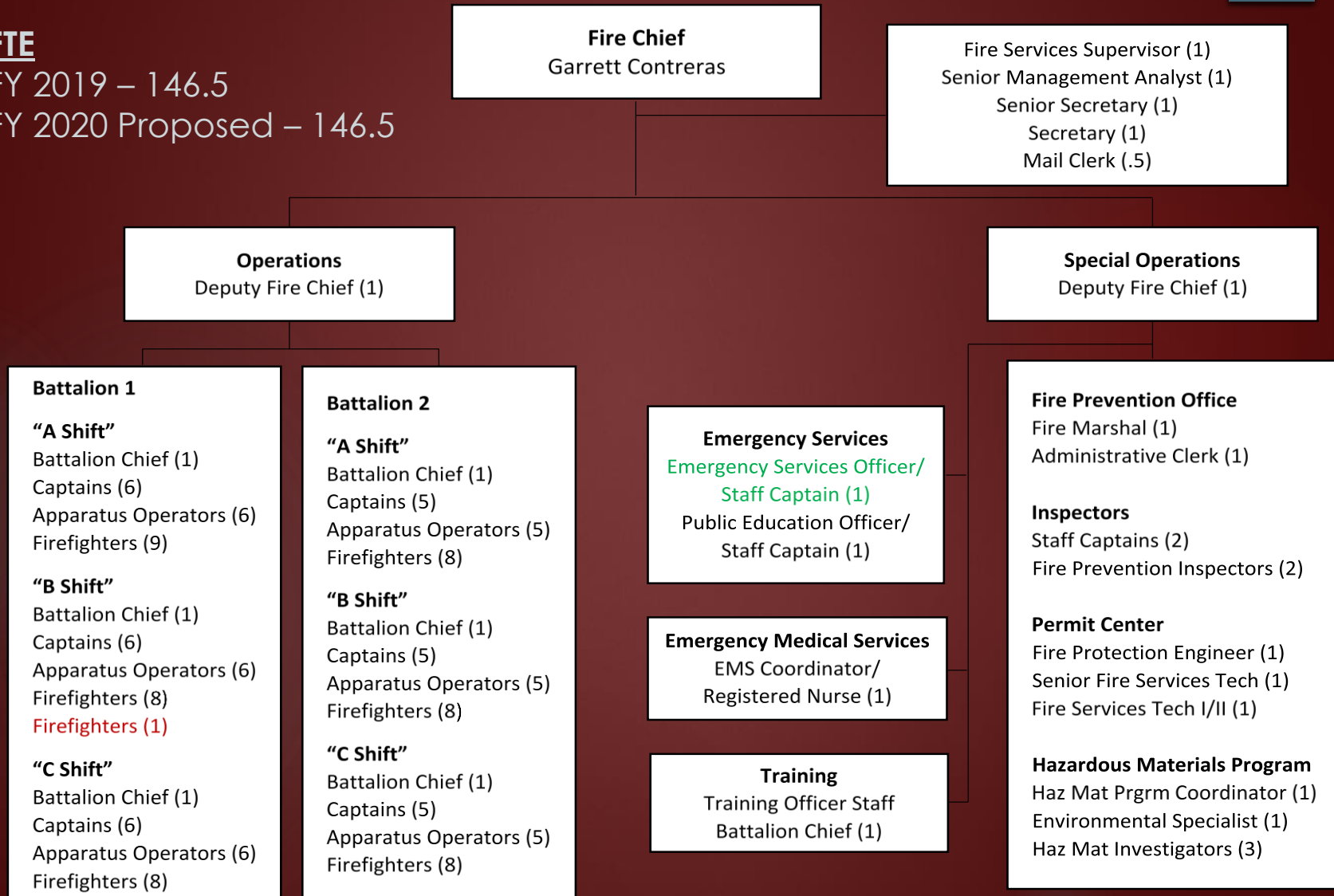
Fire Organization Chart



FTE

FY 2019 – 146.5

FY 2020 Proposed – 146.5



Status of FY 2019 Highlighted Goals*



FY 2019 Key Service Goals/Objectives	Status
Goal #8 - Assist Public Works with the renovations to Fire Stations 6 and the Fire Training Center, including partnership with Chabot College	ONGOING Milestones completed, including MOU executed
Goal #11 - Implement assess and refer pilot for non-emergency calls	ACHIEVED 34 referrals in first two months
Goal #9 - Reduce overtime usage and regularly monitor progress	ONGOING Estimated non-mutual aid OT is down 32% from FY18 and 43% from FY 2019
Unplanned - Mutual Aid provided to 16 incidents	22,450 hours 15,840 masks distributed

*For the full list, see pages 185-186 of the FY 2020 Proposed Operating Budget

Highlighted Goals for FY 2020*



FY 2020 Proposed Key Service Goals

Goals #10/11/12 - Reinstatement Emergency Services Division – Focus on convening agency partners, creating essential MOUs, and growing the NERT program

Goal #4 - Continue construction plans for New Station 6 and Training Center

Goal #6 - Research and propose mental health training for sworn staff

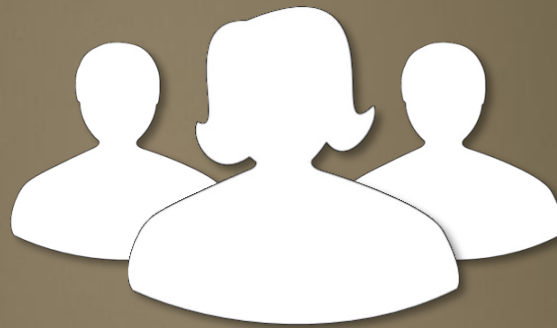
Goal #1 - Continue to work towards Center for Public Safety Excellence Accreditation, starting with a strategic planning process

Goal #2 - Continue to implement improvements to work towards Insurance Service Office (ISO) reclass

*For the full list, see page 187 of the FY 2020 Proposed Operating Budget

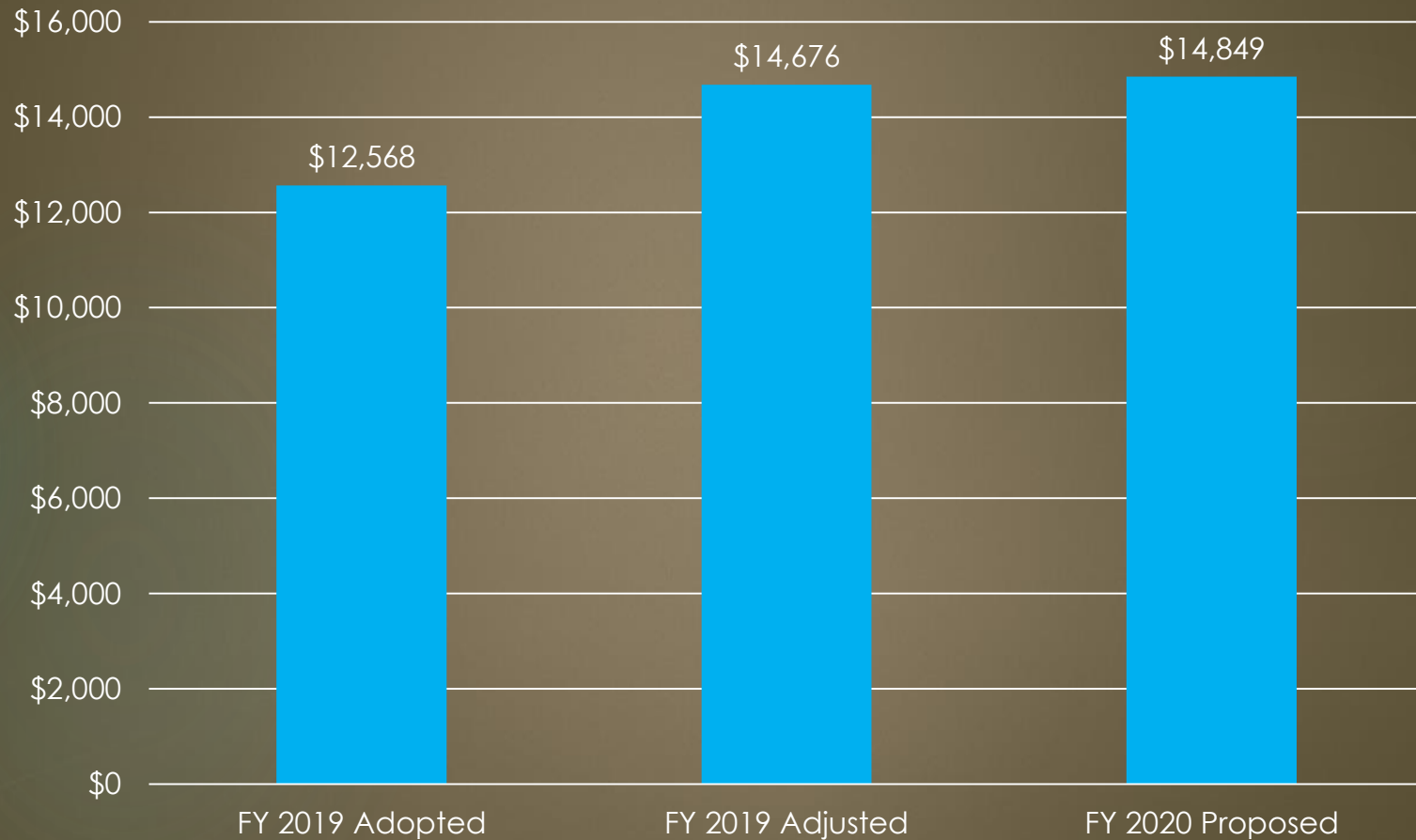
Questions & Discussion





HUMAN RESOURCES DEPARTMENT FY 2020 BUDGET PRESENTATION

HR Budget Comparison FY 2019 vs. FY 2020



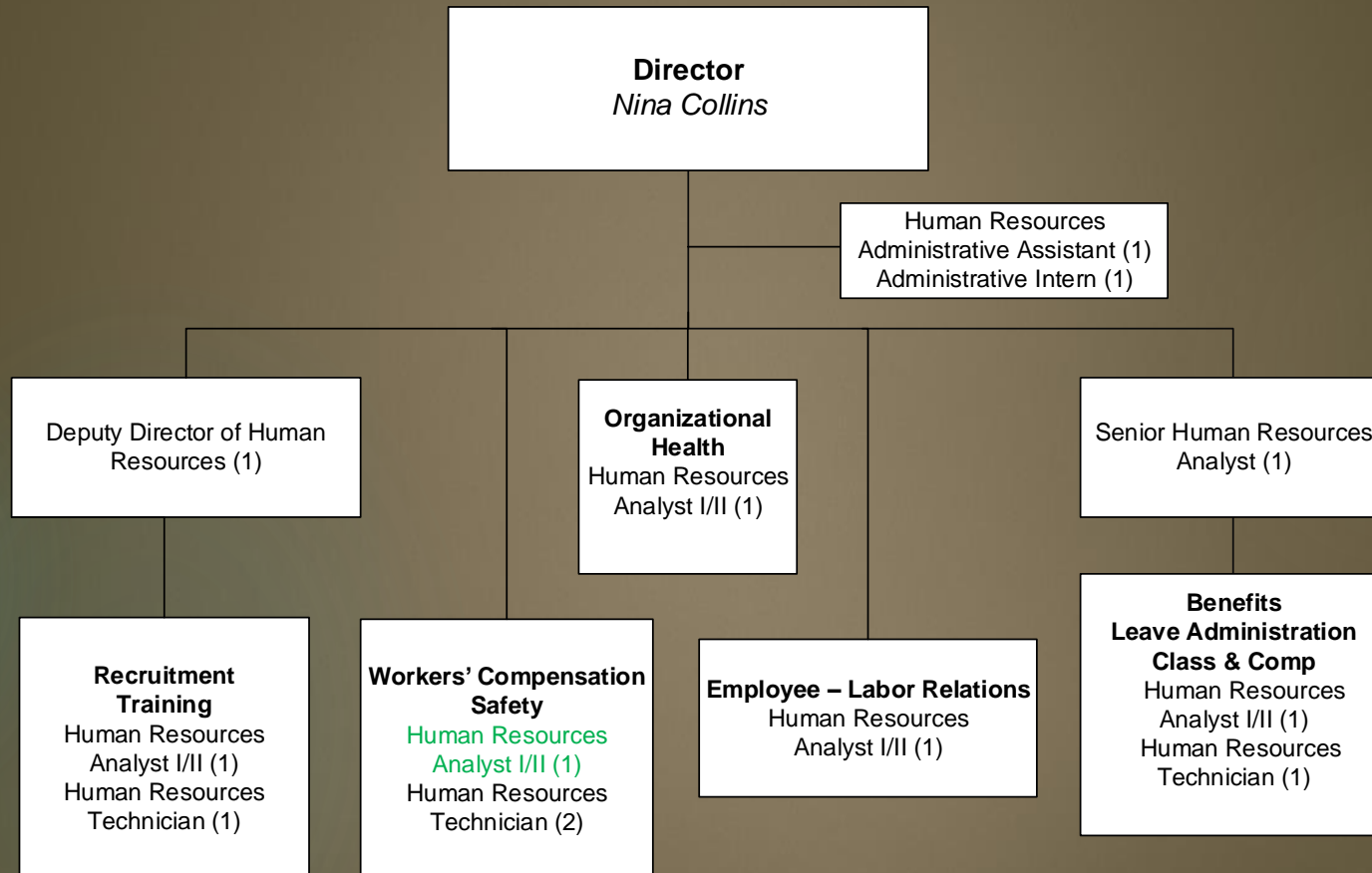
Budget in 1,000s

Significant Changes Planned for FY 2020

FY 2020 Significant Changes Planned

Add 1.0 FTE Human Resources Analyst

HR Organization Chart



FTE

FY 2019 – 13

FY 2020 Proposed – 14

Status of Select FY 2019 Highlighted Goals*



FY 2019 Key Service Goals/Objectives	Status
Goal #1- Update and revise the Personnel Rules. Informational Report to update City Council on the FY 2018 and FY 2019 Personnel Commission Goals and Objectives	Complete. Report is on the agenda for the May 7, 2019 Council meeting
Goal #4 - In partnership with Public Works implement the recommendations of the 2017 Safety Gap Analysis	In Progress
Goal #6 - Complete a diversity analysis of current citywide staffing	In Progress
Goal #N/A - Negotiate terms to resolve outstanding PERB dispute with SEIU	Complete

*For the full list, see page 197 of the FY 2020 Proposed Operating Budget

Highlighted Goals for FY 2020*



FY 2020 Goals

Goal #1- Update and implement performance evaluation process and forms to include organizational values

Goal #4 - 2019 Employee Engagement Survey

Goal #5 - Develop and implement action items from FY 2019 diversity statistics discussion

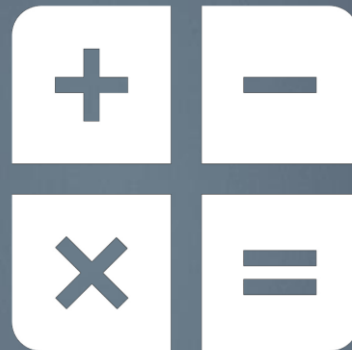
Goal #6 - Complete programmatic assessment and provide Workers Compensation Program status update to Council

Goal #7 - Complete negotiated salary surveys for bargaining units and unrepresented employees

*For the full list, see page 198 of the FY 2020 Proposed Operating Budget

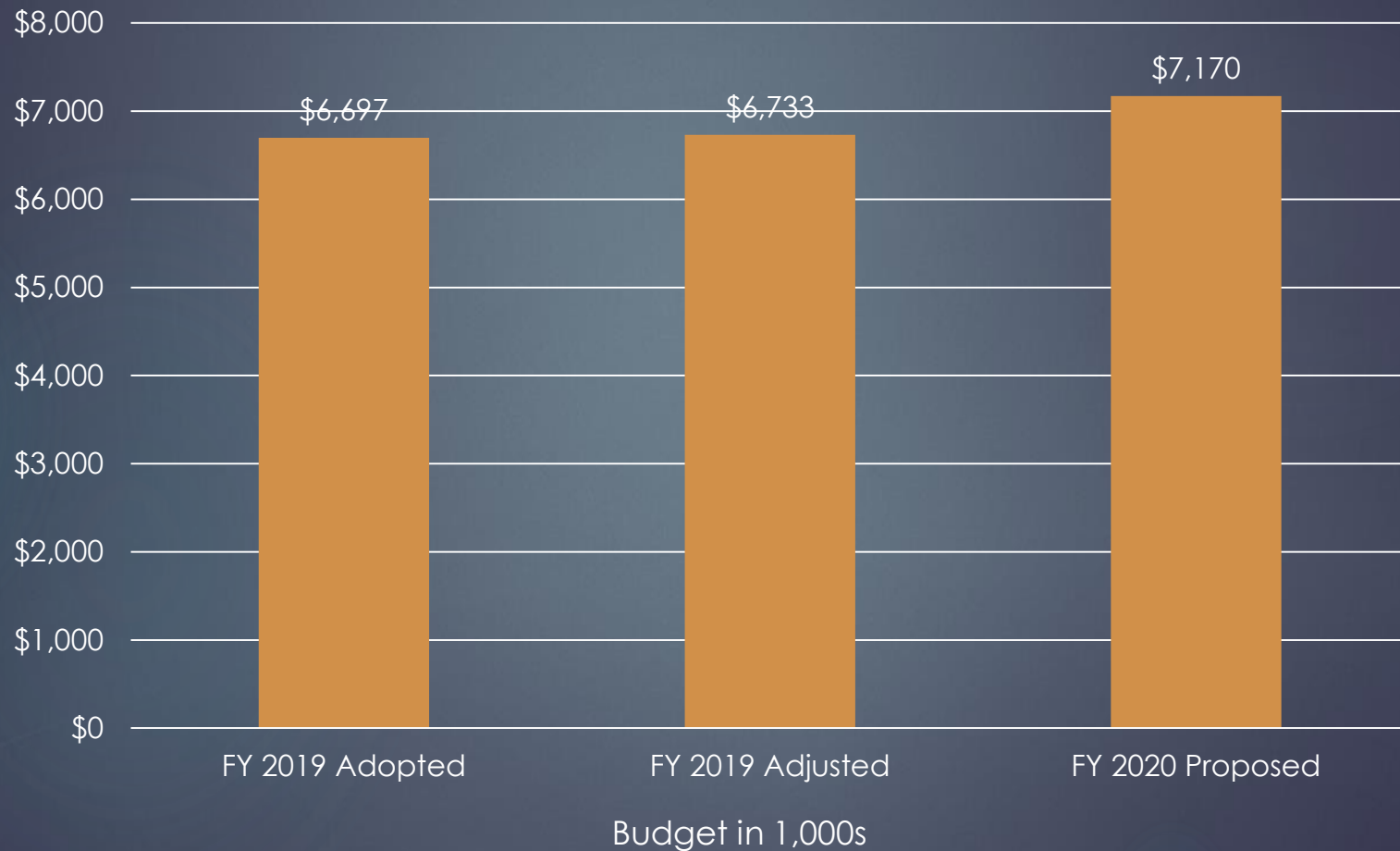
Questions & Discussion



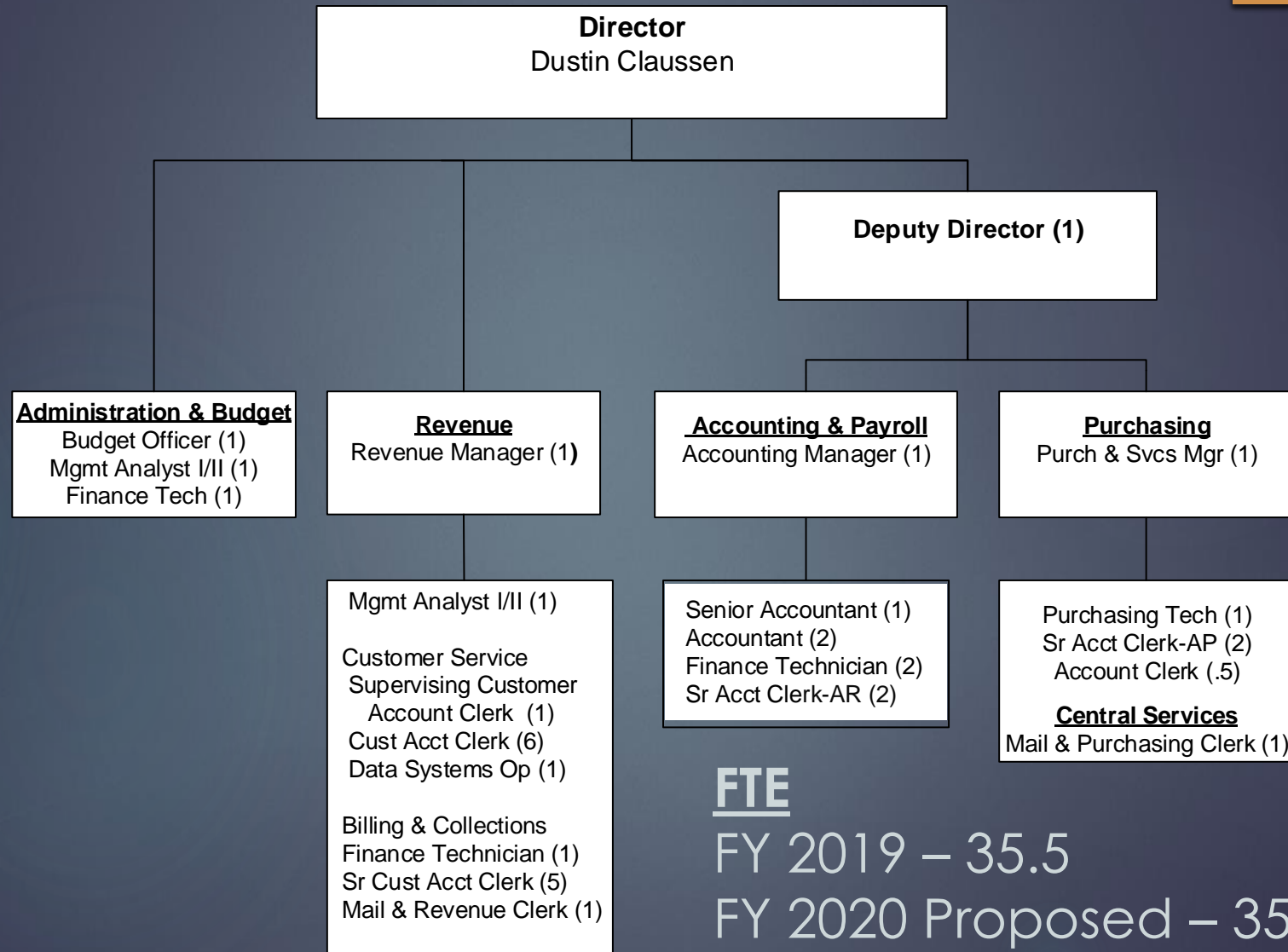


FINANCE DEPARTMENT FY 2020 BUDGET PRESENTATION

Finance Budget Comparison FY 2019 vs. FY 2020



Finance Organization Chart



Status of Select FY 2019 Highlighted Goals*



FY 2019 Key Service Goals/Objectives	Status
Update to City's Cost Allocation Plan.	Achieved
Complete the annual audit processes and Comprehensive Annual Financial Report (CAFR); complete federal Single Audit; submit and obtain the national GFOA award for financial reporting.	Achieved
Implement enhancements to the Revenue phone and in-person queue systems.	Achieved

*For the full list, see pages 169-170 of the FY 2020 Proposed Operating Budget

Highlighted Goals for FY 2020*



FY 2020 Goals

Enhance HSS with new features, including E-check capabilities and general invoice payment options.

Generate invoice and reimbursement payments from paper checks to electronic payments (ACH) for vendors and employees.

Enhance OpenGov reporting tool by expanding the development of transparency reports for both internal and external customers.

*For the full list, see page 171 of the FY 2020 Proposed Operating Budget

Significant Changes Planned for FY 2020

FY 2020 Significant Changes

None.

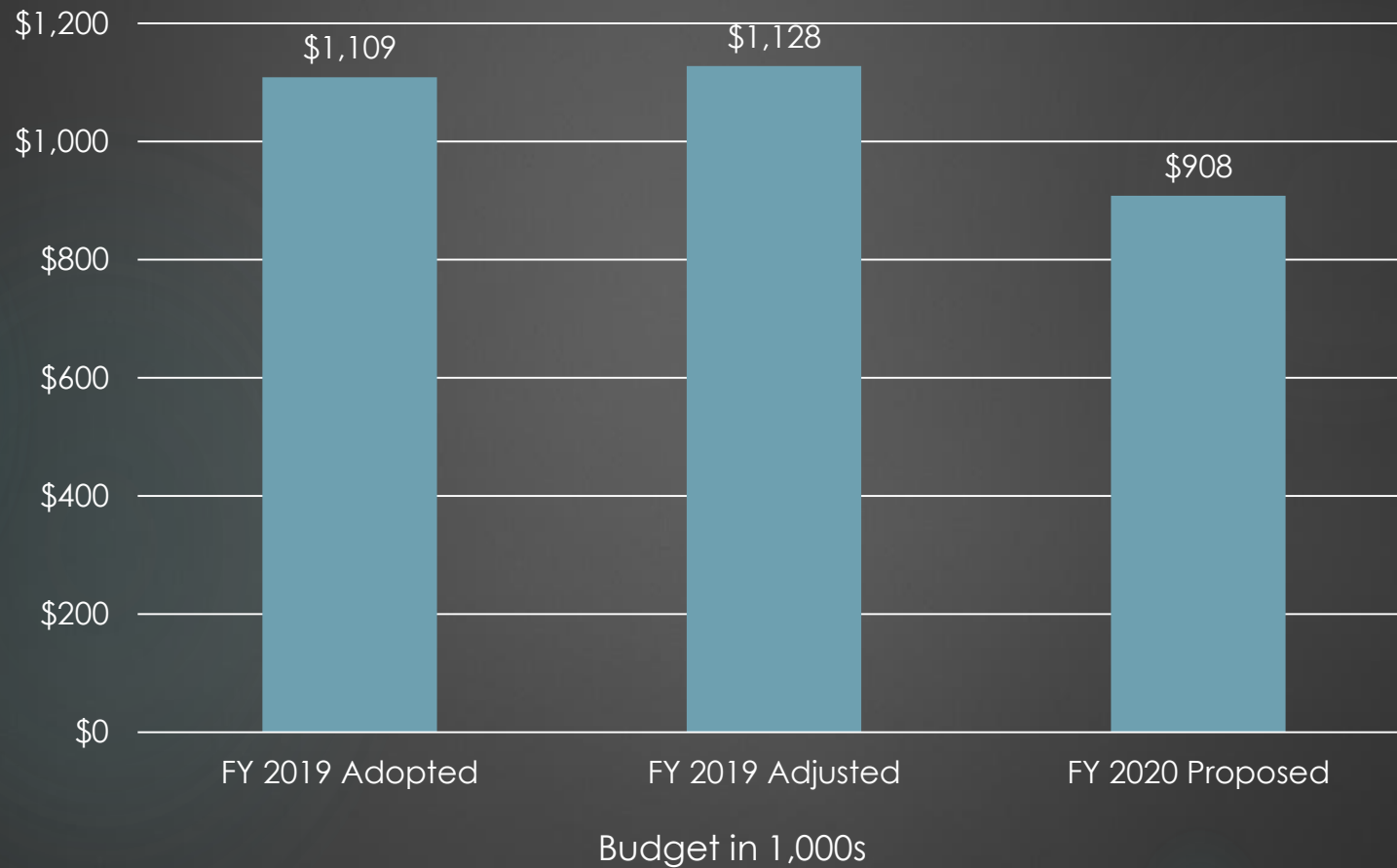
Questions & Discussion





OFFICE OF THE CITY CLERK FY 2020 BUDGET PRESENTATION

CCO Budget Comparison FY 2019 vs. FY 2020

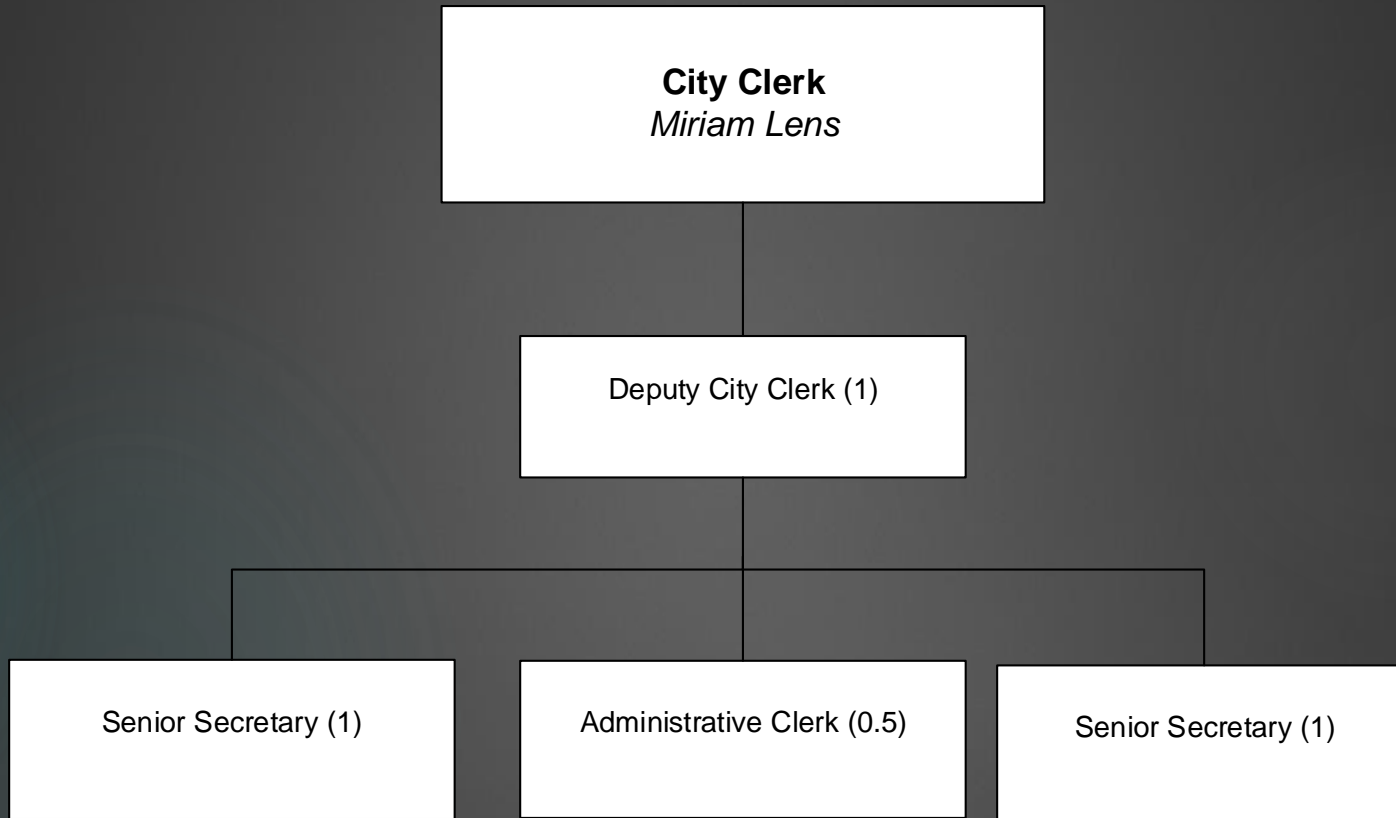


Significant Changes Planned for FY 2020

FY 2020 Significant Changes Planned

No significant changes.

CCO Organization Chart



FTE

FY 2019 – 4.5

FY 2020 Proposed – 4.5

Status of Select FY 2019 Highlighted Goals*

FY 2019 Key Service Goals/Objectives	Status
Goal #1- Support the organization in the use of the agenda and meeting management system (Granicus: iLegislate, Legistar, LiveManager, and Votecast).	Achieved 95% system functionality
Goal #8 - Identify useful data that could be made available to the public via a central public portal on the City's website to improve transparency and reduce requests for public records.	Achieved Acquired and implemented a Public Records Request Management software (GovQA)
Goal #13 -Implement the online filing of campaign forms in accordance with regulations set forth by the California Fair Political Practices Commission.	Achieved Implemented prior to the November 2018 election cycle

*For the full list, see pages 98 -101 of the FY 2020 Proposed Operating Budget

Unmet Goals for FY 2019*

FY 2019 Unmet Goals

Goal #2 - Explore methods for increasing public access to Council agendas/meetings such as promoting electronic alerts and RSS feeds.

Goal unmet due to competing office priorities and staff vacancies.

Goal #5 - Conduct a feasibility study to determine if DocuSign will improve the processing of contracts and signed documents.

Goal unmet due to competing office priorities and staff vacancies.

Goal #9 - Provide passport services to the public at large; and meet requirements set by the U.S. Department of State for processing applications.

Goal for processed applications unmet due to staff vacancies. Passport demand continues to exceed staff capacity.

Highlighted Goals for FY 2020*



FY 2020 Goals

Goal #1 - Explore methods for increasing public access to Council agendas/meetings such as promoting electronic alerts and RSS feeds.

Goal #4 - Complete Phase II of the Implementation of the Public Records Request Management software and help launch an open public portal to increase efficiency.

Goal #10 - Continue to provide interpretation services to engage communities that are underrepresented.

Goal #12 - Utilize technology and social media to increase civic engagement and identify and grow community partners.

*For the full list, see pages 102-103 of the FY 2020 Proposed Operating Budget

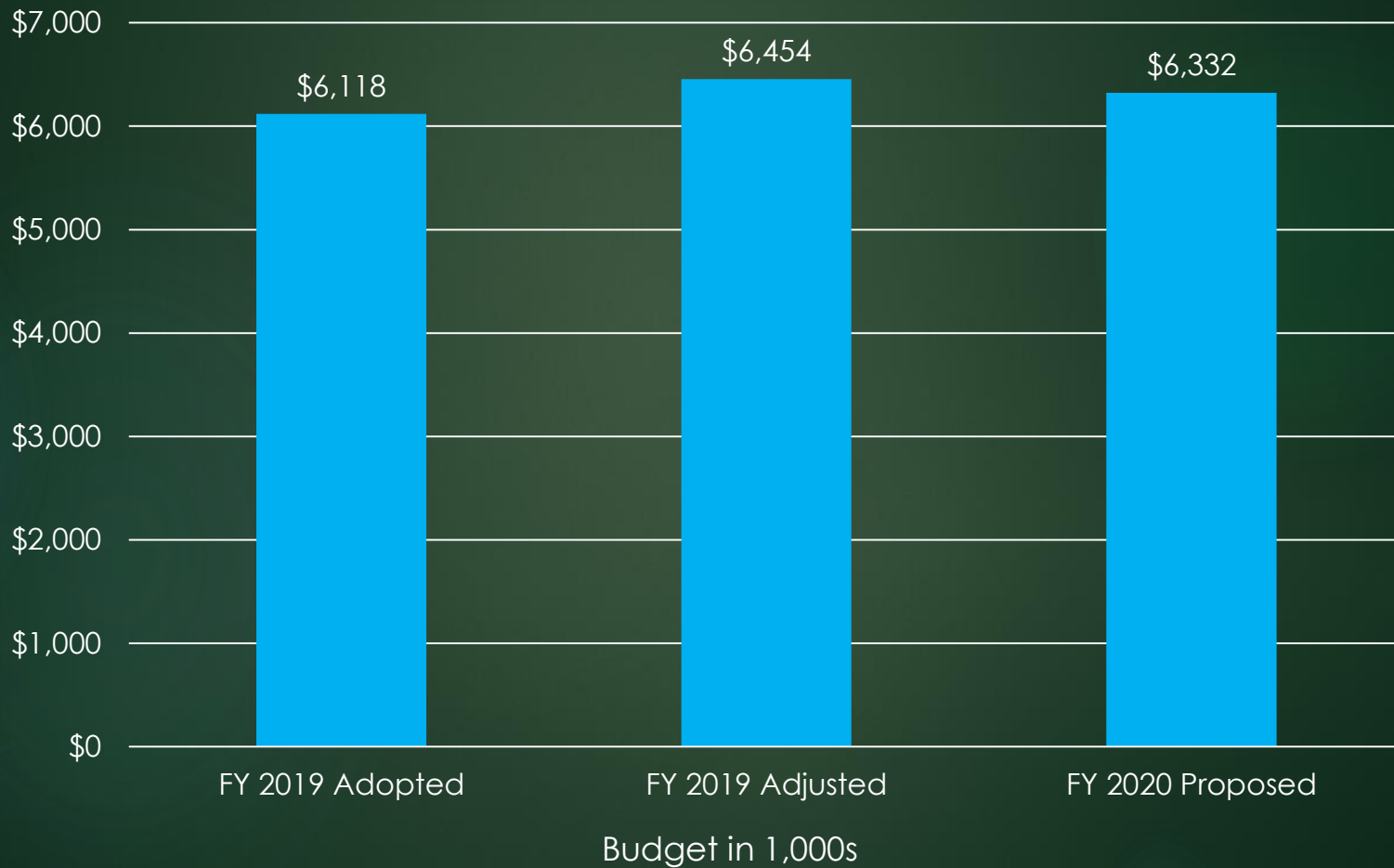
Questions & Discussion



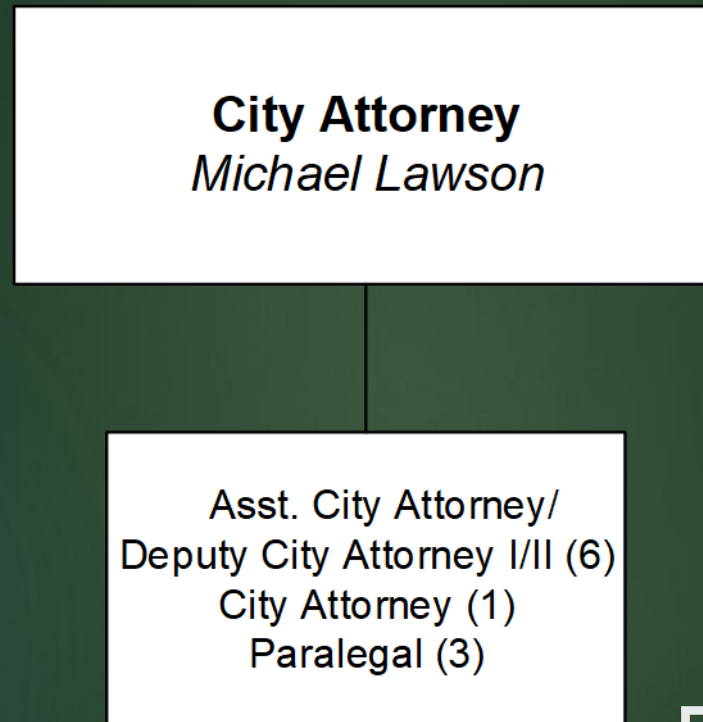


CITY ATTORNEY'S OFFICE FY 2020 BUDGET PRESENTATION

CAO Budget Comparison FY 2019 vs. FY 2020



CAO Organization Chart



FTE

FY 2019 – 10

FY 2020 Proposed – 10

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 are provided within a highly ethical and principled environment.

PROGRAM SUMMARY

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; 4) aggressive representation in court and administrative forums; 5) Reduction or elimination of risks and hazards associated with City activities and projects; 6) Management of the City's liability insurance program and procurement of the City's general liability, property, auto, and fiduciary insurance coverages; and 7) Review and determination regarding government claims.

FY 2019 KEY HIGHLIGHTS



- ▶ Settled long-running litigation with Russell City Energy Center (Calpine/GE) guaranteeing Utility Users Tax revenue of \$40-75 through FY 2038
- ▶ Initiated compliance with SB 1421 and AB 748 which mandate disclosure of police body-cam videos and serious misconduct records
- ▶ Assisted in roll-out of new Public Records Act platform that eases access and improves response to the thousands of requests received annually by the City Clerk and Hayward Police Department
- ▶ Identified trends in claims and litigation, especially resulting from HPD deployment of body-worn cameras, and effectively managed in-house costs and outside counsel costs
- ▶ Worked closely with City staff to develop policies and legislation related to affordable housing, rent review and stabilization, and homelessness

Status of Select FY 2019 Highlighted Goals*



FY 2019 Key Service Goals/Objectives	Status
Goal #1 - Monitor and apprise Council and City staff of any changes in State law regarding public meetings and conflicts of interest.	New legislation requires more accessible notice of availability of City Council agendas on City website, per Brown Act, which has been implemented. Though not related to Brown Act or conflict of interest, new legislation requires disclosure of law enforcement disciplinary records and body-camera worn video, per Public Records Act requests. City is currently reviewing multiple requests for disciplinary records; body-cam video requirements go into effected mid-2019.
Goal #2 - Assist development of Rent Review legislation strategies and options.	Repeal of Costa-Hawkins failed per Prop. 10, but Council has initiated new local policies which more strictly regulate rent increases for most of the rental inventory in Hayward, and extended eviction protections for all rental inventory.
Goal #3 - Close all claims that do not convert to litigation within 36 months from fiscal year filing.	On track, but two more years of data will be necessary to confirm success.
Goal #4 - Resolve all litigation, including claims for federal jurisdiction, within 36 months from fiscal year filing.	On track, but two more years of data will be necessary to confirm success. Only three new lawsuits were filed in calendar year 2017; City does not unilaterally control timing of federal litigation.

*For the full list, see pages 87-88 of the FY 2020 Proposed Operating Budget

Status of Select FY 2019 Highlighted Goals*



FY 2019 Key Service Goals/Objectives	Status
Goal #5 - Maintain annual ratio of 1:4 for claims paid, compared to claims filed.	On track, but two more years of data will be necessary to confirm success. There is wide disparity between claims filed and claims resolved in CY 2016 and CY 2017. For example, in CY 2016 there were nearly 200 claims received and 100 claims resolved. In CY 2017 there were 122 claims received and 65 claims resolved.
Goal #6 - Continue using CAO staff attorneys for all litigated cases, except where specialized outside counsel is warranted.	In CY 2019, one lawsuit was assigned to outside counsel, although 10 lawsuits were filed against the City. In CY 2019, five new lawsuits have been filed against The City, but no lawsuits have been assigned to outside counsel.

*For the full list, see pages 87-88 of the FY 2020 Proposed Operating Budget

Highlighted Goals for FY 2020*



FY 2020 Proposed Key Service Goals

Goal #1 - Monitor and apprise Council and City staff on implementation of SB 1421 and AB 748, which implement disclosure of law enforcement disciplinary records and body-cam video.

Goal #2 - Assist City staff in drafting mediation and binding arbitration legislation, good cause for eviction protections, and data collection related to rent stabilization program.

Goal #3 – Act on 90% of claims within 45 days, and close 90% of all claims within two years, except claims that convert to litigation.

Goal #4 – Resolve 90% of litigation within three years.

Goal #5 – Evaluate claims data to identify relative values of claims, trends, sources of liability, and sharing of data with departments – produce pie chart breakdown.

Goal #6 – Retain 90% of litigation defense within CAO, except where specialized outside counsel is warranted.

*For the full list, see page 89 of the FY 2020 Proposed Operating Budget

Significant Changes Planned for FY 2020

FY 2020 Significant Changes Planned

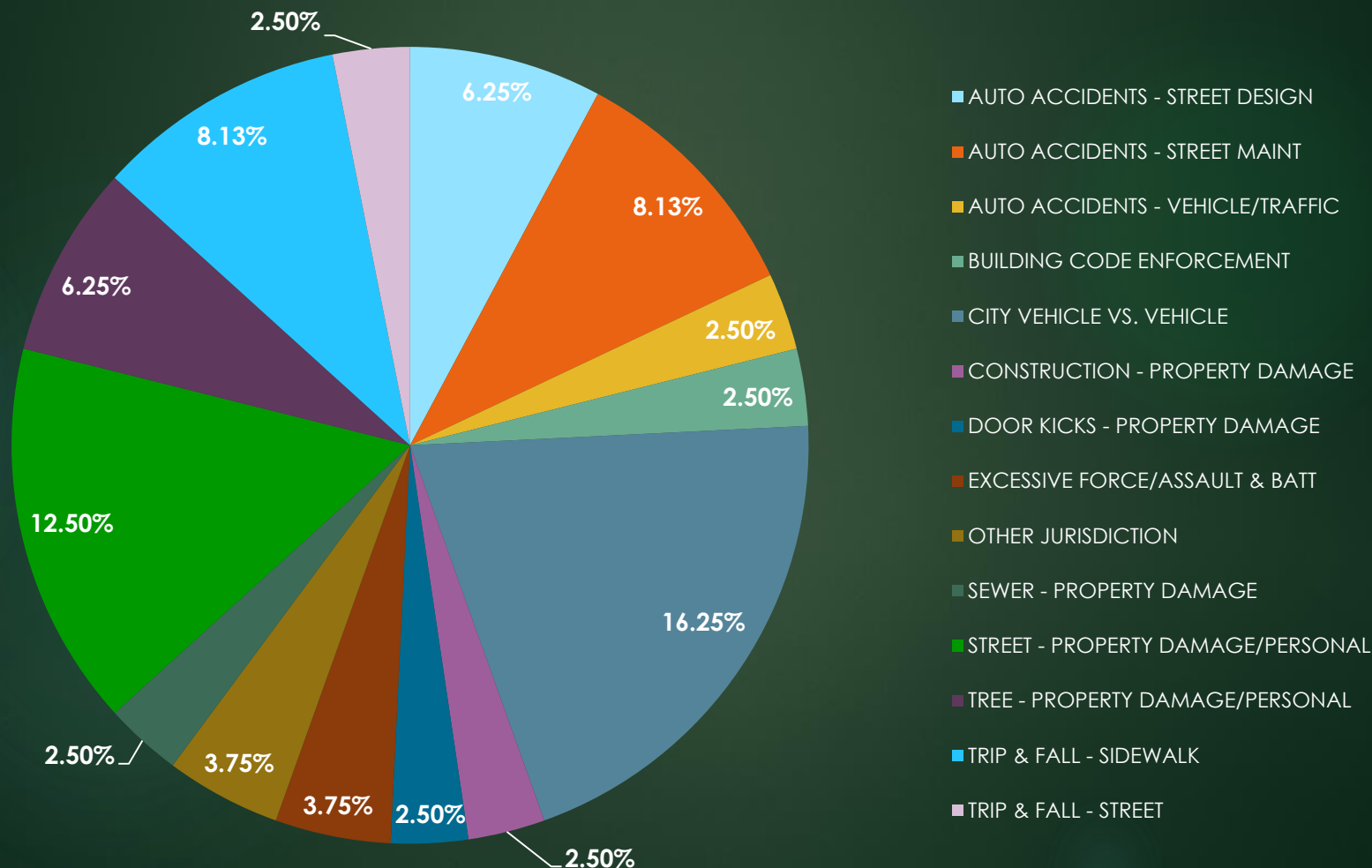
Projected increase to insurance premium, from \$2.1M to \$2.3M.

Add promotional classifications for Paralegal and Assistant City Attorney positions.

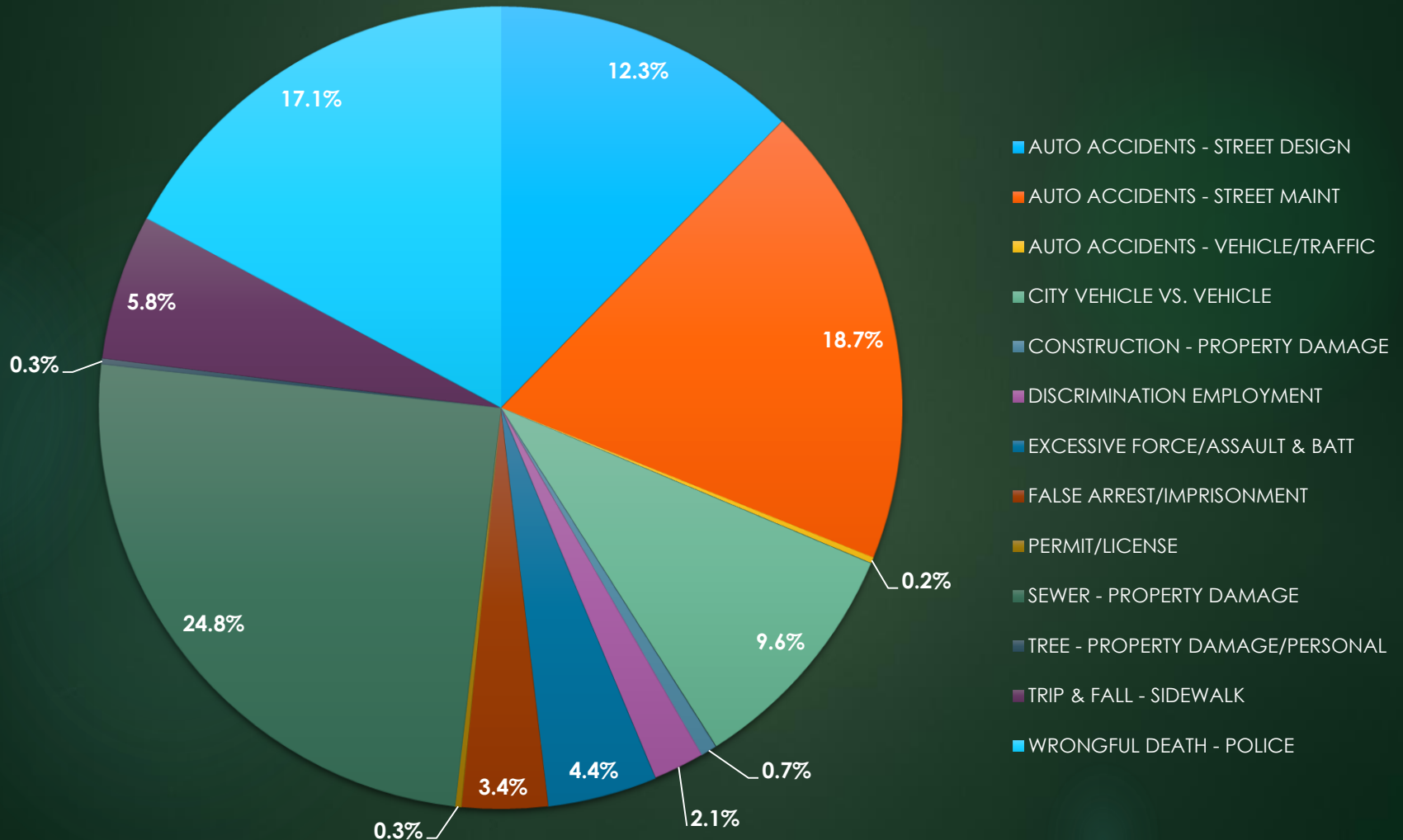
Questions & Discussion



Hayward Top Liability Claims by Frequency as of 2/19/19



Hayward Top Liability Claims by Severity as of 2/19/19

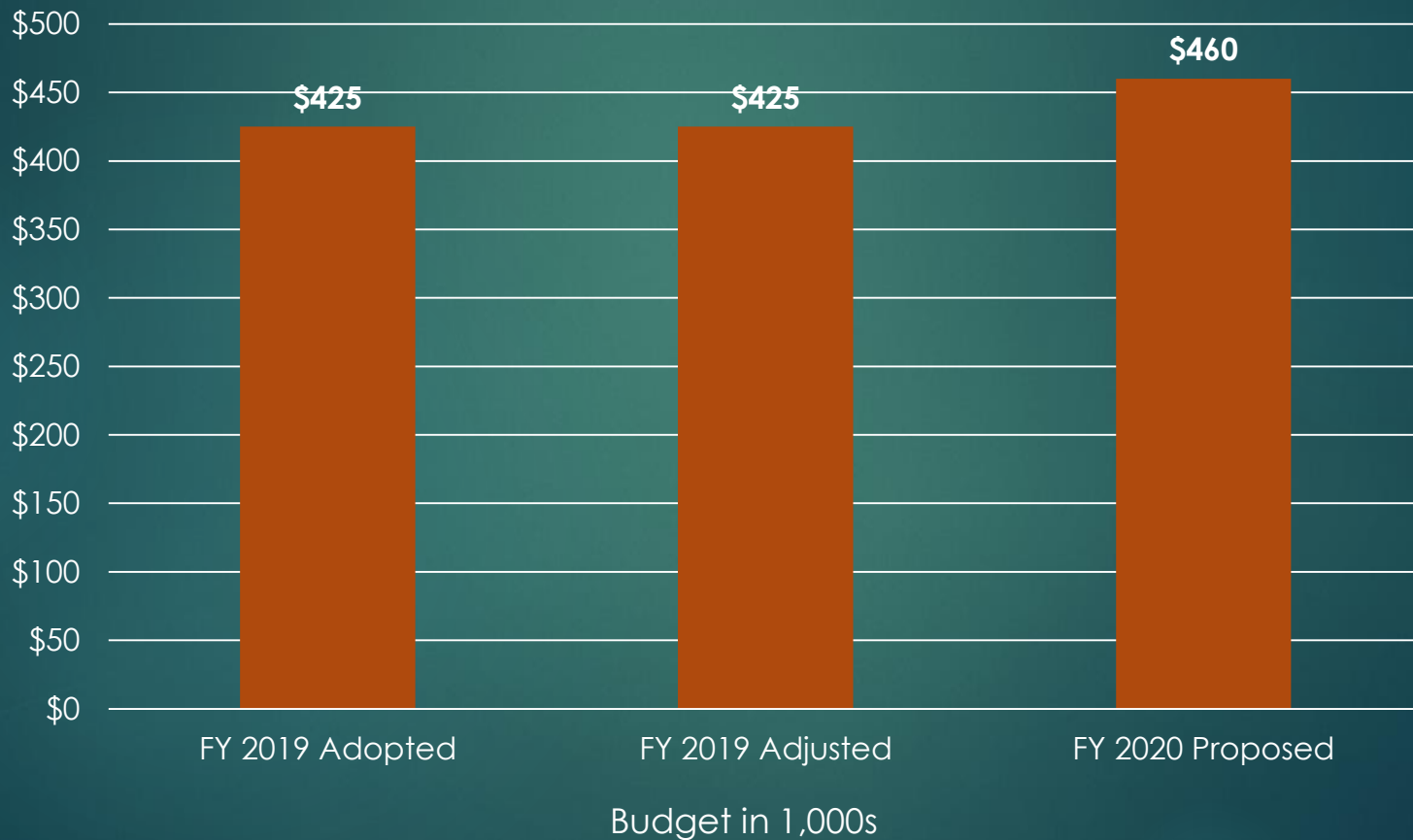




MAYOR & CITY COUNCIL
DEPARTMENT
FY 2020 BUDGET PRESENTATION

APRIL 27, 2019

Mayor & City Council Budget Comparison FY 2019 vs. FY 2020



Significant Changes Planned for FY 2020

FY 2020 Significant Changes Planned

No significant changes.

Status of Select FY 2019 Highlighted Goals*



FY 2019 Key Performance/Accomplishments

Goal #2 - Allocated and approved City financial resources and labor contracts in support of achieving long-term financial stability for the City.

Goal #5 - Placed Measure T, an increase in the Real Property Transfer Tax, on the November 2018 ballot to fund critical City services and infrastructure needs and improve the City's fiscal sustainability.

Goal #10 - Declared an emergency Shelter Crisis to receive critical funding for addressing homelessness in Hayward and approved the expenditure of state funding to create a Navigation Center that will provide temporary housing, meals, and housing support services to homeless Hayward community members.

Goal #12 - Declared a climate emergency, reinforcing the City's commitment to reducing greenhouse gas emissions and educating community members about mitigating the impacts of climate change.

*For the full list, see pages 81-82 of the FY 2020 Proposed Operating Budget

Highlighted Goals for FY 2020*



FY 2020 Goals

Goal #1- Reaffirm Council direction to staff on key priorities and provide strategic direction to staff through the strategic planning process.

Goal #3 - Continue efforts to bring structural balance to the City's finances and stability to the City's labor environment.

Goal #4 - Continue partnerships with the community and other agencies, including working with Hayward Area Recreation and Park District and Hayward Unified School District to support and enhance the overall wellbeing of Hayward residents and the educational performance of Hayward's public schools.

Goal #5 - Maintain excellence in responding to resident and community requests.

*For the full list, see page 82 of the FY 2020 Proposed Operating Budget

Questions & Discussion



Next Steps...

- Budget Work Session 2 on May 14, 2019
 - Presentation of City's Outstanding Debt and Unfunded Liabilities
 - Include applicable changes as a result of today's discussion
 - Update to Financial Policies
- Public Hearing and Adoption either May 21 or May 28, 2019