

Council Budget Work Session – Questions & Responses
Saturday, May 13, 2023

#	MCC	QUESTIONS / COMMENTS	STAFF RESPONSE	DEPARTMENT
1	Syrop	Can you please detail how vacancy savings have been spent across departments over the past FY?	If the use of vacancy savings is authorized, savings are typically used to support the hiring of temporary staff and/or consultant services needed to support the ongoing operational needs of the department. Any vacancy savings realized at the end of the fiscal year will be returned to the fund balance for future budgetary programming and appropriation by the City Council.	Finance
2	Syrop	Does this proposed budget still account for overhiring in the police department (as was authorized by Council in the past)?	This proposed budget does not include overhire positions for the Police Department. The Police Department is not requesting any overhire positions as there are multiple vacancies they are working to fill. The Police Department budget does reflect the use of salary savings from five (5) frozen police officer positions in the Youth and Family Services Bureau, which were previously assigned as school resource officers within Hayward Unified School District. The salary savings from those positions are being used to hire temporary staff to support the MIHU and HEART programs. The use of vacant positions has allowed for the department to minimize the number of position additions.	PD/Finance
3	Syrop	Do you have a version of our department org charts with vacancies highlighted?	We do not have an organizational chart that highlights the current vacancies in the organization. If desired departments could be asked to create one and provide.	Human Resources / Finance
4	Syrop	How is MIHU currently funded? Where will the MIHU clinician be budgeted?	The Hayward Evaluation and Response Team (HEART) – including the Mobile Integrated Health Unit (MIHU) – is funded through General Fund savings from five (5) frozen and vacant Police Officer positions in Youth and Family Services Bureau that were previously assigned as school resource officers with HUSD; and through grant funding from the State Department of Health Care Services through the Behavioral Health Justice Intervention Services program. The MIHU clinicians are currently budgeted in the City Manager’s Office and organizationally will be housed in Youth and Family Services Bureau.	Community Services / CMO / PD /Fire

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5	Syrop	Where are the 4 priority sites identified by Economic Development?	Economic Development intends to work with CEDC to identify priority development sites and bring property owners and prospective developers through our Concept Review program for early feedback. However, key sites anticipated include, but are not limited to 1) Southland Mall and the separately owned Sears site); 2) the California Air National Guard Hanger and surrounding city-owned parcels at Hayward Executive Airport, 3) the SkyWest Golf Course Redevelopment project, specifically the contemplated industrial park area, and 4) BART-owned parcels.	Econ Dev / CMO
6	Syrop	Where do funds for the Housing Authority and Affordable Housing Monitoring Fund come from and where are they supposed to go?	Housing Authority funds come from repayment of former redevelopment agency residential loans. The funds are restricted and have two uses: (1) on a limited basis to cover the cost of monitoring existing affordable housing projects; or (2) to fund the development of affordable housing. Working capital on the budget documents includes long term loan receivables and loan commitments. The Affordable Housing Monitoring fund receives administrative fees for the issuance of Multifamily Mortgage Revenue Bond and covers the cost of monitoring these projects.	Housing / CMO
7	Syrop	Red Light Cameras: What is the status of this program? I was under the impression that we had ended it years ago but it appears we still draw revenue from it.	While the City no longer has photo red light cameras, the City continues to receive revenue from past photo red light camera violations. No new citations have been issued for several years. This revenue is a portion of red-light fines that the City receives from the Judicial Council of California and the Superior Court of California.	Finance
8	Syrop	What flexibility do we have to activate the TOT tax at a lower percentage?	With Measure NN, voters approved an adjustment of the TOT rate up to a ceiling up to 14%, at the discretion of Council. The current TOT rate is 8.5%. A rate set above the current rate of 14% would require approval by the Hayward-voters via a ballot measure. Setting at a rate below 14% would take only a Council action at a public meeting after hosting a public hearing.	Finance

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9	Syrop	Pg. 78 - Is the expanded security contract for 7 days/wk?	The City currently provides 24/7 security at the Watkins parking garage, which was approved as part of the FY 2023 Operating Budget. There is no increase to the FY 2024 to continue the 24/7 security contract. The narrative for the Facilities Internal Service Fund will be updated to reflect impacted changes for FY 2024 only.	MSD
10	Andrews	Please confirm the long range modeling exercise will address future budget shortfalls.	Staff is currently working with a consultant on a refresh and update of the General Fund model, which was originally developed in 2016. In 2017, a Council work session was held to review the development, model assumptions, and strategies on achieving long term fiscal sustainability. Any projected budget shortfalls will be included in the model, but it will be incumbent on staff to work with Council to address these. A similar workshop will be held in the Fall 2023.	Finance
11	Andrews	Is there an estimate date or recommendation on when TOT should be increased?	With Measure NN, voters approved an adjustment of the TOT rate up to a ceiling up to 14%, at the discretion of Council. If Council would like staff to recommend a new rate, we can put some work into what we feel is most appropriate for the market. Please let us know if that is Council's desire.	Finance
12	Andrews	What can we do regarding Table 3 page 30 as expenses surpass revenue in addition to using reserves?	Staff have always worked diligently to present Council with a balanced budget each fiscal year. When budget shortfalls have been projected in the model, staff has always implemented strategies to minimize the projected use of reserves. Additionally, the General Fund model reflects revenues based on projected assumptions, and as seen in past fiscal years, revenues often differ from actuals in a positive way. Staff regularly reviews revenue projections, making updates and adjustments based on the most current information available. Staff will continue to put in work to present Council with an innovative and meaningful budget each fiscal year.	Finance

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13	Andrews	What are we doing to address the business license tax decrease?	Staff has done some initial work in exploring business license tax revisions, but has prioritized other efforts until Council decides to pursue a ballot measure to update the ordinance and change tax rates.	Finance
14	Andrews	Will there be some costs savings by reducing pipe replacement goal?	With the recommended amount of transfer from the respective operating budgets to the Capital Replacement, we are only able to do about two miles of main replacements annually. Staff does not recommend reducing the goal below around 2 mile per year. A higher goal of 3 miles per year would require a higher transfer of funds from the respective operating budgets, which would, in turn, result in an <i>additional</i> rate impact of up to 10%. So, maintaining the goal at around 2 miles per year will not result in cost savings; rather, it will not necessitate an additional 10% rate increase on top of what is currently recommended.	Public Works
15	Andrews	Please highlight what we are already doing to support K-12 during discussion (page 211 and 212) and the costs related to it.	The Library’s Education Services Division dedicates 1.5 FTE (funded through the General Fund) for the coordination of Library and school-based after-school Homework Support Centers (HSC), supporting K-12 students with their core academic subjects. Pre and post ELA (English Language Arts) and mathematics assessments indicate that students who regularly attend HSC services improve in core academic subjects. The City applies for special revenue grants to fund HSC program supplies and temporary staff who work at program locations. HUSD also matches the special revenues/grants the Library receives, thus sharing costs for programming at school sites. Pre-COVID, services were offered at 13 school sites (including elementary, middle, and high schools) and at both Library locations. The Library is moving in the direction of resumption of services at more school sites next academic year, now that most COVID restrictions have been lifted. The Library also offers online homework help accessible from home.	Library

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			<p>In addition to Ed Services programs, the Library offers many support programs to schools, e.g., classroom visits, and library visits for students, bookmobile visits to schools, special summer reading programs and educational camps, etc. Various staff are involved in supporting all these programs in addition to the dedicated staff mentioned at the top of this response.</p>	