



# CITY OF HAYWARD

Hayward City Hall  
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## Cover Memo

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**DATE:** February 26, 2019  
**TO:** Mayor and City Council  
**FROM:** Director of Finance

### **SUBJECT**

FY 2019 Mid-Year Budget Review & General Fund Long Range Financial Model Update

### **RECOMMENDATION**

That the City Council reviews the FY 2019 Mid-Year Budget and General Fund Long Range Financial Model Update, and adopts resolutions approving amendments to the previously adopted City of Hayward Operating and Capital Improvement Budgets for Fiscal Year 2019.

### **SUMMARY**

This report presents the mid-year review of the FY 2019 Adopted Budget, and an update to the General Fund Long Range Financial Model (model) presenting proposed changes, and projected year-end results based on current trends and data. While staff considers the entire City budget in its mid-year review, this report focuses primarily on the General Fund.

FY 2019 mid-year expenditures net a total increase of \$5.3 million in the General Fund as shown in Table 2. Key changes in General Fund expenditures are as follows:

Fund transfer from the General Fund to the General Liability Fund	\$3 million
PERB settlement	\$ 979,357
One-time expenditures	\$1,082,352
Personnel related costs	\$ 214,876

FY 2019 General Fund revenues are expected to exceed the originally projected amount by \$16.1 million. Changes in revenue projections are detailed in Table 2 of the report. Key changes in the General Fund revenues are as follows:

Projected increase in Real Property Transfer Tax (RPTT) amount (Measure T)	\$ 5.6 million
Appropriation of Utility Users Tax (UUT) <i>(previously held in reserves in the City's UUT Capital Projects Fund)</i>	\$10.1 million

If mid-year requests are approved as proposed, the FY 2019 Revised Budget would result in a projected

surplus, building reserves by \$7.8 million in the General Fund in FY 2019.

On February 20, 2019, the FY 2019 Mid-Year Budget Review & General Fund Long Range Financial Model Update was presented to the Council Budget and Finance Committee for review and feedback. The Committee did not make any substantial changes to the recommendations in this report.

## **ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution Budget
Attachment IIA	Resolution Exhibits A & B
Attachment III	Resolution Capital Improvement Program
Attachment IIIA	CIP Resolution Exhibits A & B
Attachment IV	Adjustments Summary
Attachment V	General Fund Long Range Financial Model Update
Attachment VI	Measure C 20-Year Financial Forecast Update