



CITY OF HAYWARD
AGENDA REPORT

AGENDA DATE 06/19/01
AGENDA ITEM 7
WORK SESSION ITEM _____

TO: Mayor and City Council

FROM: City Manager

SUBJECT: Approval and Appropriation of the Operating and Capital Budgets for the Fiscal Year 2001-2002; Approval and Appropriation of the 2001-2002 Redevelopment Agency Budget; Approval of the 2001-2002 Master Fee Schedule; Approval of the Five Year Capital Improvement Program 2001-2002 through 2005-2006, and the 2001-2002 Gann Appropriation Limit

RECOMMENDATION:

It is recommended that the City Council adopt the attached resolutions:

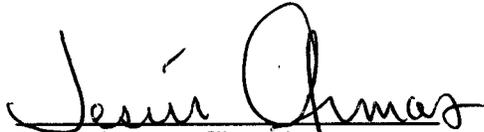
1. Approving the operating budgets for the City and Redevelopment Agency, and appropriating funds for operating expenses and capital projects for 2001-2002; and
2. Amending the Master Fee Schedule to include modifications reflected in the 2001-2002 Operating Budget; and
3. Approving spending plans embodied in the 2001-2002/2005-2006 Capital Improvement Program; and
4. Establishing the 2001-2002 Appropriation Limit.

BACKGROUND:

At its meeting on June 5, 2001, City Council held a public hearing on the two-year operating budget for the City and Redevelopment Agency, the 2001-2002 Master Fee Schedule, the Five-Year Capital Improvement Program 2001-2002 through 2005-2006, and the Gann Appropriation Limit. A copy of the Master Fee Schedule is on file in the City Clerk's Office.

Although the Recommended Budget pertains to two fiscal years, consistent with Charter provisions, appropriations are for only the first year. The second year spending plan will serve as the framework for the budget that is being presented next year for formal adoption.

Following public testimony and Council deliberations, staff was directed to prepare the necessary budget resolutions for your consideration. Three modifications to the budget were approved by the Council: 1) augmentation of \$100,000 to the GIS project; 2) the addition of a volunteer coordinator at the animal control bureau in both years; and, 3) the addition of a microcomputer specialist in year two. The accompanying resolutions reflect and incorporate these modifications.


Jesús Armas, City Manager

Attachments: Resolutions

HAYWARD CITY COUNCIL

RESOLUTION NO. _____

Introduced by Council Member _____

RESOLUTION APPROVING THE BUDGET OF THE CITY OF HAYWARD FOR FISCAL YEAR 2001-2002; ADOPTING APPROPRIATIONS FOR FISCAL YEAR 2001-2002; AND MAKING CERTAIN POLICY DECISIONS REGARDING THE BUDGETS FOR UPCOMING FISCAL YEARS

WHEREAS, the City Manager has submitted to the City Council of the City of Hayward estimates of revenues from all sources and estimates of expenditures required for the proper conduct of the activities of the City of Hayward for fiscal year 2001-2002 contained in those documents entitled "City of Hayward Two-year 2001-2003 Recommended Budget," with adjustments to the Proposed Budget as approved at the June 5, 2001 Public Hearing Council Meeting, and "Five Year Capital Improvement Program 2001-2002 through 2005-2006"; and

WHEREAS, a public hearing was held by the City Council of the City of Hayward, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the budget recommended by the City Manager.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward as follows:

1. That the budget for fiscal year 2001-2002 presented by the City Manager in the documents entitled "City of Hayward Two-year 2001-2003 Recommended Budget," with adjustments to the Proposed Budget, as approved at the June 5, 2001 Public Hearing Council Meeting, are hereby approved and adopted as the budget of the City of Hayward for fiscal year 2001-2002. Copies of the budget documents and the staff reports presented by the City Manager are on file in the office of the City Clerk and are hereby referred to, incorporated herein, and made a part of this resolution as though set forth in full.
2. That except as may be otherwise provided, any and all expenditures relating to the objectives described in the budget are hereby approved and authorized and payments therefor may be made by the Director of Finance without further action of Council.
3. That for the purposes of determining whether the City Manager is authorized to execute a contract for a commodity or service pursuant to City Charter section 701 subsection 8, the City Manager shall have the authority to expend

such funds and enter into and execute any and all contracts and documents necessary to carry out the objectives of the Council's appropriations as set forth in this budget.

4. The City Manager shall have the authority to bind and prepay all coverages and to negotiate and execute all documents necessary to obtain the insurance, third party administration services, and defense of claims budgeted for in the Liability Insurance Fund.
5. The City Manager is also authorized to enter into an Amended Repayment Agreement with the Redevelopment Agency in substantially the same form as the Amended Repayment Agreement on file in the office of the City Clerk, together with such additional changes approved by the City Manager and the City Attorney. Such Amended Repayment Agreement consolidates the provisions of the Repayment Agreement executed on September 23, 1975, as amended through the tenth amendment thereto, and also provides for the repayment of additional expenses incurred by the City of Hayward from tax increment revenues, based on the findings and provisions contained in the Amended Repayment Agreement.
6. The following amounts are hereby appropriated for expenditure:

I. OPERATING EXPENDITURE APPROPRIATIONS

GENERAL FUND:

Mayor and City Council	457,846
City Manager	3,027,696
City Attorney	916,809
City Clerk	443,580
Personnel	1,600,555
Finance	5,293,508
Police	35,844,413
Fire	18,484,451
Public Works	6,350,610
Community & Economic Development	5,823,606
Library	3,484,056
Non-Departmental	457,519
Total - General Fund	82,184,649

OTHER FUNDS:

Community Development Block Grant Fund	2,271,917
Small Business Economic Development Revolving Loan Fund	324,220
Measure B Paratransit Fund	600,121
Housing Mortgage Revenue Bond Fund	93,131
Downtown Business Improvement Fund	84,743
Home Loan Fund	26,184
Recycling Fund	593,227
Narcotics Asset Seizure Fund	100,000
Certificates of Participation Debt Service Fund	2,345,952
Street Lighting Fund	274,209
Special Assessments Debt Service Fund	1,302,640
Stormwater Maintenance & Operations Fund	1,964,409
Wastewater Maintenance & Operations Fund	11,577,042
Water Maintenance & Operations Fund	17,218,528
Airport Operations Fund	1,826,553
Airport Improvement Trust Fund	236,600
Centennial Hall Fund	568,316
Workers' Compensation Fund	3,286,566
Liability Insurance Fund	1,291,154
Equipment Management Fund	4,481,654
L.I.D. Fund 1-5	57,218
Peppertree Park Maintenance	7,380
 Total - All Other Funds	 50,531,764
 TOTAL: ALL FUNDS	 132,716,413

7. The Director of Finance is hereby authorized to transfer the following amounts from one fund to another as indicated below at such time as he may determine, giving consideration to the intended purposes for which the transfers are made and available balances in each of the funds.

II. FUND TRANSFERS

FROM FUND:	TO FUND:	AMOUNT:
General	Capital Improvement Fund	1,060,000

Capital Transfer for Technology Project	Capital Improvement Fund	2,800,000
	Equipment Management Fund	500,000
	Liability Insurance	1,024,593
Hotel & Convention Center Establish Reserve	General Fund Reserve	1,250,000
	Centennial Hall	339,376
	Debt Service Transfers	3,022,890
	Transportation Systems Improvement	400,000
	Street Lighting Fund	320,000
	Water Improvement - Repay IAD	1,232,000
	LAVWMA Transfer - Street Improvement System	7,920,000
Gas Tax	General	1,227,000
CDBG	Liability Insurance	8,552
Housing Mortgage Revenue Bond	Liability Insurance	1,140
Recycling	Liability Insurance	3,421
	General--Cost Allocation	76,030
Asset Forfeiture	Capital Improvement Fund	50,000
Local Law Enforcement Block Grants	General	345,267
Citizens Option for Public Safety	General	313,321
Stormwater Maintenance & Operation	General--Cost Allocation	91,837
	Liability Insurance	13,725
Wastewater Maintenance & Operations	General--Cost Allocation	571,525
	Sewer Replacement--Capital Reserves	1,000,000
	Wastewater Treatment Plant Replacement	2,000,000
	Sewer Improvement--Connection Fees	1,500,000
	Liability Insurance	202,047
Water Maintenance &		

Operations	General--Cost Allocation	787,811
	Liability Insurance	150,589
	Water Replacement	2,000,000
Airport Operations	General--Cost Allocation	139,747
	Liability Insurance	36,719
	Airport Improvement Trust	236,600
	Airport Capital Improvement	500,000
Centennial Hall	General--Cost Allocation	68,978
	Liability Insurance	9,465
Workers'	General--Cost Allocation	110,966
Compensation	Liability Insurance	2,281
Liability Insurance	General--Cost Allocation	304,983
Equipment	General--Cost Allocation	135,746
Management	Liability Insurance	27,353

8. There are hereby appropriated the following amounts to Reserves and Designations of Fund Balances, which the Director of Finance shall enter upon the records and reflect in the financial statement of the City:

RESERVES AND DESIGNATIONS

FUND	PURPOSE	AMOUNT
General	Economic Uncertainty	7,000,000
	Liquidity Reserve	3,500,000

In addition to the above-specified amounts, the balances in each fund that are not otherwise appropriated are hereby appropriated to Contingency Reserves in those funds. Expenditures from Reserves or Designated Fund Balances shall require the approval of the City Council.

9. Any monies received during fiscal year 2001-2002 as a consequence of a grant application approved by the City Council are hereby appropriated for the purposes for which the grant has been approved. Such appropriation includes authorization for the City Manager to expend such monies and for the Finance Director to make payments therefor in accordance with the terms and conditions and for the purposes of the grant.

10. The Director of Finance is hereby authorized and directed to distribute the above appropriations, transfers, and reserves to the various accounts of the City in accordance with generally accepted accounting principles and consistent with the purposes and objectives as outlined in the approved budget.
11. Any contract for professional service included in the annual budget that will cost more than \$25,000 shall be executed by the City Manager only upon approval of the contract by the City Council given at a meeting of the City Council.
12. The Finance Director is directed to comply with GASB 31 (Unrealized investment gains and losses) and is authorized to make such entries as are required to the City's financial records. In addition, the Finance Director is authorized to make such changes to the budget as are required by GASB 31.
13. The 2000-2001 budget resolutions are hereby amended to reflect actual expenditures for fiscal year 2000-2001.
14. The City Manager is hereby authorized to enter into a revolving loan Credit Agreement with Sanwa Bank in a form which is satisfactory to the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2001

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

DRAFT

REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD

RESOLUTION NO. RA-_____

Introduced by Agency Members _____

**RESOLUTION APPROVING THE BUDGET OF THE
REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD
AND ADOPTING APPROPRIATIONS FOR FISCAL YEAR
2001-2002**

WHEREAS, the Executive Director has submitted to the Redevelopment Agency of the City of Hayward estimates of revenue from all sources and estimates of expenditures required for the proper conduct of the activities of the Redevelopment Agency of the City of Hayward for fiscal year 2001-2002; and

WHEREAS, a public hearing was held by the Redevelopment Agency of the City of Hayward, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the recommended budget.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Hayward that:

1. The budget presented by the Executive Director is hereby approved and adopted as the budget of the Redevelopment Agency of the City of Hayward for fiscal year 2001-2002. The budget presented by the Executive Director and approved by this resolution appears on pages 187-198, and 262-265 of the document entitled "City of Hayward Two-Year 2001-2003 Recommended Budget," which is hereby referred to, incorporated herein, and made a part of this resolution as though set forth in full.
2. The Executive Director is also authorized to enter into an Amended Repayment Agreement in substantially the same form as the Amended Repayment Agreement on file in the office of the Secretary, together with such additional changes approved by the Executive Director and the General Counsel. Such Amended Repayment Agreement consolidates the provisions of the Repayment Agreement executed on September 23, 1975, as amended through the tenth amendment thereto and also provides for the repayment of additional expenses incurred by the City of Hayward based on the findings therein contained .

3. The following amounts are hereby appropriated for expenditure:

I. Hayward Redevelopment Agency Fund

REVENUES

Property Taxes	2,371,940
Interest Income	176,466
Other Revenue	166,000

TOTAL FUNDS AVAILABLE

2,714,406

EXPENDITURES

Hayward Redevelopment Agency	1,356,803
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TRANSFERS TO OTHER FUNDS

General Fund--Cost Allocation	249,768
Liability Insurance	4,561
Debt Service--Tax Allocation Bonds	541,156
Downtown Business Improvement	35,000
Capital Improvement Fund	206,000
Debt Service - Sewer Fund \$3.2 Million Loan	840,710
Debt Service - Sidewalk Assessment District	225,942
Debt Service - Low & Moderate Housing Fund Payback	50,000

Subtotal	2,153,137
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TOTAL EXPENDITURES & TRANSFERS

3,509,940

II. Hayward Redevelopment Agency Debt Service Fund

EXPENDITURES	1,394,366
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TOTAL EXPENDITURES & TRANSFERS

1,394,366

III. Low and Moderate Housing Fund

REVENUES

Property Tax	308,880
Interest Income	204,000

TOTAL FUNDS AVAILABLE

512,880

EXPENDITURES

Low & Mod Housing Fund 471,301

TRANSFERS TO OTHER FUNDS

General Fund - Cost Allocation 46,209

TOTAL EXPENDITURES & TRANSFERS 717,510

4. Any and all expenditures relating to the objectives described in the budget are hereby approved and authorized and payments therefor may be made by the Treasurer.
5. Except as limited in paragraph 6 of this resolution, the Executive Director is authorized without further action from Council to enter into a contract or agreement for any commodity or service included in the annual budget of the Redevelopment Agency.
6. For the purposes of determining whether the Executive Director has the authority to execute a contract for a commodity or service pursuant to section 4 above, the Executive Director shall have the authority to expend such funds and enter into and execute any and all contracts and documents necessary to carry out the objectives of the Agency's appropriations as set forth in this budget.
7. Any contract for professional service included in the annual budget that will cost more than \$25,000 shall be executed by the Executive Director only upon approval of the contract by the Redevelopment Agency Board given at a meeting of the Redevelopment Agency.
8. The 2000-2001 budget resolutions are hereby amended to reflect actual expenditures for fiscal year 2000-2001.

HAYWARD, CALIFORNIA _____, 2001

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: _____
Secretary of the Redevelopment Agency
of the City of Hayward

APPROVED AS TO FORM:

General Counsel

DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. _____

Introduced by Council Member _____

RESOLUTION ADOPTING A REVISED MASTER FEE SCHEDULE RELATING TO FEES AND CHARGES FOR DEPARTMENTS IN THE CITY OF HAYWARD AND RESCINDING RESOLUTION NO. 00-088 AND ALL AMENDMENTS THERETO

WHEREAS, section 15273 of the California Environmental Quality Act Guidelines states that CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies which the public agency finds are for the purpose of:

1. Meeting operating expenses, including employee wage rates and fringe benefits;
2. Purchasing or leasing supplies, equipment, or materials;
3. Meeting financial reserve needs and requirements;
4. Obtaining funds necessary for capital projects necessary to maintain service within existing service areas; or
5. Obtaining funds necessary to maintain intra-city transfers as are authorized by City Charter; and

WHEREAS, the City Council finds and determines that this action is exempt from CEQA based on the foregoing provisions.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward hereby adopts a revised Master Fee Schedule relating to fees and charges for all departments of the City of Hayward, a copy of which is on file in the office of the City Clerk.

BE IT FURTHER RESOLVED that if any provision of this Master Fee Schedule is deemed to be invalid or beyond the authority of the City of Hayward, either on its face or as applied, the invalidity of such provision shall not affect the other provisions of this Master Fee Schedule, and the applications thereof; and to that end the provisions of this Master Fee Schedule shall be deemed severable.

BE IT FURTHER RESOLVED that Resolution No. 00-088, and all amendments thereto are hereby rescinded.

BE IT FURTHER RESOLVED that this resolution shall become effective as of July 1, 2001.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2001

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. _____

Introduced by Council Member _____

**RESOLUTION APPROVING A SPENDING PLAN FOR
CAPITAL PROJECTS FOR FISCAL YEARS 2001-2002
THROUGH 2005-06**

WHEREAS, the City Manager has submitted to the City Council of the City of Hayward estimates of revenues from all sources and estimates of expenditures required for the proper conduct of the activities of the City of Hayward for fiscal year 2001-2002 contained in those documents entitled "City of Hayward 2001-2003 Recommended Budget" and "Five-Year Capital Improvement Program 2001-2002 through 2005-06"; and

WHEREAS, a public hearing was held by the City Council of the City of Hayward, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the Capital Improvement Program budget recommended by the City Manager; and

WHEREAS, by Resolution No. _____ dated June 19, 2001, the City Council adopted the budget and appropriated funds for operating expenses for 2001-2002.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward as follows:

1. That the spending plan embodied in the 2001-2002 through 2005-06 Capital Improvement Program is hereby adopted as the Capital Improvement Program for the fiscal years 2001-2002 through 2005-06. Copies of the budget documents and the staff reports presented by the City Manager are on file in the office of the City Clerk and are hereby referred to, incorporated herein, and made a part of this resolution as though set forth in full.
2. That except as may be otherwise provided, any and all expenditures relating to the objectives described in the Capital Improvement Program budget are hereby approved and authorized and payments therefor may be made by the Director of Finance without further action of Council.
3. That for the purposes of determining whether the City Manager is authorized to execute a contract for a commodity or service pursuant to City Charter section 701 subsection 8, the City Manager shall have the authority to expend

such funds and enter into and execute any and all contracts and documents necessary to carry out the objectives of the Council's appropriations as set forth in this Capital Improvement Program budget.

4. The following are hereby approved for expenditure:

I. CAPITAL EXPENDITURE APPROPRIATIONS

Gas Tax Fund (210)	2,496,000
Measure B Tax Fund (211)	743,000
Capital Improvement Fund (410)	3,734,000
Street System Improvement Fund (413)	12,653,000
Transportation System Improvement Fund (420)	1,623,000
Street Lighting Fund (422)	784,000
Route 238 Fund (430)	40,000
Sewer Improvement Fund (613)	2,981,000
Sewer Replacement Fund (614)	2,080,000
Wastewater Treatment Plant Replacement Fund (616)	3,629,000
Water Improvement Fund (622)	1,765,000
Water Replacement Fund (623)	2,801,000
Airport Capital Fund (632)	4,117,000
TOTAL: ALL CAPITAL FUNDS	39,446,000

5. The Director of Finance is hereby authorized to transfer the following amounts from one fund to another as indicated below at such time as he may determine, giving consideration to the intended purposes for which the transfers are made and available balances in each of the funds.

II. FUND TRANSFERS

FROM FUND:	TO FUND:	AMOUNT:
Gas Tax (210)	General (100)	1,227,000
Street System Impr. (413)	Gas Tax (210)	924,000
General (100)	Capital Imp. (410)	1,060,000
Asset Forfeiture (277)	Capital Imp. (410)	50,000
HRA (451)	Capital Imp. (410)	206,000
Sewer Capital (613)	Capital Imp. (410)	15,000
Sewer Replace (614)	Capital Imp. (410)	15,000
WPCF Replace (616)	Capital Imp. (410)	20,000

Water Capital (622)	Capital Imp. (410)	25,000
Water Replace (623)	Capital Imp. (410)	25,000
Measure B Tax (211)	Street System Impr. (413)	450,000
LAVWMA Funds (840)	Street System Impr. (413)	7,921,000
Route 238 (430)	Street System Impr. (413)	270,000
General (100)	Transp. Imp. (420)	400,000
General (100)	Street Lighting (422)	320,000
Sewer Op. (611)	Sewer Replace (614)	1,000,000
Sewer Op. (611)	WPCF Replace (616)	2,000,000
General (100)	Water Capital (622)	1,232,000
Water Op. (621)	Water Replace (623)	2,000,000
Airport Op. (631)	Airport Capital (632)	500,000

In order to provide for completion of work on projects previously authorized but not completed as of June 30, 2001, in addition to the above appropriations for capital expenditures, appropriation balances remaining as of June 30, 2001, for capital projects previously authorized but uncompleted, are hereby appropriated for expenditure in fiscal year 2001-2002.

6. Any monies received during fiscal year 2001-2002 as a consequence of a grant application approved by the City Council are hereby appropriated for the purposes for which the grant has been approved. Such appropriation includes authorization for the City Manager to expend such monies and for the Finance Director to make payments therefor in accordance with the terms and conditions and for the purposes of the grant.
7. The Director of Finance is hereby authorized and directed to distribute the above appropriations to the various accounts of the City in accordance with generally accepted accounting practices and consistent with the purposes and objectives as outlined in the approved budget.
8. The spending plan for capital projects for fiscal years 2001-2002 through 2005-06 contained in the document entitled "Five-Year Capital Improvement Program 2001-2002 through 2005-06" is hereby approved.
9. Any contract for professional service included in the annual budget that will cost more than \$25,000 shall be executed by the City Manager only upon approval of the contract by the City Council given at a meeting of the City Council.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2001

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

DRAFT

HAYWARD CITY COUNCIL 

RESOLUTION NO. _____

Introduced by Council Member _____

**RESOLUTION ESTABLISHING THE APPROPRIATION
LIMIT FOR FISCAL YEAR 2001-2002**

WHEREAS, by Resolutions Nos. _____ and _____, the City Council approved the budgets and appropriated funds for operating expenses and capital projects for fiscal year 2001-2002.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that the appropriations limit for fiscal year 2001-2002 is hereby established as \$161,411,938. In accordance with the requirements of state law regarding the appropriations limit, the annual adjustment factors for 2001-2002 are hereby selected as follows: For change in population, the factor shall be the City of Hayward population growth factor and for the change in the cost of living, the factor shall be the California per capita income factor. When adopted, the vote on this resolution shall constitute the recorded vote of the City Council for purposes of complying with the applicable procedural requirement of state law.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2001

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward