



WST#2

**DATE:** June 10, 2008  
**TO:** Mayor and City Council  
**FROM:** Director of Finance and Internal Services  
**SUBJECT:** Financial Policies and Draft Ten-Year Financial Plans

### **RECOMMENDATION**

That the Council reads and comments on this report. These policies will be presented to the Council for adoption as a component of the budget approval process.

### **DISCUSSION**

#### Financial Policies

The Governmental Finance Officers Association (GFOA) and the National Advisory Council on State and Local Budgeting (NACSLB) developed a comprehensive set of recommended budget practices. These practices and the associated framework outline a “best practice” budget process that encompasses the broad scope of governmental planning and decision-making with regard to the use of resources.

As part of this approach, GFOA recommends that agencies develop and adopt Financial Policies at a minimum, in the following areas:

- Financial Planning
- Revenue Management
- Expenditure Control

GFOA further recommends that these financial policies be reviewed by the organization and its policy body during the budget process and amended as needed to support the mission of the organization. This approach directly supports Council’s Fiscal Stability Initiative and recently adopted priorities.

On March 11, 2008, the City Council held preliminary discussions related to the proposed financial policies. The following policies are attached as Exhibit A, and will be presented to Council for adoption with the FY 2009 Budget on June 24, 2008:

- Budget Practices
- Balanced Budget
- Long Range Financial Forecasting in the Budget Preparation Process
- Internal Service Maintenance and Capital Replacement
- Multi-year Capital Improvement Plan (CIP)
- Revenue Enhancements and Setting of Charges and Fees
- Debt Issuance and Parameters
- Reserves

### Draft Ten-Year Financial Plans

Long-range financial planning is a powerful complement to traditional budgeting, and provides an analysis of the current financial environment and a long-term forecast of revenues and expenditures, and projects available financial resources in concert with desired service levels. Ten-year financial planning is a very effective tool for developing service and funding strategies to meet community goals. Ten-year planning provides a road map against which the City's progress can be measured.

In December 2007, the City Manager introduced the concept of long-range financial planning to the organization. The Council held preliminary discussions related to the strengths and opportunities long-range planning provides. As part of the FY 2009 Operating Budget, staff has included draft ten-year financial plans for several major funds, including the General Fund, Redevelopment Agency, and all Enterprise and Internal Service funds. Without this kind of planning, the City will continue to find itself in a reactionary mode of operation that addresses only the most immediate and demanding of needs.

*General Fund Challenges* – Upon review of the ten-year financial plan for the General Fund, there is a clear structural imbalance beginning in FY 2011. The revenues and expenditures increase at approximately the same 4% growth rate, however expenditures remain about 6-8% above revenues, over the eight-year forecast. The operating savings identified in the FY 2009 and FY 2010 budgets has been incorporated into salaries and benefits beginning in FY 2011. After implementing the \$8.6 million in operating cost reductions, it will be difficult to make up the additional \$6-9 million deficit in FY 2011 without significantly affecting service levels. This type of long-term perspective provides the City's decision makers with notice that action must be taken to increase resources or make further cuts to service delivery outcomes.

*Forecasting Assumptions* – Whereas the budget is a two-year plan, the ten-year financial plans estimate revenues and expenditures for an additional eight years. It is impossible to precisely predict revenues and expenditures that far into the future. Assumptions are necessary to conduct long-range planning of any kind. Staff has made several assumptions throughout the attached plans. These estimates are based on information known as of today, along with past trends, and assumptions about the future. For example, known contractual obligations have been incorporated to calculate the first two years of the plan, thereafter, general estimates are used to develop forecasts.

To forecast revenue and expenditure amounts forward, certain “general” assumptions have been applied to all plans. Where specific information was available, it was applied to individual revenue and expenditure items. It is necessary to point out that the internal service funds for fleet, facilities, technology, worker’s compensation, and general liability, do not include funding for long-term replacements or reserves. Staff will be developing these reserve and replacement funding formulas to be included in the financial plans beginning in FY 2011.

The following table summarizes the general assumptions applied to each plan for FY 2011 and beyond. Where more specific information was available, the specific information was applied to the forecasts.

Type	Item	Growth Rate	Assumption
Revenue:	Revenue	Varies	Growth rate applied to individual revenues based on the specific characteristics and condition of each revenue.
	Fund Interest Earnings	3% FY 2011, then 4% for future years	Interest rates will improve gradually from their current lows.
Expenditures:	Salaries & Benefits, including charges to/from other programs	4%	An estimated COLA was applied, along with an estimate for benefit increases.
	Maintenance & Utilities	3%	An estimated COLA was applied.
	Supplies & Services	3%	An estimated COLA was applied.
	Fleet Service Fee	5% FY 2011, then 13%, 4%, 6%, 5%, 4%, 11%, 4%	In FY 2012, anticipate the use of cash to purchase new vehicles versus the current practice of lease purchase.
Transfers:			
	Trsfr to General Fund – Cost Allocation	4%	Based on increased General Fund expenditures.
	Trsfr to Liability Fund – Liability Insurance Premium	3%	Based on increases in the liability fund.
	Other Transfers	Varies	Growth rate applied individually, as applicable.

## FISCAL IMPACT

Adopting and implementing financial policies can positively impact the fiscal stability of the organization. Creating ten-year financial plans allows the City to see the long-term effect of decision making. Most importantly, enhancing our current General Fund reserve policies and establishing reserves policies in the Internal Service Funds will provide long-term financial stability to the City.

**NEXT STEPS**

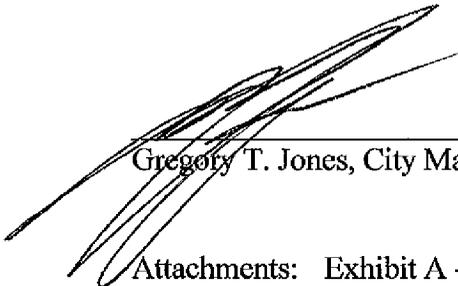
The financial policies will be presented for adoption on June 24, 2008. All ten-year plans will be further developed and refined and brought forward for adoption during next year's mid-term budget update.

Prepared by:



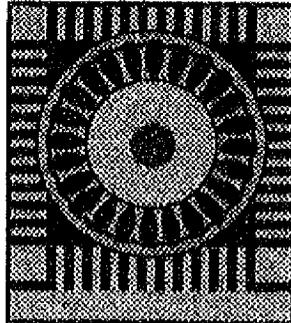
Debra C. Auken, Director of Finance and Internal Services

Approved by:



Gregory T. Jones, City Manager

Attachments: Exhibit A - Financial Policies  
Exhibit B - Draft Ten-Year Financial Plans



# City of Hayward

## FINANCIAL POLICIES

**Department of Finance and Internal Services**  
**Debra C. Auker, Director**

# National Advisory Council on State and Local Budgeting (NACSLB) Budget Practices

## Background

*The City of Hayward makes program and service decisions and allocates resources to programs and services through the budget process. As a result, the budget process is one of the most important activities undertaken by Hayward. The quality of decisions resulting from the budget process and the level of their acceptance depends on the budget process that is used.*

*The National Advisory Council on State and Local Budgeting (NACSLB) developed a set of recommended practices in the area of state and local budgeting.*

## Policy

Hayward endorses the work of the NACSLB, including the NACSLB's definition, mission, and key characteristics of the budget process, stated as follows:

*Definition of the Budget Process:* The budget process consists of activities that encompass the development, implementation, and evaluation of a plan for the provision of services and capital assets.

*Mission of the Budget Process:* To help decision makers make informed choices about the provision of services and capital assets and to promote stakeholder participation in the process.

### *Key Characteristics of the Budget Process:*

- Incorporates a long-term perspective;
- Establishes linkages to broad organizational goals;
- Focuses budget decisions on results and outcomes;
- Involves and promotes effective communication with stakeholders;
- Provides guidelines to Hayward's management and employees.
- Brief analysis discussing the current financial status, the immediate future status, and long-term trends.

Given the evolving nature of good budgeting and management, these NACSLB practices are not intended as mandatory prescriptions for Hayward. Rather, they are recommendations that provide a blueprint for Hayward to make improvements to their budget processes. Implementation of these practices is expected to be an incremental process that will take place over a number of years.

## References

- NACSLB's Framework for Improved State and Local Government Budgeting and Recommended Practices.
- NACSLB's Practices located on GFOA's web site at [www.gfoa.org](http://www.gfoa.org).
- *Budget Awards Program: Illustrations and Examples of Program Criteria*, Juliet Carol Powdar, GFOA, 1999.

# Balanced Budget

## Background

*A government should develop a policy that defines a balanced operating budget, encourages commitment to a balanced budget under normal circumstances, and provides for disclosure when a deviation from a balanced operating budget is planned or when it occurs.*

*A balanced budget is a basic budgetary constraint intended to ensure that a government does not spend beyond its means. At a minimum, balance should be defined to ensure that a government's use of resources for operating purposes does not exceed available resources over a defined budget period. A more stringent definition requires that a government maintain a balance between operating expenditures and operating revenues over the long term, not just during the current operating period. This latter definition of balance is referred to as structural balance.*

*The policy should provide clear definition as to how budgetary balance is to be achieved. Definitions of items to be counted as operating resources (e.g., revenues) and operating resources uses (e.g. expenditures) should be explicitly identified. All major funds should be included. The policy should explicitly note and, if necessary explain the relevant constitutional, statutory, or case law provisions that impose a balanced budget requirement upon the government. The policy also should identify the circumstances when deviation from a balanced budget may occur. The policy should be written in nontechnical language or have a nontechnical summary. Because of its importance in budget decisions, it should be readily available to stakeholders and publicly discussed at key points in the budget process. Compliance is met with some states and local governments by defining resources and resource uses to include fund balances or charges to fund balances. There may be statutory or other requirements that a budget must be balanced based on this definition. These types of statutory balanced budget requirements are a component of and not in conflict with the goal of achieving structural balance. Additional or even separate reporting may be required to demonstrate that both statutory balance and structural balance have been achieved.*

*This practice does not directly apply to capital budgets. Capital budgets are often funded at least partially from one-time resources. However, the ongoing maintenance or replacement of capital equipment of facilities is an important part of the budget process. Such items, particularly maintenance or equipment replacements, are often defined as operating items to ensure their inclusion in operating budget decisions.*

## Policy

The City of Hayward's balanced budget policy includes the following:

- Identification of and rationale for which operating resources and resource uses are included or excluded from the definition of a balanced budget calculation: The calculation includes operating revenues and expenditures only; capital maintenance or replacement is excluded; interfund transfers are excluded and highly variable components of ongoing revenues (such as the volatile component of real property transfer tax revenues or development-

related revenue) shall be excluded on a case by case basis.

- Fund balances may be used as a resource for non-recurring expenditures.
- The budget must be balanced, upon adoption.
- The modified accounting accrual basis is used to define revenues and expenditures.
- The circumstances in which noncompliance with the balanced budget policy shall be permitted if fully disclosed (e.g. during the early stages of an economic downturn so that services can be reduced in an orderly fashion).
- Mid term reviews shall be used to take action to bring the budget into balance if adjustments are needed in the course of a fiscal period.
- The balanced budget policy will be applied over a 10-year financial planning horizon for the City's General Fund in order to identify and plan to avoid structural imbalances in the long term.

#### References

- *NACSLB's Framework for Improved State and Local Government Budgeting and Recommended Practices.*
- *NACSLB's Practices located on GFOA's web site at [www.gfoa.org](http://www.gfoa.org)*

# Long Range Financial Forecasting in the Budget Preparation Process

## Background

*The National Advisory Council on State and Local Budgeting (NACSLB) has endorsed the forecasting of revenues and the forecasting of expenditures in their Recommended Budget Practices. The City Council recognizes the importance of combining the forecasting of revenues and the forecasting of expenditures into a single financial forecast all the City's major operating funds. Hayward should have a financial planning process that assesses long-term financial implications of current and proposed policies, programs, and assumptions that develop appropriate strategies to achieve its goals. A key component in determining future options, potential problems, and opportunities is the forecast of revenues and expenditures. Revenue and expenditure forecasting does the following:*

- *Provides an understanding of available funding;*
- *Evaluates financial risk;*
- *Assesses the likelihood that services can be sustained;*
- *Assesses the level at which capital investment can be made;*
- *Identifies future commitments and resource demands; and*
- *Identifies the key variables that cause change in the level of revenue.*

*Most importantly, forecasting provides an early warning system for identifying future problems that might not be obvious when only looking at the short-term horizon, and allows the organization to adjust in a planned manner rather than as a reaction after the fact.*

## Policy

Hayward's budget shall include a long range financial forecast of General Fund revenues and expenditures including subsidy funds. The forecast will extend at least ten years including the budget period. The forecast, along with its underlying assumptions and methodology, will be clearly stated and made available to participants in the budget process. It will also be referenced in the final budget document. To improve future forecasting, staff should analyze the variances between previous forecast and actual amounts. The variance analysis should consider the factors that influence revenue collections, expenditure levels, and forecast assumptions. The forecast shall include a fund balance calculation and any difference from established reserve levels.

## References

- *Recommended Budget Practices: A Framework for Improved State and Local Government Budgeting, NACSLB, 1998.*
- *Recommended Budget Practices CD-ROM, NACSLB, 1998.*
- *Budget Awards Program: Illustrations and Examples of Program Criteria, Juliet Carol Powder, GFOA, 1999.*

# Internal Service Maintenance and Capital Replacement

## Background

*Capital assets comprise major government facilities, infrastructure, equipment, vehicles, computers, and data networks enabling the delivery of public sector services. The quality and continued utilization of these capital assets are essential to the health, safety, economic development and quality of life of those utilizing such assets.*

*Budgetary pressures may impede capital program investments for maintenance and replacement purposes, making it increasingly difficult to sustain existing capital asset condition and avoid functional obsolescence. Yet deferring such essential reinvestments reduces vital public services and may even endanger public safety. The financial result is increased cost as the physical condition of these assets declines. Hayward has therefore established capital planning, budgeting and reporting practices to encourage adequate capital spending levels. A government's financial and capital improvement plans should address the continuing investment necessary to properly maintain its capital assets. Such practices should include proactive steps to promote adequate capital maintenance and reinvestment in existing public capital assets.*

## Recommendation

The City of Hayward established internal service funds for facilities, fleet and technology. These funds create a system for planning, budgeting and periodic assessment of capital maintenance/replacement needs. The following actions are considered in these assessments:

1. Develop and maintain a complete inventory of all capital assets. This inventory should contain essential information including engineering description, location, physical dimensions and condition, "as-built" documents, warranties, maintenance history, book value and replacement cost. Operating cost information could also be included. Database and geographic information technologies should be employed to assist in this task.
2. Develop a policy to require periodic measurement of the physical condition of all existing capital assets including estimated remaining useful life of assets. Document the established methods of condition assessment. Periodically evaluate the capital program using data driven analysis of asset condition as well as past expenditure levels.
3. Establish condition/functional performance standards to be maintained for each category/component of capital assets. Such standards may be dictated by mandated safety requirements, federal or state funding requirements or applicable professional standards. Use these standards and a current condition assessment as a basis for multi-year capital planning and annual budget funding allocations for capital asset maintenance and replacement.
4. Develop financing policies for capital maintenance/replacement which encourage a high priority for those capital programs whose goal is maintaining the quality of existing assets. Consider earmarking fees or other revenue sources to help achieve this goal.

5. Allocate sufficient funds in the 10-year capital improvement plan and annual operating budgets for routine maintenance, repair and replacement of capital assets in order to extend the useful life of these assets and promote a high level of performance throughout the target period.
6. At least annually, report on capital assets, including:
  - a. Condition ratings jurisdiction-wide
  - b. Condition ratings by geographical area, asset class, and other relevant factors
  - c. Indirect condition data (e.g., work orders, repeat repairs)
  - d. Replacement life cycle(s) by asset type
  - e. Year-to-Year changes in net asset value
  - f. Actual expenditures and performance data on capital maintenance compared to budgeted expenditures performance data (e.g., budgeted improvements compared to actual)
7. Report trends in spending and accomplishments in the jurisdiction's Capital Improvements Program including trends in spending, replacement cycle, and other important factors for each major asset category.

#### References

- John Vogt, *Capital Budgeting and Finance: A Guide for Local Governments*, ICMA, 2004.
- Nicole Westerman, *Managing the Capital Planning Cycle: Best Practice Examples of Capital Program Management*, Government Finance Review, 2004.
- GFOA & National Advisory Council on State and Local Budgeting Best Practices in Public Budgeting (Practice #s 2.2, 5.2, 6.2, 11.5). – [www.GFOA.org/services/nacslb](http://www.GFOA.org/services/nacslb).
- GFOA Recommended Practice, *Capital Project Budget (2006)*; [www.GFOA.org](http://www.GFOA.org).
- GFOA Recommended Practice, *Establishing the Estimated Useful Lives of Capital Assets (2002, 2007)*; [www.GFOA.org](http://www.GFOA.org).
- GFOA Recommended Practice, *Considerations on the Use of the (GASB 34 Reporting Model) Modified Approach to Account for Infrastructure Assets (2002)*; [www.GFOA.org](http://www.GFOA.org).

# Multi-Year Capital Improvement Plan (CIP)

## Background

*Buildings, infrastructure, technology, and major projects are the physical foundation for providing services to constituents. The procurement, construction, and maintenance of capital assets are critical activities of the City of Hayward, and therefore require careful planning.*

*Capital planning is critical to water, sewer, transportation, sanitation, and other essential public services. It is also an important component of a community's economic development program and strategic plan. And, it provides structure and support for the management and maintenance of capital facilities and infrastructure, which are important to the future health of the community. It is extremely difficult for governments to address the current and long-term needs of their constituents without a sound multi-year capital improvement plan that clearly identifies capital and major equipment needs, maintenance requirements, and funding options, as well as their respective impacts on the relative operating budgets.*

## Recommendation

The City of Hayward shall prepare and adopt comprehensive 10-year capital improvement plans to ensure effective management of capital assets. A prudent multi-year capital improvement plan identifies and prioritizes expected needs based on a community's strategic plan, establishes project scope and cost, details estimated amounts of funding from various sources, and projects future operating and maintenance costs.

**Identify needs.** The first step in capital planning is identifying needs. Using information, including development projections, strategic plans, comprehensive plans, facility master plans, regional plans, and citizen input processes, governments should identify present and future service needs that require capital infrastructure or equipment. In this process, attention should be given to:

- Capital assets that require repair, maintenance, or replacement that, if not addressed, will result in higher costs in future years
- Infrastructure improvements needed to support new development or redevelopment
- Projects with revenue-generating potential
- Improvements that support economic development
- Changes in community needs
- New policies, such as those related to sustainability and energy efficiency

**Determine costs.** The full extent of project costs should be determined when developing the multi-year capital improvement plan. Cost issues to consider include the following:

- The scope and timing of a planned project should be well defined in the early stages of the planning process
- Identify and use the most appropriate approaches, including outside assistance,

when estimating project costs and potential revenues

- For projects programmed beyond the first year of the plan, Hayward should adjust cost projections based on anticipated inflation
- The ongoing operating costs associated with each project should be quantified, and the sources of funding for those costs should be identified
- A clear estimate of all major components required to implement a project should be outlined, including land acquisition needs, design, construction, contingency and post-construction costs
- Recognize the non-financial impacts of the project (e.g., environmental) on the community.

**Prioritize capital requests.** Hayward is continually faced with extensive capital needs and limited financial resources. Therefore, prioritizing capital project requests is a critical step in the capital improvement plan preparation process. When evaluating project submittals, Hayward should:

- Reflect the relationship of project submittals to financial and governing policies, plans, and studies
- Allow submitting departments to provide an initial prioritization
- Incorporate input and participation from major stakeholders and the general public
- Adhere to legal requirements and/or mandates
- Anticipate the operating budget impacts resulting from capital projects
- Apply analytical techniques, as appropriate, for evaluating potential projects (e.g., net present value, pay back period, cost-benefit analysis, life cycle costing, cash flow modeling)
- Re-evaluate capital projects approved in previous multi-year capital improvement plans
- Use a rating system to facilitate decision-making

**Develop financing strategies.** Hayward recognizes the importance of establishing a viable financing approach for supporting the multi-year capital improvement plan. Financing strategies should align with expected project requirements while sustaining the financial health of the organization. While undertaking a capital financing plan Hayward should:

- Anticipate expected revenue and expenditure trends, including their relationship to multi-year financial plans
- Prepare cash flow projections of the amount and timing of the capital financing
- Continue compliance with all established financial policies
- Recognize appropriate legal constraints
- Consider and estimate funding amounts from all appropriate funding alternatives
- Ensure reliability and stability of identified funding sources
- Evaluate the affordability of the financing strategy, including the impact on debt ratios, taxpayers, ratepayers and others

## References

- John Vogt, *Capital Budgeting and Finance: A Guide for Local Governments*, (Washington, D.C.: International City/County Management Association, 2004)
- National Advisory Council on State and Local Budgeting, *Recommended Budget Practices: A Framework for Improved State and Local Government Budgeting* (Chicago: GFOA, 1998)
- Patricia Tigue, *Capital Improvement Programming: A Guide for Smaller Governments* (Chicago: GFOA, 1996).
- Nicole Westerman “Managing the Capital Planning Cycle: Best Practice Examples of Effective Capital Program Management,” *Government Finance Review* 20, no. 3 (June 2004).
- GFOA Recommended Practice: *Establishing Appropriate Capitalization Thresholds for Tangible Capital Assets* (2001)
- GFOA Recommended Practice: *Establishing the Useful Life of Capital Assets* (2002)
- GFOA Recommended Practice: *Establishment of Strategic Plans* (2005)

# Revenue Enhancements and Setting of Charges and Fees

## Background

*The City of Hayward uses charges and fees to fund the provision of goods and services. Charges for services: Charges are voluntary payments that are used to finance traditional governmental services such as water, wastewater, recreational activities such as library services; and miscellaneous programs, such as planning services, building permits and, dangerous tree removal. Fees for services: From a technical standpoint, fees are distinctively different from charges, although the terms may be used interchangeably by some. A fee is imposed as a result of a public need to regulate activities, typically related to health, safety, or other protective purposes. Fees result in the purchase of a privilege or authorization and are applied to such activities as passports, inspections, and building permits. According to economic theory, the most efficient use of resources is achieved if the price for a good or service is set at a level that is related to the cost of producing the good or service. In practice, governments set some charges and fees to recover 100 percent of the cost. Other charges and fees are set at levels below cost for various reasons, and in some cases, state or local law may restrict the amount of a charge or fee.*

## Policy

The City of Hayward supports the use of charges and fees as a method of funding governmental services. The following policy is established regarding the charge and fee setting process:

1. Hayward intends to recover the full cost of providing goods and services. Circumstances where a charge or fee is set at less than 100 percent of full cost shall be identified. If the full cost of a good or service is not recovered, then an explanation of the City's rationale for this deviation should be provided. Some considerations that might influence Hayward's pricing practices are the need to regulate demand, the desire to subsidize a certain product, administrative concerns such as the cost of collection, and the promotion of other goals.
2. Charges and fees should be reviewed and updated periodically based on factors such as the impact of inflation, other cost increases, the adequacy of the coverage of costs, and current competitive rates.
3. Information on charges and fees should be available to the public. This includes the City of Hayward policy regarding setting fees and charges based on full cost recovery, and information about the amounts of charges and fees, current and proposed, both before and after adoption.
4. Staff will regularly assess the cost and feasibility of collection and recovery. Although it may be determined that a high level of cost recovery may be appropriate for specific services, it may be impractical or too costly to establish a system to identify and charge the user. Accordingly, the feasibility of assessing and collecting charges should also be considered in developing user fees, especially if significant program costs are intended to be financed from that source.
5. Very low cost recovery levels are appropriate under the following circumstances:
  - a. There is *no* intended relationship between the amount paid and the benefit received. Almost all "social service" programs fall into this

- category as it is *expected* that one group will subsidize another.
- b. When collecting fees is not cost-effective or will significantly impact the efficient delivery of the service.
  - c. If the service is non-recurring, generally delivered on a "peak demand" or emergency basis, cannot reasonably be planned for on an individual basis, and is not readily available from a private sector source. Many public safety services also fall into this category.
  - d. When collecting fees would discourage compliance with regulatory requirements and adherence is primarily self-identified, and as such, failure to comply would not be readily detected by the City. Many small-scale licenses and permits may fall into this category.
6. The use of service charges and fees as a major source of funding service levels is especially appropriate under the following circumstances:
- a. The service is similar to services provided through the private sector.
  - b. Other private or public sector alternatives could or do exist for the delivery of the services.
  - c. For equity or demand management purposes, it is intended that there be a direct relationship between the amount paid and the level and cost of the service received.
  - d. The use of the service is specifically discouraged. Police responses to disturbances or false alarms might fall into this category.
  - e. The service is regulatory in nature and voluntary compliance is not expected to be the primary method of detecting failure to meet regulatory requirements. Building permit, plan checks, and subdivision review fees for large projects would fall into this category.
7. The following general concepts will be used in developing and implementing service charges and fees:
- a. Revenues should not exceed the reasonable cost of providing the service.
  - b. Cost recovery goals should be based on the total cost of delivering the service, including direct costs, departmental administration costs, and organization-wide support costs such as accounting, personnel, data processing, vehicle maintenance and insurance.
  - c. The method of assessing and collecting fees should be simple as possible in order to reduce the administrative cost of collection.
  - d. Charges and fees should be reviewed annually and adjusted by the Bay Area CPI increase, salary increases or by there applicable multipliers based on the cost of providing services.

#### References

- *Catalog of Public Fees and Charges*, compiled by Dennis Strachota and Bruce Engelbrekt, GFOA, 1992.
- *Costing Government Services: A Guide for Decision Making*, Joseph T. Kelley, GFOA, 1984.
- "User Charges and Fees," C. Kurt Zorn in *Local Government Finance: Concepts and Practices*, edited by John E. Petersen and Dennis R. Strachota, GFOA, 1991.
- "Cost Analysis and Activity-Based Costing for Government," GFOA, 2004

# Debt Issuance and Management Parameters

## Background

*A comprehensive debt policy sets forth the parameters for issuing debt and managing the debt portfolio and provides guidance to decision makers. These parameters recognize a long-term commitment to full and timely repayment of all debt as an intrinsic requirement for entry into the capital markets. Adherence to the parameters helps to ensure that Hayward maintains a sound debt position and that its credit quality is protected. A policy regarding debt issuance and management is beneficial because it enhances the quality of decisions, rationalizes the decision-making process, identifies objectives for staff to implement, demonstrates a commitment to long-term financial planning objectives establishes healthy boundaries for the debt burden of the organization, and is viewed positively by the rating agencies.*

*Issuers of government bonds should sell their debt using the method of sale that is most likely to achieve the lowest cost of borrowing while taking into account both short-range and long-range implications for taxpayers and ratepayers. Differing views exist among issuers and other bond market participants with respect to the relative merits of the competitive and negotiated methods of sale. Moreover, research into the subject has not lead to universally accepted findings as to which method of sale is preferable when taking into account differences in bond structure, security, size, and credit ratings for the wide array of bonds issued by state and local governments.*

## Policy

The City of Hayward has developed a comprehensive debt management policy. The following parameters are to be considered before debt issuance:

1. The purposes for which debt may be issued shall be determined;
2. Legal debt limitations or limitations established by policy, including limitations on the Pledge of the issuer's general credit shall be calculated;

Limits are generally set for legal, public policy, and financial reasons.

a. *Legal limits* may be determined by:

- State constitution or law,
  1. The City is bound by a provision in state law limiting indebtedness for California cities to 15% of the assessed value of all real and personal property of the city. This statutory limitation applies to bonded indebtedness of the City payable from the proceeds of taxes levied on property.

- Local charter, by-laws, resolution or ordinance, or covenant.

b. *Public Policy limits* can include:

- Purposes for which debt proceeds may be used or prohibited,
- Types of debt that may be issued or prohibited.
  1. Types of debt permitted to be issued are:
    - short-term and long-term debt,
    - general obligation and revenue debt,
    - capital and variable rate debt,
    - lease-backed debt, such as certificates of participation,

- special obligation debt such as assessment district debt,
  - pension obligation bonds,
  - conduit issues,
  - State Revolving Loan Funds and Pools,
  - Inter-fund borrowing,
  - taxable and non-taxable debt;
  - Relationship to and integration with the Capital Improvement Program, and
  - Policy goals related to economic development, capital improvement financings, tax increment financing, and public-private partnerships.
- c. *Financial limits* generally reflect public policy or other financial resource constraints, such as reduced use of a particular type of debt due to changing financial conditions. Appropriate debt limits can positively impact both bond ratings, if the government demonstrates adherence to such policies over time. Financial limits are often expressed as ratios customarily used by credit analysts. Different financial limits are used for different types of debt. Examples include:

- *Direct Debt* can be measured or limited by the following ratios:
  - ✓ Debt per capita,
  - ✓ Debt to personal income,
  - ✓ Debt to taxable property value, and
  - ✓ Debt service payments as a percentage of general fund revenues or expenditures.
- *Revenue Debt* levels are often limited by debt service coverage ratios (e.g., annual net pledged revenues to annual debt service) or credit rating impacts (e.g., additional bonds should not lower ratings) contained in bond covenants.
- *Conduit Debt* limitations may reflect the right of the issuing government to approve the borrower's creditworthiness, the purpose of the borrowing issue, or a minimum credit rating. Such limitations reflect sound public policy, particularly if there is a contingent impact on the general revenues of the government or marketability of the government's direct debt.
- *Short-Term Debt Issuance* should describe the specific purposes and circumstances under which it can be used, as well as limitations in term or size of borrowing.

Prior to the issuance of any debt, the funding source for the debt service is identified and designated. The level of debt to which the City obligates itself is managed within available resources and represents a minimal cost to general taxpayers. To the extent possible, the City plans the issuance of new debt to occur when resources are made available by the retirement of an existing obligation. By managing the timing of new debt, current City operations are not affected.

3. Debt structuring practices that are to be considered before issuance of debt:

- maturity of the debt,
- setting the maturities of the debt equal to or less than the useful life of the project, (debt should not be issued for a term greater than the useful life of the asset)

- use of zero coupon bonds, capital appreciation bonds, deep discount bonds, or premium bonds,
  - debt service structure (level debt service payments, equal principal payments or other repayment structure defined by state law),
  - redemption provisions (mandatory and optional call features),
  - use of credit enhancement, such as bond insurance,
  - use of senior lien and junior lien obligations,
  - use of derivative products;
  - use of variable rate or fixed-rate debt, and
  - other structuring practices should be considered such as capitalized interest, deferral of principal and/or other internal credit support, including general obligation pledges.
4. Additional consideration shall be given to credit objectives, such as:
    - maintenance of specific credit ratings, and
    - adherence to benchmark direct and overall debt ratios and other affordability targets;
  5. Authorized methods of sale shall be considered on a case by case basis, including: competitive sale, negotiated sale, and private placement;
    - a. The presence of the following factors may favor the use of a *competitive sale*:
      - The rating of the bonds, either credit-enhanced or unenhanced, is at least in the single-A category.
      - The bonds are general obligation bonds or full faith and credit obligations of the issuer or are secured by a strong, known and long-standing revenue stream.
    - b. The presence of the following factors may favor the use of a *negotiated sale*:
      - The rating of the bonds, either credit-enhanced or unenhanced, is lower than single-A category.
      - Bond issuance or other credit enhancement is unavailable or not cost-effective.
      - The structure of the bonds has features such as a pooled bond program, variable rate debt, deferred interest bonds, or other bonds that may be better suited to negotiation.
      - The issuer desires to target underwriting participation to include disadvantaged business enterprises (DBEs) or local firms.
      - Other factors that the issuer, in consultation with its financial advisor, believes favor the use of a negotiated sale process.
  6. Method of selecting outside finance professionals shall be consistent with the City's procurement practices;
  7. Refunding of debt calculations;
  8. Primary and secondary market disclosure practices;
  9. Compliance with federal tax law provisions, such as arbitrage requirements;
  10. Integration of capital-planning and debt-financing activities; and
  11. Investment of bond proceeds where otherwise not covered by explicit written law or written investment policy.

In order to be an effective management tool, the parameters of the debt issuance and management must be compatible with the City's goals pertaining to the capital

improvement program and budget, the long-term financial plans, and the operating budget. Debt parameters should strike an appropriate balance between establishing limits on the debt program and providing sufficient flexibility to respond to unforeseen circumstances and new opportunities. Finally, the Finance Director should consider debt parameters on a given issuance, and the debt program should be continuously monitored to ensure that it is in compliance with these parameters.

#### References

- Developing Formal Debt Policies," *Government Finance Review*, August 1991.
- "Preparing a Municipal Debt Policy Statement," *Government Finance Review*, June 1994.
- Audio Cassette Tape, GFOA Annual Conference Session, "Debt Affordability Analysis: A Comparative Approach," 1996.
- An Elected Official's guide to Debt Issuance, J.B. Kurish and Patricia Tigue, GFOA, 2005.
- Debt Management Policy, GFOA Recommended Practice, 2003

# Reserves

## Background

*Hayward should maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures. These resources also provide a first defense against deficit spending and help maintain liquidity when budgeted draw downs are inevitable.*

*Reserves may be used at the City Council's discretion to address temporary cash flow shortages, emergencies, unanticipated economic downturns, and one-time opportunities. These resources are intended to provide flexibility to respond to unexpected opportunities that may help the City of Hayward achieve its goals. The use of these funds may also be tied to an adverse change in economic indicators to ensure that the funds are not depleted before an emergency arises.*

## Policy

It is the policy of the City of Hayward to establish and maintain adequate financial reserves in order to avoid the negative effects of economic cycles upon essential services to the public and to assure that annual fluctuations in revenue receipts do not impede the City's ability to meet its expenditure obligations. During periods of economic sufficiency, these reserves shall be used as a source of supplemental revenue through prudent investments and earnings under policies of the City Council and for meeting short-term cash flow deficiencies. During periods of economic downturns, when revenues fail to meet the normal operating requirements of essential public services, or when need for disbursements temporarily exceeds receipts, these reserves may, upon the recommendation of the City Manager and the authorization of the City Council, be used in accordance with the standards set forth herein.

The minimum and maximum targets are as follows:

Name	Minimum	Maximum	Basis
General Fund-Economic Uncertainty	\$5,000,000	10% of the annual general fund operating appropriations	Sales tax, real property transfer tax and development related fees are sensitive to general economic cycles. Since they are major revenue sources to the general fund it is necessary to create a reserve that will allow the City to continue providing acceptable service levels during economic downturns.
General Fund-Liquidity	\$2,500,000	5% of the annual general fund operating appropriations	Certain major revenues of the general fund are passed through other government agencies, state and county. We cannot control the timing of when they make payments to the City. This reserve is to address short-term borrowing needs the City may encounter.

Name	Minimum	Maximum	Basis
General Fund-Emergencies	\$10,000,000 (to be established over 10 year planning period)	3 months City payroll	To ensure that the City can provide essential services to the public during a disaster, a reserve for emergencies will be developed over the next 10 year planning period.
Fleet Management	Annual replacement requirements of existing assets	Long-term replacement requirements for existing and future assets	Accumulation of reserves will ensure timely replacement of city assets.
Facilities Replacement	Annual replacement requirements of existing assets	Long-term replacement requirements for existing and future assets	Accumulation of reserves will ensure timely replacement of city assets.
Technology Replacement	Annual replacement requirements of existing assets	Long-term replacement requirements for existing and future assets	Accumulation of reserves will ensure timely replacement of city assets.
Risk Management-General Liability	\$1,000,000	Amount recommended by City Attorney	The City is self insured and therefore it is prudent to set aside reserves for an unforeseen claim.
Retirement Benefit Liability (City to explore establishing a Trust Fund to hold and manage these reserves)	3% of annual payroll (to begin in 2010 and grow to minimum target over 10 year planning period)	Actuarial determined OPEB liability	Per GASB 45, City's must report the other Pension Employee Benefits (OPEB) Liability in financial statements. It is also recommended to set aside reserves for these obligations.

The budget presented by the City Manager annually is required to include a recommendation for the amounts to be appropriated to these Reserves.

In times of economic downturn, if revenues are insufficient to meet the normal operating requirements of essential services, funds contained in the Reserve for Economic Uncertainty or Reserve for Liquidity may be used if authorized by the City Council, based on the following priorities:

- 1) Staffing levels in essential services shall be maintained, in order to avoid or reduce the necessity for lay-offs;
- 2) A hiring freeze shall be implemented for designated positions as appropriate to maintain essential services to the public;
- 3) User fees and services charges shall be utilized as fully as possible for those services for which they are appropriate;
- 4) The level of the Reserve shall be restored in a timely manner as economic recovery occurs, consistent with the maintenance of essential services;
- 5) Essential services and appropriate levels of such services shall be determined from time to time by the City Council upon the recommendation of the City Manager.

#### References

- *NACSLB's Framework for Improved State and Local Government Budgeting and Recommended Practices.*
- *Impact of Management Practices on Municipal Credit*, Fitch IBCA, May 4, 2000
- *Budgeting a General Fund Reserve*, CSMFO, February 18, 2000
- *City of Hayward City Council Resolution 89-180*, June 13, 1989

**City of Hayward  
Ten Year Financial Plans**

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The following ten-year plans are presented:

1. General Fund
2. Internal Service Funds
  - a. Facilities Management
  - b. Fleet Management
  - c. Liability Insurance
  - d. Technology Services
  - e. Worker's Compensation
3. Enterprise Funds
  - a. Airport
  - b. Centennial Hall
  - c. Stormwater Maintenance and Operation
  - d. Wastewater Maintenance and Operation
  - e. Water Maintenance and Operation
4. Special Revenue Funds
  - a. Recycling
5. Redevelopment Agency
  - a. Operating Fund
  - b. Low & Moderate Housing
  - c. Low & Moderate Housing Loans

**City of Hayward  
Ten-Year Financial Plan**

**General Fund  
Fund 100**  
\$'s in 1000's

	Previous		Current		Future									
	P - Yr 2	P - Yr 1	Mid-Year	End-of-Year	F - Yr 1	F - Yr 2	F - Yr 3	F - Yr 4	F - Yr 5	F - Yr 6	F - Yr 7	F - Yr 8	F - Yr 9	F - Yr 10
	Actual FY 2006	Actual FY 2007	Estimate FY 2008	Estimate FY 2008	Recommended FY 2009	Proposed FY 2010	Forecast FY 2011	Forecast FY 2012	Forecast FY 2013	Forecast FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
<b>Revenue</b>														
Property Tax	30,983	34,640	36,810	38,024	40,077	42,293	44,239	46,284	48,432	50,688	53,057	55,545	58,158	60,903
Sales Tax	26,686	28,858	28,930	28,900	28,900	29,610	30,250	31,157	32,092	33,055	33,881	34,559	35,422	36,485
Other Taxes	15,345	13,161	11,630	10,230	10,300	10,500	10,809	11,123	11,455	11,801	12,162	12,539	12,932	13,343
Franchise Fees	7,103	6,972	8,348	8,713	9,007	9,401	9,677	9,964	10,260	10,567	10,885	11,214	11,555	11,908
Construction Related	4,091	5,361	3,450	2,925	3,020	3,115	3,271	3,434	3,606	3,786	3,976	4,174	4,383	4,602
From Other Agencies	6,480	6,052	4,259	4,259	3,324	3,370	3,418	3,470	3,523	3,577	3,629	3,678	3,732	3,792
Other Revenue	2,708	3,555	3,484	3,484	3,439	3,561	3,743	3,986	4,139	4,353	4,578	4,816	5,068	5,333
Fees and Service Charges	1,959	2,519	1,980	1,980	2,067	2,102	2,165	2,230	2,297	2,366	2,437	2,510	2,585	2,663
Licenses and Permits	1,083	1,138	1,302	1,302	1,103	995	1,025	1,054	1,085	1,116	1,148	1,182	1,216	1,251
Fines and Forfeitures	1,344	1,129	890	890	1,083	1,382	1,748	1,357	1,366	1,376	1,385	1,394	1,404	1,414
Fee Assumptions	-	-	-	-	500	500	515	530	546	563	580	597	615	633
Interest and Rents	430	1,245	615	545	202	302	450	600	600	600	600	600	600	600
<b>Total Revenue</b>	<b>98,212</b>	<b>104,630</b>	<b>101,698</b>	<b>101,252</b>	<b>103,022</b>	<b>107,130</b>	<b>110,907</b>	<b>115,140</b>	<b>119,400</b>	<b>123,847</b>	<b>128,317</b>	<b>132,809</b>	<b>137,671</b>	<b>142,927</b>
<i>Chg from prev yr</i>		7%	-3%	-3%	2%	4%	4%	4%	4%	4%	4%	4%	4%	4%
<b>Expenditure</b>														
4% Salary & Benefits	85,333	88,933	98,916	98,916	104,242	108,600	104,020	108,181	112,508	117,008	121,688	126,556	131,618	136,883
Operating Savings	-	-	-	-	(6,862)	(8,581)	-	-	-	-	-	-	-	-
4% Charge/(Credit) from other progs	(4,010)	(3,679)	(3,783)	(3,783)	(4,777)	(9,019)	(5,220)	(5,429)	(5,646)	(5,872)	(6,106)	(6,351)	(6,605)	(6,869)
Net Employee Services	81,323	85,254	95,133	95,133	92,603	95,000	98,800	102,752	106,862	111,137	115,582	120,205	125,014	130,014
3% Maintenance & Utilities	4,613	4,853	4,160	4,160	2,284	2,284	2,353	2,423	2,496	2,571	2,648	2,727	2,809	2,893
3% Supplies & Services	10,094	11,139	11,681	11,876	16,303	16,468	16,962	17,471	17,995	18,535	19,091	19,664	20,254	20,861
0% Capital	512	348	552	634	52	0	0	0	0	0	0	0	0	0
<b>Total Expenditure</b>	<b>96,542</b>	<b>101,594</b>	<b>111,526</b>	<b>111,903</b>	<b>111,242</b>	<b>113,752</b>	<b>118,115</b>	<b>122,646</b>	<b>127,353</b>	<b>132,242</b>	<b>137,321</b>	<b>142,596</b>	<b>148,076</b>	<b>153,769</b>
<i>Chg from prev yr</i>		5%	10%	10%	-1%	2%	4%	4%	4%	4%	4%	4%	4%	4%
<b>Fund Transfers</b>														
Transfers in	(4,966)	(5,042)	(6,140)	(7,101)	(13,577)	(11,967)	(6,369)	(6,488)	(6,612)	(6,738)	(6,868)	(7,002)	(7,139)	(7,280)
Transfers out	7,001	6,050	5,725	5,825	5,357	5,345	5,525	5,620	5,646	5,723	5,823	5,920	6,010	6,120
<b>Net Transfers, Expense (Revenue)</b>	<b>2,035</b>	<b>1,008</b>	<b>585</b>	<b>(1,276)</b>	<b>(8,220)</b>	<b>(6,622)</b>	<b>(843)</b>	<b>(868)</b>	<b>(966)</b>	<b>(1,015)</b>	<b>(1,046)</b>	<b>(1,082)</b>	<b>(1,129)</b>	<b>(1,160)</b>
<i>Chg from prev yr</i>		-50%	-42%	-227%	544%	-19%	-87%	3%	11%	5%	3%	3%	4%	3%
<b>Total Outlays</b>	<b>98,577</b>	<b>102,602</b>	<b>112,111</b>	<b>110,527</b>	<b>103,022</b>	<b>107,130</b>	<b>117,271</b>	<b>121,778</b>	<b>126,387</b>	<b>131,227</b>	<b>136,275</b>	<b>141,514</b>	<b>146,947</b>	<b>152,608</b>
<b>Net Revenue (Expenditure)</b>	<b>(365)</b>	<b>2,028</b>	<b>(10,413)</b>	<b>(9,275)</b>	<b>0</b>	<b>0</b>	<b>(6,364)</b>	<b>(6,638)</b>	<b>(6,987)</b>	<b>(7,380)</b>	<b>(7,958)</b>	<b>(8,706)</b>	<b>(9,277)</b>	<b>(9,681)</b>

**City of Hayward  
Ten-Year Financial Plan**

**Facilities Maintenance**

**Fund 720**

\$'s in 1,000's

	Previous		Current		Future									
	P - Yr 2	P - Yr 1	Adjusted	End-of-Year	F - Yr 1	F - Yr 2	F - Yr 3	F - Yr 4	F - Yr 5	F - Yr 6	F - Yr 7	F - Yr 8	F - Yr 9	F - Yr 10
	Actual FY 2006	Actual FY 2007	Budget FY 2008	Estimate FY 2008	Recommended FY 2009	Proposed FY 2010	Forecast FY 2011	Forecast FY 2012	Forecast FY 2013	Forecast FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
<b>Revenue</b>														
Facilities Service Rate	0	0	0	0	2,879,398	2,931,268	3,037,060	3,153,651	3,265,294	3,383,367	3,504,588	3,628,923	3,767,479	3,901,365
City Hall Rotunda Plaza Rental	3,249	3,390	1,525	413	3,390	3,390	3,492	3,596	3,704	3,815	3,930	4,048	4,169	4,294
Facilities Maintenance Revenue	36,547	64,978	45,652	46,902	77,464	64,978	66,927	68,935	71,003	73,133	75,327	77,587	79,915	82,312
Bldg Rental - Hayward Hlst. Society	0	0	0	65,995	0	0	0	0	0	0	0	0	0	0
Rental Unit Fees	6,943	12,486	6,843	6,843	0	12,486	12,861	13,246	13,644	14,053	14,475	14,909	15,356	15,817
Other Revenues	42	80	80	0	80	80	82	85	87	90	93	96	98	101
GF Subsidy	3,225,524	3,327,768	3,011,791	3,101,812	0	0	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>3,272,305</b>	<b>3,408,702</b>	<b>3,065,891</b>	<b>3,221,965</b>	<b>2,960,332</b>	<b>3,012,202</b>	<b>3,120,422</b>	<b>3,239,514</b>	<b>3,353,733</b>	<b>3,474,459</b>	<b>3,598,412</b>	<b>3,725,563</b>	<b>3,867,017</b>	<b>4,003,890</b>
<i>Chg from prev yr</i>		4%	-10%	-5%	-8%	2%	4%	4%	4%	4%	4%	4%	4%	4%
<b>Expenditures</b>														
Salary & Benefits	1,071,585	1,051,561	1,182,049	1,182,000	1,278,326	1,333,191	1,386,519	1,441,979	1,499,659	1,559,645	1,622,031	1,686,912	1,754,388	1,824,564
Charge/(Credit) from other progs	(714)	2,983	0	16,740	(62,433)	(63,558)	(67,522)	(69,547)	(71,634)	(73,783)	(75,996)	(78,276)	(80,624)	(83,043)
Net Employee Services	1,070,871	1,054,544	1,182,049	1,198,740	1,215,893	1,267,638	1,318,997	1,372,432	1,428,025	1,485,862	1,546,034	1,608,636	1,673,764	1,741,521
Maintenance & Utilities	1,807,112	1,895,257	1,507,090	1,500,000	1,071,367	1,058,710	1,091,699	1,124,450	1,158,184	1,192,929	1,228,717	1,265,578	1,303,546	1,342,652
Supplies and Services	301,982	371,320	287,302	415,000	357,913	364,138	377,007	398,526	411,636	427,584	442,955	457,579	482,417	498,431
Capital Expenses	2,077	0	0	18,778	0	0	0	0	0	0	0	0	0	0
DS - Solar Panel/Energy Retrofit	90,263	87,581	89,450	89,480	86,300	88,400	91,052	93,784	96,597	99,495	102,480	105,554	108,721	111,982
	2,201,434	2,354,158	1,883,842	2,023,225	1,515,580	1,511,248	1,559,758	1,616,760	1,666,416	1,720,008	1,774,152	1,828,712	1,894,684	1,953,066
<b>Total Expenditure</b>	<b>3,272,305</b>	<b>3,408,702</b>	<b>3,065,891</b>	<b>3,221,965</b>	<b>2,771,473</b>	<b>2,778,384</b>	<b>2,878,755</b>	<b>2,989,192</b>	<b>3,094,441</b>	<b>3,205,870</b>	<b>3,320,187</b>	<b>3,437,348</b>	<b>3,568,448</b>	<b>3,694,587</b>
<i>Chg from prev yr</i>		4%	-10%	-5%	-15%	2%	4%	4%	4%	4%	4%	4%	4%	4%
<b>Fund Transfers</b>														
<b>Transfers In</b>														
Trsfr to GF - Cost Allocation	0	0	0	0	135,000	135,000	140,400	146,016	151,857	157,931	164,248	170,818	177,651	184,757
Trsfr to Liab Fund - Liab Insur Prem	0	0	0	0	22,496	23,080	23,772	24,486	25,220	25,977	26,756	27,559	28,385	29,237
Trsfr to DS - Solar Panels	0	0	0	0	71,363	75,238	77,495	79,820	82,215	84,681	87,221	89,838	92,533	95,309
	0	0	0	0	228,859	233,318	241,668	250,322	259,291	268,589	278,226	288,215	298,570	309,303
<b>Net Transfers, Expense (Revenue)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>228,859</b>	<b>233,318</b>	<b>241,668</b>	<b>250,322</b>	<b>259,291</b>	<b>268,589</b>	<b>278,226</b>	<b>288,215</b>	<b>298,570</b>	<b>309,303</b>
<i>Chg from prev yr</i>						2%	4%	4%	4%	4%	4%	4%	4%	4%
<b>Total Outlays</b>	<b>3,272,305</b>	<b>3,408,702</b>	<b>3,065,891</b>	<b>3,221,965</b>	<b>2,960,332</b>	<b>3,012,202</b>	<b>3,120,422</b>	<b>3,239,514</b>	<b>3,353,733</b>	<b>3,474,459</b>	<b>3,598,412</b>	<b>3,725,563</b>	<b>3,867,017</b>	<b>4,003,890</b>
<b>Net Revenue (Expenditure)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**City of Hayward  
Ten-Year Financial Plan**

**Fleet Management  
Fund 730**

\$'s in 1000's

	Previous		Current		Future									
	P - Yr 2	P - Yr 1	Adjusted	End-of-Year	F - Yr 1	F - Yr 2	F - Yr 3	F - Yr 4	F - Yr 5	F - Yr 6	F - Yr 7	F - Yr 8	F - Yr 9	F - Yr 10
	Actual FY 2006	Actual FY 2007	Budget FY 2008	Estimate FY 2008	Recommended FY 2009	Proposed FY 2010	Forecast FY 2011	Forecast FY 2012	Forecast FY 2013	Forecast FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
<b>Revenue</b>														
Vehicle Rate Premium	3,414,812	3,619,105	4,211,149	4,211,149	4,964,308	5,149,013	5,279,409	6,089,183	6,351,488	6,730,952	7,075,942	7,380,048	8,195,938	8,564,007
Interest	49,581	18,776	11,588	0	0	0	0	0	0	0	0	0	0	0
Other Revenue	65,393	40,552	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>3,529,786</b>	<b>3,678,433</b>	<b>4,222,737</b>	<b>4,211,149</b>	<b>4,964,308</b>	<b>5,149,013</b>	<b>5,279,409</b>	<b>6,089,183</b>	<b>6,351,488</b>	<b>6,730,952</b>	<b>7,075,942</b>	<b>7,380,048</b>	<b>8,195,938</b>	<b>8,564,007</b>
<i>Chg from prev yr</i>		4%	15%	14%	18%	4%	3%	15%	4%	6%	5%	4%	11%	4%
<b>Expenditures</b>														
Salary & Benefits	1,255,970	1,217,190	1,318,731	1,345,000	1,375,182	1,437,347	1,503,299	1,563,431	1,625,968	1,691,007	1,758,647	1,828,993	1,902,153	1,978,239
Charge/(Credit) from other progs	361	2,702	0	0	0	0	0	0	0	0	0	0	0	0
Net Employee Services	1,256,331	1,219,892	1,318,731	1,345,000	1,375,182	1,437,347	1,503,299	1,563,431	1,625,968	1,691,007	1,758,647	1,828,993	1,902,153	1,978,239
Maintenance & Utilities	255,432	282,842	211,943	248,198	227,500	227,500	236,295	245,434	254,929	264,796	275,048	285,701	296,771	308,274
Supplies and Services	689,768	612,177	1,123,283	1,254,651	1,383,113	1,886,333	3,361,460	2,991,262	2,843,829	3,210,912	3,219,725	3,553,796	4,135,193	4,169,015
Lease Purchase Pmt	626,482	987,938	1,182,260	1,182,260	1,322,961	1,530,512	0	0	0	0	0	0	0	0
Capital	425,470	1,104,172	700,000	200,000	0	0	0	1,103,947	1,434,639	1,364,832	1,615,555	1,496,739	1,638,850	1,877,043
	1,997,152	2,987,129	3,217,486	2,885,109	2,933,574	3,144,345	3,597,755	4,340,643	4,533,397	4,840,540	5,110,328	5,336,237	6,070,814	6,354,332
<b>Total Expenditure</b>	<b>3,253,483</b>	<b>4,207,021</b>	<b>4,536,217</b>	<b>4,230,109</b>	<b>4,308,756</b>	<b>4,981,692</b>	<b>5,101,054</b>	<b>5,904,074</b>	<b>6,159,366</b>	<b>6,531,547</b>	<b>6,868,976</b>	<b>7,165,230</b>	<b>7,972,967</b>	<b>8,332,571</b>
<i>Chg from prev yr</i>		29%	8%	1%	2%	6%	11%	16%	4%	6%	5%	4%	11%	5%
<b>Fund Transfers</b>														
<b>Transfers Out</b>														
Trsfr to GF - Cost Allocation	135,000	135,000	135,000	135,000	135,000	135,000	140,400	146,016	151,857	157,931	164,248	170,818	177,651	184,757
Trsfr to Liab Fund - Liab Insur Prem	37,987	40,922	40,922	40,922	35,916	36,849	37,954	39,093	40,266	41,474	42,718	44,000	45,320	46,679
<b>Net Transfers, Expense (Revenue)</b>	<b>172,987</b>	<b>175,922</b>	<b>175,922</b>	<b>175,922</b>	<b>170,916</b>	<b>171,849</b>	<b>178,354</b>	<b>185,109</b>	<b>192,123</b>	<b>199,405</b>	<b>206,966</b>	<b>214,818</b>	<b>222,970</b>	<b>231,436</b>
<i>Chg from prev yr</i>		2%	0%	0%	-3%	1%	4%	4%	4%	4%	4%	4%	4%	4%
<b>TOTAL OUTLAYS</b>	<b>3,426,470</b>	<b>4,382,943</b>	<b>4,712,139</b>	<b>4,406,031</b>	<b>4,479,672</b>	<b>4,753,541</b>	<b>5,279,409</b>	<b>6,089,183</b>	<b>6,351,488</b>	<b>6,730,952</b>	<b>7,075,942</b>	<b>7,380,048</b>	<b>8,195,938</b>	<b>8,564,007</b>
<b>Net Revenue (Expenditure)</b>			<b>(489,402)</b>	<b>(194,882)</b>	<b>484,636</b>	<b>395,472</b>	<b>0</b>							
<b>Ending Balance</b>		<b>(683,226)</b>	<b>(1,174,628)</b>	<b>(880,108)</b>	<b>(395,472)</b>	<b>0</b>								

**City of Hayward  
Ten-Year Financial Plan**

**Liability Fund  
Fund 711**

\$'s in 1000's

	Previous		Current		Future									
	P - Yr 2	P - Yr 1	Adjusted	End-of-Year	F - Yr 1	F - Yr 2	F - Yr 3	F - Yr 4	F - Yr 5	F - Yr 6	F - Yr 7	F - Yr 8	F - Yr 9	F - Yr 10
	Actual	Actual	Budget	Estimate	Recommended	Proposed	Forecast							
FY 2006	FY 2007	FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	
<b>Revenue</b>														
Liability Premium	1,941,640	2,091,641	2,091,641	2,091,641	2,335,861	2,396,545	2,445,949	2,506,687	2,595,889	2,687,691	2,782,919	2,881,437	2,983,359	3,088,806
Interest	94,244	123,013	140,397	100,000	45,000	67,500	101,250	126,560	126,560	126,560	126,560	126,560	126,560	126,560
Other Revenue	279,877	281,018	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>2,315,761</b>	<b>2,495,672</b>	<b>2,232,038</b>	<b>2,191,641</b>	<b>2,380,861</b>	<b>2,464,045</b>	<b>2,547,199</b>	<b>2,633,217</b>	<b>2,722,199</b>	<b>2,814,251</b>	<b>2,909,479</b>	<b>3,007,997</b>	<b>3,109,919</b>	<b>3,215,366</b>
<i>Chg from prev yr</i>		8%	-11%	-12%	9%	3%	3%	3%	3%	3%	3%	3%	3%	3%
<b>Expenditures</b>														
Salary & Benefits	425,194	424,726	443,491	443,491	480,355	502,085	522,168	543,055	564,777	587,368	610,863	635,298	660,710	687,138
Charge/(Credit) from other progs	66,532	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Employee Services	491,726	424,726	443,491	443,491	480,355	502,085	522,168	543,055	564,777	587,368	610,863	635,298	660,710	687,138
Maintenance & Utilities	228	93	901	300	300	300	309	318	328	338	348	358	369	380
Supplies and Services	1,651,947	1,816,465	1,432,244	1,800,000	1,499,082	1,540,480	1,586,694	1,634,295	1,683,324	1,733,824	1,785,839	1,839,414	1,894,596	1,951,434
Capital	0	512,713	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Expenditure</b>	<b>2,143,901</b>	<b>2,753,997</b>	<b>1,876,636</b>	<b>2,243,791</b>	<b>1,979,737</b>	<b>2,042,865</b>	<b>2,109,172</b>	<b>2,177,669</b>	<b>2,248,429</b>	<b>2,321,530</b>	<b>2,397,049</b>	<b>2,475,070</b>	<b>2,555,675</b>	<b>2,638,952</b>
<i>Chg from prev yr</i>		28%	-32%	-19%	-12%	3%	3%	3%	3%	3%	3%	3%	3%	3%
<b>Fund Transfers</b>														
<b>Transfers Out</b>														
Trsfr to GF - Cost Allocation	335,000	345,050	355,402	355,402	401,124	421,180	438,027	455,548	473,770	492,721	512,430	532,927	554,244	576,414
Trsfr to GF - Misc	150,000	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net Transfers, Expense (Revenue)</b>	<b>485,000</b>	<b>345,050</b>	<b>355,402</b>	<b>355,402</b>	<b>401,124</b>	<b>421,180</b>	<b>438,027</b>	<b>455,548</b>	<b>473,770</b>	<b>492,721</b>	<b>512,430</b>	<b>532,927</b>	<b>554,244</b>	<b>576,414</b>
<i>Chg from prev yr</i>		-29%	3%	3%	13%	6%	4%	4%	4%	4%	4%	4%	4%	4%
<b>TOTAL OUTLAYS</b>	<b>2,628,901</b>	<b>3,099,047</b>	<b>2,232,038</b>	<b>2,599,193</b>	<b>2,380,861</b>	<b>2,464,045</b>	<b>2,547,199</b>	<b>2,633,217</b>	<b>2,722,199</b>	<b>2,814,251</b>	<b>2,909,479</b>	<b>3,007,997</b>	<b>3,109,919</b>	<b>3,215,366</b>
<b>Net Revenue (Expenditure)</b>	<b>(313,140)</b>	<b>(603,375)</b>	<b>0</b>	<b>(407,552)</b>	<b>0</b>									
<b>Ending Balance</b>		<b>2,892,301</b>	<b>2,829,731</b>	<b>2,422,179</b>	<b>2,422,180</b>	<b>2,422,180</b>								

**City of Hayward  
Ten-Year Financial Plan**

**Technology Services**

**Fund 725**

*\$'s in 1,000's*

	Previous		Current		Future									
	P - Yr 2	P - Yr 1	Adjusted	End-of-Year	F - Yr 1	F - Yr 2	F - Yr 3	F - Yr 4	F - Yr 5	F - Yr 6	F - Yr 7	F - Yr 8	F - Yr 9	F - Yr 10
	Actual FY 2006	Actual FY 2007	Budget FY 2008	Estimate FY 2008	Recommended FY 2009	Proposed FY 2010	Forecast FY 2011	Forecast FY 2012	Forecast FY 2013	Forecast FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
<b>Revenue</b>														
Technology Service Rate	0	0	0	0	4,042,484	4,129,203	4,050,517	3,979,380	4,123,109	4,272,172	4,426,772	4,587,118	4,753,429	4,925,931
Technology Replacement Rate	0	0	0	0	0	0	250,000	300,000	309,000	318,270	327,818	337,653	347,782	358,216
GF Subsidy	3,265,992	3,096,957	3,282,201	3,056,320	0	0	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>3,265,992</b>	<b>3,096,957</b>	<b>3,282,201</b>	<b>3,056,320</b>	<b>4,042,484</b>	<b>4,129,203</b>	<b>4,300,517</b>	<b>4,279,380</b>	<b>4,432,109</b>	<b>4,590,442</b>	<b>4,754,590</b>	<b>4,924,771</b>	<b>5,101,212</b>	<b>5,284,147</b>
<i>Chg from prev yr</i>		-5%	6%	-1%	32%	2%	4%	0%	4%	4%	4%	4%	4%	4%
<b>Expenditures</b>														
Salary & Benefits	1,825,621	1,867,791	1,825,187	1,875,000	2,048,016	2,136,135	2,221,580	2,310,444	2,402,861	2,498,976	2,598,935	2,702,892	2,811,008	2,923,448
Charge/(Credit) from other progs	3,779	791	0	3,320	(22,965)	(24,113)	(26,078)	(26,081)	(27,124)	(28,209)	(29,337)	(30,511)	(31,731)	(33,000)
Net Employee Services	1,829,400	1,868,582	1,825,187	1,878,320	2,025,051	2,112,022	2,196,503	2,284,363	2,375,738	2,470,767	2,569,598	2,672,382	2,779,277	2,890,448
Maintenance & Utilities	482,077	516,086	518,701	300,000	531,180	530,520	560,650	577,469	594,793	612,637	631,016	649,947	669,445	689,528
Supplies and Services	664,258	644,968	664,733	525,000	662,022	661,800	683,325	705,225	727,885	751,334	775,601	800,716	826,711	853,619
Technology Replacement	0	0	0	0	0	0	250,000	300,000	309,000	318,270	327,818	337,653	347,782	358,216
Capital Expenses	290,257	67,321	273,580	353,000	0	0	0	0	0	0	0	0	0	0
	1,436,592	1,228,375	1,457,014	1,178,000	1,193,202	1,192,020	1,499,975	1,582,694	1,631,678	1,682,241	1,734,435	1,788,315	1,843,938	1,901,363
<b>Total Expenditure</b>	<b>3,265,992</b>	<b>3,096,957</b>	<b>3,282,201</b>	<b>3,056,320</b>	<b>3,218,253</b>	<b>3,304,042</b>	<b>3,690,478</b>	<b>3,867,057</b>	<b>4,007,415</b>	<b>4,153,008</b>	<b>4,304,033</b>	<b>4,460,697</b>	<b>4,623,215</b>	<b>4,791,811</b>
<i>Chg from prev yr</i>		-5%	6%	-1%	5%	1%	12%	5%	4%	4%	4%	4%	4%	4%
<b>Fund Transfers</b>														
<b>Transfers Out</b>														
Trsfr to GF - Cost Allocation	0	0	0	0	150,000	150,000	154,500	159,135	163,909	168,826	173,891	179,108	184,481	190,016
Trsfr to Liab Fund - Liab Insur Prem	0	0	0	0	35,788	36,718	37,820	38,954	40,123	41,326	42,566	43,843	45,159	46,513
Trsfr to DS - Computer Lease	0	0	0	0	109,979	109,979	115,478	135,934	140,012	144,212	148,539	152,995	157,585	162,312
Trsfr to DS - VOIP	0	0	0	0	528,464	528,464	302,242	78,301	80,650	83,069	85,561	88,128	90,772	93,495
<b>Net Transfers, Expense (Revenue)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>824,231</b>	<b>825,161</b>	<b>610,039</b>	<b>412,324</b>	<b>424,693</b>	<b>437,434</b>	<b>450,557</b>	<b>464,074</b>	<b>477,996</b>	<b>492,336</b>
<i>Chg from prev yr</i>						0%	-26%	-32%	3%	3%	3%	3%	3%	3%
<b>Total Outlays</b>	<b>3,265,992</b>	<b>3,096,957</b>	<b>3,282,201</b>	<b>3,056,320</b>	<b>4,042,484</b>	<b>4,129,203</b>	<b>4,300,517</b>	<b>4,279,380</b>	<b>4,432,109</b>	<b>4,590,442</b>	<b>4,754,590</b>	<b>4,924,771</b>	<b>5,101,212</b>	<b>5,284,147</b>
<b>Net Revenue (Expenditure)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

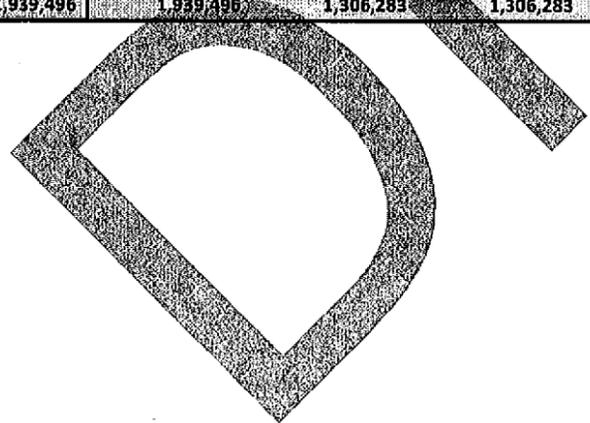
**City of Hayward  
Ten-Year Financial Plan**

**Worker's Compensation**

**Fund 710**

\$'s in 1000's

	Previous		Current		Future									
	P - Yr 2	P - Yr 1	Adjusted	End-of-Year	F - Yr 1	F - Yr 2	F - Yr 3	F - Yr 4	F - Yr 5	F - Yr 6	F - Yr 7	F - Yr 8	F - Yr 9	F - Yr 10
	Actual FY 2006	Actual FY 2007	Budget FY 2008	Estimate FY 2008	Recommended FY 2009	Proposed FY 2010	Forecast FY 2011	Forecast FY 2012	Forecast FY 2013	Forecast FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
<b>Revenue</b>														
Payroll Insurance Premium	4,291,809	4,595,776	4,508,957	4,340,500	4,603,030	4,725,910	4,818,740	4,937,002	5,082,891	5,236,507	5,398,282	5,568,675	5,748,169	5,937,278
Interest Earned	39,784	104,899	49,794	80,000	15,000	20,000	40,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Other Revenue	1,544	80	0	80,500	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
<b>Total Revenue</b>	<b>4,333,137</b>	<b>4,700,755</b>	<b>4,558,751</b>	<b>4,501,000</b>	<b>4,658,030</b>	<b>4,785,910</b>	<b>4,898,740</b>	<b>5,027,002</b>	<b>5,172,891</b>	<b>5,326,507</b>	<b>5,488,282</b>	<b>5,658,675</b>	<b>5,838,169</b>	<b>6,027,278</b>
<i>Chg from prev yr</i>		8%	-3%	-4%	3%	3%	2%	3%	3%	3%	3%	3%	3%	3%
<b>Expenditures</b>														
Salary & Benefits	149,548	174,070	195,446	195,446	217,546	227,127	229,969	230,688	237,609	244,737	252,079	259,641	267,431	275,454
Charge/(Credit) from other progs	45,790	58,359	55,811	55,811	62,972	66,120	66,120	55,811	55,811	55,811	55,811	55,811	55,811	55,811
Net Employee Services	195,338	232,429	251,257	251,257	280,518	293,247	290,089	286,499	293,420	300,548	307,890	315,452	323,242	331,265
Maintenance & Utilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Supplies and Services	398,249	364,009	416,765	518,563	543,357	554,781	566,196	580,500	595,234	610,409	626,040	642,140	658,723	675,803
Worker's Compensation Expense	3,244,155	3,573,275	3,736,151	4,209,816	3,616,398	3,709,336	3,813,909	3,924,601	4,041,773	4,165,811	4,297,121	4,436,135	4,583,309	4,739,127
Capital Expense	1,000	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Expenditure</b>	<b>3,838,742</b>	<b>4,169,713</b>	<b>4,404,173</b>	<b>4,979,636</b>	<b>4,440,273</b>	<b>4,697,364</b>	<b>4,670,194</b>	<b>4,791,600</b>	<b>4,930,427</b>	<b>5,076,768</b>	<b>5,231,052</b>	<b>5,393,727</b>	<b>5,565,273</b>	<b>5,746,195</b>
<i>Chg from prev yr</i>		9%	6%	19%	-11%	3%	2%	3%	3%	3%	3%	3%	3%	3%
<b>Transfers</b>														
Trsfr to GF - Cost Allocation	119,000	146,816	151,220	151,220	213,667	224,350	224,350	231,081	238,013	245,153	252,508	260,083	267,886	275,922
Trsfr to Liab Fund - Liab Insur Prem	3,091	3,358	3,358	3,358	4,090	4,090	4,196	4,322	4,452	4,585	4,723	4,864	5,010	5,161
	122,091	150,174	154,578	154,578	217,757	228,546	228,546	235,402	242,464	249,738	257,231	264,947	272,896	281,083
<b>Net Transfers, Expense (Revenue)</b>	<b>122,091</b>	<b>150,174</b>	<b>154,578</b>	<b>154,578</b>	<b>217,757</b>	<b>228,546</b>	<b>228,546</b>	<b>235,402</b>	<b>242,464</b>	<b>249,738</b>	<b>257,231</b>	<b>264,947</b>	<b>272,896</b>	<b>281,083</b>
<i>Chg from prev yr</i>		23%	3%	3%	4%	5%	0%	3%	3%	3%	3%	3%	3%	3%
<b>Total Outlays</b>	<b>3,960,833</b>	<b>4,319,887</b>	<b>4,558,751</b>	<b>5,134,214</b>	<b>4,658,030</b>	<b>4,785,910</b>	<b>4,898,740</b>	<b>5,027,002</b>	<b>5,172,891</b>	<b>5,326,507</b>	<b>5,488,282</b>	<b>5,658,675</b>	<b>5,838,169</b>	<b>6,027,278</b>
<b>Net Revenue (Expenditure)</b>	<b>372,304</b>	<b>380,868</b>	<b>0</b>	<b>(633,214)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending Balance</b>		<b>1,939,496</b>	<b>1,939,496</b>	<b>1,306,283</b>	<b>1,306,283</b>	<b>1,306,283</b>	<b>1,306,283</b>	<b>1,306,283</b>	<b>1,306,283</b>	<b>1,306,283</b>	<b>1,306,283</b>	<b>1,306,283</b>	<b>1,306,283</b>	<b>1,306,283</b>



**City of Hayward  
Ten-Year Financial Plan**

**Airport  
Fund 631**  
\$'s in 1,000's

	Previous		Current		Future									
	P - Yr 2	P - Yr 1	Adjusted	End-of-Year	F - Yr 1	F - Yr 2	F - Yr 3	F - Yr 4	F - Yr 5	F - Yr 6	F - Yr 7	F - Yr 8	F - Yr 9	F - Yr 10
	Actual FY 2006	Actual FY 2007	Budget FY 2008	Estimate FY 2008	Recommended FY 2009	Proposed FY 2010	Forecast FY 2011	Forecast FY 2012	Forecast FY 2013	Forecast FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Hangar Rent	857,111	865,383	888,808	908,650	908,650	944,996	944,996	982,796	982,796	1,022,108	1,022,108	1,062,992	1,062,992	1,105,512
Land Rent	1,040,685	542,714	510,891	510,891	754,552	754,552	762,098	789,718	777,416	785,190	793,042	800,972	808,982	817,072
Home Depot - Ground Lease	0	464,693	482,988	482,988	482,988	482,988	487,818	492,696	497,628	502,599	507,625	512,701	517,829	523,007
Commissions	321,789	342,825	305,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Airport Real Estate Fund Int	288,731	458,130	260,000	120,000	140,000	140,000	210,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000
Hesperian Blvd - Ground Lease	0	84,813	84,813	84,813	137,644	137,644	139,020	140,411	141,815	143,233	144,665	146,112	147,573	149,049
Building Rental	58,249	55,503	56,286	57,000	58,140	59,303	60,489	61,699	62,933	64,191	65,475	66,785	68,120	69,483
Airplane Tiedown Rent	55,628	56,517	54,590	56,517	57,000	57,000	57,000	57,000	57,000	57,000	57,000	57,000	57,000	57,000
Fund Interest Earned	51,516	121,264	25,279	130,000	25,436	52,027	79,545	106,448	108,286	109,298	111,135	112,772	114,478	115,863
Other Revenue	38,239	30,673	10,800	11,950	11,100	11,100	11,132	11,164	11,197	11,230	11,263	11,297	11,331	11,565
Property Taxes - Aircraft	424,298	714,070	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>3,136,246</b>	<b>3,736,585</b>	<b>2,679,455</b>	<b>2,712,809</b>	<b>2,925,510</b>	<b>2,989,609</b>	<b>3,102,098</b>	<b>3,251,929</b>	<b>3,269,065</b>	<b>3,324,849</b>	<b>3,342,314</b>	<b>3,400,631</b>	<b>3,418,305</b>	<b>3,478,550</b>
<i>Chg from prev yr</i>		19%	-28%	-27%	8%	2%	4%	5%	1%	2%	1%	2%	1%	2%
<b>Expenditures</b>														
Salary & Benefits	908,880	832,902	976,794	860,000	1,016,440	1,060,203	1,102,611	1,146,716	1,192,584	1,240,288	1,289,899	1,341,495	1,395,155	1,450,961
Charge/(Credit) from other progs	69,508	76,081	98,710	91,000	104,794	110,034	111,176	114,511	117,947	121,485	125,130	128,883	132,750	136,732
Net Employee Services	978,388	908,983	1,075,504	951,000	1,121,234	1,170,237	1,213,787	1,261,227	1,310,531	1,361,773	1,415,029	1,470,378	1,527,905	1,587,693
Maintenance & Utilities	161,288	172,872	339,047	175,000	251,058	288,590	266,548	274,338	282,568	291,045	299,777	308,770	318,033	327,574
Supplies and Services	311,370	324,108	309,621	360,000	497,595	518,714	530,579	560,577	578,986	601,320	622,868	643,395	678,021	700,488
Capital Expenses	0	1,257	0	0	0	0	0	0	0	0	0	0	0	0
	472,658	498,237	648,668	535,000	748,653	772,304	796,926	834,915	861,554	892,365	922,644	952,165	996,054	1,028,062
<b>Total Expenditure</b>	<b>1,451,046</b>	<b>1,407,220</b>	<b>1,724,172</b>	<b>1,486,000</b>	<b>1,869,887</b>	<b>1,942,541</b>	<b>2,010,714</b>	<b>2,096,142</b>	<b>2,172,085</b>	<b>2,254,138</b>	<b>2,337,673</b>	<b>2,422,544</b>	<b>2,523,959</b>	<b>2,615,755</b>
<i>Chg from prev yr</i>		-3%	23%	6%	26%	4%	4%	4%	4%	4%	4%	4%	4%	4%
<b>Fund Transfers</b>														
<b>Transfers Out</b>														
Trsfr - Capital Reserve	1,300,000	800,000	600,000	600,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Trsfr - DS	192,704	195,229	192,636	192,636	194,519	198,819	203,618	206,718	202,718	202,718	199,518	200,187	200,512	200,481
Trsfr to GF - Prop Tax, Aircraft	0	0	550,000	650,000	0	0	0	0	0	0	0	0	0	0
Trsfr to GF - Cost Allocation	180,000	185,400	190,962	180,962	163,106	171,261	178,111	185,236	192,645	200,351	208,365	216,700	225,368	234,383
Trsfr to Liab Fund - Liab Insur Prem	48,702	52,464	52,464	52,464	43,371	44,497	45,832	47,207	48,623	50,082	51,584	53,132	54,726	56,367
<b>Net Transfers, Expense (Revenue)</b>	<b>1,721,406</b>	<b>1,233,093</b>	<b>1,586,062</b>	<b>1,586,062</b>	<b>1,100,996</b>	<b>1,111,577</b>	<b>1,127,561</b>	<b>1,139,161</b>	<b>1,143,986</b>	<b>1,153,151</b>	<b>1,159,467</b>	<b>1,170,019</b>	<b>1,180,605</b>	<b>1,191,231</b>
<i>Chg from prev yr</i>		-28%	29%	29%	-31%	1%	1%	1%	0%	1%	1%	1%	1%	1%
<b>Total Outlays</b>	<b>3,172,452</b>	<b>2,640,313</b>	<b>3,310,234</b>	<b>3,072,062</b>	<b>2,970,883</b>	<b>3,054,118</b>	<b>3,138,275</b>	<b>3,235,303</b>	<b>3,316,071</b>	<b>3,407,288</b>	<b>3,497,140</b>	<b>3,592,562</b>	<b>3,704,564</b>	<b>3,806,986</b>
<b>Net Revenue (Expenditure)</b>	<b>(36,206)</b>	<b>1,096,272</b>	<b>(630,779)</b>	<b>(359,253)</b>	<b>(45,373)</b>	<b>(64,509)</b>	<b>(36,177)</b>	<b>16,626</b>	<b>(47,006)</b>	<b>(82,439)</b>	<b>(154,827)</b>	<b>(191,931)</b>	<b>(286,259)</b>	<b>(328,437)</b>
<b>Ending Balance</b>		<b>2,843,831</b>	<b>2,213,052</b>	<b>2,354,578</b>	<b>2,439,205</b>	<b>2,374,696</b>	<b>2,338,519</b>	<b>2,355,145</b>	<b>2,308,139</b>	<b>2,225,700</b>	<b>2,070,873</b>	<b>1,878,943</b>	<b>1,592,683</b>	<b>1,264,246</b>

**City of Hayward  
Ten-Year Financial Plan**

**Centennial Hall**

**Fund 660**

*\$'s in 1,000's*

	Previous		Current		Future									
	P - Yr 2	P - Yr 1	Adjusted	End-of-Year	F - Yr 1	F - Yr 2	F - Yr 3	F - Yr 4	F - Yr 5	F - Yr 6	F - Yr 7	F - Yr 8	F - Yr 9	F - Yr 10
	Actual	Actual	Budget	Estimate	Recommended	Proposed	Forecast							
FY 2006	FY 2007	FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	
<b>Revenue</b>														
Centennial Hall Rental Income	331,591	329,481	395,413	300,000	335,492	335,756	339,114	342,505	345,930	349,389	352,883	356,412	359,976	363,576
Other Income	3,490	2,022	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>335,081</b>	<b>331,503</b>	<b>395,413</b>	<b>300,000</b>	<b>335,492</b>	<b>335,756</b>	<b>339,114</b>	<b>342,505</b>	<b>345,930</b>	<b>349,389</b>	<b>352,883</b>	<b>356,412</b>	<b>359,976</b>	<b>363,576</b>
<i>Chg from prev yr</i>		-1%	19%	-10%	12%	0%	1%	1%	1%	1%	1%	1%	1%	1%
<b>Expenditures</b>														
Salary & Benefits	420,753	438,584	441,988	441,988	449,407	468,168	486,895	506,371	526,625	547,690	569,598	592,382	616,077	640,720
Charge/(Credit) from other progs	1,767	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Employee Services	422,520	438,584	441,988	441,988	449,407	468,168	486,895	506,371	526,625	547,690	569,598	592,382	616,077	640,720
Maintenance & Utilities	92,133	124,246	101,709	101,709	106,500	106,500	109,695	112,986	116,375	119,867	123,463	127,167	130,982	134,911
Supplies and Services	83,223	75,593	89,863	130,051	284,746	286,302	294,891	303,738	312,850	322,235	331,902	341,860	352,115	362,679
Capital Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	175,356	199,839	191,572	231,760	391,246	392,802	404,586	416,724	429,225	442,102	455,365	469,026	483,097	497,590
<b>Total Expenditure</b>	<b>597,876</b>	<b>638,423</b>	<b>633,560</b>	<b>673,748</b>	<b>840,653</b>	<b>860,970</b>	<b>891,481</b>	<b>923,094</b>	<b>955,851</b>	<b>989,792</b>	<b>1,024,963</b>	<b>1,061,408</b>	<b>1,099,174</b>	<b>1,138,310</b>
<i>Chg from prev yr</i>		7%	-1%	6%	25%	2%	4%	4%	4%	4%	4%	4%	4%	4%
<b>Fund Transfers</b>														
<b>Transfers In</b>														
Trsfr from GF - Subsidy	391,136	391,136	391,136	486,549	628,450	637,631	669,157	701,923	735,976	771,365	808,140	846,355	886,063	927,321
<b>Transfers Out</b>														
Trsfr to GF - Cost Allocation	100,000	100,000	100,000	100,000	100,000	100,000	104,000	108,160	112,486	116,986	121,665	126,532	131,593	136,857
Trsfr to Liab Fund - Liab Insur Prem	11,883	12,801	12,801	12,801	12,102	12,417	12,790	13,173	13,568	13,975	14,395	14,827	15,271	15,729
	111,883	112,801	112,801	112,801	112,102	112,417	116,790	121,333	126,055	130,961	136,060	141,358	146,865	152,586
<b>Net Transfers, Expense (Revenue)</b>	<b>(279,253)</b>	<b>(278,335)</b>	<b>(278,335)</b>	<b>(373,748)</b>	<b>(516,348)</b>	<b>(525,214)</b>	<b>(552,367)</b>	<b>(580,590)</b>	<b>(609,921)</b>	<b>(640,404)</b>	<b>(672,080)</b>	<b>(704,997)</b>	<b>(739,198)</b>	<b>(774,735)</b>
<i>Chg from prev yr</i>		0%	0%	34%	38%	2%	5%	5%	5%	5%	5%	5%	5%	5%
<b>Total Outlays</b>	<b>318,623</b>	<b>360,088</b>	<b>355,225</b>	<b>300,000</b>	<b>324,305</b>	<b>335,756</b>	<b>339,113</b>	<b>342,504</b>	<b>345,929</b>	<b>349,389</b>	<b>352,883</b>	<b>356,411</b>	<b>359,976</b>	<b>363,575</b>
<b>Net Revenue (Expenditure)</b>	<b>16,458</b>	<b>(28,585)</b>	<b>40,188</b>	<b>0</b>	<b>11,187</b>	<b>0</b>								
<b>Ending Balance</b>		<b>(31,975)</b>	<b>(11,187)</b>	<b>(11,187)</b>	<b>0</b>									

**City of Hayward  
Ten-Year Financial Plan**

**Stormwater Maint & Op**

**Fund 601-602**

\$'s in 1,000's

	Previous		Current		Future									
	P - Yr 2	P - Yr 1	Adjusted	End-of-Year	F - Yr 1	F - Yr 2	F - Yr 3	F - Yr 4	F - Yr 5	F - Yr 6	F - Yr 7	F - Yr 8	F - Yr 9	F - Yr 10
	Actual FY 2006	Actual FY 2007	Budget FY 2008	Estimate FY 2008	Recommended FY 2009	Proposed FY 2010	Forecast FY 2011	Forecast FY 2012	Forecast FY 2013	Forecast FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
<b>Revenue</b>														
Stormwater Fees	1,882,605	1,876,088	1,830,000	1,830,000	1,870,000	1,880,000	1,880,000	1,890,000	1,890,000	1,900,000	1,900,000	1,910,000	1,910,000	1,920,000
Street Cleaning Fees	0	0	750,000	750,000	800,000	824,000	849,000	874,000	900,000	927,000	955,000	984,000	1,014,000	1,040,000
Inspection Fees	0	15,465	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Interest	21,699	16,561	4,708	4,708	6,000	13,000	8,000	2,000	0	0	0	0	0	0
Other Revenues	10,156	8,351	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
<b>Total Revenue</b>	<b>1,914,460</b>	<b>1,916,465</b>	<b>2,601,708</b>	<b>2,601,708</b>	<b>2,693,000</b>	<b>2,734,000</b>	<b>2,751,000</b>	<b>2,783,000</b>	<b>2,807,000</b>	<b>2,844,000</b>	<b>2,872,000</b>	<b>2,911,000</b>	<b>2,941,000</b>	<b>2,977,000</b>
<i>Chg from prev yr</i>		0%	36%	36%	4%	2%	1%	1%	1%	1%	1%	1%	1%	1%
<b>Expenditures</b>														
Salary & Benefits	1,168,145	1,173,252	1,175,745	1,175,745	1,133,201	1,179,466	1,226,645	1,275,710	1,326,739	1,379,808	1,435,001	1,492,401	1,552,097	1,614,181
Charge/(Credit) to other progs	95,000	80,474	281,662	281,662	470,682	494,218	513,987	534,546	555,928	578,165	601,292	625,343	650,357	676,371
Net Employee Services	1,263,145	1,253,726	1,457,407	1,457,407	1,603,883	1,673,684	1,740,631	1,810,257	1,882,667	1,957,974	2,036,292	2,117,744	2,202,454	2,290,552
Maintenance & Utilities	21,299	39,080	37,088	37,088	30,931	30,931	31,859	32,815	33,799	34,813	35,858	36,933	38,041	39,182
Supplies and Services	641,921	613,625	788,952	788,952	805,426	811,055	835,387	860,448	886,262	912,850	940,235	968,442	997,495	1,027,420
Capital Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	663,220	652,705	826,040	826,040	836,357	841,986	867,246	893,263	920,061	947,663	976,093	1,005,375	1,035,537	1,066,603
<b>Total Expenditure</b>	<b>1,926,365</b>	<b>1,906,431</b>	<b>2,283,447</b>	<b>2,283,447</b>	<b>2,440,240</b>	<b>2,513,870</b>	<b>2,607,877</b>	<b>2,703,520</b>	<b>2,802,728</b>	<b>2,905,636</b>	<b>3,012,385</b>	<b>3,123,120</b>	<b>3,237,991</b>	<b>3,357,155</b>
<i>Chg from prev yr</i>		-1%	20%	20%	7%	3%	4%	4%	4%	4%	4%	4%	4%	4%
<b>Fund Transfers</b>														
<b>Transfers Out</b>														
Trsfr to GF - Cost Allocation	160,438	160,438	165,251	165,251	68,261	71,674	74,541	77,523	80,624	83,848	87,202	90,690	94,318	98,091
Trsfr to Liab Fund - Liab Insur Prem	19,091	20,566	20,566	20,566	25,974	26,649	27,448	28,272	29,120	29,994	30,893	31,820	32,775	33,758
Capital Trsfr for Stormwater Sys	0	75,000	50,000	50,000	0	0	0	0	0	0	0	0	0	0
<b>Net Transfers, Expense (Revenue)</b>	<b>179,529</b>	<b>256,004</b>	<b>235,817</b>	<b>235,817</b>	<b>94,235</b>	<b>98,323</b>	<b>101,989</b>	<b>105,795</b>	<b>109,744</b>	<b>113,842</b>	<b>118,096</b>	<b>122,511</b>	<b>127,093</b>	<b>131,849</b>
<i>Chg from prev yr</i>		43%	-8%	8%	-60%	4%	4%	4%	4%	4%	4%	4%	4%	4%
<b>Total Outlays</b>	<b>2,105,894</b>	<b>2,162,435</b>	<b>2,519,264</b>	<b>2,519,264</b>	<b>2,534,475</b>	<b>2,613,993</b>	<b>2,709,866</b>	<b>2,809,314</b>	<b>2,912,471</b>	<b>3,019,478</b>	<b>3,130,481</b>	<b>3,245,630</b>	<b>3,365,084</b>	<b>3,489,004</b>
<b>Net Revenue (Expenditure)</b>	<b>(191,434)</b>	<b>(245,970)</b>	<b>82,444</b>	<b>82,444</b>	<b>158,525</b>	<b>120,007</b>	<b>41,134</b>	<b>(26,314)</b>	<b>(105,471)</b>	<b>(175,478)</b>	<b>(258,481)</b>	<b>(334,630)</b>	<b>(424,084)</b>	<b>(512,004)</b>
<b>Ending Balance</b>		<b>854,962</b>	<b>437,406</b>	<b>437,406</b>	<b>595,931</b>	<b>715,938</b>	<b>757,072</b>	<b>730,758</b>	<b>625,286</b>	<b>449,808</b>	<b>191,327</b>	<b>(143,303)</b>	<b>(567,387)</b>	<b>(1,079,391)</b>

**City of Hayward  
Ten-Year Financial Plan**

**Wastewater Maint & Op**

**Fund 611-612**

\$'s in 1,000's

	Previous		Current		Future									
	P - Yr 2	P - Yr 1	Adjusted	End-of-Year	F - Yr 1	F - Yr 2	F - Yr 3	F - Yr 4	F - Yr 5	F - Yr 6	F - Yr 7	F - Yr 8	F - Yr 9	F - Yr 10
	Actual	Actual	Budget	Estimate	Recommended	Proposed	Forecast							
FY 2006	FY 2007	FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	
<b>Revenue</b>														
Sewer Sewer Charges	12,787,957	13,698,020	15,100,000	15,500,000	16,300,000	18,400,000	19,200,000	20,300,000	20,700,000	21,600,000	21,900,000	22,900,000	23,300,000	24,300,000
Sewer Connection Fees	1,963,303	4,043,041	1,800,000	2,200,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Interest	182,007	487,770	128,605	250,000	62,000	96,000	4,000	17,000	39,000	39,231	(15,000)	(24,000)	(6,000)	3,000
Other Revenues	99,145	117,014	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000
<b>Total Revenue</b>	<b>15,032,412</b>	<b>18,345,845</b>	<b>17,124,605</b>	<b>18,046,000</b>	<b>17,958,000</b>	<b>20,092,000</b>	<b>20,800,000</b>	<b>21,913,000</b>	<b>22,335,000</b>	<b>23,233,231</b>	<b>23,481,000</b>	<b>24,472,000</b>	<b>24,890,000</b>	<b>25,899,000</b>
<i>Chg from prev yr</i>		22%	-7%	-2%	0%	12%	4%	5%	2%	4%	1%	4%	2%	4%
<b>Expenditures</b>														
Salary & Benefits	4,511,488	4,495,331	4,932,986	5,203,658	5,305,204	5,529,085	5,780,248	5,980,258	6,219,469	6,468,247	6,726,977	6,996,056	7,275,899	7,566,935
Charge/(Credit) to other progs	400,386	350,164	906,933	906,933	883,669	927,852	964,966	1,003,565	1,043,707	1,085,456	1,128,874	1,174,029	1,220,990	1,269,830
Net Employee Services	4,911,874	4,845,495	5,839,919	6,110,591	6,188,873	6,456,937	6,715,214	6,983,823	7,263,176	7,553,703	7,855,851	8,170,085	8,496,889	8,836,764
Maintenance & Utilities	832,831	910,928	956,968	956,968	1,386,918	1,414,918	1,456,978	1,500,300	1,544,921	1,590,881	1,638,220	1,686,979	1,737,200	1,788,929
Supplies and Services	4,259,775	4,219,395	5,064,317	5,160,166	8,486,088	8,692,259	8,854,468	9,080,905	9,151,435	10,584,423	10,690,068	10,845,158	10,407,534	10,615,833
Capital Expense	21,119	27,173	819	0	0	0	0	0	0	0	0	0	0	0
	5,113,725	5,157,496	6,022,104	6,117,134	9,873,006	10,107,177	10,811,446	10,581,205	10,696,356	12,175,304	12,328,287	12,532,137	12,144,735	12,404,762
<b>Total Expenditure</b>	<b>10,025,599</b>	<b>10,002,991</b>	<b>11,862,023</b>	<b>12,227,725</b>	<b>16,061,879</b>	<b>16,884,114</b>	<b>17,026,661</b>	<b>17,565,028</b>	<b>17,959,532</b>	<b>19,729,007</b>	<b>20,184,138</b>	<b>20,702,222</b>	<b>20,641,623</b>	<b>21,241,526</b>
<i>Chg from prev yr</i>		0%	19%	22%	31%	33%	3%	3%	2%	10%	2%	3%	0%	3%
<b>Transfers</b>														
<b>Transfers in</b>														
Debt Service	546,335	545,776	545,477	545,477	1,811,856	1,813,302	1,810,784	1,810,619	1,806,982	2,353,600	2,355,231	2,356,353	2,139,475	2,140,070
Misc Trsfr from CFD #1	1,690,000	0	0	0	0	0	0	0	0	0	0	0	0	0
	2,236,335	545,776	545,477	545,477	1,811,856	1,813,302	1,810,784	1,810,619	1,806,982	2,353,600	2,355,231	2,356,353	2,139,475	2,140,070
<b>Transfers out</b>														
Capital Replacement	3,000,000	4,000,000	4,000,000	4,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Conn Fees to CIP	1,972,665	4,045,629	1,800,000	2,200,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Trsfr to GF - Cost Allocation	750,000	716,475	737,969	737,969	364,821	383,063	398,386	414,321	430,894	448,130	466,055	484,697	504,085	524,248
Trsfr to Liab Fund - Liab Insur Prem	194,807	209,857	209,857	209,857	241,522	247,797	255,231	262,888	270,774	278,898	287,265	295,883	304,759	313,902
Fleet Mgmt - Vehicle Purchase	0	0	0	0	0	66,684	0	0	0	0	0	0	0	0
	5,917,472	8,971,961	6,747,826	7,147,826	5,106,343	5,197,544	5,153,616	5,177,209	5,201,668	6,227,027	6,253,319	6,280,579	6,308,844	6,338,150
<b>Net Transfers, Expense (Revenue)</b>	<b>3,681,137</b>	<b>6,026,185</b>	<b>6,202,349</b>	<b>6,602,349</b>	<b>3,294,487</b>	<b>3,384,242</b>	<b>3,342,832</b>	<b>3,366,590</b>	<b>3,394,686</b>	<b>3,873,427</b>	<b>3,898,088</b>	<b>3,924,226</b>	<b>4,169,369</b>	<b>4,198,080</b>
<i>Chg from prev yr</i>		29%	-26%	-22%	-50%	3%	-1%	1%	1%	14%	1%	1%	6%	1%
<b>Total Outlays</b>	<b>13,706,736</b>	<b>18,429,176</b>	<b>18,064,372</b>	<b>18,830,074</b>	<b>19,356,366</b>	<b>19,948,356</b>	<b>20,369,493</b>	<b>20,931,617</b>	<b>21,354,218</b>	<b>23,602,434</b>	<b>24,082,227</b>	<b>24,626,448</b>	<b>24,810,992</b>	<b>25,439,606</b>
<b>Net Revenue (Expenditure)</b>	<b>1,325,676</b>	<b>(83,331)</b>	<b>(939,767)</b>	<b>(784,074)</b>	<b>(1,398,366)</b>	<b>143,644</b>	<b>430,507</b>	<b>981,383</b>	<b>980,782</b>	<b>(367,203)</b>	<b>(601,227)</b>	<b>(154,448)</b>	<b>79,008</b>	<b>459,394</b>
<b>Ending Balance</b>		<b>8,114,208</b>	<b>7,174,441</b>	<b>7,330,134</b>	<b>5,931,768</b>	<b>6,075,412</b>	<b>6,505,919</b>	<b>7,487,302</b>	<b>8,468,084</b>	<b>8,100,881</b>	<b>7,499,654</b>	<b>7,345,205</b>	<b>7,424,213</b>	<b>7,883,608</b>

**City of Hayward  
Ten-Year Financial Plan**

**Water Maint & Op  
Fund 621**  
\$'s in 1,000's

	Previous		Current		Future									
	P - Yr 2	P - Yr 1	Adjusted	End-of-Year	F - Yr 1	F - Yr 2	F - Yr 3	F - Yr 4	F - Yr 5	F - Yr 6	F - Yr 7	F - Yr 8	F - Yr 9	F - Yr 10
	Actual FY 2006	Actual FY 2007	Budget FY 2008	Estimate FY 2008	Recommended FY 2009	Proposed FY 2010	Forecast FY 2011	Forecast FY 2012	Forecast FY 2013	Forecast FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
<b>Revenue</b>														
Water Sales	18,276,146	19,711,294	21,000,000	21,500,000	23,100,000	26,900,000	28,400,000	33,800,000	36,100,000	42,300,000	44,800,000	49,300,000	51,300,000	54,200,000
Service Charges	2,255,144	2,312,892	2,800,000	2,800,000	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	3,200,000	3,200,000	3,200,000
Installation Fees	226,871	324,677	200,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	300,000	300,000	300,000	300,000
Other Revenues	373,133	332,852	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Interest	641,845	1,434,307	256,649	700,000	167,000	305,000	508,090	648,802	568,802	506,109	389,699	387,571	396,583	466,235
<b>Total Revenue</b>	<b>21,773,139</b>	<b>24,116,022</b>	<b>24,456,649</b>	<b>25,450,000</b>	<b>26,617,000</b>	<b>30,555,000</b>	<b>32,230,090</b>	<b>37,898,802</b>	<b>40,018,802</b>	<b>46,156,109</b>	<b>48,589,699</b>	<b>53,387,571</b>	<b>55,396,583</b>	<b>58,866,235</b>
<i>Chg from prev yr</i>		11%	1%	6%	5%	15%	6%	17%	6%	15%	5%	10%	4%	5%
<b>Expenditures</b>														
Salary & Benefits	5,261,863	5,583,299	5,754,790	6,096,390	6,160,224	6,425,088	6,682,131	6,949,485	7,227,896	7,517,492	7,818,200	8,131,048	8,457,165	8,795,684
Charge/(Credit) to other progs	(782,632)	(599,255)	(582,990)	(682,990)	(567,272)	(595,639)	(619,465)	(644,243)	(670,013)	(696,813)	(724,686)	(753,673)	(783,820)	(815,173)
Net Employee Services	4,479,231	4,984,044	5,171,800	5,413,400	5,592,952	5,829,449	6,062,667	6,305,242	6,557,883	6,820,679	7,093,514	7,377,374	7,673,345	7,980,511
Maintenance & Utilities	673,573	757,997	911,277	911,277	912,459	940,459	966,592	995,326	1,024,923	1,055,408	1,086,807	1,119,148	1,150,707	1,184,965
Supplies and Services	3,865,973	4,209,676	4,504,872	4,525,000	5,395,826	5,726,823	5,937,850	6,497,398	6,690,615	7,296,423	7,603,228	8,060,883	8,398,700	8,743,721
Water Purchases	9,367,704	11,124,815	11,800,000	12,100,000	13,200,000	15,300,000	18,200,000	21,800,000	25,600,000	29,200,000	32,300,000	33,400,000	34,400,000	35,100,000
Capital Expense	19,718	78,830	0	0	0	0	0	0	0	0	0	0	0	0
	13,926,968	16,171,318	17,216,149	17,536,277	19,508,285	21,967,282	25,104,441	29,292,725	33,315,538	37,551,831	40,990,035	42,580,032	43,949,407	45,028,686
<b>Total Expenditure</b>	<b>18,406,199</b>	<b>21,155,362</b>	<b>22,387,949</b>	<b>22,949,677</b>	<b>25,101,237</b>	<b>27,786,731</b>	<b>31,167,108</b>	<b>35,597,966</b>	<b>39,873,421</b>	<b>44,372,510</b>	<b>48,083,549</b>	<b>49,957,406</b>	<b>51,622,752</b>	<b>53,009,197</b>
<i>Chg from prev yr</i>		15%	6%	8%	9%	11%	12%	14%	12%	11%	8%	4%	3%	3%
<b>Fund Transfers</b>														
<b>Transfers In</b>														
Trsfr from Debt Service	718,623	540,386	346,833	346,833	344,454	344,829	341,059	336,136	294,610	294,496	293,726	294,424	294,242	295,592
Misc Trsfr from CFD #1	500,000	0	192,636	192,636	194,519	195,819	195,819	195,819	195,819	195,819	195,819	195,819	195,819	195,819
	1,218,623	540,386	539,469	539,469	538,973	540,648	536,878	531,955	490,429	490,315	489,545	490,243	490,061	491,411
<b>Transfers out</b>														
Trsfr to Capital Replacement	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Trsfr to GF - Cost Allocation	1,000,000	911,705	939,056	939,056	855,833	898,625	934,600	972,000	1,010,900	1,051,300	1,093,400	1,137,100	1,182,600	1,229,900
Trsfr to Fleet Mgmt - Vehicle Purchase	0	0	0	0	451,396	81,695	0	0	0	0	0	0	0	0
Trsfr to Liab Fund - Liab Insur Prem	159,742	172,083	172,083	172,083	196,299	201,398	207,400	213,600	220,000	226,600	233,400	240,400	247,600	255,000
Trsfr to Misc	1,543,182	0	0	0	0	0	0	0	0	0	0	0	0	0
	4,702,924	3,083,788	3,111,139	3,111,139	3,503,528	3,181,718	3,142,000	3,185,600	3,230,900	3,777,900	3,826,800	3,877,500	3,930,200	3,984,900
<b>Net Transfers, Expense (Revenue)</b>	<b>3,484,301</b>	<b>2,543,402</b>	<b>2,571,670</b>	<b>2,571,670</b>	<b>2,964,555</b>	<b>2,641,070</b>	<b>2,605,122</b>	<b>2,653,645</b>	<b>2,740,471</b>	<b>3,287,585</b>	<b>3,337,255</b>	<b>3,387,257</b>	<b>3,440,139</b>	<b>3,493,489</b>
<i>Chg from prev yr</i>		-27%	1%	1%	15%	-11%	-1%	2%	3%	20%	2%	1%	2%	2%
<b>Total Outlays</b>	<b>21,890,500</b>	<b>23,698,764</b>	<b>24,959,619</b>	<b>25,521,347</b>	<b>28,065,792</b>	<b>30,437,801</b>	<b>33,772,230</b>	<b>38,251,611</b>	<b>42,613,892</b>	<b>47,660,095</b>	<b>51,420,804</b>	<b>53,344,663</b>	<b>55,062,891</b>	<b>56,502,686</b>
<b>Net Revenue (Expenditure)</b>	<b>(117,361)</b>	<b>417,288</b>	<b>(502,870)</b>	<b>(71,347)</b>	<b>(1,448,792)</b>	<b>117,199</b>	<b>(1,513,140)</b>	<b>(352,809)</b>	<b>(2,595,090)</b>	<b>(1,503,985)</b>	<b>(2,831,105)</b>	<b>42,908</b>	<b>333,692</b>	<b>1,863,549</b>
<b>Ending Balance</b>		<b>19,804,708</b>	<b>19,301,738</b>	<b>19,733,361</b>	<b>18,284,569</b>	<b>18,401,768</b>	<b>16,888,628</b>	<b>16,535,819</b>	<b>13,940,729</b>	<b>12,436,744</b>	<b>9,605,639</b>	<b>9,648,548</b>	<b>9,982,240</b>	<b>11,845,789</b>

**City of Hayward  
Ten-Year Financial Plan**

**Recycling Funds**

**Fund 213-216**

*\$'s in 1,000's*

	Previous		Current		Future									
	P - Yr 2	P - Yr 1	Adjusted	End-of-Year	F - Yr 1	F - Yr 2	F - Yr 3	F - Yr 4	F - Yr 5	F - Yr 6	F - Yr 7	F - Yr 8	F - Yr 9	F - Yr 10
	Actual FY 2006	Actual FY 2007	Budget FY 2008	Estimate FY 2008	Recommended FY 2009	Proposed FY 2010	Forecast FY 2011	Forecast FY 2012	Forecast FY 2013	Forecast FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
<b>Revenue</b>														
Measure D Funds	601,645	646,448	550,000	590,000	600,000	615,000	630,000	646,000	662,000	679,000	696,000	713,000	731,000	749,000
ACWMA Mitigation Funds	92,402	78,574	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
DOC Grant	39,547	39,183	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Used Oil Grants	6,550	4,448	9,000	9,000	37,300	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Interest	108,249	219,564	55,982	95,000	21,000	40,000	0	(2,000)	(2,000)	(3,000)	(3,000)	(4,000)	(4,000)	(5,000)
Recycled Product Procure Funds	21,656	22,448	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Donations (student contest)	7,200	2,800	8,600	8,600	8,600	8,600	8,600	8,600	8,600	8,600	8,600	8,600	8,600	8,600
ACWMA Incentive Grant	25,000	25,000	0	0	0	0	0	0	0	0	0	0	0	0
Climate Action Plan Grant	0	0	40,000	40,000	0	0	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>902,249</b>	<b>1,038,465</b>	<b>803,582</b>	<b>882,600</b>	<b>806,900</b>	<b>833,600</b>	<b>808,600</b>	<b>822,600</b>	<b>838,600</b>	<b>854,600</b>	<b>871,600</b>	<b>887,600</b>	<b>905,600</b>	<b>922,600</b>
<i>Chg from prev yr</i>		15%	-23%	-15%	-9%	3%	-3%	2%	2%	2%	2%	2%	2%	2%
<b>Expenditures</b>														
Salary & Benefits	276,211	259,853	289,656	291,156	320,186	333,318	346,200	360,300	374,400	389,500	404,600	420,700	437,800	454,900
Charge/(Credit) to other progs	66,309	60,920	103,434	103,434	116,525	117,328	128,521	128,842	132,296	135,887	139,623	143,508	147,548	151,750
Net Employee Services	342,520	320,773	393,090	394,590	436,691	450,644	471,721	489,142	506,696	525,387	544,223	564,208	585,348	606,650
Maintenance & Utilities	283	279	4,048	4,048	4,048	4,048	4,048	4,048	4,048	4,048	4,048	4,048	4,048	4,048
Supplies and Services	773,397	316,819	538,832	941,433	351,415	309,892	305,040	310,342	315,803	321,428	327,222	333,190	339,337	345,668
Capital Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Expenditure</b>	<b>1,116,200</b>	<b>637,871</b>	<b>935,970</b>	<b>1,340,071</b>	<b>792,154</b>	<b>764,584</b>	<b>780,809</b>	<b>803,532</b>	<b>826,547</b>	<b>850,864</b>	<b>875,493</b>	<b>901,446</b>	<b>928,733</b>	<b>956,366</b>
<i>Chg from prev yr</i>		-43%	77%	110%	-41%	-3%	2%	3%	3%	3%	3%	3%	3%	3%
<b>Transfers</b>														
<b>Transfers Out</b>														
Trsfr to GF - Cost Allocation	40,000	45,000	46,350	46,380	60,000	65,000	67,600	70,300	73,100	76,000	79,000	82,200	85,500	88,900
Trsfr to Liab Fund - Liab Insur Prem	4,870	5,246	5,246	5,246	6,135	6,295	6,500	6,700	6,900	7,100	7,300	7,500	7,700	7,900
Trsfr to GF - Misc	0	0	0	0	1,750,000	0	0	0	0	0	0	0	0	0
<b>Net Transfers, Expense (Revenue)</b>	<b>44,870</b>	<b>50,246</b>	<b>51,596</b>	<b>51,596</b>	<b>1,816,135</b>	<b>71,295</b>	<b>74,100</b>	<b>77,000</b>	<b>80,000</b>	<b>83,100</b>	<b>86,300</b>	<b>89,700</b>	<b>93,200</b>	<b>96,800</b>
<i>Chg from prev yr</i>		12%	3%	3%	3420%	-96%	4%	4%	4%	4%	4%	4%	4%	4%
<b>Total Outlays</b>	<b>1,161,070</b>	<b>688,117</b>	<b>987,566</b>	<b>1,391,667</b>	<b>2,608,289</b>	<b>835,879</b>	<b>854,909</b>	<b>880,532</b>	<b>906,547</b>	<b>933,964</b>	<b>961,793</b>	<b>991,146</b>	<b>1,021,933</b>	<b>1,053,166</b>
<b>Net Revenue (Expenditure)</b>	<b>(258,821)</b>	<b>350,348</b>	<b>(183,984)</b>	<b>(509,067)</b>	<b>(1,801,389)</b>	<b>(2,279)</b>	<b>(46,309)</b>	<b>(57,932)</b>	<b>(67,947)</b>	<b>(79,364)</b>	<b>(90,193)</b>	<b>(103,546)</b>	<b>(116,333)</b>	<b>(130,566)</b>
<b>Ending Balance</b>		<b>4,225,848</b>	<b>4,041,864</b>	<b>3,532,797</b>	<b>2,240,475</b>	<b>2,238,196</b>	<b>2,191,887</b>	<b>2,133,955</b>	<b>2,066,008</b>	<b>1,986,645</b>	<b>1,896,451</b>	<b>1,792,906</b>	<b>1,676,573</b>	<b>1,546,007</b>

**City of Hayward  
Ten-Year Financial Plan**

**Redevelopment Agency  
Fund 451**

*\$'s in 1,000's*

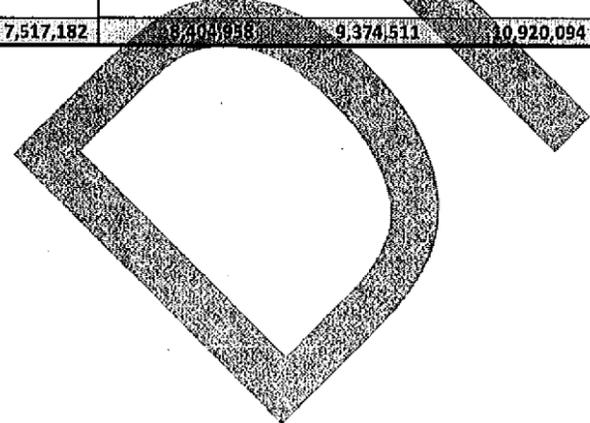
	Previous		Current		Future									
	P - Yr 2	P - Yr 1	Adjusted	End-of-Year	F - Yr 1	F - Yr 2	F - Yr 3	F - Yr 4	F - Yr 5	F - Yr 6	F - Yr 7	F - Yr 8	F - Yr 9	F - Yr 10
	Actual	Actual	Budget	Estimate	Recommended	Proposed	Forecast							
FY 2006	FY 2007	FY 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	
<b>Revenue</b>														
Property Tax Increment (80%)	7,323,853	9,172,514	8,733,600	9,169,803	9,532,457	10,239,021	10,932,960	11,751,478	12,467,248	13,240,460	14,036,875	14,857,181	15,702,096	16,572,358
Interest Earned	165,750	468,698	100,000	343,868	3,500	2,600	0	0	0	0	0	0	0	0
HUD Pass Thru Fee	0	110,436	0	152,736	154,203	172,231	189,937	221,226	249,565	280,288	314,264	349,259	385,304	422,430
School Impact Fee Reimb	0	0	0	140,281	96,000	211,200	576,000	436,800	480,000	480,000	480,000	480,000	480,000	205,319
Park In-Lieu Fees	0	0	0	296,140	228,000	501,600	1,368,000	1,037,400	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	524,400
Property Proceeds	0	0	0	0	0	0	6,200,000	0	0	0	0	0	0	0
Standard Pacific Donation	0	5,000,000	0	0	0	0	0	0	0	0	0	0	0	0
Developer Garage Maint Pmts	0	0	0	0	83,900	83,900	86,417	89,010	91,680	94,430	97,263	100,181	103,186	106,282
Other Revenue	25,025	179,254	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
<b>Total Revenue</b>	<b>7,514,628</b>	<b>14,930,902</b>	<b>8,883,600</b>	<b>10,152,828</b>	<b>10,148,060</b>	<b>11,260,552</b>	<b>19,403,314</b>	<b>13,885,888</b>	<b>14,478,488</b>	<b>15,285,178</b>	<b>16,118,402</b>	<b>16,976,621</b>	<b>17,860,586</b>	<b>17,880,789</b>
<i>Chg from prev yr</i>		99%	-41%	-32%	0%	11%	72%	-30%	7%	6%	5%	5%	5%	0%
<b>Expenditures</b>														
Salary & Benefits	405,256	441,454	508,179	508,179	543,436	567,910	590,002	618,802	638,147	663,672	690,219	717,828	746,541	776,403
Charge/(Credit) from other progs	(7,718)	(14,085)	0	10,000	201,639	207,974	213,290	218,821	224,574	230,557	236,780	243,251	249,981	256,980
Net Employee Services	397,538	427,369	508,179	518,179	745,075	775,281	808,292	832,422	862,721	894,230	926,999	961,079	996,522	1,033,383
Maintenance & Utilities	935	484	800	300	800	800	824	849	874	900	927	955	984	1,013
Supplies and Services	1,879,447	1,589,090	3,681,660	3,147,662	5,329,321	4,681,480	4,743,848	7,798,902	2,932,989	3,248,645	3,596,617	3,955,027	4,324,189	4,704,426
Capital Expense	0	51	0	0	0	0	0	0	0	0	0	0	0	0
Projects	38,741	39,149	2,320,633	2,320,633	7,700,000	0	8,200,000	4,000,000	4,800,000	5,180,000	5,600,000	6,000,000	6,500,000	6,100,000
	1,919,123	1,628,774	6,003,093	5,468,595	13,020,121	4,682,250	12,944,669	6,799,751	7,733,863	8,429,546	9,197,544	9,955,982	10,825,173	10,805,440
<b>Total Expenditure</b>	<b>2,316,661</b>	<b>2,056,143</b>	<b>6,511,272</b>	<b>5,986,774</b>	<b>13,775,196</b>	<b>5,457,531</b>	<b>13,747,861</b>	<b>7,632,175</b>	<b>8,596,584</b>	<b>9,323,775</b>	<b>10,124,543</b>	<b>10,917,061</b>	<b>11,821,695</b>	<b>11,838,823</b>
<i>Chg from prev yr</i>		-11%	217%	191%	130%	-60%	152%	-44%	13%	8%	9%	8%	8%	0%
<b>Transfers</b>														
<b>Transfers In</b>														
Trsfr from DS TABS	0	0	3,900	0	0	0	0	0	0	0	0	0	0	0
Trsfr from CIP - Fund 454	0	0	0	0	3,867,000	0	0	0	0	0	0	0	0	0
	0	0	3,900	0	3,867,000	0	0	0	0	0	0	0	0	0
<b>Transfers Out</b>														
Trsfr to Liab Fund - Liab Insr	6,429	6,926	6,926	6,926	59,589	60,111	61,914	63,772	65,685	67,655	69,685	71,776	73,929	76,147
Trsfr to GF - Cost Allocation	425,000	483,685	498,196	498,196	598,438	628,360	653,494	679,634	706,820	735,092	764,496	795,076	826,879	859,954
Trsfr to GF - Loan Repayme	0	0	0	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000
Trsfr to GF - Misc	0	25,000	0	0	290,000	290,000	290,000	290,000	290,000	290,000	290,000	290,000	290,000	290,000
Trsfr to DS - 2004/2006 TAF	2,803,029	3,188,616	3,932,772	3,932,772	3,939,172	3,940,672	3,932,022	4,009,021	4,005,322	4,008,657	4,003,588	4,008,931	4,009,188	4,009,130
Trsfr to CIP - Fund 454	0	8,556,607	0	0	0	0	0	0	0	0	0	0	0	0
Trsfr to CIP - Misc	0	0	0	0	1,000,000	0	0	0	0	0	0	0	0	0
Trsfr to Water Funds	7,660	5,460	0	0	0	0	0	0	0	0	0	0	0	0
Trsfr to BIA - Bus Improver	35,000	35,000	35,000	35,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000
	3,277,118	12,301,294	4,468,994	5,272,894	6,741,199	5,774,143	5,792,430	5,897,427	5,922,826	5,956,404	5,982,769	6,020,782	6,054,996	6,090,230
<b>Net Transfers, Expense (Revenue)</b>	<b>3,277,118</b>	<b>12,301,294</b>	<b>4,468,994</b>	<b>5,272,894</b>	<b>3,374,199</b>	<b>5,774,143</b>	<b>5,792,430</b>	<b>5,897,427</b>	<b>5,922,826</b>	<b>5,956,404</b>	<b>5,982,769</b>	<b>6,020,782</b>	<b>6,054,996</b>	<b>6,090,230</b>
<i>Chg from prev yr</i>														
<b>Total Outlays</b>	<b>5,593,779</b>	<b>14,357,437</b>	<b>10,980,266</b>	<b>11,259,668</b>	<b>17,149,395</b>	<b>11,231,674</b>	<b>19,540,391</b>	<b>13,529,601</b>	<b>14,519,410</b>	<b>15,280,180</b>	<b>16,107,312</b>	<b>16,937,843</b>	<b>17,876,691</b>	<b>17,929,053</b>
<b>Net Revenue (Expenditure)</b>	<b>1,920,849</b>	<b>573,465</b>	<b>(2,096,666)</b>	<b>(1,106,840)</b>	<b>(7,001,335)</b>	<b>28,878</b>	<b>(137,077)</b>	<b>56,262</b>	<b>(40,921)</b>	<b>4,999</b>	<b>11,090</b>	<b>38,778</b>	<b>(16,105)</b>	<b>(48,264)</b>
<b>Ending Balance</b>		<b>8,221,298</b>	<b>6,124,632</b>	<b>7,114,458</b>	<b>113,123</b>	<b>142,001</b>	<b>4,924</b>	<b>61,186</b>	<b>20,264</b>	<b>25,263</b>	<b>36,353</b>	<b>75,131</b>	<b>59,026</b>	<b>10,762</b>

**City of Hayward  
Ten-Year Financial Plan**

**Low & Moderate Housing  
Fund 452**

\$'s in 1,000's

	Previous		Current		Future									
	P - Yr 2	P - Yr 1	Adjusted	End-of-Year	F - Yr 1	F - Yr 2	F - Yr 3	F - Yr 4	F - Yr 5	F - Yr 6	F - Yr 7	F - Yr 8	F - Yr 9	F - Yr 10
	Actual FY 2006	Actual FY 2007	Budget FY 2008	Estimate FY 2008	Recommended FY 2009	Proposed FY 2010	Forecast FY 2011	Forecast FY 2012	Forecast FY 2013	Forecast FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
<b>Revenue</b>														
Property Tax (Tax Increment) - 20%	1,830,963	2,293,128	2,183,000	2,292,451	2,383,114	2,559,755	2,733,240	2,937,857	3,116,811	3,310,115	3,509,219	3,714,295	3,925,524	4,143,090
Interest Earned	122,718	364,878	40,000	360,000	100,000	150,000	448,916	701,497	814,985	940,032	1,077,337	1,227,627	1,389,542	1,563,576
Other Revenue	786,214	800	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>2,739,895</b>	<b>2,658,806</b>	<b>2,223,000</b>	<b>2,652,451</b>	<b>2,483,114</b>	<b>2,709,755</b>	<b>3,182,156</b>	<b>3,639,354</b>	<b>3,931,796</b>	<b>4,250,147</b>	<b>4,586,556</b>	<b>4,941,922</b>	<b>5,315,066</b>	<b>5,706,666</b>
<i>Chg from prev yr</i>		-3%	-16%	0%	-6%	9%	17%	14%	8%	8%	8%	8%	8%	7%
<b>Expenditures</b>														
Salary & Benefits	63,106	64,656	234,037	75,000	181,848	189,794	197,886	205,281	213,492	222,032	230,913	240,150	249,756	259,746
Charge/(Credit) from other progs	43,022	10,465	5,662	0	89,992	88,240	91,770	95,440	99,258	103,228	107,357	111,652	116,118	120,763
Net Employee Services	106,128	75,121	239,699	75,000	271,840	278,034	289,155	300,723	312,750	325,260	338,271	351,802	365,874	380,509
Maintenance & Utilities	148	0	50	0	0	0	0	0	0	0	0	0	0	0
Supplies and Services	115,405	754,221	1,026,353	651,000	623,323	531,661	541,617	557,866	574,602	591,840	609,595	627,883	646,719	666,121
Capital Expense	0	0	0	0	2,500	0	0	0	0	0	0	0	0	0
Project Costs	0	(150)	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Expenditure</b>	<b>221,681</b>	<b>829,192</b>	<b>1,266,102</b>	<b>726,000</b>	<b>897,663</b>	<b>809,694</b>	<b>830,773</b>	<b>856,887</b>	<b>887,352</b>	<b>917,100</b>	<b>947,866</b>	<b>979,685</b>	<b>1,012,593</b>	<b>1,046,630</b>
<i>Chg from prev yr</i>		274%	53%	-12%	24%	-10%	3%	3%	3%	3%	3%	3%	3%	3%
<b>Fund Transfers</b>														
<b>Transfers Out</b>														
Trsfr to GF - Cost Allocation	60,000	67,109	69,122	69,122	35,778	37,566	39,070	40,632	42,258	43,948	45,706	47,534	49,436	51,413
Trsfr to Liab Fund - Liab Insur Prem	0	0	0	0	4,000	4,196	4,322	4,452	4,585	4,723	4,864	5,010	5,161	5,315
Trsfr to CIP - Fund 454	0	0	0	0	0	400,000	450,000	400,000	450,000	450,000	450,000	400,000	450,000	400,000
	60,000	67,109	69,122	69,122	39,778	41,762	43,392	45,084	46,843	48,671	50,570	52,544	54,596	56,728
<b>Net Transfers, Expense (Revenue)</b>	<b>60,000</b>	<b>67,109</b>	<b>69,122</b>	<b>69,122</b>	<b>39,778</b>	<b>41,762</b>	<b>43,392</b>	<b>45,084</b>	<b>46,843</b>	<b>48,671</b>	<b>50,570</b>	<b>52,544</b>	<b>54,596</b>	<b>56,728</b>
<i>Chg from prev yr</i>		12%	3%	3%	42%	5%	4%	4%	4%	4%	4%	4%	4%	4%
<b>Total Outlays</b>	<b>281,681</b>	<b>896,301</b>	<b>1,335,224</b>	<b>795,122</b>	<b>937,441</b>	<b>851,456</b>	<b>874,164</b>	<b>903,671</b>	<b>934,195</b>	<b>965,771</b>	<b>998,436</b>	<b>1,032,229</b>	<b>1,067,189</b>	<b>1,103,358</b>
<b>Net Revenue (Expenditure)</b>	<b>2,458,214</b>	<b>1,762,505</b>	<b>887,776</b>	<b>1,857,129</b>	<b>1,545,583</b>	<b>1,858,297</b>	<b>2,307,992</b>	<b>2,735,683</b>	<b>2,997,601</b>	<b>3,284,376</b>	<b>3,588,119</b>	<b>3,909,693</b>	<b>4,247,877</b>	<b>4,603,308</b>
<b>Ending Balance</b>		<b>7,517,182</b>	<b>8,404,938</b>	<b>9,374,511</b>	<b>10,920,094</b>	<b>12,778,391</b>	<b>15,086,383</b>	<b>17,822,066</b>	<b>20,819,667</b>	<b>24,104,043</b>	<b>27,692,162</b>	<b>31,601,855</b>	<b>35,849,732</b>	<b>40,453,040</b>



**City of Hayward  
Ten-Year Financial Plan**

**Low/Mod Housing Loans  
Fund 453**  
*\$'s in 1,000's*

	Previous		Current		Future									
	P - Yr 2	P - Yr 1	Adjusted	End-of-Year	F - Yr 1	F - Yr 2	F - Yr 3	F - Yr 4	F - Yr 5	F - Yr 6	F - Yr 7	F - Yr 8	F - Yr 9	F - Yr 10
	Actual FY 2006	Actual FY 2007	Budget FY 2008	Estimate FY 2008	Recommended FY 2009	Proposed FY 2010	Forecast FY 2011	Forecast FY 2012	Forecast FY 2013	Forecast FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
<b>Revenue</b>														
FTH Loans - Interest	24,991	40,219	7,500	7,500	35,000	36,050	37,132	38,245	39,399	40,575	41,792	43,046	44,337	45,667
FTH Loans - Principal	69,338	64,687	40,000	40,000	40,000	41,200	42,436	43,709	45,020	46,371	47,762	49,195	50,671	52,191
Interest Earned - City	10,516	12,155	13,000	29,000	13,000	19,500	6,116	6,731	8,193	7,171	8,263	9,475	10,814	10,205
<b>Total Revenue</b>	<b>104,845</b>	<b>117,061</b>	<b>60,500</b>	<b>76,500</b>	<b>88,000</b>	<b>96,750</b>	<b>85,684</b>	<b>88,685</b>	<b>92,607</b>	<b>94,116</b>	<b>97,817</b>	<b>101,716</b>	<b>105,822</b>	<b>108,063</b>
<i>Chg from prev yr</i>		12%	-48%	-35%	15%	10%	-11%	4%	4%	2%	4%	4%	4%	2%
<b>Expenditures</b>														
Salary & Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Charge/(Credit) from other progs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Employee Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Maintenance & Utilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Supplies and Services	97,400	80,000	200,000	200,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Capital Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	97,400	80,000	200,000	200,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
<b>Total Expenditure</b>	<b>97,400</b>	<b>80,000</b>	<b>200,000</b>	<b>200,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>
<i>Chg from prev yr</i>		-18%	150%	150%	150%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Transfers</b>														
<b>Transfers In</b>														
Transfer from 452 (Low Mod Fund)	0	0	0	0	0	400,000	400,000	400,000	450,000	400,000	450,000	450,000	450,000	400,000
<b>Net Transfers, Expense (Revenue)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>450,000</b>	<b>400,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>400,000</b>
<i>Chg from prev yr</i>							100%		13%	-11%	13%	0%	0%	-11%
<b>Total Outlays</b>	<b>97,400</b>	<b>80,000</b>	<b>200,000</b>	<b>200,000</b>	<b>500,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>50,000</b>	<b>100,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>100,000</b>
<b>Net Revenue (Expenditure)</b>	<b>7,445</b>	<b>37,061</b>	<b>(139,500)</b>	<b>(123,500)</b>	<b>(412,000)</b>	<b>(37,250)</b>	<b>(14,316)</b>	<b>(11,315)</b>	<b>42,607</b>	<b>(5,884)</b>	<b>47,817</b>	<b>51,716</b>	<b>55,822</b>	<b>8,063</b>
<b>Ending Balance</b>		<b>796,106</b>	<b>656,606</b>	<b>672,806</b>	<b>260,606</b>	<b>257,356</b>	<b>243,040</b>	<b>231,725</b>	<b>274,332</b>	<b>268,448</b>	<b>316,265</b>	<b>367,980</b>	<b>423,802</b>	<b>431,865</b>

