



**REGULAR MEETING AGENDA**

**Date:** 1/16/2018  
**Time:** 7:00 p.m.  
**City Council Chambers**  
**701 Laurel St., Menlo Park, CA 94025**

- A. Call to Order**
- B. Roll Call**
- C. Pledge of Allegiance**
- D. Public Comment**

Under “Public Comment,” the public may address the City Council on any subject not listed on the agenda. Each speaker may address the City Council once under Public Comment for a limit of three minutes. Please clearly state your name and address or political jurisdiction in which you live. The City Council cannot act on items not listed on the agenda and, therefore, the City Council cannot respond to non-agenda issues brought up under Public Comment other than to provide general information.

**E. Presentations and Proclamations**

- E1. Presentation of the 2017 City Satisfaction Survey results

**F. Commission/Committee Vacancies and Appointments**

- F1. Consider applicants and make appointments to fill three public vacancies and two City Councilmember seats on the Belle Haven Neighborhood Library Advisory Committee (Staff Report #18-014-CC)

**G. Consent Calendar**

- G1. Accept the City Council meeting minutes for December 12, 2017 (Attachment)
- G2. Introduce an ordinance adding Chapter 2.55 to the Menlo Park Municipal Code requiring electronic filing of campaign statements and statements of economic interest (Staff Report #18-013-CC)
- G3. Receive and file the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017 (Staff Report #18-005-CC)
- G4. Review of the annual report on the status of the transportation impact, storm drainage, recreation in-lieu, below market rate housing in-lieu, and building construction road impact fees collected as of June 30, 2017 (Staff Report# 18-001-CC)
- G5. Approve a third amendment to the current lease agreement with Team Sheeper Inc. for operation of the Burgess and Belle Have pools to extend the term through March 31, 2018, and continue modifications approved by City Council on September 26, 2017 (Staff Report #18-010-CC)



- G6. Approve the design for the relocated connection of Marsh Road to Independence Drive (Staff Report #18-011-CC)
- G7. Adopt a resolution of intention to abandon a Public Utility Easement within the property at 1049 Almanor Avenue (Staff Report #18-003-CC)
- G8. Approve installation of traffic management plan for North Lemon Avenue between Valparaiso Avenue and Santa Cruz Avenue for a six-month trial period; and appropriate \$30,000 from the Measure A fund for construction, contract administration and inspection (Staff Report #18-004-CC)

## **H. Regular Business**

- H1. City Clerk's random selection of first three Advisory Districting Committee members, input on City's community outreach and engagement plan for transitioning to district elections and appropriation of additional funds for the districting project (Staff Report #18-002-CC)
- H2. Provide direction regarding placement of a city charter on the ballot and discussion of the scope and timing of a possible charter vote (Staff Report #18-006-CC)

## **I. Informational Items**

- I1. Update on the temporary traffic calming modifications to the Willows neighborhood due to construction impacts of the Willow Road/U.S. 101 interchange (Staff Report #18-009-CC)
- I2. Update on 2017 City Council Work Plan and City Council 2018 Work Plan preparation (Staff Report #18-012-CC)
- I3. Hello Housing quarterly update (Staff Report #18-008-CC)
- I4. Update on the Ravenswood Avenue railroad crossing (Staff Report #18-007-CC)

## **J. City Manager's Report**

## **K. Councilmember Reports**

## **L. Adjournment**

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At every Regular Meeting of the City Council, in addition to the Public Comment period where the public shall have the right to address the City Council on any matters of public interest not listed on the agenda, members of the public have the right to directly address the Commission on any item listed on the agenda at a time designated by the Chair, either before or during the City Council's consideration of the item.

At every Special Meeting of the City Council, members of the public have the right to directly address the City Council on any item listed on the agenda at a time designated by the Chair, either before or during consideration of the item.

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## STAFF REPORT

### City Council

**Meeting Date:** 1/16/2018  
**Staff Report Number:** 18-014-CC

**Commission Reports:** **Consider applicants and make appointments to fill three public vacancies and two City Councilmember seats on the Belle Haven Neighborhood Library Advisory Committee**

### Recommendation

Staff recommends making appointments to fill three public vacancies and two City Councilmember seats on the Belle Haven Neighborhood Library Advisory Committee.

### Policy Issues

City Council Policy CC-01-004 establishes the policies, procedures, roles and responsibilities for the City's appointed commissions and committees, including the manner in which commissioners are selected.

### Background

On October 17, 2017, the City Council unanimously voted to create a Belle Haven Neighborhood Library Advisory Committee that would begin by participating in the Library Needs Assessment project and would continue to provide input to staff and consultants as the branch portion of the system improvements move forward. The Committee was to be comprised of one member each from the Library Commission and the Library Foundation, two members of the City Council, and three resident members (preference for applicants who are active library users and those with bicultural/bilingual backgrounds).

Applicants for consideration are, in alphabetical order by last name:

- LJ Anderson
- Michelle Boire
- Veronica Gonzalez
- Tiffanie Kok Cheoung Lai
- Pushpinder Lubana

In addition, the City Council is being asked to appoint two City Councilmembers to the committee. This process can be done by nomination and vote or by acclamation.

### Analysis

Pursuant to City Council Policy CC-01-0004, commission members must be residents of the City of Menlo Park and serve for designated terms of four years, or through the completion of an unexpired term or as otherwise designated. In addition, the Council's policy states that the selection/appointment process shall be conducted before the public at a regularly scheduled meeting of the City Council. Nominations will be made and a vote will be called for each nomination. Applicants receiving the highest number of affirmative votes from a majority of the Councilmembers present shall be appointed.

**Impact on City Resources**

Staff support for commissions and funds for recruitment advertising are provided in the fiscal year 2017-18 budget.

**Public Notice**

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

**Attachments**

Applications will be provided to the City Council under separate cover and are available for public viewing at the City Clerk's office.

Report Prepared by:  
Clay J. Curtin, Interim City Clerk



**REGULAR MEETING MINUTES - DRAFT**

**Date:** 12/12/2017  
**Time:** 6:30 p.m.  
**City Council Chambers**  
**701 Laurel St., Menlo Park, CA 94025**

**A. Call to Order**

Mayor Keith called Regular Session to order at 6:45 p.m.

**B. Roll Call**

**Present:** Carlton, Cline, Keith, Ohtaki, Mueller  
**Absent:** None  
**Staff:** City Manager Alex McIntyre, City Attorney Bill McClure, Interim City Clerk Clay Curtin

**C. Pledge of Allegiance**

Mayor Keith led the Pledge of Allegiance.

Mayor Keith recognized the recent passing of community leader Ernst Meissner.

**D. Public Comment**

- Fran Dehn, Menlo Park Chamber of Commerce, recognized outgoing Police Chief Robert Jonsen
- John Conway distributed signatures collected for and spoke in support of a downtown parking structure
- Michael Harbour spoke about Bootup World/Cuckoo's Nest club concerns
- Robin Kennedy spoke about Bootup World/Cuckoo's Nest club concerns
- Ken Sutherland spoke against elevated railroad grade separate and in support of train quiet zones
- Pamela Jones thanked the City for the new bus shelter in Belle Haven

**E. Presentations and Proclamations**

E1. Proclamation recognizing Police Chief Robert Jonsen

\*\*\* Mayor Keith presented the proclamation.

Proclamation recognizing the Menlo-Atherton Vikings Junior Varsity Pop Warner Football team

Mayor Keith presented the proclamation.

\*\*\* Presentation by Mayor Keith on her recent trip to Menlo Park's Sister City, Galway, Ireland

Mayor Keith made the presentation (Attachment)

## F. Consent Calendar

- F1. Accept the City Council meeting minutes for November 7, November 14, November 29 and December 5, 2017 (Attachment)

**ACTION:** Motion and second (Cline/Ohtaki) to approve all items on the Consent Calendar, passed unanimously.

## G. Regular Business

- G1. Adopt a resolution establishing an inaugural districting committee to assist in the transition from “at large” to “by district” City Council elections (Staff Report #17-308-CC)

City Attorney Bill McClure introduced the item. Assistant City Attorney Cara Silver and Shalice Tilton from National Demographics Corporation provided a presentation (Attached).

- Lynne Bramlett thanked everyone for their work on the advisory districting committee proposal.
- David Mihai thanked everyone and spoke in support of the advisory districting committee proposal.
- Pamela Jones thanked everyone for their work on this issue and recommended including a statement of intent to adopt the recommendation of the committee.
- Jen Wolosin thanked everyone for their work on this issue and supported including a statement of intent to adopt the recommendation of the committee.
- Helen Grieco thanked everyone for their work on this issue.

**ACTION:** Motion and second (Cline/Carlton) to adopt a resolution establishing an advisory districting committee that will develop a Committee recommendation with allowance for City Council feedback (option 2 of the proposed resolution) with the addition of a requirement for an affirmative vote of two-thirds of the seated Committee members to recommend a district boundaries map and election sequencing and inclusion of a Section 14 that states it is the City Council’s intention to approve the recommendation of the Committee. The motion passed unanimously.

- G2. Selection of Mayor and Mayor Pro Tempore (Staff Report #17-311-CC)

Mayor Keith turned the meeting over to Interim City Clerk Clay Curtin who took nominations for Mayor.

**ACTION:** Councilmember Mueller nominated Mayor Pro Tem Ohtaki as Mayor. Councilmember Cline seconded the nomination. With no other nominations, by acclamation, Peter Ohtaki was declared the new Mayor. Interim City Clerk Curtin turned the meeting over to Mayor Ohtaki who took nominations for Mayor Pro Tem.

**ACTION:** Councilmember Keith nominated Councilmember Mueller as Mayor Pro Tem. Councilmember Carlton seconded the nomination. With no other nominees, by acclamation, Ray Mueller was declared Mayor Pro Tem.

Mayor Ohtaki thanked his family, acknowledged other elected and appointed officials present and spoke briefly on the many important issues facing the community.

G3. Recognition of the outgoing Mayor

- Santa Clara County Supervisor congratulated the new Mayor and Mayor Pro Tem and thanked outgoing mayor Keith for her service.
- Fran Dehn, Menlo Park Chamber of Commerce, thanked outgoing mayor Keith for her service.

Mayor Ohtaki presented outgoing mayor Keith with a proclamation recognizing and thanking her for her dedication and service to the City.

Outgoing mayor Keith made a brief speech thanking her family, colleagues, staff and the community for their support during her term as mayor.

G4. Appoint City Council representatives and alternates to various regional agencies to City Council subcommittees and as liaisons to City Council advisory bodies (Staff Report #17-309-CC)

- Anne Craib, spoke about the Finance and Audit Committee meeting schedule.

**ACTION:** Motion and second (Cline/Carlton) to approve the City Council assignments as amended (Attached). The motion passed unanimously.

G5. Provide direction to the City's voting delegate regarding regional vacancies for the next City Selection Committee meeting on December 15, 2017 (Staff Report #17-310-CC)

**ACTION:** Motion and second (Keith/Carlton) to nominate Vice Mayor Doug Kim, City of Belmont, for reappointment to the Bay Area Air Quality Management District representing Cities for a term of two (2) years beginning January 1, 2018 through December 31, 2019, was approved by acclamation.

**ACTION:** Motion and second (Keith/Ohtaki) to nominate Councilmember Carlton for appointment to the Domestic Violence Council representing Cities for a term of three (3) years beginning January 1, 2018 through December 31, 2020, was approved by acclamation.

**ACTION:** Motion and second (Carlton/Keith) to nominate Councilmember Emily Beach, City of Burlingame, for reappointment to the San Mateo County Transportation Authority representing Cities for a term of two (2) years beginning January 1, 2018 through December 31, 2019, was approved by acclamation.

**ACTION:** Motion and second (Keith/Carlton) to nominate Mayor-Elect Rico E. Medina, City of San Bruno, for appointment to the San Mateo County Transportation Authority representing Cities for a term of two (2) years beginning January 1, 2018 through December 31, 2019, was approved by acclamation.

**ACTION:** By acclamation, Councilmember Carlton was selected as the City's voting delegate for the December 15, 2017, City Selection Committee.

H. Adjournment

Mayor Ohtaki adjourned the meeting at 8:26 p.m. and invited the public to participate in a reception at the Latham-Hopkins Gatehouse.

Clay J. Curtin, Interim City Clerk

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DATE	POLICE	DESCRIPTION
Saturday, December 3, 2016		Party until ~9pm. Cleaning crew loud until past 11pm.
Monday, December 5, 2016		Party until 10pm. Cleaning crew loud afterwards until 10:50.
Tuesday, December 6, 2016		BootUp Event: 6-8:30pm [E.John Park (Morgan Lewis), Jay Eum (Traslink Capital)]
Thursday, December 8, 2016		BootUp Event: 7-9pm [General David Huntoon]
Saturday, December 10, 2016		Social gathering
Friday, December 16, 2016		Loud party
Saturday, December 17, 2016		Loud party until 1am
Friday, December 23, 2016	POLICE CALLED	Extremely loud party
Friday, January 6, 2017		Party until late - cater/clean loud noises until midnight
Saturday, January 7, 2017	POLICE CALLED	Loud party for "Ignite" until midnight.
Friday, January 13, 2017	POLICE CALLED	Not music, but loud people on the patio until 11:30pm. Closing down bangs/parking noise past midnight.
February- March 2017		Mostly quiet. Bill McClure was told that "The Cuckoo's Nest" would cede to exist and only occasional "work-related" events would take place.
Beginning of April		A couple of small parties done by 8:00pm
Wednesday, April 19, 2017	POLICE CALLED @ 9:20p	Party until ~9:45pm, went quiet about 20min after calling police. Told police about their lack of permit and requested police to go right away.
Saturday, April 22, 2017		I came home after midnight, but all the lights outside, inside, and decorations were all still on. I am sure they had a late night party.
Thursday, May 4, 2017	POLICE CALLED @ 5:30p	Live performance of opera singer and harp music. Opera voice pretty loud - could be heard from Waverley. I left the house around 18:30, but a neighbor told me she could still hear them around 7:30pm.
June-July 2017		I was gone on vacation.
Beginning of August		There were 2 loud events. I didn't call the police out of frustration. Party in the patio until 9pm, then all the people carrying conversations and all cars in the parking until 9:30pm.
Tuesday, August 29, 2017	POLICE CALLED @ 7:00p POLICE CALLED @ 8:00p	Party still going on at 8pm.
Thursday, September 7, 2017		Party. I didn't call police because I thought it was useless.
Thursday, September 14, 2017	POLICE CALLED @ 6:50p	Loud crowd, no music.
Wednesday, September 20, 2017		All lights out until past midnight - I'm sure they had an event although I didn't come home until 10pm.
Thursday, September 21, 2017	POLICE CALLED @ 7:15p	Loud crowd, no music. People still in the patio at 9:30pm
Thursday, October 5, 2017		Low noise of people and music around 7pm. Didn't call the police.
Friday, October 27, 2017	POLICE CALLED @ 8:15p	Loud crowd, no music.
November-December 2017		most Thursday nights there's some type of gathering. They haven't been using the patio so they are not as bothersome.

**PETITION**

We, the undersigned, petition the Mayor and City Council of the City of Menlo Park as follows:

WHEREAS, a stated goal of the July 2015 Menlo Park Economic Development Plan (“the Plan”) is to activate and improve the vibrancy of downtown Menlo Park, and

WHEREAS, the Plan specifically states that “Menlo Park owns its downtown surface parking lots, which represent a tremendous opportunity for the development of parking structures to enhance access to downtown amenities”, and

WHEREAS, the Plan recommends that City owned surface parking lots be replaced with new parking structures; and


WHEREAS, increased parking is necessary to boost the economic health of downtown Menlo Park,

NOW, THEREFORE, the undersigned hereby demand that the City Council of Menlo Park immediately commence the process of building new public parking structures on City-owned surface parking lots.

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## SPACE DETAILS

# THE NEST


### INDOOR/OUTDOOR EVENT SPACE

-  128 Persons Capacity Indoor
-  70 Seated Stadium Style
-  48 Seated w/ Tables
-  Ethernet Port
-  High Chairs (6)
-  2230 Square Feet
-  Projector and Screen
-  Fire Pits
-  Podium

A fantastic 2230 square foot indoor and outdoor space that is ideal for small private parties for up to 130 people.

Our space consists of both an indoor and outdoor event space. The indoor portion features a full bar, conference room, lounge area, stage and seating for up to 80 guests with standing room for an additional 50.

Our outdoor courtyard can accommodate up to 200 guests and features outdoor seating around fire pits, a fountain, heat lamps and a scenic back courtyard with trees and a lawn area.



17.00 x 11.00 in

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## SPACE DETAILS

# THE PATIO

### OUTDOOR DINING AND OPEN SPACE

-  250 Persons Capacity
-  100 Persons Seated
-  3000 Square Footage
-  Square Dining Tables
-  Outdoor Round Tables
-  Gazebo
-  Floodlights
-  Fire Pits
-  Outdoor Heater
-  Fountain

Our outdoor courtyard can accommodate up to 200 guests. The upper-deck portion features a waterfall, fire pits and a casual dining area for up to 80 guests. Adjacent to our upper-deck is an 8600 square foot garden area with seating inter-mixed among Redwood trees with a removable outdoor stage.

Other amenities include seating for up to 50 with tables, 5 fire pits, 4 heat lamps and a fountain.



17.00 x 11.00 in

Name	Address	Phone #, Optional	Email, Optional
Comptons			
Allyson			
Annie Chan Mrs. B			
Hanna BABAEI			
Donna Dowling			
Mary Truong			
Michelle Ham			
Marisa Gains			
Mary Vasconcelos			
Ruth King			
Diane Dins			
Audrey Leonard			
Giselle McKellar			33
Michelle Meredith			
Clonstine Rida			
Sylvia McGranite			
Pat. Altman			
Bryon Valek			
Benj. Schriest			
Marta Toman			
Evelyn Lopez			
Janice Taylor			
JOE KELLY			
Maria Carter			
Priscilla BULL			
Holly Christensen			
Chamanda			

Name	Address	Phone #, Optional	Email, Optional
Veismã Pexes			
Cherise FOUANO			
SABRINA SCHAUENBERG			
Diana Osipova			om
Maxine Krop			
Aimee Bayer			
Ryan McGannon			
Alicia ROYET			
Audrey Chazay			
Edyta Carlson			stmail.com
GUSTAVO SCHAUENBERG			
KRISTA HOFFMAN			
Mohamed Mahmoud			
William Paul			
Meri			
Norene Sheeha			
PAULA GRIFFIN			.com
Katherine Valentini			PC.com
Melissa Kim			net
Donna Fuller			
D. Kincaid			
Luciana Aguar			il
Paulo Golgher			
Carina Costati			ny
Fernanda Mendonça			n
Maria Tomaka			.com
M <sup>a</sup> Lucia A. Afonso			
Griselda Sauter			

Name	Address	Phone #, Optional	Email, Optional
Dorothy Jannink			
Tory Pratt			
Jane Rozynek			
Jody Keramer			
Marie McBarry	35		
Tim Watson	11		
Jody Williams	51		
FRED KRIBSA	10		
Barbara Ostby	10		
Synthia Hooten	13		
Gray Hass	21		
Ann Eisenberg	11		
Eileen Schloss	70 0A		
Alice Vallerge	70 ME		
John Kutz	32		
Olivia Ward	24 RU		
Bettina Oelke	17 A		
Jennifer Martissey			
Debra Doren	15		
Flora L ZEG	3		
LEA BISBEE	58		
Jan Jannink	20		
BARBARA MADSEN	43		
Teresa Bailey	96 00A		
Margie Kriebel	11		
Lynn Ritz	16		
Elaine Sedg			
Kayman Achan			
Wynne Stewart	30		

Print Name	Signature	Address	Phone #
Dana Shelley			
Frank Fischer			
David Givoli			
MAK KREPUZA			
BOTH MCOYC			
Atanes Vakkas			
Melvin M...			
MERUSA BATEE			
Kim Fern			
Julia Molise			
Jan Petersen			
Russ Peterson			
Judy Hayboer			
Tim REA			
Jong Long			
John Long			
Janya Bob Cook			
Francis Mady			
NEW YAESEN			
Bob M...			
Bubba Jar			
MARITA BAGO			
Elaine Haker			
SP Gerling			
Bob Pratt			
Duke Honta			
Jack Ishida			
Mary Gaston			

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Name	Address	Phone #, Optional	Email, Optional
Mary Muckits			
George Mabel			
<del>Stan Jones</del>			
Mary Mackbert			
Jerry Hor			
Lynn Smith			
De & Cady			
Quonua Tamala			
Ester Buyna			
Karen B. Barr			
<del>M. V. J.</del>			
<del>E. J.</del>			
Geoffrey Malone			
Just Robbins			
Susan H. Phillips			
John Long			
Robert Moore			
BRIAN SKEGGS			
SHIRLEY SKEGGS			
Irene Pava			
Mingo Kafaty			
Mary Durando			
Robert M. Durando			
Jeri Pietrella			
Jan Walker			
Kathy Smith			
Lynn Russell			
Paul Fren			
Valle Ced			

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Name	Address	Phone #, Optional	Email, Optional
<del>Sharon Swanson</del>			
Sakae Arima			
Russ Castle			
MARY Conway			
Mandy Hoff			
Dan Lissol			
Maria Petrakis			
Jeanne Gitzen			
<del>John</del>			
Mario Chiappi			
Peter Jellonen			
Al Van			
Carolyn Gibbs			
Robert [unclear]			
Ken [unclear]			
MICHAEL MOORE			
LYNN A. FRATTON			
CYNTHIA BEER			
Mar Sylv			
Jeff Brunello			
Kimberly Grauer			
Joe Lewis			
John Mark [unclear]			
Al Scandi			
Jin Nelson			
Leslie			
<del>John</del>			
Trevor [unclear]			
Mark Boyko			

11 WAKELI, 110. 600-2070-74

Name	Address	Phone #, Optional	Email, Optional
R. JARDELL			
Shiv Kumar			
B. Faulconer			
L. Brill			
S. Taylor			
Fred Probst			
Whimpy Woods			
TOM RUSKHOFF			
TEN RUSKHOFF			
Kelly			
Darlene Woods			
Made Fleg			
Stacey Woods			
Patricia Murray			
Melinda Keewert			
Carolyn Bissel			
Linda Wyma			
MARC BRYAN			
James Ferer			
H. Starnes			
Judy Levin			
Paul Russell			
Jan Feltner			
Ruth & Berry Nelson			
John & Kelsie Pedersen			
Les Farnsworth			
Isabell Jager			
Janis Hill			
Alvin Hill			

Name	Address	Phone #, Optional	Email, Optional
P. Phayouy Lendon			
ANT 50			
Margot Moise			
Heleen Ruyore			
Diana Kalberg			
Peter M. O'Connell			
Joanna Carbon			
<del>the Ady</del>			
SAVE BRAZIL			
Janet Floyd			
Jan Hamer			
Veslie ACIM			
M. Ian Baldin			
Dorothy Jannak			
Ellen Hillington			
Karon Fry			
Andre Grandje			
Kay W. Bickel			
M. J. J.			
CG			
Albino Alundus			
M. L. L.			
<del>###</del>			
Robert M. Raymer			
Avery Orellini			
Bob Conway			
M. M. M.			
L. L. L.			

<u>Print Name</u>	<u>Signature</u>	<u>Address</u>	<u>Phone #</u>
GEORGE KATES			
Shirley Ely			
Tom De			
Margoo Ritter			
Ann Gault			
Brian Smith			
MIKE PRICE			
Deb Abel			
Alfred G... ..			
Jean Sanders			
Imo Sanders			
Robert Burmeister			
Louise Burmeister			
PC KOPFMAN			
Timothy OHEND			
Edith Michaelke			
Jeff Pierce			
Annie Hersh			
PETER GREEN			
Patrice De... ..			
Cynthia Mills			
Paul Hill			
MAIDY			
Bruce Mc...			
H. Winnick			
M. Dillabough			
Carol Mac...			
Paul Jones			
Wes Kelly			

Name	Address	Phone #, Optional	Email, Optional
Gene Zales			
Janet Ronscott			
Jane Rufina			
Kristine Masthead			
Virginia Talbot			
Sharon Dahl			
Patt McKenna			
Sandra			
Joyce Citron			
T. Belle (Swope)			
Dana Phillips			
Hugh Frank			
Dana Charles			
Lynne Young			
RON KASNIK			
Gloria Dorte			
Emily Ullmann			
JULIA DAY			
Chris Barnett			
Janelle			
Wendy			
Anna Lisa Lyke			
Peter Stordza			
KAREN BEAUFORD			
Stacey Brown			

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<u>Print Name</u>	<u>Signature</u>	<u>Address</u>	<u>Phone #</u>
Ariana Villanueva			
Kara de Crecoff			
Jessica Gonzalez			
Candice Schultz			
Susan Connolly			
Sue Sartor			
Mildred Jones			
Shona Sante			
<del>Kate</del>			
Charlotte Sewell			
Nancy Morgan			
Kelsey Chambers			
Jennifer Frey			cell
Laura Frey			cell
Francie Curtiss			
Katie Miller			
Yogen Dalal			
BETIA FRANKS			7
Christine Watson			
Barbara Sommer			
FLAVIA HERROD			
Amy Persin			
Trish Costantini			
Sue Barsamian			

Name	Address	Phone #, Optional	Email, Optional
Lynne Rosen			
Jennifer Kluge			
Mary K. Wilson			
Felicia Trammil			
ROBERT BULLOCK			
JULIA DAY			
Susan Bial			
April Watson			
MOSES GOLDSBERG			
Maria Elmhurst			
Colleen Foraker			
Michael Sotnick			
Susan Miller			
Gayle Mordel			
Karen Lenhoff			
Catri Haggopian			
Tamara Koszidlo			
Martha Jacobs			
D. J. Dutton			
Clifford Wood			
Clara Wood			
Catherine Byers			
Mary vanCamp			
Gandy Korzeny			
Gina Barman			
Georgi Chumly			
Catherine Rhodes			
Marta Gusselien			
OLIVIA WARD			

Name	Address	Phone #, Optional	Email, Optional
Stella Kang			
WILLIE TESARI			
Bria Duff			
Lisa Burkhardt			
K. D. Bates			
Nancy Westcott			
Anne Gould			
Marene Shaheen			
George Shaber			
Miriam Lufkin			
Maria Teglsma			
Linda Sewell			
Sandra Laurend			
Michelle Mon Pere			
Dorothy Mullin			
Laura Tanner			
Kathy Derron			
Penelope Clark			
Elm			
Raulini Goel			
Barry Eisler			
S. MARIANI			
Amy Thornberron			
Lori Mazzei			
Joan Molitoris			
Linda Itslony			
Aimee Mungo			
Erceen Nelson			
Kimberly Duff			









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2018 CITY COUNCIL ASSIGNMENTS

AGENDA ITEM G-4  
12/12/2017

MAYOR ASSIGNMENTS	2018 Primary	2018 Alternate	2017 Primary	2017 Alternate
Association of Bay Area Governments (ABAG)	Peter Ohtaki	Ray Mueller	Kirsten Keith	Peter Ohtaki
League of California Cities (LCC)	Peter Ohtaki	Ray Mueller	Kirsten Keith	Peter Ohtaki
League of California Cities (Peninsula Division)	Peter Ohtaki	Ray Mueller	Kirsten Keith	Peter Ohtaki
Council of Cities City Selection Committee	Peter Ohtaki	Ray Mueller	Kirsten Keith	Peter Ohtaki
Menlo Park School District Subcommittee	Peter Ohtaki	Ray Mueller	Kirsten Keith	Peter Ohtaki
Menlo Park Chamber of Commerce / City Liaison Position	Peter Ohtaki	Ray Mueller	Kirsten Keith	Peter Ohtaki
REGIONAL ASSIGNMENTS	2018 Primary	2018 Alternate	2017 Primary	2017 Alternate
Airport Community Roundtable	Catherine Carlton	Peter Ohtaki	Peter Ohtaki	Ray Mueller
Caltrain Modernization Local Policy Group - (Same as Rail Subcommittee)	Rich Cline	Kirsten Keith	Rich Cline	Kirsten Keith
City/County Association of Governments of San Mateo County (C/CAG)	Catherine Carlton	Ray Mueller	Catherine Carlton	Ray Mueller
County of Santa Clara Community Resources Group for Stanford University	Peter Ohtaki	Kirsten Keith	Peter Ohtaki	Kirsten Keith
Dumbarton Rail Policy Committee	Kirsten Keith	Rich Cline	Kirsten Keith	Rich Cline
Emergency Services Council (San Mateo County JPA)	Catherine Carlton	Peter Ohtaki	Catherine Carlton	Peter Ohtaki
Facebook Community Fund	Catherine Carlton	n/a	Ray Mueller	
Grand Boulevard Task Force	Kirsten Keith	Peter Ohtaki	Kirsten Keith	Peter Ohtaki
San Francisquito Creek Joint Powers Authority	Kirsten Keith	Catherine Carlton	Kirsten Keith	Catherine Carlton
South Bayside Waste Management Authority Joint Powers Authority	Catherine Carlton	Rich Cline	Catherine Carlton	Rich Cline
Peninsula Clean Energy (PCE) Community Choice Energy	Catherine Carlton	Rich Cline	Ray Mueller	Catherine Carlton
COMMISSION LIAISONS	2018 Member 1 (required)	2018 Member 2 (when applicable)	2017 Member 1 (required)	2017 Member 2 (when applicable)
Environmental Quality Commission	Catherine Carlton	n/a	Ray Mueller	n/a
Finance and Audit Committee (2 members, not liaisons)	Peter Ohtaki	Ray Mueller	Peter Ohtaki	Rich Cline
Housing Commission	Rich Cline	n/a	Peter Ohtaki	n/a
Library Commission	Rich Cline	n/a	Ray Mueller	n/a
Parks and Recreation Commission	Ray Mueller	n/a	Catherine Carlton	n/a
Planning Commission	Catherine Carlton	n/a	Catherine Carlton	n/a
Complete Streets Commission	Kirsten Keith	n/a	Kirsten Keith	n/a
Sister City Committee	Catherine Carlton	Peter Ohtaki	Catherine Carlton	Peter Ohtaki
Transportation Master Plan Oversight and Outreach (2 members, not liaisons)	Kirsten Keith	Catherine Carlton	Kirsten Keith	Catherine Carlton
Belle Haven Neighborhood Library Advisory Committee (2 members, not liaisons)	TBD	TBD	TBD	TBD
CITY COUNCIL SUBCOMMITTEES	2018 Member 1	2018 Member 2	2017 Member 1	2017 Member 2
Community Grant Funding	Kirsten Keith	Catherine Carlton	Kirsten Keith	Catherine Carlton
Emergency Operations (Disaster Preparedness)	Catherine Carlton	Peter Ohtaki	Catherine Carlton	Peter Ohtaki
Menlo Park Fire District	Catherine Carlton	Peter Ohtaki	Catherine Carlton	Peter Ohtaki
Rail Committee	Rich Cline	Kirsten Keith	Rich Cline	Kirsten Keith
Library Project Subcommittee	Rich Cline	Kirsten Keith	Rich Cline	Kirsten Keith
Economic Development	Kirsten Keith	Ray Mueller	Kirsten Keith	Ray Mueller
Stanford Parcel Negotiation General Use Permit	Rich Cline	Kirsten Keith	Rich Cline	Kirsten Keith
Willow/101 (liaise with Caltrans)	Rich Cline	Kirsten Keith	Rich Cline	Kirsten Keith
Ravenswood Educational Equity	Ray Mueller	Catherine Carlton	Ray Mueller	Catherine Carlton
Station 1300 dissolved	n/a	n/a	Catherine Carlton	Peter Ohtaki
Electric Vehicle (EV) Chargers	Catherine Carlton	Rich Cline	Catherine Carlton	Rich Cline
Bayfront Express Extension dissolved	n/a	n/a	Ray Mueller	Kirsten Keith
AD HOC COMMITTEES	2018 Member 1	2018 Member 2	2017 Member 1	2017 Member 2
SRI Development Agreement dissolved	n/a	n/a	Catherine Carlton	Kirsten Keith
OTHERS				
League of CA Cities Policy Committees:				
Environmental Quality - Peninsula Division appointment			Catherine Carlton	
Housing, Community & Economic Development - Peninsula Division appt			Peter Ohtaki	
Public Safety - Caucus appt			Catherine Carlton	
Revenue & Taxation - Peninsula Division appt			Kirsten Keith	

New appointee or other change  
Previous appointee

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# VISIT TO GALWAY, IRELAND

Mayor Kirsten Keith





# GALWAY COUNCIL CHAMBERS







# HEWLETT PACKARD ENTERPRISE





# GAILLIMH LE GAELIGE



# GALWAY CIVIC TRUST: CLADDAGH AND CELTIC





# MENLO PARK GALWAY TREE PLANTING





# GALWAY CLLR. MAIRÉAD FARRELL

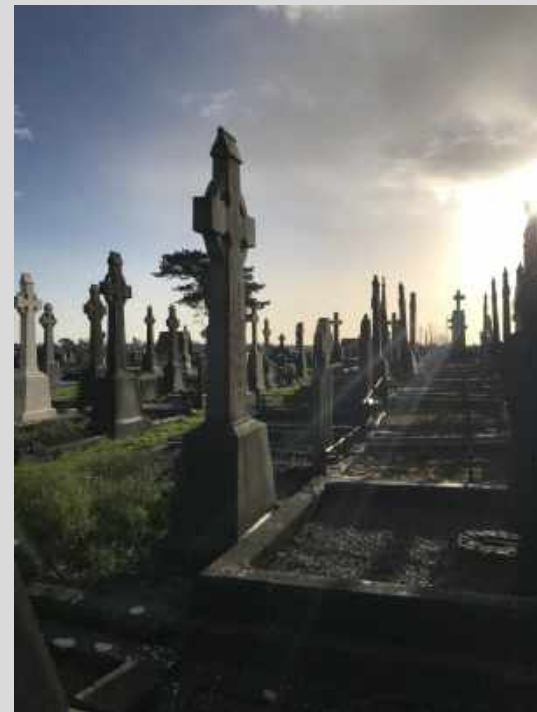


# BOHERMORE CEMETERY

- Wreath laying ceremony by the family of Pádraic Ó Conaire



# BOHERMORE CEMETERY



# EYRE SQUARE

- President of Ireland, Michael D. Higgins
- Statue of Poet Pádraic Ó Conaire at Eyre Square







## TWO MAYORS AND A PRESIDENT



- Galway Mayor Flannery
- President of Ireland, Michael D. Higgins
- Menlo Park Mayor Kirsten Keith





# GALWAY MUSEUM





# GALWAY 2020





# GALWAY INNOVATION DISTRICT





# GALWAY INNOVATION DISTRICT



# GALWAY INNOVATION DISTRICT





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**STAFF REPORT**

**City Council**

**Meeting Date:**

**1/16/2018**

**Staff Report Number:**

**18-013-CC**

**Regular Business:**

**Introduction of an ordinance adding Chapter 2.55 to the Menlo Park Municipal Code requiring electronic filing of campaign statements and statements of economic interest**

**Recommendation**

Staff recommends that the City Council introduce for first reading an ordinance adding Chapter 2.55 to the Menlo Park Municipal Code requiring electronic filing of campaign statements and statements of economic interest.

**Policy Issues**

The proposed ordinance would require all campaign statements and statements of economic interest to be filed electronically. Electronic filing makes it easier for officials to comply with reporting obligations and provides the public with the information in a more accessible and consistent format.

**Background**

On January 1, 2013, Assembly Bill 2452 went into effect adding Government Code §84615 which allows a local government agency to mandate online or electronic filing for an elected officer, candidate, committee, or other person who is required to file statements, reports, or other documents under the Political Reform Act, so long as the filer receives contributions or makes expenditures totaling one thousand dollars (\$1,000) or more in a calendar year. The law prescribes criteria that must be satisfied by a local government agency to require online or electronic filing of statements, reports or other documents. The system must be available free of charge to filers and the public for viewing filings, and must include a procedure for filers to comply with the requirement that they sign statements and reports under penalty of perjury.

The California Fair Political Practices Commission supports and encourages efforts to move from a paper-based reporting system to a more transparent electronic system. Electronic filing makes it easier for officials to comply with reporting obligations and provides the public with the information in a more accessible and consistent format.

The law requires the FPPC to approve all electronic filing systems used by cities. Before a city can begin implementing an all-electronic filing system, the FPPC must review the program to ensure it complies with prescribed security and transparency protocols.

**Analysis**

The City Clerk's office accepts filings of two major categories of economic disclosure documents: (1) campaign statements disclosing contributions to local candidate and ballot measure campaigns and (2) statements of economic disclosure (commonly known as Form 700s) from designated public officials and employees. In most instances, these documents are filed with the City Clerk and the City Clerk forwards copies to the FPPC. If the documents are not filed in a timely fashion, the FPPC imposes penalties on the filers.

There are many advantages to requiring electronic filing of disclosure documents. Form 700s are public records. By shifting to an electronic system, the public can directly access most Form 700s. The system is also beneficial to the end user by providing multiple prompts to ensure timely filing, by storing previous statements for user ease and by permitting a single filing for multiple offices.

The proposed ordinance (Attachment A) requires all campaign statements and economic disclosure statements be filed electronically. The ordinance incorporates the safeguards required by State law, including:

1. The system must ensure the integrity of the data and includes safeguards against efforts to tamper with, manipulate, alter or subvert the data
2. The system must only accept a filing in the standardized record format developed by the Secretary of State and compatible with the Secretary of State's system for receiving an online or electronic filing
3. The system must be available free of charge to filers and to the public for viewing filings.

Numerous cities and counties have converted to online or electronic campaign financing filing requirements, including Berkeley, Capitola, Chico, Cotati, Dublin, Fresno, Gilroy, Half Moon Bay, Hayward, Livermore, Los Gatos, Manteca, Morgan Hill, Mountain View, Oakland, Palo Alto, Patterson, Pleasanton, Richmond, Sacramento, Salinas, San Francisco, San Leandro, San Luis Obispo, Santa Clara, Santa Cruz, Santa Rosa, Sausalito, Stockton, Sunnyvale, Watsonville, West Sacramento, and the Town of Yountville, Alameda County, Butte County, Contra Costa County, Del Norte County, Madera County, Marin County, Merced County, Monterey County, Nevada County, Placer County, Sacramento County, San Francisco City/County, San Joaquin County, San Mateo County, Santa Clara County, Santa Cruz County, and Shasta County,.

To facilitate the full transition to electronic filing, the City Clerk's Office will continue to provide detailed instructions and one-on-one training. The City Clerk contacted the two vendors approved by the Secretary of State. The proposed vendor, NetFile, provided the best economic terms and user functionality.

### **Impact on City Resources**

The proposed contract with NetFile for the e-filing and administration system for the campaign system is \$5,400 per year.

### **Environmental Review**

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it is an organizational structure change that will not result in any direct or indirect physical change in the environment.

### **Public Notice**

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 24 hours prior to the meeting.

### **Attachments**

- A. Ordinance adopting Charter 2.55 regarding Electronic Filing

Report prepared by:  
Clay Curtin, Interim City Clerk

## ORDINANCE NUMBER \_\_\_\_\_

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MENLO PARK  
TO ADD CHAPTER 2.55 (ELECTRONIC FILING) TO TITLE 2  
(ADMINISTRATION AND PERSONNEL) OF THE MENLO PARK  
MUNICIPAL CODE RELATING TO ELECTRONIC FILING OF  
CAMPAIGN STATEMENTS AND STATEMENTS OF ECONOMIC  
INTERESTS**

The City Council of the City of Menlo Park does ordain as follows:

**SECTION 1. FINDINGS AND DETERMINATIONS**

WHEREAS, Government Code Section 84615 currently provides that a local agency may adopt an ordinance to require an elected officer, candidate, committee, or other person required to file statements, reports, or other documents required by Chapter 4 of the Political Reform Act (commencing with Section 84100 of the Government Code), except an elected officer, candidate, committee, or other person who receives contributions totaling less than \$1,000 and who makes independent expenditures totaling less than \$1,000 in a calendar year, to file those statements, reports, or other documents online or electronically with the local filing officer; and

WHEREAS, the City intends to enter into an agreement with NetFile, Inc., a vendor approved by the California Secretary of State, to provide an online electronic filing system ("System") for campaign disclosure statements and statements of economic interest forms; and

WHEREAS, the System will operate securely and effectively and will not unduly burden filers. Specifically: (1) the System will ensure the integrity of the data and includes safeguards against efforts to tamper with, manipulate, alter, or subvert the data; (2) the System will only accept a filing in the standardized record format developed by the Secretary of State and compatible with the Secretary of State's system for receiving an online or electronic filing; and (3) the System will be available free of charge to filers and to the public for viewing filings.

WHEREAS, the City of Menlo Park desires to amend Title 2 of the Menlo Park Municipal Code (Administration and Personnel) to add a new Chapter relating to electronic filing of campaign and conflict of interest statements.

**SECTION 2. CHAPTER 2.55 ADDED.** Chapter 2.55 (Electronic Filing) of Title 2 (Administration and Personnel) of the Menlo Park Municipal Code is hereby added to read as follows:

**2.55 Electronic Filing**

**2.55.01 Electronic filing of campaign statements and statements of economic interests.**

(a) Any elected officer, candidate, committee or other person required to file statements, reports or other documents required by Chapter 4 (commencing with Section 84100 of the Government Code), except an elected officer, candidate, committee or other person who receives contributions totaling less than one thousand dollars (\$1,000) and makes expenditures totaling less than one thousand dollars (\$1,000) in a calendar year, shall file those statements, reports or other documents online or electronically with the city clerk.

(b) Any person holding a position listed in Government Code Section 82700 or designated in the city's local conflict of interest code adopted pursuant to Government Code section 83700, shall file any required Statement of Economic Interest reports (Form 700) online or electronically with the city clerk.

(c) In any instance in which an original statement, report or other document must be filed with the California Secretary of State and a copy of that statement, report or other document is required to be filed with the city clerk, the filer may, but is not required to, file the copy electronically.

(d) If the city clerk's electronic system is not capable of accepting a particular type of statement, report or other document, an elected officer, candidate, committee or other person shall file that document with the city clerk in an alternative format.

SECTION 3. CEQA - EXEMPTION. The City Council finds, pursuant to Title 14 of the California Code of Regulations, Section 15378(b)(5), that this ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) in that it is a governmental, organizational or administrative activity that will not result in direct or indirect changes in the environment.

SECTION 4. CONSTITUTIONALITY; SEVERABILITY. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision or decisions shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance, and each section, subsection, sentence, clause and phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid.

SECTION 5. EFFECTIVE DATE AND PUBLICATION. This ordinance shall take effect thirty (30) days after its passage and adoption. Within fifteen (15) days of its adoption this ordinance shall be posted in three (3) public places within the City of Menlo Park, and the ordinance, or a summary of the ordinance prepared by the City Attorney, shall be published in a local newspaper used to publish official notices for the City of Menlo Park prior to the effective date.

INTRODUCED on the \_\_\_\_ day of January, 2018.

PASSED AND ADOPTED as an ordinance of the City of Menlo Park at a regular meeting of said City Council on the \_\_\_\_ day of January, 2018, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Clay Curtin, Interim City Clerk



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## STAFF REPORT

### City Council

**Meeting Date:** 1/16/2018  
**Staff Report Number:** 18-005-CC

**Consent Calendar:** Receive and file the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017

### Recommendation

Staff recommends that the City Council receive and file the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017.

### Policy Issues

The City is required to issue independently audited financial statements on an annual basis. Management is responsible for preparing the annual financial statements that are subsequently audited by an independent external auditor, who reports to the City Council. This package of reports fully transmits the documents required by California State law, granting agencies and generally accepted accounting principles. The City Council is asked to receive and file the CAFR once presented by City staff.

### Background

Following the close of each fiscal year, the City's external auditors conduct an audit of the City's financial records and assist in the compilation of the Comprehensive Annual Financial Report (CAFR). The paramount objective of general purpose external financial reporting is accountability. The goal of a financial statement audit is to provide users with reasonable assurance from an independent source that the information presented in the statements is reliable. The audit for the fiscal year ended June 30, 2017, was recently completed by Badawi and Associates (the Auditor), Certified Public Accountants. The City Council selected Badawi as the City's independent auditor on March 18, 2014, and this is the fourth year of an initial four-year agreement.

### Analysis

The City of Menlo Park is in excellent financial health with a total government-wide net position, as of June 30, 2017, of \$442.27 million, up 2.8 percent when compared to prior year. Specific to the General Fund, revenue and transfers-in exceeded expenditures and transfers-out by \$1.50 million. A detailed analysis of the City's financial position as of June 30, 2017, is included in the CAFR (Attachment A), specifically, the Management Discussion and Analysis which begins on Page 5 of the document.

As a result of their annual independent audit of the City's financial records and statements, the Auditor has rendered an unmodified opinion, the optimal opinion issued by independent auditors, on the City's financial statements for the fiscal year ended June 30, 2017. In their opinion, "the financial statements... present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof

for the year then ended in accordance with accounting principles generally accepted in the United States of America.”

In accordance with Government Auditing Standards, the Auditor also identifies any deficiencies in internal control over financial reporting and provides recommendations to City management on correcting these deficiencies. The report on internal control is included in the Single Audit Reports (Attachment B). Also attached are the Appropriations Limit report (Attachment C) and the Measure A report (Attachment D). In their report on internal controls beginning on Page 10 of the Single Audit Reports, the Auditor found that the City has two significant deficiencies in internal controls that could have a material impact on the accuracy of the financial statements. As part of the Auditor’s established procedure, additional testing was conducted to arrive at a confidence level that permits an unmodified audit opinion. Management has provided a response to each of the two findings in the report and current staffing levels as authorized in the 2017-18 budget are sufficient to address the Auditor’s two findings.

#### Finance and Audit Committee Review

At their meeting December 15, 2017, the committee received the final draft report presentation from the Auditor and voted unanimously to recommend City Council receipt and filing of the CAFR. As part of the Committee’s discussion, significant attention was paid to presentation of the City’s pension liabilities, specifically the question arose over the reasonableness of assumptions used to calculate liabilities. As of June 30, 2017, the City’s net pension liability totaled \$50.99 million reflecting a measurement date of plan assets as of June 30, 2015. The present value of pension liabilities, discounted for inflation and expected rate of return on investments, was \$83.03 million.

The pension liability data reported in the CAFR, for the fiscal year ended June 30, 2017, was calculated by CalPERS actuaries in accordance with Government Accounting Standards Board (GASB) guidance pertaining to pension accounting and reflects the best information available to management as of the report date. At this time, management has no basis to modify the net pension liability as reported in the CAFR. The Committee intends to work with staff and the City’s independent actuary to more fully explore pension liabilities in early 2018 and assess whether any modification to CalPERS’ assumptions used to calculate pension liabilities may be advisable.

#### **Impact on City Resources**

There is no fiscal impact of this action.

#### **Environmental Review**

Environmental review is not required for this item.

#### **Public Notice**

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

#### **Attachments**

- A. City of Menlo Park, California Comprehensive Annual Financial Report for the Fiscal Year Ended June 20, 2017
- B. City of Menlo Park, Single Audit Reports for the year ended June 30, 2017
- C. City of Menlo Park, California Report on Agreed-Upon Procedures Applied to Appropriations Limit Schedule for the year ended June 30, 2017



Staff Report #: 18-005-CC

D. City of Menlo Park, California Report on Schedule of Receipts and Disbursements related to Measure A for the year ended June 30, 2017

Report prepared by:

Nick Pegueros, Administrative Services Director

Dan Jacobson, Interim Finance and Budget Manager

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# CITY OF MENLO PARK, CALIFORNIA COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2017

# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**Fiscal Year Ended June 30, 2017**



**CITY OF MENLO PARK, CALIFORNIA**

PREPARED BY  
Administrative Services Department

**City of Menlo Park**  
**For the year ended June 30, 2017**

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**For the year ended June 30, 2017**

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**For the year ended June 30, 2017**

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**For the year ended June 30, 2017**

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# INTRODUCTORY SECTION

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December 21, 2017

Honorable Mayor  
Members of the City Council  
And Residents of Menlo Park

We are pleased to submit the comprehensive annual financial report for the City of Menlo Park, California, for the fiscal year ended June 30, 2017. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the data is accurate in all material respects and is reported fairly and honestly. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities are included.

The comprehensive annual financial report (CAFR) is presented in three major sections that provide introductory, financial as of June 30, 2017, and statistical information about the City. The introductory section includes this transmittal letter, the City's organizational chart and a list of the City's principal officials. The financial section includes the independent auditor's report, basic financial statements, notes to basic financial statements, required supplementary information and supplementary information on nonmajor funds. The statistical section, which is unaudited, includes selected financial and demographic information.

The notes to the financial statements are provided in the financial section and are considered essential to fair presentation and adequate disclosure. The notes include the summary of significant accounting policies for the City and other necessary disclosures of important matters relating to the financial position of the City. The notes are treated as an integral part of the financial statements and should be read in conjunction with them.

Generally accepted accounting principles (GAAP) require that management provide a narrative of introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis. This letter complements the MD&A and should be read in conjunction with it. The City of Menlo Park's MD&A can be found in the financial section of this document, immediately following the report of the independent auditors.

## **Background**

The City of Menlo Park is located in San Mateo County, midway between the cities of San Francisco and San Jose. It is an area of comparatively high property values and is a vital part of the region commonly referred to as the Silicon Valley. One of its noteworthy neighbors is Stanford University. Because of the number of venture capital firms and the amount of venture capital invested through local companies, the City is often referred to as the “Capital of Venture Capital.”

The City maintains a healthy balance of residential, commercial and industrial uses. Residential home prices are still among the highest in the area, reflecting the desirability of living in the community. Home to the headquarters of social networking giant Facebook, other major companies that have facilities in Menlo Park include the Rosewood Hotel, Pacific Biosciences, and SRI International. Menlo Park is also home to the Western Region Headquarters of the United States Geological Survey, a major Veterans Affairs medical facility, and the U.S. Department of Energy-funded SLAC National Accelerator Laboratory.

## **Reporting Entity**

The financial reporting entity (the government) includes all the funds of the primary government (i.e., the City of Menlo Park, as legally defined), as well as any applicable component units. Component units are legally separate entities for which the primary government is financially accountable. Prior to the dissolution of the Community Development Agency on January 31, 2012, it was reported as a blended component unit of the primary government. Activities of the Successor Agency acting on behalf of the former Community Development Agency are reported as a Private-Purpose Trust Fund as of the financial statements for the fiscal year ended June 30, 2012.

The City of Menlo Park provides a varied range of services, including police protection, public works (engineering, streets, parks, building and vehicle maintenance, water distribution and maintenance and transportation services), community services (recreation, child care and senior services), community development (planning, zoning and building inspection), code and parking enforcement, library services, housing and general administration (finance, human resources, information technology, housing and economic development, environmental sustainability, legal and city clerk services). Fire protection services are provided by the Menlo Park Fire Protection District, an entity separate and distinct from the City. Sanitary sewer services are also provided by a special district, the West Bay Sanitary Sewer District.

## **Economic Condition and Outlook**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment of which the City operates.

### **Local economy**

The unemployment rate in San Mateo County has fallen from 3.1% in 2016 to 2.9% in 2017. The Menlo Park unemployment rate is lower than that of the County at 2.3%. This compares with an unemployment rate of 4.7% for California and 4.4% for the nation during the same period. As of June 2017, there were an estimated 447,900 jobs in San Mateo County, an increase of 700 jobs from a year earlier.

The City's largest revenue sources continue to show strength. Property tax growth remains strong with the total taxable assessed valuation of real property increasing 12.48% or \$1.67 billion from 2016 to 2017. This increase in assessed valuation resulted in secured property tax revenues increasing \$1.43 million, year-over-year. The City's second largest single revenue source, hotel occupancy tax, also experienced moderate growth year-over-year. For the fiscal year ended June 30, 2017, hotel occupancy tax increased \$395,000 or 6.29% due to higher occupancy and room rates as well as new facilities opening. The increases in revenue have allowed the General Fund to maintain service levels and continue to appropriately fund infrastructure maintenance.

### **Outlook**

The City's financial outlook remains sound. Property values continue their upward trend, and with a number of large-scale development projects in process, the outlook for future property tax revenue growth is strong. Being the General Fund's largest revenue source, at 38.54 percent of the total, a healthy property tax base is essential for continued sustainability.

One ongoing threat to the property tax base is the uncertainty of what is called "excess ERAF" (educational revenue augmentation fund). San Mateo County is one of several counties in the State of California where the amount generated from the ERAF shift of local property tax exceeds the amount required to meet funding levels for local schools. As a consequence, those funds collected in excess of the requirement have traditionally been redistributed back to the taxing entities. With such a unique circumstance, this revenue source is under scrutiny at the state level, leaving applicable local agencies to determine how to handle the uncertainty in their financial forecasts. To be conservative, the City of Menlo Park's adopted 2017-18 budget and the accompanying 10-year forecast reflects receiving 50 percent of this revenue before it drops off entirely in 2019-20. This is a highly speculative assumption that simply serves to keep the uncertainty of this significant revenue squarely in our sights as we move forward.

On the expenditure side, the City is closely monitoring increases in employee benefit costs. One area of particular note is the City's cost for pension benefits provided by the California Public Employees' Retirement System (CalPERS). In December 2016, the CalPERS board voted to reduce its assumed rate of return on investment income, commonly referred to as the "discount rate", net of expenses, from 7.5 percent to 7.0 percent over three years beginning on July 1, 2018. The reduction in discount rate is likely to result in greater unfunded pension liabilities and increased annual costs to the City. Efforts are currently underway to incorporate the estimated increased costs in the City's 10-year financial forecast. Additionally, the City will continue to explore options to establish a fund that would soften the impact of increasing CalPERS pension costs on the City's annual operating budget.

Staff will continue to monitor the long-term budget situation, both locally and at the State level, to keep the City Council informed of critical economic events that may impact the sustainability of the City's spending plan. Further, staff will continue to be proactive in developing plans to promote economic development in the City, aggressively pursue grant funding for significant infrastructure improvements, and continually assess the City's operations and service delivery models to achieve efficiencies where possible.

While in an enviable financial position, the City cannot rest on its laurels and must continue to focus its efforts on priority fiscal initiatives such as adequate funding of infrastructure, careful comprehensive planning, and optimization of business and residential development opportunities. Further, as new long-term needs are identified, the appropriate resources to meet those needs must also be identified. And finally, the City must maintain financial flexibility to ensure it is able to quickly respond to the inevitable fluctuations in the economy and the volatility of its major revenue sources.

### **Major Initiatives**

FOR THE YEAR: The continued strength in the economy has resulted strong interest in development projects and increased business opportunities, which has subsequently created an overall rise in demand for City services. While budgetary resources are available to support this increase in demand, the City has found it challenging to staff itself at a level that adequately supports the service demand given the lack of supply and heavy competition for talented personnel, particularly those needed to support development-related activities. Despite this challenge, the City undertook a number of key initiatives and accomplished many of its goals during the reporting period. The primary focus continued to be on addressing the City Council's priorities and providing the services and programs that make Menlo Park unique.

In 2016-17, the **Community Development Department** adopted the 2016 General Plan Update, including the associated environmental review and the creation of three new zoning districts. The department completed work on Phase 1 of the modification

to the El Camino Real/Downtown Specific Plan as directed by the City Council. Adopted modifications to secondary dwelling unit regulations and updates to building and fire codes that enhance the safety of Menlo Park residents, business and property owners. In addition, the department authorized occupancy of residential housing projects such as Anton Menlo, Greenheart/Hamilton, Graystar/Haven and MidPen/Willow. The department continues to manage ongoing construction of major projects including: Menlo Gateway, Facebook Building 21, 1400 El Camino Real Hotel, 1010 Alma Street office building, 1285 El Camino Real mixed use project and Fire Station #6.

In 2016-17 the **Community Services Department** implemented five-year strategic plan update which was approved in the 2015-16 fiscal year. The department maintained a cost recovery level that keeps it among the highest recovery programs in the Bay Area. In addition to high cost recovery, the department approved the Community Services Department Sponsorship Policy and increased program and event sponsorship by 50%. Finally, the department has begun community engagement efforts for the Bedwell Bayfront Park Master Plan Update and has completed community engagement efforts for new projects at Jack Lyle, Nealon and Willow Oaks Parks.

The **Library Department** continued to expand their community events and activities in 2016-17, in part due to the library's hosting of the first ComicCon which appealed to a wide range of ages. The department continued the popular "Science Night at the Library" and is now hosted twice a year. Additionally, department library expanded the popular "quick pick" book and DVD collection at the Main and Belle Haven libraries. Finally, the department completed and presented to the City Council the Library Strategic Plan and Main Library Space Needs Analysis.

Over the course of 2016-17, the **Police Department** continued its tradition of innovation in service delivery and received several acknowledgments of their past and ongoing work. The department received the 2016 International Association of Chiefs of Police – Cisco Community Policing Award for departments representing populations between 20,000-50,000 worldwide. The department graduated 15 community members from the Community Police Academy, graduated four Police Officers from the College of San Mateo Police Academy, and trained staff in Resilience Immersion Training, also known as Mindfulness Training. The department hosted several community meetings regarding crime prevention, addressing crime statistics and trends, and continued community outreach efforts such as three Friday Night Lights community engagement events. The department's community engagement efforts have seen a decrease of 6% in violent crimes.

The **Public Works Department** completed several projects in 2016-17 including: site improvement inspection for the MidPen senior housing project, expansion of

community shuttle services to the Belle Haven and Sharon Heights areas, installation of new bicycle lanes on Haven Avenue and Constitution Drive , and completed the first phase of the corporation yard emergency water well. In addition, the department adopted the Urban Water Management Plan and started the Water System Master Plan process, developed the Green Infrastructure for Stormwater Work Plan, and initiated Transportation Master Plan and Impact Fee Program updates. Additionally, the department received the Tree City USA Growth Award from the Arbor Day Foundation.

FOR THE FUTURE:

### **Financial Planning and Fiscal Policies**

Maintaining a sustainable City budget is a top priority for Menlo Park. The City has, for many years, strived to record and report all expenses in the proper fiscal year, avoid unintended subsidization of nonessential programs with tax revenues, resist the creation of future liabilities and initiate funding of long-term liabilities that currently exist. Such long-term financial planning efforts are essential to the City's prudent financial management and are particularly powerful when combined with sound financial policies.

Rating agencies recognize the City's financial strength and policies when assigning excellent ratings to Menlo Park general obligation bond issuances. The City continues to focus strategically on appropriate funding strategies for not only current operations and top-ranked priority capital improvement projects, but also to cover long-term ongoing expenses. To that end, the operating budget includes annual funding for large infrastructure projects and ongoing retiree medical benefit obligations. In addition, the fiscal sustainability of all funds is regularly evaluated to avoid any future burden on the General Fund.

Menlo Park strives to maintain fiscal policies that will provide guidance on preserving its sound financial standing in the long term. Several years ago, a General Fund Reserve Policy was finalized, incorporating requirements of Governmental Accounting Standards Board (GASB Statement No. 54). The policy outlines the City Council's formal commitment of amounts of fund balance to be set aside specifically for emergency contingencies, economic stabilization, and strategic pension contingencies. The policy also outlines assigned fund balances to ensure subsequent year funding of capital improvements, encumbrances, and community development services.

In accordance with the policy guidelines discussed above, as of June 30, 2017 the General Fund held a combined unrestricted fund balance of \$31.82 million or 56 percent of the 2017-18 General Fund operating budget. The total goal range for the City's unrestricted fund balances is 43 to 55 percent of General Fund expenditures.



Although reserves are available to provide temporary financing for extraordinary events such as an economic recession, the City must continue to distinguish between structural operating deficits and deficits resulting from temporary downturns in the economy or significant capital expenditures. This will be essential in the upcoming budgeting cycle as City Council considers new demands on future resources that are expected to result from CalPERS' decision to lower the discount rate assumption. As such, baseline expenditures may need to be recalibrated if revenue growth does not close that anticipated gap resulting from higher pension costs. In addition, infrastructure maintenance, comprehensive planning activities, technology upgrades, stormwater programs, and standard City service delivery are all part of a comprehensive and sustainable fiscal plan for the City that must be considered as limited resources are allocated.

The City administration is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected and that adequate accounting data are compiled to prepare financial statements in conformity with generally accepted accounting principles. In addition, the City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budget approved by the City's governing body. The City also maintains sound financial management through an encumbrance accounting system demonstrated by the statements and schedules included in the financial section of this report.

In addition, the City has established certain fiscal policies defining its long-term financial objectives. For example, the Cost Recovery/Subsidization Policy minimizes the unintentional subsidization of certain services by the General Fund, allowing general tax dollars to be available for greater public benefit. The City also maintains an Investment Policy, reviewed annually, defining (by limiting the types of investments permitted and providing guidelines for duration and diversification) the level of risk that is appropriate in the City's portfolio.

The City will continue to follow established cash management, accounting, budgetary, and risk management policies and processes essential to the City's long-term fiscal health. In addition, the strategic direction provided in the 5-Year Capital Improvement Plan and the General Plan will be used in the City's efforts to maintain a sustainable budget for the future.

### **Other Information**

*Statistical Section.* Issued in May 2004, the Governmental Accounting Standards Board (GASB) Statement No. 44, Economic Condition Reporting: the Statistical Section, significantly changed the content and presentation of information reported in the statistical section of a comprehensive annual financial report. The new statistical section structure was developed to assist the reader in understanding financial trends, assessing the City's revenue capacity, gauging the affordability of outstanding

debt, and understanding the environment in which the City's financial activities take place. Operating information is included to help the reader understand how the data in the City's financial report relate to services the City provides. Over time, the intent is to accumulate meaningful trend information useful in assessing performance.

*Independent Audit.* State statutes require an annual audit of the City's financial systems by independent certified public accountants. The accounting firm of Badawi and Associates, Certified Public Accountants was selected by the City for this purpose. The auditor's report and unmodified opinion on the general purpose financial statements and combining and individual fund statements is included in the financial section of this report.

*Awards and Acknowledgments.* The Government Finance Officers' Association (GFOA) of the United States has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended June 30, 2016. In order to receive this Certificate, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, and satisfy both generally accepted accounting principles and applicable legal requirements. The award is valid for a period of one year. We believe our current report continues to meet the Certificate of Achievement Program's requirements.

Preparation of the Comprehensive Annual Financial Statements is not possible without the hard work of the entire Administrative Services Department. Of particular note, we would like to recognize Finance and Budget Manager Dan Jacobson, Revenue and Claims Manager John McGirr, Senior Accountant Patricia Barboza, Accountant I Jovi Oliveras, Accounting Assistant Melody Chau, Accounting Assistant Miranda Shum, and Management Analyst Brandon Cortez for their extraordinary commitment to completing this document. We would also like to thank the City Council and the Finance and Audit Committee for their continued focus on fiscal sustainability which has positioned the City well to weather financial uncertainties.

Respectfully submitted,



Alex D. McIntyre  
City Manager

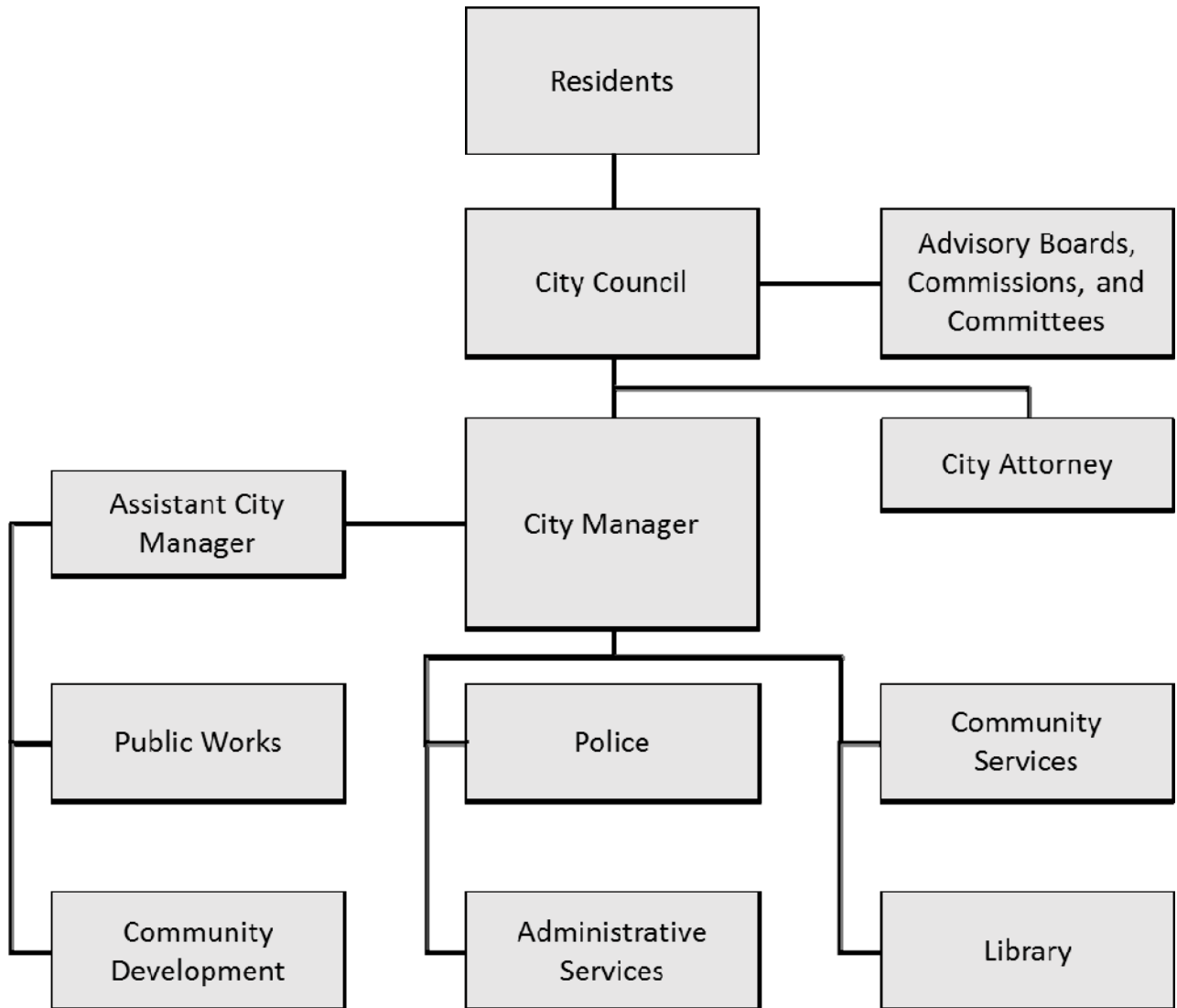


Nick Pegueros  
Administrative Services Director

CITY OF MENLO PARK, CALIFORNIA

ORGANIZATIONAL CHART

JUNE 30, 2017



**CITY OF MENLO PARK, CALIFORNIA**

**LIST OF CITY OFFICIALS**

**JUNE 30, 2017**

**CITY COUNCIL**

Kirsten Keith, **Mayor**

Peter Ohtaki, **Mayor Pro Tem**

Catherine Carlton, Councilmember

Richard Cline, Councilmember

Ray Mueller, Councilmember

**City Council Appointed**

City Manager..... Alex D. McIntyre

City Attorney..... William McClure

**Executive Management**

*Appointed by the City Manager*

Assistant City Manager ..... Charles Taylor

Assistant to the City Manager ..... Clay Curtin

Administrative Services Director ..... Nick Pegueros

Community Development Director ..... Arlinda Heineck

Community Services Director ..... Cherise Brandell

Housing & Economic Development Manager ..... Jim Cogan

Library Director..... Susan Holmer

Police Chief ..... Robert Jonsen

Public Works Director ..... Justin Murphy

Acting City Clerk..... Clay Curtin



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Menlo Park  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

*Christopher P. Morill*

Executive Director/CEO

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# FINANCIAL SECTION

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council  
of the City of Menlo Park  
Menlo Park, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Menlo Park, California (City) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

To the Honorable Mayor and Members of the City Council  
of the City of Menlo Park  
Menlo Park, California  
Page 2

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension required supplementary information, and schedules of funding progress for other post employment benefits on pages 5 to 20 and 97 to 107 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules, statistical section and other information, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

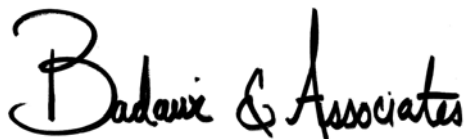
The combining and individual nonmajor fund financial statements and budgetary comparison schedules on pages 113 to 167 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the budgetary comparison schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

To the Honorable Mayor and Members of the City Council  
of the City of Menlo Park  
Menlo Park, California  
Page 3

The introductory and statistical sections and other information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi and Associates  
Certified Public Accountants  
Oakland, California  
December 21, 2017

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2017

This section of the City of Menlo Park's Comprehensive Annual Financial Report provides a narrative overview of the City's financial activities for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with the Transmittal Letter and accompanying Basic Financial statements

### FINANCIAL HIGHLIGHTS

#### Government-Wide Financial Statement Highlights:

*Net Position* - The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at fiscal year ending June 30, 2017, by \$442.27 million, up 2.8% from prior year. Of this amount, \$21.86 million was reported as "unrestricted net position" and may be used to meet ongoing obligations.

*Changes in Net Position* – The City's total net position increased by \$12.08 million in fiscal year 2016-17. Net position of governmental activities increased by \$10.77 million, which is due in large part to an increase in cash and investments and deferred outflow or resources. Net position of the business-type activities increased by \$1.31 million, reflecting the year's net gain for the Menlo Park Municipal Water District.

*Long-term Debt* - The City's total bonded debt obligations, Note 6, decreased by \$0.42 million during fiscal year 2016-17 due to the scheduled annual payment of principal balances of outstanding debt. The largest principal payment of \$0.35 million was made on the 2012 General Obligation Refunding Bonds, leaving a remaining balance for this obligation of \$7.86 million as of June 30, 2017.

All long-term debt shown on the Government-wide Financial Statements are general obligations funded by dedicated property tax revenue for the term of the debt service. In addition to the General obligations, the City serves as fiduciary for debt issued by the Successor Agency of the Las Pulgas Redevelopment Project area. As of June 30, 2017, the Successor Agency Trust Fund's outstanding debt was \$56.25 million. The County of San Mateo provides the Successor Agency Trust Fund with sufficient revenue on an annual basis to meet current year debt service requirements.

#### Fund Financial Statement Highlights:

*Governmental Funds* – As of the close of fiscal year 2016-17, the City's governmental funds reported a combined ending fund balance of \$107.55 million. This is a \$5.92 million increase from the prior year, which is primarily the result of an increase in cash and investments.

The total combined balance for governmental funds as of June 30, 2017, \$107.55 million, is classified

into five categories of fund balance (nonspendable, restricted, committed, assigned, and unassigned) to provide the reader of these financial statements with a better understanding of the City's available resources as well as its plans to ensure fiscal stability in the near term. A detailed explanation of these categories can be found in Note 10 to the financial statements. Of the total, \$1.40 million is categorized as "nonspendable", \$41.4 million is "restricted", \$39.76 million is "committed", \$23.13 is "assigned" and the remaining \$1.87 million is "unrestricted".

The City's largest and most active government fund is the General Fund which increased in fiscal year 2016-17 by \$1.50 million compared to prior year. General Fund revenues, transfers-in, and extraordinary gains totaled \$53.46 million and expenditures/transfers out totaled \$51.96 million. Of particular note is the City's continued investment in capital infrastructure in fiscal year 2016-17 a transfer of \$4.64 million to support infrastructure efforts primarily in the General Capital Improvement Project Fund but also in non-major funds. General Fund revenues and expenditures for the reporting period will be discussed in more detail later in the MD&A.

*Proprietary Funds* – The City maintains proprietary funds, enterprise and internal service funds, to account for activities that a financed and operated in a manner similar to private business enterprises.

*Enterprise Fund* – Enterprise funds are established to account for the financing of goods and services provided to external users. The water distribution operations of the Menlo Park Municipal Water District are the only enterprise activities of the City. As of the close of fiscal year 2016-17, the City's Water Fund reported an ending net position of \$27.53 million. This is a \$1.31 million increase from the prior year and is primarily the result of an increase in capital assets.

*Internal Service Funds* – These funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis. As of the close of fiscal year 2016-17, the City's internal service funds reported a combined ending net position of \$1.75 million. This is a \$0.26 million increase from the prior year and is primarily the result of an increase in cash and investments.

### **City Highlights:**

Total governmental fund revenues for 2016-17, as presented on the Statement of Revenues, Expenditures, and Changes in Fund Balances, were up \$1.75 million over fiscal year 2015-16. This gain was driven by the General Fund, which had revenues, excluding transfers and extraordinary gains, that were up \$1.95 million. General Fund taxes reflect the largest year-over-year gain in General Fund revenues, up \$3.11 million. A year-over-year decrease was experienced in other General Fund revenue categories most notably charges for services, down \$0.48 million, due in large part to lower grant funding for childcare services and lower vehicle impound fees. In addition, intergovernmental revenue, down was \$0.26 million as the result of one-time revenue in fiscal year 2015-16 for reimbursements of State mandates and motor vehicle in-lieu fees.

Governmental fund expenditures, excluding transfers, increased approximately \$3.66 million in fiscal year 2016-17, compared to prior year. The increase was driven by higher personnel costs compared to the prior year due to increased staffing authorized as part of the fiscal year 2015-16 budget which was implemented in fiscal year 2016-17. Non-major governmental funds expenditures decreased \$3.07 million with the largest decline in the capital outlay category. It is important to note that the “Transportation Fund” was created in fiscal year 2016-17 and is shown as a major fund. Prior to fiscal year 2016-17, this funds was shown as “Non-Major Governmental Funds”.

## **DISCUSSION OF FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City’s basic financial statements, which are comprised of three components: 1) Government-Wide Financial Statements, 2) Fund Financial Statements and 3) Notes to the Financial Statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

### **Government-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities and Changes in Net Position include information about the City as a whole and about its activities. These statements include all assets, deferred outflows of resources (if applicable), liabilities, and deferred inflows of resources (if applicable) of the City using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year’s revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City’s overall net position and changes in that net position year-over-year. Net position is defined as the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, and this is one way to measure the City’s financial health, or financial position. Over time, increases or decreases in the City’s net position are an indicator of whether its financial health is improving or deteriorating. Other factors to consider are changes in the City’s property tax base and the condition of the City’s roads.

In the Statement of Net Position and the Statement of Activities and Changes in Net Position, City activities are separated as follows:

*Governmental activities*—Most of the City’s basic services are reported in this category, including the General Government, Public Safety, Public Works, Culture and Recreation (including library services) and Community Development. Property and sales taxes, user fees, interest income, franchise fees, and state and federal grants finance these activities.

*Proprietary or Business-type activities*—The City charges a fee to customers to cover the cost of water distribution services, including a surcharge for future capital improvements as necessary. The City’s water system activities are the only activities reported in this category.

## Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

*Governmental funds*—Most of the City’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City’s general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City’s programs. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation schedule following each governmental fund financial statement.

*Proprietary funds*—When the City charges customers for the services it provides—whether to outside customers (enterprise funds) or to other units of the City (internal service funds)—these services are generally reported in proprietary funds. The City’s Water Fund is the single enterprise fund that accounts for the business-type activities reported in the government-wide statements. Four internal service funds account for administrative activities that are provided to other funds and departments on a cost-reimbursement basis. These are included as governmental activities in the government-wide statements. Together, these proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Fund Net Position. In addition, a statement of cash flows is provided.

*Fiduciary funds*—The City is the trustee, or fiduciary, for certain funds held in a trustee or agency on behalf of individuals, private organizations, other governments, and/or other funds. The City’s fiduciary activities are reported in separate Statements of Fiduciary Net Position. These activities are excluded from the City’s other financial statements because the City cannot use these funds’ assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

## Notes to the Financial Statements

The notes provide additional information essential to a full understanding of the data in the government-wide and fund financial statements.



## Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information providing a budgetary comparison statement for the General Fund and all major funds. It also includes a schedule of funding for the employee pension plan.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Statement of Net Position combines and consolidates government funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations. Program expenses by function, general revenues by major source, excess and/or deficiency of revenues over expenses before contributions to fund principal, special and extraordinary items, and total assets are presented in the Statement of Activities and Changes in Net Position. Both statements are condensed below for purposes of this analysis.

City of Menlo Park's Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Current Assets	\$ 107,192,772	\$ 100,087,581	\$ 13,098,336	\$ 13,012,515	\$120,291,108	\$ 113,100,096
Noncurrent Assets	16,578,155	15,532,289	-	-	16,578,155	15,532,289
Capital Assets	367,968,418	363,926,885	16,212,425	14,878,505	384,180,843	378,805,390
Total Assets	491,739,345	479,546,755	29,310,761	27,891,020	521,050,106	507,437,775
Deferred Outflows of Resources	13,939,468	4,957,779	265,560	89,363	14,205,028	5,047,142
Current Liabilities	12,617,216	11,670,754	1,111,515	950,366	13,728,731	12,621,120
Noncurrent Liabilities	76,255,378	64,319,818	910,840	737,906	77,166,218	65,057,724
Total Liabilities	88,872,594	75,990,572	2,022,355	1,688,272	90,894,949	77,678,844
Deferred Inflows of Resources	2,068,660	4,541,576	24,013	73,056	2,092,673	4,614,632
Net Investments in Capital Assets	350,046,891	345,581,545	16,212,425	14,878,505	366,259,316	360,460,050
Restricted	41,402,540	19,509,624	12,741,320	11,441,134	54,143,860	30,950,758
Unrestricted	23,288,128	38,881,217	(1,423,792)	(100,584)	21,864,336	38,780,633
Total Net Position	\$ 414,737,559	\$ 403,972,386	\$ 27,529,953	\$ 26,219,055	\$442,267,512	\$ 430,191,441

Source: Audited Fin. St. pg - 25

The City's programs for governmental activities include General Government, Public Safety, Public Works, Culture and Recreation, and Community Development. The programs for the business-type activities consist of water services provided by the Menlo Park Municipal Water District.

As noted earlier, the City as a whole has net position of \$442.27 million. The largest portion of the City's net position (approximately 83 percent) reflects its investment in capital assets (e.g., land, buildings, equipment, improvements, construction in progress, and infrastructure); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City's net position (12 percent) represents resources that are subject to external restrictions on how they may be utilized. The remaining balance of unrestricted net assets (5 percent) may be used to meet the government's ongoing obligation to citizens and creditors, a decrease of \$16.92 million compared to prior year due to reclassification of fund balance from unrestricted to restricted.

Total net position of the City increased \$12.08 million in the fiscal year ended June 30, 2017. This was primarily related to an increase in in the City's cash position, particularly in the governmental activities.

City of Menlo Park's Changes in Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
<b>Revenues:</b>						
<b>Program Revenues:</b>						
Charges for Services	\$ 20,963,034	\$ 26,128,239	\$ 9,487,140	\$ 7,647,125	\$ 30,450,174	\$ 33,775,364
Operating Grants and Contributions	3,918,581	1,976,101	-	-	3,918,581	1,976,101
Capital Grants and Contributions	-	2,123,799	-	-	-	2,123,799
<b>General Revenue:</b>						
Property Taxes	20,676,911	18,227,209	-	-	20,676,911	18,227,209
Sales Taxes	5,635,240	5,425,089	-	-	5,635,240	5,425,089
Transient Occupancy Taxes	6,662,631	6,268,171	-	-	6,662,631	6,268,171
Other Taxes	9,272,058	4,882,372	-	-	9,272,058	4,882,372
Investment Earnings	2,361,140	1,169,712	61,846	111,026	2,422,986	1,280,738
Gain on Sale of Assets	-	47,567	-	-	-	47,567
Miscellaneous	555,225	1,144,891	-	-	555,225	1,144,891
<b>Total Revenues</b>	<b>70,044,820</b>	<b>67,393,150</b>	<b>9,548,986</b>	<b>7,758,151</b>	<b>79,593,806</b>	<b>75,151,301</b>
<b>Expenses:</b>						
General Government	6,831,261	7,567,067	-	-	6,831,261	7,567,067
Public Safety	16,597,178	14,930,689	-	-	16,597,178	14,930,689
Public Works	16,964,601	14,469,169	-	-	16,964,601	14,469,169
Culture and Recreation	12,870,799	11,836,304	-	-	12,870,799	11,836,304
Community Development	5,440,687	4,483,136	-	-	5,440,687	4,483,136
Interest on Long-term Debt	776,182	913,633	-	-	776,182	913,633
Water Operations	-	-	8,037,027	7,323,365	8,037,027	7,323,365
<b>Total Expenses</b>	<b>59,480,708</b>	<b>54,199,997</b>	<b>8,037,027</b>	<b>7,323,365</b>	<b>67,517,735</b>	<b>61,523,363</b>
<b>Inc/Dec in Net Position before Transfers</b>	<b>10,564,112</b>	<b>13,193,153</b>	<b>1,511,959</b>	<b>434,786</b>	<b>12,076,071</b>	<b>13,627,938</b>
Extraordinary gain (loss)	-	-	-	-	-	-
Transfers	201,061	220,185	(201,061)	(220,185)	-	-
<b>Changes in Net Position</b>	<b>10,765,173</b>	<b>13,413,338</b>	<b>1,310,898</b>	<b>214,601</b>	<b>12,076,071</b>	<b>13,627,938</b>
Net Position - Beginning of the Year, as restated	403,972,386	390,559,048	26,219,055	26,004,454	430,191,441	416,563,502
Prior Period Adjustment	-	-	-	-	-	-
<b>Net Position - End of the Year</b>	<b>\$ 414,737,559</b>	<b>\$ 403,972,386</b>	<b>\$ 27,529,953</b>	<b>\$ 26,219,055</b>	<b>\$442,267,512</b>	<b>\$ 430,191,440</b>

Source: Audited Fin. St. pg – 26 & 27

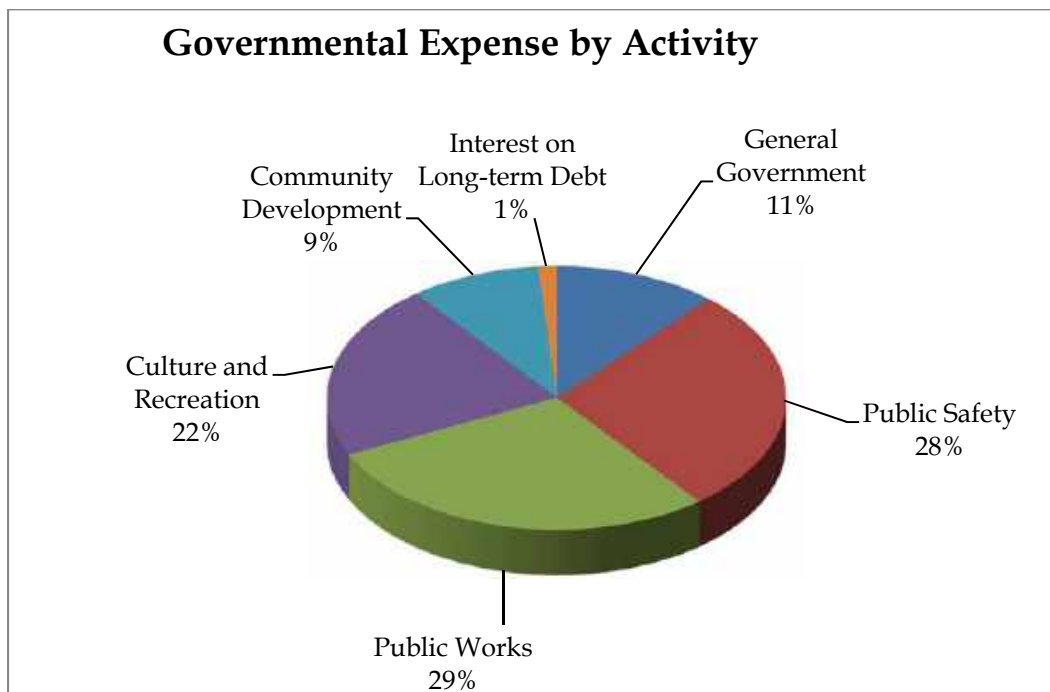
## Governmental Activities

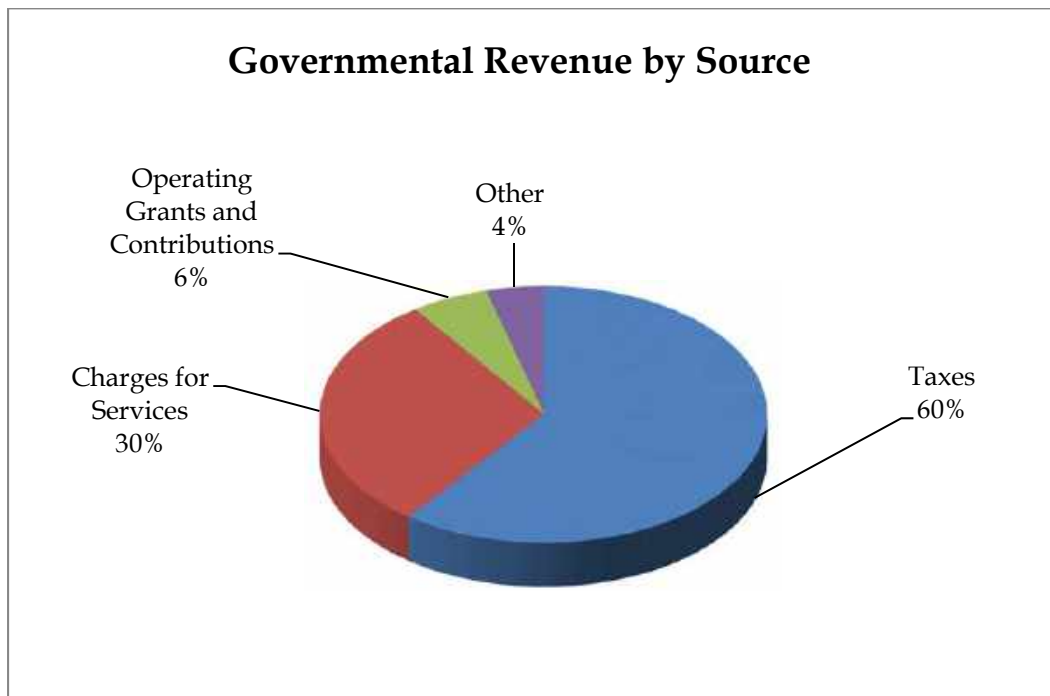
Total governmental activities increased the City of Menlo Park's net position by \$10.76 million, as revenues closed the year well above expenditures which is similar to the prior two fiscal years. Governmental Activities revenues and expenses were up in fiscal year 2016-17 over fiscal year 2015-16, with revenues increasing by \$2.65 million and expenditures increasing by \$5.28 million.

Revenues increased in fiscal year 2016-17 by \$2.65 million largely due to increases in property taxes. Property taxes continued to experience a positive year with significant growth in assessed valuations and continuation of the excess ERAF revenue as discussed below under fiscal outlook. Charges for services are \$1.70 million lower and other taxes are \$1.70 million higher as a result of the reclassification of business license revenue. Charges for services were also lower due to reclassifying long-term rentals into use of money and property.

Expenditures increased in fiscal year 2016-17 by \$5.28 million largely due to entries required to convert the fund financial statements, which are reported on a modified accrual basis, to the government-wide financial statements which are reported on a full accrual basis. In fiscal year 2016-17, depreciation expense increased by \$2.01 million compared to prior year as a result of capital asset additions. The \$2.01 million is allocated to governmental activities based on a detailed listing of all depreciable capital assets. Another factor that contributes to the significant year-over-year increase in expenditures is pension expense arising out of the unfunded pension liabilities which increased \$3.39 million in fiscal year 2016-17 when compared to prior year. This expense is allocated to governmental activities as a percentage of payroll.

The following charts of expenses and sources of funding for the City’s various governmental activities have been derived from the Statement of Activities and Changes in Net Position. The first pie chart reflects expenses incurred in each area as a percentage of the total expense of governmental activities (\$59.48 million in fiscal year 2016-17). The second pie chart reflects the sources of funding available to cover the expenses of the governmental activities (\$70.05 million in fiscal year 2016-17). After applying program revenues (charges for services, grants, and contributions) to the cost of governmental activity programs, remaining expenses must be funded out of the City’s general revenues – primarily taxes and investment earnings. Areas with the highest program revenues (i.e., Public Works, Culture and Recreation, and Community Development) are able to offset relatively more costs than activities that have fewer opportunities to derive program revenues (such as Public Safety). In total, program revenues covered 42 percent of governmental activity expenses in fiscal year 2016-17, which is down when compared to 56 percent for fiscal year 2015-16 but partially reflects previously mentioned reclassifications.





#### *Business Type Activities*

The final net position for business-type activities in fiscal year 2016-17 was \$27.53 million. Total program revenues for business-type activities (operation of the Menlo Park Municipal Water District) were \$8.03 million, which consisted solely of charges for services related to water usage and capital surcharge fees. Total expenses for the business-type activities were \$9.49 million during fiscal year 2016-17, nearly all of which were related to water operations. Overall net position increased by \$1.31 million in 2016-17.

## **FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS**

### **Major Fund Balances – Governmental Funds**

A key function of fund accounting is to segregate resources. In order to reduce frustration when different individual funds are combined for financial reporting purposes and because it is common for governments to have too many funds to include information on each individual fund within the basic financial statements, Major Fund reporting was implemented with Government Accounting Standards Board (GASB) Statement 34. Each major individual fund is required to be presented separately and all non-major governmental funds to be aggregated into a single other governmental fund category. The General Fund is always considered a major fund. The criteria to determine what other funds must be reported as a major fund are:

- Ten percent criterion. An individual fund reports at least 10 percent of any of the following:

- total governmental fund assets,
- total governmental fund liabilities,
- total governmental fund revenues, or
- total governmental fund expenditures.
- Five percent criterion. An individual governmental fund reports at least 5 percent of the total for both governmental and enterprise funds of any one of the items for which it met the 10 percent criterion.

There are six major funds in the Governmental Funds category, one more than prior year with the addition of the Transportation Fund. Below is a table with a comparison of the fund balance for each of these six funds, as well as the non-major funds in aggregate, at June 30, 2017 and June 30, 2016.

<b><u>Governmental Fund Balances</u></b>	<b><u>June 30, 2017</u></b>	<b><u>June 30, 2016</u></b>	<b><u>Positive (Negative) Change</u></b>
General Fund	\$ 33,218,415	\$ 31,716,256	\$ 1,502,159
Below Market Rate Housing Fund	18,652,660	16,884,108	1,768,552
Housing Fund	5,956,515	4,822,471	1,134,044
Transportation Impact Fees Fund	3,671,623	3,680,652	(9,029)
Transportation Fund (new in 2016-17)	(225,985)	-	(225,985)
General Capital Improvement Project Fund	17,751,533	19,249,500	(1,497,967)
Other Governmental Funds	28,524,387	25,275,749	3,248,638
<b>TOTAL</b>	<b><u>\$ 107,549,148</u></b>	<b><u>\$ 101,628,736</u></b>	<b><u>\$ 5,920,412</u></b>

*Source: Audited Fin. St. pg - 74*

### *General Fund Balance*

As noted, the General Fund is always one of the major governmental funds and is the primary operating fund of the City. Most City services are accounted for in the General Fund, including most public safety, public works, parks and community services, library, planning and community development, and general government.

At the end of the fiscal year 2016-17 reporting period, the fund balance of the City's General Fund was \$33.22 million, an increase of \$1.50 million from the prior year. Of the \$33.22 million General Fund fund balance as of June 30, 2017, \$1.4 million of the fund balance was categorized as "nonspendable". In addition to the nonspendable category, the City's General Fund Reserve Policy sets aside ("committed" fund balance) \$9.30 million for emergency contingencies, \$12 million to mitigate the effects of major economic uncertainties, and \$3.30 million for strategic pension funding opportunities. The pension-related reserve is slated to grow when the General Fund achieves a net operating surplus in a given year. The reserve policy affirms the Council's desire to limit use of General Fund balances to address unanticipated, one-time needs or opportunities, and establishes a goal range for the City's unrestricted fund balance (including commitments and assignments of fund balance) of 43-55 percent

of General Fund expenditures. As of June 30, 2017, the City's General Fund unrestricted fund balance equaled 56 percent of the fund's budgeted fiscal year 2017-18 expenditures, including transfers.

#### *Below Market Rate Housing Fund Balance*

The Below Market Rate Housing (BMR) Fund became a major fund for financial statement purposes starting in fiscal year 2011-12, based on the assets of the fund relative to the City's total governmental fund assets. The BMR Housing Program was established in 1987 to increase the housing supply for people who live and/or work in Menlo Park and have limited income per the limits established by San Mateo County. The program requires the provision of BMR units or in-lieu fees for certain development projects. State law requires that all BMR in-lieu fees be committed to affordable housing development within five years of collection. During the 2015-16 fiscal year, the fund had revenue that included \$1.82 million of BMR in-lieu fees, \$0.12 million in interest on outstanding loans and interest earnings from resources held in cash and investments. The fund had expenditures of \$0.18 million for the overall administration of the BMR program and for maintenance and rehabilitation work on various properties.

At June 30, 2017, the BMR Housing Fund balance was \$18.65 million. While this amount is significant, it is not all available for use on new BMR housing projects. Included in the fund balance are assets totaling \$8.82 million held as receivables or loans provided to non-profit affordable housing developers. When deducted from the fund balance, the available balance for projects in future fiscal years is approximately \$9.86 million. It is anticipated that approximately \$6 million of the available balance will be used for a new project sponsored by Mid Pen Housing in fiscal 2017-18, however the City Council has yet to take action to formally commit the funds as of the preparation of this document.

#### *Housing Fund*

As Successor Agency for both housing and non-housing activities of the former redevelopment agency, the City transferred all loans of the former CDA Housing Fund to the City's own, newly established Housing Fund in 2011-12. In previous years, the CDA Housing Fund had received twenty percent of all the tax increment revenues of the former Agency to advance low- and moderate-income housing programs in the area. Per dissolution law, all future tax increment revenues will go to the County, and any unencumbered funds of the former agency will be distributed to other taxing agencies once recognized obligations have been paid. Therefore, the current Housing Fund exists to account for the housing loans of the former Agency. Net revenues from loan payments may go back to the fund to provide further loans or to other qualifying housing programs. The City has elected to report the Housing Fund as a major fund for financial statement purposes.

As of June 30, 2017, the Housing Fund's fund balance was \$4.87 million. Similar to the BMR Housing fund as discussed above, included in the Housing Fund's fund balance are assets totaling \$4.33 million held as notes receivable reflecting loans made to individuals and non-profit affordable housing developers for the provision of affordable housing. In fiscal year 2017-18, approximately \$0.53 million is available for new projects.

#### *General Capital Improvement Project Fund Balance*

The General Capital Improvement Project Fund is also a major fund for financial statement purposes, based on the relative amount of assets in the fund. In fiscal year 2016-17, fund expenditures were

\$7.46 million and included work on major projects such as new sidewalks, downtown streetscape improvements, and improvements to City buildings. Total fund balance decreased \$1.50 million from prior fiscal year due to a year of activity consistent with a fund intended to finance capital improvements. While the revenues over expenditures for this fund were a negative \$7.1 million, the fund received a larger than planned transfer from the General Fund to significantly offset the deficit between revenue and expenditures. With the \$5.60 million of transfers in from other funds, the ending fund balance as of June 30, 2017 was \$17.75 million. The deficit in spending for this fiscal year is not cause for concern as the fund balance reflects an accumulation of various City Council approved projects that are intended to be fully expended over time.

#### *Other Governmental Funds Balances*

At the end of the 2015-16 fiscal year, the total fund balance of the City's 28 non-major governmental funds was \$28.53 million. This represents an increase of \$3.25 million when compared to prior fiscal year and which is discussed in more detail below.

The fund balances consist of 24 special revenue funds, 2 debt service funds, and 2 capital projects funds. Within the special revenue funds, eleven fund balances increased over the course of the fiscal year, while thirteen experienced a decrease. The largest fund balance increases were the Construction Impact Fee Fund \$2.78 million and, the Landfill Post-Closure Fund \$0.60 million. Both funds are utilized to fund capital infrastructure projects, and as such, large fluctuations in fund balance year-over-year are not uncommon as revenues can accumulate over several years to ensure adequate funding for large projects. The largest decrease in fund balance was experienced in the Highway Users' Tax Fund with a \$0.73 million decline, attributed to the street capital projects.

#### **Proprietary Funds**

Proprietary Funds are comprised of enterprise funds and internal service funds. The City has one enterprise operation, which is the Water Fund. An enterprise fund accounts for activities that are financed and operated in a manner similar to private business enterprises. The Menlo Park Municipal Water District (MPMWD) is a self-supporting enterprise in which the sale of water to customers generates the revenue needed to support the operations and capital needs of the district.

The Water Fund accounts for water supplied to the approximately 4,000 customers of the MPMWD. The net position of the fund at June 30, 2017 was \$27.53 million, an increase of \$1.31 million from the prior fiscal year. Revenue from water sales increased \$1.84 million in fiscal year 2016-17 compared to prior fiscal year however expenditures also increased by \$0.76.

#### *Internal Service Funds*

The City uses internal service funds to account for four major administrative activities: Workers' Compensation Insurance, General Liability Insurance, Retiree Medical Benefits, Information Technology, and Vehicle Replacement. Separation of these programs from the General Fund allows for better tracking and allocation of the costs associated with these "overhead" activities and provides a mechanism for funding those costs in the year incurred.



The Vehicle Replacement Fund collected charges for services of \$0.59 million in fiscal year 2016-17 for the cost of anticipated vehicle replacements. As of June 30, 2017, the Fund's net position is \$1.74 million. The Workers' Compensation Insurance Fund collected charges for services in the amount of \$1.32 million. Despite the \$1.32 million inflow, expenditures exceeded revenue, investment earnings, and transfers in by \$0.14 million. The General Liability Fund' collected charges for services in the amount of \$0.79 million and expenditures in the amount of \$0.81 million.

The Retiree Medical Benefits Fund was created in 2008-09 for the sole purpose of providing contributions to the California Employers Retiree Benefits Trust (CERBT), the funding vehicle for the City's long-term obligations under its retiree medical benefits program. \$9.2 million was sufficient to fund the accumulated liability of these benefits in fiscal year 2007-08. Going forward, the amount of the contributions are generated as a percentage-of-payroll charge, actuarially calculated to reflect full funding of the normal (annual) cost of these benefits. In fiscal year 2016-17 these costs were \$0.94 million, while charges for services amounted to \$0.86 million. Overall the Fund had a net loss of \$0.72 million.

The information technology internal service fund is the most active of all internal services with staff to support the vast majority of technological needs of the organization. Charges for services in this fund totaled \$1.73 million offset by expenditures of \$1.57 million in fiscal year 2016-17. As of June 30, 2017, the fund's net position is \$0.13 million.

### **Fiduciary Operations**

Fiduciary Fund Financial Statements are presented in the Basic Financial Statements separately from the Government-Wide Financial Statements. Prior to 2011-12, the City's only fiduciary funds were agency funds, used to account for certain assets held on behalf of others. As the City's role is purely custodial in these cases, all assets reported in the agency funds are offset by a liability to the party on whose behalf they are held. Total assets of the agency funds held by the City increased from \$1.10 million to \$1.28 million, which was due largely to the increase in refundable deposits held for current development projects.

A new private-purpose trust fund was established in 2011-12 to account for the activities related to the dissolution of the former Community Development Agency of the City of Menlo Park. As previously discussed, the former redevelopment agency was eliminated by State law as of February 1, 2012. All assets and obligations (including long-term debt) of the former agency were transferred to the City, as Successor Agency, as of that date. Housing loans are reported as assets in that governmental fund, but all other assets and liabilities are held in trust capacity in a fiduciary fund. Unlike agency funds, trust funds report an "income statement". As such, the activity of the Successor Agency Trust from 2014-15 is reported in the Statement of Changes in Fiduciary Net Position. Because the transferred debt exceeded the transferred assets of the former agency when this trust was established, the fund ended the 2011-12 fiscal year with a negative net position of \$26.84 million. Continued disposition of assets of the former community development agency in led to extraordinary losses in the amount of \$17.15 million in 2012-13 and \$7.37 million in 2013-14. As of June 30, 2017, the fund's net position

was a negative \$35.90 million, a positive improvement over the June 30, 2015 net position by \$2.80 million. For additional information on this trust fund, please see Notes 6 and 17 to the financial statements. It is important to note, however, that because the net negative position is primarily a function of long-term liabilities (debt service), which will be paid by future property tax revenues in the former redevelopment project area, there is no impact on the primary government's current or future financial position.

## **DEBT ADMINISTRATION**

As of June 30, 2017, the City's debt obligations were comprised of General Obligation Bonds. The City's two voter approved "Measure T" general obligation bonds had a balance of \$17.92 million as of June 30, 2017. Of this amount, \$7.81 million is outstanding on the 2012 General Obligation Bond refunding and \$10.11 million is outstanding on the 2009 A and 2009 B General Obligation Bonds.

In October 2015, the City's Community Development Agency issued Tax Allocation Refunding Bonds in a par amount of \$60.3 million for the purpose of refunding at lower interest rates outstanding 2006 Las Pulgas Project Tax Allocation Bonds. The original bonds had been issued to finance capital projects of benefit to the Las Pulgas Community Development Project Area. With the dissolution of redevelopment agencies in 2012, this bonded debt is no longer reported in the Government Wide Financial Statements. These obligations are included in Fiduciary Fund Financial Statements. Additional information on the City's long-term debt can be found in Note 6 of this report.

As disclosed in the Notes to Basic Financial Statements, a liability has been recorded to reflect the City's obligation to provide post-closure care of the landfill at Bayfront Park. Although the City has established a revenue stream to fund landfill post-closure care, governmental accounting standards require the calculation and recording of the liability associated with this activity. The liability is included in the reporting of the City's long-term debt, at an estimated \$4.35 at June 30, 2017.

## **CAPITAL ASSETS**

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2017 amounts to \$366.26 million, net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure and construction in progress. Infrastructure assets are items that are normally immovable and of value only to the City such as roads, bridges, streets and sidewalks, drainage systems, lighting systems and similar items. The City's investment in capital assets totaled \$10.99 million for fiscal year 2016-17. This amount is reduced by accumulated depreciation charges of \$6.44 million and net retirements of assets totaling \$0.52 million. Detailed information on the City's capital assets can be found in Note 5 of this report.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The 2016-17 fiscal year amended budget for the General Fund reflected an operating deficit, of \$2.54 million with revenue inclusive of transfers totaling \$50.39 million and expenditures inclusive of transfers totaling \$52.92 million. The adopted expenditure budget was increased over the course of the fiscal year to include purchase orders and other commitments from the prior year, as well as any other

Council-approved budget adjustments. Most notably, the City Council transferred an additional \$1.8 million from the General Fund to the General Capital Improvement Fund for additional capital improvement projects. At the end of fiscal year 2016-17, however, the revenues inclusive of transfers exceeded expenditures inclusive of transfers resulting in an operating surplus of \$1.50 million.

#### *General Fund Revenues*

The General Fund experienced year-over-year revenue growth for the fourth consecutive year. Overall, revenues, including transfers and asset sales, totaled \$53.46 million, which was a \$1.95 million increase over the prior fiscal year. Property taxes, sales tax, and transient occupancy tax, led the way, accounting for the vast majority of the revenue growth. Sales tax revenues increased year-over-year, reversing a downward trend over the past several fiscal years. Transient occupancy tax revenues continued to show growth as well reflecting a strong economic climate that resulted in high room rates and occupancy rates at hotels in the region. Licenses and permits were flat year-over-year.

#### *General Fund Expenditures*

Total General Fund expenditures, excluding transfers out, totaled \$47.31 million and were 17 percent higher than fiscal year 2015-16. This increase was experienced primarily in personnel costs where the augmented staffing plan for development related services and capital improvement approved as part of the 2015-16 budget was more fully implemented with new staff. Despite the ability of the City to recruit staff in 2016-17, the City has seen an uptick in vacancies and difficulty finding qualified staff to fill vacancies in 2017-2018.

## **ECONOMIC CONDITION AND OUTLOOK**

The City's financial outlook remains sound. Property values remain high and, with a number of large-scale development projects in process, the outlook for future growth in this area is strong. Being the General Fund's largest revenue source, at 39 percent of total revenue, a healthy property tax base is essential for continued sustainability.

One ongoing threat to the property tax base is the uncertainty of what is called "excess ERAF" (educational revenue augmentation fund). San Mateo County is one of several counties in the State of California where the amount generated from the ERAF shift of local property tax exceeds the amount required to meet funding levels for local schools. As a consequence, those funds collected in excess of the requirement have traditionally been redistributed back to the taxing entities. With such a unique circumstance, this revenue source is under scrutiny at the state level, leaving applicable local agencies to determine how to handle the uncertainty in their financial forecasts. To be conservative, the City of Menlo Park's adopted fiscal year 2017-18 budget and the accompanying 10-year forecast reflects receiving 50 percent of this revenue in fiscal year 2017-2018 through fiscal year 2019-20 before it is eliminated entirely in 2020-21. This is a highly speculative assumption that simply serves to keep this uncertainty squarely in management's sights as the City move forward.

On the expenditure side, the City is closely monitoring increases in employee benefit costs. One area of particular note is the City's cost for pension benefits provided by the California Public Employees'

Retirement System (CalPERS). In December 2016, the CalPERS board voted to reduce its assumed rate of investment income, commonly referred to as the “discount rate”, from 7.5 percent to 7.0 percent over three years beginning on July 1, 2018. As part of the City’s 10-year financial forecast, costs are anticipated to increase through 2027-28 nearly doubling from current contributions.

Staff will continue to monitor the long-term budget situation, both locally and at the State level, to keep the City Council informed of critical economic events that may impact the sustainability of the City’s spending plan. Further, staff will continue to be proactive in developing plans to promote economic development in the City, aggressively pursue grant funding for significant infrastructure improvements, and continually assess the City’s operations and service delivery models to achieve efficiencies where possible.

While in an enviable financial position, the City cannot rest on its laurels and must continue to focus its efforts on priority fiscal initiatives such as adequate funding of infrastructure, careful comprehensive planning, and optimization of business and residential development opportunities. Further, as new long-term needs are identified, the appropriate resources to meet those needs must also be identified. And finally, the City must maintain financial flexibility to ensure it is able to quickly respond to the inevitable fluctuations in the economy and the volatility of its major revenue sources.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City’s finances and to show the City’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City of Menlo Park Administrative Services Department, 701 Laurel Street, Menlo Park, California 94025.

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# BASIC FINANCIAL STATEMENTS

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# GOVERNMENT-WIDE FINANCIAL STATEMENTS

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**City of Menlo Park**  
**Statement of Net Position**  
**June 30, 2017**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 100,696,063	\$ 12,147,841	\$ 112,843,904
Receivables:			
Accounts	2,821,815	916,068	3,737,883
Interest	509,242	33,073	542,315
Due from other governments	2,914,266	1,354	2,915,620
Deposits and prepaid items	251,386	-	251,386
Total current assets	<u>107,192,772</u>	<u>13,098,336</u>	<u>120,291,108</u>
Noncurrent assets:			
Notes receivable	16,082,947	-	16,082,947
Net OPEB asset	495,208	-	495,208
Capital assets			
Non-depreciable	242,257,768	4,967,856	247,225,624
Depreciable, net	125,710,650	11,244,569	136,955,219
Total capital asset	<u>367,968,418</u>	<u>16,212,425</u>	<u>384,180,843</u>
Total noncurrent assets	<u>384,546,573</u>	<u>16,212,425</u>	<u>400,758,998</u>
<b>Total assets</b>	<u>491,739,345</u>	<u>29,310,761</u>	<u>521,050,106</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Employer pension contribution	5,458,393	106,671	5,565,064
Pension related amounts	8,481,075	158,889	8,639,964
<b>Total deferred outflow of resources</b>	<u>13,939,468</u>	<u>265,560</u>	<u>14,205,028</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	3,787,641	984,315	4,771,956
Accrued payroll	550,857	15,348	566,205
Interest payable	409,596	-	409,596
Deposits	3,804,883	73,046	3,877,929
Unearned revenue	619,758	-	619,758
Claims payable due within one year	1,019,209	-	1,019,209
Compensated absences due within one year	1,722,988	38,806	1,761,794
Landfill postclosure care due within one year	262,284	-	262,284
Long-term debt due within one year	440,000	-	440,000
Total current liabilities	<u>12,617,216</u>	<u>1,111,515</u>	<u>13,728,731</u>
Noncurrent liabilities:			
Claims payable due in more than one year	3,129,326	-	3,129,326
Compensated absences due in more than one year	1,440,264	32,421	1,472,685
Net pension liability	50,114,253	878,419	50,992,672
Landfill postclosure care due in more than one year	4,090,008	-	4,090,008
Long-term debt due in more than one year	17,481,527	-	17,481,527
Total noncurrent liabilities	<u>76,255,378</u>	<u>910,840</u>	<u>77,166,218</u>
<b>Total liabilities</b>	<u>88,872,594</u>	<u>2,022,355</u>	<u>90,894,949</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related amounts	2,068,660	24,013	2,092,673
<b>Total deferred inflows of resources</b>	<u>2,068,660</u>	<u>24,013</u>	<u>2,092,673</u>
<b>NET POSITION</b>			
Net investment in capital assets	350,046,891	16,212,425	366,259,316
Restricted for:			
Capital projects	6,886,511	12,741,320	19,627,831
Debt service	2,136,803	-	2,136,803
Community development	26,018,398	-	26,018,398
Special projects	6,360,828	-	6,360,828
Unrestricted	23,288,128	(1,423,792)	21,864,336
<b>Total net position</b>	<u>\$ 414,737,559</u>	<u>\$ 27,529,953</u>	<u>\$ 442,267,512</u>

See accompanying Notes to Basic Financial Statements.

**City of Menlo Park**  
**Statement of Activities and Changes in Net Position**  
**For the year ended June 30, 2017**

Functions/Programs	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government:</b>					
Governmental activities:					
General government	\$ 6,831,261	\$ 60,298	\$ -	\$ -	\$ 60,298
Public safety	16,597,178	1,813,050	137,211	-	1,950,261
Public works	16,964,601	6,414,741	2,747,349	-	9,162,090
Culture and recreation	12,870,799	4,383,149	1,034,021	-	5,417,170
Community development	5,440,687	8,291,796	-	-	8,291,796
Interest on long-term debt	776,182	-	-	-	-
<b>Total governmental activities</b>	<b>59,480,708</b>	<b>20,963,034</b>	<b>3,918,581</b>	<b>-</b>	<b>24,881,615</b>
Business-type activities:					
Water	8,037,027	9,487,140	-	-	9,487,140
<b>Total business-type activities</b>	<b>8,037,027</b>	<b>9,487,140</b>	<b>-</b>	<b>-</b>	<b>9,487,140</b>
<b>Total primary government</b>	<b>\$ 67,517,735</b>	<b>\$ 30,450,174</b>	<b>\$ 3,918,581</b>	<b>\$ -</b>	<b>\$ 34,368,755</b>

**General Revenues:**

Taxes:

Property taxes

Sales taxes

Transient occupancy taxes

Franchise taxes

Other taxes

Total taxes

Investment earnings

Gain on the sale of capital assets

Miscellaneous

**Transfers**

**Total general revenues and transfers**

**Change in net position**

**Net position - beginning of year**

**Net position - end of year**

See accompanying Notes to Basic Financial Statements.

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
\$ (6,770,963)	\$ -	\$ (6,770,963)
(14,646,917)	-	(14,646,917)
(7,802,511)	-	(7,802,511)
(7,453,629)	-	(7,453,629)
2,851,109	-	2,851,109
(776,182)	-	(776,182)
<u>(34,599,093)</u>	<u>-</u>	<u>(34,599,093)</u>
<u>-</u>	<u>1,450,113</u>	<u>1,450,113</u>
<u>-</u>	<u>1,450,113</u>	<u>1,450,113</u>
<u>(34,599,093)</u>	<u>1,450,113</u>	<u>(33,148,980)</u>
20,676,911	-	20,676,911
5,635,240	-	5,635,240
6,662,631	-	6,662,631
2,001,107	-	2,001,107
7,270,951	-	7,270,951
42,246,840	-	42,246,840
2,361,140	61,846	2,422,986
-	-	-
555,225	-	555,225
201,061	(201,061)	-
<u>45,364,266</u>	<u>(139,215)</u>	<u>45,225,051</u>
10,765,173	1,310,898	12,076,071
403,972,386	26,219,055	430,191,441
<u>\$ 414,737,559</u>	<u>\$ 27,529,953</u>	<u>\$ 442,267,512</u>

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# FUND FINANCIAL STATEMENTS

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# GOVERNMENTAL FUND FINANCIAL STATEMENTS

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**General Fund** - Accounts for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as police, planning, engineering, public works operations and maintenance, and legal and administrative services.

**Below Market Rate Housing Fund** - Utilized to account for fees collected from developers of 10 or more residential units, which are used to develop below market rate housing units through down payment assistance loans. In addition, it is utilized to account for fees collected from commercial and industrial developers, which are used to expand the stock of low and moderate income houses for people who work in the City.

**Housing Special Revenue Fund** - Accounts for loans transferred to the City when the former Community Development Agency was dissolved. Prior to the Agency's dissolution, the Agency used tax increment revenue restricted for low and moderate income housing to make the loans which were subsequently transferred to the City. This fund's only activity is current revenue and expenditures resulting from loan servicing activities.

**Transportation Impact Fees Fund** - Established to account for fees paid by developers of certain residential, commercial, and industrial properties and projects funded by those fees to mitigate traffic problems resulting either directly or indirectly from the development.

**Transportation Fund** - Established to account for funding for infrastructures related to transportation such as streets/bikelanes/sidewalks/storm drains, etc.

**General Capital Improvement Project Fund** - Utilizes an annual City General Fund transfer to provide adequate funding for maintenance of the City's current infrastructure.

**City of Menlo Park**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2017**

	Major Funds			
	General Fund	Below Market Rate Housing Special Revenue Fund	Housing Special Revenue Fund	Transportation Impact Fees Fund
<b>ASSETS</b>				
Cash and investments	\$ 32,035,285	\$ 9,859,277	\$ 530,473	\$ 5,407,810
Receivables:				
Accounts	2,707,322	-	-	-
Interest	172,993	26,995	206,802	19,365
Notes	1,339,847	8,796,991	5,426,100	-
Due from other governments	937,173	-	-	83,418
Deposits and prepaid items	55,832	-	-	-
Due from other funds	1,069,543	-	-	-
<b>Total assets</b>	<b>\$ 38,317,995</b>	<b>\$ 18,683,263</b>	<b>\$ 6,163,375</b>	<b>\$ 5,510,593</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 1,185,061	\$ 29,344	\$ 58	\$ 244,116
Accrued payroll and related liabilities	496,584	1,259	-	1,633
Due to other funds	-	-	-	-
Deposits	2,250,080	-	-	1,509,803
Unearned revenue	619,758	-	-	-
<b>Total liabilities</b>	<b>4,551,483</b>	<b>30,603</b>	<b>58</b>	<b>1,755,552</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	548,097	-	206,802	83,418
<b>Total deferred inflows of resources</b>	<b>548,097</b>	<b>-</b>	<b>206,802</b>	<b>83,418</b>
<b>Fund Balances:</b>				
Nonspendable	1,395,679	-	-	-
Restricted	-	18,652,660	5,956,515	3,671,623
Committed	24,600,000	-	-	-
Assigned	4,940,127	-	-	-
Unassigned	2,282,609	-	-	-
<b>Total fund balances</b>	<b>33,218,415</b>	<b>18,652,660</b>	<b>5,956,515</b>	<b>3,671,623</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 38,317,995</b>	<b>\$ 18,683,263</b>	<b>\$ 6,163,375</b>	<b>\$ 5,510,593</b>

See accompanying Notes to Basic Financial Statements.



Major Funds			
Transportation Fund	General Capital Improvement Project Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ 184,022	\$ 19,281,635	\$ 28,149,013	\$ 95,447,515
-	10,148	95,204	2,812,674
-	-	68,587	494,742
-	-	520,009	16,082,947
1,195,239	-	698,436	2,914,266
-	-	3,077	58,909
-	-	98,642	1,168,185
<u>\$ 1,379,261</u>	<u>\$ 19,291,783</u>	<u>\$ 29,632,968</u>	<u>\$ 118,979,238</u>
\$ -	\$ 1,521,122	\$ 533,471	\$ 3,513,172
-	19,128	16,681	535,285
410,007	-	421,309	831,316
-	-	45,000	3,804,883
-	-	-	619,758
<u>410,007</u>	<u>1,540,250</u>	<u>1,016,461</u>	<u>9,304,414</u>
<u>1,195,239</u>	<u>-</u>	<u>92,120</u>	<u>2,125,676</u>
<u>1,195,239</u>	<u>-</u>	<u>92,120</u>	<u>2,125,676</u>
-	-	-	1,395,679
-	-	13,121,742	41,402,540
-	-	15,157,048	39,757,048
-	17,751,533	434,489	23,126,149
(225,985)	-	(188,892)	1,867,732
<u>(225,985)</u>	<u>17,751,533</u>	<u>28,524,387</u>	<u>107,549,148</u>
<u>\$ 1,379,261</u>	<u>\$ 19,291,783</u>	<u>\$ 29,632,968</u>	<u>\$ 118,979,238</u>

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**City of Menlo Park**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-Wide Statement of Net Position**  
**June 30, 2017**

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<b>Total Fund Balances - Total Governmental Funds</b>	<b>\$ 107,549,148</b>
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Amounts reported for Governmental Activities in the Statement of Net Position were different because:

Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet.

Non-depreciable	242,257,768
Depreciable (net of internal service fund capital assets of \$3,804,425)	226,751,007
Accumulated depreciation/amortization (net of internal service fund of \$2,633,911)	(102,210,871)

Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in the Governmental Funds Balance Sheet. (409,596)

Net OPEB liabilities are not due and payable in the current period, and therefore are not recorded in the governmental funds 495,208

Employer contributions for pension were recorded as expenditures in the governmental funds. However, in the Government-Wide Financial Statement these contributions are deferred. 5,458,393

In the Government-Wide Financial Statement certain differences between actuarial estimates and actual results for pension are deferred and amortized over a period of time, however in the governmental funds these transactions are not recorded. 6,412,415

Landfill postclosure care costs do not require current financial resources and are not reported as a liability in the Governmental Fund Financials Statements. (4,352,292)

Unavailable revenues recorded in Governmental Fund Financial Statements resulting from activities in which revenues were earned but funds were not available, are reclassified as revenues in the Government-Wide Financial Statements. 2,125,676

Long-term liabilities were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet. The compensated absences is net of the internal service funds in the amount of \$107,033 short-term.

Long-term liabilities - due within one year:	
Compensated absences payable	(1,664,688)
Long-term debt	(440,000)
Long-term liabilities - due in more than one year:	
Compensated absences payable	(1,391,531)
Net pension liability	(50,114,253)
Long-term debt	(17,481,527)

Internal service funds are used to charge the costs of risk management, other post employment benefits and vehicle replacement to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Government-Wide Statement of Net Position. 1,752,702

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<b>Net Position of Governmental Activities</b>	<b>\$ 414,737,559</b>
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See accompanying Notes to Basic Financial Statements.

**City of Menlo Park**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended June 30, 2017**

	Major Funds			
	General Fund	Below Market Rate Housing Special Revenue Fund	Housing Special Revenue Fund	Transportation Impact Fees Fund
<b>REVENUES:</b>				
Taxes:				
Secured property taxes	\$ 19,676,899	\$ -	\$ -	\$ -
Unsecured property taxes	301,908	-	-	-
Other property taxes	698,101	-	-	-
Sales taxes	5,635,240	-	-	-
Other taxes	9,917,410	-	-	-
Special assessments	-	-	-	-
Licenses and permits	5,844,909	-	-	-
Fines and forfeitures	1,110,891	-	-	-
Use of money and property	914,089	125,374	70,603	25,884
Intergovernmental	946,785	-	-	1,803
Charges for services	7,871,435	1,824,526	-	1,565,803
Other	71,799	-	-	-
<b>Total revenues</b>	<b>52,989,466</b>	<b>1,949,900</b>	<b>70,603</b>	<b>1,593,490</b>
<b>EXPENDITURES:</b>				
Current:				
General government	6,692,639	84,348	-	-
Public safety	16,791,931	-	-	-
Public works	8,669,764	-	-	-
Culture and recreation	10,479,885	-	-	-
Community development	4,571,315	10,807	-	-
Urban development and housing	2,732	86,193	16,771	-
Capital outlay	105,692	-	11,215	385,171
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>47,313,958</b>	<b>181,348</b>	<b>27,986</b>	<b>385,171</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>5,675,508</b>	<b>1,768,552</b>	<b>42,617</b>	<b>1,208,319</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	468,169	-	-	-
Transfers out	(4,643,052)	-	-	(1,217,348)
Proceeds from sale of assets	1,534	-	-	-
<b>Total other financing sources (uses)</b>	<b>(4,173,349)</b>	<b>-</b>	<b>-</b>	<b>(1,217,348)</b>
<b>Net change in fund balances</b>	<b>1,502,159</b>	<b>1,768,552</b>	<b>42,617</b>	<b>(9,029)</b>
<b>FUND BALANCES:</b>				
Beginning of year, as restated	31,716,256	16,884,108	5,913,898	3,680,652
End of year	\$ 33,218,415	\$ 18,652,660	\$ 5,956,515	\$ 3,671,623

See accompanying Notes to Basic Financial Statements.

Major Funds			
Transportation Fund	General Capital Improvement Project Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 19,676,899
-	-	-	301,908
-	-	-	698,101
-	-	-	5,635,240
-	86,660	1,568,017	11,572,087
-	-	2,676,947	2,676,947
-	-	415,119	6,260,028
-	-	-	1,110,891
-	-	134,007	1,269,957
696,679	90,000	814,370	2,549,637
1,036	186,185	4,674,248	16,123,233
-	-	491,120	562,919
<u>697,715</u>	<u>362,845</u>	<u>10,773,828</u>	<u>68,437,847</u>
-	-	205,303	6,982,290
-	-	34,335	16,826,266
2,141,048	-	3,267,754	14,078,566
-	-	215,971	10,695,856
-	-	609,421	5,191,543
-	-	-	105,696
-	7,462,248	759,741	8,724,067
-	-	425,000	425,000
-	-	782,173	782,173
<u>2,141,048</u>	<u>7,462,248</u>	<u>6,299,698</u>	<u>63,811,457</u>
<u>(1,443,333)</u>	<u>(7,099,403)</u>	<u>4,474,130</u>	<u>4,626,390</u>
1,217,348	5,601,436	372,579	7,659,532
-	-	(1,598,071)	(7,458,471)
-	-	-	1,534
<u>1,217,348</u>	<u>5,601,436</u>	<u>(1,225,492)</u>	<u>202,595</u>
(225,985)	(1,497,967)	3,248,638	4,828,985
	19,249,500	25,275,749	102,720,163
<u>\$ (225,985)</u>	<u>\$ 17,751,533</u>	<u>\$ 28,524,387</u>	<u>\$ 107,549,148</u>

# City of Menlo Park

## Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities and Changes in Net Position For the year ended June 30, 2017

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Net Change in Fund Balances - Total Governmental Funds	\$	4,828,985
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Amounts reported for governmental activities in the Statement of Activities were different because:

Governmental Funds reported acquisition of capital assets as expenditures in various functions and in capital outlay. However, in the Government-Wide Statement of Activities and Changes in Net Position, the cost of those assets was allocated over their estimated useful lives as depreciation expense. This was the amount of capital assets recorded in the current period. This amount is net of changes recorded in the internal service funds of \$(399,869) .	10,599,886
--	------------

Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities and Changes in Net Position, but they did not require the use of current financial resources. Therefore, depreciation expense was not reported as expenditures in the Governmental Funds. This amount is net of depreciation expense of \$273,334 recorded in the internal service funds.	(6,167,925)
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Loss on the disposal of capital assets was reported in the Government-Wide Statement of Activities and Changes in Net Position, but they did not require the use of current financial resources. Therefore, it was not reported as expenditures in the Governmental Funds.	(516,963)
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Revenues that have not met the revenue recognition criteria in the Fund Financial Statements are recognized as revenue in the Government-Wide Financial Statements. This amount represents the change in unavailable revenue from the prior year.	1,573,640
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Current year employer pension contributions are recorded as expenditures in the governmental funds, however these amounts are reported as a deferred outflow of resources in the Government-Wide Statement of Net Position.	5,458,393
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Pension expense is recorded as incurred in the Government-Wide Statement of Activities, however pension expense is not recognized in the governmental funds.	(5,900,447)
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Expenses to accrue for long-term compensated absences and OPEB liability (asset) is reported in the Government-Wide Statement of Activities and Changes in Net Position, but they do not require the use of current financial resources. Therefore, these expenses are not reported in the Governmental Funds.	
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Change in compensated absences	(414,518)
Net change in OPEB asset	408,220

Bond proceeds provided current financial resources to Governmental Funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position. Repayment of bond principal was an expenditure in Governmental Funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Assets.	
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Long-term debt repayments	425,000
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Proceeds and premiums/discounts on issuance of debt are recorded as revenues/expenditures in the Fund Financial Statements. In the Government-Wide Financial Statements, these costs are capitalized and reported as long-term debt and the premium/discounts are amortized over the life of the debt.	(1,187)
--	---------

Expenses for landfill postclosure costs are expenditures in the Governmental Fund Financial Statements but reduce the liability in the Government-Wide Financial Statements.	203,450
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Interest expense on long-term debt was reported in the Government-Wide Statement of Activities and Changes in Net Position, but it did not require the use of current financial resources. Therefore, interest expense was not reported as expenditures in the Governmental Funds. The following amount represents the change in accrued interest from the prior year.	7,178
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Internal service funds are used to charge the costs of risk management, other post employment benefits and vehicle replacements to individual funds. The net revenue of the internal service funds is reported with governmental activities.	261,461
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<b>Change in Net Position of Governmental Activities</b>	<b>\$</b>	<b>10,765,173</b>
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See accompanying Notes to Basic Financial Statements.

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# PROPRIETARY FUND FINANCIAL STATEMENTS

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Proprietary funds are used to account for activities that are financed and operated in a manner similar to private business enterprises. The City Council has determined that the cost of providing the following services to both internal and external customers be recovered primarily through user charges.

*Enterprise Fund* - Established to account for the financing of goods or services provided to external users. The water distribution operations of the Menlo Park Municipal Water District are the only enterprise activities of the City.

*Internal Service Funds* - These funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

**City of Menlo Park**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2017**

	Major Enterprise Fund Water Fund	Governmental Activities Internal Service Funds
<b>ASSETS</b>		
Current assets:		
Cash and investments	\$ 12,147,841	\$ 5,248,548
Receivables:		
Accounts	916,068	9,141
Interest	33,073	14,500
Due from other governments	1,354	-
Deposits and prepaid expenses	-	192,477
Total current assets	<u>13,098,336</u>	<u>5,464,666</u>
Capital assets:		
Non-depreciable	4,967,856	-
Depreciable, net	11,244,569	1,170,514
Total capital assets	<u>16,212,425</u>	<u>1,170,514</u>
<b>Total assets</b>	<u>29,310,761</u>	<u>6,635,180</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>		
Employer pension contribution	106,671	-
Pension related amounts	158,889	-
<b>Total deferred outflow of resources</b>	<u>265,560</u>	<u>-</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	984,315	274,469
Accrued payroll	15,348	15,572
Deposits	73,046	-
Due to other funds	-	336,869
Claims payable, due within one year	-	1,019,209
Compensated absences, due within one year	38,806	58,300
Total current liabilities	<u>1,111,515</u>	<u>1,704,419</u>
Noncurrent liabilities:		
Claims payable, due in more than one year	-	3,129,326
Net pension liability	878,419	-
Compensated absences, due in more than one year	32,421	48,733
Total noncurrent liabilities	<u>910,840</u>	<u>3,178,059</u>
<b>Total liabilities</b>	<u>2,022,355</u>	<u>4,882,478</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>		
Pension related amounts	24,013	-
Total deferred outflow of resources	<u>24,013</u>	<u>-</u>
<b>NET POSITION</b>		
Net investment in capital assets	16,212,425	1,170,514
Restricted for:		
Capital projects	12,741,320	-
Unrestricted	(1,423,792)	582,188
<b>Total net position</b>	<u>\$ 27,529,953</u>	<u>\$ 1,752,702</u>

See accompanying Notes to Basic Financial Statements.



**City of Menlo Park**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the year ended June 30, 2017**

	Major Enterprise Fund	Governmental Activities
	Water Fund	Internal Service Funds
<b>OPERATING REVENUES:</b>		
Charges for services	\$ 9,487,140	\$ 5,298,116
<b>Total operating revenues</b>	<b>9,487,140</b>	<b>5,298,116</b>
<b>OPERATING EXPENSES:</b>		
Cost of sales and services	7,125,659	-
Personnel services	-	1,518,250
General and administrative	587,742	1,195,497
Insurance	-	2,081,373
Depreciation	323,626	273,334
<b>Total operating expenses</b>	<b>8,037,027</b>	<b>5,068,454</b>
<b>OPERATING INCOME (LOSS)</b>	<b>1,450,113</b>	<b>229,662</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>		
Interest income	61,846	22,658
Gain/(loss) on sale of equipment	-	9,141
<b>Total nonoperating revenues</b>	<b>61,846</b>	<b>31,799</b>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<b>1,511,959</b>	<b>261,461</b>
<b>TRANSFERS:</b>		
Transfers out	(201,061)	-
<b>Total transfers</b>	<b>(201,061)</b>	<b>-</b>
<b>Net income (loss)</b>	<b>1,310,898</b>	<b>261,461</b>
<b>NET POSITION:</b>		
Beginning of year	26,219,055	1,491,241
End of year	\$ 27,529,953	\$ 1,752,702

See accompanying Notes to Basic Financial Statements.

**City of Menlo Park**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the year ended June 30, 2017**

	Major Enterprise Fund Water Fund	Governmental Activities Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers/ other funds	\$ 9,488,562	\$ 5,297,389
Cash payment to suppliers	(6,939,997)	(2,921,878)
Cash payments for general and administrative	(707,107)	-
Cash paid to employees	-	(1,473,838)
<b>Net cash provided (used) by operating activities</b>	<b>1,841,458</b>	<b>901,673</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Transfers to other funds	(201,061)	-
<b>Net cash provided (used) by noncapital financing activities</b>	<b>(201,061)</b>	<b>-</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisition and construction of capital assets	(1,657,546)	(399,869)
Proceeds from disposal of capital assets	-	9,141
<b>Net cash provided (used) by capital and related financing activities</b>	<b>(1,657,546)</b>	<b>(390,728)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Investment income	55,887	18,746
<b>Net cash provided (used) by investing activities</b>	<b>55,887</b>	<b>18,746</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>38,738</b>	<b>529,691</b>
<b>CASH AND CASH EQUIVALENTS:</b>		
Beginning of year	12,109,103	4,718,857
End of year	<u>\$ 12,147,841</u>	<u>\$ 5,248,548</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ 1,450,113	\$ 229,662
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	323,626	273,334
Changes in current assets and liabilities:		
Accounts receivable	(41,124)	(727)
Deferred outflow of resources	(176,197)	-
Prepaid expenses	-	10,622
Accounts payable	185,662	(140,882)
Accrued payroll	(16,689)	(17,133)
Insurance claim payable	-	485,252
Compensated absences	(92,492)	61,545
Deferred inflow of resources	(49,043)	-
Net pension liability	215,056	-
Deposits	42,546	-
Total adjustments	391,345	672,011
<b>Net cash provided (used) by operating activities</b>	<b>\$ 1,841,458</b>	<b>\$ 901,673</b>

See accompanying Notes to Basic Financial Statements.

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# FIDUCIARY FUND FINANCIAL STATEMENTS

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Agency Funds are custodial in nature and do not involve measurements of results of operations. They are used to account for assets held in an agency capacity for others and therefore cannot be used to support the City's programs.

**City of Menlo Park**  
**Statement of Fiduciary Net Position**  
**June 30, 2017**

	Total Successor Agency Trust Fund	Agency Funds
<b>ASSETS</b>		
Current assets:		
Cash and investments:		
Held with City	\$ 9,080,285	\$ 922,842
Prepays	-	340,619
Accounts receivable	-	15,589
<b>Total assets</b>	<b>9,080,285</b>	<b>\$ 1,279,050</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred loss of refunding	11,954,769	
	11,954,769	
<b>LIABILITIES</b>		
Liabilities:		
Accounts payable	3,850	\$ 205,873
Due to the City	-	151,335
Interest payable	573,238	-
Deposits	108,891	921,842
Long-term debt:		
Due within one year	3,140,000	-
Due in more than one year	53,113,300	-
<b>Total liabilities</b>	<b>56,939,279</b>	<b>\$ 1,279,050</b>
<b>NET POSITION</b>		
Held in trust for private purpose	(35,904,225)	
<b>Total net position</b>	<b>\$ (35,904,225)</b>	

See accompanying Notes to Basic Financial Statements.

**City of Menlo Park**  
**Statement of Changes in Fiduciary Net Position**  
**Private Purpose Trust Fund - Successor Agency**  
**For the Period Ending June 30, 2017**

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	Total Successor Agency Funds
<b>Additions:</b>	
Property taxes	\$ 5,464,800
<b>Total additions</b>	<u>5,464,800</u>
<b>Deductions:</b>	
Interest and fiscal agency expenses of former redevelopment agency	<u>2,663,452</u>
<b>Total deductions</b>	<u>2,663,452</u>
<b>Change in net position</b>	<u>2,801,348</u>
Net position - beginning of the year	<u>(38,705,573)</u>
Net position - end of the year	<u>\$ (35,904,225)</u>

See accompanying Notes to Basic Financial Statements.

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**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The City of Menlo Park (City) was incorporated under the General Laws of the State of California and enjoys all the rights and privileges pertaining to such "General Law" cities. The City uses the City Council/Manager form of government. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

The criteria used in determining the scope of the reporting entity are based on the provisions of Governmental Accounting Statements No. 61, *The Financial Reporting Entity*. The City is the primary government unit based on the foundation of a separately elected governing board that is elected by the citizens in a general public election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The City is financially accountable if it appoints a voting majority of the organization's governing body and: 1) It is able to impose its will on that organization, or 2) There is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

As of June 30, 2017, the City did not include component units, because as of February 1, 2012, the Community Development Agency was dissolved through State Assembly Bill 1X 26, which dissolved redevelopment agencies throughout the State of California. The activity of the former Community Development Agency was reported in the City's financial statements for the shortened period of July 1, 2012 through January 31, 2012. Subsequent to that, all remaining assets were transferred to the Successor Agency of the former Community Development Agency. The Successor Agency is reported in the City's financial statements as a fiduciary private-purpose trust fund.

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The City Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of governmental and business-type activities for the City, the primary government, accompanied by a total column. Fiduciary activities of the City are not included in these statements.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**A. Reporting Entity, Continued**

These Government-Wide Financial Statements are presented on an “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets, deferred outflows of resources, liabilities (including capital assets and related infrastructure assets and long-term liabilities), and deferred inflows of resources are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position.

Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. However, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to/from other funds
- Advances to/from other funds
- Transfers in/out

The City applies all applicable GASB pronouncements (including all NCGA Statements and Interpretations currently in effect) under Governmental Accounting Statements No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.

**B. Basis of Accounting and Measurement Focus**

*Governmental Fund Financial Statements*

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The City has presented the following major funds:



**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***B. Basis of Accounting and Measurement Focus, Continued***

***General Fund*** - Accounts for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as police, planning, engineering, public works operations and maintenance, library, recreational programs and legal and administrative services.

***Below Market Rate Housing Fund*** - Utilized to account for fees collected from developers of 10 or more residential units, which are used to develop below market rate housing units through down payment assistance loans. In addition, it is utilized to account for fees collected from commercial and industrial developers, which are used to expand the stock of low and moderate income houses for people who work in the City.

***Housing Special Revenue Fund*** - Accounts for loans transferred to the City when the former Community Development Agency was dissolved. Prior to the Agency's dissolution, the Agency used tax increment revenue restricted for low and moderate income housing to make the loans which were subsequently transferred to the City. This fund's only activities are current revenues and expenditures resulting from servicing of these loans.

***Transportation Impact Fees Fund*** - Accounts for fees paid by developers of certain residential, commercial, and industrial properties and projects funded by those fees to mitigate traffic problems resulting either directly or indirectly from the development.

***Transportation Fund*** - Accounts for funding for infrastructures related to transportation such as streets/bikelanes/sidewalks/storm drains, etc.

***General Capital Improvement Project Fund*** - Utilizes General Fund transfers to provide adequate funding for the maintenance of the City's existing infrastructure and other non-recurring initiatives.

All governmental funds are accounted for on a spending or "*current financial resources*" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current position. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are recorded when received in cash, except those revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***B. Basis of Accounting and Measurement Focus, Continued***

Unearned revenues arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the government has a legal claim to the resources, the deferred revenue is removed from the balance sheet and revenue is recognized.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

*Proprietary Fund Financial Statements*

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Change in Net Position, and a Statement of Cash Flows for all proprietary funds.

Proprietary funds are accounted for using the “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included in the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

There are two types of proprietary funds: enterprise funds and internal service funds. The City accounts for the activities of the Menlo Park Municipal Water District as its only enterprise fund. As such, the fund comprises the only business-type activities reported in the City-wide financial statements. Activities of the City’s Workers’ Compensation, General Liability, Retiree Medical Benefit, Information Technology, and Vehicle Replacement programs are accounted for in five separate internal service funds. These activities are included in the City-wide financial statements as governmental activities.

*Fiduciary Fund Financial Statements*

Fiduciary fund financial statements include a Statement of Fiduciary Net Position. The City’s fiduciary funds represent agency funds, which are custodial in nature and do not involve measurement of results of operations. The agency funds are accounted for using the accrual basis of accounting. Agency funds are used to account for Refundable Deposits, Cash Bonds Payable and the Payroll Revolving.

The City also maintains fiduciary funds (private-purpose trust funds) for the Successor Agency to the former Community Development Agency. Private-purpose trust funds include a Statement of Net Position and a Statement of Changes in Fiduciary Net Position.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**C. Cash and Investments**

The City pools cash resources from all funds in order to facilitate the management of cash. The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms.

In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures (Amendment of GASB No. 3)*, certain disclosure requirements for Deposits and Investment Risks were made in the following areas:

- Interest Rate Risk
- Credit Risk
  - Overall
  - Custodial Credit Risk
  - Concentrations of Credit Risk

In addition, other disclosures are specified including the use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at the time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF) which has invested a portion of the pooled funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to the changes in interest rates.

Cash equivalents are considered amounts in demand deposits and short-term investments with a maturity date within three months of the date acquired by the City and are presented as "Cash and Investments" in the accompanying Basic Financial Statements.

**D. Capital Assets**

Capital assets are valued at historical cost or estimated historical cost if actual historical cost was not available. Donated assets are valued at acquisition value on the date donated. City policy has set the capitalization threshold for reporting capital assets at \$5,000. Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

Buildings	40 years
Other improvements	40 years
Equipment	3-15 years
Infrastructure	15-50

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***D. Capital Assets, continued***

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34 which requires the inclusion of infrastructure capital assets in local governments' basic financial statements. In accordance with GASB Statement No. 34, the City has included all infrastructure into the current Basic Financial Statements.

The City defines infrastructure as the basic physical assets that allow the City to function. The assets include streets, sewer, and park lands. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, landscaping and land. These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

Interest accrued during capital assets construction, if any, is capitalized for the business-type and proprietary funds as part of the asset cost.

For all infrastructure systems, the City elected to use the Basic Approach as defined by GASB Statement No. 34 for infrastructure reporting. The City commissioned an appraisal of City owned infrastructure and property as of June 30, 2002. This appraisal determined the original cost, which is defined as the actual cost to acquire new property in accordance with market prices at the time of first construction/acquisition. Original costs were developed in one of three ways: (1) historical records; (2) standard unit costs appropriate for the construction/acquisition date; or (3) present cost indexed by a reciprocal factor of the price increase from the construction/acquisition date to the current date. The accumulated depreciation, defined as the total depreciation from the date of construction/acquisition to the current date on a straight line, unrecovered cost method was computed using industry accepted life expectancies for each infrastructure subsystem. The book value was then computed by deducting the accumulated depreciation from the original cost.

***E. Long-Term Obligations***

In the Government-Wide Financial Statements, the long-term obligations are reported as liabilities in the appropriate funds. The Fund Financial Statements do not present long-term debt but are shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets.

***F. Net Position and Fund Equity***

In the Government-Wide Financial Statements, net position is classified in the following categories:

*Net Investment in Capital Assets* - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction, or improvement of the assets.

*Restricted*- This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

*F. Net Position and Fund Equity, continued*

Unrestricted– This amount is all net assets that do not meet the definition of “invested in capital assets, net of related debt” or “restricted.”

When an expense is incurred for purposes for which both the restricted and unrestricted portions of net position are available, the City’s policy is to apply restricted portion of net position first.

Fund Financial Statements

In the Fund Financial Statements, fund balances are in classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in the governmental funds. Fund balances are classified in the following categories:

Nonspendable – Items that cannot be spent because they are not in spendable form, such as prepaid items and inventories, items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.

Restricted – Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

Committed – Committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making, normally the governing body through resolutions and that remain binding unless removed in the same manner. The City Council is considered the highest authority for the City.

Assigned – Assigned fund balances encompass the portion of net fund resources reflecting the government’s intended use of resources. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for the purpose. The City Council has given the authorization to the City Manager to assign any net fund resources.

Unassigned – This category is for any balances that have no restrictions placed upon them.

In October 2014, the City Council updated the fund balance policy for net position and fund equity. Due to the nature of the restrictions of Nonspendable and Restricted fund balances, the policy focuses on financial reporting of unrestricted fund balance, or the last three categories listed above. As the highest level of decision-making authority, City Council may commit fund balances for specific purposes pursuant to constraints imposed by formal actions taken, such as an ordinance or resolution. The policy delegates the authority to assign fund balance amounts to be used for specific purposes to the City Manager for the purpose of reporting these amounts in the annual financial statements. Restricted fund balances will be expended before unrestricted fund balances when expenditures are incurred for purposes for which both are available. Unrestricted fund balances will be exhausted in the order of assigned, unassigned and committed when expenditures are incurred for which any of these fund balances are available.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

*G. Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

*H. Compensated Absences*

City employees have vested interests in varying levels of vacation, sick leave, and compensatory time. If compensated absences are not used by the employee during the term of employment, compensation is payable to the employee at the time of retirement or termination. Such compensation is calculated at the employees' then prevalent rate at the time of retirement or termination. Whereas vacation and compensatory time is compensated at 100% of accumulated hours, sick leave is accrued and compensated only at retirement at 15% of accumulated hours. On termination, only accrued vacation and compensatory time is compensated, not sick leave. The liabilities for compensated absences of the governmental activities are recorded in the Government-Wide Financial Statements. However, the General Fund is liable for 90% of the total city-wide compensated absence liability. The liabilities of compensated absences of proprietary funds are recorded as liabilities in the appropriate proprietary fund and in the business-type activities in the Government-Wide Financial Statements. The liabilities of compensated absences in the governmental funds are reported in those funds only if there is an unused reimbursable leave still outstanding following an employee's resignation or retirement as of June 30, 2017.

A recap of the maximum accruals by bargaining unit is as follows:

<u>Bargaining Unit</u>	<u>Vacation</u>	<u>Sick Leave</u>
SEIU	336 hours	1,440 hours
AFSCME	336 hours	1,440 hours
POA	440 hours	1,500 hours
PSA	1,400 hours combined	
Unrepresented Management	1,200 hours combined	

*I. Property Taxes*

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas. Accordingly, the City accrues only those taxes which are receivable from the County of San Mateo (County) within sixty days after year-end.

<u>Lien Date</u>	<u>March 1</u>
Levy Date	July 1
Due Date	November 1 and February 1
Collection	December 10 and April 10

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***I. Property Taxes, continued***

Property taxes levied are recorded as revenue when received, in the fiscal year of levy, because of the adoption of the "alternate method of property tax distribution," known as the Teeter Plan, by the City and the County. The Teeter Plan authorizes the Auditor/Controller of the County to allocate 100% of the secured property taxes billed, but not yet paid.

***J. Pension***

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***K. Interfund Balances/Internal Balances***

Advances to and advances from other funds represent interfund loans in the fund financial statements. Advances between funds are offset by a fund balance reservation or by unearned revenue in the applicable governmental funds to indicate that they are not available financial resources. Any unpaid interest due to lack of funds in the borrowing fund increases the principal owed and is reported in the lending fund as unearned revenue. All other outstanding balances between funds are reported as due to and due from other funds. These are generally repaid within the following fiscal year. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

***L. Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of net position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statement of net position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

***M. New Pronouncements***

For the fiscal year ending June 30, 2017, the City has implemented the following Governmental Accounts Standards Board (GASB) Statement:

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

*M. New Pronouncements, continued*

- GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*– The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The requirements of this statement were not applicable to the City.
- GASB Statement No. 77, *Tax Abatement Disclosure*– This Statement addresses the financial statements prepared by state and local governments in conformity with generally accepted accounting principles provide citizens and taxpayers, legislative and oversight bodies, municipal bond analysts, and others with information they need to evaluate the financial health of governments, make decisions, and assess accountability. This information is intended, among other things, to assist these users of financial statements in assessing (1) whether a government’s current-year revenues were sufficient to pay for current-year services (known as interperiod equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government’s financial resources come from and how it uses them, and (4) a government’s financial position and economic condition and how they have changed over time. There was no impact on net position as a result of implementation of this statement.
- GASB Statement No. 78, *Pension Provided through Certain Multiple-Employer Defined Benefit Pension Plans*– The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. The requirements of this statement were not applicable to the City.
- GASB Statement No. 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14* - The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The requirements of this statement were not applicable to the City.



**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**2. CASH AND INVESTMENTS**

The City maintains a cash and investment pool for all funds. Certain restricted funds, which are held and invested by independent outside custodians through contractual agreements, are not pooled. These restricted funds are reported as cash with fiscal agents.

**A. Summary of Cash and Investments**

The following is a summary of pooled cash and investments at June 30, 2017:

	Government-Wide Statement of Net Position			Fund Financials	Total
	Governmental Activities	Business-Type Activities	Total	Fiduciary Funds Statement of Net Position*	
Cash and Investments	\$ 100,696,063	\$ 12,147,841	\$ 112,843,904	\$ 9,851,793	\$ 122,695,697

\*Cash and investments amount of \$9,851,793 under fiduciary funds is net of negative balance of \$151,335 under payroll revolving agency fund.

Cash and investments as of June 30, 2017 consist of the following:

Cash on hand	\$ 17,441
Deposits with financial institution	1,869,811
<b>Total cash on hand and deposits</b>	<b>1,887,252</b>
Local Agency Investment funds	59,733,555
Securities of U.S. Government	42,819,290
Corporate Bonds	18,255,600
<b>Total investments</b>	<b>120,808,445</b>
<b>Total cash and investments</b>	<b>\$ 122,695,697</b>

As of June 30, 2017, the City had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in years)				
		1 year or less	1-2 years	2-3 years	3-4 years	4-5 years
Securities of U.S. Government						
Government bonds	\$ 11,465,641	\$ 5,990,036	\$ 1,493,145	\$ 3,982,460	\$ -	\$ -
Government Agencies	31,353,649	14,477,495	8,451,491	8,424,663	-	-
Local Agency Investments Funds	59,733,555	59,733,555	-	-	-	-
Corporate bonds	18,255,600	7,719,595	2,478,013	6,480,143	1,577,849	-
<b>Total</b>	<b>\$ 120,808,445</b>	<b>\$ 87,920,681</b>	<b>\$ 12,422,649</b>	<b>\$ 18,887,266</b>	<b>\$ 1,577,849</b>	<b>\$ -</b>

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**2. CASH AND INVESTMENTS, continued**

**B. Deposits**

At June 30, 2017, the carrying amount of the City's deposits was \$1,869,811 and the bank balances were \$1,924,152. The total bank balance was covered by federal depository insurance or by collateral held by the City's agent in the City's name.

All pooled certificates of deposit and bank balances are entirely insured or collateralized. The California Government Code requires California banks and savings and loan associations to secure an agency's deposits by pledging government securities as collateral. The fair value of the pledged securities must equal at least 110% of an agency's deposits. California law also allows financial institutions to secure local agency deposits by pledging first trust deed mortgage notes having a value of 150% of a local agency's deposits. The City may waive collateral requirements for deposits which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC).

**C. Authorized Investments**

The City will not invest in securities maturing more than five years from the date of purchase, unless the Council has by resolution granted authority to make such an investment at least three months prior to the date of investment.

The investments made by the City Treasurer are limited to those allowable under State statutes as incorporated into the City's Investment Policy, which is adopted annually and is more conservative than that allowed by State statute.

Under provisions of this policy, the City is authorized to invest in the following types of investments:

- Certificates of Deposit
- Bankers Acceptances
- Commercial Papers
- Repurchase Agreements
- Government Agency Securities
- Treasury Bills and Notes
- Medium Term Notes
- Money Market Funds
- State of California Local Agency Investment Fund

GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, requires that the City's investments be carried at fair value instead of cost. Accordingly, the City adjusts the carrying value of its investments to reflect their fair value at each fiscal year-end, and the effects of these adjustments are included in income for that fiscal year. Changes in fair value in the fiscal year ended June 30, 2017 from the fiscal year ended June 30, 2016, amounted to a decrease of \$229,613.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**2. CASH AND INVESTMENTS, Continued**

*C. Authorized Investments, continued*

Investment income earned on pooled cash and investments (including realized and unrealized gains and losses) is allocated monthly to the various funds based on monthly cash balances. Investment income from cash and investments with fiscal agents is credited directly to the related funds.

*External Investment Pool*

The City's investments with LAIF at June 30, 2017, included a small portion of the pooled funds invested in Structured Notes and Asset-Backed Securities. These investments may include the following:

*Structured Notes* – debt securities (other than asset-back securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

*Asset-Backed Securities* – generally mortgage-backed securities which entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's) or credit card receivables.

As of June 30, 2017, the City had \$59,796,900 invested in LAIF, which had invested 2.89% of the pool investment funds in Structured Notes and Asset-Back Securities. LAIF determines fair value of its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where fair value is not readily available. The City valued its investments in LAIF as of June 30, 2017, by multiplying its account balance with LAIF times a fair value factor determined by LAIF. This fair value factor was determined by dividing all LAIF participants' total aggregate amortized cost by total aggregate fair value. Accordingly, as of June 30, 2016, the City's investment in LAIF at fair value amounted to \$59,733,555 using a LAIF fair value factor of 0.998940671.

*Successor Agency Pooled Cash and Investments*

Cash and investments consisted of \$9,080,285 at June 30, 2017. The Agency pools cash from all sources and all funds with the City so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time.

*D. Risks Disclosures*

*Interest Rate Risk:* As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy provides that final maturities of securities cannot exceed five years. Specific maturities of investments depend on liquidity needs. At June 30, 2017, the City's pooled cash and investments had the following maturities:

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**2. CASH AND INVESTMENTS, Continued**

*D. Risks Disclosures, Continued*

<u>Maturity</u>	<u>Percentage of Investment</u>
Less than one year	73%
One to two years	10%
Two to three years	16%
Three to four years	1%

*Credit Risk:* It is the City's policy that commercial paper have a rating of "A-1" or higher by a nationally recognized statistical rating organization (NRSRO) and with a maturity date not exceeding 270 days from the date of purchase. Medium-term notes, with a final maturity not exceeding four years from the date of purchase, must have a rating of AA or the equivalent by a NRSRO. Medium-term notes with a final maturity exceeding four years from the date of purchase shall be rated at least AAA or the equivalent by a NRSRO at the time of purchase. According to the City's investment policy, the aggregate investment in medium-term notes will not exceed 30% of the City's total portfolio. The Local Agency Investment Fund (LAIF), administered by the State of California, has a separate investment policy, governed by Government Code Sections 16480-16481.2, that provides credit standards for its investments.

<u>Issuer</u>	<u>Type</u>	Rating	
		Standard & Poor's	Moody's
FNMA	U.S Instrumentality	AA+	Aaa
FHLMC	U.S Instrumentality	AA+	Aaa
U.S. Treasury	T-Note	AA+	Aaa
Berkshire Hathaway	Corporate Bond	AA	Aa2
FHLB	U.S Instrumentality	AA+	Aaa
Pfizer Inc	Corporate Bond	AA	A1
Wells Fargo	Corporate Bond	A	A2
Apple Inc.	Corporate Bond	AA+	Aa1
FFCB	U.S Instrumentality	AA+	Aaa
Toyota Motor Credit	Corporate Bond	AA-	Aa3
Microsoft	Corporate Bond	AAA	Aaa
PepsiCo Inc	Corporate Bond	A+	A1
Chevron Corp	Corporate Bond	AA-	Aa2
Wal-Mart Stores Inc	Corporate Bond	AA	Aa2
Cisco System Inc	Corporate Bond	AA-	A1
JPMorgan Chase & Co	Corporate Bond	A-	A3
Coca-Cola Co/The	Corporate Bond	AA-	Aa3
PNC Bank NA	Corporate Bond	A	A2

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All securities, with the exception of the money market funds and LAIF, are held by a third-party custodian (Union Bank of California Trust Division). Union Bank is a registered member of the Federal Reserve Bank. The securities held by Union Bank are in street name, and an account number assigned to the City identifies ownership.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**2. CASH AND INVESTMENTS, Continued**

*E. Investment Valuation*

Investments (except for money market accounts, time deposits, and commercial paper) are measured at fair value on a recurring basis. *Recurring* fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investment fair value measurements at June 30, 2017 are described below.

Investments included in LAIF and restricted cash and investments included money market accounts and guaranteed investment contracts are not subject to fair value measurement.

Investment Type	Fair Value	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Investment subject to levels				
Government bonds	\$ 11,465,641	\$ 11,465,641	\$ -	\$ -
Government agencies	31,353,649	-	31,353,649	-
Corporate bonds	18,255,600	-	18,255,600	-
Total investment subject to levels	<u>61,074,890</u>	<u>11,465,641</u>	<u>49,609,249</u>	<u>-</u>
Investment not subject to levels				
Local agency investment fund	59,733,555	-	-	-
Total investments	<u>\$ 120,808,445</u>	<u>\$ 11,465,641</u>	<u>\$ 49,609,249</u>	<u>\$ -</u>

Government bonds categorized as Level 1 are valued based on prices quoted in active markets for those securities. Government agencies and corporate bonds categorized as Level 2 are valued based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuations for which all significant assumptions are observable or can be corroborated by observable market data.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**3. RECEIVABLES**

*A. Accounts Receivable*

As of June 30, 2017, summary of accounts receivable is as follows:

	Governmental Activities	Business-Type Activities
Accounts receivable	\$ 2,821,815	\$ 916,068
Due from other governments	2,914,266	1,354
<b>Total receivables</b>	<b>\$ 5,736,081</b>	<b>\$ 917,422</b>

As of June 30, 2017, accounts receivable consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Taxes:			
Occupancy taxes	\$ 1,875,381	\$ -	\$ 1,875,381
Utility taxes	158,264	-	158,264
<b>Total taxes</b>	<b>2,033,645</b>	<b>-</b>	<b>2,033,645</b>
Franchise Fees	7,560	-	7,560
Rental Income	6,955	-	6,955
General Government	33,745	-	33,745
Police	10,675	-	10,675
Public Works	289,661	-	289,661
Water service fees	-	916,069	916,069
Community Development	429,639	-	429,639
Recreation Programs	9,935	-	9,935
<b>Total accounts receivable</b>	<b>\$ 2,821,815</b>	<b>\$ 916,069</b>	<b>\$ 3,737,884</b>

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**3. RECEIVABLES, Continued**

*B. Notes Receivable*

As of June 30, 2017, notes receivable consisted of the following:

	<u>Notes Receivable</u>
Major Funds:	
General Fund	\$ 1,339,847
Below Market Rate Housing	8,796,991
Housing Fund	<u>5,426,100</u>
Total Major Funds	15,562,938
Other Governmental Funds	
Community Development Block Grant	481,482
Federal Revenue Sharing Fund	<u>38,527</u>
Total Non-Major funds	<u>520,009</u>
<b>Total notes receivable</b>	<u><u>\$ 16,082,947</u></u>

City Manager Housing

As part of the employment agreement with the City Manager, effective March 2012, the City Council has authorized a loan evidenced by a note totaling \$990,000 in order to assist in the purchase of residential real estate property. The note is secured by a deed of trust on the property. The note bears an interest rate of 3.5% per annum, or, at the option of the City Manager, he may pay 2% per annum interest only, and 1.5% per annum would be deferred until the ultimate sale of the property or payment of the loan. The note is due and payable within 24 months of termination of employment or within 12 months if he no longer resides in the property. Effective January 1, 2014, City Council reduced the interest rate payable to 3% per annum and authorized an additional loan of up to \$360,000 for remodeling/renovation of his home with an interest rate of 2.5%. The outstanding balance of the notes at June 30, 2017, was \$1,339,847.

Community Development Block Grant

The City administers home improvement loans to seniors and very low income residents using Community Development Block Grant (CDBG) funds. The program provides for no or very low interest loans, which are secured by deeds of trust. Although payments for some loans are amortized over an established schedule, some loans allow for deferred payment of accrued interest and principal until the property changes ownership. Repayments received from outstanding loans are used to make additional housing rehabilitation loans. Outstanding loans at June 30, 2017, were \$481,482.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**3. RECEIVABLES, Continued**

*B. Notes Receivable, Continued*

Housing Fund

With the dissolution of the Menlo Park Community Development Agency (Agency) as of February 1, 2012, the City has assumed all the loans from the Agency.

The City assumed a loan the Agency made to Peninsula Habitat for Humanity for purchase of two mini-park lots as sites to develop two single-family houses for very low-income homeowners. Loan repayment is structured as a zero interest note with a twenty-year term. The outstanding balance at June 30, 2017, was \$6,500.

The City has housing rehabilitation loans to six eligible participants. Loans bear no or very low interest and are not due until the property changes ownership. The outstanding balance of these loans at June 30, 2017, was \$306,016.

Gateway - In June 1987, the Agency issued \$8,605,000 of multifamily housing revenue bonds for Menlo Gateway, Inc., a California nonprofit public benefit corporation, to fund a mortgage loan for paying the costs of acquisition and rehabilitation of a 130-unit multifamily housing project known as The Gateway, designed for occupancy by persons eligible for assistance under Section 8 of the United States Housing Act of 1937. The bonds had interest rates ranging from 5.75% to 8.25%, with payments which were to be made semi-annually on June 1 and December 1 through 2028. The bonds were payable solely from and were secured by a pledge of payments and other amounts due to the Menlo Gateway Inc. The bonds did not constitute a debt or liability of the Agency of the City and, therefore, were not reflected in the financial statements. In addition, the City did not act in any capacity in making debt service payments.

On October 28, 2002, the Agency made a loan to Menlo Gateway, Inc. to refinance Menlo Gateway's debt in the amount of \$4,022,157. The loan had a compounded interest rate of 3% per annum. The payment was secured by the Deed of Trust with the final payment due on February 15, 2043. During the year ended June 30, 2016, Menlo Gateway Inc. sold a portion of the property. Therefore, on December 31, 2015, the outstanding loan was split between Menlo Gateway and Sequoia Belle Haven for an amount of \$3,221,558 and \$1,892,026 respectively and new promissory notes were signed with the same terms as were on the original loan agreement. As of June 30, 2017, the total outstanding loan was \$5,113,584 with accrued interest thereon for \$206,802.

Below Market Rate Housing

The City uses Below Market Rate Housing Reserve funds to provide residents and employees who work in Menlo Park with second mortgage loans to purchase their first home in Menlo Park. These "PAL" loans are amortized over 30 years, and are currently restricted to purchasers of Below Market Rate Housing units, which are income and price restricted housing units produced through the City's Below Market Rate Housing program.

Outstanding loans at June 30, 2017, were \$8,796,991.



**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**3. RECEIVABLES, Continued**

*B. Notes Receivable*

Emergency Repair Loan (ERL)

The Emergency Repair Loan (ERL) Program is designed to assist lower income households with minor emergency repairs to their home. The revolving loan program was originally funded by a Federal Revenue Sharing Grant. The maximum loan amount is \$10,000 at 3% interest per annum, with a loan term of either 5, 10, or 15 years. Outstanding loans at June 30, 2017, were \$38,527.

**4. CAPITAL ASSETS**

The following is a summary of capital assets for governmental activities:

	Balance June 30, 2016 (Restated)	Additions	Retirements	Reclassifications	Balance June 30, 2017
<b>Governmental Activities:</b>					
Capital assets, not being depreciated/amortized:					
Land	\$ 199,998,884	\$ -	\$ -	\$ -	\$ 199,998,884
Land improvements	32,921,636	-	-	-	32,921,636
Construction in progress	4,007,088	6,648,769	(516,963)	(801,646)	9,337,248
Total capital assets, not being depreciated	236,927,608	6,648,769	(516,963)	(801,646)	242,257,768
Capital assets, being depreciated/amortized:					
Buildings	78,908,590	-	-	-	78,908,590
Shared use facilities	2,600,000	-	-	-	2,600,000
Equipment	6,978,110	861,548	(125,452)	157,783	7,871,989
Other improvements	17,865,240	179,061	-	-	18,044,301
Infrastructure	119,176,312	3,310,377	-	643,863	123,130,552
Total capital assets, being depreciated/amortized	225,528,252	4,350,986	(125,452)	801,646	230,555,432
<i>Less accumulated depreciation/amortization for:</i>					
Buildings	(21,487,708)	(1,681,916)	-	-	(23,169,624)
Shared use facilities	(676,000)	(104,000)	-	-	(780,000)
Equipment	(5,124,901)	(476,140)	125,452	-	(5,475,589)
Other improvements	(7,843,258)	(865,053)	-	-	(8,708,311)
Infrastructure	(63,397,108)	(3,314,150)	-	-	(66,711,258)
Total accumulated depreciation	(98,528,975)	(6,441,259)	125,452	-	(104,844,782)
Total capital assets, being depreciated/amortized, net	126,999,277	(2,090,273)	-	801,646	125,710,650
<b>Governmental activities capital assets, net</b>	<b>\$ 363,926,885</b>	<b>\$ 4,558,496</b>	<b>\$ (516,963)</b>	<b>\$ -</b>	<b>\$ 367,968,418</b>

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**4. CAPITAL ASSETS, Continued**

Depreciation expense was charged to the various governmental activities as follows:

General government	\$ 688,077
Public safety	43,174
Public works	3,633,772
Culture and recreation	2,076,236
<b>Total depreciation expense - governmental departments</b>	<b>\$ 6,441,259</b>

The following is a summary of capital assets for business-type activities:

	Balance June 30, 2016	Additions	Retirements	Reclassification	Balance June 30, 2017
<b>Business Activities:</b>					
Capital assets, not being depreciated/amortized:					
Land	\$ 1,066,454	\$ -	\$ -	\$ -	\$ 1,066,454
Construction in progress	2,256,956	1,644,446	-	-	3,901,402
Total capital assets, not being depreciated	3,323,410	1,644,446	-	-	4,967,856
Capital assets, being depreciated/amortized:					
Buildings	7,823,985	7,651	-	-	7,831,636
Equipment	525,118	5,450	(21,225)	-	509,343
Infrastructure	10,111,881	-	-	-	10,111,881
Total capital assets, being depreciated/amortized	18,460,984	13,101	(21,225)	-	18,452,860
<i>Less accumulated depreciation/amortization for:</i>					
Buildings	(1,879,478)	(171,447)	-	-	(2,050,925)
Equipment	(453,392)	(12,876)	21,225	-	(445,043)
Infrastructure	(4,573,020)	(139,303)	-	-	(4,712,323)
Total accumulated depreciation	(6,905,890)	(323,626)	21,225	-	(7,208,291)
Total capital assets, being depreciated/amortized, net	11,555,094	(310,525)	-	-	11,244,569
<b>Business activities capital assets, net</b>	<b>\$ 14,878,504</b>	<b>\$ 1,333,921</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,212,425</b>

Depreciation expense for all proprietary funds was \$323,626 for the year ended June 30, 2017, which was recorded in the City's water business-type activity.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**5. UNEARNED REVENUE**

Unearned revenues represent amounts for which revenues have not been earned. At June 30, 2017, unearned revenues were as follows:

	Governmental Activities
Recreation Summer Programs	\$ 497,690
Percent of Art Deferrand	8,647
Friends of the Library Deposit	113,421
Total	<u>\$ 619,758</u>

**6. LONG-TERM DEBT**

**A. Long-Term Obligations**

Summary of changes in long-term debt transactions for the year ended June 30, 2017 was as follows:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017	Due within one year	Due in more than one year
<b>Governmental Activities</b>						
2009A General Obligation Bonds	\$ 765,000	\$ -	\$ (70,000)	\$ 695,000	75,000	\$ 620,000
2009B General Obligation Bonds	9,360,000	-	-	9,360,000	-	9,360,000
Premium on 2009 General Obligation Bonds	57,478	-	(2,499)	54,979	-	54,979
2012 General Obligation Refunding Bonds	8,220,000	-	(355,000)	7,865,000	365,000	7,500,000
Discount on 2012 General Obligation Bonds	(57,138)	-	3,686	(53,452)	-	(53,452)
Total governmental activities	<u>\$ 18,345,340</u>	<u>\$ -</u>	<u>\$ (423,813)</u>	<u>\$ 17,921,527</u>	<u>\$ 440,000</u>	<u>\$ 17,481,527</u>
	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017	Due within one year	Due in more than one year
<b>Fiduciary Activities</b>						
2015 Las Pulgas Project Tax Allocation Bonds	51,505,000	-	(3,115,000)	48,390,000	3,140,000	45,250,000
Premium on 2015 Las Pulgas Project Tax Allocation Bonds	8,492,364	-	(629,064)	7,863,300	-	7,863,300
Total fiduciary activities	<u>\$ 59,997,364</u>	<u>-</u>	<u>\$ (3,744,064)</u>	<u>\$ 56,253,300</u>	<u>\$ 3,140,000</u>	<u>\$ 53,113,300</u>

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**6. LONG-TERM DEBT, Continued**

*A. Long-Term Obligations, Continued*

2009 General Obligation Bonds

On July 1, 2009, the City issued a second series of the “Measure T” General Obligation bonds in the amount of \$10,440,000. The financing was used to fund new recreation facilities, specifically, a new gymnasium and new gymnastic center on the Burgess campus. The decision to include Build America Bonds (BABs) in the financing allowed the City to generate an additional \$1,049,000 over the tax exempt bonds. The overall “total issuance cost” for the series was 4.638%.

The Series A (Tax Exempt) Bonds totaled \$1,080,000; the (serial) bonds bear an annual interest of 5% and mature annually from 2010 to 2024 on August 1 in amounts ranging from \$10,000 to \$100,000.

The Series B (Taxable Build America) Bonds totaled \$9,360,000; the (term) bonds bear an annual interest at rates between 6.82% and 7.02% and mature annually from 2025 to 2039 on August 1 in amounts ranging from \$110,000 to \$1,355,000.

The 2009 General Obligation Bonds maturing on or before August 1, 2019 are not subject to redemption prior to their stated maturities. The bonds maturing in each year beginning August 1, 2020, are subject to redemption prior to maturity, at the option of the City, from any source of available funds, as a whole or in part on any date on or after August 1, 2019, at a redemption price equal to the principal amount of the Bonds called, together with interest accrued to the date of redemption. If less than all of the bonds are called for redemption, the bonds will be redeemed in inverse order of maturities, and if less than all of the bonds of any given maturity are called for redemption, the portions of such bonds of a given maturity to be redeemed shall be determined by lot.

The annual debt service requirements to maturity for the 2009 General Obligation Bonds outstanding at June 30, 2017, were as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	75,000	688,435	763,435
2019	75,000	684,685	759,685
2020	80,000	680,935	760,935
2021	85,000	676,935	761,935
2022	90,000	672,685	762,685
2023-2027	510,000	1,329,367	1,839,367
2028-2032	650,000	3,108,085	3,758,085
2033-2037	4,595,000	2,483,490	7,078,490
2038-2040	3,895,000	554,931	4,449,931
<b>Total</b>	<b>\$ 10,055,000</b>	<b>\$ 10,879,546</b>	<b>\$ 20,934,546</b>

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**6. LONG-TERM DEBT, Continued**

**A. Long-Term Obligations, Continued**

2012 General Obligation Bonds

In January 2012, the City of Menlo Park issued General Obligation Bonds in a par amount of \$9,830,000 for the purpose of refunding at lower interest rates the City's outstanding Series 2002 General Obligation Bonds. The bonds bear an interest rate of 3.75% annually between January 2012 and August 1, 2032. The bonds mature on August 1 of each year starting in 2013 and ending 2032 in amounts ranging from \$180,000 to \$640,000. No amount of the bonds are to mature before August 1, 2012. Interest is paid semi-annually on February 1 and August 1 of each year. The bonds are paid from special assessments to property owners within the City.

The annual debt service requirements to maturity for the 2012 General Obligation Bonds outstanding at June 30, 2017, were as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	365,000	294,937	\$ 659,937
2019	380,000	281,250	661,250
2020	395,000	267,000	662,000
2021	410,000	252,188	662,188
2022	425,000	236,812	661,812
2023-2027	2,390,000	931,500	3,321,500
2028-2032	2,860,000	449,813	3,309,813
2033	640,000	24,000	664,000
<b>Total</b>	<u>\$ 7,865,000</u>	<u>\$ 2,737,500</u>	<u>\$ 10,602,500</u>

**B. Prior Years' Defeased Obligations**

1996 and 2000 Tax Allocation Bonds

During fiscal year 2005-06, the City's former Community Development Agency issued \$72,430,000 of 2006 Tax Allocation Refunding Bonds to refund and defease the Agency's outstanding principal of \$25,515,000 of the 1996 Tax Allocation Refunding Bonds and the outstanding principal of \$43,215,000 of the 2000 Tax Allocation Refunding Bonds. Both the 1996 and 2000 series bonds have been 100% defeased and the liability has been removed from the long-term debt.

The refundings were undertaken to reduce total debt service payments over the next 25 years and to obtain and estimated net savings of over \$5,122,000 over the life of the bonds.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**6. LONG-TERM DEBT, Continued**

*B. Prior Years' Defeased Obligations, Continued*

2002 General Obligation Bonds

As noted previously, the City issued \$13,245,000 of the 2002 General Obligation Bonds known as "Measure T" bonds. This financing was used to fund various parks and recreation projects in the City. The bonds bear annual interest at rates between 4.50% and 5.75%, with interest payments made semi-annually on February 1 and August 1. In January 2012, the City issued \$9,830,000 in 2012 General Obligation Bonds for the purpose of refunding the 2002 General Obligation bonds, and the 2002 General Obligation Bonds have been 100% defeased and the liability has been removed from long-term debt. Additionally, the City placed \$1,460,000 into escrow. Future debt service payments were reduced by \$2,349,066 with a present value savings of \$999,288.

*C. Fiduciary Fund Long Term Obligations*

2015 Tax Allocation Refunding Bonds

On October 14, 2015, the Successor Agency issued 2015 Tax Allocation Refunding Bonds for \$51,505,000. The bonds were issued to refund the 2006 Tax Allocation Bonds and pay \$11,172,000 for the swap termination relating to the 2006 Bonds. The economic gain on refunding of these bonds was \$3,590,680.

The 2015 Refunding Bonds mature annually starting April 1, 2016 through 2029, with installments ranging from \$3,115,000 to \$4,405,000. The interest on the Bonds is payable semi-annually on each April 1 and October 1, starting on April 1, 2016 with coupon rates ranging from 2.00% to 5.00%. The 2015 Refunding Bonds are subject to early redemption.

The annual debt service requirements of the Series 2015A bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 3,140,000	\$ 2,324,800	\$ 5,464,800
2019	3,190,000	2,230,600	5,420,600
2020	3,300,000	2,103,000	5,403,000
2021	3,395,000	1,938,000	5,333,000
2022	3,500,000	1,768,250	5,268,250
2023-2027	19,030,000	6,119,500	25,149,500
2028-2032	12,835,000	1,296,250	14,131,250
Subtotal	48,390,000	<u>\$ 17,780,400</u>	<u>\$ 66,170,400</u>
Bond Premium	7,863,300		
<b>Total</b>	<u>\$ 56,253,300</u>		

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**6. LONG-TERM DEBT, Continued**

*C. Fiduciary Fund Long Term Obligations, Continued*

Pledged Revenues

The 2015 Tax Allocation Refunding Bonds of the Successor Agency are payable solely from and secured by tax revenues to be derived from the Project Area and deposited into Redevelopment Property Tax Trust Fund.

**7. COMPENSATED ABSENCES**

Compensated absences at June 30, 2017, were as follows:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017	Estimated Due Within One Year	Estimated Due in More than One Year
Governmental Activities	\$ 2,687,189	\$ 1,940,398	\$ (1,464,335)	\$ 3,163,252	\$ 1,722,988	\$ 1,440,264
Business-Type Activities	163,718	111,328	(203,819)	71,227	38,806	32,421
Total compensated absences	<u>\$ 2,850,907</u>	<u>\$ 2,051,726</u>	<u>\$ (1,668,154)</u>	<u>\$ 3,234,479</u>	<u>\$ 1,761,794</u>	<u>\$ 1,472,685</u>

As stated before, the General Fund contributes to over 90% of the compensated absences liability for the governmental activities.

**8. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The City participates in pooled insurance programs offered by the Bay Cities Joint Powers Insurance Authority (BCJPIA) for losses in excess of specific program deductibles. The purpose of the pool is to provide certain levels of liability coverage, claims administration, and loss control support to member Cities. The bylaws of the BCJPIA, the risk coverage agreement, and an associated memorandum of coverage govern the rights and responsibilities of the BCJPIA's 19 members. Each member chooses its self-insured liability retention levels. Each member has a vote in approving the pool's self-insured retention level, in setting the coverage limits, in establishing the level of pool reserves and in approving the premium allocation methodology used for setting the premiums for each member.

Complete financial statements for the BCJPIA may be obtained from the offices of Bickmore Risk Services & Consulting at the following address:

Bay Cities Joint Powers Insurance Authority  
 1750 Creekside Oaks Drive, Suite 200  
 Sacramento, CA 95833

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

The City's Liability program has a per claim deductible of \$250,000 and a policy limit of \$29,000,000. The Employment Practices program has a per claim deductible of \$250,000 and a policy limit of \$1,000,000. The Property and Fire program has a per claim deductible of \$10,000 and a policy limit of replacement value.

The City's Workers' Compensation program has a per claim deductible of \$350,000 and through the Authority, pooled coverage and reinsurance up to statutory limits.

Claims for long-term disability are covered by standard insurance.

Estimated reserves for all claims are recorded in internal service funds. No claim settlement has exceeded the coverage amounts in place for any of the years shown. The amount of claims due in one year from June 30, 2017, is estimated to total \$1,019,209.

Changes in the balances of the City's claims liabilities during the years ended June 30, 2017, 2016, and 2015 were as follows:

	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments for Current and Prior Years	End of Year Liability
2014-2015	3,137,146	895,507	(613,629)	3,419,024
2015-2016	3,419,024	1,018,847	(774,588)	3,663,283
2016-2017	3,663,283	1,260,680	(775,428)	4,148,535

**9. INTERFUND TRANSACTIONS**

Interfund receivables and payables at June 30, 2017, were as follows:

Due To / From Other Funds

Interfund due to/due from represent short term loans owed for purposed of covering short term negative cash positions and will be repaid when fund revenues are received. The composition of due to/from other funds as of June 30, 2017, is as follows:

Due to other funds	Due from other funds		
	General Fund	Non-Major Governmental Fund	Total
<b>Governmental Activities</b>			
Transportation Fund	410,007	-	410,007
Internal Service Fund	336,869	-	336,869
Non-Major Governmental Fund	322,667	98,642	421,309
<b>TOTAL</b>	<b>\$ 1,069,543</b>	<b>\$ 98,642</b>	<b>\$ 1,168,185</b>

All Due To/From Other Funds were established as of June 30, 2017, to cover short-term negative cash balances.



**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**9. INTERFUND TRANSACTIONS, Continued**

*Interfund Transfers*

Interfund transfers for the year ended June 30, 2017, were as follows:

		<b>Transfers In</b>				
		<b>Governmental Activities</b>				
		Capital				
		General Fund	Transportation Fund	Improvement - General Fund	Non-Major Funds	Total
<b>Transfers Out</b>	<b>Governmental Activities</b>					
	General Fund	\$ -	\$ -	\$ 4,401,436	\$ 241,616	\$ 4,643,052
	Transportation Impact Fees Fund	-	1,217,348	-	-	1,217,348
	Non-Major Funds	267,108	-	1,200,000	130,963	1,598,071
	<b>Business-Type Activities</b>					
	Water Fund - Operating	201,061	-	-	-	201,061
<b>TOTAL</b>		<b>\$ 468,169</b>	<b>\$ 1,217,348</b>	<b>\$ 5,601,436</b>	<b>\$ 372,579</b>	<b>\$ 7,659,532</b>

The most significant transactions were transfers of \$4,401,436 from the General Fund to Capital Improvement Fund and \$1,217,348 from Transportation Impact Fund to Transportation Fund to provide funds for capital improvement projects and transportation infrastructures.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**10. FUND BALANCE**

In the fund financial statements, governmental funds report restriction of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose. The various committed and assigned balances are established by actions of the City Council and Management and can be increased, reduced or eliminated by similar actions. The following are the classifications that were implemented according to GASB 54 at June 30, 2017:

	General Fund	Below Market Rate Housing Special Revenue	Housing Fund Special Revenue	Transportation Impact Fees	Transportation Fund	General Capital Improvement Project Fund	Non-Major Governmental Funds	Total
<b>Nonspendable:</b>								
Deposits and prepaid items	\$ 55,832	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,832
Notes receivable	1,339,847	-	-	-	-	-	-	1,339,847
<b>Total nonspendable</b>	<b>1,395,679</b>							<b>1,395,679</b>
<b>Restricted to:</b>								
Community development	-	18,652,660	5,956,515	-	-	-	1,409,223	26,018,398
Transportation	-	-	-	-	-	-	2,608	2,608
Streets and sidewalks	-	-	-	3,671,623	-	-	3,212,280	6,883,903
Debt service	-	-	-	-	-	-	2,136,803	2,136,803
Public safety	-	-	-	-	-	-	148,403	148,403
Solid waste	-	-	-	-	-	-	5,307,176	5,307,176
Stormwater	-	-	-	-	-	-	571,100	571,100
Other purposed	-	-	-	-	-	-	334,149	334,149
<b>Total restricted</b>	<b>-</b>	<b>18,652,660</b>	<b>5,956,515</b>	<b>3,671,623</b>	<b>-</b>	<b>-</b>	<b>13,121,742</b>	<b>41,402,540</b>
<b>Committed to:</b>								
Streets, sidewalks and parking	-	-	-	-	-	-	11,159,623	11,159,623
Stormdrains	-	-	-	-	-	-	175,662	175,662
Solid waste	-	-	-	-	-	-	1,270,487	1,270,487
Leisure and cultural activities	-	-	-	-	-	-	2,135,794	2,135,794
Landscape maintenance	-	-	-	-	-	-	415,482	415,482
Strategic pension funding	3,300,000	-	-	-	-	-	-	3,300,000
Emergency contingency	9,300,000	-	-	-	-	-	-	9,300,000
Economic stablization	12,000,000	-	-	-	-	-	-	12,000,000
<b>Total committed</b>	<b>24,600,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,157,048</b>	<b>39,757,048</b>
<b>Assigned to:</b>								
Infrastructure maintenance	2,696,000	-	-	-	-	-	-	2,696,000
Community development	1,850,000	-	-	-	-	-	-	1,850,000
Capital projects	-	-	-	-	-	17,751,533	434,489	18,186,022
Other purposes	394,127	-	-	-	-	-	-	394,127
<b>Total assigned</b>	<b>4,940,127</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,751,533</b>	<b>434,489</b>	<b>23,126,149</b>
Unassigned	2,282,609	-	-	-	(225,985)	-	(188,892)	1,867,732
<b>Total Fund Balance</b>	<b>\$ 33,218,415</b>	<b>\$ 18,652,660</b>	<b>\$ 5,956,515</b>	<b>\$ 3,671,623</b>	<b>\$ (225,985)</b>	<b>\$ 17,751,533</b>	<b>\$ 28,524,387</b>	<b>\$ 107,549,148</b>

Nonspendable Amounts - represents amounts that cannot be spent or appropriated because they are not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**10. FUND BALANCE, CONTINUED**

Restricted Amounts - includes amounts that can be spent only for specific purposes stipulated by external sources, constitutionally or through enabling legislation. Restrictions may be effectively changed or lifted only by the consent of the resource provider.

Committed Amounts - represent amounts that are only to be used for specific purposes pursuant to the constraints imposed by formal action of the City Council. The committed amounts cannot be used for any other purposes unless the Council removes or changes the specified use by taking the same action it used to previously commit those amounts.

The emergency contingency and economic stabilization fund balance amounts in this category, which are considered stabilization arrangements under GASB 54, were established by resolution of the City Council in 2011 and updated on December 7, 2014 as part of the creation of a formal policy on fund balance in the General Fund. The emergency contingency balance as of June 30, 2017 was \$9,300,000; however, the City Council may increase or decrease this amount as it deems necessary. The goal for this portion of fund balance is to provide an amount equivalent to 15-20 percent of the General Fund's annual operating budget. These funds can only be used if there is a declaration of a state or federal state of emergency or a local emergency as defined in the Menlo Park Municipal Code Section 2.44.010. The economic stabilization balance as of June 30, 2017 was \$12,000,000. Like the emergency contingency balance, this amount can be increased or decreased by the City Council. The goal for this portion of fund balance is to provide an amount equivalent to 20-25 percent of the General Fund's annual operating budget. Council approval is required before expending any portion of this fund balance, and access to these funds is reserved for economic emergency situations such as unplanned major events like a catastrophic disaster requiring expenditures that exceed the amount of the emergency contingency reserve; budgeted revenue being taken over by another entity; or a drop in projected/actual revenue of more than five percent of the General Fund's adopted revenue budget.

Assigned Amounts - represents funds that are constrained by the City's intent to be used for a specific purpose that are neither restricted nor committed. Intent is expressed by the City Council or City Manager, to which the City Council has delegated the authority through a resolution, to assign amounts to be used for specific purposes.

Pursuant to the authority delegated by City Council, the City Manager determines the amount of assigned fund balances. This can include, but not limited to, such items as encumbrances and constrained amounts when it is the City's intent to use proceeds or collections for specific purposes, and residual fund balances, if any, of special revenue, capital projects, and debt service funds which have not been restricted or committed.

Unassigned amounts - represents the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. In other governmental funds, if expenditures exceed amounts restricted, committed, or assigned, the negative amount is reflected as negative unassigned fund balance.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**11. NEGATIVE FUND BALANCE**

As of June 30, 2017 the Transportation Fund, Literacy Grants Fund and Shuttle Program Fund had a negative fund balance of \$225,985, \$95,545 and \$93,347 respectively. The City is working to address reductions in grant funding from the state through adjustments to expenditures and replacement funding sources such as from non-profit partners.

The Workers Compensation Internal Service Fund had a negative \$1,354,957 fund balance at 6/30/2017. This was mainly due to increased insurance claims and estimated claims liability at 6/30/2017. The City has increased the amount paid by departments by 30% in FY 2016-17 to address ongoing annual net losses as well as to offset the negative fund balance. The estimated claims liability, however, does not involve cash, cannot be estimated during budget preparation, and the entire amount would most likely not be paid out as it is considered a worst-case scenario.

**12. OTHER FUND DISCLOSURES**

*Expenditures over Appropriations*

The following funds had an excess of expenditures over appropriations:

<b>Major:</b>	
Housing Special Revenue Fund	\$ 27,986
Transportation Fund	2,141,048
<b>Non-Major:</b>	
<b>Special Revenue Funds:</b>	
Narcotic Seizure Fund	\$ 12,382
Miscellaneous Trust Funds	7,783
Measure M Fund	131,096
<b>Capital Projects Funds:</b>	
Measure T Fund	\$ 12,199

**13. ENCUMBRANCES/COMMITMENTS**

The City had various commitments totaling \$10,652,664 as of June 30, 2017. The most significant commitments are for plan check services and environmental impact reviews for new developments of the capital improvement projects which include but are not limited to city buildings maintenance, street resurfacing projects, and traffic congestion projects. All commitments are evidenced by contractual agreements with contractors. The encumbrances listed by fund are as follows:

<b>Major:</b>	
General Fund	\$ 394,127
Transportation Impact Fund	257,885
General Capital Improvement Fund	4,559,796
<b>Non-Major Funds</b>	<u>5,440,856</u>
<b>Total</b>	<u><u>\$ 10,652,664</u></u>

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**14. DEFINED BENEFIT PENSION PLAN**

**A. Summary of Pension Plan Balances**

Pension related balances presented on the Statement of Net Position as of June 30, 2017 by individual plan are described in the following table:

	Deferred Employer Contributions	Deferred Outflows - Pension	Net Pension Liability	Deferred Inflows - Pension
CALPERS Miscellaneous Agent Multiple Employer Plan	\$ 3,599,540	\$ 5,296,295	\$ 29,280,721	\$ 800,452
CALPERS Safety Cost Sharing Plan	1,965,524	3,343,669	21,711,951	1,292,221
<b>Total</b>	<b>\$ 5,565,064</b>	<b>\$ 8,639,964</b>	<b>\$ 50,992,672</b>	<b>\$ 2,092,673</b>

**B. Agent Multiple-Employer Defined Benefit Plan – CalPERS Miscellaneous Plan**

**General Information about the Pension Plan**

**Plan Description** – All qualified permanent and probationary employees are eligible to participate in the City’s Miscellaneous Plan, an agent multiple-employer defined benefit pension plan, administered by the California Public Employees’ Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plan are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**Benefits Provided** – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**14. DEFINED BENEFIT PENSION PLAN, Continued**

***B. Agent Multiple-Employer Defined Benefit Plan – CalPERS Miscellaneous Plan, continued***

***General Information about the Pension Plan, Continued***

The Plan’s provisions and benefits in effect at June 30, 2017, are summarized as follows:

	Miscellaneous Classic	Miscellaneous Second Tier Classic	Miscellaneous PEPRA
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payment	Monthly for life	Monthly for life	Monthly for life
Retirement age	50	50	52
Monthly benefits, as a % of annual salary	2.70% at age 55	2.00% at age 60	2.00% at age 62
Required employee contribution rates	8.000%	7.000%	6.250%
Required employer contribution rates	10.296%	10.296%	10.296%

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis. The City’s required contribution for the unfunded liability was \$1,570,685 for the safety plan in fiscal year 2017.

***Employees Covered*** – At June 30, 2016, the following employees were covered by the benefit terms for the Plan:

Inactive employees or beneficiaries currently receiving benefits	212
Inactive employees entitled to but not yet receiving benefits	225
Active employees	206
Total	643

***Contributions*** – Section 20814(C) of the California Public Employees’ Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

***Net Pension Liability***

The City’s net pension liability for each Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2016, using an annual actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown on the following page.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**14. DEFINED BENEFIT PENSION PLANS, Continued**

***B. Agent Multiple-Employer Defined Benefit Plan – CalPERS Miscellaneous Plan, continued***

***Net Pension Liability, Continued***

***Actuarial Assumptions*** – The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate (2)	7.65%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.50%
Mortality (1)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

(2) The discount rate was changed to 7.65% from earlier rate of 7.50% net of administrative expenses.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2015 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

***Discount Rate*** – The discount rate used to measure the total pension liability was 7.65% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**14. DEFINED BENEFIT PENSION PLANS, Continued**

*B. Agent Multiple-Employer Defined Benefit Plan - CalPERS Miscellaneous Plan, continued*

*Net Pension Liability, Continued*

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	51.00%	5.25%	5.71%
Global Fixed Income	20.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	10.00%	6.83%	6.95%
Real Estate	10.00%	4.50%	5.13%
Infrastructure and Forestland	2.00%	4.50%	5.09%
Liquidity	1.00%	-0.55%	-1.05%
Total	100.0%		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.



**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**14. DEFINED BENEFIT PENSION PLANS, Continued**

*B. Agent Multiple-Employer Defined Benefit Plan - CalPERS Miscellaneous Plan, continued*

*Changes in the Net Pension Liability*

The changes in the Net Pension Liability for the Plan follow:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<b>Balance at June 30, 2015</b>	\$ 109,034,897	\$ 86,922,749	\$ 22,112,148
<b>Changes in the year:</b>			
Service cost	2,532,940	-	2,532,940
Interest on the total pension liability	8,311,199	-	8,311,199
Differences between actual and expected experience	850,983	-	850,983
Contribution - employer	-	2,978,937	(2,978,937)
Contribution - employee	-	1,150,378	(1,150,378)
Investment income	-	450,209	(450,209)
Administrative expenses	-	(52,975)	52,975
Benefit payments , including refunds of employee contributions	(5,018,466)	(5,018,466)	-
<b>Net changes</b>	<b>6,676,656</b>	<b>(491,917)</b>	<b>7,168,573</b>
<b>Balance at June 30, 2016</b>	<b>\$ 115,711,553</b>	<b>\$ 86,430,832</b>	<b>\$ 29,280,721</b>

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate* - The following presents the net pension liability of the City for the Plan, calculated using the discount rate for the Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease	6.65%
Net Pension Liability	\$ 44,530,781
Current Discount Rate	7.65%
Net Pension Liability	\$ 29,280,721
1% Increase	8.65%
Net Pension Liability	\$ 16,668,075

*Pension Plan Fiduciary Net Position* - Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**14. DEFINED BENEFIT PENSION PLANS, Continued**

*B. Agent Multiple-Employer Defined Benefit Plan - CalPERS Miscellaneous Plan, continued*

*Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions*

For the year ended June 30, 2017, the City recognized pension expense of \$3,216,454 under the plan. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to the pension plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 3,599,540	\$ -
Differences between actual and expected experience	567,322	(214,433)
Changes in assumptions	-	(586,019)
Net differences between projected and actual earnings on plan investments	4,728,973	-
Total	<u>\$ 8,895,835</u>	<u>\$ (800,452)</u>

\$3,599,540 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension plan will be recognized as pension expense as follows:

Measurement Period Ending June 30:	Deferred Outflow/ (Inflows) of Resources
2017	\$ 158,716
2018	959,710
2019	2,147,988
2020	1,229,969

*Payable to Pension Plan*

As of June 30, 2017, the City reported a payable of \$185,617 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2017. This was fully paid in July 2017.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**14. DEFINED BENEFIT PENSION PLANS, Continued**

*C. Cost Sharing Multiple-Employer Defined Benefit Plans - CalPERS Safety Plans*

*General Information about the Pension Plan*

*Plan Description* – All safety qualified permanent and probationary employees are eligible to participate in the City’s Safety Plan, a cost-sharing multiple-employer defined benefit pension plan, administered by the California Public Employees’ Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plan are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

*Benefits Provided* – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plan’s provisions and benefits in effect at June 30, 2016, are summarized as follows:

	<u>Safety Classic</u>	<u>Safety Second Tier Classic</u>	<u>Safety PEPPRA</u>
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life
Retirement age	50	55	57
Monthly benefits, as a % of annual salary	3.00%	3.00%	2.70%
Required employee contribution rates	9.00%	9.000%	11.500%
Required employer contribution rates	19.536%	16.656%	12.082%

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis. The City’s required contribution for the unfunded liability was \$855,951 for the safety plan in fiscal year 2017.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**14. DEFINED BENEFIT PENSION PLANS, Continued**

*C. Cost Sharing Multiple-Employer Defined Benefit Plans - CalPERS Safety Plans, continued*

**Contributions** - Section 20814(C) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

**Net Pension Liability**

**Actuarial Assumptions** - The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate (2)	7.65%
Inflation	2.75%
Salary Increases	Varies by entry age and service
Investment Rate of Return	7.50%
Mortality (1)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contact COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

(2) The discount rate was changed to 7.65% from earlier rate of 7.50% net of administrative expenses.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

**Discount Rate** - The discount rate used to measure the total pension liability was 7.65% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**14. DEFINED BENEFIT PENSION PLANS, Continued**

*C. Cost Sharing Multiple-Employer Defined Benefit Plans - CalPERS Safety Plans, continued*

*Net Pension Liability, Continued*

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	51.00%	5.25%	5.71%
Global Fixed Income	20.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	10.00%	6.83%	6.95%
Real Estate	10.00%	4.50%	5.13%
Infrastructure and Forestland	2.00%	4.50%	5.09%
Liquidity	1.00%	-0.55%	-1.05%
Total	100.0%		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

*Changes in the Net Pension Liability*

As of June 30, 2017, the City reported a net pension liability of \$21,711,951 for its proportionate share of the net pension liability of the safety plan.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**14. DEFINED BENEFIT PENSION PLANS, Continued**

*C. Cost Sharing Multiple-Employer Defined Benefit Plans - CalPERS Safety Plans, continued*

*Changes in the Net Pension Liability, Continued*

The City's net pension liability for the Plan is measured as the proportionate share of the total net pension liability of the Plan. The net pension liability of the Plan is measured as of June 30, 2016, and the total pension liability for the Plan used to calculate the net pension liability was determined by actuarial valuations as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The City's proportionate share of the net pension liability was based on the City's plan liability and asset-related information where available, and proportional allocations of individual plan amounts as of the valuation date where not available.

The City's proportionate share of the net pension liability for the Plan as of June 30, 2014 and 2015 were as follows:

Proportion - June 30, 2015	0.406970%
Proportion - June 30, 2016	<u>0.419210%</u>
Change - Increase (Decrease)	<u>0.012240%</u>

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate* - The following presents the net pension liability of the City for the Plan, calculated using the discount rate for the Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease		6.65%
Net Pension Liability	\$	32,983,456
Current Discount Rate		7.65%
Net Pension Liability	\$	21,711,951
1% Increase		8.65%
Net Pension Liability	\$	12,459,205

*Pension Plan Fiduciary Net Position* - Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**14. DEFINED BENEFIT PENSION PLANS, Continued**

*C. Cost Sharing Multiple-Employer Defined Benefit Plans - CalPERS Safety Plans, continued*

*Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions*

For the year ended June 30, 2017, the City recognized pension expense of \$2,780,641. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to the pension plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ 139,360
Changes in assumptions	-	607,620
Differences between Projected and Actual Investment Earnings	2,985,206	-
Differences between Employer's Contributions and Proportionate Share of Contributions	-	533,728
Changes in Employer's Proportion	358,463	11,513
Pension Contributions Made Subsequent to Measurement Date	1,965,524	-
Total	<u>\$ 5,309,193</u>	<u>\$ 1,292,221</u>

\$1,965,524 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension plan will be recognized as pension expense as follows:

Measurement Period Ending June 30:	Deferred Outflow/ (Inflows) of Resources
2018	\$ (102,215)
2019	36,815
2020	1,339,710
2021	777,136

*Payable to Pension Plan*

As of June 30, 2017, the City reported a payable of \$64,221 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2017. This was fully paid in July 2017.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**15. OTHER POST-EMPLOYMENT BENEFITS**

Plan Description

The City sponsors and administers a single-employer defined benefit postemployment healthcare plan (the Plan) to provide healthcare insurance benefits to eligible retired employees and their dependents. Benefit provisions are established and may be amended by the City.

The City participates in the CalPERS healthcare program (PEMHCA) and allows retirees to continue participation in the medical insurance program after retirement. The following summarizes the retiree healthcare benefits:

*PEMHCA Minimum:* The City pays the PEMHCA minimum required employer contribution for retirees participating in PEMHCA towards the retiree monthly premium.

*Retiree Health Benefit Credits (RHBC):* Employees can convert unused sick or general leave balance (up to a maximum) to RHBC at retirement. The City pays retiree medical or dental coverage based on RHBC. Sick leave hour accrual and RHBC conversion rates vary by bargaining unit and service.

*Implied Subsidy:* An implied subsidy generally exists when retiree premiums are based on blended active and retiree experience. In May 2014, the American Academy of Actuaries released a new version of Actuarial Standard of Practice No. 6 (ASOP No. 6). The revised ASOP No. 6 requires the implied subsidy to be valued for community plans such as PEMHCA. This is mandatory for all valuations with measurement dates on or after March 31, 2016. Since PEMHCA is a community rated plan for the City, no implied subsidy is valued for the PEMHCA plan.

Funding Policy

The City pre-funds the Plan through CalPERS OPEB Trust (CERBT) by contributing the City's Annual Required Contribution (ARC) every year. For fiscal year 2016-17, the City contributed \$1,079,220. The City's ARC was \$670,000 for fiscal year 2016-17.

CERBT is a tax qualified irrevocable trust, organized under Internal Revenue Code (IRC) Section 115, established to pre-fund OPEB as described in GASB Statement 45. The CERBT issues a publicly available financial report that included financial statements and required supplementary information for the City, not individualizing, but in aggregate with the other CERBT participants. That report may be obtained by contacting CalPERS.

Annual Other Postemployment Benefit Cost and Net Obligation

The City's annual OPEB cost is calculated based on the Annual Required Contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.



**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

**15. OTHER POST-EMPLOYMENT BENEFITS, Continued**

The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the City's net OPEB obligation/(asset).

Annual required contribution	\$ 670,000
Interest on net OPEB obligation	(1,000)
Adjustment to annual required contribution	2,000
Annual OPEB cost (expense)	<u>671,000</u>
Benefit payments	(636,497)
Implied subsidy	(165,000)
Trust Pre-Funding	(277,723)
Total contribution	<u>(1,079,220)</u>
Increase (decrease) in net OPEB obligation	(408,220)
Net OPEB obligation (asset) - beginning of year	(86,988)
Net OPEB obligation (asset) - end of year	<u>(495,208)</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net post-employment healthcare plan obligation were as follows:

Fiscal Year Ended June 30,	OPEB Cost	Annual OPEB Cost Contributed	Net OPEB (Obligation) Asset
2015	540,000	102%	(19,931)
2016	678,000	110%	(86,988)
2017	671,000	161%	(495,208)

Funded Status

The funded status of the plan as of June 30, 2015, was as follows:

	<u>Total</u>
Actuarial Accrued Liability (AAL)	\$ 16,056,000
Actuarial Value of Plan Assets	16,512,000
Unfunded (Overfunded) Actuarial Accrued Liability (UAAL)	<u>(456,000)</u>
Funded Ratio (Actuarial value of plan assets/AAL)	102.8%
Covered Payroll (active plan members)	\$ 19,824,000
UAAL as a Percentage of Covered Payroll	-2.30%

A valuation of the City's OPEB obligation must be performed every other year. The City's most recent valuation was prepared with data as of June 30, 2015. Actuarial valuations of an ongoing plan involve estimates of the value of expected benefit payments and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**15. OTHER POST-EMPLOYMENT BENEFITS, Continued**

Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Actuarial Methods and Assumptions*

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each evaluation and the historical pattern of sharing of benefit costs between employer and plan members to that point.

In the June 30, 2015 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 7.25% investment rate of return (net of administrative expenses), a 3.0% general inflation increase, and annual pre-Medicare eligible healthcare cost trend rates for medical decreasing to 5.0% over six years. Sick leave accrual, benefit conversion rates, and maximum conversion amounts all assumed fixed in the future. Salary scale and demographic assumptions for withdrawal, mortality, disability, and retirement rates were based on CalPERS 1997-2011 Experience Study with fully generational Scale AA applied to post-retirement mortality. Actuarial value of assets was based on 5-year smoothed market value.

An initial UAAL was paid off in 2007-08. Actuarial methods and assumption changes and experience and contribution gains and losses were amortized over a 15-year closed period, all as a level percentage of payroll.

**16. LANDFILL POST-CLOSURE CARE**

The City owns and maintains a closed, municipal, non-hazardous solid waste landfill known as the Marsh Road Landfill. Landfill operations began at the site in 1957 through a Joint Exercise of Powers Agreement initiated by San Mateo County. In 1968, the City took responsibility for the landfill and its eventual post-closure maintenance. The landfill ceased the receipt of wastes in May of 1984. In 1995, the construction of Bayfront Park was completed, incorporating required features such as a gas recovery and leachate control system.

State and Federal laws and regulations require that the City perform certain maintenance and monitoring functions at the landfill site at Bayfront Park through the year 2025. These same regulations require the City to make annual contributions and/or provide an alternative funding mechanism to finance closure and post-closure care costs. In January 2003, the City Council approved a plan for a 5.4% surcharge on solid waste collection fees, increasing at a rate of 0.2% per year, in order to cover these costs. The surcharge is currently 7.2 percent.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**16. LANDFILL POST-CLOSURE CARE, Continued**

The City’s outstanding future post-closure care costs were estimated at \$4,352,292 at June 30, 2017. This estimate is based upon the present value of future cash flows associated with the landfill site’s post-closure costs, discounted using the City’s projected return on investment. The amount of fund balance within the Landfill Special Revenue Fund is not sufficient to cover such a liability, though the revenue stream provided by the solid waste collection surcharge and all post-closure costs will be accounted for in this fund. The City has recorded the post-closure cost liability as part of governmental activities in the government-wide financial statements.

The City will fund on-going post-closure costs with a combination of revenues from the surcharge and interest earnings. However, if these revenues are inadequate or additional post-closure care requirements are determined (due to changes in technology, applicable laws or regulations, for example), these costs may need to be covered by additional garbage surcharges or from future tax revenue. The following is the activity for landfill post closure care for fiscal year 2017:

	Balance July 1, 2016	Deletions	Balance June 30, 2017	Due within one year	Due in more than one year
<b>Governmental Activities</b>	\$ 4,555,742	\$ (203,450)	\$ 4,352,292	\$ 262,284	\$ 4,090,008

**17. COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MENLO PARK**

The former Community Development Agency of the City of Menlo Park (Agency) was established in 1981 with the adoption of the Las Pulgas Community Development Plan (1981 Plan). Since 1981, the Agency has implemented numerous programs to improve housing in the project area. During the fiscal year 2011-12, the Agency was dissolved in accordance to State Assembly Bill 1X26. All assets of the Agency were transferred to the Successor Agency private-purpose trust fund. More information on the Successor Agency can be found in Note 18.

**18. SUCCESSOR AGENCY TRUST FOR THE FORMER COMMUNITY DEVELOPMENT AGENCY**

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1x 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Menlo Park that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the “successor agency” to hold the assets of the former redevelopment agency until they are distributed to other units of state and local government. On January 10, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 6043.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**18. SUCCESSOR AGENCY TRUST FOR THE FORMER COMMUNITY DEVELOPMENT AGENCY,  
Continued**

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011), all redevelopment agencies in the State of California were dissolved and ceased to operate as legal entities as of February 1, 2012.

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

During the year ended June 30, 2016, all of the assets of the former Community Development Agency have been liquidated and distributed among the affected taxing districts. The Successor Agency's remaining responsibility is for the maintenance of the former agency's debt, which consists of the 2015 Tax Allocation Refunding Bonds. More information on these bonds can be found in Section C of Note 6.

**19. CONTINGENCIES**

The City participates in a number of Federal, State, and County programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grantor program regulations, the City may be required to reimburse the grantor government. As of June 30, 2016, some amounts of grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any individual governmental funds or the overall financial condition of the City.

**20. LITIGATION**

The City is a defendant in a number of lawsuits which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty. In the opinion of the City Attorney, most of these actions, when finally adjudicated, will not have a material adverse effect on the financial condition of the City.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**21. JOINT VENTURES**

**General**

The City of Menlo Park participates in joint ventures through Joint Powers Authorities (JPAs) established under the Joint Exercise of Powers Act of the State of California. Obligations and liabilities of the JPAs are not those of the City.

**San Francisquito Creek**

The San Francisquito Creek Joint Powers Authority (SFCJPA) was created in May 1999 as a joint powers authority by the City of Menlo Park, the City of Palo Alto, the City of East Palo Alto, the Santa Clara Valley Water District and the San Mateo Flood Control District. The Authority's board is comprised of one director appointed by each of these member entities, and is a legally separate and fiscally independent entity.

The Authority was formed to manage the joint contribution of services and provide policy direction on issues of mutual concern related to the San Francisquito Creek, including bank stabilization, channel clearing and other creek maintenance, planning of flood control measures, preserving environmental values and instream uses and emergency response coordination. The SFCJPA and U.S. Army Corps of Engineers are presently working together with the area's Congressional delegation to secure Federal funding for studies needed to identify a comprehensive flood management and ecosystem restoration project within the Creek watershed.

In the fiscal year ended June 30, 2017, each member entity contributed \$152,000 to cover Authority administrative costs for the year.

Complete financial statements for the SFCJPA may be obtained from their offices at the following address:  
San Francisquito Creek Joint Powers Authority  
1231 Hoover Street  
Menlo Park, CA 94025

**South Bayside Waste Management Authority**

The City of Menlo Park is one of twelve members of the South Bayside Waste Management Authority (SBWMA). The SBWMA was formed in October 1999 for the purpose of joint ownership, financing and administration of solid waste transfer and recycling facilities; and the planning, administration management review, monitoring, enforcement and reporting of solid waste, recyclable material and plant material collection activities within the Authority's service area.

The Authority is controlled by a twelve member board consisting of one representative from each member entity. None of the SBWMA member entities exercise specific control over the budgeting and financing of the Authority's activities beyond their representation of the board.

**City of Menlo Park**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2017**

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**21. JOINT VENTURES, Continued**

Through the operation of franchise agreements with each member, Recology San Mateo County (Recology) collects fees charged for the use of the Authority’s facilities and remits them to the Authority. Pursuant to an operations agreement with the Authority effective through December 31, 2020, Recology operates the facilities and is paid compensation based on costs, a provision for profit and incentives for cost savings and performance.

Complete financial statement for the SBWMA may be obtained from their offices at the following address:

South Bayside Management Authority  
610 Elm Street, Suite 202  
San Carlos, CA 94070

**22. PRIOR PERIOD ADJUSTMENT**

The City recorded a prior period adjustment to correct note receivable amount under Housing Fund due to conversion of accrued interest amount into principal amount in prior year.

Fund Statements

	Fund Balance, as Previously Reported	Prior Period Adjustment <u>Note Receivable</u>	Fund Balance, as Restated
Housing Special Revenue Fund	\$ 4,822,471	\$ 1,091,427	\$ 5,913,898

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# REQUIRED SUPPLEMENTARY INFORMATION

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# City of Menlo Park

## Required Supplementary Information

### For the year ended June 30, 2017

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#### 1. BUDGETARY PRINCIPLES

The City followed these procedures in establishing the budgetary data reflected in the General Purpose Financial Statements:

- 1 City Council identifies the priority projects/programs for the budget at a study session with public input. The City Council annually adopts the budget for the ensuing fiscal year generally prior to July 1.
- 2 The City Manager is authorized to transfer budgetary amounts within a single fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.
- 3 Legally adopted budgets and formal budgetary integration is employed as a management control device during the year for the general fund, special revenue funds, debt service funds, and capital projects funds. Proprietary funds and Agency funds are not budgeted.
- 4 Budgets for the general, special revenue and capital projects funds are adopted on a basis consistent with GAAP.
- 5 Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2015, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit.
- 6 Budgeted revenue amounts represent the original budget modified by adjustments authorized during the year. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year which were contingent upon new or additional revenue sources and reappropriated amounts for prior year encumbrances. The City Manager must approve adjustments to departmental budgets; however, management may amend the budgeted amounts within departmental expenditure classifications.
- 7 Appropriations lapse at the end of the fiscal year and then are rebudgeted for the coming year.
- 8 Budgeted appropriations for the various governmental funds become effective each July 1. The City Council may amend the budget during the fiscal year. The legal level of budgetary control has been established at the fund level. Appropriations generally lapse at the end of the fiscal year to the extent they have not been expended or encumbered.

#### *B. Encumbrances*

Under encumbrance accounting, purchase orders, contracts and other commitments for expenditures are recorded to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary accounting. Since encumbrances do not yet constitute expenditures or liabilities, encumbrances outstanding at year-end are reported as an assignment of fund balances.

**City of Menlo Park**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2017**

**Budgetary Comparison Schedule, General Fund**

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>REVENUES:</b>				
Taxes:				
Secured property taxes	\$ 16,328,400	\$ 16,328,400	\$ 19,676,899	\$ 3,348,499
Unsecured property taxes	440,000	440,000	301,908	(138,092)
Other property taxes	725,000	725,000	698,101	(26,899)
Sales taxes	5,502,000	5,502,000	5,635,240	133,240
Other taxes	9,623,000	9,623,000	9,917,410	294,410
Licenses and permits	6,141,860	6,141,860	5,844,909	(296,951)
Fines and forfeitures	1,067,643	1,067,643	1,110,891	43,248
Use of money and property	1,101,199	1,101,199	914,089	(187,110)
Intergovernmental	990,052	990,052	946,785	(43,267)
Charges for services	7,990,315	7,989,315	7,871,435	(117,880)
Other	52,750	52,750	71,799	19,049
<b>Total revenues</b>	<b>49,962,219</b>	<b>49,961,219</b>	<b>52,989,466</b>	<b>3,028,247</b>
<b>EXPENDITURES:</b>				
Current:				
General government	6,324,889	6,637,884	6,692,639	(54,755)
Public safety	16,576,363	17,232,188	16,791,931	440,257
Public works	9,004,265	9,307,513	8,669,764	637,749
Culture and recreation	10,377,402	10,494,145	10,479,885	14,260
Community development	5,847,585	5,891,828	4,571,315	1,320,513
Urban development and housing	314	361	2,732	(2,371)
Capital outlay	221,661	228,498	105,692	122,806
<b>Total expenditures</b>	<b>48,352,479</b>	<b>49,792,417</b>	<b>47,313,958</b>	<b>2,478,459</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>1,609,740</b>	<b>168,802</b>	<b>5,675,508</b>	<b>5,506,706</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	430,169	430,169	468,169	38,000
Transfers out	(2,842,125)	(3,136,436)	(4,643,052)	(1,506,616)
Proceeds from sale of assets	-	-	1,534	1,534
<b>Total other financing sources (uses)</b>	<b>(2,411,956)</b>	<b>(2,706,267)</b>	<b>(4,173,349)</b>	<b>(1,467,082)</b>
<b>Net change in fund balance</b>	<b>\$ (802,216)</b>	<b>\$ (2,537,465)</b>	<b>1,502,159</b>	<b>\$ 4,039,624</b>
<b>FUND BALANCE:</b>				
Beginning of year			31,716,256	
End of year			\$ 33,218,415	

**City of Menlo Park**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2017**

**Budgetary Comparison Schedule, Below Market Rate Housing Special Revenue Fund**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 75,000	\$ 75,000	\$ 125,374	\$ 50,374
Charges for services	3,000,500	3,000,500	1,824,526	(1,175,974)
<b>Total revenues</b>	<b>3,075,500</b>	<b>3,075,500</b>	<b>1,949,900</b>	<b>(1,125,600)</b>
<b>EXPENDITURES:</b>				
Current:				
General Government	85,164	85,164	84,348	816
Community development	95,800	95,300	10,807	84,493
Urban development and housing	11,981	11,981	86,193	(74,212)
<b>Total expenditures</b>	<b>192,945</b>	<b>192,445</b>	<b>181,348</b>	<b>11,097</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>2,882,555</b>	<b>2,883,055</b>	<b>1,768,552</b>	<b>(1,114,503)</b>
<b>Net change in fund balance</b>	<b>\$ 2,882,555</b>	<b>\$ 2,883,055</b>	<b>1,768,552</b>	<b>\$ (1,114,503)</b>
<b>FUND BALANCE:</b>				
Beginning of year			16,884,108	
End of year			<u>\$ 18,652,660</u>	

**City of Menlo Park**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2017**

**Budgetary Comparison Schedule, Housing Special Revenue Fund**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 5,000	\$ 5,000	\$ 70,603	\$ 65,603
Charges for services	20,000	20,000	-	(20,000)
<b>Total revenues</b>	<b>25,000</b>	<b>25,000</b>	<b>70,603</b>	<b>45,603</b>
<b>EXPENDITURES:</b>				
Current:				
Housing and Redevelopment	-	-	16,771	(16,771)
Capital outlay	-	-	11,215	(11,215)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>27,986</b>	<b>(27,986)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>25,000</b>	<b>25,000</b>	<b>42,617</b>	<b>17,617</b>
<b>Net change in fund balance</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>42,617</b>	<b>\$ 17,617</b>
<b>FUND BALANCE:</b>				
Beginning of year, as restated			5,913,898	
End of year			<u>\$ 5,956,515</u>	

**City of Menlo Park**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2017**

**Budgetary Comparison Schedule, Transportation Impact Fees**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 35,000	\$ 35,000	\$ 25,884	\$ (9,116)
Intergovernmental	2,161,643	2,161,643	1,803	(2,159,840)
Charges for services	1,500,000	1,500,000	1,565,803	65,803
<b>Total revenues</b>	<b>3,696,643</b>	<b>3,696,643</b>	<b>1,593,490</b>	<b>(2,103,153)</b>
<b>EXPENDITURES:</b>				
Current:				
Capital outlay	512,318	6,070,557	385,171	5,685,386
<b>Total expenditures</b>	<b>512,318</b>	<b>6,070,557</b>	<b>385,171</b>	<b>5,685,386</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>3,184,325</b>	<b>(2,373,914)</b>	<b>1,208,319</b>	<b>3,582,233</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	-	(1,217,348)	(1,217,348)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(1,217,348)</b>	<b>(1,217,348)</b>
<b>Net change in fund balance</b>	<b>\$ 3,184,325</b>	<b>\$ (2,373,914)</b>	<b>(9,029)</b>	<b>\$ 2,364,885</b>
<b>FUND BALANCE:</b>				
Beginning of year			3,680,652	
End of year			<u>\$ 3,671,623</u>	

**City of Menlo Park**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2017**

**Budgetary Comparison Schedule, Transportation Fund**

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 696,679	\$ 696,679
Charges for services	-	-	1,036	1,036
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>697,715</b>	<b>697,715</b>
<b>EXPENDITURES:</b>				
Current:				
Public works	-	-	2,141,048	(2,141,048)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>2,141,048</b>	<b>(2,141,048)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(1,443,333)</b>	<b>(1,443,333)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	1,217,348	1,217,348
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>1,217,348</b>	<b>1,217,348</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(225,985)</b>	<b>\$ (225,985)</b>
<b>FUND BALANCE:</b>				
Beginning of year			-	
End of year			\$ (225,985)	

**City of Menlo Park**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2017**

**2. DEFINED BENEFIT PENSION PLAN - AGENT MULTIPLE EMPLOYER PLAN**

*A. Schedule of Changes in Net Pension Liability and Related Ratios during the Measurement Period - Last 10 years\**

**Miscellaneous Plan\***

	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
Measurement date	6/30/2016	6/30/2015	6/30/2014
<b>TOTAL PENSION LIABILITY</b>			
Service Cost	\$ 2,532,940	\$ 2,360,735	\$ 2,430,975
Interest	8,311,199	7,827,343	7,464,650
Difference Between Expected and Actual Experience	850,983	(690,951)	-
Changes of Assumptions	-	(1,888,285)	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(5,018,466)</u>	<u>(4,582,081)</u>	<u>(4,401,346)</u>
<b>Net Change in Total Pension Liability</b>	<b>6,676,656</b>	<b>3,026,761</b>	<b>5,494,279</b>
<b>Total Pension Liability - Beginning</b>	<b>109,034,897</b>	<b>106,008,136</b>	<b>100,513,857</b>
<b>Total Pension Liability - Ending (a)</b>	<b><u>115,711,553</u></b>	<b><u>109,034,897</u></b>	<b><u>\$ 106,008,136</u></b>
<b>PLAN FIDUCIARY NET POSITION</b>			
Contributions - Employer	2,978,937	2,607,401	\$ 2,231,189
Contributions - Employee	1,150,378	1,080,371	1,006,903
Net Investment Income	450,209	1,934,950	12,874,205
Benefit Payments, Including Refunds of Employee Contributions	(5,018,466)	(4,582,081)	(4,401,346)
Other Changes in Fiduciary Net Position	<u>(52,975)</u>	<u>(97,826)</u>	<u>-</u>
<b>Net Change in Fiduciary Net Position</b>	<b>(491,917)</b>	<b>942,815</b>	<b>11,710,951</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>86,922,749</b>	<b>85,979,934</b>	<b>74,268,983</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b><u>86,430,832</u></b>	<b><u>86,922,749</u></b>	<b><u>\$ 85,979,934</u></b>
<b>Plan Net Position Liability/(Asset) - Ending (a) - (b)</b>	<b>\$ 29,280,721</b>	<b>\$ 22,112,148</b>	<b>\$ 20,028,202</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>74.70%</b>	<b>79.72%</b>	<b>81.11%</b>
<b>Covered Payroll</b>	<b>\$ 13,539,431</b>	<b>\$ 13,909,694</b>	<b>\$ 13,277,488</b>
<b>Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll</b>	<b>196.68%</b>	<b>158.97%</b>	<b>150.84%</b>

(\*) - Historical information is required only for measurement periods for which GASB 68 is applicable.

**City of Menlo Park**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2017**

**2. DEFINED BENEFIT PENSION PLAN - AGENT MULTIPLE EMPLOYER PLAN**

*B. SCHEDULE OF PLAN CONTRIBUTIONS - Last 10 Years\**

**Miscellaneous Plan**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 3,599,540	\$ 2,978,780	\$ 2,604,813
Contribution in relation to the actuarially determined contributions	<u>(3,599,540)</u>	<u>(2,978,780)</u>	<u>(2,604,813)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 16,960,555	\$ 13,539,431	\$ 13,909,694
Contributions as a percentage of covered payroll	21.22%	22.00%	18.73%

\* Historical information is required only for measurement periods for which GASB 68 is applicable.



**City of Menlo Park**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2017**

**3. DEFINED BENEFIT PENSION PLAN - COST SHARING PLAN**

A. Schedule of the City's Proportionate Share of the Net Pension Liability - Last 10 Year\*

**Safety Plan**

	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
Measurement date	6/30/2016	6/30/2015	6/30/2014
Proportion of the net pension liability	0.41921%	0.40697%	0.38239%
Proportionate share of the net pension liability	\$ 21,711,951	\$ 16,768,810	\$ 14,343,292
Covered payroll	\$ 6,328,709	\$ 6,059,802	\$ 6,253,886
Proportionate share of the net pension liability as percentage of covered payroll	343.07%	276.72%	229.35%
Plan fiduciary net position as a percentage of the total pension liability	74.06%	78.40%	79.82%

\*Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

**City of Menlo Park**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2017**

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**3. DEFINED BENEFIT PENSION PLAN - COST SHARING PLAN, Continued**

**B. Schedule of Contributions - Last 10 Years\***

Safety Plan

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution (actuarially determined)	\$ 1,965,524	\$ 1,767,802	\$ 1,623,197
Contribution in relation to the actuarially determined contributions	<u>(1,965,524)</u>	<u>(1,767,802)</u>	<u>(1,623,197)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 6,151,486	\$ 6,328,709	\$ 6,059,802
Contributions as a percentage of covered payroll	31.95%	27.93%	26.79%

\* Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

**City of Menlo Park**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2017**

**4. OTHER POST EMPLOYMENT BENEFITS**

A schedule of funding progress for the past three actuarial valuations is presented below.

Actuarial Valuation Date *	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability	Unfunded (Overfunded) Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded (Overfunded) Liability as a Percentage of Covered Payroll
6/30/2011	\$ 11,891,000	\$ 11,873,000	\$ (18,000)	100.2%	\$ 18,752,000	-0.10%
6/30/2013	\$ 13,861,000	\$ 13,155,000	\$ (706,000)	105.4%	\$ 16,970,000	-4.16%
6/30/2015	\$ 16,512,000	\$ 16,056,000	\$ (456,000)	102.8%	\$ 19,824,000	-2.30%

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# SUPPLEMENTARY INFORMATION

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# MAJOR GOVERNMENTAL FUNDS BUDGETARY SCHEDULES

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# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### General Capital Improvement Capital Projects Fund

For the year ended June 30, 2017

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes:				
Other taxes	-	-	\$ 86,660	\$ 86,660
Intergovernmental	515,000	515,000	90,000	(425,000)
Charges for services	-	-	186,185	186,185
<b>Total revenues</b>	<b>515,000</b>	<b>515,000</b>	<b>362,845</b>	<b>(152,155)</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	51,000	51,000	-	51,000
Capital outlay	1,724,800	25,252,879	7,462,248	17,790,631
<b>Total expenditures</b>	<b>1,775,800</b>	<b>25,303,879</b>	<b>7,462,248</b>	<b>17,841,631</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,260,800)</b>	<b>(24,788,879)</b>	<b>(7,099,403)</b>	<b>17,689,476</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	2,607,125	201,436	5,601,436	5,400,000
<b>Total other financing sources (uses)</b>	<b>2,607,125</b>	<b>201,436</b>	<b>5,601,436</b>	<b>5,400,000</b>
<b>Net change in fund balance</b>	<b>\$ 1,346,325</b>	<b>\$ (24,587,443)</b>	<b>(1,497,967)</b>	<b>\$ 23,089,476</b>
<b>FUND BALANCE:</b>				
Beginning of year			19,249,500	
End of year			\$ 17,751,533	

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# NON-MAJOR GOVERNMENTAL FUNDS

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## Special Revenue Funds:

*Highway Users Tax Fund* - Established to receive and expend the City's allocation of the State Gasoline taxes.

*Federal Revenue Sharing Fund* - Established to account for Federal Revenue Sharing money used to make emergency repair loans to lower income owners of single-family owner-occupied properties.

*Landscape/Tree Assessment Fund* - Established to account for property tax assessments collected under the Landscaping and Lighting Act of 1972 utilized for maintaining of City street trees.

*Sidewalk Assessment Fund* - Established to account for property tax assessments collected under the Landscaping and Lighting Act of 1972 utilized for repair and replacement of hazardous sidewalks and curbs.

*Landfill Post-Closure Fund* - Established to receive and expend increased solid waste surcharges and other revenues to cover the post-closure costs of the Marsh Road landfill at the Bayfront Park.

*County Transportation Tax Fund* - Established to account for the City's portion of the County-wide 1/2 cent sales tax used for City transportation purposes.

*Public Library Fund* - Established to provide supplementary funds to public libraries and to encourage local jurisdictions to maintain local support for their libraries.

*Literacy Grants Fund* - Established to provide literacy services to adult learners.

*Narcotic Seizure Fund* - Established to account for money seized in arrests for drug law violations used to purchase law enforcement equipment and supplies.

*Downtown Parking Permits Fund* - Established to provide adequate parking within the Central Business District.

*Storm Drainage Fees Fund* - Established to account for storm drainage fees used to mitigate City storm drainage problems either directly or indirectly resulting from the development.

*Solid Waste Service Fund* - Utilized to provide a City-wide garbage pickup service in order to keep health standards high for the single-family residences.

*Bay Area Air Quality Management Fund (AB 434)* - Established to account for City's share of surcharge funds from motor vehicle registration fees to be used for implementing eligible transportation programs.

*Storm Water Management Fund* - Established to account for the local requirements delineated in the Storm Water Management Plan, funded by a City-wide fee per parcel.

*Supplemental Law Enforcement Services Fund* - Established to account for funds received from Supplemental Law Enforcement Services Fund (SLESF) monies under AB3229 used to provide front line law enforcement services.

*Local Law Enforcement Block Grant Fund* - Established to account for funds received from Bureau of Justice Assistance used to reduce crime and improve public safety.

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# NON-MAJOR GOVERNMENTAL FUNDS

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## **Special Revenue Funds, Continued:**

*Construction Impact Fee Fund* - Established to account for developer fees paid to mitigate pavement damage due to heavy construction activity.

*Bedwell Bayfront Park Maintenance Fund* - Utilized to account for prior year fees residing in the fund balance that were charged to the public for trash hauled to the City landfill site. The interest earned on these fees are used to maintain the Bedwell Bayfront Park built on the site.

*Recreation In-Lieu Fund* - Established to account for developer fees paid in-lieu of new recreation facilities. The funds are used to improve and expand recreation facilities.

*Sharon Hills Park Fund* - Established to account for a developer payment to be used for maintenance of Sharon Hills Park.

*Vintage Oaks Landscape Fund* - Established to account for a developer payment to be used for maintenance of the perimeter landscaping of the Vintage Oaks subdivision.

*Community Development Block Grant Special Revenue Fund* - Established in 1981 to account for Federal Housing and Community Development Block Grant funds utilized for single family housing rehabilitation and related administration.

*Miscellaneous Trust Fund* - Includes donations given to the City for certain programs within Library, Recreational and Public Safety services and deposits held by the City for environmental impact reports on small individual property developments

*Shuttle Program Fund* - Established to account for and segregate expenses and grant revenues related to shuttle services

*Measure M Fund* - Established to account for the City's portion of the annual fee of ten dollars (\$10) on motor vehicles registered in San Mateo County for transportation-related traffic congestion and water pollution mitigation programs. The fund is currently being used to pay for street sweeping services

## **Debt Service Fund:**

Debt service funds are established to account for the accumulation and disbursement of monies to comply with the interest and redemption requirements of the Library Bond and the 2002 Recreation GO Bond Obligations as well as the retirement of the former Community Development Agency's Series 2006 Refunding bonds.

## **Capital Projects Funds:**

*Library Addition Fund* - Established to account for proceeds of the 1990 Library Improvements Bond Issue used to construct improvements to the existing Library.

*Measure T 2002 GO Bond* - Established to account for the proceeds of the 2002 Measure T Recreation Improvements Bond Issue used to construct improvements to the City's parks and recreation facilities.

**City of Menlo Park**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds**  
**June 30, 2017**

	Special Revenue					
	Highway Users Tax	Federal Revenue Sharing	Landscape/ Tree Assessment	Sidewalk Assessment	Landfill Post-Closure	County Transportation Tax
<b>ASSETS</b>						
Cash and investments	\$ 2,135,217	\$ 90,485	\$ 384,523	\$ 69,748	\$ 5,235,235	\$ 1,127,719
Receivables:						
Accounts	-	-	-	-	68,042	448
Interest	5,846	265	-	-	14,333	3,351
Notes	-	38,527	-	-	-	-
Due from other governments	-	-	-	-	-	89,781
Deposits and prepaid items	-	-	-	-	3,077	-
Due from other funds	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 2,141,063</b>	<b>\$ 129,277</b>	<b>\$ 384,523</b>	<b>\$ 69,748</b>	<b>\$ 5,320,687</b>	<b>\$ 1,221,299</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 8,400	\$ -	\$ 47,057	\$ -	\$ 13,352	\$ 94,224
Accrued payroll and related liabilities	317	-	3,317	717	159	2,141
Due to other funds	-	-	-	-	-	-
Deposits	-	-	-	-	-	45,000
<b>Total liabilities</b>	<b>8,717</b>	<b>-</b>	<b>50,374</b>	<b>717</b>	<b>13,511</b>	<b>141,365</b>
<b>Deferred inflows of resources</b>						
Unavailable revenue	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>						
Restricted	2,132,346	129,277	334,149		5,307,176	1,079,934
Committed				69,031		
Assigned						
Unassigned	-	-	-	-	-	-
<b>Total fund balances</b>	<b>2,132,346</b>	<b>129,277</b>	<b>334,149</b>	<b>69,031</b>	<b>5,307,176</b>	<b>1,079,934</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 2,141,063</b>	<b>\$ 129,277</b>	<b>\$ 384,523</b>	<b>\$ 69,748</b>	<b>\$ 5,320,687</b>	<b>\$ 1,221,299</b>

(Continued)

Special Revenue

Public Library	Literacy Grants	Narcotic Seizure	Downtown Parking Permits	Storm Drainage Fees	Solid Waste Service	Bay Area Air Quality Management
\$ -	\$ 6,958	\$ 42,408	\$ 4,214,257	\$ 175,182	\$ 1,249,224	\$ 2,608
-	-	-	-	-	25,000	-
-	-	-	11,567	480	2,620	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
98,642	-	-	-	-	-	-
<u>\$ 98,642</u>	<u>\$ 6,958</u>	<u>\$ 42,408</u>	<u>\$ 4,225,824</u>	<u>\$ 175,662</u>	<u>\$ 1,276,844</u>	<u>\$ 2,608</u>

\$ -	\$ 4	\$ 242	\$ 18,514	\$ -	\$ 5,064	\$ -
-	1,312	-	130	-	1,293	-
15,228	101,187	-	-	-	-	-
-	-	-	-	-	-	-
<u>15,228</u>	<u>102,503</u>	<u>242</u>	<u>18,644</u>	<u>-</u>	<u>6,357</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
83,414		42,166	4,207,180	175,662	1,270,487	2,608
-	(95,545)	-	-	-	-	-
<u>83,414</u>	<u>(95,545)</u>	<u>42,166</u>	<u>4,207,180</u>	<u>175,662</u>	<u>1,270,487</u>	<u>2,608</u>
<u>\$ 98,642</u>	<u>\$ 6,958</u>	<u>\$ 42,408</u>	<u>\$ 4,225,824</u>	<u>\$ 175,662</u>	<u>\$ 1,276,844</u>	<u>\$ 2,608</u>

(Continued)

**City of Menlo Park**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds, Continued**  
**June 30, 2017**

	Special Revenue					
	Storm Water Management	Law Enforcement Service	Construction Impact Fees	Bayfront Park Maintenance	Recreation In-Lieu	Sharon Hills Park
<b>ASSETS</b>						
Cash and investments	\$ 573,697	\$ 102,237	\$ 6,870,545	\$ 348,818	\$ 1,185,051	\$ 46,423
Receivables:						
Accounts	-	-	-	-	-	-
Interest	-	280	18,811	955	3,244	127
Notes	-	-	-	-	-	-
Due from other governments	-	4,214	-	-	-	-
Deposits and prepaid items	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 573,697</b>	<b>\$ 106,731</b>	<b>\$ 6,889,356</b>	<b>\$ 349,773</b>	<b>\$ 1,188,295</b>	<b>\$ 46,550</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 405	\$ 494	\$ 2,492	\$ 20,009	\$ 20,210	\$ 12,645
Accrued payroll and related liabilities	2,192	-	3,452	136	353	-
Due to other funds	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
<b>Total liabilities</b>	<b>2,597</b>	<b>494</b>	<b>5,944</b>	<b>20,145</b>	<b>20,563</b>	<b>12,645</b>
<b>Deferred inflows of resources</b>						
Unavailable revenue	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>						
Restricted	571,100	106,237				
Committed			6,883,412	329,628	1,167,732	33,905
Assigned						
Unassigned	-	-	-	-	-	-
<b>Total fund balances</b>	<b>571,100</b>	<b>106,237</b>	<b>6,883,412</b>	<b>329,628</b>	<b>1,167,732</b>	<b>33,905</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 573,697</b>	<b>\$ 106,731</b>	<b>\$ 6,889,356</b>	<b>\$ 349,773</b>	<b>\$ 1,188,295</b>	<b>\$ 46,550</b>

(Continued)



Special Revenue					Debt Service		Capital Projects		
Vintage Oaks Landscape	Community Development Block Grant	Miscellaneous Trust	Shuttle Program	Measure M	Library GO Bond 1990	Recreation GO Bond 2002	Library Addition	Measure T 2002 GO Bond	Non-Major Governmental Funds
\$ 53,231	\$ 798,464	\$ 979,582	\$ (1)	\$ -	\$ 329,831	\$ 1,694,082	\$ 116,088	\$ 317,401	\$ 28,149,013
-	-	1,714	-	-	-	-	-	-	95,204
146	-	417	-	-	903	4,055	318	869	68,587
-	481,482	-	-	-	-	-	-	-	520,009
-	-	-	427,721	67,913	55	108,752	-	-	698,436
-	-	-	-	-	-	-	-	-	3,077
-	-	-	-	-	-	-	-	-	98,642
<u>\$ 53,377</u>	<u>\$ 1,279,946</u>	<u>\$ 981,713</u>	<u>\$ 427,720</u>	<u>\$ 67,913</u>	<u>\$ 330,789</u>	<u>\$ 1,806,889</u>	<u>\$ 116,406</u>	<u>\$ 318,270</u>	<u>\$ 29,632,968</u>
\$ 1,428	\$ -	\$ 96,907	\$ 188,630	\$ 3,394	\$ -	\$ -	\$ -	\$ -	\$ 533,471
-	-	158	817	-	-	-	-	187	16,681
-	-	-	239,500	64,519	875	-	-	-	421,309
-	-	-	-	-	-	-	-	-	45,000
<u>1,428</u>	<u>-</u>	<u>97,065</u>	<u>428,947</u>	<u>67,913</u>	<u>875</u>	<u>-</u>	<u>-</u>	<u>187</u>	<u>1,016,461</u>
-	-	-	92,120	-	-	-	-	-	92,120
-	-	-	92,120	-	-	-	-	-	92,120
51,949	1,279,946	884,648			329,914	1,806,889			13,121,742
-	-	-	(93,347)	-	-	-	116,406	318,083	15,157,048
-	-	-							434,489
<u>51,949</u>	<u>1,279,946</u>	<u>884,648</u>	<u>(93,347)</u>	<u>-</u>	<u>329,914</u>	<u>1,806,889</u>	<u>116,406</u>	<u>318,083</u>	<u>(188,892)</u>
<u>\$ 53,377</u>	<u>\$ 1,279,946</u>	<u>\$ 981,713</u>	<u>\$ 427,720</u>	<u>\$ 67,913</u>	<u>\$ 330,789</u>	<u>\$ 1,806,889</u>	<u>\$ 116,406</u>	<u>\$ 318,270</u>	<u>\$ 29,632,968</u>

(Concluded)

**City of Menlo Park**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the year ended June 30, 2017**

	Special Revenue					
	Highway Users Tax	Federal Revenue Sharing	Landscape/ Tree Assessment	Sidewalk Assessment	Landfill Post-Closure	County Transportation Tax
<b>REVENUES:</b>						
Other taxes	\$ 663,555	\$ -	\$ -	\$ -	\$ -	\$ 904,462
Special assessments	-	-	569,178	199,981	-	-
Licenses and permits	-	-	-	-	-	-
Use of money and property	17,680	2,877	-	-	24,155	3,814
Intergovernmental	-	-	67,913	-	-	119,373
Charges for services	-	-	-	-	779,940	(860)
Other	-	-	-	-	-	-
<b>Total revenues</b>	<b>681,235</b>	<b>2,877</b>	<b>637,091</b>	<b>199,981</b>	<b>804,095</b>	<b>1,026,789</b>
<b>EXPENDITURES:</b>						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	110,865	-	666,061	61,748	192,828	597,621
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	-	11,179	1,713	249,370	1,875	48,518
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total expenditures</b>	<b>110,865</b>	<b>11,179</b>	<b>667,774</b>	<b>311,118</b>	<b>194,703</b>	<b>646,139</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>570,370</b>	<b>(8,302)</b>	<b>(30,683)</b>	<b>(111,137)</b>	<b>609,392</b>	<b>380,650</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	180,000	-	-	-
Transfers out	(1,300,000)	-	(70,067)	(21,048)	(8,749)	(30,963)
<b>Total other financing sources (uses)</b>	<b>(1,300,000)</b>	<b>-</b>	<b>109,933</b>	<b>(21,048)</b>	<b>(8,749)</b>	<b>(30,963)</b>
<b>Net change in fund balances</b>	<b>(729,630)</b>	<b>(8,302)</b>	<b>79,250</b>	<b>(132,185)</b>	<b>600,643</b>	<b>349,687</b>
<b>FUND BALANCES:</b>						
Beginning of year	2,861,976	137,579	254,899	201,216	4,706,533	730,247
End of year	\$ 2,132,346	\$ 129,277	\$ 334,149	\$ 69,031	\$ 5,307,176	\$ 1,079,934

(Continued)

Special Revenue

Public Library	Literacy Grants	Narcotic Seizure	Downtown Parking Permits	Storm Drainage Fees	Solid Waste Service	Bay Area Air Quality Management
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	415,119	-	-	-
-	-	-	19,940	857	5,001	(4)
-	-	-	-	-	-	-
-	-	10,070	-	2,252	343,482	-
-	162,866	-	-	-	292,212	-
-	162,866	10,070	435,059	3,109	640,695	(4)
-	-	-	-	-	195,331	-
-	-	15,132	8,794	-	-	-
-	-	-	129,818	-	280,877	-
1,252	191,955	-	-	-	-	-
-	-	-	-	-	-	-
13,000	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
14,252	191,955	15,132	138,612	-	476,208	-
(14,252)	(29,089)	(5,062)	296,447	3,109	164,487	(4)
-	55,000	-	-	-	-	-
-	-	-	(28,013)	-	(85,216)	-
-	55,000	-	(28,013)	-	(85,216)	-
(14,252)	25,911	(5,062)	268,434	3,109	79,271	(4)
97,666	(121,456)	47,228	3,938,746	172,553	1,191,216	2,612
\$ 83,414	\$ (95,545)	\$ 42,166	\$ 4,207,180	\$ 175,662	\$ 1,270,487	\$ 2,608

(Continued)

**City of Menlo Park**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds, Continued**  
**For the year ended June 30, 2017**

	Special Revenue					
	Storm Water Management (NPDES)	Supplemental Law Enforcement Services	Construction Impact Fee	Bedwell Bayfront Park Maintenance	Recreation In-Lieu	Sharon Hills Park
<b>REVENUES:</b>						
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	339,687	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Use of money and property	-	649	30,273	1,862	6,433	218
Intergovernmental	(5,200)	130,086	-	-	-	-
Charges for services	2,500	-	3,095,422	-	64,000	-
Other	-	-	-	-	-	-
<b>Total revenues</b>	<b>336,987</b>	<b>130,735</b>	<b>3,125,695</b>	<b>1,862</b>	<b>70,433</b>	<b>218</b>
<b>EXPENDITURES:</b>						
Current:						
General government	9,972	-	-	-	-	-
Public safety	-	10,409	-	-	-	-
Public works	213,970	-	4,296	82,507	199,611	12,645
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	-	80,013	341,874	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total expenditures</b>	<b>223,942</b>	<b>90,422</b>	<b>346,170</b>	<b>82,507</b>	<b>199,611</b>	<b>12,645</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>113,045</b>	<b>40,313</b>	<b>2,779,525</b>	<b>(80,645)</b>	<b>(129,178)</b>	<b>(12,427)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	(39,971)	-	-	(14,044)	-	-
<b>Total other financing sources (uses)</b>	<b>(39,971)</b>	<b>-</b>	<b>-</b>	<b>(14,044)</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>73,074</b>	<b>40,313</b>	<b>2,779,525</b>	<b>(94,689)</b>	<b>(129,178)</b>	<b>(12,427)</b>
<b>FUND BALANCES:</b>						
Beginning of year, as restated	498,026	65,924	4,103,887	424,317	1,296,910	46,332
End of year	\$ 571,100	\$ 106,237	\$ 6,883,412	\$ 329,628	\$ 1,167,732	\$ 33,905

(Continued)

Special Revenue					Debt Service		Capital Projects		Total
Vintage Oaks Landscape	Community Development Block Grant	Miscellaneous Trust	Shuttle Program	Measure M	Library GO Bond 1990	Recreation GO Bond 2002	Library Addition	Measure T 2002 GO Bond	Non-Major Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,568,017
-	-	-	-	-	2,956	1,565,145	-	-	2,676,947
-	-	-	-	-	-	-	-	-	415,119
273	11,430	788	-	-	1,617	3,946	575	1,623	134,007
-	-	-	371,102	131,096	-	-	-	-	814,370
-	-	338,157	39,285	-	-	-	-	-	4,674,248
-	-	3,363	32,679	-	-	-	-	-	491,120
273	11,430	342,308	443,066	131,096	4,573	1,569,091	575	1,623	10,773,828
-	-	-	-	-	-	-	-	-	205,303
-	-	-	-	-	-	-	-	-	34,335
7,986	-	-	567,376	131,096	-	-	7,595	854	3,267,754
-	-	22,764	-	-	-	-	-	-	215,971
-	112,806	496,615	-	-	-	-	-	-	609,421
-	-	-	-	-	-	-	-	12,199	759,741
-	-	-	-	-	-	425,000	-	-	425,000
-	-	-	-	-	-	782,173	-	-	782,173
7,986	112,806	519,379	567,376	131,096	-	1,207,173	7,595	13,053	6,299,698
(7,713)	(101,376)	(177,071)	(124,310)	-	4,573	361,918	(7,020)	(11,430)	4,474,130
-	-	-	30,963	-	-	106,616	-	-	372,579
-	-	-	-	-	-	-	-	-	(1,598,071)
-	-	-	30,963	-	-	106,616	-	-	(1,225,492)
(7,713)	(101,376)	(177,071)	(93,347)	-	4,573	468,534	(7,020)	(11,430)	3,248,638
59,662	1,381,322	1,061,719	-	-	325,341	1,338,355	123,426	329,513	25,275,749
\$ 51,949	\$ 1,279,946	\$ 884,648	\$ (93,347)	\$ -	\$ 329,914	\$ 1,806,889	\$ 116,406	\$ 318,083	\$ 28,524,387

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# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Highway Users Tax Special Revenue Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Other taxes	\$ 700,000	\$ 700,000	\$ 663,555	\$ (36,445)
Use of money and property	15,000	15,000	17,680	2,680
<b>Total revenues</b>	<b>715,000</b>	<b>715,000</b>	<b>681,235</b>	<b>(33,765)</b>
<b>EXPENDITURES:</b>				
Current:				
Public works	124,726	124,726	110,865	13,861
Capital outlay	890,208	1,126,161	-	1,126,161
<b>Total expenditures</b>	<b>1,014,934</b>	<b>1,250,887</b>	<b>110,865</b>	<b>1,140,022</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(299,934)</b>	<b>(535,887)</b>	<b>570,370</b>	<b>1,106,257</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	(1,300,000)	(1,300,000)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(1,300,000)</b>	<b>(1,300,000)</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>\$ (299,934)</b>	<b>\$ (1,835,887)</b>	<b>(729,630)</b>	<b>\$ 1,106,257</b>
<b>FUND BALANCE:</b>				
Beginning of year			2,861,976	
End of year			<b>\$ 2,132,346</b>	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Federal Revenue Sharing Special Revenue Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 2,000	\$ 2,000	\$ 2,877	\$ 877
Charges for services	1,100	1,100	-	(1,100)
<b>Total revenues</b>	<b>3,100</b>	<b>3,100</b>	<b>2,877</b>	<b>(223)</b>
<b>EXPENDITURES:</b>				
Capital outlay	-	-	11,179	(11,179)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>11,179</b>	<b>(11,179)</b>
<b>Net change in fund balance</b>	<b>\$ 3,100</b>	<b>\$ 3,100</b>	<b>(8,302)</b>	<b>\$ (11,402)</b>
<b>FUND BALANCE:</b>				
Beginning of year			137,579	
End of year			\$ 129,277	



# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Landscape Tree Assessment Special Revenue Fund For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Special assessments	\$ 586,905	\$ 586,905	\$ 569,178	\$ (17,727)
Intergovernmental	90,160	90,160	67,913	(22,247)
Charges for services	3,300	3,300	-	(3,300)
<b>Total revenues</b>	<b>680,365</b>	<b>680,365</b>	<b>637,091</b>	<b>(43,274)</b>
<b>EXPENDITURES:</b>				
Current:				
Public works	873,842	880,024	666,061	213,963
Capital outlay	4,500	4,500	1,713	2,787
<b>Total expenditures</b>	<b>878,342</b>	<b>884,524</b>	<b>667,774</b>	<b>216,750</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(197,977)</b>	<b>(204,159)</b>	<b>(30,683)</b>	<b>173,476</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	180,000	180,000	180,000	-
Transfers out	(70,067)	(70,067)	(70,067)	-
<b>Total other financing sources (uses)</b>	<b>109,933</b>	<b>109,933</b>	<b>109,933</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>\$ (88,044)</b>	<b>\$ (94,226)</b>	<b>79,250</b>	<b>\$ 173,476</b>
<b>FUND BALANCE:</b>				
Beginning of year			254,899	
End of year			<b>\$ 334,149</b>	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Sidewalk Assessment Special Revenue Fund For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Special assessments	\$ 200,000	\$ 200,000	\$ 199,981	\$ (19)
<b>Total revenues</b>	<u>200,000</u>	<u>200,000</u>	<u>199,981</u>	<u>(19)</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	72,679	73,206	61,748	11,458
Capital outlay	109,323	240,553	249,370	(8,817)
<b>Total expenditures</b>	<u>182,002</u>	<u>313,759</u>	<u>311,118</u>	<u>2,641</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>17,998</u>	<u>(113,759)</u>	<u>(111,137)</u>	<u>2,622</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(21,048)	(21,048)	(21,048)	-
<b>Total other financing sources (uses)</b>	<u>(21,048)</u>	<u>(21,048)</u>	<u>(21,048)</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>\$ (3,050)</u>	<u>\$ (134,807)</u>	<u>(132,185)</u>	<u>\$ 2,622</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>201,216</u>	
End of year			<u>\$ 69,031</u>	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Landfill Post-Closure Special Revenue Fund For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 35,000	\$ 35,000	\$ 24,155	\$ (10,845)
Charges for services	725,000	725,000	779,940	54,940
<b>Total revenues</b>	<b>760,000</b>	<b>760,000</b>	<b>804,095</b>	<b>44,095</b>
<b>EXPENDITURES:</b>				
Current:				
Public works	343,550	520,151	192,828	327,323
Capital outlay	25,000	25,000	1,875	23,125
<b>Total expenditures</b>	<b>368,550</b>	<b>545,151</b>	<b>194,703</b>	<b>350,448</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>391,450</b>	<b>214,849</b>	<b>609,392</b>	<b>394,543</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(8,749)	(8,749)	(8,749)	-
<b>Total other financing sources (uses)</b>	<b>(8,749)</b>	<b>(8,749)</b>	<b>(8,749)</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>\$ 382,701</b>	<b>\$ 206,100</b>	<b>600,643</b>	<b>394,543</b>
<b>FUND BALANCE:</b>				
Beginning of year			4,706,533	
End of year			<u>\$ 5,307,176</u>	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### County Transportation Tax Special Revenue Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Other taxes	\$ 870,000	\$ 865,000	\$ 904,462	\$ 39,462
Use of money and property	1,000	1,000	3,814	2,814
Intergovernmental	773,487	-	119,373	119,373
Charges for services	65,300	-	(860)	(860)
<b>Total revenues</b>	<u>1,709,787</u>	<u>866,000</u>	<u>1,026,789</u>	<u>160,789</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	1,742,043	963,145	597,621	365,524
Capital outlay	62,200	56,652	48,518	8,134
<b>Total expenditures</b>	<u>1,804,243</u>	<u>1,019,797</u>	<u>646,139</u>	<u>373,658</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(94,456)</u>	<u>(153,797)</u>	<u>380,650</u>	<u>534,447</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	-	(30,963)	(30,963)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(30,963)</u>	<u>(30,963)</u>
<b>Net change in fund balance</b>	<u>\$ (94,456)</u>	<u>\$ (153,797)</u>	<u>349,687</u>	<u>\$ 503,484</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>730,247</u>	
End of year			<u>\$ 1,079,934</u>	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Public Library Special Revenue Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES:</b>				
Current:				
Culture and recreation	10,077	10,077	1,252	8,825
Capital Outlay	-	13,000	13,000	-
<b>Total expenditures</b>	<u>10,077</u>	<u>23,077</u>	<u>14,252</u>	<u>8,825</u>
<b>Net change in fund balance</b>	<u>\$ (10,077)</u>	<u>\$ (23,077)</u>	(14,252)	<u>\$ 8,825</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>97,666</u>	
End of year			<u>\$ 83,414</u>	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Literacy Grant Special Revenue Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 35,000	\$ 35,000	\$ -	\$ (35,000)
Other	230,000	230,000	162,866	(67,134)
<b>Total revenues</b>	<b>265,000</b>	<b>265,000</b>	<b>162,866</b>	<b>(102,134)</b>
<b>EXPENDITURES:</b>				
Current:				
Culture and recreation	246,895	246,895	191,955	54,940
<b>Total expenditures</b>	<b>246,895</b>	<b>246,895</b>	<b>191,955</b>	<b>54,940</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>18,105</b>	<b>18,105</b>	<b>(29,089)</b>	<b>(47,194)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	55,000	55,000	55,000	-
<b>Total other financing sources (uses)</b>	<b>55,000</b>	<b>55,000</b>	<b>55,000</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>\$ 73,105</b>	<b>\$ 73,105</b>	<b>25,911</b>	<b>\$ (47,194)</b>
<b>FUND BALANCE:</b>				
Beginning of year			(121,456)	
End of year			<b>\$ (95,545)</b>	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Narcotic Seizure Special Revenue Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for current services	-	-	\$ 10,070	\$ 10,070
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>10,070</b>	<b>10,070</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety	-	2,750	15,132	(12,382)
<b>Total expenditures</b>	<b>-</b>	<b>2,750</b>	<b>15,132</b>	<b>(12,382)</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ (2,750)</b>	<b>(5,062)</b>	<b>\$ (2,312)</b>
<b>FUND BALANCE:</b>				
Beginning of year			47,228	
End of year			\$ 42,166	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Downtown Parking Permits Special Revenue Fund For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Licenses and permits	\$ 380,000	\$ 380,000	\$ 415,119	\$ 35,119
Use of money and property	23,000	23,000	19,940	(3,060)
<b>Total revenues</b>	<b>403,000</b>	<b>403,000</b>	<b>435,059</b>	<b>32,059</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety	21,400	21,400	8,794	12,606
Public works	102,042	128,020	129,818	(1,798)
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<b>123,442</b>	<b>149,420</b>	<b>138,612</b>	<b>10,808</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>279,558</b>	<b>253,580</b>	<b>296,447</b>	<b>42,867</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(28,013)	(28,013)	(28,013)	-
<b>Total other financing sources (uses)</b>	<b>(28,013)</b>	<b>(28,013)</b>	<b>(28,013)</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>\$ 251,545</b>	<b>\$ 225,567</b>	<b>268,434</b>	<b>\$ 42,867</b>
<b>FUND BALANCE:</b>				
Beginning of year			3,938,746	
End of year			\$ 4,207,180	



# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Storm Drainage Fees Special Revenue Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 1,000	\$ 1,000	\$ 857	\$ (143)
Charges for services	5,000	5,000	2,252	(2,748)
<b>Total revenues</b>	<b>6,000</b>	<b>6,000</b>	<b>3,109</b>	<b>(2,891)</b>
<b>Net change in fund balance</b>	<b>\$ 6,000</b>	<b>\$ 6,000</b>	<b>3,109</b>	<b>\$ (2,891)</b>
<b>FUND BALANCE:</b>				
Beginning of year			172,553	
End of year			\$ 175,662	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Solid Waste Service Special Revenue Fund For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 8,000	\$ 8,000	\$ 5,001	\$ (2,999)
Charges for services	340,000	340,000	343,482	3,482
Other	-	-	292,212	292,212
<b>Total revenues</b>	<b>348,000</b>	<b>348,000</b>	<b>640,695</b>	<b>292,695</b>
<b>EXPENDITURES:</b>				
Current:				
General government	376,790	376,790	195,331	181,459
Public works	234,141	470,599	280,877	189,722
<b>Total expenditures</b>	<b>610,931</b>	<b>847,389</b>	<b>476,208</b>	<b>371,181</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(262,931)</b>	<b>(499,389)</b>	<b>164,487</b>	<b>663,876</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(47,216)	(47,216)	(85,216)	(38,000)
<b>Total other financing sources (uses)</b>	<b>(47,216)</b>	<b>(47,216)</b>	<b>(85,216)</b>	<b>(38,000)</b>
<b>Net change in fund balance</b>	<b>\$ (310,147)</b>	<b>\$ (546,605)</b>	<b>79,271</b>	<b>\$ 625,876</b>
<b>FUND BALANCE:</b>				
Beginning of year			1,191,216	
End of year			\$ 1,270,487	

**City of Menlo Park**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**

**Bay Area Air Quality Management Special Revenue Fund**

**For the year ended June 30, 2017**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ (4)	\$ (4)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>(4)</b>	<b>(4)</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(4)</b>	<b>\$ (4)</b>
<b>FUND BALANCE:</b>				
Beginning of year			2,612	
End of year			\$ 2,608	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Storm Water Management (NPDES) Special Revenue Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Special assessments	\$ 336,500	\$ 336,500	\$ 339,687	\$ 3,187
Intergovernmental	-	-	(5,200)	(5,200)
Charges for services	5,000	5,000	2,500	(2,500)
<b>Total revenues</b>	<b>341,500</b>	<b>341,500</b>	<b>336,987</b>	<b>(4,513)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	9,500	9,500	9,972	(472)
Public works	333,705	337,170	213,970	123,200
<b>Total expenditures</b>	<b>343,205</b>	<b>346,670</b>	<b>223,942</b>	<b>122,728</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,705)</b>	<b>(5,170)</b>	<b>113,045</b>	<b>118,215</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(39,971)	(39,971)	(39,971)	-
<b>Total other financing sources (uses)</b>	<b>(39,971)</b>	<b>(39,971)</b>	<b>(39,971)</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>\$ (41,676)</b>	<b>\$ (45,141)</b>	<b>73,074</b>	<b>\$ 118,215</b>
<b>FUND BALANCE:</b>				
Beginning of year			498,026	
End of year			<u>\$ 571,100</u>	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Supplemental Law Enforcement Services Special Revenue Fund For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 400	\$ 400	\$ 649	\$ 249
Intergovernmental	100,000	100,000	130,086	30,086
<b>Total revenues</b>	<u>100,400</u>	<u>100,400</u>	<u>130,735</u>	<u>30,335</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	37,000	37,000	10,409	26,591
Capital outlay	67,000	67,000	80,013	(13,013)
<b>Total expenditures</b>	<u>104,000</u>	<u>104,000</u>	<u>90,422</u>	<u>13,578</u>
<b>Net change in fund balance</b>	<u>\$ (3,600)</u>	<u>\$ (3,600)</u>	40,313	<u>\$ 43,913</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>65,924</u>	
End of year			<u>\$ 106,237</u>	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Construction Impact Fees Special Revenue Fund For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 25,000	\$ 25,000	\$ 30,273	\$ 5,273
Charges for services	1,500,000	1,500,000	3,095,422	1,595,422
<b>Total revenues</b>	<b>1,525,000</b>	<b>1,525,000</b>	<b>3,125,695</b>	<b>1,600,695</b>
<b>EXPENDITURES:</b>				
Current:				
Capital outlay	4,566,861	5,228,690	341,874	4,886,816
<b>Total expenditures</b>	<b>4,566,861</b>	<b>5,228,690</b>	<b>346,170</b>	<b>4,882,520</b>
<b>Net change in fund balance</b>	<b>\$ (3,041,861)</b>	<b>\$ (3,703,690)</b>	<b>2,779,525</b>	<b>\$ 6,483,215</b>
<b>FUND BALANCE:</b>				
Beginning of year			4,103,887	
End of year			<b>\$ 6,883,412</b>	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Bedwell Bayfront Park Maintenance Special Revenue Fund For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 4,000	\$ 4,000	\$ 1,862	\$ (2,138)
<b>Total revenues</b>	<u>4,000</u>	<u>4,000</u>	<u>1,862</u>	<u>(2,138)</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	91,200	91,200	82,507	8,693
Capital outlay	5,000	5,000	-	5,000
<b>Total expenditures</b>	<u>96,200</u>	<u>96,200</u>	<u>82,507</u>	<u>13,693</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(92,200)</u>	<u>(92,200)</u>	<u>(80,645)</u>	<u>11,555</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(14,044)	(14,044)	(14,044)	-
<b>Total other financing sources (uses)</b>	<u>(14,044)</u>	<u>(14,044)</u>	<u>(14,044)</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>\$ (106,244)</u>	<u>\$ (106,244)</u>	<u>(94,689)</u>	<u>\$ 11,555</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>424,317</u>	
End of year			<u>\$ 329,628</u>	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Recreation In-Lieu Special Revenue Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 12,000	\$ 12,000	\$ 6,433	\$ (5,567)
Charges for services	400,000	400,000	64,000	(336,000)
<b>Total revenues</b>	<b>412,000</b>	<b>412,000</b>	<b>70,433</b>	<b>(341,567)</b>
<b>EXPENDITURES:</b>				
Current:				
Public works	476,687	1,111,683	199,611	912,072
Capital outlay	-	1,422	-	1,422
<b>Total expenditures</b>	<b>476,687</b>	<b>1,113,105</b>	<b>199,611</b>	<b>913,494</b>
<b>Net change in fund balance</b>	<b>\$ (64,687)</b>	<b>\$ (701,105)</b>	<b>(129,178)</b>	<b>\$ 571,927</b>
<b>FUND BALANCE:</b>				
Beginning of year			1,296,910	
End of year			\$ 1,167,732	



# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Sharon Hills Park Special Revenue Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 600	\$ 600	\$ 218	\$ (382)
<b>Total revenues</b>	<b>600</b>	<b>600</b>	<b>218</b>	<b>(382)</b>
<b>EXPENDITURES:</b>				
Current:				
Public works	13,000	13,000	12,645	355
<b>Total expenditures</b>	<b>13,000</b>	<b>13,000</b>	<b>12,645</b>	<b>355</b>
<b>Net change in fund balance</b>	<b>\$ (12,400)</b>	<b>\$ (12,400)</b>	<b>(12,427)</b>	<b>\$ (27)</b>
<b>FUND BALANCE:</b>				
Beginning of year			46,332	
End of year			<b>\$ 33,905</b>	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Vintage Oaks Landscape Special Revenue Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 273	\$ 273
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>273</b>	<b>273</b>
<b>EXPENDITURES:</b>				
Current:				
Public works	9,504	9,504	7,986	1,518
<b>Total expenditures</b>	<b>9,504</b>	<b>9,504</b>	<b>7,986</b>	<b>1,518</b>
<b>Net change in fund balance</b>	<b>\$ (9,504)</b>	<b>\$ (9,504)</b>	<b>(7,713)</b>	<b>\$ 1,791</b>
<b>FUND BALANCE:</b>				
Beginning of year			59,662	
End of year			<u>\$ 51,949</u>	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Community Development Block Grant Special Revenue Fund

For the year ended June 30, 2017

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 9,000	\$ 9,000	\$ 11,430	\$ 2,430
Intergovernmental	(32,000)	(32,000)	-	\$ 32,000
Charges for services	23,000	23,000	-	(23,000)
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>11,430</b>	<b>11,430</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	112,806	(112,806)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>112,806</b>	<b>(112,806)</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(101,376)</b>	<b>\$ (101,376)</b>
<b>FUND BALANCE:</b>				
Beginning of year			1,381,322	
End of year			<u>\$ 1,279,946</u>	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Miscellaneous Trust Special Revenue Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 1,125	\$ 1,125	\$ 788	\$ (337)
Charges for services	-	-	338,157	338,157
Other	26,000	26,000	3,363	(22,637)
<b>Total revenues</b>	<b>27,125</b>	<b>27,125</b>	<b>342,308</b>	<b>315,183</b>
<b>EXPENDITURES:</b>				
Current:				
Culture and recreation	86,490	86,490	22,764	63,726
Community development	-	425,106	496,615	(71,509)
<b>Total expenditures</b>	<b>86,490</b>	<b>511,596</b>	<b>519,379</b>	<b>(7,783)</b>
<b>Net change in fund balance</b>	<b>\$ (59,365)</b>	<b>\$ (484,471)</b>	<b>(177,071)</b>	<b>\$ 307,400</b>
<b>FUND BALANCE:</b>				
Beginning of year			1,061,719	
End of year			\$ 884,648	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Shuttle Program Special Revenue Fund For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ 773,487	\$ 371,102	\$ (402,385)
Charges for services	-	65,300	39,285	(26,015)
Other	-	-	32,679	32,679
<b>Total revenues</b>	<b>-</b>	<b>838,787</b>	<b>443,066</b>	<b>(395,721)</b>
<b>EXPENDITURES:</b>				
Current:				
Public works	-	876,450	567,376	309,074
<b>Total expenditures</b>	<b>-</b>	<b>876,450</b>	<b>567,376</b>	<b>309,074</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>(37,663)</b>	<b>(124,310)</b>	<b>(86,647)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	30,963	30,963
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>30,963</b>	<b>30,963</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ (37,663)</b>	<b>(93,347)</b>	<b>\$ (55,684)</b>
<b>FUND BALANCE:</b>				
Beginning of year			-	
End of year			<u><u>\$ (93,347)</u></u>	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Measure M Special Revenue Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 131,096	\$ 131,096
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>131,096</b>	<b>131,096</b>
<b>EXPENDITURES:</b>				
Current:				
Public works	-	-	131,096	(131,096)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>131,096</b>	<b>(131,096)</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
<b>FUND BALANCE:</b>				
Beginning of year			-	
End of year			\$ -	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Library Bond Debt Service Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Special assessments	\$ -	\$ -	\$ 2,956	\$ 2,956
Use of money and property	1,500	1,500	1,617	117
<b>Total revenues</b>	<b>1,500</b>	<b>1,500</b>	<b>4,573</b>	<b>3,073</b>
<b>Net change in fund balance</b>	<b>\$ 1,500</b>	<b>\$ 1,500</b>	<b>4,573</b>	<b>\$ 3,073</b>
<b>FUND BALANCE:</b>				
Beginning of year			325,341	
End of year			\$ 329,914	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Recreation GO Bond 2002 Debt Service Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Special assessments	\$ 1,400,000	\$ 1,400,000	\$ 1,565,145	\$ 165,145
Use of money and property	1,000	1,000	3,946	2,946
<b>Total revenues</b>	<b>1,401,000</b>	<b>1,401,000</b>	<b>1,569,091</b>	<b>168,091</b>
<b>EXPENDITURES:</b>				
Debt service:				
Principal	700,000	700,000	425,000	275,000
Interest	1,005,085	1,005,085	782,173	222,912
<b>Total expenditures</b>	<b>1,705,085</b>	<b>1,705,085</b>	<b>1,207,173</b>	<b>497,912</b>
<b>Net change in fund balance</b>	<b>\$ (304,085)</b>	<b>\$ (304,085)</b>	<b>468,534</b>	<b>\$ 772,619</b>
<b>FUND BALANCE:</b>				
Beginning of year			1,338,355	
End of year			\$ 1,806,889	



# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Library Addition Capital Projects Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 1,000	\$ 1,000	\$ 575	\$ (425)
<b>Total revenues</b>	<b>1,000</b>	<b>1,000</b>	<b>575</b>	<b>(425)</b>
<b>EXPENDITURES:</b>				
Current				
Public works	-	-	7,595	-
Culture and recreation	15,000	15,000		7,405
Capital outlay	25,000	25,000	-	25,000
<b>Total expenditures</b>	<b>40,000</b>	<b>40,000</b>	<b>7,595</b>	<b>32,405</b>
<b>Net change in fund balance</b>	<b>\$ (39,000)</b>	<b>\$ (39,000)</b>	<b>(7,020)</b>	<b>\$ 31,980</b>
<b>FUND BALANCE:</b>				
Beginning of year			123,426	
End of year			\$ 116,406	

# City of Menlo Park

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Measure T 2002 GO Bond Capital Projects Fund

For the year ended June 30, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 2,500	\$ 2,500	\$ 1,623	\$ (877)
<b>Total revenues</b>	<b>2,500</b>	<b>2,500</b>	<b>1,623</b>	<b>(877)</b>
<b>EXPENDITURES:</b>				
Capital outlay	-	-	12,199	(12,199)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>12,199</b>	<b>(12,199)</b>
<b>Net change in fund balance</b>	<b>\$ 2,500</b>	<b>\$ 2,500</b>	<b>(11,430)</b>	<b>\$ (13,930)</b>
<b>FUND BALANCE:</b>				
Beginning of year			329,513	
End of year			\$ 318,083	

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# ENTERPRISE FUNDS

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*Water Operations Fund* - Established to account for the water distributions operations of the Menlo Park Municipal Water District.

*Water Capital Improvement Fund* - Accounts for the proceeds of the capital surcharge from water operations and is utilized for construction improvements of the water infrastructure.

**City of Menlo Park**  
**Combining Schedule of Net Position**  
**Enterprise Funds**  
**June 30, 2017**

	Water Operating Fund	Water Capital Improvement Fund	Total Water Funds
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 38,836	\$ 12,109,005	\$ 12,147,841
Receivables:			
Accounts	834,784	81,284	916,068
Interest	4,939	28,134	33,073
Due from other governments	1,354	-	1,354
Deposits and prepaid expenses	-	-	-
Due from other funds	-	858,326	858,326
Total current assets	<u>879,913</u>	<u>13,076,749</u>	<u>13,956,662</u>
Capital assets:			
Non-depreciable	4,967,856	-	4,967,856
Depreciable, net	<u>11,244,569</u>	<u>-</u>	<u>11,244,569</u>
Total capital assets	<u>16,212,425</u>	<u>-</u>	<u>16,212,425</u>
<b>Total assets</b>	<u>17,092,338</u>	<u>13,076,749</u>	<u>30,169,087</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Employer pension contribution	70,662	36,009	106,671
Pension related amounts	<u>105,926</u>	<u>52,963</u>	<u>158,889</u>
<b>Total deferred outflow of resources</b>	<u>176,588</u>	<u>88,972</u>	<u>265,560</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	890,818	93,497	984,315
Accrued payroll	10,455	4,893	15,348
Deposits	73,046	-	73,046
Compensated absences	25,079	13,727	38,806
Due to other funds	<u>858,326</u>	<u>-</u>	<u>858,326</u>
Total current liabilities	<u>1,857,724</u>	<u>112,117</u>	<u>1,969,841</u>
Noncurrent liabilities:			
Net pension liability	585,613	292,806	878,419
Compensated absences	<u>20,947</u>	<u>11,474</u>	<u>32,421</u>
Total noncurrent liabilities	<u>606,560</u>	<u>304,280</u>	<u>910,840</u>
<b>Total liabilities</b>	<u>2,464,284</u>	<u>416,397</u>	<u>2,880,681</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Pension related amounts	<u>16,009</u>	<u>8,004</u>	<u>24,013</u>
Total deferred inflow of resources	<u>16,009</u>	<u>8,004</u>	<u>24,013</u>
<b>NET POSITION</b>			
Net investment in capital assets	16,212,425	-	16,212,425
Restricted for:			
Capital projects	-	12,741,320	12,741,320
Unrestricted	<u>(1,423,792)</u>	<u>-</u>	<u>(1,423,792)</u>
<b>Total net position</b>	<u>\$ 14,788,633</u>	<u>\$ 12,741,320</u>	<u>\$ 27,529,953</u>

**City of Menlo Park**  
**Combining Schedule of Revenues, Expenses and Changes in Fund Net Position**  
**Enterprise Funds**  
**For the year ended June 30, 2017**

	Water Operating Fund	Water Capital Improvement Fund	Total Water Funds
<b>OPERATING REVENUES:</b>			
Water sales	\$ 8,218,116	\$ 1,269,024	\$ 9,487,140
<b>Total operating revenues</b>	<b>8,218,116</b>	<b>1,269,024</b>	<b>9,487,140</b>
<b>OPERATING EXPENSES:</b>			
Cost of sales and services	7,104,337	21,322	7,125,659
General and administrative	587,742	-	587,742
Depreciation	323,626	-	323,626
<b>Total operating expenses</b>	<b>8,015,705</b>	<b>21,322</b>	<b>8,037,027</b>
<b>OPERATING INCOME (LOSS)</b>	<b>202,411</b>	<b>1,247,702</b>	<b>1,450,113</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Interest income	9,362	52,484	61,846
Gain (Loss) on sale of equipment	-	-	-
<b>Total nonoperating revenues</b>	<b>9,362</b>	<b>52,484</b>	<b>61,846</b>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<b>211,773</b>	<b>1,300,186</b>	<b>1,511,959</b>
<b>TRANSFERS:</b>			
Transfers in	-	-	-
Transfers out	(201,061)	-	(201,061)
<b>Total transfers</b>	<b>(201,061)</b>	<b>-</b>	<b>(201,061)</b>
<b>Net income (loss)</b>	<b>10,712</b>	<b>1,300,186</b>	<b>1,310,898</b>
<b>NET POSITION:</b>			
Beginning of year	14,777,921	11,441,134	26,219,055
End of year	\$ 14,788,633	\$ 12,741,320	\$ 27,529,953

**City of Menlo Park**  
**Combining Schedule of Cash Flows**  
**Enterprise Funds**  
**For the year ended June 30, 2017**

	Water Operating Fund	Water Capital Improvement Fund	Total Water Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers/other funds	\$ 8,241,819	\$ 1,246,743	\$ 9,488,562
Cash payment to suppliers	(6,812,651)	(127,346)	(6,939,997)
Cash payments for general and administrative	(588,130)	(118,977)	(707,107)
<b>Net cash provided (used) by operating activities</b>	<b>841,038</b>	<b>1,000,420</b>	<b>1,841,458</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Transfers out	(201,061)	-	(201,061)
<b>Net cash provided (used) by noncapital financing activities</b>	<b>(201,061)</b>	<b>-</b>	<b>(201,061)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition and construction of capital assets	(1,657,546)	-	(1,657,546)
<b>Net cash provided (used) by capital and related financing activities</b>	<b>(1,657,546)</b>	<b>-</b>	<b>(1,657,546)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Investment income	6,843	49,044	55,887
<b>Net cash provided (used) by investing activities</b>	<b>6,843</b>	<b>49,044</b>	<b>55,887</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,010,726)</b>	<b>1,049,464</b>	<b>38,738</b>
<b>CASH AND CASH EQUIVALENTS:</b>			
Beginning of year	1,049,562	11,059,541	12,109,103
End of year	<u>\$ 38,836</u>	<u>\$ 12,109,005</u>	<u>\$ 12,147,841</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ 202,411	\$ 1,247,702	\$ 1,450,113
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	323,626	-	323,626
Changes in current assets and liabilities:			
Accounts receivable	(18,843)	(22,281)	(41,124)
Deferred outflow of resources	(117,013)	(59,184)	(176,197)
Accounts payable	291,686	(106,024)	185,662
Accrued payroll	(12,887)	(3,802)	(16,689)
Compensated absences	18,837	(111,329)	(92,492)
Deferred inflow of resources	(32,696)	(16,347)	(49,043)
Net pension liability	143,371	71,685	215,056
Deposits	42,546	-	42,546
Total adjustments	638,627	(247,282)	391,345
<b>Net cash provided (used) by operating activities</b>	<b>\$ 841,038</b>	<b>\$ 1,000,420</b>	<b>\$ 1,841,458</b>

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# INTERNAL SERVICE FUNDS

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*Internal Service Funds* are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

*Workers' Compensation Insurance Fund* - This fund accounts for the administration of the City's self-insured Workers' Compensation Insurance Program.

*Liability Fire Insurance Fund* - This fund accounts for the administration of the City's General Liability Insurance program.

*Other Post Employment Benefits* - This fund accounts for the financial administration of funding from all City departments for retiree medical benefits as these benefits are earned.

*Information Technology* - This fund accounts for administration and support of all hardware, software, and communication equipment needs of the City's other departments.

*Vehicle Replacement Fund* - This fund accounts for the replacement of vehicles and equipment used by various City departments.

**City of Menlo Park**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2017**

	Workers' Compensation Insurance	General Liability Insurance	Other Post Employment Benefits	Information Technology	Vehicle Replacement	Total
<b>ASSETS</b>						
Current assets:						
Cash, cash equivalents and investments	\$ 2,418,887	\$ 1,243,915	\$ 781,049	\$ 248,066	\$ 556,631	\$ 5,248,548
Receivables:						
Accounts	-	-	-	-	9,141	9,141
Interest	6,623	3,406	2,138	809	1,524	14,500
Deposits and prepaid items	95,000	50,000	12,664	34,813	-	192,477
<b>Total current assets</b>	<b>2,520,510</b>	<b>1,297,321</b>	<b>795,851</b>	<b>283,688</b>	<b>567,296</b>	<b>5,464,666</b>
Capital assets:						
Depreciable, net	-	-	-	-	1,170,514	1,170,514
<b>Total capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,170,514</b>	<b>1,170,514</b>
<b>Total assets</b>	<b>2,520,510</b>	<b>1,297,321</b>	<b>795,851</b>	<b>283,688</b>	<b>1,737,810</b>	<b>6,635,180</b>
<b>LIABILITIES AND NET ASSETS</b>						
<b>Liabilities:</b>						
Current liabilities:						
Accounts payable	194,372	7,287	-	72,257	553	274,469
Accrued payroll	573	469	7,158	7,372	-	15,572
Due to other funds	-	-	336,869	-	-	336,869
Claims payable, due within one year	884,113	135,096	-	-	-	1,019,209
Compensated absences payable, due within one year	5,777	12,837	-	39,686	-	58,300
<b>Total current liabilities</b>	<b>1,084,835</b>	<b>155,689</b>	<b>344,027</b>	<b>119,315</b>	<b>553</b>	<b>1,704,419</b>
Claims payable, due in more than one year	2,785,804	343,522	-	-	-	3,129,326
Compensated absences payable, due in more than one year	4,828	10,731	-	33,174	-	48,733
<b>Total liabilities</b>	<b>3,875,467</b>	<b>509,942</b>	<b>344,027</b>	<b>152,489</b>	<b>553</b>	<b>4,882,478</b>
<b>Net Position:</b>						
Net investment in capital assets	-	-	-	-	1,170,514	1,170,514
Unrestricted	(1,354,957)	787,379	451,824	131,199	566,743	582,188
<b>Total net position</b>	<b>\$ (1,354,957)</b>	<b>\$ 787,379</b>	<b>\$ 451,824</b>	<b>\$ 131,199</b>	<b>\$ 1,737,257</b>	<b>\$ 1,752,702</b>



**City of Menlo Park**  
**Combining Statement of Revenues, Expenses and Changes in Net Position**  
**Internal Service Funds**  
**For the year ended June 30, 2017**

	Workers' Compensation Insurance	General Liability Insurance	Other Post Employment Benefits	Information Technology	Vehicle Replacement	Total
<b>OPERATING REVENUES:</b>						
Charges for services	\$ 1,320,907	\$ 794,062	\$ 858,815	\$ 1,729,332	\$ 595,000	\$ 5,298,116
<b>Total operating revenues</b>	<b>1,320,907</b>	<b>794,062</b>	<b>858,815</b>	<b>1,729,332</b>	<b>595,000</b>	<b>5,298,116</b>
<b>OPERATING EXPENSES:</b>						
Personnel services	88,567	56,042	655,897	717,744	-	1,518,250
General and administrative	6,177	44,624	280,384	849,022	15,290	1,195,497
Insurance	1,368,818	712,555	-	-	-	2,081,373
Depreciation	-	-	-	-	273,334	273,334
<b>Total operating expenses</b>	<b>1,463,562</b>	<b>813,221</b>	<b>936,281</b>	<b>1,566,766</b>	<b>288,624</b>	<b>5,068,454</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(142,655)</b>	<b>(19,159)</b>	<b>(77,466)</b>	<b>162,566</b>	<b>306,376</b>	<b>229,662</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>						
Interest and investment earnings	9,566	4,021	5,300	669	3,102	22,658
Gain (loss) on sale of equipment	-	-	-	-	9,141	9,141
<b>Total nonoperating revenues (expenses)</b>	<b>9,566</b>	<b>4,021</b>	<b>5,300</b>	<b>669</b>	<b>12,243</b>	<b>31,799</b>
<b>NET INCOME (LOSS)</b>	<b>(133,089)</b>	<b>(15,138)</b>	<b>(72,166)</b>	<b>163,235</b>	<b>318,619</b>	<b>261,461</b>
<b>NET POSITION:</b>						
Beginning of the year	(1,221,868)	802,517	523,990	(32,036)	1,418,638	1,491,241
End of the year	\$ (1,354,957)	\$ 787,379	\$ 451,824	\$ 131,199	\$ 1,737,257	\$ 1,752,702

**City of Menlo Park**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the year ended June 30, 2017**

	Workers' Compensation Insurance	General Liability Insurance	Other Post Employment Benefits	Information Technology	Vehicle Replacement	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>						
Cash received from other funds including cash deposits	\$ 1,320,907	\$ 800,726	\$ 858,815	\$ 1,729,332	\$ 587,609	\$ 5,297,389
Cash paid to suppliers	(1,089,565)	(578,848)	(280,922)	(947,393)	(25,150)	(2,921,878)
Cash paid to employees	(78,216)	(34,738)	(663,093)	(697,791)	-	(1,473,838)
<b>Net cash provided (used) by operating activities</b>	<b>153,126</b>	<b>187,140</b>	<b>(85,200)</b>	<b>84,148</b>	<b>562,459</b>	<b>901,673</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>						
Proceeds from disposal of equipment	-	-	-	-	9,141	9,141
Acquisition and construction of capital assets	-	-	-	-	(399,869)	(399,869)
<b>Net cash provided (used) by capital and related financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(390,728)</b>	<b>(390,728)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>						
Investment earnings received (paid)	7,983	2,968	5,109	255	2,431	18,746
<b>Net cash provided (used) by investing activities</b>	<b>7,983</b>	<b>2,968</b>	<b>5,109</b>	<b>255</b>	<b>2,431</b>	<b>18,746</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>161,109</b>	<b>190,108</b>	<b>(80,091)</b>	<b>84,403</b>	<b>174,162</b>	<b>529,691</b>
Cash, cash equivalents, and investments at beginning of year	2,257,778	1,053,807	861,140	163,663	382,469	4,718,857
Cash, cash equivalents, and investments at end of year	<b>\$ 2,418,887</b>	<b>\$ 1,243,915</b>	<b>\$ 781,049</b>	<b>\$ 248,066</b>	<b>\$ 556,631</b>	<b>\$ 5,248,548</b>

**City of Menlo Park**  
**Combining Statement of Cash Flows, Continued**  
**Internal Service Funds**  
**For the year ended June 30, 2016**

	Workers' Compensation Insurance	General Liability Insurance	Other Post Employment Benefits	Other Post Employment Benefits	Vehicle Replacement	Total
<b>RECONCILIATION OF OPERATING</b>						
<b>INCOME (LOSS) TO NET CASH PROVIDED</b>						
<b>(USED) BY OPERATING ACTIVITIES:</b>						
Operating income (loss)	\$ (142,655)	\$ (19,159)	\$ (77,466)	\$ 162,566	\$ 306,376	\$ 229,662
Depreciation	-	-	-	-	273,334	273,334
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Accounts receivable	-	6,664	-	-	(7,391)	(727)
Prepaid expenses	-	-	(538)	11,160	-	10,622
Accounts payable	(20,702)	(789)	-	(109,531)	(9,860)	(140,882)
Payroll liabilities	(182)	(185)	(7,196)	(9,570)	-	(17,133)
Insurance claim payable	306,132	179,120	-	-	-	485,252
Compensated absence payable	10,533	21,489	-	29,523	-	61,545
Total adjustments	295,781	206,299	(7,734)	(78,418)	256,083	672,011
<b>Net cash provided (used) by operating activities</b>	<b>\$ 153,126</b>	<b>\$ 187,140</b>	<b>\$ (85,200)</b>	<b>\$ 84,148</b>	<b>\$ 562,459</b>	<b>\$ 901,673</b>

**City of Menlo Park**  
**Combining Statement of Net Position**  
**Agency Funds**  
**June 30, 2017**

	Refundable Deposits	Cash Bonds Payable	Payroll Revolving	Total Agency Funds
<b>ASSETS</b>				
Cash and investments	\$ 921,942	\$ 900	\$ -	\$ 922,842
Accounts receivable	-	-	15,589	15,589
Prepays	-	-	340,619	340,619
<b>Total assets</b>	<b>\$ 921,942</b>	<b>\$ 900</b>	<b>\$ 356,208</b>	<b>\$ 1,279,050</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 1,000	\$ -	\$ 204,873	\$ 205,873
Due to the City			151,335	151,335
Deposits	920,942	900	-	921,842
<b>Total liabilities</b>	<b>\$ 921,942</b>	<b>\$ 900</b>	<b>\$ 356,208</b>	<b>\$ 1,279,050</b>

**City of Menlo Park**  
**Combining Statement of Changes in Net Position**  
**Agency Funds**  
**For the year ended June 30, 2017**

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
<b><u>Refundable Deposits</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 724,210	\$ 274,232	\$ (76,500)	\$ 921,942
<b>Liabilities:</b>				
Accounts payable	\$ 16,000	\$ 61,500	\$ (76,500)	1,000
Deposits	708,210	274,232	(61,500)	920,942
	<u>\$ 724,210</u>	<u>\$ 335,732</u>	<u>\$ (138,000)</u>	<u>\$ 921,942</u>
<b><u>Cash Bonds Payable</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 2,900		\$ (2,000)	\$ 900
<b>Liabilities:</b>				
Deposits	\$ 2,900		\$ (2,000)	\$ 900
<b><u>Payroll Revolving</u></b>				
<b>Assets:</b>				
Cash and investments	\$ (464,216)	\$ 6,072,569	\$ (5,759,688)	(151,335)
Accounts receivable	47,927	3,842	(36,180)	15,589
Prepays	324,696	1,166,191	(1,150,268)	340,619
<b>Total assets</b>	<u>\$ (91,593)</u>	<u>\$ 7,242,602</u>	<u>\$ (6,946,136)</u>	<u>\$ 204,873</u>
<b>Liabilities:</b>				
Accounts payable	\$ (91,593)	\$ 12,371,327	\$ (12,074,861)	204,873
<b><u>Total Agency Funds</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 727,110	\$ 274,232	\$ (78,500)	\$ 922,842
Accounts receivable	47,927	3,842	(36,180)	15,589
Prepays	324,696	1,166,191	(1,150,268)	340,619
<b>Total assets</b>	<u>\$ 1,099,733</u>	<u>\$ 1,444,265</u>	<u>\$ (1,264,948)</u>	<u>\$ 1,279,050</u>
<b>Liabilities:</b>				
Accounts payable	\$ (75,593)	\$ 12,432,827	\$ (12,151,361)	\$ 205,873
Due to the City	\$ 464,216	\$ (6,072,569)	\$ 5,759,688	\$ 151,335
Deposits	711,110	274,232	(63,500)	921,842
<b>Total liabilities</b>	<u>\$ 1,099,733</u>	<u>\$ 6,634,490</u>	<u>\$ (6,455,173)</u>	<u>\$ 1,279,050</u>

**City of Menlo Park**  
**Combining Schedule of Net Position**  
**Private-Purpose Trust Fund - Successor Agency**  
**June 30, 2017**

	Redevelopment Obligation Retirement Fund	Redevelopment Dissolution Fund	Total Successor Agency Funds
<b>ASSETS</b>			
Current assets:			
Cash and investments:			
Held with City	\$ 9,080,275	\$ 10	\$ 9,080,285
<b>Total assets</b>	<b>9,080,275</b>	<b>10</b>	<b>9,080,285</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred loss of refunding	11,954,769	-	11,954,769
<b>Total deferred outflows of resources</b>	<b>11,954,769</b>	<b>-</b>	<b>11,954,769</b>
<b>LIABILITIES</b>			
Liabilities:			
Accounts payable	3,850	-	3,850
Interest payable	573,238	-	573,238
Deposits	108,891	-	108,891
Long-term debt:			
Due within one year	3,140,000	-	3,140,000
Due in more than one year	53,113,300	-	53,113,300
<b>Total liabilities</b>	<b>56,939,279</b>	<b>-</b>	<b>56,939,279</b>
<b>NET POSITION</b>			
Held in trust for other governments	(35,904,235)	10	(35,904,225)
<b>Total net position</b>	<b>\$ (35,904,235)</b>	<b>\$ 10</b>	<b>\$ (35,904,225)</b>

**City of Menlo Park**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Private Purpose Trust Fund - Successor Agency**  
**For the year ended June 30, 2017**

	Redevelopment Obligation Retirement Fund	Redevelopment Dissolution Fund	Total Successor Agency
<b>Additions:</b>			
Property taxes	\$ 5,464,800	\$ -	\$ 5,464,800
<b>Total additions</b>	<b>5,464,800</b>	<b>-</b>	<b>5,464,800</b>
<b>Deductions:</b>			
Interest and fiscal agency expenses of former redevelopment agency	2,663,452	-	2,663,452
<b>Total deductions</b>	<b>2,663,452</b>	<b>-</b>	<b>2,663,452</b>
<b>Change in net position</b>	<b>2,801,348</b>	<b>-</b>	<b>2,801,348</b>
Net position - beginning of the year	(38,705,583)	10	(38,705,573)
Net position - end of the year	<b>\$ (35,904,235)</b>	<b>\$ 10</b>	<b>\$ (35,904,225)</b>

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## **Statistical Section**

**Fiscal Year 2016-2017**

*- Unaudited -*

This part of the City of Menlo Park's comprehensive annual financial report presents detailed information as a context to aid in understanding of the information in the financial statements, note disclosures, and required supplementary information regarding the City's overall financial health.

### **Financial Trend**

**Schedule #**

*These schedules contain trend information to help the readers understand how the City of Menlo Park's financial performance and well-being have changed over time.*

<b>Net Position by Component</b>	1
<b>Changes in Net Position</b>	2
<b>Fund Balances-Governmental Funds</b>	3
<b>Changes in Fund Balances-Governmental Funds</b>	4

### **Revenue Capacity**

*These schedules contain information to help the readers assess the City of Menlo Park's most significant local revenue resource, property taxes.*

<b>Governmental Funds by Source</b>	5
<b>Governmental Funds Taxes by Type</b>	6
<b>Assessed Valuation, Tax Rates, and Tax Levies</b>	7

### **Debt Capacity**

*These schedules present information to help the readers assess the affordability of the City of Menlo Park's current levels of outstanding debt and the City's ability to issue additional debt in the future.*

<b>Direct and Overlapping Property Tax Rates</b>	8
<b>Principal Property Tax Payers</b>	9
<b>Property Tax Levies and Collections</b>	10
<b>Ratios of Outstanding Debt by Type</b>	11
<b>Ratio of General Bonded Debt Outstanding</b>	12
<b>Direct and Overlapping Debt</b>	13
<b>Legal Debt Service Margin Informations</b>	14

### **Demographic and Economic Information**

*These schedules offer demographic and economic indicators to help the readers understand the environment within which the City's financial activities take place.*

<b>Demographic and Economic Statistics</b>	15
<b>Principal Employers</b>	16
<b>Full Time Equivalent City Employees by Function</b>	17

### **Operating Information**

*These schedules contain service and infrastructure data to help the readers understand how the information in the City's financial reports relate to the services the City provides and the activities it performs.*

<b>Operating Indicators by Demand and Level of Service by Function/Program</b>	18
<b>Capital Asset Statistics by Function</b>	19
<b>Capital Asset and Infrastructure Statistics by Activities</b>	20
<b>Water Sold by Type of Customer</b>	21
<b>Water Service Rates</b>	22
<b>Miscellaneous Statistics</b>	23

## Net Position by Component

Financial Trend:  
Schedule 1

June 30, 2017

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>Government Activities</u>										
Investment in Capital Assets, Net of Related Debt	\$ 265,272,383	\$ 261,153,596	\$ 259,274,758	\$ 279,942,360	\$ 345,357,433	\$ 347,050,366	\$ 344,119,674	\$ 341,158,440	\$ 345,581,545	\$ 350,046,891
Restricted for:										
Capital Projects	20,378,994	18,207,379	19,717,874	14,582,060	9,432,413	14,394,634	13,601,651	14,926,424	7,275,487	6,886,511
Debt Service	10,759,071	12,184,002	12,630,096	12,662,667	2,225,873	1,943,354	2,133,308	2,123,752	1,663,696	2,136,803
Community Development	6,160,144	6,140,612	6,265,677	-	-	-	-	-	22,783,937	26,018,398
Special Projects	1,034,326	1,203,583	5,857,506	9,176,084	2,842,844	1,501,478	2,238,560	2,010,049	5,572,610	6,360,828
Total Restricted - Government Activities	38,332,535	37,735,576	44,471,153	36,420,811	14,501,130	17,839,466	17,973,519	19,060,225	37,295,730	41,402,540
Total Unrestricted - Government Activities	66,120,512	74,932,478	69,032,234	61,310,616	49,224,495	50,586,566	60,530,382	30,340,383	21,095,111	23,288,128
Total Government Activities	\$ 369,725,430	\$ 373,821,650	\$ 372,778,145	\$ 377,673,787	\$ 409,083,058	\$ 415,476,398	\$ 422,623,575	\$ 390,559,048	\$ 403,972,386	\$ 414,737,559
<u>Business-Type Activities</u>										
Investment in Capital Assets, Net of Related Debt	\$ 7,532,369	\$ 7,620,626	\$ 7,790,683	\$ 8,536,711	\$ 9,524,216	\$ 10,079,682	\$ 11,005,746	\$ 13,990,073	\$ 14,878,505	\$ 16,212,425
Restricted for:										
Capital Projects	15,383,875	16,518,953	16,944,216	16,771,000	15,381,845	15,273,688	15,212,663	12,445,532	11,441,134	12,741,320
Special Projects	-	-	-	-	-	-	-	-	-	-
Total Restricted - Business-Type Activities	15,383,875	16,518,953	16,944,216	16,771,000	15,381,845	15,273,688	15,212,663	12,445,532	11,441,134	12,741,320
Total Unrestricted - Business-Type Activities	1,216,854	776,214	144,088	(397,806)	(431,529)	(735,629)	(538,996)	(431,151)	(100,584)	(1,423,792)
Total Business-Type Activities	\$ 24,133,098	\$ 24,915,793	\$ 24,878,987	\$ 24,909,905	\$ 24,474,532	\$ 24,617,741	\$ 25,679,413	\$ 26,004,454	\$ 26,219,055	\$ 27,529,953

Source: City of Menlo Park

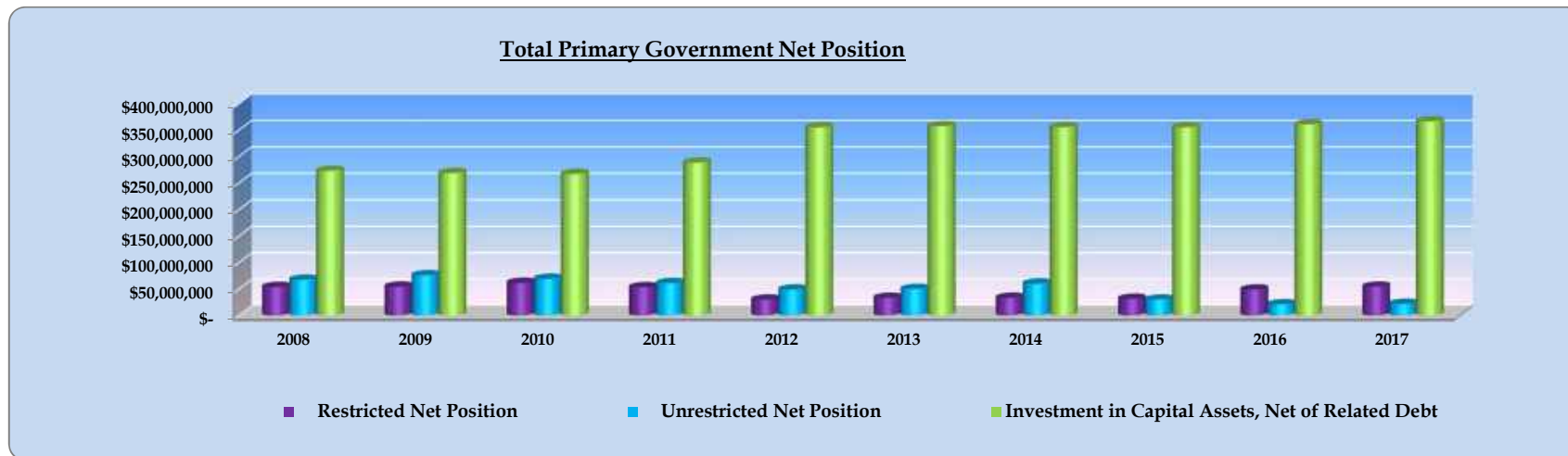
(Continued)

# Net Position by Component

Financial Trend:  
Schedule 1

June 30, 2017

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>Primary Government</u>										
Investment in Capital Assets, Net of Related Debt	\$ 272,804,752	\$ 268,774,222	\$ 267,065,441	\$ 288,479,071	\$ 354,881,649	\$ 357,130,048	\$ 355,125,420	\$ 355,148,513	\$ 360,460,050	\$ 366,259,316
Unrestricted Net Position	67,337,366	75,708,692	69,176,322	60,912,810	48,792,966	49,850,937	59,991,386	29,909,232	20,994,527	21,864,336
Investment in Capital Assets & Unrestricted Net Position	340,142,118	344,482,914	336,241,763	349,391,881	403,674,615	406,980,985	415,116,806	385,057,745	381,454,577	388,123,652
Restricted Net Position	53,716,410	54,254,529	61,415,369	53,191,811	29,882,975	33,113,154	33,186,182	31,505,757	48,736,864	54,143,860
Total Primary Government Net Position	<u>\$ 393,858,528</u>	<u>\$ 398,737,443</u>	<u>\$ 397,657,132</u>	<u>\$ 402,583,692</u>	<u>\$ 433,557,590</u>	<u>\$ 440,094,139</u>	<u>\$ 448,302,988</u>	<u>\$ 416,563,502</u>	<u>\$ 430,191,441</u>	<u>\$ 442,267,512</u>
% of Change - from Prior Year	1.2%	1.2%	-0.3%	1.2%	7.7%	1.5%	1.9%	-7.1%	3.3%	2.8%



Source: City of Menlo Park

Changes in Net Position  
June 30, 2017

Financial Trends:  
Schedule 2

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<u>Primary Government-Program Revenues</u>										
Governmental Activities										
Charges for Services										
General Government	\$ 3,539,934	\$ 3,123,825	\$ 3,145,514	\$ 2,878,920	\$ 2,830,591	\$ 3,125,908	\$ 3,011,181	\$ 3,053,753	\$ 3,388,132	\$ 60,298
Public Safety	5,154,247	1,390,649	1,505,640	1,830,534	1,609,755	1,579,674	2,031,899	1,840,342	1,979,203	1,813,050
Public Works	3,837,839	2,753,607	2,922,929	4,109,836	3,650,442	6,924,069	6,189,576	7,472,508	7,149,654	6,414,741
Culture and Recreation	3,345,055	3,323,877	3,434,135	3,077,788	3,679,129	3,873,165	3,782,550	5,348,966	5,410,577	4,383,149
Community Development	3,952,454	4,145,205	2,122,221	3,408,895	4,994,156	3,695,171	5,467,278	5,350,231	8,200,673	8,291,796
Operating Grants and Contributions	2,369,502	2,428,500	2,557,313	2,185,417	2,729,866	1,644,022	1,438,966	1,876,305	1,976,101	3,918,581
Capital Grants and Contributions (1)	1,030,839	2,569,003	2,549,779	12,342,612	6,922,360	2,353,049	2,341,476	2,262,146	2,123,799	-
Total Governmental Activities-Program Revenues	23,229,870	19,734,666	18,237,531	29,834,002	26,416,299	23,195,058	24,262,926	27,204,251	30,228,139	24,881,615
Business-Type Activities										
Charges for Services										
Capital Grants and Contributions	4,483,145	4,352,147	4,258,917	4,935,649	5,750,659	6,633,147	8,046,619	8,165,645	7,647,125	9,487,140
Total Business-Type Activities Program Revenues	4,483,145	4,352,147	4,258,917	4,935,649	5,750,659	6,633,147	8,046,619	8,165,645	7,647,125	9,487,140
Total Primary Government-Program Revenues	27,713,015	24,086,813	22,496,448	34,769,651	32,166,958	29,828,205	32,309,545	35,369,896	37,875,264	34,368,755
<u>General Revenues &amp; Other Changes in Net Position</u>										
Governmental Activities										
Taxes										
Property Taxes (2)	23,292,838	24,213,136	23,753,592	23,936,578	13,239,856	15,731,889	15,156,065	16,824,728	18,227,209	20,676,911
Sales Taxes	7,676,943	6,865,152	5,499,244	5,988,055	5,938,310	6,043,870	6,444,292	6,527,498	5,425,089	5,635,240
Transient Occupancy Tax	1,474,119	1,351,578	2,074,486	2,453,981	2,939,475	3,468,256	4,158,809	4,720,226	6,268,171	6,662,631
Other Taxes	3,262,586	3,953,097	3,960,714	4,490,992	4,607,758	4,556,371	4,946,135	4,616,187	4,882,372	9,272,058
Total Taxes	35,706,486	36,382,963	35,288,036	36,869,606	26,725,399	29,800,386	30,705,301	32,688,639	34,802,841	42,246,840
Investment Earnings	6,076,112	4,645,732	2,085,808	1,431,440	1,133,432	647,963	982,640	1,205,744	1,169,712	2,361,140
Gain (Loss) on Sale of Capital Assets	-	-	-	-	-	547,749	264	45,544	47,567	-
Miscellaneous	706,444	193,370	30,125	235,145	255,185	107,652	1,222,100	234,380	1,144,891	555,225
Transfers	184,711	198,814	160,814	165,639	170,605	181,525	185,881	189,041	220,185	201,061
Extraordinary gain (3),(4)	-	-	-	-	28,170,332	-	771,822	-	-	-
Total Governmental Activities - General Revenues	42,673,753	41,420,879	37,564,783	38,701,830	56,454,953	31,285,275	33,868,008	34,363,348	37,385,196	45,364,266
Business-type Activities										
Investment Earnings	957,071	667,230	242,433	135,619	103,480	(8,799)	117,849	146,647	111,026	61,846
Miscellaneous	344	10,000	935	-	(5,953)	-	-	(1,752)	-	-
Transfers	(184,711)	(198,814)	(160,814)	(165,639)	(170,605)	(181,525)	(185,881)	(189,041)	(220,185)	(201,061)
Total Business-Type Activities - General Revenues	772,704	478,416	82,554	(30,020)	(73,078)	(190,324)	(68,032)	(44,146)	(109,159)	(139,215)
<b>Total Primary Government-Program Revenues, General Revenues &amp; Other Changes in Net Position</b>	<b>71,159,472</b>	<b>65,986,108</b>	<b>60,143,785</b>	<b>73,441,461</b>	<b>88,548,833</b>	<b>60,923,156</b>	<b>66,109,521</b>	<b>69,689,098</b>	<b>75,151,301</b>	<b>79,593,806</b>

Source: City of Menlo Park

Notes:

- (1) In fiscal year 2010-11 and 2011-2012, capital contributions include construction of Arrillaga Family Gym, Recreation Center, and Gymnastics Center.
- (2) In fiscal year 2005-06, Property tax in lieu of Motor Vehicle License fees was reclassified to Property Taxes.
- (3) In fiscal year 2011-12, extraordinary gain was due to dissolution of the Community Development Agency.
- (4) In fiscal year 2013-14 extraordinary gain was due to the sale of the Hamilton Ave property.

(Continued)

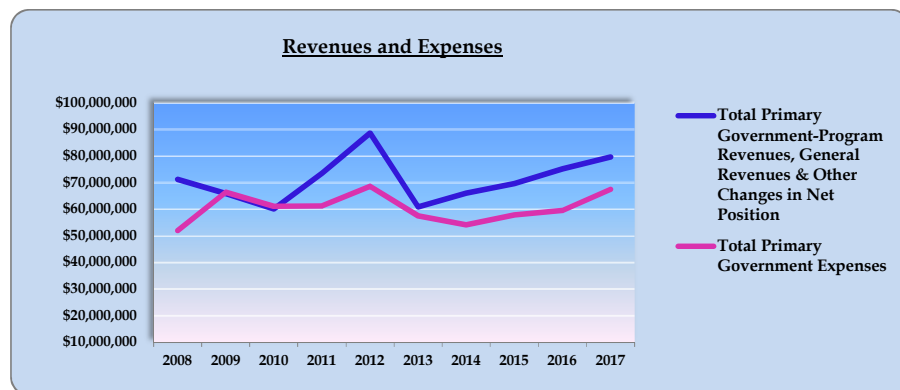
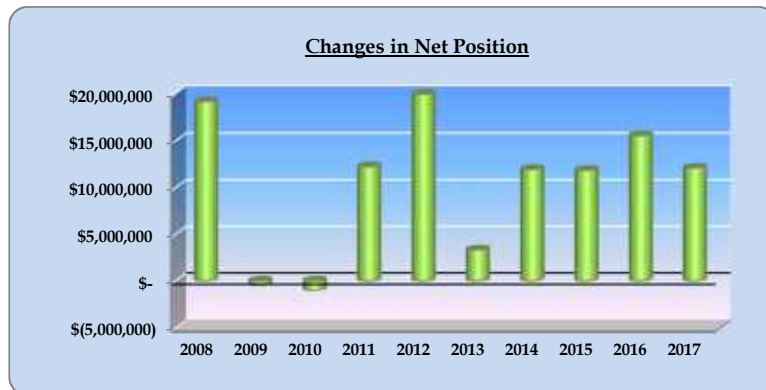
Changes in Net Position  
June 30, 2017

Financial Trends:  
Schedule 2

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses</b>										
Governmental Activities										
General Government	6,857,574	8,145,031	6,507,831	6,353,156	8,845,324	7,386,399	6,332,057	8,057,304	8,896,023	6,831,261
Public Safety (4)	11,191,323	15,763,116	13,755,857	13,605,071	20,707,475	14,248,362	14,080,936	14,237,536	17,090,541	16,597,178
Public Works	9,723,201	12,332,849	10,717,616	10,635,694	10,789,784	10,809,670	10,920,198	11,638,045	10,784,753	16,964,601
Culture and Recreation	8,647,013	11,276,226	9,723,210	9,616,046	9,461,866	9,860,317	11,077,343	11,400,791	11,250,082	12,870,799
Community Development (5)	6,916,391	9,817,989	12,644,222	12,615,612	9,470,060	6,186,002	4,240,784	4,384,310	4,060,817	5,440,687
Interest on Long-Term Debt	5,070,401	5,037,500	3,710,590	4,020,241	4,481,135	2,971,231	1,229,193	1,219,698	850,924	776,182
Total Governmental Activities Expenses	48,405,903	62,372,711	57,059,325	56,845,819	63,755,644	51,461,981	47,880,511	50,937,684	52,933,140	59,480,708
Business-Type Activities										
Water	3,601,919	4,075,876	4,047,868	4,378,277	4,874,711	6,112,954	6,299,614	6,916,915	6,657,761	8,037,027
Total Business-Type Activities Expenses	3,601,919	4,075,876	4,047,868	4,378,277	4,874,711	6,112,954	6,299,614	6,916,915	6,657,761	8,037,027
<b>Total Primary Government Expenses</b>	<b>52,007,822</b>	<b>66,448,587</b>	<b>61,107,193</b>	<b>61,224,096</b>	<b>68,630,355</b>	<b>57,574,935</b>	<b>54,180,125</b>	<b>57,854,599</b>	<b>59,590,901</b>	<b>67,517,735</b>
<b>Net Revenue (Expenses)</b>										
Governmental Activities	(25,176,033)	(42,638,045)	(38,821,794)	(27,011,817)	(37,339,345)	(28,266,923)	(23,617,585)	(23,733,433)	(22,705,001)	(34,599,093)
Business-type Activities	881,226	276,271	211,049	557,372	875,948	520,193	1,747,005	1,248,730	989,364	1,450,113
<b>Total Net Revenue (Expenses)</b>	<b>(24,294,807)</b>	<b>(42,361,774)</b>	<b>(38,610,745)</b>	<b>(26,454,445)</b>	<b>(36,463,397)</b>	<b>(27,746,730)</b>	<b>(21,870,580)</b>	<b>(22,484,703)</b>	<b>(21,715,637)</b>	<b>(33,148,980)</b>
<b>Changes in Net Position</b>										
Governmental Activities	17,497,720	(1,217,166)	(1,257,011)	11,690,013	19,115,608	3,018,352	10,250,423	10,629,915	14,680,195	10,765,173
Business-type Activities	1,653,930	754,687	293,603	527,352	802,870	329,869	1,678,973	1,204,584	880,205	1,310,898
<b>Changes in Net Position</b>	<b>\$ 19,151,650</b>	<b>\$ (462,479)</b>	<b>\$ (963,408)</b>	<b>\$ 12,217,365</b>	<b>\$ 19,918,478</b>	<b>\$ 3,348,221</b>	<b>\$ 11,929,396</b>	<b>\$ 11,834,499</b>	<b>\$ 15,560,400</b>	<b>\$ 12,076,071</b>

Notes:

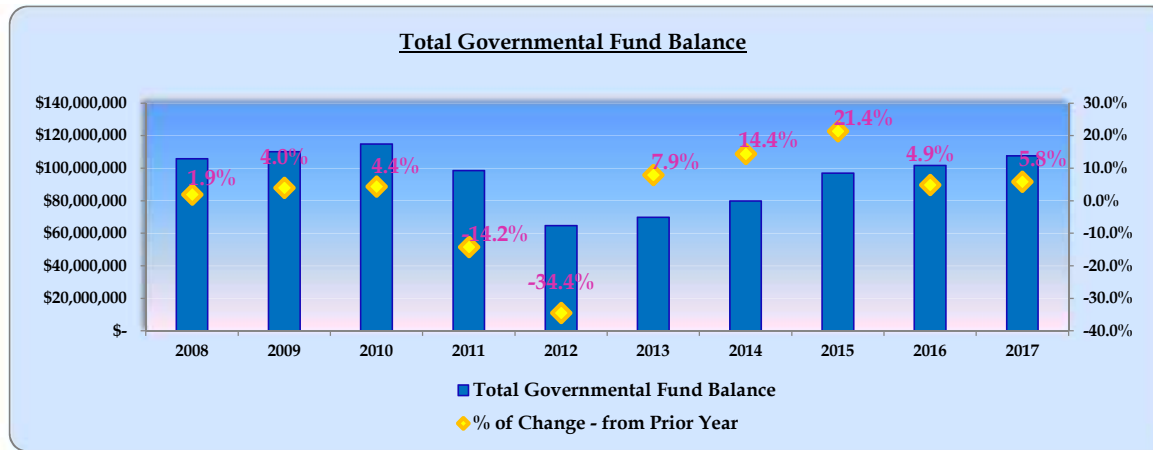
- (4) In fiscal year 2010-11, City paid off a \$ 7.1 million pension liability for safety employees.
- (5) Includes fiscal year 2005-06 transfer of Hamilton Avenue housing and park site from the Community Development Agency of the City to the developers.



Fund Balances - Governmental Funds  
Last Ten Fiscal Years

Financial Trend:  
Schedule 3

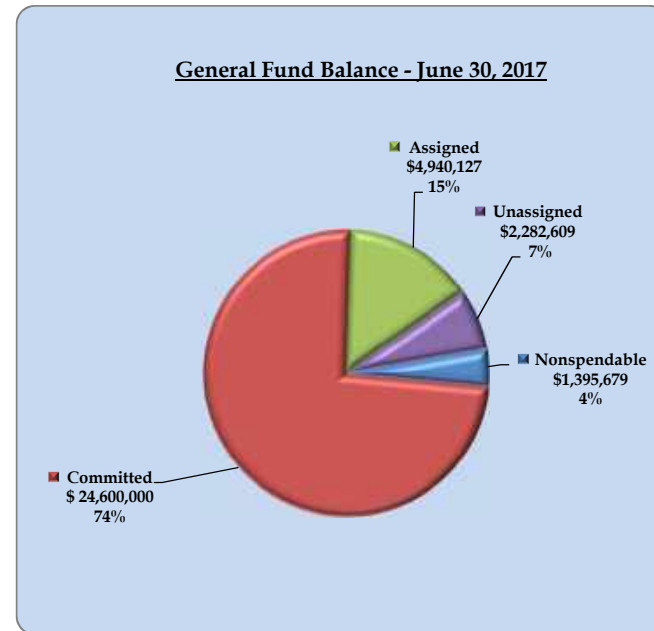
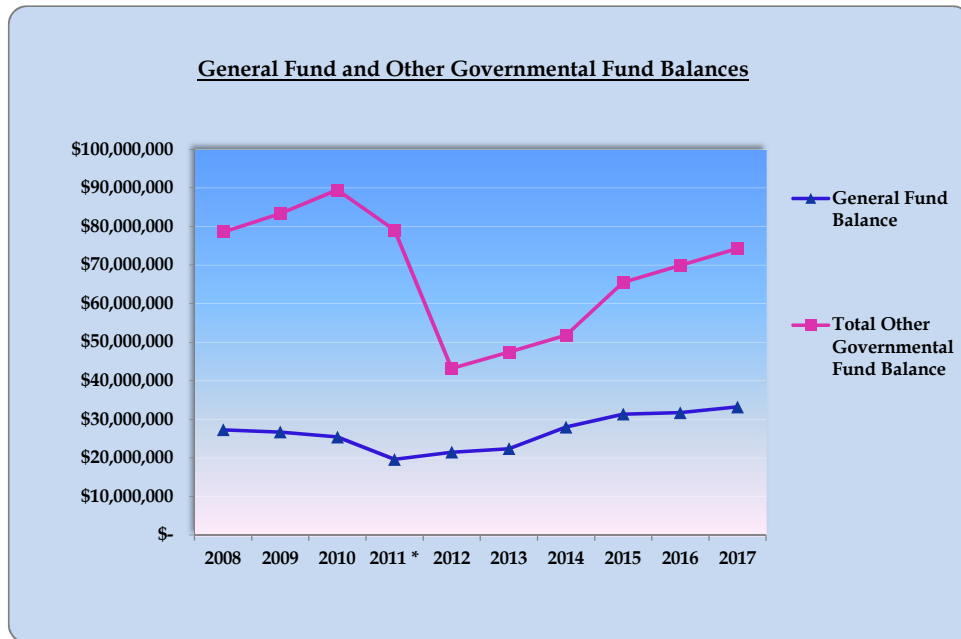
	2008	2009	2010	2011 *	2012	2013	2014	2015	2016	2017
<b>General Fund</b>										
Nonspendable	\$ -	\$ 1,529,495	\$ 1,196,456	\$ 1,435,026	\$ 2,227,593	\$ 1,005,376	\$ 1,076,587	\$ 1,072,888	\$ 1,373,313	\$ 1,395,679
Committed	3,000,000	3,000,000	3,000,000	14,000,000	14,000,000	14,000,000	16,240,000	15,930,000	20,852,000	24,600,000
Assigned	3,278,658	3,034,172	2,999,575	2,592,173	3,494,188	2,728,033	4,307,634	4,468,298	4,483,513	4,940,127
Unassigned	21,003,074	19,144,493	18,231,011	1,578,736	1,776,214	4,644,239	6,367,022	9,865,646	5,007,430	2,282,609
General Fund Balance	27,281,732	26,708,160	25,427,042	19,605,935	21,497,995	22,377,648	27,991,243	31,336,832	31,716,256	33,218,415
<b>Other Governmental Funds</b>										
Nonspendable	6,160,144	6,140,612	2,554,413	2,475,807	4,233,517	4,907,442	565	2,041	-	-
Restricted	10,759,071	12,184,002	12,630,096	76,633,611	38,934,347	42,501,844	21,704,829	30,573,722	37,295,730	41,402,540
Committed	-	-	-	-	-	-	14,350,759	17,888,242	12,594,224	15,157,048
Assigned	61,727,238	65,056,016	74,302,453	-	-	-	15,834,509	17,148,769	20,143,982	18,186,022
Unassigned	(94,386)	-	-	(105,083)	-	-	(54,106)	(63,823)	(121,456)	(414,877)
Total Other Governmental Fund Balance	78,552,067	83,380,630	89,486,962	79,004,335	43,167,864	47,409,286	51,836,556	65,548,951	69,912,480	74,330,733
Total Governmental Fund Balance	\$ 105,833,799	\$ 110,088,790	\$ 114,914,004	\$ 98,610,270	\$ 64,665,859	\$ 69,786,934	\$ 79,827,799	\$ 96,885,783	\$ 101,628,736	\$ 107,549,148
% of Change - from Prior Year	1.9%	4.0%	4.4%	-14.2%	-34.4%	7.9%	14.4%	21.4%	4.9%	5.8%



Source: City of Menlo Park

\* GASB 54 "Fund Balance Reporting and Governmental Fund Type Definitions" implemented in 2010-11.

(Continued)



Source: City of Menlo Park

Changes in Fund Balances - Governmental Funds  
Last Ten Fiscal Years

Financial Trends:  
Schedule 4

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Revenues</b>										
Taxes										
Secured property taxes	\$ 21,081,671	\$ 22,050,255	\$ 21,912,423	\$ 21,810,655	\$ 12,258,233	\$ 14,854,925	\$ 14,081,491	\$ 15,400,581	\$ 16,927,658	\$ 19,676,899
Unsecured property taxes	1,752,345	1,817,213	1,422,317	1,577,479	404,916	351,099	384,686	414,466	466,089	301,908
Other property taxes	458,822	345,670	418,851	548,444	576,707	525,865	689,888	1,012,292	940,188	698,101
Sales taxes	7,676,943	6,865,152	5,499,244	5,988,055	5,938,310	6,043,870	6,444,292	6,527,498	5,425,088	5,635,240
Other Taxes(1)	5,878,652	5,214,176	5,940,486	6,774,780	7,530,245	8,007,960	9,085,311	9,729,062	11,054,349	11,572,087
Special assessments	2,661,078	2,894,276	2,824,098	2,818,829	2,862,076	2,831,235	3,131,099	2,938,371	2,618,490	2,676,947
Licenses and permits	4,376,750	3,208,028	3,069,990	3,586,374	4,093,978	4,845,041	6,222,575	5,562,806	6,372,725	6,260,028
Fines and forfeitures	951,145	1,105,836	1,028,825	953,194	1,067,328	998,259	1,253,261	1,346,449	1,349,853	1,110,891
Use of money and property	6,162,279	4,528,617	1,918,576	1,406,100	1,102,320	594,476	955,817	1,170,488	1,677,993	1,269,957
Intergovernmental	3,533,679	3,180,550	3,219,749	2,547,164	2,325,236	2,276,829	1,757,274	2,158,680	2,616,291	2,549,637
Charges for services	10,713,906	10,221,426	8,738,183	10,486,567	11,943,461	13,225,264	13,312,487	14,801,784	16,906,213	16,123,233
Other Revenues	702,342	186,473	334,959	234,550	270,567	202,137	141,434	234,380	331,756	562,919
<b>Total Revenues</b>	<b>65,949,612</b>	<b>61,617,672</b>	<b>56,327,701</b>	<b>58,732,191</b>	<b>50,373,377</b>	<b>54,756,960</b>	<b>57,459,615</b>	<b>61,296,857</b>	<b>66,686,693</b>	<b>68,437,847</b>
<b>Expenditures</b>										
Current										
General Government	6,168,001	6,372,271	6,442,817	6,209,988	4,545,864	5,204,412	5,567,633	6,297,514	5,521,808	6,982,290
Public Safety(2)	12,476,614	13,371,606	13,532,394	20,568,030	13,978,279	13,831,018	14,194,657	14,955,891	15,933,746	16,826,266
Public Works	7,774,129	7,991,160	7,768,455	7,929,428	7,886,059	8,174,802	8,130,751	9,795,903	11,352,894	14,078,566
Culture and Recreation	8,359,386	8,669,415	8,570,915	8,286,639	8,287,074	9,014,947	9,330,874	10,015,841	10,055,990	10,695,856
Rehabilitation Loans	-	-	-	-	-	-	-	-	-	-
Community Development	4,325,628	4,533,291	4,354,345	4,061,407	5,560,374	3,937,710	4,248,952	3,513,848	4,533,057	5,191,543
Urban Development and Housing	4,101,470	4,236,426	7,312,083	5,399,919	614,951	286,699	133,523	78,606	153,767	105,696
Capital Outlay	4,545,565	6,405,132	8,314,011	16,030,908	10,215,010	7,904,805	5,999,875	1,483,122	1,730,011	8,724,067
Capital Expenditures	-	-	-	-	-	-	-	2,483,647	8,589,250	-
Debt Service										
Principal(3)	2,115,000	2,215,000	2,305,000	2,420,000	2,570,000	760,000	620,000	1,000,000	1,055,000	425,000
Interest and Fiscal Charges(4)	4,868,947	3,540,575	3,581,456	4,295,839	4,254,712	1,255,585	1,230,855	862,315	931,400	782,173
<b>Total Expenditures</b>	<b>54,734,740</b>	<b>57,334,876</b>	<b>62,181,476</b>	<b>75,202,158</b>	<b>57,912,323</b>	<b>50,369,978</b>	<b>49,457,120</b>	<b>50,486,687</b>	<b>59,856,923</b>	<b>63,811,457</b>
<b>Revenues over (under) Expenditures</b>	<b>11,214,872</b>	<b>4,282,796</b>	<b>(5,853,775)</b>	<b>(16,469,967)</b>	<b>(7,538,946)</b>	<b>4,386,982</b>	<b>8,002,495</b>	<b>10,810,170</b>	<b>6,829,770</b>	<b>4,626,390</b>

Source: City of Menlo Park

Notes:

- (1) Other Taxes include Franchise & Occupancy, Utility Users, Highway Users and County Transportation taxes.
- (2) In fiscal year 2010-11, the large increase was due to paying off the PERS safety side fund.
- (3) Principal payment due on the 2006 Las Pulgas Tax Allocation Refunding Bonds on January 1, 2008.
- (4) Interest and Fiscal Charges include cost of issuance and bond insurance.

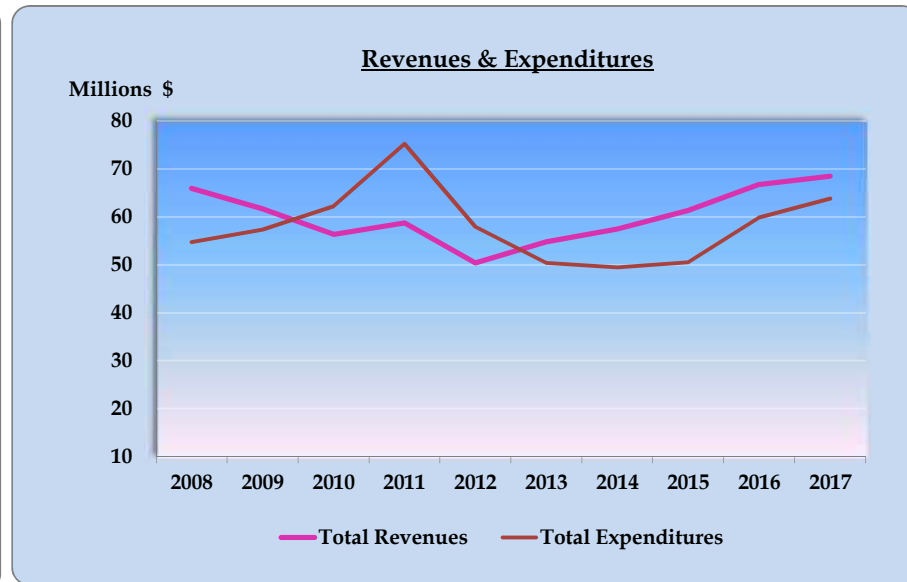
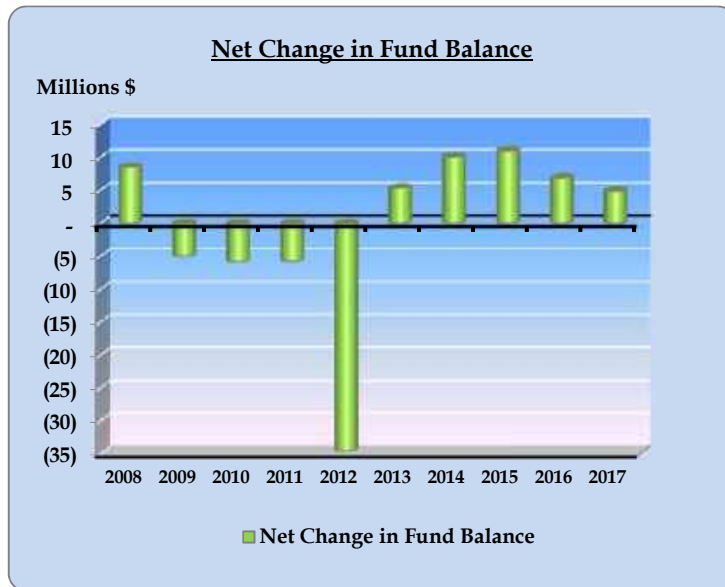
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Changes in Fund Balances - Governmental Funds  
Last Ten Fiscal Years

Financial Trends:  
Schedule 4

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Other Financing Sources (Uses)</b>										
Transfer In	7,551,944	10,799,042	7,159,491	7,297,500	9,722,425	6,091,632	2,994,261	4,699,084	9,873,559	7,659,532
Transfer Out	(10,586,019)	(20,058,856)	(7,188,677)	(7,136,686)	(9,551,820)	(5,910,107)	(2,808,380)	(4,523,543)	(9,853,374)	(7,458,471)
Proceeds from Sale of Fixed/Capital Assets	282,503	-	1,381	3,204	-	766,855	1,080,667	-	-	1,534
Proceeds from Debt Issuance	-	-	-	10,440,000	9,830,000	-	-	-	-	-
Payment to Escrow Agent	-	-	-	-	(11,166,467)	-	-	-	-	-
Discount on Issuance of Debt	-	-	-	74,971	(73,725)	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(2,751,572)</b>	<b>(9,259,814)</b>	<b>(27,805)</b>	<b>10,678,989</b>	<b>(1,239,587)</b>	<b>948,380</b>	<b>1,266,548</b>	<b>175,541</b>	<b>20,185</b>	<b>202,595</b>
Extraordinary gain(loss)(6),(7)	-	-	-	-	(25,814,163)	-	771,822	-	-	-
<b>Net Change in Fund Balance</b>	<b>\$ 8,463,300</b>	<b>\$ (4,977,018)</b>	<b>\$ (5,881,580)</b>	<b>\$ (5,790,978)</b>	<b>\$ (34,592,696)</b>	<b>\$ 5,335,362</b>	<b>\$ 10,040,865</b>	<b>\$ 10,985,711</b>	<b>\$ 6,849,955</b>	<b>\$ 4,828,985</b>
<b>% of Change</b>	<b>-60.2%</b>	<b>-158.8%</b>	<b>18.2%</b>	<b>-1.5%</b>	<b>497.4%</b>	<b>-115.4%</b>	<b>88.2%</b>	<b>9.4%</b>	<b>-37.6%</b>	<b>-29.5%</b>
<b>Capital Expenditures</b>										
<b>Debt Service as Percentage of Non-Capital Expenditures</b>	<b>13.9%</b>	<b>11.3%</b>	<b>10.9%</b>	<b>11.3%</b>	<b>14.3%</b>	<b>4.7%</b>	<b>4.3%</b>	<b>3.9%</b>	<b>3.9%</b>	<b>1.9%</b>



Source: City of Menlo Park

(6) In fiscal year 2011-12, the extraordinary gain was due to dissolution of the Community Development Agency

(7) In fiscal year 2013-14, the extraordinary gain was due to sale of the Hamilton Ave. property

Governmental Funds Revenues by Source <sup>(1)</sup>  
Last Ten Fiscal Years

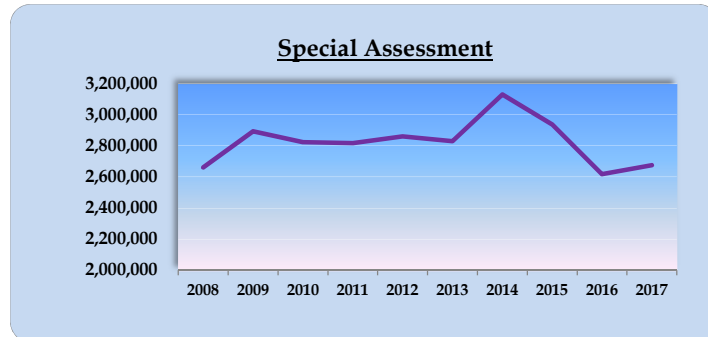
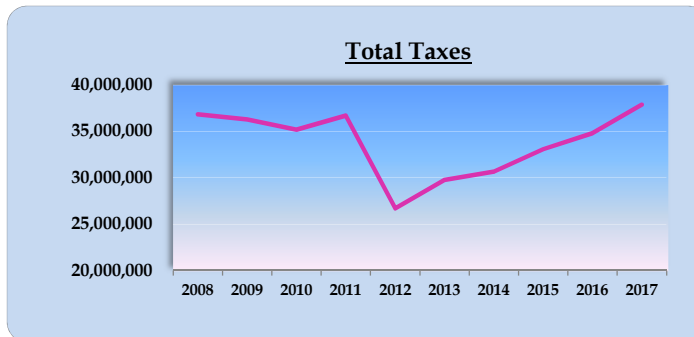
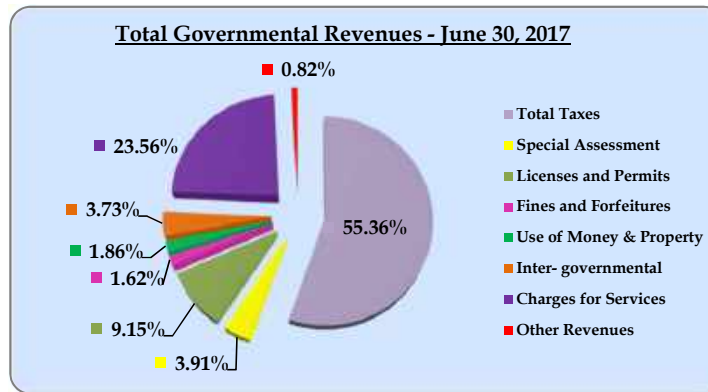
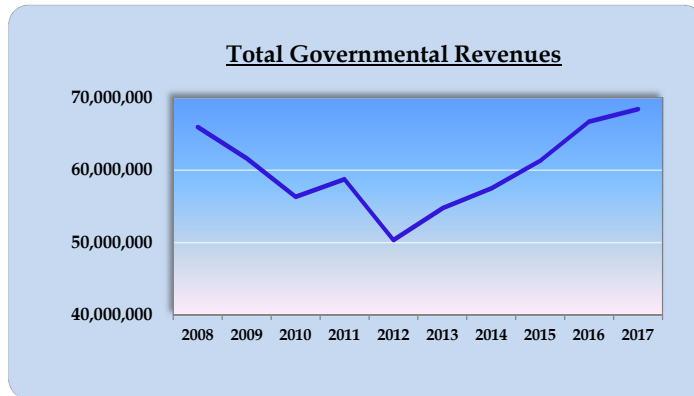
Revenue Capacity:  
Schedule 5

Fiscal Year Ending June 30	Total Taxes	Special Assessment	Licenses and Permits	Fines and Forfeitures	Use of Money & Property	Inter- governmental	Charges for Services	Other Revenues	Total Governmental Revenues
2008	36,848,433	2,661,078	4,376,750	951,145	6,162,279	3,533,679	10,713,906	702,342	65,949,612
2009	36,292,466	2,894,276	3,208,028	1,105,836	4,528,617	3,180,550	10,221,426	186,473	61,617,672
2010	35,193,321	2,824,098	3,069,990	1,028,825	1,918,576	3,219,749	8,738,183	334,959	56,327,701
2011	36,699,413	2,818,829	3,586,374	953,194	1,406,100	2,547,164	10,486,567	234,550	58,732,191
2012	26,708,411	2,862,076	4,093,978	1,067,328	1,102,320	2,325,236	11,943,461	270,567	50,373,377
2013	29,783,719	2,831,235	4,845,041	998,259	594,476	2,276,829	13,225,264	202,137	54,756,960
2014	30,685,668	3,131,099	6,222,575	1,253,261	955,817	1,757,274	13,312,487	141,434	57,459,615
2015	33,083,899	2,938,371	5,562,806	1,346,449	1,170,488	2,158,680	14,801,784	234,380	61,296,857
2016	34,813,372	2,618,490	6,372,725	1,349,853	1,677,993	2,616,291	16,906,213	331,756	66,686,693
2017	37,884,235	2,676,947	6,260,028	1,110,891	1,269,957	2,549,637	16,123,233	562,919	68,437,847

Source: City of Menlo Park

<sup>(1)</sup> General governmental revenues by source consist of the following City funds: General, Special Revenue, Debt Service, Capital Projects and Expendable Trusts.

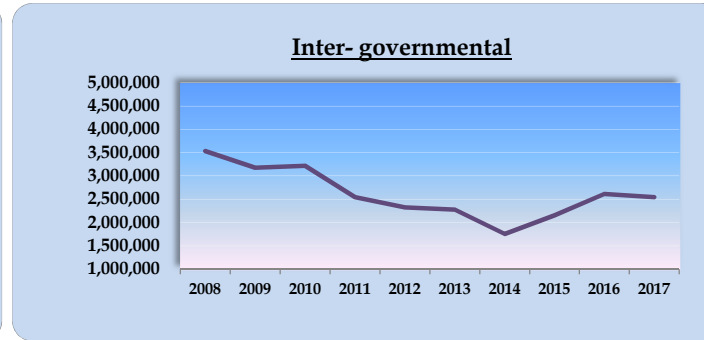
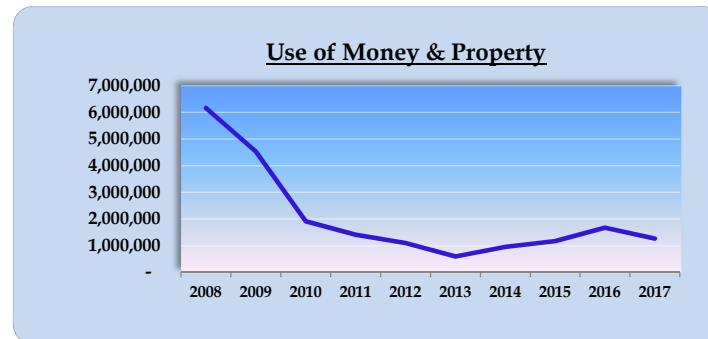
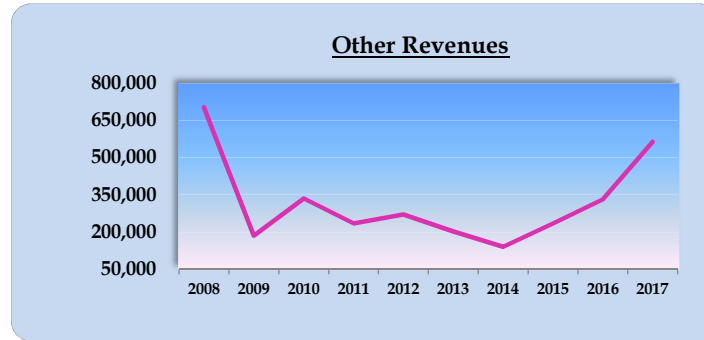
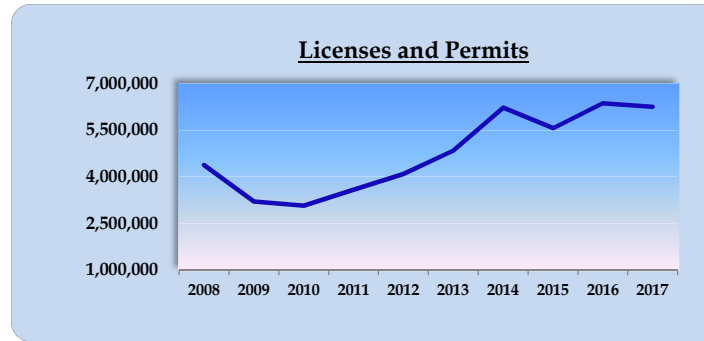
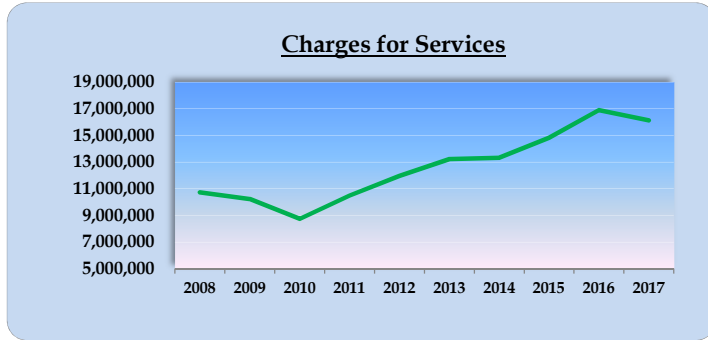
<sup>(2)</sup> In fiscal year 2006, Property Taxes in lieu of Motor Vehicle License Fees were reclassified from Intergovernmental to Property Taxes.



(Continued)

Governmental Funds Revenues by Source <sup>(1)</sup>  
Last Ten Fiscal Years

Revenue Capacity:  
Schedule 5



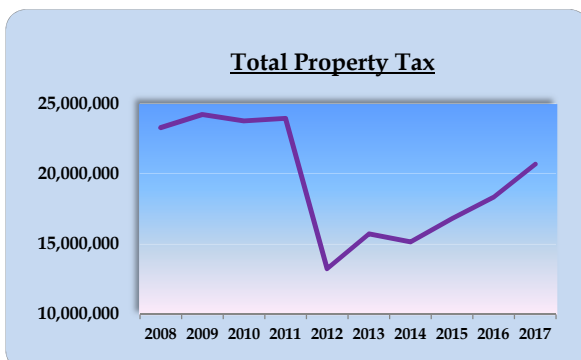
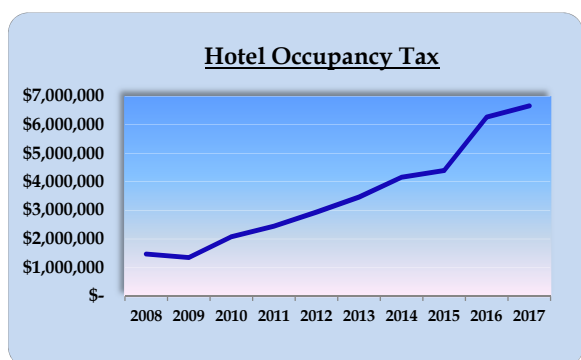
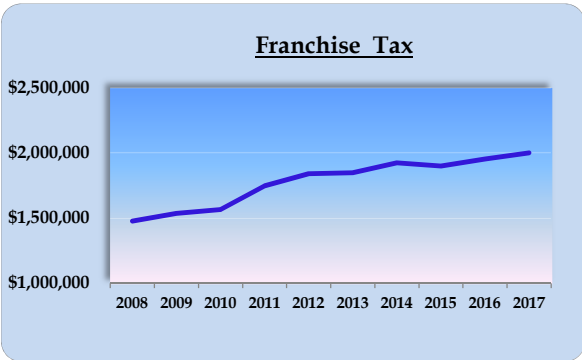
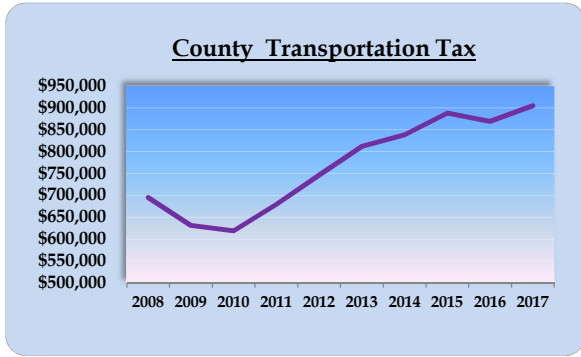
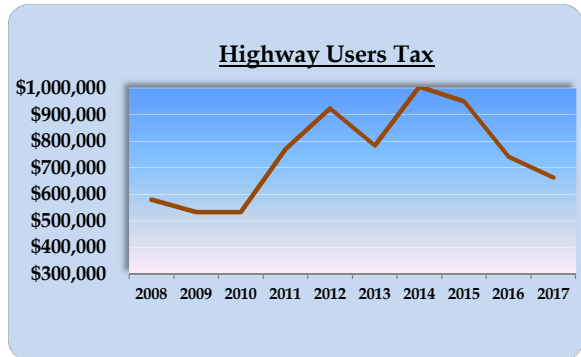
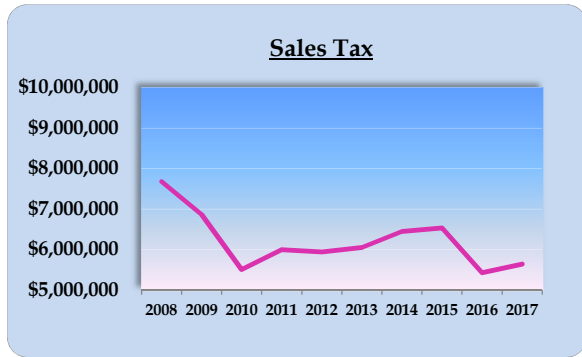
Source: City of Menlo Park

Governmental Funds Tax Revenue by Type  
Last Ten Fiscal Years

Revenue Capacity:  
Schedule 6

Fiscal Year Ending June 30	Highway	County	Franchise	Hotel Occupancy	Utility	Property Tax				Total	Total Governmental	
	Sales Tax	Transportation Tax				Secured	Unsecured	Transfer Tax	Other			Property Tax
2008	7,676,943	580,220	695,066	1,477,768	1,474,119	1,651,479	21,081,671	1,752,345	386,206	72,616	23,292,838	36,848,433
2009	6,865,152	533,784	630,996	1,535,223	1,351,578	1,162,595	22,050,255	1,817,213	278,290	67,380	24,213,138	36,292,466
2010	5,499,244	533,444	618,996	1,565,106	2,074,486	1,148,454	21,912,423	1,422,317	329,368	89,483	23,753,591	35,193,321
2011	5,988,055	770,967	679,286	1,747,605	2,453,981	1,122,940	21,810,655	1,577,479	457,701	90,743	23,936,578	36,699,412
2012	5,938,310	923,796	746,187	1,840,351	2,939,475	1,080,436	12,258,233	404,916	501,161	75,546	13,239,856	26,708,411
2013	6,043,870	783,719	812,249	1,848,480	3,468,256	1,095,256	14,854,925	351,099	460,683	65,182	15,731,889	29,783,719
2014	6,444,292	1,006,294	838,318	1,924,237	4,158,809	1,157,653	14,081,491	384,686	627,644	62,244	15,156,065	30,685,668
2015	6,527,498	950,205	888,189	1,900,746	4,394,156	1,187,020	15,400,581	414,466	947,710	64,582	16,827,339	32,675,153
2016	5,425,088	742,292	869,128	1,954,461	6,268,171	1,220,297	16,927,658	466,089	908,782	31,406	18,333,935	34,813,372
2017	5,635,240	663,555	904,462	2,001,107	6,662,631	1,253,672	19,676,899	301,908	635,816	62,288	20,676,911	37,797,578

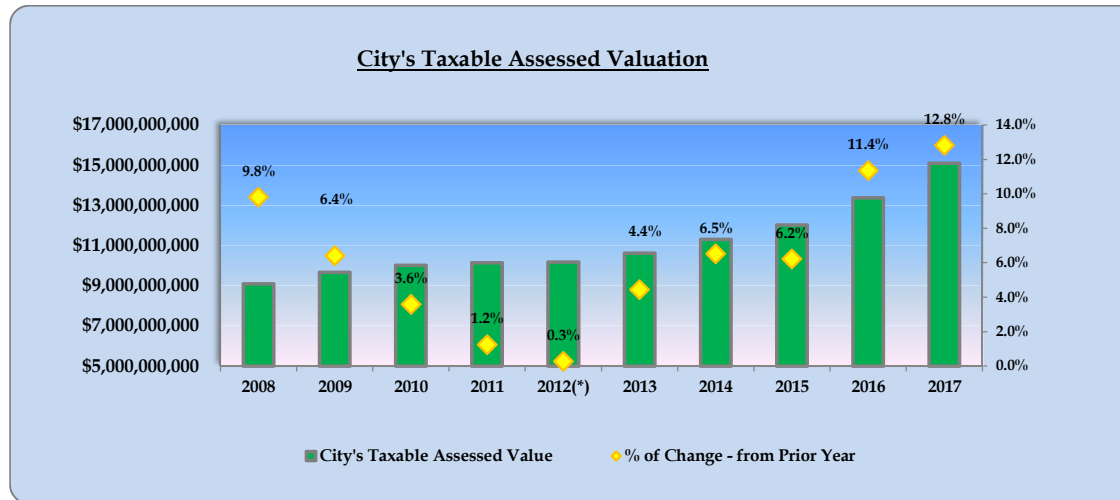
Source: City of Menlo Park and County of San Mateo  
(1) City implemented Utility Users Tax in April 2007



Assessed Valuation, Tax Rates, and Tax Levies  
Last Ten Fiscal Years

Revenue Capacity:  
Schedule 7

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Secured</u>	<u>Unsecured</u>	<u>Less</u> <u>Exemptions</u>	<u>City's Taxable</u> <u>Assessed Value</u>	<u>% of Change -</u> <u>from Prior Year</u>	<u>Total Direct</u> <u>Tax Rate</u>
2008	8,613,253,093	684,419,419	(210,102,184)	9,087,570,328	9.8%	0.0024
2009	9,144,410,123	745,589,266	(220,706,897)	9,669,292,492	6.4%	0.0024
2010	9,525,325,520	733,413,542	(242,215,879)	10,016,523,183	3.6%	0.0024
2011	9,632,437,282	741,119,897	(234,843,253)	10,140,348,118	1.2%	0.0024
2012(*)	9,701,542,385	712,158,100	(244,456,426)	10,169,244,059	0.3%	0.0024
2013	10,059,424,137	819,698,175	(258,752,495)	10,620,369,817	4.4%	0.0024
2014	10,793,653,677	809,314,081	(291,016,106)	11,311,951,652	6.5%	0.0024
2015	11,505,930,742	814,834,786	(305,046,407)	12,015,719,121	6.2%	0.0024
2016	12,752,897,442	927,792,380	(300,228,143)	13,380,461,679	11.4%	0.0011
2017	14,218,711,817	1,148,145,263	(270,990,043)	15,095,867,037	12.8%	0.0010



Source: County of San Mateo

Notes:

In 1978, the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

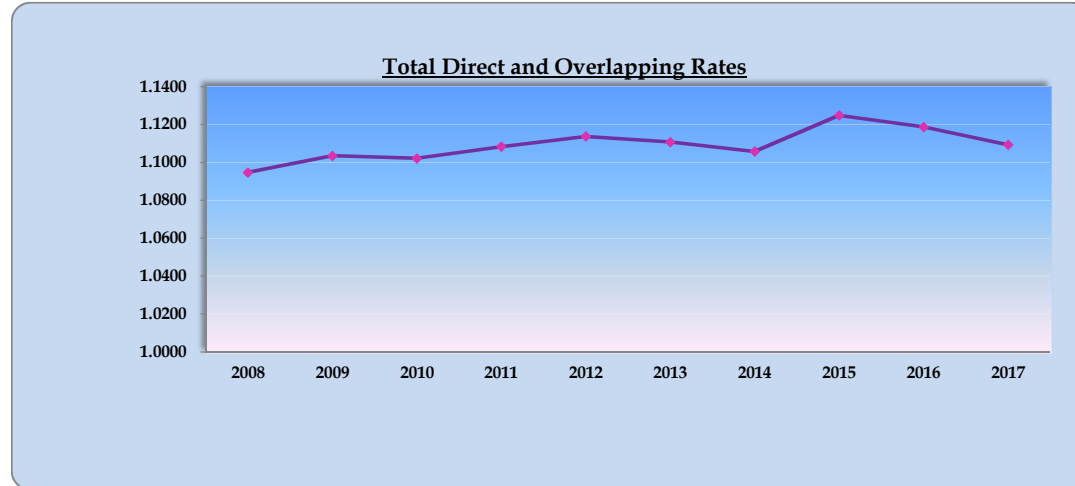
(\*) Redevelopment Agency was transferred to Successor Agency due to dissolution

Direct and Overlapping Property Tax Rates  
Last Ten Fiscal Years

Debt Capacity:  
Schedule 8

(Per \$1,000 Assessed Valuation)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
City Direct Rates (1)	0.0024	0.0024	0.0024	0.0024	0.0024	0.0024	0.0024	0.0024	0.0011	0.0010
Overlapping Rates (2)										
San Mateo County	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Menlo Park Elementary	0.0384	0.0399	0.0390	0.0410	0.0413	0.0402	0.0381	0.0486	0.0393	0.0357
San Mateo Junior College	0.0171	0.0165	0.0182	0.0193	0.0199	0.0194	0.0194	0.0190	0.0250	0.0247
Menlo Park Debt Service	0.0047	0.0048	0.0046	0.0042	0.0041	0.0038	0.0026	0.0025	-	-
Menlo Park Parks & Rec Bond	0.0140	0.0141	0.0127	0.0127	0.0126	0.0118	0.0144	0.0115	0.0102	0.0092
Sequoia Union High School District	0.0205	0.0282	0.0277	0.0311	0.0358	0.0356	0.0313	0.0433	0.0434	0.0391
Midpeninsula Reg Open	-	-	-	-	-	-	-	-	0.0008	0.0006
Total Overlapping Rates	<u>1.0947</u>	<u>1.1035</u>	<u>1.1022</u>	<u>1.1083</u>	<u>1.1137</u>	<u>1.1108</u>	<u>1.1058</u>	<u>1.1249</u>	<u>1.1187</u>	<u>1.1093</u>
<b>Total Direct and Overlapping Rates</b>	<b><u>1.0971</u></b>	<b><u>1.1059</u></b>	<b><u>1.1046</u></b>	<b><u>1.1107</u></b>	<b><u>1.1161</u></b>	<b><u>1.1132</u></b>	<b><u>1.1082</u></b>	<b><u>1.1273</u></b>	<b><u>1.1198</u></b>	<b><u>1.1103</u></b>
% of Change - from Prior Year	-0.4%	0.8%	-0.1%	0.6%	0.5%	-0.3%	-0.4%	1.7%	-0.7%	-0.8%



Source:

(1) County of San Mateo, Property Taxes

(2) County of San Mateo, Tax Rate Book, Code 08-004

Principal Property Tax Payers  
Current Fiscal Year and Ten Years Prior

Debt Capacity:  
Schedule 9

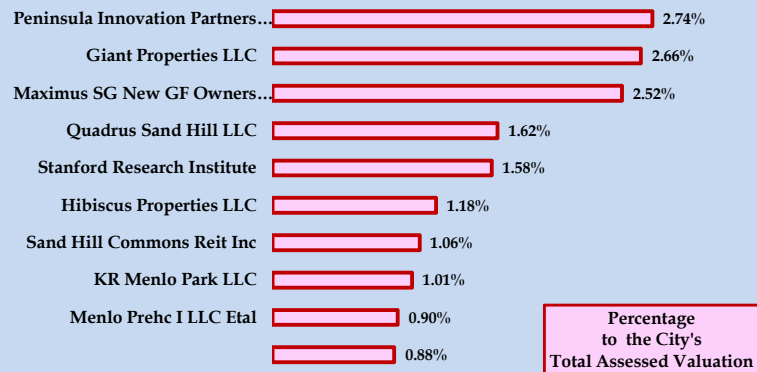
**FY 2016-2017**

<u>Property Owner</u>	<u>Rank</u>	<u>Taxable Assessed Value</u>	<u>Ratio to Total City's Assessed Valuation</u>
Facebook Inc.	1	\$ 413,467,155	2.74%
Peninsula Innovation Partners LLC	2	401,023,741	2.66%
Giant Properties LLC	3	380,640,644	2.52%
Maximus SG New GF Owners LLC	4	245,135,347	1.62%
Quadrus Sand Hill LLC	5	238,646,078	1.58%
Stanford Research Institute	6	178,042,759	1.18%
Hibiscus Properties LLC	7	160,232,500	1.06%
Sand Hill Commons Reit Inc	8	151,804,954	1.01%
KR Menlo Park LLC	9	136,305,786	0.90%
Menlo Prehc I LLC Etal	10	132,490,630	0.88%
<b>Total Top 10 Taxpayers' Totals</b>		<b>\$ 2,437,789,594</b>	<b>16.15%</b>
<b>City's Total Assessed Valuation</b>		<b>\$ 15,095,867,037</b>	<b>100%</b>

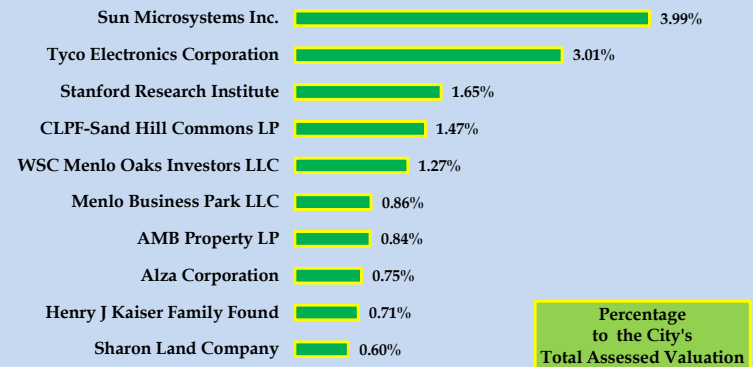
**FY 2007-2008**

<u>Property Owner</u>	<u>Rank</u>	<u>Taxable Assessed Value</u>	<u>Ratio to Total City's Assessed Valuation</u>
Sun Microsystems Inc.	1	\$ 364,693,051	3.99%
Tyco Electronics Corporation	2	274,730,898	3.01%
Stanford Research Institute	3	150,400,679	1.65%
CLPF-Sand Hill Commons LP	4	134,179,503	1.47%
WSC Menlo Oaks Investors LLC	5	116,000,000	1.27%
Menlo Business Park LLC	6	78,186,819	0.86%
AMB Property LP	7	77,133,692	0.84%
Alza Corporation	8	68,314,159	0.75%
Henry J Kaiser Family Found	9	65,113,222	0.71%
Sharon Land Company	10	54,908,974	0.60%
<b>Total Top 10 Taxpayers' Totals</b>		<b>\$ 1,383,660,997</b>	<b>15.15%</b>
<b>City's Total Assessed Valuation</b>		<b>\$ 9,130,460,888</b>	<b>100%</b>

**City's Top Ten Principal Property Tax Payers - June 30, 2017**



**City's Top Ten Principal Property Tax Payers - June 30, 2008**



Source:

San Mateo County Tax Roll  
California Municipal Statistics Inc

Property Tax Levies and Collections  
Last Ten Fiscal Years

Debt Capacity:  
Schedule 10

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Property Tax</u> <u>Levies</u>	<u>Property Tax</u> <u>Collections</u>	<u>Percentage</u> <u>of Collections</u>	<u>Subsequent</u> <u>Year Collections</u>	<u>Total</u> <u>Collections</u>	<u>Percentage</u> <u>of Collections</u>
2008	23,292,838	23,292,838	100.00%	-	23,292,838	100%
2009	24,213,138	24,213,138	100.00%	-	24,213,138	100%
2010	23,753,591	23,753,591	100.00%	-	23,753,591	100%
2011	23,936,578	23,936,578	100.00%	-	23,936,578	100%
2012 (*)	13,239,856	13,239,856	100.00%	-	13,239,856	100%
2013(**)	15,731,889	15,731,889	100.00%	-	15,731,889	100%
2014	15,156,065	15,156,065	100.00%	-	15,156,065	100%
2015	16,824,725	16,824,725	100.00%	-	16,824,725	100%
2016	18,333,935	18,333,935	100.00%	-	18,333,935	100%
2017	20,676,911	20,676,911	100.00%	-	20,676,911	100%



Source:

County of San Mateo, Estimated Property Tax Revenue and Estimated Tax Increment Revenue  
City of Menlo Park

Notes:

(\*) In prior years, property tax levies included property tax increment from their former Community Development Agencies.

The last year of such tax increment received was in 2010-11.

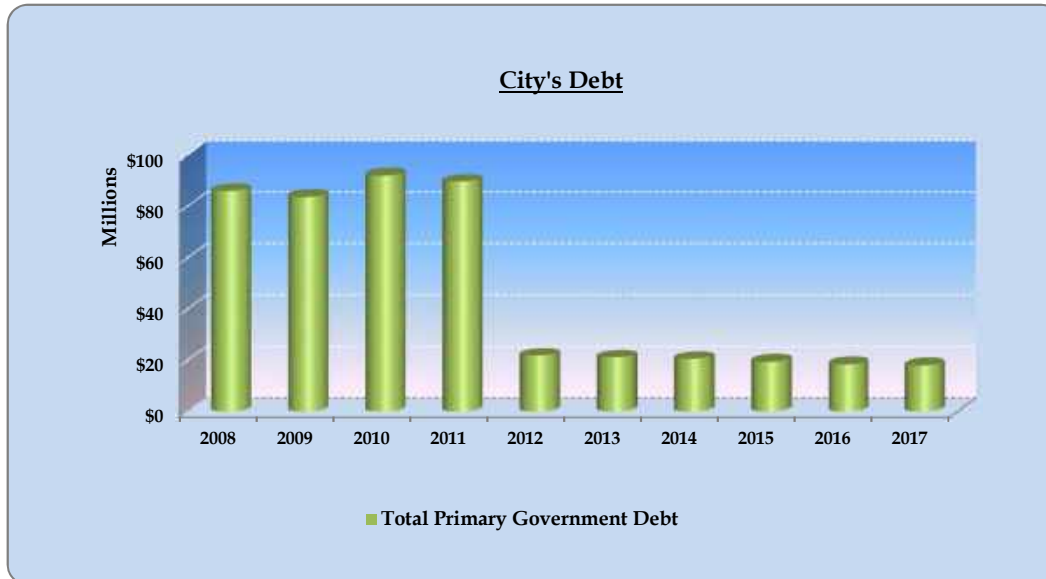
(\*\*) One time property tax increase due to dissolution of the Redevelopment Area.



Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Debt Capacity:  
Schedule 11

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>General Obligation</u> <u>Bonds(1)</u> <sup>(1)</sup>	<u>Tax Allocation</u> <u>Bonds</u> <sup>(4)</sup>	<u>Total Primary</u> <u>Government Debt</u>	<u>Percentage of</u> <u>Personal Income</u> <sup>(7)</sup>	<u>Outstanding Debt</u> <u>Per Capita</u> <sup>(8)</sup>
2008	15,070,000	70,820,000	85,890,000	3.88%	2,728
2009	14,535,000	69,140,000	83,675,000	4.01%	2,626
2010	24,487,472 <sup>(2)</sup>	67,395,000	91,882,472	4.28%	2,853
2011	23,874,973	65,585,000	89,459,973	3.97%	2,760
2012	21,775,595 <sup>(3)</sup>	- <sup>(6)</sup>	21,775,595	not available	672
2013	21,016,779	-	21,016,779	not available	639
2014	20,397,966	-	20,397,966	0.92%	617
2015	19,399,153	-	19,399,153	0.83%	582.40
2016	18,345,340	-	18,345,340	0.79%	548.46
2017	17,921,527	-	17,921,527	0.73%	528.85



Source: City of Menlo Park

Notes:

- (1) General Obligation Bonds consists of 1996, 2002, 2009 General Obligation Bonds
- (2) The City issued \$10,440,000 in 2009 General Obligation Bonds
- (3) General Obligation Bonds consists of 1996, 2009, & 2012 General Obligation Bonds
- (4) Tax Allocation Bonds consists of 2006 Las Pulgas Project Tax Allocation Bonds
- (5) The 1996 & 2000 Tax Allocation Bonds were refinanced with 2006 Refunding Bonds
- (6) In fiscal year 2011-12 former Community Redevelopment Agency was dissolved and all debts transferred
- (7) County of San Mateo's personal income per capita
- (8) U.S. Census Bureau, Quickfacts.Census.gov, Population

Ratio of General Bonded Debt Outstanding  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Total City Taxable Assessed Valuation</u>	<u>Percentage of Total City Taxable Assessed Value</u>	<u>Per Capita</u>
2008	15,070,000	9,087,570,328	0.17%	478.56
2009	14,535,000	9,669,292,492	0.15%	456.14
2010	24,487,472	10,016,523,183	0.24%	760.34
2011	23,874,973	10,140,348,118	0.24%	736.61
2012	21,775,595	10,169,244,059	0.21%	671.84
2013	21,016,779	10,620,369,817	0.20%	639.18
2014	20,397,966	11,311,951,652	0.18%	616.79
2015	19,399,153	12,015,719,121	0.16%	582.40
2016	18,345,340	13,380,461,679	0.14%	548.46
2017	17,921,527	15,095,867,037	0.12%	528.85

Source: City of Menlo Park  
County of San Mateo Assessed Valuation Reports  
California Municipal Statistics, Inc.

Direct and Overlapping Debt  
June 30, 2017

Debt Capacity:  
Schedule 13

**Fiscal year 2016-17**

**City Assessed Valuation <sup>(1)</sup> \$ 13,420,964,589**

	Outstanding Debt 6/30/2017	Percentage Applicable <sup>(1)</sup>	Estimated Share of Overlapping Debt	Ratio to City's Assessed Valuation
<b>Direct and Overlapping Tax and Assessment Debt</b>				
San Mateo Community College District	\$ 611,812,998	7.868%	\$ 48,137,447	0.36%
Sequoia Union High School District	523,920,000	18.543%	97,150,486	0.72%
Las Lomas School District	37,545,000	36.904%	13,855,607	0.10%
Menlo Park City School District	118,948,824	60.916%	72,458,866	0.54%
Ravenswood School District	22,605,000	51.392%	11,617,162	0.09%
Redwood City School District	85,711,277	2.526%	2,165,067	0.02%
Midpeninsula Regional Park District	44,225,000	6.167%	2,727,356	0.02%
<b>City of Menlo Park</b>	<b>17,921,000</b>	<b>100%</b>	<b>17,921,000</b>	<b>0.13%</b>
Total Direct and Overlapping tax and Assessment Debt			\$ 266,032,991	1.98%
<b>Overlapping General Fund Debt</b>				
San Mateo County General Fund Obligations	\$ 399,389,816	7.868%	\$ 31,423,991	0.23%
San Mateo County Board of Education Certificates of Participation	9,330,000	7.868%	734,084	0.01%
Midpeninsula Regional Park District Certificates of Participation	112,143,611	6.167%	6,915,896	0.05%
Menlo Park Fire Protection District Certification of Participation	10,755,000	48.047%	5,167,455	0.04%
Total Overlapping General Fund Debt			\$ 44,241,426	0.33%
Overlapping Tax Increment Debt - Successor Agency	48,390,000	100%	\$ 48,390,000	0.36%
<b>Total Direct Debt</b>			<b>\$ 17,921,000</b>	<b>0.13%</b>
<b>Total Overlapping Debt</b>			<b>\$ 340,743,417</b>	<b>2.54%</b>
<b>Combined Total Debt (2)</b>			<b>\$ 358,664,417</b>	<b>2.67%</b>



Source: California Municipal Statistics, Inc.

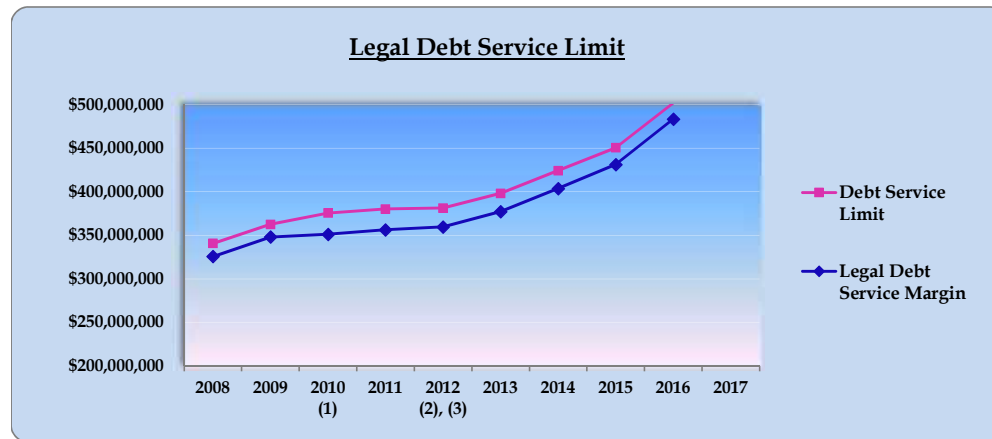
(1) The percentage of overlapping debt applicable to the City is estimated using taxable assessed property value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Legal Debt Service Margin Information  
Last Ten Fiscal Years

Debt Capacity  
Schedule 14

	<u>2008</u>	<u>2009</u>	<u>2010 (1)</u>	<u>2011</u>	<u>2012 (2), (3)</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
City's Taxable Assessed Valuation	\$ 9,087,570,328	\$ 9,669,292,492	\$ 10,016,523,183	\$ 10,140,348,118	\$ 10,169,244,059	\$ 10,620,369,817	\$ 11,311,951,652	\$ 12,015,719,121	\$ 13,380,461,679	\$ 15,095,867,037
Conversion Percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted Assessed Valuation	2,271,892,582	2,417,323,123	2,504,130,796	2,535,087,030	2,542,311,015	2,655,092,454	2,827,987,913	3,003,929,780	3,345,115,420	3,773,966,759
Debt Service Limit Percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt Service Limit	<b>340,783,887</b>	<b>362,598,468</b>	<b>375,619,619</b>	<b>380,263,054</b>	<b>381,346,652</b>	<b>398,263,868</b>	<b>424,198,187</b>	<b>450,589,467</b>	<b>501,767,313</b>	<b>566,095,014</b>
Less:										
General Obligation Bonds	<u>15,070,000</u>	<u>14,535,000</u>	<u>24,487,472</u>	<u>23,874,973</u>	<u>21,775,595</u>	<u>21,016,779</u>	<u>20,397,966</u>	<u>19,399,153</u>	<u>18,345,340</u>	<u>17,921,527</u>
Legal Debt Service Margin	\$ <b>325,713,887</b>	\$ <b>348,063,468</b>	\$ <b>351,132,147</b>	\$ <b>356,388,081</b>	\$ <b>359,571,057</b>	\$ <b>377,247,089</b>	\$ <b>403,800,221</b>	\$ <b>431,190,314</b>	\$ <b>483,421,973</b>	\$ <b>548,173,487</b>
Legal Debt Service Margin as a Percentage of Debt Service Limit	<u>95.6%</u>	<u>96.0%</u>	<u>93.5%</u>	<u>93.7%</u>	<u>94.3%</u>	<u>94.7%</u>	<u>95.2%</u>	<u>95.7%</u>	<u>96.3%</u>	<u>96.8%</u>



Source: County of San Mateo, Assessed Valuation Reports

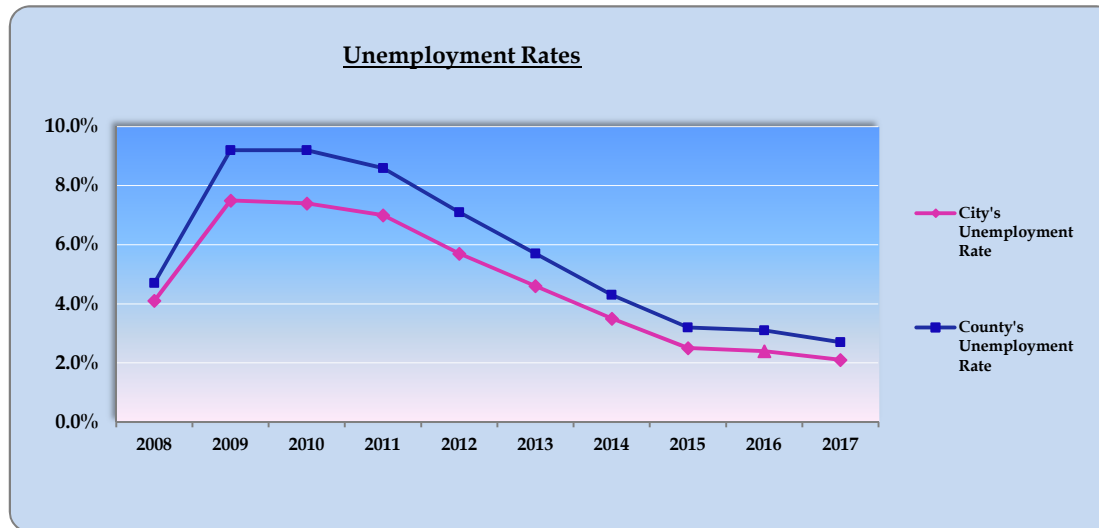
Notes:

- (1) The City issued 2009 General Obligation Bonds
- (2) The City refinanced 2002 Bonds with issuance of 2012 General Obligation Bonds
- (3) Community Development Agency was transferred to Successor Agency

Demographic and Economic Statistics  
Last Ten Fiscal Years

Demographic and  
Economic  
Information:  
Schedule 15

<u>Calendar Year</u>	<u>City's Population</u>	<u>City's Unemployment Rate</u>	<u>County's Unemployment Rate</u>	<u>Personal Income Per Capita</u>	<u>K-12 Public School Enrollments</u>
2008	31,490	4.1%	4.7%	70,211	4,297
2009	31,865	7.5%	9.2%	65,414	4,498
2010	32,206	7.4%	9.2%	66,629	4,477
2011	32,412	7.0%	8.6%	69,577	4,678
2012	32,412	5.7%	7.1%	not available	4,719
2013	32,881	4.6%	5.7%	not available	4,835
2014	33,071	3.5%	4.3%	67,072	4,976
2015	33,309	2.5%	3.2%	69,802	5,062
2016	33,449	2.4%	3.1%	69,802	5,218
2017	33,888	2.1%	2.7%	71,981	5,400



Source:

U.S. Census Bureau, Quickfacts.Census.gov, Population 2014 Estimate

U.S. Department of Commerce, bea.gov, CA1-3 Personal Income Summary, County of San Mateo Per capita personal income 2008-2014

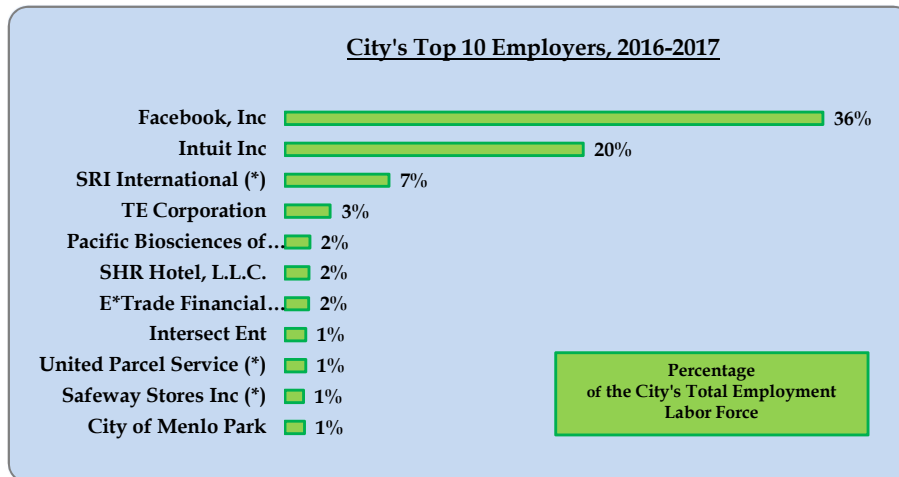
California Department of Education, Data Quest/Enrollment over time, school year 2014-15 Menlo Park Elementary Schools K-12 and Menlo Atherton High School

California Labor Market Information, EDD, labormarketinfo.edd.ca.gov, October 2015

Principal Employers  
Current Fiscal Year and Ten Years Prior

Demographic  
Economic  
Information:  
Schedule 16

<u>City's Principal Employers</u>	<u>2016-2017</u>			<u>2007-2008</u>	
	<u>Rank</u>	<u>Total Employees</u>	<u>Percentage of Total City's Labor Force</u>	<u>Total Employees</u>	<u>Percentage of Total City's Labor Force</u>
Facebook, Inc	1	7,091	36%	n/a	n/a
Intuit Inc	2	3,931	20%	n/a	n/a
SRI International (*)	3	1,373	7%	1,200	8%
TE Corporation	4	597	3%	1,040	7%
Pacific Biosciences of California	5	330	2%	n/a	n/a
SHR Hotel, L.L.C.	6	315	2%	n/a	n/a
E*Trade Financial Corporation	7	313	2%	239	2%
Intersect Ent	8	275	1%	n/a	n/a
United Parcel Service (*)	9	274	1%	244	n/a
Safeway Stores Inc (*)	9	245	1%	n/a	n/a
City of Menlo Park	10	259	1%	234	n/a
<b>Top 10 Employers</b>		<b>15,003</b>	<b>77%</b>	<b>2,957</b>	<b>17%</b>
<b>Total Employment of the City's Labor Force</b>		<b>19,500</b>	<b>100%</b>	<b>15,400</b>	<b>100%</b>



Source:

City of Menlo Park, Finance, Business License, calendar year, non-profit organizations' data is not available

State of California, Employment Development Department, Labor Force Report, Unemployment Rates/Labor Force, June 2004, 2013

Notes:

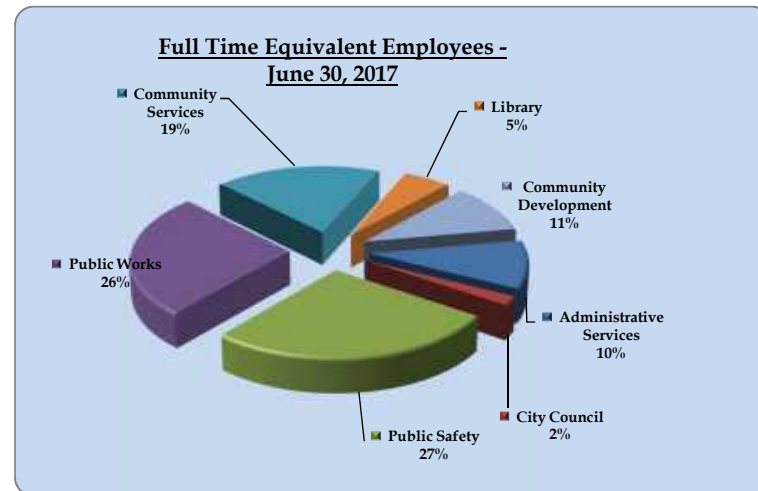
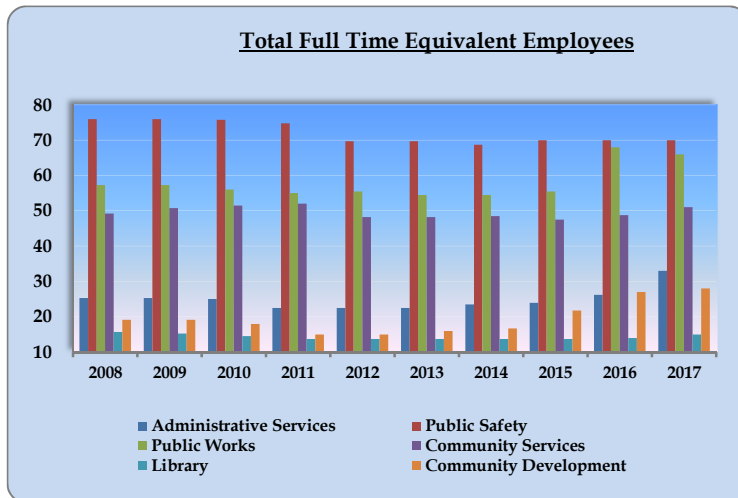
(\*) Reflect 2014-15 data, updates not available

n/a Not Available

Full Time Equivalent City Employees by Function  
Last Ten Fiscal Years

Demographic and  
Economic  
Information:  
Schedule 17

<u>FTE by Department</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Administrative Services	25.35	25.35	25.00	22.50	22.50	22.50	23.50	24.00	26.25	33.00
City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Public Safety	76.00	76.00	75.75	74.75	69.75 <sup>(1)</sup>	69.75 <sup>(1)</sup>	68.75	70.00	70.00	70.00
Public Works	57.25	57.25	56.00	55.00	55.50	54.50	54.50	55.50	68.00	66.00
Community Services	49.25	50.75	51.50	52.00	48.25 <sup>(2)</sup>	48.25 <sup>(2)</sup>	48.50	47.50	48.75	51.00
Library	15.75	15.25	14.50	13.75	13.75	13.75	13.75	13.75	14.00	15.00
Community Development	19.15	19.15	18.00	15.00	15.00	16.00	16.75	21.75	27.00	28.00
<b>Total Full Time Equivalent Employees</b>	<b>247.75</b>	<b>248.75</b>	<b>245.75</b>	<b>238.00</b>	<b>229.75</b>	<b>229.75</b>	<b>230.75</b>	<b>237.50</b>	<b>259.00</b>	<b>268.00</b>



Source: City of Menlo Park, Human Resources

Remarks:

<sup>(1)</sup> Reduction of 5.0 FTE includes the loss of the San Carlos dispatch contract, which resulted in the elimination of 4 FTE's for dispatch

<sup>(2)</sup> Reduction of 3.0 FTE Housing Division during fiscal year 2011-12

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Operating Indicators by Demand Level of Service, by Function/Program  
Last Ten Fiscal Years

Operating Information:  
Schedule 18

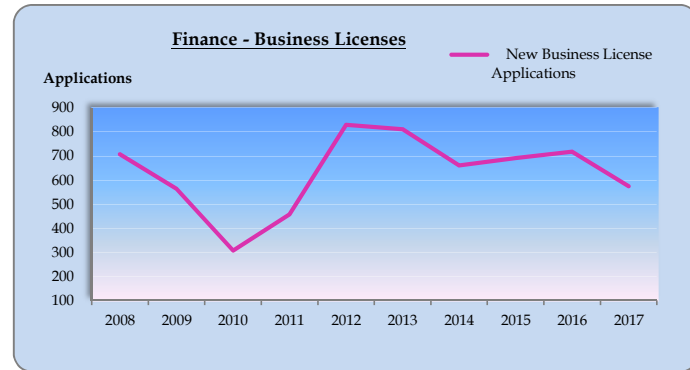
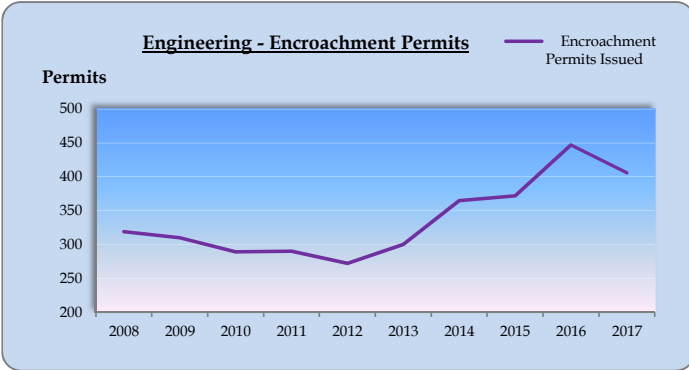
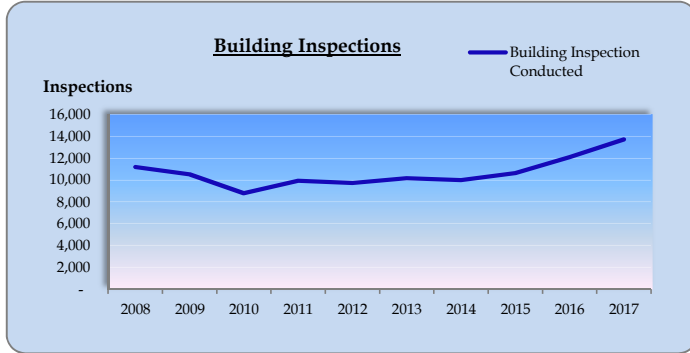
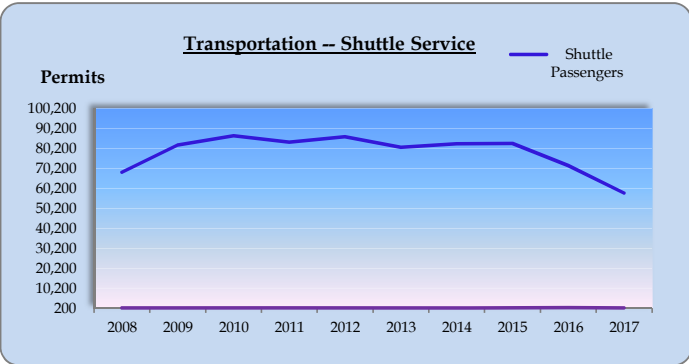
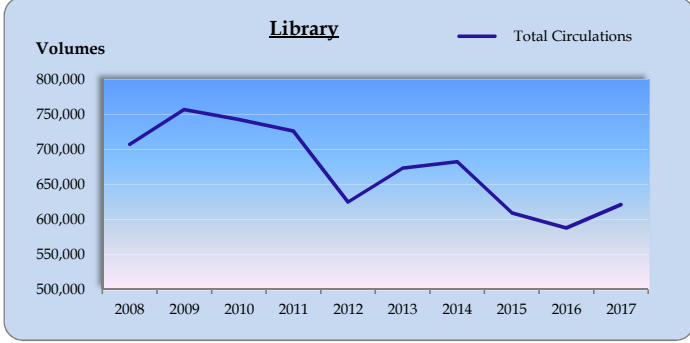
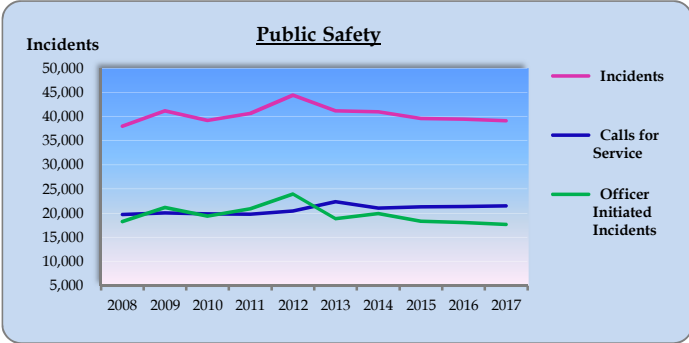
		Fiscal Year Ending June 30, 2017									
<u>FUNCTION/PROGRAM</u>		<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Public</b>	Incidents	37,997	41,200	39,217	40,675	44,405	41,206	40,964	39,605	39,456	39,122
<b>Safety</b>	Calls for Service	19,736	20,015	19,840	19,752	20,469	22,383	21,021	21,293	21,384	21,487
	Officer Initiated Incidents	18,261	21,185	19,377	20,923	23,936	18,823	19,943	18,312	18,072	17,635
<b>Public Works</b>	<b>Transportation:</b>										
	Shuttle Passengers(1)	68,201	81,837	86,503	83,246	86,004	80,774	82,420	82,663	71,597	57,737
	<b>Engineering:</b>										
	Encroachment Permits Issued	319	310	289	290	272	300	365	372	447	406
<b>Culture and Recreation</b>	<b>Parks and recreation:</b>										
	Number of Activity Hours Provided (2)	119,674	37,869	48,270	37,964	1,662,457	2,403,979	3,095,612	3,312,426	3,354,773	3,339,783 (5)
	Number of Recreational Activities Participants (3)	237,968	61,514	64,762	88,032	706,830	931,490	1,119,365	1,196,406	981,761	1,009,084 (6)
	<b>Library:</b>										
	Books Volumes held	149,927	151,650	146,429	146,356	150,017	157,155	165,118	167,970	149,524	135,200
	Video/DVD held	15,148	14,989	13,688	14,262	14,728	13,348	16,704	17,344	17,556	16,643
	Books Volumes added	7,613	15,162	9,826	9,587	9,239	11,183	10,966	10,202	8,760	8,884
	Total Circulations	707,073	756,808	742,555	726,189	624,699	672,967	682,381	609,387	587,909	621,261
<b>Community Development</b>	<b>Building Permits Issued:</b>										
	Residential Buildings - Count	787	652	667	733	655	728	717	734	900	734
	Residential -Value (\$1000s)	84,006	51,761	42,033	49,618	44,545	64,932	65,386	118,952	215,219	81,949
	Commercial Buildings - Count	170	187	160	202	231	229	180	187	174	184
	Commercial -Value (\$1000s)	73,820	42,435	32,419	46,756	78,055	61,201	238,585	282,621	151,139	605,311
	Accessory Buildings - Count	99	74	87	85	73	100	91	90	138	110
	Accessory -Value (\$1000s)	2,337	1,039	1,188	1,812	1,925	1,876	3,752	3,999	3,985	18,331
	Building Inspection Conducted	11,197	10,532	8,797	9,928	9,733	10,171	10,004	10,639	12,103	13,704
	<b>Housing and Redevelopment:</b>										
	Below Market Rate - Units sold	16	5	2	2	2	1	4	0	0	0
	Below Market Rate - Units resold	0	0	1	3	3	0	2	1	1	0
	Housing Rehabilitation - New loans	0	5	0	0	0	0	0	0	0	0
	Housing Rehab Loans - Cumulative \$	1,459,047	1,440,877	1,340,433	1,312,380	1,210,372	960,179	917,315	799,640	698,128	622,798
	Housing Rehab Homes - Cumulative Count	41	41	36	33	32	28	26	22	17	15
	RDA - Housing Rehabilitation - New loans (4)	-	-	4	3	0	0	0	0	0	0
	RDA - Housing Rehab Loans - Cumulative \$	-	-	193,000	347,785	337,285	328,676	299,139	258,558	236,375	164,701
	Count	-	-	4	7	7	7	7	5	5	5
<b>Administrative Services</b>	<b>Finance:</b>										
	New Business License Applications	708	564	308	458	829	811	661	691	718	575

Source: City of Menlo Park

Note:

- (1) Public demand of the free shuttles was increased in 2006-07 as a result of frequent promotions of the free service by the City of Menlo Park Transportation Department and the participating companies who promote commute alternatives in peak hours.
- (2) Increased programming in rooms previously used for child care at Burgess and new programs at the Onetta Harris Community Center. The method of calculation may vary from previously submitted information.
- (3) Park and Recreation: Differences in department programming from year to year result in substantial variances in some totals.
- (4) Redevelopment Agency-Housing Rehabilitation Program started in fiscal year 2009-2010 and ended in January 2012
- (5) During fiscal year 2011-12, Activity Hour was changed to count every hour each participant in a program or using City service
- (6) During fiscal year 2011-12, Activity Participant was changed to count each visit

(Continued)



Source: City of Menlo Park

Capital Asset Inventory by Function  
Last Ten Fiscal Years

Operating Information:  
Schedule 19

<u>Function</u>	<u>Facility</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>General Government</b>	Civic Center-Administration	1	1	1	1	1	1	1	1	1	1
<b>Public Safety</b>	Police Stations	2	2	2	2	2	2	2	2	2	2
	Streets (miles)	101	101	101	101	100	100	100	100	100	100
	Streetlights	1718	1718	1719	2233	2233	2233	2233	2233	2233	2238
	Traffic Signals	22	22	22	22	22	22	22	22	22	22
<b>Public Works</b>	Water:										
	- Daily average introduced into system (1,000 gallons)	3693	3230	3042	3038	3221	3238	3531	2633	2202	2202
	- Water storage (millions of gallons)	6	6	6	6	6	6	6	6	6	6
	- Water lines (miles)	55	59	59	59	59	59	59	63	59	59
	Child Care Centers	5	6	6	6	3	3	3	3	3	3
	Recreation Center	1	1	1	1	1	1	1	1	1	1
	Library	2	2	2	2	2	2	2	2	2	2
	Parks	13	14	14	14	14	14	14	14	14	14
	Community Centers	2	2	2	2	2	2	2	1	1	1
<b>Parks and Recreation</b>	Senior Center	2	2	2	2	1	1	1	1	1	1
	Gymnasium	2	2	2	2	2	2	2	2	2	2
	Gymnastics Center	1	1	1	1	1	1	1	1	1	1
	Pools (locations)	2	2	2	2	2	2	2	2	2	2
	Medical Clinic	1	1	1	1	1	1	1	0	0	0
	Gate House	1	1	1	1	1	1	1	1	1	1
	Dog Park Areas	2	2	2	2	2	2	2	2	2	2

Source: City of Menlo Park

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Capital Asset and Infrastructure Statistics by Activities  
Last Ten Fiscal Years

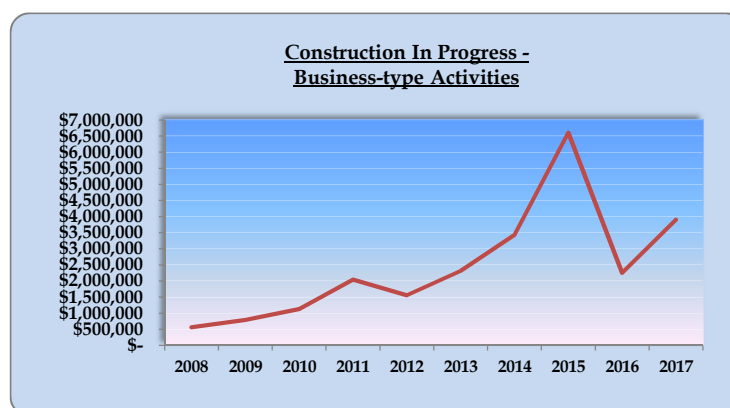
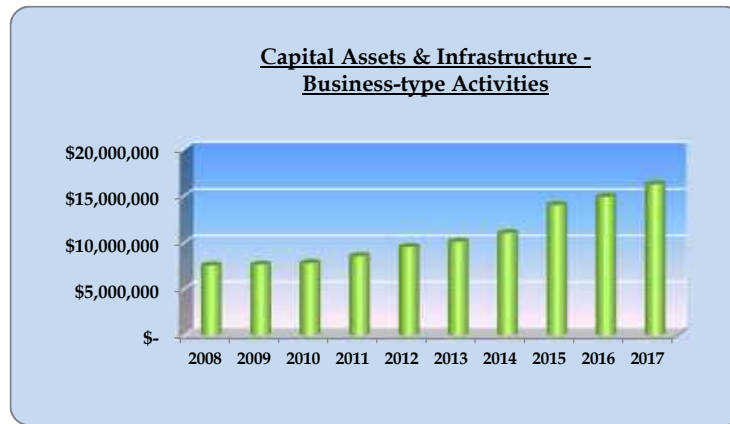
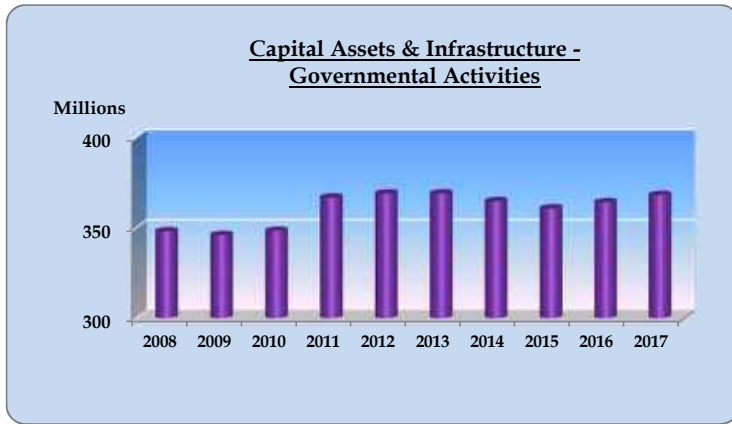
Operating Information:  
Schedule 20

Fiscal Year	Non-Depreciable					Depreciable							Combined Total
	Land	Real Estate	Construction	Total	Share Use	Other	Less: Accumulated	Total	Combined Total				
Ending	Land	Improvement	Held for Sale	in Progress	Non-Depreciable	Buildings	Facilities	Equipment		Improvements	Infrastructure	Depreciation	Depreciable
2008	204,949,233	32,900,109	-	2,971,197	240,820,539	46,933,785	-	6,162,913	12,782,089	106,952,666	(65,743,622)	107,087,831	347,908,370
2009	204,949,233	32,900,109	-	3,318,133	241,167,475	46,933,785	-	6,383,215	12,792,366	107,911,764	(69,349,289)	104,671,841	345,839,316
2010	204,949,233	32,900,109	446,725	5,889,419	244,185,486	47,218,382	2,600,000	6,384,363	12,792,366	108,730,291	(73,724,714)	104,000,688	348,186,174
2011	204,949,233	32,900,109	648,285	6,979,308	245,476,935	65,959,147	2,600,000	6,464,074	12,878,068	109,994,804	(76,800,272)	121,095,821	366,572,756
2012	199,254,256	32,900,109	1,643,404	2,112,344	235,910,113	76,591,580	2,600,000	6,929,594	16,259,990	110,974,228	(80,489,073)	132,866,319	368,776,432
2013	199,256,305	32,900,109	733,597	2,537,004	235,427,015	76,762,760	2,600,000	7,064,784	16,370,783	113,871,991	(83,296,591)	133,373,727	368,800,742
2014	199,256,305	32,900,109	-	1,953,563	234,109,977	77,022,447	2,600,000	7,329,067	173,248,051	114,657,739	(88,526,395)	130,407,663	364,517,640
2015	199,256,305	32,921,636	-	2,362,145	234,540,086	77,198,498	2,600,000	6,818,988	17,615,799	115,318,426	(93,534,204)	126,017,507	360,557,593
2016	199,998,884	32,921,636	-	4,007,088	236,927,608	78,908,590	2,600,000	6,978,110	17,865,240	119,176,312	(98,528,975)	126,999,277	363,926,885
2017	199,998,884	32,921,636	-	9,337,248	242,257,768	78,908,590	2,600,000	7,871,989	18,044,301	123,130,552	(104,844,782)	125,710,650	367,968,418
<b>Governmental Activities</b>													
2008	1,066,454	-	-	561,544	1,627,998	4,159,460	-	621,809	-	6,812,639	(5,689,537)	5,904,371	7,532,369
2009	1,066,454	-	-	793,183	1,859,637	4,159,460	-	566,303	-	6,812,639	(5,777,412)	5,760,990	7,620,627
2010	1,066,454	-	-	1,133,544	2,199,998	4,159,460	-	569,755	-	6,812,639	(5,951,168)	5,590,686	7,790,684
2011	1,066,454	-	-	2,041,278	3,107,732	4,159,460	-	503,003	-	6,812,639	(6,046,123)	5,428,979	8,536,711
2012	1,066,454	-	-	1,555,026	2,621,480	4,159,460	-	542,565	-	8,371,534	(6,170,823)	6,902,736	9,524,216
2013	1,066,454	-	-	2,310,988	3,377,442	4,159,460	-	542,565	-	8,371,534	(6,371,319)	6,702,240	10,079,682
2014	1,066,454	-	-	3,436,621	4,503,075	4,159,460	-	540,323	-	8,371,534	(6,568,646)	6,502,671	11,005,746
2015	1,066,454	-	-	6,607,112	7,673,566	4,159,460	-	494,276	-	8,371,534	(6,708,763)	6,316,507	13,990,073
2016	1,066,454	-	-	2,256,956	3,323,410	7,823,985	-	525,118	-	10,111,882	(6,905,890)	11,555,095	14,878,505
2017	1,066,454	-	-	3,901,402	4,967,856	7,831,635	-	509,343	-	10,111,881	(7,208,291)	11,244,568	16,212,424
<b>Business-type Activities</b>													

Source: City of Menlo Park

(Continued)

Capital Asset and Infrastructure Statistics by Activities  
Last Ten Fiscal Years

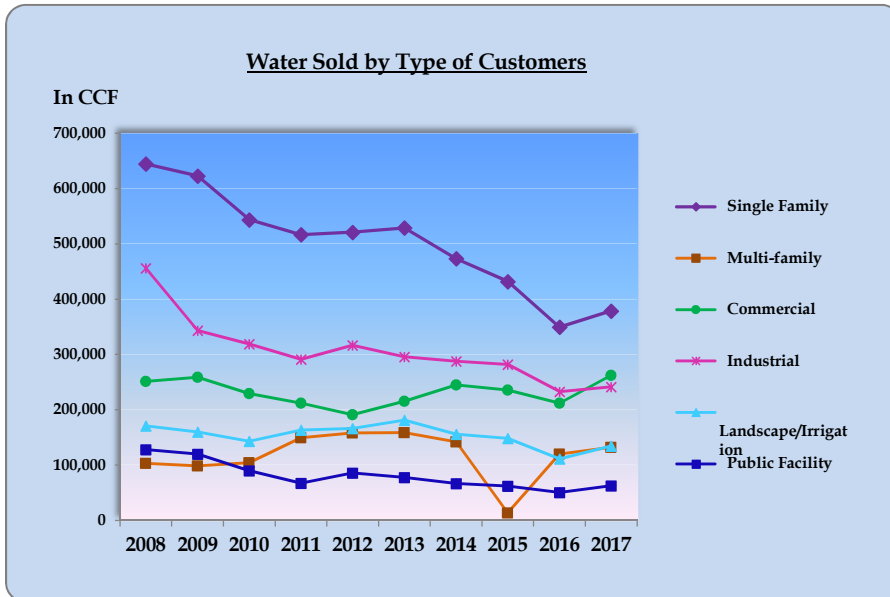


Source: City of Menlo Park

Water Sold by Type of Customer  
Last Ten Fiscal Years

(in CCF)

<u>Type of Customer</u>	<u>Fiscal year ending June 30, 2017</u>									
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Single Family	644,785	623,012	543,758	516,958	521,341	529,161	473,312	432,062	349,573	378,848
Multi-family	103,263	98,672	104,032	149,228	158,342	158,386	141,634	13,487	119,843	132,285
Commercial	251,400	258,675	229,159	211,796	190,988	215,162	245,206	235,530	212,187	262,133
Industrial	456,315	343,516	319,117	291,137	316,857	295,864	287,567	282,021	232,846	241,563
Landscape/Irrigation	170,846	160,021	142,781	163,080	166,262	181,100	155,937	148,509	110,982	134,569
Public Facility	<u>127,811</u>	<u>119,814</u>	<u>89,655</u>	<u>67,389</u>	<u>85,474</u>	<u>77,494</u>	<u>66,833</u>	<u>61,828</u>	<u>50,526</u>	<u>62,292</u>
Total Water Sold - CCF	1,754,420	1,603,710	1,428,502	1,399,588	1,439,264	1,457,167	1,370,489	1,173,437	1,075,957	1,211,690
<b>Direct Rate(*)</b>	<b>\$ 7.61</b>	<b>\$ 8.48</b>	<b>\$ 9.44</b>	<b>\$ 11.01</b>	<b>\$ 12.78</b>	<b>\$ 14.86</b>	<b>\$ 17.24</b>	<b>\$ 20.03</b>	<b>\$ 20.86</b>	<b>\$ 23.46</b>



Source: California Water Service Company, City of Menlo Park

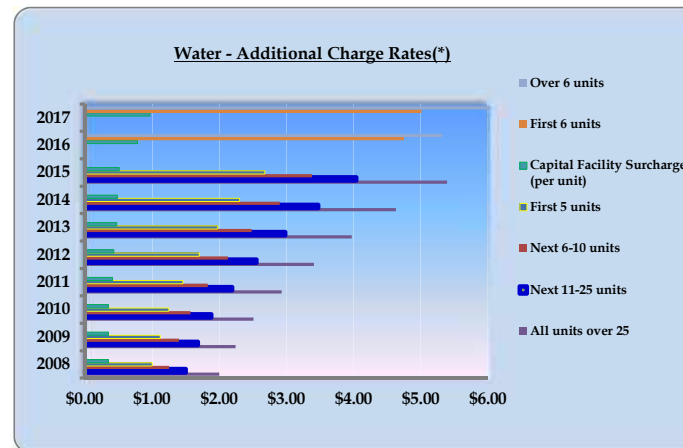
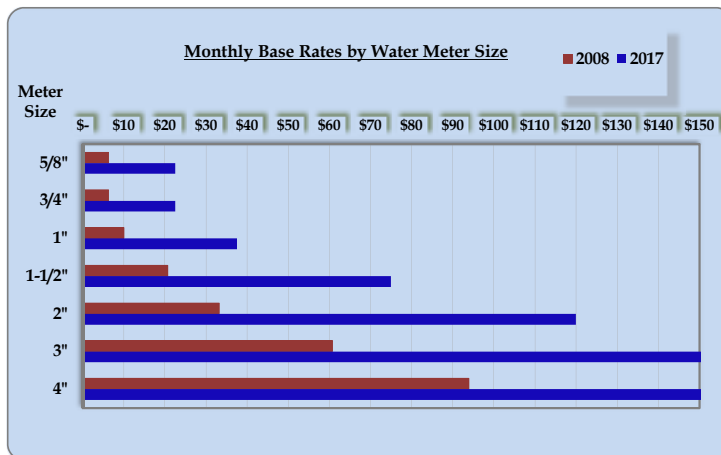
Notes: 1 unit is 748 gallons

\*Rate based on a minimum monthly service charge based on size of meter plus a charge for water consumed plus a surcharge per unit

Water Service Rates  
Last Ten Fiscal Years

Operating Information:  
Schedule 22

Monthly Base Rate by Meter Size	Fiscal Year Ending June 30th									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
5/8"	6.26	7.01	7.84	9.14	10.65	12.41	14.46	16.84	20.08	22.49
3/4"	6.26	7.01	7.84	9.14	10.65	12.41	14.46	16.84	20.08	22.49
1"	10.02	11.21	12.54	14.61	17.03	19.85	23.12	26.94	33.47	37.49
1-1/2"	20.66	23.12	25.87	30.15	35.14	40.95	47.70	55.57	66.94	74.97
2"	33.18	37.13	41.55	48.42	56.43	65.77	76.62	89.26	107.10	119.95
3"	60.73	67.96	76.04	88.62	103.27	120.36	140.21	163.35	200.82	224.92
4"	93.91	105.09	117.59	137.04	159.71	186.12	216.83	252.61	335.36	375.60
6"	208.48	233.29	261.06	304.24	354.56	413.20	481.38	560.81	669.39	749.72
8"	462.67	517.73	579.34	675.16	786.83	916.98	1,068.28	1,244.54	1,071.02	1,199.54
10"	1,026.77	1,148.96	1,285.68	1,498.33	1,746.16	2,034.97	2,370.74	2,761.91	1,539.59	1,724.34
<b>Additional charges (*)</b>										
First 5 units	1.00	1.12	1.25	1.46	1.70	1.98	2.30	2.68	-	-
Next 6-10 units	1.25	1.40	1.57	1.83	2.13	2.48	2.90	3.38	-	-
Next 11-25 units	1.50	1.68	1.88	2.19	2.55	2.98	3.47	4.04	-	-
All units over 25	2.00	2.24	2.51	2.93	3.41	3.97	4.63	5.39	-	-
First 6 units	-	-	-	-	-	-	-	-	4.75	5.01
Over 6 units	-	-	-	-	-	-	-	-	5.32	6.09
Capital Facility Surcharge (per unit)	0.35	0.35	0.35	0.41	0.43	0.47	0.48	0.51	0.78	0.97



Source: City of Menlo Park, Master Fee Schedules

Notes: (\*) Additional charge is based on monthly meter readings, one unit is 748 gallons; Structural rate change in 2015-16.

The Menlo Park Municipal Water District charges an excess-use rate above normal demand.



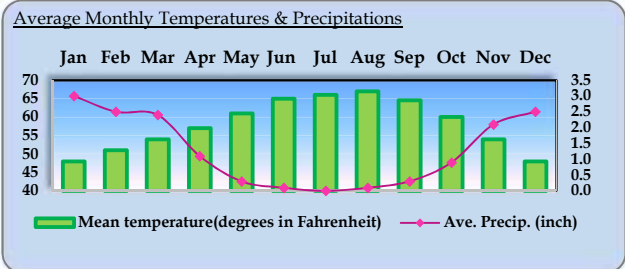
Miscellaneous Statistics

June 30, 2017

Operating Information:

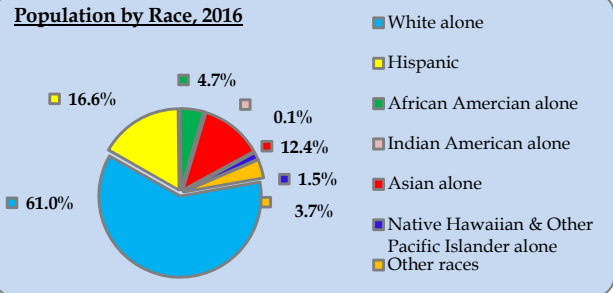
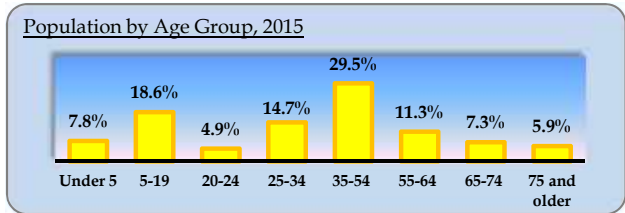
Schedule 23

<b>Date of Incorporation</b>	November 23, 1927
<b>Form of Government</b>	Council / Manager
<b>City Council Members</b>	5
<b>City Commissions</b>	10
Arts, Bicycle, Environmental Quality, Finance & Audit, Housing, Las Pulgas, Library, Parks & Recreation, Planning, & Transportation	
<b>Latitude, Longitude</b>	37.45 N, 122.18 W
<b>Elevation</b>	60 feet
<b>Land Area in square miles, 2010</b>	10.1
<b>Sunny Days a year</b>	265
<b>Average Annual Rainfall</b>	15.71"



**Demographic Profile**

Population, 2014 Estimate	33,309
People per square miles, 2014	3,289
Male Persons, 2014	48.4%
Female Persons, 2014	51.6%
Median age (years), 2014	38.1



*Percentage Speak English only*

Age 5 - 17	19.0%
Age 18-64	65.2%
Age 65+	15.8%

*Percentage Speak a language other than English:*

Age 5 - 17	18.6%
Age 18-64	70.4%
Age 65+	11.0%

*Education Attainment -Population 25 years and over*

Less than high school graduate	7.7%
High school graduate or equivalent	8.0%
Some college or associate's degree	14.5%
Bachelor's degree	29.4%
Graduate or professional degree	40.4%

*Marital Status*

Never married	31.1%
Now married - except separated	54.8%
Divorced or separated	10.0%
Widowed	4.1%

*Citizenship Status*

Native, 5 years and over	73.6%
Foreign-born, 5 years and over	26.3%
Naturalized U.S. citizen	11.9%
Not a U.S. citizen	14.5%

*Poverty Status in the past 12 months, 2012*

Below poverty level	7.9%
At or above poverty level	92.1%

**Housing Characteristics**

Total housing units	13,085
Occupied housing units	12,347
Homeownership rate	56.1%
Housing units in multi-unit structures	37.4%
Median value of owner-occupied homes	\$ 1,374,600
Foreign born persons	26.3%

**Schools**

Preschools	16
Public schools, K-12	6
Private schools, K-12	9
Charter schools	2
Adult education institutions	2
Colleges, public & private	3

**Utilities and other services:**

Water Services	4
Sewer Service	1
Refuse Removal & Recycling Service	1
Gas & Electricity Service	1
Police protection, stations	2
Menlo Park Fire District, stations	7
Hospitals/Medical Clinics	3
Health Support	4
U. S. Post Offices, branches	2

**Local attractions, culture & recreation**

Allied Arts Guild	
Menlo Atherton Performance Arts Center	
Stanford Linear Accelerator Center (SLAC)	
Sunset Publishing Corporation	
United States Geological Survey (USGS)	
Movie theater, the Guild	1
Clubs/Organizations	13
Places of worship	22

Source: Menlo Park Chamber of Commerce, City of Menlo Park  
 Countrystudies.us/united-states/weather/california/menlo-park.htm  
 U.S. Census Bureau, 2010 Demographic Profile Data , ACS Demographic & Housing Estimates 2008-2012

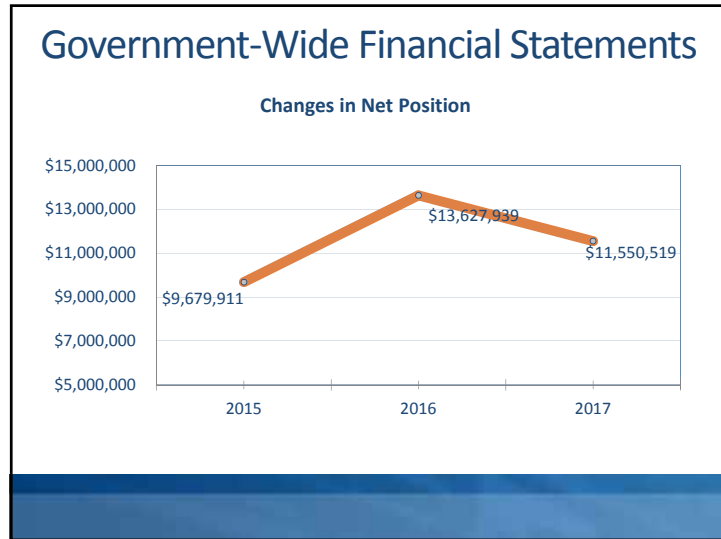
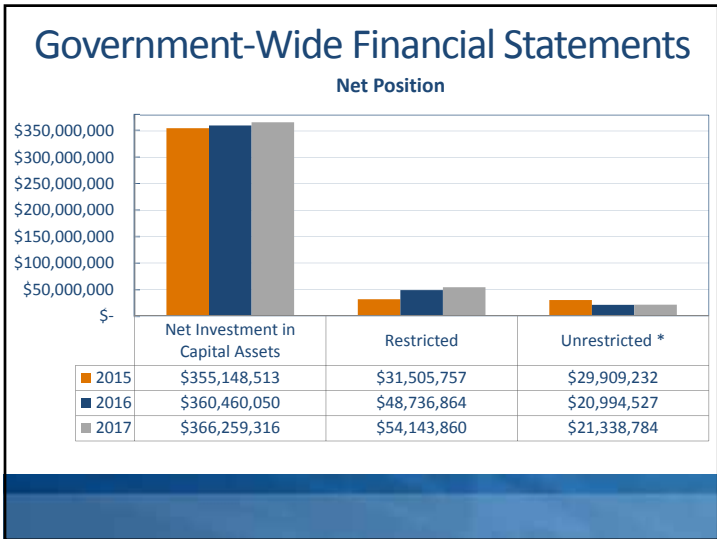
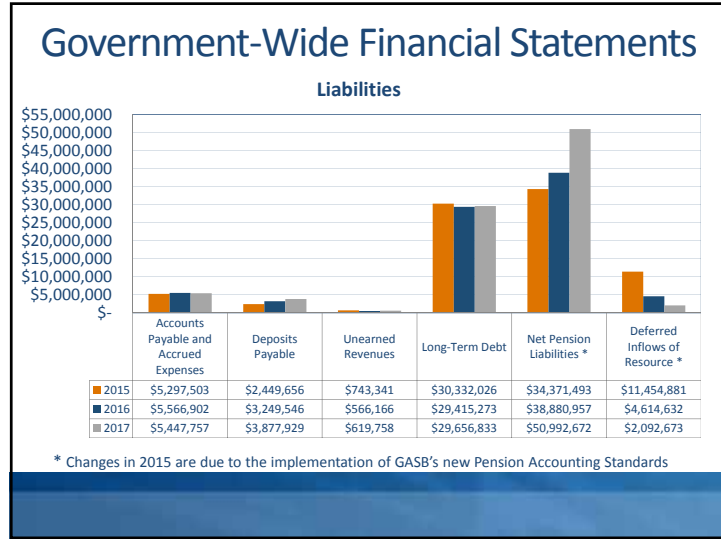
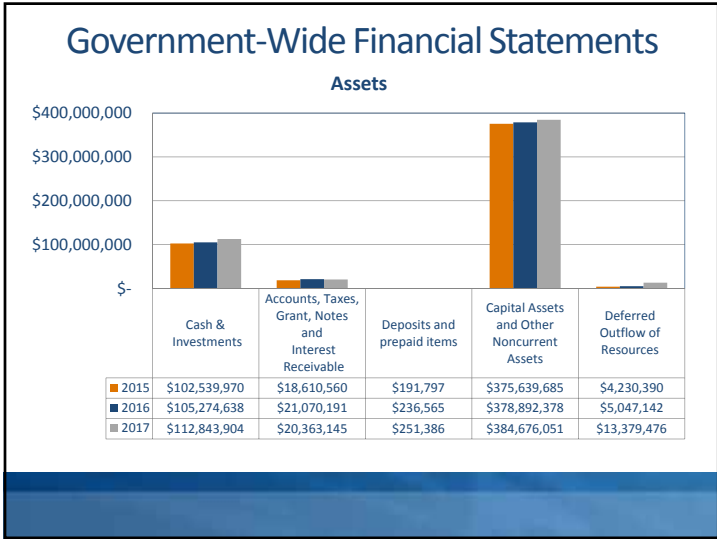
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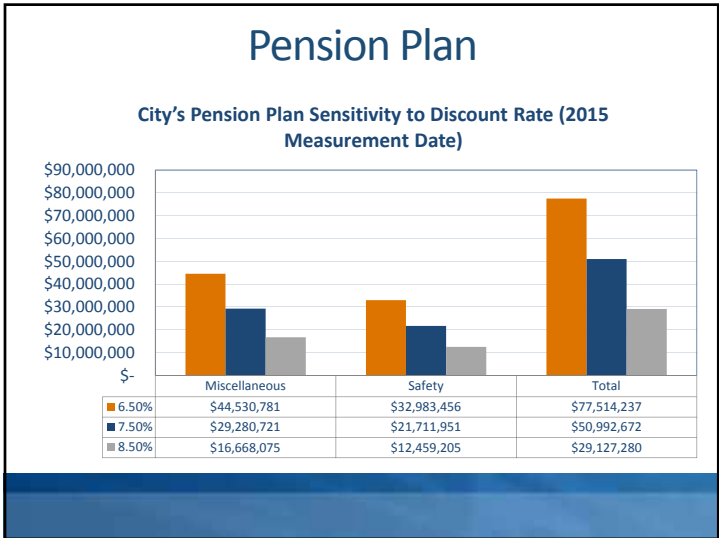
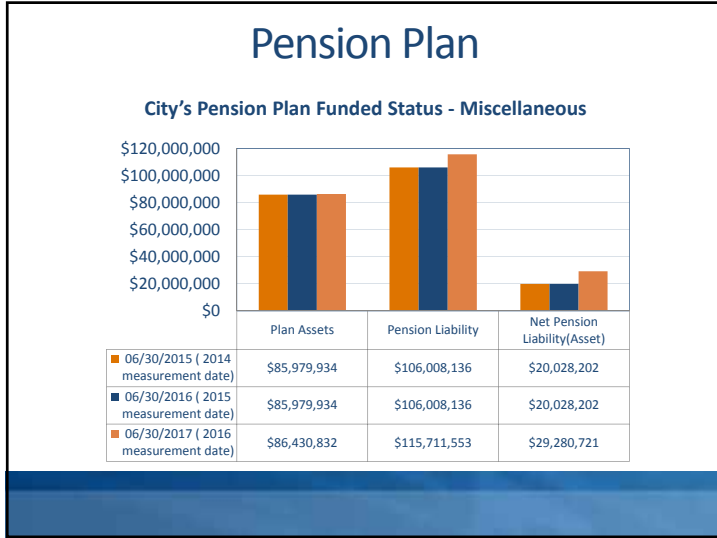
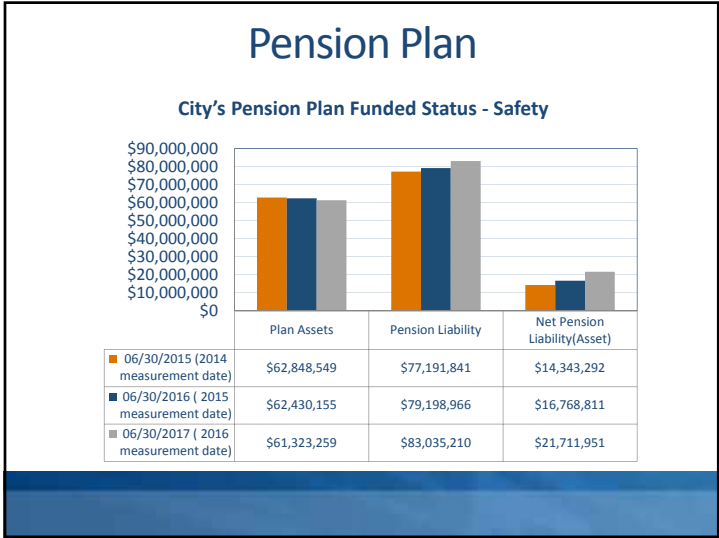
# **OTHER INFORMATION (UNAUDITED)**

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# OTHER SCHEDULES



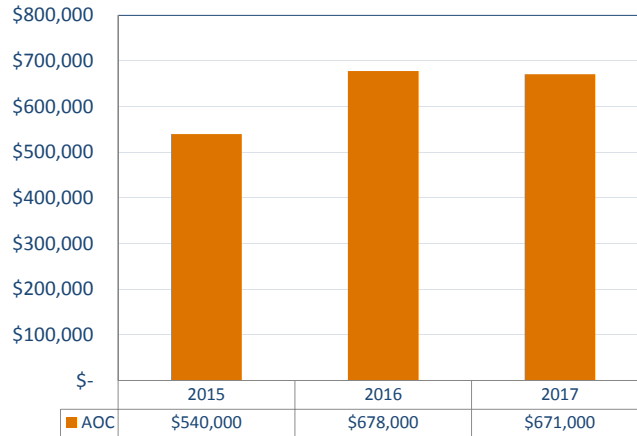
# OTHER SCHEDULES



# OTHER SCHEDULES

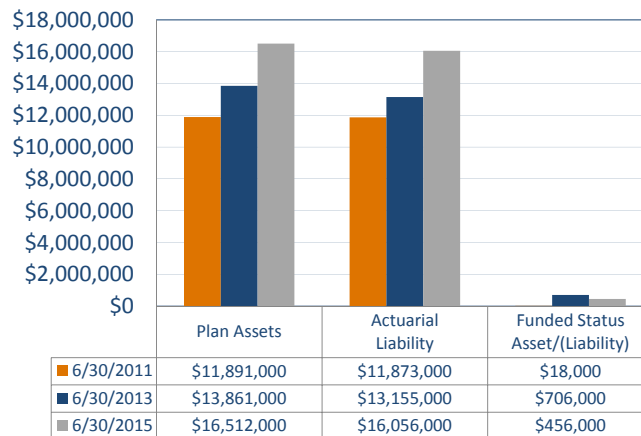
## Other Financial Information

**City's Annual OPEB Cost**



## Other Financial Information

**City's OPEB Plan Funded Status**



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# City of Menlo Park

Menlo Park, California

*Single Audit Reports*

*For the year ended June 30, 2017*

**City of Menlo Park**  
**Single Audit Reports**  
**For the year ended June 30, 2017**

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<b>Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance .....</b>	<b>3</b>
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and Members of the City Council  
of the City of Menlo Park  
Menlo Park, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Menlo Park, California (City), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 21, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal controls, described in the accompanying schedule of findings and questioned costs as 2017-001 and 2007-002, which we consider to be significant deficiencies.

To the Honorable Mayor and Members of the City Council  
of the City of Menlo Park  
Menlo Park, California  
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### **Compliance and Other Matters**

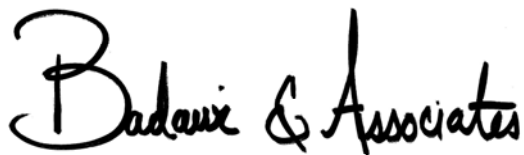
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **City's Response to Findings**

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The image shows a handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi & Associates, CPAs  
Oakland, California  
December 21, 2017



## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and Members of the City Council  
of the City of Menlo Park  
Menlo Park, California

### **Report on Compliance for Each Major Federal Program**

We have audited the City of Menlo Park, California (City)'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2017. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### *Management's Responsibility*

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

#### *Opinion on Each Major Federal Program*

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

## **Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

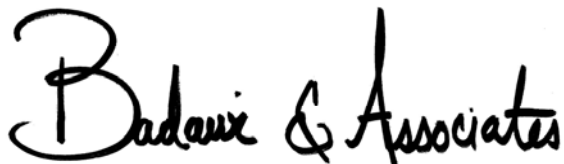
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

To the Honorable Mayor and Members of the City Council  
of the City of Menlo Park  
Menlo Park, California  
Page 3

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 21, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi & Associates, CPAs  
Oakland, California  
December 21, 2017

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**City of Menlo Park**  
**Schedule of Expenditures of Federal Awards**  
**For the year ended June 30, 2017**

Federal Grantor/Pass-Through Grantor Program Title	CFDA Number	Program and/or Pass-Through Number	Federal Expenditures	Subrecipient Payments
<b>U.S. Department of Agriculture:</b>				
Passed through the California Department of Education				
Child Care Meals Program	10.558	Not available	\$ 69,482	\$ -
<b>Total U.S. Department of Agriculture</b>			<u>69,482</u>	<u>-</u>
<b>U.S. Department of Transportation:</b>				
Passed through the California Department of Transportation:				
Highway Planning and Construction	20.205	CML-5273-9025	425,321	-
Passed through the California Office of Traffic Safety				
STEP Selective Traffic Enforcement Program	20.600	PT17/68	13,181	-
<b>Total U.S. Department of Transportation</b>			<u>438,502</u>	<u>-</u>
<b>U.S. Department of Health &amp; Human Services:</b>				
Passed through San Mateo County Aging and Adult Services:				
Title III Part B - Transportation	93.043	57000.14.D039	25,865	-
CCDF Cluster				
Passed through the California Department of Education				
Child Care and Development Block Grant	93.575	13609-2184	52,980	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	15136-2184	125,966	-
		Total CCDF Cluster	<u>178,946</u>	<u>-</u>
<b>Total U.S. Department of Health &amp; Human Services</b>			<u>204,811</u>	<u>-</u>
<b>Corporation for National and Community Service</b>				
Passed through Silicon Valley Community Foundation				
Child Development Program - Big Lift	94.019	Not available	69,313	-
<b>Total Corporation for National and Community Services</b>			<u>69,313</u>	<u>-</u>
<b>Total Federal Awards Expenditures</b>			<u>\$ 782,108</u>	<u>\$ -</u>

**City of Menlo Park**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the year ended June 30, 2017**

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**A. Reporting Entity**

The financial reporting entity consists of (a) the primary government, City of Menlo Park, California (City), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The City has no other organizations defined in (b) and (c) that would be included in the City's financial statements.

**B. Basis of Accounting**

Funds received under the various grant programs have been recorded within the general, special revenue, and capital projects funds of the City. The City utilizes the modified accrual basis of accounting for the general, special revenue, and capital projects funds. Expenditures of federal awards reported on the Schedule of Expenditures of Federal Awards (Schedule) are recognized when incurred.

**C. Relationship of Schedule of Expenditures of Federal Awards to Financial Statements**

The accompanying Schedule presents the activity of all federal financial assistance programs of the City. Federal financial assistance received directly from federal agencies as well as federal financial assistance passed through the State of California, the County of San Mateo, and Silicon Valley Community Foundation are included in the Schedule.

The Schedule was prepared only from the accounts of various grant programs and, therefore, does not present the financial position or results of operations of the City.

**D. Pass-Through Entities' Identifying Number**

When federal awards were received from a pass-through entity, the Schedule shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the City determined that no identifying number is assigned for the program or the City was unable to obtain an identifying number from the pass-through entity.

**E. INDIRECT COSTS**

The City did not elect to use the 10% de minimis indirect cost rate.

**City of Menlo Park**  
**Schedule of Findings and Questioned Costs**  
**For the year ended June 30, 2017**

---

**Section I - Summary of Auditor's Results**

**Financial Statements**

Types of auditors' report issued on whether financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? Yes

Any noncompliance material to the financial statements noted No

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? No

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 200.516(a) No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster	Expenditures
20.205	Highway Planning and Construction Cluster	\$ 425,321
	<b>Total Expenditures of All Major Federal Programs</b>	<b>\$ 425,321</b>
	<b>Total Expenditures of Federal Awards</b>	<b>\$ 782,108</b>
	<b>Percentage of Total Expenditures of Federal Awards</b>	<b>54%</b>

Dollar threshold used to distinguish between type A and type B program \$750,000

Auditee qualified as low-risk auditee under section 200.520? No

**City of Menlo Park**  
**Schedule of Findings and Questioned Costs, Continued**  
**For the year ended June 30, 2017**

---

**Section II - Current Year Findings**

**A. Financial Statement Audit**

*2017-001 - Journal Entries*

**Criteria:**

An effective internal control system and timely financial reporting provides reasonable assurance for the safeguarding of assets, the reliability of financial information, and compliance with laws and regulations. The City is responsible for the fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.

**Condition:**

During the performance of the audit, we noted that there were a significant number of correcting journal entries that were made for the purpose of reversing and/or correcting journal entries already reviewed and approved for posting to the City's general ledger.

**Cause:**

The City prepares journal entries based on data derived from certain worksheets. The City was trying to simplify and automate its worksheet during which certain errors occurred which caused the journal entries prepared based on the worksheets to be incorrect. These errors were not detected during the review of original journal entries. When they were later noticed, additional journal entries were posted to reverse and/or correct the original journal entries.

**Context and Effect:**

Journal entries that were reviewed and approved in the City's general ledger contained errors.

**Recommendation:**

We recommend that the City enhance its internal control over journal entries to ensure the accurate recording of transactions. The City can accomplish this by expanding its review process to ensure journal entries are appropriate before posting to the general ledger.

**Management Response:**

Management has devoted additional resources to the accounting processes including journal entry review for accuracy particularly in those processes that are automated. In addition, management has identified a need to replace the existing financial management software which is cumbersome and has built-in processes that significantly diminish any efficiency reasonably expected from a modern financial management software.

**City of Menlo Park**  
**Schedule of Findings and Questioned Costs, Continued**  
**For the year ended June 30, 2017**

---

**Section II - Current Year Findings, Continued**

**A. Financial Statement Audit, Continued**

*2017-002 - Internal controls over personnel files*

**Criteria:**

The City should maintain complete and up-to-date employee personnel files to support payroll and related items, and to maintain compliance with laws, regulations, and the City's own payroll procedures.

**Condition:**

During performance of the audit, we noted that certain employee actions request forms (EARs) were not available in the personnel files as required under the City's payroll policies and procedures. In few instances, we also noted that personnel action form or job vacancy form for hiring a new employee and EAR for termination of an employee was not prepared, as required under the City's policy.

**Cause:**

EARs were either lost over time, not prepared or not prepared timely to be included in the personnel files reviewed.

**Context and Effect:**

The City's personnel files did not include complete and up-to-date documentation to support employee pay rates and terminations in accordance with the City's payroll policies and procedures.

**Recommendation:**

We recommend that the City enhance its internal control over personnel files to ensure files are complete and up-to-date.

**Management Response:**

Management has developed new forms to better control the employee action request process which governs changes in employee payroll records. In addition, management has developed a training program for all supervisors on the new procedures. As part of the City's transition to Kronos's human capital management software, many of these processes will be automated. Full implementation is anticipated in late 2018.

**City of Menlo Park**  
**Schedule of Findings and Questioned Costs, Continued**  
**For the year ended June 30, 2017**

---

**Section II - Current Year Findings, Continued**

**B. Federal Award Program Audit**

No current year federal award program audit findings.

**Section III- Prior Year Findings**

**A. Financial Statement Audit**

*2016-001 - Financial reporting*

**Finding:**

There were delays in closing of accounting books and providing the requested information for the audit. The City recorded numerous adjustment and correction journal entries subsequent to the trial balance being provided for the audit. We also noted that in few instances, the journal entries provided were not properly reviewed for accuracy which caused some errors in recording the transactions.

**Status:** Partially implemented. There have been significant improvement in the City's procedures for financial reporting.

*2016-002 - Purchasing policies and procedures*

**Finding:**

During performance of expenditure testing, we noted some deficiencies with regard to the City's purchasing and accounts payable processes. The City did not accrue retention payable when progress payments were made to contractors under capital projects. There were several instances where purchase orders were created after the purchase was complete and invoices were received. Also, in few instances, invoices were paid after significant delays.

**Status:** Implemented.

*2016-003 - Maintenance of separate fund for Measure A*

**Finding:**

The City was recording and tracking Measure A funds in the General Fund comingled with other funds which made it difficult for the City to identify expenditures and revenues related to the Measure A program

**Status:** Implemented. The City started using a separate fund for Measure A activities.

**B. Federal Award Program Audit**

No prior year federal award program audit findings.

# City of Menlo Park

Menlo Park, California

*Independent Accountant's Report on  
Agreed-Upon Procedures Applied to  
Appropriations Limit Schedule*

*For the year ending June 30, 2018*









**INDEPENDENT ACCOUNTANT'S REPORT ON LIMITED  
PROCEDURES REVIEW OF APPROPRIATIONS LIMIT UNDER  
ARTICLE XIII-B OF THE CALIFORNIA CONSTITUTION**

To the Honorable Mayor and City Council  
of the City of Menlo Park  
Menlo Park, California

We have performed the procedures enumerated below to the accompanying Appropriations Limit Schedule of the City of Menlo Park (City) for the fiscal year ending June 30, 2018. These procedures, which were agreed to by the City and the League of California Cities (as presented in the publication entitled *Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution*), were performed solely to assist you in meeting the requirements of Section 1.5 of Article XIII-B of the California Constitution. The City management is responsible for the Appropriations Limit Schedule. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or any other purpose.

The procedures performed and our findings are described below:

1. We obtained the completed worksheets used by the City to calculate its appropriations limit for the fiscal year ending June 30, 2018, and determined that the limit and annual calculation factors were adopted by resolution of City Council. We also determined that the population and inflation options were selected by a recorded vote of City Council.

*Finding:* No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit Schedule, we added the prior year's limit to the total adjustments, and agreed the resulting amount to the current year's limit.

*Finding:* No exceptions were noted as a result of our procedures.

3. We agreed the current year information presented in the accompanying Appropriations Limit Schedule to corresponding information in worksheets used by the City.

*Finding:* No exceptions were noted as a result of our procedures.

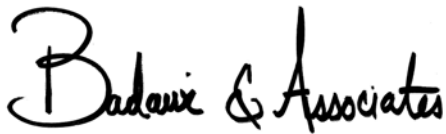
4. We agreed the prior year appropriations limit presented in the accompanying Appropriations Limit Schedule to the prior year appropriations limit adopted by the City Council during the prior year.

*Finding:* No exceptions were noted as a result of our procedures.

To the Honorable Mayor and Members of City Council  
of the City of Menlo Park  
Menlo Park, California

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the accompanying Appropriation Limit Schedule. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. No procedures have been performed with respect to the determination of the appropriation limit for the base year, as defined by Article XIII-B of the California Constitution.

This report is intended solely for the information and use of the City Council and management of the City and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi and Associates  
Certified Public Accountants  
Oakland, California  
December 21, 2017

**City of Menlo Park**  
**Appropriations Limit Schedule**  
**For the year ending June 30, 2018**

	<u>Amount</u>	<u>Source</u>
A. Appropriations limit for the year ended June 30, 2017	\$ 55,025,588	Prior year schedule
B. Calculation factors:		
1. Population increase ratio	1.0553	State Department of Finance
2. Inflation increase ratio	1.0369	State Department of Finance
3. Total adjustment factor ratio	<u>1.0942</u>	B1 * B2
C. Annual adjustment increase	5,185,643	[(B3-1)*A]
D. Other adjustments:		
Loss responsibility (-)	-	N/A
Transfers to private (-)	-	N/A
Transfers to fees (-)	-	N/A
Assumed responsibility (+)	-	N/A
E. Total adjustments	<u>5,185,643</u>	(C+D)
F. Appropriations limit for the year ending June 30, 2018	<u>\$ 60,211,231</u>	(A+E)

**City of Menlo Park**  
**Notes to Appropriations Limit Schedule**  
**For the year ending June 30, 2018**

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**1. PURPOSE OF LIMITED PROCEDURES REVIEW**

Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), California governmental agencies are restricted as to the amount of annual appropriations from proceeds of taxes. Effective for years beginning on or after July 1, 1990, under Section 1.5 of Article XIII B, the annual calculation of the appropriations limit is subject to this agreed upon procedures engagement.

**2. METHOD OF CALCULATION**

Under Section 10.5 of Article XIII B, for fiscal years beginning on or after July 1990, the appropriations limit is required to be calculated based on the limit for the fiscal year 1986-1987, adjusted for the inflation and population factors discussed in Notes 3 and 4 below.

**3. INFLATION FACTORS**

A California governmental agency may use as its inflation factor either the annual percentage change in the 4<sup>th</sup> quarter per capita personal income (which percentage is supplied by the State Department of Finance), or the percentage change in the local assessment roll from the preceding year due to the change of local nonresidential construction. The factor adopted by the City of Menlo Park for the fiscal year 2017-2018 represents the percentage growth in the State of California per capita personal income cost of living during FY 17-18.

**4. POPULATION FACTORS**

A California governmental agency may use as its population factor either the annual percentage change of the jurisdiction's own population, or the annual percentage change in population in the County where the jurisdiction is located. The factor adopted by the City of Menlo Park for fiscal year 2017-2018 represents the population change for the City of Menlo Park during FY 17-18.

**5. OTHER ADJUSTMENTS**

A California government agency may be required to adjust its appropriations limit when certain events occur, such as the transfer of responsibility for municipal services to, or from, another government agency or private entity. There were no adjustments made for the fiscal year ending June 30, 2018.

# City of Menlo Park

Measure A Fund  
Menlo Park, California

*Independent Accountant's Report on  
Schedule of Receipts and Disbursements*

*For the year ended June 30, 2017*



**City of Menlo Park**  
**Measure A Transportation Fund**  
**For the year ended June 30, 2017**

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Schedule of Prior Year Finding and Response.....	4



## INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Mayor and Members of the City Council  
of the City of Menlo Park  
Menlo Park, California

We have examined management's assertion, included in the accompanying Management's Report on Compliance with the *Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes* (Agreement) between the City of Menlo Park (City) and the San Mateo County Transportation Authority entered into on June 19, 1989, which was extended on January 20, 2009, that the City complied with the requirements of the Agreement during the year ended June 30, 2017. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the City's compliance based upon our examination.

Our examination was made in accordance with attestation standards established by the American Institute of Certified Public Accountants and accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of the City's compliance with specified requirements.

In our opinion, management's assertion that the City complied with the aforementioned requirements for the fiscal year ended June 30, 2017, is, in all material respects, fairly stated.

A handwritten signature in black ink that reads 'Badawi &amp; Associates' in a cursive, flowing script.

Badawi and Associates  
Certified Public Accountants  
Oakland, California  
December 21, 2017

**City of Menlo Park Measure A Transportation Fund**  
**Schedule of Receipts and Disbursements**  
**For the year ended June 30, 2017**

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## Receipts:

Sales and Use Taxes	\$ 904,462
Interest Income	3,814
Total receipts	<u>908,276</u>

## Disbursements:

Multi-modal management	171
Streets	192,667
Transportation demand management program	<u>456,864</u>
Total disbursements	<u>649,702</u>
Receipts over disbursements	<u>\$ 258,574</u>





December 18, 2017

San Mateo County Transportation Authority  
120 San Carlos Avenue  
San Carlos, CA 94070

**Management's Report on Compliance with the Agreement for Distribution of San Mateo County Measure**

The City of Menlo Park (the "City") is responsible for complying with the Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes (the "Agreement") between the City and the San Mateo County Transportation Authority entered into on August 18, 1989, and amended on June 17, 2009. The Agreement states that in return for receiving an annual allocation of a specified portion of the retail transaction and use tax approved by Measure A – San Mateo County Expenditure Plan (the "Measure"), the City, in use of these funds, shall "refrain from substituting funds provided to it pursuant to this Agreement for property tax funds which are currently being used to fund existing local transportation programs and limit the use of said funds to the improvement of local transportation, including streets and road improvements."

With respect to compliance with the Agreement, management attests to the following for the year ended June 30, 2017:

- Management is responsible for establishing and maintaining effective internal controls with respect to compliance with the Agreement;
- Management is responsible for complying with the Agreement;
- Management has evaluated the City's compliance with requirements of the Agreement; and
- All transactions, as summarized in the attached Schedule of Receipts and Distributions for the fiscal year ended June 30, 2017, are in compliance with the Agreement.

Sincerely,



Nick Pegueros  
Administrative Services Director

**City of Menlo Park Measure A Transportation Fund**  
**Schedule of Prior Year Findings and Response**  
**For the year ended June 30, 2017**

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**Finding 2016-001:**

**Payroll charges**

For few employees, the City charged their payroll costs to Measure A program based on certain budgeted allocation percentages instead of actual time spent by these employees on the program activities.

*Status:* Implemented

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## STAFF REPORT

### City Council

Meeting Date:

1/16/2018

Staff Report Number:

18-001-CC

### Consent Calendar:

**Review of the annual report on the status of the transportation impact, storm drainage, recreation in-lieu, below market rate housing in-lieu, and building construction road impact fees collected as of June 30, 2017, and make findings regarding funds collected but not expended**

## Recommendation

Staff recommends the City Council review the annual report on the status of the transportation impact, storm drainage, recreation in-lieu, below market rate housing and building construction road impact fees. Staff also recommends that the City Council make the following findings regarding funds collected but not expended:

1. Transportation impact fees, storm drainage fees, recreation in lieu fees, below market rate housing in-lieu, and building construction road impact fees are collected to mitigate direct and indirect impacts from development.
2. These funds are expended in a timely manner to fund continued improvements to public facilities related to the increased demand on the facilities resulting from development.
3. There is a reasonable relationship between these impact fees and their purpose.
4. These impact fees continue to be required to fund applicable improvements, and as such, these fees will continue to be collected and deposited into the appropriate funds for utilization solely for their intended purpose.

## Policy Issues

This report does not represent any change to existing City policy and affirms the City's intention to continue to charge these impact fees to fund projects and programs that mitigate the direct and indirect impact of development in the City of Menlo Park.

## Background

Cities and counties often charge fees on new development to fund public improvements to mitigate the impact of development activity. These fees are commonly known as development impact fees. In 1989, the state Legislature passed Assembly Bill 1600, which added Sections 66000 et seq. to the California Government Code, commonly known as the Mitigation Fee Act.

As required by law, these fees are segregated from the General Fund and accounted for in special revenue funds. Government Code Section 66001 requires that the City make available to the public information regarding development impact fees for each fund within 180 days after the end of each fiscal year:

- A brief description of the fee and the fund into which the fee was deposited

- The amount of the fee
- The associated fund’s beginning and ending balances for the fiscal year
- The total amount of fees collected and interest earned
- Identification of each public improvement on which impact fees were expended and the amount of expenditure on each improvement, including the total percentage of the cost of the public improvement that was funded with impact fees;
- Identification of the approximate date by which construction of a public improvement will commence if the local agency determined that sufficient funds have been collected to complete financing on an incomplete public improvement and the public improvement remains incomplete
- A description of each interfund transfer or loan made from an account or fund

Further, Government Code Section 66000 et. seq. also requires that findings describing the continuing need for impact fees be made every five years specifying the intended use of any unexpended impact fees, regardless of whether the fees are committed or uncommitted. Failure to make such findings subjects the City to going through a refunding procedure. This report meets the requirements to comply with the Mitigation Fee Act.

**Analysis**

Transportation Impact Fees

Due to growth and development in San Mateo County and the City of Menlo Park, increased pressure has been put on the transportation system. Early in fiscal year 2009-10, the City concluded a transportation impact fee study, which enabled staff to recommend an update to the existing fees and create a more systematic way for applying the fees. As a result, a new fee structure was put in place effective December 6, 2009, with the passing of an ordinance that added Chapter 13.26 to the municipal code. This fee structure is identified in Table 1 below and included in the 2016 City’s Master Fee Schedule.

Table 1: Excerpt from 2016 Master Fee Schedule		
Land use	Unit	2017 fee amount
Office	sq.ft.	\$4.80
Research and development	sq.ft.	\$3.45
Manufacturing	sq.ft.	\$2.36
Warehousing	sq.ft.	\$1.04
Restaurant	sq.ft.	\$4.80
Retail	sq.ft.	\$4.80
Single-family	units	\$3,252.51
Multifamily	units	\$1,996.40
Hotel	per room	\$1,899.74
Medical office	sq.ft.	\$11.14
Childcare	sq.ft.	\$4.80
Secondary dwelling unit	units	\$740.28

For fiscal year 2016-17, the City received total revenue of \$1,565,803 primarily from traffic impact fees and interest income. For the same period, the City expended \$385,171 on projects eligible for funding under this revenue source and made a transfer of \$1,217,348 of non-traffic impact fees from the fund. Accordingly, net revenue for the year totaled (\$9,029) and the ending balance as of June 30, 2017, is \$3,671,623. Of this amount, all funds are available for use to meet current or planned projects eligible for this funding source. In the next five fiscal years, it is planned that the City will require \$2,344,317 from transportation impact fees to finance needed infrastructure projects. As such, there exists a continued need for this fee. Detail of current year and historical financials as well as current year project expenditures are available in Attachment A.

### Storm Drainage Fees

The storm drainage fee, which commenced before 1989, is levied to mitigate City storm drainage impacts either directly or indirectly resulting from development projects. The fees are charged for property development as shown in the 2016 City's Master Fee Schedule:

Storm drainage connection fees:

- Single family – per lot \$450.00
- Multiple family – per unit \$150.00
- Industrial and Commercial – per square foot of impervious area \$ 0.24

For fiscal year 2016-17, the City received total revenue of \$3,891, primarily from storm drainage fees and interest income. For the same period, the City did not expend any resources on projects eligible for funding under this revenue source. Accordingly, net revenue for the year for the year totaled \$3,891 and the ending balance as of June 30, 2017, is \$176,446. Of this amount, all funds are available for use to meet current or planned projects eligible for this funding source. In the next five fiscal years, it is planned that the City will require \$200,000 from storm drainage fees to finance needed infrastructure projects. As such, there exists a continued need for this fee. Detail of current year and historical financials as well as current year project expenditures are available in Attachment B.

### Recreation In-Lieu Fees

The recreation in-lieu fee, which commenced before 1989, is collected from developers to improve and expand recreation facilities in-lieu of providing new on-site facilities. The fee is charged on new residential development as shown in the 2016 City's Master Fee Schedule:

- Single Family (RE and R-1): 0.013 (Multiplied by number of units and by market value of acreage to be subdivided)
- Multiple Family Development (R-2, R-3, RLU and PD): 0.008 (Multiplied by number of units and by market value of acreage to be subdivided)

For fiscal year 2016-17, the City received total revenue of \$70,433, primarily from recreation in-lieu fees and interest income. For the same period, the City expended \$199,611 on projects eligible for funding under this revenue source. Accordingly, net revenue for the year for the year totaled \$(129,178) and the ending balance as of June 30, 2017, is \$1,167,732. Of this amount, all funds are available for use to meet current or planned projects eligible for this funding source. In the next five fiscal years, it is planned that the City will require \$1,113,498 from recreation in-lieu fees to finance needed infrastructure projects. As such, there exists a continued need for this fee. Detail of current year and historical financials as well as current year project expenditures are available in Attachment C.

### Below Market Rate Housing In-Lieu Fee

The Below Market Rate (BMR) Housing program was established in 1987 to increase the housing supply for people who live and/or work in Menlo Park and have very low, low, or moderate incomes as defined by income limits set by San Mateo County. The primary objective of the fee is to create actual housing units rather than generate a capital fund however residential developers are permitted to pay an in-lieu fee if a project does not provide the following:

- All owner-occupied residential developments of five or more units are required to provide a BMR unit
- Residential developments of 10 to 19 units are required to provide 10 percent of the housing at below market rates
- Development projects of 20 units or more are required to provide 15 percent of the housing at below market rates

For new commercial developments equal to or greater than 10,000 square feet that generate employment opportunities, the in-lieu fee is established as follows:

- \$16.15 per square foot of net new gross floor area for most commercial uses
- \$8.76 per square foot of net new gross floor area for defined uses that generate fewer employees

For fiscal year 2016-17, the City received total revenue of \$1,949,900, primarily from below market rate housing in-lieu fees and interest income. For the same period, the City expended \$181,348 on projects eligible for funding under this revenue source. Accordingly, net revenue for the year for the year totaled \$1,768,552 and the ending balance as of June 30, 2017, is \$18,652,660. Of this amount, only \$9,828,674 is available for use to meet current or planned projects eligible for this funding source. The remaining fund balance reflects assets held as notes receivable (BMR loan programs) and real estate held for resale. Staff is currently negotiating with a developer on a project that will utilize a significant amount of the most recent NOFA. Staff also anticipates the allocation of BMR funds following the approval of the General Plan Update to leverage additional development of affordable housing within the plan area. It is estimated at this time that the abovementioned activities will exhaust and potentially exceed the current available fund balance. Detail of current year and historical financials as well as current year project expenditures are available in Attachment D.

#### Building Construction Road Impact Fees

The building construction impact fee that took effect in November 2005 was adopted to recover the cost of repairing damage to streets caused by construction-related vehicle traffic. On August 5, 2008, the City Council adopted a resolution extending this fee beyond the three-year sunset provision initially established. The fee is charged on the value of the construction project as shown in the 2016 Master Fee Schedule:

- The fee amounts to 0.58 percent of a construction project's value
- Residential alteration and repairs, as well as all projects under \$10,000, are exempt from the fee

For fiscal year 2016-17, the City received total revenue of \$3,095,422, primarily from building construction road impact fees and interest income. For the same period, the City expended \$346,171 on projects eligible for funding under this revenue source. Accordingly, net revenue for the year for the year totaled \$2,811,506 and the ending balance as of June 30, 2017, is \$6,915,393. Of this amount, all funds are available for use to meet current or planned projects eligible for this funding source. In the next five fiscal years, it is planned that the City will require \$12,221,669 from building construction road impact fees to finance needed infrastructure projects. As such, there exists a continued need for this fee. Detail of current year and historical financials as well as current year project expenditures are available in Attachment E.

#### **Impact on City Resources**



There is no impact on City resources resulting from this annual report, and this report meets the compliance requirements of the Mitigation Fee Act. Impact Fees collected in fiscal year 2016-17 represented \$6,552,001.

### **Environmental Review**

This report is not subject to the California Environmental Quality Act.

### **Public Notice**

Public notification to comply with the Mitigation Fee Act was achieved by posting the annual report December 27, 2017, more than 15 days before the meeting at which the City Council is anticipated to make required findings as outlined in the recommendation.

### **Attachments**

- A. Transportation Impact Fee Financial Report
- B. Storm Drainage Fee Financial Report
- C. Recreation In-Lieu Fee Financial Report
- D. Below Market Rate Housing In-Lieu Fee Financial Report
- E. Building Construction Road Impact Fee Financial Report

Report prepared by:

Dan Jacobson, Interim Finance and Budget Manager

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City of Menlo Park  
Transportation Impact Fee Financial Report

Transportation Impact Fees					
	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Beginning balance</b>	<b>\$2,918,467</b>	<b>\$2,688,103</b>	<b>\$3,962,481</b>	<b>\$4,783,010</b>	<b>\$3,680,652</b>
Developer fees	\$176,058	\$1,350,662	\$1,063,265	\$484,865	\$1,565,803
Interest earnings and other	\$117,738	\$167,797	\$68,016	\$671,669	\$27,687
Expenditures	(\$524,160)	(\$244,081)	(\$310,752)	(\$2,258,892)	(\$385,171)
Non-traffic impact fee transfer	\$0	\$0	\$0	\$0	(\$1,217,348)
<b>Ending balance</b>	<b>\$2,688,103</b>	<b>\$3,962,481</b>	<b>\$4,783,010</b>	<b>\$3,680,652</b>	<b>\$3,671,623</b>

2016-17 Transportation Impact Fee Project Expenditures	
	Total expended
Sand Hill Road Signal Modification Project	\$153,333
Middle Avenue Caltrain Crossing	127,598
El Camino Real Crossings Improvements	\$85,273
Other projects	18,697
<b>Total</b>	<b>\$384,901</b>

Transportation Impact Fee Future Projects						
	2017-18	2018-19	2019-20	2020-21	2021-22	Total
Crosswalk enhancements, bicycle lane gap closures, sign/stripping installations and other annual projects	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	<b>\$375,000</b>
Middle Avenue Caltrain Crossing	\$92,970	\$0	\$0	\$0		<b>\$92,970</b>
Sand Hill Road Signal Interconnect	\$42,574	\$0	\$0	\$0	\$0	<b>\$42,574</b>
Middlefield Road, Ravenswood Avenue and Ringwood Avenue Traffic Signals Modification	\$332,575	\$345,000	\$350,000	\$350,000	\$350,000	<b>\$1,727,575</b>
Ravenswood Avenue/Caltrain Grade Separation	\$30,806					<b>\$30,806</b>
Other projects	\$75,392					<b>\$75,392</b>
<b>Total</b>	<b>\$649,317</b>	<b>\$420,000</b>	<b>\$425,000</b>	<b>\$425,000</b>	<b>\$425,000</b>	<b>\$2,344,317</b>

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City of Menlo Park  
Storm Drainage Impact Fee Financial Report

Storm Drainage Impact Fees					
Fiscal Year Activity	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Beginning balance</b>	<b>\$188,015</b>	<b>\$112,893</b>	<b>\$116,821</b>	<b>\$170,220</b>	<b>\$172,555</b>
Developer fees	\$5,945	\$4,495	\$52,160	\$783	\$2,250
Interest earnings and other	(\$94)	\$936	\$1,239	\$1,552	\$1,641
Expenditures	(\$80,973)	(\$1,503)	\$0	\$0	\$0
<b>Ending balance</b>	<b>\$112,893</b>	<b>\$116,821</b>	<b>\$170,220</b>	<b>\$172,555</b>	<b>\$176,446</b>

2016-17 Storm Drainage Impact Fee Fund Expenditures	
	Total expended
None	-
<b>Total</b>	<b>-</b>

Transportation Impact Fee Future Projects						
	2017-18	2018-19	2019-20	2020-21	2021-22	Total
Green Infrastructure Plan	\$100,000	\$100,000	\$0	\$0	\$0	<b>\$200,000</b>
<b>Total</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$200,000</b>

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City of Menlo Park  
Recreation In-Lieu Impact Fee Financial Report

Recreation In-Lieu Impact Fees					
Fiscal Year Activity	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Beginning balance</b>	<b>\$470,092</b>	<b>\$1,164,504</b>	<b>\$1,382,656</b>	<b>\$1,428,915</b>	<b>\$1,296,910</b>
Developer fees	\$896,000	\$276,000	\$52,000	\$103,400	\$64,000
Interest Income/(Expense)	(\$1,588)	\$9,374	\$14,029	\$12,962	\$6,433
Expenditures	(\$200,000)	(\$67,222)	(\$19,770)	(\$248,367)	(\$199,611)
Prior year adjustments	\$0	\$0	\$0	\$0	\$0
<b>Ending balance</b>	<b>\$1,164,504</b>	<b>\$1,382,656</b>	<b>\$1,428,915</b>	<b>\$1,296,910</b>	<b>\$1,167,732</b>

2016-17 Recreation In-Lieu Impact Fee Expenditures	
	Total expended
Willow Oaks Park Improvements	\$72,596
Jack Lyle Park Restrooms Construction	\$50,029
Studies and planning projects	\$71,593
Other projects	\$5,392
<b>Total</b>	<b>\$199,610</b>

Recreation In-Lieu Impact Fee Future Projects						
	2017-18	2018-19	2019-20	2020-21	2021-22	Total
Belle Haven Pool Deck Lighting	\$0	\$370,000	\$0	\$0	\$0	<b>\$370,000</b>
Jack Lyle Park Restrooms Construction	\$11,957	\$0	\$0	\$0	\$0	<b>\$11,957</b>
Willow Oaks Park Improvements	\$103,074	\$0	\$0	\$0	\$0	<b>\$103,074</b>
Civic Center Campus Improvements	\$0	\$200,000	\$200,000	\$200,000	\$0	<b>\$600,000</b>
Other projects	\$28,467	\$0	\$0	\$0	\$0	<b>\$28,467</b>
<b>Total</b>	<b>\$143,498</b>	<b>\$570,000</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$1,113,498</b>

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Below Market Rate Housing Special Fund					
Fiscal Year Activity	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Beginning balance</b>	<b>\$10,947,253</b>	<b>\$10,629,904</b>	<b>\$11,751,144</b>	<b>\$14,135,309</b>	<b>\$16,884,108</b>
Charges for services	\$365,823	\$81,277	\$2,388,210	\$3,788,681	\$1,824,526
Use of money and property	\$21,241	\$114,817	\$178,194	\$149,505	\$125,374
Expenditures	(\$704,413)	(\$155,522)	(\$182,238)	(\$97,368)	(\$181,348)
Proceeds from the sale of assets	\$0	\$1,080,667	\$0	\$0	\$0
Prior period adjustment	\$0	\$0	\$0	(\$1,092,019)	\$0
<b>Ending balance</b>	<b>\$10,629,904</b>	<b>\$11,751,143</b>	<b>\$14,135,309</b>	<b>\$16,884,108</b>	<b>\$18,652,660</b>
Adjustment for notes and interest receivable	(\$3,961,913)	(\$3,747,401)	(\$6,170,550)	(\$9,106,832)	(\$8,823,986)
<b>Adjusted ending balance</b>	<b>\$6,667,991</b>	<b>\$8,003,742</b>	<b>\$7,964,759</b>	<b>\$7,777,276</b>	<b>\$9,828,674</b>

2016-17 Below Market Rate Housing Special Fund Expenditures	
	Total expended
<del>Neighborhood Stabilization Program</del>	<del>\$33,750</del>
Contract services	\$81,857
Other expenditures	<del>\$147,598</del> 99,491
<b>Total</b>	<b>\$181,348</b>

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City of Menlo Park  
Construction Impact Fee Financial Report

Construction Impact Fee Fund					
Fiscal Year Activity	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Beginning balance</b>	<b>\$2,619,567</b>	<b>\$2,103,076</b>	<b>\$3,624,730</b>	<b>\$5,048,723</b>	<b>\$4,103,887</b>
Developer fees	\$691,793	\$1,725,457	\$1,584,408	\$1,821,534	\$3,095,422
Street department fees	\$0	\$0	\$0	\$0	\$0
Interest income/(Expense)	(\$2,792)	\$16,069	\$39,390	\$40,396	\$62,254
Expenditures	(\$1,205,492)	(\$219,872)	(\$199,805)	(\$2,792,626)	(\$346,171)
Transfers				(\$14,140)	
<b>Ending balance</b>	<b>\$2,103,076</b>	<b>\$3,624,730</b>	<b>\$5,048,723</b>	<b>\$4,103,887</b>	<b>\$6,915,393</b>

2016-17 Construction Impact Fee Fund Expenditures	
	Total expended
Project expenditures	
Street Resurfacing Project	\$295,714
Operating expenditures	
Street maintenance	\$20,993
Other operating expenditures	\$29,464
<b>Total</b>	<b>\$346,171</b>

Construction Impact Fee Future Projects						
	2017-18	2018-19	2019-20	2020-21	2021-22	Total
Street resurfacing	\$4,221,669	\$4,000,000	\$0	\$4,000,000	\$0	<b>\$12,221,669</b>
<b>Total</b>	<b>\$4,221,669</b>	<b>\$4,000,000</b>	<b>\$0</b>	<b>\$4,000,000</b>	<b>\$0</b>	<b>\$12,221,669</b>

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## STAFF REPORT

### City Council

**Meeting Date:** 1/16/2018  
**Staff Report Number:** 18-010-CC

**Consent Calendar:** **Approve a third amendment to the current lease agreement with Team Sheeper Inc. for operation of the Burgess and Belle Haven pools to extend the term through March 31, 2018, and continue modifications approved by City Council on September 26, 2017**

### Recommendation

Staff recommends that the City Council approve a third amendment to the current lease agreement with Team Sheeper Inc. (formerly known as Menlo Swim and Sport) for operation of Burgess and Belle Haven pools to extend the term through March 31, 2018, which continues modifications approved by the City Council on September 26, 2017, and will allow time to complete negotiations on a new operations agreement for City Council approval at the earliest possible date.

### Policy Issues

Team Sheeper Inc., has been operating the Burgess Pool facility since 2006 and took over summer operations at Belle Haven Pool in 2012 and is now operating that pool, with limited hours, year-round. The City Council continues to support use of this alternative service provider given the history of outstanding customer service and the cost savings offered through outsourcing this program. Although lease renewal negotiations have been ongoing since May 2016, Team Sheeper Inc. recently indicated a desire to change from a lease to a more conventional contract program provider model, which requires time to explore and develop.

### Background

The initial lease agreement with Team Sheeper expired in May 2011 and following a lengthy Request for Proposals (RFP) process, the City Council approved the Lease Agreement (Menlo Park Aquatic Facilities) with Team Sheeper for five more years. This lease agreement was set to expire in May 2016 and at their meeting on May 5, 2015, the City Council directed staff to work with Team Sheeper Inc. on a renewal and extension of the current lease and forego the RFP process. The City Council previously approved an Amendment to Lease Agreement to extend the term of the current lease to September 30, 2017 in order to conclude negotiations and prepare a new lease for City Council approval.

Detailed background on the history of Menlo Park's pool operations and the evolution of the current lease with Team Sheeper, and the 2015 Aquatics Contractor Annual Report can be found in the attached Parks and Recreation Commission staff report from February 24, 2016 (Attachment A).

On May 5, 2015, the City Council approved the Parks and Recreation Commission's recommendation to negotiate with Team Sheeper to renew and extend the lease agreement for the City's aquatics operations.

During that meeting, the City Council received public feedback from users of the Burgess Pool and instructed staff to consider the following items during their negotiations with Team Sheeper:

- Continue to include the Parks and Recreation Commission in negotiations of the lease agreement extension
- Ensure that pool lane usage is maximized and lanes are utilized in the best possible way
- Evaluate the availability of lap swim throughout the day at the pools, particularly in the mornings when the Master Swim Program is operating
- City Councilmembers were supportive of the SOLO Swim Team's request to have SOLO team attire available in the Burgess Pool shop as well as access to lobby bulletin boards to promote the SOLO Swim Team
- Determine market rate for lane usage at other aquatic facilities in the area
- City Council was concerned about SOLO's use of the term "fair" and recommended that SOLO submit a range of rates they would consider "fair"

Over the past two years, City staff has negotiated with the Team Sheeper on a renewal of the current lease with no major changes to most components of the lease agreement regarding reporting, safety standards, program mix, insurance, customer service standards and more. Recommendations were made largely on operating experience over the past five years and from feedback received by the City Council and the Parks and Recreation Commission. Audits of the pool infrastructure at both Burgess and Belle Haven Pools caused delays in coming to terms on a lease that would accurately reflect the actual costs of maintaining the aging infrastructure. Earlier this year staff reached an impasse with Team Sheeper over some material terms such as rent, repair and replacement expenses, and pass through of certain operating expenses, like sewer charges.

### **Analysis**

Through the negotiation process, the City's negotiation team has come to understand and appreciate the challenges of operating the Burgess and Belle Haven pools under the current lease model for what is largely a community service with low cost recovery. There is very little margin, year to year, after the bills have been paid to allow Team Sheeper to remain a viable business. Most municipal pools operate between 40 to 70 percent cost recovery with the General Fund (taxpayer dollars) subsidizing the balance. Over the past 12 years, the City's agreement with Team Sheeper Inc. for the operation of Burgess Pool, and later Belle Haven Pool, has saved the City hundreds of thousands of dollars and has been an arrangement coveted by many neighboring municipalities. The lease model functioned well in the first five years when expenses for the operator were lower and more predictable and the mission of the operator was largely focused on revenue generating programming. The next five years were more challenging with the addition of a lease payment as well as payments for repairs and maintenance and pool chemistry falling squarely on Team Sheeper.

Twelve years later, the City has an aging pool infrastructure and volatile market conditions where the costs of doing business are significantly higher, particularly in recruiting, hiring and retaining low wage staff which make up a significant cost of pool operations. Other important costs which have also increased significantly have been utilities and chemicals. The operation in 2017 was a particularly challenging for Team Sheeper with recent declines in summer swim school and youth swim participation, two of highest revenue generating programs allow which usually allow accumulation of reserves to support costs in the leaner winter months when overall participation at the pools decline.

The current lease model is not sustainable given these market conditions and aging facilities. City staff have not been able to identify a similar model with other municipal pools where a private operator is responsible

for all the programming along with operations and maintenance of the facility. The most common examples of other privately operated pools include the operator running some or all of the aquatics programming similar to the way in which a recreation contractor offers programs and services at the City's community centers. In the contractor model, the City and the service provider share in a percentage of the revenue generated from programs and services. The contractor is responsible for all direct expenses related to programming including direct labor, liability insurance, workers' compensation, health insurance, supplies marketing and promotion. The City owns responsibility for its facility including capital replacement, repairs and maintenance.

The current lease extension will expire on January 31, 2018. In order to complete negotiations with Team Sheeper on a new operations model, staff recommends a Third Amendment to extend the lease to March 31, 2018. Included in the amendment are modifications that the City Council approved on September 26, 2017. The modifications to the lease include: the City's waiver of rent and cost of utilities, assumption of pool chemicals cost, and repairs and maintenance cost beyond the normal maintenance and standard of care provided by Team Sheeper's personnel.

Staff will schedule one or more closed sessions with the City Council to give the City Council the opportunity to provide authority/direction to the City's negotiation team on a new proposed operations model, new revenue sharing model or other alternative solutions, with the goal of completing negotiations and returning with a new lease at the earliest possible meeting date for final approval.

### **Impact on City Resources**

The extension of the lease including modifications through March 31, 2018, is expected to reduce rental and reimbursement revenue by an estimated \$34,500, in addition to the \$69,000 approved with the Second Amendment on September 26, 2017 for a total reduction of \$103,500. In addition, the extension of the lease will increase operating expenditures by an estimated \$25,500, in addition to \$51,000 approved with Second Amendment for a total increase of \$76,500. Staff will include these changes in the midyear budget adjustment report to the City Council.

### **Environmental Review**

This item does not require environmental review.

### **Public Notice**

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

### **Attachments**

- A. Parks and Recreation Commission staff report from February 24, 2016
- B. Amendment to Team Sheeper Inc. Lease Agreement

Report prepared by:  
Derek Schweigart, Interim Community Services Director

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## STAFF REPORT

### City Council

Meeting Date:

2/24/2016

Staff Report Number:

16-004-PRC

Presentation:

Review and provide feedback on Aquatics  
Contractor Annual Report

### Recommendation

City staff recommends that the Parks and Recreation Commission receive and provide feedback on the Aquatics Contractor Annual Report.

### Policy Issues

The current lease agreement with the Menlo Swim and Sport requires an annual presentation in February of each year to the Parks and Recreation Commission.

### Background

A detailed background on the history of Menlo Park's pool operations and the evolution of the current contract with Menlo Swim and Sport can be found in the attached Parks and Recreation Commission report from their meeting on February 25, 2015 (Attachment A).

The current lease agreement with Menlo Swim and Sport requires an annual presentation in February of each year to the Parks and Recreation Commission reporting on:

- total program hours by program area
- participation statistics by program area including resident and non-resident percentages
- customer satisfaction survey results
- user group feedback by program area or rental
- pool schedule and allocation by program for previous year and projections to the upcoming year
- fees by program area and fee comparison to other public pools in the region
- evidence that annual audits and reviews demonstrating standards of care are being met risk management documentation, and more.

Last year's Aquatics Contractor Annual Report and presentation to the Commission was an important milestone, as the current lease to operate the City's aquatic facilities is set to expire in May 2016. The Commission's discussion included an overview of the RFP process, weighing the pros and cons of a lease extension versus a complete RFP process, a review of the annual report and current contractor's performance, a question/answer session, and preliminary discussion about potential terms of a new lease agreement. Possible lease/contract terms discussed included a longer term for the agreement which would allow for greater stability, a requirement for year-round operation of Belle Haven Pool and maintaining any previous agreements to ensure community access and scheduling for such groups as the SOLO Swim Team. At this meeting the Commission tabled further discussion on any potential contract renewal to allow the pool contractor to respond to some of the questions that the Commission presented, receive community feedback into the process and consider terms of the agreement in order to better formulate a

recommendation for staff to present to the City Council.

At their March 25, 2015 meeting, the Parks and Recreation Commission welcomed public comment on the subject of renewing and extending the lease with Menlo Swim and Sport versus engaging in an RFP process. At that meeting, the Commission discussed the lack of compelling arguments in favor of a RFP process and determined that an invitation for alternate providers was not likely to result in potential bidders who could provide the level of service of the current provider as well as a monthly lease payment to the City. The Commission voted unanimously in support of staff developing a term sheet for the extension of the lease agreement with Menlo Swim and Sport and emphasized their desire that year-round operation of the Belle Haven Pool continue as part of the lease extension and previous agreements with outside user groups are maintained to ensure maximum community accessibility.

On May 5, 2015, the City Council received a staff report to approve the Parks and Recreation Commission's recommendation to negotiate with Menlo Swim and Sport to extend the current lease agreement for the City's aquatic operations. After receiving public comment and providing direction to staff on the negotiation process, the Council approved the Commission's recommendation and directed staff to negotiate with Menlo Swim and Sport.

### **Analysis**

Since entering into a public/private partnership with the City of Menlo Park in 2006, Menlo Swim and Sport's unique business model allows them to promote healthy, balanced lifestyles through aquatic sports and outdoor family activity. In cooperation with the City of Menlo Park, Menlo Swim and Sport makes full use of the City's aquatic facilities by providing a proactive model of sports and aquatic programming. There are few, if any, municipally-owned pool operations on the Peninsula that compare to what is offered at the Burgess Pool in terms of the number of hours, level of convenience or breadth of programming. One example is the availability of lap swim in Menlo Park. Most pools, such as Rinconada in Palo Alto, Eagle Park in Mountain View or Herkner in Redwood City offer set times for individuals to do Lap Swim such as 6-9 a.m. in the morning and 6-8 p.m. in the evening, which works for some customer's schedules but not for all. At Burgess Pool, Lap Swim is available anytime during the day when the pool is open. It is estimated that more than 488,000 users visit the Burgess Pool facility, and 16,000 users visit the Belle Haven Pool facility on an annual basis. Menlo Swim and Sport's approach has enabled it to offer a broad and diverse range of programming that includes such activities and programs as:

- aquafit
- multi-sport day camps
- lap swim, open swim
- master swim
- water polo
- competitive swim
- swim school
- personal and triathlon training.

Its business model also makes use of numerous partnerships for success. Through its partnership with Facebook and the City, Menlo Swim and Sport has been able to maintain year-round operations of the Belle Haven Pool. A significant partnership with the Beyond Barriers Athletic Foundation (BBAF) has helped to bring swim lessons and water polo coaching to lower income youth in Belle Haven and the East Palo Alto communities. At its peak, the Belle Haven swim school saw 431 unique students and the growth of Brenda Villa's Belle Haven Water Polo Program to almost 50 members this past year. The BBAF was able to subsidize 1,949 Belle Haven swim lessons and 1,827 Belle Haven water polo lessons. Other partnerships include those with Beechwood School to provide lessons to children and adults and the Ravenswood Health

Clinic to provide Aquafit classes at Belle Haven Pool.

In 2015, Menlo Swim and Sport experienced continued, steady growth of its core programming at its Burgess Pool facility and maintained continued year-round operations at the Belle Haven facility, beyond the required 10-week summer period. It also reported its best year at Belle Haven Pool with an increase in swim lessons and open swim drop-in users. They are providing more swim lessons to the community and attracting more members of the community to come enjoy the aquatic facilities. Also this year, Menlo Mavericks Water Polo team attended Junior Olympics in Orange County and sent a 10 and under co-ed team and a 14 and under girls team to the competition. A complete review of the past year is included in the Aquatics Contractor Annual Report (Attachment B).

### **Impact on City Resources**

Since the current contract with Menlo Swim and Sport was implemented in May of 2006, the City's General Fund savings is estimated to have been between \$450,000 and \$550,000 annually. At the time the original contract was negotiated, there were few contractors available for this type of work and the estimated annual savings was seen as a fair and appropriate return for the contractor's use of a City facility. In addition, compared to other cities in the area providing an estimated average subsidy of \$500,000 per year per pool, the City benefited from the ability to offer high quality programs with little financial impact to the General Fund. Since Menlo Swim and Sport now has experience perfecting their business model, the current lease agreement requires a rental fee for the Burgess Facility as well as assumption of expenses for operating the Belle Haven Pool year round. The total general fund savings is \$90,000 annually for Belle Haven Pool operations alone (total expenses the last year the City operated Belle Haven Pool for 8 weeks), and an additional \$36,000 in annual revenue for Burgess Pool rental payments, for an annual net impact of \$126,000.

### **Environmental Review**

This item does not require environmental review.

### **Public Notice**

Public Notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

### **Attachments**

- A. Parks and Recreation Commission Staff Report for the Aquatics Contract Annual Report February 25, 2015
- B. Menlo Swim and Sport's Annual Report to the City of Menlo Park February 17, 2016

Report prepared by:  
Derek Schweigart  
Community Services Manager

# Memo

To: Parks and Recreation Commission  
From: Derek Schweigart, Community Services Manager  
Date: February 25, 2015  
Re: Aquatics Contractor Required Annual Report

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## Background

The City of Menlo Park has provided aquatics programs at Burgess Park since the 1960's and at the Belle Haven pool since the 1980's. In 2006, the Burgess Pool was extensively renovated using Measure T bonds, including addition of a 25 meter x 25 yard lap pool, 25 yard x 50 foot instructional pool, a wading pool with a mushroom splash feature, locker rooms, showers, a central lobby, support offices and concrete pool decks. Prior to the renovation, the annual net cost to operate the pool was roughly \$590,000.

The Belle Haven Pool was traditionally operated by the City mid-June through late August and averaged about 5,500 participants per season. Prior to being contracted out to Menlo Swim and Sport in 2011, the 2010-2011 budget for the Belle Haven pool was \$184,000 which included the cost of City staffing and utilities.

Prior to completing the construction of the Burgess project and opening the facility in 2006, the City had undertaken a community-based budget process called *Your City/Your Decision*, the results of which provided guidance for making difficult budget reductions. As a result of this process, the aquatics budget was identified for reduction. Due to the nature of public aquatic programs and facilities, achieving full cost recovery was not seen as possible, given that the new facility -- with multiple pools -- would have higher costs than previously incurred. Several options for cost savings were discussed, including reduced operational hours, pool closure during winter months, and closing the Belle Haven pool entirely. An alternative solution was reached in May 2006, when the City of Menlo Park entered into a Lease Agreement with a private contractor, Menlo Swim and Sport, to operate the Burgess facility and provide aquatic programming year-round for five years. This original lease agreement expired in May, 2011.

In April 2010, the City began seeking proposals from aquatic providers to operate the Burgess Aquatic Facility and the aquatic programming with the expiration of the original lease with Menlo Swim and Sport. In addition, as a part of the development of long term budget cutting strategies, staff decided to include the option to bid on operations at the Belle Haven Pool.

The Parks and Recreation Commission developed the general RFP requirements and appointed an RFP review subcommittee that included residents, pool users, City staff and aquatics experts.

### **Overview of the Pool RFP Process**

The required scope of services for the Burgess Pool site included permitting operations between the hours of 5 a.m. and 10 p.m. seven days a week and 365 days a year. The RFP required that bidders provide, at a minimum, the following aquatic services: Recreational/Open Swimming, Swim Lessons, Lap Swimming, Masters Swimming, Swim Team, and Community Rentals. Additional proposal requirements for the Belle Haven Pool included opening the site for public use a minimum of 9 am to 7 pm during the summer season for, at a minimum, swim lessons, recreation/open swim, and lap swim.

The RFP required respondents to ensure that fees charged for public lap swimming, open/recreational swim, and swim lessons be comparable to rates and fees charged by other public facilities in surrounding communities and that rental space for other community organizations and users be provided on a reasonable and comparable fee basis. The RFP also required that the Belle Haven Pool remain an accessible community resource for the Belle Haven neighborhood and that Belle Haven Pool fees not exceed an approved rate or increase without prior City approval. The RFP indicated that all fees will be subject to review by City staff and the Parks & Recreation Commission for public input as part of an annual review process.

Similarly, the RFP required the bidder to demonstrate how they would remain in compliance with all city, county, state, and federal laws and regulations related to pool and aquatic program operations. The Provider was required to maintain health and safety standards, take all appropriate and necessary steps to provide adequate risk management and acquire and maintain Workers' Compensation, Employer Liability, and Commercial General Liability insurance through company/ies approved by the City. The RFP also stated that the City reserves the right to conduct or require periodic and regular site inspections and operational audits either internally or by outside aquatic experts.

The RFP required that the Provider be responsible for the maintenance of the equipment and facility at Burgess Pool including:

- Three pools
- Offices
- Lobby
- Locker Rooms & Shower Area
- Restrooms
- Pool Decks
- Lawn Area
- Supply Storage Areas
- Equipment/Mechanical Rooms
- Chemical Storage Areas
- Lights on Premises

The RFP required that the Provider be responsible for the maintenance of the equipment and facility at Belle Haven Pool including:

- Two pools
- Office Area

- Locker Rooms & Shower Area
- Restrooms
- Pool Decks
- Supply Storage Areas
- Equipment/Mechanical Rooms
- Chemical Storage Areas
- Lights on Premises

The RFP asked the bidder to assume sole financial responsibility for the operation, maintenance, and expenses of the pool sites including

- The full cost of the separately metered utilities including electrical, gas, and water.
- The full cost of pool chemicals and equipment, janitorial services, building and equipment maintenance, and grounds maintenance to the same standards as performed by the City or per manufacturer or industry guidelines.
- The actual cost of the City staff time to provide contract oversight including costs of the Finance, Community Services, and Public Works Departments.

The RFP required the Provider to pay a rental fee for the usage of the Burgess Pool with options for providing services at the Belle Haven Pool. Respondents were asked to provide proposals for all three of the following lease agreements:

A. A monthly lease payment for the Burgess Aquatics Center

B. A monthly lease payment for the Burgess Aquatics Center and provision of seasonal pool operations at the Belle Haven Pool

C. A monthly lease payment for the Burgess Aquatics Center and provision of annual pool operations at the Belle Haven Pool

### **RFP Distribution and Response**

The RFP was issued on August 30, 2010. The RFP was sent to three pre-qualified providers including Menlo Swim and Sport (current provider), California Sports Center (currently operating pools in the City of San Jose) and SOLO Aquatics (current Burgess Pool renter and swim club). In addition, the City sent the RFP to twelve other private aquatics operators in the area, predominately swim schools. Two proposals were submitted to the City, including proposals from Menlo Swim and Sport and SOLO Aquatics. After extensive community input and debate by the Committee, the Parks and Recreation Commission recommended approval of a lease agreement with Menlo Swim and Sport. It is estimated that this process, which took place over roughly a year, consumed more than 1000 hours of City staff time, including the City Attorney, City Manager, Community Services Director, Assistant Public Works Director and Community Services Manager.

### **Balancing Public and Provider Needs in an Appropriate Business Model**

As a private-public partnership, the lease agreement is constructed to allow the operator to implement a successful business model resulting in enough profit to allow a lease payment as well as a fair return to the operator. The assumption is that maintaining a fair and reasonable profit for the operator while balancing community needs is important to maintaining the long-term quality and success of the aquatics programs. In exchange for a reasonable profit, the operator will be expected to maintain certain standards and serve a wide spectrum of aquatic users. The lease also allows the contractor to operate with a high degree of autonomy given their position as the direct service provider closest to the end

users and the deepest understanding of the program needs for the entire aquatics community that this position implies.

While the City, through the work of staff and the Parks and Recreation Commission, provides oversight of overall operations and ensures community satisfaction and safety, the contractor is responsible for daily operations, schedules, fees, maintenance, customer communication, and the core functions of aquatics programs. The business model implied in the lease allows for competition in order to provide the highest quality programs, whether provided by the operator directly, by a rental group or additional contractor, or by both. Competition and choices allow participants options and meets the diverse needs of the community. In addition, the business model allows the provider to offer new programming and develop creative ideas to supplement traditional and long-standing aquatics programming. This allows the operator to meet the ever-changing and evolving needs of the community.

### **Rental Payment**

In determining the appropriate rental payment for the lease agreement, staff considered the following:

- Impact of the rental fee on the long-term sustainability of the operator
- Impact of the rental fee on the operator's ability to maintain high quality programming
- Impact of the rental fee on the operator's ability to maintain participant safety
- The impact of existing program subsidies and community benefit
- City General Fund savings from elimination of utilities, chemicals, maintenance and other costs
- The limitations of the physical capacity of the pool and the result on the operator's ability to generate additional revenue
- The age of the pool and the increasing cost of maintenance over time

The Lease Agreement (Attachment A) requires MSS to provide an annual report to the Commission in February of each year that includes:

- a. Total program hours by program area;
- b. Participation statistics by program area including resident and non-resident percentages;
- c. Customer satisfaction survey results;
- d. User group feedback by program area or rental;
- e. Pool schedule and allocation by program for previous year and projections to the upcoming year;
- f. Fees by program area and fee comparison to other public pools in the region;
- g. Annual audits and reviews demonstrating standards of care, outlined in Section 11, below, are met;
- h. Risk management documentation, outlined in Section 12, below; and
- i. Training certifications listed by staff members.

### **Discussion**

The 2015 report, being received this month by the Commission, is an important milestone, as the current Lease expires in May of 2016, and the Commission will be asked to recommend to the Council an extension of the lease for an additional time period to be determined, or another RFP process, which would need to begin in May of this year.

City staff is requesting that the Parks and Recreation Commission consider the following questions in order to provide feedback and direction on the topic of a lease extension or an RFP process:

1. Given the performance record of MSS as well as a lack of other qualified aquatics providers and the staff time required for a full RFP process, does the Commission support a contract extension with MSS?
2. If so, what questions does the Commission have about Aquatics operations, the current provider and the current lease that would provide a basis for input in changes to the lease to include in an extension?, an RFP process or other options? Additional information may include, but not be limited to, contracted service examples and best practices in other Parks and Recreation agencies.
3. If the Commission does not support a lease extension at this time, what additional information is needed in order to weigh the pros and cons of a lease extension versus a complete RFP process?
4. What are the next steps the Commission would like to take?

### **Suggested Time Line**

City staff suggest the following time line for developing a recommendation to the Council on this topic:

- |                   |   |
|-------------------|---|
| February meeting: | Review annual report from MSS<br>Discuss above focus questions and others<br>Direct staff on additional information needed, if any              |
| March meeting:    | City staff provide update to the Commission on information requested and proposed process.<br>Commission recommend lease changes / stipulations |
| April meeting:    | Commission finalize recommend lease extension (or RFP process)  |
| May meeting:      | Recommendation to Council to extend lease or issue RFP\   |

### **Attachments:**

1. MSS Annual Report to City of Menlo Park 2015
2. Team Sheeper, LLC Lease Agreement 2011





# Menlo Swim and Sport

Annual Report to the City of Menlo Park

February 18, 2015

## Menlo Swim and Sport

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# Annual Report to the City of Menlo Park

Menlo Swim and Sport entered into a public/private partnership with the City of Menlo Park to operate the Burgess Pool in May 2006. The company is dedicated to serving the community by promoting healthy, balanced lifestyles through aquatic sports and outdoor family activity. In cooperation with the City of Menlo Park, Menlo Swim and Sport endeavors to make full use of the facility by providing a proactive approach to sports and aquatic programming.

It is estimated that more than 488,000 people visit the Burgess Pool facility, and 15,500 people visit the Belle Haven Pool facility on an annual basis.

In 2014, Menlo Swim and Sport experienced continued, steady growth of its core programming at its Burgess Pool facility and maintained continued year-round operations at the Belle Haven facility, beyond the required 10-week summer period.

This report reflects the most complete information that Menlo Swim and Sport has relative to the requested areas of interest indicated by the City of Menlo Park.

## Total Amount of Program Hours by Program

Menlo Swim and Sport provided the following programming at the Burgess Pool Facility:

BURGESS POOL PROGRAMMING - 2014	
Program	Program Hours
Aqua Fit	12 classes/week
Camp Menlo	25 hours/week (summer and school holidays)
Beyond Studio Cycling	10 workouts/week
Lap Swim	85 hours/week - fall & winter 88 hours/week - spring & summer
Masters Swimming	21 hours/week
Masters Water Polo	3.5 hours/week
Menlo Fit/Boot Camp	21 hours/week
Menlo Mavericks (Swim)	15 hours/week
Menlo Mavericks (Polo)	4.5 hours/week
Open Swim	38.25 hours/week - fall & winter 56 hours/week - spring & summer
Personal Training	20 hours/week
Swim School - Youth	50 hours/week
Triathlon Team - Adult	18 hours/week
Water Safety Classes	37.5 hours/quarter
SOLO Aquatics	7.5 hours/week
Team in Training (TNT)	3.5 hours/week

**TOTAL AMOUNT OF PROGRAM HOURS BY PROGRAM AREA**

Menlo Swim and Sport provided the following programming at the Belle Haven Pool Facility

BELLE HAVEN POOL PROGRAMMING - 2014	
Program	Program Hours
Aqua Fit	2 hours/week
Camp Menlo	25 hours/week (summer)
Lap Swim	15 hours/week (non-summer) 44 hours/week (summer)
Menlo Mavericks (Polo)	10 hours/week
Open Swim	15 hours/week (non-summer) 35 hours/week (summer)
Personal Training	1 hours/week
Swim School - Youth	21 hours/week (summer)

## Participation Statistics by Program

### PARTICIPATION STATISTICS BURGESS

BURGESS POOL PARTICIPATION STATISTICS		
Program Area	2014 Participation	2013 Participation
Aqua Fit	88 active online memberships, approximately 292 drop-ins per year.	59 active online memberships, approximately 173 drop-ins per year.
Camp Menlo	1,500 participants annually	1,300 participants/annually
Beyond Studio Cycling	12 active online memberships Drop-ins: 157	15 active online memberships Drop-ins: 140
Lap Swim	18,754 drop in customers Approximately 249 customers with monthly lap swim memberships	22,000 drop in customers Approximately 245 customers with monthly lap swim memberships
Masters Swimming	300+ active members	300+ active members
Masters Water Polo	20 active members	25 active members
Menlo Fit/Boot Camp	65 active members Drop In: 33	Approximately 330 participants/week
Menlo Mavericks (Swim/Polo)	Non-summer: 355 Summer: 320	Non-summer: 250 members Summer: 380 members
Open Swim	23,350 drop-in customers 53 Summer Family Swim Passes	30,000 drop-in customers 50 Summer Family Swim Passes
Personal Training	Approximately 65/month	Approximately 180/month
Swim School - Youth	Approximately 1,250 students per week, or 60,000 lessons given annually.	Approximately 1,250 students per week, or 60,000 lessons given annually.
Triathlon Team - Adult	80 members	80 members
Water Safety Classes	111 certifications	146 certifications
SOLO Aquatics	Estimated at 80 members	Estimated at 80 members
Team in Training (TNT)	100-150 people per quarter	100-150 people per quarter

## **PARTICIPATION STATISTICS - BELLE HAVEN**

<b>BELLE HAVEN POOL PARTICIPATION STATISTICS</b>		
<b>Program Area</b>	<b>2014 Participation</b>	<b>2013 Participation</b>
Aqua Fit	7/week - summer	2/week - summer
Camp Menlo	15/week - summer	10/week - summer
Lap Swim - Members	4/week - year-round	19/week - year-round
Lap Swim - Drop In	11/week - year-round	27/week - year-round
Menlo Mavericks (Polo)	60/week - year-round	35/week - year-round
Open Swim - Drop In	22/week - year-round average	62/week - summer
Swim School	80/week - summer	88/week - summer

## **Customer Satisfaction Survey Results**

### **INCLUDES USER GROUP FEEDBACK BY PROGRAM AREA OR RENTAL**

Menlo Swim and Sport conducted an annual survey of various pool user groups in 2014, which was made available online and in paper form at the front desk. Links to the online survey were provided to facility users via the Menlo Swim and Sport monthly newsletter. Facility users were also notified that a paper based version of the survey was available. Team in Training and SOLO were provided with links to the survey; however, data was not received from either group. The results are documented below.

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The following questions were asked of Menlo Swim and Sport aquatic participants:

1. As a direct result of participating at the pool, I (or my child) have improved upon or developed a new skill.
2. As a direct result of participating at the pool, I (or my child) feel closer to my community.
3. My (or my child's) participation in aquatics programs supports a healthy lifestyle.
4. My (or my child's) participation in aquatics programs contributes to my (or my child's) individual growth and development.

MENLO SWIM AND SPORT PARTICIPANTS - 2014 SURVEY RESPONSES				
Answer Options	Question #1	Question #2	Question #3	Question #4
Strongly Agree	47.59%	21.69%	73.49%	46.99%
Agree	39.16%	41.57%	22.29%	33.73%
Neither Agree Nor Disagree	9.64%	31.93%	3.01%	16.27%
Disagree	1.81%	4.22%	0.6%	1.2%
Strongly Disagree	1.81%	0.6%	0.6%	1.81%

The following questions were asked of the Belle Haven Pool aquatic participants:

1. As a direct result of participating at Belle Haven Pool, I (or my child) have improved upon or developed a new skill.
2. As a direct result of participating at Belle Haven Pool, I (or my child) feel closer to my community.
3. My (or my child's) participation in aquatics programs supports a healthy lifestyle.
4. My (or my child's) participation in aquatics programs contributes to my (or my child's) individual growth and development.

#### BELLE HAVEN POOL

BELLE HAVEN POOL PARTICIPANTS - 2014 SURVEY RESPONSES				
Answer Options	Question #1	Question #2	Question #3	Question #4
Strongly Agree	75%	26.31%	80%	52.63%
Agree	20%	57.89%	20%	42.1%
Neither Agree Nor Disagree	5%	10.52%	n/a	5.26%
Disagree	n/a	5.26%	n/a	n/a
Strongly Disagree	n/a	n/a	n/a	n/a



## **Pool Schedule and Space Allocation by Program**

### **INCLUDES PREVIOUS YEAR AND PROJECTIONS FOR 2015**

Menlo Swim and Sport tracks its pool schedule and allocation of pool space by program area for both the Instructional Pool and the Performance Pool via monthly calendars. The records for January through December 2014 are attached to this document. The pool schedule and allocation for specific programs for 2015 will likely be consistent with the 2014 schedule. Minor changes to the schedule occur based on the modification or creation of new programs.

## Fee Comparison by Program Area to Other Public Pools in the Region

FEE COMPARISON - 2015						
Program	Burgess Pool - Menlo Park	Belle Haven - Menlo Park	Rinconada Pool - Palo Alto	Eagle Park Pool - City of Mountain View	Fremont H.S. Pool - Sunnyvale (California Sport Center)	Herkner Pool - Redwood City
Aqua Fit (Water Exercise)	Drop In: \$20/ class  \$79/month  <b>Senior &amp; Student:</b> Drop In: \$14/ class  \$59.25/ month	Drop In: \$15/ class  \$40/month  <b>Senior &amp; Student:</b> Drop In: \$11.50  \$28/month	n/a	n/a	n/a	n/a
Camp Menlo	\$345/wk.	\$335 Performance Water Polo  \$260 Beginning WP & Spanish Immersion	n/a	n/a	<b>Resident</b> 1/2 Day: \$185 Full Day: \$340  <b>Non-Resident</b> 1/2 Day: \$210 Full Day: \$366	n/a
Indoor Cycling	Drop In: \$20/ class  \$79/month	n/a	n/a	n/a	n/a	n/a

FEE COMPARISON - 2015						
Program	Burgess Pool - Menlo Park	Belle Haven - Menlo Park	Rinconada Pool - Palo Alto	Eagle Park Pool - City of Mountain View	Fremont H.S. Pool - Sunnyvale (California Sport Center)	Herkner Pool - Redwood City
Lap Swim	<p><b>Resident</b>                      Youth: \$4                      Adult: \$6                      Family: \$15                      Senior &amp; Student: \$5</p> <p>\$47/month</p> <p><b>Non-Resident</b>                      Youth: \$5                      Adult: \$7                      Family: \$18                      Senior &amp; Student: \$6</p> <p>\$54/month</p>	<p><b>Resident</b>                      Youth: \$3                      Adult: \$4                      Family: \$12                      Senior &amp; Student: \$4</p> <p>\$40/month</p> <p><b>Non-Resident</b>                      Youth: \$3                      Adult: \$5                      Family: \$15                      Senior &amp; Student: \$4</p> <p>\$45/month</p>	<p><b>Non-Member</b>                      Adult: \$5                      Senior (60+): \$3</p> <p><b>Member - Resident</b>                      Adult: \$3.50                      Senior (60+): \$2                      Youth: \$3</p> <p><b>Member - Non-Resident</b>                      Adult: \$4                      Senior (60+): \$2.50                      Youth: \$3.50</p>	<p><b>Resident</b>                      (25 Swims) - \$87.50</p> <p><b>Non-Resident</b>                      (25 Swims) - \$109</p> <p><b>Resident Senior:</b> (25 Swims) - \$30</p> <p><b>Non-Resident Senior:</b> (25 Swims) - \$38</p> <p><b>Resident</b> (1 Swim) - \$5</p> <p><b>Non-Resident</b> (1 Swim) - \$6</p>	<p><b>Resident</b>                      Drop-in: \$6                      12-punch: \$52                      Monthly: \$50                      Senior (55+): \$35</p> <p><b>Non-Resident</b>                      Drop-in: \$8                      12-punch: \$62                      Monthly: \$60                      Senior (55+) \$45</p>	<p><b>Fees</b>                      Youth: \$3                      Adults 18-59: \$5                      Senior (60+): \$3</p>

FEE COMPARISON - 2015						
Program	Burgess Pool - Menlo Park	Belle Haven - Menlo Park	Rinconada Pool - Palo Alto	Eagle Park Pool - City of Mountain View	Fremont H.S. Pool - Sunnyvale (California Sport Center)	Herkner Pool - Redwood City
Masters Swimming	\$79/month  Drop In: \$20/class  Student/Sr. Drop In: \$14/class	\$40/month	Monthly dues: \$55 (\$50 for seniors 65+)  Discounted semi-annual dues: \$300 (\$270 for seniors 65+)  Drop-in: \$8	Resident: \$45 per month  Non-Resident: \$55 per month  Resident married couple: \$80 per month  Non-Resident married couple: \$100 per month	Resident Drop-in: \$10 10 punch: \$64 Senior 10 punch: \$43  Non-Resident Drop-in: \$11 10 punch: \$74 Senior 10 punch: \$53  Masters monthly Resident: \$57 Non-Resident: \$67	n/a
Masters Water Polo	\$79/month  Drop In: \$20/class  Student/Sr. Drop In: \$14/class	n/a	n/a	n/a	n/a	n/a
Menlo Fit	<b>All Access</b> \$185/month  Drop In: \$20/class  Student/Sr. Drop In: \$14/class	n/a	n/a	n/a	n/a	n/a

FEE COMPARISON - 2015						
Program	Burgess Pool - Menlo Park	Belle Haven - Menlo Park	Rinconada Pool - Palo Alto	Eagle Park Pool - City of Mountain View	Fremont H.S. Pool - Sunnyvale (California Sport Center)	Herkner Pool - Redwood City
<p>Youth Competitive Swim Team</p>	<p><b>Level 1</b> \$55 to \$75 per month</p> <p><b>Level 2</b> \$60 to \$81 per month</p> <p><b>Level 3</b> \$65 to \$86 per month</p> <p><b>Level 4</b> \$81 to \$91 per month</p> <p><b>Level 5</b> \$107 per month</p> <p><b>Level 6</b> \$118 per month</p>	<p>1/wk: \$55/month</p> <p>2/wk: \$65/month</p> <p>3/wk: \$75/month</p>	<p>Offered by PASA</p> <p>Range from \$90 to \$240 per month depending on age and ability.</p> <p>Annual registration fees: \$240 per swimmer.</p>	<p>Offered by Los Altos - Mountain View Aquatics</p> <p>Range from \$100 to \$200 per month w/ discounts for multiple children.</p> <p>Annual registration fees: \$150 per swimmer plus 20 hrs. of service.</p>	<p><b>Pre-Comp</b></p> <p>Option 2 includes 15 minutes of extra conditioning</p> <p>1x per week Option 1: \$43 Option 2: \$56</p> <p>2x per week Option 1: \$85 Option 2: \$110</p> <p>3x per week Option 1: \$125 Option 2: \$160</p>	<p>Pricing information unavailable</p>

FEE COMPARISON - 2015						
Program	Burgess Pool - Menlo Park	Belle Haven - Menlo Park	Rinconada Pool - Palo Alto	Eagle Park Pool - City of Mountain View	Fremont H.S. Pool - Sunnyvale (California Sport Center)	Herkner Pool - Redwood City
Open Swim	<p><b>Resident</b>            Youth: \$4            Adult: \$6            Family: \$15            Senior &amp;            Student: \$5</p> <p>\$47/month</p> <p><b>Non-Resident</b>            Youth: \$5            Adult: \$7            Family: \$18            Senior &amp;            Student: \$6</p> <p>\$54/month</p>	<p><b>Resident</b>            Youth: \$3            Adult: \$4            Family: \$12            Senior &amp;            Student: \$4</p> <p>\$40/month</p> <p><b>Non-Resident</b>            Youth: \$3            Adult: \$5            Family: \$15            Senior &amp;            Student: \$4</p> <p>\$45/month</p>	<p><b>Daily Drop In</b>            Youth: \$4            Adult: \$5            Senior: \$3            Infant: \$2</p> <p><b>Resident 10-card program discount</b>            Youth: \$3            Adult: \$3.50            Senior: \$2</p> <p><b>Non-Resident 10-card program discount</b>            Youth: \$3.50            Adult: \$4            Senior: \$2.50</p>	<p><b>Resident</b>            Child: \$3            Adult: \$4            Family: \$10</p> <p><b>Non-Resident</b>            Child: \$4            Adult: \$5            Family: \$18</p> <p>Spectator:            \$3</p>	<p>Offered May to September: Pricing not currently available.</p>	<p><b>Baby Pool</b>            Drop-in: \$2 per child.            Add'l \$1 per child</p> <p>Youth: \$3            Adult: \$5            Senior: (60+) \$3</p>
Personal Training	Range from \$65 per 30 minutes to \$120 per hour	Range from \$50 per 30 minutes to \$115 per hour.	n/a	n/a	n/a	n/a

FEE COMPARISON - 2015						
Program	Burgess Pool - Menlo Park	Belle Haven - Menlo Park	Rinconada Pool - Palo Alto	Eagle Park Pool - City of Mountain View	Fremont H.S. Pool - Sunnyvale (California Sport Center)	Herkner Pool - Redwood City
Swim School	<b>Water babies:</b> \$86 per month  <b>Group:</b> \$86 per month  <b>Semi-Private:</b> \$144 per month  <b>Private:</b> \$255 per month	<b>Group:</b> \$15/ lesson kids \$5/lesson (w/ BBAF Scholarship)  <b>Semi-Private:</b> \$25  <b>Private:</b> \$45	Lessons provided with PASA during summer.  Pricing not available.	Lessons in summer. Pricing not available.	Winter, Spring & Fall Session:  <b>Resident</b> 1x per week: \$68  <b>Non-Resident</b> 1x per week: \$78  <b>Resident</b> 2x per week: \$120  <b>Non-Resident</b> 2x per week: \$130	<b>Resident</b> (10 classes): \$90  <b>Non-Resident</b> (10 classes): \$107
Triathlon Team, Menlo Fit (Boot Camp), ALL ACCESS	<b>All Access</b> \$180/month	n/a	n/a	n/a	n/a	n/a

FEE COMPARISON - 2015						
Program	Burgess Pool - Menlo Park	Belle Haven - Menlo Park	Rinconada Pool - Palo Alto	Eagle Park Pool - City of Mountain View	Fremont H.S. Pool - Sunnyvale (California Sport Center)	Herkner Pool - Redwood City
Water Polo - Youth	n/a	\$80/month  \$32/month (w/BBAF Scholarship)	n/a	n/a	<b>Residents</b> 6-week session, 1/wk: \$59  <b>Non-Residents</b> 6-week session, 1/wk: \$69  <b>Residents</b> 8-week session, 1/wk: \$77  <b>Non-Residents</b> 8-week session, 1/wk: \$87	<b>Resident</b> 5 day camp: \$75  <b>Non-Resident</b> 5 day camp: \$89

Based on the above fee comparison, Menlo Swim and Sport continues to offer a full compliment of sport and aquatic programming relative to the public pools operating in the local area. This is evident by the fact that the other facilities do not offer camp programs, boot camp (Menlo Fit), indoor cycling (Beyond Studio Cycling) or triathlon teams (Team Sheepier). They offer limited masters water polo (only one facility), limited youth aquatic swim teams and water exercise (Aqua Fit) programs; and in some cases they do not offer swim lessons or a masters swim team.

The Burgess Pool facility via Menlo Swim and Sport continues to offers users a broad selection of high-quality aquatic programming at or below market rate.



## Pricing Structure

Registration for adult programs continues with a simplified pricing structure. Patrons have the option to register for a single sport or activity (e.g. Level 1 or Level 2), or they can combine programs/activities with either the All-Access Silver or All-Access Gold packages.

MENLO SWIM AND SPORT MONTHLY PRICING LEVELS			
Level 1	Level 2	Level 3 (All Access Silver)	Level 4 (All Access Gold)
\$54	\$79	\$133	\$185
(Choose One) <ul style="list-style-type: none"> <li>Lap &amp; Open Swim</li> <li>Menlo Bike Club</li> <li>Tattersols Women's Running Team</li> <li>All Terrain Runners</li> </ul>	(Choose One) <ul style="list-style-type: none"> <li>Aqua Fit Water Exercise</li> <li>Masters Swim</li> <li>Indoor Cycling</li> <li>Menlo Mavens Water Polo</li> </ul>	Access to All Level 1 and Level 2 programs.  Except: <ul style="list-style-type: none"> <li>Boot Camp</li> <li>Triathlon</li> </ul>	Access to all Level 1 and Level 2 programs.  Including: <ul style="list-style-type: none"> <li>Boot Camp</li> <li>Triathlon</li> </ul>

- Menlo Park Resident Lap Swim only membership available at \$47.
- 25% Senior, Student, and Family Discounts are available.

## Annual Audits and Review Demonstrating Standards of Care

Menlo Swim and Sport takes great care in managing the facility above industry standards for public pools. Certified Pool Operators manage and care for the pool systems and balance the water on a daily basis. Written records are kept and reviewed on a regular basis by qualified city staff and the County Public Health Department. Custodial staff maintains the facility and surrounding grounds approximately eight to ten hours per day. Mid-day on-site restroom cleanings are conducted during the peak seasonal use times in order to keep up with the high volume of daily visits. It should be noted that the estimated number of people who pass through this facility is estimated to be 488,000 annually.

The company employs a human resources manager who tracks employee certifications and conducts and tracks employee training with the assistance of a human resources management and payroll system. Customer registration is conducted via two systems: one specifically deals with the nuances of the swim school, and the other system manages all non-swim school related functions.

The company's lifeguards are all fully certified and encouraged to seek advanced lifeguard certifications. Water safety/lifeguard instruction is provided by company staff to existing and

prospective employees. The lifeguarding surveillance techniques employed are consistent with the standards set by the American Red Cross.

Risk management and employee safety are addressed via monthly employee safety meetings. Menlo Swim and Sport continues to contract with DuAll Safety in order to stay current with relevant safety issues and to ensure that Menlo Swim and Sport meets the safety requirements required by the City of Menlo Park for the operation of the Burgess and Belle Haven Pools. The DuAll Safety Plan includes work in the following health and safety areas:

1. Injury and Illness Prevention Program (IIPP)
2. Confined Space Program Update and Revision
3. Emergency Action Plan revision
4. Hazardous Materials Business Plan Development (Burgess & Belle Haven Pool)
5. Exposure Control Plan (e.g. bloodborne pathogens)
6. Fall Protection Standard Operating Procedure
7. Heat Illness Prevention Program
8. Cold Illness Prevention Program
9. Ladder/Climb Safety Training
10. Chemical Inventory
11. Hazard Communication Program
12. Personal Protective Equipment (PPE) program
13. Respiratory Protection
14. Fall Protection
15. Driver Safety Training
16. Develop 2014 Safety Plan of Action
17. PPE Hazard Assessment
18. Aerosol Transmittable Disease (ATD) Plan

Knorr Systems Inc., is contracted to perform scheduled pool and equipment maintenance, and quarterly audits/analysis of the water to ensure proper chemical and operational balance.

Total Aquatic Management is scheduled to perform an operational audit for the Burgess Pool on February 14, 2015. The audit results were not available at the time of this report.

## Risk Management Documentation

Menlo Swim and Sport has an active Risk Management Program for the Burgess and Belle Haven Pools which focuses on the following areas:

- **Emergency Action Plan (EAP):** Individual departments are trained via drills to respond to appropriate emergency scenarios (e.g. fire alarm); EAP guidelines are issued to new hires, relevant EAP sections are posted on employee break room walls; emergency equipment stations (e.g. first aid stations, AED & oxygen station), two way radio communication system is in place.
- **Facilities and Equipment:** The custodial staff has created and utilizes a Pool Maintenance Essential Duties Checklist as a guide for essential tasks and key job duties. The City conducts occasional inspections to ensure the company is maintaining the facility

appropriately. Any deficient areas are identified and addressed quickly by staff. Appropriate signage is maintained around both the Burgess and Belle Haven Pool facilities.

- **Supervision:** Menlo Swim and Sport employs in excess of 190 employees during the peak season of summer and maintains a staff of approximately 130 employees throughout the year. The company is structured with a CEO, Chief Financial Officer, Director of Operations, as well as directors for the following positions: human resources, customer service, athletic programming (e.g. swim school, camps), lifeguard, and marketing. The company now maintains a contract with an IT company for technology related issues. Menlo Swim and Sport maintains a comprehensive workers' compensation insurance plan as required by the State of California.
- **Training:** The management team (described above) works hard to ensure that the company provides high-quality staff with exceptional training in their area of expertise. Appropriate levels of training and screening occur prior to hiring new staff. Constant quality improvement is the goal when it comes to staff and program development.
- **Documentation:** Menlo Swim and Sport has created policy and procedure manuals to provide guidance to staff. These manuals are available for review upon request.
- **Safety Suggestion Boxes:** Menlo Swim and Sport provides Safety Suggestion Boxes for employees to submit ideas related to safety concerns and improvements. The Safety Committee follows up on these suggestions during its monthly safety meetings.

## Staff Training Certifications

**Lifeguards:** Red Cross Lifeguard/First Aid, CPR/AED for the Professional Rescuer

**Swim Coaches:** American Swim Coaches Association (ASCA), USA Swim Coach, Lifeguard, Lifeguard Instructor, Automated External Defibrillator (AED), Crossfit Level 1, Emergency Medical Technician (EMT)

**Other Coaches:** Menlo Fit (Boot Camp): Individual fitness certifications; Aqua Fit: appropriate water exercise certifications, Triathlon Coaches: USA Triathlon (USAT), Cross Fit certification Level 1 and Cross Fit kids, and Associated Swim Coaches of America (ASCA) Level 3.

**Pool Maintenance Staff:** Certified Pool Operator (CPO) or Aquatic Facility Operator (AFO)

## Facility Maintenance

Custodial staff initiates a thorough cleaning of the all restrooms (men, women, and family) at least three hours prior to facility opening. An ongoing, mid-day facility cleaning of the restrooms and facility windows was added in fall of 2013 to account for the high visitor volume. The mid-day cleaning is handled by an outside vendor. Staff maintains the facility and surrounding grounds, spending eight to ten hours per day cleaning and maintaining the facility. Dozens of

restroom checks are conducted throughout the day by a combination of company lifeguard and management staff.

Staff spends at least three hours per day cleaning the surrounding outdoor areas to include: the pool deck, pool bottom & tiles, mechanical room, administrative offices, picnic areas and facility lobby. The City of Menlo Park conducts facility checks of both the Burgess and the Belle Haven Pools. Menlo Swim and Sport staff review the facility check reports and respond quickly to address any facility-related concerns noted by city staff.

## Program Transition to Include Lane Changing Coordination

The Menlo Swim and Sport philosophy is to have shared water space and to rarely grant exclusivity of space to any one user group. Aligning with that theme the pools are transitioned/changed 16 times per day on average.

The daily pool schedule is printed in a hardcopy and available at the front desk and a schedule is also available online. The basic schedule remains the same year round with some alterations around the summertime schedule. The program transition process is initiated by our deck lifeguard staff that moves different colored cones in place by the lanes to signify the user group (yellow=laps, blue=open, orange=teams, green=private lesson). As a courtesy, our front desk staff alert users initiating their activity close to a transition time and our guard staff also alerts the current users to the impending change over and give users a 5-10 minute countdown.

Tolerance, flexibility and patience on the part of staff and users can always be improved. We feel that we have employed a transition system that is user-friendly and compassionate.

## Description of Programs

**Aqua Fit:** Aqua Fit classes use the natural resistive forces of water to strengthen both muscles and the cardiovascular system. Water exercise has proven to be one of the healthiest, most versatile whole-body workouts for top athletes, fitness enthusiasts, youth and seniors alike.

**Camp Menlo:** Camp Menlo offers aquatics instruction, water sports, and dry land activities for a variety of ages. Menlo Swim and Sports goal is to give campers a unique and inspiring experience while cultivating skills for a lifetime of aquatics and sports safety, health, and enjoyment.

**Lap Swim:** Lanes are dedicated to lap swimming in the performance pool and the instructional pool seven days per week year-round with a lifeguard on duty at all times. We observe circle swimming when there are more than two swimmers per lane. The number of lanes for lap swimming varies according to scheduled activities in each pool, but during the times below, you will find designated lap lanes.

**Masters Swimming:** Menlo Masters was organized in 1988 and is now one of the largest Masters Swimming teams in Northern California and in the U.S. The club welcomes

participation from swimmers of all abilities, age 19 or over, who are interested in regular structured workouts.

Previous experience in competitive swimming is not necessary. Members range from beginning swimmers to triathletes to former collegiate swimmers and nationally-ranked Masters competitors.

Menlo Masters conducts ongoing conditioning, stroke instruction, intra-club activities, competitions, and social events throughout the year. Emphasis is placed on developing swimming skills, enhancing the enjoyment of swimming through regular workouts and professional instruction, and the promotion of lifetime fitness through swimming.

**Masters Water Polo:** Menlo Swim and Sport offers women's water polo for all experience levels, ages 19 and over. Our team, the Menlo Mavens, is a fun, inclusive, and diverse group with a passion for water polo. The coaching staff brings years of top level play and coaching experience to the Menlo Mavens team. Our goal is to build a strong and exciting women's water polo program that both introduces new players to the sport and provides professional coaching and challenge for experienced players.

**Menlo Fit:** Menlo Fit offers 21 weekly classes of boot camp with experienced and trusted instructors who provide a variety of cardio interval training routines.

**Menlo Mavericks (Swim and Water Polo):** The Menlo Mavericks is a year round swim team, which aims to create a swimming community that is extremely positive about being in and around the water. We emphasize learning sound techniques through our committed and competent coaches in a pleasant and positive environment. With a team segmented into smaller groups to meet the needs of swimmers of all ability levels, the Menlo Mavericks receive the best quality of coaching, instruction, and fun. In 2012, the team became an officially recognized USA Swimming program.

**Open Swim:** The pool is open to the community seven days per week. Lifeguards are on duty at all times during open swim. No registration required, just drop in.

**Personal Training:** Menlo Swim and Sport offers the expertise of our personal trainers for individual lessons. The personal trainers bring coaching talent and passion for swimming and sport so clients can benefit from one-on-one lessons no matter what their skill level.

The personal training program has expanded to include the following areas: Swim Pro, Swim School Select, Mavericks Performance Pro, Aqua Fit Pro, Water Polo Pro, Triathlon Pro, Fitness Pro, Tennis Pro, and Bike Pro.

**Swim School:** The Menlo Swim School is a year-round school that provides professional, goal-oriented swim lessons for all ages and levels, developing life-long competency and a life-long love of swimming.

**Triathlon Team:** Team Sheeper is a full-service multi-sport organization providing coaching and training to athletes of all levels and ages.

## Special Events and Accomplishments

### BURGESS POOL

#### **Mavericks Swim Team**

- The Menlo Mavericks placed 3rd for the first time in team history at the summer league championships
- The team entered into the Central California Junior Olympics and placed 20th overall
- We had 3 swimmers achieve Far Western times since our start in USA Swimming in 2012, and 8 swimmers achieve Pacific Swimming Junior Olympic times
- The Mavericks head coach, Aaron Burrows, was selected as the Pacific Swimming All Star Head Coach and represented the team in Seattle, WA
- All Mavericks coaches are now American Swim Coach Association (ASCA) members

#### **Camp Menlo**

In 2014, Camp Menlo increased summer enrollment by 250 registrations over 2013, while focusing on raising the quality of the camp experience for young people. Quality in our camps was consistently achieved by recruiting excellent counselor-leaders; setting clear program goals for the children's sport and social development; and conducting the camps in a safe, well-organized, fun environment. In the past year, we solidified our committed to providing enjoyable school holiday camps, which meet the needs of working families, whose children are out of school for one to five days.

#### **Tennis**

The Menlo Tennis Academy, providing lessons for children 7-14 years, has been steadily growing. Our tennis program is now expanding to provide private and semi-private lessons for both children and adults. We look forward to starting beginning and intermediate tennis for adults.

#### **Can-Do Challenge**

The Can-Do February Challenge has been a team tradition for nearly 20 years. The goal for each Menlo Masters member to swim 50,000 yards in the month or as much as 100,000 yards. The team tallies up the yardage each day and swimmers reaching these thresholds receive gifts from the team to honor their efforts. The real reward is that for every 2000 yards logged, we ask team members to bring in a can of food. The canned food then donated to a local food bank, along with a monetary donation from Menlo Masters based on the number of cans collected. Money and cans go to the Brown Bag Lunch Program through the Menlo Park Senior Center.

#### **Family Giving Tree**

This was the eighth consecutive year that Menlo Swim and Sport participated in Family Giving Tree's Holiday Wish Drive. Every year the employees and clients of Menlo Swim and Sport fulfill approximately 85 wishes for the children of the underserved community.

#### **Kid's Triathlon**

*Saturday, July 12, 2014*

Open to children age 5-14, provided a safe and fun environment for kids to compete in a triathlon with kids their same age. Approximately 300 children participated in the race.

#### **Charitable Giving**

Donations of sports and aquatic program access to local schools and local non-profits to raise money through their auction by our donations. Some of the many schools and organizations include:

- San Mateo Co. Chronic Disease and Injury Prevention Unit
- Little Hands Pre-School
- Bing Pre-School
- Phillips Brooks School
- Nativity Catholic School
- Nueva School
- Orion Alternative School.

### **BELLE HAVEN POOL**

#### **USA Water Polo - Junior Olympics**

Belle Haven Pool was one of the Bay Area site hosts for the 2014 USA Water Polo Junior Olympics. Girls 10 and under, Boys 12 and under, and Co-Ed 10 and under teams all played at Belle Haven. The event occurred in late July and early August.

#### **Facebook Adult Swim Lessons**

Offered free lessons on a first come, first served basis, two days per week with the intent to develop new swimmers to populate the lap swim program at Belle Haven Pool.

#### **Beechwood School Parent Swim Lessons**

Offered fee for service lessons for adult parents of Beechwood students so that a swimming environment could be created within the household.

## **Charitable Organizations**

### **Beyond Barriers Athletic Foundation (BBAF)**

In Spring 2013, Beyond Barriers Athletic Foundation partnered with Menlo Swim and Sport to help bring swim lessons and water polo coaching to lower income youth in the Belle Haven and East Palo Alto community. This relationship continues today. Thanks in large part to the help of BBAF, Belle Haven Swim School saw a peak of 431 unique students in early July. While the Belle Haven Swim School program has closed for the winter, Brenda Villa's Belle Haven Water Polo program continues to thrive with almost 50 members.

BBAF was able to subsidize 1,949 Belle Haven swim lessons and 1,827 Belle Haven water polo lessons.

### **Ravenswood Clinic**

Though the Belle Haven Aqua Fit program was initially run at-cost, Ravenswood Clinic saw the program as an opportunity to provide athletic support to its lower income clientele. As part of an agreement with Menlo Swim and Sport, Ravenswood helped fund the cost of running the program. In return, Menlo Swim and Sport provided Ravenswood clients with free access to the Belle Haven Aqua Fit Program.

## **Menlo Swim and Sport Goals for 2015**

Menlo Swim and Sport is committed to constant improvement of its aquatics program offerings in order to better serve the various community user groups. To that end, we plan to focus on the following areas in 2015:

- I. Implement new programming
  - A. Corporate inner-tube water polo at Belle Haven
  - B. Underwater Hockey at Burgess
- II. Continuing relationships with Beyond Barriers for scholarships at Belle Haven
- III. Continued partnership with Facebook at Belle Haven



**LEASE AGREEMENT**  
(Menlo Park Aquatic Facilities)

This Lease Agreement (“Lease”) is made and executed as of March 15, 2011, by and between the City of Menlo Park, a municipal corporation (“City”), and Team Sheeper, L.L.C., a California limited liability company (“Provider”) and collectively referred to herein as “Parties”.

**WHEREAS**, City is the owner of certain premises (“Premises”) described below, and City and Provider wish to enter into a lease for the Premises on the terms and conditions set forth below.

**NOW, THEREFORE**, the Parties agree as follows:

1. **PREMISES.** The Premises includes both the “Burgess Pool”, 501 Laurel Street, Menlo Park, CA and the “Belle Haven Pool”, 100 Terminal Avenue, Menlo Park, CA as defined herein. Burgess Aquatic Facility (“Burgess Pool”) consists of the fenced pool area at the City’s Civic Center campus at Burgess Park. Burgess Pool includes the lap pool, instructional pool, toddler activity pool, locker rooms and restrooms, offices, lawn area, pool mechanical room, lobby area, and all associated areas in the City of Menlo Park, County of San Mateo, State of California, as more particularly shown in Exhibit A, attached hereto and incorporated herein by reference. The Belle Haven Pool (“Belle Haven Pool”) is a five lane x 25 meter outdoor swimming pool located adjacent to the Onetta Harris Community Center. Belle Haven Pool includes a high dive and low dive, locker room, shower facilities, mechanical room, office and small children’s wading pool in a fenced area as shown in Exhibit B, attached hereto and incorporated herein by reference.

2. **TERM.** The term of this Lease shall be for a period of period of five (5) years (“Term”) commencing on May 20, 2011 (“Commencement Date”) and ending five (5) years from the Commencement Date, unless automatically extended as hereinafter provided. If during the first four years of the Term, Provider has completed capital improvements with the written consent of the City to either or both the Burgess Pool and/or the Belle Haven Pool with a total cumulative cost of \$200,000 or more, the Term shall automatically be extended by five (5) years to May 19, 2021. Notwithstanding the foregoing, Provider shall have the option to terminate this Lease solely as to the Belle Haven Pool between October 1, 2012 and December 31, 2012, and October 1, 2013 and December 31, 2013, if in Provider’s opinion it cannot operate a financially viable program at the Belle Haven Pool.

3. **RENT.** In consideration for Provider’s use of the Premises as granted by this Lease, Provider assumes sole financial responsibility for the operation and maintenance of the Premises and shall operate and maintain the Premises at no cost to the City. Additionally, Provider will remit monthly rent (“Rent”) in the

amount of Three Thousand Dollars (\$3,000.00) to the City for use of the Burgess Pool on the first day of each month for the first year of the Term. Each year thereafter, the Rent shall increase pursuant to the Consumer Price Index ("CPI") for all Urban Consumers (All Items) in the San Francisco-Oakland-San Jose Area (U.S. Department of Labor, Bureau of Labor Statistics), with a minimum increase of two percent (2%) and a maximum increase of five percent (5%) per annum.

Should Provider cease to operate the Belle Haven Pool as provided in Section 2 of this Lease, Provider and City shall renegotiate the Rent to the then Fair Market Value ("FMV") rental rate for the Burgess Pool with consideration given to gross revenues for the Burgess Pool, the fixed costs of operating the Burgess Pool, the profitability of the Burgess Pool operations, the rental rate for similar facilities and the other terms and conditions of this Lease.

If the Term is extended for an additional five years as provided for in Section 2 of this Lease, effective at the beginning of the sixth year of the Lease, the Rent shall be adjusted to the then-prevailing FMV rental rate (which under no circumstances shall be less than the rental rate paid in the preceding year), with consideration given to gross revenues for the Burgess Pool, the fixed costs of operating the Burgess Pool, the profitability of the Burgess Pool operations, the rental rate for similar facilities and the other terms and conditions of this Lease. The FMV rental rate shall be determined by mutual agreement, or if the Parties cannot agree by a neutral third party arbitrator selected by the Parties. Each year thereafter, the Rent shall increase pursuant to the CPI for all Urban Consumers (All-Items) in the San Francisco-Oakland-San Jose Area (U.S. Department of Labor, Bureau of Labor Statistics), with a minimum increase of two percent (2%) and a maximum increase of five percent (5%) per annum.

Throughout the Term, Provider shall pay to the City within fifteen (15) days of receipt of written invoice submitted to Provider by City, or directly to the provider thereof, in addition to the Rent, and as additional rent ("Additional Rent") the following:

- a. The full cost of the separately metered utilities for the Premises;
- b. The cost of the utilities for the locker rooms and the portion of the Premises occupied by Provider (if not separately metered) prorated according to Provider's usage (proration to be determined by mutual agreement, or if the Parties cannot agree by a neutral third party arbitrator selected by the Parties);
- c. If the City elects to install solar equipment on the Premises, Provider shall pay monthly to the City the calculated savings from the reduced utility bills for the Term hereof; and
- d. The maintenance and repair obligation costs set forth in Section 14.

Any payment due by the Provider not received by City within fifteen (15) days of the due date shall be subject to a late payment penalty of five percent (5%) of the amount due.

At the initiation of the City's Community Services Director not later than December 31, 2011, the Provider and Community Services Director shall explore whether charging a surcharge to non-resident participants/users by Provider would generate additional revenues without adversely affecting Provider's operation of the pool facilities. This exploration will be done through such tasks as market pricing comparisons, surveys, or other such means so as not to negatively affect any of Provider's business during the period of exploration. If the Community Services Director and Provider determine that such a surcharge would not adversely affect the Provider's operation of the pool facilities, Provider shall charge such a surcharge which shall be passed through to the City as additional rent, less any administrative, programming or system enhancement costs that are incurred by Provider to implement such surcharge, including additional staffing that may be required to verify City residency and to track and submit such fees to the City. The pass through of non-resident surcharges as additional rent payable to the City shall not apply to existing non-resident fees charged by Provider for open swim and lap swim. The City shall set aside such additional revenue derived from non-resident surcharges in a separate fund and shall utilize such funds to pay the City's cost of repair, maintenance and capital improvements.

4. EXCLUSIVE USE OF PREMISES. Subject to the terms of this Lease, Provider shall have exclusive use of the Premises for purposes of conducting aquatics programs, including, but not limited to, a masters swim program, swim team, swim lessons, fitness training, recreational swimming, community rentals and other aquatics programs that Provider offers and provides for reasonable public access to and use of the Premises pursuant to Section 6 of this Lease. Provider shall have the exclusive right to staff, supervise and contract for such uses of the Premises, subject to the terms of this Lease.

Provider shall have non-exclusive use of the locker rooms, as depicted on Exhibit A and Exhibit B, to accommodate Provider's use of the Premises. The Parties agree that use of the locker rooms shall be limited to persons participating in programs and activities offered by Provider or City or other members of the public upon payment to Provider of fees for such use. Specifically, City reserves the right to use the locker rooms for any City program, including facility rentals and programs and for public use on a "pay for use" basis. The Provider may only refuse locker room access when patrons fail to follow the rules of conduct approved by the City. Patrons shall have the right to appeal Provider's decision to the Director of Community Services, if the Patron feels denial of locker room access was unreasonable. The Director of Community Services' decision shall be final.

5. OPERATION OF PREMISES. The Provider will be solely responsible for operation of the Premises including all costs and expenses associated with such operation and shall be entitled to all revenues from the operation of the Premises, except where otherwise provided in this Lease. The Provider may use

the Premises between the hours of 5 a.m. to 10 p.m. seven (7) days a week and 365 days a year.

6. COMMUNITY ACCESS AND SCHEDULING. The Provider will be solely responsible for the operations and schedule of the Burgess Pool and the Belle Haven Pool. The Provider shall provide reasonable public access and community use of the Premises. Provider will not reduce the public access and community use without prior City approval. The Director of Community Services is authorized to finalize the City's schedule of use of the Premises. When evaluating the pool space and time allocation, the Provider shall consider and give scheduling priority for programs based on the number and percentage of City residents.

Notwithstanding the forgoing, the Provider shall accommodate the SOLO swim team's use of Burgess Pool in accordance with schedule and terms set forth in Exhibit C, which schedule and terms shall not be modified or reduced without mutual agreement of Provider and SOLO, unless SOLO is in breach of its sublease agreement with Provider.

Minimum public access and community use at the Burgess Pool will include:

- a. Year-round lap swim, seven (7) days per week (except holidays);
- b. Seasonal open/recreational swim daily from Memorial Day through Labor Day for a reasonable amount of time and with adequate pool space;
- c. Reasonable availability for other community organizations/users
- d. Programs and reasonable accommodation for all ages and abilities;
- e. Inclusive programs for people with disabilities when possible; and
- f. Winter programming by providing a dome over the instructional pool if possible.

Minimum public access and community use at the Belle Haven Pool:

- a. Open to the public for a minimum of ten (10) weeks during the summer season in June, July, and August. During that time period, the pool shall be open for a minimum of six (6) days a week, Monday through Saturday; and
- b. Open/recreational swim hours will be at least three (3) hours per day, six (6) days per week but will be allowed on a "pool sharing" basis with other programming.

7. PROGRAM FEES. The program fees charged by Provider shall be as follows:

- a. The fees charged by the Provider for public lap swimming, open/recreational swim, and swim lessons shall be comparable to rates and fees charged by other aquatic facilities in surrounding communities and in alignment with the approved business model.

- b. The Provider shall provide rental space for other community organizations and users for competitive youth swimming programs, instructional programs, fitness training, etc., on a reasonable and comparable fee basis.
- c. Review of the program fees shall be included in the annual report to the City.
- d. Provider and City shall mutually agree to exchange an equal amount of field space and activity room hours for pool hours for their respective programs (i.e. summer camp) in lieu of charging rental fees. If either party's request exceeds the number of hours requested by the other party, the additional hours will be charged at the current approved fees for use of the facilities.

8. PROGRAM ADMINISTRATION. The Provider shall have a method for the public to register, pay, and receive adequate customer service in an easy and effective manner. Provider shall provide adequate administrative staff and assistance to support all hours of operation. Policies and procedures for handling registration, refunds, and complaints are required. The Provider shall provide sufficient communication and marketing in order to inform the public of the programs and services. The Provider shall maintain a customer database and appropriate records retention. The City will provide reasonable marketing space in the tri-annual activity guide for the Provider to promote their aquatics programs at the Premises. The Provider shall be responsible for meeting the deadlines and providing accurate and sufficient information to City staff.

The Provider shall take appropriate steps to maintain a high level of customer service and overall satisfaction at all times. Provider shall attend monthly meetings with City staff and attend annual meetings of an Aquatics Users Group which shall be convened by the City. Additionally, the Provider shall provide an annual report no later than January 30 of each year during the Lease Term to staff which will be presented to the City's Parks & Recreation Commission for review and comment by the Commission at its February meeting. The annual report should include the following items:

- a. Total program hours by program area;
- b. Participation statistics by program area including resident and non-resident percentages;
- c. Customer satisfaction survey results;
- d. User group feedback by program area or rental;
- e. Pool schedule and allocation by program for previous year and projections to the upcoming year;
- f. Fees by program area and fee comparison to other public pools in the region;
- g. Annual audits and reviews demonstrating standards of care, outlined in Section 11, below, are met;
- h. Risk management documentation, outlined in Section 12, below; and
- i. Training certifications listed by staff members.

The Provider shall maintain reasonable evidence and documentation of these statistics and results and have these records accessible to the City at any time following ten (10) days written notice.

In the event of a third party dispute or conflict arising out of or related to this Lease, the City will use best efforts to notify and discuss the issue with Provider before engaging in any dialogue with the third party involved.

9. COMPLIANCE WITH LAWS AND REGULATIONS. The Provider shall comply with all city, county, state, and federal laws and regulations related to pool and aquatic program operations. These regulators and laws include but are not limited to:

- a. City of Menlo Park
- b. Menlo Park Fire Department
- c. San Mateo County Health Department
- d. California Department of Health Services
- e. California Department of Labor
- f. Occupational Safety and Health Administration (OHSA)
- g. Emergency Medical Services Authority (EMSA)
- h. Consumer Product Safety Commission & Virginia Graeme Baker Act
- i. Americans with Disabilities Act
- j. California Department of Fair Employment and Housing

10. HEALTH AND SAFETY. The Provider is required to maintain health and safety standards in a reasonable and acceptable manner for the Premises, participants, and its employees in compliance with City standards and the other regulatory agencies listed above. These standards include but are not limited to:

- a. Employee Injury and Illness Prevention Plan
- b. Hazardous Materials Communications and Business Plan
- c. Blood borne Pathogens and Bio Hazardous Exposure Control Plan
- d. Lifting and Fall Prevention
- e. Electrical Safety
- f. Emergency Action Planning
- g. First Aid
- h. Heat Illness and Sun Protection
- i. Confined Spaces
- j. Chemical Storage
- k. Personal Protective Equipment
- l. Recreational Waterborne Illnesses (RWI's)
- m. Signage

The Provider is responsible for keeping up to date with all changes, additions, or amendments to the laws, regulations and codes related to pool operations and aquatics programs.

11. STANDARD OF CARE. The Provider will provide aquatic programs and manage the Premises in a manner that is comparable to or above the standard of care that is reasonable and acceptable for a public pool in the surrounding communities. This standard of care should be demonstrated in all areas of operations including: supervision and lifeguard coverage, surveillance techniques, staff training, record keeping, maintenance and janitorial, cleanliness of facilities, safety, and risk management. The Provider is expected to ensure this standard of care by conducting annual audits by qualified external experts and including this information in the annual report to city staff and the City's Parks and Recreation Commission mentioned in Section 8, above.

12. RISK MANAGEMENT. The Provider shall take all appropriate and necessary steps to provide adequate risk management planning to minimize liability or negligence by the Provider. The Provider shall manage their risk by demonstrating proficiency in the following areas:

- a. Emergency Action Plan
  - Staff Training to Plan
  - Drills Conducted
  - Emergency Equipment
  - Communication Process
- b. Facilities & Equipment
  - Inspection
  - Maintenance
  - Checklists
  - Signage
- c. Supervision
  - Quality
  - Quantity
  - Lessons Plans & Progression
- d. Training
  - Requirements
  - Appropriate Staff
- e. Documentation
  - Manuals
  - Waivers
  - Medical Screening
  - Skills Screening
  - Risk Information Provided to Public
  - Policies
  - Evaluations

13. EMERGENCY ACTION PLAN AND PROCEDURES. The Provider shall create and maintain all emergency procedures and emergency action plans for the Premises. An emergency action plan is required under Title 29 of Federal Regulations Sections 1910.38/.120/.156, and Title 8 California Code of

Regulations, Sections 3220 and 3221. The emergency action plan covers all employees and non-employees who may be exposed to hazards arising from emergency situations. It must contain information for all of the Provider's employees, including administration and line level employees using the plan in order to reduce the severity of emergency situations and minimize the risk to life and property.

14. MAINTENANCE. The Provider shall maintain the Burgess Pool and the Belle Haven Pool in an orderly, clean and professional condition at all times. The Provider will be responsible for the maintenance and repair of the equipment and facilities at both of these sites including:

a. Burgess Pool:

- Three pools
- Offices
- Lobby
- Locker Rooms & Shower Area
- Restrooms
- Pool Decks
- Fences and Gates
- Lawn Area
- Supply Storage Areas
- Equipment/Mechanical Rooms
- Chemical Storage Areas
- Lights on Premises

b. Belle Haven Pool:

- Two pools
- Office
- Locker Rooms & Shower Area
- Restrooms
- Pool Decks
- Fences and Gates
- Supply Storage Areas
- Equipment/Mechanical Rooms
- Chemical Storage Areas
- Lights on Premises

The Provider shall maintain standard operation procedure manuals and maintenance records and logs. These records will include:

- Daily Pool & Chemical Log
- Check lists for routine maintenance and janitorial duties (Daily, Weekly, Monthly, Quarterly, Bi-annual, and Annual)
- Equipment Logs for each piece of major equipment with the maintenance schedule, maintenance contracts, record of work or repairs conducted, manufacturer guidelines, and specifications



The Provider shall maintain and continue all preventative maintenance agreements and contracts to ensure the quality and life of the equipment. The Provider will be responsible for all maintenance and repairs to equipment. Provider shall be responsible for repairs and replacement of all equipment due to failure or damage where the cost is less than One Thousand Five Hundred Dollars (\$1,500) per item at the Belle Haven Pool and Two Thousand Five Hundred Dollars (\$2,500) per item at the Burgess Pool. Provider shall arrange and be billed directly by the vendor for such repair(s) and/or replacement(s). Provider will also be responsible for any damage that is outside the normal wear and tear of the Premises and/or for failure to adequately maintain the Premises or any equipment. If damage beyond normal wear and tear of the Premises or any equipment is determined by the City, the Provider will be required to make the appropriate repairs within thirty (30) days of written notice. The City shall be responsible for individual repair/replacement for any item of equipment having a cost greater than One Thousand Five Hundred Dollars (\$1,500) per item at the Bell Haven Pool. For individual repair/replacement for any item of equipment at the Burgess Pool having a cost of between Two Thousand Five Hundred Dollars (\$2,500) and Twelve Thousand Five Hundred Dollars (\$12,500) per item, the City shall pay for the cost of the item, but the cost shall then be amortized over the greater of the life expectancy of the item or the Term of the Lease remaining, and Provider shall pay the monthly amortized cost of the replacement equipment with a reasonable rate of interest for the remaining Term of the Lease. If the cost of the item exceeds \$12,500, the City shall be responsible for the cost of the work. City shall be responsible for payment of the cost of replacement and reserves the right to perform replacement of the item. The Provider is responsible for reimbursing the City for the cost of repairs and replacement due to misuse, poor maintenance and/or damage caused by Provider, Provider's employees, agents and service users. The Provider shall assist the City by providing the necessary bids and due diligence for replacement of an item of equipment having a cost greater than \$2,500 to ensure an expedited process when possible and reduce any loss of operations. The City shall use its best efforts to respond to the Provider for all replacements for which the City is responsible within two (2) business days with a decision based on the information provided by the Provider.

15. SIGNAGE. The Provider will be required to maintain and provide all necessary and required signage for both Premises. These signs include:

- a. Maximum Pool Capacity & Hours
- b. No Lifeguard on Duty
- c. Children under 14 not allowed without an adult
- d. Shallow Water Diving Warnings
- e. Chemical Storage
- f. No swimming allowed after dark
- g. Pool Rules
- h. 911 Emergency
- i. Shower Before Entering Pool

- j. No Running
- k. Depth Markers
- l. First Aid/CPR
- m. Other signs as needed or required

16. INSURANCE. Provider shall acquire and maintain Workers' Compensation, Employer Liability, and Commercial General Liability relating the Provider's use of the Premises. The insurance company(ies) must be approved by the City. Provider will furnish City with certificates and copies of information or declaration pages of the insurance required. Provider would need to provide the City with thirty (30) days notice if any changes, cancellation, or non-renewals. Provider is required to disclose any self-insured retentions or deductibles, which shall be subject to City's approval, not to be unreasonably withheld. Provider's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability (cross liability endorsement). Provider's insurance coverage shall be primary insurance with respect to City, its Council, Boards, Commissions, agents, officers, volunteers or employees, and any insurance or self-insurance maintained by City, for themselves, and their Council, Boards, Commissions, agents, officers, volunteers or employees shall be in excess of Provider's insurance and not contributory with it.

The minimum amounts of coverage corresponding to these categories of insurance per insurable event shall be as follows:

<b>Insurance Category</b>	<b>Minimum Limits</b>
Workers' Compensation	Statutory Minimum - include endorsement waiving the insurer's right of subrogation against the City, its officers, officials, employees and volunteers.
Employer's Liability	One Million Dollars (\$1,000,000) per accident for bodily injury or disease – include endorsement adding the City, its officers, officials, employees and volunteers as additional insured for both ongoing operations as well as products and completed operations; include endorsement to provide primary insurance and waive any rights of contribution from the City's coverage.
Commercial General Liability	Three Million Dollars (\$3,000,000) per occurrence for bodily injury, personal injury and premises damages. Must include all areas in Insurance Service Office (ISO) Form No. CG 00 01

(including Products and Completed Operations if food is served or for repairs done by the tenant, Contractual Liability, Broad form property damage, Participants and spectators coverage, and Personal and Advertising injury liability)

If Provider fails to maintain any of the insurance coverage required herein, then City will have the option to terminate this Lease, or may purchase replacement insurance or pay the premiums that are due on existing policies in order that the required coverage may be maintained. Provider is responsible for any payments made by City to obtain or maintain such insurance and City may collect the same from Provider as Additional Rent.

Provider shall require any longer term renters and/or longer term sublessees (longer term shall mean and refer to renters/sublessees for more than a single use in any 12 month period) to maintain and carry the same coverage as described above, which policies shall name the City as an additional insured. Provider shall require such long term renters and/or long term sublessees to obtain and provide a certificate of insurance evidencing said coverage to the City.

Each party hereby waives and does hereby agree to obtain from each insurance carrier of the insured a "subrogation waiver endorsement" waiving its right of recovery to the extent of insurance proceeds, against the other party, the other party's officers, directors, agents, representatives, employees, successors and assigns with respect to any loss or damages, including consequential loss or damage to the insured's property caused or occasioned by any peril or perils (including negligent acts) covered by any policy or policies carried by the party.

17. INSPECTIONS AND AUDITS. The City reserves the right to conduct periodic and regular site inspections and operational audits.

- a. Safety: The Provider will be required to comply with the City's safety program guidelines and protocol. Quarterly inspections by an outside vendor will be conducted and recommendations for compliance will be enforced. City staff will be responsible for following up with the Provider on specific safety issues identified in the quarterly inspection. The Provider will be required to comply with the City's requests in a timely manner. In addition, documentation demonstrating compliance with all City, County, State and Federation Regulations will be required to be kept up to date and reviewed on an annual basis or more frequently as deemed necessary by the City.
- b. Maintenance: City staff reserves the right to conduct weekly, monthly, quarterly, and annual inspections of maintenance practices for the pool maintenance operations and facility cleanliness. The inspections will ensure the Provider is following the manufacturer's specifications

- c. Operations: An annual operational audit will be conducted by an external expert and industry professional approved by the City and paid for by the Provider. An observational audit, lifeguard skills assessment, and site inspection shall be conducted annually. An overall operational audit shall be conducted every two years. This audit should include but may not be limited to:
- Staff Skills Assessment
  - Staff Selection and Training procedures
  - Policies & Procedures Review
  - Site Inspection
  - Code Compliance and Record Keeping Practices
  - Adherence to Aquatic Safety Standards
- d. Financial Review/Audit: Provider shall provide complete financials for all aquatics programs and/or programs operated out of the Premises [with administrative costs/salaries that may be related to both aquatics and non-aquatics programs fairly allocated between such programs] prepared in accordance with generally accepted accounting principles and reviewed by an independent CPA for calendar years 2011-2014 on or before May 1, 2015 (or sooner if required to determine the FMV rate if Provider elects to terminate the Belle Haven Pool operations) for City staff and outside consultant review. The purpose for such review shall be for the negotiation of rent for the extended term and/or for purposes of negotiating a new lease. The City shall have the right to require audited financial statements in lieu of or in addition to the reviewed statements at the City's cost with an independent auditor to be selected by the City.

18. CITY ACCESS. Upon prior written notice to Provider, City shall have the right to restricted access to the Premises or any part thereof solely for certain municipal purposes which may include the performance of necessary maintenance and repairs of any and all structures or public improvements, heretofore or hereafter installed and/or constructed in or upon the Premises, the inspection of the Premises, or the use, maintenance, repair of adjoining areas; provided, as to maintenance or repair of the Premises, Provider has requested such maintenance or repairs or Provider has neglected such activity to the detriment of the Premises.

19. IMPROVEMENTS. Provider shall not make, nor cause to be made, nor allow to be made, alterations or improvements to the Premises not hereinabove specified (including installation of any fixture affixed to the Premises), without the prior written consent of City, not to be unreasonably delayed or withheld. All improvements or alterations constructed or installed

shall be removed and the Premises restored to substantially the same condition existing prior to such construction or installation, upon the termination of this Lease, unless the prior written approval of City is secured, allowing such improvements or alterations to remain in place, in which case, title thereto shall vest in City. All improvements undertaken pursuant to this Lease will be at Provider's sole expense and Provider will be responsible for the use and maintenance of the improvements.

20. NOISE. Except in the event of an emergency, Provider shall not use any amplified sound, whistles, bullhorns, music, etc., between the hours of 5:30 a.m. to 8:00 a.m., and/or from 8:00 p.m. to closing during any day of operation.

In order to minimize impacts of major events on residents of the surrounding neighborhood, the Provider will notify the City on a quarterly basis of all swimming meets or other large group events beyond normal operations to allow the City to notify the neighborhood in advance of such events.

21. PARKING. Provider shall instruct its patrons to park away from the nearest residences before 8:00 a.m. and after 8:00 p.m.

22. WAIVER OF CLAIMS. City assumes no responsibility for the guarding or safekeeping of the Premises, equipment, or improvements installed or constructed by Provider upon, or used in connection with, the Premises. Provider waives all claims against City, its Council, Commissions, agents, officers, volunteers, contractors or employees for any damages to the improvements in, upon or about the Premises and for injuries to any employees of Provider or their agents, invitees or sub-contractors in or about the Premises from any cause arising at any time, where City had no involvement or where such damages or injuries did not arise out of the instruction or guidance of the City. In no event shall the City be responsible for loss of profits or any consequential damages to Provider.

23. INDEMNIFICATION. Provider will defend, indemnify and hold City, its Council, Commissions, agents, officers, volunteers or employees harmless from any damage or injury to any person, or any property, from any cause of action arising at any time from the use of the Premises by Provider, and Provider's invitees, program participants, and visitors, or from the failure of Provider to keep the Premises in good condition and repair, including all claims arising out of the negligence of Provider, but excluding any damage or injury caused by the willful misconduct or negligence of City or its employees, agents or contractors. City will defend, indemnify and hold Provider, its members, agents, officers, volunteers or employees harmless from any damage or injury to any person, or any property, from any cause of action arising at any time from the willful misconduct or negligence of City or its employees, agents or contractors.

Each party's indemnification obligation set forth above will include any and all costs, expenses, attorneys fees and liability incurred by any indemnified party or person in defending against such claims, whether the same proceed to judgment or not. Each party will, at its own expense and upon written request by a party to be indemnified as provided hereinabove, defend any such suit or action brought against the party to be indemnified, its Council, Commissions, members, agents, officers, volunteers or employees (as applicable). This Section will survive the expiration or termination of this Lease.

24. HOLDING OVER BY PROVIDER. If Provider remains in possession of the Premises after the expiration of the Term of this Lease, and without executing a new lease but with the consent of City, then such holding over shall be construed as a year-to-year tenancy subject to all of the applicable conditions, provisions, and terms of this Lease, except that Provider shall pay to City the fair FMV rental value of the Premises as defined in Section 3. Either party may terminate any year-to-year tenancy by giving the other party notice of termination to be effective upon not less than six (6) months prior written notice.

25. HAZARDOUS MATERIALS. Provider shall not use or store any Hazardous Materials in, on, or about the Premises except in compliance with all applicable federal, state, and local laws, statutes, ordinances, and governmental regulations, and the highest standards prevailing in the industry for storage and use of any such Hazardous Materials, nor allow any Hazardous Materials to be brought in the Premises, except to use in the ordinary course of Provider's business, and then only after written notice to City of the Hazardous Materials to be used by Provider. Provider shall not cause or permit the escape, release, or disposal of any Hazardous Materials in the Premises. If any governmental agency or the beneficiary of any deed of trust against the Premises requires any testing of the Premises to ascertain whether any Hazardous Materials have been released in, on, or about the Premises, Provider shall reimburse City, as Additional Rent, for the cost of any such inspection if the inspection, together with any other evidence obtained by City, shows that the presence of such Hazardous Materials in the Premises was caused by Provider, its agents, employees, contractors or invitees.

In addition, Provider shall, at City's request, execute affidavits, representations, or other documents concerning Provider's best knowledge and belief regarding the presence of any Hazardous Materials in the Premises. Provider shall indemnify, defend, and hold harmless City from any liability, cost, or expense, including reasonable attorneys' fees, arising from the use, storage, release or disposal of any Hazardous Materials in, on, or about the Premises by Provider, its agents, employees, contractors, or invitees. The provisions of this section shall survive the expiration or earlier termination of this Lease.

For the purposes of this Lease, the term "Hazardous Material" shall mean any substance or material which has been designated hazardous or toxic by any

federal, state, county, municipal, or other governmental agency or determined by such agency to be capable of endangering or posing a risk of injury to, or adverse effect on, the health or safety of persons, the environment, or property, including without limitation those substances or materials described in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.

26. ATTORNEY'S FEES. In any legal action brought by either party to enforce the terms of this Lease, the prevailing party is entitled to all costs incurred in connection with such an action, including reasonable attorneys' fees.

27. ARBITRATION. Any dispute regarding the breach of this Lease shall be decided by binding arbitration pursuant to the rules of the American Arbitration Association, and not by court action, except as otherwise provided in this Section or as allowed by California law for judicial review of arbitration proceedings. Judgment on the arbitration award may be entered in any court having jurisdiction. The Parties may conduct discovery in accordance with California Code of Civil Procedure. This provision shall not prohibit the Parties from filing a judicial action to enable the recording of a notice of pending action for order of attachment, receivership, injunction, or other provisional remedy. Venue for the resolution of any such dispute or disputes shall be in San Mateo County, California.

BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTER INCLUDED IN THE ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR BY JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE ARBITRATION OF DISPUTES PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE ARBITRATION OF DISPUTES PROVISION TO NEUTRAL ARBITRATION.

\_\_\_\_\_  
Provider

\_\_\_\_\_  
City

28. VENUE. Provider agrees and hereby stipulates that the proper venue and jurisdiction for resolution of any disputes between the parties arising out of this Lease is San Mateo County, California.

29. ASSIGNMENT AND NONTRANSFERABILITY. Provider understands and acknowledges that assignment of this Lease is absolutely prohibited without the written consent of City, and any attempt to do so without City's written consent may result in termination of the Lease at the will of City. Notwithstanding the foregoing, City shall grant permission to Provider to contract with other entities or organizations to provide some of the programs at the Premises and/or to sublease the Premises to other entities or organizations for certain hours, subject to prior notice to City. Such use is contingent, in part, upon said sub-user indemnifying and insuring City in the same manner and amount that Provider has indemnified and insured City under this Lease. City, its Council, Boards, Commissions, agents, officers, volunteers and employees shall be named as additional insureds. Any insurance policy maintained by a sub-user will be in addition to, and shall not replace, any insurance required of Provider.

30. LIENS AND ENCUMBRANCES. Provider shall have no authority to do anything that may result in a lien or encumbrance against the Premises. Without limiting the foregoing, however, Provider agrees to pay promptly all costs associated with the activities associated with this Lease and not to cause, Lease, or suffer any lien or encumbrance to be asserted against the Premises. In the event that Provider causes, leases, or suffers any lien or encumbrance to be asserted against the Premises related to activities associated with this Lease, Provider, at its sole cost and expense, shall promptly cause such lien or encumbrance to be removed.

31. TERMINATION OF LEASE.

a. Default. City or Provider shall have the right to terminate this Lease by written notice to the other party for any default or breach of any term or condition of this Lease by the other party; provided, however, the non-defaulting and non-breaching party must first deliver written notice to the other party of any such default or breach, and if such breach or default exists for more than thirty (30) days after the delivery of such notice without being cured, the non-defaulting and non-breaching party may elect to terminate this Lease by giving written notice of such termination to the defaulting party. Termination shall be effective on the date specified in the notice, which date shall not be less than thirty (30) days nor more than one hundred eighty (180) days following such notice. In addition to termination, the non-defaulting and non-breaching party shall be entitled to pursue any and all other remedies provided by law.



b. City Dissatisfaction. If City and/or Menlo Park community believes Provider has not satisfied community needs with respect to public access, service and program quality, public safety, noise restrictions and/or parking, City may deliver written notice to Tenant of such dissatisfaction and the Parties shall meet and confer within fifteen (15) days of Provider's receipt of such notice. If the matter is not resolved to the City Manager's satisfaction, City may terminate this Lease by giving written notice of such termination to Provider. Termination shall be effective not less than ninety (90) days after the date of such notice. Provider shall have the right to appeal such termination to the City Council within ten (10) days of Provider's receipt of such notice. Upon receipt of Provider's timely appeal, the Council shall place the matter on the City Council agenda and make the final determination with regard to the termination of the Lease and shall give written notice to Provider of such final determination. If the City Council determines the lease should be terminated, termination of the Lease shall be effective not less than ninety (90) days after the date of such notice.

c. Provider's Option. Provider may terminate the Lease at Provider's option upon the occurrence of any of the following:

- Upon the death of Tim Sheeper; or
- Upon the disability of Tim Sheeper, if such disability prevents him from running Provider's business operations for a continuous period of 60 consecutive days; or
- Upon financial hardship, which shall require not less than six (6) month written notice to terminate lease based on financial hardship

Termination shall be effective not less than ninety (90) days after the date of any such notice. In the event Provider does not elect to terminate the Lease as permitted herein, the Lease shall remain in full force and effect for the remainder of the Term, unless subsequently terminated for another cause or event as specified herein.

32. CONDITION OF PREMISES UPON TERMINATION. Upon the effective termination of the Lease, Provider shall restore the Premises to its condition prior to the execution of this Lease, remove all personal property, including furniture, furnishings, vehicles, and equipment, belonging to Provider or Provider's employees, invitees, and agents. Should Provider fail to perform those obligations by the effective termination date, the Parties agree to the following:

- a. Such remaining property shall be deemed abandoned and Provider waives all provisions for disposition of abandoned personal property required by California law including but not limited to California Code of Civil Procedure Section 1980 et. seq. (requiring notice for reclaiming abandoned property and public sale for disposition).

- b. City has the right to take action to remove Provider's personal property. Should City exercise this right, Provider shall be liable to City for:
- the actual cost of this removal, demonstrated by valid receipts and invoices;
  - a fifteen percent (15%) overhead to City for reasonable costs in contracting and supervising the removal work; and
  - any attorneys' fees incurred by City to remove Provider from the Property after termination, if necessary. Invoices must be paid within ten (10) days of submission of invoice to Provider. If not paid within this time, then interest will be charged at ten percent (10%) or the maximum extent allowed by law, whichever is less.

33. NOTICE. All notices under this Lease shall be in writing and, unless otherwise provided herein, shall be deemed validly given if sent by certified mail, return receipt requested, or via recognized overnight courier service, addressed as follows (or to any other mailing address which the party to be notified may designate to the other party by such notice). All notices properly given as provided for in this section shall be deemed to be given on the date when sent. Should City or Provider have a change of address, the other party shall immediately be notified as provided in this section of such change.

**Provider**

Team Sheeper, L.L.C  
Attn: Tim Sheeper  
501 Laurel Street  
Menlo Park, CA 94025  
(650) 369-7946

**City**

City of Menlo Park  
Attn: City Manager  
701 Laurel Street  
Menlo Park, CA 94025  
(650) 330-6610

34. COMPLETE AGREEMENT. This Lease contains the entire agreement between the Parties with respect to the matters set forth herein, and supersedes all prior or contemporaneous agreements (whether oral or written) between the Parties with respect to the matters set forth herein.

35. AMENDMENT. This Lease may be amended only by a written instrument executed by the Parties.

36. AUTHORITY. The individuals executing this Lease on behalf of Provider represent and warrant that they have the legal power, right and actual authority to bind Provider to the terms and conditions of this Lease.

37. NO WAIVER. Waiver by either party of a breach of any covenant of this Lease will not be construed to be a continuing waiver of any subsequent breach. City's receipt of rent with knowledge of Provider's violation of a covenant does not waive City's right to enforce any covenant of this Lease. No waiver by

either party of a provision of this Lease will be considered to have been made unless expressed in writing and signed by all parties.

**IN WITNESS WHEREOF**, the Parties have executed this Lease by their officers therein duly authorized as of the date and year first written above.

**CITY OF MENLO PARK**

By: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
City Clerk

**TEAM SHEEPER, L.L.C.**  
501 Laurel Street  
Menlo Park, CA 94025

By: \_\_\_\_\_  
Tim Sheeper, Chief Executive Officer

**GUARANTY**

TIM SHEEPER hereby unconditionally personally guarantees all of the obligations arising or accruing during the term of the Lease and/or arising out of Provider's operation of the Premises. City is not responsible to enforce the terms of the Lease upon TEAM SHEEPER, L.L.C., or to first institute suit, or to pursue or exhaust its remedies against TEAM SHEEPER, L.L.C. TIM SHEEPER shall, without demand, pay City's reasonable attorneys' fees and all costs and expenses incurred by City in enforcing the terms of the Lease and/or this Guaranty.

This Guaranty shall inure to the benefit of City, its successors and assigns, and this Guaranty shall bind TIM SHEEPER, his legal representatives, and assigns.

\_\_\_\_\_  
TIM SHEEPER

## Exhibits

- A. Burgess Pool Site Map
- B. Belle Haven Pool Site Map
- C. SOLO Agreement



# Menlo Swim and Sport

Annual Report to the City of Menlo Park

February 17, 2016

## Menlo Swim and Sport

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# Annual Report to the City of Menlo Park

Menlo Swim and Sport entered into a public/private partnership with the City of Menlo Park to operate the Burgess Pool in May 2006. The company is dedicated to serving the community by promoting healthy, balanced lifestyles through aquatic sports and outdoor family activity. In cooperation with the City of Menlo Park, Menlo Swim and Sport aspires to make full use of the facility by providing a proactive approach to sports and aquatic programming.

It is estimated that more than 488,000 visits the Burgess Pool facility, and 16,000 visits the Belle Haven Pool facility on an annual basis.

In 2015, Menlo Swim and Sport experienced continued, steady growth of its core programming at its Burgess Pool facility and maintained continued year-round operations at the Belle Haven facility, beyond the required 10-week summer period.

We are proud to report that 2015 was our best year at Belle Haven since we began operating at that location. There was an increase in swim lessons and in open swim drop in users. We are providing more swim lessons to the community and we are also attracting more members of the community to come enjoy our facilities. We are always looking to adjust our programming to better serve the community. In 2015, we added two Aqua Fit classes in the morning to better suit our community members that attend the Menlo Park Senior Center for lunch time meals.

Also in 2015 our Menlo Mavericks Water Polo team attended Junior Olympics in Orange County. We sent a 10 and under co-ed team and a 14 and under girls team. We are proud to say our team is continuing to grow and compete nationally.

The data in this report reflects the most complete information that Menlo Swim and Sport has relative to the requested areas of interest indicated by the City of Menlo Park.

## Total Amount of Program Hours by Program

Menlo Swim and Sport provided the following programming at the Burgess Pool Facility:

BURGESS POOL PROGRAMMING - 2015	
Program	Program Hours
Aqua Fit	14 hours/week
Camp Menlo	45 hours/week (summer and school holidays)
Beyond Studio Cycling	10 workouts/week
Lap Swim	85 hours/week - fall & winter 88 hours/week - spring & summer
Masters Swimming	21 hours/week
Masters Water Polo	3.5 hours/week
Menlo Fit/Boot Camp	21 hours/week
Menlo Mavericks (Swim)	15 hours/week
Open Swim	38.25 hours/week - fall & winter 56 hours/week - spring & summer
Personal Training	20 hours/week
Swim School - Youth	50 hours/week
Triathlon Team - Adult	18 hours/week
Water Safety Classes	37.5 hours/quarter
SOLO Aquatics	7.5 hours/week
Team in Training (TNT)	3.5 hours/week
Underwater Hockey	4 hours/week



**TOTAL AMOUNT OF PROGRAM HOURS BY PROGRAM AREA**

Menlo Swim and Sport provided the following programming at the Belle Haven Pool Facility

BELLE HAVEN POOL PROGRAMMING - 2015	
Program	Program Hours
Aqua Fit	4 hours/week
Camp Menlo	25 hours/week (summer)
Lap Swim	15 hours/week (non-summer) 44 hours/week (summer)
Menlo Mavericks (Polo)	12 hours/week
Open Swim	15 hours/week (non-summer) 25 hours/week (summer)
Personal Training	2 hours/week (non-summer) 4 hours/week (summer)
Swim School - Youth	4 hours/week (spring) 14 hours/week (summer)
Swim School - Adult	2 hours/week (fall)
Synchronized Swimming	3 hours/week

## Participation Statistics by Program

### PARTICIPATION STATISTICS BURGESS

BURGESS POOL PARTICIPATION STATISTICS		
Program Area	2014 Participation	2015 Participation
Aqua Fit	88 active online memberships, approximately 292 drop-ins per year.	79 active online memberships, approximately 179 drop-ins per year.
Camp Menlo	1,500 participants annually	1,500 participants/annually
Beyond Studio Cycling	12 active online memberships Drop-ins: 157	11 active online memberships Drop-ins: 94
Lap Swim	18,754 drop in customers Approximately 249 customers with monthly lap swim memberships	20,572 drop in customers Approximately 217 customers with monthly lap swim memberships
Masters Swimming	300+ active members	300+ active members
Masters Water Polo	20 active members	25 active members
Menlo Fit/Boot Camp	65 active members Drop In: 33	65 active members Drop In: 54
Menlo Mavericks	Non-summer: 355 Summer: 320	Non-summer: 345 members Summer: 325 members
Open Swim	23,350 drop-in customers 53 Summer Family Swim Passes	30,000 drop-in customers 50 Summer Family Swim Passes
Personal Training	Approximately 65/month	Approximately 180/month
Swim School - Youth	Approximately 1,250 students per week, or 60,000 lessons given annually.	Approximately 1,250 students per week, or 60,000 lessons given annually.
Triathlon Team - Adult	80 members	80 members
Water Safety Classes	111 certifications	146 certifications
SOLO Aquatics	Estimated at 80 members	Estimated at 80 members
Team in Training (TNT)	100-150 people per quarter	100-150 people per quarter

**PARTICIPATION STATISTICS - BELLE HAVEN**

BELLE HAVEN POOL PARTICIPATION STATISTICS		
Program Area	2014 Participation	2015 Participation
Aqua Fit	7/week - summer	10/week - summer
Camp Menlo	15/week - summer	15/week - summer
Lap Swim - Members	4/week - year-round	7/week - year-round
Lap Swim - Drop In	11/week - year-round	22/week - year-round
Menlo Mavericks (Polo)	60/week - year-round	60/week - year-round
Open Swim - Drop In	22/week - year-round average	78/week - year-round average
Swim School - Youth	80/week - summer	100/week - summer
Swim School - Adult	n/a	8/week - fall

# Customer Satisfaction Survey Results

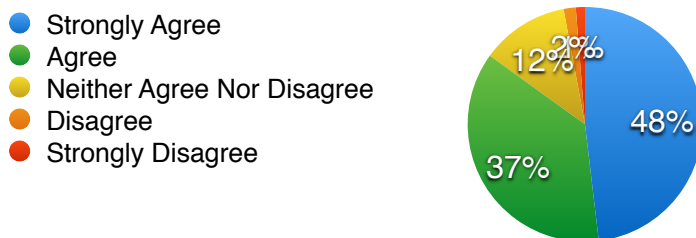
## INCLUDES USER GROUP FEEDBACK BY PROGRAM AREA OR RENTAL

Menlo Swim and Sport conducted an annual survey of various pool user groups in 2015, which was made available online only at Burgess, and online and via paper at Belle Haven. Links to the online survey were provided to facility users via the Menlo Swim and Sport monthly newsletter. SOLO was provided with links to the survey; however, data was not received from SOLO. The results are documented below.

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The following questions were asked of Burgess Pool users:

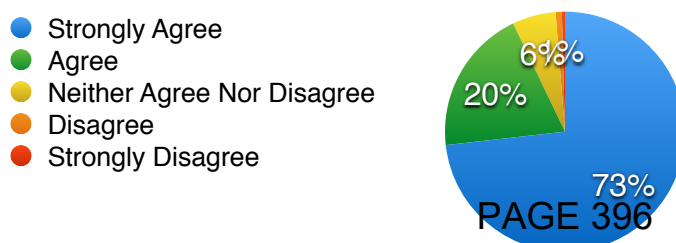
1. As a direct result of participating at the pool, I (or my child) have improved upon or developed a new skill.



2. As a direct result of participating at the pool, I (or my child) feel closer to my community.



3. My (or my child's) participation in aquatics programs supports a healthy lifestyle.



4. My (or my child's) participation in aquatics programs contributes to my (or my child's) individual growth and development.



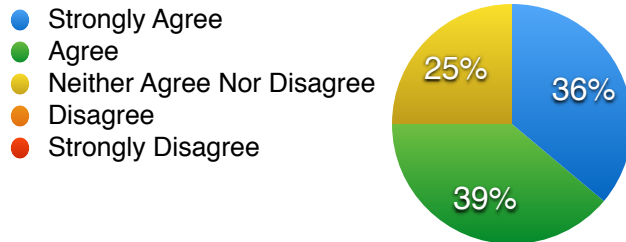
MENLO SWIM AND SPORT BURGESS USERS - 2015 SURVEY RESPONSES				
Answer Options	Question #1	Question #2	Question #3	Question #4
Strongly Agree	48.12%	18.83%	73.22%	50.63%
Agree	36.82%	41.42%	19.67%	35.15%
Neither Agree Nor Disagree	12.13%	32.22%	5.86%	12.97%
Disagree	1.67%	5.44%	0.84%	0.42%
Strongly Disagree	1.26%	2.09%	0.42%	0.84%

The following questions were asked of the Belle Haven Pool users:

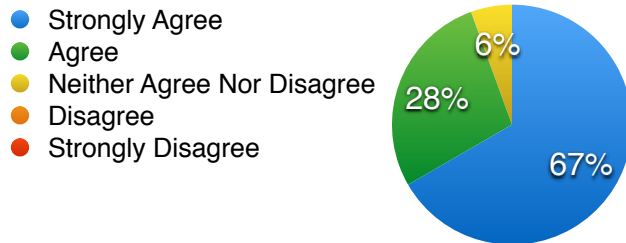
1. As a direct result of participating at Belle Haven Pool, I (or my child) have improved upon or developed a new skill.



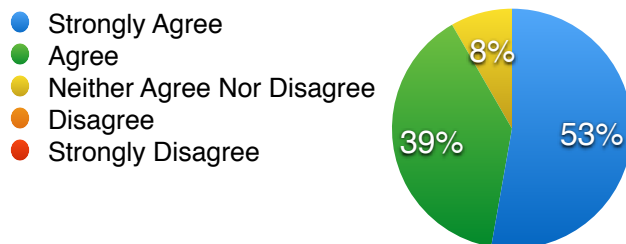
2. As a direct result of participating at Belle Haven Pool, I (or my child) feel closer to my community.



3. My (or my child's) participation in aquatics programs supports a healthy lifestyle.



4. My (or my child's) participation in aquatics programs contributes to my (or my child's) individual growth and development.



**BELLE HAVEN POOL**

BELLE HAVEN POOL USERS - 2015 SURVEY RESPONSES				
Answer Options	Question #1	Question #2	Question #3	Question #4
Strongly Agree	52.78%	36.11%	66.67%	52.78%
Agree	30.56%	38.89%	27.78%	38.89%
Neither Agree Nor Disagree	16.67%	25%	5.56%	8.33%
Disagree	0%	0%	0%	0%
Strongly Disagree	0%	0%	0%	0%

**Pool Schedule and Space Allocation by Program**

**INCLUDES PREVIOUS YEAR AND PROJECTIONS FOR 2015**

Menlo Swim and Sport tracks its pool schedule and allocation of pool space by program area for both the Instructional Pool and the Performance Pool via monthly calendars. The records for January through December 2015 are attached to this document. The pool schedule and allocation for specific programs for 2016 will likely be consistent with the 2015 schedule. Minor changes to the schedule occur based on the modification or creation of new programs.

## Fee Comparison by Program Area

NORTH OF MENLO PARK FEE COMPARISON - 2015/2016					
Program	Burgess Pool - Menlo Park	Belle Haven - Menlo Park	Herkner Pool - Redwood City	Burlingame Aquatic Center	Peninsula Jewish Community Center (Foster City)
Aqua Fit (Water Exercise)	\$60-\$79/month	\$40/month	n/a	\$64/month	Monthly: \$114/mo One-time reg fee: \$195
Camp Menlo	\$345/wk.	\$250/wk.	n/a	\$209 to \$251/wk.	\$335 to \$690/wk.
Indoor Cycling	\$79/month	n/a	n/a	n/a	Monthly: \$114/mo One-time reg fee: \$195
Lap Swim	<b>Resident</b> Youth: \$4 Adult: \$6 Senior & Student: \$5  \$47/month  <b>Non- Resident</b> Youth: \$5 Adult: \$7 <b>*Family: \$18</b> Senior & Student: \$6  \$54/month	<b>Resident</b> Youth: \$3 Adult: \$4 Senior & Student: \$4  \$40/month  <b>Non-Resident</b> Youth: \$3 Adult: \$5 <b>*Family: \$15</b> Senior & Student: \$4  \$45/month	<b>Fees</b> Youth: \$3 Adults: \$5 Senior: \$3	<b>Resident</b> Youth: \$5 Adult: \$7 Senior: \$5  Adult res: \$53/month Adult non-res: \$58/month	Monthly: \$114/mo One-time reg fee: \$195
Masters Swimming	\$79/month	n/a	n/a	\$61/month	Monthly: \$114/mo One-time reg fee: \$195
Masters Water Polo	\$79/month	n/a	n/a	\$35/month	n/a
Menlo Fit	<b>All Access</b> \$185/month	n/a	n/a	n/a	Monthly: \$114/mo One-time reg fee: \$195



NORTH OF MENLO PARK FEE COMPARISON - 2015/2016					
Program	Burgess Pool - Menlo Park	Belle Haven - Menlo Park	Herkner Pool - Redwood City	Burlingame Aquatic Center	Peninsula Jewish Community Center (Foster City)
Youth Competitive Swim Team	<b>Monthly Dues</b> Range = \$55 to \$118	n/a	Redwood City Sharks: \$199 per summer session	Monthly Dues Range = \$80 to \$240	Monthly Dues Member \$115  Non-member \$140
Open Swim	<b>Resident</b> Youth: \$4 Adult: \$6 <b>*Family: \$15</b> Senior & Student: \$5  \$47/month  <b>Non- Resident</b> Youth: \$5 Adult: \$7 <b>*Family: \$18</b> Senior & Student: \$6  \$54/month	<b>Resident</b> Youth: \$3 Adult: \$4 <b>*Family: \$12</b> Senior & Student: \$4  \$40/month  <b>Non-Resident</b> Youth: \$3 Adult: \$5 <b>*Family: \$15</b> Senior & Student: \$4  \$45/month	<b>Baby Pool</b> Drop-in: \$2 per child. Add'l \$1 per child  Youth: \$3 Adult: \$5 Senior: (60+) \$3	<b>Drop In</b> Youth: \$3 Adult: \$5	<b>Drop In</b> \$25 for day pass (adult & child)  Monthly Dues Member \$115  Non-member \$140
Personal Training	\$120 per hour	\$115 per hour.	n/a	n/a	Monthly Dues Member \$115  Non-member \$140  \$82 to \$92/hr.
Swim School	<b>Group:</b> \$86 per month, \$21.50 per class	<b>Group:</b> \$15/ lesson kids  \$5/lesson (w/ BBAF Scholarship)	<b>Resident:</b> \$10/ class  <b>Non-Resident:</b> \$10.80/class	<b>Group Members</b> \$13.75 - \$16.25/ class	<b>Group</b>  Member rate: \$17.50 - \$24.50/ class
Triathlon Team, Menlo Fit (Boot Camp), ALL ACCESS	<b>All Access</b> \$180/month	n/a	n/a	n/a	n/a

NORTH OF MENLO PARK FEE COMPARISON - 2015/2016					
Program	Burgess Pool - Menlo Park	Belle Haven - Menlo Park	Herkner Pool - Redwood City	Burlingame Aquatic Center	Peninsula Jewish Community Center (Foster City)
Water Polo - Youth	n/a	\$80/month - 12 Under & 14 Under (boys & girls)  \$40/month - 10 Under (coed)  \$32/month (w/ BBAF Scholarship)	n/a	\$86 - \$151/month	n/a
Safety Academy	Lifeguard \$300	Lifeguard \$300	n/a	n/a	Lifeguard Certification: \$175

SOUTH OF MENLO PARK FEE COMPARISON - 2015/2016					
Program	Burgess Pool - Menlo Park	Belle Haven - Menlo Park	Rinconada Pool - Palo Alto	Eagle Park Pool - City of Mountain View	Fremont H.S. Pool - Sunnyvale (California Sport Center)
Aqua Fit (Water Exercise)	\$60 to \$79/month	\$40/month	n/a	Drop In  Resident: \$6/class Non-resident: \$7.50  Sr. Resident: \$3/class Sr. Non-resident: \$4/class	Drop In:  Resident: \$11/swim Non-resident: \$14/swim
Camp Menlo	\$345/wk.	\$250/wk.	n/a	n/a	\$370 to \$462.50/wk.
Indoor Cycling	\$79/month	n/a	n/a	n/a	n/a

SOUTH OF MENLO PARK FEE COMPARISON - 2015/2016					
Program	Burgess Pool - Menlo Park	Belle Haven - Menlo Park	Rinconada Pool - Palo Alto	Eagle Park Pool - City of Mountain View	Fremont H.S. Pool - Sunnyvale (California Sport Center)
Lap Swim	<b>Resident</b> Youth: \$4 Adult: \$6 Senior & Student: \$5  \$48/month  <b>Non- Resident</b> Youth: \$5 Adult: \$7 Senior & Student: \$6  \$54/month	<b>Resident</b> Youth: \$3 Adult: \$4 Senior & Student: \$4  \$40/month  <b>Non-Resident</b> Youth: \$3 Adult: \$5 Senior & Student: \$4  \$45/month	<b>Non-Member</b> Adult: \$5 Senior (60+): \$3  <b>Member - Resident</b> Adult: \$3.50 Senior (60+): \$2 Youth: \$3	<b>Resident</b> (25 Swims) -\$90  <b>Non-Resident</b> (25 Swims) -\$113  <b>Resident Senior:</b> (25 Swims) - \$31  <b>Non-Resident Senior:</b> (25 Swims) - \$39  <b>Resident</b> (1 Swim) - \$5  <b>Non-Resident</b> (1 Swim) - \$6	<b>Resident</b> Drop-in: \$7 12-punch: \$55 Monthly: \$51 Senior (55+): \$39  <b>Non-Resident</b> Drop-in: \$10 12-punch: \$68  Monthly: \$63 Senior (55+) \$49
Masters Swimming	\$79/month	n/a	Monthly dues: \$80	\$50-\$60 per month	\$60 to \$75/month
Masters Water Polo	\$79/month	n/a	n/a	n/a	n/a
Menlo Fit	<b>All Access</b> \$185/month	n/a	n/a	n/a	n/a
Youth Competitive Swim Team	<b>Monthly Dues</b> Range = \$55 to \$118	n/a	Range \$95 to \$260/month	Range \$100 to \$200/month	Range \$96 to \$191/month.
Open Swim	<b>Resident</b> Youth: \$4 Adult: \$6 <b>*Family: \$15</b> Senior & Student: \$5  \$47/month  <b>Non- Resident</b> Youth: \$5 Adult: \$7 <b>*Family: \$18</b> Senior & Student: \$6  \$54/month	<b>Resident</b> Youth: \$3 Adult: \$4 <b>*Family: \$12</b> Senior & Student: \$4  \$40/month  <b>Non-Resident</b> Youth: \$3 Adult: \$5 <b>*Family: \$15</b> Senior & Student: \$4  \$45/month	<b>Daily Drop In</b> Youth: \$4 Adult: \$5 Senior: \$3 Infant: \$2  <b>Resident 10-card program discount</b> Youth: \$3 Adult: \$3.50 Senior: \$2  <b>Non-Resident 10-card program discount</b> Youth: \$3.50 Adult: \$4 Senior: \$2.50	<b>Resident Child:</b> \$3 Adult: \$4 Family: \$10  <b>Non-Resident</b> Child: \$4 Adult: \$5 Family: \$18  Spectator: \$3	Drop In: Res: \$4/swim Non-Res: \$5/swim

SOUTH OF MENLO PARK FEE COMPARISON - 2015/2016					
Program	Burgess Pool - Menlo Park	Belle Haven - Menlo Park	Rinconada Pool - Palo Alto	Eagle Park Pool - City of Mountain View	Fremont H.S. Pool - Sunnyvale (California Sport Center)
Personal Training	\$120 per hour	\$115 per hour.	n/a	n/a	n/a
Swim School	<b>Group:</b> \$86 per month, \$21.50/class	<b>Group:</b> \$15/lesson kids  \$5/lesson (w/ BBAF Scholarship)	Pricing not available.	Group: \$7.50 to \$9.50/class	\$15.75/class
Triathlon Team, Menlo Fit (Boot Camp), ALL ACCESS	<b>All Access</b> \$180/month	n/a	n/a	n/a	n/a
Water Polo - Youth	n/a	\$80/month - 12 Under & 14 Under (boys & girls)  \$40/month - 10 Under (coed)  \$32/month (w/ BBAF Scholarship)	n/a	n/a	\$78 to \$87/month
Safety Academy	Lifeguard \$300	Lifeguard \$300	Lifeguard \$189 to \$219	Lifeguard \$236 to \$295	Lifeguard \$300

\*Menlo Swim and Sport is unique by providing low-cost family pricing options.

Based on the above fee comparison, Menlo Swim and Sport continues to offer a full compliment of sport and aquatic programming relative to the public pools operating in the local area. This is evident by the fact that the other facilities do not offer the broad range of programming found in Menlo Park and operated by Menlo Swim and Sport.

Both the Burgess and Belle Haven pools via Menlo Swim and Sport continue to offer users a broad selection of high-quality aquatic programming at or below market rate.

## Lane Rate Rental Fee Comparison

Location	Per Hour Lane Rental Rate
Saratoga High School Pool	\$2.87 to \$5.56
Los Gatos High School Pool	\$4.12 to \$6.25
Eagle Park Pool (City of Mountain View)	\$5.50 to \$58
Sequoia Union High School District	\$8.57* to \$10.70
Fremont High School Pool (Sunnyvale)	\$13 to \$17
Terman Middle School	\$13.33
<b><i>USA Swimming - National Average</i></b>	<b>\$14.00</b>
Foothill College	\$15* to \$18.75
Camden Community Center (City of San Jose)	\$16.00
Burgess Pool (City of Menlo Park)	\$16 to \$24
Belle Haven Pool (City of Menlo Park)	\$20.00
Burlingame High School Pool (City of Burlingame)	\$20.00

\*A lower non-profit rate is usually given to non-profit organizations.

## Pricing Structure - 2015

Registration for adult programs continued with a simplified pricing structure. Patrons had the option to register for a single sport or activity (e.g. Level 1 or Level 2), or they can combine programs/activities with either the All-Access Silver or All-Access Gold packages.

2015 - MENLO SWIM AND SPORT MONTHLY PRICING LEVELS			
Level 1	Level 2	Level 3 (All Access Silver)	Level 4 (All Access Gold)
\$54	\$79	\$133	\$185
(Choose One) <ul style="list-style-type: none"> <li>• Lap &amp; Open Swim</li> <li>• Menlo Bike Club</li> <li>• Tattersols Women's Running Team</li> <li>• All Terrain Runners</li> </ul>	(Choose One) <ul style="list-style-type: none"> <li>• Aqua Fit Water Exercise</li> <li>• Masters Swim</li> <li>• Indoor Cycling</li> <li>• Menlo Mavens Water Polo</li> </ul>	Access to All Level 1 and Level 2 programs.  Except: <ul style="list-style-type: none"> <li>• Boot Camp</li> <li>• Triathlon</li> </ul>	Access to all Level 1 and Level 2 programs.  Including: <ul style="list-style-type: none"> <li>• Boot Camp</li> <li>• Triathlon</li> </ul>

- Menlo Park Resident Lap Swim only membership available at \$47.
- 25% Senior, Student, and Family Discounts are available.

## Annual Audits and Review Demonstrating Standards of Care

Menlo Swim and Sport takes great care in managing the facility above industry standards for public pools. Certified Pool Operators manage and care for the pool systems and balance the water on a daily basis. Written records are kept and reviewed on a regular basis by qualified city staff and the County Public Health Department. Custodial staff maintains the facility and surrounding grounds approximately eight to ten hours per day. Mid-day on-site restroom cleanings are conducted during the peak seasonal use times in order to keep up with the high volume of daily visits. It should be noted that the estimated number of people who pass through this facility is estimated to be 488,000 annually.

The company employs a human resources manager who tracks employee certifications and conducts and tracks employee training with the assistance of a human resources management and payroll system. Customer registration is conducted via two systems: one specifically deals with the nuances of the swim school, and the other system manages all non-swim school related functions.

The company's lifeguards are all fully certified and encouraged to seek advanced lifeguard certifications. Water safety/lifeguard instruction is provided by company staff to existing and prospective employees. The lifeguarding surveillance techniques employed are consistent with the standards set by the American Red Cross.

Risk management and employee safety are addressed via monthly employee safety meetings. Menlo Swim and Sport continues to contract with DuAll Safety in order to stay current with relevant safety issues and to ensure that Menlo Swim and Sport meets the safety requirements required by the City of Menlo Park for the operation of the Burgess and Belle Haven Pools. The DuAll Safety Plan includes work in the following health and safety areas:

1. Injury and Illness Prevention Program (IIPP)
2. Confined Space Program Update and Revision
3. Emergency Action Plan revision
4. Hazardous Materials Business Plan Development (Burgess & Belle Haven Pool)
5. Exposure Control Plan (e.g. bloodborne pathogens)
6. Fall Protection Standard Operating Procedure
7. Heat Illness Prevention Program
8. Cold Illness Prevention Program
9. Ladder/Climb Safety Training
10. Chemical Inventory
11. Hazard Communication Program
12. Personal Protective Equipment (PPE) program
13. Respiratory Protection
14. Fall Protection
15. Driver Safety Training
16. Develop 2014 Safety Plan of Action
17. PPE Hazard Assessment
18. Aerosol Transmittable Disease (ATD) Plan

Knorr Systems Inc., is contracted to perform scheduled pool and equipment maintenance, and quarterly audits/analysis of the water to ensure proper chemical and operational balance.

Total Aquatic Management conducted an operational audit for the Burgess Pool on February 21, 2015. Menlo Swim and Sport demonstrated satisfactory to above average ratings in all sections of the audit. The audit results are attached to this report.

Here is the synopsis of the audit directly from the auditor:

"The Menlo Swim and Sport operated Burgess Aquatic Center is in great condition and very well taken care of. The programs are very well rounded and really meet the community need. The swim school is a model of success. Staff should formalize rotations to always occur in the same location, chair, ladder by lift, etc. It does not matter so much where as they are consistently done in one place the same way each time to make sure the water is always watched. Training should be done on the rescue of unresponsive victims off the bottom of the pool and then extricated and CPR performed with a trainer AED if possible. The importance of getting the victim and getting them out as quickly as possible must be emphasized! The process on deck should involve gloving up, making an airway from behind the victim's head, assessing pulse

and breathing simultaneously, giving two breaths then the second rescuer starting compressions until the AED arrives.”

## Risk Management Documentation

Menlo Swim and Sport has an active Risk Management Program for the Burgess and Belle Haven Pools which focuses on the following areas:

- **Emergency Action Plan (EAP):** Individual departments are trained via drills to respond to appropriate emergency scenarios (e.g. fire alarm); EAP guidelines are issued to new hires, relevant EAP sections are posted on employee break room walls; emergency equipment stations (e.g. first aid stations, AED & oxygen station), two way radio communication system is in place.
- **Facilities and Equipment:** The custodial staff has created and utilizes a Pool Maintenance Essential Duties Checklist as a guide for essential tasks and key job duties. The City conducts occasional inspections to ensure the company is maintaining the facility appropriately. Any deficient areas are identified and addressed quickly by staff. Appropriate signage is maintained around both the Burgess and Belle Haven Pool facilities.
- **Supervision:** Menlo Swim and Sport employs in excess of 200 employees during the peak season of summer and maintains a staff of approximately 130 employees throughout the year. The company is structured with a CEO, Chief Financial Officer, Director of Operations, as well as directors for the following positions: human resources, customer service, athletic programming (e.g. swim school, camps), lifeguard, and marketing. The company now maintains a contract with an IT company for technology related issues. Menlo Swim and Sport maintains a comprehensive workers' compensation insurance plan as required by the State of California.
- **Training:** The management team (described above) works hard to ensure that the company provides high-quality staff with exceptional training in their area of expertise. Appropriate levels of training and screening occur prior to hiring new staff. Constant quality improvement is the goal when it comes to staff and program development.
- **Documentation:** Menlo Swim and Sport has created policy and procedure manuals to provide guidance to staff. These manuals are available for review upon request.
- **Safety Suggestion Boxes:** Menlo Swim and Sport provides Safety Suggestion Boxes for employees to submit ideas related to safety concerns and improvements. The Safety Committee follows up on these suggestions during its monthly safety meetings.

## Lifeguard Training

During the new employee on boarding process, employees are provided with training in the following areas:

- Harassment Policy



- Workers Compensation
- Workplace Violence
- Work hours, lunch and breaks
- Vacation and sick leave

Each department has a very specific training program and checklist for all newly hire employees.

In 2105, the lifeguard staff was required to attend a minimum of eight in-service trainings. Seasonal staff attend two to three depending on their length of employment. Menlo Swim and Sport offered 24 in-service trainings throughout the year. These training sessions are two hours in length and cover topics such as customer service, first aid, CPR/AED, lifeguard skills and general Menlo Swim and Sport policy review.

In addition to the training, lifeguards received the following audits to evaluate their skills: surface scanning (monthly), bottom scanning (quarterly), CPR/AED, first aid (quarterly). New lifeguards are required to complete a two-hour orientation and shadow shift. All staff lifeguards are required to renew their certifications every two years.

## Certifications

**Lifeguards:** Red Cross Lifeguard/First Aid, CPR/AED for the Professional Rescuer

**Swim Coaches:** American Swim Coaches Association (ASCA), USA Swim Coach, Lifeguard, Lifeguard Instructor, Automated External Defibrillator (AED), Crossfit Level 1, Emergency Medical Technician (EMT)

**Other Coaches:** Menlo Fit (Boot Camp): Individual fitness certifications; Aqua Fit: appropriate water exercise certifications, Triathlon Coaches: USA Triathlon (USAT), Cross Fit certification Level 1 and Cross Fit kids, and Associated Swim Coaches of America (ASCA) Level 3.

**Pool Maintenance Staff:** Certified Pool Operator (CPO) or Aquatic Facility Operator (AFO)

## Facility Maintenance

Custodial staff initiates a thorough cleaning of the all restrooms (men, women, and family) at least three hours prior to facility opening. An ongoing, mid-day facility cleaning of the restrooms and facility windows was added in fall of 2013 to account for the high visitor volume. The mid-day cleaning is handled by an outside vendor. Staff maintains the facility and surrounding grounds, spending eight to ten hours per day cleaning and maintaining the facility. Dozens of restroom checks are conducted throughout the day by a combination of company lifeguard and management staff.

Staff spends at least three hours per day cleaning the surrounding outdoor areas to include: the pool deck, pool bottom & tiles, mechanical room, administrative offices, picnic areas and facility lobby. The City of Menlo Park conducts facility checks of both the Burgess and the Belle Haven

Pools. Menlo Swim and Sport staff review the facility check reports and respond quickly to address any facility-related concerns noted by city staff.

## Description of Programs

**Aqua Fit:** Aqua Fit classes use the natural resistive forces of water to strengthen both muscles and the cardiovascular system. Water exercise has proven to be one of the healthiest, most versatile whole-body workouts for top athletes, fitness enthusiasts, youth and seniors alike.

**Camp Menlo:** Camp Menlo offers aquatics instruction, water sports, and dry land activities for a variety of ages. Menlo Swim and Sports goal is to give campers a unique and inspiring experience while cultivating skills for a lifetime of aquatics and sports safety, health, and enjoyment.

**Lap Swim:** Lanes are dedicated to lap swimming in the performance pool and the instructional pool seven days per week year-round with a lifeguard on duty at all times. We observe circle swimming when there are more than two swimmers per lane. The number of lanes for lap swimming varies according to scheduled activities in each pool, but during the times below, you will find designated lap lanes.

**Masters Swimming:** Menlo Masters was organized in 1988 and is now one of the largest Masters Swimming teams in Northern California and in the U.S. The club welcomes participation from swimmers of all abilities, age 19 or over, who are interested in regular structured workouts.

Previous experience in competitive swimming is not necessary. Members range from beginning swimmers to triathletes to former collegiate swimmers and nationally-ranked Masters competitors.

Menlo Masters conducts ongoing conditioning, stroke instruction, intra-club activities, competitions, and social events throughout the year. Emphasis is placed on developing swimming skills, enhancing the enjoyment of swimming through regular workouts and professional instruction, and the promotion of lifetime fitness through swimming.

**Masters Water Polo:** Menlo Swim and Sport offers women's water polo for all experience levels, ages 19 and over. Our team, the Menlo Mavens, is a fun, inclusive, and diverse group with a passion for water polo. The coaching staff brings years of top level play and coaching experience to the Menlo Mavens team. Our goal is to build a strong and exciting women's water polo program that both introduces new players to the sport and provides professional coaching and challenge for experienced players.

**Menlo Fit:** Menlo Fit offers 21 weekly classes of boot camp with experienced and trusted instructors who provide a variety of cardio interval training routines.

**Menlo Mavericks (Swim and Water Polo):** The Menlo Mavericks is a year round swim team, which aims to create a swimming community that is extremely positive about being in and around the water. We emphasize learning sound techniques through our committed and competent coaches in a pleasant and positive environment. With a team segmented into smaller

groups to meet the needs of swimmers of all ability levels, the Menlo Mavericks receive the best quality of coaching, instruction, and fun. In 2012, the team became an officially recognized USA Swimming program.

**Open Swim:** The pool is open to the community seven days per week. Lifeguards are on duty at all times during open swim. No registration required, just drop in.

**Personal Training:** Menlo Swim and Sport offers the expertise of our personal trainers for individual lessons. The personal trainers bring coaching talent and passion for swimming and sport so clients can benefit from one-on-one lessons no matter what their skill level.

The personal training program has expanded to include the following areas: Swim Pro, Swim School Select, Mavericks Performance Pro, Aqua Fit Pro, Water Polo Pro, Triathlon Pro, Fitness Pro, Tennis Pro, and Bike Pro.

**Swim School:** The Menlo Swim School is a year-round school that provides professional, goal-oriented swim lessons for all ages and levels, developing life-long competency and a life-long love of swimming.

### **Tennis**

The Menlo Tennis Academy, providing lessons for children 7-14 years, has been steadily growing and is currently at capacity for our Level 2 Intermediate lessons. Our tennis program is now expanding to provide another level of lessons for advanced players. We look forward to starting bi-monthly weekend tournaments for Tennis Academy players and other players.

**Triathlon Team:** Team Sheepier is a full-service multi-sport organization providing coaching and training to athletes of all levels and ages.

## **Special Events and Accomplishments**

### **BURGESS POOL**

#### **Mavericks Swim Team**

Menlo Mavericks had a good year in 2015 as far as individual and team accomplishments. The team completed USA Swimming Club Recognition Level 1 program and is currently about to complete their Level 2. The team added five new swimmers to its Far Western Championship Team as well as 10 new athletes to its Junior Olympic Championship Team. Along with those accomplishments, the Mavericks also had an athlete and a coach represented in Hawaii for the Pacific All-Star team where they helped bring the championship trophy back to Pacific Swimming. In addition to our year round USA Swimming accomplishments, our Summer League team finished a solid 3rd for the second year in a row. Menlo Mavericks looks to better ourselves once again in 2016.

#### **Camp Menlo**

In 2015, Camp Menlo summer enrollment remained steady, while focusing on raising the quality of the camp experience for young people. Quality in our camps was consistently achieved by recruiting excellent counselor-leaders; setting clear program goals for the children's sport and social development; and conducting the camps in a safe, well-organized, fun environment. In

the past year, we solidified our committed to providing enjoyable school holiday camps, which meet the needs of working families, whose children are out of school for one to five days.

### **Can-Do Challenge**

The Can-Do February Challenge has been a team tradition for nearly 20 years. The goal for each Menlo Masters member to swim 50,000 yards in the month or as much as 100,000 yards. The team tallies up the yardage each day and swimmers reaching these thresholds receive gifts from the team to honor their efforts. The real reward is that for every 2000 yards logged, we ask team members to bring in a can of food. The canned food then donated to a local food bank, along with a monetary donation from Menlo Masters based on the number of cans collected. Money and cans go to the Brown Bag Lunch Program through the Menlo Park Senior Center. We plan to participate in this program in 2016.

### **Family Giving Tree**

This was the ninth consecutive year that Menlo Swim and Sport participated in Family Giving Tree's Holiday Wish Drive. Every year the employees and clients of Menlo Swim and Sport fulfill approximately 85 wishes for the children and donate several hundred dollars to the underserved community.

### **Kid's Triathlon**

*Saturday, July 11, 2015*

Open to children age 5-14, provided a safe and fun environment for kids to compete in a triathlon with kids their same age. Approximately 350 children participated in the race.

### **Underwater Hockey**

Menlo Swim and Sport partnered with Club Puck to begin offering USA Underwater Hockey at the Burgess Pool.

### **Risk Management**

In 2015, we heightened the awareness of our guests to the four leading causes of pool emergencies (extended breath holding, inattentive parents, non-swimmers not wearing a life jacket, and diving into shallow water). We've also increased the training for our staff so they are vigilant and aware of the most likely emergency events. We have embarked on a campaign of proactive lifeguarding based upon the current best practices, and consulted with leading experts in this area. We also provide lifejackets to patrons.

One out of every 140,000 swim patrons is involved in a drowning incident. Because of this statistic, Menlo Swim and Sport's number one concern is safety. The first line of defense is public knowledge and communication. We address this via signage at our pools along with having well-trained and professionally certified lifeguards. We hand select the best lifeguard candidates through an extensive interview and evaluation process. We spend great care looking for the desired skills and behavioral characteristics. Once hired, lifeguards go through a two-hour one-on-one onsite facility training. The first shift is a shadow shift with a veteran lifeguard. They participate in mandatory in-service training and their skills are audited on a regular basis as discussed in the Lifeguard Training section above. Each guard undergoes an annual performance evaluation.

### **Charitable Giving**

Donations of sports and aquatic program access to local schools and local non-profits to raise money through their auction by our donations. Some of the many schools and organizations include:

- San Mateo Co. Chronic Disease and Injury Prevention Unit
- Little Hands Pre-School
- Bing Pre-School
- Phillips Brooks School
- Nativity Catholic School
- Nueva School
- Orion Alternative School
- City of Menlo Park Downtown Fitness Extravaganza
- Menlo Park - Atherton Education Foundation
- Geo Kids
- North Star School
- San Carlos Educational Foundation
- Menlo Park Library Project Read
- City of Menlo Park Summer Concert Partnership

### **BELLE HAVEN POOL**

#### **Facebook Adult Swim Lessons**

Offered lessons on a first come, first served basis, two days per week with the intent to develop new swimmers to populate the lap swim program at Belle Haven Pool.

#### **Beechwood School Parent Swim Lessons**

Offered fee for service lessons for adult parents of Beechwood students so that a swimming environment could be created within the household.

#### **Big Hero 6 Movie Night**

*Friday, May 15, 2015*

The showing of the movie Big Hero 6 was a success with approximately 75 children in attendance. It was a collaboration between the Menlo Swim and Sport and Belle Haven after school program. The children were able to swim and watch the movie with popcorn and hot chocolate.

## **Charitable Organizations**

### **Beyond Barriers Athletic Foundation (BBAF)**

Thanks to the continued support of BBAF, in 2015 Belle Haven Swim School was able to give a total of 2,242 swim lessons that included spring and summer lessons. Our water polo team has remained steady with 60 members that include a boys and girls 14 and under, 12 and under and a 10 and under co-ed group. BBAF was able to subsidize 1,662 individual water polo team workouts to kids from the Belle Haven community and East Palo Alto community which also traveled to Southern California to participate in the Junior Olympics.

In 2015, BBAF contributed more than \$33,000 in sponsorship funds. They have committed to increase that amount to \$40,000 in 2016.

### **Ravenswood Clinic**

Though the Belle Haven Aqua Fit program was initially run at-cost, Ravenswood Clinic saw the program as an opportunity to provide athletic support to its lower income clientele. As part of an agreement with Menlo Swim and Sport, Ravenswood helped fund the cost of running the program. In return, Menlo Swim and Sport provided Ravenswood clients with free access to the Belle Haven Aqua Fit Program.

## **Conclusion**

In summary, 2015 was a successful year for Menlo Swim and Sport and the Burgess and Belle Haven Pools. Our staff put forth great effort to improve the programs we offer to the community through our partnership with the City of Menlo Park.

As the facility approaches its 10th year of extremely high volume usage, we saw a need to completely overhaul mechanical and water treatment systems. We have installed two new heaters, Variable Frequency Drives (VFD's) on both circulation pumps, replaced the circulation pump impellers, and checked valves and funnel valves. We have replaced the sand in all of the pool filters. We installed almost all new underwater lighting fixtures.

In general terms, we had an increase in revenue in 2015; however, along with this came an increase in overhead costs. There was also an increase in repair and maintenance costs in pool operations. We saw strong demand for open swimming that we were unable to handle at certain times due to necessary lifeguard ratios. Staff will closely monitor this situation to ensure that we are able to better anticipate and respond to the needs of public with regard to open swimming.

We are pleased that our partnership with Facebook for operations at the Belle Haven Pool will continue.

The company goals for 2016 include:

- Increase summer workforce to meet the growing demand of recreational swimmers.
- Improve efficiency of moving people in and around the facility.
- Continue to increase customer satisfaction.

We hope to be on a similar path of continued improvement for 2016, and we look forward to providing high-quality service to the Menlo Park community in the coming year.



# Menlo Swim & Sport Pool Schedule: January 2015

Non Summer Season: Mon., Sept. 29 – May, 2015

## Instructional Pool - 87°

L = Laps, O = Open Swim, AF = Aqua Fit, SS = Swim School, M = Mavericks, TNT = Leukemia & Lymphoma Society,  
CM = Camp Menlo

	MON		TUE		WED		THU		FRI		SAT		SUN		
5-6															
6-7	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)						
7-8	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)		TNT (6)				
8-9	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	TNT (6)		Aqua Fit (4)	L (2)	
9-10	SS (2)	Laps (4)	SS (2)	Laps (1)	Aqua Fit (3)	SS (2)	Laps (4)	SS (2)	Laps (1)	Aqua Fit (3)	SS (2)	Laps (4)		School (6)	School (6)
10-11	SS (2)	Laps (4)	SS (2)	Laps (2)	Aqua Fit (2)	SS (2)	Laps (4)	SS (2)	Laps (2)	Aqua Fit (2)	SS (2)	Laps (4)		School (6)	School (6)
11-12	SS (2)	Laps (4)	SS (2)	Laps (4)	SS (2)	Laps (4)	SS (2)	Laps (4)	SS (2)	Laps (4)	School (6)		School (6)		
12-1	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	School (6)		School (4)	O (2)	
1-2	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	School (4)	O (2)	School (4)	O (2)	
2-3	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Laps (2)	Open (4)	Laps (2)	Open (4)	
3-4	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Laps (2)	Open (4)	Laps (2)	Open (4)	
4-5	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (4)	M (3)	Laps (2)	Open (4)	Laps (2)	Open (4)	
5-6	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (4)	M (3)					
6-7	School (4)	O (2)	School (4)		School (4)	M (3)	School (4)	O (2)	School (4)	O (2)					
6:45				2											
7-8	Laps (3)	Open (3)	Aqua Fit (4)	O (2)	TNT (6)		Aqua Fit (4)	O (2)							

Please call 650-328-SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Performance Pool - 80°

L = Laps, O = Open Swim, SA = SOLO Aquatics, Mavs = Mavericks, TNT = Leukemia & Lymphoma Society, AF = Aqua Fit, MM = Menlo Masters, Jr. Grd = Junior Lifeguard

	MON		TUE		WED		THU		FRI		SAT		SUN		
5-6															
6-7	(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		Masters (11)				
7-8	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (11)		Masters (11)		
8-9	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Masters (11)		Polo (9)	L (2)	
9-10	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		TNT (11)		Polo (9)	L (2)	
10-11	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (9)	O (2)
11-12	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (9)	O (2)
12-1	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Laps (9)		O (2)	Laps (11)	
1-2	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
2-3	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
3-4	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
4-5	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	Laps (11)		Laps (11)		
5-6	L (3)		L (3)		L (3)		L (3)		L (3)						
6-7	L (3)	Mavs (8)	L (3)	Mavs (8)	L (3)	Mavs (8)	L (3)	Mavs (8)	L (3)	Mavs (8)					
7-8	Laps (7)	Mavs (4)	Mav (3)	Laps (3)	MM (5)	L (3)	Polo (8)	Mav (3)	Laps (3)	MM (5)					
8-9:15															

**Mark your Calendar:**

☺ **Monday, January 219 – Martin Luther King Jr. Holiday: There will be NO Menlo Swim School swimming lessons or Menlo Mavericks practice.**

**\*\*Please note\*\***

● Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students and other programs.

Updated on December 30





# Menlo Swim & Sport Pool Schedule: February 2015

Non Summer Season: Mon., Sept. 29 – May, 2015

## Instructional Pool - 87°

L = Laps, O = Open Swim, AF = Aqua Fit, SS = Swim School, M = Mavericks, TNT = Leukemia & Lymphoma Society,  
CM = Camp Menlo

	MON		TUE		WED		THU		FRI		SAT		SUN	
5-6														
6-7	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)					
7-8	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)		TNT (6)			
8-9	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	TNT (6)		Aqua Fit (4)	L (2)
9-10	SS (2)	Laps (4)	SS (2)	Laps (1)	Aqua Fit (3)	SS (2)	Laps (4)	SS (2)	Laps (1)	Aqua Fit (3)	SS (2)	Laps (4)	School (6)	
10-11	SS (2)	Laps (4)	SS (2)	Laps (2)	Aqua Fit (2)	SS (2)	Laps (4)	SS (2)	Laps (2)	Aqua Fit (2)	SS (2)	Laps (4)	School (6)	
11-12	SS (2)	Laps (4)	SS (2)	Laps (4)	SS (2)	Laps (4)	SS (2)	Laps (4)	SS (2)	Laps (4)	School (6)		School (6)	
12-1	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	School (6)		School (4)	O (2)
1-2	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	School (4)	O (2)	School (4)	O (2)
2-3	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Laps (2)	Open (4)	Laps (2)	Open (4)
3-4	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Laps (2)	Open (4)	Laps (2)	Open (4)
4-5	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (4)	M (3)	Laps (2)	Open (4)	Laps (2)	Open (4)
5-6	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (4)	M (3)				
6-7	School (4)	O (2)	School (4)		School (4)	M (3)	School (4)	O (2)	School (4)	O (2)				
6:45				2										
7-8	Laps (3)	Open (3)	Aqua Fit (4)	O (2)	TNT (6)		Aqua Fit (4)	O (2)						

Please call 650-328-SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Performance Pool - 80°

L = Laps, O = Open Swim, SA = SOLO Aquatics, Mavs = Mavericks, TNT = Leukemia & Lymphoma Society, AF = Aqua Fit, MM = Menlo Masters, Jr. Grd = Junior Lifeguard

	MON		TUE		WED		THU		FRI		SAT		SUN		
5-6															
6-7	(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		Masters (11)				
7-8	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (11)		Masters (11)		
8-9	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Masters (11)		Polo (9)	L (2)	
9-10	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		TNT (11)		Polo (9)	L (2)	
10-11	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (9)	O (2)
11-12	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (9)	O (2)
12-1	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Laps (9)		O (2)	Laps (11)	
1-2	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
2-3	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
3-4	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
4-5	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	Laps (11)		Laps (11)		
5-6	L (3)		L (3)		L (3)		L (3)		L (3)						
6-7	L (3)	Mavs (8)	L (3)	Mavs (8)	L (3)	Mavs (8)	L (3)	Mavs (8)	L (3)	Mavs (8)					
7-8	Laps (7)	Mavs (4)	Mav (3)	Laps (3)	MM (5)	L (3)	Polo (8)	Mav (3)	Laps (3)	MM (5)					
8-9:15															

## Mark your Calendar:

### President's Day, Mon., Feb. 16th

- CANCELLED** due to the holiday:
- Menlo Swim School swimming lessons
  - Masters 12 noon practice
  - Beyond Studio Cycling workouts
  - Menlo Tennis Academy practice

### Holiday Schedule

- Masters 5:45am and 7am
- Lap Swim 6am – 8pm
- Menlo Fit Boot Camp 6:00am, 7:00am, 8:15am and 9:15am Arrillaga Family Gymnasium
- Aqua Fit 7:50am
- Service Center Office Hours 9am – 12pm
- Open Swim 10am – 8pm
- Mavericks practice 10am – 11:30am: Levels 4, 5 & 6 (Lanes #1-5 in the Performance Pool)
- SOLO Aquatics 4pm – 5:30pm (Lanes #1-8 in the Performance Pool)
- Mavericks practice 5:30pm – 6:30pm: Levels 1, 2 & 3 (Lanes #1-5 in the Performance Pool)

### \*\*Please note\*\*

- Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students and other programs.

Updated on February 1



# Menlo Swim & Sport Pool Schedule: March 2015

Non Summer Season: Mon., Sept. 29 – May, 2015

## Instructional Pool - 87°

L = Laps, O = Open Swim, AF = Aqua Fit, SS = Swim School, M = Mavericks, TNT = Leukemia & Lymphoma Society,  
CM = Camp Menlo

	MON		TUE		WED		THU		FRI		SAT		SUN		
5-6															
6-7	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)						
7-8	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)		TNT (6)				
8-9	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	TNT (6)		Aqua Fit (4)	L (2)	
9-10	SS (2)	Laps (4)	SS (2)	Laps (1)	Aqua Fit (3)	SS (2)	Laps (4)	SS (2)	Laps (1)	Aqua Fit (3)	SS (2)	Laps (4)		School (6)	School (6)
10-11	SS (2)	Laps (4)	SS (2)	Laps (2)	Aqua Fit (2)	SS (2)	Laps (4)	SS (2)	Laps (2)	Aqua Fit (2)	SS (2)	Laps (4)		School (6)	School (6)
11-12	SS (2)	Laps (4)	SS (2)	Laps (4)	SS (2)	Laps (4)	SS (2)	Laps (4)	SS (2)	Laps (4)	School (6)		School (6)		
12-1	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	School (6)		School (4)	O (2)	
1-2	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	School (4)	O (2)	School (4)	O (2)	
2-3	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Laps (2)	Open (4)	Laps (2)	Open (4)	
3-4	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Laps (2)	Open (4)	Laps (2)	Open (4)	
4-5	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (4)	M (3)	Laps (2)	Open (4)	Laps (2)	Open (4)	
5-6	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (4)	M (3)					
6-7	School (4)	O (2)	School (4)	O (2)	School (4)	M (3)	School (4)	O (2)	School (4)	O (2)					
6:45				2											
7-8	Laps (3)	Open (3)	Aqua Fit (4)	O (2)	TNT (6)		Aqua Fit (4)	O (2)							

Please call 650-328-SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Performance Pool - 80°

L = Laps, O = Open Swim, SA = SOLO Aquatics, Mavs = Mavericks, TNT = Leukemia & Lymphoma Society, AF = Aqua Fit, MM = Menlo Masters, Jr. Grd = Junior Lifeguard

	MON		TUE		WED		THU		FRI		SAT		SUN		
5-6															
6-7	(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		Masters (11)				
7-8	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (11)		Masters (11)		
8-9	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Masters (11)		Polo (9)	L (2)	
9-10	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		TNT (11)		Polo (9)	L (2)	
10-11	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (9)	O (2)
11-12	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (9)	O (2)
12-1	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Laps (9)		O (2)	Laps (11)	
1-2	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
2-3	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
3-4	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
4-5	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	Laps (11)		Laps (11)		
5-6	L (3)		L (3)		L (3)		L (3)		L (3)						
6-7	L (3)	Mavs (8)	L (3)	Mavs (8)	L (3)	Mavs (8)	L (3)	Mavs (8)	L (3)	Mavs (8)					
7-8	Laps (7)	Mavs (4)	Mav (3)	Laps (3)	MM (5)	L (3)	Polo (8)	Mav (3)	Laps (3)	MM (5)					
8-9:15															

## Mark your Calendar:

**Saturday, March 7 – Starting at 2:00pm the Instructional Pool will be closed for the Air Dome deconstruction. Open Swim will be available in the Performance Pool.**

**\*\*Please note\*\***

- Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students and other programs.

Updated on March 1



# Menlo Swim & Sport Pool Schedule: April 2015

Non Summer Season: through May, 2015

## Instructional Pool - 87°

L = Laps, O = Open Swim, AF = Aqua Fit, SS = Swim School, M = Mavericks, TNT = Leukemia & Lymphoma Society,  
CM = Camp Menlo

	MON		TUE		WED		THU		FRI		SAT		SUN	
5-6														
6-7	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)					
7-8	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)		TNT (6)			
8-9	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	TNT (6)		Aqua Fit (4)	L (2)
9-10	SS (2)	Laps (4)	SS (2)	Laps (1)	Aqua Fit (3)	SS (2)	Laps (4)	SS (2)	Laps (1)	Aqua Fit (3)	SS (2)	Laps (4)	School (6)	
10-11	SS (2)	Laps (4)	SS (2)	Laps (2)	Aqua Fit (2)	SS (2)	Laps (4)	SS (2)	Laps (2)	Aqua Fit (2)	SS (2)	Laps (4)	School (6)	
11-12	SS (2)	Laps (4)	SS (2)	Laps (4)	SS (2)	Laps (4)	SS (2)	Laps (4)	SS (2)	Laps (4)	School (6)		School (6)	
12-1	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	School (6)		School (4)	O (2)
1-2	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	School (4)	O (2)	School (4)	O (2)
2-3	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Laps (2)	Open (4)	Laps (2)	Open (4)
3-4	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Laps (2)	Open (4)	Laps (2)	Open (4)
4-5	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (4)	M (3)	Laps (2)	Open (4)	Laps (2)	Open (4)
5-6	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (4)	M (3)				
6-7	School (4)	O (2)	School (4)		School (4)	M (3)	School (4)	O (2)	School (4)	O (2)				
6:45				2										
7-8	Laps (3)	Open (3)	Aqua Fit (4)	O (2)	TNT (6)		Aqua Fit (4)	O (2)						

Please call 650-328-SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Performance Pool - 80°

L = Laps, O = Open Swim, SA = SOLO Aquatics, Mavs = Mavericks, TNT = Leukemia & Lymphoma Society, AF = Aqua Fit, MM = Menlo Masters, Jr. Grd = Junior Lifeguard

	MON	TUE	WED	THU	FRI	SAT	SUN
5-6							
6-7	(11) Masters (9)	(11) Masters (9)	(11) Masters (9)	(11) Masters (9)	(11) Masters (9)	Masters (11)	
7-8	Masters (9) L (2)	Masters (9) L (2)	Masters (9) L (2)	Masters (9) L (2)	Masters (9) L (2)	Masters (11)	Masters (11)
8-9	Laps (11)	Laps (11)	Laps (11)	Laps (11)	Laps (11)	Masters (11)	Polo (9) L (2)
9-10	Laps (11)	Laps (11)	Laps (11)	Laps (11)	Laps (11)	TNT (11)	Polo (9) L (2)
10-11	Laps (11)	Laps (11)	Laps (11)	Laps (11)	Laps (11)	Laps (5) Mavs (4) O (2)	Laps (9) O (2)
11-12	Laps (11)	Laps (11)	Laps (11)	Laps (11)	Laps (11)	Laps (5) Mavs (4) O (2)	Laps (9) O (2)
12-1	Masters (9) L (2)	Masters (9) L (2)	Masters (9) L (2)	Masters (9) L (2)	Masters (9) L (2)	Laps (9) O (2)	Laps (11)
1-2	Laps (11)	Laps (11)	Laps (11)	Laps (11)	Laps (11)	Laps (11)	Laps (11)
2-3	Laps (11)	Laps (11)	Laps (11)	Laps (11)	Laps (11)	Laps (11)	Laps (11)
3-4	Laps (11)	Laps (11)	Laps (11)	Laps (11)	Laps (11)	Laps (11)	Laps (11)
4-5	L (3) SOLO (8)	L (3) SOLO (8)	L (3) SOLO (8)	L (3) SOLO (8)	L (3) SOLO (8)	Laps (11)	Laps (11)
5-6	L (3)	L (3)	L (3)	L (3)	L (3)		
6-7	L (3) Mavs (8)	L (3) Mavs (8)	L (3) Mavs (8) Polo (8)	L (3) Mavs (8)	L (3) Mavs (8)		
7-8	Laps (7) Mavs (4) Mav (3)	Laps (3) MM (5)	L (3) Polo (8) Mav (3)	Laps (3) MM (5)			
8-9:15							

## Mark your Calendar:

☺ Sunday, April 5<sup>th</sup> – Menlo Swim and Sport will be **CLOSED** in observance of the Easter holiday.

**\*\*Please note\*\***

- Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students and other programs.

Updated on April 1



# Menlo Swim & Sport Pool Schedule: May 2015

Hours through Sunday, June 14, 2015

## Instructional Pool - 87°

L = Laps, O = Open Swim, AF = Aqua Fit, SS = Swim School, M = Mavericks, TNT = Leukemia & Lymphoma Society,  
CM = Camp Menlo

	MON		TUE		WED		THU		FRI		SAT		SUN	
5-6														
6-7	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)					
7-8	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)		TNT (6)			
8-9	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	TNT (6)		Aqua Fit (4)	L (2)
9-10	SS (2)	Laps (4)	SS (2)	Laps (1)	Aqua Fit (3)	SS (2)	Laps (4)	SS (2)	Laps (1)	Aqua Fit (3)	SS (2)	Laps (4)	School (6)	
10-11	SS (2)	Laps (4)	SS (2)	Laps (2)	Aqua Fit (2)	SS (2)	Laps (4)	SS (2)	Laps (2)	Aqua Fit (2)	SS (2)	Laps (4)	School (6)	
11-12	SS (2)	Laps (4)	SS (2)	Laps (4)	SS (2)	Laps (4)	SS (2)	Laps (4)	SS (2)	Laps (4)	School (6)		School (6)	
12-1	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	School (6)		School (4)	O (2)
1-2	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	School (4)	O (2)	School (4)	O (2)
2-3	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Laps (2)	Open (4)	Laps (2)	Open (4)
3-4	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Laps (2)	Open (4)	Laps (2)	Open (4)
4-5	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (4)	M (3)	Laps (2)	Open (4)	Laps (2)	Open (4)
5-6	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (4)	M (3)	Laps (2)	Open (4)	Laps (2)	Open (4)
6-7	School (4)	O (2)	School (4)		School (4)	M (3)	School (4)	O (2)	School (4)	O (2)				
6:45				2										
7-8	Laps (3)	Open (3)	Aqua Fit (4)	O (2)	TNT (6)		Aqua Fit (4)	O (2)						

Please call 650-328-SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Performance Pool - 80°

L = Laps, O = Open Swim, SA = SOLO Aquatics, Mavs = Mavericks, TNT = Leukemia & Lymphoma Society, AF = Aqua Fit, MM = Menlo Masters, Jr. Grd = Junior Lifeguard

	MON		TUE		WED		THU		FRI		SAT		SUN		
5-6															
6-7	(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		Masters (11)				
7-8	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (11)		Masters (11)		
8-9	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Masters (11)		Polo (9)	L (2)	
9-10	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		TNT (11)		Polo (9)	L (2)	
10-11	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (9)	O (2)
11-12	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (9)	O (2)
12-1	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Laps (9)	O (2)	Laps (11)		
1-2	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
2-3	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
3-4	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
4-5	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	Laps (11)		Laps (11)		
5-6	L (3)	Mavs (8)		L (3)	Mavs (8)		L (3)	Mavs (8)		L (3)	Laps (11)		Laps (11)		
6-7	L (3)	Mavs (8)		L (3)	Mavs (8)		L (3)	Mavs (8)		L (3)	Mavs (8)				
7-8	Laps (7)	Mavs (4)	Mav (3)	Laps (3)	MM (5)	L (3)	Polo (8)	Mav (3)	Laps (3)	MM (5)					
8-9:15															

## Mark your Calendar:

☺ Baby Pool opens **Saturday, May 16<sup>th</sup>**! Hours through Sunday, June 14<sup>th</sup>:

Monday – Friday 11:00am – 1:00pm

Saturday & Sunday 10:00am – 6:00pm

☺ Memorial Day, Monday, May 25: Menlo Swim School will be **closed** for the holiday. There will be no Menlo Swim School swimming lessons or Menlo Mavericks practice. Extended Open Swimming starts at 10:00am!

**\*\*Please note\*\***

● Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students and other programs.

Updated on April 30





# Menlo Swim & Sport Pool Schedule: June 1 – June 14, 2015

Pre-Summer season: through Sunday, June 14<sup>th</sup>

## Instructional Pool - 87°

L = Laps, O = Open Swim, AF = Aqua Fit, SS = Swim School, M = Mavericks, TNT = Leukemia & Lymphoma Society,  
CM = Camp Menlo, Jr Grd. = Junior Guard

	MON		TUE		WED		THU		FRI		SAT		SUN						
5-6																			
6-7	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)										
7-8	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)		TNT (6)								
8-9	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	TNT (6)		Aqua Fit (4)	L (2)					
9-10	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	CM (1)	L (1)	Aqua Fit (2)	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	CM (1)	L (1)	Aqua Fit (2)	SS (2)	Camp Menlo (1)	Laps (3)	School (6)	School (6)
10-11	SS (2)	Camp Menlo (2)	Laps (2)	SS (2)	Camp Menlo (2)	Aqua Fit (2)	SS (2)	Camp Menlo (2)	Laps (2)	SS (2)	Camp Menlo (2)	Aqua Fit (2)	SS (2)	Camp Menlo (2)	Laps (2)	School (6)	School (4)	O (2)	
11-12	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	Camp Menlo (1)	Laps (3)	School (6)	School (4)	O (2)	
12-1	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	School (6)	School (4)	O (2)				
	Laps (2)	(2)	Laps (2)	(2)	Laps (2)	(2)	Laps (2)	(2)	Laps (2)	(2)	Laps (2)	(2)							
1-2	Camp Menlo (2)	Jr Grd (2)	O (2)	Camp Menlo (2)	Jr Grd (2)	O (2)	Camp Menlo (2)	Jr Grd (2)	O (2)	Camp Menlo (2)	Jr Grd (2)	O (2)	Camp Menlo (2)	Jr Grd (2)	O (2)	School (6)	School (4)	O (2)	
2-3	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Open (5)	L (1)	Open (5)	L (1)					
3-4	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Open (5)	L (1)	Open (5)	L (1)					
4-5	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Open (5)	L (1)	Open (5)	L (1)					
5-6	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Open (5)	L (1)	Open (5)	L (1)					
6-7	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)									
7-8	Laps (3)	Open (3)	Aqua Fit (4)	O (2)	TNT (6)		Aqua Fit (4)	O (2)											

Please call 650-328-SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Performance Pool - 80°

L = Laps, O = Open Swim, AF = Aqua Fit, SS = Swim School, M = Mavericks, TNT = Leukemia & Lymphoma Society, CM = Camp Menlo, Jr Grd. = Junior Guard, TRI = Menlo Swim and Sport Triathlon

	MON		TUE		WED		THU		FRI		SAT		SUN			
5-6																
6-7	(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		Masters (11)					
7-8	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (11)	Masters (11)				
8-9	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Masters (11)		Polo (9)			
9-10	Laps (9)	CM Perf (2)	Laps (9)	CM Perf (2)	Laps (9)	CM Perf (2)	Laps (9)	CM Perf (2)	Laps (9)	CM Perf (2)	TNT (11)		Polo (9)		L (2)	
	Laps (7)	Jr. Grd. (2)	Laps (7)	Jr. Grd. (2)	Laps (7)	Jr. Grd. (2)	Laps (7)	Jr. Grd. (2)	Laps (7)	Jr. Grd. (2)						
10-11	Laps (7)	Jr. Grd. (2)	CM Perf (2)	Laps (7)	Jr. Grd. (2)	CM Perf (2)	Laps (7)	Jr. Grd. (2)	CM Perf (2)	Laps (7)	Jr. Grd. (2)	CM Perf (2)	Laps (5)	Mavs (4)	O (2)	Laps (11)
11-12	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (11)		
	L (9)	Jr.G. (2)	L (9)	Jr.G. (2)	L (9)	Jr.G. (2)	L (9)	Jr.G. (2)	L (9)	Jr.G. (2)						
12-1	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Laps (9)	O (2)	Laps (11)			
1-2	Laps (9)	Jr.G. (2)	Laps (9)	Jr.G. (2)	Laps (9)	Jr.G. (2)	Laps (9)	Jr.G. (2)	Laps (9)	Jr.G. (2)	Laps (11)		Laps (11)			
2-3	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)	Laps (11)				
	(7)		(7)		(7)		(7)		(7)							
3-4	Laps (7)	Mavs (4)	Laps (7)	Mavs (4)	Laps (11)	Laps (7)	Mavs (4)	Laps (7)	Mavs (4)	Laps (11)	Laps (11)	Laps (11)				
4-5	L (3)	SOLO (4)	Mavs (4)	L (3)	SOLO (4)	Mavs (4)	L (3)	SOLO (4)	Mavs (4)	L (3)	SOLO (4)	Mavs (4)	Laps (11)	Laps (11)		
5-6	L (3)		L (3)		L (3)		L (3)		L (3)		Laps (11)	Laps (11)				
6-7	L (3)	Mavs (8)		L (3)	Mavs (8)		L (3)	Mavs (8)		L (3)	Mavs (8)					
7-8	Laps (3)	TRI (4)	Mavs (4)	Mavs (3)	Laps (3)	MM (5)	O (1)	L (2)	Polo (8)	Mavs (3)	Laps (3)	MM (5)				

## Mark your Calendar:

Baby Pool hours through Sunday, June 14<sup>th</sup>:

Monday – Friday 11:00am – 1:00pm

Saturday & Sunday 10:00am – 6:00pm

Baby Pool hours Monday, June 15<sup>th</sup> through Sunday, August 30<sup>th</sup>:

Monday – Sunday 10:00am – 6:00pm

### \*\*Please note\*\*

- Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students and other programs.
- We reserve the right to make any schedule alterations, including on warm days and holidays

Updated on June 2



# Menlo Swim & Sport Pool Schedule: July 1 - 31, 2015

Summer season: June 15 – August 30, 2015

## Instructional Pool - 87°

L = Laps, O = Open Swim, AF = Aqua Fit, SS = Swim School, M = Mavericks, TNT = Leukemia & Lymphoma Society, CM = Camp Menlo, Jr Grd. = Junior Guard

	MON		TUE		WED		THU		FRI		SAT		SUN							
5-6																				
6-7	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)											
7-8	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)		TNT (6)									
8-9	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	TNT (6)		Aqua Fit (4)	L (2)						
9-10	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	CM (1)	Aqua Fit (3)	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	CM (1)	Aqua Fit (3)	SS (2)	Camp Menlo (1)	Laps (3)	School (6)	School (6)			
10-11	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	CM (1)	L (1)	Aqua Fit (2)	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	CM (1)	L (1)	Aqua Fit (2)	SS (2)	Camp Menlo (1)	Laps (3)	School (6)	School (4)	O (2)
11-12	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	Camp Menlo (1)	Laps (3)	School (6)	School (4)	O (2)		
12-1	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	School (6)	School (4)	O (2)					
	Laps (2)	(2)	Laps (2)	(2)	Laps (2)	(2)	Laps (2)	(2)	Laps (2)	(2)	Laps (2)	(2)								
1-2	Camp Menlo (2)	Jr Grd (2)	O (2)	Camp Menlo (2)	Jr Grd (2)	O (2)	Camp Menlo (2)	Jr Grd (2)	O (2)	Camp Menlo (2)	Jr Grd (2)	O (2)	Camp Menlo (2)	Jr Grd (2)	O (2)	School (6)	School (4)	O (2)		
2-3	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Open (5)	L (1)	Open (5)	L (1)				
3-4	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Open (5)	L (1)	Open (5)	L (1)				
4-5	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Open (5)	L (1)	Open (5)	L (1)				
5-6	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Open (5)	L (1)	Open (5)	L (1)				
6-7	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)										
7-8	Laps (3)	Open (3)	Aqua Fit (4)	O (2)	TNT (6)		Aqua Fit (4)	O (2)	Laps (3)	Open (3)										

Please call 650-328-SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Performance Pool - 80°

L = Laps, O = Open Swim, AF = Aqua Fit, SS = Swim School, M = Mavericks, TNT = Leukemia & Lymphoma Society, CM = Camp Menlo, Jr Grd. = Junior Guard

	MON		TUE		WED		THU		FRI		SAT		SUN	
5-6														
6-7	(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		Masters (11)			
7-8	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (11)	Masters (11)		
8-9	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Masters (11)		Polo (9)	
9-10	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		TNT (11)		Polo (9)	L (2)
	Laps (9)	Jr. Grd. (2)	Laps (9)	Jr. Grd. (2)	Laps (9)	Jr. Grd. (2)	Laps (9)	Jr. Grd. (2)	Laps (9)	Jr. Grd. (2)				
10-11	Laps (9)	Jr. Grd. (2)	Laps (9)	Jr. Grd. (2)	Laps (9)	Jr. Grd. (2)	Laps (9)	Jr. Grd. (2)	Laps (9)	Jr. Grd. (2)	Laps (5)	Mavs (4)	O (2)	Laps (11)
11-12	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (11)
	L (9)	Jr.G. (2)	L (9)	Jr.G. (2)	L (9)	Jr.G. (2)	L (9)	Jr.G. (2)	L (9)	Jr.G. (2)				
12-1	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Laps (9)	O (2)	Laps (11)	
1-2	Laps (9)	Jr.G. (2)	Laps (9)	Jr.G. (2)	Laps (9)	Jr.G. (2)	Laps (9)	Jr.G. (2)	Laps (9)	Jr.G. (2)	Laps (11)		Laps (11)	
2-3	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)	
	(7)		(7)		(7)		(7)		(7)					
3-4	Laps (7)	Mavs (4)	Laps (7)	Mavs (4)	Laps (11)		Laps (7)	Mavs (4)	Laps (7)	Mavs (4)	Laps (11)		Laps (11)	
4-5	L (3)	SOLO (4)	Mavs (4)	L (3)	SOLO (4)	Mavs (4)	L (3)	SOLO (4)	Mavs (4)	L (3)	SOLO (4)	Mavs (4)	Laps (11)	Laps (11)
5-6	L (3)		L (3)		L (3)		L (3)		L (3)		Laps (11)		Laps (11)	
6-7	L (3)	Mavs (8)		L (3)	Mavs (8)		L (3)	Mavs (8)		L (3)	Mavs (8)			
7-8	Laps (3)	Tri (4)	Mavs (4)	Mavs (3)	Laps (3)	MM (5)	O (1)	L (2)	Polo (8)	Mavs (3)	Laps (3)	MM (5)	Laps (11)	

## Mark your Calendar:

Baby Pool

Monday – Sunday 10:00am – 6:00pm

☺ Menlo Mavericks Swim Meet: **Tuesday, July 7: The Performance Pool will CLOSE and there will be no lap swimming starting at 3:30pm.** Come watch a meet and cheer on your Menlo Mavericks!

☺ There will be no Menlo Swim School swimming lessons on **Saturday, July 4<sup>th</sup>** for the Fourth of July holiday. **The Burgess Pool will close early at 5:00pm in observance of the holiday.**

### \*\*Please note\*\*

- Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students and other programs.
- We reserve the right to make any schedule alterations, including on warm days and holiday **Updated June 30**



# Menlo Swim & Sport Pool Schedule:

## August 1 - 16, 2015

(Camp Menlo ends on Aug. 14<sup>th</sup>)

Summer season: June 15 – August 30, 2015

### Instructional Pool - 87°

L = Laps, O = Open Swim, AF = Aqua Fit, SS = Swim School, M = Mavericks, TNT = Leukemia & Lymphoma Society, CM = Camp Menlo, Jr Grd. = Junior Guard

	MON		TUE		WED		THU		FRI		SAT		SUN							
5-6																				
6-7	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)											
7-8	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)		TNT (6)									
8-9	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	TNT (6)		Aqua Fit (4)	L (2)						
9-10	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	CM (1)	Aqua Fit (3)	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	CM (1)	Aqua Fit (3)	SS (2)	Camp Menlo (1)	Laps (3)	School (6)	School (6)			
10-11	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	CM (1)	L (1)	Aqua Fit (2)	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	CM (1)	L (1)	Aqua Fit (2)	SS (2)	Camp Menlo (1)	Laps (3)	School (6)	School (4)	O (2)
11-12	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	Camp Menlo (1)	Laps (3)	SS (2)	Camp Menlo (1)	Laps (3)	School (6)	School (4)	O (2)		
12-1	Laps (4)		Laps (4)		Laps (4)		Laps (4)		Laps (4)		Laps (4)		Laps (4)		School (6)	School (4)	O (2)			
	Laps (2)	(2)	O (2)	Laps (2)	(2)	O (2)	Laps (2)	(2)	O (2)	Laps (2)	(2)	O (2)	Laps (2)	(2)	O (2)					
1-2	Camp Menlo (2)	Jr Grd (2)	O (2)	Camp Menlo (2)	Jr Grd (2)	O (2)	Camp Menlo (2)	Jr Grd (2)	O (2)	Camp Menlo (2)	Jr Grd (2)	O (2)	Camp Menlo (2)	Jr Grd (2)	O (2)	School (6)	School (4)	O (2)		
2-3	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Open (5)	L (1)	Open (5)	L (1)				
3-4	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Open (5)	L (1)	Open (5)	L (1)				
4-5	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Open (5)	L (1)	Open (5)	L (1)				
5-6	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Open (5)	L (1)	Open (5)	L (1)				
6-7	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)								
7-8	Laps (3)	Open (3)	Aqua Fit (4)	O (2)	TNT (6)		Aqua Fit (4)	O (2)	Laps (3)	Open (3)										

Please call 650-328-SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Performance Pool - 80°

L = Laps, O = Open Swim, AF = Aqua Fit, SS = Swim School, M = Mavericks, TNT = Leukemia & Lymphoma Society, CM = Camp Menlo, Jr Grd. = Junior Guard

	MON		TUE		WED		THU		FRI		SAT		SUN	
5-6														
6-7	(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		Masters (11)			
7-8	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (11)	Masters (11)		
8-9	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Masters (11)		Polo (9)	
9-10	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		TNT (11)		Polo (9)	L (2)
	Laps (9)	Jr. Grd. (2)	Laps (9)	Jr. Grd. (2)	Laps (9)	Jr. Grd. (2)	Laps (9)	Jr. Grd. (2)	Laps (9)	Jr. Grd. (2)				
10-11	Laps (9)	Jr. Grd. (2)	Laps (9)	Jr. Grd. (2)	Laps (9)	Jr. Grd. (2)	Laps (9)	Jr. Grd. (2)	Laps (9)	Jr. Grd. (2)	Laps (5)	Mavs (4)	O (2)	Laps (11)
11-12	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (11)
	L (9)	Jr.G. (2)	L (9)	Jr.G. (2)	L (9)	Jr.G. (2)	L (9)	Jr.G. (2)	L (9)	Jr.G. (2)				
12-1	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Laps (9)	O (2)	Laps (11)	
1-2	Laps (9)	Jr.G. (2)	Laps (9)	Jr.G. (2)	Laps (9)	Jr.G. (2)	Laps (9)	Jr.G. (2)	Laps (9)	Jr.G. (2)	Laps (11)		Laps (11)	
2-3	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)	
	(7)		(7)		(7)		(7)		(7)					
3-4	Laps (7)	Mavs (4)	Laps (7)	Mavs (4)	Laps (11)		Laps (7)	Mavs (4)	Laps (7)	Mavs (4)	Laps (11)		Laps (11)	
4-5	L (3)	SOLO (4)	Mavs (4)	L (3)	SOLO (4)	Mavs (4)	L (3)	SOLO (4)	Mavs (4)	L (3)	SOLO (4)	Mavs (4)	Laps (11)	Laps (11)
5-6	L (3)		L (3)		L (3)		L (3)		L (3)		Laps (11)		Laps (11)	
6-7	L (3)	Mavs (8)		L (3)	Mavs (8)		L (3)	Mavs (8)		L (3)	Mavs (8)			
7-8	Laps (3)	Tri (4)	Mavs (4)	Mavs (3)	Laps (3)	MM (5)	O (1)	L (2)	Polo (8)	Mavs (3)	Laps (3)	MM (5)	Laps (11)	

## Mark your Calendar:

Baby Pool

Monday – Sunday 10:00am – 6:00pm

☺ Labor Day, Monday, Sept. 7: Menlo Swim School will be **closed** for the holiday. There will be no Menlo Swim School swimming lessons or Menlo Mavericks practice.

☺ Labor Day, Monday, Sept. 7: The Burgess Pools will close @ 5pm! Extended Open Swimming starts at 10am!

### \*\*Please note\*\*

• Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students and other programs.

• We reserve the right to make any schedule alterations, including on warm days and holiday **Updated July 31**



# Menlo Swim & Sport Pool Schedule: September 2015

Post Summer Season: Mon., Aug. 31 – Sun., Sept. 27

## Instructional Pool - 87°

L = Laps, O = Open Swim, AF = Aqua Fit, SS = Swim School, M = Mavericks, TNT = Leukemia & Lymphoma Society, CM = Camp Menlo

	MON	TUE	WED	THU	FRI	SAT	SUN
5-6							
6-7	Laps (6)	Laps (6)	Laps (6)	Laps (6)	Laps (6)		
7-8	Laps (6)	Laps (6)	Laps (6)	Laps (6)	Laps (6)	TNT (6)	
8-9	Aqua Fit (4) L (2)	Aqua Fit (4) L (2)	Aqua Fit (4) L (2)	Aqua Fit (4) L (2)	Aqua Fit (4) L (2)	TNT (6)	Aqua Fit (4) L (2)
9-10	SS (2) Laps (4)	SS (2) Laps (1) Aqua Fit (3)	SS (2) Laps (4)	SS (2) Laps (1) Aqua Fit (3)	SS (2) Laps (4)	School (6)	School (6)
10-11	SS (2) Laps (4)	SS (2) Laps (2) Aqua Fit (2)	SS (2) Laps (4)	SS (2) Laps (2) Aqua Fit (2)	SS (2) Laps (4)	School (6)	School (6)
11-12	SS (2) Laps (4)	SS (2) Laps (4)	SS (2) Laps (4)	SS (2) Laps (4)	SS (2) Laps (4)	School (6)	School (6)
12-1	Laps (4) O (2)	Laps (4) O (2)	Laps (4) O (2)	Laps (4) O (2)	Laps (4) O (2)	School (6)	School (4) O (2)
1-2	Laps (4) O (2)	Laps (4) O (2)	Laps (4) O (2)	Laps (4) O (2)	Laps (4) O (2)	School (4) O (2)	School (4) O (2)
2-3	School (4) O (2)	School (4) O (2)	School (4) O (2)	School (4) O (2)	School (4) O (2)	Laps (2) Open (4)	Laps (2) Open (4)
3-4	School (4) O (2)	School (4) O (2)	School (4) O (2)	School (4) O (2)	School (4) O (2)	Laps (2) Open (4)	Laps (2) Open (4)
4-5	School (3) M (3)	School (3) M (3)	School (3) M (3)	School (3) M (3)	School (4) M (3)	Laps (2) Open (4)	Laps (2) Open (4)
5-6	School (3) M (3)	School (3) M (3)	School (3) M (3)	School (3) M (3)	School (4) M (3)	Laps (2) Open (4)	Laps (2) Open (4)
6-7	School (3) M (3)	School (3) M (3)	School (3) M (3)	School (3) M (3)	School (3) M (3)		
6:45		O (2)			O (2)		
7-8	Laps (3) Open (3)	Aqua Fit (4) O (2)	TNT (6)	Aqua Fit (4) O (2)			

Please call 650-328-SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Performance Pool - 80°

L = Laps, O = Open Swim, SA = SOLO Aquatics, Mavs = Mavericks, TNT = Leukemia & Lymphoma Society, AF = Aqua Fit, MM = Menlo Masters, Jr. Grd = Junior Lifeguard

	MON		TUE		WED		THU		FRI		SAT		SUN		
5-6															
6-7	(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		Masters (11)				
7-8	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (11)		Masters (11)		
8-9	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Masters (11)		Polo (9)	L (2)	
9-10	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		TNT (11)		Polo (9)	L (2)	
10-11	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (9)	O (2)
11-12	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (9)	O (2)
12-1	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Laps (9)	O (2)	Laps (11)		
1-2	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
2-3	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
3-4	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
4-5	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	Laps (11)		Laps (11)		
5-6	L (3)		L (3)		L (3)		L (3)		L (3)		Laps (11)		Laps (11)		
6-7	Lap (3)	Mavs (8)	Lap (3)	Mavs (8)	Lap (3)	Mavs (8)	Lap (3)	Mavs (8)	Lap (3)	Mavs (8)					
7-8	Laps (3)	TRI (4)	Mavs (4)	Lap (3)	Mavs (4)	MM (4)	Lap (3)	Polo (8)	Lap (3)	Mavs (4)	MM (4)				
8-10			Underwater Hockey					Underwater Hockey							

## Mark your Calendar:

Baby Pool

Monday – Friday 11:00am – 1:00pm

Saturday – Sunday 10:00am – 6:00pm

☺ Labor Day, Monday, Sept. 7: Menlo Swim School will be **closed** for the holiday.

There will be no Menlo Swim School swimming lessons or Menlo Mavericks practice.

☺ Labor Day, Monday, Sept. 7: The Burgess Pools will **close @ 5pm!** Extended Open Swimming starts at 10am!

### \*\*Please note\*\*

- Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students and other programs.
- We reserve the right to make any schedule alterations, including on warm days and holiday **Updated Sept. 1**





# Menlo Swim & Sport Pool Schedule: October 2015

Non Summer Schedule: Mon., Sept. 28, 2015 – May, 2016

## Instructional Pool - 87°

L = Laps, O = Open Swim, AF = Aqua Fit, SS = Swim School, M = Mavericks, TNT = Leukemia & Lymphoma Society, CM = Camp Menlo, MBL = Members Only Lap Swim

	MON		TUE		WED		THU		FRI		SAT		SUN		
5-6															
6-7	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)		Members Only Lap Swim (6)				
7-8	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)		TNT (6)				
8-9	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	TNT (6)		Aqua Fit (4)	L (2)	
9-10	SS (2)	Lap (1)	Aqua Fit (3)	SS (2)	Laps (4)	SS (2)	Lap (1)	Aqua Fit (3)	SS (2)	Laps (4)	SS (2)	Lap (1)	Aqua Fit (3)	School (6)	School (6)
10-11	SS (2)	Laps (2)	Aqua Fit (2)	SS (2)	Laps (4)	SS (2)	Laps (2)	Aqua Fit (2)	SS (2)	Laps (4)	SS (2)	Laps (2)	Aqua Fit (2)	School (6)	School (6)
11-12	SS (2)	Laps (4)		SS (2)	Laps (4)		SS (2)	Laps (4)		SS (2)	Laps (4)		School (6)	School (6)	
12-1	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	School (6)		School (4)	O (2)	
1-2	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	School (4)	O (2)	School (4)	O (2)	
2-3	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Laps (2)	Open (4)	Laps (2)	Open (4)	
3-4	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Laps (2)	Open (4)	Laps (2)	Open (4)	
4-5	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	Laps (2)	Open (4)	Laps (2)	Open (4)	
5-6	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)					
6-7	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)					
6:45		O (2)		O (2)		O (2)		O (2)		O (2)					
7-8	Laps (3)	Open (3)	Aqua Fit (4)	O (2)	TNT (6)		Aqua Fit (4)	O (2)							

Please call 650-328-SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Performance Pool - 80°

L = Laps, O = Open Swim, SA = SOLO Aquatics, Mavs = Mavericks, TNT = Leukemia & Lymphoma Society, AF = Aqua Fit, MM = Menlo Masters, Jr. Grd = Junior Lifeguard, MBL = Members Only Lap Swim

	MON		TUE		WED		THU		FRI		SAT		SUN		
5-6															
6-7	(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		Masters (9)	MBL (2)			
7-8	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	MBL (2)	Masters (9)	MBL (2)	
8-9	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Masters (9)	L (2)	Polo (9)	L (2)	
9-10	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		TNT (11)		Polo (9)	L (2)	
10-11	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (9)	O (2)
11-12	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (9)	O (2)
12-1	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Laps (9)	O (2)	Laps (11)		
1-2	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
2-3	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
3-4	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
4-5	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	Laps (11)		Laps (11)		
5-6	L (3)		L (3)		L (3)		L (3)		L (3)						
6-7	Lap (3)	Mavs (8)	Lap (3)	Mavs (8)	Lap (3)	Mavs (8)	Lap (3)	Mavs (8)	Lap (3)	Mavs (8)					
7-8	Laps (7)	Mavs (4)	Lap (3)	Mavs (4)	MM (4)	Lap (3)	Polo (8)	Lap (3)	Mavs (4)	MM (4)					
8-10			Underwater Hockey		Underwater Hockey		Underwater Hockey								

## Mark your Calendar:

☺ The Baby Pool is now closed for the fall and winter seasons. The Baby Pool will re-open in May, 2016!

☺ Halloween, Saturday, October 31: Menlo Swim School - Swimming lessons will be provided.

### \*\*Please note\*\*

- Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students and other programs.
- We reserve the right to make any schedule alterations, including on warm days and holiday Updated Sept. 24



# Menlo Swim & Sport Pool Schedule: November 2015

Non Summer Schedule: Mon., Sept. 28, 2015 – May, 2016

## Instructional Pool - 87°

L = Laps, O = Open Swim, AF = Aqua Fit, SS = Swim School, M = Mavericks, TNT = Leukemia & Lymphoma Society, CM = Camp Menlo, MBL = Members Only Lap Swim

	MON		TUE		WED		THU		FRI		SAT		SUN		
5-6															
6-7	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)		Members Only Lap Swim (6)				
7-8	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)		TNT (6)				
8-9	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	Aqua Fit (4)	L (2)	TNT (6)		Aqua Fit (4)	L (2)	
9-10	SS (2)	Lap (1)	Aqua Fit (3)	SS (2)	Laps (4)	SS (2)	Lap (1)	Aqua Fit (3)	SS (2)	Laps (4)	SS (2)	Lap (1)	Aqua Fit (3)	School (6)	School (6)
10-11	SS (2)	Laps (2)	Aqua Fit (2)	SS (2)	Laps (4)	SS (2)	Laps (2)	Aqua Fit (2)	SS (2)	Laps (4)	SS (2)	Laps (2)	Aqua Fit (2)	School (6)	School (6)
11-12	SS (2)	Laps (4)		SS (2)	Laps (4)		SS (2)	Laps (4)		SS (2)	Laps (4)		School (6)	School (6)	
12-1	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	School (6)		School (4)	O (2)	
1-2	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	Laps (4)	O (2)	School (4)	O (2)	School (4)	O (2)	
2-3	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Laps (2)	Open (4)	Laps (2)	Open (4)	
3-4	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	School (4)	O (2)	Laps (2)	Open (4)	Laps (2)	Open (4)	
4-5	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	Laps (2)	Open (4)	Laps (2)	Open (4)	
5-6	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)					
6-7	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)	School (3)	M (3)					
6:45		O (2)		O (2)		O (2)		O (2)		O (2)					
7-8	Laps (3)	Open (3)	Aqua Fit (4)	O (2)	TNT (6)		Aqua Fit (4)	O (2)							

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# Performance Pool - 80°

L = Laps, O = Open Swim, SA = SOLO Aquatics, Mavs = Mavericks, TNT = Leukemia & Lymphoma Society, AF = Aqua Fit, MM = Menlo Masters, Jr. Grd = Junior Lifeguard, MBL = Members Only Lap Swim

	MON		TUE		WED		THU		FRI		SAT		SUN		
5-6															
6-7	(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		(11) Masters (9)		Masters (9)	MBL (2)			
7-8	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	MBL (2)	Masters (9)	MBL (2)	
8-9	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Masters (9)	L (2)	Polo (9)	L (2)	
9-10	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		TNT (11)		Polo (9)	L (2)	
10-11	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (9)	O (2)
11-12	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (9)	O (2)
12-1	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Laps (9)	O (2)	Laps (11)		
1-2	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
2-3	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
3-4	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
4-5	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	Laps (11)		Laps (11)		
5-6	L (3)		L (3)		L (3)		L (3)		L (3)						
6-7	Lap (3)	Mavs (8)	Lap (3)	Mavs (8)	Lap (3)	Mavs (8) Polo (8)	Lap (3)	Mavs (8)	Lap (3)	Mavs (8)					
7-8	Laps (7)	Mavs (4)	Lap (3)	Mavs (4)	MM (4)	Lap (3)	Polo (8)	Lap (3)	Mavs (4)	MM (4)					
8-10			Underwater Hockey		Underwater Hockey		Underwater Hockey								

## Mark your Calendar:

•Thursday, November 26, 2015 – CLOSED for Thanksgiving

•Friday, November 27, 2015

6:00am – 2:00pm = The Burgess Pool will close EARLY

## \*\*Please note\*\*

- Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students and other programs.
- We reserve the right to make any schedule alterations, including on warm days and holiday **Updated 11/01**



# Menlo Swim & Sport Pool Schedule: December 2015

Non Summer Schedule: Mon., Sept. 28, 2015 – May, 2016

## Instructional Pool - 87°

L = Laps, O = Open Swim, AF = Aqua Fit, SS = Swim School, M = Mavericks, TNT = Leukemia & Lymphoma Society, CM = Camp Menlo, MBL = Members Only Lap Swim

	MON		TUE		WED		THU		FRI		SAT		SUN	
5-6														
6-7	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)					
7-8	Laps (6)		Laps (6)		Laps (6)		Laps (6)		Laps (6)		TNT (6)			
8-9	Aqua Fit (4)		L (2)		Aqua Fit (4)		L (2)		Aqua Fit (4)		L (2)		TNT (6)	
													Aqua Fit (4)	
9-10	SS (2)		Lap (1)		Aqua Fit (3)		SS (2)		Laps (4)		SS (2)		Lap (1)	
													Aqua Fit (3)	
10-11	SS (2)		Laps (2)		Aqua Fit (2)		SS (2)		Laps (4)		SS (2)		Laps (2)	
													Aqua Fit (2)	
11-12	SS (2)		Laps (4)		SS (2)		Laps (4)		SS (2)		Laps (4)		School (6)	
													School (6)	
12-1	Laps (4)		O (2)		Laps (4)		O (2)		Laps (4)		O (2)		School (6)	
													School (4)	
1-2	Laps (4)		O (2)		Laps (4)		O (2)		Laps (4)		O (2)		School (4)	
													O (2)	
2-3	School (4)		O (2)		School (4)		O (2)		School (4)		O (2)		Laps (2)	
													Open (4)	
3-4	School (4)		O (2)		School (4)		O (2)		School (4)		O (2)		Laps (2)	
													Open (4)	
4-5	School (3)		M (3)		School (3)		M (3)		School (3)		M (3)		Laps (2)	
													Open (4)	
5-6	School (3)		M (3)		School (3)		M (3)		School (3)		M (3)			
6-7	School (3)		M (3)		School (3)		M (3)		School (3)		M (3)			
6:45			O (2)				O (2)							
7-8	Laps (3)		Open (3)		Aqua Fit (4)		O (2)		TNT (6)		Aqua Fit (4)		O (2)	

Please call 650-328-SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Performance Pool - 80°

L = Laps, O = Open Swim, SA = SOLO Aquatics, Mavs = Mavericks, TNT = Leukemia & Lymphoma Society, AF = Aqua Fit, MM = Menlo Masters, Jr. Grd = Junior Lifeguard, MBL = Members Only Lap Swim

	MON		TUE		WED		THU		FRI		SAT		SUN		
5-6															
6-7	Masters (11)*		Masters (11)*		Masters (11)*		Masters (11)*		Masters (11)*		Masters (9)	MBL (2)			
7-8	Masters (11)*		Masters (11)*		Masters (11)*		Masters (11)*		Masters (11)*		Masters (9)	MBL (2)	Masters (9)	MBL (2)	
8-9	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Masters (9)	L (2)	Polo (9)	L (2)	
9-10	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		TNT (11)		Polo (9)	L (2)	
10-11	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (9)	O (2)
11-12	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (5)	Mavs (4)	O (2)	Laps (9)	O (2)
12-1	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Masters (9)	L (2)	Laps (9)	O (2)	Laps (11)		
1-2	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
2-3	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
3-4	Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		Laps (11)		
4-5	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	L (3)	SOLO (8)	Laps (11)		Laps (11)		
5-6	L (3)		L (3)		L (3)		L (3)		L (3)						
6-7	Lap (3)	Mavs (8)	Lap (3)	Mavs (8)	Lap (3)	Mavs (8)	Lap (3)	Mavs (8)	Lap (3)	Mavs (8)					
7-8	Laps (7)	Mavs (4)	Lap (3)	Mavs (4)	MM (4)	Lap (3)	Polo (8)	Lap (3)	Mavs (4)	MM (4)					
8-10			Underwater Hockey		Underwater Hockey		Underwater Hockey								

## Mark your Calendar:

•Thursday, December 24, 2015 Christmas Eve  
6:00am – 2:00pm  
Solo Aquatics 12:30pm – 2:00pm = Six lanes in the Performance Pool

•Friday, December 25, 2015 Christmas  
CLOSED

•Saturday, December 26, 2015  
6:00am – 2:00pm

### \*\*Please note\*\*

- Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students and other programs.
- We reserve the right to make any schedule alterations, including on warm days and holiday Updated 12/01

•Sunday, December 27, 2015  
7:00am – 2:00pm

•Thursday, December 31 New Year's Eve  
6:00am – 2:00pm  
Solo Aquatics 12:30pm – 2:00pm = Six lanes in the Performance Pool

•Friday, January 1, 2016 New Year's Day  
CLOSED

•Saturday, January 2, 2016  
6:00am – 2:00pm



# Lap Lane Availability

## January 2015

Non Summer Season: Mon., Sept. 29 – May, 2015



### Instructional Pool 87° 25 Yards (6 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6 - 7	6	6	6	6	6	-	-
7-7:50	6	6	6	6	6	-	-
7:50	2	2	2	2	2	-	-
8 - 9	2	2	2	2	2	-	2
9 - 10	4	1	4	1	4	-	-
10 - 11	4	2	4	2	4	∅	∅
11 - 12	4	4	4	4	4	∅	∅
12-1	4	4	4	4	4	∅	∅
1 - 1:45	4	4	4	4	4	∅	∅
1:45 - 2	∅	∅	∅	∅	∅	∅	∅
2-3	∅	∅	∅	∅	∅	2	2
3 - 4	∅	∅	∅	∅	∅	2	2
4 - 5	∅	∅	∅	∅	∅	2	2
5 - 6	∅	∅	∅	∅	∅	-	-
6 - 7	∅	∅	∅	∅	∅	-	-
7 - 8	3	∅	∅	∅	∅	-	-

### Performance Pool 80° 25 Yards (11 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6-6:45						-	-
6:45-7	2	2	2	2	2	-	-
7-8	2	2	2	2	2	-	-
8-9	11	11	11	11	11	-	2
9-10	11	11	11	11	11	-	2
10-11	11	11	11	11	11	5	9
11-12	11	11	11	11	11	5	9
12-1	2	2	2	2	2	9	11
1-2	11	11	11	11	11	11	11
2-3	11	11	11	11	11	11	11
3-4	11	11	11	11	11	11	11
4-5	3	3	3	3	3	11	11
5-6	3	3	3	3	3	-	-
6-7	3	3	3	3	3	-	-
7-8	7	3	3	3	-	-	-

Short Course: 25 Yards (70 lengths of the pool = 1 mile)

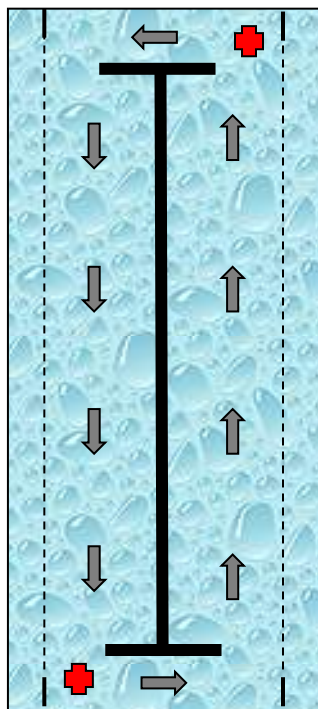
Changes to Lap Lane Availability:

☺ **Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students**

☺ **We reserve the right to make any schedule alterations, including warm days and holidays**

Please call 650- 328- SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Lap Pool Etiquette



## Circle Swim Diagram

When sharing a lane with others, keep to your right and swim in a circular pattern as shown above.

## Sharing the Lane

- Two swimmers should split the lane, each one swimming on one side.
- Three swimmers or more should swim circling counterclockwise.

## Capacity

- Five swimmers per lane.

## Passing

- Pass on the left.
- Alert the person in front of you by tapping their foot before passing.

## Entering

- Always enter feet first and wait until all swimmers have made the turn and pushed off.

## Stopping/Resting

- Squeeze into the corner to the right of oncoming swimmers.

## Speed

- Attempt to enter a lane with swimmers that match your projected speed, so all swimmers can flow and have a positive experience.



## Non-Summer Season Hours:

Mon. Sept. 29, 2014 – May, 2015

Monday – Thursday	6:00am – 8:00pm
Friday	6:00am – 7:00pm
Saturday	10:00am – 5:00pm
Sunday	9:00am – 5:00pm

## **Menlo Swim and Sport**

**(650) 328-5WIM • [www.menloswim.com](http://www.menloswim.com)**

## Lap Swimming Pricing:

### **Menlo Park Resident**

\$46 per month  
\$132 per quarter  
\$6 per drop-in visit

### **Non-Resident**

\$52 per month  
\$147 per quarter  
\$7 per drop-in visit

### **Menlo Park Resident and Student/Senior**

\$5 per drop-in visit

### **Non-Resident and Student/Senior**

\$6 per drop-in visit

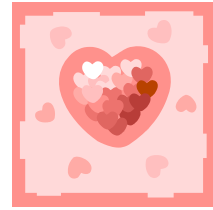
There is a 30% discount off of the membership rate for seniors who are 65 and older. To be eligible for the 30% student discount, you must be enrolled full time at an accredited high school, secondary, or vocational school.





# Lap Lane Availability

## February 2015



Non Summer Season: Mon., Sept. 29 – May, 2015

### Instructional Pool 87° 25 Yards (6 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6 - 7	6	6	6	6	6	-	-
7-7:50	6	6	6	6	6	-	-
7:50	2	2	2	2	2	-	-
8 - 9	2	2	2	2	2	-	2
9 - 10	4	1	4	1	4	-	-
10 - 11	4	2	4	2	4	∅	∅
11 - 12	4	4	4	4	4	∅	∅
12-1	4	4	4	4	4	∅	∅
1 – 1:45	4	4	4	4	4	∅	∅
1:45 - 2	∅	∅	∅	∅	∅	∅	∅
2-3	∅	∅	∅	∅	∅	2	2
3 - 4	∅	∅	∅	∅	∅	2	2
4 - 5	∅	∅	∅	∅	∅	2	2
5 - 6	∅	∅	∅	∅	∅	-	-
6 - 7	∅	∅	∅	∅	∅	-	-
7 - 8	3	∅	∅	∅	∅	-	-

### Performance Pool 80° 25 Yards (11 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6-6:45						-	-
6:45-7	2	2	2	2	2	-	-
7-8	2	2	2	2	2	-	-
8-9	11	11	11	11	11	-	2
9-10	11	11	11	11	11	-	2
10-11	11	11	11	11	11	5	9
11-12	11	11	11	11	11	5	9
12-1	2	2	2	2	2	9	11
1-2	11	11	11	11	11	11	11
2-3	11	11	11	11	11	11	11
3-4	11	11	11	11	11	11	11
4-5	3	3	3	3	3	11	11
5-6	3	3	3	3	3	-	-
6-7	3	3	3	3	3	-	-
7-8	7	3	3	3	-	-	-

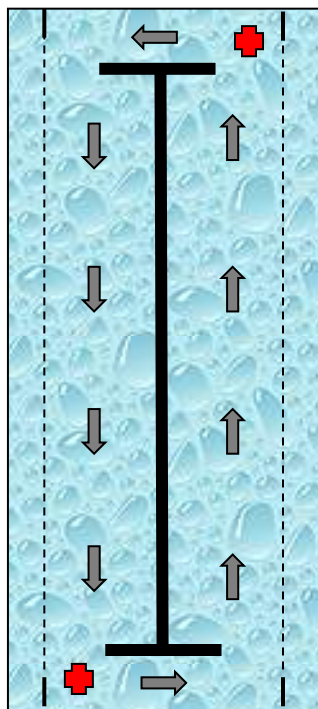
Short Course: 25 Yards (70 lengths of the pool = 1 mile)

Changes to Lap Lane Availability:

- ☺ **Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students**
- ☺ **We reserve the right to make any schedule alterations, including warm days and holidays**

Please call 650- 328- SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Lap Pool Etiquette



## Circle Swim Diagram

When sharing a lane with others, keep to your right and swim in a circular pattern as shown above.

## Sharing the Lane

- Two swimmers should split the lane, each one swimming on one side.
- Three swimmers or more should swim circling counterclockwise.

## Capacity

- Five swimmers per lane.

## Passing

- Pass on the left.
- Alert the person in front of you by tapping their foot before passing.

## Entering

- Always enter feet first and wait until all swimmers have made the turn and pushed off.

## Stopping/Resting

- Squeeze into the corner to the right of oncoming swimmers.

## Speed

- Attempt to enter a lane with swimmers that match your projected speed, so all swimmers can flow and have a positive experience.



## Non-Summer Season Hours:

Mon. Sept. 29, 2014 – May, 2015

Monday – Thursday	6:00am – 8:00pm
Friday	6:00am – 7:00pm
Saturday	10:00am – 5:00pm
Sunday	9:00am – 5:00pm

## **Menlo Swim and Sport**

**(650) 328-5WIM • [www.menloswim.com](http://www.menloswim.com)**

## Lap Swimming Pricing:

### Menlo Park Resident

\$47 per month  
\$135 per quarter  
\$6 per drop-in visit

### Non-Resident

\$54 per month  
\$153 per quarter  
\$7 per drop-in visit

### Menlo Park Resident and Student/Senior

\$5 per drop-in visit

### Non-Resident and Student/Senior

\$6 per drop-in visit

There is a 25% discount off of the membership rate for seniors who are 65 and older. To be eligible for the 25% student discount, you must be enrolled full time at an accredited high school, secondary, or vocational school.



# Lap Lane Availability March 2015



Non Summer Season: Mon., Sept. 29 – May, 2015

Instructional Pool 87° 25 Yards (6 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6 - 7	6	6	6	6	6	-	-
7-7:50	6	6	6	6	6	-	-
7:50	2	2	2	2	2	-	-
8 - 9	2	2	2	2	2	-	2
9 - 10	4	1	4	1	4	-	-
10 - 11	4	2	4	2	4	∅	∅
11 - 12	4	4	4	4	4	∅	∅
12-1	4	4	4	4	4	∅	∅
1 - 1:45	4	4	4	4	4	∅	∅
1:45 - 2	∅	∅	∅	∅	∅	∅	∅
2-3	∅	∅	∅	∅	∅	2	2
3 - 4	∅	∅	∅	∅	∅	2	2
4 - 5	∅	∅	∅	∅	∅	2	2
5 - 6	∅	∅	∅	∅	∅	-	-
6 - 7	∅	∅	∅	∅	∅	-	-
7 - 8	3	∅	∅	∅	∅	-	-

Performance Pool 80° 25 Yards (11 Lanes)

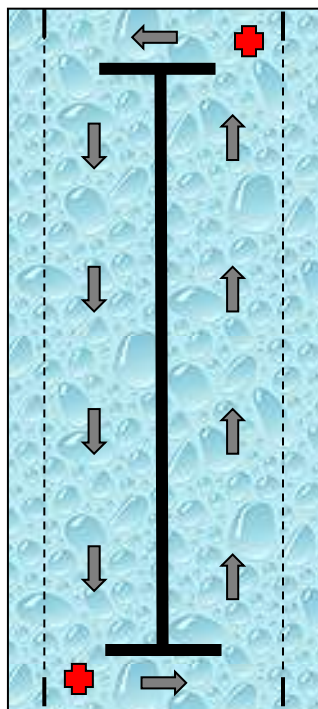
	MON	TUE	WED	THU	FRI	SAT	SUN
6-6:45						-	-
6:45-7	2	2	2	2	2	-	-
7-8	2	2	2	2	2	-	-
8-9	11	11	11	11	11	-	2
9-10	11	11	11	11	11	-	2
10-11	11	11	11	11	11	5	9
11-12	11	11	11	11	11	5	9
12-1	2	2	2	2	2	9	11
1-2	11	11	11	11	11	11	11
2-3	11	11	11	11	11	11	11
3-4	11	11	11	11	11	11	11
4-5	3	3	3	3	3	11	11
5-6	3	3	3	3	3	-	-
6-7	3	3	3	3	3	-	-
7-8	7	3	3	3	-	-	-

Short Course: 25 Yards (70 lengths of the pool = 1 mile)  
**Saturday, March 7 – Starting at 2:00pm the Instructional Pool will be closed for the Air Dome deconstruction. Open Swim will be available in the Performance Pool.**

Changes to Lap Lane Availability:  
 ☺ **Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students**  
 ☺ **We reserve the right to make any schedule alterations, including warm days and holidays**

Please call 650- 328- SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Lap Pool Etiquette



## Circle Swim Diagram

When sharing a lane with others, keep to your right and swim in a circular pattern as shown above.

## Sharing the Lane

- Two swimmers should split the lane, each one swimming on one side.
- Three swimmers or more should swim circling counterclockwise.

## Capacity

- Five swimmers per lane.

## Passing

- Pass on the left.
- Alert the person in front of you by tapping their foot before passing.

## Entering

- Always enter feet first and wait until all swimmers have made the turn and pushed off.

## Stopping/Resting

- Squeeze into the corner to the right of oncoming swimmers.

## Speed

- Attempt to enter a lane with swimmers that match your projected speed, so all swimmers can flow and have a positive experience.



## Non-Summer Season Hours:

Mon. Sept. 29, 2014 – May, 2015

Monday – Thursday	6:00am – 8:00pm
Friday	6:00am – 7:00pm
Saturday	10:00am – 5:00pm
Sunday	9:00am – 5:00pm

## **Menlo Swim and Sport**

**(650) 328-5WIM • [www.menloswim.com](http://www.menloswim.com)**

## Lap Swimming Pricing:

### **Menlo Park Resident**

\$47 per month  
\$135 per quarter  
\$6 per drop-in visit

### **Non-Resident**

\$54 per month  
\$153 per quarter  
\$7 per drop-in visit

### **Menlo Park Resident and Student/Senior**

\$5 per drop-in visit

### **Non-Resident and Student/Senior**

\$6 per drop-in visit

There is a 25% discount off of the membership rate for seniors who are 65 and older. To be eligible for the 25% student discount, you must be enrolled full time at an accredited high school, secondary, or vocational school.



# Lap Lane Availability

## April 2015

Non Summer Season: through May, 2015



### Instructional Pool 87° 25 Yards (6 Lanes)

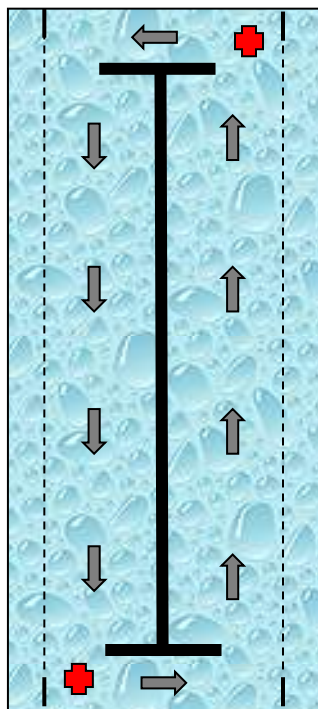
	MON	TUE	WED	THU	FRI	SAT	SUN
6 - 7	6	6	6	6	6	-	-
7-7:50	6	6	6	6	6	-	-
7:50	2	2	2	2	2	-	-
8 - 9	2	2	2	2	2	-	2
9 - 10	4	1	4	1	4	-	-
10 - 11	4	2	4	2	4	∅	∅
11 - 12	4	4	4	4	4	∅	∅
12-1	4	4	4	4	4	∅	∅
1 - 1:45	4	4	4	4	4	∅	∅
1:45 - 2	∅	∅	∅	∅	∅	∅	∅
2-3	∅	∅	∅	∅	∅	2	2
3 - 4	∅	∅	∅	∅	∅	2	2
4 - 5	∅	∅	∅	∅	∅	2	2
5 - 6	∅	∅	∅	∅	∅	-	-
6 - 7	∅	∅	∅	∅	∅	-	-
7 - 8	3	∅	∅	∅	∅	-	-

### Performance Pool 80° 25 Yards (11 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6-6:45						-	-
6:45-7	2	2	2	2	2	-	-
7-8	2	2	2	2	2	-	-
8-9	11	11	11	11	11	-	2
9-10	11	11	11	11	11	-	2
10-11	11	11	11	11	11	5	9
11-12	11	11	11	11	11	5	9
12-1	2	2	2	2	2	9	11
1-2	11	11	11	11	11	11	11
2-3	11	11	11	11	11	11	11
3-4	11	11	11	11	11	11	11
4-5	3	3	3	3	3	11	11
5-6	3	3	3	3	3	-	-
6-7	3	3	3	3	3	-	-
7-8	7	3	3	3	-	-	-

Short Course: 25 Yards (70 lengths of the pool = 1 mile)  
 ☺ **Sunday, April 5<sup>th</sup>** Menlo Swim and Sport will be **CLOSED** in observance of the Easter holiday.  
 Changes to Lap Lane Availability:  
 ☺ **Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students**  
 ☺ **We reserve the right to make any schedule alterations, including warm days and holidays**  
 Please call 650- 328- SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Lap Pool Etiquette



## Circle Swim Diagram

When sharing a lane with others, keep to your right and swim in a circular pattern as shown above.

## Sharing the Lane

- Two swimmers should split the lane, each one swimming on one side.
- Three swimmers or more should swim circling counterclockwise.

## Capacity

- Five swimmers per lane.

## Passing

- Pass on the left.
- Alert the person in front of you by tapping their foot before passing.

## Entering

- Always enter feet first and wait until all swimmers have made the turn and pushed off.

## Stopping/Resting

- Squeeze into the corner to the right of oncoming swimmers.

## Speed

- Attempt to enter a lane with swimmers that match your projected speed, so all swimmers can flow and have a positive experience.



## Non-Summer Season Hours:

Mon. Sept. 29, 2014 – May, 2015

Monday – Thursday	6:00am – 8:00pm
Friday	6:00am – 7:00pm
Saturday	10:00am – 5:00pm
Sunday	9:00am – 5:00pm

## **Menlo Swim and Sport**

**(650) 328-5WIM • [www.menloswim.com](http://www.menloswim.com)**

## Lap Swimming Pricing:

### **Menlo Park Resident**

\$47 per month  
\$135 per quarter  
\$6 per drop-in visit

### **Non-Resident**

\$54 per month  
\$153 per quarter  
\$7 per drop-in visit

### **Menlo Park Resident and Student/Senior**

\$5 per drop-in visit

### **Non-Resident and Student/Senior**

\$6 per drop-in visit

There is a 25% discount off of the membership rate for seniors who are 65 and older. To be eligible for the 25% student discount, you must be enrolled full time at an accredited high school, secondary, or vocational school.



# Lap Lane Availability

## May 2015

Hours through Sunday, June 14



### Instructional Pool 87° 25 Yards (6 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6 - 7	6	6	6	6	6	-	-
7-7:50	6	6	6	6	6	-	-
7:50	2	2	2	2	2	-	-
8 - 9	2	2	2	2	2	-	2
9 - 10	4	1	4	1	4	-	-
10 - 11	4	2	4	2	4	∅	∅
11 - 12	4	4	4	4	4	∅	∅
12-1	4	4	4	4	4	∅	∅
1 - 1:45	4	4	4	4	4	∅	∅
1:45 - 2	∅	∅	∅	∅	∅	∅	∅
2-3	∅	∅	∅	∅	∅	2	2
3 - 4	∅	∅	∅	∅	∅	2	2
4 - 5	∅	∅	∅	∅	∅	2	2
5 - 6	∅	∅	∅	∅	∅	2	2
6 - 7	∅	∅	∅	∅	∅	-	-
7 - 8	3	∅	∅	∅	∅	-	-

### Performance Pool 80° 25 Yards (11 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6-6:45						-	-
6:45-7	2	2	2	2	2	-	-
7-8	2	2	2	2	2	-	-
8-9	11	11	11	11	11	-	2
9-10	11	11	11	11	11	-	2
10-11	11	11	11	11	11	5	9
11-12	11	11	11	11	11	5	9
12-1	2	2	2	2	2	9	11
1-2	11	11	11	11	11	11	11
2-3	11	11	11	11	11	11	11
3-4	11	11	11	11	11	11	11
4-5	3	3	3	3	3	11	11
5-6	3	3	3	3	3	11	11
6-7	3	3	3	3	3	-	-
7-8	7	3	3	3	-	-	-

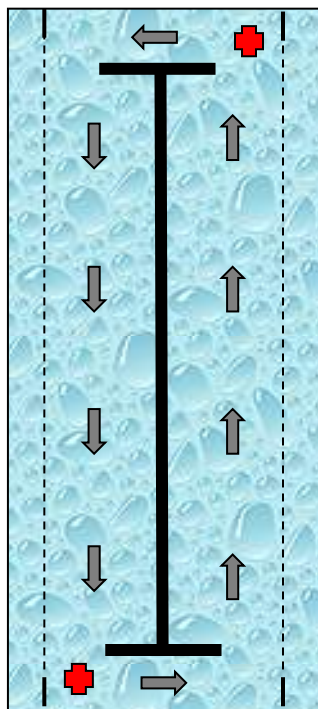
Short Course: 25 Yards (70 lengths of the pool = 1 mile)

Changes to Lap Lane Availability:

- ☺ **Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students**
- ☺ **We reserve the right to make any schedule alterations, including warm days and holidays**

Please call 650- 328- SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Lap Pool Etiquette



## Circle Swim Diagram

When sharing a lane with others, keep to your right and swim in a circular pattern as shown above.

## Sharing the Lane

- Two swimmers should split the lane, each one swimming on one side.
- Three swimmers or more should swim circling counterclockwise.

## Capacity

- Five swimmers per lane.

## Passing

- Pass on the left.
- Alert the person in front of you by tapping their foot before passing.

## Entering

- Always enter feet first and wait until all swimmers have made the turn and pushed off.

## Stopping/Resting

- Squeeze into the corner to the right of oncoming swimmers.

## Speed

- Attempt to enter a lane with swimmers that match your projected speed, so all swimmers can flow and have a positive experience.



## Pre-Summer Season Hours:

Hours through Sunday, June 14

Monday – Thursday	6:00am – 8:00pm
Friday	6:00am – 7:00pm
Saturday	10:00am – 6:00pm
Sunday	9:00am – 6:00pm

## **Menlo Swim and Sport**

**(650) 328-5WIM • [www.menloswim.com](http://www.menloswim.com)**

## Lap Swimming Pricing:

### Menlo Park Resident

\$47 per month  
\$135 per quarter  
\$6 per drop-in visit

### Non-Resident

\$54 per month  
\$153 per quarter  
\$7 per drop-in visit

### Menlo Park Resident and Student/Senior

\$5 per drop-in visit

### Non-Resident and Student/Senior

\$6 per drop-in visit

There is a 25% discount off of the membership rate for seniors who are 65 and older. To be eligible for the 25% student discount, you must be enrolled full time at an accredited high school, secondary, or vocational school.





# Lap Lane Availability

## June 1-14, 2015

Hours through Sunday, June 14



### Instructional Pool 87° 25 Yards (6 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6 - 7	6	6	6	6	6	-	-
7-7:50	6	6	6	6	6	-	-
7:50	2	2	2	2	2	-	-
8 - 9	2	2	2	2	2	-	2
9 - 10	4	1	4	1	4	-	-
10 - 11	4	2	4	2	4	∅	∅
11 - 12	4	4	4	4	4	∅	∅
12-1	4	4	4	4	4	∅	∅
1 - 1:45	4	4	4	4	4	∅	∅
1:45 - 2	∅	∅	∅	∅	∅	∅	∅
2-3	∅	∅	∅	∅	∅	2	2
3 - 4	∅	∅	∅	∅	∅	2	2
4 - 5	∅	∅	∅	∅	∅	2	2
5 - 6	∅	∅	∅	∅	∅	2	2
6 - 7	∅	∅	∅	∅	∅	-	-
7 - 8	3	∅	∅	∅	∅	-	-

### Performance Pool 80° 25 Yards (11 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6-6:45						-	-
6:45-7	2	2	2	2	2	-	-
7-8	2	2	2	2	2	-	-
8-9	11	11	11	11	11	-	2
9-10	11	11	11	11	11	-	2
10-11	11	11	11	11	11	5	9
11-12	11	11	11	11	11	5	9
12-1	2	2	2	2	2	9	11
1-2	11	11	11	11	11	11	11
2-3	11	11	11	11	11	11	11
3-4	11	11	11	11	11	11	11
4-5	3	3	3	3	3	11	11
5-6	3	3	3	3	3	11	11
6-7	3	3	3	3	3	-	-
7-8	3	3	3	3	-	-	-

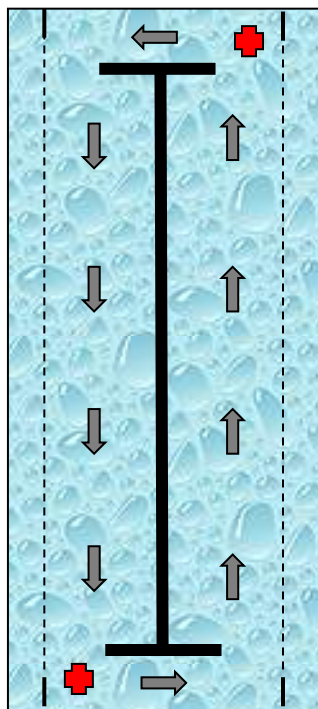
Short Course: 25 Yards (70 lengths of the pool = 1 mile)

Changes to Lap Lane Availability:

- ☺ **Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students**
- ☺ **We reserve the right to make any schedule alterations, including warm days and holidays**

Please call 650- 328- SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Lap Pool Etiquette



## Circle Swim Diagram

When sharing a lane with others, keep to your right and swim in a circular pattern as shown above.

## Sharing the Lane

- Two swimmers should split the lane, each one swimming on one side.
- Three swimmers or more should swim circling counterclockwise.

## Capacity

- Five swimmers per lane.

## Passing

- Pass on the left.
- Alert the person in front of you by tapping their foot before passing.

## Entering

- Always enter feet first and wait until all swimmers have made the turn and pushed off.

## Stopping/Resting

- Squeeze into the corner to the right of oncoming swimmers.

## Speed

- Attempt to enter a lane with swimmers that match your projected speed, so all swimmers can flow and have a positive experience.



## Pre-Summer season:

Hours through Sunday, June 14

Monday – Thursday	6:00am – 8:00pm
Friday	6:00am – 7:00pm
Saturday	10:00am – 6:00pm
Sunday	8:00am – 6:00pm

## **Menlo Swim and Sport**

**(650) 328-5WIM • [www.menloswim.com](http://www.menloswim.com)**

## Lap Swimming Pricing:

### **Menlo Park Resident**

\$47 per month  
\$135 per quarter  
\$6 per drop-in visit

### **Non-Resident**

\$54 per month  
\$153 per quarter  
\$7 per drop-in visit

### **Menlo Park Resident and Student/Senior**

\$5 per drop-in visit

### **Non-Resident and Student/Senior**

\$6 per drop-in visit

There is a 25% discount off of the membership rate for seniors who are 65 and older. To be eligible for the 25% student discount, you must be enrolled full time at an accredited high school, secondary, or vocational school.



# Lap Lane Availability

## July 1-31, 2015

Summer season: June 15 – August 30, 2015



### Instructional Pool 87° 25 Yards (6 Lanes)

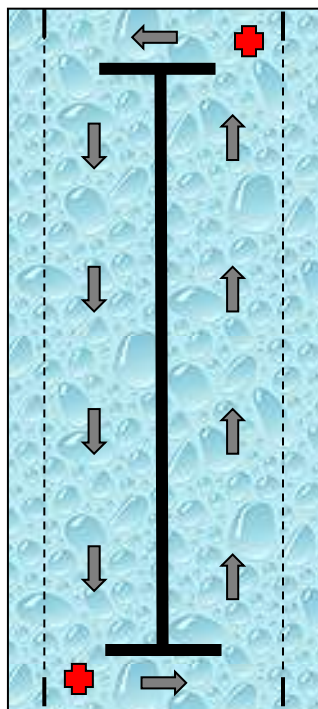
	MON	TUE	WED	THU	FRI	SAT	SUN
6 - 7	6	6	6	6	6	-	-
7-7:50	6	6	6	6	6	-	-
7:50	2	2	2	2	2	-	-
8 - 9	2	2	2	2	2	-	2
9 - 10	3	∅	3	∅	3	-	-
10 - 11	3	1	3	1	3	∅	∅
11 - 12	3	3	3	3	3	∅	∅
12-1	4	4	4	4	4	∅	∅
	2	2	2	2	2	∅	∅
1 - 2	∅	∅	∅	∅	∅	∅	∅
2 - 3	∅	∅	∅	∅	∅	1	1
3 - 4	∅	∅	∅	∅	∅	1	1
4 - 5	∅	∅	∅	∅	∅	1	1
5 - 6	∅	∅	∅	∅	∅	1	1
6 - 7	∅	∅	∅	∅	∅	-	-
7 - 8	3	∅	∅	∅	3	-	-

### Performance Pool 80° 25 Yards (11 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6-6:45						-	-
6:45-7	2	2	2	2	2	-	-
7-8	2	2	2	2	2	-	-
8-9	11	11	11	11	11	-	-
9-10	11	11	11	11	11	-	2
	9	9	9	9	9	-	2
10-11	9	9	9	9	9	5	11
11-12	11	11	11	11	11	5	11
	9	9	9	9	9	5	11
12-1	2	2	2	2	2	9	11
1-2	9	9	9	9	9	11	11
2-3	11	11	11	11	11	11	11
	7	7	11	7	7	11	11
3-4	7	7	11	7	7	11	11
4-5	3	3	3	3	3	11	11
5-6	3	3	3	3	3	11	11
6-7	3	3	3	3	3	-	-
7-8	3	3	2	3	11	-	-

Short Course: 25 Yards (70 lengths of the pool = 1 mile)  
 Changes to Lap Lane Availability:  
 ©Swim Meet: Tuesday, July 7: The Performance Pool will CLOSE and there will be no lap swimming starting at 3:30pm.  
 ©Saturday, July 4<sup>th</sup> for the Fourth of July holiday. The Burgess Pool will close early at 5:00pm in observance of the holiday.  
 ☺ **Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students**  
 ☺ **We reserve the right to make any schedule alterations, including warm days and holidays**  
 Please call 650- 328- SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Lap Pool Etiquette



## Circle Swim Diagram

When sharing a lane with others, keep to your right and swim in a circular pattern as shown above.

## Sharing the Lane

- Two swimmers should split the lane, each one swimming on one side.
- Three swimmers or more should swim circling counterclockwise.

## Capacity

- Five swimmers per lane.

## Passing

- Pass on the left.
- Alert the person in front of you by tapping their foot before passing.

## Entering

- Always enter feet first and wait until all swimmers have made the turn and pushed off.

## Stopping/Resting

- Squeeze into the corner to the right of oncoming swimmers.

## Speed

- Attempt to enter a lane with swimmers that match your projected speed, so all swimmers can flow and have a positive experience.



## Pre-Summer Season Hours:

Summer season: June 15 – August 30, 2015

Monday – Friday	6:00am – 8:00pm
Saturday	10:00am – 6:00pm
Sunday	8:00am – 6:00pm

## **Menlo Swim and Sport**

**(650) 328-5WIM • [www.menloswim.com](http://www.menloswim.com)**

## Lap Swimming Pricing:

### Menlo Park Resident

\$47 per month  
\$135 per quarter  
\$6 per drop-in visit

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### Menlo Park Resident and Student/Senior

\$5 per drop-in visit

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\$6 per drop-in visit

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# Lap Lane Availability

## August 1-16, 2015



Summer season: June 15 – August 30, 2015  
 Instructional Pool 87° 25 Yards (6 Lanes)

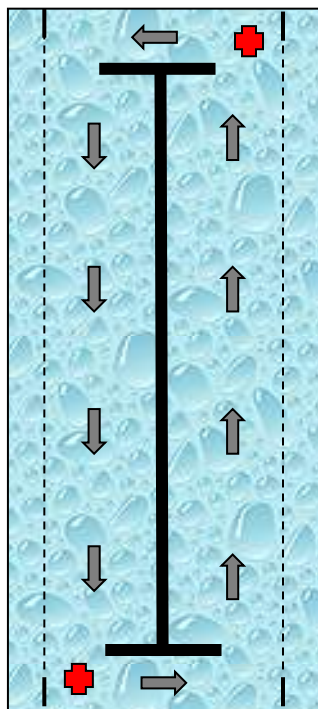
	MON	TUE	WED	THU	FRI	SAT	SUN
6 - 7	6	6	6	6	6	-	-
7-7:50	6	6	6	6	6	-	-
7:50	2	2	2	2	2	-	-
8 - 9	2	2	2	2	2	-	2
9 - 10	3	Ø	3	Ø	3	-	-
10 - 11	3	1	3	1	3	Ø	Ø
11 - 12	3	3	3	3	3	Ø	Ø
12-1	4	4	4	4	4	Ø	Ø
	2	2	2	2	2	Ø	Ø
1 - 2	Ø	Ø	Ø	Ø	Ø	Ø	Ø
2 - 3	Ø	Ø	Ø	Ø	Ø	1	1
3 - 4	Ø	Ø	Ø	Ø	Ø	1	1
4 - 5	Ø	Ø	Ø	Ø	Ø	1	1
5 - 6	Ø	Ø	Ø	Ø	Ø	1	1
6 - 7	Ø	Ø	Ø	Ø	Ø	-	-
7 - 8	3	Ø	Ø	Ø	3	-	-

### Performance Pool 80° 25 Yards (11 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6-6:45						-	-
6:45-7	2	2	2	2	2	-	-
7-8	2	2	2	2	2	-	-
8-9	11	11	11	11	11	-	-
9-10	11	11	11	11	11	-	2
	9	9	9	9	9	-	2
10-11	9	9	9	9	9	5	11
11-12	11	11	11	11	11	5	11
	9	9	9	9	9	5	11
12-1	2	2	2	2	2	9	11
1-2	9	9	9	9	9	11	11
2-3	11	11		11	11	11	11
	7	7	11	7	7	11	11
3-4	7	7	11	7	7	11	11
4-5	3	3	3	3	3	11	11
5-6	3	3	3	3	3	11	11
6-7	3	3	3	3	3	-	-
7-8	3	3	2	3	11	-	-

Short Course: 25 Yards (70 lengths of the pool = 1 mile)  
 Changes to Lap Lane Availability:  
 ☺ Labor Day, Monday, Sept. 7: Menlo Swim School will be **closed** for the holiday. There will be no Menlo Swim School swimming lessons or Menlo Mavericks practice.  
 ☺ Labor Day, Monday, Sept. 7: The Burgess Pools will **close @ 5pm!** Extended Open Swimming starts at 10am!  
 ☺ **Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students**  
 ☺ **We reserve the right to make any schedule alterations, including warm days and holidays**  
 Please call 650- 328- SWIM or visit [www.menloswim.com](http://www.menloswim.com) for updates and announcements.

# Lap Pool Etiquette



## Circle Swim Diagram

When sharing a lane with others, keep to your right and swim in a circular pattern as shown above.

## Sharing the Lane

- Two swimmers should split the lane, each one swimming on one side.
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## Capacity

- Five swimmers per lane.

## Passing

- Pass on the left.
- Alert the person in front of you by tapping their foot before passing.

## Entering

- Always enter feet first and wait until all swimmers have made the turn and pushed off.

## Stopping/Resting

- Squeeze into the corner to the right of oncoming swimmers.

## Speed

- Attempt to enter a lane with swimmers that match your projected speed, so all swimmers can flow and have a positive experience.



## Pre-Summer Season Hours:

Summer season: June 15 – August 30, 2015

Monday – Friday	6:00am – 8:00pm
Saturday	10:00am – 6:00pm
Sunday	8:00am – 6:00pm

## **Menlo Swim and Sport**

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## Lap Swimming Pricing:

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\$153 per quarter  
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### Menlo Park Resident and Student/Senior

\$5 per drop-in visit

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\$6 per drop-in visit

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# Lap Lane Availability

## September 1 - 30, 2015



Post Summer season: Mon. Aug. 31 – Sun. Sept.27, 2015  
 Instructional Pool 87° 25 Yards (6 Lanes)

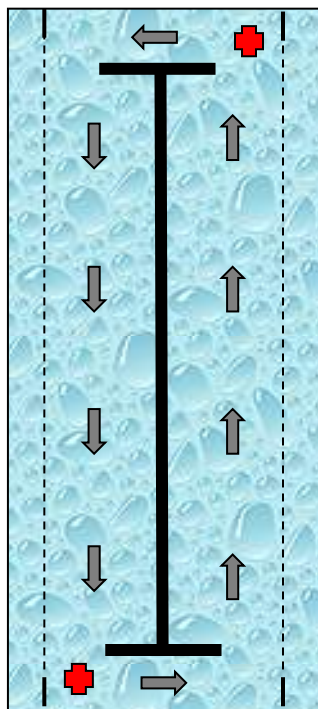
	MON	TUE	WED	THU	FRI	SAT	SUN
6 - 7	6	6	6	6	6	-	-
7-7:50	6	6	6	6	6	-	-
7:50	2	2	2	2	2	-	-
8 - 9	2	2	2	2	2	-	2
9 - 10	4	1	4	1	4	-	-
10 - 11	4	2	4	2	4	∅	∅
11 - 12	4	4	4	4	4	∅	∅
12-1	4	4	4	4	4	∅	∅
1 - 2	4	4	4	4	4	∅	∅
2 - 3	∅	∅	∅	∅	∅	2	2
3 - 4	∅	∅	∅	∅	∅	2	2
4 - 5	∅	∅	∅	∅	∅	2	2
5 - 6	∅	∅	∅	∅	∅	2	2
6 - 7	∅	∅	∅	∅	∅	-	-
7 - 8	3	∅	∅	∅	3	-	-

### Performance Pool 80° 25 Yards (11 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6-6:45						-	-
6:45-7	2	2	2	2	2	-	-
7-8	2	2	2	2	2	-	-
8-9	11	11	11	11	11	-	2
9-10	11	11	11	11	11	-	2
10-11	11	11	11	11	11	5	9
11-12	11	11	11	11	11	5	9
12-1	2	2	2	2	2	9	11
1-2	11	11	11	11	11	11	11
2-3	11	11	11	11	11	11	11
3-4	11	11	11	11	11	11	11
4-5	3	3	3	3	3	11	11
5-6	3	3	3	3	3	11	11
6-7	3	3	3	3	3	-	-
7-8	3	3	2	3	-	-	-

Short Course: 25 Yards (70 lengths of the pool = 1 mile)  
 Changes to Lap Lane Availability:  
 ☺ Labor Day, Monday, Sept. 7: Menlo Swim School will be **closed** for the holiday. There will be no Menlo Swim School swimming lessons or Menlo Mavericks practice.  
 ☺ Labor Day, Monday, Sept. 7: The Burgess Pools will **close @ 5pm!** Extended Open Swimming starts at 10am!  
 ☺ **Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students**  
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# Lap Pool Etiquette



## Circle Swim Diagram

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## Sharing the Lane

- Two swimmers should split the lane, each one swimming on one side.
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## Capacity

- Five swimmers per lane.

## Passing

- Pass on the left.
- Alert the person in front of you by tapping their foot before passing.

## Entering

- Always enter feet first and wait until all swimmers have made the turn and pushed off.

## Stopping/Resting

- Squeeze into the corner to the right of oncoming swimmers.

## Speed

- Attempt to enter a lane with swimmers that match your projected speed, so all swimmers can flow and have a positive experience.



## Post Summer Season Hours:

Post Summer season: Mon. Aug. 31 – Sun. Sept. 27, 2015

Monday – Thursday	6:00am – 8:00pm
Friday	6:00am – 7:00pm
Saturday	10:00am – 6:00pm
Sunday	8:00am – 6:00pm

## **Menlo Swim and Sport**

**(650) 328-5WIM • [www.menloswim.com](http://www.menloswim.com)**

## Lap Swimming Pricing:

### **Menlo Park Resident**

\$47 per month  
\$135 per quarter  
\$6 per drop-in visit

### **Non-Resident**

\$54 per month  
\$153 per quarter  
\$7 per drop-in visit

### **Menlo Park Resident and Student/Senior**

\$5 per drop-in visit

### **Non-Resident and Student/Senior**

\$6 per drop-in visit

There is a 25% discount off of the membership rate for seniors who are 65 and older. To be eligible for the 25% student discount, you must be enrolled full time at an accredited high school, secondary, or vocational school.





# Lap Lane Availability

## October 1 - 31, 2015

Non Summer season: Mon. Sept. 28, 2015 – May, 2016



### Instructional Pool 87° 25 Yards (6 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6 - 7	6	6	6	6	6	6 Members Only	-
7-7:30	6	6	6	6	6	6 Members Only	-
7:50	2	2	2	2	2	-	-
8 - 9	2	2	2	2	2	-	2
9 - 10	1	4	1	4	1	-	-
10 - 11	2	4	2	4	2	∅	∅
11 - 12	4	4	4	4	4	∅	∅
12-1	4	4	4	4	4	∅	∅
1 - 2	4 ∅	4 ∅	4 ∅	4 ∅	4 ∅	∅	∅
2 - 3	∅	∅	∅	∅	∅	2	2
3 - 4	∅	∅	∅	∅	∅	2	2
4 - 5	∅	∅	∅	∅	∅	2	2
5 - 6	∅	∅	∅	∅	∅	-	-
6 - 7	∅	∅	∅	∅	∅	-	-
7 - 8	3	∅	∅	∅	∅	-	-

### Performance Pool 80° 25 Yards (11 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6-6:45						6 Members Only	-
6:45-7	2	2	2	2	2	6 Members Only	6 Members Only
7-8	2	2	2	2	2	-	2
8-9	11	11	11	11	11	-	2
9-10	11	11	11	11	11	-	2
10-11	11	11	11	11	11	5	9
11-12	11	11	11	11	11	5	9
12-1	2	2	2	2	2	9	11
1-2	11	11	11	11	11	11	11
2-3	11	11	11	11	11	11	11
3-4	11	11	11	11	11	11	11
4-5	3	3	3	3	3	11	11
5-6	3	3	3	3	3	-	-
6-7	3	3	3	3	3	-	-
7-8	7	3	3	3	-	-	-

Short Course: 25 Yards (70 lengths of the pool = 1 mile)

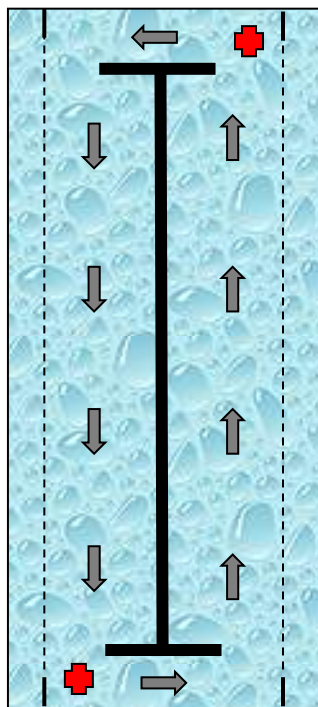
Changes to Lap Lane Availability:

- ☺ **Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students**
- ☺ **We reserve the right to make any schedule alterations, including warm days and holidays**

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PAGE 457

# Lap Pool Etiquette



## Circle Swim Diagram

When sharing a lane with others, keep to your right and swim in a circular pattern as shown above.

## Sharing the Lane

- Two swimmers should split the lane, each one swimming on one side.
- Three swimmers or more should swim circling counterclockwise.

## Capacity

- Five swimmers per lane.

## Passing

- Pass on the left.
- Alert the person in front of you by tapping their foot before passing.

## Entering

- Always enter feet first and wait until all swimmers have made the turn and pushed off.

## Stopping/Resting

- Squeeze into the corner to the right of oncoming swimmers.

## Speed

- Attempt to enter a lane with swimmers that match your projected speed, so all swimmers can flow and have a positive experience.

## Non Summer Season Hours:

Non Summer season: Mon. Sept.28, 2015 – May, 2016

### Lap Swimming:

Monday – Thursday 6:00am – 8:00pm  
Friday 6:00am – 7:00pm

Saturday 7:30am – 9:00am

Sunday 10:00am – 5:00pm

Sunday 7:30am – 5:00pm

### Members Only Lap Swimming:

Saturday 6:00am – 7:30am

Sunday 7:00am – 7:30am

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# Lap Lane Availability

## November, 2015

Non Summer season: Mon. Sept. 28, 2015 – May, 2016



### Instructional Pool 87° 25 Yards (6 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6 - 7	6	6	6	6	6	6 Members Only	-
7-7:30	6	6	6	6	6	6 Members Only	-
7:50	2	2	2	2	2	-	-
8 - 9	2	2	2	2	2	-	2
9 - 10	1	4	1	4	1	-	-
10 - 11	2	4	2	4	2	∅	∅
11 - 12	4	4	4	4	4	∅	∅
12-1	4	4	4	4	4	∅	∅
1 - 2	4 ∅	4 ∅	4 ∅	4 ∅	4 ∅	∅	∅
2 - 3	∅	∅	∅	∅	∅	2	2
3 - 4	∅	∅	∅	∅	∅	2	2
4 - 5	∅	∅	∅	∅	∅	2	2
5 - 6	∅	∅	∅	∅	∅	-	-
6 - 7	∅	∅	∅	∅	∅	-	-
7 - 8	3	∅	∅	∅	∅	-	-

### Performance Pool 80° 25 Yards (11 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6-6:45						6 Members Only	-
6:45-7	2	2	2	2	2	6 Members Only	6 Members Only
7-8	2	2	2	2	2	-	2
8-9	11	11	11	11	11	-	2
9-10	11	11	11	11	11	-	2
10-11	11	11	11	11	11	5	9
11-12	11	11	11	11	11	5	9
12-1	2	2	2	2	2	9	11
1-2	11	11	11	11	11	11	11
2-3	11	11	11	11	11	11	11
3-4	11	11	11	11	11	11	11
4-5	3	3	3	3	3	11	11
5-6	3	3	3	3	3	-	-
6-7	3	3	3	3	3	-	-
7-8	7	3	3	3	-	-	-

Short Course: 25 Yards (70 lengths of the pool = 1 mile)

Changes to Lap Lane Availability:

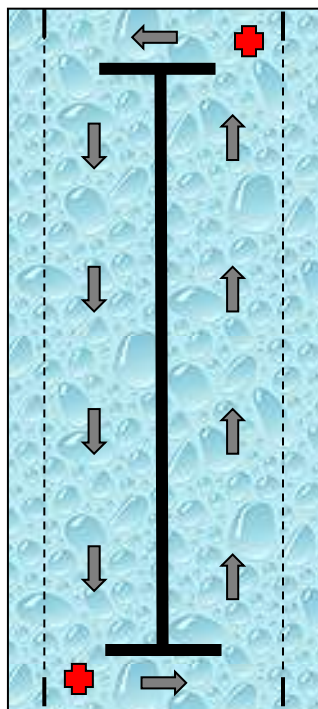
- Thursday, November 26, 2015 – CLOSED for Thanksgiving
- Friday, November 27, 2015 - Early Closure: 6:00am – 2:00pm  
Solo Aquatics 12:30pm - 2:00pm = Eight lanes in the Performance Pool

☺ **Lap Swimmers may be affected by having lap lanes reserved for our Swim Pro students**

☺ **We reserve the right to make any schedule alterations, including warm days and holidays**

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# Lap Pool Etiquette



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### Capacity

- Five swimmers per lane.

### Passing

- Pass on the left.
- Alert the person in front of you by tapping their foot before passing.

### Entering

- Always enter feet first and wait until all swimmers have made the turn and pushed off.

### Stopping/Resting

- Squeeze into the corner to the right of oncoming swimmers.

### Speed

- Attempt to enter a lane with swimmers that match your projected speed, so all swimmers can flow and have a positive experience.

## Non Summer Season Hours:

Non Summer season: Mon. Sept.28, 2015 – May, 2016

### Lap Swimming:

Monday – Thursday 6:00am – 8:00pm  
Friday 6:00am – 7:00pm

Saturday 7:30am – 9:00am

Sunday 10:00am – 5:00pm

Sunday 7:30am – 5:00pm

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Saturday 6:00am – 7:30am

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# Lap Lane Availability

## December, 2015

Non Summer season: Mon. Sept. 28, 2015 – May, 2016



### Instructional Pool 87° 25 Yards (6 Lanes)

	MON	TUE	WED	THU	FRI	SAT	SUN
6 - 7	6	6	6	6	6	-	-
7-7:30	6	6	6	6	6	-	-
7:50	2	2	2	2	2	-	-
8 - 9	2	2	2	2	2	-	2
9 - 10	1	4	1	4	1	-	-
10 - 11	2	4	2	4	2	∅	∅
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3 - 4	∅	∅	∅	∅	∅	2	2
4 - 5	∅	∅	∅	∅	∅	2	2
5 - 6	∅	∅	∅	∅	∅	-	-
6 - 7	∅	∅	∅	∅	∅	-	-
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6:45-7	∅	∅	∅	∅	∅	Members Only	-
7-8	∅	∅	∅	∅	∅	6	6
						Members Only	Members Only
8-9	11	11	11	11	11	-	2
9-10	11	11	11	11	11	-	2
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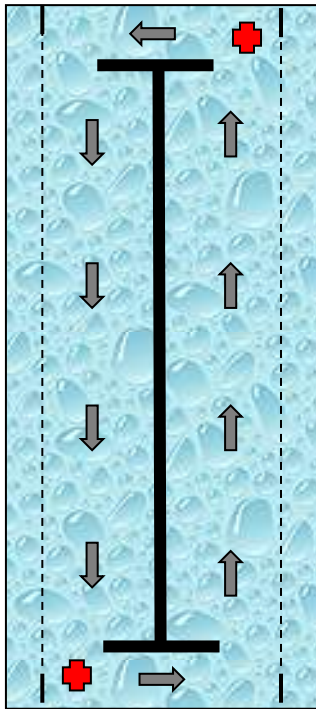
**Changes to Lap Lane Availability:**

- Thursday, December 24, 2015 Christmas Eve 6:00am – 2:00pm
- Friday, December 25, 2015 Christmas = CLOSED
- Saturday, December 26, 2015 6:00am – 2:00pm
- Sunday, December 27, 2015 7:00am – 2:00pm
- Thursday, December 31 New Year's Eve 6:00am – 2:00pm
- Friday, January 1, 2016 New Year's Day = CLOSED
- Saturday, January 2, 2016 6:00am – 2:00pm

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**THIRD AMENDMENT TO LEASE AGREEMENT**

("Burgess Pool," 501 Laurel Street, Menlo Park, CA & "Belle Haven Pool," 100 Terminal Avenue, Menlo Park, CA)

This Third Amendment to Lease Agreement is made by and between the CITY OF MENLO PARK, a municipal corporation, ("CITY"), and TEAM SHEEPER INC., a California corporation, ("PROVIDER"), with respect to that certain Lease Agreement dated March 15, 2011, (the "Lease") regarding both the "Burgess Pool" located at 501 Laurel Street, Menlo Park, California, and the "Belle Haven Pool" located at 100 Terminal Avenue, Menlo Park, California, (the "Premises"), effective as of the last date appearing adjacent to the signatures of the parties hereto.

RECITALS

WHEREAS, the CITY and TEAM SHEEPER, L.L.C., a California limited liability company, entered into the Lease; and

WHEREAS, in 2011, TEAM SHEEPER, L.L.C., a California limited liability company; converted to a California corporation by the name of TEAM SHEEPER INC; and

WHEREAS, the CITY and PROVIDER entered into an Amendment to Lease Agreement to extend the term of the Lease until September 30, 2017; and

WHEREAS, the CITY and PROVIDER entered into a Second Amendment to Lease Agreement to extend the term of the Lease until January 31, 2018; and

WHEREAS, the CITY and PROVIDER desire to further extend the term and make other modifications to the Lease.

NOW, THEREFORE, for good and valuable consideration the parties agree to amend the Lease as follows:

1. The term of the Lease shall be extended and shall terminate on March 31, 2018.

2. Except as modified herein, all of the remaining terms and provisions of the Lease as modified by the Second Amendment to Lease shall remain in full force and effect.

DATED: \_\_\_\_\_, 2018

CITY OF MENLO PARK, a municipal corporation

Attest:

By: \_\_\_\_\_  
Alex D. McIntyre, City Manager

\_\_\_\_\_  
Clay J. Curtin, Interim City Clerk

DATED: \_\_\_\_\_, 2018

TEAM SHEEPER INC, a California corporation

By: \_\_\_\_\_  
Tim Sheeper,  
Chief Executive Officer

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## STAFF REPORT

### City Council

**Meeting Date:** 1/16/2017  
**Staff Report Number:** 18-011-CC

**Consent Calendar:** Approve the design for the relocated connection of Marsh Road to Independence Drive

### Recommendation

Staff recommends that the City Council approve the design for the relocated connection of Marsh Road to Independence Drive as shown in Attachment C.

### Policy Issues

The proposed design is consistent with the City's General Plan Land Use & Circulation Elements and the 2016 Bayfront Area Zoning Map, which proposes the relocation of Independence Drive. The widening of Marsh Road was required as part of the Commonwealth Corporate Center project environmental review and is included in the City's 2009 Transportation Impact Fee program.

### Background

In 2010, the City approved an application from Bohannon Development Company to redevelop the property located at 100 to 190 Independence Drive and 101 to 155 Constitution Drive (collectively known as Menlo Gateway). The Independence site is under construction and is targeting phased completion in early 2018, and it is anticipated that construction on the Constitution site will begin in February 2018. The conditional development permit for the Menlo Gateway Project requires Bohannon to construct a bike/pedestrian path on Marsh Road from Constitution Drive to Bayfront Expressway.

In 2014, the City Council approved an application from Sobrato interests 4 Sobrato to redevelop the property located at 151 Commonwealth Drive and 164 Jefferson Drive by demolishing the existing buildings and developing the property with two four-story office buildings (the Commonwealth Project). The construction of these buildings was completed in 2016. The conditional development permit for the Commonwealth Project requires the construction of a third right-turn lane on eastbound Marsh Road at Bayfront Expressway and bicycle/pedestrian improvements for the eastbound approach on Marsh Road (the Marsh Road Improvements) as identified in the environmental review and as a condition of project approval.

Since both projects are required to construct improvements in the vicinity of Marsh Road and Bayfront Expressway, Bohannon has agreed to design and construct both sets of improvements in order to minimize construction interference and maximize coordination and efficiency. Sobrato and Bohannon have entered into separate agreements with the City for the completion of the work by Bohannon. City Council authorized the agreements on January 26, 2016.

## Analysis

In 2014, Sobrato submitted design plans for the third right turn lane to the City for review. The existing condition at Marsh Road and Independence Drive includes a hook turn, which is essentially a U-turn when turning right onto Independence from northbound Marsh Road (Attachment A). The addition of a right turn lane as required in the Marsh Road Improvements creates an even tighter turn by decreasing the radius of the hook. Fire trucks and large tractor trailers would have difficulty making the turn without jumping the curb and encroaching onto the sidewalk. As this design was not feasible, City staff, Sobrato, and the Bohannon teams worked together to find an alternate design that would accommodate the Marsh Road improvements without limiting emergency and truck access on Independence Drive.

In May 2015, after evaluating the designs previously prepared by Sobrato, Bohannon proposed a revised design which eliminates the hook by realigning Constitution Drive and creating a T intersection at the confluence of Marsh Road, Constitution Drive and Independence Drive (Attachment B). The close proximity of Marsh Road and Independence Drive creates non-standard design features, or design exceptions, as defined by Caltrans, with regards to sight distance. Vehicles turning right from Marsh Road to the T intersection could have difficulty seeing pedestrians or a vehicle turning left from Constitution Drive onto Independence Drive. To increase safety at the intersection, Constitution Drive would be converted into a one-way street in the southbound direction from the T to the Proposed Garage at the northeast corner of the Constitution Drive/Independence Drive intersection (Attachment C). Bohannon has granted a public access license across a portion of the Constitution site for the purpose of allowing vehicles to turn around (Attachment D). The conversion of Constitution Drive to one-way for approximately 150 feet would resolve sight distance issues related to the proposed T design. Additionally, trees, fencing, and tall landscaping will be removed from the corner area to provide better visibility.

The proposed design of a T intersection with one-way traffic on the north end of Constitution Drive provides a positive resolution to the deficient hook access created by the Marsh Road Improvements. The change of access through this design has the added benefit of better pedestrian circulation and safety, as well as improved access for fire trucks and larger trucks to access local businesses, as well as the Menlo Gateway Project site. The Menlo Gateway team has reached out to the affected properties to discuss the change of access, and the owners/tenants that have been contacted to date have been receptive to the change. The improvement plans prepared by Bohannon have been reviewed by the City and Caltrans, and Caltrans approval is anticipated in early 2018, and construction of the improvements is scheduled to begin shortly thereafter.

### Potential Future Modifications

The T intersection improvements are an interim solution to accommodate the changes on Marsh Road, and Constitution Drive would effectively be returned to a two-way street once a permanent solution is approved by the City. The 2016 Bayfront Area Zoning Map, which was developed in conjunction with ConnectMenlo, proposes a realigned Independence Drive (Attachment A). When the existing Independence Drive right of way is vacated, a land swap with the adjacent property owners may be possible, and could occur with the redevelopment of the affected properties. Relocating Independence Drive further away from Marsh Road would eliminate the sight distance issues that would be temporarily mitigated by allowing one-way traffic for a portion of Constitution Drive.

Since the proposed design includes non-standard features, staff is requesting that the City Council to approve the design (Attachment C) to provide design immunity to the City. Staff recommends that the City

Council approve the design for the relocated connection of Marsh Road to Independence Drive.

### **Impact on City Resources**

The staff time associated with the design review is fully recoverable through fees collected from the applicant.

### **Environmental Review**

Environmental review is not required for this action. On June 15, 2010, the City Council adopted findings in accordance with the California Environmental Quality Act and certified the Environmental Impact Report prepared for the Menlo Gateway project. On August 19, 2014, the City Council adopted findings in accordance with the California Environmental Quality Act and certified the EIR prepared for the Commonwealth Corporate Center project.

### **Public Notice**

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

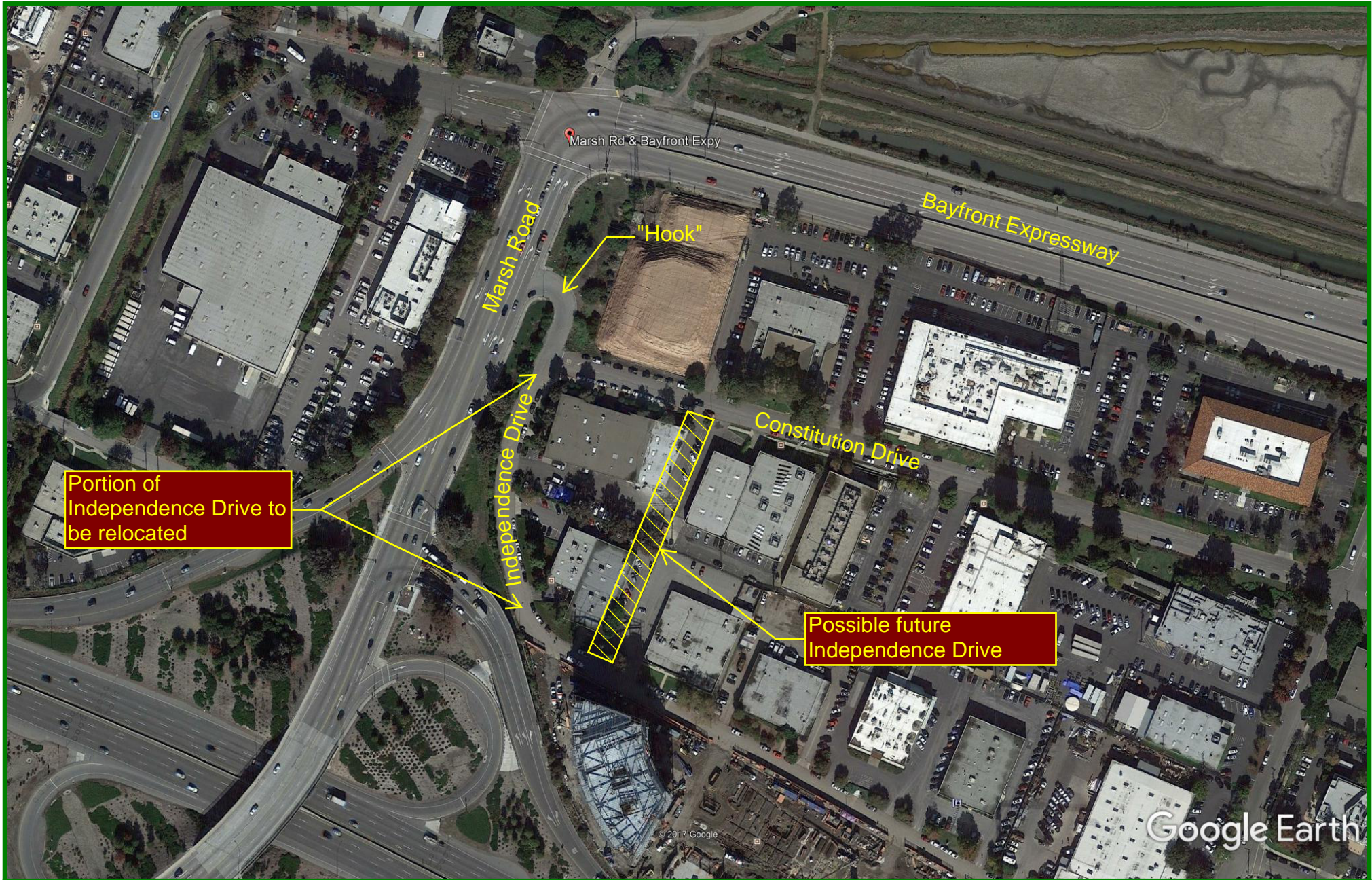
### **Attachments**

- A. Existing and Future Conditions Exhibit
- B. Marsh Road Intersection Improvements
- C. One-Way on Constitution Drive Exhibit
- D. License Area

Report prepared by:  
Theresa Avedian, Senior Civil Engineer

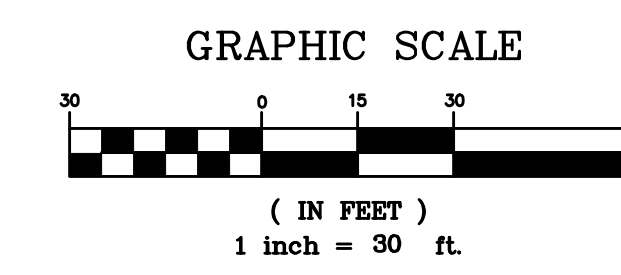
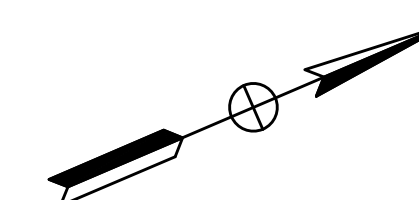
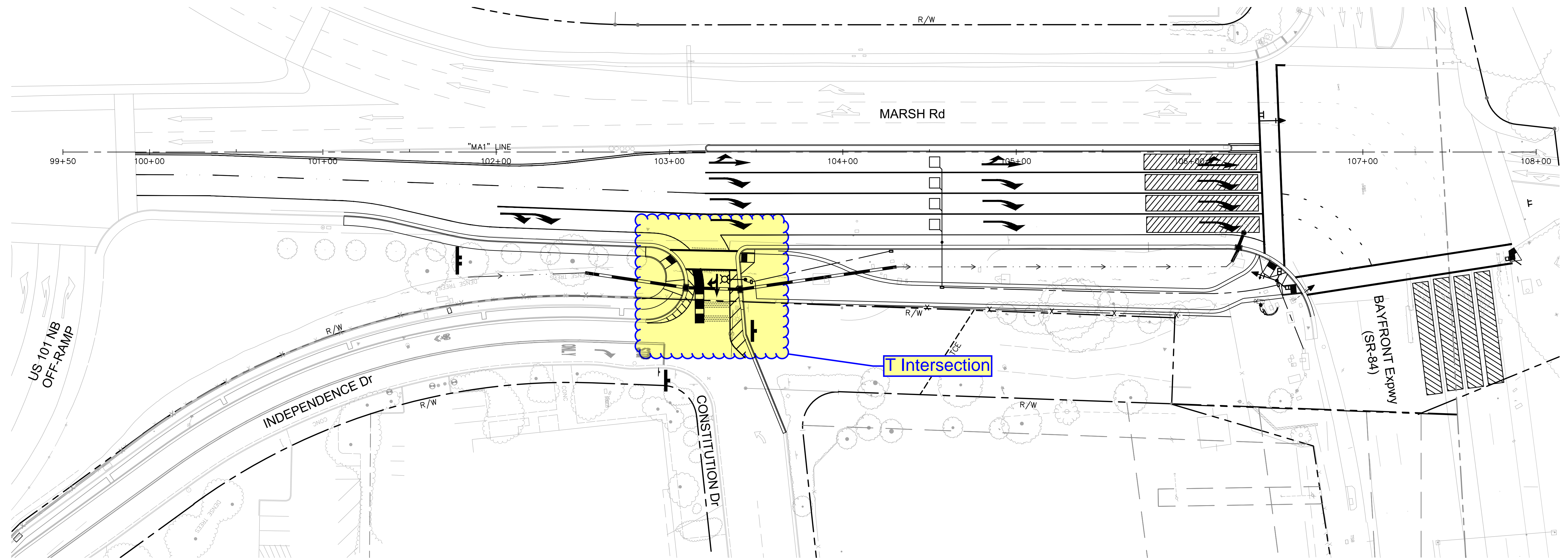
Report reviewed by:  
Nicole H. Nagaya, Assistant Public Works Director

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Date: 11/21/17

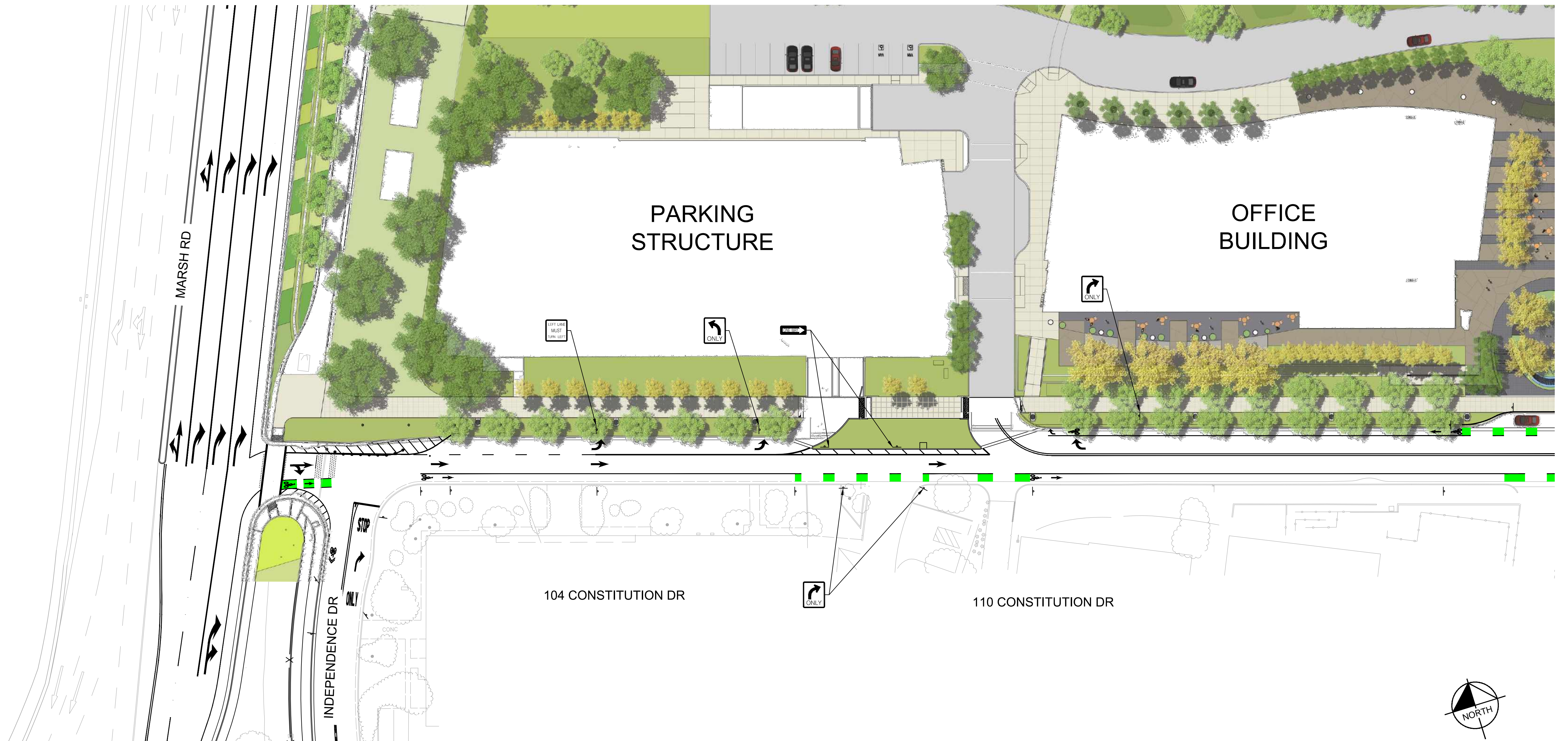
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MARSH WIDENING  
PROJECT OVERVIEW

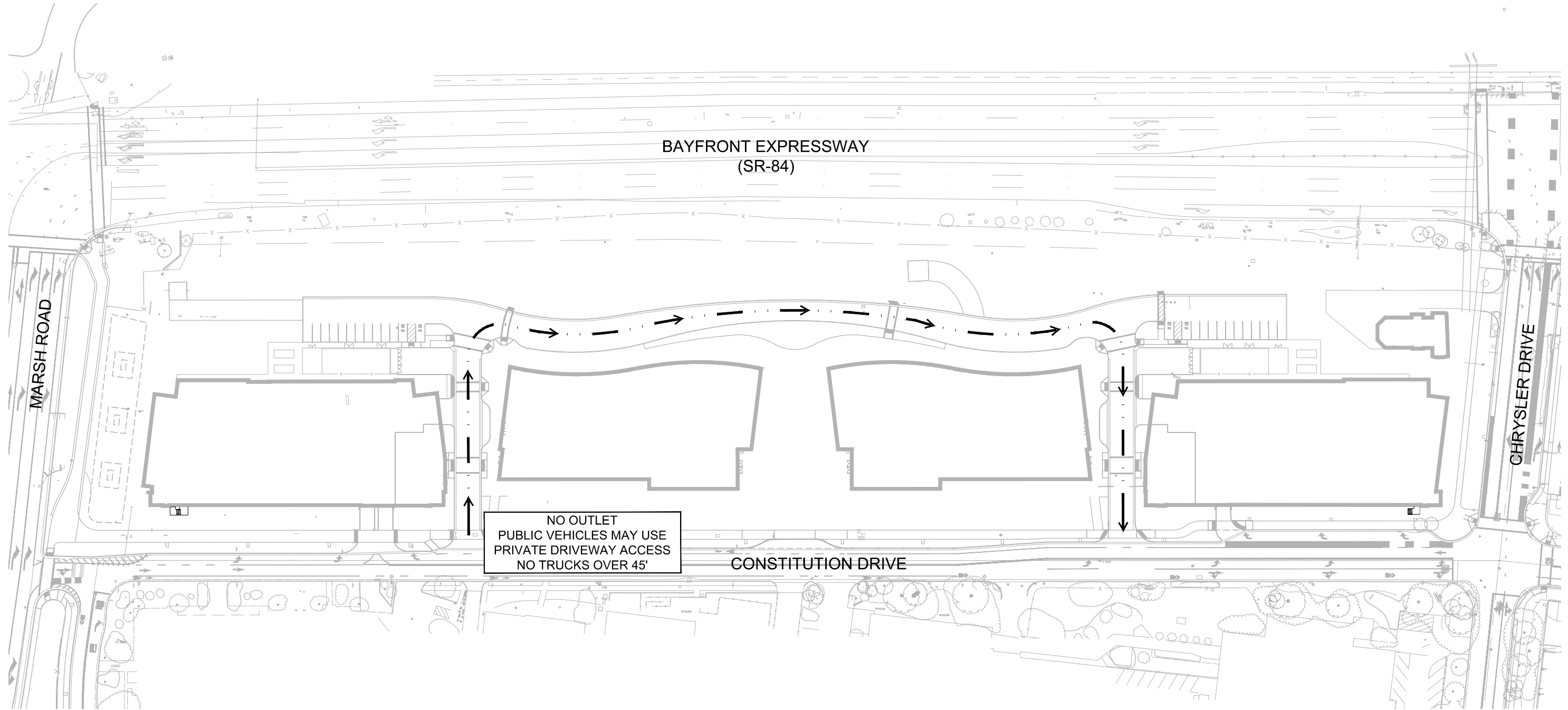
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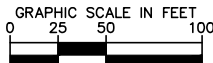


MENLO GATEWAY  
CONSTITUTION  
PROJECT SITE  
DECEMBER 19, 2017

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NO OUTLET  
PUBLIC VEHICLES MAY USE  
PRIVATE DRIVEWAY ACCESS  
NO TRUCKS OVER 45'



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## STAFF REPORT

### City Council

**Meeting Date:** 1/16/2018  
**Staff Report Number:** 18-003-CC

**Consent Calendar:** Adopt a resolution of intention to abandon a Public Utility Easement within the property at 1049 Almanor Avenue

### Recommendation

Staff recommends that the City Council adopt a resolution of intention (Attachment A) to abandon a public utility easement within the property at 1049 Almanor Avenue.

### Policy Issues

A request to abandon an easement requires public notification and ultimately a determination that the easement is no longer necessary. The resolution of intention commences the multistep process for abandonment.

### Background

On November 28, 2017, the owner of 1049 Almanor Avenue requested a use permit to construct a new two story single-family home. The proposed structure will encroach into an existing 4-foot easement that is subject for vacation pending City Council approval.

### Analysis

The existing 4-foot easement is situated on-site and aligns parallel to Van Buren Road as shown in Attachment B. The easement is adjacent to 6-foot easement creating a total effective the easement of 10 feet. The applicant has obtained approval (no-objection letters) from various utility companies within the project vicinity including PG&E, AT&T and Menlo Park Municipal Water. The existing easement had previously conveyed a City-owned water main that has since been abandoned and relocated from the premises to Van Buren Road. The 6-foot portion of the easement contains a 6-inch sanitary sewer main owned by West Bay Sanitary District, who has issued a letter indicating no objection to the easement abandonment if and when a new 10-foot sanitary sewer easement is dedicated in its place in a slightly adjusted location 4 feet closer to Van Buren Road.

### Abandonment procedure

This action first requires that City Council adopt a resolution of intention to abandon a public easement. The resolution of intention sends the abandonment request to the Planning Commission for its consideration and recommendation at its February 26, 2018, meeting and sets the time and date for the City Council public hearing for 7 p.m., March 27, 2018. The Planning Commission will review the abandonment to determine if it conforms to the City's General Plan and will forward its recommendation to the City Council for approval of the abandonment at a public hearing. Staff will advertise notices of the public hearing in The Daily News and at the site in accordance with the requirements of the Streets and Highways Code. An

affidavit of posting will then be filed with the City Clerk. Should the utility agencies, affected parties, Planning Commission and City Council consider the abandonment favorably, a resolution ordering the vacation and abandonment of the easement at 1049 Almanor Ave. will be recorded.

### **Impact on City Resources**

There is no direct impact on City resources associated with the actions in this staff report. The fee for staff time to review and process the abandonment has been paid by the applicant.

### **Environmental Review**

The proposed street abandonment is Categorically Exempt under Class 5, minor alterations in land use, of the current State of California Environmental Quality Act Guidelines.

### **Public Notice**

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

### **Attachments**

- A. Resolution of Intention
- B. Easement Exhibit

Report prepared by:  
Theresa Avedian, Senior Civil Engineer

Report reviewed by:  
Nicole H. Nagaya, Assistant Public Works Director

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK  
DECLARING THE INTENTION OF SAID CITY TO ABANDON A PUBLIC  
UTILITY EASEMENT AT 1049 ALMANOR AVENUE**

WHEREAS, the City of Menlo Park, acting by and through its City Council, has considered the abandonment of the public utility easement within the property at 1049 Almanor Avenue as shown in Attachment B, which is attached and made apart thereto; and

WHEREAS, the Planning Commission will hold a public hearing on this subject on February 26, 2018, as required by law to notify property owners and to determine whether the proposed abandonment is consistent with the City's General Plan; and

WHEREAS, the City Council of the City of Menlo Park will hold a public hearing on March 27, 2018, at approximately 7 p.m. as required by law, to determine whether said public utility easement shall be abandoned.

NOW, THEREFORE, BE IT RESOLVED that a Resolution of Intention of the City Council of the City of Menlo Park, is hereby established, to consider the abandonment of the public utility easement within the property at 1049 Almanor Avenue.

I, Clay J. Curtin, Interim City Clerk of the City of Menlo Park, do hereby certify that the above and foregoing resolution was duly and regularly passed and adopted at a meeting by said City Council on this sixteenth day of January 2018, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City Council on this sixteenth day of January 2018.

---

Clay J. Curtin, Interim City Clerk

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**CHAPPELL SURVEYING SERVICES**

Land Surveying • Subdivision Mapping  
Topographic Mapping • ALTA Mapping  
Laser Scanning • Aerial Mapping • GPS  
Agricultural Mapping • GIS Mapping

CSS Job No: 2017006

EXHIBIT "A"  
LEGAL DESCRIPTION  
10' WIDE EASEMENT

All that certain real property situate in the City of Menlo Park, County of San Mateo, State of California being a portion of Lot 21 and a portion of Lot 22 as said Lots are located in Block 38 as said Lots and said Block are shown on that certain Subdivision Map entitled Newbridge Park Map No. 4, recorded October 14, 1929 in the office of the recorder for said San Mateo County and being more particularly described as follows:

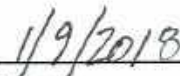
BEGINNING at the Southerly corner of said Lot 22; thence North 53°40'00" West, coincident with the Southwesterly line of said Lot 22 and the Southwesterly line of said Lot 21, a distance of 114.00 feet to a point that bears South 53°40'00" East, 6.00 feet from the Westerly corner of said Lot 21; thence North 36°20'00" East along a line that is parallel with and 6.00 feet Southeasterly from the Northwesterly line of said Lot 21, a distance of 10.00 feet; thence South 53°40'00" East, 114.00 feet to a point on the Southeasterly line of said Lot 22; thence South 36°20'00" West, coincident with the said Southeasterly line, 10.00 feet to the POINT OF BEGINNING.

END OF DESCRIPTION

See Exhibit "B" attached hereto and made a part hereof.

This description was prepared by me or under my direction in conformance with the requirements of the Professional Land Surveyor's Act.

  
\_\_\_\_\_  
Brett J, Chappell  
Professional Land Surveyor  
License Number: 7547

  
\_\_\_\_\_  
Date:





6' EASEMENT PER 17 M 66

N36°20'00"E  
10.00'

PORTION  
OF LOT 21

BLOCK 38  
17 M 66

VAN BUREN ROAD

PORTION OF  
LOT 23

114.00'

114.00'

DESCRIBED  
10' WIDE  
EASEMENT

N53°40'00"W

S53°40'00"E

PORTION  
OF LOT 22

40'

HIGHWAY 101



*Brett Chappell*  
1/9/2018

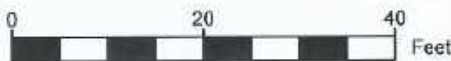
POINT OF BEGINNING

S36°20'00"W  
10.00'

ALMANOR AVENUE  
( 50' WIDE )

**LEGEND:**

-  BOUNDARY LINE
-  DESCRIBED EASEMENT
-  EXISTING EASEMENT LINE



**EXHIBIT "B"**  
10' WIDE EASEMENT DESCRIPTION

Job No. 2017006  
 By BJC  
 Ck By BJC  
 Date 1/9/2018  
 Scale: 1"=20'  
 Sheet 1 of 1



CHAPPELL SURVEYING SERVICES  
 LAND SURVEYING  
 GEOGRAPHIC INFORMATION SYSTEMS

680 Esther Way  
 Oakdale, CA 95361  
 (209) 845 9694



**CHAPPELL SURVEYING SERVICES**

Land Surveying • Subdivision Mapping  
Topographic Mapping • ALTA Mapping  
Laser Scanning • Aerial Mapping • GPS  
Agricultural Mapping • GIS Mapping

CSS Job No: 2017006

EXHIBIT "A"  
LEGAL DESCRIPTION  
EASEMENT VACATIONS

Vacation #1

The "6' Easement" being the Southwesterly 6.00 feet of Lot 22 as said Lot and said Easement are shown on that certain Subdivision Map entitled Newbridge Park Map No. 4, recorded October 14, 1929 in the office of the recorder for said San Mateo County.

Vacation #2

The "6' Easement" being the Southwesterly 6.00 feet of Lot 21 bounded Northwesterly by a line parallel with and 6.00 feet Southeasterly from Northwesterly line of said Lot 21 as said Lot and said Easement are shown on that certain Subdivision Map entitled Newbridge Park Map No. 4, recorded October 14, 1929 in the office of the recorder for said San Mateo County.

Vacation # 3

The "4' Easement" being the Northeasterly 4.00 feet of Lot 23 bounded Northwesterly by a line parallel with and 6.00 feet Southeasterly from Northwesterly line of said Lot 23 as said Lot and said Easement are shown on that certain Subdivision Map entitled Newbridge Park Map No. 4, recorded October 14, 1929 in the office of the recorder for said San Mateo County.

END OF DESCRIPTION

See Exhibit "B" attached hereto and made a part hereof.

This description was prepared by me or under my direction in conformance with the requirements of the Professional Land Surveyor's Act.

*Brett Chappell*  
Brett J, Chappell  
Professional Land Surveyor  
License Number: 7547

*1/9/2018*  
Date:





6' EASEMENT PER 17 M 66

BLOCK 38  
17 M 66

PORTION  
OF LOT 23

VACATION #3  
4' WIDE  
EASEMENT

PORTION  
OF LOT 21

VACATION #2  
6' WIDE  
EASEMENT

VACATION #1  
6' WIDE  
EASEMENT

PORTION  
OF LOT 22

VAN BUREN ROAD

HIGHWAY 101

40'

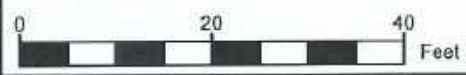
ALMANOR AVENUE  
(50' WIDE)



*Brett Chappell*  
1/9/2018

**LEGEND:**

-  BOUNDARY LINE
-  EASEMENTS TO VACATED



**EXHIBIT "B"**  
**EASEMENT DESCRIPTION**



CHAPPELL SURVEYING SERVICES      680 Esther Way  
 LAND SURVEYING                      Oakdale, CA 95361  
 GEOGRAPHIC INFORMATION SYSTEMS      (209) 845 9694

Job No. 2017006  
 By BJC  
 Ck By BJC  
 Date 1/9/2018  
 Scale: 1"=20'  
 Sheet 1 of 1



## STAFF REPORT

**City Council**  
**Meeting Date:** 1/16/2018  
**Staff Report Number:** 18-004-CC

**Consent Calendar:** **Approve installation of traffic management plan for North Lemon Avenue between Valparaiso Avenue and Santa Cruz Avenue for a six-month trial period; and appropriate \$30,000 from the Measure A fund for construction, contract administration and inspection**

### Recommendation

Staff recommends that the City Council approve the installation of the traffic management plan for North Lemon Avenue between Valparaiso Avenue and Santa Cruz Avenue for a six-month trial period and appropriate \$30,000 from the Measure A fund for construction, contract administration and inspection of this project. As illustrated on Attachment A, the traffic management plan is comprised of the following measures on North Lemon Avenue:

1. Installation of speed humps
2. Installation of neighborhood gateways near Valparaiso Avenue and Santa Cruz Avenue

### Policy Issues

This project is consistent with the City's Circulation Element, adopted in 2016, which includes goals of promoting safe, multimodal streets, and minimizing cut-through and high-speed traffic that diminishes the quality of life in Menlo Park's residential neighborhoods.

### Background

On November 16, 2004, the City Council adopted the City of Menlo Park Neighborhood Traffic Management Program to provide consistent, citywide policies for neighborhood traffic management to ensure equitable and effective solutions to traffic issues. It represents the City's commitment to enhance its neighborhoods' safety and livability. The flowchart for processing NTMP traffic calming measures such as speed humps is shown on Attachment B.

North Lemon Avenue, between Valparaiso Avenue and Santa Cruz Avenue, is designated as a neighborhood connector in the Circulation Element of the City of Menlo Park's 2016 General Plan, which is described as follows:

- Low to medium volume residential through street
- Primarily serves residential neighborhoods
- Provides high quality conditions for walking and bicycling and distributes vehicle, pedestrian, and bicycle trips to and from other streets

North Lemon Avenue is a two-way roadway, but currently does not have centerline striping, standard sidewalk, curb and gutter. On-street parking on both sides of the street is allowed. There is no speed limit

sign on North Lemon Avenue, but the prima facie (or presumed) speed limit on North Lemon Avenue is 25 mph. North Lemon Avenue is an emergency response route for the Menlo Park Fire Protection District as designated in the Circulation Element of the City of Menlo Park's 2016 General Plan.

## **Analysis**

### Resident request and petition

After working on the Neighborhood Action Request Form for approximately 18 months, residents and property owners on North Lemon Avenue submitted it to City staff on May 23, 2017. In order to address observed drivers speeding on North Lemon Avenue between Valparaiso Avenue and Santa Cruz Avenue, the request includes the installation of speed humps on North Lemon Avenue.

Attachment C, shows the study area, and the approximate locations of the speed humps requested by the petitioners. Staff verified that this petition included at least 60 percent of Menlo Park households in the study area established by staff in accordance with the NTMP. The petition had signatures from 26 of 43 (or 61 percent) households in the study area.

### Data collection and analysis

The following are the traffic data collected by staff for three days in April 2015 related to vehicular traffic volumes and speeds and the collision statistics for the period between 2014 and 2016 on North Lemon Avenue between Valparaiso Avenue and Santa Cruz Avenue. The traffic data were collected at the beginning of the 18-month period while the residents were completing the request form.

1. 85th Percentile Speed: 32 mph southbound and 29.8 mph northbound
2. Average Daily Traffic: 822 vehicles per day
3. Collision Statistics: 0 reported collision on North Lemon Avenue between Valparaiso Avenue and Santa Cruz Avenue

Based on the above traffic and collision statistics collected on North Lemon Avenue between Valparaiso Avenue and Santa Cruz Avenue, this project qualified as an NTMP project because one of the three qualifying criteria for an NTMP project was met as follows:

The 85th percentile speed must be in excess of the posted speed limit by more than 5 mph. The 85th percentile speed is the speed at or below which 85 percent of motorists travel. In other words, this criteria aim at capturing peak travel speeds. The measured 85th percentile speed on North Lemon Avenue is 32 mph for the southbound direction. This is in excess of 5 mph above the prima facie speed limit of 25 mph.

Subsequently, on June 14, 2017, the Complete Streets Commission considered the North Lemon Avenue petition and draft traffic management plan and unanimously passed a motion, 9-0-0-1, with one commissioner absent, to move the North Lemon Avenue traffic plan to the next step in the NTMP process, which was resident survey for trial installation.

### Resident survey for trial installation

On September 14, 2017, staff circulated a survey (Attachment D) describing the investigated issues and the proposed traffic plan (Attachment A) to the 43 Menlo Park households in the study area. The proposed traffic management plan, developed in consultation with North Lemon Avenue residents, revised the traffic management plan from the original petition by increasing the number of speed humps from three to four and by adding two neighborhood gateways, located near Valparaiso Avenue and near Santa Cruz Avenue. Goals, benefits, and effect of the traffic calming features on emergency vehicles were stated in the survey. Attachments E and F show illustrations of a sample neighborhood gateway and speed hump, respectively, that are proposed in the traffic plan.

Staff also consulted with the Menlo Park Fire Protection District regarding the proposed traffic management plan and the District provided the following comments:

1. The proposed speed hump should have the District approved cut-outs for emergency access. The hump located near 1228 North Lemon Ave. should be installed at least 25 feet away in either direction from the hydrant.
2. The gateway structure should be placed to minimize blocking at the intersections and be an appropriate width to allow a fire truck to make a turn on to North Lemon Avenue.

Menlo Park Police does not have any comments on the proposed traffic management plan.

The following table shows the result of the resident survey for trial installation. Since approximately 70 percent of the total households surveyed indicated support for the plan, the NTMP requirement for support of the plan by at least 51 percent of households was met and consequently, the proposed traffic plan could proceed for review by the Complete Streets Commission.

Results of the survey		
Yes	I support plan	30 votes or 69.8%
No	I do not support plan	4 votes or 9.3%
No response	Did not respond	9 or 20.9%

Subsequently, on November 8, 2017, staff presented the result of the survey and the revised traffic management plan (Attachment A) to the Complete Streets Commission. At that meeting, the Complete Streets Commission reviewed the traffic management plan and unanimously passed a motion, 8-0-0-1, with one commissioner absent, to recommend to the City Council to proceed with the trial implementation of the speed humps and neighborhood gateways.

Method of construction

Staff plans to use materials for trial installation that can be removed if City Council ultimately decides to remove the traffic calming measures. The speed humps will be constructed using asphalt concrete and, the gateways will be concrete planters. The City has several concrete planters in stock, similar to those used in conjunction with the pilot outdoor seating project on Santa Cruz Avenue. The asphalt concrete speed humps can remain permanent if the City Council approves the permanent installation of the traffic calming measures on North Lemon Avenue following the trial.

Next steps

If the trial implementation were to be approved by City Council, a bid process for the construction project will follow. It will take approximately three months from project award to project completion contingent on contractor availability.

Within the six-month trial period from installation, staff will perform an after-installation study to compare with the initial data collection. At the conclusion of the trial period, a resident survey for permanent installation, which would include the results of the after study, would be sent to the study area households to determine whether they consider the traffic plan measures to be successful and if they wish to have them implemented on a permanent basis. If at least 51 percent of the households in the surveyed study area support the permanent installation, staff would present the findings to the Complete Streets Commission and subsequently, to City Council for approval. Subject to City Council approval, the measures would then be permanently installed.

### **Impact on City Resources**

The estimated cost to construct the four speed humps and install the two decorative planters, along with the appropriate signs and pavement messages is \$30,000. Staff is requesting that City Council appropriate \$30,000 from the Measure A fund to cover the costs for construction, contract administration and inspection of this project. There are sufficient funds in the Measure A fund balance to cover this appropriation in Fiscal Year 2017-18.

### **Environmental Review**

The installation of four speed humps and decorative planters is anticipated to be categorically exempt per Section 15301 Existing Facilities.

### **Public Notice**

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

### **Attachments**

- A. Final North Lemon Avenue Traffic Management Plan
- B. Neighborhood Traffic Management Program (NTMP) Level II Process Flow Chart
- C. Notification/Study Area Map
- D. Resident Survey for Trial Installation
- E. Sample Permanent Neighborhood Gateway
- F. Sample Speed Hump with Cut-Outs

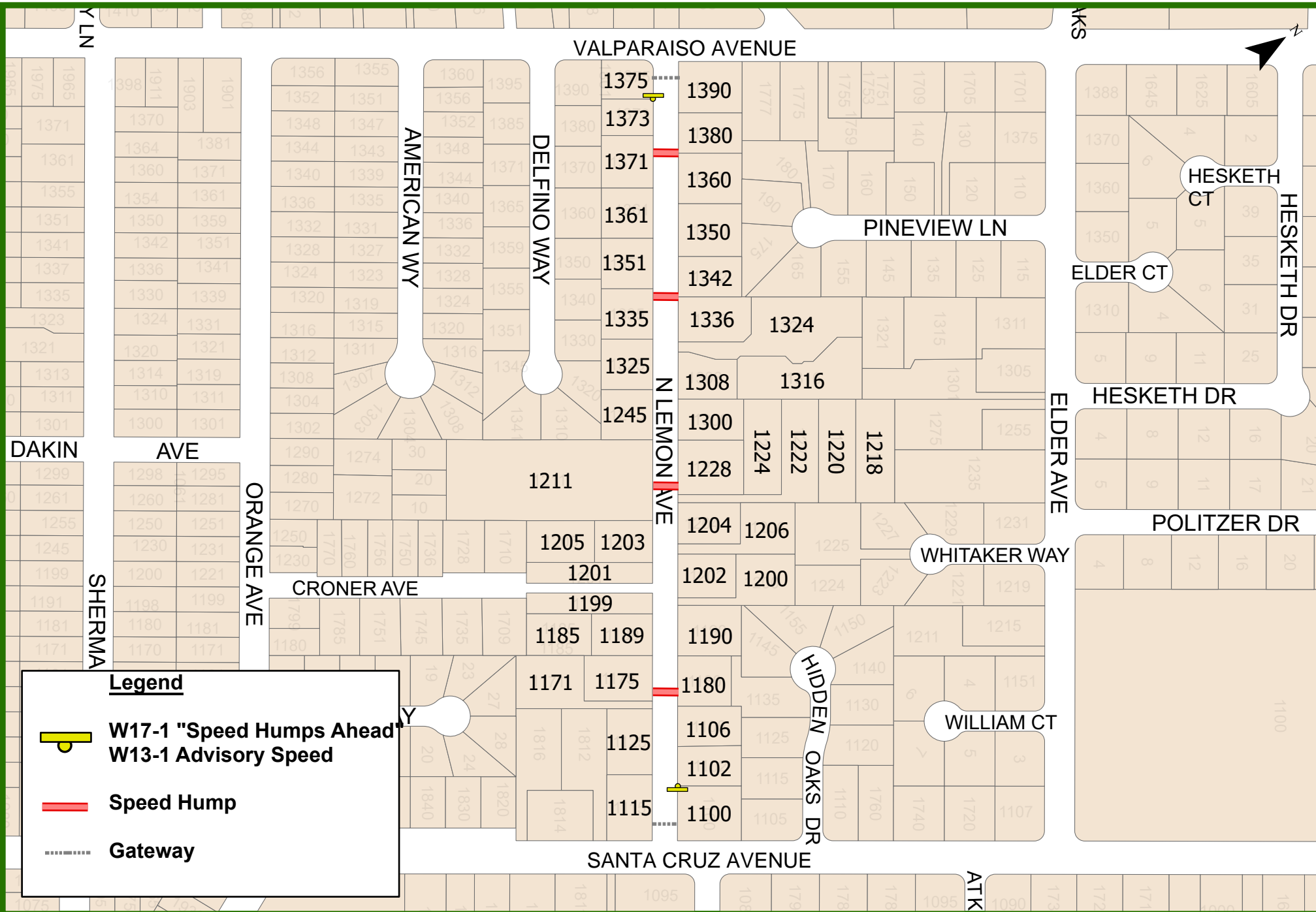
Report prepared by:

Rene C. Baile, Associate Transportation Engineer

Report reviewed by:

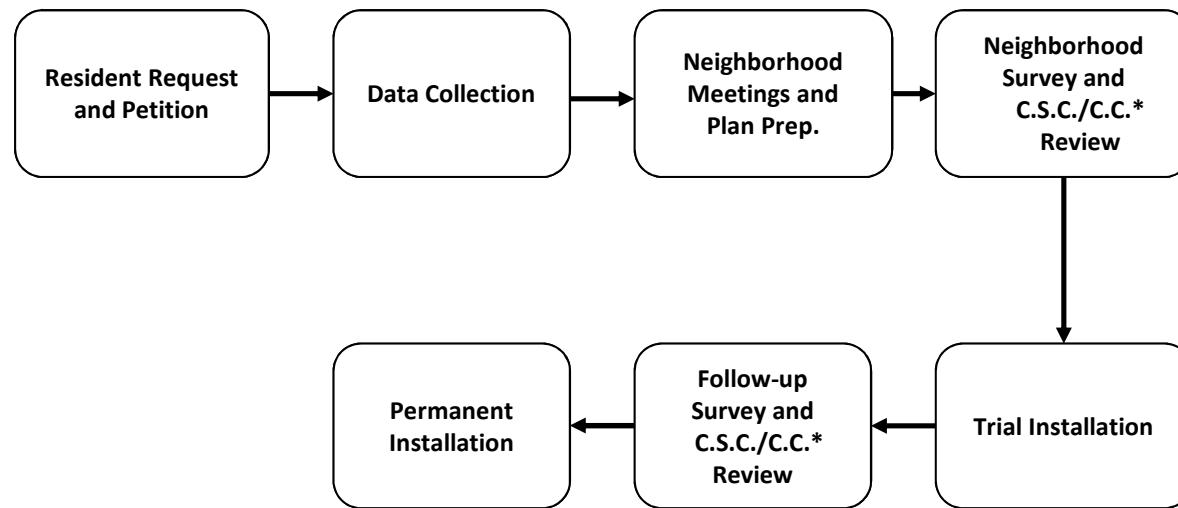
Nicole H. Nagaya, Assistant Public Works Director





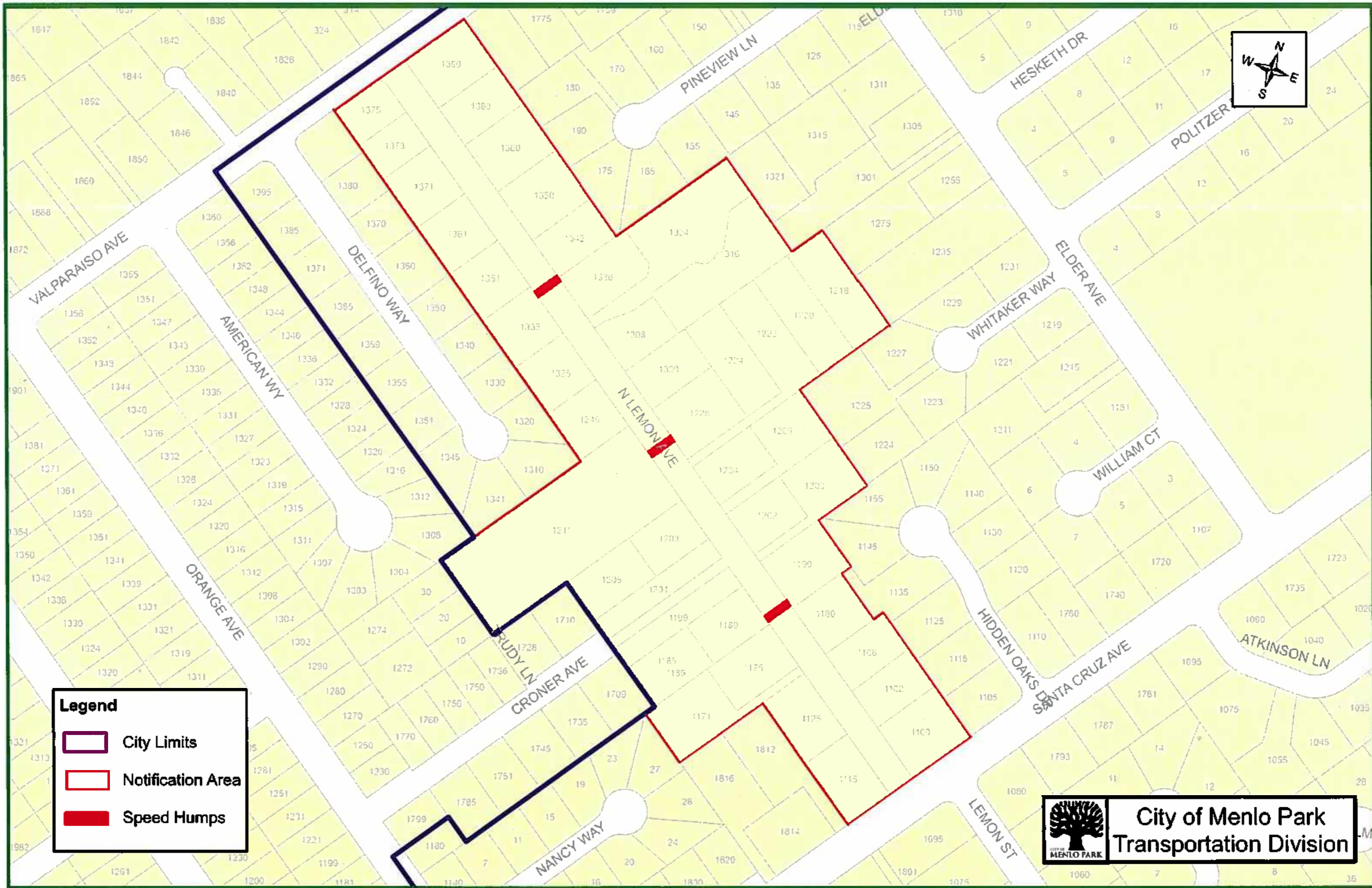
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# Level II measures (NTMP)



\*Footnote:  
C.S.C.: Complete Streets Commission  
C.C: City Council

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## RESIDENT SURVEY FOR TRIAL INSTALLATION REGARDING THE NORTH LEMON AVENUE TRAFFIC MANAGEMENT PLAN

As stated in the enclosed cover letter, the City of Menlo Park is taking a survey to determine whether the City should proceed with the trial implementation of the improvements proposed in the attached traffic management plan (Exhibit A) for North Lemon Avenue between Valparaiso Avenue and Santa Cruz Avenue.

As illustrated in Exhibit A, the work proposed on North Lemon Avenue is comprised of the following:

1. Installation of neighborhood gateways approximately 40 feet south of Valparaiso Avenue and 40 feet north of Santa Cruz Avenue. A sample neighborhood gateway is illustrated in Attachment A.
2. Installation of speed humps at four locations. These speed humps have openings to accommodate the wheelbase of fire trucks and fire engines. A sample speed hump is illustrated in Attachment B.
3. Installation of speed hump advisory signs to warn drivers of the speed humps and for them to drive at the appropriate speed when driving over the speed humps.

The goal of this traffic management plan is to address the observed speeding on North Lemon Avenue. The City measured the 85<sup>th</sup> percentile speed or speed at or below which 85% of drivers travel on North Lemon Avenue to be 30 mph for the southbound direction and 32 mph for the northbound direction. The neighborhood gateways and speed humps as proposed in the plan will potentially reduce these speeds and consequently, speed-related accidents, but will maintain speeds for emergency service vehicles. The Menlo Park Fire Protection District and Menlo Park Police Department have indicated that they found the plan to be acceptable.

You may return your completed survey by using the self-addressed envelope or by dropping it off at the front desk at City Hall. We would appreciate receiving your response by Thursday, October 5, 2017. (Please check one response)

Do you support the North Lemon Avenue Traffic Management Plan as illustrated in the attached Exhibit A?

- Yes, I support the plan.
- No, I do not support the plan

Note: In accordance with the City’s NTMP, a vote not turned in is a No vote.

Thank you for taking the time to respond to this survey for trial installation. Please provide your name and address in the spaces below – only one signature per household or business. (Identities of individuals responding to this survey will remain confidential in the City’s processing of the returns).

Name:

Date:

I am resident or property owner at (address):

E-mail Address (optional):

Tel. No. (optional):

If you have any questions regarding this, please contact Rene Baile, Associate Transportation Engineer.

Sincerely,

Rene C. Baile, P.E.  
Associate Transportation Engineer

Attachments





# PERMANENT NEIGHBORHOOD GATEWAY



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## STAFF REPORT

### City Council

Meeting Date:

1/16/2018

Staff Report Number:

18-002-CC

### Regular Business:

**City Clerk's random selection of first three Advisory Districting Committee members, input on City's community outreach and engagement plan for transitioning to district elections and appropriation of additional funds for the districting project**

### Recommendation

Staff recommends that the City Council direct the City Clerk to randomly select three members to serve on the Advisory Districting Committee, provide input on the City's community outreach and engagement plan for transitioning to district elections and appropriate \$45,000 in additional funds to support the advisory districting committee.

### Policy Issues

On October 4, 2017, the City Council adopted a resolution declaring its intent to transition from at-large to by-district councilmember elections under Elections Code Section 10010. In addition, the City Council expressed its desire to examine other types of voting systems and to authorize the City Manager and City Attorney to hire demographer National Demographics Corporation. This decision was prompted by a recent allegation by an attorney on behalf of residents in the Belle Haven neighborhood that the City's current at-large election system violated the California Voting Rights Act ("CVRA"). The CVRA was adopted to address racially polarized voting in at large elections. Almost all cities facing CVRA claims have settled out of court by voluntarily shifting to district-based elections.

Last year, the Legislature approved a series of bills to make it easier for local governments to transition from at-large to district-based elections. If followed, these bills serve as a "safe harbor" from litigation and cap exposure to attorney's fees. This meeting implements the City Council's direction to seat an advisory districting committee by employing a neutral selection process.

### Background

#### CVRA complaint received

On August 21, 2017, the City received a letter from Kevin Shenkman of Shenkman & Hughes ("Shenkman Letter"). It alleges that voting within the City is racially polarized, resulting in minority vote dilution and that the City's at-large elections violate the CVRA. Specifically, the letter alleges that, "Menlo Park's at-large system dilutes the ability of Latino and African-American (each a 'protected class') residents to elect candidates of their choice or otherwise influence the outcome of Menlo Park's council elections." The Shenkman Letter makes the following claims to support this allegation: (1) The 2016 election, whereby Cecilia Taylor, an African-American woman from Belle Haven, ran for City Council and lost, despite being preferred by Latino and African-American voters; and (2) no Latinos have ever run for City Council. The City has not confirmed whether these statements are accurate. The Shenkman Letter closes with a demand that

the City advise Mr. Shenkman by no later than October 3, 2017, as to whether it would like to discuss voluntary change to the City's current at-large system. [Note the 45-day period expired October 5, 2017, not October 3, 2017.]

On October 4, 2017, the City Council conducted a hearing to consider whether to explore transitioning from at-large to by-district elections. The City Council voted 5-0 to adopt a resolution of intent to transition to by-district elections. The City Council also expressed a desire to consider other types of voting systems and directed staff to hire National Demographics Corporation to assist in the transition process.

On October 29, 2017, the City Council conducted a public hearing to solicit community input on district formation. At that meeting, the City Council directed National Demographic Corporation to prepare mapping tools to allow residents to draw five or six districts. National Demographics Corporation has developed both an online mapping tool, which is now available on the city website at [menlopark.org/districtelections](http://menlopark.org/districtelections), and a paper-mapping tool, which is also available on the City's district elections webpage and in person at the City Clerk's office. Video instructions for using both of these tools have been posted to the District Elections webpage.

#### Advisory Districting Committee

On December 10, 2017, the City Council adopted a resolution establishing an advisory Districting Committee to recommend to the City Council a 5-district and 6-district map and related election sequencing. (Attachment A.) The resolution contained a statement that the City Council intended to follow the recommendations of the Advisory Districting Committee in selecting a final map.

The resolution specifies the following eligibility criteria for the advisory districting committee members:

1. Must be a resident of the City of Menlo Park and resided in the city for at least the past five years
2. Must be a registered voter
3. Must have voted in two of the last three local Menlo Park City Council elections (those residents not eligible to vote due to age or citizenship are exempt from this requirement)

Further, the City Council directed that members of the advisory districting committee meet the general eligibility requirements prescribed in State law for independent districting commissions. State law specifies pre-service, during service and post-service requirements as described below.

#### *Pre-service*

To qualify neither the applicant nor any of their family members<sup>1</sup> shall have engaged in the following conduct within the previous eight years:

1. Been elected or appointed to, or been a candidate for, an elective office in Menlo Park while serving on the committee.
2. Served as an officer of, employee of, or paid consultant to, a campaign committee or a candidate for elective office of Menlo Park.
3. Served as an officer of, employee of, or paid consultant to, a political party or as an elected or appointed member of a political party central committee.
4. Served as a staff member of, consultant to, or contracted with, a currently serving elected officer of Menlo Park.
5. Been registered to lobby in Menlo Park.
6. Contributed five hundred dollars (\$500) or more in a year to any candidate for an elective office of Menlo Park.

---

<sup>1</sup> For purposes of this committee, family member means a spouse, registered domestic partner, parent, sibling, child, or in-law.

*During service and post-service*

Finally, applicants must agree to the following restrictions while serving on the committee and following completion of service:

1. Committee members may not work for, volunteer for, or make a campaign contribution to, a candidate for an elective office of Menlo Park while serving on the committee.
2. Committee members may not run for an elective office of Menlo Park for 10 years commencing with the date of his/her appointment to the committee.
3. For four years commencing with the date of his or her appointment to the committee, members shall not:
  - a. Accept an appointment to a Menlo Park Board or Commission.
  - b. Accept employment as a staff member of, or consultant to, an elected official or candidate for elective office of Menlo Park.
  - c. Receive a noncompetitively bid contract with Menlo Park.
  - d. Register as a lobbyist in Menlo Park.

A copy of the Advisory Districting Committee recruitment packet is included as Attachment B.

It should be noted that during the recruitment process, several people expressed interest in applying but had reservations regarding some of the criteria that they felt were overly limiting or restrictive regarding post-service prohibitions against running for elective office or appointment to a board or commission. Others expressed concerns that the criteria limited the ability for new residents (less than 5 years residency) and discouraged young people over 18 years of age from applying.

**Analysis**

Committee member selection process

The City received 29 applicants for the Advisory Districting Committee. (Attachment C.) The City Clerk is currently vetting the applications for eligibility and will provide an updated list to the City Council showing all eligible candidates.

The City Council directed the Committee be appointed using an initially random selection process. Under this process, the City Clerk determined which applications meet the eligibility requirements and created a sub-pool of qualified candidates. The City Clerk shall randomly draw a subset of three commissioners from the sub-pool. On Saturday, January 20, 2018, those three commissioners shall appoint the final six commissioners from the remaining applicants in the sub-pool taking into consideration the following criteria:

1. Committee members shall reasonably reflect the City of Menlo Park's diverse geography and reside in diverse areas throughout the city.
2. Race/ethnicity may be considered without using formulas, quotas or ratios.
3. Gender, age, economic class, sexual orientation and party registration may be considered in selecting committee members.
4. Committee members shall be impartial, know the jurisdiction's neighborhoods and communities, appreciate the jurisdiction's diversity and work well with others.
5. The Committee shall not be comprised entirely of members who are registered to vote with the same political party preference.

Committee structure and transparency

Committee members will be required to complete a Form 700 – Statement of Economic Interest from the State Fair Political Practices Commission, Committee meetings shall comply with the Brown Act and all writings generated by the Committee shall be subject to the Public Records Act. In addition, if committee members have communications with members of the public outside of the noticed public meetings

(sometimes referred to as “ex parte” communications), members shall be required to disclose the content of these conversations. Staff will work with the Committee to hold the meetings in different locations within the City, including Belle Haven, and the City Manager, City Clerk, and City Attorney shall designate staff to support the Committee, as needed. A 2/3 affirmative vote of the seated Committee members (i.e. if nine members are seated, six votes would be needed) is required to recommend maps and election sequencing.

### Committee schedule

The Committee shall forward its final recommendation regarding proposed five and six member district maps and related election sequencing to the City Clerk by no later than February 23, 2018. Upon receipt of the recommendation, the City Clerk shall publish the recommended maps on the City’s website for a seven day public review period. Thereafter, the City Council shall conduct a public hearing on the Committee’s proposed map(s). At this hearing the City Council may elect to: (1) direct staff to introduce an ordinance approving one of the Committee recommended maps/sequencing or (2) reject the map(s)/sequencing and return it to the Committee for reconsideration with a statement of the reasons for such disapproval and request the Committee to modify the map(s)/sequencing. If the City Council rejects the Committee’s recommendation, the Committee shall have up to seven days (but in no event later than March 26, 2018) to submit a revised map(s)/sequencing to the City Council for further consideration. Upon receipt of the revised map(s) the City Clerk shall publish the revised maps for a seven day public review period. (See Attachment D for current timeline.)

### Public engagement

The City desires to actively encourage residents to participate in the districting process. In accordance with the City Council’s direction, the City developed the following outreach campaign for the districting process.

- The City established a District Elections webpage at [menlopark.org/districtelections](http://menlopark.org/districtelections) and an Advisory Districting Committee webpage at [menlopark.org/districtingcommittee](http://menlopark.org/districtingcommittee)
- Various community organizations and neighborhood leaders were engaged to help share information about the Advisory Districting Committee
- Applications packets were mailed to and assistance requested from neighborhood associations, faith-based organizations, sports clubs, community groups, civic organizations and civil rights organizations to share and engage residents in the districting public review process
- Applications packets and cover letters were mailed to anyone who had offered public comment about districting during City Council public meetings in 2017, to request assistance in spreading the word
- Mass email notification was sent to subscribers of City of Menlo Park email notification lists
- Social media posts and ads were shared on Nextdoor, Facebook, Instagram and Twitter
- Stories were posted by the Almanac, Palo Alto Daily Post, InMenlo.com, Patch.com
- Advertisements were published in the Almanac for two weeks
- Postcards were mailed to all City residents

For the remainder of the districting process, it is anticipated that additional outreach will be necessary to publicize public meetings, publish public hearing notices and grow resident engagement throughout the process. This is planned and budgeted (along with the additional appropriation requested) to include online, traditional news media and engagement through existing community organizations.

### **Impact on City Resources**

On October 4, 2017, the City Council budgeted \$75,000 for outside consultant demographic services and additional legal fees. The amount budgeted did not include staff time, legal fees, consulting fees, outreach or recruitment costs associated with forming and supporting a districting committee or a charter committee. Staff recommends the City Council appropriate an additional \$45,000. This includes approximately \$16,000

in NDC consultant fees, \$15,000 for outreach and \$14,000 in legal fees. This amount is based on attendance at seven committee meetings, preparation of staff reports, maps and other supporting materials, and responding to committee and community questions.

### **Environmental Review**

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) guidelines §§ 15378 and 15061(b)(3) as it is an organizational structure change that will not result in any direct or indirect physical change in the environment.

### **Public Notice**

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 24 hours prior to the meeting.

### **Attachments**

- A. Resolution establishing the Advisory Districting Committee for the November 2018 election
- B. Advisory Districting Committee application packet
- C. List of Advisory Districting Committee applicants (note this list will be vetted for eligibility prior to Council meeting)
- D. District elections process timeline

Report prepared by:  
William L. McClure, City Attorney

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**RESOLUTION NO. 6418****RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
MENLO PARK ESTABLISHING AN ADVISORY  
DISTRICTING COMMITTEE PURSUANT TO  
ELECTIONS CODE SECTION 23002**

WHEREAS, members of the City Council of the City of Menlo Park ("City") are currently elected in "at-large" elections, in which each City Councilmember is elected by the registered voters of the entire City; and

WHEREAS, California Government Code Section 34886 in certain circumstances, authorizes the legislative body of a city of any population to adopt an ordinance to change its method of election from an "at-large" system to a "district-based" system in which each city councilmember is elected only by the voters in the district in which the candidate resides; and

WHEREAS, the City received a certified letter on August 21, 2017, from Kevin Shenkman of the law firm of Shenkman & Hughes asserting that the City's at-large city councilmember electoral system violates the California Voting Rights Act ("CVRA") and threatening litigation if the City declines to voluntarily change to a district-based election system for electing city councilmembers; and

WHEREAS, a violation of the CVRA is established if it is shown that racially polarized voting impairs the ability of a protected class to elect their preferred candidates (Elections Code Sections 14027 and 14028). "Racially polarized voting" means voting in which there is a difference in the choice of candidates or other electoral choices that are preferred by voters in a protected class, and in the choice of candidates and electoral choices that are preferred by voters in the rest of the electorate (Elections Code Section 14026(e)); and

WHEREAS, although the letter was not accompanied by any evidence to support the claim of a CVRA violation, the City Council has directed staff to initiate the process to establish by-district elections to avoid costs associated with defending a lawsuit based on the CVRA, even if that lawsuit settles; and

WHEREAS, the California Legislature in amendments to Elections Code Section 10010, has provided a method whereby a jurisdiction can expeditiously change to a by-district election system and avoid the high cost of litigation under the CVRA; and

WHEREAS, the City denies its election system violates the CVRA or any other provision of law and asserts the City's election system is legal in all respects and further denies any wrongdoing whatsoever in connection with the manner in which it has conducted its City Council elections; and

WHEREAS, despite the foregoing, the City Council has concluded it is in the public interest to begin the process of transitioning from at-large to district-based elections due to the uncertainty of litigation to defend against a CVRA lawsuit, the potentially extraordinary cost of such a lawsuit, even if the City were to prevail; and

WHEREAS, on October 4, 2017, the City Council adopted a Resolution expressing its Intent to transition from at-large to district based elections; and

WHEREAS, Elections Code 23002 authorizes the City Council to appoint an advisory districting committee and Menlo Park Municipal Code Section 2.04.200 requires the City Council to form committees by Resolution; and

WHEREAS, the City Council desires to receive input on district boundaries from a geographically diverse sector of the community, including the Belle Haven neighborhood which is the subject of the CVRA complaint; and

NOW, THEREFORE BE IT RESOLVED, that the City of Menlo Park, acting by and through its City Council, having considered and been fully advised in the matter and good cause appearing therefore does hereby resolve as follows:

SECTION 1. Establishment. There shall be established the Menlo Park Advisory Districting Committee, hereinafter "Committee." The Committee shall be established by January 20, 2018 and shall exist until the City Council adopts an ordinance establishing City Council district boundaries for the November 2018 election.

SECTION 2. Purview. The Committee shall present two recommendations to the City Council: (1) a recommendation for dividing the City into five voting districts and (2) a recommendation for dividing the City into six voting districts (with an at-large elected mayor). Each submitted districting map shall also contain an election sequencing recommendation. Election sequencing shall take into account the City's practice of staggering elections every two years and in accordance with State law shall not cut any existing city councilmember's term short.

SECTION 3. Membership. The Committee shall consist of up to 9 Committee members. Committee members shall consist of a diverse group of residents.

SECTION 4. Selection Process. The Committee member selection process is designed to produce a qualified, independent, and impartial Committee. Committee members shall be selected through an open application process. Any person who meets the minimum Committee member qualifications in Section 5 may apply to serve on the Committee.

A. The City Clerk shall initiate and widely publicize the Committee application process. To promote a large and diverse applicant pool, the City Clerk shall seek assistance from a broad range of community-based organizations to encourage qualified persons to apply. The application period shall be open through January 8, 2018.

B. At the end of the application period, the City Clerk shall review and verify the information contained in each application, including applicants' eligibility to serve on the Committee under Section 5. The City Clerk shall remove from the applicant pool any applicant who does not meet the minimum Committee member qualifications.

C. The City Clerk shall, at a public meeting of the City Council, randomly select 3 names from that subpool. Those 3 shall serve as Committee members.

D. Those initial 3 Committee members shall, by majority vote at a public meeting, select the final up to 6 Committee members from the remaining applicants in the subpool.

E. The initial 3 Committee members should select applicants taking into account the following factors:

- (1) The Committee should not be comprised entirely of members who are registered to vote with the same political party preference.
- (2) Committee members should reasonably reflect the City of Menlo Park's diverse geography and reside in diverse areas throughout the city.
- (3) Race/ethnicity may be considered without using formulas, quotas, or ratios.
- (4) Gender, age, economic class, sexual orientation and party registration may be considered in selecting Committee members.
- (5) Committee members shall be impartial, know the jurisdiction's neighborhoods and communities, appreciate the jurisdiction's diversity and work well with others.
- (6) If committee members utilize a random selection process, they should consider dividing applications into geographic areas to better ensure geographic diversity.

SECTION 5. Eligibility Requirements for Members of the Committee. The application process shall be open to all eligible residents. The following qualifications and restrictions are imposed on members of the Committee:

A. A person, or the family member of a person (i.e. spouse, registered domestic partner, parent, sibling, child, or in-law), who has done any of the following in the preceding eight years, shall not be appointed to serve on a Committee:

- (1) Been elected or appointed to, or been a candidate for, an elective office of Menlo Park.
- (2) Served as an officer of, employee of, or paid consultant to, a campaign committee or a candidate for elective office of Menlo Park.
- (3) Served as an officer of, employee of, or paid consultant to, a political party or as an elected or appointed member of a political party central committee.
- (4) Served as a staff member of, consultant to, or contracted with, a currently serving elected officer of Menlo Park.
- (5) Been registered to lobby in Menlo Park.
- (6) Contributed five hundred dollars (\$500) or more in a year to any candidate for an elective office of Menlo Park.

B. A member of the Committee shall not do any of the following:

- (1) While serving on the Committee, endorse, work for, volunteer for, or make a campaign contribution to, a candidate for an elective office of Menlo Park.
- (2) Be a candidate for an elective office of Menlo Park for 10 years commencing with the date of his or her appointment to the Committee.
- (3) For four years commencing with the date of his or her appointment to the Committee:
  - a. Accept an appointment to a Menlo Park Board, Commission or committee.
  - b. Accept employment as a staff member of, or consultant to, an elected official or candidate for elective office of Menlo Park.

- c. Receive a noncompetitively bid contract with Menlo Park.
  - d. Register as a lobbyist in Menlo Park.
- C. Must be a resident of Menlo Park and resided in Menlo Park for at least the past five years.
- D. Must be a registered voter.
- E. Must have voted in two of the last three local Menlo Park elections. Those residents not eligible to vote due to age or citizenship are exempt from this requirement.

SECTION 6. During and Post-Service Restrictions. Committee members shall comply with the following during and post-service restrictions as contained in California Elections Code Section 23003(d):

- A. While serving on the Committee, members may not work for, volunteer for, or make a campaign contribution to, a candidate for an elective office of Menlo Park.
- B. Committee members may not run for an elective office of Menlo Park for 10 years commencing with the date of my appointment to the Committee.
- C. For four years commencing with the date of his or her appointment to the Committee, members shall not:
- (1) Accept an appointment to a Menlo Park Board, Commission or Committee.
  - (2) Accept employment as a staff member of, or consultant to, an elected official or candidate for elective office of Menlo Park.
  - (3) Receive a noncompetitively bid contract with Menlo Park.
  - (4) Register as a lobbyist in Menlo Park.

SECTION 7. Districting Criteria. The Committee shall take into account the following legally required criteria in recommending district boundaries:

- A. Each city council district shall contain a nearly equal population;
- B. A districting plan shall be drawn in a manner that complies with the Federal Voting Rights Act, the California Voting Rights Act and the Equal Protection Clause of the U.S. Constitution; and
- C. City Council districts shall not be drawn with race as the predominate factor.

The Committee may also adopt its own criteria consistent with this Section 7 and may take into account additional criteria such as including topographical and geographical boundaries (major roads, freeways, creeks, railroad lines or other barriers) and communities of interest (school district boundaries, neighborhood boundaries, retail/commercial districts, voting precincts etc.).

SECTION 8. Public Transparency. The Committee shall implement an open process for public input and Committee deliberation as follows:

- A. The Committee members shall file Form 700 – Statement of Economic Interest forms.

B. The Committee shall comply with the California Public Records Act, commencing with Section 6250 of the California Government Code, and the Ralph M. Brown Act, commencing with Section 54950 of the California Government Code.

C. The Committee shall publish on the internet and make available to the public a draft version of a proposed final map before final recommendation to the City Council.

D. All records of the Committee relating to districting, and all data considered by the Committee in drawing a draft map or proposed final map, are public records.

E. The Committee shall establish and make available to the public on the internet a calendar of all public hearings.

F. The City shall establish and maintain, at least until the districting process is concluded, a webpage for the Committee where important redistricting materials may be published, including hearing agendas, hearing minutes, links to hearing audio or video recordings where applicable, a Committee member roster, and draft maps created by the Committee.

G. Committee members shall disclose all contact regarding the Committee's subject matter jurisdiction that occurs outside of a publicly noticed meeting. Committee members shall disclose these contacts no later than the Committee's next regular or special meeting.

H. Any person who is compensated for communicating with the Committee or any Committee member, other than a reimbursement of reasonable travel expenses, shall identify the party compensating them in such communication.

SECTION 9. Public Engagement. The Committee and the City should actively encourage residents to participate in the districting process.

A. The Committee shall make every reasonable effort to afford maximum public access to its proceedings.

B. The City shall solicit broad public participation in the districting process, including from residents of communities that traditionally participate less frequently in the local political process. At minimum, the City Clerk shall:

- (1) Develop and present a proposed outreach campaign to the City Council at a public meeting;
- (2) Conduct an outreach campaign to educate the public on the districting process and how to be involved; and
- (3) Request the assistance of neighborhood associations, community groups, civic organizations, and civil rights organizations with engaging residents in the districting public review process.

SECTION 10. Committee Meetings. The hearing location shall be accessible to persons with disabilities and, to the extent practicable, shall have free parking nearby and be accessible by public transit. Public hearings shall be scheduled at various times and days of the week to accommodate a variety of work schedules and to reach as large an audience as possible. The Committee shall establish and implement a process for accepting written public comment, including the submission of draft maps and draft partial maps for the Committee's consideration.

SECTION 11. Administration. A quorum shall consist of a majority of the seated Committee members (i.e. if nine members are seated, a quorum shall be five members). The Committee may only recommend a plan for district boundaries and election sequencing with the affirmative vote of two-thirds of the seated Committee members. All other Committee actions, other than maps and sequencing, require only a majority vote of those present, provided that a quorum is present. The City Council or the Committee may remove a Committee member for substantial neglect of duty, gross misconduct in office, or inability to discharge the duties of office. Prior to being removed, a Committee member must be provided with the reasons for their proposed removal, at least a week's notice of the public hearing where his or her proposed removal will be voted on, and an opportunity to respond to or rebut those reasons in writing and at the hearing.

SECTION 12. Staff Support. The City Manager, City Clerk, and City Attorney shall designate staff to support the Committee, as needed.

SECTION 13. Schedule. The Committee shall forward its final recommendation regarding proposed five and six member district maps and related election sequencing to the City Clerk by no later than February 23, 2018. Upon receipt of the recommendation, the City Clerk shall immediately cause the maps to be published for a seven day public review period. Thereafter, the City Council shall conduct a public hearing on the Committee proposed map(s). At this hearing the City Council may elect to: (1) direct staff to introduce an ordinance approving one of the Committee recommended maps/sequencing or (2) reject the map(s)/sequencing and return it to the Committee for reconsideration with a statement of the reasons for such disapproval and request the Committee to modify the map(s)/sequencing. If the City Council rejects the Committee's recommendation, the Committee shall have up to seven days (but in no event later than March 26, 2018) to submit a revised map(s)/sequencing to the City Council for further consideration. Upon receipt of the revised map(s) the City Clerk shall immediately cause the maps to be published for a seven day public review period.

SECTION 14. Intent to Adopt the Committee Recommendation.

I, Clay J. Curtin, Interim City Clerk of the City of Menlo Park, do hereby certify that the above and foregoing resolution was duly and regularly passed and adopted at a meeting by said City Council on The twelfth day of December, 2017, by the following votes:

AYES: Carlton, Cline, Keith, Mueller, Ohtaki

NOES: None

ABSENT: None

ABSTAIN: None

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this twelfth day of December, 2017.

  
Clay J. Curtin, Interim City Clerk

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# COMMISSION AND COMMITTEE APPLICATION INFORMATION

City Manager's Office – City Clerk  
701 Laurel St., Menlo Park, CA 94025  
tel 650-330-6620 fax 650-328-7935



## COMMISSION AND COMMITTEE APPLICANTS

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Menlo Park welcomes and encourages residents' active participation through serving on a City-appointed Commission or Committee. Commissions examine issues of community interest and make recommendations to the City Council on policy matters. Each commission reviews specific subjects and carries out assignments as directed by the City Council or as prescribed by law.

The City of Menlo Park has 11 active advisory bodies, including:

### Commissions

- Complete Streets Commission
- Environmental Quality Commission
- Housing Commission
- Library Commission
- Parks and Recreation Commission
- Planning Commission

### Committees

- Advisory Districting Committee
- Belle Haven Neighborhood Library Advisory Committee
- Finance and Audit Committee
- Sister City Committee
- Transportation Master Plan Oversight and Outreach Committee

A roster of all current city commissions, boards and committee members, including their terms of office and any current vacancies is updated by December 31 annually in compliance with the Maddy Act, Gov. Code §54970.

## ELIGIBILITY INFORMATION FOR MEMBERS OF THE ADVISORY DISTRICTING COMMITTEE

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The following eligibility criteria applies to the advisory districting committee: (1) Must be a resident of Menlo Park and resided in Menlo Park for at least the past five years; (2) Must be a registered voter and (3) Must have voted in two of the last three local Menlo Park City Council elections. Those residents not eligible to vote due to age or citizenship are exempt from this requirement.

Further, members of the advisory districting committee must meet the general eligibility requirements prescribed in State law for independent districting commissions. State law specifies pre-service, during service and post-service requirements as described below.

### Pre-service

To qualify neither the applicant nor any of their family members (i.e. family member means a spouse, registered domestic partner, parent, sibling, child, or in-law) shall have engaged in the following conduct within the previous eight years:

1. Been elected or appointed to, or been a candidate for, a City of Menlo Park elective office.
2. Served as an officer of, employee of, or paid consultant to, a campaign committee or a candidate for a City of Menlo Park elective office.
3. Served as an officer of, employee of, or paid consultant to, a political party or as an elected or appointed member of a political party central committee.
4. Served as a staff member of, consultant to, or contracted with, a currently serving elected officer of the City of Menlo Park.
5. Been registered to lobby in Menlo Park.
6. Contributed five hundred dollars (\$500) or more in a year to any candidate for an elective office of the City of Menlo Park.

### During service and post service limitations

Applicants must agree to the following restrictions while serving on the committee and following completion of service:

1. Committee members may not work for, volunteer for, or make a campaign contribution to, a candidate for a City of Menlo Park elective office.
2. Committee members may not run for a City of Menlo Park elective office for 10 years commencing with the date of his/her appointment to the committee.
3. For four years commencing with the date of his or her appointment to the committee, members shall not:
  - a) Accept an appointment to a City of Menlo Park board, commission or committee.
  - b) Accept employment as a staff member of, or consultant to, an elected official or candidate for elective office of the City of Menlo Park.
  - c) Receive a noncompetitively bid contract with the City of Menlo Park.
  - d) Register as a lobbyist in Menlo Park.

### **RECRUITMENT AND SELECTION PROCESS**

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The City Clerk shall determine which applications meet the eligibility requirements and create a sub-pool of qualified candidates. At a publicly noticed meeting of the City Council, the City Clerk shall randomly draw a subset of three commissioners from the sub-pool. Within five days, those three commissioners shall appoint the final commissioners from the remaining applicants in the sub-pool taking into consideration the following criteria:

1. The Committee shall not be comprised entirely of members who are registered to vote with the same political party preference.
2. Committee members shall reasonably reflect the City of Menlo Park's diverse geography and reside in diverse areas throughout the city.
3. Race/ethnicity may be considered without using formulas, quotas or ratios.
4. Gender, age, economic class, sexual orientation and party registration may be considered in selecting committee members.
5. Committee members shall be impartial, know the jurisdiction's neighborhoods and communities, appreciate the jurisdiction's diversity and work well with others.
6. If Committee members utilize a random selection process, they should consider dividing applications into geographic areas to better ensure geographic diversity.

### **SCHEDULE INFORMATION**

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The Advisory Districting Committee will require a concentrated number of meetings between January 26, 2018, and February 23, 2018 and possibly through March 26, 2018. It is estimated that at least five public meetings will be required during this period, but the Committee may decide to conduct more. To allow for broad public participation the meeting times will vary with some meetings occurring during the day and others in the evening and weekend. Each meeting may last up to three to four hours. You may also be asked to serve on additional subcommittees. Members are expected to attend all meetings. Attendance at less than two-thirds of scheduled meetings may result in removal by the City Council. Commissioners are not paid for their volunteer service. General information related to the charge of the commissions and committees and their schedules are shown on the city website at [menlopark.org/commissions](http://menlopark.org/commissions).

### **APPLICATION PROCESS**

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**Applications are due on January 8, 2018.** The deadline may be extended if there are an insufficient number of applicants. Please return your application, along with any attachments, to the City Clerk at the address listed below. Applications are kept on file for one year and are public record. Certain responses to the application will be kept confidential if requested by applicant. The City Clerk will review all applications to determine eligibility. Questions about the application process should be directed to City Clerk's Office, at 650-330-6620 or by email to Clay Curtin at [cjcurtin@menlopark.org](mailto:cjcurtin@menlopark.org).

# ADVISORY DISTRICTING COMMITTEE – MEETING SCHEDULE AND AGENDAS

City Manager’s Office – City Clerk  
701 Laurel St., Menlo Park, CA 94025  
tel 650-330-6620



For informational purposes only – subject to change
<b>Selection meeting – Saturday, January 20, 2018</b>
<ol style="list-style-type: none"> <li>1. Public Comment</li> <li>2. Three randomly selected Committee members select up to six additional committee members</li> </ol>
<b>Meeting 1 – Monday, January 22, 2018 (about 2 or 2.5 hours)</b>
<ol style="list-style-type: none"> <li>1. Introduction to the requirements, data and options of districting (about 1 hour)</li> <li>2. Introduction to the demographics and geography of Menlo Park (10 minutes)</li> <li>3. Introduction to the public input tools of Menlo Park (10-15 minutes)</li> <li>4. Initial presentation of draft maps received so far (20-30 minutes)</li> <li>5. Public comment</li> </ol>
<b>Meeting 2 – Monday, February 5, 2018 (about 1 to 2 hours)</b>
<p>Presentation of maps received so far</p> <ol style="list-style-type: none"> <li>1. Public comment</li> <li>2. Committee discussion and direction on maps received so far               <ol style="list-style-type: none"> <li>a) Narrow list of maps down to 3 – 10 ‘focus’ maps</li> <li>b) Discussion of potential revisions to ‘focus’ maps</li> <li>c) Direction to NDC on new/revised maps the Committee wishes to see for its next meeting</li> </ol> </li> </ol>
<b>Meeting 3 – Monday, February 12, 2018 (1.5 to 2 hours)</b>
<ol style="list-style-type: none"> <li>1. Presentation of ‘focus’ maps selected at last meeting</li> <li>2. Presentation of new maps received from the public</li> <li>3. Presentation of new/revised maps requested by the Committee</li> <li>4. Public comment</li> <li>5. Committee discussion and direction on maps received so far               <ol style="list-style-type: none"> <li>a) Narrow list of maps down to 3 – 5 ‘round 2’ maps</li> <li>b) Discussion of potential revisions to ‘round 2’ maps</li> <li>c) Direction to NDC on new/revised maps the Committee wishes to see for its next meeting</li> </ol> </li> </ol>
<b>Meeting 4 – Thursday, February 15, 2018 (1.5 to 2 hours)</b>
<ol style="list-style-type: none"> <li>1. Presentation of ‘round 2’ maps selected at last meeting</li> <li>2. Presentation of new maps received from the public</li> <li>3. Presentation of new/revised maps requested by the Committee</li> <li>4. Public comment</li> <li>5. Committee discussion and direction on maps received so far               <ol style="list-style-type: none"> <li>a) Narrow list of maps down to 1 to 2 or, at most, 3 ‘semi-final’ maps</li> <li>b) Discussion of potential revisions to ‘semi-final’ maps</li> <li>c) Direction to NDC on new/revised maps the Committee wishes to see for its next meeting</li> </ol> </li> </ol>
<b>Meeting 5 – Thursday, February 22, 2018 (1 to 1.5 hours)</b>
<ol style="list-style-type: none"> <li>1. Presentation of ‘semi-final’ maps selected at last meeting</li> <li>2. Presentation of new maps received from the public</li> <li>3. Presentation of new/revised maps requested by the Committee</li> <li>4. Public comment</li> <li>5. Committee discussion and map selection               <ol style="list-style-type: none"> <li>a) Make any final map edits desired by the Committee</li> <li>b) Committee vote to select its recommended five-district map(s)</li> <li>c) Committee vote to select its recommended six-district map(s)</li> </ol> </li> </ol>

# COMMISSION AND COMMITTEE APPLICATION

City Manager's Office – City Clerk  
701 Laurel St., Menlo Park, CA 94025  
tel 650-330-6620 fax 650-328-7935



Please type or print clearly. You may attach additional pages, if necessary. This is a public document.

Date:

Commission or committee of interest:

Name:

Education:

Civic affiliations and community activities, including service on other commissions or committees:

Describe your understanding of the responsibilities of the commission or committee that you are applying for and how your personal community or professional experience relate to these responsibilities:

Describe why you want to serve on this commission or committee and what you hope to accomplish as a member:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## OFFICE USE ONLY:

Application received: \_\_\_\_\_

Considered by City Council: \_\_\_\_\_

Considered by City Council: \_\_\_\_\_

Considered by City Council: \_\_\_\_\_

If appointed, term ends: \_\_\_\_\_

Address verified in City Limits (if necessary):  By: \_\_\_\_\_  
(Initials)

Appointed:  Yes  No

Appointed:  Yes  No

Appointed:  Yes  No

Personal information:			
Name:	Number of years as a Menlo Park resident:		
Resident address:	City:	State:	Zip:
Mailing address (if different):	City:	State:	Zip:
Home phone:	Email:		
Cellphone:			
Business address:	City:	State:	Zip:
Business phone:			
Registered voter: <input type="checkbox"/> Yes <input type="checkbox"/> No			
How did you hear about this opportunity:			
<input type="checkbox"/> Local newspaper <input type="checkbox"/> Email <input type="checkbox"/> City website <input type="checkbox"/> Nextdoor <input type="checkbox"/> Patch.com <input type="checkbox"/> Other _____			
If I am appointed, the City is authorized to post the this information on the city website (please select at least one)	Home phone	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	Cellphone	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	Business phone	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	Email	<input type="checkbox"/> Yes	<input type="checkbox"/> No

# ADVISORY DISTRICTING COMMITTEE – SUPPLEMENTAL APPLICATION QUESTIONS AND VERIFICATION

City Manager's Office – City Clerk  
701 Laurel St., Menlo Park, CA 94025  
tel 650-330-6620



## Part A. Eligibility information

This information is required to determine your eligibility to serve on the Menlo Park Advisory Districting Committee. In order to carry out a transparent selection process, the responses to the following questions will be made available to the public.

1. Are you currently registered to vote in the City of Menlo Park?

Yes

No

2. Have you resided continuously in the City of Menlo Park since January 2013?

Yes

No

3. What party are you registered with?

American Independent Party

Democratic Party

Green Party

Libertarian Party

Peace and Freedom Party

Republican Party

Other, please specify \_\_\_\_\_

Decline to state

4. Did you vote in the November 2016 Menlo Park City Council election?

Yes

No

If no, please explain \_\_\_\_\_

5. Did you vote in the November 2014 Menlo Park City Council election?

Yes

No

If no, please explain \_\_\_\_\_

6. Did you vote in the November 2012 Menlo Park City Council election?

Yes

No

If no, please explain \_\_\_\_\_

7. Did you contribute \$500 or more in a year to any candidate for Menlo Park City Council within the past eight years?

Yes

No

8. Are you currently an elected official of the City of Menlo Park or a family member, staff member, or paid campaign staff member of a City of Menlo Park elected official?

Yes

No

**Part B. Eligibility certification**

The application process is open to all eligible residents. The following qualifications and restrictions are imposed on members of the Committee.

I hereby certify that during the preceding eight years neither I nor any of my family members\* have done any of the following:

- (1) Been elected or appointed to, or been a candidate for, a City of Menlo Park elective office.
- (2) Served as an officer of, employee of, or paid consultant to, a campaign committee or a candidate for elective office of the City of Menlo Park.
- (3) Served as an officer of, employee of, or paid consultant to, a political party or as an elected or appointed member of a political party central committee.
- (4) Served as a staff member of, consultant to, or contracted with, a currently serving elected officer of the City of Menlo Park.
- (5) Been registered to lobby in Menlo Park.
- (6) Contributed five hundred dollars (\$500) or more in a year to any candidate for an elective office of the City of Menlo Park.

\*For purposes of this certification, family member means a spouse, registered domestic partner, parent, sibling, child, or in-law.

I hereby certify that the responses provided in Parts A and B above are true to the best of my own knowledge.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



### Part C. Optional information

Menlo Park desires to solicit a diverse pool of qualified applicants. The following optional questions are designed to identify diverse applicants. Your responses to the optional questions may be shared with certain City staff and other Committee members. If you would like your responses to these questions kept otherwise confidential, please indicate here:

\_\_\_\_\_

1. Date of Birth (please include year) \_\_\_\_\_

\_\_\_ Decline to state

2. Gender \_\_\_\_\_

\_\_\_ Decline to state

3. Sexual Orientation \_\_\_\_\_

\_\_\_ Decline to state

4. Check the category that best describes your race/ethnicity.

\_\_\_ American Indian or Alaskan Native

\_\_\_ Asian

\_\_\_ Black

\_\_\_ Filipino

\_\_\_ Hispanic

\_\_\_ Pacific Islander

\_\_\_ White

\_\_\_ Other: Specify: \_\_\_\_\_

\_\_\_ Decline to state

5. What was your total household income during the past 12 months?

\_\_\_ Under \$35,000

\_\_\_ \$35,000 - \$74,999

\_\_\_ \$75,000 - \$124,999

\_\_\_ \$125,000 - \$250,000

\_\_\_ Over \$250,000

\_\_\_ Decline to state

**Part D. Post service limitation acknowledgement**

If selected to serve on the Menlo Park Districting Committee, by signing below, I hereby agree and acknowledge that I shall not do any of the following:

- (1) While serving on the commission, endorse, work for, volunteer for, or make a campaign contribution to, a candidate for an elective office of the City of Menlo Park.
- (2) Be a candidate for an elective office of the City of Menlo Park for 10 years commencing with the date of my appointment to the committee.
- (3) For four years commencing with the date of his or her appointment to the committee:
  - (A) Accept an appointment to a City of Menlo Park board, commission or committee.
  - (B) Accept employment as a staff member of, or consultant to, an elected official or candidate for elective office of the City of Menlo Park.
  - (C) Receive a noncompetitively bid contract with the City of Menlo Park.
  - (D) Register as a lobbyist in Menlo Park.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Applications received for the Advisory Districting Committee (listed alphabetically by last name)	
Last	First
Barrett Moore	Karen
Bellofatto-Ambwani	Valerie
Bowsher	Carolyn
Cage	Katie
Cohen	Michael Paul
Collins	Nancy
Corsano	Nicholas
Doniger	Ken
Gullard	J. Michael
Heim	Mark
Hoff	Michael
Holzberg	Lorri
Huntington	Honor
Jameson	Charles "CJ"
Johnson	R Todd
Michel	Jennifer
Murray	Yvonne
Nack	William
Nash	Horace
Perez	Michael
Rochte	Tim
Smullin	Sylvia
Taylor	Nicholas
Wallace	John
Walter	Stephen
Westley	Joan
Wright	Sam
Zak	Karen
Zasslow	Noria

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**DISTRICT ELECTIONS PROCESS TIMELINE**

City Manager's Office – City Clerk  
 701 Laurel St., Menlo Park, CA 94025  
 tel 650-330-6620



<b>Timeline – subject to change</b>		
Dates	Event	Status
October 30, 2017	1 <sup>st</sup> hearing: gather public input on the composition of zones	Completed
November 29, 2017	2 <sup>nd</sup> hearing: gather public input on the composition of zones	Completed
December 12, 2017	City Council adopts guidelines and approves application form for an up to 9-member Advisory Districting Committee. Committee recruitment opens	Completed
January 8, 2018	Deadline to receive commission applications	Completed
January 16, 2018	Three committee members selected by random draw; the three appoint the remaining six committee members.	
January 20, 2018	Committee appointments completed	
January 22, 2018	First meeting of Advisory Districting Committee: provide Brown Act, districting criteria and interactive map training; schedule public meetings; discuss public outreach	
Early 2018	City Council considers enabling ordinance creating an Independent Redistricting Commission for 2020 census	
January 30–March 26, 2018	Advisory Districting Committee meets; anticipate 5-6 meetings on weekly basis	
February 23, 2018	Advisory Districting Committee submits recommended map(s) and proposed sequencing to City Clerk for publishing – must be published at least 7 days before 3 <sup>rd</sup> hearing.	
Early March 2018	3 <sup>rd</sup> hearing: public input on draft maps and election sequencing	
April 24, 2018	4 <sup>th</sup> hearing: public input on draft maps and election sequencing; Possible map selection and ordinance introduction	
May 2018	Second reading and final adoption of ordinance; map submitted to San Mateo County Registrar of Voters	
November 2018	First by-district election in three districts (and possibly Mayor)	
November 2020	First by-district elections in remaining districts	
2021	Districts redrawn to reflect 2020 census data utilizing Independent Redistricting Commission	

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## STAFF REPORT

### City Council

Meeting Date:

1/16/2018

Staff Report Number:

18-006-CC

### Regular Business:

**Provide direction regarding placement of a city charter on the ballot and discussion of the scope and timing of a possible charter vote**

## Recommendation

Staff recommends that the City Council:

1. Discuss whether to pursue adoption of a city charter at this time.

If the City Council desires to pursue a charter now:

2. Provide input on scope of proposed charter
3. Provide input on whether to establish an advisory or elected charter committee
4. Provide input on timing of charter vote.

## Policy Issues

On October 4, 2017, the City Council adopted a Resolution declaring its Intent to transition from at-large to by-district councilmember elections under Elections Code §10010. In addition, the City Council expressed its desire to examine other types of voting systems that currently are not available to general law cities. To avail itself of other types of voting systems and/or a hybrid district/at large voting process, Menlo Park would need to adopt a local charter. This report discusses the process for becoming a charter city.

An additional policy matter is the completion of running a charter creation process parallel with the district elections process. Each is completed by themselves. Both concurrently could easily confuse the residents and voters. Finally, staff capacity to do both at this time will be incredibly difficult.

## Background

Cities are classified as either general law or charter cities. To become a charter city, a city must adopt a charter. Adoption of a charter requires a vote of the people.<sup>1</sup> Once a charter is adopted it operates as a local “constitution.” Like the federal and state constitutions, a charter may only be adopted, amended, or repealed by a majority vote of a city’s residents.

Charter cities have more authority over their municipal affairs. Charters cities also have greater flexibility in government operations as they are not bound by certain state requirements and are free to devise their own processes. A charter city has more options when considering how to handle a number of municipal affairs. This includes, but is not limited to, the following:

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<sup>1</sup> Cal Const art XI, §3(a).

1. Construction and maintenance contracting<sup>2</sup>
2. Land use
3. City finances
4. State mandates
5. City government structure

Notwithstanding these advantages, there are several limitations and safeguards on a charter city's powers. In particular, a charter city's decision-making authority is specifically limited to only municipal affairs and does not extend to matters of "statewide concern." Generally speaking, a matter of statewide concern is something that is determined, by the courts, to be of importance to the entire state. In those cases, state law preempts local regulations. For example, many traffic regulations are matters of statewide concern. A charter city would not be able to adopt local traffic regulations that would conflict with those enacted by the Legislature. In addition, recent charters passed by California cities have included "anti-City of Bell measures" that limit council member and city employee compensation to what is allowed under State law. (For more detail on charter cities, see Attachments A-D.)

## Analysis

### Adopting a limited charter to permit different election systems

The City Council has expressed interest in pursuing a limited charter that would allow more flexibility in selecting an election system. General Law cities have authority to conduct at large, from district or by district elections; however, they are currently restricted from conducting cumulative or ranked choice voting elections or a hybrid at large/by district election. Recent legislative efforts to expand this authority have been unsuccessful with the Governor recently vetoing SB 1288 which would have authorized general law cities to utilize ranked voting. Thus, the only way to implement ranked choice/cumulative voting or a hybrid at large/by district process would be for Menlo Park to become a charter city. However, this process could not be implemented in time for the November 2018 election. It also is not clear whether these alternative voting systems and/or hybrid approach would provide immunity from other CVRA claims.

There are three ways to draft a charter: (1) the City Council can draft the charter<sup>3</sup>; (2) the City Council can appoint an advisory committee to assist in drafting the charter or (3) the city's voters can elect a charter commission that takes responsibility for drafting the charter.<sup>4</sup> Once the charter is drafted, it must be ratified by a majority vote of the city's voters. SB 311, effective January 1, 2014, mandates that new city charters be voted on in the November general election (i.e., even numbered years). Previously, charters could be voted on in June primary elections, general elections or regularly scheduled municipal elections.<sup>5</sup>

### Process for City Council/advisory commission charter

Before putting a charter on the ballot, State law provides a special hearing process designed to allow many opportunities for public input in the process. This public hearing process requires approximately 75 days. In order to place a charter on the ballot, two public hearings must take place following an initial 21-day notice period. During the first public hearing, a draft of the charter would need to be considered by the City Council. The second public hearing is required to take place 30 days after the first hearing. Following the second public hearing, the item may be set for final City Council deliberation after another 21-day waiting

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<sup>2</sup> Historically, many cities adopted charters in order to avoid payment of prevailing wages for public works projects. A recent State law (SB 7) took away this incentive by withholding State grant money from charter cities that exempted public works projects from prevailing wage requirements. SB 7's constitutionality is currently being challenged.

<sup>3</sup> Cal. Gov't Code § 34458

<sup>4</sup> Cal. Gov't Code § 34451

<sup>5</sup> Elections Code §1415



period.<sup>6</sup> Once this process is completed, the City Clerk can forward the measure regarding the proposed charter to the County Clerk-Recorder's Office. The County's deadline for submittal of measures for the November 2018 ballot is August 10, 2018.

If the City Council wants to put the charter on the November 2018 ballot, utilizing a charter advisory committee would be a schedule challenge, though technically possible. Ballot measures must be delivered to the County Clerk by August 10. Thus the committee's work should be completed by mid-May 2018 to allow for the multi-step hearing process. That means a charter advisory committee would need to be recruited and appointed by the end of March and conduct an expedited committee process to determine what type of voting systems or hybrid by district/at large voting process to implement. Below is a proposed schedule that would permit placing a charter proposal on the November ballot. Note this schedule is dependent on limiting the Committee's work to a narrow set of charter issues. The schedule also requires a City Council special meeting in August prior to the August 10 deadline. Given recent controversy over ranked choice voting<sup>7</sup>, the Secretary of State's reticence to permit untested voting systems<sup>8</sup> and the uncertainty of whether the County could accommodate such systems or whether the City would have to conduct its own elections, staff would expect the Committee work to be robust. In addition, staff anticipates engaging voting experts to facilitate discussions. Thus a two-month committee meeting schedule is ambitious.

Table 1: Proposed timeline for adopting a limited charter on voting methods	
Date	Description
February 6, 2018	City Council consideration of committee criteria
February 7 - March 7, 2018	Recruitment of Advisory Charter Committee
March 13, 2018	City Council appointment of committee
March 14 - May 14, 2018	Committee meetings
June 5, 2018	First City Council public hearing on charter proposal
July 17, 2018	Second City Council public hearing on charter proposal
August 8, 2018	Special City Council meeting to vote on charter proposal
August 10, 2018	Submit charter ballot measure to San Mateo County elections office
November 7, 2018	Election on charter adoption

Process for establishing an elected charter commission

As an alternative to an advisory commission or City Council-drafted charter, the Government Code authorizes an elected charter commission to discuss and draft a charter. To form an elected commission, the City Council must place a two-part question on the ballot. The first question must ask the voters “Shall a charter commission be elected to propose a new charter?” The second part asks the voters to select 15 candidates for the commission.<sup>9</sup> State law requires a Charter Commission to consist of 15 members and these members must be nominated through a process similar to council members (i.e., to qualify for the ballot, commission candidates must collect the signatures of 3 percent of the registered voters).<sup>10</sup>

<sup>6</sup> Cal. Gov't Code § 34458

<sup>7</sup> See for example <http://www.nytimes.com/2010/11/12/us/politics/12bcvoting.html> (Mayor Quan vote in Oakland).

<sup>8</sup> <https://scvnews.com/2015/09/23/judge-no-cumulative-voting-in-city-elections/>

<sup>9</sup> Cal. Gov't Code § 34453

<sup>10</sup> Cal. Gov't Code § 34454

Commissioners must be residents of Menlo Park, but are not required to live in any particular district or neighborhood.

If the first question passes with a majority vote, the 15 candidates for the office of charter commissioner receiving the highest number of votes are elected. However, if the first question receives less than a majority vote, the charter commission formation also fails. If the commission is elected it has two years to propose a new charter. Once a charter is proposed by a majority of the elected commissioners, it must be submitted to the voters. The commission's proposals are effective only upon adoption by a majority of the voters who vote on them and the subsequent filing of the proposals with the California Secretary of State.

In terms of election timing, the election of the commissioners can occur at any established election date.<sup>11</sup> As mentioned above, the election on the new charter itself must be at a general statewide election (i.e., November of even numbered years). Thus, the soonest election would be November 2020 if an elected charter commission drafted the charter.

Under this State law scheme for establishing an independent elected charter commission, it is not possible to limit the commission's purview to a limited election charter. Given the broad purview of the Commission, it would be necessary to provide significant staff and legal resources to the elected charter commission. Given the resources an elected charter commission requires, according to Martin & Chapman, which provides election consulting services, "[m]odernly, cities have not used the charter commission approach for many years."

#### Staff recommendation

Also, it should be noted that a change to cumulative or ranked voting without a change to districts and/or a hybrid at large/by district voting system would likely afford no immunity from a California Voting Rights Act challenge. In staff's opinion, the statutory requirements for an independent 15-member charter committee are unwieldy and not suited for the limited purpose charter being proposed.

If the City Council desires to pursue a hybrid election system or ranked choice/cumulative voting to be placed on the November 2018 ballot, staff recommends utilizing an advisory committee. The advisory committee should be charged with the specific and narrow focus of election alternatives and should be directed not to pursue other charter issues which the City Council has studied over the years and which are well beyond the City Council and staff's current work plan.

#### **Impact on City Resources**

This would likely involve significant staff, consultant and city attorney time and effort. Staff anticipates that the City Council would need to appropriate a minimum of \$50,000. Other projects may be delayed due to the additional workload imposed by this additional project that is not in the current work plan.

#### **Environmental Review**

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it proposes an organizational structure change that will not result in any direct or indirect physical change in the environment.

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<sup>11</sup> Under Elections Code Section 1000, the established election dates are as follows:(a) the second Tuesday of April in each even-numbered year; (b) the first Tuesday after the first Monday in March of each odd-numbered year; (c) the first Tuesday after the first Monday in June in each year and (d) the first Tuesday after the first Monday in November of each year.

**Public Notice**

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

**Attachments**

- A. League of California Cities charter city comparison
- B. Charter cities summary
- C. List of charter cities
- D. Foundational aspects of charter cities

Report prepared by:  
William L. McClure, City Attorney

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## General Law City v. Charter City

Characteristic	General Law City	Charter City
<b>Ability to Govern Municipal Affairs</b>	Bound by the state's general law, regardless of whether the subject concerns a municipal affair.	Has supreme authority over "municipal affairs." Cal. Const. art. XI, § 5(b).
<b>Form of Government</b>	State law describes the city's form of government. For example, Government Code section 36501 authorizes general law cities be governed by a city council of five members, a city clerk, a city treasurer, a police chief, a fire chief and any subordinate officers or employees as required by law. City electors may adopt ordinance which provides for a different number of council members. Cal. Gov't section 34871. The Government Code also authorizes the "city manager" form of government. Cal. Gov't Code § 34851.	Charter can provide for any form of government including the "strong mayor," and "city manager" forms. See Cal. Const. art. XI, § 5(b); Cal. Gov't Code § 34450 <i>et seq.</i>
<b>Elections Generally</b>	Municipal elections conducted in accordance with the California Elections Code. Cal. Elec. Code §§ 10101 <i>et seq.</i>	Not bound by the California Elections Code. May establish own election dates, rules, and procedures. See Cal. Const. art. XI, § 5(b); Cal. Elec. Code §§ 10101 <i>et seq.</i>
<b>Methods of Elections</b>	Generally holds at-large elections whereby voters vote for any candidate on the ballot. Cities may also choose to elect the city council "by" or "from" districts, so long as the election system has been established by ordinance and approved by the voters. Cal. Gov't Code § 34871. Mayor may be elected by the city council or by vote of the people. Cal. Gov't Code §§ 34902.	May establish procedures for selecting officers. May hold at-large or district elections. See Cal. Const. art. XI, § 5(b).
<b>City Council Member Qualifications</b>	<p>Minimum qualifications are:</p> <ol style="list-style-type: none"> <li>1. United States citizen</li> <li>2. At least 18 years old</li> <li>3. Registered voter</li> <li>4. Resident of the city at least 15 days prior to the election and throughout his or her term</li> <li>5. If elected by or from a district, be a resident of the geographical area comprising the district from which he or she is elected.</li> </ol> <p>Cal. Elec. Code § 321; Cal. Gov't Code §§ 34882, 36502; 87 Cal. Op. Att'y Gen. 30 (2004).</p>	Can establish own criteria for city office provided it does not violate the U.S. Constitution. Cal. Const. art. XI, § 5(b), 82 Cal. Op. Att'y Gen. 6, 8 (1999).

Characteristic	General Law City	Charter City
<b>Public Funds for Candidate in Municipal Elections</b>	No public officer shall expend and no candidate shall accept public money for the purpose of seeking elected office. Cal. Gov't Code § 85300.	Public financing of election campaigns is lawful. <i>Johnson v. Bradley</i> , 4 Cal. 4th 389 (1992).
<b>Term Limits</b>	May provide for term limits. Cal. Gov't Code § 36502(b).	May provide for term limits. Cal. Const. art. XI, § 5(b); Cal Gov't Code Section 36502 (b).
<b>Vacancies and Termination of Office</b>	An office becomes vacant in several instances including death, resignation, removal for failure to perform official duties, electorate irregularities, absence from meetings without permission, and upon non-residency. Cal. Gov't Code §§ 1770, 36502, 36513.	May establish criteria for vacating and terminating city offices so long as it does not violate the state and federal constitutions. Cal. Const. art. XI, § 5(b).
<b>Council Member Compensation and Expense Reimbursement</b>	Salary-ceiling is set by city population and salary increases set by state law except for compensation established by city electors. See Cal. Gov't Code § 36516. If a city provides any type of compensation or payment of expenses to council members, then all council members are required to have two hours of ethics training. See Cal. Gov't Code §§ 53234 - 53235.	May establish council members' salaries. See Cal. Const. art. XI, § 5(b). If a city provides any type of compensation or payment of expenses to council members, then all council members are required to have two hours of ethics training. See Cal. Gov't Code §§ 53234 - 53235.
<b>Legislative Authority</b>	Ordinances may not be passed within five days of introduction unless they are urgency ordinances. Cal. Gov't Code § 36934.  Ordinances may only be passed at a regular meeting, and must be read in full at time of introduction and passage except when, after reading the title, further reading is waived. Cal. Gov't Code § 36934.	May establish procedures for enacting local ordinances. <i>Brougner v. Bd. of Public Works</i> , 205 Cal. 426 (1928).
<b>Resolutions</b>	May establish rules regarding the procedures for adopting, amending or repealing resolutions.	May establish procedures for adopting, amending or repealing resolutions. <i>Brougner v. Bd. of Public Works</i> , 205 Cal. 426 (1928).
<b>Quorum and Voting Requirements</b>	A majority of the city council constitutes a quorum for transaction of business. Cal. Gov't Code § 36810.  All ordinances, resolutions, and orders for the payment of money require a recorded majority vote of the total membership of the city council. Cal. Gov't Code § 36936. Specific legislation requires supermajority votes for certain actions.	May establish own procedures and quorum requirements. However, certain legislation requiring supermajority votes is applicable to charter cities. For example, see California Code of Civil Procedure section 1245.240 requiring a vote of two-thirds of all the members of the governing body unless a greater vote is required by charter.

Characteristic	General Law City	Charter City
<p><b>Rules Governing Procedure and Decorum</b></p>	<p>Ralph Brown Act is applicable. Cal. Gov't Code §§ 54951, 54953(a).</p> <p>Conflict of interest laws are applicable. See Cal. Gov't Code § 87300 <i>et seq.</i></p>	<p>Ralph Brown Act is applicable. Cal. Gov't Code §§ 54951, 54953(a).</p> <p>Conflict of interest laws are applicable. See Cal. Gov't Code § 87300 <i>et seq.</i></p> <p>May provide provisions related to ethics, conflicts, campaign financing and incompatibility of office.</p>
<p><b>Personnel Matters</b></p>	<p>May establish standards, requirements and procedures for hiring personnel consistent with Government Code requirements.</p> <p>May have "civil service" system, which includes comprehensive procedures for recruitment, hiring, testing and promotion. See Cal. Gov't Code § 45000 <i>et seq.</i></p> <p>Meyers-Milias-Brown Act applies. Cal. Gov't Code § 3500.</p> <p>Cannot require employees be residents of the city, but can require them to reside within a reasonable and specific distance of their place of employment. Cal. Const. art. XI, § 10(b).</p>	<p>May establish standards, requirements, and procedures, including compensation, terms and conditions of employment for personnel. See Cal. Const. art. XI, § 5(b).</p> <p>Procedures set forth in Meyers-Milias-Brown Act (Cal. Gov't Code § 3500) apply, but note, "[T]here is a clear distinction between the <i>substance</i> of a public employee labor issue and the <i>procedure</i> by which it is resolved. Thus there is no question that 'salaries of local employees of a charter city constitute municipal affairs and are not subject to general laws.'" <i>Voters for Responsible Retirement v. Board of Supervisors</i>, 8 Cal.4th 765, 781 (1994).</p> <p>Cannot require employees be residents of the city, but can require them to reside within a reasonable and specific distance of their place of employment. Cal. Const. art. XI, section 10(b).</p>
<p><b>Contracting Services</b></p>	<p>Authority to enter into contracts to carry out necessary functions, including those expressly granted and those implied by necessity. See Cal. Gov't Code § 37103; <i>Carruth v. City of Madera</i>, 233 Cal. App. 2d 688 (1965).</p>	<p>Full authority to contract consistent with charter.</p> <p>May transfer some of its functions to the county including tax collection, assessment collection and sale of property for non-payment of taxes and assessments. Cal. Gov't Code §§ 51330, 51334, 51335.</p>

Characteristic	General Law City	Charter City
<p><b>Public Contracts</b></p>	<p>Competitive bidding required for public works contracts over \$5,000. Cal. Pub. Cont. Code § 20162. Such contracts must be awarded to the lowest responsible bidder. Pub. Cont. Code § 20162. If city elects subject itself to uniform construction accounting procedures, less formal procedures may be available for contracts less than \$100,000. See Cal. Pub. Cont. Code §§ 22000, 22032.</p> <p>Contracts for professional services such as private architectural, landscape architectural, engineering, environmental, land surveying, or construction management firms need not be competitively bid, but must be awarded on basis of demonstrated competence and professional qualifications necessary for the satisfactory performance of services. Cal. Gov't Code § 4526.</p>	<p>Not required to comply with bidding statutes provided the city charter or a city ordinance exempts the city from such statutes, and the subject matter of the bid constitutes a municipal affair. Pub. Cont. Code § 1100.7; see <i>R &amp; A Vending Services, Inc. v. City of Los Angeles</i>, 172 Cal. App. 3d 1188 (1985); <i>Howard Contracting, Inc. v. G.A. MacDonald Constr. Co.</i>, 71 Cal. App. 4th 38 (1998).</p>
<p><b>Payment of Prevailing Wages</b></p>	<p>In general, prevailing wages must be paid on public works projects over \$1,000. Cal. Lab. Code § 1771. Higher thresholds apply (\$15,000 or \$25,000) if the public entity has adopted a special labor compliance program. See Cal. Labor Code § 1771.5(a)-(c).</p>	<p>Historically, charter cities have not been bound by state law prevailing-wage requirements so long as the project is a municipal affair, and not one funded by state or federal grants. <i>Vial v. City of San Diego</i>, 122 Cal. App. 3d 346, 348 (1981). However, there is a growing trend on the part of the courts and the Legislature to expand the applicability of prevailing wages to charter cities under an analysis that argues that the payment of prevailing wages is a matter of statewide concern. The California Supreme Court currently has before them a case that will provide the opportunity to decide whether prevailing wage is a municipal affair or whether it has become a matter of statewide concern.</p>



Characteristic	General Law City	Charter City
<b>Finance and Taxing Power</b>	<p>May impose the same kinds of taxes and assessment as charter cities. See Cal. Gov't Code § 37100.5.</p> <p>Imposition of taxes and assessments subject to Proposition 218. Cal. Const. art.XIIIC.</p> <p>Examples of common forms used in assessment district financing include:</p> <ul style="list-style-type: none"> <li>• Improvement Act of 1911. Cal. Sts. &amp; High. Code § 22500 <i>et seq.</i>.</li> <li>• Municipal Improvement Act of 1913. See Cal. Sts. &amp; High. Code §§ 10000 <i>et seq.</i>.</li> <li>• Improvement Bond Act of 1915. Cal. Sts. &amp; High. Code §§ 8500 <i>et seq.</i>.</li> <li>• Landscaping and Lighting Act of 1972. Cal. Sts. &amp; High. Code §§ 22500 <i>et seq.</i>.</li> <li>• Benefit Assessment Act of 1982. Cal. Gov't Code §§ 54703 <i>et seq.</i>.</li> </ul> <p>May impose business license taxes for regulatory purposes, revenue purposes, or both. See Cal. Gov't Code § 37101.</p> <p>May not impose real property transfer tax. See Cal. Const. art. XIII A, § 4; Cal. Gov't Code § 53725; <i>but see</i> authority to impose documentary transfer taxes under certain circumstances. Cal. Rev. &amp; Tax. Code § 11911(a), (c).</p>	<p>Have the power to tax.</p> <p>Have broader assessment powers than a general law city, as well as taxation power as determined on a case-by case basis.</p> <p>Imposition of taxes and assessments subject to Proposition 218, Cal. Const. art. XIIIC, § 2, and own charter limitations</p> <p>May proceed under a general assessment law, or enact local assessment laws and then elect to proceed under the local law. See <i>J.W. Jones Companies v. City of San Diego</i>, 157 Cal. App. 3d 745 (1984).</p> <p>May impose business license taxes for any purpose unless limited by state or federal constitutions, or city charter. See Cal. Const. art. XI, § 5.</p> <p>May impose real property transfer tax; does not violate either Cal. Const art. XIII A or California Government Code section 53725. See <i>Cohn v. City of Oakland</i>, 223 Cal. App. 3d 261 (1990); <i>Fielder v. City of Los Angeles</i>, 14 Cal. App. 4th 137 (1993).</p>
<b>Streets &amp; Sidewalks</b>	State has preempted entire field of traffic control. Cal. Veh. Code § 21.	State has preempted entire field of traffic control. Cal. Veh. Code § 21.
<b>Penalties &amp; Cost Recovery</b>	May impose fines, penalties and forfeitures, with a fine not exceeding \$1,000. Cal. Gov't Code § 36901.	May enact ordinances providing for various penalties so long as such penalties do not exceed any maximum limits set by the charter. <i>County of Los Angeles v. City of Los Angeles</i> , 219 Cal. App. 2d 838, 844 (1963).

Characteristic	General Law City	Charter City
<b>Public Utilities/Franchises</b>	<p>May establish, purchase, and operate public works to furnish its inhabitants with electric power. See Cal. Const. art. XI, § 9(a); Cal. Gov't Code § 39732; Cal. Pub. Util. Code § 10002.</p> <p>May grant franchises to persons or corporations seeking to furnish light, water, power, heat, transportation or communication services in the city to allow use of city streets for such purposes. The grant of franchises can be done through a bidding process, under the Broughton Act, Cal. Pub. Util. Code §§ 6001-6092, or without a bidding process under the Franchise Act of 1937, Cal. Pub. Util. Code §§ 6201-6302.</p>	<p>May establish, purchase, and operate public works to furnish its inhabitants with electric power. See Cal. Const. art. XI, § 9(a); <i>Cal. Apartment Ass'n v. City of Stockton</i>, 80 Cal. App. 4th 699 (2000).</p> <p>May establish conditions and regulations on the granting of franchises to use city streets to persons or corporations seeking to furnish light, water, power, heat, transportation or communication services in the city.</p> <p>Franchise Act of 1937 is not applicable if charter provides. Cal. Pub. Util. Code § 6205.</p>
<b>Zoning</b>	<p>Zoning ordinances must be consistent with general plan. Cal. Gov't Code § 65860.</p>	<p>Zoning ordinances are not required to be consistent with general plan unless the city has adopted a consistency requirement by charter or ordinance. Cal. Gov't. Code § 65803.</p>

## **Charter Cities: A Quick Summary for the Press and Researchers**

*The following summary was drafted by the League of California Cities' legal staff, in an attempt to give the press and research communities a primer on some frequently asked questions regarding charter cities.*

### **Charter Cities vs. General Law Cities – The Basics**

The California Constitution gives cities the power to become charter cities.<sup>1</sup> The benefit of becoming a charter city is that charter cities have supreme authority over “municipal affairs.”<sup>2</sup> In other words, a charter city’s law concerning a municipal affair will trump a state law governing the same topic.<sup>3</sup>

Cities that have not adopted a charter are general law cities. General law cities are bound by the state’s general law, even with respect to municipal affairs. Of California’s 478 cities, 108 of them are charter cities.

The charter city provision of the State Constitution, commonly referred to as the “home-rule” provision, is based on the principle that a city, rather than the state, is in the best position to know what it needs and how to satisfy those needs.<sup>4</sup> The home-rule provision allows charter cities to conduct their own business and control their own affairs.<sup>5</sup> A charter maximizes local control.

A city charter, in effect a city’s constitution, need not set out every municipal affair the city would like to govern. So long as the charter contains a declaration that the city intends to avail itself of the full power provided by the California Constitution, any city ordinance that regulates a municipal affair will govern over a general law of the state.<sup>6</sup>

### **Defining ‘Municipal Affairs’**

Determining what is and is not a “municipal affair” is not always straightforward. The California Constitution does not define “municipal affair.” It does, however, set out a nonexclusive list of four “core” categories that are, by definition, municipal affairs.<sup>7</sup>

These categories are 1) regulation of the “city police force”; 2) “subgovernment in all or part of a city”; 3) “conduct of city elections”; and 4) “the manner in which . . . municipal officers [are] elected.”<sup>8</sup> Beyond this list, it is up to the courts to determine what is and is not a municipal affair.

To determine if a matter is a municipal affair, a court will ask whether there are good reasons, grounded on statewide interests, for the state law to preempt a local law.<sup>9</sup> In other words, courts

<sup>1</sup> Cal. Const. art. XI, § 3(a).

<sup>2</sup> Cal. Const. art. XI, § 5(a).

<sup>3</sup> *Johnson v. Bradley*, 4 Cal. 4th 389, 399 (1992).

<sup>4</sup> *Fragley v. Phelan*, 126 Cal. 383, 387 (1899).

<sup>5</sup> *Id.*

<sup>6</sup> There are some exceptions to this rule. For example, a charter city is bound by the Public Contract Code unless the city’s charter expressly exempts the city from the Code’s provisions or a city ordinance conflicts with a provision in the Code. See Cal. Pub. Cont. Code § 1100.7.

<sup>7</sup> Cal. Const. art. XI, § 5(b); *Johnson*, 4 Cal. 4th at 398.

<sup>8</sup> Cal. Const. art. XI, § 5(b).

<sup>9</sup> *Johnson*, 4 Cal. 4th at 405.

will ask whether there is a need for “paramount state control” in the particular area of law.<sup>10</sup> The Legislature’s intent when enacting a specific law is not determinative.<sup>11</sup>

The concept of “municipal affairs” is fluid and may change over time.<sup>12</sup> Issues that are municipal affairs today could become areas of statewide concern in the future.<sup>13</sup> Nonetheless, there are some areas that courts have consistently classified as municipal affairs. These include:

- Municipal election matters<sup>14</sup>
- Land use and zoning decisions (with some exceptions)<sup>15</sup>
- How a city spends its tax dollars<sup>16</sup>
- Municipal contracts, provided the charter or a city ordinance exempts the city from the Public Contract Code, and the subject matter of the bid constitutes a municipal affair.<sup>17</sup> Thus, a charter may exempt a city from the State’s competitive bidding statutes.

Likewise, there are some areas that courts have consistently classified as areas of statewide concern, including:

- Traffic and vehicle regulation<sup>18</sup>
- Tort claims against a governmental entity<sup>19</sup>
- Regulation of school systems<sup>20</sup>

## How to Become a Charter City

To become a charter city, a city must adopt a charter. There are two ways to adopt a charter:

- The city’s voters elect a charter commission.<sup>21</sup> The commission has the responsibility of drafting and debating the charter.
- The governing board of the city, on its own motion, drafts the charter.<sup>22</sup>

In either case, the charter is not adopted by the city until it is ratified by a majority vote of the city’s voters.<sup>23</sup>

*For more information about charter cities, please visit the “Charter Cities” section of the League’s Web site at <http://www.cacities.org/chartercities>.*

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<sup>10</sup> *Id.* at 400.

<sup>11</sup> *Id.* at 405.

<sup>12</sup> *Cal. Fed. Savings & Loan Ass’n v. City of Los Angeles*, 54 Cal. 3d 1, 16 (1991); *Isaac v. City of Los Angeles*, 66 Cal. App. 4th 586, 599 (1998).

<sup>13</sup> *Isaac*, 66 Cal. App. 4th at 599.

<sup>14</sup> *Mackey v. Thiel*, 262 Cal. App. 2d 362, 365 (1968).

<sup>15</sup> *See Brougher v. Bd. of Pub. Works*, 205 Cal. 426, 440 (1928).

<sup>16</sup> *Johnson*, 4 Cal. 4th at 407.

<sup>17</sup> Pub. Cont. Code § 1100.7; *R & A Vending Services, Inc. v. City of Los Angeles*, 172 Cal. App. 3d 1188, 1191 (1985); *Howard Contracting, Inc. v. G.A. MacDonald Constr. Co.*, 71 Cal. App. 4th 38, 51 (1998).

<sup>18</sup> Cal. Veh. Code § 21.

<sup>19</sup> *Helbach v. City of Long Beach*, 50 Cal. App. 2d 242, 247 (1942).

<sup>20</sup> *Whisman v. San Francisco Unified Sch. Dist.*, 86 Cal. App. 3d 782, 789 (1978).

<sup>21</sup> Cal. Gov’t Code § 34451.

<sup>22</sup> Cal. Gov’t Code § 34458.

<sup>23</sup> Cal. Gov’t Code §§ 34457, 34462.

**Charter Cities**

Adelanto	Lemoore
Alameda	Lindsay
Albany	Loma Linda
Alhambra	Long Beach
Anaheim	Los Alamitos
Arcadia	Los Angeles
Bakersfield	Marina
Bell	Marysville
Berkeley	Merced
Big Bear Lake	Modesto
Buena Park	Monterey
Burbank	Mountain View
Carlsbad	Napa
Cerritos	Needles
Chico	Newport Beach
Chula Vista	Norco
Compton	Oakland
Culver City	Oceanside
Cypress	Oroville
Del Mar	Pacific Grove
Desert Hot Springs	Palm Desert
Dinuba	Palm Springs
Downey	Palmdale
El Cajon	Palo Alto
El Centro	Pasadena
Eureka	Petaluma
Exeter	Piedmont
Folsom	Placentia
Fortuna	Pomona
Fresno	Port Hueneme
Gilroy	Porterville
Glendale	Rancho Mirage
Grass Valley	Redondo Beach
Hayward	Redwood City
Huntington Beach	Richmond
Indian Wells	Riverside
Industry	Roseville
Inglewood	Sacramento
Irvine	Salinas
Irwindale	San Bernardino
King City	San Diego
Kingsburg	San Francisco
Lancaster	San Jose
La Quinta	San Leandro

San Luis Obispo  
San Marcos  
San Mateo  
San Rafael  
San Ramon  
Sand City  
Santa Ana  
Santa Barbara  
Santa Clara  
Santa Cruz  
Santa Maria  
Santa Monica  
Santa Rosa  
Santee  
Seal Beach  
Shafter  
Signal Hill

Solvang  
Stockton  
Sunnyvale  
Temple City  
Torrance  
Truckee  
Tulare  
Vallejo  
Ventura  
Vernon  
Victorville  
Visalia  
Vista  
Watsonville  
Whittier  
Woodlake

Total Cities: 121

## Foundational Aspects of Charter Cities

### What is the Constitutional Framework for Charter Cities?

Article XI, section 3(a) of the California Constitution authorizes the adoption of a city charter and provides such a charter has the force and effect of state law. Article XI, section 5(a), the "home rule" provision, affirmatively grants to charter cities supremacy over "municipal affairs." However, the California Constitution does not define the term "municipal affair."

### What are "Municipal Affairs?"

The home rule provision of the California Constitution authorizes a charter city to exercise plenary authority over municipal affairs, free from any constraint imposed by the general law and subject only to constitutional limitations. See Cal. Const. art. XI § 5(a); *Ex Parte Braun*, 141 Cal. 204, 209 (1903); *Bishop v. City of San Jose*, 1 Cal. 3d 56, 61 (1969); *Comm. of Seven Thousand v. Super. Ct. (City of Irvine)*, 45 Cal.3d 491 (1988).

### How Do the Courts Distinguish Between Municipal and Statewide Concerns?

Whether a given activity is a municipal affair over which a city has sovereignty, or a statewide concern, over which the legislature has authority, is a legal determination for the courts to resolve. Thus, the determination of whether a given activity is a municipal affair or statewide concern is done on a case-by-case basis. The court's determination will depend on the particular facts and circumstances of each case. See *In Re Hubbard*, 62 Cal. 2d 119, 128 (1964). Keep in mind that the concept of "municipal affairs" is a fluid one that changes over time as local issues become statewide concerns. See *Issac v. City of Los Angeles*, 66 Cal. App. 4th 586 (1998).

### What Activities Have the Courts Classified As Municipal Affairs?

There are some areas that the courts have consistently classified as municipal affairs. Examples include the following:

- Municipal Election Matters. See *Mackey v. Thiel*, 262 Cal. App. 2d 362 (1968).
- Procedures for Initiative, Referendum and Recall. See *Lawing v. Faul*, 227 Cal. App. 2d 23, 29 (1964).
- Procedures for Adopting Ordinances. See *Brougher v. Board of Public Works*, 205 Cal. 426 (1928).
- Compensation of City Officers and Employees. Cal. Const. art. XI, § 5(b); See *Sonoma County Organization of Public Employees v. County of Sonoma*, 23 Cal. 3d 296 (1979); but see *San Leandro Police Officers Association v. City of San Leandro*, 55 Cal. App. 3d 553 (1976) (labor relations is not a municipal affair; Charter cities are subject to the Meyers-Milias Brown Act. Cal. Gov't Code § 3500).
- Processes Associated with City Contracts. See *First Street Plaza Partners v. City of Los Angeles*, 65 Cal. App. 4th 650 (1998); but see *Domar Electric, Inc. v. City*

of Los Angeles, 41 Cal. App. 4th 810 (1995) (state law establishing employment policy may preempt local regulation of bidding criteria).

- Financing Public Improvements. See *City of Santa Monica v. Grubb*, 245 Cal. App. 2d 718 (1996).
- Making Charitable Gifts of Public Funds for Public Purposes. See Cal. Const. art. XVI, § 6; *Tevis v. City and County of San Francisco*, 43 Cal. 2d 190 (1954).
- Term Limits for Council Members. See *Cawdrey v. City of Redondo Beach*, 15 Cal. App. 4th 1212 (1993); but see Cal. Gov't Code § 36502(b) (regulating term limits).
- Land Use and Zoning Decisions (with a few exceptions). See *Brougher v. Bd. of Pub. Works*, 205 Cal. 426 (1928).

### **What Activities Have the Courts Classified as Statewide Concerns?**

The following have consistently been classified by the courts as matters of statewide concern:

- School Systems. *Whisman v. San Francisco Unified Sch. Dist.*, 86 Cal. App. 3d 782, 789 (1978).
- Traffic and Vehicle Regulation. Cal. Veh. Code § 21.
- Licensing of Members of a Trade or Profession. *City and County of San Francisco v. Boss*, 83 Cal. App. 2d 445 (1948).
- Tort Claims Against a Governmental Entity. *Helbach v. City of Long Beach*, 50 Cal. App. 2d 242, 247 (1942).
- Open and Public Meetings. Ralph M. Brown Act. Cal. Gov't Code §§ 54951, 54953(a).
- Exercise of the Power of Eminent Domain. *Wilson v Beville*, 47 Cal. 2d 852, 856 (1957).

### **What is a Charter?**

A city charter is a unique document that, in many ways, acts like a constitution for the city adopting it. It can only be adopted, amended or repealed by a majority vote of a city's voters. The primary advantage of a charter is that it allows greater authority for a city's governance than that provided by state law. For example, a city may tailor its organization and elective offices, taking into account the unique local conditions and needs of the community.

A charter transfers the power to adopt legislation affecting municipal affairs from the state legislature to the city adopting it. A city operating under a charter can acquire full control over its municipal affairs. These affairs are unaffected by the general laws



passed by the state legislature on the same subject matters. This, in effect, gives the local voters more control over their local government and the affairs of the city. However, a city operating under a charter is still subject to the general laws, as passed by the state legislature, on affairs that are not municipal in nature, and are of statewide concern (e.g., California Vehicle Code).

It is the scope of the term "municipal affairs" that provides the opportunity for uncertainty. No easy analytical test exists. The threshold issue is whether there is a conflict between state law and a charter city enactment. The next issue is whether the state regulation addressed an issue of "state wide concern." Courts analyze these conflicts on a case-by-case basis.

### **What is in a Charter?**

While a city charter is not required to have any particular provisions in it, a city will often reserve for itself the greatest amount of power it can when it adopts a charter. To accomplish this goal, the charter must include a declaration that it is the intention of the city to avail itself of the full power provided by the state constitution to charter cities. However, the city is not required to extend the breadth of its charter any further than it wishes.

Some of the common areas that are explicitly regulated in a charter are:

- The date and conduct of city elections;
- Regulations on the appointment of municipal officials;
- The terms and payment of municipal officials;
- The process for removal of municipal officials;
- Form of government;
- Budget adoption;
- The number, pay, qualifications, and appointment of deputies, clerks, and other employees that each municipal officer will have;
- Sub-government in all or part of the city;
- The tenure of office for deputies, clerks, and other employees;
- The process for removal of such deputies, clerks, and other employees; and
- The constitution, regulation, and government of the local police force.

A number of California cities' charters are available [online](#). The National Civic League also has a [model charter project](#).

### **Process Used to Adopt a Charter**

There are two ways to draft and adopt a city charter. The first is to elect a charter commission. The commission then has the responsibility of debating over the provisions and the drafting of the charter. The other alternative allows the governing board of the city, on its own motion, to draft the charter. In either case, the charter is not adopted by the city until it is ratified by a majority vote of the city's voters.

When using the charter commission approach, the first step is to elect the commission. The vote to elect a charter commission is called for by either a majority vote of the city's governing body or by a petition signed by not less than fifteen percent of the registered voters within the city. If the formation of a charter commission is requested by a petition, the authority in charge of the city's registration records must verify the signatures on the petition. The expense of this verification must be paid for by the city's governing board. If the petition is verified, the city's governing board must call for an election in accordance with sections 1000 and 10403 of the California Elections Code. See Cal. Gov't Code section 34452.

Once it has been decided that a charter commission election will take place, candidates for commissioners must be nominated. Candidates for the office of charter commissioner are nominated either in the same manner as officers of the city or by petition. A candidate for charter commissioner must be a registered voter of the city. After the election of commissioners, any vacancy on the commission will be filled by a mayoral appointment. See Cal. Gov't Code section 34452.

At an election for charter commission members, the voters will vote first on the following question: "Shall a charter commission be elected to propose a new charter?" After voting on this question, the voters will then vote for the charter commission candidates. If a majority of the voters vote for the formation of a charter commission, then the top fifteen candidates for the office of charter commissioner will be organized as the city's charter commission. No commission will be formed if a majority of voters vote against the election of a charter commission. See Cal. Gov't Code section 34453.

Once formed, the charter commission will have the responsibility of developing the city's charter. After a simple majority of commissioners have decided that the proposed charter is appropriate, they file the charter with the city's clerk in preparation for a vote by the city's electorate. See Cal. Gov't Code section 34455. However, instead of sending the whole charter at once, periodically the commission may send portions of the charter to the city's electorate for a vote. See Cal. Gov't Code section 34462.

After the charter (or portions of it) has been filed, it must be copied in type greater than 10 point and either mailed to all the voters of the city or made available to those citizens who wish to review it before the election. The city may show the difference between existing provisions of law and the new charter through the use of distinguished type styles, but this is not required. See Cal. Gov't Code section 34456.

After the charter has been filed with the city clerk, the city's governing board must decide whether to call a special election or to wait until the next established municipal election to submit the charter to the voters. If the city's governing board determines that a special election should be held, then they must call for that special election within 14 days of the charter being filed. The special election must be set at least 95 days after the date from which the special election was called. See Cal. Gov't Code section 34457. In any case, the charter commission must send the charter to the voters within two years of the vote

that formed the commission. Upon the expiration of the two-year time period, the commission is abolished. See Cal. Gov't Code section 34462.

The alternative to electing a charter commission is to have the city's governing board develop and draft the charter. An election to decide on the adoption of a charter may be called by initiative or the city council. See Cal. Const. art. XI, § 3. On its own motion, the city's governing board may propose a charter and submit it to the voters for adoption. See Cal. Gov't Code section 34458. With this option, the governing board can call a special election or allow the charter to be voted on at any established election date, as long as that election date is at least 88 days after the proposed charter was filed with the city clerk. See Cal. Gov't Code section 34458. As a practical matter, an election may have to be called sooner than 88 days before the election in order to meet certain notice and ballot printing deadlines.

In either case, the majority of voters must vote in favor of the proposed charter for it to be ratified. The charter will not go into effect until it has been filed and accepted by the Secretary of State. See Cal. Gov't Code section 34459. After a charter is approved by a majority vote of the voters, the mayor and city clerk shall certify that the charter was submitted to the voters of the city and that it was approved by a majority vote. See Cal. Gov't Code section 34460. One copy of the approved charter shall be filed with the County Recorder's office and one shall be kept in the City's archive. See Cal. Gov't Code section 34460. A third copy of the charter must be submitted to the Secretary of State with (1) copies of all publications and notices in connection with the calling of the election; (2) certified copies of any arguments for or against the charter proposal which were mailed to the voters; (3) a certified abstract of the vote at the election on the charter. See Cal. Gov't Code section 34460.

### **How to Amend/Repeal a Charter**

If a citizens group, or the city's governing body, wishes to amend or repeal a portion of the city's charter, the steps remain largely the same as they are for drafting a charter. There are, however, two notable exceptions. First, the petition calling for the repeal or amendment needs only ten percent of the electorate's signatures, instead of the previous fifteen percent. See Cal. Elec. Code sections 9215 and 9255. The other notable difference has to do with the charter itself. A city charter may establish different rules for the municipal elections process than those laid out by the state legislature in the Elections Code. If this is the case, the city's charter will govern the elections process used to appeal or amend the city's charter, instead of the general laws laid out in the Elections Code.

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## STAFF REPORT

**City Council**  
**Meeting Date:** 1/16/2018  
**Staff Report Number:** 18-009-CC

**Informational Item:** **Update on the temporary traffic calming modifications to the Willows neighborhood due to construction impacts of the Willow Road/U.S. 101 interchange**

### Recommendation

This is an informational item and does not require City Council action.

### Policy Issues

The Willow Road Interchange project was included in the City's 2012-13 Capital Improvement Program and is item #45 on the 2017 City Council Work Plan. The project is currently in construction and this report is intended to provide an update on the installation of traffic calming modifications in the local neighborhoods that were exacerbated during construction in November and December 2017. While staff has continued to observe traffic conditions on Willow Road and in the Willows neighborhood since the traffic calming modifications were installed, traffic and congestion levels have been light due to holidays and schools, including Stanford University, being out of session.

### Background

Caltrans is modifying the interchange at Willow Road and U.S. 101 from its former "full cloverleaf" style to a "partial cloverleaf" style similar to the Marsh Road and U.S. 101 interchange. This will eliminate the short merge weaves on both Willow Road and the freeway. The project is replacing the existing interchange with a new, wider bridge; adding sidewalks, bicycle lanes and separated bicycle lanes on both sides of Willow Road; and adding two signalized intersections. Caltrans awarded the construction contract in February 2017, and construction began in May 2017. Construction is expected to last approximately two years.

Prior to the beginning of the Caltrans construction, PG&E performed utility relocation work in preparation for the project on electric and gas lines in the Bay Road and Van Buren Road area. That work was completed in September 2017 and Bay Road and Van Buren Road are both completely open to traffic at all times.

The Caltrans construction of the project is being performed in four stages. Stage 1 included site preparation and early demolition and was completed at the end of October 2017.

Stage 2 began in early November 2017 and includes:

- Operation of two temporary traffic signals on Willow Road at the northbound and southbound ramps;
- Change in ramp locations (all on- and off-ramps for northbound 101 are on the north side of Willow Road, all on- and off-ramps for southbound 101 are on the south side of Willow Road – the configuration is similar to the southbound off-ramps at the University Avenue and U.S. 101 interchange);
- Construction of new sound walls on all four quadrants of the interchange

- Continuation of demolition of outside of bridge structure
- Intermittent lane and shoulder closures

Stage 3 is anticipated to begin spring 2018 and will include tasks such as completion of bridge construction, completion of new ramp location installations, pavement restoration and street lighting installation.

During Stage 4, the contractor will install all final signing, striping and traffic signals to prepare the interchange for opening the final structure.

Upon activation of the Stage 2 new temporary traffic signals for the U.S. 101 northbound and southbound ramps on November 6 and 7, 2017, traffic changes and increased delay were observed west of U.S. 101, in the Willows neighborhood in particular.

As a result of the community reports of increased neighborhood traffic, coordination with Caltrans and direction from the City Council, the following measures were implemented in early December:

- White “No Thru Traffic” signs were temporarily installed at the following locations to discourage cut through traffic in the Willows neighborhood
  - Woodland Avenue at Middlefield Road
  - Woodland Avenue at the Pope-Chaucer Bridge
  - Baywood Avenue at Woodland Avenue
  - Blackburn Avenue at Willow Road
  - Menalto Avenue at Chester Street (to reflect no access to Willow Road via Menalto Avenue once beyond Chester Street)
- Traffic signals from Durham Avenue to Newbridge Street have been adjusted to coordinate with each other and the peak commute direction
- Electronic signs have been placed along westbound Bayfront Expressway in advance of Willow Road and on northbound US 101 to advise drivers of the construction and encourage them to use alternate routes
- Electronic signs have been placed at Woodland Avenue at Middlefield Road and on Menalto Avenue between Durham Street and Chester Street to reiterate the message of No Thru Traffic
- Police Department staff has increased their presence and enforcement in the construction and neighborhood areas
- Addition of “No right-turn, 3-7 p.m. weekdays” signs on O’Keefe Street, Durham Street and Chester Street to restrict right turns onto Willow Road
- Addition of “No left turn, 3-7 p.m. weekdays” sign to restrict left turns from Woodland Avenue to Baywood Avenue
- Addition of “No access to Willow Road” signs on Laurel Avenue at Chester Street and Menalto Avenue at Chester Street/Green Street
- Installation of additional directional signage on Willow Road regarding lane assignments;
- Addition of arrows with reflective paint on pavement at both ramp signalized intersections;
- Addition of “Keep clear” pavement markings on Willow Road at O’Keefe Street, Chester Street, Durham Street and Gilbert Avenue
- Installation of partial bulb out at Middlefield Road and Woodland Avenue
- Initiation of project to install adaptive signal timing along Willow Road, Marsh Road and Bayfront Expressway
- Ongoing field monitoring of traffic conditions by City staff and documentation of suggestions, concerns

and observations from community

Typically, traffic changes such as traffic signal installations and turn restrictions can take one to three months for driver behaviors to normalize after a significant change in patterns as was implemented. However, since the community has voiced urgent concerns about the impacts to the local neighborhood, City Council directed staff to return with regular updates.

## Analysis

Local schools and universities resumed their normal schedules the week of January 8, 2018, and although traffic levels have begun to return to normal, traffic on Willow Road and U.S. 101 remained light through January 10, 2018, as staff prepared this report. Since the implementation of the turn restrictions, staff has been making field observations daily during the afternoon peak period. Based on the limited observations completed in heavy traffic conditions since the Willows neighborhood traffic-calming changes were installed on December 18, 2018, staff does not have sufficient information to recommend further specific changes at this time. Staff recommends continuing to conduct field observations and return to the City Council with future recommendations, if needed, to address observed issues. Based on community feedback in early and mid-December, staff is aware of the following potential specific items of concern, as detailed below, and are continuing to monitor them.

- School dismissal times and whether turn restrictions should be delayed from 3 p.m. to 3:30 p.m. or 4 p.m.
- Potential for increased traffic at Gilbert Avenue and Willow Road
- Ongoing Woodland Avenue traffic and backups, whether additional turn restrictions should be considered
- Allowance of overnight on street parking, particularly along Woodland Avenue
- Modification of no right turn at Durham Street to no right turn on red
- Access issues for local residents from left turn restriction from Woodland Avenue to Baywood Avenue
- Potential for increased traffic on Arnold Way near O’Keefe Street, Durham Street and Chester Street

Staff observations from Tuesday and Wednesday, January 9 and 10, 2018, include:

- Vehicle queues on Chester Street, Durham Street and O’Keefe Street are between 5–20 vehicles long on average.
- At Durham Street, vehicles were observed making the right turn on the green light, not many on the red light.
- At Durham Street, vehicles were observed making the through movement into the Veterans Affairs campus to avoid the right-turn restriction at Willow Road.
- At Gilbert Avenue, vehicle queues were observed to be approximately 5–10 vehicles long on average, even during 3–4 p.m. school release period. No pedestrian or bicycle safety issues were observed on Menalto Avenue, Oak Court or Gilbert Street.
- Private parking lots at Willow Road and Chester Street and Durham Street are used by some vehicles to turn around or turn onto Willow Road.

Observations and comments received from the community up to 8 a.m. on Thursday, January 11, 2018, include the following common themes:

- The Veterans Affairs police department reported concerns that a high volume of vehicles making U-turns within the Veterans Affairs campus. Staff is working with Veterans Affairs to provide signs discouraging this maneuver.
- Some additional traffic was reported on Arnold Way, especially the first few weeks of the turn restriction implementation.

- Some local residents are concerned about not being able to make the turns.
- Some concerns have been reported regarding no access allowed at Chester Street with the new restrictions.

Due to the time constraints to develop these options and recommendations, no specific community outreach has been completed, no community feedback has been solicited and no engineering evaluations have been performed. Staff is relying on field observations, suggestions and observations from community members, and engineering judgment to prepare recommendations. As described above, it is anticipated that traffic behaviors will shift over a normalizing period, which typically takes one to three months, and adjustments can be made to address possible shifts that may cause congestion in other areas. At this time, with the holiday break and lower than normal traffic volumes in the past 2-3 weeks, staff has been unable to observe if that normalizing has had a chance to occur yet. The effectiveness of the recommendations previously implemented are being measured through an ongoing qualitative monitoring program throughout the remainder of the construction. All future changes would be monitored in the same manner.

The intention of this City Council item is to provide the City Council and community with an update on the changes implemented to date, observations made and comments received as of 8 a.m. on Thursday, January 11, 2018, and allow the City Council to raise other observations of specific items of concern for future consideration.

#### Mapping services coordination

Staff has continued to coordinate with various mapping services and mapping editors, such as Waze, regarding the previously implemented changes. According to our findings, Waze has incorporated the temporary turn restrictions into their mapping application. City and Caltrans staff will continue to reach out to Google and Apple to have these incorporated into their mapping applications also.

#### **Public Notice**

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Additional outreach to the community is being done through a variety of methods. Caltrans has delivered notices to local residents about upcoming construction activities and will continue to do so for major construction activities. City staff is utilizing various City outreach methods including:

- City Council Weekly Digest ([menlopark.org/digestarchive](http://menlopark.org/digestarchive))
- Weekly Construction News Updates ([menlopark.org/constructionnews](http://menlopark.org/constructionnews))
- Emails to businesses, the Police Department and the Menlo Park Fire Protection District
- Project webpage updates ([menlopark.org/willow101interchange](http://menlopark.org/willow101interchange))
- Nextdoor posts
- Attendance at neighborhood public meetings

Report prepared by:  
Angela R. Obeso, Senior Transportation Engineer

Report reviewed by:  
Nicole H. Nagaya, Assistant Public Works Director





**STAFF REPORT**

**City Council**

**Meeting Date:** 1/16/2018  
**Staff Report Number:** 18-012-CC

**Informational Item:** Update on 2017 City Council Work Plan and City Council 2018 Work Plan preparation

**Recommendation**

This is an informational item and does not require City Council action.

**Policy Issues**

It has been the City Council's policies to annually create and adopt City Council goals and work plan.

**Background**

The City Council adopts its goals and work plan at the beginning of the calendar year. These items are typically not funded until the adoption of the budget later in June. On an annual basis, the City Council is provided with an update on the work plan items from the previous year. Many of the items listed in the work plan for 2017 status reflect either "Completed," "In Progress," "On Hold" or "City Council Modified."

The City Council will hold a special public meeting to discuss, identify and refine the goals for 2018. The adoption of the goals will be used to help craft the fiscal year 2018-19 budget. While the City Council adopts its goals early in the year, typically many are not funded until the adoption of the budget for the subsequent 12 months.

**Analysis**

The City Council identified multiple goals for 2017. The adopted City Council Work Plan identified resources and funding necessary for each of the items. The specific status update for each goal is included in the attached table. The 2017 City Council Work Plan included 57 items, some of which include multiple sub-components. The resources to work toward and complete many of these items were not funded until the budget adoption in June 2017. Staff has also been working on a significant number of City Council approved Capital Improvement Plan projects. Some of the capital projects overlap with the work plan items approved by the City Council.

This process is building toward preparation of the fiscal year 2018-19 budget. The budget is developed based on principles and guidelines approved by the City Council. The City Council Work Plan discussion will in part consider the current work plan/project list (Attachment A). The fact that many current projects have an ongoing nature to them is important to consider as the City Council looks at staff capacity and prioritization.

Staff will return to City Council at the January 23 meeting to:

- Review the fiscal year 2018-19 Budget Principles
  - The City Council-approved budget principles guide the development of the proposed budget each year. These principles, which were first introduced for fiscal year 2013-14 and refined annually
- Review the City Council Procedures Manual
  - The procedures manual is approved annually and assists the City Council by documenting currently accepted practices. Through agreement of the City Council to be bound by these practices, the effective administration of City Council affairs is greatly enhanced
- Review priorities and staff recommendations for the upcoming work plan
  - Slightly different from previous years with a focused list of main priority projects
- Evaluate interest among City Councilmembers for the new initiatives/projects under consideration for prioritization
- Assess relative importance of any new initiatives/projects, which the City Council desires to pursue

Staff will return at the City Council Goal Setting Workshop in late January to:

- Discuss and approve the fiscal year 2018-19 Budget Principles
- Discuss and approve the City Council Procedures Manual
- Discuss the overall City Council Work Plan and CIP
- Prioritize top priorities

Depending on the outcome of the work plan discussion by City Council, the Budget Principles, City Council Work Plan and Procedures Manual would be brought back to City Council for adoption in February.

### **Public Notice**

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### **Attachments**

- A. Status update for the 2017 City Council Work Plan

Report prepared by:  
Peter Ibrahim, Management Analyst II

Responding to the development needs of private residential and commercial property owners.			
Extremely Important			
No.	Project	Status	Update: Quarter 4
1	<b>Address Housing Element Implementation Programs</b>	City Council Modified	Work has been postponed due to City Council-directed work on the expansion of EV charger regulations citywide. Completion of an anti-discrimination ordinance is targeted for. Completion of zoning ordinance amendments related to limiting the loss of existing residential units and modifications to R-2 zoning are targeted for completion in the second half of 2018.
	(a) Amend the Zoning Ordinance to be consistent with State law and limit the loss of existing residential units or the conversion of existing units to commercial space (Program H2.C)	City Council Modified	
	(b) Amend the Zoning Ordinance to modify R-2 zoning to tie floor area to dwelling units to minimize underutilization of R-2 zoned lots and maximize unit potential, unless unique features of a site prohibit additional units being constructed (Program H2.C)	City Council Modified	
	(c) Adopt an Anti-Discrimination Ordinance to prohibit discrimination based on the source of a person's income or the use of rental subsidies, including Section 8 and other rental programs (Program H1.G).	City Council Modified	
Very Important			
No.	Project	Status	Update: Quarter 4
2	<b>Implement Downtown/EI Camino Real Specific Plan Biennial Review</b>	On Hold	Work has been placed on hold pending further direction from City Council at an upcoming study session tentively scheduled for February 2018. City Council will be considering the status of the amendments previously directed by the City Council as well as any new amendments the City Council may wish to pursue. Staff will be developing a work plan, timeline and budget based on the City Council's feedback.
	(a) Phase 1 which consists of text and graphic changes related to setbacks, sidewalk widths, hotel incentives and parking, and TDM programs among others will be completed in 2017.	On Hold	
	(b) Phase 2, which includes more extensive research, environmental review and policy changes is expected to be completed in 2018. The directed changes require consultant assistance.	On Hold	

3	<b>Enhanced Housing Program</b>		
	(a) Draft agendas, staff reports and attend monthly Housing Commission meetings.	✓	
	(b) Work with Housing Commission to present prioritized list of actions to City Council.	✓	
	(c) Present recommended actions to Housing Commission and City Council for items the City Council prioritizes for 2017.	✓	
	(d) Conduct public outreach on any new requirements or programs.	✓	
<b>Important</b>			
	<b>Project</b>	<b>Status</b>	<b>Update: Quarter 4</b>
4	<b>Stanford University 2018 General Use Permit Review</b>		
	(a) Tracking the project, attending public meetings, and preparing comments on the Notice of Preparation and draft environmental documents. The schedule for this project is dependent on an outside agency.	✓	Comments on the Draft EIR was extended to February 2. The City Council is scheduled to review a revised comment letter on January 23.
5	<b>Single Family Residential Requirements and Guidelines</b>		
	(a) Development of project goals and a work program through the Planning Commission and City Council and obtaining consultant assistance.	On Hold	This work is targeted to occur in 2018-19 but may be shifted to a future year depending on the prioritization of projects in the City Council's goal setting session.

Realizing Menlo Park's vision of environmental leadership and sustainability.			
Extremely Important			
No.	Project	Status	Update: Quarter 4
6	<b>Green Infrastructure Plan</b> (a) Approval of the work plan for the Green Infrastructure Plan, and future implementation phases will follow.	✓	
Important			
No.	Project	Status	Update: Quarter 4
7	<b>Community Zero Waste Plan</b> (a) The plan will be complete.	✓	
8	<b>Update Heritage Tree Ordinance</b> (a) The consultant will be selected, community outreach, and commission meetings will commence.	✓	
Attracting thoughtful and innovative private investment to Menlo Park.			
Extremely Important			
No.	Project	Status	Update: Quarter 4
9	<b>Downtown Streetscape Improvement Project (Specific Plan)</b> (a) Completion of the first round of street cafés.  (b) Evaluation of the Paseo at a City Council study session in order to determine whether to construct a permanent Paseo and at what location (i.e., Chestnut Street or Curtis	✓  ✓	Paseo was removed.
10	<b>Downtown Parking Structure and Mix of Uses Design Contest</b> (a) Confirm City's legal rights to develop on parking plazas 1-3. Present proposed contest to City Council. Conduct outreach for project submissions. Facilitate evaluation of submitted projects, ensuring that at least one of the options is a single-use parking garage. Present a final proposal to City Council (It may be necessary for this process to extend into 2018, based on community input.)	In Progress	Staff explored potential opportunities to partner with private entities to assist with conducting a design competition for possible mixed-use development. Staff has met with various interested developers and even received an unsolicited offer from a developer. Staff anticipates presenting options for moving forward to the City Council at a study session.

Providing high-quality resident enrichment, recreation, and discovery.			
Extremely Important			
No.	Project	Status	Update: Quarter 4
11	<b>Belle Haven Pool Analysis and Audit</b>		
	(a) Complete the study.	✓	Project completed. Next step is to integrate these results into overall Parks and Recreation Facilities Master Plan.
Very Important			
No.	Project	Status	Update: Quarter 4
12	<b>Parks and Recreation Facilities Master Plan Update</b>		
	(a) Development of RFQ .	✓	
	(b) Release of scope of work and RFP.	✓	
	(c) City Council approval of consultant contract.	✓	
	(d) Analysis of existing conditions.	In Progress	This project is on target to be completed by Fall 2018
	(e) Opportunities and constraints completed.	In Progress	
	(f) Some community engagement will have begun	On Hold	
13	<b>Bedwell Bayfront Park Master Plan</b>		
	(a) Development of the plan and City Council approval.	✓	Project completed. Next step is to integrate these results into overall Parks and Recreation Facilities Master Plan.
14	<b>Park Playground Equipment</b>		
	(a) Identification of the first park (likely to be Nealon Park).	In Progress	The RFP is being prepared and is targeted for release by early 2018.
	(b) Determination of the proposed equipment.	In Progress	
	(c) Going out to bid.	In Progress	

Important			
No.	Project	Status	Update: Quarter 4
15	<b>Jack Lyle Park Restroom</b>		
	(a) Complete construction drawings.	In Progress	Bid documents are being finalized with a target release in early 2018.
	(b) Obtain building permit.	In Progress	
	(c) Go out to bid.	In Progress	
	(d) Award the construction contract.	In Progress	
	(e) Construct the restroom.	In Progress	
16	<b>Library Space Needs Study</b>		
	(a) The Space Needs Study should be completed in 2017.	✓	The Space Needs Study was completed and presented to the City Council in March 2017.
17	<b>Willow Oaks Park Improvements</b>		
	(a) Complete the community engagement process.	In Progress	
	(b) Design the improvements.	In Progress	Project is still on hold. Focusing on Lyle Park restroom first.
	(c) Go to bid.	In Progress	
18	<b>Burgess Park Snack Shack</b>		
	(a) Identification of the project scope and location and determination of the future use of the improvements in order for the City Council to authorize the private fundraising to proceed in a manner similar to the Menlo Gates project along Ravenswood Avenue.	In Progress	Awaiting results of community fundraising efforts and impacts from possible Library project to be determined
<b>Maintaining and enhancing Menlo Park's municipal infrastructure and facilities.</b>			
Extremely Important			
No.	Project	Status	Update: Quarter 4
19	<b>Water System Master Plan</b>		
	(a) Presenting components of the plan phases, such as staffing options for operations and maintenance, and ultimately City Council acceptance of the entire Plan.	In Progress	Two new water workers are slated to start in February 2018. Staff is reviewing the final version of the Water System Master Plan and will provide an update targeted for the January 23, 2018 City Council meeting.
20	<b>Sidewalks on Santa Cruz Ave</b>		
	(a) Construction of the sidewalks should be completed in 2017.	✓	




21	<b>Trash Capture Device Installation</b> (a) The devices should be installed by summer 2017.	✓	
22	<b>Administration Building Emergency Generator</b> (a) The project is out bid and construction should be completed in 2017.	✓	
23	<b>Chrysler Pump Station Improvements</b> (a) Completing the design and going out to bid.	In Progress	The Planning Commission unanimously approved the architectural control and use permit requests for the pump station on January 8, 2018. Staff continues to work with the Bohannon team to finalize the construction documents while awaiting the outcome of the grant application.
24	<b>Emergency Water Supply</b> (a) The first well at the Corporation Yard is scheduled for completion by the end of 2017.	In Progress	Staff is currently in the process of finalizing the plans and specifications for the design of the pump and generator. The project is expected to be bid in early 2018.
	(b) For the second well, staff is evaluating different sites and plans to make a recommendation on the proposed well to the City Council in the summer of 2017.	In Progress	Staff is in the process of evaluating locations for the second well, which are being included in the Water System Master Plan. The feasibility of the locations with respect to the water distribution system hydraulics and access to customers is being assessed.
<b>Very Important</b>			
<b>No.</b>	<b>Project</b>	<b>Status</b>	<b>Update: Quarter 4</b>
25	<b>Library Landscaping</b> (a) A smaller landscaping project between the main public entrance and the staff/service entrance will be completed by the fall of 2017.	✓	
	(b) Additional improvements for 2017 include the installation of additional outdoor tables.	✓	
26	<b>Arrillaga Family Recreation Center HVAC System Upgrade</b> (a) System design.	On Hold	Due to staff vacancies, the project is scheduled for design in FY 2018-19.
	(b) Going out to bid.	On Hold	








27	<b>Belle Haven Child Development Center Kitchen and Bathroom Remodel</b>		
	(a) Preparing the applicable plans and specifications.		✓
	(b) Obtaining applicable permits.		✓
	(c) Hire contractor.		✓
	(d) Complete construction.		✓
28	<b>Burgess Pool Capital Improvements</b>		
	(a) Key milestones for 2017 will be determined upon completion of the lease negotiations.	In Progress	Vendor requesting change in business model away from lease to traditional Rec Contractor agreement. Staff working on new agreement with vendor; plan to request funding for sinking fund with FY 2018-19 budget.
29	<b>San Francisquito Creek Upstream of 101 Flood Protection Project</b>		
	(a) Tracking the project.	In Progress	
	(b) Attend public meetings.	In Progress	
	(c) Prepare comments on the draft environment impact report which is currently targeted for release in September 2017 for a 60-day review period.	In Progress	The Draft EIR is expected to be released in early 2018.
<b>Important</b>			
No.	Project	Status	Update: Quarter 4
30	<b>Nealon Park Sports Field Sod and Irrigation System Replacement</b>		
	(a) The completion of the project is targeted for 2017.		✓
31	<b>Gatehouse Fence Replacement</b>		
	(a) Preparing the design details and going out to bid.	On Hold	Project is currently on hold pending the library siting analysis.
32	<b>Facilities Maintenance Master Plan</b>		
	(a) Selection of a consultant to prepare the report.	In Progress	Due to staff vacancies, the project is currently on hold.
33	<b>Reservoir Reroof and Mixers</b>		
	(a) Going out to bid and scheduled to be completed in 2017.	In Progress	The City Council rejected the bids on December 5, 2017. Staff is in the process of reevaluating options.



Furthering efficiency in city service delivery models.			
Extremely Important			
No.	Project	Status	Update: Quarter 4
34	<b>Complete Streets Commission Pilot</b>		
	(a) Establish the mission/charge for the Commission.	✓	
	(b) Update the Commissions/Committee policies, procedures, roles and responsibilities by March.	✓	
	(c) Consolidate the Commission meetings as of May 2017.	✓	
35	<b>Cost Allocation plan and user fee study</b>		
	(a) Award contract and begin work on study.	✓	
	(b) Review draft reports	✓	Complete
	(c) City Council review and consideration of changes to the Master Fee Schedule	In Progress	The item is scheduled for consideration in February and March 2018.
	(d) Implement City Council approve Master Fee Schedule changes	In Progress	
36	<b>City Hall Remodel Project</b>		
	(a) Completion of construction.	In Progress	
37	<b>Complete a fee study for solid waste services</b>		
	(a) The fee study will be completed.	✓	

Very Important			
No.	Project	Status	Update: Quarter 4
38	<b>Information Technology Master Plan Implementation</b>		
	(a) Complete Study and seek City Council acceptance of the plan and direction on key initiatives.	✓	
	(b) Recruit new staff and contractors to implement the ITMP recommended wireless network, network redesign, core switch replacement, virtual server migration, and storage area network upgrades.	✓	
	(c) Establish an 2017-18 ITMP implementation team comprised of existing staff and other outside consultants as necessary; identify backfill resources as necessary.	In Progress	Staff has identified a preferred vendor and will work in Q1 2018 to develop a recommendation to City Council for vendor selection and project budget.
	(d) Launch implementation of the application upgrades as determined by resources available (e.g. budget, available staff capacity, etc.).	In Progress	
	(e) Provide project updates to the City Council on the ITMP implementation project in August and January.	In Progress	
39	<b>Development of a Citywide Communications Program</b>		
	(a) Hire a consultant.	✓	
	(b) Develop a plan.	In Progress	
	(c) Fund the plan.	In Progress	

Important			
No.	Project	Status	Update: Quarter 4
40	<b>Organizational study for Public Works maintenance services</b>		
	(a) Consultant will be selected.	In Progress	
	(b) Background and review will commence.	In Progress	
	(c) The organization study will review the current maintenance processes, document their current form and propose improvements. The review process will use industry standard practices as appropriate to provide a better understanding of how the current processes could be improved. The review will incorporate other studies that have been completing or are in process such as the Water System Master Plan to provide data for the review. The review will include all the maintenance functions performed	In Progress	
41	<b>Organizational study for Development Services</b>		
	(a) Consultant will be selected.	In Progress	
	(b) Background and review will commence.	In Progress	
42	<b>Community Services Strategic Plan Implementation</b>		
	(a) Complete a community needs analysis determining need for after school programs including age groups, services, partnerships and efficiencies to meet changing community needs.		Ongoing - should now be included with baseline work
	(b) Complete a community needs analysis determining opportunities for new/additional programs expanding participation at Onetta Harris Community Center, Senior Center and Belle Haven Youth Center.	In Progress	Staff currently implementing needs assessment and plan for OHCC and BH Youth Center - now under one Recreation Coordinator for greater coordination and efficiency. Include with baseline work.
43	<b>Federal and State Lobbying Initiative</b>		
	(a) Develop legislative platform.	On Hold	City Council continued item.
	(b) Hire lobbyist.	On Hold	City Council continued item.
<b>Improving Menlo Park's multimodal transportation system to move people and goods through Menlo Park more efficiently</b>			
Extremely Important			
No.	Project	Status	Update: Quarter 4
44	<b>Haven Avenue Streetscape Improvement</b>		
	(a) Complete the work in the City right-of-way (between the San Mateo County line and the bridge over the Atherton Channel) following completion of the Anton Menlo		
	(b) Obtain an encroachment permit for work within Caltrans right-of-way.		Caltrans issued the encroachment permit in October 2017, but cost escalation has caused a funding gap for the project, which will delay construction. Staff anticipates bringing a report to the City Council to determine next steps in early 2018.

45	<p><b>Willow/101 Interchange</b> (a) Respond to ongoing construction issues as they arise. The schedule for this project is dependent on an outside agency.</p>		<p>Temporary traffic calming measures were installed on December 18, 2017 and staff is continuing to monitor traffic in the Willows neighborhood. City Council will receive a status report on January 16, 2018 and can direct staff to bring back additional measures at a future meeting.</p>
46	<p><b>Transportation Master Plan</b> (a) Finalize the scope of work.  (b) Award a consultant a contract.  (c) Initiative community engagement.  (d) Develop a draft list of projects for consideration.</p>	      <p>In Progress</p>	<p>Work on the draft list of strategies and recommendations is underway. Due to challenges in scheduling the first Oversight &amp; Outreach Committee meeting, subsequent staff vacancies, and work related to US 101/Willow Road interchange, the overall project timeline will be delayed approximately 6 months.</p>
47	<p><b>Transit Improvements</b> (a) Begin service for revised shuttle routes.  (b) Initiate Transportation Management Association (TMA) study.  (c) Install new bus stop amenities (new, redesigned signs and shelters in Belle Haven).</p>	  <p>In Progress</p>  <p>In Progress</p>	<p>The next step is a City Council Study session, which is targeted for early 2018.  The shelter at Onetta Harris Community Center was installed in early December 2017.</p>

48	<b>Chilco Street Scape and Sidewalk Installation</b>		
	(a) Finalize the concept plans for all phases, final design plans for Phases 3a, 3b, and 4a.	In Progress	Staff is consolidating comments on draft plans for all phases (3a, 3b, 4a, 4b, 5 and 6).
	(b) Begin construction of Phases 3a and 3b.		
<b>Very Important</b>			
<b>No.</b>	<b>Project</b>	<b>Status</b>	<b>Update: Quarter 4</b>
49	<b>High Speed Rail Coordination &amp; Environmental Review</b>		
	(a) Authorization of a reimbursement agreement with the High Speed Rail Authority.	✓	
	(b) Participate in expected environmental review milestones for the San Francisco-San Jose project section.	In Progress	Release of the environmental review documents has been delayed.
50	<b>Oak Grove, University, Crane Bicycle Improvement Project</b>		
	(a) Finalize design plans, award a construction contract, construction, finalizing trial metrics to be evaluated, and collect before and after data.	✓	
	(b) Award a construction contract.	✓	
	(c) Construction.	✓	
	(d) Finalize trial metrics to be evaluated.	✓	
	(e) Collect before and after data.	In Progress	The first round of data collection occurred in October and November 2017. Next step will be the second round of data collection and project evaluation in mid-2018.
51	<b>Ravenswood Avenue/Caltrain Grade Separation Study</b>		
	(a) Complete the final PSR and identification of a preferred alternative for grade separation at Ravenswood Avenue.	In Progress	Staff presented to the Atherton Town City Council at a Study Session on December 6, 2017 and will be providing a City Council update on January 16, 2018.

52	<b>Willows Neighborhood Complete Streets</b>		
	(a) Host an initial community meeting in Spring 2017 to share the history of the project.		
	(b) Develop a scope of work.	On Hold	Construction impacts of the US 101/Willow Road interchange exacerbated cut-through traffic in the Willows neighborhood in November and December 2017. Staff expedited installation of several traffic calming measures that had previously been identified to reduce cut-through traffic in the Willows. This project has been further delayed by these near-term measures.
	(c) Award a consultant contract to conduct the study.		
53	<b>Initiate Citywide Safe Routes to School Program</b>		
	(a) Identify a staff person to lead the effort making contact with each school within the five public school districts serving Menlo Park. To accomplish this work, staff would need to complete the reorganization of the Bicycle and Transportation Commissions to a Complete Streets Commission no later than May 2017; other internal staff assignments may need to be shifted to accomplish this	In Progress	Staff has developed a draft RFQ and met with the Complete Streets Commission subcommittee representatives. Staff is continuing to refine the RFQ prior to release in early 2018.
	(b) Convene a quarterly stakeholder meeting (starting in Q4) with representative of each school and other relevant groups to be identified.	In Progress	
	(c) Identify a prioritized list and schedule for Safe Routes infrastructure plans for each school.	In Progress	
	(d) Potentially hire a consultant to develop a recommended program approach to implement a comprehensive, future Safe Routes to Schools Program.	In Progress	
54	<b>Middle Avenue Caltrain Crossing Study</b>		
	(a) Award a consultant a contract.		
	(b) Conduct community engagement on potential alternatives.	In Progress	This project has been delayed by staff vacancies, the response by the City to the Stanford University Center for Academic Medicine project, and ongoing work related to construction impacts of the US 101/Willow Road interchange. The next community meeting is anticipated to occur by March 2018.
	(c) Develop preliminary designs for potential alternatives.	In Progress	Staff is reviewing draft alternatives which will be presented at the next community meeting (estimated to occur by March 2018).

Important			
No.	Project	Status	Update: Quarter 4
55	<b>El Camino Real Corridor Study</b>	On Hold	Staff completed review of the preliminary design concepts of the east-west crossing improvements for Encinal Avenue, Ravenswood Avenue, Roble Avenue, Middle Avenue, and Cambridge Avenue. Middle Avenue and Cambridge Avenue modifications would be required as a condition of approval for the Middle Plaza at 500 El Camino Real project. Vacancies in the Transportation Division have delayed the other crossing improvements.
	(a) Submitting encroachment permit applications to Caltrans for the east-west crossing improvements.		
	(b) Completing the additional analysis requested by the City Council for northbound traffic conditions.	On Hold	Next step is to schedule an El Camino Real Subcommittee meeting to review results of the traffic analysis and finalize next steps. However, vacancies in the Transportation Division have delayed this project.
56	<b>Middlefield Rd/Ravenswood and Ringwood Avenues Traffic Signals Modification</b>	On Hold	Vacancies in the Transportation Division have delayed this project. While the scope of the improvements has not yet been finalized, staff has worked with the Town of Atherton on potential design options through an ongoing project the Town is pursuing, the Middlefield Road Bicycle Lanes Improvement Project.
	(a) Finalize scope of planned improvements.		
57	<b>Revisions to the 2016 California Green Building Standards Code for Electric Vehicle Chargers</b>	In Progress	
	(a) Adopt increased requirements for electric vehicle chargers that will be applicable citywide		



**STAFF REPORT****City Council**

**Meeting Date:** 1/16/2018  
**Staff Report Number:** 18-008-CC

**Informational Item:** Hello Housing quarterly report

**Recommendation**

This is an informational item and no action is required.

**Policy Issues**

Hello Housing administers aspects of Menlo Park's Below Market Rate Housing Program and this report is consistent with the City's policies and efforts to improve housing affordability in Menlo Park.

**Background**

Menlo Park's Below Market Rate (BMR) Program was created in 1988 to provide affordable homeownership and rental opportunities for low and moderate-income families living or working in Menlo Park. The City currently has 65 owner-occupied BMR units, with three more coming online soon. They also have four rental, city managed, BMR Units and more units available in the Gateway Apartments, Willow Court and Willow Terrace, Crane Place and Partridge Place, Anton Menlo and Sequoia Belle Haven.

In the late 1980s, Menlo Park's Purchase Assistance Loans (PAL) and Emergency Rehab Loan (ERL) programs were created. The PAL program was a second mortgage loan designed to help homebuyers qualify for a first mortgage loan and was only offered to first time homebuyers. PAL loans were funded from the BMR fund and its terms were 30 years at 5 percent. The ERL program was funded by the Redevelopment Agency (RDA) and provided home improvement and emergency repair funds to income-qualified homeowners in the Belle Haven neighborhood. The RDA was dissolved in early 2012.

San Mateo County also had two loan programs called the Community Development Block Grant (CDBG) and the Rehab Loan Program. They worked similar to RDA's ERL loan, but was funded by the county and managed and administered by the City of Menlo Park.

Menlo Park's BMR Housing and Loan Programs were managed by its own Housing Division, until 2012 when it was dissolved with the RDA. After the dissolution, Menlo Park contracted with Palo Alto Housing Corporation (PAHC) for BMR program administration and with Hello Housing for PAL loan management. In June 2014, the City did not renew its contract with PAHC and contracted with Hello Housing to manage BMR and PAL loan servicing, while city staff managed the RDA and CDBG loans.

In May 2015, the City amended Hello Housing's contract so they managed the Ownership-BMR program,

the four city-managed BMR Rentals and all four loan programs (PAL, ERL, RDA and CDBG).

### **Analysis**

Attachment A is the fourth quarterly report from Hello Housing for 2017. Hello Housing provides a quarterly update to the Housing Commission, but given the additional public interest in affordable housing, staff feels that quarterly reports are appropriate information items for the City Council. The Housing Commission reviewed and accepted the report from Hello Housing at its December 13, 2017 meeting.

### **Public Notice**

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

### **Attachments**

A. Hello Housing 2017 Q4 Report

Report prepared by:

Meghan Revolinsky, Management Analyst II

Report reviewed by:

Jim Cogan, Housing and Economic Development Manager

## MEMORANDUM

**Date:** December 7, 2017

**To:** Jim Cogan, Housing and Economic Development Manager for the City of Menlo Park

**From:** Hello Housing, Administrator of Menlo Park's Below Market Rate (BMR) Housing Program

**Subject:** Quarterly BMR Housing Program Report – Q4 2017

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The City of Menlo Park is currently contracted with Hello Housing, a nonprofit housing organization, to administer its Below-Market Rate (BMR) Housing Program along with providing loan servicing of the City's below market rate loans, including Purchase Assistance Loans, CDBG Loans, Rehab Loans and Emergency Rehab Loans. This Quarterly Report contains an update on Hello Housing's activities during the fourth quarter of 2017 (Q4).

### **BMR Home Resale and Refinance Activity**

<i><b>BMR Home Re-sales</b></i>	<i><b>BMR Home Refinances or HELOCs</b></i>	<i><b>BMR Home Value Calculation Requests</b></i>
<i><b>0</b></i>	<i><b>0</b></i>	<i><b>0</b></i>

During Q4, there were no re-sales or refinances that took place within the BMR portfolio.

### **Below Market Rate Waiting List Management**

Hello Housing manages the City's Waiting List for the BMR Housing Program. This includes accepting and processing applications from interested households and doing an annual mailing campaign to recertify current waiting list members. Households may apply to be on the waiting list purchase a BMR unit or may apply to be on the interest list to rent a BMR unit, or both.

During Q4, so far Hello Housing has processed 24 new BMR waiting list applications, 14 of which were eligible to be added to the list.

The number of eligible households currently on the Waiting List is as follows:

<b>Program</b>	<b># of Participants</b>
BMR Homeownership Waiting List Only	19
BMR Rental Interest List Only	105
BMR Homeownership Waiting List + BMR Rental Interest List	139
<b>Total</b>	<b>263</b>

### **Below Market Rate Preservation Projects**

At staff's request, a key BMR preservation and protection activity is currently underway by Hello Housing to ensure that BMR homeowners have not over-encumbered their BMR homes with unapproved loans. Under this activity, Hello Housing completed a forensic review of all loan activity across the portfolio to determine if any Home Equity Loans or any other unapproved loan transactions have taken place across the portfolio that would be in violation of the BMR program guidelines. 12 homeowners were identified as being at risk of over-encumbrance. Hello Housing ordered preliminary title reports for these properties and completed an in-depth review of each report, also performing a financial analysis to estimate the amount of over-encumbrance for each home based on their current maximum BMR resale value.

Through this process, five homeowners were identified who appeared to owe more debt against their BMR homes than their maximum BMR resale value. In addition, three homeowners were identified who took out refinance loans that were not approved by the City, but were not in excess of their maximum BMR resale value. Hello Housing subsequently mailed letters to each of these delinquent homeowners informing them of next steps to be taken in order to bring them back into compliance. Hello Housing is currently working with the responsive owners to obtain more information about the current statuses of their loans and to assist them in returning to compliance with the program guidelines. Hello Housing will continue to monitor these cases to determine whether the over-encumbrances are resolved or if further escalation is needed.

Additionally, one homeowner was identified who had a delinquent property tax payment from 2012-2013 that resulted in a property tax lien of nearly \$17,000. Hello Housing sent the homeowner a letter, alerting her to the fact that in California, the County tax collector is able to sell your home in order to satisfy the defaulted property taxes after a 5-year waiting period and asking her to contact us as soon as possible. The homeowner immediately contacted us to inform us that she is currently in a payment plan with the County and has already paid about half of the amount due. She plans to repay the remaining amount this year, and has provided evidence of her payment plan to Hello Housing.

Hello Housing also monitors Notices of Default that are recorded on BMR properties with the goal of preventing the BMR home from being lost from the affordable housing portfolio through foreclosure. No Notices of Default have been received during Q4.

### Loan Servicing

In addition to administering the City’s BMR Housing Program, Hello Housing provides loan servicing of the City’s Purchase Assistance Loans, CDBG Loans, Rehab Loans and Emergency Rehab Loans. Below is a general summary of loans serviced under Hello Housing’s contract.

Total funds remitted back to the City through loan servicing in the third quarter\* of 2017: **\$25,984** \*complete data is not yet available for Q4.

<b>BMR Loan</b>	<b>Total Loan’s Serviced</b>	<b>Current Active</b>	<b>Current Deferred</b>
<b>Purchase Assistance Loans</b>	<b>23</b>	<b>23</b>	<b>0</b>
<b>CDBG Loans</b>	<b>13</b>	<b>6</b>	<b>7</b>
<b>REHAB Loans</b>	<b>4</b>	<b>4</b>	<b>0</b>
<b>ERL Loans</b>	<b>4</b>	<b>4</b>	<b>0</b>
<b>Total</b>	<b>44</b>	<b>37</b>	<b>7</b>

Since taking on the loan servicing contract in 2013, Hello Housing has developed a process of engaging with delinquent borrowers in order to assist them to begin making payments on their City loans. As of this report, 39 loans have been paid off in full (totaling roughly \$1.8M in principal and accrued interest) and 31 delinquent borrowers have returned to compliance on their loan payment commitments. However, a small subset of borrowers (3) have been unresponsive to our attempts at communication. Hello Housing has been working with City staff to create plans of action specific to each delinquent borrower.

### BMR Homeownership Opportunities

#### 1274 Garden Street, East Palo Alto

In October, Hello Housing identified an eligible buyer to purchase 1274 Garden Street, East Palo Alto, a BMR home being offered through San Mateo County’s Single-Family Preservation Pilot Program. The information about this opportunity was shared with the Menlo Park BMR Homeownership Waiting List, but the approved buyer, who is a teacher from the Ravenswood

City School District, was not from the City's List. The Pilot Program's preference point criteria were as follows:

- 1 Point: At least one adult household member currently lives in the City of East Palo Alto.
- 1 Point: At least one adult household member currently works in the City of East Palo Alto.
- 1 Point: If no one in the household lives in the City of East Palo Alto, at least one adult member of the household moved out of East Palo Alto no more than three years ago, after having lived in East Palo Alto for at least 10 consecutive years.

This home is part of a portfolio of homes which were purchased as part of a pilot program design to expand and preserve affordable, single-family homeownership and rental housing for low and moderate-income households in East Palo Alto and Menlo Park. The home was available to households earning less than 120% of the Area Median Income and will have resale restrictions.

### **Below Market Rental Recertifications and Compliance**

Hello Housing conducts annual income recertification of the households living in the four BMR rental units located 1175 and 1177 Willow Road, which are owned and managed by the City of Menlo Park. In addition, Hello Housing is working with City staff to craft an approach to ensure that other BMR rental units within the City, such as those at Anton Menlo, maintain ongoing compliance with the BMR Program Guidelines.

### **Other BMR Program Activities**

Hello Housing acts as a resource to all current BMR homeowners and borrowers to field questions that may come up around compliance with program requirements. The BMR Deed Restrictions and Program Guidelines contain policies on several aspects of owning a BMR home that each homeowner agreed to follow. Hello Housing works with homeowners on an ongoing basis to provide clarity on these policies when questions come up. Topics may include transfers of title, inheritance of BMR homes, refinancing requirements, the resale process, City policy on owner occupancy, preferred lender referrals for refinancing, and other questions.



## STAFF REPORT

### City Council

**Meeting Date:** 1/16/2018  
**Staff Report Number:** 18-007-CC

**Informational Item:** Update on the Ravenswood Avenue railroad crossing

### Recommendation

This is an informational item and does not require City Council action.

### Policy Issues

The project is prioritized in the 2017 City Council Work Plan (item No. 51) that was approved February 7, 2017. The project is consistent with the City Council Rail Policy and with the 2016 General Plan goals to increase mobility options to reduce traffic congestion and greenhouse gas emissions; increase safety; improve Menlo Park's overall health, wellness, and quality of life through transportation enhancements; support local and regional transit that is efficient, frequent, convenient and safe; provide a range of transportation choices for the Menlo Park community; and to promote the safe use of bicycles as a commute alternative and for recreation.

### Background

On October 10, 2017, staff presented a summary of the project to date and made a recommendation that the City Council identify a Ravenswood Avenue Railroad Crossing project preferred alternative in order to finalize the project study report and complete the percent design plans to be eligible for future grant opportunities. The options for the City Council consideration are as follows:

- Option 1, Alternative A: Ravenswood Avenue underpass
- Option 2, Alternative C: Hybrid with three grade separated crossings

The City Council continued the item and requested staff to return with the following additional information to help inform their decision:

1. Coordinate with the Atherton City Council on rail elevation
2. Coordinate with City of Palo Alto on current study efforts, with specific interest in financing study
3. Report back with remaining SMCTA Measure A Grade Separation grant funds available
4. Coordinate with City's legal counsel on developing policy on passing tracks
5. Report back with peak hour gate downtime

This informational item is intended to provide the City Council with an update on staff's findings and activities related to the coordination requests with Atherton and Palo Alto, prior to returning for the City Council action at a future meeting to report back on the remaining items (numbers three through five on the list above).

## Analysis

### Alternatives

The current alternatives are described briefly below. Exhibits of each are included as Attachments A and B.

#### *Alternative A: Ravenswood Avenue underpass*

Under this alternative, the rail tracks would remain at the existing elevation and Ravenswood Avenue would be lowered approximately 22 feet below existing elevation to run under the railroad tracks. Existing at-grade crossings at Oak Grove, Glenwood and Encinal Avenues would remain as existing with no changes.

#### *Alternative C: Hybrid with three grade separated crossings*

Under this alternative, grade separations would be constructed at Ravenswood, Oak Grove and Glenwood Avenues and the railroad profile elevation would be generally flat. The rail tracks would be raised approximately 10 feet at Ravenswood and Oak Grove Avenues and approximately 5 feet at Glenwood Avenue. Ravenswood Avenue would be lowered approximately 12 feet, Oak Grove Avenue approximately 11 feet and Glenwood Avenue approximately 15 feet at the railroad tracks. A maximum rail elevation of approximately 10 feet from existing grade would occur from Ravenswood Avenue to Oak Grove Avenue including the station area.

### Coordination with Town of Atherton

Staff has had ongoing coordination with the Town of Atherton staff throughout the duration of the Ravenswood Avenue Railroad Crossing study, including informing them of our community meetings, meeting directly with staff, and attending regional rail meetings.

At its meeting on October 10, 2017, the City Council directed staff to coordinate with the Atherton City Council regarding their preferences on rail elevation within the Town's limits. Mayor Kirsten Keith sent a letter to Atherton's Mayor Michael Lempres (Attachment C). The letter included the following questions:

1. Would the Town support the option to raise the rail line in Atherton to accomplish grade separations at all four Menlo Park crossings? This would require raising the rail elevation approximately ten feet in height in Menlo Park, resulting in a hybrid grade separation option with the rail partially raised and roadways partially lowered compared to existing grades. As the rail decreases in elevation north of Encinal Avenue, it is expected that rail heights in Atherton under this alternative would be less than five feet and be limited to the area south of Watkins Avenue.
2. Is the Town interested in pursuing alternatives for grade separations at this time for Watkins Avenue or Fair Oaks Avenue? This could occur through an extension of the hybrid grade separation described above, or through fully raising the rail elevation approximately 22 feet in height.

On Wednesday, December 6, 2017, staff attended the Atherton City Council study session meeting to present the status of the Ravenswood Avenue Railroad Crossing project and receive their feedback. Residents of Menlo Park's Felton Gables neighborhood were also in attendance and gave public comment stating that they are not in support of any elevation of the rail tracks in the northern portion of Menlo Park. Additionally, one of the Felton Gables residents provided the Town with more than 200 letters signed by residents of the area of Felton Gables and Atherton adjacent to the Caltrain tracks supporting the stance that no elevation of the rail be implemented.

In response to the City's request, the Atherton City Council stated that they are not in support of any rail elevation within the Town's limits and are not interested in pursuing alternatives for grade separations at Watkins Avenue or Fair Oaks Avenue with the exception of trenching or tunneling the rail lines and keeping the local roadways at their existing grades.

Staff anticipates returning to the City Council with the two previously developed alternatives, A and C, for



consideration since neither of these options includes elevation within the Town of Atherton.

### Coordination with City of Palo Alto

On Wednesday, November 8, 2017, staff attended the Palo Alto City Council's Rail Committee meeting to present the status of the Ravenswood Avenue Railroad Crossing project and hear updates on their rail crossing study. Additionally, staff has on-going coordination efforts with Palo Alto staff throughout the duration of the Ravenswood Avenue Railroad Crossing study including attending their study workshops, meeting directly with staff, and attending regional rail meetings.

The current Palo Alto rail corridor study, titled "Connecting Palo Alto" is currently defining the key issues surrounding grade separations and developing an evaluation framework and has not yet begun development of alternatives, therefore all types of grade separations are still being considered. A draft financing white paper was developed and released on November 29, 2017, which summarizes the challenges of funding the potential grade separation options in Palo Alto, including uncertainties in economic, political, legal and other factors. Staff is reviewing this white paper, and it is available for review on the City of Palo Alto's project website at <https://cityofpaloalto.org/gov/depts/pln/transit/railways.asp>.

### Next steps

Staff anticipates returning to City Council in March 2018 to present the additional information requested at the October 10, 2017 meeting, including a summary of the coordination activities with Palo Alto and Atherton as described above. At that time, staff will reiterate the two alternatives that have been developed, A and C, and will ask City Council to identify a preferred alternative for the project. Once the City Council has selected a preferred alternative, the project team would complete the 15 percent design plans and the project report. Upon completion, City staff would then explore funding opportunities to advance the project to the environmental study and design phase. Based upon typical planning level estimates, the environmental study and design phase could take approximately 3-5 years depending upon funding availability, followed by securing funding for construction and approximately 3-5 years of construction. Depending upon availability of funding sources, this schedule could be expedited.

Key remaining milestones are summarized below:

Key Project Milestones	
Preferred alternative selection by City Council	March 2018
Project completion (i.e., 15% design, project report)	Approximately two months from preferred alternative selection
Staff to begin applying for environmental/design funding	Upon project completion

### **Public Notice**

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

### **Attachments**

- A. Alternative A exhibits
- B. Alternative C exhibits
- C. Letter to Town of Atherton Mayor Michael Lempres

Staff Report #: 18-007-CC

Report prepared by:  
Angela R. Obeso, Senior Transportation Engineer

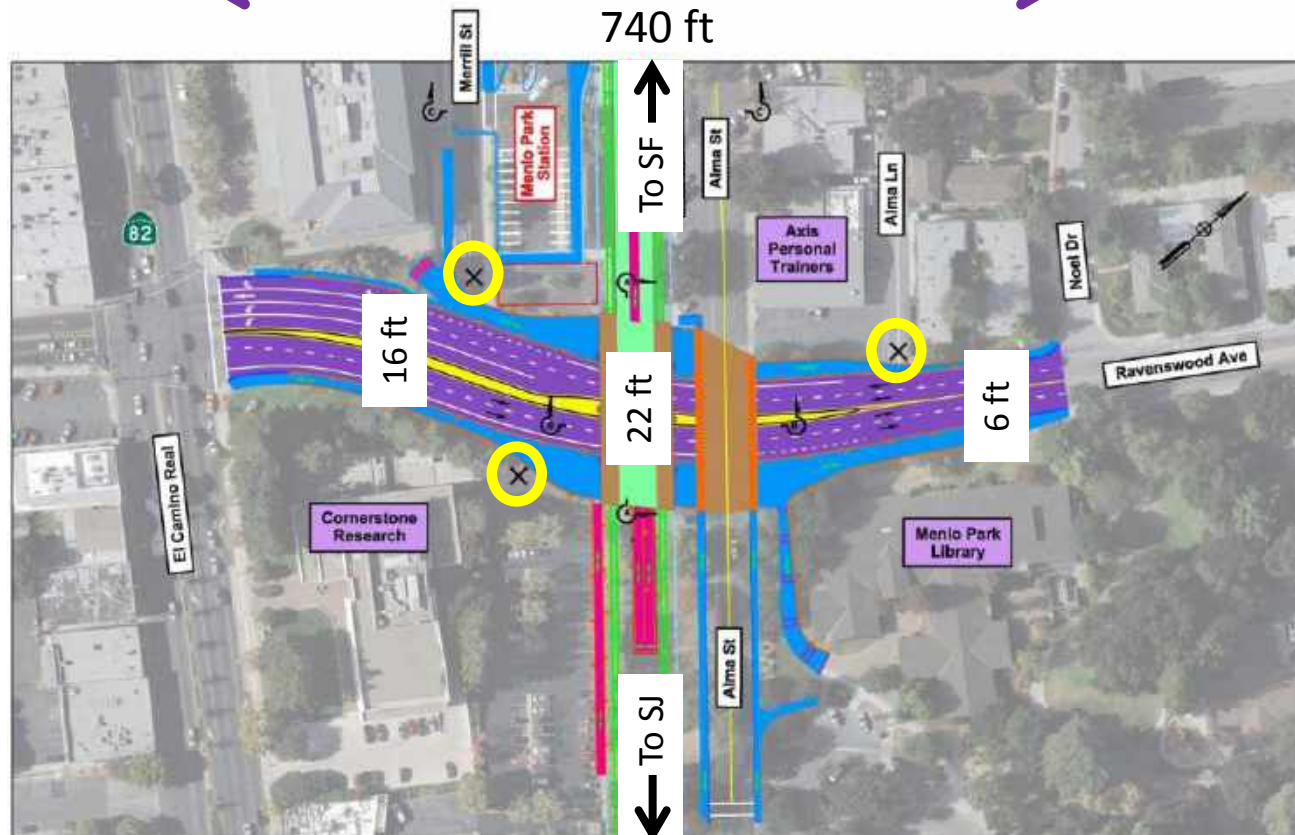
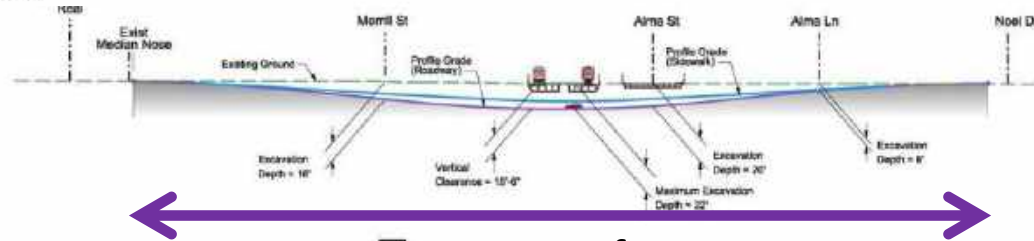
Report reviewed by:  
Nicole H. Nagaya, Assistant Public Works Director



# Alternative A

Ravenswood Ave

ALTERNATIVE A: UNDERPASS  
(RAVENSWOOD ONLY)



Ravenswood Avenue Railroad Crossing Project



# Alternative A

## Photo Simulation Looking East along Ravenswood

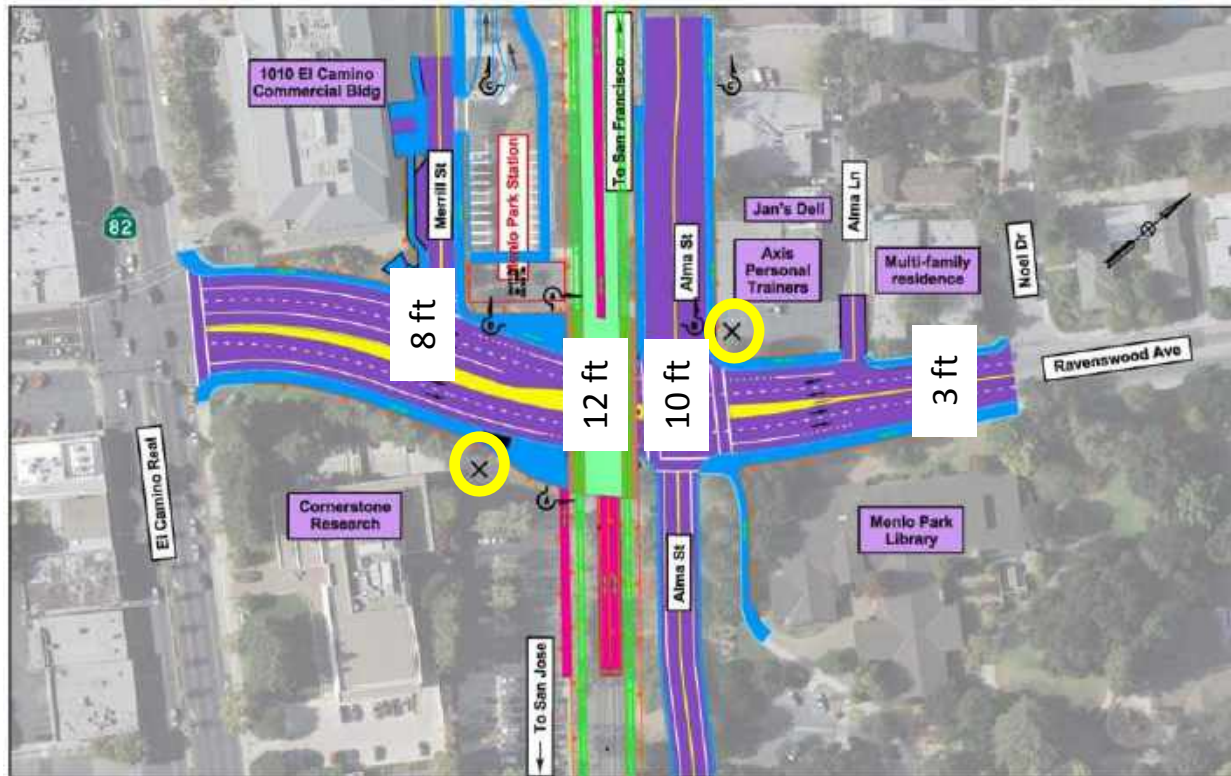
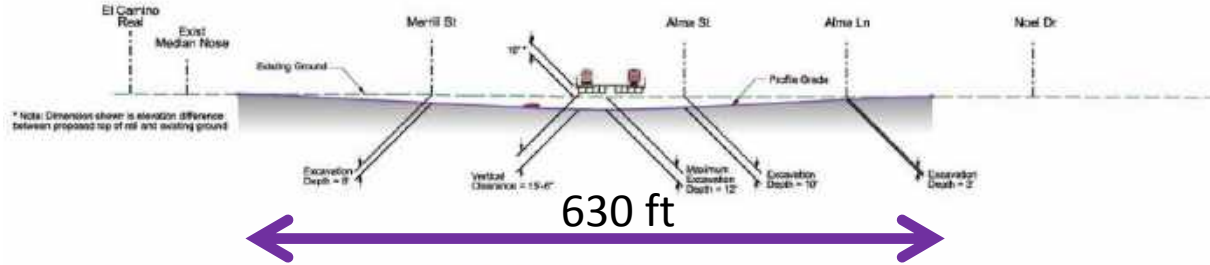


Ravenswood Avenue Railroad Crossing Project



# Alternative C

## Ravenswood Ave



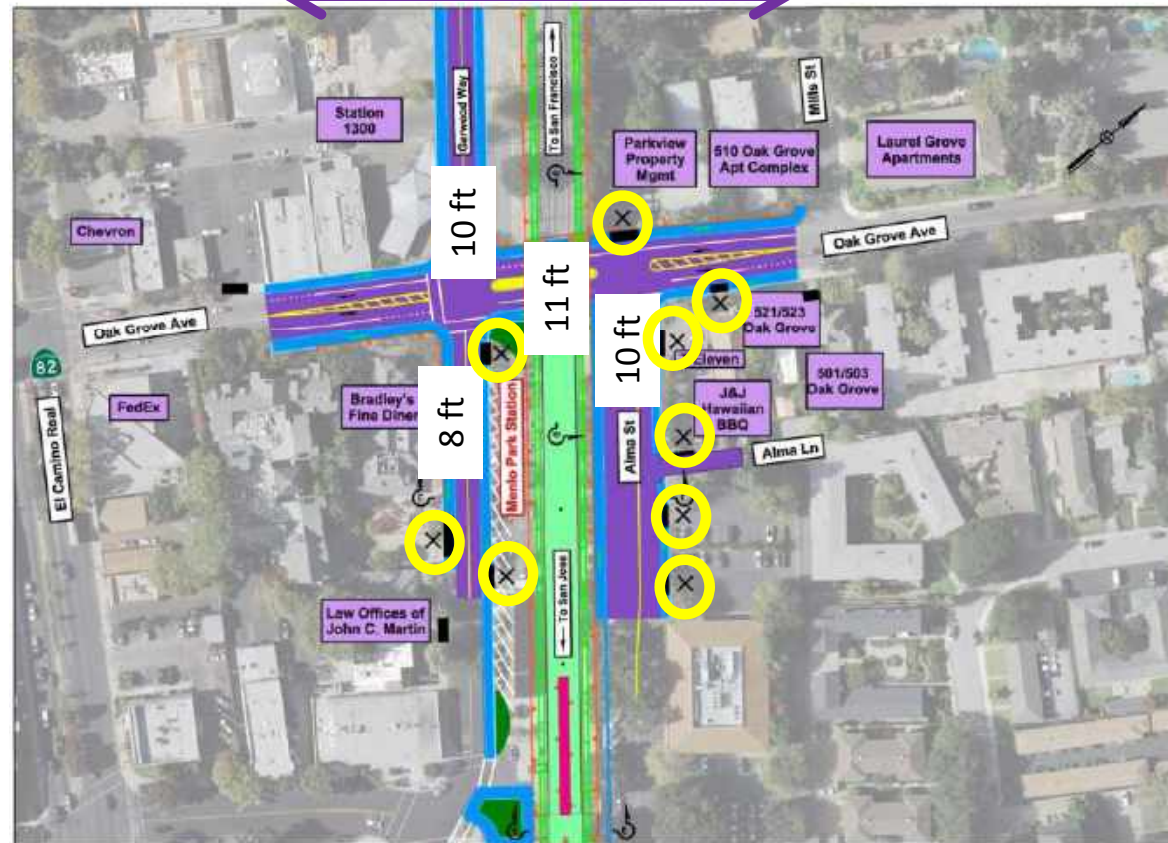
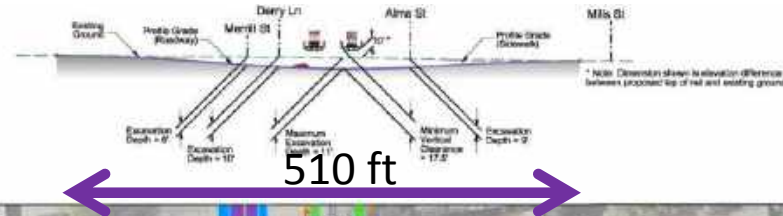
Ravenswood Avenue Railroad Crossing Project





# Alternative C

## Oak Grove Ave



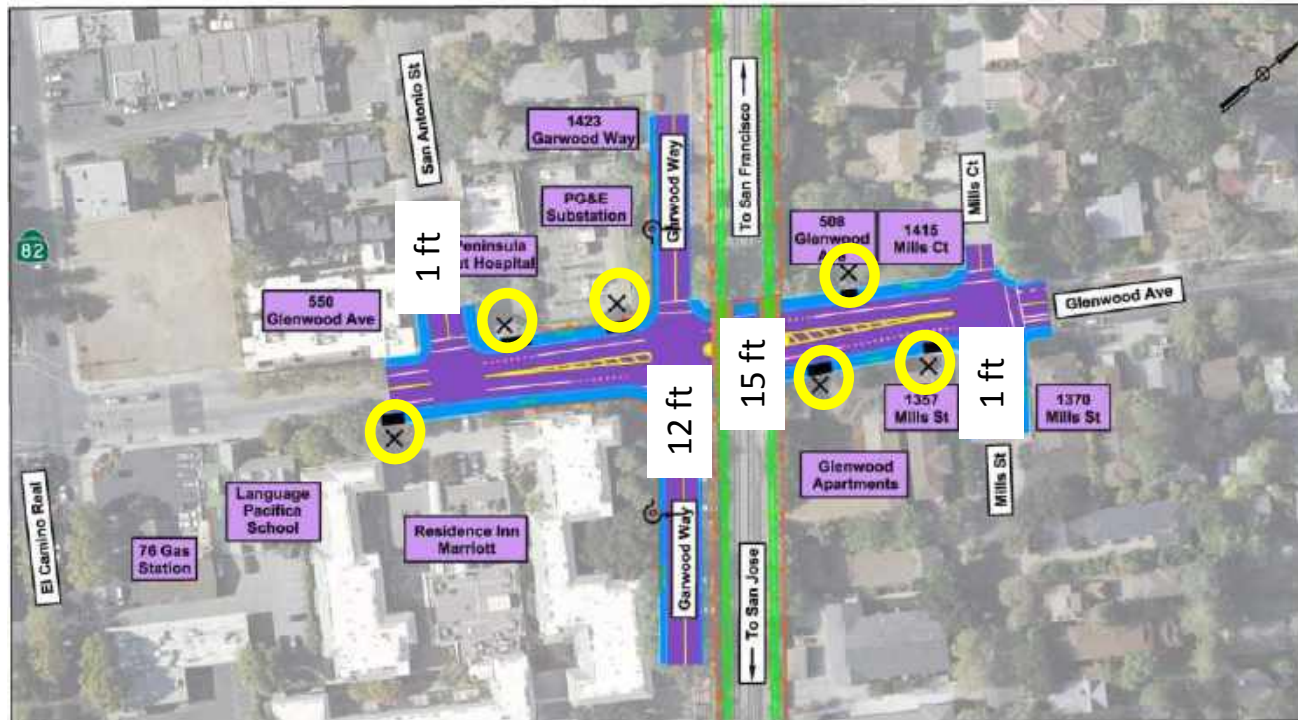
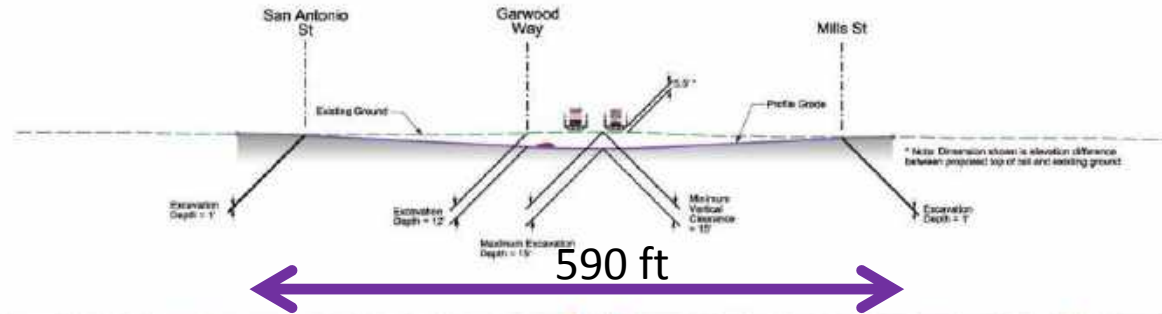
Ravenswood Avenue Railroad Crossing Project





# Alternative C

## Glenwood Ave



Ravenswood Avenue Railroad Crossing Project



# Alternative C

## Simulation Looking East along Ravenswood



Ravenswood Avenue Railroad Crossing Project





November 2, 2017

*Dear Mike,*  
Mayor Michael Lempres  
Town of Atherton  
91 Ashfield Road  
Atherton, CA 94027

**RE: Rail Policy**

Dear Mayor Lempres,

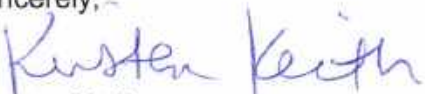
As Menlo Park continues to study various grade separation options for rail through our community, we have learned that the Atherton Rail Policy is silent on whether or not any level of elevated tracks within Atherton would be acceptable to the Town for rail grade separation alternatives within Menlo Park. We have currently analyzed grade separating three of our crossings and ending prior to Encinal Avenue. However, there has been some interest in extending the project through Encinal Avenue which may affect Atherton.

To that end, I would like to ask the Atherton Town Council to review its policy and consider allowing certain elevations at the Menlo Park/Atherton border or consider elevated tracks through Atherton to grade separate Atherton's crossings also. Specifically, we are interested in the following questions:

1. Would the Town support the option to raise the rail line in Atherton to accomplish grade separations at all four Menlo Park crossings? This would require raising the rail elevation approximately ten feet in height in Menlo Park, resulting in a hybrid grade separation option with the rail partially raised and roadways partially lowered compared to existing grades. As the rail decreases in elevation north of Encinal Avenue, it is expected that rail heights in Atherton under this alternative would be less than five feet and be limited to the area south of Watkins Avenue.
2. Is the Town interested in pursuing alternatives for grade separations at this time for Watkins Avenue or Fair Oaks Avenue? This could occur through an extension of the hybrid grade separation described above, or through fully raising the rail elevation approximately 22 feet in height.

Your input on these questions would be appreciated as the City determines next steps for grade separations. We are tentatively planning to consider this item in December.

Sincerely,



Kirsten Keith  
Mayor