



SPECIAL AND REGULAR MEETING MINUTES

Date: 1/29/2019
Time: 5:30 p.m.
City Council Chambers
701 Laurel St., Menlo Park, CA 94025

**City Councilmember Cat Carlton participated in the Regular meeting by phone from:
Hama'agal 9, 1st floor
Givatayim, Israel**

5:31 p.m. Closed Session (City Hall - "Downtown" Conference Room, 1st Floor)

Public Comment on these items will be taken before adjourning to Closed Session.

- Karen Grove spoke in support of expediting the tenant relocation ordinance as drafted by the Housing Commission.
- Timi Most spoke in support of a tenant relocation ordinance.
- Angela Evans spoke in favor of adopting a tenant relocation ordinance.

CL1. Closed session conference with legal counsel on anticipated litigation pursuant to Government Code §54956.9(d)(2) – one case

City Councilmember Carlton was absent.

Mayor Mueller exited the room at 5:42 p.m. and rejoined the meeting at 6:03 p.m.

7:00 p.m. Regular Session

A. Call to Order

Mayor Mueller called the meeting to order at 7:15 p.m.

B. Roll Call

Present: Carlton (joined at 7:30 p.m.), Combs, Nash, Taylor, Mueller

Absent: None

Staff: Interim City Manager Starla Jerome-Robinson, City Attorney Bill McClure, City Clerk Judi A. Herren

C. Pledge of Allegiance

Mayor Mueller led the Pledge of Allegiance.

D. Report from Closed Session

Report on action taken in Closed Session, if required, pursuant to Government Code §54957.1.

None.

E. Presentations and Proclamations

E1. Professional Staff Commendation: Tree Lighting Ceremony (Attachment)

Mayor Muller read the proclamations and presented them to Recreation Coordinator Mayra Lombera, Public Works Supervisor - Fleet Don Weber, and Public Works Supervisor – Streets Hugo Torres.

E2. Professional Staff Commendation: Football Parade and Rally (Attachment)

Mayor Muller read the proclamations and presented them to Recreation Coordinator Mayra Lombera, Public Works Supervisor - Fleet Don Weber, Public Works Supervisor – Streets Hugo Torres, and Sergeant Romero.

F. Public Comment

- Craig Cornelius had questions regarding the tenant relocation ordinance.
- Cathy Oyster spoke against a rent control ordinance.
- Gregory Fariz spoke in favor of the West Menlo annexation.
- Meg McGraw-Scherer spoke about the processes of the Housing Commission in drafting the tenant relocation ordinance. McGraw-Scherer also spoke in support of the ordinance.
- Rose Bickerstaff asked the City Council to prioritize District 1.
- Maryann Young spoke in support of the tenant relocation ordinance.

G. Commission Report

G1. Consider applicants and make appointments to fill unexpected vacancies on the various City commissions and committees (Staff Report #19-010-CC)

- Lynne Bramlett requested the addition of details to the term "unexpected vacancy" and improvements to the roles of commission/committee members.
- Michael Doran spoke about his application for Planning Commission.
- Evan Goldin spoke about his application for the Complete Streets Commission.

The City Council made appointments to fill the unexpected vacancies on the Complete Streets Commission, Environmental Quality Commission, Planning Commission, and Sister City Committee.

Complete Streets Commission appointed:

- Evan Goldin

Environmental Quality Commission appointed:

- Rebecca Turley

Planning Commission appointed:

- Michael Doran

Sister City Committee appointed:

- Stuart Soffer

H. Consent Calendar

H1. Accept the City Council meeting minutes for January 15 and January 22, 2019 (Attachment)

- H2. Adopt Resolution No. 6477 approving updates to City Council Policy CC-01-0004, Commissions/Committees Policies and Procedures Roles (Staff Report #19-011-CC)

The City Council pulled item H2 for discussion.

- H3. Adopt Resolution No. 6478 initiating the Menlo Park Landscape Assessment District proceedings for fiscal year 2019-20 (Staff Report #19-013-CC)

- H4. Adopt Resolution No. 6480 proposing to abandon public right-of-way and public utility easements adjacent to 1345 Willow Road (Staff Report #19-015-CC)

ACTION: Motion and second (Combs/Nash) to approve the consent calendar with the exception of item H2, passed unanimously.

- H5. Adopt Resolution No. 6477 approving updates to City Council Policy CC-01-0004, Commissions/Committees Policies and Procedures Roles (Staff Report #19-011-CC)

- Lynne Bramlett spoke about the disbanding of the Belle Haven Neighborhood Library Advisory Committee (BHNLAC) as a surprise to the Library Commission and suggested a study session to better define commission/committee member roles.
- Pamela Jones spoke against the disbanding of BHNLAC and suggested that all commission/committee meetings be held in the City Council chambers.

The City Council directed staff to revise the updated commission/committee policy and return it to City Council.

I. Regular Business

- I1. Receive and file the comprehensive annual financial report for the fiscal year ended June 30, 2018 (Staff Report #19-016-CC)

Finance and Budget Manager Dan Jacobson and partner of Badawi and Associates Ahmed Badawi made the presentation (Attachment).

- Lynne Bramlett commented that the City should consider replacing the firm preparing the audit dependent on the number of years they have conducted it in accordance with industry best practices. Bramlett also requested that more City Council items go through the appropriate committee/commission for review and public comment.

ACTION: Motion and second (Carlton/ Combs) to receive and file the comprehensive annual financial report for the fiscal year ended June 30, 2018, passed unanimously.

- I2. Approve the terms of a successor agreement between the City of Menlo Park and the Menlo Park Police Officers' Association (Staff Report #19-012-CC)

Administrative Services Director Lenka Diaz made the presentation (Attachment).

ACTION: Motion and second (Combs/Nash) to approve the terms of a successor agreement between the City of Menlo Park and the Menlo Park Police Officers' Association, passed

unanimously.

- Lynne Bramlett commented that 42 police officers for a small town seemed excessive.

I3. Adopt Resolution Nos. 6481 and 6482 to amend the City salary schedule (Staff Report #19-017-CC)

No staff presentation.

ACTION: Motion and second (Combs/Taylor) to adopt Resolution Nos. 6481 and 6482 to amend the City salary schedule, passed unanimously.

J. Informational Items

J1. 2019 City Council policy priorities and work plan (Staff Report #19-018-CC)

- Lynne Bramlett requested more financial information be included to the referenced projects.

K. City Manager's Report

None.

L. Councilmember Reports

L1. Mayor's Future Calendar Request: Sunshine calendar transparency policy

Mayor Mueller requested creation of a policy that listed out City Council business and the timeline of when it will be brought to the City Council

L2. Mayor's Future Calendar Request: Travel policy direction

Mayor Mueller requested the travel policy be brought back to the City Council.

L3. Mayor's Future Calendar Request: Unincorporated Menlo Park annexation policy

Mayor Mueller requested that information be brought to the City Council regarding the necessary work from the City and County.

City Councilmember Nash reported out on the Stanford General Use Permit ad-hoc subcommittee meeting.

Mayor Pro Tem Taylor reported out on the New Mayor and City Councilmember academy.

M. Adjournment

Mayor Mueller adjourned the meeting at 10:04 p.m.

Judi A. Herren, City Clerk

These minutes were approved at the City Council meeting of February 12, 2019.

Pass

**TENANT RELOCATION
ASSISTANCE**

now!



Pass
**TENANT RELOCATION
ASSISTANCE**
now!

PARKING ONLY
UNAUTHORIZED VEHICLES
WILL BE TOWED AT OWNERS
EXPENSE
CVC 22658
MPPD 858-3300

The cart will stop suddenly if taken
beyond the yellow line.

El carrito se detendrá repentinamente
si pasa líneas amarillas.

Passive...
If this...

800
Stouffing
in Maricopa County has
jobs but only 2,800
me to fix that.

**HOUSING
LEADERSHIP
COUNCIL**

Janet's team

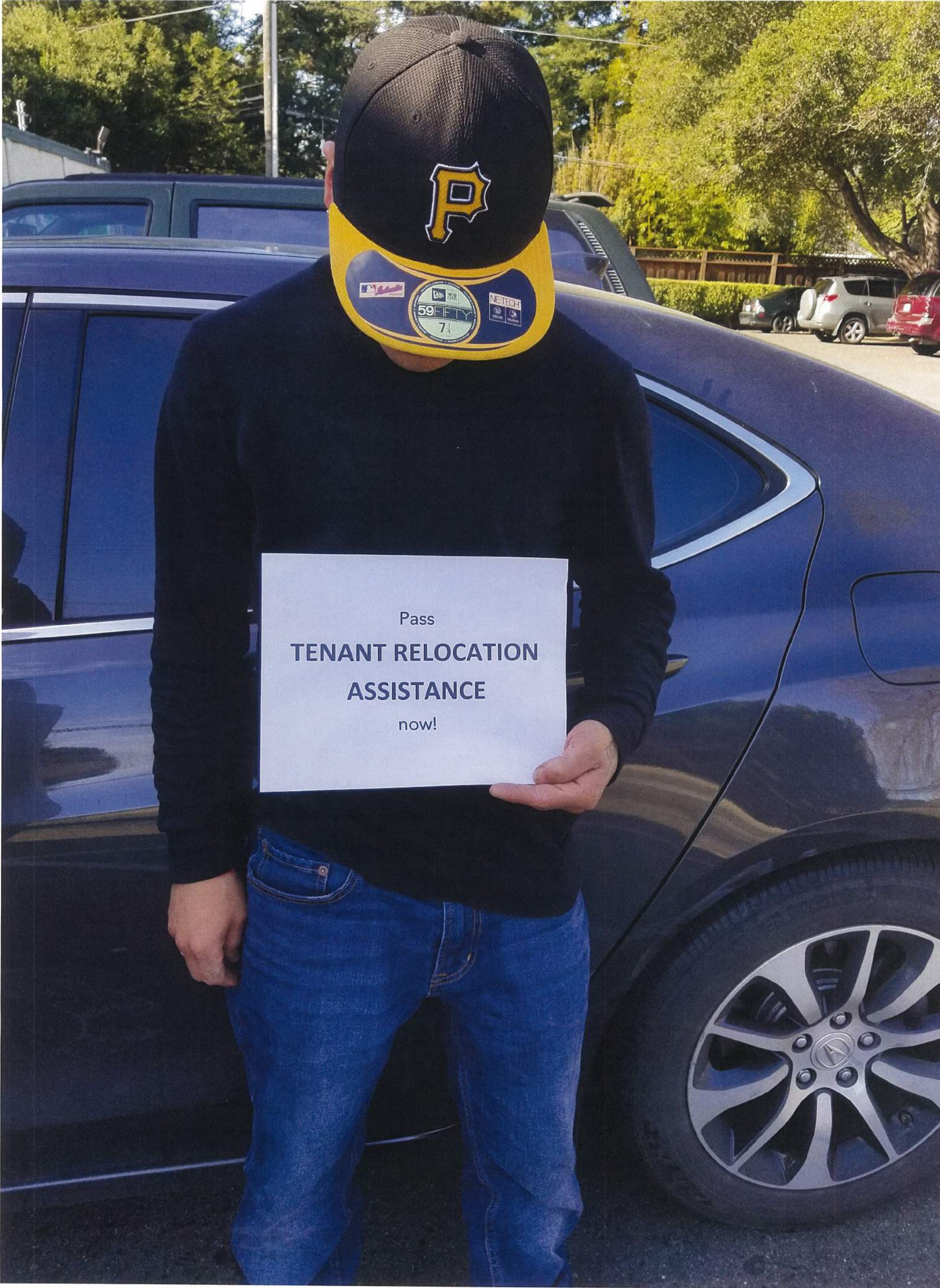
OUTSTANDING
COUNCIL



Pass
**TENANT RELOCATION
ASSISTANCE**
now!

ED OR IMPROPERLY
ENHICLES WILL BE
24 HOURS A DAY
RISK & EXPENSE
**AUTO
OWING**
321-8984
UNLOCKS - TIRE SERVICE

CALIFORNIA 1971



Pass
**TENANT RELOCATION
ASSISTANCE**
now!

Pass

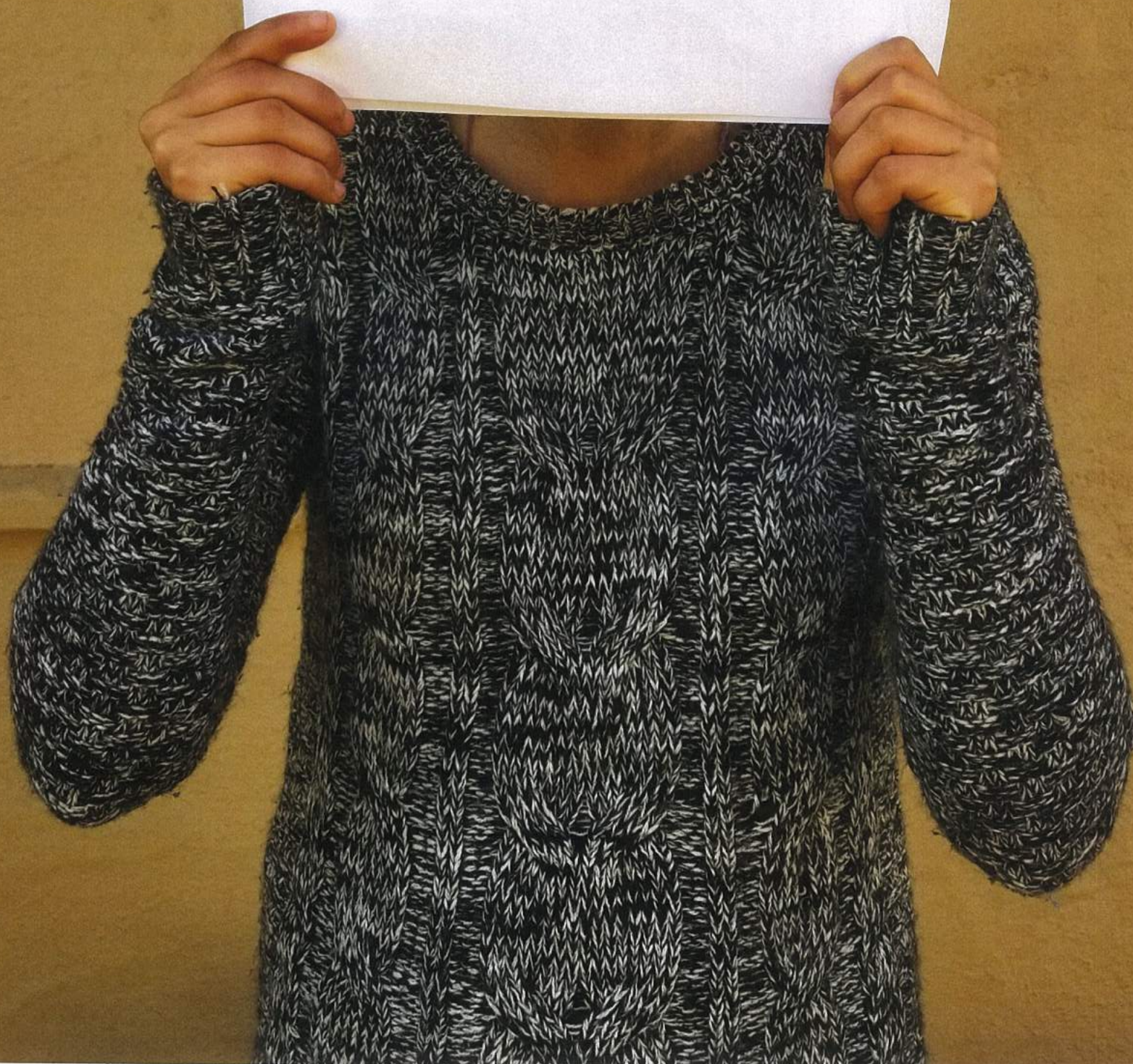
**TENANT RELOCATION
ASSISTANCE**

now!

Pass

**TENANT RELOCATION
ASSISTANCE**

now!



Pass

**TENANT RELOCATION
ASSISTANCE**

now!



Pass

**TENANT RELOCATION
ASSISTANCE**

now!

Certificate of Recognition

Presented to

Adriane Lee Bird
Community Services Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, appearing to read 'Ray Mueller', is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Allan Olson

Public Works Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A blue ink signature of Ray Mueller, written in a cursive style, positioned above a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Arturo Robles
Public Works Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, appearing to read "Ray Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Bill Halleck

Public Works Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, appearing to read "Ray Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Bill Halleck

Public Works Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, reading "Ray Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Corporal Adair
Police Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, reading "Ray Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Corporal Phu
Police Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A blue ink signature of Ray Mueller, written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

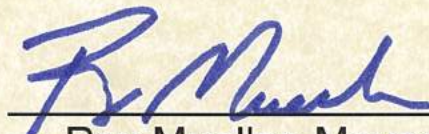
Presented to

Dimitri Katsaros
Public Works Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019




Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Dispatcher Lindsay
Police Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, reading "Ray Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Don Weber

Public Works Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, appearing to read "Ray Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Don Weber

Public Works Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, which appears to read "Ray Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Eric Ayala

Public Works Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, reading "Ray Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Eva Munoz

Public Works Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A blue ink signature of Ray Mueller, written in a cursive style.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Eva Munoz

Public Works Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, appearing to read 'R. Mueller', is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition


Presented to

Gabriel Ortiz
Public Works Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019




Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Gabriel Ortiz
Public Works Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, appearing to read "Ray Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Gary Lundstrom
Public Works Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, which appears to read "Ray Mueller". The signature is written in a cursive style and is positioned above a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Gary Olson

Community Services Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A blue ink signature of Ray Mueller, written in a cursive style.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Gary Olson

Community Services Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink that reads 'Ray Mueller'.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Gladys Tovar
Community Services Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, appearing to read "R. Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

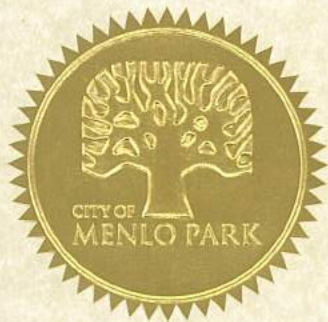
Certificate of Recognition


Presented to

Hector Cipres
Public Works Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019




Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Hugo Torres
Public Works Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, appearing to read "Ray Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Jocelyn Padilla
Public Works Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, appearing to read "R. Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Julio Martell

Public Works Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, appearing to read "R. Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Julio Martell

Public Works Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A blue ink signature of Ray Mueller, written in a cursive style, positioned above a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Leno Perez

Public Works Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A blue ink signature of Ray Mueller, written in a cursive style.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Leno Perez

Public Works Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, reading "Ray Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Mayra Lombera
Community Services Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, appearing to read "Ray Mueller", written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Natalya Jones
Community Services Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, reading "Ray Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition


Presented to

Natividad Alamo Public Works Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019




Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Natividad Alamo
Public Works Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, reading 'Ray Mueller', is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Nelson Gutierrez

Public Works Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, appearing to read "R. Mueller", written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Officer Barron Villa
Police Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, reading "Ray Mueller".

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition


Presented to

Officer Dale
Police Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019




Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Officer Fliege
Police Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A blue ink signature of Ray Mueller, written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Officer Knopp
Police Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, reading "Ray Mueller", positioned above a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to


**Community Service Officer
Kumar**

Police Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019




Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Officer Mazon
Police Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, reading "Ray Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Officer Noory
Police Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, reading "Ray Mueller", written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Parking Officer Sharma
Police Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, appearing to read "R. Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Savina Krakowski
Community Services Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A blue ink signature of Ray Mueller.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Sergeant Cooley
Police Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, reading "Ray Mueller".

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition


Presented to

Sergeant Romero
Police Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019




Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Todd Zeo

Community Services Department

*In recognition of outstanding service for the
2019 Annual Tree Lighting Ceremony*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, which appears to read "Ray Mueller", is written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

Certificate of Recognition

Presented to

Todd Zeo

Community Services Department

*In recognition of outstanding service for the
Hometown Hero's Parade and Rally*

Presented this twenty-ninth day of January, 2019



A handwritten signature in blue ink, reading "Ray Mueller", written over a horizontal line.

Ray Mueller, Mayor
City of Menlo Park

City of Menlo Park

Presentation to The City Council

January 29, 2019

Presented by: **Ahmed Badawi, CPA**
Partner



Badawi & Associates
Audit of the
City of Menlo Park

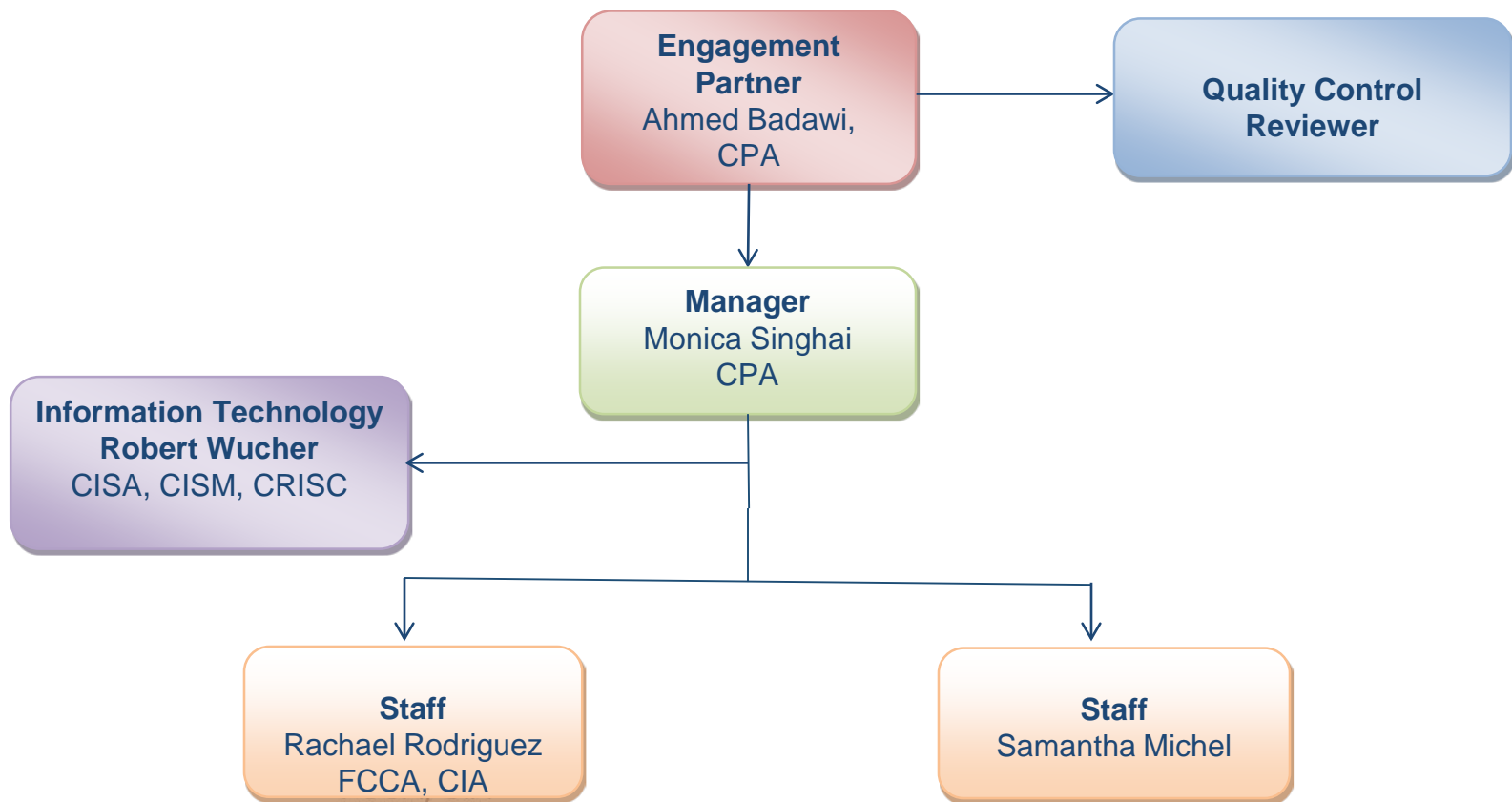
Agenda

- Engagement Team
- Deliverables and Scope of the Audit
- Areas of Primary Emphasis
- Auditors Report and Financial Statements
- Required Communications
- New Accounting Standards
- Conclusion & Discussion/Questions

Engagement Team



Engagement Team



Deliverables and Scope of the Audit

- Report of Independent Auditors on City of Menlo Park Basic Financial Statements (BFS).
- Report on Internal Control Over Financial Reporting and on Compliance and Other Matters.
- Report on Compliance with Transportation Development Act
- Report on Compliance with Measure A
- Agreed-Upon Procedures on Appropriation Limit Schedule.
- Child Care program audit
- Communications With Those Charged With Governance
 - Letter used to summarize communication of various significant matters to those charged with governance.

Areas of Primary Audit Risk

- The risk of management override of controls is addressed by the following procedures:
 - Assignment of audit staff based on consideration of audit risk.
 - Procedures to incorporate an element of unpredictability in the audit from period to period.
 - Consideration of the selection and application of significant accounting principles.
 - Examination of journal entries.
 - Review of accounting estimates for bias.
 - Evaluation of business rationale for unusual transactions.
 - Evaluation of the appropriateness of fraud-related inquiries performed
- Revenues & Receivables (Tax, Grants, Notes, etc.): Improper revenue recognitions
 - Governmental Funds: Confirm/validate property taxes, sales taxes, franchise taxes & other significant revenues/receivables.
- Pension and OPEB:
 - Reviewed management's journal entries for GASB 68 and GASB 75
 - Agreed amounts recorded to reports provided by CalPERS and other actuaries
 - Tested the census data used by CalPERS and other actuaries
 - Obtained reports from CalPERS auditors regarding plan assets and census data



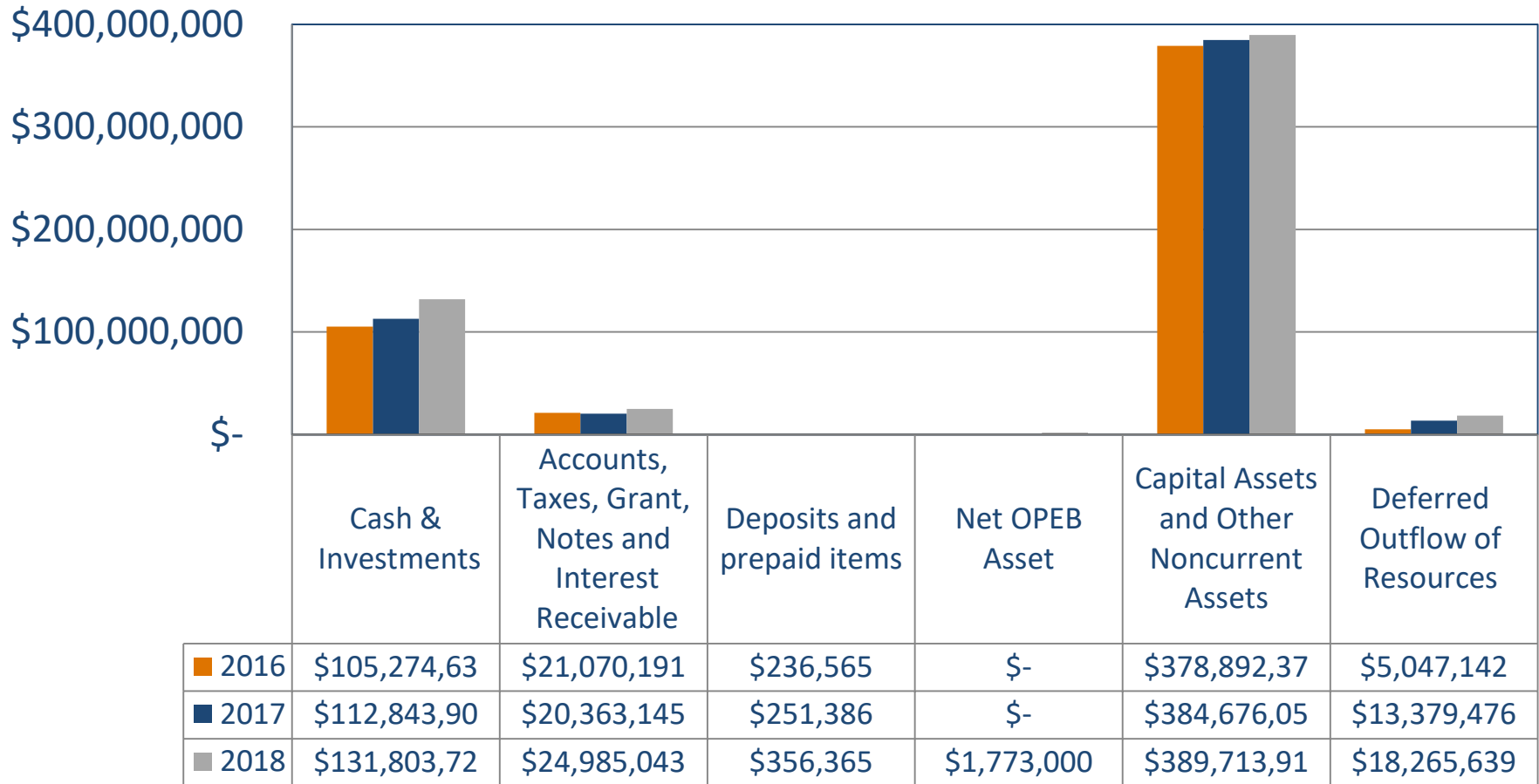
Auditors Report

- Unmodified opinion
- Audit performed in accordance with Generally Accepted Auditing Standards, Government Auditing Standards and Uniform Guidance
- Financial statements are fairly presented in all material respects
- Significant accounting policies have been consistently applied
- Estimates are reasonable
- Disclosures are properly reflected in the financial statements



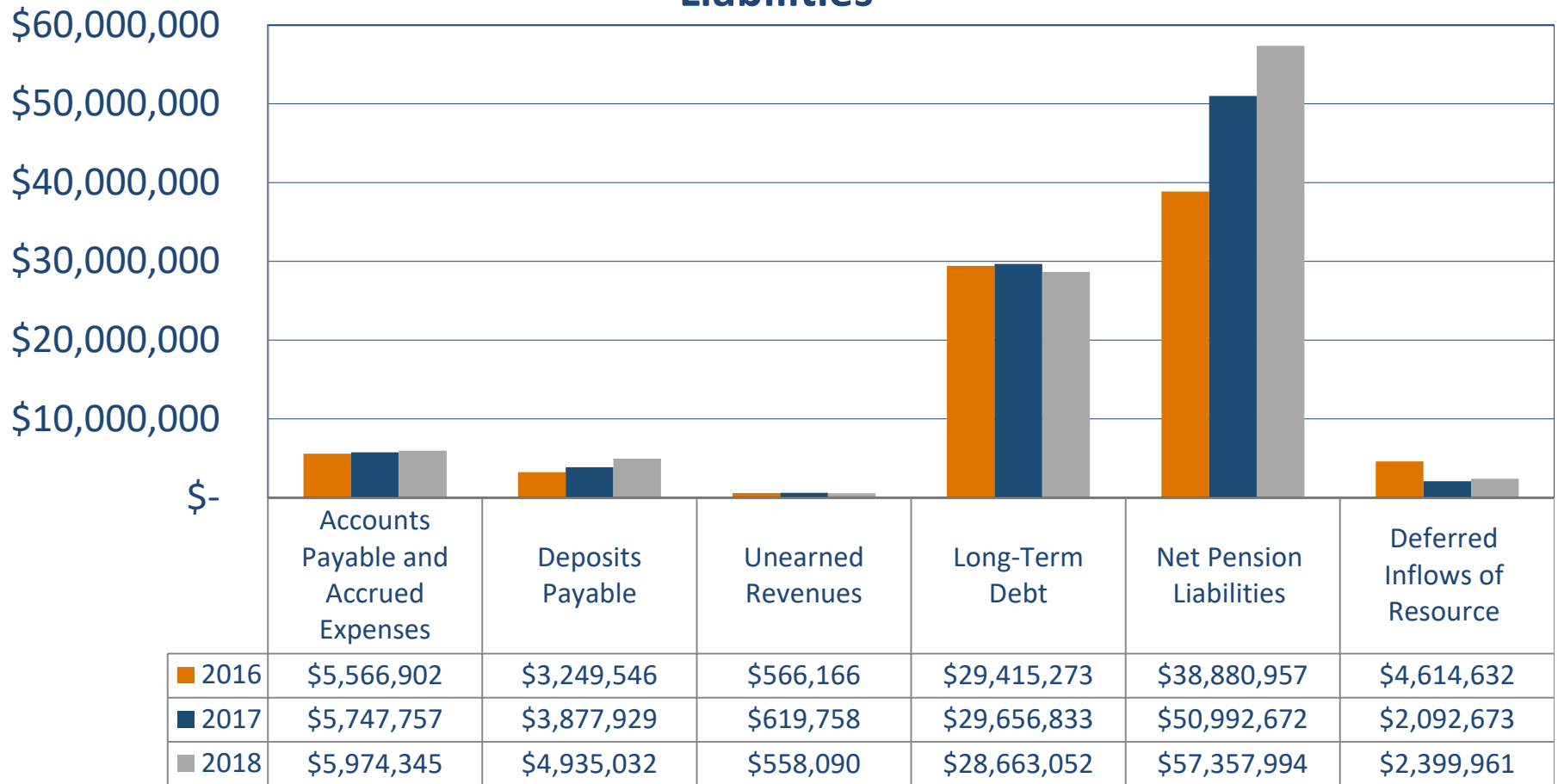
Government-Wide Financial Statements

Assets



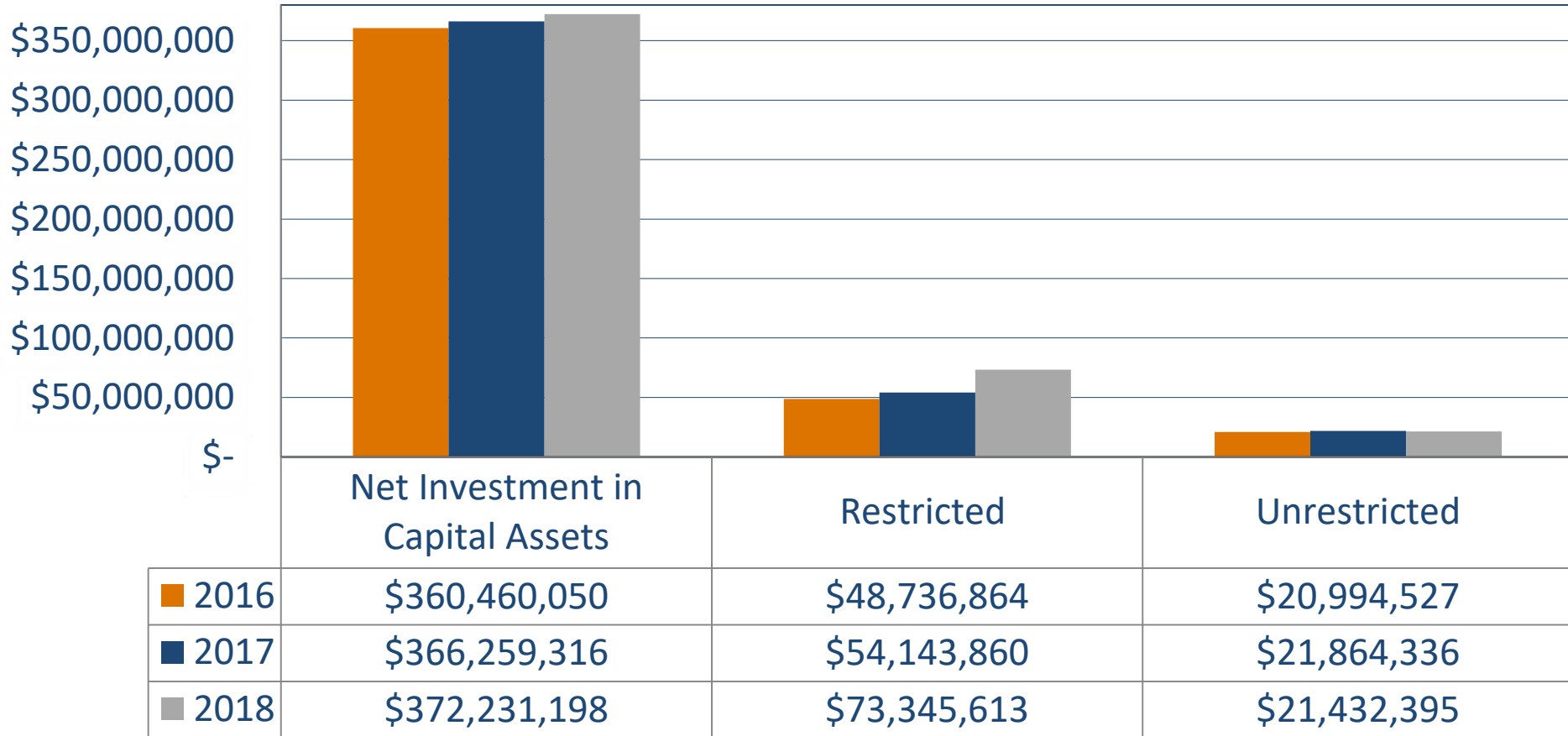
Government-Wide Financial Statements

Liabilities



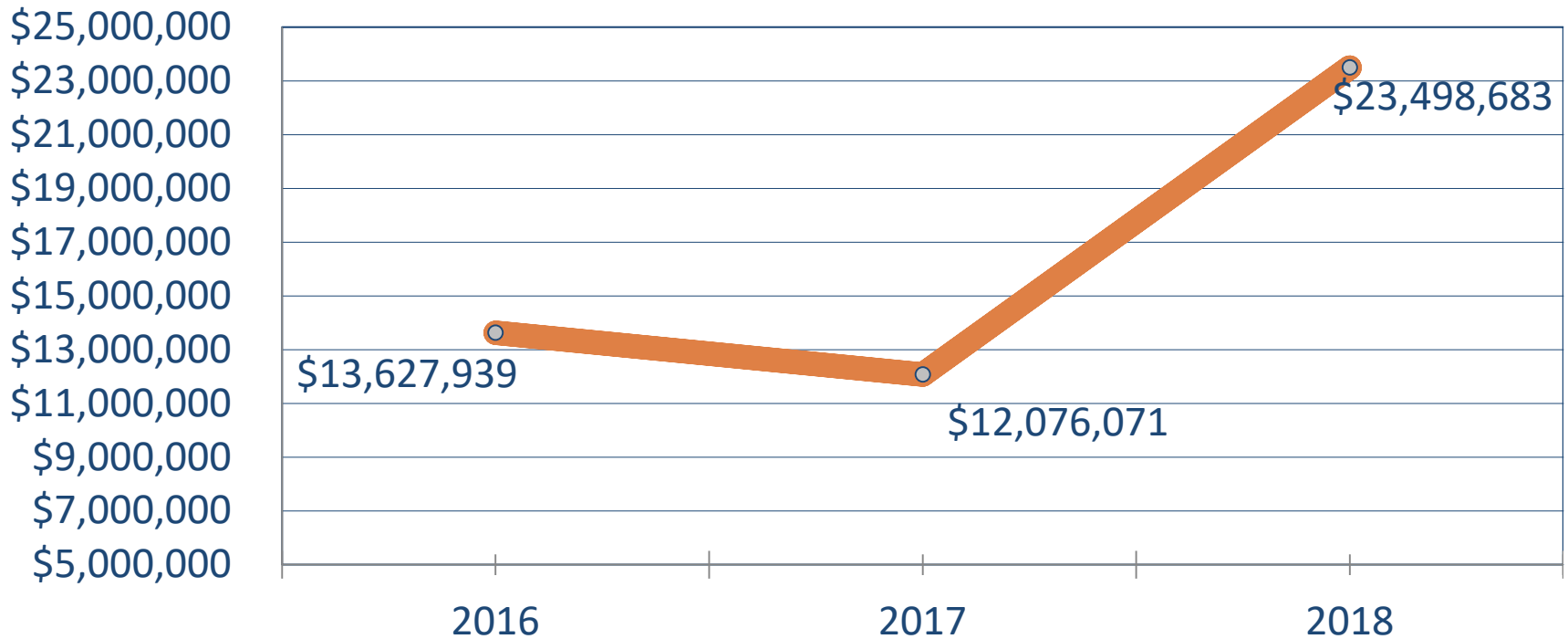
Government-Wide Financial Statements

Net Position



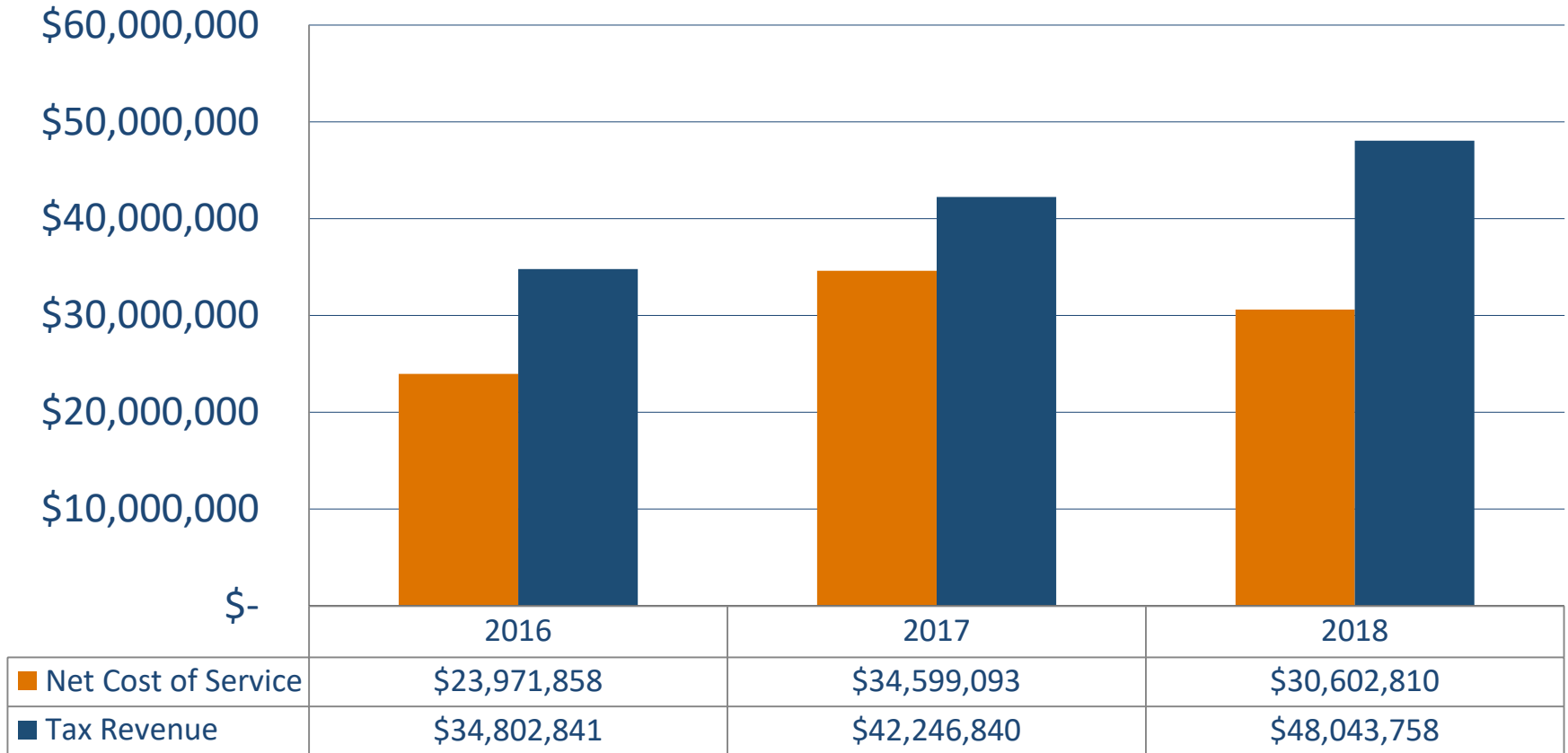
Government-Wide Financial Statements

Changes in Net Position



Government-Wide Financial Statements

Net Cost of Service to Tax Revenue (Governmental Activities)



General Fund

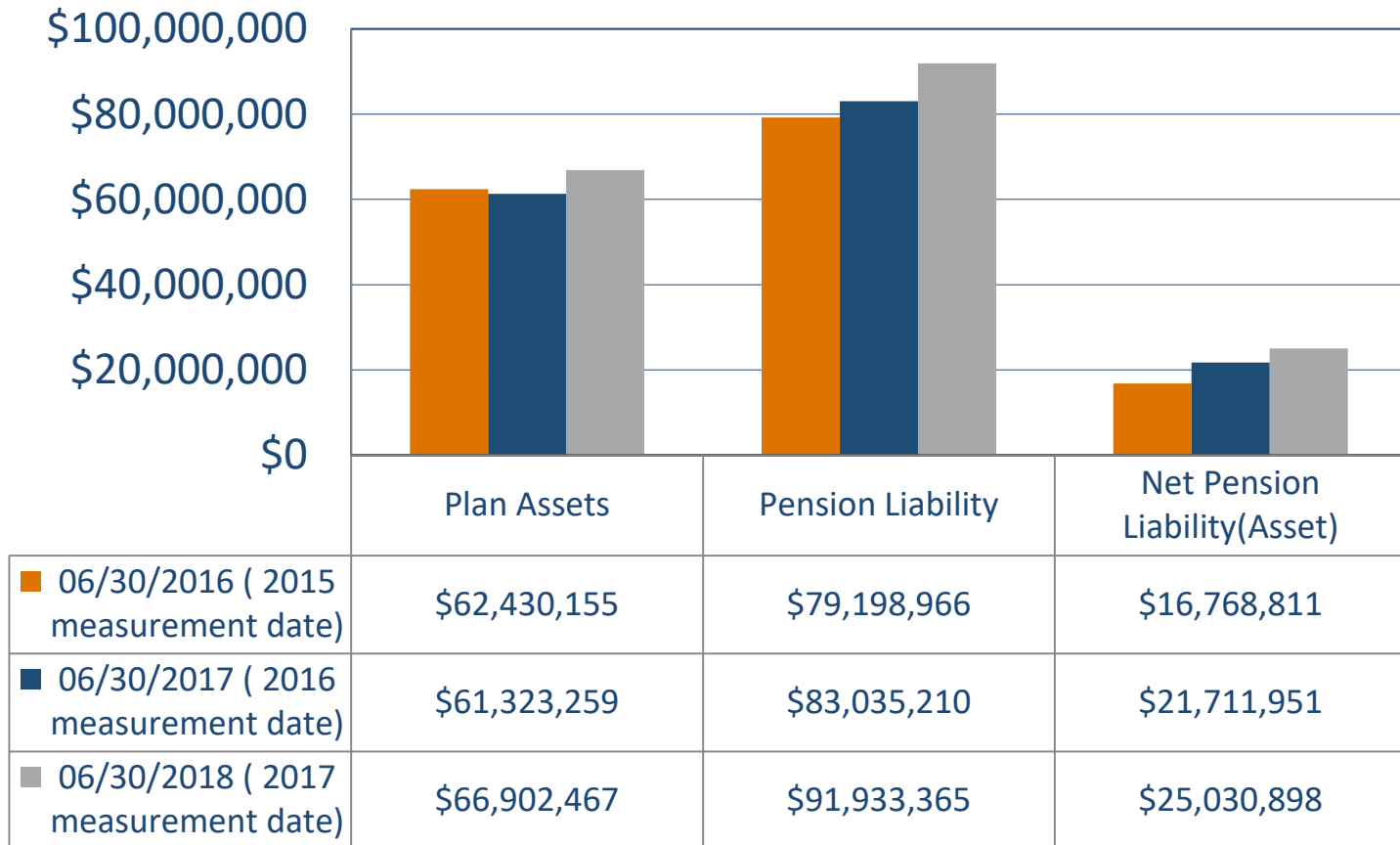
Expenditure Coverage

	<u>2016</u>	<u>2017</u>	<u>2018</u>
Unrestricted Fund Balance	\$ 30,342,943	\$ 31,822,736	\$ 35,711,323
Total Expenditures	<u>\$ 42,565,409</u>	<u>\$ 47,313,958</u>	<u>\$ 52,491,256</u>
Unrestricted Fund Balance as a % of Total Expenditures	<u>71.29%</u>	<u>67.26%</u>	<u>68.03%</u>
Number of months	9	8	8
GFOA recommendation	2 - 4		

Measure of City's ability to operate with no revenues using available fund balance.

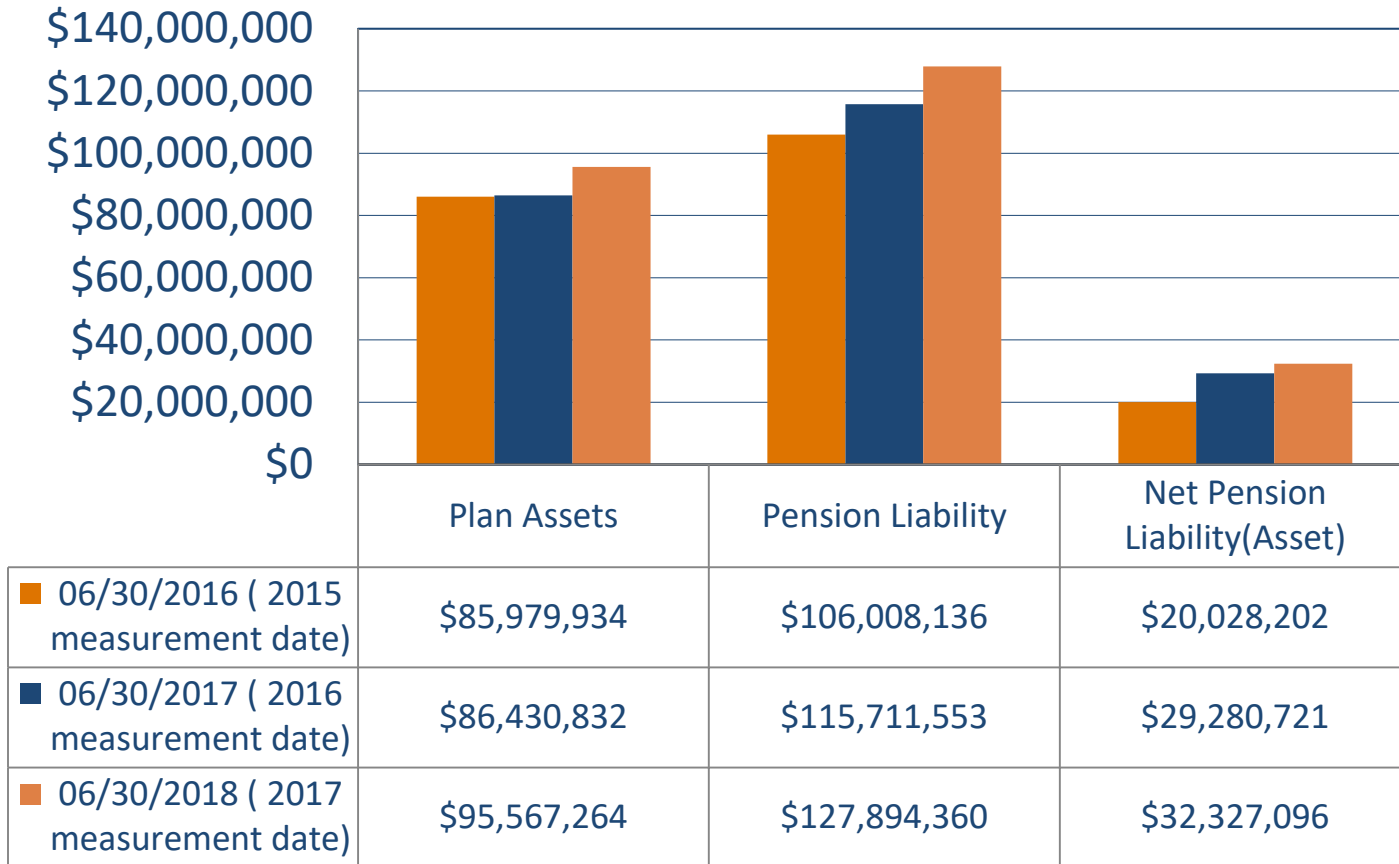
Pension Plan

City's Pension Plan Funded Status - Safety



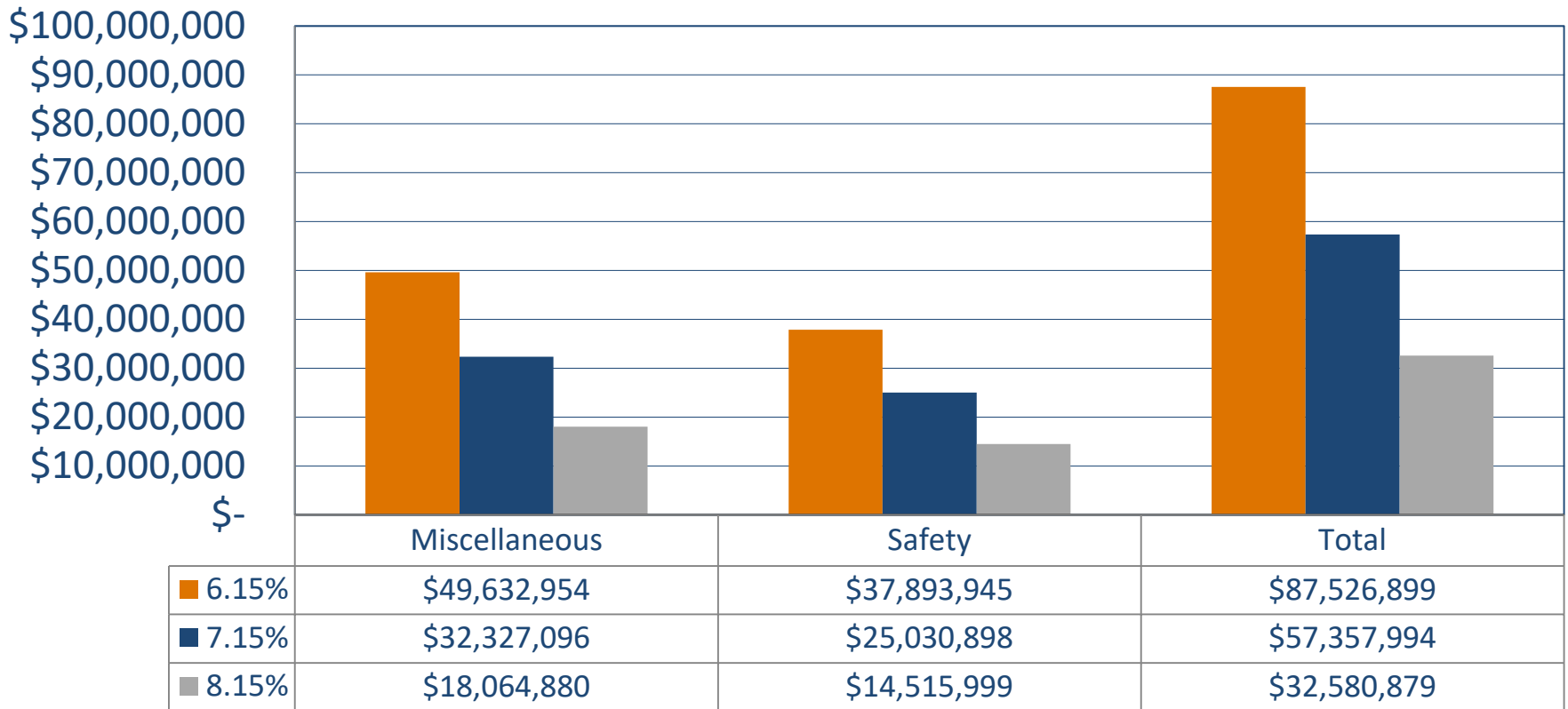
Pension Plan

City's Pension Plan Funded Status - Miscellaneous



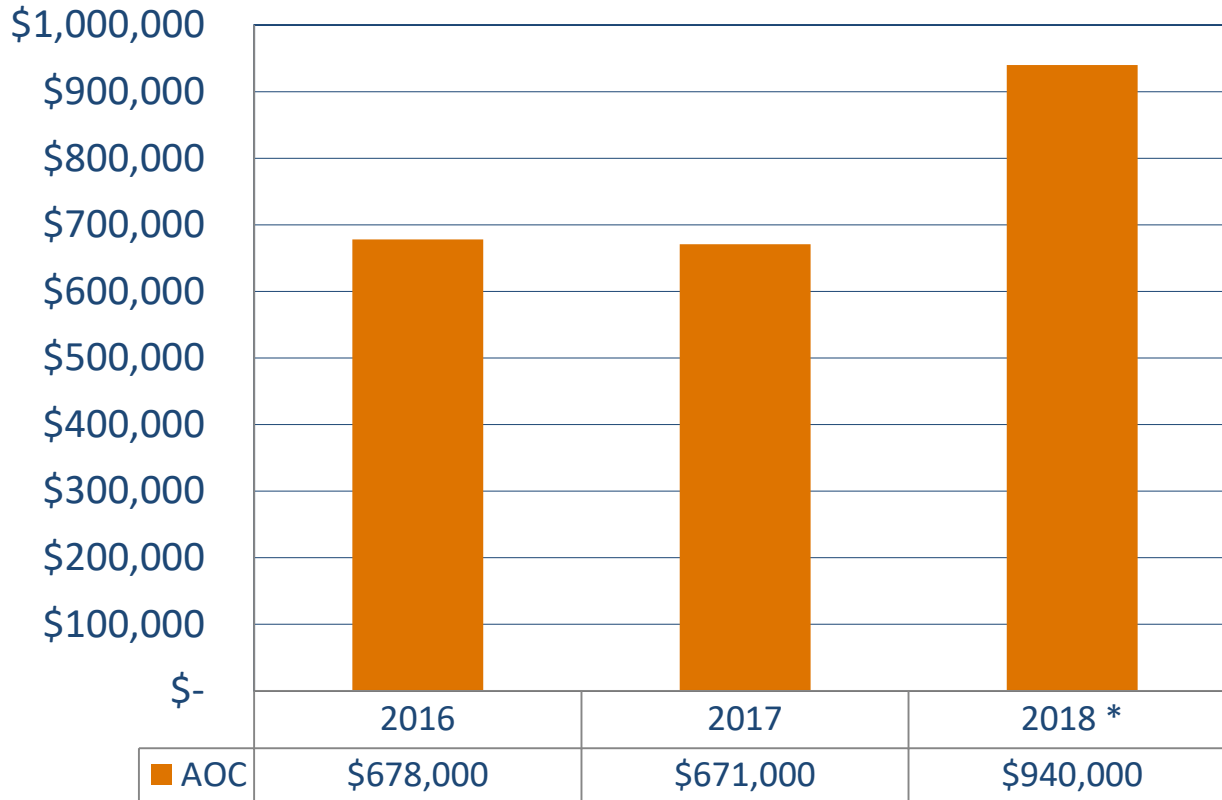
Pension Plan

City's Pension Plan Sensitivity to Discount Rate (2015 Measurement Date)



Other Financial Information

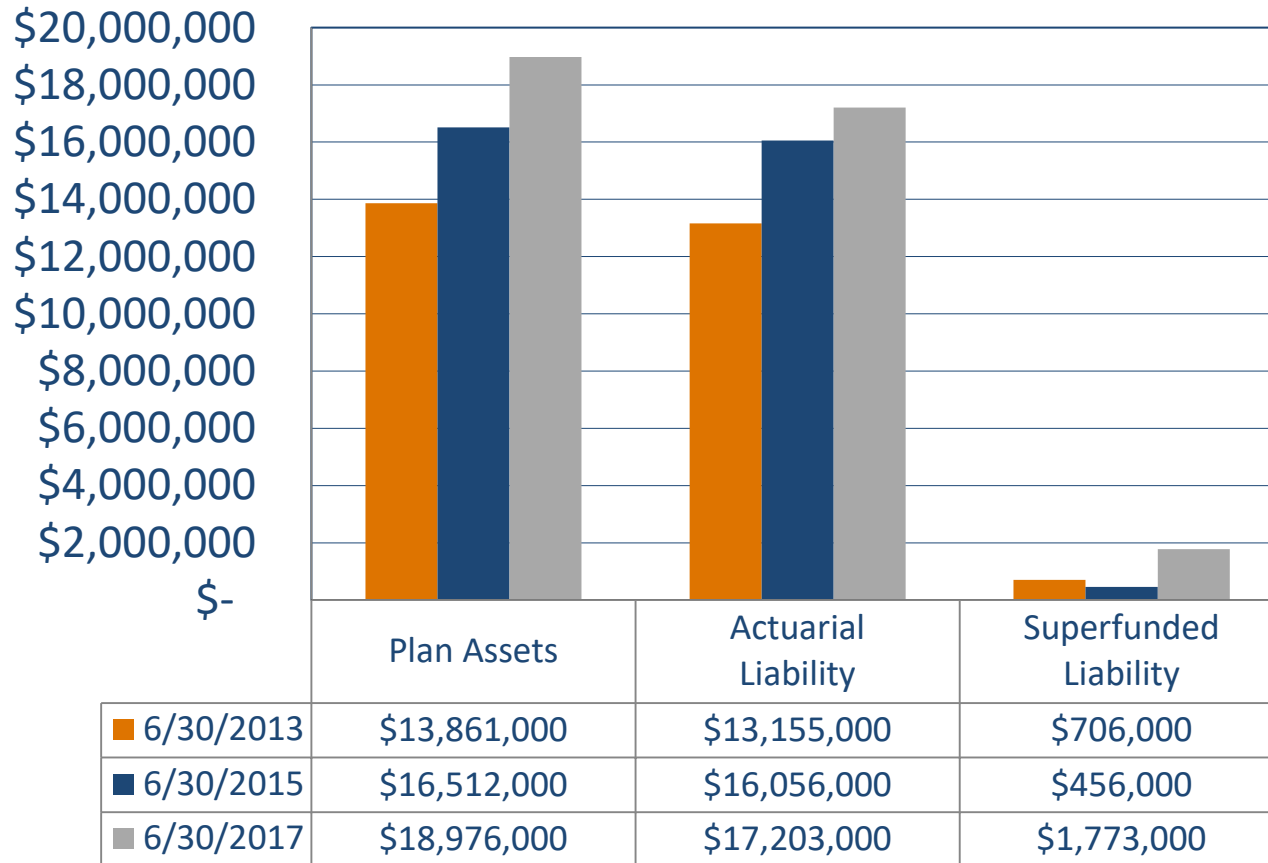
City's Annual OPEB Cost

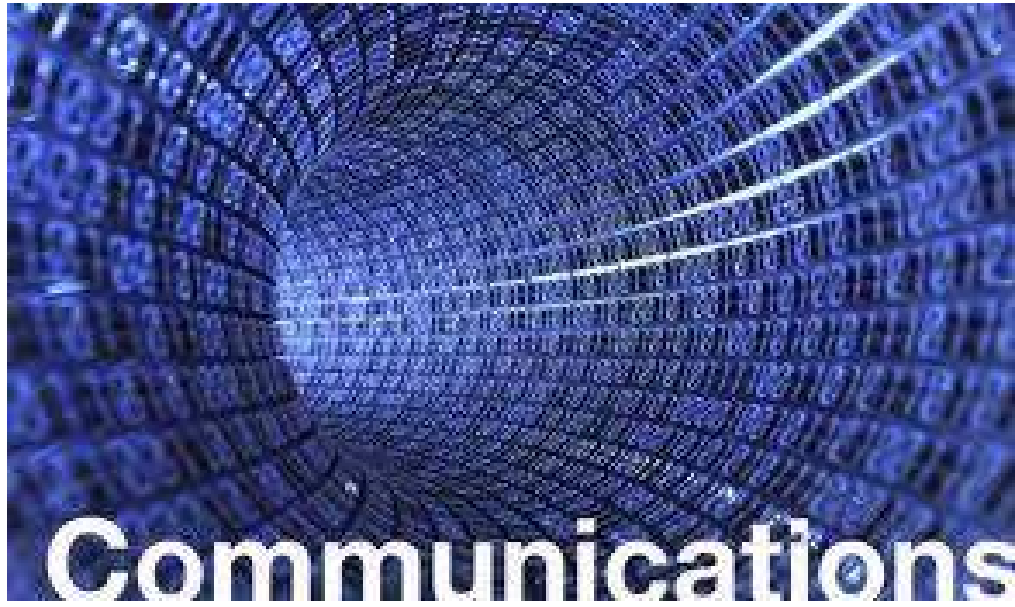


* City Implemented GASB 75 - Reporting on OPEB in 2018

Other Financial Information

City's OPEB Plan Funded Status





Required Communications

- Our Responsibility Under U.S GAAS



- Expression of an opinion on whether financial statements are fairly stated in accordance with U.S GAAP
- Evaluate internal control over financial reporting
- Evaluate compliance with laws, contract and grants
- Evaluate the tone at the top
- Ensure financial statements are clear and transparent
- Communicate with the governing body

Required Communications

- Management Responsibility



- Management is responsible for the financial statements
- Establish and maintain internal control over financial reporting
- Making all financial records available to us
- Adjust the financial statements to correct material misstatements
- Establish internal control to prevent and detect fraud
- Inform us of all known and suspected fraud
- Comply with laws and regulations
- Take corrective action on audit findings

Required Communications

- Independence



- It is our responsibility to maintain independence
- We will maintain our independence by strict adherence to the AICPA and the Board of Accountancy rules and regulations
- No other services performed that could affect our independence

- Timing of the Audit



- The audit was performed in the time frame communicated to the City in our engagement letters.

Required Communications

- Significant Accounting Policies and Unusual Transactions



The City adopted the following new pronouncements during the year:

- GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions
- GASB Statement No. 81, Irrevocable Split-Interest Agreements
- GASB Statement No. 85, Omnibus 2017
- GASB Statement No. 86, Certain Debt Extinguishment Issues

- Management Judgment and Accounting Estimates



Significant management estimates impacting the financial statements include the following:

- Useful lives of Capital Assets
- Pension Plans
- OPEB Obligation
- Self-Insurance Liabilities
- Investment Valuations

Required Communications

- Sensitive Disclosures



The most sensitive disclosures affecting the City's financial statements are as follow:



- Summary of Significant Accounting Policies
- Cash and Investments
- Receivables
- Capital Assets
- Long Term Debt
- Net Position/Fund Balance
- Negative Fund Balance
- Employee Retirement Plans
- Other Post Employment Benefits
- Landfill Post Closure Care
- Successor Agency Private Purpose Trust For Assets of Former Community Development Agency
- Joint Ventures

- Difficulties Encountered in Performing the Audit



No difficulties were encountered during our audits

Required Communications

- Significant Audit Adjustments and Unadjusted Differences Considered by Management to be Immaterial  There were adjustments and reclassifying entries during the course of the audit. Management has posted all proposed audit adjustments.
- Potential Effect on the Financial Statements of Any Significant Risks and Exposures  No significant risks or exposures were identified. Legal matters and potential liabilities are disclosed in the financial statements

Required Communications

- Significant Audit Adjustments and Unadjusted Differences Considered by Management to be Immaterial



There were adjustments and reclassifying entries during the course of the audit. Management has posted all proposed audit adjustments.

- Potential Effect on the Financial Statements of Any Significant Risks and Exposures



No significant risks or exposures were identified. Legal matters and potential liabilities are disclosed in the financial statements

Required Communications

- Deficiencies in Internal Control over Financial Reporting



We identified the following deficiency in internal control that we considered to be material weaknesses and significant deficiencies over financial reporting :

- Significant Deficiencies:
 - Procedures over the review of journal entries and year-end closing

Required Communications

- Representations Requested of Management



We will be requesting certain representations from management prior to issuance of the report that will be included in the management representation letters

- Management Consultation with Other Accountants



We are not aware of any significant accounting or auditing matters for which management consulted with other accountants

Required Communications

- Other Material Written Communications



Other than the engagement letters and management representation letters, there have been no other significant communications

- Material Uncertainties Related to Events and Conditions



There were no material uncertainties relating to events and conditions

- Fraud and Illegal Acts



We have not become aware of any instances of fraud or illegal acts, which was not disclosed by the City

New Accounting Standards

2019

- Statement 83 – Certain Asset Retirement Obligations
- Statement 88 – Certain Disclosures Related To Debt, Including Direct Borrowings and Direct Placements

2020

- Statement 84 – Fiduciary Activities
- Statement 90 – Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61

2021

- Statement 87 – Leases
- Statement 89 – Accounting for Interest Cost Incurred before the End of a Construction Period

Questions



Ahmed M. Badawi
abadawi@b-acpa.com

**Thank You
For Allowing Us to Provide Audit Services
to the City of Menlo Park**





RATIFICATION OF TENTATIVE AGREEMENT WITH POLICE OFFICERS' ASSOCIATION

City Council Meeting January 29, 2019

ARRIENGA PARK
CIVIL SERVICE

PUBLIC INPUT AND OUTREACH

- Public input and outreach process
 - Early release on January 23, 2017
 - City Council presentation on February 7, 2017

- Bargaining Principles
 - Service to the community
 - Fiscal sustainability
 - Recruitment and retention

POA NEGOTIATION SUMMARY

- Commenced negotiations – March 7, 2017
- Mediation – August 3, 2017
- Tentative Agreement – November 28, 2018
- Bargaining Unit ratification – November 29, 2018
- Early release of staff report – January 14, 2019



TENTATIVE AGREEMENT



KEY ECONOMIC PROVISIONS

Contract Term	Tentative Agreement	Fiscal Impact
Term	2 years 7 months (expiring Aug. 31, 2021)	(\$60,000)

KEY ECONOMIC PROVISIONS

Contract Term	Tentative Agreement	Fiscal Impact
Term	2 years 7 months (expiring Aug. 31, 2021)	(\$60,000)
Wages	2/3/19 = 6.0% general salary increase*	\$204,000

*Wage increase includes:

- 3.0% intended for Fiscal Year 2017-18
- 3.0% intended for Fiscal Year 2018-19

KEY ECONOMIC PROVISIONS

Contract Term	Tentative Agreement	Fiscal Impact
Term	2 years 7 months (expiring Aug. 31, 2021)	(\$60,000)
Wages	2/3/19 = 6.0% general salary increase 7/7/19 = 3.0% general salary increase	\$204,000 +\$460,000

KEY ECONOMIC PROVISIONS

Contract Term	Tentative Agreement	Fiscal Impact
Term	2 years 7 months (expiring Aug. 31, 2021)	(\$60,000)
Wages	2/3/19 = 6.0% general salary increase	\$204,000
	7/7/19 = 3.0% general salary increase	+\$460,000
	7/5/20 = 3.5% general salary increase	+\$767,000

KEY ECONOMIC PROVISIONS

Contract Term	Tentative Agreement	Fiscal Impact
Term	2 years 7 months (expiring Aug. 31, 2021)	(\$60,000)
Wages	2/3/19 = 6.0% general salary increase	\$204,000
	7/7/19 = 3.0% general salary increase	+\$460,000
	7/5/20 = 3.5% general salary increase	+\$767,000

Total compounded wages = \$1,431,000
 July 1, 2017 – August 31, 2021
 (4 fiscal years)

KEY ECONOMIC PROVISIONS

Contract Term	Tentative Agreement	Fiscal Impact
Term	2 years 7 months (expiring Aug. 31, 2021)	(\$60,000)
Wages	2/3/19 = 6.0% general salary increase 7/7/19 = 3.0% general salary increase 7/5/20 = 3.5% general salary increase	\$1,431,000
Benefits Program	1/1/19 = 2% increase 1/1/20 = 3% increase City contribution per month per employee	\$75,600

KEY ECONOMIC PROVISIONS

Contract Term	Tentative Agreement	Fiscal Impact
Term	2 years 7 months (expiring Aug. 31, 2021)	(\$60,000)
Wages	2/3/19 = 6.0% general salary increase 7/7/19 = 3.0% general salary increase 7/5/20 = 3.5% general salary increase	\$1,431,000
Benefits Program	1/1/19 = 2% increase 1/1/20 = 3% increase City contribution per month per employee	\$75,600
One Time Pay	58 hours of leave or cash out	\$153,500
	TOTAL	\$1,600,100

OTHER NEGOTIATED CHANGES

- On-call detective pay increase
- Capture current practice of holiday overtime pay
- Elimination of cafeteria plan cash
- Exploration of cash out of compensatory time off
- Clean-up, clarifying and minor language changes regarding letters of reprimand, complaints, base pay, temporary field training officers, corporals, and training offset hours

FISCAL IMPACT

- Within City Council authority to negotiating team
- Assumptions
 - 10-year fiscal forecast including growth in CalPERS costs
 - CalPERS actuarial wage growth
- Salary and benefits clarity through next two fiscal years

The background of the slide is a photograph of a white, textured stone tower with a tiled roof. The tower has several arched openings. A teal banner is overlaid across the middle of the image, containing the text "DISCUSSION / QUESTIONS". The banner is semi-transparent, allowing the background image to be seen through it. The text is in a white, bold, sans-serif font. The background image shows a clear blue sky and some green trees in the distance.

DISCUSSION / QUESTIONS



THANK YOU



- POA Bargaining Team
 - Jason Poirier
 - Chris Sample
 - Eddie Mazon
 - Mastagni Holstedt, A.P.C.

- City Bargaining Team
 - Charles Sakai
 - Sandy Pimentel