



SPECIAL MEETING AGENDA

Date: 8/12/2020

Time: 5:30 p.m.

Regular Meeting Location: [Zoom.us/join](https://zoom.us/join) – ID# 935 0435 2725

NOVEL CORONAVIRUS, COVID-19, EMERGENCY ADVISORY NOTICE

On March 19, 2020, the Governor ordered a statewide stay-at-home order calling on all individuals living in the State of California to stay at home or at their place of residence to slow the spread of the COVID-19 virus. Additionally, the Governor has temporarily suspended certain requirements of the Brown Act. For the duration of the shelter in place order, the following public meeting protocols will apply.

Teleconference meeting: All members of the Finance and Audit Committee, city staff, applicants, and members of the public will be participating by teleconference. To promote social distancing while allowing essential governmental functions to continue, the Governor has temporarily waived portions of the open meetings act and rules pertaining to teleconference meetings. This meeting is conducted in compliance with the Governor Executive Order N-25-20 issued March 12, 2020, and supplemental Executive Order N-29-20 issued March 17, 2020.

- How to participate in the meeting
 - Access the regular meeting real-time online at:
[Zoom.us/join](https://zoom.us/join) – Regular Meeting ID 935 0435 2725

Subject to Change: Given the current public health emergency and the rapidly evolving federal, state, county and local orders, the format of this meeting may be altered or the meeting may be canceled. You may check on the status of the meeting by visiting the City's website www.menlopark.org. The instructions for logging on to the Zoom webinar and/or the access code is subject to change. If you have difficulty accessing the Zoom webinar, please check the latest online edition of the posted agenda for updated information (menlopark.org/agenda).

Regular Meeting ([Zoom.us/join](https://zoom.us/join) – ID# 935 0435 2725)

A. Call To Order

B. Roll Call

C. Regular Business

- C1. Discuss the Finance and Audit Committee work plan and recommend approval to City Council ([Attachment](#))

D. Reports and Announcements

- D1. Director's report
- D2. Future agenda topics and Committee member reports

F. Adjournment

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

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

For appeal hearings, appellant and applicant shall each have 10 minutes for presentations.

If you challenge any of the items listed on this agenda in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Menlo Park at, or prior to, the public hearing.

Any writing that is distributed to a majority of the City Council by any person in connection with an agenda item is a public record (subject to any exemption under the Public Records Act) and is available by request by emailing the city clerk at jaherren@menlopark.org. Persons with disabilities, who require auxiliary aids or services in attending or participating in Committee meetings, may call the City Clerk's Office at 650-330-6620.

Agendas are posted in accordance with Government Code §54954.2(a) or §54956. Members of the public can view electronic agendas and staff reports by accessing the City website at menlopark.org/agenda and can receive email notification of agenda and staff report postings by subscribing to the "Notify Me" service at menlopark.org/notifyme. Agendas and staff reports may also be obtained by contacting City Clerk at 650-330-6620. (Posted: 8/11/2020)

2020-21 Finance and Audit Committee Work Plan development

August 12, 2020

Ongoing items

- Annual investment policy review
- Annual independent auditor's report review

Staff updates

- 1 OpenGov budgeting and reporting update
 - 1a Platform navigation/"how to" guide for community
 - 1b Report order, type, saved views
 - 1c "Stories" pages - presentation, order, content
 - 1d Non-financial reports (e.g. authorized staffing)
- 2 Financial accounting (general ledger and accounts payable) software upgrade

Previous work plan items

Ref #	Approved project	Subcommittee	Notes	Status
1	Research and recommend a tool(s) for Council's use in financial decision-making	N/A		
2	Review public documents/reporting and identify opportunities to improve presentation (formatting) and usefulness of information to Council and the general public	N/A		
2a	2019-20 budget in brief	N/A		
2b	2018-19 Comprehensive Annual Financial Report (CAFR)	Tronson, Shepherd		
2c	2018-29 Popular Annual Financial Report (PAFR)	N/A		
2d	Fiscal year 2020-21 budget document	Shepherd		
2e	Website dashboard	N/A		
2f	Investment reports	N/A		
3	Support delivery of easy-to-use, timely, complete and transparent financial information	N/A		
3a	Capital Improvement Plan (CIP) program	Royse, Westcott		
3b	Unfunded pension liability	Shepherd, Maguire		

Parking lot items

- Sale of assets
- Review of utility users' tax cap
- Library financing
- Listing of parcels exempt from property taxes
- Developer agreements
- Community amenities fund
- Use of multiple investment advisors
- Consultant and contractor policy review

2020-21 Finance and Audit Committee Work Plan development

August 12, 2020

Ref #	Potential project	Notes	Start date	End date
1				
2				
3				
4				
5				
6				
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10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

2020-21 Finance and Audit Committee Work Plan development

August 12, 2020

Ref #	Potential project	Notes	Start date	End date	Committee member votes						Total	Subcommittee	
					Combs	Keet	Maguire	Mueller	Westcott	Royse			Shepherd
1											0		
2											0		
3											0		
4											0		
5											0		
6											0		
7											0		
8											0		
9											0		
10											0		
11											0		
12											0		
13											0		
14											0		
15											0		
16											0		
17											0		
18											0		
19											0		
20											0		
Total					0	0	0	0	0	0	0	0	
Remaining					4	4	4	4	4	4	4	28	

Votes per Committee member

4

2019-20 Finance and Audit Committee Work Plan

February 4, 2020 update

Ref #	Approved projects	Subcommittee	Notes																	
				0	10	20	30	40	50	60	70	80	90	100						
1	Research and recommend a tool(s) for Council's use in financial decision-making	N/A		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
2	Review public documents/reporting and identify opportunities to improve presentation (formatting) and usefulness of information to Council and the general public	N/A		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
2a	2019-20 Budget in Brief	N/A		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
2b	2018-19 Comprehensive Annual Financial Report (CAFR)	Tronson, Shepherd		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
2c	2018-19 Popular Annual Financial Report (PAFR)	N/A		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
2d	Fiscal year 2020-21 budget document	Shepherd		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
2e	Website dashboard	N/A		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
2f	Investment reports	N/A		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
3	Support delivery of easy-to-use, timely, complete and transparent financial information	N/A		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
3a	Capital Improvement Plan (CIP) program	Royse, Westcott		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
3b	Unfunded pension liability	Shepherd, Maguire		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█

- Parking lot items**
- Sale of assets
 - Review of Utility Users' Tax cap
 - Library financing
 - Listing of parcels exempt from property taxes
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 - Community amenities fund
 - Use of multiple investment advisors
 - Consultant and contractor policy review

Reference documents	Location
Fiscal year 2019-20 adopted budget	https://www.menlopark.org/ArchiveCenter/ViewFile/Item/9688
Fiscal year 2019-20 budget in brief	https://www.menlopark.org/Archive.aspx?ADID=10994
Finance operating reports	https://www.menlopark.org/1578/Operating-reports
Previous FAC meeting agendas and minutes	https://www.menlopark.org/AgendaCenter/Finance-Audit-Committee-5

Subcommittee Report (Royse, Tronson)
Infrastructure communication subcommittee
February 24, 2020

The infrastructure communication subcommittee (“Subcommittee”) of the Menlo Park Finance and Audit Committee (“FAC”) recommends improvements, including the following, to reports relating to the capital improvement plan (“the Plan” or “Capital Improvement Plan” or CIP).

The Subcommittee has reviewed the online and print materials offered by the City of Menlo Park relating to its projects contained within the capital improvement plan, budget, and capital improvement program with a view towards making the information more transparent, accessible, and understandable. Most of this information is contained in the annual budget document but also appears throughout various webpages and documents.

“Budget” refers to the City of Menlo Park Fiscal Year 2019-20 Adopted Budget, at <https://menlopark.org/ArchiveCenter/ViewFile/Item/9688>.

“Plan” or “CIP” refers to the Capital Improvement Plan, at <https://www.menlopark.org/DocumentCenter/View/9057/2015-2020-5-Year-CIP>

1. CIP Prioritization Criteria: Subcommittee recommends that the specific prioritization criteria for each new Project be modified to include metrics and weights to ensure consistency among the decisions.

The Budget contains the CIP and sets forth certain capital improvement plan criteria for prioritizing its 89 listed projects (“Projects”) (see Page 110 of the Budget). The staff has categorized the Projects based on the following criteria:

- Regulatory compliance
- Public safety
- Preservation of city assets
- Improved efficiencies
- Grant funding timelines
- First in, first out
- Available staffing

The Projects are then tiered from 1 to 3, with tier 1 getting the most immediate attention.

The CIP does not explain what the criteria are exactly, how they are applied, and how important they are.. Each year’s Budget should include the prioritization details of new Projects.

Subcommittee recommends that the specific prioritization criteria for each new Project be refined to include metrics and weights to ensure consistency among the decisions

2. Capital Improvement Plan/Budget:

The CIP (Capital Improvement Plan) sets forth planned short- and long-range development, maintenance, improvement and acquisition of infrastructure assets. The CIP is part of and links to the Budget, and provides a means for planning, scheduling and implementing capital and comprehensive planning projects over a five year period (although updated annually).

The Subcommittee has several suggestions.

1. Given how quickly priorities change, the CIP should be updated quarterly rather than annually.
2. The CIP should contain are summary of how the prioritization criteria are applied.
3. The CIP contains very little detail on expenditures and project costs. More explanation would be helpful.

3. Capital Improvement Program Webpage.

The City's website contains a Capital Improvement Program page at <https://www.menlopark.org/222/Capital-Improvement-Program>. Is there a difference between the Capital Improvement Plan and the Capital Improvement Program? If not, the Subcommittee suggests consistency in terminology. And if they are different, provide an explanation as to how they differ.

The Capital Improvement Program page lists only 4 projects in design phase, while the Budget lists numerous projects, in the category of "Projects in design phase." The Capital Improvement Program should contain more detail on the status of other projects not in design phase.

Additional detail on the Capital Improvement Program page or pages for each project might include:

- Funding
- Expenditures
- Timelines
- Progress and status
- Impact on other project/s

4. Comprehensive CIP Reports

There are numerous projects listed in the Annual Budget. Many are in different stages, have different start dates, budgets, funded and unfunded classifications, etc. They also appear

in various Staff Reports. There is no single master CIP document from which a stakeholder, whether resident, Council Member, or Staff, can find all the necessary information about the individual CIPs. Is there a way to assess a single CIP in relationship to all the others when it comes to its impact on resources, e.g., time, staff, funds?