

*City of Hercules*

*Proposal to Provide Budget Preparation and Human Resources Assistance*

*April 5, 2011*



Municipal Resource Group, LLC

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## CITY OF HERCULES

### PROPOSAL TO PROVIDE BUDGET PREPARATION AND HUMAN RESOURCES ASSISTANCE

#### MUNICIPAL RESOURCE GROUP, LLC

#### INTRODUCTION

The City of Hercules has requested proposals from qualified firms to provide budget preparation and human resources assistance. The City of Hercules is currently undertaking its budget preparation process at on an accelerated, very short timeline of approximately 12 weeks. Current staff vacancies, the magnitude of the budget reductions and lack of resources has created the need for a short-term position of budget manager to play a key role in assisting the City in preparation of its 2011-12 Budget. In addition, the City's budget reductions will impact existing employees on an unprecedented level, requiring thorough review of its personnel rules, practices and labor agreements to effectively implement the reorganization and rescaling of the City staff.

#### A. Background Information

##### 1. *Firm Capabilities, Project Team Qualifications and Experience*

Municipal Resource Group (MRG) has assembled a qualified team of consultants specifically chosen for their experience and expertise in the areas of concern to the City of Hercules – budget strategies, budget preparation and human resources-labor relations.

Our team includes two MRG principals, Mike Oliver Mary Egan. We are also pleased to include the services of Cheryl Taylor, an Associate with our firm.

*The consultants who will be conducting this Project are uniquely qualified to provide these services to the City based on their wide range of experience in local government budget preparation as the Budget Director for the City of Oakland—Cheryl Taylor; role as City Manager—Mike Oliver and role as labor relations representative for the City of San Jose and local government human resources consultant for the past 15 years—Mary Egan.*

*Our relevant experience includes our public sector experience in city budget development in the Cities of Oakland, San Leandro, Citrus Heights and Oakley. We have developed budget strategies, impact analyses, implementation plans and budget documents for a number of local agencies. In the cities of Oakland and San Leandro we were responsible for major service revisions and public review as well as City Council review and approval of the recommended budgets we prepared. Mike Oliver is also a recognized statewide expert on local government services and an development of alternative service*

delivery models to reduce costs while maintaining quality services. Cheryl Taylor has prepared several City of Oakland Budgets which involved significant revision of services and departmental reorganizations as well as alternative service delivery recommendations.

*We have substantial local government human relations and labor relations experience* Mary Egan has conducted labor relations on behalf of the City of San Jose and provided consulting services in the area of human resources and organizational change to over 25 clients.

**Provide Strategic Budget and Human Resources Professional Assistance  
On an on-call, as needed basis:**

We are proposing to provide the City with specific, on call services as needed in the areas of strategic budget and human resources professional assistance. These services will provide the platform for the City to address the demands of reordering the City's service configurations and human resource allocations. These services would be utilized at critical junctions in the City's budget development and configuration processes on an on-call basis. Mike Oliver will provide the strategic budget assistance and Mary Egan will provide the human resources professional assistance.

**Provide Budget Preparation Services**

We are proposing the City use Cheryl Taylor to provide budget manager services to the City on a 20 hour per week basis between the first week in April and the first week in July. Cheryl would be responsible for coordinating and conducting the preparation of the budget working directly with City staff and providing support for the City Manager and the Deputy City Manager in budget-related matters. Cheryl would work in City Hall at a designated location, participate in all required meetings, and activities associated with preparation of the budget.

Cheryl will be responsible for developing suitable templates for all aspects of the budget including the: City Manager's Message, Table of Contents, Index, Narrative Descriptions, Charts, Graphs and Tables. She would work with departmental staff to directly to assure their contributions to the budget met City standards and were appropriate to support the document's accuracy and adequacy.

Cheryl will participate in City Council-related and public budget discussions and presentations as needed.

## PROJECT COSTS

We are proposing a combination of services to the City and have outlined the configurations by activity:

### **Provide Strategic Budget and Human Resources Professional Assistance**

**On an on-call, as needed basis:**

Mike Oliver 25 hours @\$200.00 per hour

Mary Egan 40 hours @\$150.00 per hour

*Sub-Total \$11,000.00*

### **Budget Manager Services:**

Cheryl Taylor 14 weeks-20 hours per week @\$137.50 per hour

*Sub-Total \$38,500.00*

**Estimated Total Project Costs if all hours utilized      \$49,950.00**

## CONCLUSION

Municipal Resource Group's proposal is flexible and can be tailored to meet the City's needs. All work is on a time and materials basis and will be fully reviewed with the City before any work is begun. We appreciate the opportunity to provide services to the City of Hercules.

Mike Oliver  
President

170/wr

## HECTOR W. LWIN

Nelson & Associates (510) 652-1696

449-4582

### SUMMARY OF QUALIFICATIONS

- Possess broad based experience in senior management, strategic planning, formulation of financial management policies and procedures, financial control, analysis, planning and forecasting; departmental and organizational development, interaction with all stake holders, negotiation, consensus building, achieving projected outcome, trouble shooting and public-private partnership.
- Practice proactive, thorough, fair-minded and result oriented management style with integrity, dedication and commitment to achieving optimum results.
- Served in several key positions from accountant to middle manager to department head and senior management team member. Also served as an investment banker, municipal financial management consultant and advisor to the Treasury of the South African Government.
- Attained more than 23 years experience in accounting, financial reporting, budgeting, cash management and investment, bond financing, financial analysis, management and control.
- Experience in development, implementation and monitoring of accounting, internal control and internal audit, budgeting, and administrative policies and procedures; prepared both capital and operating budgets; initiated the preparation of long-term financial plans and assisted in development of long term capital improvement programs.
- Procurement, conversion and maintenance of financial applications computer hardware and software. Posses the knowledge of IT application in day to day life of doing business.
- Recruiting, coaching, training, and supervising of staff. Developing and implementing departmental personnel procedures; participating in labor negotiations and benefit management.

### SUMMARY OF ACCOMPLISHMENTS INCLUDE. BUT ARE NOT LIMITED TO:

- Balanced the budgets, detected financial problems in early stages; developed and maintained sound financial policy and procedures; produced effective management reports and fair and unqualified financial reports; orchestrated successful and creative bond financings. Adopted cost cutting and efficiency improvement measures.
- Promoted company reputation and business; developed direct investment in and financing small companies; successfully participated in company road shows.
- Recruited, trained, empowered and retained qualified staff.
- Actively participated and contributed in development of strategic plans, goals and objectives.
- Successfully implemented financial reform measures, met the targeted outcome, introduced international best practices whenever possible and transferred skills to selected South African municipalities.

## EMPLOYMENT HISTORY

### **International Advisor**

**National Treasury, Republic of South Africa (Feb. 2004 to Feb. 2007)**

- Provided leadership and technical assistance in budget and financial management reform promulgated by the Municipal Finance Management Act of South Africa.
- Assisted Executive Mayors, Municipal Managers, and Chief Financial Officers of South African Municipalities in policy development, financial planning and management.
- Implemented financial reform measures in the key municipal financial management areas such as revenue and expenditure management; assets and liabilities management; banking, investment and borrowing; budget policy, guidelines, preparation and submission; in-year and year end financial reporting and audit; supply chain management and contract management; internal auditing and internal control; capacity building, and skills transfer.
- Accomplished the project implementation by meeting deadlines and most of quality standards, goals, and objectives. Introduced international best practices and transferred skills.

### **Interim Finance Director and Financial Consultant**

**Belmont (1997-1998); Clayton (1999); Atherton (1999-2001); Novato (2001); Santa Paula (2002); King City (2002-2003); Oakdale (2003 to 2004)**

- Planned, directed, and managed the accounting, finance and treasury functions of the cities; developed strategies; recommended and implemented proactive practices to increase efficiency and productivity, and enhanced internal control.
- Assured the quality and continuity of finance department's service delivery, and effectiveness of financial management and internal control; audited and improved the accounting and financial control of various types of funds and activities; analyzed all funds, activities, and projects.
- Directed and oversaw the preparation of operating and capital budgets; conducted budget study sessions involving community participation and input; played a significant role in revision, adoption and management of cities' budgets.
- Managed cash flow, investment portfolio and debts obligations. Orchestrated the issuance of various bonds and notes.
- Assistant in human resource management and risk management.
- Served as a staff member of the cities' public financing authorities, finance and audit committees, and ad hoc committees; provided financial advice to City Councils and their administrative bodies, boards, committees and commissions and redevelopment agencies.

### **Executive Director**

**Peregrine Capital Ltd., Hong Kong (1994 to 1997)**

- Served as a Chief Operating Officer and Chief Financial Officer of a trading and investment banking subsidiary company of a large Hong Kong investment bank. Engaged in financial management, human resource management, administrative services and business development.

- Co-led business development, business plans evaluation, the due diligence process for equity participation and project financing; Co-managed business ventures.
- Collaborated with a consortium of lenders, various investment bankers, and potential business partners for several business projects. Worked with government officials at various levels in South East Asian countries.

**Director of Finance and Deputy Treasurer**

**City of Millbrae and Millbrae Redevelopment Agency (1987 to 1994)**

- Took control of finance and treasury functions of the full serviced City.

**EDUCATION**

BS (Public Administration), University of Rangoon, Burma

Diploma in Statistics, University of Rangoon, Burma

Certified California Municipal Treasurer (Re-certification required)

Certified Public Accountant, Burma

**AFFILIATIONS**

Government Finance Officers Association

California Society of Municipal Finance Officers

California Municipal Treasurers Association

Rotary International, The Commonwealth Club of California and The World Affairs Council

*City of Half Moon Bay (18 months) - Interim Finance Director*



# Cheryl L. Taylor

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Alameda, CA 94501  
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(510) 205-1784

## Summary

- Experienced professional with track record of delivering accurate, high-quality work on time and developing effective solutions to challenging financial issues.
- Accessible leader with proven ability to develop staff and organize teams to produce effective results.
- Skilled at communicating quantitative analyses in cogent, well-written narrative and translating complex financial issues to diverse stakeholders.

## Experience

*Budget Director  
February 2009 to  
January 2011*

**City of Oakland** **Oakland, CA**  
**City Administrator's Budget Office**

- Prepared, presented and monitored annual City budget of approximately \$980 million.
- Forecasted \$420 million of General Fund revenues from multiple sources.
- Planned and facilitated biennial budget review for City departments and City Council.
- Oversaw/prepared quarterly report on revenues and expenditures for presentation to the City Council.
- Monitored Oakland Redevelopment Agency and City legislation as they affected City and ORA budgets.
- Managed staff of 12, including 5 direct reports (one Principal Financial Analyst, two Financial Analysts, five Budget Analysts, three Accountants and one Administrative Assistant).

*Interim Administrator of  
Finance  
September 2008 to  
February 2009*

**San Francisco Housing Authority** **San Francisco, CA**

- Planned, organized and directed all functions of the Authority's Finance Department, including: budget and analysis; general and payroll accounting; annual financial audit; banking and treasury; and internal US. Housing and Urban Development (HUD) and other external reporting
- Managed staff of 12, including 3 direct reports.

*Financial Analyst  
Supervisor  
October 2007 to August  
2008*

**Mervyns LLC** **Hayward, CA**  
**Stores Financial Planning and Analysis**

- Oversaw stores' payroll expense budget of \$220 million.
- Prepared and analyzed weekly forecasts of stores' payroll expense, including creation and updating of forecast tool.
- Finalized stores' seasonal sales and payroll-related expense budgets.
- Conducted ad hoc analyses of stores-level sales revenue and personnel-related expense items, including wage rate and labor mix.
- Reviewed findings with executive vice-president and vice-president of stores in support of strategy development.
- Ensured proper accrual of stores' payroll expenses at month-end; analyzed month-end financial results, provided variance analysis, researched and corrected irregularities.
- Supervised staff of two planning analysts.

*Financial Consultant/  
Specialist  
May to September 2007*

**Kaiser Permanente** **Oakland, CA**

**Information Technology – Finance Division**  
*As Financial Consultant/Specialist*

- Prepared and analyzed monthly forecasts and 2008 budgets for selected cost centers.
- Analyzed monthly forecasts of investment project spending; prepared detailed explanations of key variance drivers.
- Created and analyzed management reports comparing cost center and investment project actuals to budget and forecasts.
- Analyzed and provided comment on month-end financial results, provided variance analysis, researched and corrected financial irregularities.
- Analyzed decision point documents presented to Health Plan governing bodies in support of "go/no-go" decisions.

*Senior  
Manager/Director  
May 2006 to May 2007*

*As Senior Manager/Director*

- Oversaw portfolio of \$137 million annual software development budget.
- Prepared monthly financial reforecast of year-end spending on software applications under development in health plan portfolio.
- Presented financial reforecast and other financial analyses to executive-level operations and information technology committee in support of its "go/no-go" decisions.
- Managed staff of three financial analysts and one program controller.

# Cheryl L. Taylor

*Interim Budget Director*  
October 2005 to  
April 2006

**City of Oakland**  
**City Administrator's Budget Office**  
*As Interim Budget Director*

Oakland, CA

*Principal Financial Analyst*  
July 2004 to  
October 2005

- Monitored annual City budget of approximately \$980 million.
- Forecasted \$460 million of General Fund revenues from multiple sources.
- Planned and facilitated mid-cycle budget review for City departments and City Council.
- Oversaw/prepared quarterly report on revenues and expenditures for presentation to the City Council.
- Monitored Oakland Redevelopment Agency and City legislation as they affected City and ORA budgets.
- Managed staff of 15, including 5 direct reports (two Principal Financial Analysts, two Financial Analysts, six Budget Analysts, three Accountants and two Administrative Assistants).

*Budget and Operations Analyst*  
August 2001 to  
July 2004

*As Principal Financial Analyst*

- Prepared \$315 million five-year capital improvement program budget; included facilitating citywide proposal process, analyzing funds available and drafting transmittal letter and background sections of budget.
- Developed \$220 million biennial redevelopment agency budget; included developing training manual and delivering training to departments on preparing funding proposals, forecasting revenues, and drafting transmittal letter and background sections of budget.
- Administered elected officials' discretionary capital improvement allocations and contributions; included developing tracking database and training Council aides on use of funds.
- Oversaw collection of special parcel tax levies and district assessments valued at \$44 million annually; included managing engineer's contract.
- Managed staff of three Budget Analysts who each monitored revenues, expenditures and operations of 1-3 departments.

*As Budget and Operations Analyst III*

- Analyzed, monitored, forecasted and reported on revenues and expenditures of the Oakland Redevelopment Agency (ORA) and Community and Economic Development Agency (CEDA).
- Prepared ORA proposed and adopted budgets.
- Prepared CEDA and sections of citywide proposed and adopted budgets.
- Updated design/layout of FY 2003-05 City policy and ORA budgets.
- Determined and analyzed fiscal impacts of proposed economic development and redevelopment projects.
- Monitored ORA and City legislation as they affected CEDA and ORA budgets.

*Economic Analyst*  
April 2000 to  
August 2001

**City of Oakland**  
**Community & Economic Development Agency, Economic Development Division**

Oakland, CA

- Co-edited *Oakland Now*, CEDA's quarterly economic report. Responsible for shepherding report from concept to completion, analyzing economic and demographic data, drafting Agency Director's economic letter.
- Provided economic and demographic data to business community and various City departments and agencies in support of business attraction and retention efforts, development projects and general economic development activities.
- Drafted market analysis of prospective Oakland Army Base development, including analysis of regional commercial vacancy and absorption rates; hotel occupancy and average daily rates; and new construction.

*Education*

**Massachusetts Institute of Technology**

Cambridge, MA

**Master of City Planning**, June 1995. Concentrations: economic development and finance. Accounting and finance courses completed at MIT's Sloan School of Management.

**Stanford University**

Stanford, CA

**Bachelor of Arts**, June 1990. Majors: History and African & Afro-American Studies.

*Technical Skills*

Essbase, Lawson and Oracle 11i (General Ledger applications); Business Objects, Cognos Contributor, BRASS. Microsoft: Access, PowerPoint, Excel, Word.