



THE CITY OF  
NOVATO  
CALIFORNIA

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## NOVATO CITIZENS FINANCE ADVISORY/ OVERSIGHT COMMITTEE MEETING

held at

City Administrative Offices  
Womack Conference Room  
922 Machin Ave

February 15, 2018  
7:30 AM

Chair

Tim O'Connor

Vice Chair

Regina Bianucci Rus

Commissioners

Caitrin Devine

David Bentley

Cris MacKenzie

Rafelina Maglio

Robert J. Scott, Jr

### MINUTES

#### **A. CALL TO ORDER**

Meeting called to order at 7:30am. Committee Members: Tim O'Connor, Regina Bianucci Rus (left at 8:38), Caitrin Devine (left at 8:38), Cris MacKenzie, Rafelina Maglio, David Bentley (left at 8:38), Robert Scott, Jr. Staff Members: City Manager Regan Candelario (arrived at 8:10), Assistant City Manager Michael Antwine (arrived at 7:50), Finance Manager Tony Clark, Finance Supervisor Maureen Chapman, Accounting Assistant Christina Soares. City Council Member: Pam Drew. Members of the Public: Hutch Turner.

#### **B. APPROVAL OF FINAL AGENDA**

Bentley motioned to approve, Maglio seconded motion.

#### **C. PUBLIC COMMENT**

Hutch Turner commented on the quarterly expenditure approval report provided to Council by Finance Department. Monthly numbers are hard to read compared to prior reports provided. Item descriptions are assigned to each expenditure and suggested a report that aggregated expenditures on specific line items. Asked if data could be simplified so citizens can comprehend data. Likes the structure of the new financial reports.

Bentley asked for clarification about disbursement list. Asked if reports are now quarterly and FM Clark confirmed they are generated quarterly. MacKenzie asked if reports were generated based on timing of data for report or based on tax revenue. Scott commented on finding appropriate balance of need & detail to generate reports.

## **D. COMMITTEE ORGANIZATIONAL ITEMS**

### **D-1: APPROVAL OF JANUARY 18, 2018 MINUTES**

*Scott motioned to approve, MacKenzie seconded motion upon correction: change Absent to Abstain and correct spelling of O'Connor's name on Committee list.*

## **E. GENERAL BUSINESS**

*Bentley made budget advisory sub-committee request and adding CAFR to next agenda for discussion. Committee members discussed the focus of the sub-committee and how to create user friendly reports for the public to understand. Bianucci Rus added consolidating project and agreed that this will require time to look at information. FM Clark noted that Council had many questions regarding the CAFR report and believes good idea having reports available more often.*

### **E-1: RECEIVE AND FILE FY 2017-2018 MID-YEAR FINANCIAL REPORT UPDATE**

*FM Clark noted the mid-year financial reports provided at the January 18<sup>th</sup> meeting was consolidated which created the blank columns. The Committee discussed options about unplanned natural disasters. FM Clark will examine different approaches to record expenses. Clark also added his surprise at staff's willingness to pick up slack with low staffing numbers.*

### **E-2 REVIEW FY18/19 BUDGET TIMELINE**

*ACM Antwine asked Committee to review budget timeline. Antwine discussed upcoming community workshops in April & May and working with local organizations and groups. Also working on budget process framework. Will receive direction from Council in April, present information to Committee in May prior to budget approval, final budget approval and adoption in June. ACM Antwine also speaking with departments in regards to budget requests and previous expenses while examining staffing levels for efficiency.*

*Committee discussed budget assumptions as part of Strategic Plan, which incorporates into the Master Plan, and would like to add review of those assumptions at their next meeting. The Committee also discussed the format of the budget calendar and presentation to Council. Chapman explained the template formats completed by the departments and reviewed prior to presenting to Council.*

*The Committee also discussed fiscal sustainability and how to address anticipated revenue gap. ACM Antwine anticipates updated Five Year Plan by March. The Committee discussed the five year forecast, current staffing levels with increased demand in services, pension obligations and how to address unfunded*

*liabilities. FM Clark noted an Irrevocable Trust was suggested by outside auditors in order to grow assets to offset future pension liabilities. CM Candelario added that all cities, not only Novato, share in the pension obligation. ACM Antwine noted that some modifications have already been made to the retirement plans to address increasing pension liabilities, but still need to address how to project and plan for balloon payments down the road. Examining variables to build base and will present pension obligation to Council in March.*

*The Committee discussed economic development and would like to hear presentation from department regarding attracting new business.*

**F. COMMITTEE / STAFF COMMENTS**

*None*

**G. FUTURE MEETINGS**

*Next meeting scheduled for March 22, 2018 at O'Connor's request.*

**H. ADJOURNMENT**

*Meeting adjourned at 8:40am.*