



**CITY OF NOVATO**  
CALIFORNIA

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*novato.org*

Chair  
Rafelina Maglio

Vice Chair  
Mark Milberg

Committee Members  
Regina Bianucci Rus  
Caitrin Devine  
Cris MacKenzie  
Tim O'Connor

City Manager  
Adam McGill

**NOVATO CITIZENS FINANCE ADVISORY/  
OVERSIGHT COMMITTEE MEETING**

**Agenda**  
**Thursday, October 15, 2020**  
**7:30 A.M.**

**[Agenda Teleconference Only](#)**

Zoom Webinar:

Direct Link:

<https://zoom.us/j/96254745019?pwd=NmdraloySzINMEN3aDVTcm5UekdGZz09>

or

Join at [zoom.com](#)

**Meeting ID:** 962 5474 5019

**Password:** 1960

Pursuant to the provisions of the California Governor's Executive Order N-29-20, issued on March 17, 2020, this meeting will be held by teleconference only.

Members of the Public may participate and provide public comments to teleconference meetings as follows:

- **Written public comments** may be submitted by email to [acunningham@novato.com](mailto:acunningham@novato.com). Written public comments received more than 3 hours before the start of the meeting will be distributed to the Committee prior to the meeting. Written public comment received after the three-hour cut-off, including during and after the meeting, will be collected and placed in the public record. Written public comments will not be read during the meeting.
- **Spoken public comments** will be accepted through the Zoom meeting platform and via telephone. To address the Committee orally, please read and follow the below instructions carefully:
  1. Join the meeting at:
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- a. You will be asked to enter an email address and name. We request that you identify yourself by name as this will be visible online and will be used to notify you when it is your turn to speak.
  - b. When the Chair calls for public comment on the item on which you wish to speak, please use the “Raise Hand” feature by clicking on the hand icon at the bottom of your screen to notify the Host that you would like to speak.
  - c. The host will unmute speakers in turn. Speakers will be notified when it is their turn to speak.
  - d. When called upon, please limit your remarks to the time limit allotted by the Chair or as specified on the agenda. Speakers will be muted when their time is up.
3. Join the meeting via telephone by calling **(669) 900-6833**.

**Meeting ID:** 962 5474 5019

**Password:** 1960

- a. When the Chair calls for public comment on the item on which you wish to speak, **press \*9** to activate the “Raise Hand” feature to notify the Host that you would like to speak.
- b. The host will unmute speakers in turn. Speakers will be notified when it is their turn to speak.
- c. When called upon, please limit your remarks to the time limit allotted by the Chair or as specified on the agenda. Speakers will be muted when their time is up.

## **AGENDA**

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

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

### **C. PUBLIC COMMENT**

Anyone wishing to speak on non-agenda items will be recognized at this time. These items can legally have no action as they are not on the agenda. There is a three-minute time limit.

7:35 A.M. *(Time is approximate.)*

**D. COMMITTEE ORGANIZATIONAL ITEMS**

**D-1: APPROVAL OF SEPTEMBER 17, 2020 MINUTES**

**E. GENERAL BUSINESS**

Anyone wishing to speak on agenda items will be recognized after the Committee has concluded their initial discussions. There is a three-minute time limit for public comment per item.

7:40 A.M. (*Time is approximate.*)

**E-2: DISCUSSION ITEMS:**

**E-2.1: UPDATE ON FINANCE DEPARTMENT ACTIVITIES**

**E-2.2: REVIEW MEASURE F ANNUAL REPORT (No staff report.)**

**E-2.3: DISCUSS MEETING SCHEDULE FOR REMAINDER OF 2020  
(No staff report.)**

**F. COMMITTEE / STAFF COMMENTS**

**G. FUTURE MEETINGS**

**G-1. NOVEMBER 19, 2020 @ 7:30 A.M.**

**H. ADJOURNMENT**

**AFFIDAVIT OF POSTING**

I, Amy Cunningham, certify that on October 9<sup>th</sup>, 2020, I caused to be posted the agenda of the October 15<sup>th</sup>, 2020 meeting of the Novato Citizens Finance Advisory/Oversight Committee meeting of the City of Novato, California, on the Police Department bulletin board, and on the City's website at [www.novato.org](http://www.novato.org).

Amy Cunningham  
Finance Director



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Tim O'Connor

**NOVATO CITIZENS FINANCE ADVISORY/  
OVERSIGHT COMMITTEE MEETING**

held by

**TELECONFERENCE MEETING**

**September 17, 2020  
7:30 AM**

**MINUTES**

**A. CALL TO ORDER**

Meeting called to order at 7:30 a.m.

Committee Members Present:

Chair Rafaelina Maglio, Vice Chair Mark Milberg  
Committee members: Regina Bianucci Rus, Caitrin Devine,  
Cris MacKenzie, Tim O'Connor

Staff Members Present:

Finance Director Amy Cunningham,  
Sr. Accounting Assistant Susanna Castillo

**B. APPROVAL OF FINAL AGENDA**

Motion to approve agenda. Motion to Approve, seconded.  
Approved. Ayes: 5, (Bianucci Rus, DeVine, Maglio, MacKenzie,  
Milberg, O'Connor) Noes 0

**C. PUBLIC COMMENT – NO PUBLIC COMMENT**

**D. APPROVAL OF AUGUST 27, 2020 MINUTES**

Committee member Regina Bianucci Rus made a motion to  
approve the minutes with changes to update Committee  
member Rafaelina Maglio to Chair and Committee member Mark  
Milberg to Vice Chair. Motion seconded by Vice Chair Mark  
Milberg. Approved: Ayes: 5, Noes 0

**E. GENERAL BUSINESS**

**E-2: DISCUSSION ITEMS:**

**E-2.1: FINANCE ACTIVITIES UPDATE – Finance Director  
Amy Cunningham**

- **FY 18/19 CAFR** – All of the requested information has been provided to the Auditors, with staff expecting to receive follow up questions soon. If any FY 18/19 surplus exists, Council will be asked to take action to assign it to reserves once the audit is complete.

- **FINANCE RECRUITMENTS** – There has been no success with the recruitments for the Accounting Supervisor and the Accountant Analyst positions. A proposal will be considered by the Council on September 22, 2020 to change the Accounting Supervisor position to a Senior Accountant position and the Accountant Analyst position to an Accountant I/II position to better align classifications/responsibilities with industry standards.

Chair Rafelina Maglio asked how the City is backfilling the five (5) Finance Department vacancies. Staff advised that a combination of consultants and contractors have been able to provide assistance in some areas.

- **CARES ACT - COVID-19 EMERGENCY REIMBURSEMENTS**

The City has already received \$221,022 of the \$663,066 funds allocated from the CARES ACT. These funds will reimburse the General Fund for expenses incurred for COVID related activities.

#### **PUBLIC COMMENT REGARDING FINANCE UPDATE– NO PUBLIC COMMENT**

#### **E-2-2: FY 20/21 BUDGET UPDATE – Finance Director Amy Cunningham**

Staff is working on the FY 19/20 budget revise report for Council consideration on September 29, 2020. Online sales tax has been helpful in bridging the gap for lost sales tax revenue at brick and mortar locations. Auto sales have been down about 20-21%. We will not know the impact of the Business Licenses until the beginning of the calendar year when most businesses renew their license. TOT revenue remains in flux as well.

The City has approximately 30 full-time employee vacancies and will be making recommendations on freezing and eliminating some positions to reduce the deficit as part of this report. Changes in operations due to COVID have generated savings in professional services, training, and travel.

Vice Chair Mark Milberg asked about how the position changes will affect full-time employees. The goal is to reduce the deficit and preserve services where financially appropriate, without having to lay off employees unnecessarily. Finance Director Amy Cunningham explained how staff was also looking for opportunities to reconfigure positions in ways that could save money, e.g. Senior Planner to a regular Planner, and still deliver services.

In February the usual mid-year budget review will take place, this is an additional opportunity for staff to review revenues and expenditures and make recommendations for any other needed budget adjustments.

City Council approved Measure Q (Transient Occupancy Tax-TOT) to be included on the November 3, 2020 ballot. If passed, this Measure will increase TOT revenues to the City, the expectation is approximately \$200K in additional funds would be received in FY 20/21.

## **PUBLIC COMMENT REGARDING BUDGET UPDATE- NO PUBLIC COMMENT**

### **E-2-3: REVIEW MEASURE F ANNUAL REPORT**

Committee member Regina Bianucci Rus provided a report on Measure F and shared a draft Power Point presentation. She stated that \$22.6 million has been received and she will provide a graph of the funded projects.

The Committee members provided feedback and suggestions on the presentation and thanked Committee member Bianucci Rus for her work.

Chair Rafelina Maglio and Committee member Caitrin DeVine suggested formation of a Subcommittee to help staff with the Measure F report. The Committee agreed to appoint them to the subcommittee/working group.

### **F. COMMITTEE / STAFF COMMENTS**

Committee member Tim O'Connor would like to update the Fiscal Sustainability Plan. Vice Chair Mark Milberg is also in favor updating the plan.

Committee member Cris MacKenzie would like to consider a ¼ cent tax increase similar to Measure C to generate revenue for the City.

The Committee requested a status update on the priority revenue initiatives the Council identified in February 2020 at the next meeting.

### **G. FUTURE MEETINGS**

G-1. OCTOBER 15, 2020 at 7:30 a.m.

### **H. ADJOURNMENT**

Meeting adjourned at 8:32 a.m.

**STAFF REPORT**

MEETING

DATE: October 15, 2020

TO: Citizens Finance Oversight/Advisory Committee

FROM: Amy Cunningham, Finance Director

**SUBJECT: Update on Finance Department Activities**

**REQUEST**

Receive update on Finance Department activities.

**DISCUSSION**

Staff will provide the Citizens Finance Oversight/Advisory Committee (Committee) with updates on current finance activities including:

- FY18/19 CAFR Status
- Finance Department Recruitments – 5 Open Positions
- Transient Occupancy Tax – Measure Q
- FY20/21 Budget Revisions
- City Council Priority Revenue Initiatives

<b>Council Prioritized Options for Revenue Exploration *</b>			
<b>Category</b>	<b>Ongoing Revenue</b>	<b>One-Time Revenue</b>	<b>Status</b>
Transient Occupancy Tax (TOT) Measure	X		Council provided direction to place this item on the 11/03/20 ballot for decision by Novato voters.
Sales Tax Measure	X		Pending.
Hamilton Trust Utilization	X	X	Pending.
Disposition of City-Owned Properties		X	Council provided direction on 09/22/20 to proceed with actions necessary to sell four identified properties.

Solid Waste Franchise Fee	X		Council provided direction on 08/25/20 to proceed with the next steps necessary to studying this issue further.
*Priorities identified as of February 11, 2020			

Staff recommends the Committee receive the report and provide feedback.