



CITY OF NOVATO
CALIFORNIA

922 Machin Avenue
Novato, CA 94945
415/899-8900
FAX 415/899-8218
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, February 18, 2021
7:30 A.M.

Teleconference Only

Chair
Rafaelina Maglio

Vice Chair
Mark Milberg

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

Staff Liaison
Amy Cunningham

Zoom Webinar:
Direct Link:

<https://zoom.us/j/94147238167?pwd=U3JjUIZZZmFRdkhNb0pVZmdNN1pkdz09>

or

Join at [zoom.com](https://zoom.us)
Meeting ID: 941 4723 8167
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.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at (415) 899-8986. Notification at least 48 hours prior to the meeting will enable the City to make reasonable accommodation to help ensure accessibility to this meeting. The Committee may discuss and/or take action on any or all of the items listed on the agenda irrespective of how the agenda items are described.

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. 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.

Closed Captions

- Live closed captions are available. To access closed captions during the meeting, click on the CC icon available through Zoom.
- **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:

<https://zoom.us/j/94147238167?pwd=U3JjUIZZZmFRdkhNb0pVZmdNN1pkdz09>

or

Join at [Zoom.com](https://zoom.us)

Meeting ID: 941 4723 8167

Password: 1960

Should the links above not work, please go to www.novato.org/agendas for updated information

- 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.
2. Join the meeting via telephone by calling **(669) 900-6833**.

Meeting ID: 941 4723 8167

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 JANUARY 21, 2021 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

F. COMMITTEE / STAFF COMMENTS

G. FUTURE MEETINGS

G-1. MARCH 18, 2021 @ 7:30 A.M.

H. ADJOURNMENT

If urgent matters arise after the publication of the regular agenda, there will be an addendum. It will be posted at the referenced locations mentioned in the Affidavit of Posting by Friday at 5:00 p.m., the week before the meeting.

Materials, that are submitted to members of the City Council after the distribution of the agenda packet will be made available on the City of Novato website at novato.org when practical and provided that City staff is able to post those documents prior to the meeting. When non-confidential written materials are distributed to members of the City Council during a public meeting by staff or a member of the City Council, it shall be made available online following that meeting.

AFFIDAVIT OF POSTING

I, Amy Cunningham, certify that February 12th, 2021, I caused to be posted the agenda of the February 18th, 2021 meeting of the Novato Citizens Finance Advisory/Oversight Committee meeting of the City of Novato, California, on the City Community Service Board at 922 Machin Ave and on the City's website at www.novato.org.

Amy Cunningham
Finance Director



Follow us on Facebook, Twitter, YouTube, Instagram, NextDoor & Nixle



CITY OF NOVATO
CALIFORNIA

922 Machin Avenue
Novato, CA 94945
415/899-8900
FAX 415/899-8213
www.novato.org

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

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

held by

TELECONFERENCE MEETING

January 21, 2021
7:30 AM

MINUTES

A. CALL TO ORDER

Meeting called to order at 7:39 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 with changes to correct item
G-1 future meeting date to February 18, 2021.

Motion to Approve the agenda. Motion seconded.
Approved. Ayes: 6, Noes: 0

C. PUBLIC COMMENT – NO PUBLIC COMMENT

D. COMMITTEE ORGANIZATIONAL ITEMS

D-1: APPROVAL OF OCTOBER 15, 2020 MINUTES

Motion to approve the minutes. Motion seconded.
Ayes: 6, Noes: 0

E. GENERAL BUSINESS – NO PUBLIC COMMENT

E-2: DISCUSSION ITEMS:

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

- **FY 18/19 CAFR STATUS** – The CAFR will be presented to the City Council on 2/9/21. There has been a challenge with the calculations on the fund balances but staff and auditors are working through it. The General Fund does have a surplus and the auditors and consultants are finalizing the numbers.

There are a number of audit findings including some areas that were concerns in prior years. Examples include concerns that there are too many credit cards issued to employees and the total number of cards needs to be reduced. Finance needs to set up a purchasing process to facilitate employee purchases at frequently used local vendors. This will reduce the need for individual employees to have credit cards. There is also a recommendation to change the accounts payable, positive pay, process to strengthen financial controls. Staff has already started to implement these changes.

Findings have also been issued regarding a lack of reconciliation of Cost Recovery Developer Deposit accounts, dating as far back as 1978. These funds were originally on deposit for services like inspections, engineering costs and consulting fees associated with various permits.

One of the final items needed to conclude the audit is receiving responses from the various legal firms the City uses to identify any pending litigation or other claims that may be serious enough to impact the City's financial status. To ensure continuity and assist with the FY19/20 audit, the auditors have recommended that the City retain the existing consultants.

- **FINANCE RECRUITMENTS** – Staff has hired two permanent full-time employees. MarLee Castellucci and Polo Lopez Carrasco are the two new Accounting Assistants. A temporary employee has also been brought on to assist with the finance backlog. There are currently two vacancies: Senior Accountant and Management Analyst.
- **REPORTING REQUIREMENTS** – There are a number of overdue reports to county and state agencies as well as debt reporting mandates. The new staff members will be helpful in addressing this backlog. To date, staff has been successful in working with the various agencies to obtain extended deadlines or has provided the best information currently available.
- **TOT** – HdL has implemented the Measure Q TOT rate change. Staff will know more about impacts on revenue collections in a few weeks.

PUBLIC COMMENT REGARDING FINANCE ACTIVITIES UPDATE – NO PUBLIC COMMENT

E-2-2: REVIEW AND DISCUSS FY 2021/22 BUDGET SCHEDULE AND OPTIONS FOR COMMUNITY INPUT

Staff presented the draft budget calendar for the FY2021/22 budget development process. The mid-year budget report for FY2020/21 is tentatively scheduled for late February, but that date may be delayed depending on progress to complete the FY18/19 CAFR.

Committee member Cris MacKenzie asked about updating the budget quarterly rather than one or two times per year. Finance Director Amy Cunningham stated that legally the City is required to have an annual budget and it is a best practice to review and provide quarterly updates on the budget. When staffing is stabilized and the backlog of work is addressed, quarterly budget reports will be a priority.

Staff would like to receive community input through Zoom workshops prior to the April City Council budget discussion. In person workshops will likely not be possible this year due to the pandemic. The online survey format to solicit budget feedback worked well last year and will be replicated this year. Staff is exploring options for additional and/or expanded surveys.

Chair Rafelina Maglio asked about gathering input through Facebook. Committee member Tim O'Connor suggested workshops on specific topics. Vice Chair Mark Milberg suggested that each district could hold a meeting to provide budget input.

PUBLIC COMMENT REGARDING REVIEW AND DISCUSS FY 2021/22 BUDGET SCHEDULE AND OPTIONS FOR COMMUNITY INPUT – NO PUBLIC COMMENT

F. COMMITTEE / STAFF COMMENTS

Staff advised that agreements with all bargaining units will expire on June 30th. Planning for labor negotiations is underway.

Chair Rafelina Maglio stated that the CAFR is a priority over working on the Measure F report at this time. Vice Chair Mark Milberg asked if there are leasing opportunities related to City owned buildings in the downtown area. Chair Rafelina Maglio requested an update on the revenue initiatives, including the solid waste franchise fee and commercial cannabis. Finance Director Amy Cunningham stated staff continues to explore the solid waste fee but does not have a current update.

Several responses to the requests for proposals on commercial cannabis were received.

Committee member Tim O'Connor suggested preparing a business continuity plan so that staffing turnover does not have such a detrimental impact on Finance department operations in the future. Committee member Cris MacKenzie stated that it is critical the right financial policies be put in place.

G. FUTURE MEETINGS

G-1. FEBRUARY 18, 2020 at 7:30 a.m.

H. ADJOURNMENT

Meeting adjourned at 8:53 a.m.

DRAFT

STAFF REPORT

MEETING

DATE: February 18, 2021

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
- FY19/20 CAFR Status
- FY21/22 Budget Development
- Finance Department Recruitments – 2 Open Positions
- Other Updates

Staff recommends the Committee receive the report and provide feedback.