



**CITY OF NOVATO**  
CALIFORNIA

**Finance Advisory Commission**  
**Meeting Agenda**

**Thursday, February 16, 2023 – 7:30 AM**

**To Be Held At:**

**City Administrative Offices,  
Womack Conference Room  
922 Machin Avenue, Novato, CA 94945**

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**Chair**

**Tim O'Connor**

**Vice Chair**

**Andy Zmyslowski**

**Members**

**Regina Bianucci Rus, Rafelina Maglio, Tina McMillan, Larisa Thomas, Richard Johnson**

**Staff Liaison**

**Amy Cunningham**

The Finance Advisory Commission welcomes you to attend its meetings which are regularly scheduled the third Thursday every month. Your interest is encouraged and appreciated.

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) 899-8900. 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 Finance Advisory Commission 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.

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**A. CALL TO ORDER AND ROLL CALL**

**B. APPROVAL OF FINAL AGENDA**

**C. PUBLIC COMMENT**

*All members of the public wishing to address the Finance Advisory Commission are requested to submit a speaker card in advance to the Staff Liaison. (Please remember that all comment cards are PUBLIC RECORDS). The Chair will call the names of speakers from the cards. In addition to receiving comment from the public during the Public Comment period, the Chair will recognize persons from the audience who wish to address the Commission on a particular agenda item at the time that item is considered.*

*There is a three-minute time limit to speak although the Chair may shorten the time based on the number of speakers or other factors. A speaker may not yield his or her time to another speaker.*

*For issues raised during Public Comment that are not on the published agenda, except as otherwise provided under the Ralph M. Brown Act, no action can legally be taken. The Commission may direct that the item be referred to the Staff Liaison for action or may schedule the item on a subsequent agenda.*

#### **D. CONSENT ITEM**

*All matters listed on the Consent Calendar are considered to be routine and will be enacted by a single vote of the Commission. There will be no separate discussion unless specific items are removed from the Consent Calendar for separate discussion and action. Any Commission Member may remove an item from the Consent Calendar and place it under General Business for discussion.*

##### **D.1. Approve the Meeting Minutes of January 19, 2023**

#### **E. UNFINISHED AND OTHER BUSINESS**

#### **F. GENERAL BUSINESS**

*These items include significant and administrative actions of special interest and will usually include a presentation and discussion by the Finance Advisory Commission. They will be enacted upon by a separate vote.*

##### **F.1. Brown Act Refresher by Laura McDowall City Clerk**

##### **F.2. 2023 Finance Advisory Commission Meeting Calendar**

##### **F.3. Update on Finance Department Activities by Deputy Director of Administrative Services Carla Carvalho-DeGraff**

#### **G. COMMISSION AND LIAISON REPORTS**

*This section is used for Commission Members and the Staff Liaison to orally report on topics that can be considered for discussion at a future meeting.*

##### **G.1. Staff Updates**

##### **G.2. Commission Member Reports**

## H. ADJOURNMENT

*Materials that are submitted to members of the Commission after the distribution of the meeting's agenda packet will be available upon request.*

### AFFIDAVIT OF POSTING

I, Stacey Hoggan, certify that on the Thursday before the Finance Advisory Commission meeting of February 16, 2023 that the agenda was posted on the City Community Service Board at 922 Machin and on the City's website at [novato.org](http://novato.org) in Novato, California.

/ Stacey Hoggan /  
Stacey Hoggan, Payroll/Accounting Technician



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## Novato Citizens Finance Advisory Commission

### Minutes

Thursday, January 19 – 7:30 AM

#### A. CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair O'Connor at 7:32 A.M.

**Commissioners Present:** Regina Bianucci Rus, Richard Johnson, Rafelina Maglio, Tina McMillan, Larisa Thomas, Vice Chair Andy Zmyslowski, Chair Tim O'Connor

**Commissioners Absent:** None

**Staff Present:** Administrative Services Director Amy Cunningham, Deputy Administrative Services Director Carla Carvalho-DeGraff, Accountant II Natalie Moline, Payroll/Accounting Technician Stacey Hoggan

#### B. APPROVAL OF FINAL AGENDA

**Commission Action:** Upon a motion by Commissioner Bianucci Rus, and seconded by Commissioner Thomas, the Commission voted 7-0-0-0 to approve the final agenda.

**Ayes:** Bianucci Rus, Johnson, Maglio, McMillan, O'Connor, Thomas, Zmyslowski

**Noes:** None

**Abstain:** None

**Absent:** None

**Motion Carried**

#### C. PUBLIC COMMENT

None

#### D. CONSENT ITEMS

## **D.1. Approve the Meeting Minutes from November 17, 2022**

**Commission Action:** Upon a motion by Vice Chair Zmyslowski, and seconded by Commissioner Johnson, the Commission voted 7-0-0-0 to approve the Meeting Minutes from November 17,2022.

**Ayes:** Bianucci Rus, Johnson, Maglio, McMillan, O'Connor, Thomas, Zmyslowski

**Noes:** None

**Abstain:** None

**Absent:** None

**Motion Carried**

## **E. UNFINISHED AND OTHER BUSINESS**

NONE

## **F. GENERAL BUSINESS**

### **F.1. Investment Policy Review**

City Staff and advisors from PFM Management presented Commissioners with suggested updates to the current City Investment Policy. The Investment Policy applies to City funds to be invested, including the Hamilton Trust and City operating funds. The City's investment advisors, PFM Asset Management, help to manage the City's investment portfolio, invest funds, and ensure code compliance with California Government Code Section 53601.

A review of the current policy highlighted the need for some administrative updates as well as minor revisions to increase transparency and address 2023 code changes.

Commissioners also made recommendations to staff for changes, suggesting language that would clarify some of the reviewed sections and improve internal controls.

### **F.2. FY 22/23 Second Quarter Budget Report**

Staff presented the Second Quarter Budget Report for Fiscal Year 2022/2023. In Quarter 2, the City received 43% of budgeted revenues and expended 51%. Both revenue and expenses are tracking as expected. All variances noted are detailed in the report.

This report is not only a tool for transparency in ongoing reporting, but it also allows staff to better track budget status and review data to ensure information and transactions are recorded correctly. Additionally, Staff will use the material from the Quarterly Budget Reports when producing the Mid-Year Budget Report.

### **F.3. Update on Finance Department Activities**

Administrative Services Director Cunningham provided an update regarding the Finance Department activities:

- The department recently filled two vacant positions within Finance, creating organizational flexibility and the capability to maintain day to day operations.
- Several policies are being reviewed and updated. A new Credit Card Policy will be sent to staff in about 4-6 weeks. This policy will help address audit findings around credit card use and processes.
- Staff is in initial stages of 2023/2024 Budget Development. The schedule for the budget will be presented to Council for approval on February 14. Once the schedule is approved, Staff will present the dates to the Finance Advisory Commission. The Commissioners will then consider adjusting their regularly scheduled Finance Advisory Commission meeting dates to align with the Council's review dates. This will ensure Commissioners have the opportunity for input into the budget development process.
- The Fiscal Year 2019/2020 audit will be finalized and go to Council February 28th. Auditors will start reviewing Fiscal Year 2020/2021 sometime in the fall. Staff will be working on the 20/21 and 21/22 audits in tandem.

## **G. COMMITTEE AND LIAISON REPORTS**

### **G.1. Staff Updates**

Staff reminded Commissioners to complete the Form 700 online as soon as possible.

### **G.2. Committee Member Reports**

None

### **G.3. Next Meeting Date**

The next meeting is scheduled for Thursday, February 16, 2023, at 7:30 AM in the Womack Conference Room, located at 922 Machin Avenue.

## H. ADJOURNMENT

The meeting was adjourned at 9:03 AM.

**I HEREBY CERTIFY that the foregoing minutes were duly adopted at the Novato Citizens Finance Advisory/Oversight Committee Meeting of February 17, 2022.**

/ Stacey Hoggan /

Stacey Hoggan, Payroll/Accounting Technician

## STAFF REPORT

### MEETING

DATE: February 16, 2023

TO: Finance Advisory Commission

FROM: Amy Cunningham, Director of Administrative Services

**SUBJECT: Consider Finance Advisory Commission Meeting Schedule Adjustments for FY23/24 Budget Development Process**

### REQUEST

Receive report and provide direction on meeting schedule from March – June 2023.

### DISCUSSION

The City Council is scheduled to adopt the FY23/24 budget development schedule at their February 14, 2023, meeting. In prior years, FAC members have asked that meetings during the budget development process be rescheduled from the third Thursday of each month to dates that allow members more input into the annual budget development process.

The proposed budget schedule as presented to City Council on February 14<sup>th</sup> is shown below. These dates better align with the City Council meeting dates. The full public budget schedule is included as Attachment 1 to this report.

City Council Meeting	Topic
March 14, 2023	FY22/23 Mid-Year Budget Report
April 11, 2023	FY23/24 Budget Study Session and Capital Improvement Program
May 9, 2023	FY23/24 Budget Workshop
June 13, 2023	FY23/24 Budget Hearing
June 27, 2023	FY23/24 Budget Adoption



Staff recommends FAC meetings from March – June be held on the following dates to better align with the proposed budget development schedule:

<b>Scheduled FAC Date (3<sup>rd</sup> Thursday)</b>	<b>Proposed Date</b>
March 16	March 9
April 20	April 6
May 18	May 4
June 15	June 8

**FY 2023/2024  
Budget Calendar**

<b>Who *</b>	<b>Date</b>	<b>Activity</b>	<b>Notes</b>
Community	February 13	Launch Survey #1 – Budget Workshop Timing/Topics	Survey Open 02/14 – 02/28
<b>CC</b>	<b>February 14</b>	<b>FY23/24 Budget Calendar</b>	
FAC	March **	FY22/23 Mid-Year Budget Summary	Date TBD
Community	March 6	Launch Survey #2 – Budget Priorities	Survey Open 03/07-04/03
<b>CC</b>	<b>March 14</b>	<b>FY22/23 Mid-Year Budget Report</b>	<b>Proposed Date</b>
Community	Week of March 27th	Community Budget Workshop <i>Late March/Early April – Based on Survey Feedback</i>	
FAC	April **	Preview Study Session	Date TBD
<b>CC</b>	<b>April 11</b>	<b>FY 23/24 Budget &amp; CIP Study Session</b> • Strategic Discussion	<b>Proposed Date</b>
FAC	May **	Capital Program Overview Operating Budget	Date TBD
<b>CC</b>	<b>May 9</b>	<b>FY 23/24 Budget Workshop</b> • Financial Details • CIP Details	<b>Proposed Date</b>
CSPOC	May 17	Capital Program Review	
PC	May 22	Capital Program Conformance	
FAC	June **	Draft Budget Review	Date TBD
<b>CC</b>	<b>June 13</b>	<b>FY23/24 Budget Hearing</b>	<b>Proposed Date</b>
<b>CC</b>	<b>June 27</b>	<b>FY23/24 Budget Adoption</b>	<b>Proposed Date</b>

Who \*

- CC: City Council
- FAC: Finance Advisory Commission
- CSPOC: Complete Streets & Pathways Oversight Committee
- PC: Planning Commission

## STAFF REPORT

### MEETING

DATE: February 16, 2023

TO: Finance Advisory Commission

FROM: Amy Cunningham, Director of Administrative Services  
Carla Carvalho-Degraff, Deputy Director of Administrative Services

**SUBJECT: Update on Finance Department Activities**

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### REQUEST

Receive report.

### DISCUSSION

Staff will provide the Finance Advisory Commission (Commission) with updates on current finance department activities including:

- FY19/20 Audit Status – To Council 02/28/23, FAC review March 2023
- FY20/21 Close and Audit Preparation - In progress, auditor review fall
- FY21/22 Close and Audit Preparation – In progress
- FY23/24 Budget – Preparation underway
- Policies – Credit Card, Purchase Orders
- Upcoming/New GASB Requirements
- Other Finance Activities

Staff recommends the Commission receive the report and provide any feedback on the above areas.