



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