



**CITY OF NOVATO**  
**CALIFORNIA**

**AMENDED**

**Finance Advisory Commission**

**Meeting Agenda**

**Thursday, September 21, 2023 – 7:30 AM**

**To Be Held At:**

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

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**Chair**

**Andy Zmyslowski**

**Vice Chair**

**Larisa Thomas**

**Members**

**Cris MacKenzie, Regina Bianucci Rus, Rafelina Maglio, Tina McMillan, 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, except March through June when the schedule is adjusted for the annual budget development process. 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 July 20, 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. Fiscal Model Updates**

### **F.2. Measure F Annual Reports FY 2018/19 & FY 2019/20**

*\*Amended to add Measure F reports to final packet and updated Staff Report*

### **F.3. Finance Updates**

## **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**

**G.3. The next meeting is scheduled for October 19, 2023, at 7:30 AM, and will be held in-person in the Baget Conference Room at 922 Machin Avenue, Novato**

**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 September 21, 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, Management Analyst I



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**CITY OF NOVATO**  
**CALIFORNIA**

**Finance Advisory Commission**

**DRAFT Minutes**

**Thursday, July 20, 2023 – 7:30 AM**

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

The meeting was called to order by Chair Zmyslowski at 7:30 A.M.

**Commissioners Present:** Rafelina Maglio, Cris MacKenzie, Tina McMillan, Larisa Thomas, Andy Zmyslowski

**Commissioners Absent:** Regina Bianucci Rus, Richard Johnson

**Staff Present:** Administrative Services Director Amy Cunningham, Deputy Administrative Services Director Carla Carvalho-DeGraff, Management Analyst I Stacey Hoggan

**B. APPROVAL OF FINAL AGENDA**

**Commission Action:** Upon a motion by Commissioner McMillan, and seconded by Commissioner MacKenzie, the Commission voted 5-0-0-2 to approve the final agenda.

**Ayes:** Maglio, MacKenzie, McMillan, Thomas, Zmyslowski

**Noes:** None

**Abstain:** None

**Absent:** Bianucci Rus, Johnson

**Motion Carried**

**C. PUBLIC COMMENT**

*Public comment was taken at 922 Machin Ave.*

- 1. Paul Shaw, representing Novato Police Officers Association. – Mr. Shaw spoke on behalf of Novato POA expressing concern for the City's financial issues and support of a sales tax measure.*

## D. CONSENT ITEMS

### D.1. Approve the Meeting Minutes from June 8, 2023

**Commission Action:** Upon a motion by Commissioner McMillan, and seconded by Commissioner Maglio, the Commission voted 5-0-0-2 to approve the Meeting Minutes from July 20, 2023, with amendment to public comment from Paul Shaw with Novato Police Officers Association.

**Ayes:** MacKenzie, Maglio, McMillan, Zmyslowski

**Noes:** None

**Abstain:** None

**Absent:** Bianucci Rus, Johnson

**Motion Carried**

## E. UNFINISHED AND OTHER BUSINESS

None

## F. GENERAL BUSINESS

### F.1. Fiscal Sustainability

Commissioners were given an overview of the City's General Fund status for the current fiscal year, including the newly approved labor agreements. Staff also shared with Commissioners the anticipated fiscal outlook for upcoming years.

This year, Council directed staff to use money from the Emergency Disaster Relief Fund (EDRF) to cover the FY2023/24 projected deficit of \$2.6 million. Commissioners noted that the City's Reserve Policy requires that this reserve be maintained at a level equal to 15% of annual General Fund expenditures. Use of the EDRF to cover the deficit is projected to cause the reserve to fall below the 15% requirement.

In Fiscal Years 2021/2022 and 2022/2023, the City was able to use one-time funds to cover a portion of the budgeted deficits. This is no longer an option as one-time funds have been expended. The City Council will have to make difficult decisions in anticipation of future budget deficits because the City has reduced both staff costs and operating costs over the past several years. The City will have to investigate other sources of revenue to maintain future operations. These topics are expected to be discussed at the City Council's Strategic Planning session that will take place August 4<sup>th</sup> and 5<sup>th</sup>.

## **F.2. Fiscal Model**

Staff requested guidance and input from the Commissioners on how to update the draft interactive fiscal sustainability model. Commissioners were also asked for feedback on how to best introduce the model to the public. Commissioners noted that the model is updated from the format used in 2014. The previous model identified a projected structural deficit and showed that a sales tax increase at ½ cent would be helpful in addressing the deficit.

## **F.3. Response to the Marin County Civil Grand Jury Report “Novato’s Chronic Fiscal Deficits: A Call to Action”**

The Marin County Civil Grand Jury Report detailed ten (10) Findings and seven (7) Recommendations for which the City is required to respond by September 8, 2023. Staff Liaison Cunningham reviewed all findings and recommendations with the exception of Finding #F9 and Recommendation #R2 regarding Marin Valley Mobile Country Club (MVMCC), which were reviewed later in the meeting. Commissioners noted that the report findings about the City’s chronic lack of revenue were issues that the Commission had been discussing for many years.

Commissioners specifically questioned Grand Jury Recommendation #R2, which called for the creation of a new position of an internal auditor. Staff advised that the City’s current staff is steadily making progress in improving the operations and internal controls, and the resources required to create a new position could be better used to support the work of the current staff. Commissioners were unable to reach an agreement on whether to support Recommendation #R2. They recommended that City Council be advised that additional resources would need to be put in place to achieve this Recommendation.

*Regarding Item F.3: Public comment was taken at 922 Machin Ave.*

### *1. Pam Drew*

Prior to discussion of Finding #F9 and Recommendation #R7, regarding Marin Valley Mobile Country Club (MVMCC), Commissioner Maglio recused themselves due to a professional conflict of interest.

Commissioners and staff discussed Finding #F9 and Recommendation #R7, which concern financial oversight of the Marin Valley Mobile Country Club (MVMCC).

Commissioners and staff discussed the process used to reconcile the park's finances to understand the differences between the MVMCC Management reports prepared by Helsing Group and the City's financial reports. The City is required to use accrual basis accounting, while the MVMCC property management company (Helsing) uses cash basis accounting. The different methodology creates timing differences primarily in expenses. Additionally, because the City's accounting work is not current, Helsing's reports do not capture all expenses in the years in which they occur. Now that the City is getting caught up with audits, there is a need to work proactively with Helsing to ensure that Helsing's financial records are complete.

*Regarding Item F.3, Finding F9 and Recommendation R7: Public comment was taken at 922 Machin Ave.*

1. *Jay Shelfer*
2. *Steve Plocher*
3. *Todd Rogers*
4. *Michelle Rodriguez*
5. *Mary Currie*

Commissioner Maglio returned to the meeting upon the conclusion of this topic.

#### **F.4. Update on Finance Department Activities**

Staff informed Commissioners that the Fiscal Year 2020/21 audit is on track, with the auditors set to begin reviewing financial data in mid-August. All requested documents have been provided, and staff expects to receive the sample selection requests before the week of August 14th.

Preparation for the Fiscal Year 2021/22 audit has also begun, and staff is working on implementing the new lease accounting standard.

Staff has also been updating policies to improve and document internal controls. The purchase card policy has been implemented, and use agreements are in place with cardholders. The purchase order process has been updated and will be rolled out. The cash handling procedure is also being revised.

A new payroll technician will be starting at the end of the month, and another staff member will be returning from maternity leave. Despite staffing challenges this summer, we have been able to stay relatively current with financial transactions and year-end close activities.

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

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

None

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

None

## **H. ADJOURNMENT**

The meeting was adjourned at 9:03 AM.

**I HEREBY CERTIFY that the foregoing minutes were duly adopted at the Finance Advisory Commission Meeting of September 21, 2023.**

/ Stacey Hoggan /  
Stacey Hoggan, Management Analyst I



## **STAFF REPORT**

### **MEETING**

**DATE:** September 21, 2023

**TO:** Finance Advisory Commission

**FROM:** Amy Cunningham, Deputy City Manager

**SUBJECT: Interactive Fiscal Model**

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### **REQUEST**

Receive report and provide final feedback on fiscal model.

### **DISCUSSION**

Members of the Ad Hoc Subcommittee for Fiscal Sustainability worked for several months to build an interactive fiscal sustainability model. The model has been updated for FY23/24 and is ready for final Commission review.

Staff recommends the Commission provide final direction on the interactive model and make it available to the public.

## STAFF REPORT

### MEETING

DATE: September 21, 2023

TO: Finance Advisory Commission

FROM: Amy Cunningham, Deputy City Manager

**SUBJECT: Measure F Reporting**

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### REQUEST

Receive report and provide feedback on reports.

### DISCUSSION

A responsibility of the Finance Advisory Commission (Commission) is to prepare annual reports on use of Measure F funds for the City Council. With the backlog of Finance activity over the past few years, Staff has been unable to provide the Commission with the information necessary to complete the annual reports.

Measure F expired in 2015. In anticipation of the expiration, use of Measure F in the operating budget to support ongoing operations ceased in FY19/20, however the remaining balance of Measure F funds have been used extensively in the capital program since that time. Because the capital program is now reconciled, Staff is able to provide the Commission with the information needed to complete the annual reports.

The FY18/19 use of Measure F funds was presented to the City Council in October 2021. Staff has completed a draft written report for the Commission's review at this meeting. Once final, the report will be posted on the City's website.

A draft report for FY19/20 has also been prepared and is ready for Commission review. Once complete, this report will need to be presented to the City Council.

Staff is currently working on the FY20/21 report and will present that to the Commission for review and discussion this fall.

Staff recommends the Commission provide final direction on the draft reports for ~~FY18/19~~ and ~~FY19/20~~ and FY20/21.





**NOVATO CITIZENS FINANCE ADVISORY / OVERSIGHT COMMITTEE**  
**FY 2018/19 Annual Report**





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## EXECUTIVE SUMMARY

Measure F was a ½ cent sales tax approved by the Novato voters in 2010. It provided critical funding for Novato City services for five years, generating approximately \$22.6 million in revenue. Measure F expired on March 31, 2016. This was replaced by Measure C, a ¼ cent sales tax, approved by Novato voters in November 2015. Measure C provides approximately \$2.5 million annually for a minimum of 20 years for Novato City services.

The Measure F Oversight / Citizens Finance Committee (later renamed the Finance Advisory Commission) was the designated oversight committee for the Measure F funds. This committee meets regularly to review Measure F expenditures, City financial forecasts, and financial policies. The Committee also provides the City Council with input and guidance on a wide range of fiscal matters. The Committee is responsible for annually providing a report to the City Council and Novato community on the revenues and expenditures of Measure F funds.

Although Measure F is a general sales tax initiative, whereby the revenue generated can be spent for any public purpose, the wording of the ballot measure identified key priorities for the funds:

- Maintain and Restore Neighborhood Services and Public Safety
- Support Seniors, Youth and Families
- Reinvest in Park and Street Maintenance

### MEASURE F BALLOT LANGUAGE

To offset/prevent additional budget cuts and maintain/restore vital general city services including, and not limited to: neighborhood police patrols, crime prevention programs, 9-1-1 response times; city street/ pothole repair; park maintenance; preventing closure or elimination of youth and senior centers/services, shall the City of Novato enact a half-cent sales tax for 5 years, with review by a citizen committee, annual independent audits, and all funds spent locally for the benefit of Novato citizens.

FOCUS AREA	SPENDING THROUGH FY 18/19	BUDGETED FY 19/20	CATEGORY TOTALS
General Fund Deficit Backfill	\$754,129	\$0	\$754,129
Police / Crime Prevention / 911 Response Times	\$1,697,361	\$324,111	\$2,021,472
Youth & Senior Programs / Project	\$118,576	\$40,000	\$158,576
Parks & Street Maint. / Programs	\$1,647,284	\$172,596	\$1,819,880
City Facility Investments	\$1,141,581	\$0	\$1,141,581
Technology / Customer Service / Efficiencies	\$518,585	\$135,989	\$654,574
Economic Development	\$2,389,167	\$145,000	\$2,534,167
Risk Mitigation Reserve	\$3,000,000	\$0	\$3,000,000
CIP Project Funding	\$4,589,863	\$4,809,464	\$9,399,327
Pension Obligation & IRS Section 115 Pension Trust	\$226,013	\$462,310	\$688,323
Future Funding for Multi-Year Positions / Programs	\$0	\$0	\$0
<b>Total Expenditures / Allocation</b>	<b>\$16,082,559</b>	<b>\$6,089,470</b>	<b>\$22,172,029</b>

## MEASURE F BACKGROUND

In 2010, the Novato voters approved a 5-year, ½ cent sales and use tax increase, Measure F, to offset budget cuts and maintain vital city services. The measure received 58% voter approval and took effect on April 1, 2011. While the measure was initially projected to yield \$3.2 million annually, the expanding economy and other factors pushed annual revenues over \$4 million each year. Over its 5-year term, Measure F provided \$22.6 million in local revenue for local services.

The Measure F ordinance also mandated the creation of an independent Citizens' Oversight Committee to review and report on the revenue and expenditure of Measure F funds. The Committee meets approximately 10 times per year and all Measure F expenditures are reviewed by the Committee and followed up with an annual report. The Committee's responsibilities are to provide input on Measure F-related budget proposals, review and report on the revenue, expenditures, and use of Measure F funds, present an annual report to the City Council and make it available to the public, comment on any concerns regarding Measure F related expenditure allocations, and comment on the status of efforts to achieve fiscal sustainability.

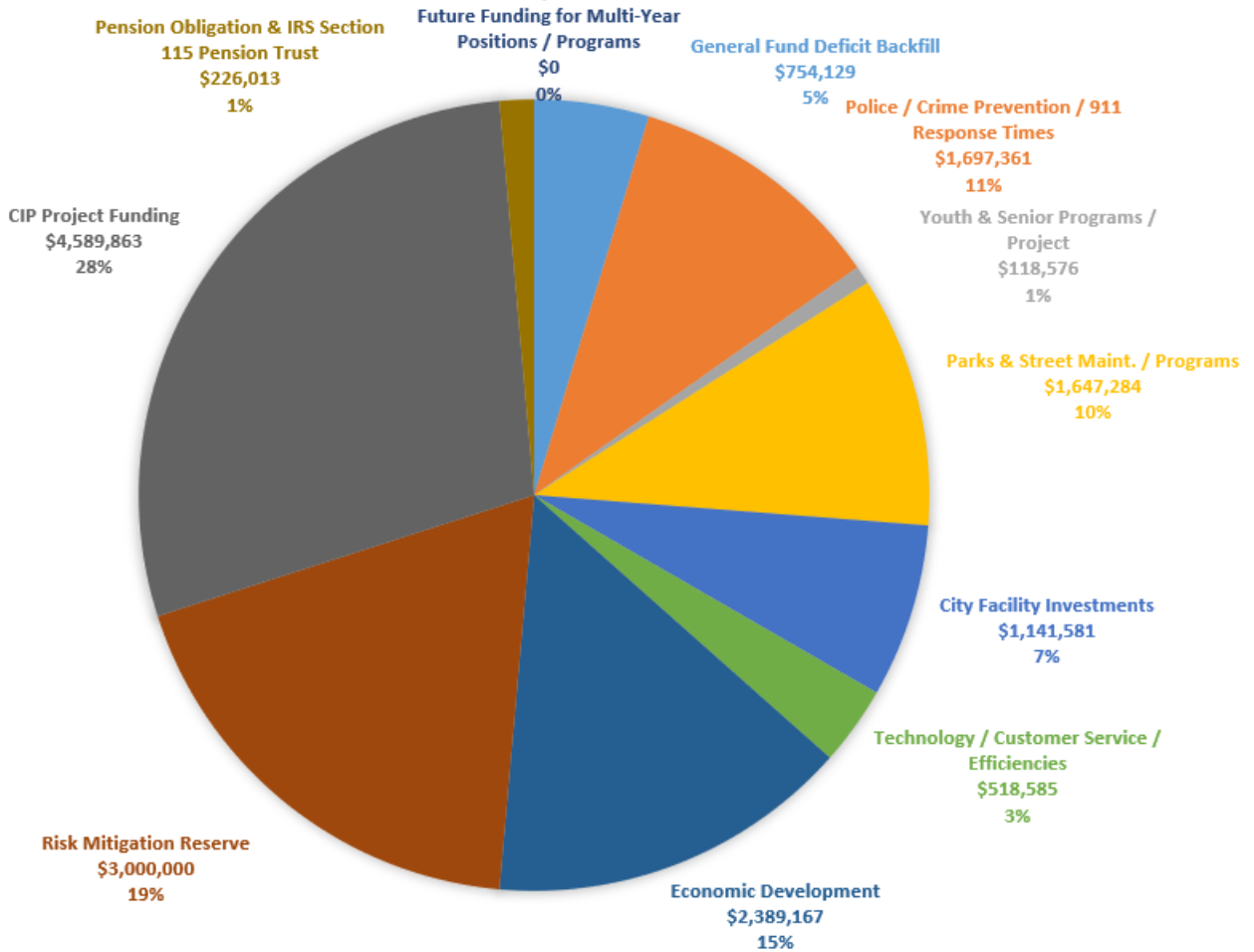
The Committee provides advice to the City Council on Measure F-related topics and other City financial matters. They do this by reviewing information provided by staff, hearing from subject matter experts or departmental experts, and asking questions to gain a deeper understanding of the City's financial matters.

In November 2010, Measure F was placed on the ballot asking Novato residents to maintain vital city services. The ballot language outlined that the funds were to: (1) offset and prevent additional budget cuts, and (2) maintain and restore vital general city services. Novato voters adopted Measure F, intending to temporarily fill budget deficits and allow the City to revive some programs that had been cut, however some ongoing programs and services continued to be funded by one-time dollars.

Measure F mandated the creation of an independent Citizens Oversight Committee to review and report on revenues and expenditures.

### MEASURE F EXPENDITURES OVERVIEW

TOTAL = \$16.1 MILLION



#### WHAT WERE MEASURE F GOALS:

- (1) Save critical City services and temporarily stop further cuts
- (2) Fund, improve, and reinstate key City services

The Measure F ballot language specified that the funds were to be used to offset future budget cuts. Measure F was meant to supplement the General Fund to ensure that critical general City services did not suffer further cuts. If Measure F revenues had not been available, additional cuts and service reductions would have been required to balance the General Fund budget over the past seven years.

Since approved by voters, Measure F has had a direct and beneficial impact on our community:

- Saved critical City services and temporarily stopped further cuts.
- Funded, improved, or reinstated key public safety, recreation, and economic development programs and services.
- Invested in one-time projects to reduce ongoing costs and increase revenues, and it has invested in City infrastructure and technology to improve efficiencies.

Measure F saved critical City services and temporarily stopped further cuts.



### MEASURE F SUPPORTS: POLICE & CRIME PREVENTION

Services paid for by Measure F include crime analysis, Computer Crimes Task Force, emergency planning, and more customer service hours for the public.



### MEASURE F SUPPORTS: YOUTH AND SENIOR PROGRAMS AND PARKS

Measure F funds youth & senior financial assistance for the City's recreational programs, and capital improvements to improve City facilities including the Hill Recreational Area.



**Police** — Measure F funded several programs in the Novato Police Department to improve safety services citywide. Most notable was the formation of the Police Department's "Novato Response Team", or NRT. The NRT was a flexible team of three full-time sworn Police Officers and a Management Analyst who responded to a variety of neighborhood and quality of life issues. The NRT quickly and capably addressed issues such as gangs, graffiti, prostitution, vandalism, and auto theft. The team also worked closely with the owners of apartment complexes throughout Novato on the county's first "Crime Free Multi-Family Housing Program."

In addition to the NRT, Measure F also funded an ongoing Emergency Services contract with the Novato Fire Protection District and an additional officer assigned to the Northern California Computer Crimes Task Force (NC3TF).

**Youth, Senior and Recreation Programs** — Measure F provided funding for several programs and improvements to benefit Novato's youth and senior populations. Some of the benefits from Measure F include:

- In partnership with the Novato Unified School District, Measure F funds brought on-campus afterschool programs to select Novato schools.
- Funded by Measure F, in conjunction with several other sources, significantly improved the Hill Recreation area, adjacent to the Margaret Todd Senior Center.
- As a part of the City's strategy for the Hamilton Base Reuse, the City leveraged several different funding sources, including Measure F, to purchase over 90 acres of hilltop open space. This property surrounds the Marin Valley Mobile County Club (MVMCC), an affordable senior community, and overlooks the Hamilton area and the wetlands of west Novato. This open space has been utilized to trade development restrictions on some of the City's historic buildings in Hamilton to complete the renovation and improvements to the Hamilton neighborhood.

The Fiscal Sustainability Plan process identified several ways to improve recreational amenities for residents, reduce operating costs, and generate revenue for the City. These improvements will be funded by Measure F and other sources and will significantly enhance the Hill recreation area. The Hill Master Plan includes some of the following improvements:

- Bocce ball and pickleball courts
- Synthetic turf sports field
- Upgraded parking and ADA accessibility improvements.

Overall, the improvements to the area will make it a more welcoming and accessible place for everyone to enjoy.

**Parks and Street Maintenance** — Measure F was passed to assist in funding maintenance and improvement projects in Novato. It funded the hiring of additional maintenance workers, which helped to offset the 30%+ workforce reductions that occurred in this operating area during the recession. In addition, Measure F has provided one-time funds to enhance the City’s street crack-filling program and to complete various special and seasonal parks and island improvements. These additions have supplemented and augmented the quality of landscape, park, median, and street maintenance throughout Novato.

In FY 2018/19 the City was able to complete the third phase of its Streetlight Conversion Program, that modified all the streetlights to more energy-efficient LED bulbs. By updating the lights to LED, significant ongoing energy savings of at least \$130,000 annually have been realized. This savings is growing more and more over time. Additional Measure F improvements included the upgrading of traffic signals and pedestrian safety enhancements.



**Technology and City Operations** – In FY 2018/19, the City began utilizing the new software system that manages the City’s finances, and a new technology network infrastructure that improved security and reliability. Measure F helped to fund approximately \$2.8 million in technology projects citywide as well as a Business Analyst position to provide project management and technical support to all City departments.

The Investment in IT infrastructure is a critical part of the City’s efforts to improve its efficiency and effectiveness. The new technologies will help the City to better serve its residents and businesses effectively.

**Economic Development** — The Measure F supported economic development program has worked to attract new businesses to Novato, support existing businesses, and promote local shopping. The program has worked with businesses to find quality commercial space, participate in regional outreach opportunities, and launch a “Shop Local Novato” campaign.

The program has also focused on ensuring a business-friendly environment in Novato. This includes meeting with stakeholders to support their siting and expansion plans and ensuring that key properties in the downtown and city-wide area are tenanted. The program also worked to find the best uses for City-owned properties in Hamilton, including properties with historic structures.

- The program worked with a biotech company to relocate to Novato.
- The program helped a new restaurant find a space in the downtown area.
- The program launched a “Shop Local Novato” campaign that featured a website and marketing materials.
- The program met with stakeholders to support their plans to expand their businesses.
- The program worked to transfer the federal “lands to parks” restrictions from several important Hamilton properties.
- The program issued an RFP for the City-owned Hamilton Commissary and Christmas Tree Hill parcels.



## Conclusion

The Measure F sales tax was essential in addressing the City's financial crisis and bringing much needed interim financial stability to Novato. It prevented significant service cuts, reinstated critical staff positions eliminated as cost cutting measures, and funded important services and programs. However, with Measure C in place, which is a 50% reduction in revenue from Measure F, the City will need to develop strategies for revenue generation and fiscal sustainability in future years.

The Measure F Oversight / Citizens Finance Committee is committed to ensuring the long-term fiscal sustainability of Novato. The Committee will work with the City Council to develop strategies to address the challenges posed by the reduction in revenue from Measure F.

Balancing the demands of infrastructure replacement and investment; service delivery and program staffing levels; and maintaining competitive pay and benefits to retain a talented workforce will be an ongoing challenge for Novato. The City Council and staff will need to continue monitoring the five-year forecast and make prudent budget decisions to balance General Fund revenues and expenditures.

After conducting a review of the Measure F revenues and expenditures for Fiscal Year 2018/19, this Annual Report is respectfully submitted to the Novato City Council and the Novato community by the Novato Citizens Finance Advisory / Oversight Committee.

NOVATO CITIZENS  
FINANCE ADVISORY /  
OVERSIGHT COMMITTEE

Regina Bianucci Rus, Chair  
Rafelina Maglio, Vice Chair  
David Bentley  
Caitrin Devine  
Cris MacKenzie  
Mark Milberg  
Tim O'Conner

**MEASURE F ANNUAL REPORT  
FY 2018/19**

	FINAL ACTUAL 2010/11	FINAL ACTUAL 2011/12	FINAL ACTUAL 2012/13	FINAL ACTUAL 2013/14	FINAL ACTUAL 2014/15	FINAL ACTUAL 2015/16	FINAL ACTUAL 2016/17	FINAL ACTUAL 2017/18	FINAL ACTUAL 2018/19	ADOPTED BUDGET 2019/20	CATEGORY TOTALS
<b>REVENUES</b>											
Measure F Sales Tax Revenue	689,126	4,089,401	4,473,532	4,422,885	4,750,569	3,739,015	46,089	23,206	20,871	7,500	
Investment Earnings / Miscellaneous	347	9,491	20,872	50,394	94,083	113,782	148,902	129,108	216,836	92,500	
<b>TOTAL REVENUES</b>	<b>689,473</b>	<b>4,098,892</b>	<b>4,494,404</b>	<b>4,473,279</b>	<b>4,844,652</b>	<b>3,852,797</b>	<b>194,991</b>	<b>152,314</b>	<b>237,707</b>	<b>100,000</b>	<b>23,138,509</b>
<b>EXPENDITURES AND ALLOCATED FUNDS</b>											
<b>General Fund Deficit Backfill</b>											
<b>/ Prevent Budget Cuts</b>	-	16,784	411,375	-	325,970	-	-	-	-	-	<b>754,129</b>
<b>Police / Crime Prevention / 911 Response Times</b>											
Novato Response Team - Staff and Program Support	-	52,302	105,126	73,582	277,577	-	-	-	-	-	
0.50 FTE Records Clerk	-	-	-	-	12,152	40,200	17,565	42,229	76,532	76,372	
0.50 FTE Office Assistant	-	-	-	-	5,187	40,199	17,127	35,096		35,755	
1.0 FTE Dispatcher	-	-	-	-	-	-	77,131	72,033	100,884	96,751	
Crime Analysis Contract Services	-	-	-	-	-	-	28,853	31,426	36,062	29,500	
Emergency Services Contract	-	-	-	15,053	64,712	30,663	28,427	23,568	25,985	37,500	
Major Crimes Task Force	-	-	-	-	-	-	38,942	38,723	41,588	48,233	
Northern CA Computer Crimes Task Force	-	-	-	12,022	31,742	31,302	32,617	27,652	-	-	
Replacement Fund for Police Technology	-	-	-	-	25,102	22,000	22,000	22,000	22,000	-	
* CIP - CAD / RMS Replacement	-	-	-	-	-	-	-	265,750	435,367	288,310	
<b>TOTAL</b>											<b>3,010,899</b>
<b>Youth and Senior Programs and Projects</b>											
Youth After School Initiative / Needs Summit	-	-	14,236	17,337	-	-	-	-	-	-	
* CIP - Hill Recreation Master Plan	-	-	-	272	-	81,989	42,040	-	-	3,970,010	
Youth Athletics Scholarship Program	-	-	-	-	10,000	20,000	10,000	30,000	-	40,000	
Special Events - Concerts in the Park	-	-	-	-	-	-	-	9,975	7,028	-	
<b>TOTAL</b>											<b>4,252,887</b>
<b>Parks and Streets Maintenance / Programs</b>											
Maintenance Worker Staffing	-	169,864	86,092	85,542	-	-	253,920	201,809	146,566	172,596	
Parks, Medians, Streets Maintenance	-	-	-	-	-	13,084	180,402	256,226	-	-	
* CIP - Pedestrian Safety Improvements	-	-	-	-	34,340	58,853	68,372	-	-	-	
* CIP - Traffic Signal Improvements Design	-	-	-	-	2,945	447	-	-	7,240	4,368	
Open Space Purchase - 90+ acres Trust for Public Lands	-	-	-	253,779	-	-	-	-	-	-	
* CIP - LED Streetlight Replacement Project	-	-	-	-	179,347	603,732	42,218	6,770	33,679	292,854	
<b>TOTAL</b>											<b>3,155,045</b>



**MEASURE F ANNUAL REPORT  
FY 2018/19**

**City Facility Investments**

Payoff of Corp Yard Lease	-	-	-	-	1,141,581	-	-	-	-	-	-
* CIP - Hamilton Pool Solar	-	-	-	-	13,277	83,555	76,891	40,379	-	-	-
* CIP - Lieb Property Deferred Maintenance	-	-	-	-	-	-	-	-	32,519	67,481	-
<b>TOTAL</b>											<b>1,455,683</b>

**Technology / Customer Service / Efficiency**

1.0 FTE Management Analyst	-	-	-	-	-	-	86,369	27,078	128,017	60,989	-
1.0 FTE Receptionist / Admin Clerk	-	-	-	63,123	-	-	-	-	-	-	-
0.75 FTE IT Business Analyst	-	-	-	-	-	-	-	1,213	123,722	-	-
Technology & Service Improvements	-	-	-	-	-	-	-	-	79,919	50,000	-
Geographic Info Systems Support	-	-	9,144	-	-	-	-	-	-	-	-
IT Temporary Staffing	-	-	-	-	-	-	-	-	-	25,000	-
* CIP - Technology Projects Citywide	-	-	-	-	272,000	630,640	605,221	785,759	186,571	186,441	-
<b>TOTAL</b>											<b>3,321,206</b>

**Economic Development**

Economic Development - Staff and Program Support	-	-	170,982	215,006	-	-	-	-	164,465	-	-
Hamilton Base Reuse - Staff and Program Support	-	-	107,076	284,663	309,957	227,132	212,843	138,932	-	-	-
Shop Local Campaign	-	-	19,232	85,522	-	-	-	-	-	-	-
Bio-Life Sciences Campaign	-	-	-	157,301	134,709	99,999	56,348	-	-	-	-
Tenant Incentive Program	-	-	-	-	-	-	-	-	5,000	145,000	-
<b>TOTAL</b>											<b>2,534,167</b>

**Transfer to Risk Mitigation Reserve Fund**

	-	-	-	-	-	-	-	3,000,000	-	-	<b>3,000,000</b>
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**Pension Obligation Bond Payment -**

<b>for Measure F Employees</b>	-	5,748	13,103	19,481	29,938	14,170	10,227	28,190	20,505	12,310	<b>153,672</b>
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**IRS Section 115 Pension Trust**

	-	-	-	-	-	-	-	-	84,651	450,000	-
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**Reserves and Future Commitments**

Future Technology Projects - IT Master Plan	-	-	-	-	-	-	-	-	-	-	-
* CIP - Future Park Improvement Projects	-	-	-	-	-	-	-	-	-	-	-
Risk Mitigation Reserve	-	-	-	-	-	-	-	-	-	-	-
Future Funding for CIP Projects	-	-	-	-	-	-	-	-	-	4,508,207	-
Equipment Replacement	-	-	-	-	-	-	-	-	-	250,000	-
Labor Expense - One-Time	-	-	-	-	-	-	-	-	-	442,545	-
MERA Debt Service	-	-	-	-	-	-	-	-	-	250,000	-
Future Funding for Multi-Year Positions / Programs	-	-	-	-	-	-	-	-	-	-	<b>612,800</b>

**TOTAL EXPENDITURES / ALLOCATIONS**

	-	244,698	936,366	1,282,683	2,870,536	1,997,965	1,907,513	5,084,808	1,758,300	11,540,222	22,250,488
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**MEASURE F ENDING FUND BALANCE**

	689,473	4,543,667	8,101,705	11,292,301	13,266,417	15,121,249	13,408,727	8,476,233	6,955,641	(4,484,581)	(3,596,560)
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# NOVATO CITIZENS FINANCE ADVISORY / OVERSIGHT COMMITTEE FY 2019/20 Annual Report





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## EXECUTIVE SUMMARY

Novato's ½ cent sales tax, Measure F, provided critical funding for City services from 2010 to 2016. The tax generated approximately \$22.5 million during its five-year duration. It was replaced by Measure C, 1 ¼ cent tax that will provide \$2.5 million annually for at least 20 years.

The Measure F Oversight / Citizens Finance Committee (subsequently renamed the Finance Advisory Commission) is responsible for overseeing the use of Measure F funds. The Committee meets regularly to review expenditures, financial forecasts, and policies. It also provides the City Council with input on fiscal matters. The Committee's annual report to the City Council and community provides information on the revenues and expenditures of Measure F funds.

The ballot measure language for Measure F included several key focus areas. The City Council directed the budget allocations of Measure F resources to the following categories:

- General Fund Deficit Backfill
- Police / Crime Prevention / 9-1-1 Response Times
- Youth and Senior Programs and Projects
- Parks and Street Maintenance / Programs
- City Facility Investments
- Technology / Customer Service / Efficiencies
- Economic Development
- Future Risk Mitigation Reserve

### MEASURE F BALLOT LANGUAGE

To **offset/prevent** additional budget cuts and **maintain/restore** vital general city services including, and not limited to: neighborhood police patrols, crime prevention programs, 9-1-1 response times; city street/ pothole repair; park maintenance; preventing closure or elimination of youth and senior centers/services, shall the City of Novato enact a half-cent sales tax for 5 years, with review by a citizen committee, annual independent audits, and all funds spent locally for the benefit of Novato citizens.

FOCUS AREA	SPENDING THROUGH FY 19/20	BUDGETED FY 20/21	CATEGORY TOTALS
General Fund Deficit Backfill	\$754,129	\$0	\$754,129
Police / Crime Prevention / 911 Response Times	\$1,978,872	\$0	\$1,978,872
Youth & Senior Programs / Project	\$118,576	\$0	\$118,576
Parks & Street Maint. / Programs	\$1,656,571	\$164,800	\$1,821,371
City Facility Investments	\$1,141,581	\$0	\$1,141,581
Technology / Customer Service / Efficiencies	\$659,461	\$0	\$659,461
Economic Development	\$2,450,540	\$95,000	\$2,545,540
Risk Mitigation Reserve	\$3,000,000	\$0	\$3,000,000
CIP Project Funding	\$8,226,672	\$725,557	\$8,952,229
Pension Obligation & IRS Section 115 Pension Trust	\$238,296	\$0	\$238,296
Future Funding for Multi-Year Positions / Programs	\$0	\$0	\$0
<b>Total Expenditures / Allocation</b>	<b>\$20,224,698</b>	<b>\$985,357</b>	<b>\$21,210,055</b>



## MEASURE F BACKGROUND

The City of Novato has had a history of budget challenges, often relying on one-time revenue or temporary measures to balance the budget. The Great Recession exacerbated these problems, causing the City to lose \$4 million in annual revenue and leading to a projected \$6.7 million deficit in 2014/15. In response, the City took a series of steps to reduce costs, including:

- Cutting programs and services.
- Eliminating 30% of the workforce.
- Implementing public-private partnerships.
- Creating efficiencies through technology.
- Leveraging grant opportunities.

The cuts that were made had a significant impact on the city, including:

- Reduced park and island maintenance
- Reduced road maintenance
- Elimination of Community Services Officers and School Resource Officers
- Elimination of free and subsidized recreation programs.

The state's elimination of redevelopment agencies in 2011 created another challenge for Novato, creating an additional \$800,000 annual gap in the City's operating budget.

City employees were also impacted by these budgetary challenges. In keeping with their commitment to public service, employees agreed to wage and benefit concessions, including mandatory furloughs, lower-tier retirement benefits, and increased pension contributions.

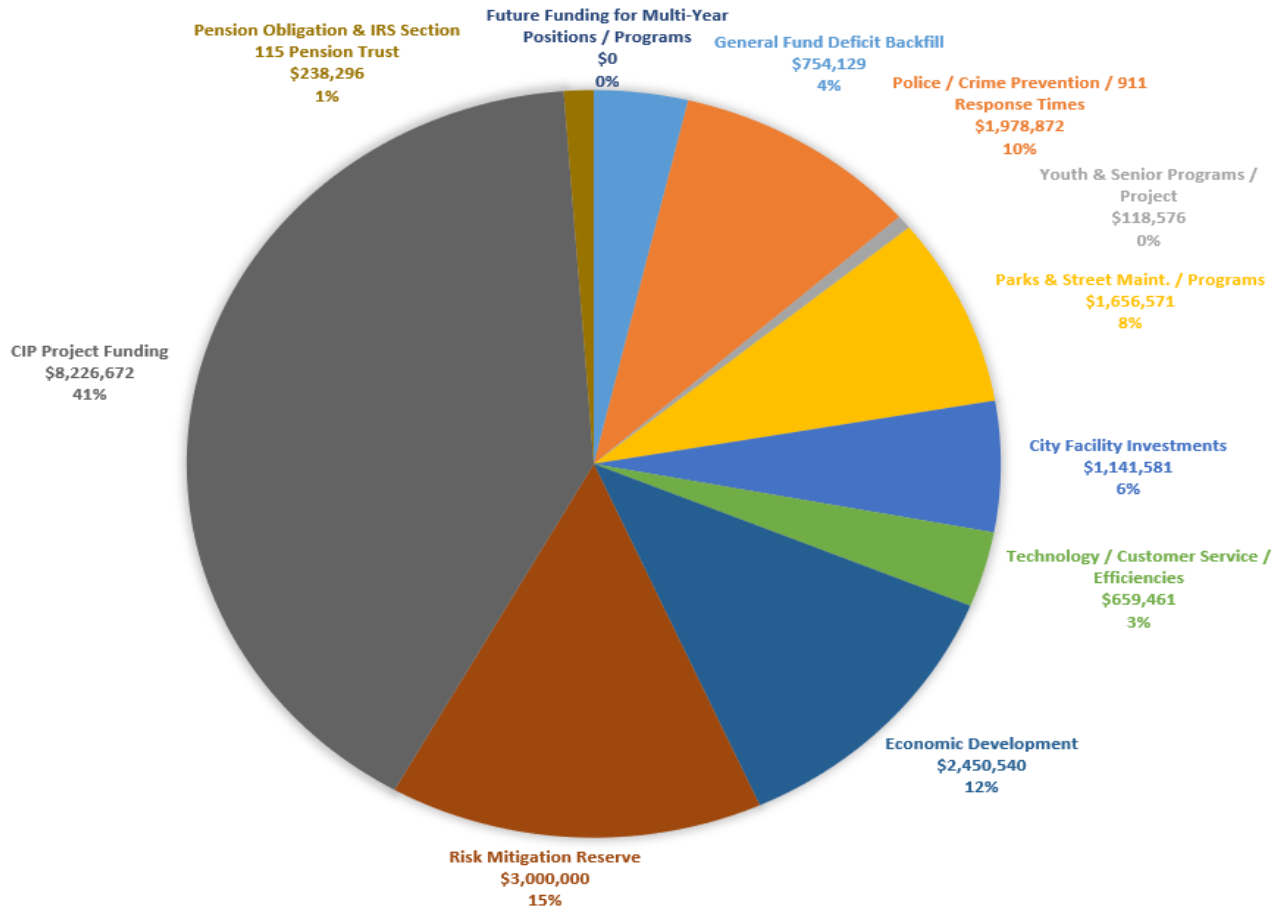
Despite these efforts, the City was still projecting multi-million dollar deficits. In response, voters approved Measure F, a five-year temporary revenue measure that would help fill the budget gap and reinstate some the programs that had been cut. With Measure F's passage, the City was able to restore some of these vital services to the community.

By Fiscal Year 2019/20, Measure F funds had been substantially depleted. Many of the ongoing services dependent on Measure F had been eliminated or shifted to the General Fund. The lack of funds resulted in reduced service levels to the community and created a greater burden on the General Fund to sustain services previously supported by Measure F. Additionally, this resulted in fewer options to fund critical capital projects such as traffic and pedestrian safety improvements and park renovations.

Measure F was  
essential in addressing  
the City of Novato's  
Financial crisis

**MEASURE F EXPENDITURES OVERVIEW**

**TOTAL = \$20.2 MILLION**



**WHAT HAS MEASURE F DONE FOR NOVATO**

Over the past several years, Measure F has had a direct and beneficial impact on our community:

- Saved critical City services and temporarily stopped further cuts.
- Funded, improved, or reinstated key public safety, recreation, and economic development programs and services.
- Invested in one-time projects to reduce ongoing costs and increase revenues and invested in City infrastructure and technology to improve efficiencies.

Measure F saved critical City services and temporarily stopped further cuts.

This report provides historical context and summarizes the use of Measure F funds in FY 2019/20.

### MEASURE F SUPPORTS: POLICE & CRIME PREVENTION

Services paid for by Measure F include crime analysis, Computer Crimes Task Force, emergency planning, and more customer service hours for the public.



### MEASURE F SUPPORTS: YOUTH & SENIOR PROGRAMS

Measure F funds youth & senior financial assistance for the City's recreational programs, and capital improvements to improve City facilities including the Hill Recreational Area.



**Police** — Measure F funded several programs in the Police Department. These programs helped the City achieve its goals of improving safety and collaborating with the Novato community. One of the most notable programs funded by Measure F was the formation of the “Novato Response Team”, or NRT. This team, originally funded by a three-year Department of Justice Grant, consisted of three full-time sworn officers and a Management Analyst. This team responded to a variety of neighborhood and quality of life issues throughout the city. They also addressed crime trends as they occurred.

Measure F revenue also funded other programs in the Police Department: an emergency services contract with the Novato Fire Protection District and a dedicated officer assigned to the Northern California Computer Crimes Task Force (NC3TF). The emergency services contract was created to replace the Emergency Services Manager position that was eliminated during the recession. The NC3TF is a task force of law enforcement agencies that investigate high-tech crimes. The City of Novato was able to provide a Police Officer to the NC3TF, with Measure F funding 25% of the officer's salary.

Overall, Measure F has been a valuable resource for the Novato Police Department. The funds allowed the department to implement new programs and initiatives that helped improve safety and enhance the quality of life in the community.

**Youth, Senior and Recreation Programs** — Much of the ballot language for Measure F was focused on the City's youth and senior population. Measure F brought on-campus afterschool programs to select Novato schools in partnership with the Novato Unified School District. Because of Measure F, Novato was also able to increase funding for low-income and at-risk youth access to recreation programs. These funds enhanced scholarship opportunities for underprivileged families and increased program availability for these important target populations.

Part of the Fiscal Sustainability Plan process was to identify several ways to improve recreational amenities for residents, reduce operating costs, and generate revenue for the City. These improvements were funded by Measure F and other sources and significantly enhanced the Hill recreation area. Some of the improvements that have been achieved due to Measure F include:

- Bocce ball and pickleball courts
- Synthetic turf sports field
- Upgraded parking
- ADA accessibility improvements

Overall, the improvements to the area will make it a more welcoming and accessible place for everyone to enjoy.

**Parks and Street Maintenance** — One of many advantages of the passing of Measure F was the ability to offset some of the 30%+ reductions that occurred in the Maintenance Division. When Measure F was passed by voters, the division was able to fund two temporary maintenance workers. In FY 2013/14, that number was reduced to one funded maintenance worker. In FY 2014/15, those two temporary maintenance workers were added to the core staffing of the City.

Measure F helped to fund the City's crack-filling program that raised the Pavement Conditions Index (PCI) for the City. Funds also went toward various parks and island improvements over the years.

The additional funding that Measure F provided has helped to improve the quality of landscape, park, median and street maintenance throughout Novato. Without this funding, the quality of these services would have declined even further.



**Technology and City Operations** – Measure F supported many citywide projects, including the City's Information Technology (IT) infrastructure. The investment in the City's IT infrastructure is a critical part of its efforts to improve efficiency and effectiveness of City operations. The new technologies assisted Novato in serving its residents and business by improving communications and collaboration between departments and residents, provided secure access to information, and supporting new and innovative technology applications.

Measure F has provided about \$2.8 million in funding for Novato's technology projects. These funds supported the creation of a new Business Analyst position as well as several major technologies that enabled the City to enhance its cyber security and provide improved customer service.

**Economic Development** — As part of its economic development strategy, the City of Novato purchased over 90 acres of hilltop open space using Measure F funds and other sources. This property was used to trade development restrictions on some of the City's historic buildings in the Hamilton area to complete renovation and improve the Hamilton neighborhood. The City also used Measure F funds to identify companies looking to relocate or expand, support new and existing local businesses, and participate in regional outreach programs.

The Economic Development program also championed the "Shop Local Novato" campaign, which featured a website and marketing campaign encouraging residents to shop locally. The Shop Local website and social media were upgraded regularly to feature local businesses.

In addition to attracting new businesses, Economic Development staff has focused on retaining and expanding existing businesses. This has included meeting with stakeholders to support their expansion plans. Stakeholder outreach has included owners of local businesses, business owners looking to relocate, property owners, the Novato Chamber of Commerce, and other organizations.

Overall, the City of Novato used Measure F funds to support a variety of economic development initiatives, including the purchase of open space, renovation of historic buildings, and promotion of local businesses.





## Conclusion

The voter approved Measure F ½ cent sales tax was a major financial boost for Novato, helping to prevent significant budget cuts and service reductions. However, the new Measure C ¼ sales tax, half the amount of Measure F, will require the City to find new ways to generate revenue to continue to support services and ensure long-term fiscal sustainability.

The Measure F Oversight / Citizens Finance Committee is committed to working with the City Council to develop strategies for addressing the challenges posed by the reduction in revenue from Measure F. These strategies may include increasing revenue, reducing spending, and increasing efficiency in operations.

The City Council and staff need to carefully monitor the five-year forecast and make prudent budget decisions to balance the General Fund revenues and expenditures. Balancing the demands of infrastructure replacement and investment, service delivery and program staffing levels, and maintaining competitive pay and benefits to retain a talented workforce will be an ongoing challenge for Novato.

The City is confident that by working together, the financial challenges faced can be overcome to ensure a bright future for Novato.

NOVATO CITIZENS  
FINANCE ADVISORY /  
OVERSIGHT COMMITTEE

Regina Bianucci Rus, Chair  
Rafelina Maglio, Vice Chair  
David Bentley  
Caitrin Devine  
Cris MacKenzie  
Mark Milberg  
Tim O'Conner

**MEASURE F ANNUAL REPORT  
FY 2018/19**

**MEASURE F FUNDING HISTORY DETAIL**

	FINAL ACTUAL 2010/11	FINAL ACTUAL 2011/12	FINAL ACTUAL 2012/13	FINAL ACTUAL 2013/14	FINAL ACTUAL 2014/15	FINAL ACTUAL 2015/16	FINAL ACTUAL 2016/17	FINAL ACTUAL 2017/18	FINAL ACTUAL 2018/19	FINAL ACTUAL 2019/20	ADOPTED BUDGET 2020/21	CATEGORY TOTALS
<b>REVENUES</b>												
Measure F Sales Tax Revenue	689,126	4,089,401	4,473,532	4,422,885	4,750,569	3,739,015	46,089	23,206	20,871	15,123	-	
Investment Earnings / Miscellaneous	347	9,491	20,872	50,394	94,083	113,782	148,902	129,108	216,836	167,825	-	
<b>TOTAL REVENUES</b>	<b>689,473</b>	<b>4,098,892</b>	<b>4,494,404</b>	<b>4,473,279</b>	<b>4,844,652</b>	<b>3,852,797</b>	<b>194,991</b>	<b>152,314</b>	<b>237,707</b>	<b>182,948</b>	-	<b>23,221,457</b>
<b>EXPENDITURES AND ALLOCATED FUNDS</b>												
<b>General Fund Deficit Backfill</b>												
<b>/ Prevent Budget Cuts</b>	-	16,784	411,375	-	325,970	-	-	-	-	-	-	<b>754,129</b>
<b>Police / Crime Prevention / 911 Response Times</b>												
Novato Response Team - Staff and Program Support	-	52,302	105,126	73,582	277,577	-	-	-	-	-	-	
0.50 FTE Records Clerk	-	-	-	-	12,152	40,200	17,565	42,229	76,532	59,639	-	
0.50 FTE Office Assistant	-	-	-	-	5,187	40,199	17,127	35,096	-	-	-	
1.0 FTE Dispatcher	-	-	-	-	-	-	77,131	72,033	100,884	107,439	-	
Crime Analysis Contract Services	-	-	-	-	-	-	28,853	31,426	36,062	38,461	-	
Emergency Services Contract	-	-	-	15,053	64,712	30,663	28,427	23,568	25,985	27,739	-	
Major Crimes Task Force	-	-	-	-	-	-	38,942	38,723	41,588	48,233	-	
Northern CA Computer Crimes Task Force	-	-	-	12,022	31,742	31,302	32,617	27,652	-	-	-	
Replacement Fund for Police Technology	-	-	-	-	25,102	22,000	22,000	22,000	22,000	-	-	
* CIP - CAD / RMS Replacement	-	-	-	-	-	-	-	265,750	435,367	101,710	-	
<b>TOTAL</b>												<b>2,781,699</b>
<b>Youth and Senior Programs and Projects</b>												
Youth After School Initiative / Needs Summit	-	-	14,236	17,337	-	-	-	-	-	-	-	
* CIP - Hill Recreation Master Plan	-	-	-	272	-	81,989	42,040	-	-	3,391,203	584,316	
Youth Athletics Scholarship Program	-	-	-	-	10,000	20,000	10,000	30,000	-	-	-	
Special Events - Concerts in the Park	-	-	-	-	-	-	-	9,975	7,028	-	-	
<b>TOTAL</b>												<b>3,634,080</b>
<b>Parks and Streets Maintenance / Programs</b>												
Maintenance Worker Staffing	-	169,864	86,092	85,542	-	-	253,920	201,809	146,566	9,287	-	
Parks, Medians, Streets Maintenance	-	-	-	-	-	13,084	180,402	256,226	-	-	164,800	
* CIP - Pedestrian Safety Improvements	-	-	-	-	34,340	58,853	68,372	-	-	-	-	
* CIP - Traffic Signal Improvements Design	-	-	-	-	2,945	447	-	-	7,240	4,368	-	
Open Space Purchase - 90+ acres Trust for Public Lands	-	-	-	253,779	-	-	-	-	-	-	-	
* CIP - LED Streetlight Replacement Project	-	-	-	-	179,347	603,732	42,218	6,770	33,369	-	-	
<b>TOTAL</b>												<b>2,698,572</b>

**MEASURE F ANNUAL REPORT  
FY 2018/19**

<b>City Facility Investments</b>												
Payoff of Corp Yard Lease	-	-	-	-	1,141,581	-	-	-	-	-	-	-
* CIP - Hamilton Pool Solar	-	-	-	-	13,277	83,555	76,891	40,379	-	-	-	-
* CIP - Lieb Property Deferred Maintenance	-	-	-	-	-	-	-	-	32,519	13,800	4,192	-
<b>TOTAL</b>												<b>1,402,002</b>
<b>Technology / Customer Service / Efficiency</b>												
1.0 FTE Management Analyst	-	-	-	-	-	-	86,369	27,078	128,017	112,578	-	-
1.0 FTE Receptionist / Admin Clerk	-	-	-	63,123	-	-	-	-	-	-	-	-
0.75 FTE IT Business Analyst	-	-	-	-	-	-	-	1,213	123,722	-	-	-
Technology & Service Improvements	-	-	-	-	-	-	-	-	79,919	-	-	-
Geographic Info Systems Support	-	-	9,144	-	-	-	-	-	-	-	-	-
IT Temporary Staffing	-	-	-	-	-	-	-	-	-	28,298	-	-
* CIP - Technology Projects Citywide	-	-	-	-	272,000	630,640	605,221	785,759	186,571	125,728	137,049	-
<b>TOTAL</b>												<b>3,265,380</b>
<b>Economic Development</b>												
Economic Development - Staff and Program Support	-	-	170,982	215,006	-	-	-	-	164,465	11,373	-	-
Hamilton Base Reuse - Staff and Program Support	-	-	107,076	284,663	309,957	227,132	212,843	138,932	-	-	-	-
Shop Local Campaign	-	-	19,232	85,522	-	-	-	-	-	-	-	-
Bio-Life Sciences Campaign	-	-	-	157,301	134,709	99,999	56,348	-	-	-	-	-
Tenant Incentive Program	-	-	-	-	-	-	-	-	5,000	50,000	95,000	-
<b>TOTAL</b>												<b>2,450,540</b>
<b>Transfer to Risk Mitigation Reserve Fund</b>	-	-	-	-	-	-	-	3,000,000	-	-	-	<b>3,000,000</b>
<b>Pension Obligation Bond Payment - for Measure F Employees</b>	-	5,748	13,103	19,481	29,938	14,170	10,227	28,190	20,505	12,283	-	<b>153,645</b>
<b>IRS Section 115 Pension Trust</b>	-	-	-	-	-	-	-	-	84,651	-	-	-
<b>Reserves and Future Commitments</b>												
Future Technology Projects - IT Master Plan	-	-	-	-	-	-	-	-	-	-	-	-
* CIP - Future Park Improvement Projects	-	-	-	-	-	-	-	-	-	-	-	-
Risk Mitigation Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Future Funding for CIP Projects	-	-	-	-	-	-	-	-	-	-	725,557	-
Equipment Replacement	-	-	-	-	-	-	-	-	-	-	-	-
Labor Expense - One-Time	-	-	-	-	-	-	-	-	-	-	-	-
MERA Debt Service	-	-	-	-	-	-	-	-	-	-	-	-
Future Funding for Multi-Year Positions / Programs	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES / ALLOCATIONS</b>	-	<b>244,698</b>	<b>936,366</b>	<b>1,282,683</b>	<b>2,870,536</b>	<b>1,997,965</b>	<b>1,907,513</b>	<b>5,084,808</b>	<b>1,757,990</b>	<b>4,142,139</b>	<b>1,710,914</b>	<b>20,140,046</b>
<b>MEASURE F ENDING FUND BALANCE</b>	<b>689,473</b>	<b>4,543,667</b>	<b>8,101,705</b>	<b>11,292,301</b>	<b>13,266,417</b>	<b>15,121,249</b>	<b>13,408,727</b>	<b>8,476,233</b>	<b>6,955,951</b>	<b>2,996,760</b>	<b>1,285,846</b>	<b>4,367,257</b>

## STAFF REPORT

### MEETING

DATE: September 21, 2023

TO: Finance Advisory Commission

FROM: Amy Cunningham, Deputy City Manager  
Carla Carvalho-Degraff, Finance Director

**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:

- Finance Department Reorganization
- FY20/21 Audit Status – Auditor review continues, completion anticipated fall 2023
- FY21/22 Close and Audit Preparation – In progress, Auditor field visit scheduled for late February 2024
- City Council 2023-2025 Adopted Strategic Plan Update
- FY23/24 Budget Document & Budget in Brief – Preparation Underway
- Budget 101 Video
- FY22/23 Quarter 4 Budget Report Status
- Commissioner Recruitment – 2 terms expiring, appointments scheduled for October 2024
- Other Finance Activities

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