



Finance Advisory Commission

APPROVED Special Meeting Minutes

Thursday, July 18, 2024 – 8:00 AM

A. CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair Thomas at 8:03 A.M.

Commissioners Present: Regina Bianucci Rus, Cris MacKenzie, Rafelina Maglio, Michele Manos, Tina McMillan, Larisa Thomas

Absent: Andy Zmyslowski

Staff Present: City Manager Amy Cunningham, Assistant City Manager Jessica Deakyne, Finance Director Carla Carvalho-DeGraff, HR Assistant Jean Holzgang

B. APPROVAL OF FINAL AGENDA

Commission Action: Upon a motion by Commissioner Bianucci Rus, and seconded by Commissioner Maglio, the Commission voted 6-0-0-1 to approve the final agenda.

Ayes: Bianucci Rus, MacKenzie, Maglio, Manos, McMillan, Thomas

Noes: None

Abstain: None

Absent: Zmyslowski

Motion carried.

C. PUBLIC COMMENT

None

D. CONSENT ITEMS

D.1. Approve Meeting Minutes of June 27, 2024

Commission approved the meeting minutes of June 27, 2024.

Commission Action: Upon motion by Commissioner Manos, and seconded by Commissioner MacKenzie, the Commission voted 4-0-2-1 to approve items on consent.

Ayes: MacKenzie, Maglio, Manos, McMillan

Noes: None

Abstain: Bianucci Rus, Thomas

Absent: Zmyslowski

Motion carried.

E. UNFINISHED AND OTHER BUSINESS

F. GENERAL BUSINESS

F.1. Fiscal Sustainability Options

The City of Novato has faced mounting budget deficits and rising capital needs over the past five years and has depended on one-time funds and emergency reserves to maintain essential services, which is not a sustainable long-term solution. To address these fiscal challenges, the City Council's 2023-2025 Strategic Plan includes initiatives aimed at ensuring fiscal sustainability. Specifically, Item 16 of the plan proposes exploring a November 2024 ballot initiative to increase the sales tax by 3/4 cent to address revenue shortfalls.

Staff and Commissioners reviewed the City's sustainability efforts and proposed suggestions for the upcoming presentation at the City Council meeting on July 23, 2024. The Commissioners highlighted the need for the report to convey their concerns regarding fiscal challenges. Commissioners stressed the importance of clear and impactful language to ensure that their perspective is effectively communicated.

Public comment was taken at 922 Machin Ave

1. Pam Drew

Upon motion by Chair Thomas, and seconded by Commissioner Manos, the Commission voted 6-0-0-1 recommending that City Council approve the sales tax measure for the November 2024 ballot, until repealed by voters, a 0.75% increase, with independent financial oversight by the Finance Advisory Commission.

Ayes: Bianucci Rus, MacKenzie, Maglio, Manos, McMillan, Thomas

Noes: None

Abstain: None

Absent: Zmyslowski

Motion carried.

Upon motion by Chair Thomas, and seconded by Commissioner Manos, the Commission voted 6-0-0-1 to recommend to City Council that the Finance Advisory Commission should continue to receive regular reports from City staff on the City's financial activities, and specifically the revenue from the recommended sales tax measure to be accounted for in a separate fund, similar to Measure F, with quarterly reports to the Commission. The Finance Advisory Commission will be required to report annually to the City Council and prepare an annual report to the taxpayers, similar to Measure F.

Ayes: Bianucci Rus, MacKenzie, Maglio, Manos, McMillan, Thomas

Noes: None

Abstain: None

Absent: Zmyslowski

Motion carried.

Upon motion by Chair Thomas, and seconded by Commissioner Bianucci Rus, the Commission voted 6-0-0-1 to recommend that the City Council be provided with the following statement:

The Finance Advisory Commission recognizes that while the sales tax is absolutely essential, it is just one part of a larger solution to the City's budget woes. Thus, we also recommend, the Council consider the following as part of an overall Fiscal Sustainability Plan:

- a) The City must urgently and aggressively make more cost-effective use of its many properties. To that end, detailed information for each of the City's recently inventoried properties should immediately be compiled and used for realistic cost-benefit assessments that will inform the development of practical, rational options.
- b) The City must identify factors currently impacting economic development in Novato and then vigorously pursue a spectrum of innovative economic policies that encourage both existing and new business, while minimizing the obstacles to growth. Better direction by the City to the Economic Development Advisory Commission (EDAC) and closer coordination between the City and the Chamber of Commerce is necessary.
- c) The City should identify and aggressively apply for any and all grants that could benefit the City of Novato. For the 2025/2026 budget year, the City should allocate a dedicated resource to be assigned to that task.

Ayes: Bianucci Rus, MacKenzie, Maglio, Manos, McMillan, Thomas

Noes: None

Abstain: None

Absent: Zmyslowski

Motion carried.

G. COMMITTEE AND LIAISON REPORTS

G.1. Staff Updates

None

G.2. Commission Member Reports

None

H. ADJOURNMENT

The meeting was adjourned at 9:41 AM.

I HEREBY CERTIFY that the foregoing minutes were duly adopted at the Finance Advisory Commission Meeting of _____, 2024.

/ Stacey Hoggan /
Stacey Hoggan, Management Analyst I