



CITY OF NOVATO
CALIFORNIA

Finance Advisory Commission

APPROVED Minutes

Thursday, October 3, 2024 – 7:30 AM

A. CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chair Thomas at 7:32 A.M.

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

Staff Present: City Manager Amy Cunningham, Finance Director Carla Carvalho-DeGraff, Deputy Finance Director Jose Morales, Management Analyst I Stacey Hoggan

B. APPROVAL OF FINAL AGENDA

Commission Action: Upon a motion by Commissioner McMillan, and seconded by Commissioner Maglio, the Commission voted 7-0-0-0 to approve the final agenda.

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

Noes: None

Abstain: None

Absent: None

Motion carried.

C. PUBLIC COMMENT

Public comment was taken at 922 Machin Ave

1. Pam Drew

D. CONSENT ITEMS

D.1. Approve Meeting Minutes of September 5, 2024

D.2. Update on Finance Department Activities

Commission Action: Upon motion by Commissioner Zmyslowski, and seconded by Commissioner MacKenzie, the Commission voted 6-0-1-0 to approve consent items, noting a correction to a spelling error in item D1, with Commissioner Zmyslowski abstaining from item D1.

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

Noes: None

Abstain: Zmyslowski

Absent: None

Motion carried.

E. UNFINISHED AND OTHER BUSINESS

F. GENERAL BUSINESS

F.1. Fiscal Health / Financial Sustainability

Staff presented a Fiscal Health Dashboard to Commissioners, a tool developed by Michael Coleman, a noted expert in government finance, revenues, and spending. The dashboard evaluates the fiscal health of local government agencies, assessing whether they face any financial risk. The City's fiscal health assessment was based on objective data from the 2022/23 Fiscal Year, alongside the financial forecast tool created by consultant Andy Heath.

Updating the City's Fiscal Sustainability Plan, last revised in 2014, is a priority in the City Council's Strategic Plan. Staff are currently working on this update and aim to incorporate insights from the dashboard along with the Commissioners' feedback to address the City's current strengths and challenges.

The Commissioners provided several recommendations for the updated Fiscal Sustainability Plan. They suggested clarifying the potential uses of Measure M funds and ensuring community involvement if the ballot measure passes, updating financial policies, including statements of financial stewardship, clarification of City priorities based on the community's feedback, and setting clear goals for the Annual Comprehensive Financial Report. They also recommended adding more visuals to enhance public understanding of the document.

F.2. Update on Finance Department Activities

- Auditors were onsite during the week of September 16th to conduct the Fiscal Year 2022/23 audit. Staff prepared 177 requested items (covering both interim and year-end requests) and pulled approximately 400 samples, which included multiple documents. This audit also included year two of GASB 87 (lease accounting standard) and year one of GASB 96 (software subscription standard). The audit report is expected to be completed by the end of this year and will be presented to the City Council in early 2025.
- Staff are now working on items for the Fiscal Year 2023/24 audit and are in the process of scheduling this audit for spring 2025.
- The Accounts Payable position is currently open, as the previous employee has transitioned to a part-time role with PRCS. The position has been posted, and a temporary staff member is assisting with Accounts Payable duties while it remains vacant.
- The January 2025 Finance Advisory Commission meeting will be cancelled due to the holiday. There will be a December 5th meeting.
- Commissioners thanked fellow Commissioner Regina Bianucci Rus for her eight years of service to the Finance Advisory Commission.
- The California Society of Financial Officers (CSMFO) accepted a proposal from Director Carvalho-Degraff for a conference session in February called “What Happens When You Have No Finance”. She will present with City Manager Cunningham and one of the audit partners.
- City Manager Cunningham will be co-presenting at a CSMFO weekend training course in November on Professional Ethics.

G. COMMITTEE AND LIAISON REPORTS

G.1. Staff Updates

None

G.2. Commission Member Reports

None

H. ADJOURNMENT

The meeting was adjourned at 9:00 AM.

I HEREBY CERTIFY that the foregoing minutes were duly adopted at the Finance Advisory Commission Meeting of November 7, 2024.

/ Stacey Hoggan /
Stacey Hoggan, Management Analyst I