



THE CITY OF
NOVATO
CALIFORNIA

AGENDA
MEASURE F OVERSIGHT/CITIZENS FINANCE COMMITTEE
WEDNESDAY, OCTOBER 10, 2012: 7:30AM – 9:00AM
75 ROWLAND WAY #200
ATHERTON CONFERENCE ROOM

- A. Call to Order
- B. Approval of Final Agenda
- C. Public Comment (*Anyone wishing to speak on non-agenda items will be recognized at this time. These items can legally have no action as they are not on the agenda. There is a three minute time limit.*)
- D. Committee Organizational Items
 - D – 1: Approval of August 16, 2012 Meeting Minutes (5 minutes)
 - D – 2: Approval of September 13, 2012 Meeting Minutes (5 minutes)
 - D – 3: Recap of Measure F Annual Report Presentation (10 minutes)
- E. General Business (*Anyone wishing to speak on agenda items will be recognized after the Committee has concluded their initial discussions. There is a three minute time limit for public comment per item.*)
 - E – 1: Fiscal Sustainability: Discussion/Preview of October 16th Work Session on Fiscal Sustainability and Overall Work Plan (60 minutes)
- F. Committee/Staff Comments
- G. Attachments:
 - 1. August 16, 2012 Meeting Minutes
 - 2. September 13, 2012 Meeting Minutes
 - 3. Annual Report Correspondence from Councilmember MacLeamy
 - 4. Department Presentations – Working Drafts (To Be Distributed on October 8th)
- H. Adjournment
 - G – 1: Next Regular Meeting – TBD (November 29th or December 6th)
 - 1) Fiscal Sustainability: Revenue Work Session
 - 2) Fiscal Sustainability: Public Outreach

AFFIDAVIT OF POSTING

I, Dane Wadlé, certify that on, October 5, 2012, I caused to be posted the agenda of the Wednesday, October 10, 2012 meeting of the Measure F Oversight/Citizens Finance Committee of the City of Novato, California, on the City of Novato Community Service Boards in City Hall and the Police Department.

/Dane Wadlé/

Dane Wadlé, Management Analyst



THE CITY OF
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CALIFORNIA

Draft Minutes to be Considered at Next Meeting

**MINUTES
MEASURE F OVERSIGHT/CITIZENS FINANCE COMMITTEE
THURSDAY, AUGUST 16, 2012: 7:00AM – 9:00AM
75 ROWLAND WAY #200
ATHERTON CONFERENCE ROOM**

A. Call to Order

The meeting was called to order at 7:05 AM. In attendance were:

Committee Members: Cris MacKenzie, Caitrin Devine, Robert Jordan and Bob Scott.

City Staff: Cathy Capriola, Brian Cochran, Maureen Chapman, Dane Wadlé

B. Approval of Final Agenda

The final agenda was approved unanimously.

C. Public Comment *(Anyone wishing to speak on non-agenda items will be recognized at this time. These items can legally have no action as they are not on the agenda. There is a three minute time limit.)*

There was no public comment.

D. Committee Organizational Items

D – 1: Approval of July 19, 2012 Meeting Minutes (5 minutes)

Committee Member Scott made a motion to approve the minutes. The motion was seconded by Committee Member Jordan and approved unanimously.

D – 2: Committee Meeting Date Adjustments: September and October (5 minutes)

City staff requested that the Committee consider alternate dates for the September and October meetings in order to provide the Committee an opportunity to preview and provide input to staff prior to the City Council's fiscal sustainability work sessions scheduled on September 18th and October 16th. The Committee ultimately approved moving the September and October meetings to September 13th and October 3rd respectively to accommodate staff's request.

E. General Business *(Anyone wishing to speak on agenda items will be recognized after the Committee has concluded their initial discussions. There is a three minute time limit for public comment per item.)*

E – 1: 5-Year Forecast Assumption Review (30 minutes)

The Finance Manager gave an overview and update of the City's 5 Financial forecast.

The staff presentation is available at this link:

<http://www.novato.org/Modules/ShowDocument.aspx?documentid=9207>

E – 2: Fiscal Sustainability Options Tool (30 minutes)

The Assistant City Manager and Finance Manager made a presentation on the upcoming fiscal sustainability discussion process and the options tool that Council will develop over the next nine months.

Staff explained that a number of work sessions will be held on specific topics to develop a list of options for Council to consider as part of a final plan. For example, the August 28th work session is designated for Council to identify the base or identify the target that the City seeks to address through the final plan.

The process presentation is available at this link:

<http://www.novato.org/Modules/ShowDocument.aspx?documentid=9211>

A model of the fiscal sustainability options tool is available at this link:

<http://www.novato.org/Modules/ShowDocument.aspx?documentid=9209>

The Committee's primary suggestion was that the City not limit itself in terms of options. Members expressed that this type of process can sometimes limit the options considered. Staff pledged to keep this view in mind and pass it on to the Council.

The fiscal sustainability process has been designed to allow input from the Committee as well as the public and City employees. Committee members provided some ideas on public outreach to City staff.

E – 3: Review Draft 2012-2013 Measure F Annual Report (30 minutes).
Staff presented a revised draft of the Committee's draft annual report (note: a copy of the draft was included in the agenda packet for this meeting).

The Committee members expressed support for the content of the report. Members requested that additional background and history be added to the report outlining the fiscal sustainability efforts the City has completed to date and that have reduced the structural deficits from what the previous levels.

The Committee also approved sending a cover letter (with the annual report) to the Council encouraging the Council to adopt a fiscal sustainability plan as expeditiously as possible. The Committee requested that the letter address the fact that the changing economic landscape, specifically related to sales tax leakage and economic development in

other local communities, will have an impact on the City's efforts to achieve fiscal sustainability.

Staff will develop an initial draft of this letter for consideration by the Committee at the September meeting.

F. Committee/Staff Comments

There were no additional Committee and/or staff comments.

G. Adjournment

G – 1: Next Regular Meeting – September TBD

The meeting was adjourned at 9:05 AM. The next meeting will take place on September 13th at 7:30 AM.



THE CITY OF
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Draft Minutes to be Considered at Next Meeting

**MINUTES
MEASURE F OVERSIGHT/CITIZENS FINANCE COMMITTEE
THURSDAY, SEPTEMBER 13, 2012: 7:30AM – 9:00AM
75 ROWLAND WAY #200
ATHERTON CONFERENCE ROOM**

A. Call to Order

The meeting was called to order at 7:38 AM. In attendance were:

Committee Members: David Bentley, Alan Berson, Caitrin Devine, Bob Ratto and Bob Scott.

City Staff: Cathy Capriola, Brian Cochran, Dane Wadlé

B. Approval of Final Agenda

The final agenda was approved unanimously.

C. Public Comment (*Anyone wishing to speak on non-agenda items will be recognized at this time. These items can legally have no action as they are not on the agenda. There is a three minute time limit.*)

There was no public comment.

D. Committee Organizational Items

D – 1: Approval of August 16, 2012 Meeting Minutes (5 minutes)

The approval of the August 16, 2012 meeting minutes was deferred to the next meeting due to the fact that there was not a quorum of members present who were also present at the August 16th meeting.

D – 2: New Committee Member: Bob Ratto Welcome (5 minutes)

New Committee Member Bob Ratto introduced himself to the Committee and discussed his background and interest in the committee. In turn, the Committee members also introduced themselves to Mr. Ratto.

E. General Business (*Anyone wishing to speak on agenda items will be recognized after the Committee has concluded their initial discussions. There is a three minute time limit for public comment per item.*)

E – 1: Fiscal Sustainability: Recap of August 28th Council Meeting

City staff provided a recap of the August 28th fiscal sustainability work session. Staff walked through the presentation made to Council and the community at this work session.

The presentation is available at this link:

http://ci.novato.ca.us/agendas/pdfstaffreports/082812_L-6.pdf

E – 2: Fiscal Sustainability: Discussion/Preview of Upcoming Work Sessions

Staff provided a preview of the upcoming Council fiscal sustainability work session. This session will occur on September 18th. This session (and the following session on October 16th) will focus on City departments. Each department will provide an overview of:

- *Current service levels;*
- *Key issues and trends in the department;*
- *Measure F-supported services (direct and general fund backfill);*
- *Existing service level “holes” or areas where the department is not able to focus resources; and*
- *Fiscal sustainability ideas and proposals.*

The September 18th work session will profile the Central Administration, Administrative Services and Community Development Departments. Staff gave an overview of these presentations and solicited feedback from the Committee.

The presentations are available at this link:

http://ci.novato.ca.us/agendas/pdfstaffreports/091812_E-1_REVISED.pdf

Similar to the August 16th meeting, the Committee highlighted the need to be creative and think outside the box as the Council and the community develop a fiscal sustainability plan.

E – 3: Final Review/Action on 2011-2012 Measure F Annual Report
The Committee provided additional feedback and comments on the annual report. This feedback was accepted. Committee Member Scott made a motion to approve the 2011-2012 annual report. Committee Member Berson seconded this motion and it was approved by a vote of 5-0-2 (Committee Member’s Mackenzie and Jordan were absent).

The Committee specifically requested that staff develop an executive summary of the report to distribute to the public. The Committee also suggested that perhaps the City should buy a quarter-page ad in one of the local newspapers to notify the public about the report’s existence. Staff will work with the new Public Communication Coordinator to advertise the report.

Printed copies of the report will be available at the City Administrative Offices and the Margaret Todd Senior Center.

F. Committee/Staff Comments

There were no additional Committee and/or staff comments.

G. Adjournment

G – 1: Next Regular Meeting – October 10, 2012 @ 7:30 A.M.

The meeting was adjourned at 9:03 AM. The next meeting will take place on October 10th at 7:30 AM.

Correspondence from Council Member MacLeamy on Measure F Annual Report

Question 1. Table 4: the Budgeted and Actual Amounts for the employee expenditures I assume include the prorated share of POBs as broken out on Table 1. Correct? Perhaps a footnote to that effect or a reference to Table 1. Otherwise the numbers look off as table 1 says Measure F expenditures = 214,533 and Table 4 Measure F expenditures = 220,281. You have to go back to Table 1 to find out why they are different totals.

Answer 1. Yes. Table 4 includes the prorated share of POBs as broken out in Table 1. Originally, staff had the POBs as a separate line item in Table 4; however, the Committee requested that the POBs be allocated among the positions as currently shown. A footnote could be added below Table 4 explaining the discrepancy.

Question 2. Tables 7-11, however, do not include the prorated share of POBs which are shown as a separate number on Table 1: so consistency would be helpful. I see that you do include it on Table 6 but again a different format.

Answer 2. This could be changed to allocate the portion of POBs to each employee in Tables 7-11 to ensure consistency with Table 6.

Question 3. Perhaps a line items summary table for 12/13 expenditures as was done for FY 11/12 Table 4 would be helpful. Otherwise we see the total of Table 6 of \$635,420 and then individual tables 7-11. After that, a summary table would be helpful to see the numbers add up.

Answer 3. The format of Table 6 was done this way because there are a number of Measure F expenditures in the FY 12/13 Fiscal Year. A summary table similar to Table 4 would be extremely large. Thus, staff created the summary Table 6 and then broke out specific descriptions and tables of each specific expenditure to convey the information. That being said, Table 6 could be summarized to more closely resemble Table 4.

Question 4. Also we have appropriated certain Measure F moneys in 14/15 such as noted in 1a. Police officers, page 13/15. Would it be useful to have a summary spreadsheet with the known budgeted expenditures for the life of Measure F so we can track it for the full 5 years and understand what our balance is? Perhaps as you did in a CC packet 3/13/2012 a Measure F Forecast./Balance sheet. You also had assumed that Measure F would be a structural deficit infill for the life of Measure F as we did for 12/13.

Answer 4. Staff believes that the Annual Report will evolve some next year as the Council makes more multi-year decisions regarding Measure F and begins some of its strategic investment. We would recommend that we wait until next year's report to add this information in more graphical and multi-year projections. Also, it is important to remember that the City will have a separate Fiscal Sustainability report that will have a Measure F section and will document some of these multi-year decisions.

Question 5. Page 16 under Revenue Explanation says in FY 11/12 city projected receipt of approx \$3.8M. Table 3 Page 12 Shows Revenues budgeted for 2011/2012 of \$3.024M.

Answer 5. This is an error; page 16 should state \$3.024 M. This discrepancy will be corrected in the final version.