



## Agenda

**REGULAR MEETING  
OF THE  
FINANCIAL ADVISORY BOARD**  
Tuesday October 28, 2014, 7:00 p.m.  
El Cerrito City Hall  
Hillside Conference Room  
10890 San Pablo Avenue  
El Cerrito, CA 94530

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Roll Call  
Convene Meeting

1. Comments from the Public  
*All persons wishing to speak to items on the agenda. Remarks are typically limited to 3 minutes per person.*
2. Staff update
3. Minutes for Approval  
Approval of September 9, 2014 FAB meeting minutes.
4. Receive quarterly investment report.  
<http://www.el-cerrito.org/DocumentCenter/View/4020>
5. Review and discuss Finance Department's FY 2104-15 Work Plan.
6. Purchasing policy review
7. Discuss Agenda Items for the Next Meeting  
Approve meeting minutes October 28, 2014

### COMMUNICATION ACCESS INFORMATION

*To request a meeting agenda in large print, Braille, or on cassette, or to request a sign language interpreter for the meeting, call Lisa Malek-Zadeh, Staff Liaison at 215-4312 (voice) at least FIVE (5) WORKING DAYS NOTICE PRIOR TO THE MEETING to ensure availability.*



**Minutes**

**REGULAR MEETING  
OF THE  
FINANCIAL ADVISORY BOARD  
Tuesday September 9, 2014, 7:00 p.m.  
El Cerrito City Hall  
Hillside Conference Room  
10890 San Pablo Avenue  
El Cerrito, CA 94530**

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Chairperson Vranich convened the Financial Advisory Board meeting at 7:00 p.m.

Roll Call: Present: Boardmembers Vranich, Bartke, Patterson and Crump present.  
Absent: Boardmember Kronenberg  
Council Liaison Present: Mayor Abelson  
Staff Liaison Present: Lisa Malek-Zadeh

1. Comments from the Public  
*None present*
2. Council Liaison update  
**Mayor Abelson provided an overview and highlights of the Specific Plan to be considered by Council for adoption in September.**
3. Staff update  
**Ms. Malek-Zadeh provided an update on recently resolved sales tax sharing agreement with the City of Richmond. New agreement and details to be presented to El Cerrito's and Richmond's City Council in December. Also provided an update on that SEIU tentatively agreed to a new labor agreement with discussions continuing with the Public Safety Managers group.**
4. Minutes for Approval  
**FAB unanimously approved the August 12, 2014 meeting minutes with the addition of changes.**
5. Received and discuss findings and management response to FY 2013 MOIC  
**Ms. Malek-Zadeh provided an overview of the process and how findings are addressed in the memo. The document discusses findings from FY 2013 and is now outdated as the Auditor's are in the process of completing FY 2014. Some of the findings have already been addressed and will be reflected in FY 2014 findings. Ms. Malek-Zadeh**

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City of El Cerrito Financial Advisory Board  
Meeting Minutes

**also suggested FAB review the Finance Department's Work Plan which will provide a more current status of the some of the issues addressed in the memo. Also discussed reviewing MOIC findings again in December when a review is done of the Comprehensive Financial and Investment Policies.**

<http://www.el-cerrito.org/DocumentCenter/View/3868>

<http://www.el-cerrito.org/DocumentCenter/View/3616>

6. Discuss Purchasing policies review

**Ms. Malek-Zadeh discussed the importance of reviewing the purchasing policies that haven't been review in several years. Asked for FAB's assistance in reviewing the current practices, look at the policy of other jurisdictions and determine what should be included and or changed.**

7. Discuss Agenda Items for the Next Meeting

Approve meeting minutes September 9, 2014

Receive Quarterly Investment Report

Review Finance Department's Work Plan

Purchasing Policies

FY 2014-15 Work Plan  
Finance Department

Finance Work Plan	IT Related	Reference	Status
<b>Rev Collection/Treasury</b>			
TRANS			Completed- funded on 9/26/14.
A/R Module- invoices, aging reports, collections.	IT	MOIC 2013-04- E, F	Met with NWS PM * Account Rep at NWS conference. Set tentative date of 12/1 to begin implementation process. We will also be able to use cash reconciliation module once implemented, which will provide us with detailed information to better understand our cash flow.
Business Process Improvements	IT	MOIC 2013-11	After meeting with NWS, decided to wait until we implement AR module, changes to AP process and complete review of accounting procedures by consultant.
On line prmts- Business License Renewals	IT		Evaluating results of use & survey
Epayments	IT		Will not implement.
Investigate options to use NWS Business license module for FY 2015-16.	IT		Will not implement this option.
Automation of processes related to cash	IT	MOIC 2013-06	Requested special audit as part of MAZE 2014 annual audit. Will also consider as part of overall review of Accounting.
Cash Flow Projections			Consultant tentative start date of Nov 1.
NWS Integrations- REC Trac	IT		Issues resolved the Project codes and last imported test on New World was successful. All imported transactions were accepted by NWS without errors. James to complete additional tests this week.
Cleared checks integration with NWS.	IT		Successful testing for September and October. Now using in Live
CRW	IT	MOIC 2013-07	Contacted the VP of Client Services and have scheduled him to meet with departments & senior staff on 10/29 for an evaluation, training and recommendations on next steps.
<b>Purchasing</b>			
Implement purchase order process	IT	MOIC 2013-08	Departments are starting to use POs more consistently. Need to make change in NWS (can't override budgets) in order to have POs provide proper controls and use for forecasting.
Purchasing policy & Purchasing Ordinance		MOIC 2013-09	Discussed with FAB at 9/9 meeting and will assist with review of this policy- suggest improvements and map out process. They will also be gathering policies from other Cities to use in evaluation.
Year End Process		MOIC 2013-10	Process complete. Identified PO to roll forward and final FY 2014 numbers to be complete by the end of the week.
Investigate automation of AP		MOIC 2013-11	Demo with Laser Fische for automated work flow of AP. Asked Laser Fische to talk to NWS to see how the integration and work flow would function. We will then evaluate options. Also having AP temp meet with departments to confirm their current internal practices, and solicit feedback, suggestions concerns about current process so we can address these as we design a new process.
Cal Card online reconciliation			Spoke with PM at US Bank to gather requirements to implement. Sent US Bank all requested information to complete set up for automation. Will be scheduling training for users to begin online coding and completion of transactions. Finance will upload charges at the end of the month replacing time consuming manual process of coding and journal entry.
Increased use of Cal Card			
<b>Budget</b>			
Complete FY 2014-15 FY 2015-16 Adopted budget Book			Extension through end of month for GFOA. Finalizing application. CSMFO application was submitted. GFOA submittted on 10/16/14
Implement Position budgeting	IT		Will revisit in Feb- March
Qtrly forecasts			Need to determine process to maintain w/loss of analysts
Line item reviews			TBD
Regular reports/reviews			Created K/ Finance and have started posting some regular reports- Adopted Personnel budgets, vendor totals
Investigate Forecasting Software			ON HOLD

FY 2014-15 Work Plan  
Finance Department

<b>Finance Work Plan</b>	<b>IT Related</b>	<b>Reference</b>	<b>Status</b>
Business Analytics Training			Initiated with NWS to schedule regional training- EC to host. Training scheduled on 12/10/14.
CIP Budgets			Learned how to better use project budget in NWS. This will replace need to create project initiation forms outside of NWS. Will work with Yvette to implement. Also need to have a better year end project reconciliations and carryover process.
<b>Payroll</b>			
Complete implementation of contracting payroll to Paychex		MOIC 2013-04 B,C, D MOIC 2013-09	Test payroll completed, but project team identified and expressed some concerns. Meeting scheduled with EC team on 10/20 to discuss and address issues and determine how best to move forward.
<b>Internal Controls</b>			
Review front counter/build fees		MOIC 2013-07	
Cash location reviews		MOIC 2013-06	To be scheduled
Review internal controls (Cash, AP, Revenue)		MOIC 2013-06	
<b>Staffing</b>			
Determine new duties			TBD once payroll complete
Plan For Front Counter			Had meeting on 9/3. Follow up scheduled 9/23 with many issues to resolve and how "Finance" duties will be handled.
Excel Training			Yoko has completed. Geoff scheduled in November.
<b>Accounting</b>			
FY 2014 CAFR			In process. Final FY14 numbers this week to Auditor. Auditor on site beginning 10/27.
Review of Accounting Procedures			Tentative start of November 1
Reduce Journal Entries			Requested last month a list of all regular entries from Geoff. Haven't yet received, but will be part of the accounting review.
Initiate "soft" monthly closes			Want to implement monthly closes. Won't include full accruals, but will provide more solid numbers for budgeting and aligning revenues + expenses more accurately.
<b>Other</b>			
Council report language			Sent all departments language and posted to K Drive.
Grant process			Considering elimination of grant & CIP funds to create individual funds. Spoke with Maze and confirmed that we could proceed.
UUT + Biz License Ordinance			Need to update
Sales Tax Revenues- City of Richmond			Spoke with BOE regarding District Taxes, but still not clear on how they are charging all 3 taxes. Need further clarification. Also, need to finalize agreement and complete Council report for December based on agreement with Richmond.