



MINUTES

REGULAR MEETING OF THE FINANCIAL ADVISORY BOARD (FAB)

Tuesday, November 23, 2021 at 7:30 PM

VIA ZOOM

Staff Liaison

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1. **ROLL CALL** – Chair Patterson called the meeting to order at 7:30 PM.
Present: Chair Dick Patterson; Vice-Chair Farhad Farahmand; Members Ruth Cazden, William Ktsanes. **Absent:** None

2. **ORAL COMMUNICATIONS FROM THE PUBLIC (5 min.)**
Remarks are typically limited to three minutes per person, and may be on anything within the subject matter jurisdiction of the body. Remarks on non-agenda items will be heard first, as well as introduction by individuals interested in serving on the advisory body. Remarks on agenda items will be heard at the time the item is discussed.
Potential Applicants in attendance – Kimberly White, Jason Simms

Cordell Hindler – shared upcoming community events, time included with agenda items, and desire to return to in person meetings.

3. **COUNCIL/STAFF LIAISONS ANNOUNCEMENTS AND REPORTS (5 min.)** Staff and/or Councilmembers may report Council policies, priorities and significant actions taken by the City Council, and/or on matters of general interest to the FAB.
City Manager Karen Pinkos – Provided update on finance department and recruitment for Finance Director; reviewed first quarter general fund update provided to Council in November; and detailed recent change to structure of retiree health care to eliminate subsidy and liability to city.

Public Comments:
Cordell Hindler – commented on work with Peckham and McKinney, and in support of public participation in the finance director recruitment process.

4. **COMPREHENSIVE FINANCIAL POLICY REVIEW**
 - A. **BUDGETING BY DEPARTMENT (~ 30 min.)** Discuss potential policy modifications to the Comprehensive Financial Policy regarding budgeting by department. Make a motion as needed.
Discussion – Members discussed timing, current language, next steps, focus on method of reporting, connection to state auditor recommendation, section 2.2 clarification, potential addition related to reporting requirements for certain activities, department thresholds for changes not requiring council action, and possible new section related to reporting requirements.

City Manager to have financial consultant review and will provide suggested language modifications at the next meeting for further discussion, and clarification on intent of the use of “control” in the policy.

Public Comments:

Cordell Hindler – suggested adding the position of Assistant to the City Manager.

No formal action taken.

- B. RESERVE LEVELS (~ 30 min.)** Discuss potential policy modifications to the Comprehensive Financial Policy regarding reserve levels and related language. Make a motion as needed.

Discussion – members discussed if current reserve requirements are adequate, difference between reserve level and the emergency disaster reserve fund (EDRF), timeline to reach reserve goals, and how to fund. Option to consider more details related to use of surplus funds.

Public Comments:

Cordell Hindler – commented on other jurisdiction policies

No action taken.

5. SECTION 115 TRUST DISCUSSION (5 min.)

Discussion and receive an update on establishing a Section 115 Trust and next steps.

Discussion – Overlooked action by council and current status of council action to continue working on creating a Section 115 Trust.

Public Comments:

Cordell Hindler – spoke on city to work with PARS.

No action taken.

FUTURE AGENDA ITEMS (5 min.)

- FAB Work Plan
- Annual Comprehensive Financial Report (ACFR) (not before January)
- 5 Year Forecast (after ARPA guidance is confirmed)
- Fiscal Recovery Plan Status Update (when available)
- Reporting Section for the Financial Policy
- Any other policy revisions (general suggestions by members)
- Investment Policy (request by Ktsanes)
- Communication plan between Council and FAB

Staff announced that the December meeting will be cancelled.

6. ADJOURNMENT

The regular meeting adjourned at 9:48 p.m.



Dick Patterson, Chair

This is to certify that the foregoing is a true and correct copy of the minutes of the regular Financial Advisory Board meeting of November 23, 2021 as approved by the Financial Advisory Board.



Karen Pinkos, Staff Liaison