



**BUDGET AND AUDIT COMMITTEE
REGULAR MEETING AGENDA**

**Monday, March 25, 2024
4:00 p.m.**

**Hoyer Hall, Clayton Community Library
6125 Clayton Road, Clayton, CA 94517**

Zoom Videoconference and Call-in:

Webinar: <https://us02web.zoom.us/j/88339794693>

Telephone: 1 + (669) 900 - 9128 **Webinar ID:** 883 3979 4693

Committee Members

Kim Trupiano, Vice Mayor

Jeff Wan, Councilmember

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT ON NON - AGENDA ITEMS

Members of the public may address the Budget and Audit Committee on non-agendized items within the Committee's jurisdiction. To ensure an orderly meeting and an equal opportunity for everyone, each speaker is limited to three (3) minutes, enforced at the Committee's discretion. In accordance with State Law, no action may take place on any item not appearing on the posted agenda. The Committee may respond to statements made or questions asked or may at its discretion request Staff to report back at a future meeting concerning the matter.

Public comment and input on other agenda items will be allowed when each item is considered by the Committee.

3. Action Items

- a) Review and answer questions from committee members related to the Fiscal Year 2023-2024 Budget.

- b) Conduct interview and recommend to the full City Council for consideration appointment of one (1) new member to the Community Financial Sustainability Subcommittee to one of three (3) available seats:
 - i. Seat 1 - term of office expired December 31, 2023. New term would expire on December 31, 2025 (partial term)
 - ii. Seat 2 - term of office expired December 31, 2023. New term would expire on December 31, 2025 (partial term)
 - iii. Seat 3 - term of office expired December 31, 2024. New term would expire on December 31, 2026 (full term); andRecommend to the full City Council for consideration the reappointment of Howard Kaplan (term expires December 31, 2024) and Hank Stratford (term expires December 31, 2024) for an additional two years for a new term end date of December 31, 2026.
(Finance Director)
[\(View\)](#)

4. ADJOURNMENT

The next regularly scheduled meeting of the Budget and Audit Committee will be April 22, 2024.

Meeting Information and Access

- A complete packet of information containing staff reports and exhibits related to each public item is available for public review in City Hall located at 6000 Heritage Trail and on the City's website at www.claytonca.gov
- Agendas are posted at: 1) City Hall, 6000 Heritage Trail; 2) Library, 6125 Clayton Road; 3) Ohm's Bulletin Board, 1028 Diablo Street, Clayton; and 4) City Website at www.claytonca.gov
- Any writings or documents provided to a majority of the Budget and Audit Committee after distribution of the agenda packet and regarding any public item on this agenda will be made available for public inspection in the City Clerk's office located at 6000 Heritage Trail during normal business hours and is available for review on the City's website at www.claytonca.gov
- If you have a physical impairment requiring special accommodation to participate, please call the City Clerk's office at least 72 hours (about 3 days) before the meeting at (925) 673-7300.

Remote Access

The public may attend Budget and Audit Committee meetings in-person or remotely via livestream on the City's website and through Zoom. As a courtesy, and technology permitting, members of the public may continue to provide live remote oral comment via the Zoom video conferencing platform. However, the City cannot guarantee that the public's access to teleconferencing technology will be uninterrupted, and technical difficulties may occur from time to time. Unless required by the Brown Act, the meeting will continue despite technical difficulties for participants using the teleconferencing option.

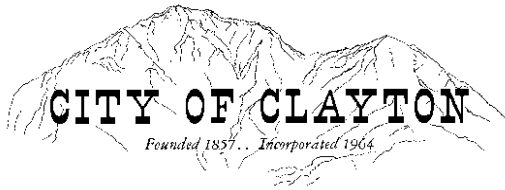
1. **Videoconference:** Click or visit the link on the front page of the meeting agenda. To access the webinar, you may download the Zoom client application or connect to the meeting in the web browser. You will be asked to enter your email address and name.

When the Mayor calls your item of interest, click the "raise hand" icon to be added to the speaker queue. The Clerk will identify you by name and you will hear "you have been unmuted" when it is your turn to provide public comment.

2. **Phone-in:** Dial the telephone number provided on the front page of the agenda. When prompted, enter the meeting ID. Once connected you will hear the meeting discussions but will remain muted. When your item of interest is called, please dial *9 to "raise hand" and be added to the speaker queue. The Clerk will identify you by the last 4-digits of your phone number and you will hear "you have been unmuted" when it is your turn to provide public comment. To toggle between mute/unmute on your device, please dial *6.

3. **E-mail Public Comments:** Public comment may also be sent to the City Clerk at cityclerk@claytonca.gov by 5:00 p.m. on the day of the meeting. All e-mailed public comments will be forwarded to the entire Budget and Audit Committee and made part of the official meeting file.

Each person attending the meeting in-person, via videoconference, or call-in and who wishes to speak on an agendized or non-agendized matter (within the council's jurisdiction), shall have a set amount of time to speak as determined by the Mayor.



STAFF REPORT

TO: Budget and Audit Committee Members

FROM: Prapti Aryal, Finance Director

DATE: March 25, 2024

SUBJECT: Review Application, Conduct Interview and Recommend Appointment of (1) One New Member to the Financial Sustainability Subcommittee to be Acted on by the Full City Council

RECOMMENDATION

Conduct interview and recommend to the full City Council for consideration appointment of one (1) new member to the Community Financial Sustainability Subcommittee to one of three (3) available seats:

- i. Seat 1 - term of office expired December 31, 2023. New term would expire on December 31, 2025 (partial term)
- ii. Seat 2 - term of office expired December 31, 2023. New term would expire on December 31, 2025 (partial term)
- iii. Seat 3 - term of office expires December 31, 2024. New term would expire on December 31, 2026 (full term); and

Recommend to the full City Council for consideration the reappointment of Howard Kaplan (term expires December 31, 2024) and Hank Stratford (term expires December 31, 2024) for an additional two years for a new term end date of December 31, 2026.

BACKGROUND

On October 18, 2022, the City Council established the Community Financial Sustainability Subcommittee via Resolution 76-2022.

Per the establishing resolution, the City Council's Budget & Audit Committee is charged with reviewing applications and ultimately recommending subcommittee appointments to the full City Council. Currently the subcommittee has three vacancies. Two of the three available

terms expired in December 2023. It is recommended that if a new appointment is made to one of the expired seats, that the term expire in December 2025 in order to maintain the staggering of the terms. Should an appointment be made to one of the expired seats, the member would be eligible to be reappointed to a full term at the end of the initial partial term if the Budget and Finance Committee and the City Council would like to make the reappointment. The third available seat has a term expiring December 31, 2024. An appointment to this seat would have an expiration date of December 31, 2026.

The two seated members of the committee have terms that expire in December 2024. Mayor Diaz has expressed to staff the desire to extend these appointments for an additional two years. The currently occupied seat terms would then be set to expire in December 2026. This would not affect the staggering of the subcommittee as the seats would renew for another two years to 2026. The Committee and Council may defer the reappointment of the two members, if desired, to the planned expiration of the term.

The full City Council is the ultimate appointing body.

FISCAL IMPACT

None other than staff time to support the subcommittee.

CEQA IMPACT

None

ATTACHMENTS

1. Application – Gavidia, F.
2. Resolution 76-2022



CITY OF CLAYTON

COMMUNITY FINANCIAL SUSTAINABILITY COMMITTEE APPLICATION

Name: Frank Gavidia

Date: 03/07/2024

Home address: [REDACTED] Contact phone: [REDACTED]

Length of residence in Clayton: 24 years

Email address: [REDACTED]

Present employer: Globe & Anchor Wealth Management & Financial Planning, LLC

Occupation: Registered Investment Advisor

Education and special training. Specifically identify your background and experience in governmental finance and accounting, auditing, financial management:

Bachelor of Arts, Economics, Minor in Business Administration

CERTIFIED FINANCIAL PLANNER™ Professional

Please provide an example of how you have addressed a complex financial challenge in your work. Please provide as many specifics as possible, particularly to actions or decisions for which you were personally responsible.

For the last 30 years I have managed portfolios and created financial plans for wealthy families. The work involves analyzing corporate balance sheets and income statements. The work involves budgeting, variability of returns and asset dissipation.

Since this is a new Committee, what do you think are the three most important goals for the Committee to achieve in its first year?

Determine the actual numbers for expenses and revenue

Communicate the findings to the City Council and the public

Obtain accurate data from the city

Please describe what you believe the top financial challenge is facing the City of Clayton. What research have you done in reaching this conclusion?

The city's greatest challenge is to operate successfully with a limited sales tax base and relatively fixed property base as Clayton is 98% built. Most revenue comes from ad valorem taxes, turnover is the source of revenue increases. Clayton needs to live within its means and make it clear to the public what services they are paying for

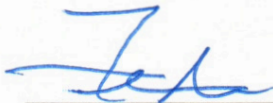
List three references with phone numbers:

[REDACTED]

[REDACTED]

[REDACTED]

Please attach a resume or other summary of your relevant financial experience.



Signature

March 7, 2024

Date

RESOLUTION NO. 76-2022

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAYTON
ESTABLISHING A COMMUNITY FINANCIAL SUSTAINABILITY COMMITTEE**

**THE CITY COUNCIL
City of Clayton, California**

WHEREAS, the City of Clayton like many other municipalities faces financial pressures;

WHEREAS, polling completed in the Spring of 2022 indicates that the Clayton community is very satisfied with the quality of life in Clayton;

WHEREAS, the Clayton community is generally not aware of the financial challenges facing the City; and

WHEREAS, increased engagement with the community around financial matters will benefit the City and the community.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLAYTON, CALIFORNIA:

- 1. Membership:** The Committee shall include five Clayton residents as voting members, appointed by the City Council. All members shall possess a background in finance, accounting auditing or related field. Membership shall include at a minimum:
 - a. One member with experience in governmental accounting
 - b. One member with experience in governmental finance and/or budgeting
 - c. One member with experience in auditing
- 2. Appointment Process:** The Council Budget & Audit Standing Committee will be responsible for screening applications and interviewing candidates for the Committee. The Budget & Audit Committee will make recommendations on appointment to the full City Council. Appointment will be by a majority of the full City Council.
- 3. Term of Service:** The term of service for each member shall generally be two years. The initial term of some members may be less or more than two years so that the expiration dates are staggered.
- 4. Compensation:** Members of the Committee will receive no compensation for their service.
- 5. Meetings:** All meetings of the Committee are open to the public. The Committee shall determine the meeting schedule provided that the Committee holds at least four meetings per year. The Committee shall comply with state law regarding the noticing and conduct of public meetings.

6. **Quorum:** Three members of the Committee constitute a quorum. A majority vote of a quorum is required for the Committee to take any action, including approval of a recommendation to the City Council.
7. **Mission Statement:** The Committee shall act in an advisory capacity to the City Manager and City Council and shall make recommendations on the annual budget and financial matters related to the City's operation but shall not have any direct spending or operational authority. It is the goal of the Committee to increase engagement and information around City financial matters.
8. **Duties of the Committee:**
 - a. Identify areas for additional evaluation for financial savings or revenue generation.
 - b. Communicate with the community on City financial matters.
 - c. Review the City's proposed annual budget and provide recommendations to the City Manager, Budget & Audit Subcommittee and the City Council.
 - d. At the request of the City Council, have a representative attend other meetings such as the City Council's annual goal-setting meeting.
 - e. Select at least one and no more than two Committee members to attend City Council Budget & Audit Subcommittee meetings to represent the Community Committee.
 - f. Make recommendations to the Budget & Audit Subcommittee and City Council on financial matters related to City operations including but not limited to:
 - i. Each year, to the extent that the City's external audit identifies available General Fund surplus in the prior budget year, make recommendations regarding potential uses or reservations of those funds (January);
 - ii. On a semi-annual basis, typically during the annual budget process (May/June) and mid-year budget process (January/February), review the City's current financial circumstances and capital needs to make recommendations regarding expenditures and revenues.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Clayton, California, at a regular public meeting thereof held on the 18th day of October 2022, by the following vote:


AYES: Mayor Cloven, Vice Mayor Tillman, Councilmembers Diaz, Wan, and Wolfe.

NOES: None.

ABSENT: None.


ABSTAIN: None.

THE CITY COUNCIL OF CLAYTON, CA



Peter Cloyen, Mayor

ATTEST:



Janet Calderon, City Clerk