

To: Citizens' Finance Advisory Commission (CFAC)

From: Steve Adams

Date: November 8, 2017

RE: Final review of CFAC Survey Comments, Continued discussion of CFC Roles and Duties and February 13, 2017 Joint Study Session with City Council.

CFAC members,

I will be present at your November 11, 2017 meeting to finalize our Memorandum to City Council in preparation of a joint study session, currently scheduled for February 13, 2018. By that time, the Committee positions should all be filled.

I have appreciated all of your comments identifying your concerns as well as, your words of encouragement for the Budget Staff. I would like to have a little more discussion regarding your understanding of the Roles and Duties of CFAC.

We have taken every effort to ensure your comments make their way to City Council in a respectful and succinct process. That being said, I hope to have consensus of CFAC, to move forward with the final version of the memorandum to City Council. We are scheduling a joint meeting with City Council and CFAC on February 13, 2018.

Thank you so much for your patience as we work through the details to establish and implement this survey process.

Attached :

November 11, 2017 City Council Memorandum

CFAC Roles and Duties

To: **City Council (November 14, 2017)** Citizens' Finance Advisory Commission (October 11, 2017)

From: Steve Adams, City Manager

Date: **November 14, 2017** and October 11, 2017 (presented to CFAC for discussion)

RE: "Survey Comments" and **"Comments received at October 11, 2017 CFAC meeting"**

CFAC members,

I would like to express my appreciation for your willingness to submit survey results to me. If you have not submitted your comments, please be advised that I can still include your comments to be forwarded to Council. I have taken the liberty of combining your comments into a single document for discussion. Some Comments were a little more difficult to categorize than others were. I will be discussing this memorandum at the meeting. I have also attached the Summaries of Roles and Duties and the Membership roster to assist in the discussion.

Survey Results Summary (Summary items reflect order on Survey)

1. Have you received the Boards and Commission Handbook, and are you familiar with your role and duties:
  - a. All responded in the Affirmative (Yes)
  
2. Please describe your definition of the Role of "Council Liaison":
  - a. Communicate with the B&C when City Council communication is needed and to serve as the primary two-way communications channel between the City Council and the B&C. Serve as the primary informal City Council contact. Help resolve questions the B&C may have about the role of the City Council municipal government, and the B&C.
  - b. Provide procedural direction and relay the City Council's position to the B&C, and to communicate to the B&C that the liaison's role is not to direct the board in its activities or work. Serve as City Council contact rather than an advocate for/or ex-officio member of the B&C.
  - c. Participate in filling vacancies, reviewing applications, and interviewing candidates for the B &C.
  - d. Establish formal or informal contact with the chairperson of the B&C and effectively communicate the role of the liaison.
  - e. Provide city council updates to the Board, is the primary contact for the Board and answers questions or concerns that are discussed.
  - f. In my opinion, it would be helpful to hear from City Council and Staff what their expectations are. Some reflection upon the historic role played by CFAC would be useful.
  - g. City Councilors could use CFAC members as messengers to ask questions of City staff.
  - h. The Council Liaison is to inform CFAC about Council issues and direction
  - i. Communicate City Council's relevant deliberations and requests to CFAC and vice versa.
  - j. Be the communication link between City Council and Commission
  - k. **Resolve City and Staff expectations for the B&C.**
  - l. **Clear, concise and thorough communication regarding: Auditors, CFAC Topics and Budget**
  - m. **Council liaison should communicate the Consensus of Council to the B&C not one Council's opinion. (Example of CFAC Topic: Economic development summary report)**

Please describe your definition of the Role of "Staff Liaison":

- a. Serve as the primary two-way communication between the city staff and the B&C.
- b. Participate in filling vacancies, reviewing applications, and interviewing candidates for the B&C.
- c. Provide information to prepare the B&C to make recommendations.

- d. Provide and present information to be reviewed by Board. Incorporate, present or adjust financials based on recommended changes.
- e. Since the arrival of the new Budget Manager, there seems to be more focus on budget matters, which in my opinion is good.
- f. City staff to appraise CFAC throughout the year as the next year's budget is being developed, not just one or two meetings prior to Council adoption.
- g. The intent would be to enable staff to reflect upon and prepare for its presentation of the proposed budget to the City Council.
- h. Staff liaison is to keep CFAC abreast of Finance/budget development issues.
- i. Provide useful information to CFAC for CFAC's consideration.
- j. Provide information and facts to the Commission
- k. *CFAC members expressed concern that they do not see items that are in their purview, before they are considered by City Council.*

Please describe your definition of the Role of "Board or Commission member":

- a. Responsible to investigate and make thoughtful recommendations based upon expertise and experience to the City Council and city staff on issues coming before them.
- b. Review and provide input, suggestions, recommendations to information provided and discussed by staff liaison or council liaison including budgets, spending, deviations, etc.
- c. My sense is that when it comes to community interest in CFAC, unless we were to be addressing issues of taxation and offering recommendations, there is little interest. We have had issues with attendance and I don't see any merit in meeting more frequently. I believe there are advantages to having a standing commission with staggered terms from a continuity and historical perspective. A problem over the past year and one-half has been a lack of members.
- d. The list of roles in the CFAC Mission document is comprehensive. The basic question that must be asked and answered is "to what level of detail should the CFAC members delve into the specifics?" CFAC could function as a "sounding board." Questions like, i.e.; what are the Council/staff spending priorities for the coming year? What are the new items in the budget? What are the issues and assumptions influencing development of the budget? What problems might be encountered (foreseen) given adoption of the budget? What deviations from historic precedence are incorporated? What, if any, Tabor or other fund balance implications are there? Etc.
- e. I am not sure that the nine CFAC members have the capacity or interest in all of the "nuts and bolts" of the budgetary process.
- f. CFAC members is to provide thoughtful citizen perspective on the financial health of the city.
- g. I resent attempts to politicize CFAC, or any other Board and Commission. I do not believe we should be puppets of either the City Council or City Staff.
- h. Participate in CFAC meetings to provide thoughtful advice to Council.
- i. Review/ Comment/Advise without advocating.
- j. *Items that go to a Board or Commission, prior to being considered by council adds a layer of transparency for the benefit of the community.*
- k. *"Review in detail" Which should be covered by the review of each step in the process as opposed to limiting review to a report.*
- l. *Assumptions are the most important thing. Should not have to reach for a number.*
- m. *Take questions in preparing the report.*
- n. *CFAC believes they had a performance review and failed. Desire follow up communication, when concerns are identified.*

**o. Expressed frustration regarding City Council "unidentified" guidelines i.e. "comfortable with the budget" or "these are best practices", etc..**

3. Do you believe your Board or Commission is important to the community?
- YES
  - Yes. Important to have a knowledgeable, non-city paid group review financials and spending of the city.
  - The only vested interest the Board has in the numbers is how it may affect the taxpayers and does it make sense for them.
  - Yes
  - Yes
  - Yes

What, if any improvements are needed in:

A) Meeting frequency:

- Frequency meets the needs and Theresa does an excellent job communicating and providing information in between meetings.
- Since City Council agendas are known a month in advance, if there are items the Board needs to review before Council meeting, the Chair should be able to call a meeting of the Board to discuss topic in addition to the monthly meetings. **Budget calendar is available a year in advance**
- Once a month is fine
- Concerning meeting frequency and timing, we are citizens who freely give of our time and understand that sometimes we do not meet to review budget, for example, before it is presented to Council. Calendar timing is what it is but staff always brings us up to speed as quickly as possible.
- I think it is about right as is.
- Increase number around Budget season.

B) More Defined Expectations:

- Theresa and city staff do a great job setting expectations regarding their ask of CFAC in preparation for upcoming meetings.
- Believe expectations are appropriate and communicated through the handbook
- Unfortunately, the timing of when CFAC has been presented various items at times has come after they have been presented to the Council. The monthly Snapshot and Investment Reports provide very interesting and relevant information. The development of the fund balance reports have also been interesting. The recent recalculation of the Tabor fund balance was an "eye-opener." Greater exposure to economic incentive policies and proposals by CFAC may have merit.
- I see no point in redefining CFAC.
- I think CFAC has established an approach over time that has apparently been acceptable to City Council until recently. If someone wants to redefine expectations, we should just acknowledge that.
- Yes, But with adequate lead-time to react.

C) Conversion to Ad Hoc Committee (specific purpose committee):

- I feel the scope of CFAC is too critical to move to Ad Hoc
- If there are no expectations from outside the CFAC membership, I question its continued existence.
- Do not support. There is a significant learning curve for CFAC members - about six months. Converting to an ad hoc committee would make responding to a budget crisis

very difficult. Not having continuing members lead the discussion or having newly appointed members provide thoughtful advice would be unlikely.

4. Please rate the following process from 1 to 5 (1 poor to 5 great):

Agenda and packet process	5, 5, 3, 5, 4, 5
Staff communication	5, 5, 4, 5, 4, 5
Council communication	4, 5, 4, 1, 1, 3
Board or Commission Attendance	4, 5, 1, 4, 3, 4

5. Based on your experience as a member, would you recommend Board or Commission service to someone you know? All responded in the affirmative (Yes)

6. Other Comments:

- a. I feel that Theresa does a great job as Staff Liaison and hope that CFAC can continue to meet her and the rest of the city staff and councils' needs in helping guide financial planning.
- b. It would be helpful to know what the City expects of the Board.
- c. Greater use of a "rolling calendar" (Example Work Plan attached to the CFAC Mission) would help members anticipate what would be coming up for discussion.
- d. I have nothing but praise for City Staff and huge disappointment with the Council Liaisons. I sense no disrespect from staff, but certainly sense it from Council.
- e. I think it is critical when an individual serves on a Board or Commission that a City Council members and a City Staff treat the individual with respect and continue the rules that have been established for the conduct of that Board or Commission's business.
- f. If Council expects people to serve with no compensation, those people should be treated with more respect than to take recommendations to the City Council, which have not been discussed with the CFAC or even the Chair.
- g. The process for interviewing and making recommendations to City Council should be clarified and followed. *Retroactive Active appointment - approved member. There was a lot of frustration regarding the interview process. Should applicants be interviewed by the entire committee or one at a time by "individual interview committee members".*
- h. In 2016, the Council Liaison attended only three of ten meetings and was either late arriving or left early. The current Liaison does attend meetings and was regular in his attendance as a member of CFAC.
- i. To date, my participation has been limited to two meeting my opinions are therefore based upon limited experience.
- j. *Having a well defined "Workplan"*
- k. *Could Members of Council take the survey and compare the results to the CFAC responses. Results may vary between even two council members.*
- l. *Compare the process (CFAC like the survey process)*
- m. *CFAC should approve the budget – to avoid cross political handling i.e. "Cutting the food tax", raise taxes, etc..*  
*CFAC has a long learning curve. The historical knowledge of the City's financial processes and historical spending allows more time to be spent on the actual budget review than constantly training new members on the process and government budgeting terms and lingo. All current CFAC members have served on the board for less than 2 years.*



# Citizens' Finance Advisory Commission (CFAC) Roles and Duties

## Background

The Commission was originally established as the Citizens' Budget Advisory Committee on April 6, 1993 (Ord. #3890). On January 2, 2001, the Citizen's Budget Advisory Committee and the Finance Committee were combined to form the "Citizen's Budget and Finance Advisory Commission" (Ord. #4168), which was renamed the "Citizens' Finance Advisory Commission" (CFAC) on March 20, 2001 (Ord. #4615).

## Roles and Duties of the Commission

The duties are established by Municipal Code 2.60.060, as follows:

*"Citizens' finance advisory commission.*

- A. *There is established a citizens' finance advisory commission consisting of nine members appointed by the city council. The term of office of each member shall be three years.*
- B. *The purpose of the citizens' finance advisory commission shall be to review the city's budget in detail and to report to the city council on its findings, to evaluate and recommend auditors for use by the city, to review city financial reports, and to review the city's financial policies and recommend changes to the city council."*

## Current Commission Operations, 2016

Membership:	Nine (9) members	
Term:	Three (3) years	
Qualifications:	General provisions found in 2.60.020.	
Meetings:	Monthly, second Wednesday, 6:00 p.m., in the City Council Chambers	
City Council Liaison:	Steve Olson	
Department:	Finance/Budget	
Staff Liaison:	Theresa Wilson	Office Support: Chloe Romero

## Attendance Policy

The effective operation of a board depends upon regular attendance of the members at meetings. A commission, committee, or board member shall be required to attend 70 percent of scheduled meetings during a fiscal year.

## **Boards and Commissions Handbook**

The City of Loveland publishes a Boards and Commissions Handbook, which contains further detail about the operations of commissions. Among other things, the Handbook provides for officers as follows:

- 1) Chair: Serve as presiding officer over all meetings. Sign all documents on behalf of the board, see that all of the decisions of the board are carried out properly, and perform any other duties and functions requested by the board. Working with the recording secretary, preparing an agenda for each meeting.
- 2) Vice Chair: Perform the duties of the chairperson in the absence of the chairperson; perform any other duties assigned to his office by the board.
- 3) Recording Secretary/ Office Support: If a City Staff person is not made available to serve as recording secretary, a board shall also choose a recording secretary. The Recording Secretary keeps the record of the board, is responsible for the minutes of the meeting, and keeps a record of the proceedings of the board. The secretary also performs any additional duties or functions that the board may assign. Ensures all meetings are posted according to statutory requirements.
- 4) Council Liaison: communicate with the board or commission when City Council communication is needed and to serve as the primary two-way communications channel between the City Council and the board or commission; participate in filling vacancies, reviewing applications, and interviewing candidates for the board or commission; serve as the primary informal City Council contact; help resolve questions the board or commission may have about the role of the City Council, municipal government, and the board or commission; establish formal or informal contact with the chairperson of the board or commission and effectively communicate the role of the liaison. Provide procedural direction and relay the City Council's position to the board or commission, and to communicate to the board or commission that the liaison's role is not to direct the board in its activities or work; serve as City Council contact rather than an advocate for or ex-officio member of the board or commission.

### Training Board Members:

Recognizing that a newly appointed board or commission member will need a basic foundation of knowledge concerning the subject matter having to do with the particular board or commission, the City will provide informal and/or formal training opportunities for each newly appointed member.

### Direction to Boards:

Matters upon which a board makes recommendations can come from the City Council, from city staff, the citizens of Loveland, and from the board members themselves. The City Council does not wish to impose a rigid structure upon the thoughts and ideas of any board or commission, but instead believes that creative and innovative ideas can come from many different sources. Often, however, ideas will originate with the consideration and adoption of goals by the City Council, and boards and commissions will be asked to consider such goals. The normal channels for communication between the City Council and the boards and commissions are through the City Council liaison to the board and city staff in the affected department. Such persons will report to the Council the deliberations and recommendations of the board. The boards and commissions, and their individual members, are always free to communicate directly with the City Council on any matter concerning their areas of responsibility.

**CITIZENS' FINANCE ADVISORY COMMISSION**

<b>Member</b>	<b>Ward</b>	<b>Original Appointment Date</b>	<b>Expiration Date</b>
Carolyn Grulke	3	7/7/2015	12/31/2017
Jason Napolitano	Cnty	1/3/2012	12/31/2017
Derek Strader	4	7/5/2017	12/31/2017
Richard Bilancia	4	7/5/2017	12/31/2018
Leslie Snow	4	7/5/2017	12/31/2018
Roger Weidelman	4	3/15/2016	12/31/2019
Vacant			12/31/2019
Bradley Pierson	2	1/4/2011	12/31/2019
Cass Sosa	3	4/4/2017	12/31/2019
<b>Council Liaison</b>			
Steve Olson	2		
<b>Alternate</b>			
Don Overcash	4		
<b>Staff Liaisons</b>			
Theresa Wilson			
Chloe Romero			

**SERVICE**

Three Year terms

**RENEWAL PERIOD**

December