

## STAFF REPORT

---

**Date:** July 26, 2023

**To:** Mayor and City Council

**Thru:** Doug Thornley, City Manager

**Subject:** Staff Report (For Possible Action): Acceptance of the Annual Report of the Financial Advisory Board and Approval of the Fiscal Year 2023/2024 Work Plan.

**From:** Vicki Van Buren, Director of Finance

**Department:** Finance

---

### **Summary:**

The Financial Advisory Board (FAB) Chair is required to file and submit an annual report for Council's approval. The FAB recommends Council approve the Fiscal Year (FY) 2022/23 report, as submitted, including approval (with or without modifications) of the Board's proposed work plan for FY 2023/24.

### **Alignment with Strategic Plan:**

Fiscal Sustainability

### **Previous Council Action:**

The previous report submitted by the Financial Advisory Board covered the Board's activities from July 2021 through June 2022 with a work plan from July 2022 through June 2023.

### **Discussion:**

The FAB, as required by RMC 2.08.380 to 2.08.476, serves in an advisory capacity to Council and City administration. The FAB reviews current policies and procedures relating to City finances and makes recommendations for improving the City's financial condition. It consists of up to 11 members who are appointed by Council to carry out the following duties:

- Based upon financial considerations, review and evaluate any program or proposal for long and short-term financial consequences that Council requests. The Board is expected to assess alternatives to make appropriate recommendations to Council.
- Review and evaluate the City's investment policy, debt management policy, and any other fiscal policies, and recommend changes to Council.

- Analyze the City's financial condition through review of the comprehensive annual financial report, budget document and revenue estimating procedures, and make recommendations for improvement.
- As the need arises, provide expertise and assist in the internal audits of city departments, including review of audit work plans and final audit reports.
- Review sale of bonds.
- Perform other such duties as may be assigned to the Board by Council.

The FAB is also required to submit an annual report to Council that includes: (1) a work plan and schedule for undertaking and completing tasks or projects which Council has assigned the Board; (2) a list of specific projects, studies or initiatives the Board proposes to undertake during the coming fiscal year and which may require staff assistance to undertake and complete, with a justification for each; and (3) a summary of the work of the Board during the past fiscal year.

The previous report submitted by the FAB covered the Board's activities from July 2021 through June 2022. The attached report reflects the Board's activities from July 2022 through June 2023, and includes projects the FAB proposes to undertake in FY 2023/24.

**Financial Implications:**

None at this time. There is no fiscal impact from accepting this report.

**Legal Implications:**

Pursuant to RMC 2.08.472, the chair of the FAB shall file an annual report for Council's review and approval.

**Recommendation:**

The Financial Advisory Board recommends Council accept and approve this report or modify, as necessary, to assign other projects to the Board.

**Proposed Motion:**

I move to approve staff recommendation.

**Attachments:**

FAB FY24 Work Plan

FY23 – Financial Advisory Board Recap

FAB Update and Work Plan Presentation