

FINANCE COMMITTEE

AUTHORIZATION: Established by Resolution No. 94-110 adopted on December 12, 1994. Modified by Resolution No. 96-100 adopted on December 9, 1996. Disbanded by Resolution No. 98-32 adopted on May 11, 1998. Re-established by Resolution No. 2000-103 adopted on December 12, 2000. Duties and membership amended by Resolution No. 2007-21 adopted on April 10, 2007. Purpose and responsibilities amended by Resolution No. 2013-32 adopted on April 9, 2013. Membership, qualifications and term of members, and purpose and responsibilities amended by Resolution No. 2015-5 adopted on January 13, 2015. Administrative practices amended by Resolution No. 2015-40 adopted on May 26, 2015.

MEMBERSHIP: Seven (7) total. Three (3) Council Members appointed by the Mayor subject to full City Council approval. Four (4) Citizen Advisors appointed by the Council Members not on the Committee subject to approval of the full City Council. Citizen Advisors have equal voting status. The Mayor shall appoint the chairperson subject to confirmation of the full City Council.

Staff support shall be provided primarily by the City Manager and the Finance Director and by other staff as necessary.

Meetings shall be held as required by the business needs of the Finance Committee in the City Council Chambers or such other locations as allowed by the Ralph M. Brown Act, on weeknights or weekdays (M-Th) at a time that is convenient for the Finance Committee and the public to encourage public participation.

TERM OF COUNCIL MEMBERS:

Indefinite pending City Council action.

TERM OF APPOINTED MEMBERS:

Appointed Annually.

QUALIFICATIONS OF

- APPOINTED MEMBERS:**
- A. Must be a resident of the city of Newport Beach;
 - B. Must be a registered voter in Newport Beach;
 - C. Must be appointed by a City Council Member; and
 - D. Recommended, but not required, that the appointee be a CPA, CFA or Business/Finance major or other such designation as may be appropriate.

PURPOSE &

- RESPONSIBILITIES:**
- A. Review and monitor events and issues which may affect the financial status of the City;
 - B. Make recommendations to the City Council regarding amendments to financial and budgetary policies;
 - C. In accordance with Sections 504 & 1101 of the City Charter, review the City Manager's proposed budget and give recommendations to the City Manager in advance of the budget's presentation to the City Council. The Committee's recommendations shall be provided in writing to the City Council along with the City Manager's presented budget;
 - D. Recommend for Council approval, and manage an on-going process for measuring and setting goals designed to maximize the City's revenues consistent with existing taxation structures and inter-governmental funding opportunities, fee generation consistent with market rate charges for City provided services and market rate fees for utilization of City owned assets. Recommend to Council major initiatives to accomplish identified goals;
 - E. Recommend for Council approval, and manage an on-going process for measuring and setting goals designed to minimize the City's cost to provide core services and required activities, consistent with the desired service level for residents and other internal

and external customers. Recommend to Council major initiatives to accomplish identified goals;

- F. Review with staff on an annual basis the timing, means of financing, and fiscal impacts associated with funding the high-priority projects designated in the Facilities Financing Plan. After approval by the City Council, identify, review and annually recommend to Council the most advantageous methods to fund the City Council's approved Facilities Financing Plan;
- G. Identify, review and annually recommend to Council the most advantageous methods to fund the City's long term compensation and benefit program liabilities;
- H. Review and recommend to Council policies related to the setting of funding goals for reserves, and review on-going progress related thereto;
- I. Review the structure and documentation of any proposed debt financing to assess the risk associated with debt usage;
- J. Conduct audit conference meeting(s) with the auditors to provide independent review and oversight of the City of Newport Beach's financial reporting processes, framework of internal control, and to provide a forum in which auditors can candidly discuss concerns in the absence of staff; and
- K. Recommend for Council approval and monitor and review activities related to Investment Guidelines for City Reserve and investment funds.