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## **Sec. 2.50.225. Duties.**

(a) The Finance Commission shall:

- (1) Serve as an on-going, substantive and expert advisory body to the Town and Town Council so that the Town and Town Council can make informed decisions about the Town's financial, budgetary and investment matters and operations related thereto.
- (2) Review the Town Manager's annual proposed budget prepared in accordance with section 2.30.295(6) of the Town Code, and provide written comments and recommendations to the Town Council.
  - a. The Finance Commission's comments and recommendations shall include a recommendation about whether the Town Council should approve or disapprove the proposed budget. The Finance Commission may make a recommendation of approval of the budget conditional upon the Town Council's acceptance of one or more of the Finance Commission's recommendations.
  - b. The Town Manager must provide a proposed budget to the Finance Commission at least twenty (20) business days before the first meeting at which the proposed budget is considered by the Town Council.
- (3) Review the Town Manager's draft Comprehensive Annual Financial Report (CAFR) for the preceding fiscal year and provide written comments and recommendations to the Town Manager.
  - a. The Town Manager shall respond in writing to the Finance Commission providing the Town Manager's rationale for accepting or rejecting each of the Finance Commission's comments and recommendations prior to presenting the CAFR to the Town Council for formal consideration.
  - b. The Town Manager may not present the CAFR to the Town Council for formal consideration unless or until the Town Manager considers and responds in writing to all of the Finance Commission's comments and recommendations.
- (4) Review the Director of Finance's summary of the Town's financial report required by section 53891 of the California Government Code and prepared in accordance with section 2.50.010(c) of the Town Code, and provide written comments and recommendations to the Director of Finance prior to the publishing of the summary of the report.
- (5) Review the financial policies and procedures manual developed in accordance with section 2.50.010(f) of the Town Code and provide written comments and recommendations to the Director of Finance.
- (6) Prior to the Town's expenditure of any revenues from the tax authorized by sections 25.60.010 et seq. of the Town Code, review the proposed expenditures and advise the Town Council on whether such expenditures meet the Town Council's objectives for that tax:
  - a. Maintaining and enhancing neighborhood police patrols and local crime prevention programs;
  - b. Improving traffic flow to reduce congestion;
  - c. Repairing potholes and maintaining the Town's streets, roads, and sidewalks; and
  - d. Maintaining the Town's long-term financial stability.
- (7) Issue an annual public report of the expenditures and appropriations of sales tax revenues approved by the Town Council during each fiscal year.
- (8) Make recommendations to the Town Council about policies and programs:
  - a. To maximize the Town's revenues consistent with existing taxation structures and inter-governmental funding opportunities;

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- b. To maximize fee generation consistent with market rate charges for Town- provided services and market rate fees for utilization of Town-owned assets;
  - c. 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;
  - d. To set funding goals for reserves. and review on-going progress related thereto:
  - e. To assess the risk associated with the structure and documentation of any proposed debt financing;
  - f. To fund the Town's long-term compensation and benefit program liabilities in the most responsible and cost-effective way; and
  - g. To monitor investment performance and make recommendations related to the Town's investment policy and performance.
- (9) Provide written comments and recommendations regarding the selection of auditors for the CAFR.
- (10) Participate in pre-audit meetings with auditors. provided that the Finance Commission shall not participate in those portions of any meetings which pertain to confidential employment or attorney-client privileged matters.
- (11) Review and monitor any events or issues which may affect the financial status of the Town.
- (b) The duties of the Finance Commission shall not be altered, abridged or abrogated in any way by any body except by a vote of the majority of the voters of the Town.
- (c) The Town Council shall make changes to the budgetary and all other Town processes and calendars as necessary to allow for consideration of the comments and recommendations of the Finance Commission outlined herein.
- ( Ord. No. 2314 , § 3(§ 1), 11-3-20; Ord. No. 2320 , § III, 9-7-21)