

## DRAFT RESOLUTION

### **RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS RESCINDING RESOLUTION 2017-008 AND ADOPTING REVISED ENABLING RESOLUTION TO ESTABLISHING THE TOWN COUNCIL FINANCE COMMITTEE**

**WHEREAS**, the Town Council of the Town of Los Gatos has determined that there is a need for adult resident input to Council and staff regarding financial policy issues, and to promote citizens participation and understanding regarding the financial condition of the Town; and

**WHEREAS**, the Town Council of the Town of Los Gatos does hereby establish the terms and conditions for citizen appointment to and conduct of the Town Council Finance Committee. The Committee is advisory to the Town Council and operates in the manner herein after prescribed; and

**WHEREAS**, on March 7, 2017, the Town Council adopted Resolution 2017-008 to establish the Council Finance Committee; and

**WHEREAS**, the Council Finance Committee contains the necessary expertise to support the Town's Sales Tax Oversight Committee; and

**WHEREAS**, the Town needs a viable Committee structure to ensure the Sales Tax Oversight Committee can meet and fulfill its obligations.

**WHEREAS**, the Council Finance Committee shall be formed, convened, and governed by the following bylaws as adopted by the Town Council:

- A. The Town Council Finance Committee shall consist of five (5) members - two (2) Town Council Members as voting members, appointed annually by the Mayor, and three (3) adult residents as non-voting members, appointed by the Town Council, whose term of office shall be for three (3) years with no limitations on reappointments.
- B. A quorum shall consist of the two voting Council Members. The resident members of the Finance Committee shall participate in all meetings.

- C. Resident applicants shall follow the Town's standard recruitment and selection process and shall have the following qualifications to serve on the Council Finance Committee:
  - 1. Resident of Los Gatos and a registered voter;
  - 2. Five years of experience in at least one of the following:
    - a. Financial experience in a corporate, business, or government setting;
    - b. Principal or officer at a financial auditing firm;
    - c. Investment banking;
    - d. Finance or budget management;
    - e. Certified public accountant (CPA)
- D. The terms of office of the resident members shall be staggered and overlapped in such a manner that the terms of no more than one-third of the members expire each year.
- E. Resident members shall conform with all current Town Resolutions and Policies.
- F. The Town Council shall fill any resident member vacancies occurring during the term of the Committee.
- G. The members of the Committee shall serve without compensation, provided that with advance budgetary approval of the Town Council, the actual and necessary expenses (if any) incurred by the members in the conduct of Town business shall be reimbursable pursuant to the provisions of the current Administrative Policy.
- H. The Committee shall establish a regular time and location for its meetings and shall conduct its meetings in compliance with the provisions of the Ralph M. Brown Act (Government Code Sections 54950).
- I. Minutes of the actions taken during the Committee's meetings shall be kept and shall be a public record.
- J. The function of the Committee shall be to serve in an advisory capacity to the Town Council regarding the following:
  - 1. Annual review of the Town's investment policy;
  - 2. Annual review of the independent financial audit (Comprehensive Annual Financial Report);
  - 3. Annual review of and potential recommendations to address the Town's CalPERS unfunded pension and Other Post-Employment Benefits (OPEB) liabilities;
  - 4. Annual review of proposals and make recommendations regarding new and increased revenue sources;
  - 5. In the event the Town's Sales Tax Oversight Committee does not have the required five~~seven~~ (5~~7~~) members, the Council Finance Committee resident members will serve as members of the Sales Tax Oversight Committee.

5-6. Special projects as directed by the Town Council, Town Manager,  
or Finance Director.

- K. It is not the purpose of the Committee to advise on regular or routine financial administration, nor to become involved in other than the financial impact of the projects/programs they are asked to review.

**NOW, THEREFORE, BE IT RESOLVED**, that the Town Council Finance Committee is hereby established as an advisory committee to the Los Gatos Town Council.

**PASSED AND ADOPTED** at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 6<sup>th</sup> day of August, 2019 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

DATE: \_\_\_\_\_

ATTEST:

TOWN CLERK OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

DATE: \_\_\_\_\_