



Department Source: Finance

To: City Council

From: City Manager & Staff

Council Meeting Date: April 1, 2024

Re: Amending Chapter 2 Division 6 of the City Code as it relates to the Finance Advisory and Audit Committee.

Executive Summary

The Finance Advisory and Audit Committee has reviewed its structure and we are pleased to provide this brief follow up report on the results of those discussions.

Discussion

At its December 18, 2023 meeting, the Finance Advisory and Audit Committee (FAAC) discussed the following items relating to the City Council request at the 5/1/23 council meeting:

Composition of the Committee:

- The committee requested that its membership be increased to seven members, as discussed in the Council's meeting of May 1, 2023. The primary goal of this change is to more faithfully reflect the diversity of perspectives represented in the community. Financial background is required.
- The term "commercial banker" is ambiguous and outdated. The committee needs members with an understanding of statement analysis and expertise in investments, especially the special considerations of large institutions like our city.
 - Suggested language will include "Appointed members must have experience in one of the following categories; Finance, investment banking, financial statement analysis, or auditing."

The FAAC along with staff is proposing to amend Section 2-271 and Section 2-272 of the City code to read as follows:

Sec. 2-271. Establishment; composition; terms.

The finance advisory and audit committee is hereby established. The committee shall be composed of seven (7) members appointed by the city council to serve three-year staggered terms. Members shall be qualified voters and residents of the City of Columbia for at least one (1) year prior to their appointment. Appointed members must have experience in one of the following categories; Finance, investment managing, financial statement analysis, or auditing. One (1) member appointed must be a certified public accountant with knowledge of public administration and finance. Consideration shall be given to the appointment of at least one (1) member who is an owner of a business. Members appointed by the city council shall serve without compensation. Appointments to fill vacancies shall be for unexpired terms only. Members shall serve until their successors are appointed. The committee shall elect its own chair annually. The finance director or the director's designee



shall serve as a nonvoting ex-officio member. Staff for the committee shall be provided by the finance department.

Sec. 2-272. Meetings.

The committee shall hold regular monthly meetings at a time and place to be determined by the committee. A simple majority of all members appointed by the city council shall constitute a quorum for the transaction of business.

Fiscal Impact

Short-Term Impact: N/A

Long-Term Impact: N/A

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Operational Excellence, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

Comprehensive Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Secondary, Tertiary Impact: Tertiary

Legislative History

Date	Action
05/01/2023	REP24-23 - Increasing the Size of the Finance Advisory and Audit Committee. https://gocolumbiamo.legistar.com/LegislationDetail.aspx?ID=6189001&GUID=6CB42CA5-6EBC-46E7-A5EF-775CEE798C09&Options=ID Text Other &Search=REP24-23

Suggested Council Action

Approval of the Ordinance as submitted