



## City of Fountain Valley Measure HH – Essential City Services Oversight Committee

1. **Purpose:** The purpose of the oversight committee is to review, at a policy level, the City's annual audited financial statement; mid-year budget report and proposed annual general fund operating budget in regards to the receipt and expenditure of the fiscal year's one-cent (1%) transactions and use (sales) tax (Measure HH – Essential City Services) revenue in relation to the City's adopted "Responsible Spending Pledge". The committee will communicate its findings to the public and the City Council annually.
2. **Committee Responsibilities:** The oversight committee responsibilities for each of the years that the Measure HH one-cent (1%) transactions & use (sales) tax is collected is:
  - 2.1. Review at a policy level the audited annual financial report which will include Measure HH – Essential City Services tax revenue and expenditures.
  - 2.2. Review at a policy level the mid-year financial report of general fund revenues and expenditures.
  - 2.3. Review at a policy level the proposed annual general fund operating budget prior to adoption by City Council.
  - 2.4. Review the above reports at a policy level based on the City "Responsible Spending Pledge" and Measure HH – Essential City Services goals of maintaining essential city services including public safety.

The Committee shall produce a report that records the results of its review at a policy level of the City's audited financial statement, mid-year financial report and proposed annual general fund budget for expenditures of the revenue generated from the Measure HH – Essential City Services tax. The report shall be presented to the Council at a public meeting and shall be a public record. The Committee shall confine itself specifically to a high level review of revenues generated under Measure HH – Essential City Services and related expenditures that support the policies of the adopted Responsible Spending Pledge.

The Oversight Committee responsibilities do not include the following:

- Enterprise and other funds generated independent of Measure HH;
- Enterprise and other fund expenditures independent of Measure HH;
- Decision-making on spending priorities;
- No authority to direct, nor shall it direct City staff or other officials.

Member Slots*	First Term		Future Terms – 3 yrs	
	Appointment	Expiration	Appointment	Expiration
A, Alternate	April 2017	December 2017	January 2018	December 2020
B, & C	April 2017	December 2018	January 2019	December 2021
D, & E	April 2017	December 2019	January 2020	December 2022

*\*The initial member slots will be determined by random drawing at the time the Council selects the committee members.*

**7. Committee Organization & Use of Existing City Practices:** The Committee shall follow all relevant existing City practices in terms of organization and conduct. Specifically:

- 7.1. Elect the Chair and Vice Chair;
- 7.2. Operate in accordance with the Ralph M. Brown Public Meetings Act and shall conduct its meetings in accordance with the provisions thereof;
- 7.3. A quorum shall consist of at least three (3) of the five (5) members of the committee. A copy of the approved minutes shall be forwarded to the City Clerk in accordance with the Public Records Act;
- 7.4. Operate in accordance with City of Fountain Valley - City Council Policy, Commission/Committee Appointments, except where the Measure HH Oversight Committee Resolution (Policies) specifically addresses a topic;
- 7.5. Operate in accordance with City of Fountain Valley Administrative Directives or Policies related to Ethics Training for Elected Officials; Appointees to Certain Boards, Commissions, and Committees; and Designated Employees;
- 7.6. Comply with all State and local mandated conflict of interest/economic interest disclosure requirements;
- 7.7. Receive no compensation for service on the Committee.

**8. Committee Appointments / Attendance / Removal / Vacancy:** The Committee shall be appointed through the normal Commission / Committee Appointments City Council Policy process. There will be a supplemental questionnaire for Measure HH Committee applicants. The power to make determinations as to appointments, attendance, removal and vacancies on the Oversight Committee is expressly reserved by the City Council.

- 8.1. For committee's to function effectively and accomplish their goals, all members must be active participants. This means all members must be present at all meetings. Committee members must inform the staff liaison prior to the meeting if they are unable to attend. Two unexcused absences in one calendar year may be grounds for removal from the committee.
- 8.2. The Council may remove any Committee member for any reason or for failure to comply with the City's Ethics Policies and Conflict of Interest requirements.

11.2.4. Does the City's proposed General Fund budget make progress toward resolving the City's structural budget deficit that could exist when Measure HH – Essential City Services tax expires based on the City's strategic goals and plans?

The reports prepared by the Committee documenting their findings will be presented to the City Council at a public meeting, usually after the completion of the annual audit and prior to final adoption of the annual budget in June. These reports will be a part of the public record. The bi-annual reports will only be required during the first three years of the Measure HH tax period. Starting in 2020 will go to an annual report to City Council.

**12. Amendment of Policy and Regulations:** The policies and regulations of the Oversight Committee may be subject to later and further amendments by the City Council at its discretion.