

RESOLUTION 2011-05

A Resolution directing the creation of a Citizens Financial Review Committee

WHEREAS: The Village of Angel Fire Council desires to create a Citizens Financial Review Committee to expand communications between the residents of Angel Fire and its local Government, assist the Village Finance department with auditing and special projects, and ensure the financial department is as effective and efficient as possible.

WHEREAS: The Citizen's Financial Review Committee will provide support to the accounting process.

WHEREAS: The State Auditor Hector Balderas supports the idea of communities creating review committees.

NOW THEREFORE BE IT RESOLVED by the Angel Fire Village Council that the Mayor be directed to create the Citizens Financial Review Committee with the following mission:

MISSION:

To provide an independent, objective evaluation of the village's accounting and financial practices, policies, procedures and operating activities and to conduct special projects to assist the Finance Department and the Village Council.

SCOPE:

The Citizen's Financial Review Committee shall present in writing the plan, objective and scope of each review to the Council and Mayor for the purpose of discussion. The attached framework, will serve as a guidance document governing the composition and activities of the Committee.

OBJECTIVE:

- 1 The Citizens Financial Review Committee should use established accounting practices. In addition, the Financial Review Committee may need to design and monitor reporting measures to provide the Angel Fire Council and Mayor with reasonable assurance that:
 - 2 Financial, operational, and other risks are identified, quantified, and communicated;
 - 3 Systems are used appropriately;
 - 4 Processes used by the village are efficient and effective, and
 - 5 Applicable laws and regulations are adhered to.
 - 6 Identify controls, test controls, and where needed make recommendations to establish controls for all Village of Angel Fire accounting processes.

Note: The Village budget remains under the responsibility, direction and supervision of the Council and Administration.

COMPOSITION:

- 1 All of the representatives should have some level of expertise or knowledge in

- accounting. There needs to be segregation of duty and no conflicts of interest.
- 2 The Citizens Financial Review Committee shall be three (3) members, one of which is the Village Financial Director. The number of committee members may be increased if the committee or Council finds additional members would be a benefit. The Citizens Financial Review Committee members should select a person to lead the group. Leaders can be selected for every review, or for a designated time (typically 1 or 2 years) depending on the committee's desires.

Initial appointments shall be as follows:

- A) One person for a one year term whom can be reappointed to two, two year terms.
- B) One person for a two year term whom can be reappointed to two, two year terms.
This would allow for continuity and continued knowledge of the workings of the committee as individuals leave the committee.

- 1 The committee can add members on an Ad Hoc basis for specific projects.
- 2 Mayor will make the appointments with approval from Council with suggestions of names presented by Council and the Mayor. Vacancies on the Citizens Financial Review Committee should be filled following the same process.

MEETINGS:

- 1 Once established, the Citizens Financial Review Committee should meet at least two times a year.
- 2 Citizens Financial Review Committee meetings shall be open to the public, a quorum is required and minutes shall be kept.
- 3 The Citizens Financial Review Committee shall formally report its activities to the Angel Fire Council and Mayor and the community at least once a year at a public meeting and be included in the official meeting minutes. Part of the formal report should include a reiteration of its designated responsibilities, any significant issues, recommendations, and resolutions.
- 4 Issues should be reviewed with appropriate persons prior to presenting the committees report. Any and all irregularities and discrepancies reported immediately, in writing to the Angel Fire Council and Mayor.

GENERAL COMMENTS AND RECOMMENDATIONS:

- 1 The Citizens Financial Review Committee should be established as soon as possible.
- 2 The Citizens Financial Review Committee will have access to all records, relevant to the performance of financial reviews, and analysis.
- 3 The Citizens Financial Review Committee should identify in writing the plan, objective and scope of each review. The Committee may use any approach it deems appropriate for establishing the scope of their reviews.
- 4 Financial reviews should be tracked from the source document through payment.
- 5 Recommendations should be included in the audit reports.
- 6 Proposals to address the issues should be included in the review reports. These proposals should establish responsibility and a time frame for completion.
- 7 ALL vendors' names and account numbers are to be held confidential.
- 8 ALL Village account numbers will be redacted where appropriate.

PASSED, APPROVED AND ADOPTED THIS 16TH DAY OF February, 2011



Stuart Hamilton, Mayor

ATTEST: 
Terry Cordova, Village Clerk