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City of Conway, Arkansas  
Ordinance No. O-11-83

**AN ORDINANCE AMENDING ORDINANCE O-10-19 THAT ESTABLISHES THE FINANCE & AUDIT COMMITTEE FOR THE CITY OF CONWAY; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES:**

**WHEREAS**, the City of Conway recognizes the importance of creating a the Finance & Audit Committee as it is considered a best practice; and

**WHEREAS**, the City Council desires to amend the committee duties to include various function of an Finance Committee; and

**WHEREAS**, the formation of the Committee shall provide reasonable assurance to the City Council that controls are in place and operating to ensure that financial information reported by management reasonably portrays the City's financial condition, results of operations; and

**WHEREAS**, a Committee helps to preserve and enhance the objectivity and independence of the financial statement audit by following a forum in which the independent auditor can candidly address audit related matters with the members of the City Council.

**NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CONWAY, ARKANSAS, THAT:**

**SECTION 1.** The City of Conway Audit Committee is hereby amended and newly renamed the Finance/Audit Committee for the purposes of audit and finance duties and providing independent review and oversight of the City's financial reporting processes and which may perform the various functions up to and including but not limited to:

1. Conduct monthly meetings with the Mayor's Office, Finance Office and Treasurer's Office to review the previous month's financials for all funds of the city for budget to actual performance, cash flow and cash projection.
2. Conduct quarterly meetings with all departments to monitor budget to actual performance and to review any material requests for changes to the budget.
3. To make recommendations to the City Council in regard to budget to actual performance.
4. To review the Mayor's Annual Budget submittal to including final revenue projections and departmental budget allocations.
5. To make recommendations to the City Council as to financial policies, procedures, banking arrangements, and operational matters including personnel.
6. To make recommendations to the City Council as to determining the target levels for minimal Fund Balances for funds for cash flow purposes,
7. To make recommendations to the City Council for setting a target level of a General Fund reserve to be created by the city and for creating a funding plan and a timeline by which to fund the plan.
8. May review and advise the City Council on all financial matters.

**SECTION 2.** The Finance/Audit Committee is composed of four members of the Conway City Council to be appointed by the council and to serve at the council's will subject to a council member's right to resign at will.

**SECTION 3.** Each committee member will serve the terms associated with the term expiration of their City Council terms.

**SECTION 4.** The Committee shall meet as necessary to discuss all matters related to the City's audit or financial position. The Committee shall provide reports to the governing body upon request.

**SECTION 5.** This ordinance is necessary for the protection of the public peace, health and safety, an emergency is hereby declared to exist and this ordinance shall be in full force and effect from and after its passage and approval.

**PASSED** this 11<sup>th</sup> day of October, 2011.

**Approved:**



**Mayor Tab Townsell**

**Attest:**



**Michael O. Garrett**  
City Clerk/Treasurer