

ORDINANCE NO. 03-24

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ORANGE ADDING CHAPTER 2.51 TO TITLE 2 OF THE ORANGE MUNICIPAL CODE (ADMINISTRATION AND PERSONNEL) ESTABLISHING THE INVESTMENT ADVISORY COMMITTEE

WHEREAS, in April 2022, the City Council adopted Resolution No. 11387, merging the previously separated Audit Committee and Investment Advisory Committee thereby creating the Investment and Audit Committee; and

WHEREAS, although the Investment and Audit Committee has provided a great service to the City of Orange, both audit and investment functions are nevertheless distinct and separate from one another; and

WHEREAS, in recognizing that both functions require specific skill sets, experience, education, and expertise, the City of Orange stands to benefit by separating both functions thereby creating separate committees comprised of experts within their respective fields; and

WHEREAS, it is the desire of the City Council to create an Investment Advisory Committee to assist in discharging the overall stewardship of the City's financial affairs.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ORANGE DOES
HEREBY ORDAIN AS FOLLOWS:**

SECTION I:

The Ordinance is not a "project" subject to provisions of the California Environmental Quality Act (CEQA) per State CEQA Guidelines Section 15378 because it involves an organizational and administrative activity of the City of Orange that will not result in direct or indirect physical changes in the environment.

SECTION II:

The recitals and findings contained herein are true and correct and incorporated herein.

SECTION III:

Chapter 2.51 (Administration and Personnel – Investment Advisory Committee) is hereby added to the Orange Municipal Code to read as follows:

Chapter 2.51 Investment Advisory Committee

- 2.51.010 – Established
- 2.51.020 - Powers and Duties
- 2.51.030 – Appointments and Terms
- 2.51.040 – Election of Officers
- 2.51.050 – Regular Meetings
- 2.51.060 – Quorum-Voting
- 2.51.070 – Absence of Voting Members
- 2.51.080 – Action by Voting Members – Authority Required
- 2.51.090 – Communication from the Committee

2.51.010 – Established.

There is established in the City an Investment Advisory Committee consisting of seven voting members to act in an advisory capacity and provide recommendations on matters that include, but are not limited to:

- A. General advice to the City Council regarding the City's Investment Policy.
- B. Compliance with applicable California laws and regulations.
- C. Review of the City's investment strategy.

2.51.020 – Powers and Duties.

The Committee shall have the following duties:

- A. Review the City's Investment Policy annually.
- B. Review the Treasurer's Report to ensure conformance with the City's Statement of Investment Policy and review related factors such as risk, diversification, and maturity.
- C. Provide advice regarding potential investment strategies and suitability of pools such as Local Agency Investment Fund.
- D. Provide written recommendations as applicable to the City Council regarding A, B, and C.

2.51.030 – Appointments and Terms.

The Mayor, with approval of the City Council, will appoint each voting member of the Investment Advisory Committee. The term of office shall be for two years and thereafter until a successor for the voting member whose term is expiring has been appointed.

2.51.040 – Election of Officers.

The Committee shall elect at its first meeting of the calendar year, from its voting members, a Chairperson and Vice Chairperson. The terms of office for these offices shall be for one year.

2.51.050 – Regular Meetings.

The Committee shall meet in regular session on dates and at times to be determined from time to time by resolution of the City Council. All meetings shall be open to the public, and the Brown Act shall apply.

2.51.060 - Quorum-Voting.

A majority of at least four voting members shall constitute a quorum. A majority vote of the voting members present (at least 4 voting members, vacancies shall not count toward establishing a quorum) shall be required to carry a motion; provided, however, that all recommendations to the City Council must have the approval of at least four voting members.

2.51.070 - Absence of Voting Members.

Absence from three consecutive meetings without formal notice to the Committee will be deemed to constitute the resignation of such voting member, and the position declared vacant. In the event of a vacancy, either by because of absence or otherwise, may be filled by the Mayor subject to ratification by the City Council.

2.51.080 - Action by Voting Members-Authority Required.

No voting member shall take any action or make any statement committing the Committee unless given express authority to do so by a majority vote of the Committee's entire seven voting members.

2.51.090 - Communications from the Committee.

All recommendations of the Committee to the City Council for its consideration and action shall be transmitted in writing.

SECTION IV:

If any section, subdivision, paragraph, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each section, subdivision, paragraph, sentence, clause and phrase thereof, irrespective of the fact that any one (or more) section, subdivision, paragraph, sentence, clause or phrase had been declared invalid or unconstitutional.

SECTION V:

The City Clerk is hereby directed to certify the adoption of this Ordinance and cause the same to be published as required by law. This Ordinance shall take effect thirty (30) days from and after the date of its final passage.

ADOPTED this ____ day of _____, 2024.

Daniel R. Slater, Mayor, City of Orange

ATTEST:

Pamela Coleman, City Clerk, City of Orange

APPROVED AS TO FORM:

Mike Vigliotta, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE)
CITY OF ORANGE)

I, PAMELA COLEMAN, City Clerk of the City of Orange, California, do hereby certify that the foregoing Ordinance was introduced at the regular meeting of the City Council held on the ____ day of _____, 2024, and thereafter at the regular meeting of said City Council duly held on the ____ day of _____, 2024 was duly passed and adopted by the following vote, to wit:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:

Pamela Coleman, City Clerk, City of Orange