

WHEREAS, upon the recommendation of the City Manager, the Lebanon City Council finds it desirable to create an Audit Committee; and

WHEREAS, the purpose of the Audit Committee will be to aid City staff in the selection of highly qualified City auditors and to assure clear and complete transmittal of audit results to the City Council and the community.

NOW, THEREFORE, BE IT RESOLVED by the Lebanon City Council as follows:

Section 1: Establishment of City Audit Committee. The Lebanon Audit Committee is hereby established. The committee shall have four voting members consisting of the Mayor, one active City Councilor, one active serving member of the Lebanon Budget Committee and one member of the public. The Finance Manager of the City of Lebanon shall serve as a nonvoting, ex officio member of the Committee.

Section 2: Term - Vacancies. The voting members of the Committee shall be appointed for a two- (2) year term. Terms of appointment shall be staggered so that two (2) positions will become vacant each year. The initial appointees to the Audit Committee are the Mayor, whose term shall expire December 31, 2014; one Councilor, whose term shall expire December 31, 2013; one Budget Committee member, whose initial term shall expire December 31, 2013; and one member of the public whose term will expire December 31, 2014. Appointees serve at the pleasure of the Council and may be replaced with or without cause. Vacancies during any term shall be filled by vote of the Council.

Section 3: Quorum and Rules. Three (3) voting members of the Committee shall constitute a quorum. The vote of three (3) members of the Committee shall be required to take any action. Notwithstanding the foregoing, the Chair of the Audit Committee, or in the Chair's absence the Vice Chair, may establish the date and time of the next Committee meeting.

Section 4: Responsibilities. The responsibilities of the Audit Committee shall be as follows:

1. Review with the Finance Department and/or staff those firms or individuals proposed for appointment as City auditors in succeeding years.
2. Recommend to the City Council of the appointment of those certified public accountants whom the Committee deems best suited to perform the annual City audit.
3. Discuss, as necessary, with the City auditors, any additional or particular areas of inquiry or audit focus which they deem desirable or appropriate.
4. Receive, consider, and transmit to the Lebanon City Council the results of the annual City audit.

Section 5: Reports. The Audit Committee shall periodically submit copies of the minutes of its meetings to the City Council. Reports or recommendations of the Committee shall be considered advisory in nature and shall not be binding on the Mayor or City Council.

Adopted by the Lebanon City Council by a vote of 5 for and 0 against and executed by the Mayor this 9th day of January, 2013.

CITY OF LEBANON, OREGON



Paul R. Aziz, Mayor

ATTEST:



Linda Kaser, City Clerk/Recorder