



# CITY OF FAIRFIELD

Founded 1856

Incorporated December 12, 1903

CITY MANAGER'S OFFICE

**VIA E-mail and U.S. Mail**

May 3, 2012

**COUNCIL**

Mayor

Harry T. Price  
707.428.7395

Vice-Mayor

Rick Vaccaro  
707.429.6298

Councilmembers

707.429.6298

Pam Bertani

Catherine Moy

John Mraz

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City Manager

Sean P. Quinn  
707.428.7400

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City Attorney

Gregory W. Stepanicich  
707.428.7419

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City Clerk

Jeanette Bellinder  
707.428.7384

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City Treasurer

Oscar G. Reyes, Jr.  
707.428.7496

**DEPARTMENTS**

Administrative Services

707.428.7394

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Community Development

707.428.7461

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Community Resources

707.428.7465

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Finance

707.428.7496

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Fire

707.428.7375

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Police

707.428.7362

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Public Works

707.428.7485

Mr. Wayne Goodman  
Foreperson  
2011-2012 Solano County Grand Jury  
Hall of Justice  
600 Union Avenue  
Fairfield, CA 94533

Re: City of Fairfield Response to 2011-2012 Grand Jury Report "City Treasurer Functional Review"

Dear Mr. Goodman:

In response to your review dated December 27, 2011 regarding the Grand Jury Report, we have the following responses:

Finding 7 – The City of Fairfield agrees with the finding.

Recommendation 7 – The City of Fairfield will be preparing an ordinance whereby the City Treasurer's powers and duties; compensation and benefits, and qualifications will be clearly delineated. This ordinance will be brought to the City Council in the near future.

Finding 8 – The City of Fairfield agrees with the finding.

Recommendation 8 – The City of Fairfield has corrected the "Internal Investment Instructions" to reflect the fact that bank accounts can only be opened with written authorization from the Director of Finance. The City Treasurer will not be needed to open bank accounts. Also, the "Internal Investment Instructions" have been revised to include the City Treasurer as a member of the City's Investment Committee.

Finding 9 – The City of Fairfield agrees with the finding.

Recommendation 9 – The City of Fairfield will use the monthly investment report to provide the required accounting of all receipts, disbursements, and fund balances. This report will be filed monthly with the City Clerk and will also have a copy submitted to the City Council (this report is currently submitted to the City Council on a quarterly basis).

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Finding 10 – The City of Fairfield agrees with the finding.

Recommendation 10 – The City of Fairfield will no longer use appointments of "Deputy City Treasurers" and all work previously performed by Deputy City Treasurers will be performed by existing members of the Finance Department (as Deputy City Treasurers were and have always been members of the Finance Department).

Finding 11 – The City of Fairfield does not agree with the finding that its investment meetings may not have complied with the Brown Act.

Recommendation 11 – The City of Fairfield's Investment Committee is not subject to the Brown Act, because it is not a "legislative body" as defined by Government Code Section 54952. The Committee was formed by the City Manager and is comprised of the City Treasurer and select city staff members. Thus, the Investment Committee is not a "standing committee" or other "legislative body" as those terms are defined in the Brown Act, and the Committee is not required to notice its meetings or publish its agenda. The records and reports prepared by the Investment Committee may be subject to disclosure under the Public Records Act, however. The Investment Committee meets quarterly with the City's external investment managers to review the portfolio that they manage on the City's behalf. These meetings do not have a pre-defined agenda other than to review the performance of the portfolio under management for that quarter. The internal investment instructions will be revised to make it clear that the quarterly meetings are specific portfolio review meetings with the external investment manager.

Please let me know if you have any further questions.

Sincerely,



SEAN P. QUINN  
City Manager

cc: David White, Deputy City Manager/Finance Director  
Oscar Reyes, City Treasurer