

## Finance and Investment Committee Charter Review

**ACTION ITEM**

New Contract

Contract Amendment

Other - Committee Charter

**CONSENT ITEM**

Contract Amendment

Existing Contract Extension

Existing Contract Additional Spend

Previous Board Approval \_\_\_\_\_

Other \_\_\_\_\_

**Action Items:** Items requiring detailed explanation to the Board. When a requested action item is a day-to-day operational item or unanimously passed through committee it may be moved forward to the board on the Consent Index.

**Move forward as Consent:** This Action item is a day-to-day operational item, unanimously passed through committee or qualifies to be moved forward on the Consent Index.

**Consent Items:** Items not requiring detailed explanation to the Board of Governors. Consent items are contract extensions, amendments or additional spending authorities for items previously approved by the Board.

<b>Item Description</b>	The Finance and Investment Committee Charter Review
<b>Purpose/Scope</b>	The Finance and Investment Committee Charter is a formal document that sets out the authority of the Committee to carry out responsibilities established for it by the Board of Governors. The Charter is reviewed annually.
<b>Contract ID</b>	N/A
<b>Budgeted Item</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Method</b>	N/A
<b>Contract Amount</b>	N/A
<b>Contract Terms</b>	N/A
<b>Committee Recommendation</b>	Staff recommends that the Finance and Investment Committee approve the Citizens Finance and Investment Committee Charter, as provided.
<b>Contacts</b>	Jennifer Montero, Chief Financial Officer



# **Citizens Property Insurance Corporation Finance and Investment Committee Charter**

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## **I. Statement of Purpose**

The purpose of the Finance and Investment Committee (the “Committee”) of Citizens Property Insurance Corporation (“Citizens”) is to assist the Board of Governors in its oversight of the investments, debt financing, and risk transfer of Citizens. This includes periodic evaluation and review of the performance of Citizens’ external Investment Managers, approval of Citizens’ investment policies, Citizens’ debt strategy for pre- and/or post-event financing and risk transfer program. The Committee shall regularly report to Citizens’ Board of Governors (the “Board”) information about the oversight of Citizens’ key investment objectives, investments, debt financing, and risk transfer strategies, policies, and results.

## **II. Organization**

### **a. Charter:**

At least annually, the charter shall be reviewed and assessed by the Committee and any proposed changes shall be submitted to the Board for approval.

### **b. Committee Composition:**

Subject to the Plan of Operation, the Committee shall be comprised of at least three Board members, each of whom is appointed by the Board Chair. Committee members may be removed by the Board Chair. The Board Chair shall also designate a Committee Chair.

### **c. Meetings:**

In order to discharge its responsibilities, the Committee shall meet at least four times a year; additional meetings may be scheduled as the Committee or its Chair deems necessary.

### **d. Notice, Quorum; Action by Committee:**

Subject to the Plan of Operation, the Committee is governed by the same rules regarding meetings (including meetings by telephone conference), public notice, and quorum and voting requirements as are applicable to the Board. Committee meetings and notices shall be in compliance with the Florida Sunshine Law. A quorum at any Committee meeting shall consist of a majority of the Committee members present, provided that a FIC Charter quorum is not required for actions that are advisory only. All determinations of the Committee shall be made by a majority of its members present and voting at a meeting duly called and held.

e. Agenda, Minutes and Reports:

The Committee Chair (or such staff as is designated by the Chair) shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with materials relating to the subject matter of each meeting, shall be sent to members of the Committee prior to each meeting. Minutes for all meetings of the Committee shall be prepared to document the Committee's discharge of its responsibilities. The Committee shall make regular reports to the Board.

### **III. Responsibility and Authority**

a. The Committee shall review and be responsible for recommending Corporate Investment Policies and any proposed modifications to the Investment Policies to the Board for approval. The Investment Policies shall, at a minimum, include objectives, restrictions, diversification, duration, and asset allocation guidelines with due regard for the following prioritized goals: (i) safety of principal; (ii) liquidity, so that operating expenses and claims can be paid in a timely manner; and (iii) competitive returns. The Corporate Investment Policies shall be in writing and be distributed to the Board, Citizens' employees responsible for investments, and advisers and consultants having responsibility over Citizens' investments. The Committee shall have general oversight over compliance with such policies.

b. The Committee shall review quarterly the taxable and tax-exempt investment portfolios managed by Citizens or its external Investment Managers.

c. The Committee shall review quarterly the performance of Citizens' portfolios.

d. The Committee shall make recommendations regarding the selection of Citizens' external Investment Managers, pursuant to Citizens' procurement guidelines and subject to Board approval.

e. The Committee shall review and recommend approval to the Board any pre- and/or post-event debt financing or liquidity programs.

f. The Committee shall review and recommend approval to the Board any risk transfer programs.

g. The Committee shall pursuant to Citizens' procurement guidelines and subject to Board approval make recommendations regarding the selection of Citizens' bond underwriting team for the pre- and/or post-event bond financings and commercial banks for liquidity facilities or bank loans.

h. The Committee shall have other such duties, responsibilities and authorities that the Board may from time to time delegate.

#### **IV. Access to Records, Consultants and Others**

In discharging its responsibilities, the Committee shall have full access to any relevant records of Citizens and may make recommendations to the Board to retain or terminate outside consultants in order to provide advice to the Committee. The Committee's recommendation shall include the scope of work and the terms of the engagement of any proposed outside consultant. In discharging its duties, the Committee shall also have the authority to request that any person, including Citizens' officers or employees, meet with the Committee or provide other relevant assistance to the Committee.