



DRAFT MINUTES
AUDIT COMMITTEE
Monday, December 1, 2025

At 1:00 p.m. Chair Eno Schmidt called the special Audit Committee meeting to order at the Quinlan Conference Room, 10185 North Stelling Road and via teleconference.

ROLL CALL

Present: Chair Eno Schmidt, Vice Mayor Kitty Moore, Council Member Sheila Mohan (arrived at the meeting at 1:01 p.m.), and Committee Member William Wong. Absent: Vice Chair Hanyan Wu.

ORDERS OF THE DAY – None.

APPROVAL OF MINUTES

1. Subject: Approve Minutes of Regular Meeting on October 27, 2025
Recommended Action: Approve Minutes of Regular Meeting on October 27, 2025

Chair Schmidt opened the public comment period and, seeing no one, closed the public comment period.

MOTION: Moore moved and Schmidt seconded to approve the minutes of the regular meeting on October 27, 2025. The motion carried with the following vote: Ayes: Moore, Schmidt, Wong. Noes: None. Abstain: None. Absent: Mohan, Wu.

POSTPONEMENTS – None.

ORAL COMMUNICATIONS – None.

OLD BUSINESS – None.

NEW BUSINESS

2. Subject: ACTION ITEM Receive OPEB & Pension Section 115 Trust Performance Report for Quarter Ending September 30, 2025 and forward to City Council
Recommended Action: Receive OPEB & Pension Section 115 Trust Performance Report for Quarter Ending September 30, 2025 and forward to City Council
Presenter: PARS and US Bank
PARS and US Bank gave a presentation.

US Bank representative Dennis Mullins gave a presentation.

Committee members asked questions which staff and the presenters responded to.

Item was deferred due to incorrect noticing for the item.

Chair Schmidt opened the public comment period and, seeing no one, closed the public comment period.

3. Subject: ACTION ITEM Receive the FY 2024-25 Annual Comprehensive Financial Report (ACFR) and Supplemental Reports and forward to City Council
Recommended Action: Receive the FY 2024-25 Annual Comprehensive Financial Report (ACFR) and Supplemental Reports and forward to City Council
Presenter: Jonathan Orozco, Finance Manager and The Pun Group
1:45(30)

Finance Manager Jonathan Orozco introduced Pun Group representative Frances Kuo, who gave a presentation.

Committee members asked questions which staff and the presenter responded to.

Chair Schmidt opened the public comment period and, seeing no one, closed the public comment period.

Committee Members made comments.

4. Subject: INFORMATIONAL ITEM Receive the proposed Audit Committee 2026 Schedule and Workplan
Recommended Action: Receive the proposed Audit Committee 2026 Schedule and Workplan
Presenter: Jonathan Orozco, Finance Manager
2:15(10)

Finance Manager Jonathan Orozco gave a presentation.

Committee Members asked questions which staff responded to.

Committee Members made the following recommendations:

- Determine if the Quinlan Conference room is available to extend the length of the Audit Committee Meeting for the Municipal Code Updates.

- Add the OPEB and Pension Trust Performance Report to the Consent Calendar.
- Include the Quarterly Treasurer's Investment Report on the Consent Calendar, with meeting discussion focused on key items rather than a full review of the report.
- Prioritize additional meeting time for the Audit Work Program and Internal Audit Program.
- Streamline Audit Committee meetings to focus on core Audit Committee responsibilities.
- Direct staff to consult with the City Attorney regarding the Audit Committee's role in reviewing reserve-related policies, including whether amendments to the Municipal Code would be required, and report back to the Committee.
- Obtain an independent, third-party review as part of the Annual Review of the City Investment Policy.

Chair Schmidt opened the public comment period and, seeing no one, closed the public comment period.

STAFF AND COMMITTEE REPORTS – None.**COMMITTEEMEMBER ATTENDANCE AT UPCOMING MEETINGS AND EVENTS** – None.**FUTURE AGENDA SETTING** – None.**ADJOURNMENT**

At 2:52 p.m. Chair Schmidt adjourned the regular Audit Committee Meeting. Minutes prepared by:

Lindsay Nelson, Administrative Assistant