



**DRAFT MINUTES
AUDIT COMMITTEE
Monday, October 27, 2025**

At 4:00 p.m. Chair Eno Schmidt called the regular Audit Committee meeting to order in the City of Cupertino Conference Room A, 10300 Torre Avenue.

ROLL CALL

Present: Chair Eno Schmidt, Vice Mayor Kitty Moore, Council Member Sheila Mohan, Vice Chair Hanyan Wu and Committee Member William Wong. Absent: None.

APPROVAL OF MINUTES

1. Subject: Approve Minutes of Regular Meeting on July 28, 2025
Recommended Action: 1. Approve Minutes of Regular Meeting on July 28, 2025

MOTION: Moore moved and Mohan seconded to approve the minutes of the regular meeting on July 28, 2025. The motion carried with the following vote: Ayes: Schmidt, Mohan, Moore, Wong, Wu. Noes: None. Abstain: None. Absent: None.

2. Subject: Approve Minutes of Special Meeting on August 4, 2025
Recommended Action: Approve Minutes of Special Meeting on August 4, 2025

MOTION: Moore moved and Mohan seconded to approve the minutes of the Special Meeting on August 4, 2025. The motion carried with the following vote: Ayes: Schmidt, Mohan, Moore, Wong, Wu. Noes: None. Abstain: None. Absent: None.

POSTPONEMENTS – None.

ORAL COMMUNICATIONS –

San Rao emphasized the importance of reviewing budgets by department and conducting outreach. He noted that community members varied in their financial understanding - some needed simplified information, while others were capable of deeper analysis. Rao urged focusing on “personas” who were either decision-makers or knowledgeable contributors, so the budgeting process could benefit from informed input and ultimately achieve its goals.

OLD BUSINESS – None.

NEW BUSINESS

3. Subject: INFORMATIONAL ITEM Receive OPEB & Pension Section 115 Trust Performance Report for Quarter Ending September 30, 2025
Recommended Action: Receive OPEB & Pension Section 115 Trust Performance Report for Quarter Ending September 30, 2025
Presenter: PARS and US Bank
4:15(10)

PARS and US Bank gave a presentation.

Committee members asked questions, which staff and the Dennis Mullins responded to.

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

4. Subject: INFORMATIONAL ITEM Receive the Treasurer's Investment Report for the Quarter Ending September 30, 2025
Recommended Action: Receive the Treasurer's Investment Report for the Quarter Ending September 30, 2025
Presenter: Jonathan Orozco, Finance Manager, and Chandler
4:25(15)

Finance Manager Jonathan Orozco gave a presentation.

Carlos Oblites from Chandler Asset Management gave a presentation.

Committee members asked questions which staff and Oblites responded to.

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

MOTION: Moore moved and Wu seconded to accept a modification in the Treasurer's Investment Report to identify and include the transactions that had not yet posted in future reports. The motion carried with the following vote: Ayes: Schmidt, Mohan, Moore, Wong, Wu. Noes: None. Abstain: None. Absent: None.

5. Subject: INFORMATIONAL ITEM Receive the Internal Audit and Fraud, Waste, and Abuse programs update
Recommended Action: Receive the Internal Audit and Fraud, Waste, and Abuse

programs update

Presenter: Baker Tilly

4:40(10)

Maria Stroth and Colleen Rozillis from Baker Tilly gave a presentation.

Committee members asked questions, which Maria Stroth and Colleen Rozillis responded to.

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

6. Subject: ACTION ITEM Review and accept the OPEB and Pension Trust Investment Policies

Recommended Action: Review and accept the OPEB and Pension Trust Investment Policies

Presenter: Jonathan Orozco, Finance Manager

4:50(10)

Finance Manager Jonathan Orozco gave a presentation.

Committee members asked questions which staff responded to.

Chair Schmidt opened the public comment period and the following people spoke:

- San Rao

Chair Schmidt closed the public comment period.

MOTION: Moore moved and Mohan seconded to bring this item back to a future Audit Committee meeting and withhold acceptance of the report until additional information is provided by City staff, along with any relevant input from PFM, PARS, and the City Attorney's Office. The motion carried with the following vote: Ayes: Schmidt, Mohan, Moore, Wong, Wu. Noes: None. Abstain: None. Absent: None.

7. Subject: INFORMATIONAL ITEM Receive the Fiscal Year 2024-25 Annual Comprehensive Financial Report (ACFR) Update

Recommended Action: Receive the Fiscal Year 2024-25 Annual Comprehensive Financial Report (ACFR) Update

Presenter: The Pun Group

5:05(10)

Sophia Kuo from The Pun Group gave a presentation.

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

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

8. Subject: ACTION ITEM OpenGov Budget Format Review Presentation and Finalize Recommendations
Recommended Action: a. Receive Budget Format Review presentation as outlined in the Budget Format Implementation Action Plan (IAP) recommendation numbers 15, 17, 18, 19, and 30
b. Finalize OpenGov budget format for recommendation to City Council
Presenter: Toni Oasay-Anderson, Interim Budget Manager
5:15(30)

Toni Oasay-Anderson, Interim Budget Manager, and Alexis Chiu, Budget Intern II, gave a presentation.

Committee members asked questions, which staff responded to.

Chair Schmidt opened the public comment period and the following people spoke:

- San Rao

Chair Schmidt closed the public comment period.

Moore moved and Wu seconded to move the staff recommendation, while including in the staff report information about the genesis of the OpenGov budget format. The motion carried with the following vote: Ayes: Schmidt, Mohan, Moore, Wong, Wu. Noes: None. Abstain: None. Absent: None.

9. Subject: INFORMATIONAL ITEM Receive the proposed Audit Committee 2025 Schedule and Workplan
Recommended Action: Receive the proposed Audit Committee 2025 Schedule and Workplan
Presenter: Jonathan Orozco, Finance Manager
5:45(10)

Finance Manager Jonathan Orozco gave a presentation.

Committee members asked questions which staff responded to.

STAFF AND COMMITTEE REPORTS – None.

COMMITTEEMEMBER ATTENDANCE AT UPCOMING MEETINGS AND EVENTS

Chair Schmidt announced the Community Service Awards.

Vice Chair Wu discussed the Mayor's Meeting where they voted on the CREST Awards.

Vice Mayor Moore noted excitement about the work that the interns have done, thanking them for the cashflow policy and getting the budget moving along.

FUTURE AGENDA SETTING – None

ADJOURNMENT

At 5:48 p.m. Chair Schmidt adjourned the regular Audit Committee Meeting. Minutes prepared by:

Lindsay Nelson, Administrative Assistant