



CITY OF WEST COVINA
AUDIT COMMITTEE

WEDNESDAY, APRIL 27, 2022, 6:00 PM
REGULAR MEETING

WEST COVINA CITY HALL
MANAGEMENT RESOURCE CENTER (MRC) ROOM 314
WEST COVINA, CALIFORNIA 91790

AGENDA

Marsha Solorio, Chair
Miguel Garcia, Vice Chair
Rosario Diaz, Mayor Pro Tem/Audit Committee Member
Jim Grivich, Audit Committee Member
David Lin, Audit Committee Member
Colleen Rozatti, City Treasurer/Audit Committee Member
Tony Wu, Council Member/Audit Committee Member

AMERICANS WITH DISABILITIES ACT

The Committee complies with the Americans with Disabilities Act (ADA). If you need special assistance at Committee Meetings, please call (626) 939-8433 (voice) or (626) 960-4422 (TTY) from 8:00 a.m. to 5:00 p.m. Monday through Thursday, at least 48 hours prior to the meeting to make arrangements.

AGENDA MATERIAL

Agenda material is available for review at the West Covina City Clerk's Office, Room 317 in City Hall, 1444 W. Garvey Avenue and at www.westcovina.org. Any writings or documents regarding any item on this agenda not exempt from public disclosure, provided to a majority of the Commission that is distributed less than 72 hours before the meeting, will be made available for public inspection in the City Clerk's Office, Room 317 of City Hall during normal business hours.

PUBLIC COMMENTS
ADDRESSING THE AUDIT COMMITTEE MEMBERS

Any person wishing to address the Committee on any matter listed on the agenda or on any other matter within their jurisdiction should complete a speaker card that is provided at the entrance to the Management Resource Center Room (MRC) and submit the card to the Committee Secretary

Please identify on the speaker card whether you are speaking on an agenda item or non-agenda. Requests to speak on agenda items will be heard prior to requests to speak on non-agenda items. All comments are limited to three (3) minutes per speaker.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

ORAL COMMUNICATIONS - Three (3) minutes per speaker

Please state your name and city of residence for the record when recognized by the Committee Chair.

APPROVAL OF MEETING MINUTES

1) FEBRUARY 9, 2022, AUDIT COMMITTEE MEETING MINUTES

It is recommended that the Audit Committee receive and file the Minutes of the Audit Committee Meeting on February 9, 2022.

REPORTS

NEW BUSINESS

1. **Financial Recovery Plan**
2. **Revenue and Expenditure Reports**
3. **Single Audit Update**
4. **Attendance and current vacancy**
5. **Next meeting date and time**
 - Suggested date: July 27, 2022, at 6:00 p.m.

ADJOURNMENT



AGENDA STAFF REPORT

City of West Covina

DATE: 04/27/2022
TO: Audit Committee
FROM: Stephanie Sikkema, Finance Director
SUBJECT: FEBRUARY 9, 2022, AUDIT COMMITTEE MEETING MINUTES

RECOMMENDATION:

It is recommended that the Audit Committee receive and file the Minutes of the Audit Committee Meeting on February 9, 2022.

Prepared by: Valerie Gonzales, Senior Administrative Assistant

Additional Approval: Stephanie Sikkema, Finance Director

Attachments

Attachment No. 1 - February 9, 2022 Audit Committee Meeting Minutes

CITY OF WEST COVINA

AUDIT COMMITTEE

MINUTES

MEETING

WEDNESDAY, FEBRUARY 9, 2022, 6:00 p.m.

The meeting of the Audit Committee was called to order at 6:00 p.m. via telephonically/zoom. City Manager David Carmany led the Pledge of Allegiance.

ROLL CALL

Present: Chair David Lin
Vice-Chair Marsha Solorio
Committee Member/Mayor Pro Tem Rosario Diaz
Committee Member Miguel Garcia
Committee Member Jim Grivich
Committee Member/Council Member Tony Wu

Absent: Committee Member Lauren Castro & Committee Member/City Treasurer Colleen Rozatti

Staff Present: Finance Director Stephanie Sikkema, City Manager David Carmany, Assistant Finance Director Maria-Luisa Olea, Senior Administrative Assistant Valerie Gonzales

ORAL COMMUNICATIONS

None

--- End of Public Comment

1. APPROVAL OF FEBRUARY 9, 2022, AUDIT COMMITTEE MINUTES

A Motion was made by Vice-Chair Solorio and seconded by Committee Member Grivich to approve the Audit Committee minutes of the February 9, 2022, meeting.

Motion carried by a vote 4-0; 1 absent

REPORTS

2. AUDIT COMMITTEE NOMINATION

1. NOMINATION OF CHAIR

Motion was made by Committee Member Grivich and seconded by Chair Lin to nominate Vice-Chair Solorio as the next Chair of the Audit Committee.

Motion carried by a vote 4-0; 2 absent

2. NOMINATION OF VICE CHAIR

Motion was made by Vice-Chair Solorio and seconded by Chair Lin to nominate Committee Member Garcia as the next Vice Chair of the Audit Committee.

Motion carried by a vote 4-0; 1 absent.

3. ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) AND OTHER RELATED REPORTS FOR THE YEAR ENDED JUNE 30, 2021

A Motion was made by Committee Member Grivich and seconded by Committee Member Lin to review and file the letters and financial reports in final draft form for the year ended June 30, 2021.

NEW BUSINESS

1. Financial Recovery Plan

- 1. Ensure that the fees/assessments charged for services align with costs and increase fees to reflect cost reasonably borne in the provision of City services.**
 - a. No Motion
- 2. Review, evaluate, and monitor all City contracts.**
 - a. No Motion
- 3. Set aside land sale revenue to compensate for any shortfalls in revenue that the City experiences as a result of the effects of the pandemic on the City's fiscal year 2020-21 budget.**
 - a. No Motion
- 4. Proactively mitigate risk and exposure to litigation through training and implementation of best risk management practices.**
 - a. No Motion
- 5. Address the excessive cost currently incurred providing fire and emergency medical services.**
 - a. Chair Solorio commented that in the past they've asked to invite the Fire Chief to attend one of the meetings or asking to provide more detail for how you are being accountable for the overtime.

- b. Member Grivich e-mailed a sheet regarding his motion.
- c. A Motion was made by the Committee Member Grivich and seconded by Chair Solorio that the City Council take specific action to eliminate the continuing excessive overdraft of the Fire Department budget.

Motion carried by a vote 4-0; 1 absent

- 6. Prepare financial analyses that evaluate both the short-term and long-term financial implications of significant spending decisions.**
 - a. Expected Completion Date for No's 3 & 4 dates need to be updated.
 - b. No Motion
- 7. Implement a formal process for development of reasonable budget projections.**
 - a. No Motion
- 8. Meet and confer regarding negotiation of employee union agreements.**
 - a. No Motion
- 9. Improve internal purchasing processes/enforcement to reduce susceptibility to waste and fraud.**
 - a. Target is for March 2022

2. Revenue and Expenditure Reports

- December 2021

Member Grivich requested accounting for sale of bonds.

3. Next meeting date and time:

April 27, 2022, at 6:00 p.m.

ADJOURNMENT

Chair Solorio moved to adjourn the meeting 6:58 p.m.

Valerie Gonzales
Audit Committee Secretary