Special Meeting Minutes
FINANCE/AUDIT COMMITTEE
Monday, February 14, 2022 ▪ 3:00 p.m.
Videoconference/Teleconference Council Chambers Room S249, Pasadena City Hall

A. CALL TO ORDER: The special meeting of the Finance/Audit Committee was called to order at 3:09 p.m. with Mayor Gordo, Vice Mayor Wilson, and Councilmember Kennedy.

Attendees (Absent as indicated):

Councilmembers	Staff	Guests
Mayor Gordo, Chair	Matthew Hawkesworth	Joe Ludin, CliftonLarsonAllen LLP
Andy Wilson	Theresa Fuentes	Bob Callanan, CliftonLarsonAllen LLP
John Kennedy	Brenda Harvey-Williams	
Felicia Williams (Absent)	Cynthia Kurtz	
	Ruthe Holden	
	Rebecca Takahashi	
	Tony Olmos	
	Kris Markarian	
	Phyllis Hallowell	

Recording Secretary: Gloria Acevedo

B. PUBLIC COMMENT- None

C. APPROVAL OF MINUTES

- December 27, 2021 Cancellation Notice
- January 10, 2022 Special Meeting
- January 24, 2022 Special Meeting

The Minutes were approved as submitted.

D. NEW BUSINESS

1. FISCAL YEAR JUNE 30, 2021 ANNUAL FINANCIAL REPORTS

Mayor Gordo introduced the item and Matthew Hawkesworth, Director of Finance, provided a PowerPoint presentation. There were no audit findings in this year's report.

Vice Mayor Wilson requested clarification on the difference from assigned fund versus unassigned fund. Mr. Hawkesworth responded that assigned means that the City has assigned the fund balance to a specific project that can be restricted at the local level, while the unassigned amount, has no restrictions and is money held above-and-beyond

the 20 percent reserve. Currently, the unassigned has a negative fund balance due to outstanding amounts from FEMA expenditures. Vice Mayor Wilson congratulated Mr. Hawkesworth on finding no deficiencies on this year's report

Council Member Kennedy requested staff to share year-over-year tax revenue data. An update will be provided at the first Finance Committee Meeting in March.

The Finance/Audit Committee approved forwarding this report to the full City Council.

E. INFORMATION ONLY

2. INTERNAL AUDIT STATUS UPDATE – REGARDING THE JULY THROUGH DECEMBER 2021 WORK PLAN

Mayor Gordo introduced the item and Ruthe Holden, Internal Auditor, provided a PowerPoint presentation and answered questions.

Vice Mayor Wilson requested the definition of refund, forfeited, and escheated. He also asked about the disposition of the $6.4 million that are in the C & D deposit fund. Ms. Holden provided the definitions and Cynthia Kurtz, Interim City Manager, stated that City Council can decide the best allocation for the funds, which are sitting in the refuse fund. Ms. Kurtz reminded the Committee that the refuse fund is operating at an annual $3.5 million deficit and that refuse rates have not seen an increase in nearly 10-years.

Councilmember Kennedy asked if the escheated funds are returned to the General Fund for City use. Ms. Kurtz responded that the funds are returned to the refuse fund; however, they can be moved to other funds as seen fit by the City Council.

The Finance/Audit Committee acknowledged receiving the report.

3. FY 2022 CAPITAL IMPROVEMENT PROGRAM 2ND QUARTER MONITORING REPORT

Mayor Gordo introduced the item.

Vice Mayor Wilson asked about the status of the Colorado Street Bridge Barrier Enhancements project and stated that the project needs expedient impediments that will provide permanent support to public safety to the greatest extent possible. Cynthia Kurtz, Interim City Manager, informed the Committee that $2 million dollars were allocated to the project and that a project update is slated to go to the Public Safety Committee in late March or early April. Councilmember Kennedy added that a final review of the plan with various stakeholders was near completion and would result in a positive impact on eliminating the possibility for those in crisis to end their life on that bridge. Mayor Gordo added that various solutions were analyzed aimed at deterring

individuals from ending their lives at this site and asked Ms. Kurtz for support in expediting the final report presentation.

Councilmember Kennedy asked if staff meets with Councilmembers and the Mayor on an individual basis, regarding capital improvement projects in the Councilmember's district, which can have citywide implications. Ms. Kurtz responded that she meets with Councilmembers on a monthly basis and the topic can be added to the agenda, while staff provides reports to Council Committees on the implementation of capital improvement projects throughout the City; however, the Capital Improvement Plan does not identify the projects' Council District.

The Finance/Audit Committee acknowledged receiving the report.

F. ADJOURN

With no further business to come before the Finance/Audit Committee, the meeting adjourned at 3:53 p.m.

Victor M. Gordo 3/24/22

Victor M. Gordo Date
Chair, Finance Committee

3/24/22

ATTEST: Gloria Acevedo, Date
Recording Secretary