

MINUTES

SPECIAL MEETING—WEDNESDAY, MARCH 20, 2024
ATRIUM CONFERENCE ROOM AT CITY HALL, 500 CASTRO STREET
2:00 P.M.

1. CALL TO ORDER

Chair Matichak called the meeting to order at 2:00 p.m.

2. ROLL CALL

Present: Committee members Lucas Ramirez, Emily Ramos, and Chair Lisa Matichak.

Absent: None.

3. MINUTES APPROVAL

Motion—M/S Ramirez/ Matichak—Carried 3-0—To approve the minutes for the Special Meeting of January 30, 2024.

4. ORAL COMMUNICATIONS FROM THE PUBLIC—None.

5. UNFINISHED BUSINESS—None.

6. NEW BUSINESS

6.1 REVIEW OF FISCAL YEAR 2022-23 SINGLE AUDIT REPORT BY SCOTT DIEM FROM MGO

Attachment(s): [Committee Report](#)
[ATT1—Single Audit Report for the Fiscal Year Ended June 30, 2023](#)

Scott Diem from Macias Gini & O'Connell, LLC (MGO), presented the result and findings for two independent auditor reports included in the Single Audit Report:

1. Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
2. Report on Compliance For Each Major Federal Program.

Mr. Diem discussed the meaning of each report and informed the Committee that the major program for the fiscal year ended June 30, 2023 was the Coronavirus State and Local Fiscal Recovery Funds that the City received from the U.S. Department of Treasury through the California Department of Finance. Mr. Diem also noted there were no findings as a result of the audit and the City qualified as a low-risk auditee.

In conclusion, Mr. Diem was pleased to report that the City's Single Audit report had a clean audit opinion, which is the best opinion possible.

6.2 EXTERNAL AUDIT FIRM INTERVIEWS

Attachment(s): [Committee Report](#)
[ATT1—Single Audit Report for the Fiscal Year Ended June 30, 2023](#)
[ATT2—Request for Proposals for Audit Services, RFP No. R241655](#)

This item was presented by the Finance and Administrative Services Department Director, Derek Rampone.

The Committee interviewed the following three firms:

1. Badawi & Associates
2. Macias Gini O'Connell
3. Maze & Associates

Following the three interviews, the Committee members discussed the item.

Motion—M/S Ramirez/Matichak—Carried 3-0—To recommend Badawi & Associates to the City Council as the City's audit firm for the fiscal years ending June 30, 2024 through 2027, with an option to extend for an additional two fiscal years.

7. COMMITTEE/STAFF COMMENTS, QUESTIONS, COMMITTEE REPORTS—None.

8. ADJOURNMENT

The meeting was adjourned at 5:13 p.m.

These Minutes are hereby submitted for approval by Victoria Labrador, Recording Secretary.

Approved on _____.

VL/4/FIN

540-03-20-24mn