



Andrea Pham
Assistant Finance Director

Garrett Smith
City Treasurer

Pamela Coleman
City Clerk

AGENDA

Audit Advisory Committee May 08, 2025

Notice and Call of a Special Meeting

5:30 PM Regular Session

Weimer Room
300 E. Chapman Avenue
Orange, CA 92866

CAROLYN CAVECCHIE
Chair

BRIAN WILTERINK
Vice Chair

CALEB BROWN
Committee Member

CHRIS HORTON
Committee Member

JEFF GRAMPP
Committee Member

ANDREW LI
Committee Member

JACK SCHROEDER
Committee Member

The City of Orange Audit Advisory Committee welcomes you to this Special Meeting. Special Meetings are held for a specific purpose and when action is needed prior to the next Regular Meeting. The Chair or a majority of the Committee may call a special meeting with a minimum 24 hours notice.

Regular meetings of the City of Orange Audit Advisory Committee are held on the first Thursday of February and October at 5:30 p.m.

Agenda Information

The agenda contains a brief general description of each item to be considered. The agenda and supporting documentation for a special meeting is available no later than 24 hours prior to the meeting on the City's website at www.cityoforange.org, at the Finance Department and City Clerk's Office located at 300 E. Chapman Avenue, and at the Main Public Library located at 407 E. Chapman Avenue.

Public Participation

Public Comment shall be limited to only those items described on this Special Meeting Notice/Agenda (Government Code Section 54954.3(a)).

Public Comments are limited to three (3) minutes per speaker unless a different time limit is announced. It is requested that you state your name for the record, then proceed to address the Audit Advisory Committee. All speakers shall observe civility, decorum, and good behavior.

Please contact the City Clerk's Office at (714) 744-5500 with any questions.

ADA Requirements: In compliance with the Americans with Disabilities Act, if you need accommodations to participate in this meeting, contact the Finance Department at (714) 744-2230. When possible, notification at least 48 hours in advance of meeting will enable the City to make arrangements to assure accessibility to this meeting.

REMINDER: Please silence all electronic devices while the meeting is in session.

NOTICE IS HEREBY GIVEN, pursuant to Section 54956 of the California Government Code, that a Special Meeting of the City of Orange Audit Advisory Committee is hereby called for the following purpose:

1. OPENING/CALL TO ORDER

1.1 PLEDGE OF ALLEGIANCE

Vice Chair Brian Wilterink

1.2 ROLL CALL

2. COMMITTEE BUSINESS

2.1. Review of the City's Annual Comprehensive Financial Report and Prop 218 as brought before the City Council (Continued from April 3, 2025).

Recommended Action:

1. Discuss the results from the review of the City's Annual Comprehensive Financial Report (ACFR), finalize the framework of the deliverable, and select two to three members to prepare the deliverable, and present the results at a City Council meeting; and
2. Discuss the scope, timeline, and responsibilities for Prop 218.

Attachments: [Staff Report](#)

3. AUDIT PLANNING

3.1. Fiscal Year Ending June 30, 2025, Audit Planning.

Recommended Action:

Select up to three members of the Audit Advisory Committee to work with staff and Lance, Soll & Lunghard LLP to plan for the fiscal year ending June 30, 2025 audit.

Attachments: [Staff Report](#)
 [Ordinance No. 02-24](#)

4. REPORTS FROM CITY MANAGER

5. REPORTS FROM FINANCE DIRECTOR

6. ADJOURNMENT

The next Regular Audit Advisory Committee meeting will be held on Thursday, October 2, 2025, at 5:30 p.m. in the Weimer Room.

I, Pamela Coleman, CMC, City Clerk for the City of Orange, hereby declare, under penalty of perjury, that a full and correct copy of this agenda was posted pursuant to Government Code Section 54950 et. seq., at the following locations: Orange Civic Center kiosk and Orange City Clerk's Office at 300 E. Chapman Avenue, Orange Main Public Library at 407 E. Chapman Avenue, and uploaded to the City's website www.cityoforange.org.

Date posted: May 5, 2025



Agenda Item

Audit Advisory Committee

Item #: 2.1.

5/8/2025

File #: 25-0260

TO: Chair and Members of the Audit Advisory Committee

THRU: Trang Nguyen, Finance Director

FROM: Andrea Pham, Assistant Finance Director

1. SUBJECT

Review of the City's Annual Comprehensive Financial Report and Prop 218 as brought before the City Council (Continued from April 3, 2025).

2. RECOMMENDED ACTION

1. Discuss the results from the review of the City's Annual Comprehensive Financial Report (ACFR), finalize the framework of the deliverable, and select two to three members to prepare the deliverable, and present the results at a City Council meeting; and
2. Discuss the scope, timeline, and responsibilities for Prop 218.

3. DISCUSSION AND BACKGROUND

At the April 3, 2025, Committee meeting, members discussed the scope, timeline, and responsibilities for the Annual Comprehensive Financial Report (ACFR). The Committee's findings were tentatively scheduled to be presented to the City Council on June 10, 2025.

Over the last three weeks, committee members were paired up and assigned four to five years of ACFRs by the Finance Director for review. The committee completed the review on April 30th. Therefore, staff recommends the Committee discuss the results, finalize the framework for the deliverable, select two to three members to prepare the deliverable, and present the results at a regular City Council meeting.

4. ATTACHMENTS

- None.



Agenda Item

Audit Advisory Committee

Item #: 2.1.

5/8/2025

File #: 25-0260

TO: Chair and Members of the Audit Advisory Committee

THRU: Trang Nguyen, Finance Director

FROM: Andrea Pham, Assistant Finance Director

1. SUBJECT

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2. RECOMMENDED ACTION

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3. DISCUSSION AND BACKGROUND

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4. ATTACHMENTS

- None.



Agenda Item

Audit Advisory Committee

Item #: 3.1.

5/8/2025

File #: 25-0255

TO: Chair and Members of the Audit Advisory Committee

THRU: Trang Nguyen, Finance Director

FROM: Andrea Pham, Assistant Finance Director

1. SUBJECT

Fiscal Year Ending June 30, 2025, Audit Planning.

2. RECOMMENDED ACTION

Select up to three members of the Audit Advisory Committee to work with staff and Lance, Soll & Lunghard LLP to plan for the fiscal year ending June 30, 2025 audit.

3. DISCUSSION AND BACKGROUND

As outlined in City of Orange Ordinance 02-24, one of the Audit Advisory Committee's responsibilities is to conduct a planning meeting with the City's auditors to address any questions or concerns related to the upcoming audit and internal controls testing. This meeting ensures a collaborative approach in preparing for the annual audit and strengthens transparency and accountability in the City's financial processes.

The City's auditor for the fiscal year ending June 30, 2025, is Lance, Soll & Lunghard, LLP (LSL). Under the Brown Act, committee meetings involving a quorum must be publicly noticed to maintain transparency. To comply with these regulations, staff recommend designating up to three members of the Audit Advisory Committee to collaborate with City staff and the auditors to facilitate the audit planning process. The full committee will remain informed of the audit progress, findings, and key developments at a publicly scheduled meeting. The interim audit is scheduled for the week of June 2, 2025 and the year-end audit is tentatively scheduled from October 27 to November 14, 2025.

4. ATTACHMENTS

- Ordinance No. 02-24



Agenda Item

Audit Advisory Committee

Item #: 3.1.

5/8/2025

File #: 25-0255

TO: Chair and Members of the Audit Advisory Committee

THRU: Trang Nguyen, Finance Director

FROM: Andrea Pham, Assistant Finance Director

1. SUBJECT

Fiscal Year Ending June 30, 2025, Audit Planning.

2. RECOMMENDED ACTION

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4. ATTACHMENTS

- Ordinance No. 02-24

ORDINANCE NO. 02-24

**AN ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF ORANGE ADDING CHAPTER
2.50 TO TITLE 2 OF THE ORANGE
MUNICIPAL CODE (ADMINISTRATION AND
PERSONNEL) ESTABLISHING THE AUDIT
ADVISORY COMMITTEE**

WHEREAS, in April 2022, the City Council adopted Resolution No. 11387, merging the previously separated Audit Committee and Investment Advisory Committee thereby creating the Investment and Audit Committee; and

WHEREAS, although the Investment and Audit Committee has provided a great service to the City of Orange, both audit and investment functions are distinct from one another; and

WHEREAS, in recognizing that both functions require specific skill sets, experience, education, and expertise, the City of Orange stands to benefit by separating both functions thereby creating separate committees comprised of experts within their respective fields; and

WHEREAS, it is the desire of the City Council to create an Audit Advisory Committee to assist in the overall stewardship of the City's financial affairs, including reviewing financial information and ascertaining the adequacy of accounting and internal control systems.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ORANGE DOES
HEREBY ORDAIN AS FOLLOWS:**

SECTION I:

The Ordinance is not a "project" subject to provisions of the California Environmental Quality Act (CEQA) per State CEQA Guidelines Section 15378 because it involves an organizational and administrative activity of the City of Orange that will not result in direct or indirect physical changes in the environment.

SECTION II:

The recitals and findings contained in herein are true and correct and incorporated herein

SECTION III:

Chapter 2.50 (Administration and Personnel – Audit Advisory Committee) is hereby added to the Orange Municipal Code to read as follows:

Chapter 2.50 Audit Advisory Committee

- 2.50.010 – Established
- 2.50.020 - Powers and Duties
- 2.50.030 – Appointments and Terms
- 2.50.040 – Election of Officers
- 2.50.050 – Regular Meetings
- 2.50.060 – Quorum-Voting
- 2.50.070 – Absence of Voting Members
- 2.50.080 – Action by Voting Members – Authority Required
- 2.50.090 – Communication from the Committee

2.50.010 – Established.

There is established in the City an Audit Advisory Committee consisting of seven voting members to act in an advisory capacity to the City Council regarding the City's accounting and internal control systems and provide advice to the City Council regarding safeguards over City assets, including but not limited to:

- A. Reporting to the City Council annually on Committee proceedings.
- B. Conduct planning and exit meetings as it relates to the annual financial audit.

2.50.020 – Powers and Duties.

The Committee shall have the following duties:

- A. Conduct a planning meeting with the City's auditors to address any questions or concerns as the audit and internal controls test is prepared.
- B. At the conclusion of the audit, conduct an exit meeting to evaluate results of the financial statement audit.
- C. Report to the City Council on the results of the planning and exit meetings as well as the final audit results.
- D. In an advisory role, propose to the City Manager review of programs or accounts as deemed necessary for achieving maximum efficiency and propriety.

2.50.030 – Appointments and Terms.

The Mayor, with approval of the City Council, will appoint each voting member of the Audit Advisory Committee. The term of office shall be for two years and thereafter until a successor for the voting member whose term is expiring has been appointed.

2.50.040 – Election of Officers.

The Committee shall elect at its first meeting of the calendar year, from its voting members, a Chairperson and Vice Chairperson. The terms of office for these offices shall be for one year.

2.50.050 – Regular Meetings.

The Committee shall meet in regular session on dates and at times to be determined from time to time by resolution of the City Council. All meetings shall be open to the public, and the Brown Act shall apply.

2.50.060 - Quorum-Voting.

A majority of at least four voting members shall constitute a quorum. A majority vote of the voting members present (at least 4 voting members, vacancies shall not count toward establishing a quorum) shall be required to carry a motion.

2.50.070 - Absence of Voting Members.

Absence from three consecutive meetings without formal notice to the Committee will be deemed to constitute the resignation of such voting member, and the position declared vacant. In the event of a vacancy, either by because of absence or otherwise, may be filled by the Mayor subject to ratification by the City Council.

2.50.080 - Action by Voting Members-Authority Required.

No voting member shall take any action or make any statement committing the Committee unless given express authority to do so by a majority vote of the Committee's entire seven voting members.

2.50.090 - Communications from the Committee.

All recommendations and updates of the Committee to the City Council for its consideration or action shall be transmitted in writing.

SECTION IV:

If any section, subdivision, paragraph, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each section, subdivision, paragraph, sentence, clause and phrase thereof, irrespective of the fact that any one (or more) section, subdivision, paragraph, sentence, clause or phrase had been declared invalid or unconstitutional.

SECTION V:

The City Clerk is hereby directed to certify the adoption of this Ordinance and cause the same to be published as required by law. This Ordinance shall take effect thirty (30) days from and after the date of its final passage.

ADOPTED this 12th day of March, 2024.

Daniel R. Slater, Mayor, City of Orange

Parula Coleman

Pamela Coleman, City Clerk, City of Orange

Handwritten signature: *[Signature]*

Mike Vigliotta, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE)
CITY OF ORANGE)

I, PAMELA COLEMAN, City Clerk of the City of Orange, California, do hereby certify that the foregoing Ordinance was introduced at the regular meeting of the City Council held on the 27th day of February, 2024, and thereafter at the regular meeting of said City Council duly held on the 12th day of March, 2024 was duly passed and adopted by the following vote, to wit:

AYES: COUNCILMEMBERS: Slater, Barrios, Dumitru, Tavoularis, Bilodeau, Gutierrez, Gyllenhammer

NOES: COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: None

ABSTAIN: COUNCILMEMBERS: None

Paula Coleman

Pamela Coleman, City Clerk, City of Orange