



Beverly Hills City Council Liaison / Audit and Finance Committee will conduct a Special Meeting, at the following time and place, and will address the agenda listed below:

**CITY OF BEVERLY HILLS
455 N. Rexford Drive
Beverly Hills, CA 90210**

TELEPHONIC VIDEO CONFERENCE MEETING

**Beverly Hills Liaison Committee Meeting
<https://beverlyhills-org.zoom.us/my/bhliaison>
Meeting ID: 312 522 4461
Passcode: 90210**

**You can also dial in by phone:
+1 669 900 9128 US
+1 888 788 0099 (Toll-Free)**

**One tap mobile
tel:+16699009128,,3125224461#,,,,*90210# US
tel:+18887880099,,3125224461#,,,,*90210# Toll-Free**

**Thursday, November 18, 2021
1:30 PM**

Pursuant to Government Code Section 54953(e)(3), members of the Beverly Hills City Council Liaison / Audit and Finance Committee and staff may participate in this meeting via a teleconference. In the interest of maintaining appropriate social distancing, members of the public can view this meeting through live webcast at www.beverlyhills.org/live and on BH Channel 10 or Channel 35 on Spectrum Cable, and can participate in the teleconference/video conference by using the link above. Written comments may be emailed to mayorandcitycouncil@beverlyhills.org.

AGENDA

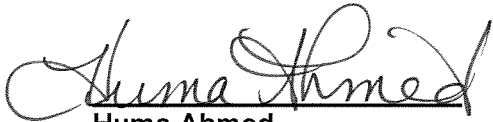
- 1) Public Comment
 - a. Members of the public will be given the opportunity to directly address the Committee on any item listed on the agenda.
- 2) Resolution of the Beverly Hills City Council Liaison / Audit and Finance Committee authorizing public meetings to be held via teleconferencing pursuant to Government Code Section 54953(e) and making findings and determination regarding the same.

New legislation (AB 361) was recently adopted allowing the Audit and Finance Committee to continue virtual meetings during the COVID-19 declared emergency subject to certain conditions and the proposed resolution implements the necessary requirements.

- 3) Summary and Evaluation of Bids for Professional Audit Services

4) Future Agenda Items Discussion

5) Adjournment



Huma Ahmed
City Clerk

Posted: November 10, 2021

***A DETAILED LIAISON AGENDA PACKET IS AVAILABLE FOR REVIEW AT
WWW.BEVERLYHILLS.ORG***



Pursuant to the Americans with Disabilities Act, the City of Beverly Hills will make reasonable efforts to accommodate persons with disabilities. If you require special assistance, please call (310) 285-1014 (voice) or (310) 285-6881 (TTY). Providing at least forty-eight (48) hours advance notice will help to ensure availability of services.



STAFF REPORT

Meeting Date: November 18, 2021

To: Audit and Finance Committee

From: Jeff Muir, Secretary of the Audit and Finance Committee

Subject: A RESOLUTION OF THE COUNCIL LIAISON / AUDIT AND FINANCE COMMITTEE OF THE CITY OF BEVERLY HILLS AUTHORIZING PUBLIC MEETINGS TO BE HELD VIA TELECONFERENCING PURSUANT TO GOVERNMENT CODE SECTION 54953(e) AND MAKING FINDINGS AND DETERMINATIONS REGARDING THE SAME

Attachments: 1. Proposed resolution

RECOMMENDATION

Staff and the City Attorney's office recommend that the Council Liaison / Audit and Finance Committee adopt a resolution making the following findings so that meetings of the City Council Liaison / Audit and Finance Committee will be subject to the special Brown Act requirements for teleconference meetings: (1) the City Council Liaison / Audit and Finance Committee has reconsidered the circumstances of the COVID-19 state of emergency; (2) the state of emergency continues to directly impact the ability of the members to meet safely in person; and (3) state or local officials continue to impose or recommend measures to promote social distancing.

FISCAL IMPACT

The proposed resolution allowing the City Council Liaison / Audit and Finance Committee greater flexibility to conduct teleconference meetings is unlikely to cause a greater fiscal impact to the City as the Council Liaison / Audit and Finance Committee has been conducting such teleconference meetings for over a year.

INTRODUCTION

Governor Newsom recently signed new legislation (AB 361) allowing the City Council Liaison / Audit and Finance Committee to continue virtual meetings during the COVID-19 declared emergency subject to certain conditions. These special requirements give the City greater flexibility to conduct teleconference meetings when there is a declared state of emergency and either social distancing is mandated or recommended, or an in-person meeting would present imminent risks to the health and safety of attendees.

BACKGROUND

On March 4, 2020, Governor Newsom proclaimed a state of emergency to exist in California due to the spread of COVID-19. The Governor subsequently issued numerous executive orders suspending or modifying state laws to facilitate the response to the emergency. Among other things, these executive orders superseded certain Brown Act requirements and established special rules to give local public agencies greater flexibility to conduct teleconference meetings. Those special rules expired on September 30, 2021.

On September 16, 2021, in anticipation of then-imminent expiration of his special rules for teleconference meetings, the Governor signed AB 361. In key part, this bill amends the Brown Act to establish special requirements for teleconference meetings if a legislative body of a local public agency holds a meeting during a proclaimed state of emergency and either state or local officials have imposed or recommended measures to promote social distancing, or the body determines, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

AB 361 builds upon Executive Order (“EO”) N-29-20, issued by the Governor on March 17, 2020, which relaxed the teleconferencing requirements of the Brown Act to facilitate virtual meetings during the COVID-19 declared emergency. EO N-29-20’s provisions concerning public meetings applied through September 30, 2021.

AB 361 authorizes local agencies to continue meeting remotely without following the Brown Act’s standard teleconferencing provisions if the meeting is held during a state of emergency proclaimed by the Governor and either of the following applies: (1) state or local officials have imposed or recommended measures to promote social distancing; or (2) the agency has already determined or is determining whether, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

EO N-29-20 required legislative bodies to make remote public meetings accessible telephonically or otherwise electronically to all members of the public seeking to observe and to address the local legislative body, and to make reasonable efforts to adhere as closely as reasonably possible to the provisions of the Brown Act. AB 361 adds new procedures and clarifies the requirements for conducting remote meetings as follows:

- **Public Comment Opportunities in Real Time:** A legislative body that meets remotely pursuant to AB 361 must allow members of the public to access the meeting via a call-in option or an internet-based service option, and the agenda

for the remote meeting must provide an opportunity for members of the public to directly address the body in real time. Although the agency may still ask for public comments to be submitted in advance, the agency cannot require public comments to be submitted in advance of the meeting. If an agency does not provide a timed public comment period, but takes public comment separately on each agenda item, it must allow a reasonable amount of time per agenda item to allow members of the public the opportunity to provide public comment, including time to “be recognized for the purpose of providing public comment.”

- ***No Action During Disruptions:*** In the event of a disruption that prevents the local agency from broadcasting the remote meeting, or in the event of a disruption within the local agency’s control that prevents members of the public from offering public comments using the call-in option or internet-based service option, AB 361 prohibits the legislative body from taking any further action on items appearing on the meeting agenda until public access to the meeting via the call-in or internet-based options is restored.
- ***Periodic Findings:*** To continue meeting remotely pursuant to AB 361, an agency must make periodic findings that: (1) the body has reconsidered the circumstances of the declared emergency; and (2) the emergency impacts the ability of the body’s members to meet safely in person, or state or local officials continue to impose or recommend measures to promote social distancing. These findings should be made not later than 30 days after teleconferencing for the first time pursuant to AB 361, and every 30 days thereafter.

DISCUSSION

To continue to hold meetings under these special teleconferencing requirements, the City Council Liaison / Audit and Finance Committee needs to make two findings pursuant to Government Code Section 54953(e)(3). First, there must be a declared state of emergency and the City Council Liaison / Audit and Finance Committee must find that it has reconsidered the circumstances of such emergency. Second, the City Council Liaison / Audit and Finance Committee must find that such emergency continues to directly impact the ability of the City Council Liaison / Audit and Finance Committee members to meet in person. Alternatively, for the second finding, the City Council Liaison / Audit and Finance Committee must find that state or local officials continue to impose or recommend social distancing measures. These findings must be made within 30 days after the City Council Liaison / Audit and Finance Committee teleconferences for the first time under AB 361 and every 30 days thereafter.

The declared emergency is still in effect. Furthermore, the State of California and the County of Los Angeles have recommended measures to promote social distancing. The Centers for Disease Control and Prevention continue to advise that COVID-19 spreads more easily indoors than outdoors and that people are more likely to be exposed to COVID-19 when they are closer than 6 feet apart from others for longer periods of time. Additionally, the Los Angeles County Department of Public Health still encourages people at risk for severe illness or death from COVID-19 to take protective measures such as social distancing and, for those not yet fully vaccinated, to physically distance from others

Meeting Date: November 18, 2021

whose vaccination status is unknown. The County Health Department also continues to recommend that employers take steps to support physical distancing.

Please note that AB 361 applies to all legislative bodies. Therefore, Commissions and standing committees will need to also comply with the requirements of AB 361.

Jeff Muir
Secretary of the City Council Liaison /
Audit and Finance Committee

Approved By

RESOLUTION NO. CCL-AFC-01

RESOLUTION OF THE CITY COUNCIL LIAISON / AUDIT
AND FINANCE COMMITTEE OF THE CITY OF BEVERLY
HILLS AUTHORIZING PUBLIC MEETINGS TO BE HELD
VIA TELECONFERENCING PURSUANT TO GOVERNMENT
CODE SECTION 54953(e) AND MAKING FINDINGS AND
DETERMINATIONS REGARDING THE SAME

WHEREAS, the City Council Liaison / Audit and Finance Committee is committed to public access and participation in its meetings while balancing the need to conduct public meetings in a manner that reduces the likelihood of exposure to COVID-19 and to support physical distancing during the COVID-19 pandemic; and

WHEREAS, all meetings of the City Council Liaison / Audit and Finance Committee are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the City Council Liaison / Audit and Finance Committee conduct its business; and

WHEREAS, pursuant to Assembly Bill 361, signed by Governor Newsom and effective on September 16, 2021, legislative bodies of local agencies may hold public meetings via teleconferencing pursuant to Government Code Section 54953(e), without complying with the requirements of Government Code Section 54953(b)(3), if the legislative body complies with certain enumerated requirements in any of the following circumstances:

1. The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.
2. The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the

emergency, meeting in person would present imminent risks to the health or safety of attendees.

3. The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

WHEREAS, on March 4, 2020, Governor Newsom declared a State of Emergency in response to the COVID-19 pandemic (the “Emergency”); and

WHEREAS, the Centers for Disease Control and Prevention continue to advise that COVID-19 spreads more easily indoors than outdoors and that people are more likely to be exposed to COVID-19 when they are closer than 6 feet apart from others for longer periods of time; and

WHEREAS, the Los Angeles County “Responding together at Work and in the Community Order (8.23.21)” provides that all individuals and businesses are strongly encouraged to follow the Los Angeles County Public Health Department Best Practices. The Los Angeles County Public Health Department “Best Practices to Prevent COVID-19 Guidance for Businesses and Employers”, updated on September 13, 2021, recommend that employers take steps to reduce crowding indoors and to support physical distancing between employees and customers; and

WHEREAS, due to the ongoing COVID-19 pandemic and the need to promote social distancing to reduce the likelihood of exposure to COVID-19, the City Council Liaison / Audit and Finance Committee intends to hold public meetings via teleconferencing pursuant to Government Code Section 54953(e).

NOW, THEREFORE, the City Council Liaison / Audit and Finance Committee of the City of Beverly Hills resolves as follows:

Section 1. The Recitals provided above are true and correct and are hereby incorporated by reference.

Section 2. The City Council Liaison / Audit and Finance Committee hereby determines that, as a result of the Emergency, meeting in person presents imminent risks to the health or safety of attendees.

Section 3. The City Council Liaison / Audit and Finance Committee shall conduct its meetings pursuant to Government Code Section 54953(e).

Section 4. Staff is hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. The City has reconsidered the circumstances of the state of emergency and finds that: (i) the state of emergency continues to directly impact the ability of the members to meet safely in person, and (ii) state or local officials continue to impose or recommend measures to promote social distancing.

Section 6. The Secretary of the City Council Liaison / Audit and Finance Committee shall certify to the adoption of this Resolution and shall cause this Resolution and her certification to be entered in the Book of Resolution of the City Council Liaison / Audit and Finance Committee of this City.

Adopted:

ROBERT WUNDERLICH

Presiding Councilmember of the City
Council Liaison / Audit and Finance
Committee of the City of Beverly
Hills, California



STAFF REPORT

Date: November 18, 2021

To: Finance and Audit Committee

From: Jeff S. Muir, Director of Finance
Tatiana Szerwinski, Assistant Director of Finance
Sivan Levin, Financial Planning & Research Analyst

Subject: Summary and Evaluation of Bids for Professional Audit Services

RECOMMENDATION

Finance staff recommends selecting Crowe LLP for a five-year agreement with two optional one-year extensions for professional audit services.

INTRODUCTION

This report provides a summary and evaluation of bids received in response to the Request for Proposal (RFP) for Professional Audit Services.

DISCUSSION

The City released an RFP on July 22, 2021 because the current audit contract has expired. The City received eight (8) proposals in response to the RFP that closed on August 23, 2021. A panel of Finance Department staff reviewed all accepted audit proposals based on the criteria provided in the RFP document, as follows:

- Total mandatory elements - 30%
- Total expertise & experience - 25%
- Total audit approach - 25%
- Total project cost - 20%

The Finance Department panel consisted of the Director of Finance, Assistant Director of Finance, Financial Planning and Research Analyst, Purchasing Manager, and Accounting Manager. On September 13, 2021 the panel met to discuss the submissions and their evaluations of each bid. After their discussion, four (4) candidate audit firms were selected for interviews held on November 1, 2021 – Clifton Larsen Allen LLP, The Pun Group LLP, Crowe LLP, and Lance, Soll & Lunghard LLP.

The staff panel met after the interviews to discuss the firms' presentations and qualifications. After carefully evaluating each candidate, the panel selected Crowe LLP as the firm to recommend due to the firm's size and resources, such as solid municipal audit experience and performance on comparable government engagements, the quality of the firm's staff and management support personnel available for technical consultation, adequacy of proposed staffing plan, adequacy of analytical procedures, and technological resources to efficiently manage the City's audit process. Additionally, due to the firm's familiarity with the City and having already reviewed particular risk areas during their past audits, they will be able to probe further and assess and audit new risk areas, which is beneficial to the City. As a result of past audits, the firm did note internal control deficiencies and made recommendations for strengthening system access controls and segregation of duties, which were implemented and ultimately strengthened City controls and operations. The firm is also familiar with management's goals of continuing toward new Government Finance Officers' Association (GFOA) best practices in aiming to issue the City's financial statements within 90-120 days after fiscal year and is committed to assisting management with getting closer to this goal.

Per GFOA best practices, a formal process is required for selecting a new audit firm; however, rotating firms is not required. Management would intend to rotate firms subsequent to the expiration of the next and second agreement with Crowe.

FISCAL IMPACT

The price per audited fiscal year and total all-inclusive maximum price quoted in the bid submission is as follows:

2021-22	2022-23	2023-24	2024-25	2025-26	2026-27 (optional)	2027-28 (optional)	Total
\$65,000	\$65,000	\$65,000	\$67,000	\$69,000	\$72,000	\$75,000	\$478,000

Tatiana Szerwinski
Assistant Director of Finance

Approved By

Jeff S. Muir
Director of Finance

Approved By