



## CITY OF BEVERLY HILLS

455 North Rexford Drive  
Room 280A  
Beverly Hills, CA 90210

### The Beverly Hills City Council Liaison / Finance and Audit Committee & Section 115 Trust Committee

#### SPECIAL MEETING HIGHLIGHTS

Thursday, March 30, 2023  
4:09 PM

#### MEETING CALLED TO ORDER

Date / Time: March 30, 2023 / 4:09 PM

**IN ATTENDANCE:** Vice Mayor Julian A. Gold M.D., Councilmember Lester Friedman, City Treasurer Howard Fisher, City Manager Nancy Hunt-Coffey, Assistant City Manager Ryan Gohlich, Director of Finance Jeff Muir, Accounting Manager Roza Jakabffy, Executive Assistant Vanessa Catullo, Crowe Lead Engagement Partner Kathy Lai, Crowe Senior Manager Joseph Widjaja, Managing Partner Mark Shuster, Partner JoAnn Parrino, Chief Investment Officer Christopher Borden, Operations Manager Sarah Yauchzee, & Investment Analyst Stephen Knadle

#### 1) PUBLIC COMMENT

Members of the public were given the opportunity to directly address the Committee on any item listed on the agenda.

None.

#### 2) REVIEW OF JUNE 30, 2022 ANNUAL FINANCIAL AUDIT AND ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

The audit of financial statements is performed in accordance with auditing standards generally accepted in the United States (GAAS) and generally accepted Government Auditing Standards (GAGAS). The auditors expressed an unmodified opinion that the financial statements present fairly, in all material respects, the financial position of the City as of June 30, 2022.

Crowe also performed an alternative compliance examination of Federal Coronavirus Relief Funds, which were administered through the California State Water Resources Control Board. It was observed that an incorrect cutoff date was used and a small amount of additional grant funds were applied to ineligible customer accounts. A recommendation was made that the City implement additional internal controls to review the eligibility period for water and wastewater arrearages funding prior to disbursement. As of the meeting, all impacted customers had been notified of the error and adjustment and of their outstanding balances.



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#### 3) DISCUSSION OF SECTION 115 TRUST INVESTMENT STRATEGIES

The Director of Finance provided an overview presentation of the OPEB and pension liabilities as well as current trust portfolios and investment strategies. Mark Shuster shared information about current and projected market conditions and other considerations for investment strategies. The Section 115 Trust Investment Committee discussed and agreed decided to make the following changes to the OPEB and pension investment strategies:

##### OPEB

- Equity: 40%
- Fixed Income: 60%

##### Pension

- Equity: 30%
- Fixed Income: 70%

#### 4) ADJOURNMENT:

Date / Time: March 30, 2023 / 5:20 PM