



Audit, Safety Compliance & Real Estate Committee Meeting

December 16, 2025

MEETING MINUTES

Committee Members: Mayor Weiss (Chair), Ms. Pacetti (Vice Chair), Ms. Elder, Mr. Sleasman

Staff/Other: Shawn Becker, Nick Biggar, India Birdsong Terry, Felicia Brooks-Williams, Janet Burney, Floun'say Caver, Brent Charnigo, Wayne Colonna, Nick Davidson, Wendy Feinn, George Fields, Bob Fleig, Joel Freilich, Catherine Galla, Anthony Garofoli, Rajan Gautam, Sharon Jenkins, Chief Deirdre Jones, Lawrence Jupina, Carl Kirkland, Ida Marshall, Sheila Miller, Charles Morgan, Steve Peganoff, Mike Schipper, Kay Sutula, Wendy Talley, John Togher, Eric Vukmanic, Carolyn Young

Public: Kevin Hinkle, Ron Jackson, Loh, Joseph Sopko, Carren Woods

I. Roll Call

Mayor Weiss Called the meeting to order at 8:04 a.m. with a roll call. A quorum was present.

II. Updated Internal Audit Charter

Anthony Garofoli, Executive Director for Internal Audit, delivered a presentation on the revised Global Internal Audit Standards and the status of the Internal Audit Charter. The objectives included clarifying the Charter's purpose, highlighting key changes from the new global standards, and outlining expectations for the Board, executive management, and Internal Audit staff.

The Institute of Internal Auditors (IIA) issued new global standards effective January 9, 2025, replacing the 2017 framework. The new standards introduce five (5) domains, fifteen (15) principles, and fifty-two (52) mandatory standards, elevating leading practices to requirements.

The domains contribute to the information within the Charter. The role of the internal audit Charter is a formal document approved by the Board and Audit Committee that defines internal audits, purpose, authority and responsibility. It establishes internal audits, organizational position, and reporting lines. The Charter serves as a blueprint for how internal audit operates and signals the value placed on its independence and objectivity.

Updating the Charter ensures compliance with these standards and reflects current governance, risk management, and control expectations.

The Charter expands the scope to include assurance and consulting services over governance, risk management, and control processes. It commits to a quality assurance improvement program, including periodic internal and external assessments every five years. The last external assessment occurred 2.5 years ago, with the highest rating received.

Internal Audit will continue risk-based planning and outcome-focused assurance and advisory services. Stakeholders can expect clearer roles, stronger collaboration, and more transparent

communication on risks, controls, and audit results. The Charter affirms internal audit's role as a trusted strategic advisor while preserving independence and objectivity.

The Charter's update involves not only technical edits but also structural changes to ensure clarity, independence, and compliance with legal and regulatory requirements.

The new standards emphasize the five domains: ethics and professionalism governing the internal audit function, managing the function, performing the services and communicating results. Internal audits mandate roles, responsibilities and authority. Must not now be clearly articulated and evidence through an internal audit charter and approved by the Board of trustees.

The Charter incorporates these revised requirements, conforms internalized obligation to conform with the global internal audit standards.

The Charter has been updated to reflect enhancing and protecting organizational value through risk-based assurance, advice and insight. The Charter clarifies authority, including unrestricted access to records, personnel and physical property relevant to engagements and consistent with the standard roles of the Board and Audit Committee in approving the Charter overseeing Internal Audit and supporting independence, articulated more explicitly.

Mr. Garofoli stated that Internal Audit staff will recommend the revised Charter for formal approval to the Board of Trustees in January or February. Internal Audit will update its procedures, documents, manuals and methodologies to conform with these standards and conduct periodic reviews to keep it aligned with any changes that may occur.

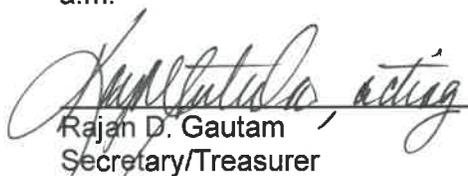
CEO Terry acknowledged the involvement of new Board members and the need for their input. The Charter's revision has been a lengthy process, involving feedback and commentary over the past year. The goal is to present a well-developed draft during the first quarter of 2026.

The Committee also discussed the importance of safeguarding audit independence, managing sensitive data, and maintaining robust internal controls. The reporting structure is designed to support independence while ensuring oversight. The Charter will undergo comparative analysis and legal review before finalization.

Ms. Smith Whigham appreciated the rigor updating the charter and will look for how to safeguard the independence of Audit and management.

III. Adjourn

There being no further business to bring before this Committee, a motion to adjourn the meeting was moved by Mayor Weiss and seconded by Mr. Sleasman. The meeting was adjourned at 8:23 a.m.


Rajan D. Gautam
Secretary/Treasurer


Brent Charnigo
Board Administrator