



BOARD OF ADMINISTRATION

Meeting Minutes - Final FCERS and Police&Fire Retirement Plan Audit Committee

Thursday, February 20, 2025

12:30 PM

City Hall, Wing Rooms 118 - 120
200 E. Santa Clara St. San Jose, CA 95113

HYBRID MEETING

PHYSICAL LOCATION:

City Hall, Wing Rooms 118-120, 200 E. Santa Clara St. San Jose, Ca 95113

ZOOM INFORMATION:

zoom.us

Dial In: +1 669-219-2599 US (San Jose)

Meeting ID: 959 9502 7856

FCERS Committee Members:

Prachi Avasthy, Chair (Term Expires 11/30/25)

Debbie Abbott, Trustee (Term Expires 11/30/26)

Julie Jennings, Trustee (Term Expires 11/30/27)

Police and Fire Committee Members:

Howard Lee, Chair (Term Expires 11/30/26)

Sunita Ganapati, Trustee (Term Expires 11/30/26)

David Woosley, Trustee (Term Expires 11/30/28)

Present: 6 - Debbie Abbott, Prachi Avasthy, Sunita Ganapati, Howard Lee, David Woolsey and Julie Jennings

The Federated Audit Committee and Police and Fire Audit Committee met in person on Thursday, February 20, 2025 at City Hall, Wing Rooms 118-120, 200 E. Santa Clara St., San Jose, CA 95113 and via Zoom at 12:30 p.m. The Police and Fire Audit Committee meeting was called to order at 12:42 p.m. by Chair Lee followed by roll call. The Federated Audit Committee meeting was called to order at 12:42 p.m. by Chair Avasthy followed by roll call.

Police and Fire Committee Members Present: Howard Lee, Sunita Ganapati, and David Woolsey.

Federated City Employees Retirement System (FCERS) Committee Members Present: Prachi Avashty, Julie Jennings, and Debbie Abbott.

Retirement Staff Present: John Flynn, Barbara Hayman, Chris Ha, Edith Aldama, Sherrell Aledo, and Gabriela Romero-Castrejon.

Retirement Staff Present via Zoom: Benjie Chua-Foy, Shilpi Dwivedi, and Nam Cao.

ADA ALERT

**** AB 2449 REMOTE APPEARANCE(S)**

a. Just Cause Circumstance(s) (Gov't Code § 54953)

- i. The following Trustee(s) have notified the Board of a "Just Cause" to attend this meeting via teleconference.

NONE

- ii. Call for Trustee(s) who wish to notify the Board of a "Just Cause" to attend this meeting via teleconference.

b. Emergency Circumstance(s) (Gov't Code § 54953)

- i. The following Trustee(s) have requested the Board approve their attendance of this meeting via teleconference due to an "Emergency Circumstance."

NONE

- ii. Call for Trustee(s) requesting the Board approve their attendance of this meeting via teleconference due to an "Emergency Circumstance."

- iii. Take action on request(s) for remote appearance.

- **Call To Order and Roll Call**

- **Orders of the Day**

This item was heard immediately after roll call attendance.

Chair Lee read the following into the record:

A FEW GROUND RULES FOR THIS MEETING

- We are holding this meeting as a hybrid meeting, and so those who are attending virtually, please mute yourself unless you are speaking and if you wish to speak, please raise your hand and staff will alert the Chair.

Orders of the Day

- None

Waive Sunshine (amended/attachments POSTED late):

- Late attachments for Item 2b, 2c, and 2e.

Police and Fire Committee Approved. (M.S.C. Ganapati/Woolsey 3-0-0).

FCERS Committee Approved. (M.S.C. Jennings/Abbott 3-0-0).

JOINT AUDIT COMMITTEE

1. CONSENT CALENDAR

A motion was made to approve the Consent Calendar.

Police and Fire Committee Approved. (M.S.C. Ganapati/Lee 3-0-0).

FCERS Committee Approved. (M.S.C. Jennings/Abbott 3-0-0).

- a. Approval of the Minutes of the October 31, 2024 Joint Audit Committee meeting for the Federated City Employee's Retirement System and the Police and Fire Department Retirement Plan.

2. NEW BUSINESS

- a. Nomination and Election of Audit Committee Vice Chair.

Chair Lee introduced the item. CEO Flynn presented the item and answered questions from the Board.

Trustee Woolsey nominated Trustee Ganapati as Vice-Chair of the Police & Fire Audit Committee, and Trustee Ganapati accepted the nomination.

A motion was made to approve Trustee Ganapati as Vice-Chair of the Police & Fire Audit Committee.

Police and Fire Committee Approved. (M.S.C. Lee/Woolsey 3-0-0).

Chair Avasthy nominated Trustee Abbott as Vice-Chair of the FCERS Audit Committee, and Trustee Abbott accepted the nomination.

A motion was made to approve Trustee Abbott as Vice-Chair of the FCERS Audit Committee.

FCERS Committee Approved. (M.S.C. Jennings/Avasthy 3-0-0).

- b. Discussion on the status of outstanding City Auditor's recommendations for the Office of Retirement Services as of December 31, 2024.

Chair Avasthy introduced the item. CEO Flynn presented the item and answered questions from the Board.

No action was taken on this item.

- c. Discussion and action on the current status of outstanding City Auditor recommendations.

CEO Flynn presented the item and answered questions from the Board, with Barbara Hayman, Deputy Director, assisting in the responses. Trustee Jennings also added comments.

After a lengthy discussion, a motion was made to direct staff to share with the Joint Audit Committee the agreements, the tracking spreadsheet used for agreements, and the summary of proof used to close out recommendations with the City Auditor.

Police and Fire Committee Approved. (M.S.C. Ganapati/Woolsey3-0-0).

FCERS Committee Approved. (M.S.C. Abbott/ Jennings 3-0-0).

- d. Discussion of CEO's assessment of ORS staff positions, including but not limited to the Senior Internal Auditor position.

Chair Avasthy introduced the item. CEO Flynn presented the item and answered questions from the Board. Trustees Jennings, Avasthy, and Abbott added comments. Barbara Hayman, Deputy Director, also assisted in responding to the Board's questions.

No action was taken on this item.

- e. Discussion and action on the status of outstanding Internal Audit recommendations.

CEO Flynn presented the item and answered questions from the Board. Trustee Jennings also added comments.

After a lengthy discussion, a motion was made to direct staff to review the seventy-four issues from the Internal Audit, identify those critical to the plan's functioning, and present them at the next meeting for discussion.

Police and Fire Committee Approved. (M.S.C. Ganapati/Woolsey 3-0-0).

FCERS Committee Approved. (M.S.C. Jennings/Abbott 3-0-0).

- **Proposed Agenda Items**

None.

- **Public Comments**

None.

- **Adjournment**

The Police & Fire Committee adjourned at 2:05 p.m.

The FCERS Committee adjourned at 2:05 p.m.

Minutes Recorded, Prepared and Respectfully submitted by,

John Flynn, CEO, Office of Retirement Services

In accordance with the requirements of AB 2449, the Board of Administration (“Board”) will generally, upon request, provide appropriate aids and services leading to effective communication for individuals with disabilities so they can participate equally in the Board’s meetings, including qualified sign language interpreters, documents in Braille, and other ways of making information and communications accessible to people who have speech, hearing, vision or other disabilities.

Anyone who requires an auxiliary aid or service for effective communication to participate in a Board meeting should contact the designated contact in Office of Retirement Services as far in advance of the scheduled meeting as possible. The Board strongly encourages individuals with disabilities to endeavor to submit requests for reasonable accommodation no later than five (5) business days before the scheduled meeting, as the Board may not be able to grant requests for reasonable accommodations without sufficient advance notice. The Board strongly encourages individuals with disabilities to submit their written requests via email or regular mail to facilitate tracking and response; however, if the submission of a written request constitutes a hardship, individuals may call the Office of Retirement Services to submit an oral request.

The designated contact in the Office of Retirement Services will endeavor to respond to each request within three (3) business days of receipt of the request. Depending on the request, the designated contact in the Office of Retirement Services may ask to schedule a time to discuss the request (which may occur virtually) to determine the most appropriate auxiliary aid or service, before the request is resolved.

ADA Designated Contact Information

Attention: Deputy Director/Chief Operations Officer, Office of Retirement Services

Address: 1737 N First St #600, San Jose, CA 95112

Email: #Retire_Admin@sanjoseca.gov

Phone: 408-794-1000 (ORS Main Line)

THE LEVINE ACT

Senate Bill 1439 (“Levine Act”) amended Government Code Section 84308 and requires disclosure and recusal by a local elected official and some members of boards and commissions if they receive campaign contributions over \$250 from a party, a participant with a financial interest in a proceeding, or their respective agents. The Levine Act was an anti-corruption law intended to curb “pay-to-play” and enhance public trust so that decision-makers can maintain their independence from the influence of donations for political campaigns. SB 1439 expanded the scope from state agency appointees or appointed local officials to include local elected officials. Please visit

<https://www.sanjoseca.gov/your-government/appointees/city-clerk/levine-act> for updated forms and information.