



City of San José Federated City Employees' Retirement System

City of San José Police and Fire Department Retirement Plan

Year End 2024 Audit Results Presentation

Presented By
Craig Harner, Partner
Yia Yang, Supervisor

October 31, 2024

Agenda

SECTION I

Scope of Services and Deliverables

SECTION II

Independent Auditor's Responsibilities

SECTION III

Audit Results

SECTION IV

Required Communications

OUR ETHOS

We believe
human care
comes first

FISCAL YEAR 2023 – 2024 AUDIT RESULTS

Scope of Services and Deliverables

Scope of Services and Deliverables

Scope of Services

- Audit of Financial Statement and related notes to the financial statements
 - Federated City Employees' Retirement System
 - Police and Fire Department Retirement Plan

Deliverables

- Independent Auditor's Report.
- Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters (required under *Government Auditing Standards*.)
- Report to the Board of Administration (Required communications at the conclusion of the audit.)
- Management Comments and Recommendations Letter (if applicable.)

FISCAL YEAR 2023 – 2024 AUDIT RESULTS

Independent Auditor's Responsibilities

Independent Auditor's Responsibilities

- To express an opinion as to the fair presentation of the System's financial statements, in all material respects, in conformity with accounting principles generally accepted in the United States of America.
- To apply certain limited procedures to required supplementary information:
 - Management's Discussion and Analysis.
 - Schedule of Changes in the Employer's Net Pension Liability and Related Ratios – Define Benefit Pension Plan
 - Schedule of Investment Returns – Defined Benefit Pension Plan
 - Schedule of Employer Contributions – Defined Benefit Pension Plan
 - Schedule of Changes in the Employer's Net OPEB Liability and Related Ratios – Postemployment Healthcare Plans
 - Schedule of Investment Returns – Postemployment Healthcare Plans
 - Schedule of Employer Contributions – Postemployment Healthcare Plans
- To report on the fairness of supplementary information when considered in relation to the basic financial statements as a whole:
 - Combining Schedule of Defined Benefit Pension Plan Net Position
 - Combining Schedule of Changes in Defined Benefit Pension Plan Net Position
 - Schedules of Administrative Expenses and Other
 - Schedules of Payments to Consultants
 - Schedules of Investment Expenses

FISCAL YEAR 2023 – 2024 AUDIT RESULTS

Audit Results

Audit Results

Report on the Audit of the Financial Statements

Summary

- Unmodified opinion
- Report date TBD
- Prepared by management in accordance with GAAP
- Audited in accordance with GAAS and GAS
- RSI presented in accordance with GASB requirements

FISCAL YEAR 2023 – 2024 AUDIT RESULTS

Required Communications

Required Communications

Qualitative Aspects of Accounting

Significant Accounting Policies

- Note 2 to financial statements
- No new policies
- No significant changes
- No lack of authoritative guidance

Significant Estimates and Disclosures

- Valuation of investments
- Total Pension Liability
- Total OPEB Liability

Other Matters

Significant Difficulties

- Nothing to report

Disagreements with Management

- Nothing to report

Management Consultations

- Nothing to report

Concluding the Audit

Uncorrected and Corrected Misstatements

- No uncorrected misstatements
- No material corrected misstatements

Management Representations

- Received written representations



Questions?
Let's Talk.