



BOARD OF ADMINISTRATION

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

Thursday, June 2, 2022

11:15 AM

or immediately following the conclusion of the P&F Disability Committee meeting

MEETING TO BE HELD BY ZOOM CONFERENCE IN LIEU OF PHYSICAL LOCATION

zoom.us

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

Meeting ID: 918 7456 3918

Password: 796913

FCERS Committee Members:

Mark Keleher, Chair

Julie Jennings, Trustee

Prachi Avasthy, Trustee

Police and Fire Committee Members:

Sunita Ganapati, Chair

Howard Lee, Trustee

Dave Wilson, Trustee

The Joint Federated and Police and Fire Audit Risk/Committee met via Zoom meeting on Thursday, June 2, 2022. The meeting was called to order at 11:57 a.m. by Chair Keleher on the Federated side and by Chair Ganapati on the Police and Fire side.

Present: 6 - Howard Lee, Mark Keleher, Julie Jennings, Sunita Ganapati, Dave Wilson and Prachi Avasthy

Staff Present via Zoom: Roberto Peña, Barbara Hayman, Benjie Chua-Foy, Houman Boussina, Ron Kumar, Christina Wang, Eric Tsang, Julie He, Deborah Sattler, Linda Alexander, Michelle San Miguel and Marti Zarate.

Others Present via Zoom: Maytak Chin, Svetlana Polyakova, John Caldwell, Isidro Bagon and Joe Ebisa

- **Call To Order and Roll Call**
- **Orders of the Day**

FEDERATED AUDIT COMMITTEE

1. Consent Calendar

A motion was made to approve the Consent Calendar.

Approved. (M.S.C. Jennings/Avasthy 3-0-0). The motion passed unanimously by roll call vote.

- a. Approval of the Minutes of the Special Federated Audit Committee meeting from May 19, 2022.
- b. Approval of the 1/1/22 - 3/31/22 Quarterly Travel and attendance for Federated.

2. New Business - None.

POLICE AND FIRE AUDIT COMMITTEE

3. Consent Calendar

A motion was made to approve the Consent Calendar.

Approved. (M.S.C.Wilson/Lee 3-0-0). The motion passed unanimously by roll call vote.

- a. Approval of the Minutes of the Special Police and Fire Audit Committee meeting from May 5, 2022.
- b. Approval of the 1/1/22 - 3/31/22 Quarterly Travel and attendance for Police & Fire.

4. New Business

- a. Discussion and action on factual findings for use of California Assembly Bill 361's abbreviated teleconferencing procedures.

Counsel Chin introduced and spoke to the item. Ms. Chin explained the contents of the memo submitted to the Committee regarding evidentiary support for the Committee's consideration of factual findings necessary for election to adopt AB 361's abbreviated teleconferencing procedures, which included:

- (1) Governor's proclamation on the continued state of emergency due to the ongoing COVID 19 pandemic; and**
- (2) the City Council's recent resolution that continued to impose recommend and impose social distancing in City facilities.**

A motion was made to adopt the Committee's factual findings under AB361 to allow the Committee to continue meeting virtually for the next 30 days.

Approved. (M.S.C. Ganapati/Lee 3-0-0) The motion passed unanimously by roll call vote

5. JOINT AUDIT COMMITTEE

- a. Approval of the Minutes of the February 17, 2022 Joint Audit Committee meeting for the Federated City Employee’s Retirement System and the Police and Fire Retirement Plan.

A motion was made to approve the Minutes of the February 17, 2022 Joint Audit Committee meeting.

Approved by Police & Fire. (M.S.C. Ganapati/Wilson 3-0-0). The motion passed unanimously by roll call vote.

Approved by Federated. (M.S.C. Keleher/Jennings 3-0-0). The motion passed unanimously by roll call vote.

- b. Update on the City Auditor’s Recommendation to the Office of Retirement Services.

CEO Peña updated the Board that there are no changes to the City Auditor's Recommendation.

- c. Discussion and action on FY 21-22 Office of Retirement Services Plans Audit Plan by Grant Thornton.

John Caldwell and Svetlana Polyakova from Grant Thornton spoke to the item and answered questions from the Committee. They discussed the role of the Auditor, responsibilities of the Audit Committee and management, the timeline, deliverables, materiality, areas of focus, risk assessment overview, considerations of COVID-19 and internal control matters. CEO Peña thanked Mr. Caldwell and Ms. Polyakova.

A motion was made to approve the FY 21-22 Office of Retirement Services Plans Audit Plan by Grant Thornton.

Approved by Federated. (M.S.C. Jennings/Avasthy 3-0-0). The motion passed unanimously by roll call vote.

Approved by Police & Fire. (M.S.C. Lee/Ganapati 3-0-0). The motion passed unanimously by roll call vote.

- d. Presentation of the Reconciliation of Contributions Audit by Internal Auditor, Houman Boussina.

Houman Boussina, Senior Internal Auditor, presented the Reconciliation of Contributions Audit and answered questions from the Committee. The purpose of the Audit was to determine if the Office of Retirement Services (ORS) accurately recorded pension plan contributions paid by the City of San José and eligible City employees (i.e., pension plan members) in the City’s financial records and the ORS’s PensionGold system. The audit scope included an assessment of ORS Accounting policies and procedures to ensure the timeliness, accuracy, and completeness of City contributions recorded.

• **Proposed Agenda Items**

None.

• **Public Comments**

None.

- **Adjournment**

The Federated meeting adjourned at 1:26 p.m.

The Police and Fire meeting adjourned at 1:26 p.m.

Minutes Recorded, Prepared and Respectfully submitted by,

_____/S/_____
Roberto L. Peña, CEO, Office of Retirement Services