



BOARD OF ADMINISTRATION

Action Minutes

FCERS and Police&Fire Retirement Plan Audit Committee

Thursday, May 16, 2024

11:30 AM

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

or immediately following the conclusion of the FCERS Board meeting

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: 969 4873 5202

Pass Code: 896583

FCERS Committee Members:

Prachi Avasthy, Chair

Debbie Abbott, Trustee

Julie Jennings, Trustee

Police and Fire Committee Members:

Howard Lee, Chair

Sunita Ganapati, Trustee

Dave Wilson, Trustee

The Federated Audit Committee and Police and Fire Audit Committee met in person on Thursday, May 16, 2024 at City Hall, Wing Rooms 118-120, 200 E. Santa Clara St., San Jose, CA 95113 and via Zoom at 11:30 a.m. The Police and Fire Audit Committee meeting was called to order at 11:37 a.m. by Chair Lee. The Federated Audit Committee meeting was called to order at 11:37 a.m. by Trustee Jennings.

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

Trustee Dave Wilson was absent.

Federated City Employees Retirement System (FCERS) Committee Members Present: Deborah Abbott and Julie Jennings.

Trustee Prachi Avashty was absent.

Retirement Staff Present: Roberto L. Peña, Barbara Hayman, Benjie Chua-Foy, Shilpi Dwivedi, Sherrell Aledo, Edith Aldama, Cynthia Ayala, and David Torres.

Retirement Staff Present via Zoom: Linda Alexander, Ron Kumar, Ellen Lee, Chris J. Reyes, Nam Cao, and Gina Rios.

Also Present: Maytak Chin, General and Fiduciary Counsel.

Also Present via Zoom: Cyril Español, Journalist; and Chaig Harner and Yia Yang, Macias Gini & O'Connell LLP (MGO).

I. 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. The following Trustee(s) have requested 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.
- The public will have an opportunity to speak on each item after trustees.

Orders of the Day

- None

WAIVE SUNSHINE (amended/attachments POSTED late):

- Late attachment: Old Business item 2a - City Auditor Recommendations: Timeline Informational Memo from the Office of Retirement Services (ORS).

A motion was made to waive sunshine on the attachment item 2a.

Police and Fire Committee Approved. (M.S.C. Ganapati/Lee 2-0-0). Trustee Wilson was absent.

FCERS Committee Approved. (M.S.C. Abbott/Jennings 2-0-0). Trustee Avasthy was absent.

JOINT AUDIT COMMITTEE

1. **CONSENT CALENDAR**

a. Approval of the Minutes of the April 11, 2024 Joint Audit Committee meeting for the Federated City Employee's Retirement System and the Police and Fire Department Retirement Plan.

A motion was made to approve the Consent Calendar.

Police and Fire Committee Approved. (M.S.C. Ganapati/Lee 2-0-0). Trustee Wilson was absent.

FCERS Committee Approved. (M.S.C. Abbott/Jennings 2-0-0). Trustee Avasthy was absent.

2. OLD BUSINESS

- a. Discussion and action on Office of Retirement Services' proposed timeline and plan for implementing recommendations from the City Auditor's Report, dated April 4, 2024.

This item was presented.

No action needed. Received and filed.

- b. Discussion and action on amendment to Internal Auditor Charter to reflect process for hiring Internal Auditor and on performance evaluation issues.

This item was presented.

A motion was made to approve the amendment to the Internal Auditor Charter to reflect the process for hiring the Head of Internal Audit Division's position or any other position within ORS's Internal Audit Division.

Police and Fire Committee Approved. (M.S.C. Ganapati/Lee 2-0-0). Trustee Wilson was absent.

FCERS Committee Approved. (M.S.C. Abbott/Jennings 2-0-0). Trustee Avasthy was absent.

- c. Update on status of request to custodian bank (Bank of New York Mellon) to correct fiscal years 2016-2023 Pension Plans' returns based on the results of the Agreed Upon Procedures work completed by Macias Gini & O'Connell LLP audit firm.

This item was presented.

3. NEW BUSINESS

- a. Discussion and action on FY 2023-2024 Office of Retirement Services Plans Audit Plan by Macias Gini & O'Connell LLP (MGO).

This item was presented.

A motion was made to approve the FY 2023-2024 Office of Retirement Services Plans Audit Plan by Macias Gini & O'Connell LLP (MGO).

Police and Fire Committee Approved. (M.S.C. Ganapati/Lee 2-0-0). Trustee Wilson was absent.

FCERS Committee Approved. (M.S.C. Abbott/Jennings 2-0-0). Trustee Avasthy was absent.

• Proposed Agenda Items

Chair Lee proposed adding names, commitments, and deadlines for the

deliverables in the Timelines for Implementation of City Auditor Recommendations under Old Business item 2a. Counsel Chin announced that the proposed items will be agendized as a New Business item at the August 15th meeting.

- **Public Comments**

None.

- **Adjournment**

The meeting was adjourned at 12:58 p.m.

Minutes Recorded, Prepared and Respectfully submitted by,

Roberto L. Peña, CEO, Office of Retirement Services