



BOARD OF ADMINISTRATION

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

City Hall
Wing Rooms 118-120
200 East Santa Clara
Street,
San Jose, CA 95113

Thursday, February 21, 2019

12:00 PM

City Hall Wing Rooms 118-120
San Jose, CA 95113

or immediately following the
Federated City Employees Retirement System Board meeting.

FCERS Committee Members:

*Jay Castellano, Chair
Marty Dirks, Vice-Chair
Elaine Orr, Trustee*

Police and Fire Committee Members:

*Andrew Lanza, Chair
Franco Vado, Vice-Chair
Eswar Menon, Trustee*

Alternates:

Andrew Gardanier, Trustee

- **Call To Order**

The Joint Federated and Police and Fire Audit/Risk Committee met on Thursday, February 21, 2019 at 12:00 pm. at City Hall Wing Rooms, 118-120, 200 E. Santa Clara St., San Jose, CA. The meeting was called to order at 12:37 p.m. by Trustee Lanza on the Police and Fire side and 12:40 p.m. by Trustee Castellano on the Federated side.

Staff Present: Roberto Peña, Barbara Hayman, Linda Alexander, Michelle San Miguel and Marti Zarate.

Others Present: Jeff Rieger, General and Fiduciary Counsel and Sue Ziegler, L.R. Wechsler.

Present: 6 - Martin Dirks, Andrew Lanza, Franco Vado, Jay Castellano, Eswar Menon and Elaine Orr

FEDERATED AUDIT COMMITTEE

- **Consent Calendar**

A motion was made to approve the Consent Calendar.

Approved. (M.S.C. Dirks/Orr 3-0-0). The motion passed unanimously.

1. Approval of the 10/1/18-12/31/18 Quarterly Travel and attendance analysis for Federated.

JOINT AUDIT COMMITTEE

- Consent Calendar

2. Approval of the Minutes of the October 18, 2018 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 October 18, 2018 Joint Audit Committee meeting for the Federated City Employee's Retirement System and the Police and Fire Retirement Plan.

Approved by Police and Fire (M.S.C. Lanza/Menon 3-0-0) The motion passed unanimously.
Approved by Federated (M.S.C. Dirks/Orr 3-0-0) The motion passed unanimously.

- New Business

3. Update on the City Auditor's Recommendations to the Office of Retirement Services.

Roberto Peña, CEO gave an update and answered questions from the Committee on the City Auditor's Recommendations to the Office of Retirement Services. He reported there are 2 items that are part of the budget: 1) the upgrade of the website/newsletter, 2) performance measures. He has shared updates on the progress of the recommendations with the City Auditor.

4. Update on the Pension Administration System.

Barbara Hayman, IT Manager and Sue Ziegler, L.R.Weschler, gave a quarterly update and answered questions from the Committee on the Pension Administration System. Ms. Hayman reported the last update was in October. Since then the systems were run parallel for 3 months and ORS went live with the new system on February 4, 2019. Ms. Ziegler reported the remaining items to be completed are Deliverable 5-Member Direct and Measure F. Fed Payroll has balanced and is ready to post. Staff is verifying Police & Fire COLA and are still working through issues with files sent to 3rd parties after payroll. Work arounds are in place so information can be delivered to those vendors and checks should go out as scheduled. Activities for the next 90 days include complete testing/training for Member Direct, continue to refine Workflows and Control Sheets and establish dates for Measure F. CEO Peña thanked staff for their work and announced the next update will be in May.

POLICE & FIRE AUDIT COMMITTEE

- Consent Calendar

A motion was made to approve the Consent Calendar.

Approved. (M.S.C. Lanza/Vado 3-0-0). The motion passed unanimously.

5. Approval of the 10/1/18-12/31/18 Quarterly Travel and attendance analysis for Police and Fire.

Next Meeting: May 16, 2019

- **Adjournment**

The Police and Fire meeting adjourned at 11:07 a.m.
The Federated meeting adjourned at 11:07 p.m.

Minutes Recorded, Prepared and Respectfully submitted by,



Roberto L. Peña, CEO, Office of Retirement Services