



BOARD OF ADMINISTRATION

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

Thursday, February 17, 2022

11:30 AM

or immediately following the Special Federated Governance 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: 957 6485 7434

Password: 706423

FCERS Committee Members:

Mark Keleher, Chair

Julie Jennings, Trustee

Vacant, Trustee

Police and Fire Committee Members:

Sunita Ganapati, Chair

Howard Lee, Trustee

Dave Wilson, Trustee

Roberto L. Peña, CEO, Office of Retirement Services

COUNSEL

Maytak Chin, General and Fiduciary Counsel

The Joint Federated and Police and Fire Audit Risk/Committee met via Zoom meeting on Thursday, February 17, 2022. The meeting was called to order at 11:20 a.m. by Chair Jennings on the Federated side and at 11:33 a.m. by Chair Ganapati on the Police and Fire side.

Present: 5 - Howard Lee, Mark Keleher, Julie Jennings, Sunita Ganapati and Dave Wilson

Staff Present via Zoom: Roberto Peña, Barbara Hayman, Benjie Chua-Foy, Houman Boussina, David Lisenbee, Ron Kumar, Ellen Lee, Deborah Sattler, Linda Alexander, Michelle San Miguel and Marti Zarate.

Others Present via Zoom: Maytak Chin.

- **Call To Order and Roll Call**

• **Orders of the Day**

Chair Jennings read the following ground rules into the record:

We are continuing to meet virtually at this meeting and are doing so pursuant to AB 361.

- As such, all votes will be roll call votes.
- If you are not speaking, please be on mute to cut background noise.
- For discussion items, each trustee will have a turn to speak in roll call order, more than once if desired.
- The public will have an opportunity to speak on each item after trustees.
- The public will also have an opportunity to speak again at the end of the meeting on any other item not on the agenda that is within the subject jurisdiction of the Board.

FEDERATED AUDIT COMMITTEE

1. Consent Calendar

A motion was made to approve the Consent Calendar.

Approved. (M.S.C. Jennings/Keleher 2-0-0). The motion passed unanimously by roll call vote.

- a. Approval of the Minutes of the Special Federated Audit Committee meeting from January 20, 2022.
- b. Approval of the 10/1/21 - 12/31/21 Quarterly Travel and attendance for Federated.

2. 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 and recommend social distancing in City facilities.

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

Approved. (M.S.C. Jennings/Keleher 2-0-0) The motion passed unanimously by roll call vote.

POLICE AND FIRE AUDIT COMMITTEE

3. Consent Calendar

A motion was made to approve the Consent Calendar.

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

- a. Approval of the 10/1/21 - 12/31/21 Quarterly Travel and attendance for Police & Fire.

4. New Business - None.

JOINT AUDIT COMMITTEE

5. Consent Calendar

A motion was made to approve the Consent Calendar.

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

Approved by Federated. (M.S.C. Jennings/Keleher 2-0-0). The motion passed unanimously by roll call vote.

- a. Approval of the Minutes of the October 21, 2021 Joint Audit Committee meeting for the Federated City Employee's Retirement System and the Police and Fire Retirement Plan.

6. New Business

- a. Update on the City Auditor's Recommendation to the Office of Retirement Services.

Benjie Chua-Foy, Accounting Manager spoke to the item. The only change is to Recommendation #15 which is still partly implemented. ORS is hoping to have Recommendation #15 fully implemented by the end of this Fiscal Year.

- b. Presentation of the Benefits Audit: Pay Codes by Office of Retirement Services, Internal Auditor, Houman Boussina.

Houman Boussina, Internal Senior Auditor, presented his findings on the Benefits Audit: Pay Codes and answered questions from the Committee. CEO Peña and Ms. Hayman also answered questions.

A motion was made to accept the report.

Approved by Federated. (M.S.C. Jennings/Keleher 2-0-0). The motion passed unanimously by roll call vote.

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

- c. Presentation of the Status of Audit Recommendations by Office of Retirement Services, Internal Auditor, Houman Boussina.

Mr. Boussina presented the Status of Audit Recommendations and answered questions from the Committee. Ms. Hayman also answered questions. Five recommendations out of 25 have been implemented, 26 are in process and 1 has been closed.

A motion was made to accept the report.

Approved by Federated. (M.S.C. Jennings/Keleher 2-0-0). The motion passed unanimously by roll call vote.

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

- d. Presentation of the 2021 Internal ORS staff survey by Office of Retirement Services, Internal Auditor, Houman Boussina

Mr. Boussina presented the 2021 Internal ORS staff survey. He reviewed the strengths and concerns. The survey will be repeated in December 2022.

A motion was made to accept the report.

Approved by Federated. (M.S.C. Jennings/Keleher 2-0-0). The motion passed unanimously by roll call vote.

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

- **Proposed Agenda Items**

None.

- **Public Comments**

None.

- **Adjournment**

The Federated meeting adjourned at 12:32 p.m.
The Police and Fire meeting adjourned at 12:32 p.m.

Minutes Recorded, Prepared and Respectfully submitted by,

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