

San Mateo County Employees' Retirement Association
Minutes of the Audit Committee Meeting of the Board of Retirement

October 26, 2017 – Audit Committee Meeting Minutes

1. **Call to Order:** Chair Shirley Tourel called the meeting of the Audit Committee to order at 4:00 p.m.

Roll Call: *Present:* Kurt Hoefler, Susan Lee and Shirley Tourel.

Excused: Sandie Arnott.

Staff: Scott Hood, Brenda Carlson, Gladys Smith, Tat-Ling Chow and Kristina Perez.

Consultants: Ashley Casey, from Brown Armstrong (appeared via telephone).

2. **Oral Communications:** None.

3. **Review and Discussion of the Following Items:**

- 3.1 **Recommendation to the Board of Retirement to Accept Financial Audit Management Reports and Findings:**

Ms. Casey presented the audit report telephonically. She reviewed the financial audit management reports and findings with the Audit Committee. She stated that SamCERA received an unmodified (clean) opinion, that there were no problems or difficulties during the audit process, and that there were no significant issues or material weaknesses to be disclosed. Ms. Casey informed the Committee that five agreed-upon recommendations, that expand on best control practices, were given. The Audit Committee asked questions of Ms. Casey and Ms. Chow.

Action: Mr. Hoefler moved to recommend that Board of Retirement accept the financial audit management reports and findings, as prepared by Brown Armstrong. The motion was seconded by Ms. Lee and carried with a vote of 3-0, with trustees Hoefler, Lee and Tourel, all in favor; and none opposed.

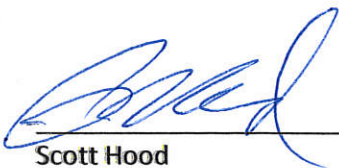
- 3.2 **Recommendation to the Board of Retirement to Approve SamCERA's 2017 Comprehensive Annual Financial Report:**

Ms. Chow explained the elements of the CAFR, and reviewed highlights of the report including SamCERA's net position, liabilities, investment income returns and funding status. She stated that SamCERA's financial position has improved from 83.1% to 84.3%. The Audit Committee members asked questions and discussed the information provided.

Action: Ms. Lee moved to recommend that Board of Retirement approve SamCERA's 2017 Comprehensive Annual Financial Report. The motion was seconded by Mr. Hoefler and carried with a vote of 3-0, with trustees Hoefler, Lee and Tourel, all in favor; and none opposed.

4. **Finance Officer's Report:** Ms. Chow thanked Ms. Casey, and Brown Armstrong, for the smooth audit process.

5. **Adjournment:** With no further business, Ms. Tourel adjourned the meeting at 4:18 p.m.



Scott Hood
Chief Executive Officer

Kristina Perez
Retirement Executive Secretary