ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM BOARD OF RETIREMENT 2223 WELLINGTON AVENUE, SUITE 100 SANTA ANA, CA 92701

AUDIT COMMITTEE MEETING January 30, 2018 1:30pm

MINUTES

The Chair called the meeting to order at 1:33 p.m. and read the opening statement for the record. Attendance was as follows:

Present: Frank Eley, Chair; Charles Packard, Vice Chair; Russell Baldwin; Shari Freidenrich

Staff: Steve Delaney, CEO; Brenda Shott, Assistant CEO, Internal Operations; Suzanne Jenike,

Assistant CEO, External Operations; Gina Ratto, Chief Legal Officer; Cynthia Hockless, Director of Administrative Services; Jenny Sadoski, Director of Information Technology; Jon Gossard, Security Operations Manager; Mark Adviento, Internal Auditor; Sonal

Sharma, Recording Secretary; Anthony Beltran, Audio Visual Technician

OPEN SESSION

A. ACTUARIAL AUDIT OF OCERS' 2016 ACTUARIAL VALUATION

Presentation by Graham Schmidt and Anne Harper of Cheiron

Recommendation: Receive and file.

Cheiron presented the results of their actuarial audit of OCERS' 2016 actuarial valuation.

Following discussion, a <u>motion</u> was made by Mr. Packard, <u>seconded</u> by Ms. Freidenrich, to receive and file.

The motion passed unanimously.

B. AUDIT OF OCERS' INVESTMENT REBALANCING REPORTING

Presentation by Mark Adviento, Internal Auditor

Recommendation: Receive and file.

Mark Adviento, Internal Auditor, reported no findings as a result of the audit.

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Following discussion, a motion was made by Mr. Packard, seconded by Mr. Baldwin, to receive and file.

The motion passed unanimously.

C. STATUS OF 2017 INTERNAL AUDIT PLAN

Presentation by Mark Adviento, Internal Auditor

Recommendation: Receive and file.

Mark Adviento, Internal Auditor, discussed the status of the last outstanding project from the 2017 Internal Audit Plan.

Following discussion, a motion was made by Mr. Packard, seconded by Mr. Baldwin, to receive and file.

The **motion passed unanimously.**

D. STATUS OF 2018 INTERNAL AUDIT PLAN

Presentation by Mark Adviento, Internal Auditor

Recommendation: Receive and file.

Mark Adviento, Internal Auditor, discussed the status of projects from the 2018 Internal Audit Plan.

Following discussion, a motion was made by Mr. Packard, seconded by Mr. Baldwin, to receive and file.

The motion passed unanimously.

E. THREAT TO PUBLIC SERVICES OR FACILITIES (GOVERNMENT CODE SECTION 54957)

Adjourn pursuant to Government Code section 54957 to consult with Steve Delaney, CEO, Brenda Shott, Asst. CEO; Jenny Sadoski, Director of Information Technology; Jon Gossard, Security Operations Manager; Cynthia Hockless, Director of Administrative Services, and Gina M. Ratto, Chief Legal Officer

Recommendation: Take appropriate action.

The Committee recessed into closed session at 2:30 p.m.

The Committee reconvened from closed session at 3:00 p.m.

Item E - The Committee took **no reportable action**.

The Meeting was adjourned at 3:08 p.m.

* * * * * * END OF INDIVIDUAL ITEMS AGENDA * * * * *

PUBLIC COMMENTS:

None.

COMMITTEE MEMBERS COMMENTS:

The Committee instructed the CEO to begin negotiations in regards to the hiring of Extra Help, or OCERS employee, or a Consultant for the position of Acting Director of Internal Audit.

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS:

None.

Submitted by:

Steve Delaney

Secretary to the Committee

Approved by:

Frank Eley

Committee Chair