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

AUDIT COMMITTEE MEETING
June 6, 2019
1:00 p.m.

Members of the Committee
Frank Eley, Chair
Charles Packard, Vice Chair
Jeremy Vallone
Shari Freidenrich

MINUTES

OPEN SESSION

The Chair called the meeting to order at 1:09 p.m.

Attendance was as follows:

Committee Members: Frank Eley, Chair; Charles Packard, Vice Chair; Jeremy Vallone; Shari Freidenrich

Staff: David Kim, Director of Internal Audit; Brenda Shott, Assistant CEO of Internal Operations; Suzanne Jenike, Assistant CEO External Operations; Tracy Bowman, Director of Finance; Mark Adviento, Internal Auditor; Sonal Sharma, Recording Secretary; Anthony Beltran, Audio Visual Technician.

PUBLIC COMMENT
None.

CONSENT AGENDA

C-1 APPROVE AUDIT COMMITTEE MINUTES

Audit Committee Meeting Minutes March 26, 2019

A motion was made by Mr. Packard, seconded by Mr. Vallone to approve the minutes.

ACTION ITEMS

A-2 2018 FINANCIAL STATEMENT AUDIT
Presentation by Linda Hurley and Amy Chiang, Macias Gini & O'Connell

Recommendations:

1. Approve OCERS' audited financial statements for the year ended December 31, 2018;
2. Direct staff to finalize OCERS' 2018 Comprehensive Annual Financial Report (CAFR);
3. Approve the Governmental Accounting Standards Board (GASB) Statement 67 Actuarial Valuation as of December 31, 2018; and

A motion was made by Mr. Packard, seconded by Ms. Freidenrich to approve staff recommendation.

A-3 GASB 68 VALUATION AND AUDIT REPORT
Presentation by Brenda Shott, Assistant CEO of Internal Operations

Recommendations:

1. Approve OCERS' audited Schedule of Allocated Pension Amounts by Employer as of and for the Year Ended December 31, 2018; and
2. Approve the Governmental Accounting Standards Board (GASB) Statement 68 Actuarial Valuation as of December 31, 2018 for distribution to employers.

A motion was made by Mr. Packard, seconded by Ms. Freidenrich to approve staff recommendation.

A-4 AUDIT OF EMPLOYER AND EMPLOYEE CONTRIBUTIONS ACCOUNTING
Presentation by David Kim, Director of Internal Audit and Mark Adviento, Internal Auditor

Recommendation: Receive and file.

A motion was made by Mr. Packard, seconded by Mr. Vallone to approve staff recommendation.

A-5 MANAGEMENT ACTION PLAN VERIFICATION
Presentation by David Kim, Director of Internal Audit

Recommendation: Receive and file.

A motion was made by Mr. Packard, seconded by Mr. Vallone to approve staff recommendation.

A-6 HOTLINE UPDATE
Presentation by David Kim, Director of Internal Audit

Recommendation: Receive and file.

A motion was made by Mr. Packard, seconded by Mr. Vallone to approve staff recommendation.
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INFORMATION ITEMS

I-1  STATUS UPDATE OF 2019 AUDIT PLAN  
Written Report

I-2  TRAVEL REPORT - LACERA  
Written Report

* * * * * END OF OPEN SESSION AGENDA * * * * *

CLOSED SESSION 3:00

E-1  THREAT TO PUBLIC SERVICES OR FACILITIES (GOVERNMENT CODE SECTION 54957)

Adjourn into Closed Session pursuant to Government Code section 54957 to consult with Brenda Shott, Asst. CEO; Matthew Eakin, Director of Cyber Security; Jenny Sadoski, Director of Information Technology; Jon Gossard, Information Security Manager; and Gina M. Ratto, General Counsel

Recommendation: Take appropriate action.

* * * * * END OF CLOSED SESSION AGENDA * * * * *

OPEN SESSION

The Committee recessed into open session. No reportable action was taken.

COMMITTEE MEMBER COMMENTS

None.

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

None.

COUNSEL COMMENTS

None.

ADJOURNMENT

The Chair adjourned the meeting at 3:41pm.