

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

November 13, 2000 – Audit Committee Agenda

PUBLIC SESSION – The Committee will meet in Public Session at 10:00 p.m.

- 1.0 Call to Order
- 2.0 Roll Call
- 3.0 Approval of the Minutes for the December 19, 2000 Investment Committee Meeting
- 4.1 Oral Communications from the Committee
- 4.2 Oral Communications from the Public
- 5.0 Approval of *SamCERA's* Audited Financial Statements.
- 6.0 Approval of SamCERA's Response to the Management Letter for Year Ended June 30, 2000 Audit.
- 7.0 Review of SamCERA's Procedure Regarding Custodian and Manager Reconciliation.
- 8.0 Other Business
- 9.0 Adjournment

MINUTES OF SAMCERA'S Investment Committee

- 1.0 Call to Order** Mr. Hoffman called the Public Session of the Audit Committee to order at 10:00 a.m., November 13, 2000, in *SamCERA's* Board Room, Suite 280, 702 Marshall Street, Redwood City.
- 2.0 Roll Call** Mr. Hoffman, Mr. McMahon and Ms. Stuart Board *Members in Attendance*: Mr. Bryan (10:16) *Alternate Board Member in Attendance*: None. *Staff*: Mr. Clifton and Mr. McCausland. *Auditor*: Mr. Charan, Mr. Huening and Ms. Sullivan *Public*: None *Retirees*: None
- 3.0 Approval of the Minutes** Mr. Hoffman asked for approval of the September 26, 2000 Audit Committee Minutes:

Motion by Stuart, second by McMahon, to approve the Minutes of September 26, 2000 as amended. The motion carried unanimously.

- 4.1 Oral Communications from the Committee** None
- 4.2 Oral Communications from the Public** None
- 6.0 Approval of SamCERA's Response to the Management Letter for Year Ended June 30, 2000 Audit.** The Chair moved agenda item 6.0 ahead of item 5.0 reasoning that a review of the Management Letter may aid the Committee in understanding the audited Financial Statements. Mr. Tom Huening, County Controller and his staff, Mr. Kenchan Charan, Deputy Controller and Elisa Sullivan, Project Auditor were present to discuss the letter with the Committee. Ms. Sullivan and Mr. Clifton lead the Committee through the Management Letter. The Chair thought the Management Letter was excellent and the Committee accepted the auditor's findings and the staff's response to those findings.

Motion by Stuart, second by McMahon, to accept the June 30, 2000 Management Letter as presented including staff's response. The motion carried unanimously.

The Committee returned to agenda item five.

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5.0 Approval of *SamCERA's* Audited Financial Statements. Mr. McCausland thanked the auditor for reopening the fieldwork to accept the July 1, 2000 actuarial valuation. It is the first time the financial statements contain the most recent actuarial information. The members of the Committee approved the audited Financial Statements.

Motion by McMahan, second by Stuart, to approve the June 30, 2000 Financial Statements. The motion carried unanimously.

7.0 Review of SamCERA's Procedure Regarding Custodian and Manager Reconciliation. Mr. Clifton provided a review of *SamCERA's* cash, portfolio and reserve reconciliation procedures. The Chair questioned the performance reconciliation procedures employed by the Investment Consultant.

Action: The Committee approved *SamCERA's* procedures and asked the Chair to talk to the Investment Consultant regarding their procedures.

8.0 Other Business:

9.0 Adjournment: There being no further business Mr. Hoffman adjourned the Committee at 11:42.