



Date: June 16, 2016
To: Members of the Audit Committee
From: Donald R. White, Chair
Subject: Summary of the June 16, 2016, Audit Committee Meeting

Audit Committee Chair Donald White called the June 16, 2016, Audit Committee meeting to order at 12:32 p.m. Committee members present were, Dale Amaral, Annette Cain-Darnes, Tarrell Gamble, and George Wood. Other Board members present were Liz Koppenhaver, David Safer, and Darryl Walker. Members of the Staff present were David Nelsen, Chief Executive Officer; Kathy Foster, Assistant Chief Executive Officer; Harsh Jadhav, Chief of Internal Audit; Margo Allen, Fiscal Services Officer; Joseph Fletcher, Chief Counsel; Betty Tse, Chief Investment Officer; and Sandra Dueñas-Cuevas, Benefits Manager.

ACTION ITEMS

1. Discussion and possible motion to adopt the audited Schedules of Employer Allocations and the Schedule of Pension Amounts by Employer, with related notes, prepared by ACERA for the participating employers (Source: Addendum to the GASB Statement 67 Valuation as of December 31, 2015.)

Staff introduced representatives of Segal who prepared the Schedules of Employer Allocations and the Schedule of Pension Amounts by Employer, with related notes, prepared by ACERA for the participating employers (Source: Addendum to the GASB Statement 67 Valuation as of December 31, 2015.) Staff then invited the members of the board to ask questions or express their concerns on these schedules. After a brief discussion, Trustee Cain-Darnes moved and Trustee Gamble seconded a motion that the Audit Committee recommend to the Board that the Board accept and file the Schedules of Employer Allocations and the Schedule of Pension Amounts by Employer, with related notes, prepared by ACERA for the participating employers (Source: Addendum to the GASB Statement 67 Valuation as of December 31, 2015.)

The motion carried 8 yes (Amaral, Cain-Darnes, Gamble, Koppenhaver, Safer, Walker, White, Wood), 0 no, 0 abstentions.

INFORMATION ITEMS

External Audit

1. Presentation of the Governmental Accounting Standards Board (GASB) Statement 68 Valuation Based on the December 31, 2015, Measurement Date for Employer Reporting as of June 30, 2016.

Staff provided a summary of GASB Statement No. 68 Actuarial Valuation Based on the December 31, 2015, Measurement Date for Employer Reporting as of June 30, 2016.

2. Presentation of Auditor's Letter to Management

Staff presented the Auditor's Letter to Management and ACERA's response to it.

Internal Audit

- **None.**

TRUSTEE/PUBLIC INPUT

- **None.**

RECOMMENDATION

The Audit Committee recommend to the Board that the Board adopt audited Schedules of Employer Allocations and the Schedule of Pension Amounts by Employer, with related notes, prepared by ACERA for the participating employers (Source: Addendum to the GASB Statement 67 Valuation as of December 31, 2015.)

ESTABLISHMENT OF NEXT MEETING DATE

September 14, 2016 at 1:30 pm

MEETING ADJOURNED

The meeting adjourned at 1:18 pm