

Mendocino County Board of Retirement
Audit and Budget Committee Meeting Minutes
February 2, 2015

9:30 a.m.

Participants: Randy Goodman, Committee Chair, Ted Stephens, Tim Knudsen, Kathryn Cavness, James Wilbanks, Retirement Administrator, Stan Conwell, Financial Investment Officer, and Judy Zeller, Administrative Assistant.

Public Comment: None

1) Approval of the November 21, 2014 Committee meeting minutes.

Mr. Goodman referenced the November 21, 2014 minutes and attached certifications signed by Lloyd Weer and Jim Andersen attesting to the accuracy of the minutes.

Ms. Cavness motioned to approve the November 21, 2014 meeting minutes. Mr. Knudsen seconded the motion and the minutes were approved unanimously.

2) Approval of the January 21, 2015 Committee meeting minutes.

Mr. Knudsen motioned to approve the January 21, 2015 meeting minutes. Ms. Cavness seconded the motion and the minutes were approved unanimously.

3) Discussion and Recommendation regarding the Draft External Audit report for Fiscal Year 2013/2014.

Mr. Goodman referenced the draft audit report for fiscal year 2013/2014. Crystal Ekenayeke and Dan Matzinger of Gallina LLP participated in the discussion by phone. The committee made additional changes to the report with Gallina's assistance. Ms. Ekenayeke explained that once the changes to the final draft are complete it will go through a technical review which will take approximately two to three days. Once this review is complete the the final draft report can be issued by the February 18, 2015 Board meeting.

Mr. Stephens motioned to recommend the final draft of the financial statements to the full board for adoption on February 18, 2015. Mr. Knudsen seconded the motion and it was approved by the following vote: Ayes: Mr. Goodman, Mr. Stephens, Ms. Cavness and Mr. Knudsen. Noes: 0. Abstain: 0. Absent: 0.

4) Discussion and Recommendation Regarding the Governmental Accounting Standards (GAS) 67 Actuarial Valuation as of June 30, 2014.

(Pursuant to Government Code Section 54954, this agenda was posted 72 hours prior to the meeting.)

MEETING LOCATION: Retirement Association Conference Room , 625-B Kings Court, Ukiah, CA 95482

Phone: 707-463-4328 Fax: 707-467-6472

RETIREMENT ASSOCIATION WEBSITE: www.co.mendocino.ca.us/retirement

Mr. Wilbanks referenced the GAS 67 report and stated that Segal Consulting will be calling in on February 18th to participate in the discussion of this report with the full board. He asked the committee to recommend adoption of the GAS 67 report to the board. The committee preferred to take the report to the board and discuss with Segal. They did not make a recommendation.

5) Discussion and Recommendation regarding the Comprehensive Annual Financial Report (CAFR) for Fiscal Year ended June 30, 2014.

Mr. Goodman referenced the CAFR and conducted a page by page review. The committee recommended changes to the draft report, noting that staff may need to consult with Segal Consulting and Gallina LLP regarding some of these changes. The deadline for submission to the Government Finance Officers Association (GFOA) has been extended to February 28, 2015. An additional 30 day extension is also available.

Mr. Wilbanks asked about board approval as it appears that had not been done in the past. The Audit and Budget Committee conducts a review of the CAFR before the board review and before submission to the GFOA. Mr. Goodman mentioned that there is a fee to submit the CAFR to the GFOA. After the GFOA review they will either pass or fail the report and include a letter with their recommendations for future reports.

Staff will make the appropriate changes to the CAFR and will submit the report to the board on February 18, 2015 for discussion and recommendation. The Audit and Budget Committee will meet again on February 24th for final review of the CAFR before submission to the GFOA.

6) Schedule the next Audit & Budget Committee meeting.

The next Audit and Budget Committee meeting will be held on Tuesday February 24, 2015 at 10:00 a.m.

10:43 a.m. Meeting Adjourned

(Pursuant to Government Code Section 54954, this agenda was posted 72 hours prior to the meeting.)

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