

**BOARD OF RETIREMENT  
FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

*"Our mission is to administer the retirement benefits for the members and beneficiaries in a prudent, accurate, timely and cost-effective manner, while administering fund assets in a manner that achieves investment and funding objectives within prudent levels of risk"*

**December 14, 2016**

**AUDIT COMMITTEE MEETING  
ACTION SUMMARY MINUTES**

[AN AUDIO RECORDING OF THE OPEN SESSION DISCUSSION ITEMS CAN BE FOUND ON OUR WEBSITE AT  
WWW.FCERA.ORG](http://WWW.FCERA.ORG)

**Committee Members Present:**

Alan Cade, Jr.  
Dr. Rod Coburn, III  
Steven Jolly

**Trustees Absent:**

Oscar J. Garcia

**Staff and Service Providers Present:**

Donald Kendig, Retirement Administrator  
Doris Rentschler, Assistant Retirement Administrator  
Elizabeth Avalos, Executive Assistant  
Conor Hinds, Supervising Accountant  
Rosalva Flores, Brown Armstrong – via tele-conference  
Ashely Casey, Brown Armstrong – via tele-conference

**Members of the Public that Addressed the Board:**

None.

**1. Call to Order**

Chair Coburn called the meeting to order at 8:33 AM, noting that Committee Member Garcia was absent.

**2. Public Comment**

None.

**3. Discussion** - Consideration of the draft reports from the Independent Auditor, Brown Armstrong

Rosalva Flores, Brown Armstrong, opened discussions with a summary of the purpose of the audit and gave a brief overview of the audit process and responsibilities noting that audit tests are designed to identify high risk areas such as investments and employer and employee contributions that have potential for material errors, irregularities, and fraud.

The Board reviewed the June 30, 2016 Comprehensive Annual Financial Report (CAFR), and Auditor Reports and Required Communications, and discussed the current year conditions and recommendations (consisting of 1) as well as the disposition of the prior year conditions (consisting of 3). Minor edits were directed to be made to the CAFR, auditor reports and required communication.

Ashely Casey, Brown Armstrong, addressed the Board's prior year requests as follows:

- Stratify and randomly sample pools of data – 5 types of data were stratified and sampled. There were no exceptions to report.
- Active member testing as it relates to PEPR. There were no exceptions to report.
- Investment Management fees. There were no exceptions to report.
- Retirement Payroll Exports. There were no exceptions to report.

Ms. Flores stated that FCERA's financial statements are fairly presented in accordance with generally accepted accounting principles and that FCERA earned an unqualified ("clean") opinion. She noted that the opinion is the highest opinion that an independent audit firm can issue and congratulated the FCERA team.

The Brown Armstrong team thanked the FCERA staff for their diligence in collecting and supplying information timely when requested.

There being no further business, the meeting adjourned at 9:30 AM.

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Donald C. Kendig, CPA  
Secretary to the Board