



# Notice of Public Meeting

## Audit Committee

of the San Mateo County Employees' Retirement Association will meet at 100 Marine Parkway, Suite 125 (Conference Room), Redwood City

**February 25, 2025 at 9:00 a.m.**

**PUBLIC SESSION** – The Committee will meet in Public Session at 9:00 a.m.

**1.0 Call to Order and Roll Call**

**2.0 Oral Communications**

- 2.1 Oral Communications from the Committee
- 2.2 Oral Communications from the Public

**3.0 Approval of Minutes**

- 3.1 Approval of Audit Committee Minutes from November 5, 2024

**4.0 Audit Services**

- 4.1 Presentation of Proposed Actuarial Assumptions for 2025 Annual Valuation
- 4.2 Discussion of Proposed Draft Amendment to Regulations Regarding Committee Assignments
- 4.3 Review of Audit Committee Calendar

**5.0 Adjournment**

  
Kimathi Marangu, Audit Committee Chair

Posted: February 20, 2025

**Be advised that the committees of the Board of Retirement are forums in which consensus may emerge. If you have an interest in a matter before a committee, you are advised to attend the committee meeting. Committee meeting times are noted on the board agenda.**

IN COMPLIANCE WITH THE CALIFORNIA GOVERNMENT CODE AND THE AMERICANS WITH DISABILITIES ACT:

SamCERA's facilities and board and committee meetings are accessible to individuals with disabilities. Contact Gladys Smith at (650) 599-1234 at least three business days prior to the meeting, if (1) you need special assistance or a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in this meeting; or (2) you have a disability and wish to receive the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting in an alternative format. Notification in advance of the meeting will enable SamCERA to make reasonable arrangements to ensure full accessibility to this meeting and the materials related to it.

**THE COMMITTEE MEETS IN THE CONFERENCE ROOM IN 100 MARINE PARKWAY, SUITE 125,**  
WHICH IS LOCATED ON THE SE CORNER OF TWIN DOLPHIN & MARINE PARKWAY IN REDWOOD CITY  
Detailed directions are available on the "Contact Us" page of the website [www.samcera.org](http://www.samcera.org)  
*Free Parking is available in all lots in the vicinity of the building.*

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**SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
NOVEMBER 5, 2024 – AUDIT COMMITTEE MEETING MINUTES**

2411.1 **Call to Order:** Kimathi Marangu, Chair, called the meeting of the Audit Committee to order at 9:01 a.m.

**Roll Call:**

Present: April DeCarsky, Kimathi Marangu (Chair), and Katherine O'Malley.

Staff: Tat-Ling Chow, Scott Hood, Jenny Lukan, Paul Okada, and Gladys Smith.

Consultants: Ashley Green (Brown Armstrong)

2411.2.1 **Oral Communications from the Board:** None.

2411.2.2 **Oral Communications from the Public:** None.

2411.3.1 **Approval of Audit Committee Minutes from October 3, 2024:** Mr. Marangu asked if there were any changes or corrections, or objections, to the minutes from the Audit Committee meeting held on October 3, 2024. There were no changes, corrections, or objections presented.

**Action:** Ms. O'Malley moved to approve the minutes from the October 3, 2024 Audit Committee meeting. The motion was seconded by Ms. DeCarsky and carried with a vote of 3-0-0, with trustees DeCarsky, Marangu, and O'Malley all in favor; none opposed; none abstained.

2411.4.1 **Approval of Recommendations to the Board to:**

**a. Accept 2024 Financial Audit Reports (Board item 7.1):**

**Action:** Ms. O'Malley moved to recommend that the Board of Retirement accept the financial audit management reports and findings, as prepared by Brown Armstrong. The motion was seconded by Ms. DeCarsky with a vote of 3-0-0, with trustees DeCarsky, Marangu, and O'Malley all in favor; none opposed; none abstained.

**b. Approve SamCERA's 2024 Annual Comprehensive Financial Report (Board item 7.2):**

Ms. Chow provided a summary of the six sections of the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. Ms. Chow expressed her gratitude to Ms. Green, her entire audit team, and SamCERA staff for their hard work in putting together the ACFR.

**Action:** Ms. DeCarsky moved to recommend that the Board of Retirement approve SamCERA's 2024 Annual Comprehensive Financial Report (ACFR). The motion was seconded by Ms. O'Malley with a vote of 3-0-0, with trustees DeCarsky, Marangu, and O'Malley all in favor; none opposed; none abstained.

2411.4.2 **Review of Draft Audit Committee Calendar:** Mr. Hood reviewed the draft Audit Committee calendar with the Audit Committee. Mr. Marangu asked about other practices and blind spots that staff may want to look at for next year's audit. Ms. Green reported that every year there are updated practices, and if the committee wants to have a scope meeting early next year, those can be discussed then. Ms. Green reported that every year, Brown Armstrong does an internal review to brainstorm. The scope meeting was added to the schedule during the June meeting. This item was informational and for discussion only, no action was taken.

2411.4.3 **Further Discussion of Audit Committee's Roles and Responsibilities:** Mr. Hood lead the discussion regarding modifying the regulations so that committee appointment be for the calendar year. Mr. Hood will draft a memo regarding this change. Mr. Hood will also review sections 8, 9, and 10, of the charter to determine what roles and responsibilities the Committee wants to engage. This item was informational and for discussion only, no action was taken.

D **Adjournment:** With no further business, Mr. Marangu adjourned the meeting at 9:35 a.m.

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Kimathi Marangu  
Audit Committee Chair

**SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**Board of Retirement**

February 25, 2025

Agenda Item 4.1

**TO:** Audit Committee

**FROM:** Scott Hood, Chief Executive Officer



**SUBJECT:** Discussion of Assumptions for 2025 Annual Actuarial Valuation

**Recommendation**

Receive and discuss the presentation on assumptions for the 2025 actuarial valuation.

**Discussion**


Nick Collier and Craig Glyde of Milliman will provide information regarding assumptions for the 2025 valuation.

**SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**Board of Retirement**

February 25, 2025

Agenda Item 4.2

**TO:** Audit Committee

**FROM:** Scott Hood, Chief Executive Officer 

**SUBJECT:** Discussion and Approval of Draft Changes to the Regulations of the Board of Retirement

**Recommendation**

Staff recommends approving the changes to the Board regulations that provides for the incoming Board Chair to consider committee membership such that it provides for continuity on the committees.

**Background**

The Board Chair, or the Vice-Chair in the Chair's absence, is authorized by the Regulations of the Board of Retirement to appoint all committees.

**2.1 Election of Chair:** At the regular meeting in July or August, the Board of Retirement shall elect one of its members chair for a term of one year or until his or her successor is duly elected and qualified. The Chair shall preside at all meetings of the Board, shall appoint all committees and shall perform all duties incidental to that office.

**Discussion**

SamCERA regulations provide that the Chair appoints all committees at the beginning of the fiscal year. Given that committees may have begun projects or assignments that may extend past the fiscal year, it would be an important consideration for the Chair to recognize that continuity on committees would be important to maintain into the next fiscal year. For example, the financial audit engagement begins in the Spring of the year and ends in the Fall, crossing the Fiscal Year.

Staff proposes the following language be added to regulation 2.1 to ensure the incoming Chair considers maintaining continuity and stability on committees when making committee assignments:

In appointing committees, the chair should consider that some committee work and projects may extend past the fiscal year end and in making committee assignments should strive for maintaining and ensuring continuity on the committees.