



BOARD OF RETIREMENT

Staff Report

File #: 19-1167

Agenda Date: 12/3/2020

Agenda #: 2.

FROM: Amy McInerney, Chief Financial Officer

SUBJECT: Audited Basic Financial Statements, Independent Auditor's Report, and Other Required Communications for the Years Ended June 30, 2020 and 2019.

RECOMMENDATION:

Recommend that the Board approve the Audited Basic Financial Statements, Independent Auditor's Report, and other Required Communications for the years ended June 30, 2020 and 2019.

BACKGROUND:

SBCERA's management is responsible for the accurate preparation of the financial statements in accordance with generally accepted accounting principles (GAAP), and presents the Basic Financial Statements for approval. The Board's independent financial statement auditor, Brown Armstrong is responsible for planning and performing the audit to obtain reasonable assurance that the financial statements are presented fairly in all material respects.

The role of the external auditor is to provide an opinion on the basic financial statements based on the results of their audit. Brown Armstrong issued an unmodified opinion that the Basic Financial Statements are free from material misstatements and presented fairly in accordance with GAAP. Staff and Brown Armstrong will provide an overview of the audit and present the Independent Auditor's Report (Exhibit A) and other Required Communications (Exhibit B) on SBCERA's Basic Financial Statements.

Brown Armstrong has continued to identify a condition around accounts payable process for invoices by the County of San Bernardino. Staff has a plan underway to bring these invoices in line with best practices and the existing SBCERA accounts process that is applied to all other invoices. The plan will be completed by June 30, 2021.

BUDGET IMPACT:

None.

STRATEGIC PLANNING GOAL/OBJECTIVE:

Prudent Fiscal Management

STAFF CONTACT:

Amy McInerney

ATTACHMENTS:

Exhibit A: Audited Basic Financial Statements for the Years Ended June 30, 2020 and 2019
Exhibit B: Other Required Communications