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KATHLEEN L. KUBLER
CLERK OF THE BOARD



Imperial County Employees' Retirement System

BRIEF AGENDA

REGULAR MEETING OF THE IMPERIAL COUNTY BOARD OF RETIREMENT

July 20, 2005

9:00 A.M.

County Administration Center
Board Chambers

940 West Main Street, Second Floor
El Centro, CA 92243

BOARD MEMBERS (by seat):

1. Karen Vogel, Interim Imperial County Treasurer
2. Jurg Heuberger, General Member
3. Julie Villeneuve, General Member
4. Larry Grogan, County Supervisor
5. Becky Flammang, Appointed Member
6. Robert W. Williams, Appointed Member, Chairman
7. Armando Padilla, Safety Member
8. John W. Kennerson, Retired Member, Secretary
9. James "Jim" Strain, Appointed Member, Vice Chairman
10. Pompeyo Tabarez, Jr., Alternate Member
11. Terry Huskey, Alternate Retired Member

OPEN SESSION

1. Open Session / Call to Order:
 - A. Roll Call.
 - B. Public comments on items that are **NOT** on the agenda.
2. Discussion of the Agenda:
 - A. Items to be pulled from Action Calendar
 - B. Items to be pulled from Discussion Calendar
 - C. Emergency Items added
 - D. Approval of the Agenda

MOTION: To approve the Agenda.

3. Approval of the Minutes:

Regular adjourned meeting of June 15, 2005 (1 attachment).

MOTION: That the minutes of the Regular Meeting of June 15, 2005 be (Approved, Denied, Tabled).

ACTION CALENDAR

4. Discussion requested by Imperial County Sheriff, Harold D. Carter – Public Safety Retirement Costs (1 attachment).

5. Presentation by Ira Summer, Public Pension Professionals:

A Additional information related to the Impact of early retirement assumption on Safety 3% @ 50 Unfunded Actuarial Accrued Liability (UAAL) (1attachment).

1. Adoption of Safety Member rates per minutes of May Regular meeting. (1 attachment – Safety Member COLA Contribution Relief, distributed at the April 20, 2005 meeting).

2. Board of Supervisors Minute Order and Resolution regarding 3 @ 50 (1 attachment).

B. Option of distributing Undistributed Earnings of ICERS (to be distributed).

C. Review Interest Crediting Policy to allow non-valuation reserve to receive interest (1attachment).

D. Discussion of 06-30-05 Actuarial Study & Assumptions.

6. Discussion/Action by Retirement Administrator:

A. ICERS Board Committee Meeting Minutes of March 2, 2005 (1 attachment).

B. State Association of County Retirement Systems (SACRS) Year 2006 Legislative Timelines for proposing new legislation (1 attachment).

C. Upcoming election of the 8th position (Retired Member) to the Board of Retirement currently held by John W. Kennerson.

MOTION: That the County Board of Supervisors direct the County Clerk/Registrar of Voters to hold an election for the eighth position (Retired Member) to the Board of Retirement according to election procedures for a three year term commencing January 2006 and ending December 2008.

7. Board Members:

A. Items requested by Board Member Heuberger:

1. Discuss and move forward on the hiring of a full time Administrator to head the Retirement Board staff, by the following (1 attachment):
 - a. Approve the creation of a full time Administrator position.
 - b. Direct that a job description be written and brought back to this Board for approval at the September meeting.
 - c. Set a target of starting recruitment for this position no later than November 2005.
2. Discuss and move forward on implementing an up-to date computerized accounting/tracking system by taking the following action (1 attachment):
 - a. Direct that an RFP be distributed to all interested vendors no later than August 1, 2005.
 - b. Direct that the responses be returned to the Board for discussion and selection be made no later than October 2005.
 - c. Begin to implement the program no later than January 1, 2006.
3. If the Board insists on pursuing the implementation of the budget as approved in the June meeting as a cost to the system, that we obtain an outside legal opinion on whether or not the "system" is responsible for the budget or whether the "County" is (1 attachment).
4. That we discuss and reconsider the budget as adopted June 15, 2005 and change the following (1 attachment):
 - a. Permanent salaries by reducing the allocation to last years and that you include the cost of an administrator for a half a year.
 - b. Capital equipment by increasing it from 5K to 200K to start the purchase of a new computer system.
 - c. Professional & Special SVCS for Data Processing by reducing the 100 K to no more than 50K.
5. That this Board direct that all agenda items to this Board contain a written staff report with necessary backup and that presentations by investment consultants are made to focus their reports on the facts of the investment status. (1 attachment).
6. How the Retirement Board is affected by staffing controlled by the County and an Elected Official (1 attachment).

8. Discussion/Action by Staff:

- A. Update: Converting Death Benefit to Life Insurance Policy (Govt. Code Section 31789.5) (2 attachments) (distributed at June Regular meeting).

- B. Amendment to the investment advisory agreement between TimesSquare Capital Management, LLC and Imperial County Employees' Retirement System dated February 25, 2003 (1 attachment).
- C. T. Rowe Price revisions to current Investment Objectives and Guidelines (1 attachment).
- 9. Discussion/Action of Upcoming Seminars/Conferences:
 - A. CALAPRS "Attorneys' Round Table, Hilton Oakland Airport, September 9, 2005 (approximate cost p/person \$650.00).
 - B. 13th Annual Guns & Hoses 2005, Las Vegas Hilton, September 25 – 28, 2005 (approximate cost p/person \$2,226.00).
 - C. CALAPRS "Trustees' Round Table", Hilton Oakland Airport, October 14, 2005 (approximate cost p/person \$650.00).
 - D. Alternative Investing Summit, Ritz Carlton, Laguna Niguel, CA December 4-6, 2005 (approximate cost per person \$1400.00).

MOTION: That staff and/or Retirement Board Members be authorized to attend the upcoming seminars (Approved, Denied, Tabled).

DISCUSSION CALENDAR

Items 10 thru 17 are for discussion only

- 10. Reports and Announcements:
 - A. Retirement Administrator:
Distribution of revised ICERS Bylaws and Disability Retirement Policies & Procedures.
 - B. Board Members:
 - C. Retirement Division Manager and/or staff:
 - D. County Counsel:
Update of San Ramon Valley Fire Protection District vs. Contra Costa County Employees' Retirement Association (1 attachment).
- 11. Market Value Graph from 07/01/04 to 06/30/05 – Draft attached (1 attachment) (Final to be distributed).
- 12. Book vs. Market Summary as of 06/30/05 (to be distributed).
- 13. T. Rowe Price – Investment Report for the Month Ended May 31, 2005 – available in Treasurer's office (1 attachment of first page only).

14. Calamos Investments:
- A. Monthly Portfolio Summary Report – May 2005 available in Treasurer’s office (1 attachment of first page only).
 - B. Personnel Updates (1 attachment).

15. Bradford & Marzec – Bond Market Monthly Ending June 2005 (1 attachment).

16. Previously approved Seminars/Conferences:

Benefits Conference for Public Employees, Hilton Portland, Portland, OR July 11-14, 2005 (approximate cost p/person \$2,125.25).

CALAPRS “Disability Staff Training”, Hilton Oakland Airport, September 8, 2005 (approximate cost p/person \$650.00).

CALAPRS “Benefits Round Table”, Hilton Oakland Airport, September 9, 2005 (approximate cost p/person \$650.00).

CALAPRS “Administrators’ Institute”, Embassy Suites, Oxnard, September 28-30, 2005 (approximate cost p/person \$720.00).

CLOSED SESSION

17. Closed Session:

MOTION: To convene into Closed Session to discuss existing litigation under Gov’t Code §54956.9(a).

- A. Government Code §54956.9(a) – Conference with Legal Counsel of Existing Litigation regarding disability retirement applications relating to the following (1 attachment):

Julieta Carrasco	Walter Cress
Frank Dyson	Elaine Jones

- B. Government Code §54956.9 (a) – Conference with Legal Counsel of Existing Litigation, In re WorldCom, Inc. Securities Litigation, United States District Court, Case No. 02 Civ. 3288 (DLC).

- C. Govt. Code Section 54956.9 (b) – Conference with Legal Counsel, Potential Litigation (2 Items) (3 attachments).

OPEN SESSION

18. Open Session:

MOTION: To reconvene into Open Session.

19. Announcement of Closed Session Actions.

ADMINISTRATIVE AGENDA

20. Approval of the Administrative Agenda:

MOTION: That the following items comprising the Administrative Agenda be approved.

A. Enrollment Affidavits of New Members (17):

B. Termination of Membership – Return of Accumulated Contributions (10):

C. Service Retirement/Group Health Insurance:

Josephine Amezcua	General Member
Department:	Auditor-Controller
Effective:	05/19/05

D. Deferred Membership:

Cynthia Jones	Safety Member
Department:	Probation
Effective:	05/10/05

E. Intersystem Membership:

1. Joseph G. Carrillo	General Member
Department:	Health
Effective:	05/13/05

2. Ron La Madrid	General Member
Department:	Information Systems
Effective:	05/11/05

F. Buy-Back-Make-Up:

Dorothy Wyatt	General Member
Department:	Sheriff
Effective:	06/09/05

G. Medical Leave Make-Up:

Gloria Arrington	General Member
Department:	OET

H. 60% Continuance of Service Retirement Allowance:

Pat K. Williams	General Member
Deceased	04/13/05

BUDGET

21. Approval of the Budget: (2 attachments)

MOTION: That the following claims for 2004/2005 Regular Retirement Budget and Disability Budget be approved:

A. REGULAR BUDGET

PERMANENT SALARIES	
Regular Salaries	\$13,595.19
(Ret.Spec./Ret. Adm.20%) 12-24-04 thr 6-23-05	29,646.64
EXTRA-HELP	5,914.54
BILINGUAL PAY	52.50
SOCIAL SECURITY	115.02
COUNTY CONTR RETIREMENT	1,097.21
INS-WORKERS COMP	3,994.00
INS-UNEMPLOYMENT	520.50
GROUP INSURANCE	1,861.58
RETIREMENT PENSION BOND	1,187.45
RETIREMENT HEALTH PLAN	468.62
MAINTENANCE	
Vault Alarm 7-1-05 thru 6-30-06	582.34
Alarm Monitoring	105.00
Typewriter Service	130.00
MEMBERSHIPS	
SACRS Annual Dues	1,500.00
OFFICE EXPENSE	
Central Duplicating – Colored paper	178.00
Central Duplicating – Forms	296.00
Staples – Scanner, Speakers, Misc.	492.32
Plaque, nameplate, misc.	88.06
Office Depot – Misc.	151.79
Mail charges – May 2005	334.98
Mail charges – June 2005	29.57
County Property Services	1,626.25
PROFESSIONAL SERVICES	
P3 Mid April – Mid June 2005	17,000.00
Fiduciary Liability Insurance	52,869.00
Election services for General Member	700.85
DATA PROCESSING	
Mar 2005	8,735.28
April 2005	5,874.07
May 2005	9,091.37
EQUIPMENT	
Furniture Resources	98.31

SUBTOTAL: **\$158,336.44**

REGULAR BUDGET (continued)

EXTRA-HELP

Ret Brd Mtg – 07/20/05

TOTAL: \$ _____

B. DISABILITY BUDGET

OFFICE EXPENSE

Federal Express \$ 53.84

PROFESSIONAL SERVICES

Court Reporter – Elaine Jones 300.00

Standby Medical Testimony – Elaine Jones 550.00

TOTAL: \$ **903.84**

Adjournment: Meeting was adjourned at _____. m. to August 17, 2005 at 9:00 a.m.