

KAREN VOGEL
RETIREMENT ADMINISTRATOR
940 W. Main Street, Suite 105
El Centro, CA 92243

Tel. (760) 482-4483
Fax (760) 482-4494
icers@imperialcounty.net
www.icers.info

KATHLEEN L. KUBLER
CLERK OF THE BOARD



Imperial County Employees' Retirement System

BRIEF MINUTES
REGULAR MEETING OF THE
IMPERIAL COUNTY BOARD OF RETIREMENT

July 18, 2007

8:30 A.M.

County Administration Center
Board Chambers
940 West Main Street, Second Floor
El Centro, CA 92243

OPEN SESSION

1. The meeting was called to order by Chairman Villeneuve at 8:32 a.m.
 - A. Roll Call:

MEMBERS PRESENT: Karen Vogel, Pat Yarnall, Julie Villeneuve, Becky Flammang, Robert Williams, Wally Leimgruber and James Rhodes
ALTERNATE PRESENT: Pompeyo Tabarez, Jr.
MEMBERS ABSENT: Armando Padilla and Terry Huskey
MEMBERS ARRIVING AFTER ROLL CALL: None
LEGAL REPRESENTATIVE: Linda Tucker, Deputy County Counsel
CLERK: Kathleen L. Kubler, Office Technician
STAFF: David H. Prince, Retirement Division Manager and Kayleen Smith, Disability Specialist
2. Discussion of the Agenda:
 - A. Items to be pulled from Action Calendar: None
 - B. Items to be pulled from Discussion Calendar: None
 - C. Items to be pulled from the Consent Agenda: None
 - D. Emergency Items added: None

E. Approval of the Agenda:

Board Members agreed to grant Board Member Vogel's request to address the Closed Session after Item 3, Public Comments, in order for her to attend to a personal matter.

MOTION by Williams, seconded by Flammang, and carried on the unanimous vote of members present, the Board voted to approve the Agenda.

F. Approval of the Consent Agenda:

MOTION by Leimgruber, seconded by Flammang, and carried on the unanimous vote of members present, the Board voted to approve the Consent Agenda.

3. Public comments on items that are **NOT** on the Action or Discussion Calendars:

Charlie Lucas, President of the Sheriffs' Association appeared before the Board on behalf of the safety employees to express their appreciation for the Board's participation to pay 1/3 of the Unfunded Accrued Actuarial Liability for the safety members.

Darren F. Smith, Vice President, JP Morgan Asset Management, thanked the Board for its continued support on the custody side of the business and presented the Board with a handout and overview of different customized strategies of the asset management services offered by JP Morgan.

Chairman Villeneuve commented favorably on the gathering at the Retiree's luncheon held on Thursday, July 12, 2007 at the Old Eucalyptus Schoolhouse in El Centro.

CLOSED SESSION

4. Closed Session.

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

Walter Cress	Charles Land	Robert Stanley Witt
Judith York-Rippetoe	Sherry Marquand	Rick Breland

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. Government Code §54956.9 (a) – Conference with Legal Counsel of Existing Litigation, In re Jarden Corp. Securities Litigation, United States District Court for the Southern District of New York, Case No. 7:06-CV-722 (CLB).

D. Government Code §54957 – Personnel Matter, Public Employment: Retirement Administrator.

5. Announcement of Closed Session Actions:

The Board discussed but took no action on the disability retirement applications of Walter Cress, Rick Breland, Sherry Marquand and Charles Land.

The application of Judith York Rippetoe for service connected disability retirement was granted administratively by a roll call vote of 7 to 0 by members present (Yes – Vogel, Yarnall, Leimgruber, Flammang, Williams, Rhodes, Villeneuve; Absent – Padilla and Huskey).

The application of Robert Stanley Witt for non-service connected disability retirement was granted administratively by a roll call vote of 6 to 0 with one abstention by members present (Yes – Vogel, Leimgruber, Flammang, Williams, Rhodes, Villeneuve; Abstained – Yarnall; Absent – Padilla and Huskey).

The Board did not discuss the WorldCom litigation matter.

The Board discussed but took no action on the Jarden matter.

The Board gave direction to staff regarding the personnel matter, public employment: retirement administrator.

ACTION CALENDAR

Chairman Villeneuve announced that now absent Board Member Vogel had commented that the Board of Supervisors would soon consider the Retirement System's Reorganization Plan.

6. Approval of the Minutes:

A. Minutes of June 6, 2007 special adjourned meeting:

MOTION by Leimgruber, Seconded by Flammang and carried on the unanimous vote of members present, the Board voted to approve the Minutes of the June 6, 2007 special adjourned meeting.

B. Minutes of June 20, 2007 regular adjourned meeting:

MOTION by Williams, Seconded by Flammang and carried on the unanimous vote of members present, the Board voted to approve the Minutes of the June 20, 2007 regular adjourned meeting.

SAFETY ALTERNATE MEMBER TABAREZ ARRIVED AT 9:40 A.M.

BREAK AT 9:40 A.M. RECONVENED AT 9:57 A.M.

7. Thomas R. Shanklin, Senior Consultant, WURTS Associates – Overview of goals and objectives.

Mr. Shanklin discussed the Mercer/Wurts consulting transition plans at length with the Board and stated that he will report on manager performance and present an asset allocation study at the quarterly portfolio review in September.

8. Retirement Administrator/Staff:

- A. Transfer of \$5,000,000 from T. Rowe Price investment manager account to the Retirement System cash account:

MOTION by Williams, Seconded by Rhodes and carried on the unanimous vote of members present, the Board approved the transfer of \$5,000,000 from T. Rowe Price investment manager account to the Retirement System cash account.

- B. Possible lease/purchase of office space for ICERS:

David H. Prince, Retirement Division Manager presented the Board with various lease/purchase options to relocate retirement staff. The Board concluded that purchase of land and construction of its own building was preferred and directed staff to proceed with that intention.

DISCUSSION CALENDAR

9. Reports and Announcements:

- A. Retirement Administrator/Staff:

1. Market Value Graph from 07-01-06 through 06-30-07:

David H. Prince, Retirement Division Manager discussed the favorable fiscal year returns to date with the Board.

2. Book vs. Market Summary as of 06-30-07:

David H. Prince, Retirement Division Manger discussed the period's returns, asset allocation split and manager performance with the Board.

CONSENT AGENDA

10. BUDGET:

- A. Approval of the following Budget claims for the 2006/2007 Regular Retirement Budget and 2006/2007 Disability Budget and include Board Members in attendance at the 7-18-07 meeting Gov't Code 31580.2 & 31521:

REGULAR BUDGET 2006/2007:

PERMANENT SALARIES	
Regular Salaries	\$ 41,064.90
EXTRA HELP	4,985.41
BILINGUAL PAY	54.00
SOCIAL SECURITY	234.28
SPECIAL TRAINING	
Retirement Planning Workshop-Martinez & Prince	545.32
COUNTY CONTRI RETIREMENT	3,167.42
INS WORKERS COMP	425.00
INS UNEMPLOYMENT	133.33
GROUP INSURANCE	3,897.83
INS-DENTAL/VISION	45.97
RETIREMENT PENSION BOND	2,372.58
RETIREMENT HEALTH PLAN	1,384.63
INS-VOLUNTARY LIFE	22.32
COMMUNICATIONS (Jan 07 through Mar 07)	467.41
INSURANCE LIABILITY	250.00
MAINTENANCE & EQUIPMENT	
Alarm Monitoring	105.00
MEMBERSHIPS	
SACRS Annual 2007/2008	4,000.00
OFFICE EXPENSE	
Copier (Charges through April 2007)	420.48
Air Cleaner Filters	204.96
ICARE Newsletter	141.96
Office Supplies	499.01
Co Facilities Mgmt Svcs Feb & Mar	1,495.03
Mail Charges for May 2007	479.74
FedEx - Terry Huskey	28.64
Old Eucalyptus Schoolhouse – Retirees' Luncheon	1,204.67
PROFESSIONAL SERVICES	
Alliant Ins. Services – Retirement Board Fiduciary Ins.	43,444.00
SACRS Economic Impact Study	485.00
County Recorder – Board Election Services	908.25
INFORMATION TECHNICAL SERVICES	
Info/Tech Services for April 2007	9,387.92
OVERHEAD REIMBURSEMENT	11,820.42

REGULAR BUDGET (continued)

TRAVEL IN-COUNTY

Becky Flammang mileage reimbursement Jan-Jun 2007	40.94
Robert Williams mileage reimbursement Jan-Jun 2007	8.69
Terry Huskey mileage reimbursement Jan-Jun 2007	486.09
James E. Rhodes mileage reimbursement Jan-Jun 2007	13.56

EXTRA HELP

Retirement Board Meeting 7/18/2007	<u>300.00</u>
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TOTAL: \$ 134,524.76

B. DISABILITY BUDGET 2006/2007:

PROFESSIONAL & SPECIAL SERVICES

Medical Evaluation – Robert Witt	\$ 750.00
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11. Administrative Agenda:

A. Enrollment Affidavits of New Members (35):

B. Termination of Membership – Return of Accumulated Contributions (8):

C. Service Retirement:

- | | | |
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| 1. | Socorro Caro
Department:
Effective Date: | General Member
Probation
06/09/2007 |
| 2. | Agustin Ramirez
Department:
Effective Date: | General Member
Inter-System/Co Property
05/18/2007 |
| 3. | Randall Flores
Department:
Effective Date: | Safety Member
Sheriff
05/29/2007 |

D. Deferred Membership:

Reyes A. Gonzalez Department: Effective:	General Member County Properties 05/30/2007
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E. 60% Continuance NSC Survivor Death Benefit Allowance per Govt. Code Section 31781.1:

Sheree Storey Deceased:	General Member 05/16/2007
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12. Investment Manager Reports:
 - A. Bradford & Marzec: Bond Market Monthly Ending June 2007.
 - B. T. Rowe Price: Total Return Performance as of June 30, 2007.
13. Upcoming Seminars/Conferences:
 - A. Actuary Due Diligence – Staff to consult with new Actuary, Segal San Francisco, CA July 19-20, 2007 (approximately \$570.00 per person).
 - B. SACRS Fall Conference 2007, Indian Wells, CA November 13-16, 2007 (approximately \$600. per person).

OTHER ITEMS

14. Previously Approved Seminars/Conferences (list available in Treasurer's office).

Adjournment:

MOTION by Leimgruber, Seconded by Flammang and carried on the unanimous vote of members present, the meeting was adjourned at 10:24 a.m. to September 19, 2007 at 8:30 a.m.

JULIE VILLENEUVE, CHAIRMAN

JAMES E. RHODES, SECRETARY