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Imperial County Employees' Retirement System

BRIEF AGENDA

REGULAR MEETING OF THE IMPERIAL COUNTY BOARD OF RETIREMENT

September 20, 2006

8:30 A.M.

County Administration Center

Board Chambers

940 West Main Street, Second Floor

El Centro, CA 92243

All supporting documentation is available for public review in the Treasurer's Department located at 940 West Main Street, Suite 105, El Centro, CA 92243 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, excluding holidays.

BOARD MEMBERS (by seat):

1. Karen Vogel, Imperial County Treasurer
2. Jurg Heuberger, Vice Chairman
3. Julie Villeneuve, Secretary
4. Larry Grogan, County Supervisor
5. Becky Flammang, Chairman
6. Robert W. Williams, Appointed Member
7. Armando Padilla, Safety Member
8. Terry Huskey, Retired Member
9. James E. Rhodes, Appointed Member
10. Pompeyo Tabarez, Jr., Alternate 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. Items to be pulled from the Consent Agenda.
- D. Emergency Items added.
- E. Approval of the Agenda:

MOTION: To approve the Agenda.

- F. Approval of the Consent Agenda:

MOTION: To approve the Consent Agenda.

3. Approval of the Minutes:

- A. July 19, 2006 Regular Adjourned Meeting (1 attachment).
- B. August 2, 2006 Educational Workshop (1 attachment).

MOTION: That the minutes of the Regular Adjourned Meeting of July 19, 2006 and the August 2, 2006 Educational Workshop be (Approved, Denied, Tabled).

ACTION CALENDAR

4. Presentations by Investment Managers:

- A. Bradford & Marzec, Inc. – Jeff Brothers and Graham Allen:
 - 1. Investment Manager Review and Non-Dollar Bond Presentation (1 attachment).
 - 2. Fixed Income and Performance Report – 2nd Quarter 2006 Review (1 attachment).
 - 3. U. S. Treasury Inflation Index Bond Portfolio (1 attachment).
 - 4. Mid Year Update – July 2006 (1 attachment).
 - 5. Bond Market Monthly Report – July 2006 (1 attachment).
 - 6. Bond Market Monthly Report – August 2006 (1 attachment).
- B. Calamos Investments – Milan Demillan:
 - Investment Update Presentation (1 attachment).

5. Presentation by Ira Summer, Actuary, Public Pension Professionals:
 - A. Update of Supplemental Targeted Adjustment for Retirees Cost of Living Adjustment ("STAR COLA") (will email when received – hard copy available on Friday).
 - B. Discussion – Economic Assumptions for the 06/30/06 Actuarial Study (will email when received – hard copy available on Friday).
6. Tom Lightvoet, Mercer Investment Consulting:
 - A. Pension Plan Presentation Report – 2nd Quarter 2006 (1 attachment).
 - B. Selecting an Emerging Market Investment Manager.
 - C. Asset Re-Balancing (1 attachment).
7. Local Real Estate Investments:
 - A. Presentation by North Imperial Associates LLC (1 attachment).
 - B. Proposed Board Policy by David Prince (1 attachment).
8. Discussion/Action by Others:
 - A. Retirement Administrator/Staff:
 1. Timeframe for Staff and Information Systems Implementation of STAR COLA – January 2007.
 2. November Meeting – Rescheduled for November 29, 2006 at 8:30 a.m.
 3. Proposed Retirement Board Staffing Reorganization (1 attachment).
 - B. Board Members:
 1. Jurg Heuberger: LAFCO becoming a member agency of the Retirement System (2 attachments).
 2. Jurg Heuberger: Consideration of Government Code Section 31658 – Purchase of Additional Retirement Credit (2 attachments).
 - C. Others:

BUDGET

9. Approval of the Budgets (2 attachments):
 - A. **MOTION:** That the following claims for the Final Regular Retirement Budget 2005/2006 be (approved, denied, tabled):

FINAL REGULAR BUDGET 2005/2006:

PERMANENT SALARIES	
Regular Salaries	4,331.57
Disability Specialist for June 2006	1,405.50
EXTRA HELP	523.13
BILINGUAL PAY	9.00
REDEMPTION OF BENEFITS	
Buyback Accrual	2,838.73
SOCIAL SECURITY	
Payroll Accrual	32.80
Buyback Accrual	7.47
SPECIAL TRAINING	
SACRS Expense Reimbursement – Tucker	222.00
SACRS Hotel Expense – Prince	643.82
SACRS Hotel Expense – Tucker	643.82
Info. Systems Training Fee	100.00
COUNTY CONTRI RETIREMENT	
Payroll Accrual	331.16
Buyback Accrual	216.58
GROUP INSURANCE	649.64
INS-DENTAL/VISION	7.66
RETIREMENT PENSION BOND	
Buyback Accrual	249.11
Payroll Accrual	380.92
RETIREMENT HEALTH PLAN	
Payroll Accrual	220.49
Buyback Accrual	144.19
INS-VOLUNTARY LIFE	3.72
OFFICE EXPENSE	
Office Depot	263.24
Public Retirement Journal	195.00
HP Computers for Retirement	4,773.43
Mail Charges for June 2006	371.67
ICARE Expense Reimbursement – Yaryan	17.17
ICARE Expense Reimbursement – Jernigan	32.38
PROFESSIONAL & SPECIAL SERVICES	
Annual Anti-Virus Charge	48.04
Information Systems – Charges ending June 29, 2006	10,747.05
Information Systems – Charges ending July 14, 2006	12,527.40
TOTAL:	\$ 41,936.69

B. **MOTION:** That the following claims for the Regular Retirement Budget 2006/2007 and the Disability Budget 2006/2007 be (approved, denied, tabled):

1. REGULAR BUDGET 2006/2007:

PERMANENT SALARIES	28,558.90
Payroll Reversal	(4,331.57)

EXTRA HELP	3,412.56
Payroll Reversal	(523.13)
BILINGUAL PAY	60.00
Payroll Reversal	(9.00)
REDEMPTION OF BENEFITS	2,838.73
Reverse bb Accrual	(2,838.73)
SOCIAL SECURITY	202.08
Payroll Reversal	(32.80)
Reverse bb Accrual	(7.47)
COMMUNICATIONS	
Telephone Corrections	909.58
COUNTY CONTRI RETIREMENT	3,132.24
Payroll Reversal	(331.16)
Reverse bb Accrual	(216.58)
INS-WORKERS COMP	850.00
INS-UNEMPLOYMENT	266.66
GROUP INSURANCE	4,330.92
Payroll Reversal	(649.64)
INS-DENTAL/VISION	51.08
Payroll Reversal	(7.66)
RETIREMENT PENSION BOND	2,654.49
Payroll Reversal	(380.92)
Reverse bb Accrual	(249.11)
RETIREMENT HEALTH PLAN	1,544.96
Payroll Reversal	(220.49)
Reverse bb Accrual	(144.19)
INS-VOLUNTARY LIFE	24.80
Payroll Reversal	(3.72)
INSURANCE LIABILITY	500.00
OFFICE EXPENSE	
Office Depot	504.56
Office Supply Co.	35.53
Mail Charges for July 2006	365.03
Fedex	34.88
ICARE Newsletter Printing Charges	150.00
ICARE Dues – January 1, 2006 thru June 30, 2006	276.00
ICARE Luncheon Deposit	250.00
Copier charges from October 2005 thru June 2006	696.02
Information Systems – Leased Equipment Fiscal 2006-07	704.16
Daceasy Accounting & 1 hr. Technical Support	787.68
Adobe Acrobat Professional Windows	210.58
PROFESSIONAL & SPECIAL SERVICES	
Driver Alliant Insurance Fiduciary Liability Policy	41,715.00
PRO Record Storage	105.15
OVERHEAD REIMBURSEMENT	
July Overhead	2,364.08
August Overhead	2,364.08
CAPITAL EQUIPMENT	
Symtrax	6,395.60

SUBTOTAL: \$ 96,349.18

EXTRA HELP

Retirement Board Meeting – 09/20/06

TOTAL: \$

2. DISABILITY BUDGET 2006/2007:

PROFESSIONAL & SPECIAL SERVICES

Attorney Steve Rice’s services for 06/28/06 – 06/30/06	2,739.37
Attorney Steve Rice’s services for 07/01/06 – 07/31/06	596.48
Dr. Kimball’s Medical Evaluation of Arce	750.00
Dr. Kimball’s Medical Evaluation of Din	750.00

TOTAL: \$ 4,835.85

DISCUSSION CALENDAR

Items under are for discussion only

10. Reports and Announcements:

A. Retirement Administrator/Staff:

1. State Association of County Retirement Systems (“SACRS”) Ad Hoc Nomination Review Committee (1 attachment).
2. SACRS Training Meetings – Date: Tuesday, November 14, 2006, Time: 3:00 – 5:00 p.m.
 - a. Education Workshop
 - b. Ethics Training
3. Market Value Graph from 07/01/06 to 08/31/06 (Final to be distributed).
4. Book vs. Market Summary as of 08/31/06 (to be distributed).
5. Quarterly Expense and Income Report (1 attachment).

B. Board Members:

C. Others:

11. Investment Manager Reports:

A. T. Rowe Price:

1. 2nd Quarter Portfolio Performance Report (1 attachment).

- f. Freddie Starr
Department:
Effective Date: General Member
Courts
07/01/06
 - g. Donald R. Vaughn
Department:
Effective Date: General Member
Veterans
07/07/06
 - h. Cesar Holguin
Department:
Effective Date: Safety Member
Sheriff
06/23/06
 - 4. Deferred Membership:
 - Melissa Plunkett
Department:
Effective Date: General Member
Behavioral Health
08/04/06
 - 5. Inter-system Membership:
 - a. James Donnelly
Department:
Effective Date: General Member
Ag. Commissioner
08/05/06
 - b. William Lehman
Department:
Effective Date: General Member
Superior Court
06/19/06
 - c. Cesar Sanchez
Department:
Effective Date: General Member
Planning
07/07/06
 - d. Diana Cardenas
Department:
Effective Date: General Member
Social Services
06/30/06
 - 6. Make-up Contributions (Buyback):
 - Michael Lizarraga
Department:
Effective Date: Safety Member
Probation
08/31/06
 - 7. Final Payment of Survivor Service Retirement Allowance:
 - Thelma Watson
Deceased: General Member
05/09/06

- 8. Final Payment of Service Retirement Allowance & Death Benefit Per Govt. Code Section 31676.11:

Edith W. Storey	General Member
Deceased:	06/07/06

- 9. 100% Continuance of Service-Connected Disability Retirement Allowance Per Govt. Code Section 31786 and Death Benefit:

Walter A. Archer	General Member
Deceased:	04/16/06

- 10. 60% Continuance of Service Retirement Allowance Per Govt. Code Section 31760.1 & Death Benefit:

Richard Chamberlin	General Member
Deceased:	07/04/06

- 11. Final Payment of Survivor Non-Service Connected Disability Retirement Allowance:

Roy Shank	General Member
Deceased:	02/07/06

B. Upcoming Seminars/Conferences:

California Retired County Employees Association (CRCEA) Fall Conference, Sacramento, October 16-18, 2006 (approximate cost per person \$871.90).

CLOSED SESSION

13. Closed Session:

Public Comment before 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):

Walter Cress	Ida Din	Francisco Arce
Charles Rider	Judith York-Rippetoe	Anthony Moreno

- 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 Tibco Software, Inc. Securities Litigation, United States District Court, Case No. 05 Civ. 02205 (DLC).
- D. 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).

OPEN SESSION

- 14. Open Session:

MOTION: To reconvene into Open Session.

- 15. Announcement of Closed Session Actions.

OTHER ITEMS

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

Adjournment: Meeting was adjourned at ____ . m. to October 18, 2006 at 8:30 a.m.