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Imperial County Employees' Retirement System

BRIEF MINUTES

**REGULAR MEETING OF THE
IMPERIAL COUNTY BOARD OF RETIREMENT**

June 18, 2008

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 Vogel at 8:30 a.m.

The Pledge of Allegiance was led by Chairman Vogel.

Roll Call:

MEMBERS PRESENT: Karen Vogel, Julie Villeneuve, Wally Leimgruber, Becky

Flammang, Armando Padilla, Terry Huskey, James E. Rhodes

MEMBERS ABSENT: Pat Yarnall, Robert W. Williams

MEMBERS ARRIVING AFTER ROLL CALL: None

ALTERNATE PRESENT: None

LEGAL REPRESENTATIVE: Linda Tucker, Deputy County Counsel

CLERK: Kathleen L. Kubler, Retirement Specialist

STAFF: Regina Rodrigues, Retirement Supervisor

2. Discussion of the Agenda:

A. Items to be pulled from the Action Calendar: None

B. Items to be pulled from the Discussion Calendar: None

C. Items to be pulled from the Consent Agenda: None

D. Emergency Items added: None

E. Approval of the Agenda:

MOTION by Leimgruber, Seconded by Villeneuve and carried on the unanimous vote of members present, the Board approved the Agenda.

F. Approval of the Consent Agenda:

MOTION by Huskey, Seconded by Villeneuve and carried on the unanimous vote of members present, the Board approved the Consent Agenda.

3. Public comments on items that are **NOT** on the Action or Discussion Calendars: None

(Breaks: 9:40 – 9:50 a.m., 10:50 – 11:00 a.m.) (Lunch 12:00 – 12:30 p.m.)

ACTION CALENDAR

4. Approval of the Minutes:

Minutes of May 21, 2008 regular adjourned meeting:

MOTION by Flammang, Seconded by Padilla and carried with one abstention by Huskey, the Board approved the Minutes of the May 21, 2008 regular adjourned meeting.

5. Presentation by Investment Consultant, Wurts Associates, Thomas R. Shanklin, Senior Consultant and Scott Whalen, Senior Consultant:

A. Hedge Fund to Fund Education:

Blackstone Alternative Asset Management: James McMillan, Vice President:

Mr. McMillan discussed with the Board, the investment opportunities that are available through Blackstone's experienced investment team and diverse asset base. He explained Blackstone's customized fund strategies and the firm's working relationship with clients and their hedge fund portfolios.

Mr. Whalen addressed the Board's concerns regarding fees and commitment.

B. Recommendation for Fixed Income Investments:

Mr. Shanklin discussed the low expectations of the bond market which he explained was getting more complex. He commented on poor performance and the retention of Bradford & Marzec. Mr. Shanklin also suggested that the Board consider directing Wurts to conduct a search for a new Fixed Income Manager.

The Board directed Wurts Associates to conduct a search for a Fixed Income Manager and to include Bradford & Marzec. Presentations to the Board will be scheduled for the next regular meeting of August 20, 2008.

C. Performance report for period ending May 31, 2008:

Mr. Shanklin discussed the period activity with the Board noting that poor market performance had been affected by the increase in oil prices, natural disasters and inflation.

6. Action/Discussion by County Counsel: Approval of agreement between ICERS and Linea Solutions, Inc. to perform next phase of information technology upgrade:

The Board directed staff to make the noted revisions to the contract for approval at the meeting scheduled for August 20, 2008.

7. Retirement Board meeting summer schedule:

MOTION by Villeneuve, Seconded Rhodes and carried on the unanimous vote of members present, the Board voted to cancel the next scheduled Board meeting of July 16th and resume with the regular scheduled meeting of August 20, 2008.

DISCUSSION CALENDAR

8. Reports/Correspondence/Announcements of Officers:

A. Retirement Administrator:

1. Book vs. Market Summary as of 05-30-08:

Mr. Shanklin, Senior Investment Consultant, Wurts Associates, discussed the period activity with the Board under Item 5C.

2. Update on Information Technology (IT) conversion:

Regina Rodrigues, Retirement Supervisor, discussed the process utilized by Linea personnel working with retirement staff. Interviews with staff have produced a detailed record of each specific operation procedure. The results are now being edited by staff.

3. State Association of County Retirement Systems (SACRS) CEO Review & Evaluation Ad Hoc Committee appointments:

Reviewed by the Board.

B. County Counsel:

Recent Litigation Update:

1. Orange County v. Orange County Employees Retirement System:

Deputy County Counsel, Linda Tucker reviewed the case as well as the latest outcome which granted that the venue for the case be moved to Los Angeles.

2. People v. Lexin:

Deputy County Counsel, Linda Tucker discussed the latest proceeding which is now being reviewed by the California Supreme Court.

3. Pellerin v. Kern County Employees Retirement Association:

Deputy County Counsel, Linda Tucker discussed the disability case with the Board.

CLOSED SESSION

9. Convene into 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 Elizabeth Castro Guillermina Robles Charles Land

B. 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).

C. Government Code §54956.8 – Conference with real estate property negotiator. Property is located at 1221 State Street, El Centro, CA. Party with whom negotiating is Hutchinson & Bloodgood, LLP. Instructions to negotiator will concern price and terms of payment.

10. Announcement of Closed Session Actions:

The Board discussed but took no action on the disability retirement applications of Walter Cress, Elizabeth Castro, Guillermina Robles and Charles Land.

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

The Board discussed and gave direction to staff on the real estate item.

CONSENT AGENDA

11. BUDGET:

Approval of the following Budget claims for the 2007-2008 Regular Retirement Budget and Disability Retirement Budget and include Board Members in attendance at the 05-21-08 meeting Govt. Code 31580.2 & 31521 (1 attachment):

1. REGULAR BUDGET:

PERMANENT SALARIES	
Regular Salaries	\$ 22,936.51
EXTRA HELP	16,782.13

REGULAR BUDGET (continued)	
BILINGUAL PAY	45.00
SOCIAL SECURITY- MEDICARE	856.08
SPECIAL TRAINING	
CALAPRS Overview Trng. Ontario, CA Reimb. SE	62.00
CALAPRS Overview Trng. Ontario, CA Reimb. KS	62.00
CALAPRS Trng. Attendance Fees First Half 2008	550.00
SACRS Spring Conference Reimb. KS	59.00
SACRS Spring Conference Reimb. DP	233.76
SACRS Spring Conference Reimb. RR	59.00
SACRS Spring Conference Reimb LT	155.50
County Properties - Vehicle Transport/Fuel for Staff	110.78
COUNTY CONTR RETIREMENT	2,329.29
INS-WORKERS COMP	3,518.32
INS-UNEMPLOYMENT	1,140.68
GROUP INSURANCE	4,142.40
INS DENTAL/VISION	12.77
RETIREMENT-PENSION BOND	1,480.86
RETIREMENT-HEALTH PLAN	1,119.45
INS-VOLUNTARY LIFE	-12.40
COMMUNICATIONS	152.69
INSURANCE LIABILITY	1,423.32
MAINTENANCE & EQUIPMENT	
Whitaker Bros. Annual Maintenance for Shredder	240.00
OFFICE EXPENSE	
Purchasing Dept. – Can Liners for Shredder	23.25
Office Depot	156.81
Imperial Printers – Business Cards DP, RR	88.25
Mail Room Charges	432.86
Election Services	300.00
OVERHEAD REIMBURSEMENT	<u>3,500.00</u>
	SUBTOTAL: \$ 61,960.31
EXTRA HELP	
Retirement Board Meeting 06/18/2008	300.00
	SUBTOTAL: \$ 62,260.31
2. DISABILITY BUDGET:	
PROFESSIONAL SERVICE	
Crowell & Moring LLP – Attorney Fees 04/08	253.17
	TOTAL: \$ 62,513.48

12. Administrative Agenda:

A. Enrollment Affidavits of New Members (49):

B. Termination of Membership – Return of Accumulated Contributions (9)

C. Service Retirement:

1. Michelle M. Alipaz
Department: Social Services
Effective Date: 03/28/2008
General Member
2. Dempsey Black
Department: Public Works
Effective Date: 03/28/2008
General Member
3. Mary T. Culp
Department: District Attorney
Effective Date: 03/28/08
General Member
4. Robert Ellis
Department: Public Works
Effective Date: 03/28/2008
General Member
5. Alfredo Estrada
Department: Fire Protection
Effective Date: 03/28/2008
Safety Member
6. Cruz Gonzales
Department: Sheriff
Effective Date: 03/28/2008
General Member
7. Johnnie B. Higgins
Department: Sheriff
Effective Date: 03/28/2008
Safety Member
8. Ada Isbell
Department: Public Health
Effective Date: 03/28/08
General Member
9. Carmen Jacobo
Department: Social Services
Effective Date: 03/22/08
General Member
10. Michael Kelly
Department: Probation
Effective Date: 02/28/08
Safety Member
11. George Laguna
Department: Public Works
Effective Date: 03/28/08
General Member

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| 12. | Joanne L. Lee
Department:
Effective Date: | General Member
Health
03/28/08 |
| 13. | Maria Elena Lopez
Department:
Effective Date: | General Member
Social Services
03/28/08 |
| 14. | Barbara McFetridge
Department:
Effective Date: | General Member
Retirement
03/28/08 |
| 15. | Carmen Robles
Department:
Effective Date: | General Member
Social Services
03/28/08 |
| 16. | Anna Schneewind
Department:
Effective Date: | General Member
Behavioral Health
03/28/08 |
| 17. | Fairelene Taylor
Department:
Effective Date: | General Member
Sheriff
03/28/08 |
| 18. | Carmen Woolf
Department:
Effective Date: | General Member
Superior Court/Deferred
03/28/08 |
| 19. | William E. McPhail
Department:
Effective Date: | General Member
Ag Comm/Intersystem
03/29/08 |
| 20. | Emma Thomas-Williams
Department:
Effective: | General Member
Public Health/Deferred
04/13/08 |
| 21. | Cynthia Griffith
Department:
Effective Date: | General Member
Superior Court/Deferred
05/07/08 |
| D. | Intersystem Member:

Jacqueline Mac
Department:
Effective: | General Member
District Attorney
04/12/2008 |

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

Charles Yount
Deceased:

General Member
03/15/08

13. Upcoming Seminars/Conferences:

CALAPRS

June 24-26, 2008	Mgt/Supervisory Training Academy San Diego, CA
August 13-14, 2008	Mgt/Supervisory Training Academy San Diego, CA
September 11, 2008	Disability Staff Training San Jose, CA
September 12, 2008	Benefits Round Table San Jose, CA
September 24-26, 2008	Administrator's Institute North Lake Tahoe
October 1 – 3, 2008	Intermediate Staff Training San Jose, CA
October 1 - 3, 2008	Questys Solutions Training San Diego, CA
October 10, 2008	Trustees' Round Table, Ontario, CA Accountants' RT Ontario, CA Admin. Assistants' RT Ontario, CA
November 5- 7, 2008	Advanced Staff Training San Jose, CA

OTHER ITEMS

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

Adjournment: Meeting was adjourned at 11:38 a.m. to August 20, 2008 at 8:30 a.m.

KAREN VOGEL, CHAIRMAN

ARMANDO PADILLA, SECRETARY