

**DAVID H. PRINCE**  
**RETIREMENT ADMINISTRATOR**  
940 W. Main Street, Suite 103  
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**

March 18, 2009

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 8:30 a.m.

The Pledge of Allegiance was led by Chairman Villeneuve.

**MEMBERS PRESENT:** Karen Vogel, Julie Villeneuve, Jack Terrazas, Becky Flammang, Robert Williams, Herbert Bumgart, Terry Huskey, James E. Rhodes

**MEMBERS ABSENT:** None

**MEMBERS ARRIVING AFTER ROLL CALL:** None

**ALTERNATES PRESENT:** Pompeyo Tabarez, Charles L. Jernigan

**LEGAL REPRESENTATIVE:** Linda Tucker, Deputy County Counsel

**CLERK:** Kathleen L. Kubler, Retirement Specialist

**STAFF:** David H. Prince, Retirement Administrator, Kayleen Smith, Retirement Specialist

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:

After a brief discussion, Chairman Villeneuve agreed to move Discussion Item 7A5, Update on portfolio rebalancing, to Item 5, on the Action Calendar.

**MOTION** by Vogel, Seconded by Flammang, and carried on the unanimous vote of members present, the Agenda was approved as amended.

## F. Approval of the Consent Agenda:

**MOTION** by Flammang, Seconded by Vogel, and carried on the unanimous vote of members present, the Consent Agenda was approved.

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

Chairman Villeneuve presented retiring Board General Member, Pat Yarnall, with a plaque commemorating her service to the members and board of the retirement system. Chairman Villeneuve extended her gratitude to Ms. Yarnall for her help and service.

David H. Prince, Retirement Administrator, reflected on Ms. Yarnall's repeated election by the general members to serve on the Board of Retirement, and the high esteem for her by retirement staff.

Ms. Yarnall thanked the board and staff for their support and said that she looks forward to her retirement.

A cake was also offered to Ms. Yarnall, as a token of appreciation.

### ACTION CALENDAR

## 4. Approval of the Minutes:

Minutes of February 18, 2009 regular adjourned meeting:

**MOTION** by Vogel, Seconded by Williams and carried on the unanimous vote of members present, the Minutes of the regular adjourned meeting of February 18, 2009 were approved.

## 5. State Association of County Retirement Systems (SACRS) 2009-2010 Board of Directors' Election:

**MOTION** by Yarnall, seconded by Flammang and carried on the unanimous vote of member present, the board agreed for the voting delegates to vote for the recommended candidates at the upcoming SACRS 2009-2010 Board of Directors' Election.

6. Update on portfolio rebalancing:

Mr. Prince briefly reviewed the approved fund transfer of \$38,500,000 in securities from Bradford & Marzec to PIMCO Total Return Fund, and commented that the portfolio Fixed Income assets were still over-weighted.

The Board discussed the rebalancing of the system portfolio and the performance of Victory and Calamos investments.

**MOTION** by Rhodes, Seconded by Flammang and carried on the unanimous vote of members present, the board agreed to rebalance the asset allocation over a six month period beginning April 1, 2009, with the following distribution:

The \$36 million to re-balance the portfolio will come from the fixed income managers; \$30 million from Bradford & Marzec and \$6 million from the Barclays TIPS.

The reinvestment of these funds will follow the recommendation that was presented to the Board by Senior Consultant, Scott J. Whalen of Wurts & Associates, at the regular board meeting of February 17, 2008, with the following exception: no new money to Calamos or Victory Capital Management and increase funding to TimesSquare Capital Management and T. Rowe Price by \$1 million each.

The board also directed staff to schedule an investment workshop by the investment consultant covering Venture Capital, Private Equity, and Commodities, at the next regularly scheduled board meeting of April 15, 2009,

#### DISCUSSION CALENDAR

7. Reports/Correspondence/Announcements:

A. Retirement Administrator:

1. Book vs. Market Summary as February 28, 2009:

Mr. Prince reviewed the period activity with the board.

In addition, Mr. Prince commented favorably on related issues that were discussed at the CALAPRS General Assembly March 1-3, 2009, in Monterey, CA. He attended the meeting with board members Bumgart, Terrazas, and Jernigan.

2. Update on ICERS Pension Administration System (PAS):

Mr. Prince reviewed the monthly report with the board and also mentioned that both the Auditor and Information Systems departments had been very cooperative and helpful.

3. Update on remodeling of ICERS new office:

Mr. Prince advised that board that discussions with the contractors working on the project, estimate an approximate move in date of mid-June.

4. Update on purchasing power Cost of Living Adjustment (COLA):

Mr. Prince advised the board that the Board of Supervisor had approved the purchasing power COLA at their meeting of March 17, 2009. The process was underway to include the increased payments to retirees with their June check.

B. Board Members:

Alternate Retiree Board Member, Charles L. Jernigan – Travel Policy:

Mr. Jernigan reviewed the current travel policy. He suggested a revision to the transportation portion of the policy that would provide board members with the option for staff to arrange travel arrangements. Linda Tucker, Deputy County Counsel, also suggested using other retirement system policies as models for the revision.

The board directed staff to implement the change to the policy and accommodate board members with their travel arrangements, if requested.

C. County Counsel:

1. Discussion of Fair Political Practices Commission (FPPC) Forms 801 and 802.

Linda Tucker, Deputy County Counsel, discussed the regulations changes regarding gifts, payments, or other benefits provided by third parties.

2. Update on case of Orange County vs. Orange County Employees' Retirement System (OCERS).

Ms. Tucker reviewed the case with the board.

**CLOSED SESSION**

8. 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.

Guillermina Robles   Rosendo Garcia   Gerardo Anaya

**CLOSED SESSION (continued)**

- 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).

**OPEN SESSION**

- 9. Announcement of Closed Session Action:

Kayleen Smith, Retirement Specialist, announced the following:

The Board discussed but took no action on the disability retirement applications of Guillermina Robles, Rosendo Garcia and Gerardo Anaya.

The Board did not discuss the Jarden Corp. Securities Existing Litigation matter.

**CONSENT AGENDA**  
Retirement Administrator recommends approval of Items 9 through 11

- 9. BUDGET:

Approval of the following Budget claims for the 2008-2009 Regular Retirement Budget, and to include Board Members in attendance at the 03/18/09 meeting, Govt. Code 31580.2 & 31521 (1 attachment):

PERMANENT SALARIES	\$ 15,315.96
EXTRA HELP	6,883.29
BILINGUAL PAY	30.00
OVERTIME	29.38
SOCIAL SECURITY	317.23
SPECIAL TRAINING	
CALAPRS Administrators' RT Exp. Reimb. DP	183.10
SPECIAL TRAINING rev/entry from TRAVEL Out of County	120.40
CALAPRS/JEA airfare costs DP, SM, RR, KS, SE	1,415.32
CALAPRS Benefits RT Exp. Reimb. KS	79.00
CALAPRS Benefits RT Exp. Reimb. SE	117.00
COUNTY CONTR	1,792.36
INS-WORKERS COMP	416.91
INS-UNEMPLOYMENT	140.08
GROUP INSURANCE	2,165.46
RETIREMENT-PENSION BOND	977.65
RETIREMENT-HEALTH PLAN	779.52
COMMUNICATIONS-PHONE	160.13
COMMUNICATIONS-SERVICES	99.37
INSURANCE LIABILITY	152.00

BUDGET (Continued)

OFFICE EXPENSE

Imperial Printers-warrants	366.35
Mail Services for January 2009	1,021.90
Office Depot	343.11
ICARE Dues Jul.1 thru Dec. 31, 2008	230.00
FEDEX-IRS	45.00

PROFESSIONAL & SPECIAL SERVICES

PRO Record Storage and Shredding, Inc. - Pull Archived Docs.	15.00
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OVERHEAD REIMBURSEMENT

3,000.00

TRAVEL Out of County rev/entry to Spl. Trng.

-120.40

EXTRA HELP

Retirement Board Meeting of 03/18/09	500.00
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**TOTAL:                   \$ 37,075.12**

10. Administrative Agenda:

A. Enrollment Affidavits of New Members (4):

B. Termination of Membership – Return of Accumulated Contributions (4)

C. Service Retirement:

- |    |   |  |
|----|---|--|
| 1. | Leslie Carter<br>Department:<br>Effective Date:     | Safety Member<br>Sheriff<br>10/25/08                       |
| 2. | Manuel A. Pacheco<br>Department:<br>Effective Date: | General/Safety Member<br>Intersystem/Probation<br>01/01/09 |
| 3. | Carolyn Alvis<br>Department:<br>Effective Date:     | General Member<br>Social Services<br>01/27/09              |

D. Deferred Membership:

- |  |   |
|--|---|
| Brenda Avalos<br>Department:<br>Effective: | General Member<br>Agricultural Commissioner<br>12/05/08 |
|--|---|

E. Intersystem Membership:

William Watkins	General Member
Department:	District Attorney
Effective:	12/24/08

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

Clifford Slagle	General Member
Deceased:	12/15/08

G. Final Payment of Survivor Service Retirement Allowance:

Helen Murphy	Safety Member
Deceased:	12/27/08

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

Jewell Brown	General Member
Deceased:	01/05/09

I. Deferred Membership:

- |                |                |
|----------------|----------------|
| Sabina Laveaga | General Member |
| Department:    | Public Health  |
| Effective:     | 01/31/09       |
- |                  |                |
|------------------|----------------|
| John W. Pritting | General Member |
| Department:      | Public Health  |
| Effective:       | 01/23/09       |

J. Buyback – Make-Up:

Marial Bonillas	General Member
Department:	Behavioral Health

K. Buyback Medical:

Rosalva Sanchez Guicho	General Member
Department:	Human Resources

11. Seminars/Conferences:

SACRS Symposium:  
The Good, The Bad & The Ugly

March 20, 2009  
Hyatt Regency Capitol Park  
Sacramento, CA

SACRS Public Pension Investment  
Management Program 2009

June 22-24, 2009  
UC Berkeley HAAS School of Business  
Claremont Resort & Spa, Berkeley, CA

**OTHER ITEMS**

**Adjournment:** Meeting was adjourned at 1:04 p.m. to April 15, 2009 at 8:30 a.m.

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JULIE VILLENEUVE, Chairman

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JAMES E. RHODES, Secretary