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MINUTES
REGULAR MEETING OF THE
IMPERIAL COUNTY BOARD OF RETIREMENT
April 19, 2023
9:00 A.M.
940 W. Main Street
County Administration Center, Second Floor
El Centro, CA 92243

1. The meeting called to order by Vice Chair Jauregui at 9:00 a.m.

A. Roll Call

MEMBERS PRESENT: Suzanne Bermudez, Patricia Lizarraga, Mario Salinas, Norma K. Jauregui, Jose Landeros, Carl L. Armstrong, David H. Prince, Lizandro Escobosa, Jennifer Benavidez, Argelia Gaddis.

MEMBERS ABSENT: Luis A. Plancarte

LEGAL REPRESENTATIVES PRESENT: Board General Co-Counsel: Chris Waddell

STAFF PRESENT: Scott W. Jarvis, Retirement Administrator, Regina Rodrigues, Assistant Retirement Administrator

CLERK OF THE RETIREMENT BOARD: Cristina Solis Vargas, Retirement Administrator Assistant

OTHERS PRESENT: Paul Angelo, Segal, Senior Vice President, Andy Yeung, Segal, Vice President & Actuary

OTHERS PRESENT VIA TELECONFERENCE: Scott J. Whalen, Verus, Executive Managing Director & Senior Consultant, Brian Kwan, Verus, Managing Director & Senior Consultant

OPEN SESSION

B. Pledge of Allegiance

Vice Chair Jauregui led the Pledge of Allegiance.

2. Discussion of the Agenda:

A. Items pulled from the Action Calendar: None

B. Items pulled from the Discussion Calendar: None

C. Items pulled from the Consent Agenda: None

D. Emergency/Necessity Items added to the Agenda: None

E. Approval of the Agenda:

MOTION by Escobosa, Second by Lizarraga, to approve the Agenda was carried unanimously by a roll call vote of those present (Bermudez, Lizarraga, Salinas, Jauregui, Landeros, Armstrong, Prince, Escobosa).

F. Approval of the Consent Agenda:

MOTION by Bermudez, Second by Armstrong, to approve the Consent Agenda was carried unanimously by those present (Bermudez, Lizarraga, Salinas, Jauregui, Landeros, Armstrong, Prince, Escobosa).

3. Public Comments:

This is the time for the public to address the Board concerning items that are not on this Agenda, but within the jurisdiction of the Board. Matters on the Action Calendar, Discussion Calendar, or Closed Session Agenda maybe addressed before or during consideration of the Agenda item. Speaking time is limited to three (3) minutes.

Mr. Jarvis congratulated Trustee Norma Jauregui on her recent reappointment to the ICERS' Board by the Board of Supervisors.

Clerk of the Retirement Board reported no emails or phone calls received.

ACTION CALENDAR

4. Approval of the Minutes of the March 15, 2023 adjourned regularly scheduled meeting.

MOTION by Prince, Second by Salinas to approve the Minutes of the March 15, 2023 adjourned regularly scheduled meeting carried by vote of those present: YES by Bermudez, Lizarraga, Salinas, Landeros, Armstrong, Prince; Trustees Jauregui and Escobosa Abstained.

5. Presentation by Investment Consultants, Verus: Scott J. Whalen, Executive Managing Director, Senior Consultant and Brian Kwan, Managing Director, Senior Consultant.

A. Discussion/Action: The Board will consider a continued investment in Sixth Street Partners – TAO Contingency Fund

MOTION by Jauregui, Second by Lizarraga to approve a continued investment in Sixth Street Partners, TAO Contingency Fund carried unanimously by those present (Bermudez, Lizarraga, Salinas, Jauregui, Landeros, Armstrong, Prince, Escobosa).

B. Discussion: Verus will provide the Board with an update on the recent banking crisis and potential implications for investment markets and the overall economy.

Mr. Kwan reported on the banking crisis and its effect on the investment market and economy.

6. Discussion/Action: Presentation by Actuary, Segal Consulting: Paul Angelo, FSA, MAAA, EA, FCA, Senior Vice President & Actuary; Andy Yeung, ASA, MAAA, EA, FCA, Vice President & Actuary

A. Discussion/Action: Triennial Actuarial Experience Study

The Board received a report from Mr. Angelo and Mr. Yeung on the findings of the Triennial Actuarial Experience Study, explained the new model used to calculate assumed experience and proposed their recommended assumption changes.

MOTION by Prince, Second by Landeros to adopt the recommendation by the Actuary carried unanimously by those present (Bermudez, Lizarraga, Salinas, Jauregui, Landeros, Armstrong, Prince, Escobosa).

BREAK FROM 10:56 AM TO 11:10 AM

TRUSTEE LIZANDRO ESCOBOSA LEFT THE MEETING AT 10:56 AM

B. Discussion: Contra Tracking Account

Mr. Angelo and Mr. Yeung provided a presentation on the workings of ICERS' Contra Tracking Account structure. They also discussed the difference between Unfunded Actuarial Accrued Liability and the Contra Account and what it would entail to provide purchasing power COLA out of excess earnings.

7. Discussion/Action: The Board will consider the Ad-hoc Committee's recommendation for Actuarial Auditor Services contract award.

MOTION by Lizarraga, Second by Suzanne to award Cheiron, Inc. the contract for actuarial auditor services carried unanimously by those present (Bermudez, Lizarraga, Salinas, Jauregui, Landeros, Armstrong, Prince).

8. Discussion/Action: Regarding SACRS Board of Directors – Recommended Slate of Candidates for the 2023-2024 elections.

MOTION by Jauregui, Second by Landeros to accept SACRS' Nominating Committee's Recommended Slate of candidates for the 2023-2024 elections carried unanimously by those present (Bermudez, Lizarraga, Salinas, Jauregui, Landeros, Armstrong, Prince).

9. Discussion/Action: The Board will discuss the ongoing Governance Policies and Bylaws revision project.

Mr. Waddell reported the Governance Policies and Bylaws Ad Hoc Committee will meet to revise the elections' bylaws. Revisions will be brought before the Board of Retirement for consideration and later referred to the Board of Supervisors.

DISCUSSION CALENDAR

Item 10 is for discussion only. Items requiring action will be placed on a future agenda.

10. Reports/Correspondence/Announcements:

A. Retirement Administrator:

1. Investment Graphs:

- a. Market Value Graph of the Retirement System's Assets for March 31, 2023
- b. Book vs. Market Graph – compares the Market Value of the system's assets to the Book Value of Assets for March 31, 2023

Mr. Jarvis updated the Board on ICERS' portfolio performance activity for the current period.

2. Imperial Valley Telecommunications Authority Board Meeting Update

Mr. Jarvis reported the monthly IVTA meeting was canceled for the month of April and meetings are set to resume for the month of May.

B. Board Members

Trustee Jauregui inquired about an item from the Treasure's Cash and Mr. Jarvis clarified the information.

Trustee Lizarraga announced that she would not be able to attend the Team Building Training scheduled for June 28, 2023.

C. ICERS Legal Counsel:

Legislative review

Mr. Waddell informed the Board that the next meeting he would report on bill SB 660.

11. Convene to Closed Session:

Pursuant to California Law (Government Code §54963) a person may not disclose any confidential information that has been acquired by being present in a Closed Session. Unlawful disclosure of confidential information is a violation of California Law and could result in discipline and/or referral to the Grand Jury.

MOTION by Landeros, Second by Prince to convene into Closed Session carried unanimously by those present (Bermudez, Lizarraga, Salinas, Jauregui, Landeros, Armstrong, Prince).

TRUSTEES ARMSTRONG AND BENAVIDEZ RECUSED THEMSELVES FROM 11:57 AM TO 12:06 PM

CLOSED SESSION

12. A. Conference with Legal Counsel – Existing Litigation (Government Code §54956.9(a).) Status report regarding pending disability applications.

B. ICERS PENDING LITIGATION

Upon advice of its legal counsel, the ICERS Board will recess to Closed Session pursuant to Government Code §54956.9(a) to confer with its attorney regarding pending litigation which has been initiated formally and to which ICERS is a part.

IMPERIAL COUNTY SHERIFFS' ASSOCIATION, et. al., v. County of Imperial; Imperial County Employees' Retirement Association; Board of Administration of County Employees' Retirement System. Imperial County Superior Court Case No. ECU000786

OPEN SESSION

13. Announcement of Closed Session Action:

Mr. Waddell reported that in closed session an update regarding the status of the Deputy Sheriffs' case was provided with no reportable action taken.

CONSENT AGENDA

Retirement Administrator recommends approval of Items 14 through 15

14. BUDGET:

Approval of the following Budget claims for the 2022-2023 fiscal year, to include Board Members in attendance at the 04/19/2023 meeting; Administrative Budget Expense Summary; and Treasurer's Cash Account Summary per Govt. Code 31580.2 & 31521:

- A. Administrative Budgets (2 attachments)
B. Treasurer's Cash (2 attachments)

15. Administrative Agenda:

A. Enrollment of New Members to ICERS: (23)

<u>General Members</u>	<u>Department</u>	<u>Date</u>
Brooker, Jeffrey A	District Attorney	03/10/2023
Chabolla, Anabela R	Social Services	03/10/2023
Gammill, Brandon M	Sheriff's-Corrections	03/10/2023
Gonzalez, Lizbeth	Social Services	03/10/2023
Perez, Adrian	Public Works	03/10/2023
Peterson, Michael J	County Executive Office	03/10/2023
Preciado, Alejandro E	Sheriff's	03/10/2023
Ramirez, Maria R	Public Health	03/10/2023
Rivas, Ericka D	Social Services	03/10/2023
Sandoval, Priscilla	Behavioral Health	03/10/2023
Yescas, Shawna D	Human Resources	03/10/2023
Briones, Marco	Social Services	03/24/2023
Cazares, Marissa	Social Services	03/24/2023
Cebberos, Ivan	Superior Court	03/24/2023
Dale, David B	Public Works	03/24/2023
Gijon Sibaja, Moises A	Public Works	03/24/2023
Lau, Livier	Public Health	03/24/2023
Lineses, Sandra P	Social Services	03/24/2023
Villa Perez, Cesar A	Social Services	03/24/2023

<u>Safety Member</u>	<u>Department</u>	<u>Date</u>
Andrade, Marcos	Fire	03/24/2023
Ginnis, Candice	Fire	03/24/2023
Huerta, Enrique	Fire	03/24/2023
Rodriguez, Albert	Fire	03/24/2023

B. Terminations: (11)

<u>General Members</u>	<u>Department</u>	<u>Term Date</u>
Alanis, Nubia	Social Services	02/15/2022
Castro, Michaelle	Behavioral Health	02/10/2023
Figueroa, Donna	Behavioral Health	01/31/2023
Flores, Pamela	District Attorney	10/10/2022
Franco, Ignacio	Courts	10/07/2022
Gil, Carlos	Fleet Services	02/24/2022
Garcia, Marisa	Social Services	10/13/2019
Lopez, Stephanie	Behavioral Health	02/10/2023
Rodriguez, Angelina	Courts	12/16/2022
Zambrano, Joaquin	Behavioral Health	04/14/2022

<u>Safety Members</u>	<u>Department</u>	<u>Term Date</u>
Pacheco, Jonathan	Sheriff's	10/11/2022

C. Service Retirement:

1.	Pitchard, Ana I Department: Effective Date: Service: Sick Leave: Total:	General Member Public Health 02/24/2023 39.566572 Years <u>00.658139 Years</u> 40.224711 Years
2.	Sheppard, Scott A Department: Effective Date: Service: Sick Leave: Total:	Safety Member Sheriff's 03/01/2023 25.088101 Years <u>00.367558 Years</u> 25.455659 Years
3.	Smail, Shelly Department: Effective Date: Service: Sick Leave: Total:	General Member Auditor-Controller 02/24/2023 31.682274 Years <u>00.338322 Years</u> 32.020596 Years

D. Deferred:

Paz, Georgina Department: Effective: Service: Sick Leave: Total:	General Member Social Services 06/04/2022 13.939904 Years <u>00.002740 Years</u> 13.942644 Years
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E. Re-Deposit Buyback:

1.	Alvarez, Prisma Department: Service:	General Member District Attorney 06.216226 Years
2.	Leon, Tania I Department: Service:	General Member Public Health 03.176418 Years

F. Continuance of Service Retirement Allowance per Govt. Code Section 31762 & Death Benefit:

Avila, Irene Deceased:	General Member 01/30/2023
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G. 60% Continuance of Service Retirement Allowance per Govt. Code Section 31760.1 & Death Benefit:

Kempton, Debora Deceased:	General Member 02/11/2023
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H. 100% Continuance of Service Retirement Allowance per Gov't Code Section 31762:

Muse, Donald R
Deceased:

General Member
02/15/2023

I. Member Services Statistics:

OTHER ITEMS

16. Special Training:

ICERS' Previously Approved Training

17. **ADJOURNMENT**

The meeting adjourned at 12:08 p.m. The next regularly scheduled meeting on May 17, 2023 at 9:00 a.m.



Norma K. Jauregui, Vice Chair



Lizandro Escobosa, Secretary