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ICERS

IMPERIAL COUNTY EMPLOYEES' RETIREMENT SYSTEM

MINUTES

REGULAR MEETING OF THE IMPERIAL COUNTY BOARD OF RETIREMENT

December 18, 2019

9:00 A.M.

940 W. Main Street

County Administration Center, Second Floor
El Centro, CA 92243

1. A. Roll Call:

MEMBERS PRESENT: Karen Vogel, Patricia Lizarraga, Suzanne C. Bermudez, Norma K. Jauregui, David H. West, Thomas Garcia, David H. Prince

MEMBERS ABSENT: None

MEMBERS ARRIVING AFTER ROLL CALL: Luis A. Plancarte

ALTERNATE PRESENT: Terry Huskey

LEGAL REPRESENTATIVES: Christopher W. Waddell, Board General Counsel

OTHERS PRESENT: The Segal Company, Andy Yeung, Vice President and Actuary

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

CLERK: Kathleen L. Kubler, Retirement Specialist I, Lilliana Sandoval, Administrative Assistant

OPEN SESSION

B. Pledge of Allegiance:

Chairman Lizarraga 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 from the Agenda: None

E. Approval of the Agenda:

MOTION by Vogel, Second by West, to approve the Agenda motion carried unanimously by board members present.

F. Approval of the Consent Agenda:

MOTION by Jauregui, Second by Garcia, to approve the Consent Agenda motion carried unanimously by board members present.

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. None

ACTION CALENDAR

4. Approval of the Minutes of the November 20, 2019 adjourned regularly scheduled meeting:

MOTION by Bermudez, Second by Jauregui, to approve the Minutes of the adjourned, regularly scheduled meeting of November 20, 2019, carried unanimously by Board Members present.

5. Presentation by Actuary, the Segal Company; Andy Yeung, Vice President and Actuary. The Board will be presented with a review of the Annual Actuarial Valuation and GASB 67 Reports dated June 30, 2019; the recommended contribution rates for the following 2020-2021 fiscal year; a recommendation to adopt an adjusted asset smoothing method; and a PowerPoint presentation regarding the implementation of risk standard, ASOP 51.

Mr. Yeung gave a brief overview of the Annual Actuarial Valuation and GASB 67 Report dated June 30, 2019.

A. Approval and Acceptance of Annual Actuarial Valuation and GASB 67 Report as of June 30, 2019

MOTION by Prince, Second by West, to accept the Actuarial Valuation Report and GASB 67 report as of June 30, 2019; was carried unanimously by board members present.

B. Adoption of contribution rates for fiscal year July 1, 2020 to June 30, 2021.

MOTION by Jauregui, Second by Bermudez, to adopt contribution rates for fiscal year July 1, 2020 to June 30, 2021; was carried unanimously by board members present.

C. Approval of Segal's recommendation to adopt the adjusted asset smoothing method as outlined in the June 30, 2019 Valuation Report.

MOTION by Vogel, Second by Prince, to adopt the adjusted asset smoothing method as outlined in the June 30, 2019 Valuation Report; was carried unanimously by board members present.

D. Consideration of two options for implementing the new actuarial standard of practice surrounding risk (ASOP 51)

MOTION by West, Second by Garcia, to accept Segal's recommendation to prepare a stand-alone "Risk Assessment Report" excluding stochastic modeling, to be issued every three years following ICERS' triennial experience study.

RECESSED AT 10:48 A.M. / RESUMED AT 10:58 A.M.
MEMBER GARCIA LEFT THE MEETING AT 10:48 A.M.

6. Election of Retirement Board Officers for 2020.

A. Chairman

MOTION by Jauregui, Second by Vogel, to appoint Vice Chairman, Suzanne C. Bermudez as Chairman of the ICERS Retirement Board for 2020, motion carried unanimously by board members present.

B. Vice Chairman

MOTION by Bermudez, Second by Lizarraga, to appoint Secretary, Karen Vogel as Vice Chairman of the ICERS Retirement Board for 2020, motion carried unanimously by board members present.

C. Secretary

MOTION by Bermudez, Second by Lizarraga, to appoint Member, David West as Secretary of the ICERS Retirement Board for 2020, motion carried unanimously by board members present.

DISCUSSION CALENDAR

7. Reports/Correspondence/Announcements:

A. Retirement Administrator:

1. Investment Graphs:

a. Market Value Graph of the Retirement System's Assets for November 30, 2019:

b. Book vs. Market Graph – Compares activity against November 30, 2019:

Mr. Jarvis reviewed the overall performance of the system's assets for the subject period.

Reports/Correspondence/Announcements continued

2. 2020 Compensation Limits for Tier 3

Mr. Jarvis reported on the compensation limit of \$151,549 for PEPRA members for Calendar Year 2020.

B. Board Members:

Member Prince reported retirees new health insurance plan for the over 65 group will start on January 1.

C. ICERS Legal Counsel:

Mr. Waddell reported no legislative report for December.

8. 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 Vogel, Second by West, to convene to Closed Session, carried unanimously by board members present.

CLOSED SESSION

A. 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.

1. 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
2. JAMES DONNELLY v. Imperial County Employees' Retirement System; Imperial County Superior Court Case No. ECU001012

B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Government Code §54956.9(a).) Disability retirement application relating to the following:

Francisco Pascual Andrew J. Lowenthal Stefany Leal

Olga Fuentes Elise Pellicer Kira A. Mercurio

Derrick Lindberg Luis A. Carrasco Jose M. Gonzalez

OPEN SESSION**9. Announcement of Closed Session Action:**

Mr. Waddell announced the Board received updates on both pending litigation cases and with respect to two-disability retirement applications:

MOTION by Vogel, Second by Bermudez, to grant the application of Andrew Lowenthal for Service-Connected Disability Retirement motion carried unanimously by Board Members present.

MOTION by Vogel, Second by Prince, to deny the application of Stephany Leal for Service-Connected Disability Retirement motion carried unanimously by Board Members present.

CONSENT AGENDA**10. BUDGET:**

Approval of the following Budget claims for the 2019-2020 fiscal year, to include Board Members in attendance at the 12/18/2019 meeting; Administrative Budget Expense Summary; and Treasurer's Cash Account Summary per Govt. Code 31580.2 & 31521:

A. Administrative Budgets

B. Treasurer's Cash

11. Administrative Agenda:

A. Enrollment of New Employee Member to ICERS: (9)

<u>General Members</u>	<u>Department</u>	<u>Date</u>
Bridgeman, Brandon	Behavioral Health	11/08/2019
Garcia, Gregory	Behavioral Health	11/08/2019
Licea, Saray I.	Behavioral Health	11/08/2019
Tuszynska, Danuta	District Attorney	11/08/2019
Felix, Fabian	Superior Court	11/08/2019
Lopez, Alberto C.	Superior Court	11/08/2019
Ortega, Marcela	Superior Court	11/08/2019
██████████	Superior Court	11/22/2019
Mejia, Valeria M.	Ag. Commissioner	11/22/2019

B. Terminations: (9)

<u>General Members</u>	<u>Department</u>	<u>Term Date</u>
Aceves, Antony	Public Works	09/12/2019
Beltran, Christine	Elections	09/26/2019
Brambila, Gloria	Probation	02/01/2019
Martinez, Jorge	Superior Court	10/21/2019
Nunez, Christina	Behavioral Health	01/02/2019
Paz, Jose	Social Services	10/03/2016
Ruiz, Joanna	Social Services	10/01/2019

Terminations continued

<u>General Members</u>	<u>Department</u>	<u>Term Date</u>
Thompson, Catherine	Behavioral Health	10/18/2019
Walters, Yakima	Social Services	07/18/2012

C. Service Retirement:

1. Hussey, Tena	General Member
Department:	Social Services
Effective Date:	09/26/2019
Service:	27.757409 Years
Sick Leave:	<u>0.000183 Years</u>
Total:	27.757592 Years
2. Ruiz, Silvia	General Member
Department:	Sheriff's Office
Effective Date:	10/25/2019
Service:	19.369447 Years
Sick Leave:	<u>0.000087 Years</u>
Total:	19.369534 Years

D. Final Payment of Service Connected Disability Retirement Allowance per Govt Code Section 31786 & Death Benefit:

Tempie Goldston	General Member
Deceased:	10/08/2019

E. Make-Up Buyback:

Elizabeth V. Hester	General Member
Department:	Probation
Service Credit:	4.342788 Years

F. Medical Leave Buyback

Faustino J. Ramirez	General Member
Department:	Public Works
Service Credit:	0.819952 Year

G. Deferred/Intersystem:

Brown-Liang, Yannwen	General Member
Department:	Behavioral Health
Effective:	05/31/2019
Service Credit:	3.641337 Years
Sick Leave:	<u>0.003307 Years</u>
Total:	3.644644 Years

12. Member Service Statistics

OTHER ITEMS

13. Special Training:

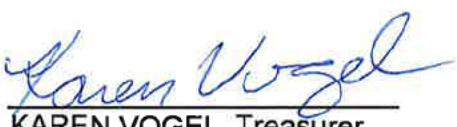
ICERS' Previously Approved Training

14. **ADJOURNMENT**

The meeting adjourned at 11:46 a.m. The next regularly scheduled meeting on January 20, 2020, at 9:00 a.m.



PATRICIA LIZARRAGA, Chairman



KAREN VOGEL, Treasurer