ADAMS COUNTY RETIREMENT BOARD MEETING

MINUTES - REGULAR MEETING
4430 SOUTH ADAMS COUNTY PARKWAY
RETIREMENT CONFERENCE ROOM
BRIGHTON, COLORADO 80601

AUGUST 7, 2018

BOARD MEMBERS PRESENT
Marc Osborne – Chairman – 1:36 P.M.
Ben Dahlman – Vice-Chairman
Brigitte Grimm – Treasurer
Jim Morgen – Secretary
Brent Voge

BOARD MEMBERS excused

ADMINISTRATIVE STAFF
Pamela Mathisen, Executive Director
Debbie Haines, Senior Retirement Benefits Specialist (Corresponding Secretary)

ACTUARIAL STAFF
Gabriel Roeder Smith – Paul Wood

LEGAL COUNSEL
Davis Graham & Stubbs – Cindy Birley
Davis Graham & Stubbs – James Law

INVESTMENT CONSULTANTS
Ellwood – Dale Connors
Ellwood – Andy Fiegel

OTHER ATTENDEES
Alisha Reis – Deputy County Manager Administrative Services
Susan Dobbs – Rangeview Library District

Called to Order: 1:33 P.M.

INTRODUCTION OF SPECIAL GUESTS/ATTENDEE’S

None
SPECIAL PRESENTATION
None

EMPLOYEE/RETIREE CORRESPONDENCE
None

REGULAR BUSINESS SESSION

CONSENT AGENDA

Consent Agenda: Distributed by E-Mail

Approval of Regular Board Meeting Minutes – None
Approval of Special Board Meeting Minutes – July 26, 2018
Approval of Money Manager Fund Totals and US Bank Summary Reports – May & June 2018
Approval of Administrative Expenditures – August 7, 2018
  Expenditures - $ 94,370.39

Provided at Board Meeting:
Approval of Terminated Retirement Members Payout Report – June & July 2018

Moved by Board Member – Mr. Morgen
Seconded by Board Member – Mr. Voge

Unanimously carried

UNFINISHED BUSINESS

July 3, 2018 Electronic Board Meeting Consent Agenda – Ratify Motion into Board Minutes

Motion

Moved, that in consideration of the Fourth of July holiday and Board member attendance as deliberated during its meeting on June 20, 2018, and bearing in mind certain information subsequently provided in an email, the Adams County Board of Retirement hereby approves the July 3, 2018 Consent Agenda, subject to the satisfactory review of the associated documents.

Board member tally

Marc Osborne – Aye – July 1, 2018 at 9:05 P.M.
Brent Voge – Aye – July 2, 2018 at 8:42 A.M.
Brigitte Grimm – Aye – July 2, 2018 at 11:00 A.M.
Ben Dahlman – Aye – July 3, 2018 at 8:47 A.M.

Mr. Voge moved to ratify the motion in the Board minutes. Mr. Morgen seconded the motion and it unanimously carried.

NEW BUSINESS
Davis Graham & Stubbs – Cindy Birley
Fiduciary Training

Ms. Birley conducted Fiduciary Training with the Adams County Board of Retirement. She provided each of the Board members with a notebook that contained resources and information specific to being a fiduciary of the Retirement Plan.

Gabriel Roeder Smith & Company – Paul Wood
Impact of Changing the Benefit Multiplier

Mr. Wood stated that at a previous Board meeting the question was asked “What would the impact be to change the benefit multiplier.” Mr. Wood provided the Board a handout showing the impact of increasing the multiplier to 2.00%, 2.25% and 2.50%. He stated that increasing the multiplier results in higher benefit payments. However, without increases in the contribution rates, the date at which full funding occurs is much later than under the current benefit formula. He indicated that this would not be the proper time to make such a change to the Plan.

Adams County Retirement Plan Vendor Review – Pam Mathisen

- CliftonLarsonAllen
- Davis Graham & Stubbs, LLC
- Ellwood
- Gabriel Roeder Smith
- PensionGold
- US Bank

Ms. Mathisen indicated that each year the Board reviews the primary vendor contracts. She proceeded by giving an overview of each vendor. Ms. Mathisen stated that the Board had extended Gabriel Roeder Smith’s contract for two one year extensions to get through Plan changes and the Experience Study which ended with the presentation of the 2017 Actuarial Valuation that was presented in June 2018. She stated that this would be the time to go out for an RFP for actuarial services.

After some discussion the Board decided to have an RFP done for actuarial services for the Adams County Retirement Plan. Ms. Mathisen stated that she will pass the RFP process over to Ms. Haines.

Recess – 2:54 P.M.
Reconvened – 3:01 P.M.
STANDING REPORTS

Ellwood – Dale Connors & Andy Fiegel
2018 2nd Quarter Performance Evaluation

Mr. Fiegel indicated that the market was flat for the 1st half of the 2018. He stated that the S&P was up 2.6%. Mr. Fiegel indicated that Ellwood did see a significant difference in returns between the US equities and Non US equities do to the threat of trade wars in the 2nd quarter.

Mr. Connors continued by giving an update through August 6, 2018. He stated that the S&P was up 7.8%, MLP’s up 10.4% with Non US equities, EAFE and bonds down for the year. Mr. Connors stated that the Plan is behind for the year mainly due to the emerging market exposure.

Mr. Connors indicated that in 2016 Aberdeen Emerging Markets fundamentally and valuation wise looked like the place to be in the market. However, since the tariff tiffs (wars) have begun not only has Aberdeen been struggling but the emerging markets as a whole have as well. Mr. Connors indicated from a tactical stand point the Board has an option to eliminate this position in the portfolio. He stated that the Plan is overweight in emerging markets. Mr. Connors stated with the unforeseen events regarding tariff tiffs (wars) Ellwood does not know how long it could last or how damaging it could be to the Plan. After some discussion the Board decided to terminate Aberdeen.

Mr. Dahlman moved to terminate Aberdeen Emerging Markets and place the money into the Vanguard Institutional Index fund. Mr. Morgen seconded the motion and it was unanimously carried.

Davis Graham & Stubbs
Legal Information Updates

Ms. Birley informed the Board that PEPTA which introduces new reporting standards is now a bill.

Gabriel Roeder Smith – Paul Wood
Actuarial Update

Mr. Wood informed the Board that ASOP No. 4 which measures pension obligations and determines pension plan costs or contributions is being revised.

Retirement Staff – Administrative Business
November 6, 2018 – Board Meeting

Ms. Mathisen asked the Board if they wanted to move the November 6, 2018 Board meeting? After some discussion the Board decided to leave the November Board meeting as is.
PensionGold Upgrade Build 2.13

Ms. Mathisen stated that the Retirement staff has received the 2.13 upgrade to PensionGold and will be in the process of testing the build.

PensionGold Teaming Conference
Springfield, Illinois – September 17-21, 2018

Ms. Mathisen reminded the Board that Retirement staff will be attending the PensionGold Teaming Conference which will be held September 17-21, 2018. She stated that the Retirement Office will be closed while the staff attends this conference. Ms. Haines stated that Ms. Bennett, ITi, will not be able to attend this year’s conference.

OTHER BUSINESS

None

EXECUTIVE SESSION

None

The Regular Board Meeting adjourned at 3:49 p.m.

Respectfully submitted,

Debbie Haines, Senior Retirement Benefits Specialist
(Corresponding Secretary)

NEXT BOARD MEETING

TUESDAY, SEPTEMBER 4, 2018
REGULAR BOARD MEETING
ADAMS COUNTY GOVERNMENT CENTER
4430 SOUTH ADAMS COUNTY PARKWAY
RETIREMENT CONFERENCE CENTER
BRIGHTON, COLORADO  80601