

**ADAMS COUNTY RETIREMENT BOARD MEETING**

**MINUTES - REGULAR MEETING  
4430 SOUTH ADAMS COUNTY PARKWAY  
RETIREMENT CONFERENCE ROOM, SUITE C3414  
BRIGHTON, COLORADO 80601-8202**

**FEBRUARY 5, 2013**

**BOARD MEMBERS PRESENT**

Ben Dahlman – Vice-Chairman  
Brigitte Grimm –Treasurer  
Joe Pacyga – Secretary  
Michael McIntosh – 1:37 P.M.

**BOARD MEMBERS EXCUSED**

Bob Feis – Chairman

**ADMINISTRATIVE STAFF**

Pamela Mathisen, Executive Director  
Debbie Haines, Senior Benefits Manager (Corresponding Secretary)

**ACTUARIAL STAFF**

None

**LEGAL COUNSEL**

Davis Graham & Stubbs, LLP – Cindy Birley

**INVESTMENT CONSULTANTS**

Watershed Investment Consultants – Dale Connors  
Watershed Investment Consultants – Gary Ratliff

**OTHER ATTENDEES**

Rangeview Library District – Susan Dobbs  
US Bank – Tina Seberg, Relationship Manager  
Mercer - Marlise Bruno

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**Called to Order: 1:33 P.M.**

Ms. Mathisen introduced Mr. Gary Ratliff, Watershed Investment Consultants. She stated that he has been with Watershed for 3 days. She then introduced Marlise Bruno from Mercer, Ms. Seberg from U.S. Bank and finally Susan Dobbs the new representative from Rangeview Library District.

## **SPECIAL PRESENTATION**

### **US Bank – Tina Seberg**

Ms. Seberg thanked the Board for their business. Pam stated that the Adams County Retirement Plan has been with US Bank since March 1998. Ms. Seberg indicated that the trustee fees have not increased over the 14 years which is pretty impressive. She then provided the Board with the most recent fact sheet on US Bank as of January 23, 2013. Ms. Seberg stated that US Bank will celebrate its 150<sup>th</sup> anniversary this year.

## **EXECUTIVE SESSION**

None

## **EMPLOYEE/RETIREE CORRESPONDENCE**

Thank You Note – Mary Ann Cushing

## **REGULAR BUSINESS SESSION**

**Consent Agenda: Distributed by E-Mail**

**Approval of Special Board Meeting Minutes – January 23, 2013**

**Approval of Termination Report – January 2013**

**Approval of Money Manager Fund Totals and US Bank Summary Reports – December 2012**

**Approval of Administrative Expenditures – February 5, 2013**

Expenditures - \$ 112,427.36

January Paid Expenditures \$ 1,259.88

**Moved by Board Member – Mr. Pacyga**

**Seconded by Board Member – Mr. McIntosh**

**Unanimously carried**

## **UNFINISHED BUSINESS**

**January 7, 2013 – Ratify into Minutes - Special E-Board Meeting Consent Agenda**

**Consent Agenda Items:**

Regular Board Meeting Minutes – December 4, 2012

Special Board Meeting Minutes – December 19, 2012

Termination/Refunds/Retirees Payout Report – December 2012

Consent Agenda Administrative Expenditures – January 2013

US Bank & Money Manager Consent Totals Reports – November 2012

## **Voting Tally**

<b>Name</b>	<b>Date</b>	<b>Time</b>	<b>Vote</b>
Brigitte Grimm	1/9/2013	4:47 p.m.	Yes
Michael McIntosh	1/9/2013	4:43 p.m.	Yes
Joe Pacyga	1/9/2013	6:08 p.m.	Yes
Ben Dahlman	1/9/2013	4:51 p.m.	Yes

E-mail response only submitted to Executive Director – Approval with the following conditions: amended minutes and list of recipients of the gift cards documented on US Bank receipt.

Mr. Pacyga moved to approve the January 2013 Consent Agenda, as amended. Mr. McIntosh seconded the motion and it unanimously carried.

## **NEW BUSINESS**

### **Watershed Investment Consultants, Inc. – Dale Connors Adams County Retirement Plan 2012 Year End Performance Evaluation**

Mr. Connors gave a brief summary of Mr. Ratliff's credentials prior to joining Watershed Investment Consultants. He stated that Mr. Ratliff was a Chief Investment Officer for Texas Tech University for 4 years. Prior to that he lived in Denver for 15 years and worked for Denver Public School's Retirement for 7 years. His background is investments and private equity.

Mr. Connors continued by saying 2012 was a very good year. He indicated stocks were up double digits, bonds were down slightly, real estate was up 10% and hedge funds struggled. Mr. Connors indicated that thru February 1, 2013 the S&P was up 6%, MLP's were up 12% and bonds were down. He stated that the Adams County Retirement Plan started 2012 with \$181,813,452 and finished at \$199,884,284. Mr. Connors indicated that the Plan is still seeing more money go out than coming in. He stated that the contributions are not keeping up with the benefits and expenses going out of the Plan in the amount of \$3.5 million for the year. Mr. Connors indicated that the Plan was over 12% net of fees for 2012.

Mr. Connors indicated that he recommends finding a replacement for Thompson Siegel & Walmsley and he would like to bring in candidates at the next board meeting. He stated that TSW has continually underperformed.

## **Adams County Board of Retirement 2013 Reorganization**

Ms. Mathisen indicated that it was time to reorganization the Board for 2013. Mr. McIntosh asked where the status is at on the 5<sup>th</sup> Board member. Ms. Mathisen indicated that she had spoken with Ms. Hirsch in the BoCC office and she stated that appointments made by the BoCC have been reopened until January 31, 2013. Ms. Mathisen stated that Ms. Bruno is still the only applicant for the Board of Retirement position. She indicated that the BoCC will do two sets of interviews and have their decisions made by February 27, 2013. After some discussion the following motions were made.

Mr. McIntosh moved to have Joseph Pacyga as Chairman. Ms. Grimm seconded the motion and it was unanimously carried.

Mr. Pacyga moved to have Ben Dahlman as Vice Chairman. Mr. McIntosh seconded the motion and it was unanimously carried.

Mr. Pacyga moved to have Michael McIntosh as Secretary. Mr. Dahlman seconded the motion and it was unanimously carried.

The Board of Retirement for 2013:

Joe Pacyga – Chairman  
Ben Dahlman – Vice Chairman  
Brigitte Grimm - Treasurer  
Michael McIntosh - Secretary

## **STANDING REPORTS**

### **Davis Graham & Stubbs, LLP Legal Information IRS Revenue Procedure**

Ms. Birley indicated that on December 31, 2012 the IRS issued Revenue Procedure 2013-12 which changed the technical clean-up procedures for pension plans. Previously, if any technical amendments were not timely adopted they could be included as part of the IRS determination letter submission which is scheduled for January 31, 2014. She indicated with the new revenue procedure technical amendments now must be adopted prior to the start of a plan's filing cycle which the Plan's filing cycle starts February 1, 2013. Ms. Birley stated that she went thru the Plan document on the Adams County Retirement Plan and had noticed that Adams County's health plan went from being fully funded to being self funded. She indicated that this affects Section 6.9 of the Plan document regarding the provision for eligible retired public safety employees health premiums. Ms. Birley indicated that it was prudent to amend the Plan to reflect this change. She stated that with the help of Ms. Mathisen and Ms. Haines getting the VCP Submission documents signed by the Board of Retirement and Rangeview Library District and driving them down to Davis Graham & Stubbs the submission was completed on time.

**Retirement Staff – Administrative Business**  
**Administrative Updates**  
**2013 GRS Experience Study**

Ms. Mathisen indicated to the Board that Gabriel Roeder & Smith is currently working on the valuation report and stated that the last experience study done on the Adams County Retirement Plan was in 2007. She asked the Board if they would be interested in having an experience study done. Ms. Mathisen stated that this would not be done until after the valuation has been completed. She indicated that it is not something the Board needs to vote on today but just something to think about in the future.

Mr. McIntosh asked “What does an experience study do for the Plan?” Ms. Mathisen then asked Ms. Bruno, Mercer if she could explain what an experience study does. Ms. Bruno proceeded by saying that it typically looks at the Plan’s assumptions versus actual experience of the Plan and makes sure that those are in line. She indicated that if those would be off then the measurement of the liabilities would be off. Ms. Bruno indicated that about every 5 years is an industry standard to do an experience study. Ms. Mathisen finished by saying that Ms. Thompson, GRS estimated the cost of the experience study would be \$22,500.

**Retirement Website Redesign**

Ms. Mathisen indicated that Ms. Haines and herself are in the process of having the Retirement website redesigned. She stated that the website belongs to the Retirement Office which has its own url number. Ms. Mathisen indicated that the IT Department will be working on this redesign. She asked the Board if they would be interested in having their pictures on the website. Ms. Mathisen indicated that Adams County has a photographer who charges \$125.00 for the sitting fee. Included in this price is a one 4x6 print and a digital file. She informed the Board that Ms. Haines and herself will be having their picture done professionally to place on the website. After, some discussion the Board agreed to include the Board member’s pictures on the website, as well.

**PensionGold National User’s Group Conference**  
**April 11 & 12, 2013, Austin, Texas**

Ms. Mathisen indicated that the PensionGold National User’s Group Conference will be held in Austin, Texas this year. She stated that Ms. Haines usually attends this conference however will be on vacation on those specific days. Ms. Mathisen indicated that she is waiting for the final agenda to see if there are items that would be beneficial to Adams County Retirement. If there is she will be attending and wanted to make the Board aware that the Retirement Office could be closed for those two days.

**OTHER BUSINESS**

None

**The Regular Board Meeting adjourned at 3:10 p.m.**

Respectfully submitted,

Debbie Haines, Senior Benefits Manager  
(Corresponding Secretary)

**NEXT BOARD MEETING**

**WEDNESDAY, MARCH 5, 2013 – REGULAR BOARD MEETING  
ADAMS COUNTY GOVERNMENT CENTER  
4430 SOUTH ADAMS COUNTY PARKWAY  
RETIREMENT CONFERENCE ROOM  
BRIGHTON, COLORADO 80601-8202**