

ADAMS COUNTY RETIREMENT BOARD MEETING

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

MAY 3, 2016

BOARD MEMBERS PRESENT

Ben Dahlman – Vice-Chairman
Brigitte Grimm –Treasurer
Marlise Bruno – Secretary
Marc Osborne

BOARD MEMBERS EXCUSED

Joe Pacyga – Chairman

ADMINISTRATIVE STAFF

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

ACTUARIAL STAFF

None

LEGAL COUNSEL

Davis Graham & Stubbs – Cindy Birley

INVESTMENT CONSULTANTS

Watershed Investment Consultants – Dale Connors

OTHER ATTENDEES

Bill Petri – CliftonLarsonAllen
Michelle Alexander - CliftonLarsonAllen
Susan Dobbs – Rangeview Library District

Called to Order: 1:30 P.M.

SPECIAL PRESENTATION

None

EMPLOYEE/RETIREE CORRESPONDENCE

Thank You Note – Barb Struck

REGULAR BUSINESS SESSION

CONSENT AGENDA

Consent Agenda: Distributed by E-Mail

Approval of Board Meeting Minutes – April 5, 2016

Approval of Money Manager Fund Totals and US Bank Summary Reports – February 2016

Approval of Administrative Expenditures – May 3, 2016

Expenditures - \$ 84,770.77

Paid April Expenditures - \$ 2,539.29

Provided at Board Meeting:

Approval of Lump-Sum Distributions Report/Retirees Payout Report – April 2016

Moved by Board Member – Mr. Osborne

Seconded by Board Member – Ms. Grimm

Unanimously carried

UNFINISHED BUSINESS

None

NEW BUSINESS

**CliftonLarsonAllen – Bill Petri & Michelle Alexander
2015 Financial Statements and Audit Reports**

Mr. Petri was present to present the December 31, 2015, Financial Statements for the Adams County Retirement Plan. Mr. Petri indicated that CliftonLarsonAllen expressed an unmodified opinion on the financial statements.

Mr. Petri went over some of the financial statement highlights. He stated that the net position of the Adams County Retirement Plan decreased for 2015 due to increase pension benefits and a decline in returns.

Ms. Bruno moved to accept the 2015 Financial Statements presented by CliftonLarsonAllen. Mr. Osborne seconded the motion and it was unanimously carried.

Watershed Investment Consultants, Inc. – Dale Connors 2016 – 1st Quarter Investment Analysis

Mr. Connors presented the 2016 1st Quarter Investment Analysis on the Adams County Retirement Plan. He stated that the 1st quarter was a quarter of two halves. The first in which risk assets sold off globally and the second where risk assets rallied significantly. Markets initially reacted strongly to continued concerns about slowing global economic growth with particular focus on conflicting signals from the U.S. and apparent concern about a slowdown in China. Markets reacted positively in February to guidance from global central banks suggesting a continuation of monetary stimulus as reflected by negative policy interest rates across several countries and the Federal Reserve guidance that the rate increases will depend on the Fed's view of the strength of the economic growth. He continued by giving an overview of each of the investment sectors in the Plan.

Mr. Connors indicated that Watershed Investment Consultants recommends moving forward without Visium Asset Management. He stated that Visium is starting to lose assets from investors and the moral from staff is deteriorating. Mr. Connors indicated that Mr. Schreder will bring back new recommendations to the Board at the June 2016 Board meeting.

Watershed Investment Consultants Update

Mr. Connors informed the Board of Retirement with considerable due diligence that Watershed Investment Consultants, Inc. has agreed to consolidate with J.H. Ellwood & Associates, Inc. in Chicago, Illinois. He stated that this partnership will better enable them to foster their strong tradition of client service and value-added investment advice. Mr. Connors stated that all senior client consultants and staff will remain in the Denver office location.

Mr. Connors indicated that they expect to complete the transaction with Ellwood on or about May 31, 2016. He stated that the Adams County Retirement Plan Consulting Agreement with Watershed will be assigned to Ellwood effective as of the closing date. Mr. Connors indicated that Watershed needs the Board's consent to such assignment.

Ms. Bruno moved to consent to assign the Investment Consulting Services to J.H. Ellwood & Associates, Inc. for the Adams County Retirement Plan. Mr. Osborne seconded the motion and it was unanimously carried.

STANDING REPORTS

Watershed Investment Consultants, Inc. Investment Updates – Performance Update

None

Davis Graham & Stubbs Legal Information Updates

Ms. Birley stated that the Department of Labor (DOL) has passed some fiduciary regulations however they do not apply to the Adams County Retirement Plan. Ms. Birley indicated that Davis Graham & Stubbs will be holding a seminar on June 16, 2016 to go over the new DOL fiduciary regulations. She stated that she will send each Board member an invite should they like to attend.

IRS Normal Retirement Age Regulations – Comment Letter

Ms. Birley stated that the comment period expired on April 26, 2016. She indicated that the comment letter sent on behalf of the Adams County Retirement Plan was 1 out of 8 received by the IRS. Ms. Birley stated that the comment letter sent on behalf of the Adams County Retirement Plan was the only one to comment on the Normal Retirement Age Regulations.

Retirement Staff – Administrative Business Administrative Updates

PensionGold 2016 Executive Summit Update – Nashville, Tennessee

Ms. Mathisen thanked the Board for allowing her to attend the PensionGold 2016 Executive Summit. She stated that there were 16 plans represented at the Summit. Ms. Mathisen said it was great to network with other Executive Directors even though they are bigger in Plan size. She stated that an individual from the FBI was in attendance to talk about cyber crime on the financial side.

Savvy Social Security Seminar

Ms. Mathisen indicated that the Retirement Office held a Savvy Social Security Seminar on April 21, 2016. She stated that Speer Wealth Management hosted the seminar with 42 attendees. Ms. Mathisen indicated that the seminar was very informative.

Cyber Security 101 – Seminar

Ms. Mathisen stated that the IT Director would like to host a Cyber Security 101 class to all retirees with regards to computer safety and security. She indicated that it will be held in June. Ms. Mathisen stated that the Retirement office will be sending a flyer to all retirees inviting them to attend this seminar and hopefully assist in Identity Theft prevention.

OTHER BUSINESS

None

EXECUTIVE SESSION

None

The Regular Board Meeting adjourned at 2:37 p.m.

Respectfully submitted,

Debbie Haines, Senior Benefits Manager
(Corresponding Secretary)

NEXT BOARD MEETING

**TUESDAY, JUNE 7, 2016
REGULAR BOARD MEETING
ADAMS COUNTY GOVERNMENT CENTER
4430 SOUTH ADAMSCOUNTY PARKWAY
RETIREMENT CONFERENCE ROOM
BRIGHTON, COLORADO 80601**