

ADAMS COUNTY RETIREMENT BOARD MEETING

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

DECEMBER 5, 2017

BOARD MEMBERS PRESENT

Marc Osborne - Chairman
Ben Dahlman – Vice-Chairman
Brigitte Grimm - Treasurer
Jim Morgen – Secretary

BOARD MEMBERS EXCUSED

Brent Voge

ADMINISTRATIVE STAFF

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

ACTUARIAL STAFF

Gabriel Roeder Smith – Paul Wood

LEGAL COUNSEL

David Graham & Stubbs – Cindy Birley

INVESTMENT CONSULTANTS

Ellwood – Dale Connors
Ellwood – Andy Fiegel

OTHER ATTENDEES

Billy Taki – Mesirow Financial

Called to Order: 1:31 P.M.

INTRODUCTION OF SPECIAL GUESTS/ATTENDEE'S

Mr. Connors introduced Mr. Taki, Associate, Mesirow Financial. He stated that Mr. Taki would be giving an update later in the meeting. Mr. Connors indicated that the Adams County Retirement Plan is invested in Mesirow III and Mesirow IV.

EXECUTIVE SESSION

None

EMPLOYEE/RETIREE CORRESPONDENCE

None

REGULAR BUSINESS SESSION

CONSENT AGENDA

Consent Agenda: Distributed by E-Mail

Approval of Board Meeting Minutes – November 7, 2017

Approval of Money Manager Fund Totals and US Bank Summary Reports – October 2017

Approval of Administrative Expenditures – December 5, 2017

Expenditures - \$ 43,684.38

Paid November Expenditures - \$1,066.67

Provided at Board Meeting:

Approval of Lump-Sum Distributions Report/Retirees Payout Report – November 2017

Moved by Board Member – Mr. Dahlman

Seconded by Board Member – Mr. Morgen

Unanimously carried

UNFINISHED BUSINESS

None

NEW BUSINESS

Davis Graham & Stubbs, LLP – Cindy Birley

**Adams County Retirement Board Vesting and Plan Expense Agreement
with the Adams County Board of County Commissioners
and Rangeview Library District**

Ms. Birley indicated that the Adams County Retirement Board Vesting and Plan Expense Agreement with the Adams County Board of County Commissioners and Rangeview Library District was approved today by the Board of County Commissioners. The agreement states that Adams County will fund a minimum of \$2 million towards Plan expenses for the Adams County Retirement Plan until the Plan is 80% funded on an actuarial and market rate basis.

**Amendment No. Nine to the Adams County Retirement Plan
(As Amended and Restated Effective January 1, 2014)**

Ms. Birley provided the Board of Retirement a Summary of Changes with regards to Amendment No. Nine to the Adams County Retirement Plan As Amended and Restated Effective January 1, 2014. She proceeded by going over the items that had been changed with regards to Amendment No. Nine to the Adams County Retirement Plan As Amended and Restated Effective January 1, 2014.

Mr. Dahlman wanted clarification on the change to the “Compensation” with regards to Section 457. Ms. Birley asked “Does the County have employer contributions that go into the 457(b) Plan?” Ms. Mathisen responded the County Manager and County Attorney get a lumpsum distribution in January of each year made by the Employer. Ms. Birley stated that she would need to see the documents from the County to determine whether their distributions are includible or not. After some discussion the Board tabled approving Amendment No. Nine in order for Ms. Birley to redraft the Amendment.

Tax Reform Legislation – UBIT (Unrelated Business Income Tax)

Ms. Birley provided the Board a copy of the Bloomberg Tax – Roadmap to House and Senate Tax Reform Plans. She indicated that these versions are changing daily. Ms. Birley indicated that the House passed a provision to subject investments of governmental Plans to Unrelated Business Income Tax (UBIT). She stated that if this goes through there will be tax rate ramifications to the Adams County Retirement Plan.

Press Release Language for Adams County Publication

Ms. Mathisen indicated that a copy of the Press release language for the vesting change was included in the Board Packet. She stated that Ms. Birley has seen and approved the language. Ms. Mathisen indicated that the Communications department will be sending this Press release out December 12, 2017 to all Employees.

Ms. Birley - left

SPECIAL PRESENTATION

Mr. Taki gave an update on Mesirow Financial Private Equity to the Board of Retirement. He stated that the Global headquarters is in Chicago, IL. Mr. Taki went over the investment strategy and portfolio construction with the Board. He stated that both Fund III & IV will not be asking for anymore commitments from the Plan. Mr. Taki finished by thanking the Board.

**Amendment No. Nine to the Adams County Retirement Plan
(As Amended and Restated Effective January 1, 2014)**

Ms. Birley stepped back into the Board meeting and stated that Ms. Mathisen and she met with Laurie Arellano, Payroll Department. She stated that Ms. Arellano clarified that the money taken from the County Manager and County Attorney for the 457(b) Plan is included in their income and it is pensionable earnings. Ms. Arellano stepped into the Board meeting and confirmed to the Board that it is pensionable earnings. Ms. Birley informed

the Board that Ms. Mathisen is upstairs getting the signed agreements from the BoCC. Ms. Birley stated that with this information the Board is okay to approve the Amendment.

Mr. Morgen moved to approve Amendment No. Nine to the Adams County Retirement Plan (As Amended and Restated Effective January 1, 2014). Ms. Grimm seconded and it was unanimously carried.

Ms. Birley read the Oath and Acknowledgement regarding the Certificate and Resolution to the Board of Retirement. Ms. Grimm, Mr. Osborne, Mr. Dahlman and Mr. Morgen all responded "I do".

Ms. Birley left

Mr. Dahlman left at 2:30 P.M.

STANDING REPORTS

Ellwood – Dale Connors & Andy Fiegel Investment Update

Mr. Fiegel indicated that the asset classes continued to be strong. He stated that the MSCI Emerging Markets was up 32.3%, MSCI EAFE Index up 21.8% and the S&P 500 was up 16.9% through October 2017. Mr. Fiegel indicated that the technology sector continues to be the positive performer with the oil/energy sector being the negative performer.

Mr. Connors continued by stating that the Adams County Retirement Plan is up 10.5% in 2017. He indicated that the Adams County Retirement Plan through October 2017 is at \$256,791,218.

TSW/MetWest

Mr. Connors informed the Board that TSW/MetWest, money manager has just announced a future ownership change. He indicated that Ellwood will monitor this situation and keep the Board updated.

Davis Graham & Stubbs Legal Information Updates

None

Gabriel Roeder Smith & Company Update

Mr. Woods indicated that that GRS is preparing to start the Experience study for the Adams County Retirement Plan in 2018.

Retirement Staff – Administrative Business

Ms. Mathisen indicated that Mr. Connors and she are preparing the 2018 Board of Retirement meeting schedule. She asked the Board if they wanted to continue bringing individual money managers to the monthly meetings or go back to having two money manager roundtables. After some discussion the Board stated they will go back to having only the money manager roundtables.

Ms. Mathisen indicated that next year is an election year for Ms. Grimm. Did the Board want to move the Tuesday, November 2018 Board meeting to Wednesday? The Board decided to keep the Board meeting at the regularly stated time for now and look at it when it gets closer.

OTHER BUSINESS

None

The Regular Board Meeting adjourned at 3:03 p.m.

Respectfully submitted,

Debbie Haines, Senior Retirement Benefits Specialist
(Corresponding Secretary)

NEXT BOARD MEETING

**TUESDAY, JANUARY 2, 2018
REGULAR BOARD MEETING
ADAMS COUNTY GOVERNMENT CENTER
4430 SOUTH ADAMS COUNTY PARKWAY
RETIREMENT CONFERENCE ROOM
BRIGHTON, COLORADO 80601**