

**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

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**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 2<sup>nd</sup> Quarter Performance Evaluation**

Mr. Fiegel indicated that the market was flat for the 1<sup>st</sup> 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 2<sup>nd</sup> 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**