

ADAMS COUNTY RETIREMENT BOARD MEETING

**MINUTES - REGULAR MEETING
4430 SOUTH ADAMS COUNTY PARKWAY
IT CONFERENCE ROOM – C3415
BRIGHTON, COLORADO 80601**

OCTOBER 7, 2014

BOARD MEMBERS PRESENT

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

BOARD MEMBERS EXCUSED

ADMINISTRATIVE STAFF

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

LEGAL COUNSEL

Davis Graham & Stubbs, LLP – Vicki Johnson

INVESTMENT CONSULTANTS

Watershed Investment Consultants – Dale Connors

OTHER ATTENDEES

Ashley Cassel – Aberdeen Asset Management
Tom Harvey – Aberdeen Asset Management
Scott Hazen – Adams Street Partners
Steve Caruthers – American Funds
Ryan Moore – American Funds
Arvin Soh – GAM
Matt Clark – PIMCO
John Berg – Principal Global Investors
Gerard Branka – Pyramis Global Advisors
James Carroll – Pyramis Global Advisors
Frank Chism – Vanguard
Keith Mekenney – Vanguard
Rangeview Library District – Susan Dobbs

Called to Order: 1:33 P.M.

SPECIAL PRESENTATION

Roundtable Panel Discussion

The Board of Retirement had a roundtable discussion with nine of its money managers. The following money managers were in attendance Aberdeen Asset Management, Adams Street Partners, American Funds, GAM, PIMCO, Principal Global Investors, Principal Real Estate Debt Fund, Pyramis Global Advisors and Vanguard. Each money manager was given 10 to 15 minutes to provide the Board with their firm's global perspectives.

After all of the money managers made their presentations there was a question and answer session. Discussion topics included inflation, deflation and the global economy.

Recess at 2:46 P.M.

Reconvened at 2:56 P.M.

All members present.

EMPLOYEE/RETIREE CORRESPONDENCE

None

REGULAR BUSINESS SESSION

Consent Agenda: Distributed by E-Mail

Approval of Board Meeting Minutes – September 2, 2014

Approval of Termination Report – September 2014

Approval of Money Manager Fund Totals and US Bank Summary Reports – August 2014

Approval of Administrative Expenditures – October 7, 2014

Expenditures - \$ 55,274.58

Paid September Expenditures - \$ 21.95

Moved by Board Member – Mr. Dahlman

Seconded by Board Member – Mr. McIntosh

Unanimously carried

UNFINISHED BUSINESS

September 22, 2014 – Ratify into Minutes – Investment with Strategic Value Partners, LLC

Motion

At the most recent Board meeting on September 2, 2014, the Board Members who were present approved, subject to review by legal counsel at Davis Graham & Stubbs LLP (“**DGS**”), a proposed \$2,000,000 investment in a private fund managed by Strategic Value Partners, LLC (“**SVP**”). In the course of reviewing the documents provided by SVP, a number of points of clarification relating to this private fund arose, which are summarized in greater detail below. As this new information varies slightly from the information that was initially presented to the Board during the September 2, 2014 meeting, I am requesting that you review the information below.

I also move that the Board approve this investment subject to ongoing review of final documents. Please respond by **12:00 p.m. Noon on Monday, September 22, 2014** in accordance with procedures in the Board’s Bylaws for meetings conducted by email. By this deadline, please **reply to all** to this email and state in the first line of your response “**I vote No,**” or “**I vote Yes.**”

Board member tally

Joseph Pacyga – Yea
Michael McIntosh – Yea
Marlise Bruno – Yea
Ben Dahlman – Abstained
Brigitte Grimm – No Response

Motion approved.

NEW BUSINESS

Adams County Retirement Plan By-Laws Compliance with Open Records Law and Media Requests

The Board of Retirement had a discussion on Section 6 of the Adams County Retirement Plan By-Laws.

STANDING REPORTS

Watershed Investment Consultants, Inc. Investment Updates – Performance Update

Mr. Connors stated that the Adams County Retirement Plan was up 6.89% net of fees through August 2014. He indicated that the Plan is doing well at \$235,483,399 through August 2014.

PIMCO Update

Mr. Connors gave an update to the Board of Retirement on the departure of Bill Gross, CIO and co-founder of PIMCO. He indicated that Mr. Gross after 40 years with PIMCO resigned and went to Janus. Mr. Connors stated that the Adams County Retirement Plan has both the PIMCO Total Return fund and PIMCO Unconstrained Bond Fund. He pointed out that the Unconstrained Bond fund has been struggling for sometime. After some discussion the Board tabled this until the November 2014 Board meeting.

Mr. McIntosh – left at 3:40 P.M.

Davis Graham & Stubbs Legal Information Updates

Ms. Johnson informed the Board that the same sex marriage is now legal in Colorado. She indicated that DGS will be reviewing the forms for any changes that might be needed.

Retirement Staff – Administrative Business Administrative Updates Board Member Election

Ms. Haines informed the Board that the nomination forms went out to all active participants in the Adams County Retirement Plan for the replacement of the position held by Mr. McIntosh. She indicated that at the November 2014 Board meeting she will provide a copy of the nominees. Ms. Haines stated that the election will close on December 19, 2014.

2014 PensionGold User's Conference

Ms. Mathisen reminded the Board that the Adams County Retirement office will be closed from October 20 – 24, 2014 due to the staff attending the 2014 PensionGold User's Conference.

OTHER BUSINESS

None

Recess at 3:52 P.M.

Reconvened at 3:56 P.M.

Mr. Dahlman moved to convene into Executive Session at 3:57 P.M. Pursuant to C.R.S. Section 24-6-402(4)(b) to obtain legal advice regarding the Retirement Plan. Ms. Bruno seconded the motion and it was unanimously carried.

EXECUTIVE SESSION

Mr. Dahlman moved to adjourn Executive Session and reconvene the Regular Board Meeting. Ms. Grimm seconded the motion and it was unanimously carried.

The Regular Board Meeting reconvened at 4:40 P.M. with all Board members, staff and legal counsel present.

The Regular Board Meeting adjourned at 4:41 p.m.

Respectfully submitted,

Debbie Haines, Senior Benefits Manager
(Corresponding Secretary)

NEXT BOARD MEETING

THURSDAY, NOVEMBER 6, 2014

**REGULAR BOARD MEETING
ADAMS COUNTY GOVERNMENT CENTER
4430 SOUTH ADAMS COUNTY PARKWAY
RETIREMENT CONFERENCE ROOM C3414
BRIGHTON, COLORADO 80601**