

ADAMS COUNTY RETIREMENT BOARD MEETING

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

DECEMBER 1, 2015

BOARD MEMBERS PRESENT

Joe Pacyga – Chairman
Brigitte Grimm –Treasurer
Marlise Bruno – Secretary
Marc Osborne

BOARD MEMBERS EXCUSED

Ben Dahlman – Vice-Chairman

ADMINISTRATIVE STAFF

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

ACTUARIAL STAFF

Gabriel Roeder & Smith – Leslie Thompson
Gabriel Roeder & Smith – Paul Wood

LEGAL COUNSEL

Davis Graham & Stubbs – Vicki Johnson

INVESTMENT CONSULTANTS

Watershed Investment Consultants – Dale Connors
Watershed Investment Consultants – Kristen Hunter

OTHER ATTENDEES

None

Called to Order: 1:34 P.M.

SPECIAL PRESENTATION

None

EMPLOYEE/RETIREE CORRESPONDENCE

None

REGULAR BUSINESS SESSION

CONSENT AGENDA

Consent Agenda: Distributed by E-Mail

Approval of Board Meeting Minutes – November 3, 2015

Approval of Money Manager Fund Totals and US Bank Summary Reports – September 2015

Approval of Administrative Expenditures – December 1, 2015

Expenditures - \$ 49,586.79

Paid November Expenditures - \$ 704.55

Provided at Board Meeting:

Approval of Lump-Sum Distributions Report/Retirees Payout Report – November 2015

Moved by Board Member – Ms. Grimm

Seconded by Board Member – Ms. Bruno

Unanimously carried

UNFINISHED BUSINESS

None

NEW BUSINESS

Davis Graham & Stubbs, LLP – Vicki Johnson

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

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

Ms. Johnson stated that Davis Graham & Stubbs is still waiting on the list of Required Modifications from the IRS to see if the Retirement Plan will need to make more changes before the end of the year. If so, then a Special Board meeting will need to be held.

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

Ms. Mathisen read the Oath regarding Amendment No. Three - Certificate and Resolution to the Board of Retirement. They all responded "I do". Ms. Mathisen read the Acknowledgement regarding Amendment No. Three – Amendment to the Board of Retirement. They all responded "I do"

Board of County Commissioner Analysis of Expenses - Discussion

Ms. Mathisen indicated that this item was placed back on the agenda by Mr. Pacyga, Chairman. She stated that the Board packet included a copy of the memorandum regarding an analysis of expenses that Davis Graham & Stubbs prepared back in October 2014. Ms. Mathisen stated that since Mr. Dahlman is not present at the Board meeting she would be speaking on his behalf. She indicated that Mr. Dahlman mentioned that it might be helpful to have a sheet with the options prepared listing the pros and cons. After some discussion the Board would like Davis Graham & Stubbs to prepare a shorter version of the original analysis of expenses listing the pros and cons of each option. The Board tabled this discussion until the January 2016 Board meeting.

Adams County Retirement Plan 2015 – 2016 Budget Review – Pam Mathisen 2017 Pay Cycle Impact Analysis

Ms. Mathisen indicated that at the last Board meeting the Board wanted Ms. Mathisen to prepare an impact analysis with regards to the potential pay cycle change to the Retirement Plan. She stated that included in the Board packet was a breakdown of what the staff believes to be affected by the payroll change. Ms. Mathisen indicated that the analysis reflects potential costs to PensionGold, Legal fees and Actuarial fees.

STANDING REPORTS

Watershed Investment Consultants, Inc. Investment Updates – Performance Update

Mr. Connors introduced Ms. Hunter, Performance Analyst for Watershed Investment Consultants. He indicated that she prepares all the information that the Board sees from Watershed Investment Consultants. Mr. Connors continued with the October 2015 performance. He indicated that October 2015 was a reversal of what happened in the 3rd quarter. Mr. Connors stated that October 2015 was a good month for equities but commodities and government bonds were slightly negative. Mr. Connors continued by giving an overview of each of the investment sectors that the Plan is currently invested in. He indicated that the emerging market area has been really struggling. Mr. Connors stated that Watershed has been reviewing the international area and believes that there is no reason to be overweight in the emerging markets anymore. Mr. Connors indicated that Watershed recommends terminating Aberdeen Emerging Markets and reallocating equally to DFA World Ex-US Value and EuroPacific Growth.

Mr. Osborne moved to terminate Aberdeen Emerging Markets and reallocate equally to DFA World Ex-US Value and EuroPacific Growth. Ms. Bruno seconded the motion and it unanimously carried.

**Davis Graham & Stubbs
Legal Information Updates**

None

Gabriel Roeder Smith & Company

Ms. Thompson informed the Board of Retirement that Diane Hunt, Gabriel Roeder & Smith will be retiring at the end of 2015. She introduced Paul Wood who has been with Gabriel Roeder & Smith for 12 years and just moved to the Denver office from Chicago, Illinois.

Ms. Thompson mentioned that the Colorado report that she did earlier in the year is still getting momentum. She indicated that she did a webinar for the National Institute of Retirement Security for their clients throughout the country.

Ms. Thompson stated that her next topic was on mortality. She indicated that the Retirement Plan is using the generational table using scale BB which is the projection scale. She stated that they have since come out with the MP2014 and MP2015. Ms. Thompson indicated that with the 2016 valuation Gabriel Roeder & Smith recommends moving to the MP2015 since scale BB is out of date. She stated that the decision does not need to be made today. Ms. Thompson indicated that she will bring this up at the January 2016 Board meeting.

**Retirement Staff – Administrative Business
Administrative Updates**

None

OTHER BUSINESS

None

EXECUTIVE SESSION

None

The Regular Board Meeting adjourned at 2:39 p.m.

Respectfully submitted,

Debbie Haines, Senior Benefits Manager
(Corresponding Secretary)

NEXT BOARD MEETING

**TUESDAY, JANUARY 5, 2016
REGULAR BOARD MEETING
ADAMS COUNTY GOVERNMENT CENTER
4430 SOUTH ADAMS COUNTY PARKWAY
RETIREMENT CONFERENCE ROOM, C3414
BRIGHTON, COLORADO 80601**