

**ADAMS COUNTY RETIREMENT BOARD MEETING**

**MINUTES - REGULAR MEETING  
MICROSOFT TEAM MEETING**

**JUNE 2, 2020**

**BOARD MEMBERS PRESENT**

Brent Voge – Chairman  
Alisha Reis – Vice Chairman  
Lisa Culpepper – Treasurer – 1:45 P.M.  
Marc Osborne

**BOARD MEMBERS EXCUSED**

**ADMINISTRATIVE STAFF**

Debbie Haines, Executive Director (Corresponding Secretary)

**ACTUARIAL STAFF**

Gabriel Roeder Smith – Paul Wood

**LEGAL COUNSEL**

Davis Graham & Stubbs – Cindy Birley  
Davis Graham & Stubbs – Peter Rose – 2:40 P.M.

**INVESTMENT CONSULTANTS**

Ellwood Associates – Dale Connors  
Ellwood Associates – Andy Fiegel

**OTHER ATTENDEES**

Susan Dobbs – Rangeview Library District  
Pernell Olson – Budget Department  
Sean Allegar – Sheriff’s Department

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**Called to Order: 1:31 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 – May 5, 2020**

**Approval of Money Manager Fund Totals – April 2020**

**Provided at Board Meeting:**

**Approval of Terminated Retirement Members Payout Report – May 2020**

**Ratify of Administrative Expenditures – June 2, 2020**

Expenditures - June - \$ 112,798.20

**Moved by Board Member – Ms. Reis**

**Seconded by Board Member – Mr. Osborne**

**Unanimously carried**

## **UNFINISHED BUSINESS**

None

## **NEW BUSINESS**

**Gabriel Roeder Smith (GRS) – Paul Wood**

**Actuarial Valuation Effective January 1, 2020**

Mr. Wood presented the Actuarial Valuation Report as of January 1, 2020 for the Adams County Retirement Plan. He continued by stating some of the highlights of the Valuation:

- Market value of assets return was more than the rate of return assumption
  - 15.6% return vs. 7.25% assumption
- Actuarial value of assets return was less than the rate of return assumption
  - 5.9% return vs. 7.25% assumption
  - Overall loss on actuarial value of assets due to the recognition of 2015 and 2018 asset losses offset the recognition of 2016, 2017 and 2019 asset gains.
- Actuarially Determined Contribution (ADC) calculation updated to better align with Board objectives

- Change in calculation of the ADC resulted in a decrease in the difference between the ADC and the anticipated actual contribution
- Because the shortfall exists, there is upward pressure on the contribution rate and downward pressure on the funded ratio
- Employer contributions at 9.50% and member contributions at 9.00% in 2020
- Funded ratio (ratio of assets to liabilities)
  - Market value funded ratio increased to 53.2% from 49.2% last year
  - Actuarial value funded ratio decreased to 52.0% from 52.6% last year

Mr. Wood continued by going over the information used in the valuation. He stated that the active and retiree population increased in 2020. Mr. Wood stated that Tier 3 participants are starting to dominate the Plan now at 69% of the total population. He stated that the additional County contribution started in 2018 relieves some pressure off the current shortfall.

### **Update of Employer Retirement Contribution Continuance – Alisha Reis**

Ms. Reis indicated that last year this item was put through Adams County’s budget process. She stated that it again will run through this year’s budget process, as well. Ms. Reis asked that this item be placed as an ongoing item on the Board agenda. She will continue to give updates as it goes through the budget process.

### **Ellwood Associates – Dale Connors Credit Pacing Model**

Mr. Connors indicated that he was going to go over the Credit Pacing model. He stated the Plan still needs to continue to add private credit to the portfolio. Mr. Connors will then discuss credit strategies that Ellwood feels are timely and are designed to take advantage of the dislocations that have been occurring since the start of the pandemic.

Mr. Connors stated that the Plan currently has done four private credit commitments. He indicated for the Plan to stay on pace another \$7 million needs to be committed this year. Mr. Connors then went over four different money managers with the Board. They were Anchorage Capital Group, Varde Partners, Oak Hill Advisors and Monarch Capital Partners. After some discussion the Board agreed to hire Varde Partners.

Mr. Osborne moved to hire Varde Partners and committing \$7 million into the offshore fund. Ms. Culpepper seconded the motion and it was unanimously carried.

### **Performance Update**

Mr. Fiegel gave an update on the performance through April 2020. He stated April 2020 was a better month for the Plan however the Plan is still negative year to date at 6.8%. Mr. Fiegel finished by saying the Adams County Retirement Plan through April 2020 was at \$260,833,359.

## **STANDING REPORTS**

### **Ellwood Associates Monthly Investment Update**

None

### **Gabriel Roeder Smith Actuarial Update**

None

### **Davis Graham & Stubbs Legal Update**

None

### **Retirement Staff – Administrative Business**

None

Mr. Osborne moved to convene into Executive Session at 3:12 P.M. Pursuant to C.R.S. Sections 24-6-402(4)(f)(I) and C.R.S. Sections 24-6-402(4)(b) to discuss personnel matters and to receive legal advice on specific legal questions. Ms. Reis seconded the motion and it was unanimously carried

## **EXECUTIVE SESSION**

Ms. Reis moved to adjourn Executive Session and reconvene the Regular Board Meeting. Ms. Culpepper seconded the motion and it was unanimously carried.

The Regular Board Meeting reconvened at 3:50 P.M. with all Board members, Retirement staff and legal counsel present.

The Board gave Ms. Haines approval to proceed with the Retirement Benefits Specialist position and discussed specific legal questions with legal counsel.

### **The Regular Board Meeting adjourned at 3:51 p.m.**

Respectfully submitted,

Debbie Haines, Executive Director  
(Corresponding Secretary)

**NEXT BOARD MEETING**

**TUESDAY, JULY 7, 2020  
REGULAR BOARD MEETING  
MICROSOFT TEAMS MEETING**