

ADAMS COUNTY RETIREMENT BOARD MEETING

**MINUTES - REGULAR MEETING
MICROSOFT TEAM MEETING**

MARCH 2, 2021

BOARD MEMBERS PRESENT

Marc Osborne - Chairman
Lisa Culpepper – Treasurer
Sean Allegar

BOARD MEMBERS EXCUSED

Alisha Reis – Vice Chairman

ADMINISTRATIVE STAFF

Debbie Haines, Executive Director (Corresponding Secretary)
Michele Riggin – Retirement Benefits Specialist

ACTUARIAL STAFF

Gabriel Roeder Smith – Paul Wood

LEGAL COUNSEL

Davis Graham & Stubbs – Cindy Birley
Davis Graham & Stubbs – Craig Anzai

INVESTMENT CONSULTANTS

Ellwood Associates – Dale Connors
Ellwood Associates – Andy Fiegel

OTHER ATTENDEES

Pete Luke – People & Culture
Susan Dobbs – Rangeview Library
Tina Seberg – US Bank

Called to Order: 2:18 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 – February 2, 2021

Approval of Money Manager Fund Totals – January 2021

Provided at Board Meeting:

Approval of Terminated Retirement Members Payout Report – February 2021

Ratify of Administrative Expenditures – March 2, 2021

Expenditures - \$ 52,936.33

Moved by Board Member – Mr. Allegar

Seconded by Board Member – Ms. Culpepper

Sean Allegar – Aye

Lisa Culpepper – Aye

Marc Osborne – Aye

UNFINISHED BUSINESS

Davis Graham & Stubbs – Cindy Birley

Amendment No. Four to the Adams County Trust Agreement

Ms. Birley indicated that in the Board packet contained a redline copy of Amendment No. Four to the Adams County Trust Agreement. She stated that at the February 2021 Board meeting the Board decided to terminate Fidelity. Ms. Birley indicated that in doing so the Trust Agreement needed to be amended.

Ms. Culpepper moved to approve Amendment No. Four to the Adams County Trust Agreement. Mr. Allegar seconded the motion.

Lisa Culpepper – Aye

Sean Allegar – Aye

Marc Osborne – Aye

NEW BUSINESS

Davis Graham & Stubbs – Cindy Birley Adams County Retirement Bylaws

Ms. Birley stated that the Colorado statutes indicate that a meeting can include an electronic meeting, telephone meeting, etc. She wanted to clarify this in the Bylaws that the Regular monthly meetings may be held in any manner as allowed under Colorado law including in person, by telephone, electronically or by other means of communication.

Mr. Allegar moved to approve an update to Section 2 and Section 5 of the Bylaws indicating monthly meetings may be held in any manner as allowed under Colorado law including in person, by telephone, electronically or by other means of communication. Ms. Culpepper seconded the motion.

Sean Allegar – Aye
Lisa Culpepper – Aye
Marc Osborne - Aye

STANDING REPORTS

Ellwood Associates Asset Allocation Study

Mr. Connors indicated that the current assumed rate of return is 7.25% for the Plan. He stated that when Ellwood looked at the numbers this year the current asset allocation target is expected to generate a 6.1% return over the next 10 years which is below the 7.25% needed for the Plan. Mr. Connors indicated that there is only one asset class expected to return over 7.25% in the next 10 years which is Private Equity. He stated that looking forward the study would suggest that the 7.25% assumed rate of return target is unachievable. Mr. Connors indicated that since the Board is short on time today, he would like to bring back at a future meeting some recommendations that Ellwood has in mind. However, Ellwood does recommend at today's meeting to eliminate the hedge fund exposure in the Grosvenor Institutional Partners fund because they have a 75-day liquidation requirement.

Ms. Culpepper moved to terminate the Grosvenor Institutional Partners fund and use the proceeds to increase the public equity target. Mr. Allegar seconded the motion.

Lisa Culpepper – Aye
Sean Allegar – Aye
Marc Osborne - Aye

Performance Update

Mr. Fiegel stated that the equity markets started out strong but ended mixed at the end of January 2021. He indicated that the S&P 500 was down 1% in January, small cap gained roughly 5% and emerging markets

gained 3.1%. Mr. Fiegel stated that the Adams County Retirement Plan at the end January 2021 was at \$307,126,838.

NEW BUSINESS

PensionGold Service Request – Debbie Haines

Ms. Haines stated that at the February 2021 Board meeting she brought a copy of a Service request from PensionGold with regards to the bi-weekly payroll change. She stated that the Board wanted her to send the Service request to Nancy Duncan, Finance/Budget Director for Adams County. Ms. Haines indicated that Ms. Duncan informed her that per the County Attorney they were not allowed to sign the Service request stating that a Retirement Plan representative should be signing the Service request form. Ms. Duncan sent Ms. Haines an email stating that Adams County will pick up the cost to implement the bi-weekly pay change to the Retirement system. Ms. Haines stated that she had a conversation with Mr. Osborne, and he wanted this item back on the agenda so the Board could hear the latest development and give Ms. Haines authorization to sign the Service request. After some discussion, the Board gave permission for Ms. Haines to sign the Service request.

STANDING REPORTS

Davis Graham & Stubbs Legal Update

None

Gabriel Roeder Smith Actuarial Update

Mr. Wood commented on Ellwood's presentation about the 7.25% return assumption is going to be difficult to attain for the Plan. Mr. Wood stated that once GRS gets closer to having the results for this year's valuation done, he would like to run the results and projections at 7.25%, 6 ¾% & 6 ½% to see what the difference might be between each projection. He indicated the Plan is coming off two very good years and this might be the year to make a change to the Plan.

Retirement Staff – Administrative Business Administrative Update

None

Other Business

None

Ms. Culpepper moved to convene into Executive Session at 3:08 P.M. Pursuant to C.R.S. Section 24-6-402(4)(f)(I) and C.R.S. Section 24-6-402(4)(b) for personnel matters and to receive legal advice regarding the same. Mr. Allegar seconded the motion.

Lisa Culpepper – Aye
Sean Allegar – Aye
Marc Osborne - Aye

EXECUTIVE SESSION

Ms. Culpepper moved to adjourn Executive Session and reconvene the Regular Board Meeting. Mr. Allegar seconded the motion.

Lisa Culpepper – Aye
Sean Allegar – Aye
Marc Osborne - Aye

The Regular Board Meeting reconvened at 3:28 P.M. with all Board members, Pete Luke, People & Culture, Retirement staff and legal counsel present.

Mr. Allegar moved to approve a pay rate increase to the median pay for the Executive Director retro back to January 1, 2021. Ms. Culpepper seconded the motion.

Sean Allegar – Aye
Lisa Culpepper – Aye
Marc Osborne - Aye

The Regular Board Meeting adjourned at 3:31 p.m.

Respectfully submitted,

Debbie Haines, Executive Director
(Corresponding Secretary)

NEXT BOARD MEETING

**TUESDAY, APRIL 6, 2021
REGULAR BOARD MEETING
4430 S. ADAMS COUNTY PKWY
BRIGHTON, COLORADO**