

**ADAMS COUNTY RETIREMENT BOARD MEETING**

**MINUTES - REGULAR MEETING  
MICROSOFT TEAM MEETING**

**JUNE 8, 2021**

**BOARD MEMBERS PRESENT**

Marc Osborne - Chairman  
Alisha Reis – Vice Chairman  
Lisa Culpepper – Treasurer  
Sean Allegar  
Pernell Olson

**BOARD MEMBERS EXCUSED**

**ADMINISTRATIVE STAFF**

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

**ACTUARIAL STAFF**

Gabriel Roeder Smith – Paul Wood

**LEGAL COUNSEL**

Davis Graham & Stubbs – Cindy Birley  
Davis Graham & Stubbs – Bill Kerms

**INVESTMENT CONSULTANTS**

Ellwood Associates – Dale Connors  
Ellwood Associates – Andy Fiegel

**OTHER ATTENDEES**

Susan Dobbs – Rangeview Library  
Lauren Albanese – Financial Investment News  
Rowen Descallar – Journalist  
Teddy Haines - Journalist

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**Called to Order: 1:30 P.M.**

**INTRODUCTION OF SPECIAL GUESTS/ATTENDEE'S**

Mr. Osborne welcomed Pernell Olson to the Board of Retirement. Mr. Olson is with the Budget Department for Adams County.

**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 4, 2021**

**Approval of Money Manager Fund Totals – April 2021**

**Provided at Board Meeting:**

**Approval of Terminated Retirement Members Payout Report – May 2021**

**Ratify of Administrative Expenditures – June 8, 2021**

Expenditures - \$ 155,993.39

**Moved by Board Member – Ms. Culpepper**

**Seconded by Board Member – Ms. Reis**

**Unanimously carried.**

## **UNFINISHED BUSINESS**

**Board of Retirement Meeting Schedule Discussion – Marc Osborne**

Mr. Osborne indicated that the Board of Retirement meeting schedule has been postponed several times. He asked the other Board members if the 1<sup>st</sup> Thursday of each month will work. After some discussion, the Board Meetings will now be on the 1<sup>st</sup> Thursday of each month with the exception of the December Board meeting. Ms. Haines will be sending out a new Board of Retirement meeting schedule to all Board members and vendors.

## **NEW BUSINESS**

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

**Actuarial Valuation Effective January 1, 2021**

Mr. Wood presented the Actuarial Valuation Report as of January 1, 2021 for the Adams County Retirement Plan. He continued by stating some of the highlights of the Valuation:

- Employers continued to increase contributions to the Plan
  - Employer rate is scheduled to increase over the next three years until an ultimate rate of 11.50% is met
- Strong returns on a Market Value basis for the second year in a row resulted in an improvement in the funded position and long-term outlook of the Plan
- Unfunded Accrued Liability decreased from the prior year
- Total pay increased more than expected
  - Liability growth higher as a result but so are the contributions coming into the Plan
- Open group projections that include scheduled employer contribution increases still indicate full funding of the Plan by 2037
- Market value of assets return was more than the Actuarial value of assets return
  - 12.2% Market Value vs. 9.1% Actuarial value of assets return
  - Liability losses due to salary increases were greater than expected

Mr. Wood continued by going over the information used in the valuation. He stated that the Plan is on a projected path to full funding within a reasonable period of time. He indicated that the Board could consider lowering the investment rate of return assumption to mitigate risk.

The Board of Retirement would like to give an update to the Board of County Commissioners (BoCC) to show them how the extra contributions and Mil Levy are helping the Plan. Mr. Osborne and Ms. Reis will work together to come up with a presentation to present to the BoCC. The Board would like to present the third or fourth week in July 2021.

### **Bi-Weekly Payroll Impact on Plan/PensionGold – Cindy Birley, Paul Wood, Debbie Haines**

Ms. Birley stated that Paul Wood, GRS, Gary Pollock, DGS, Debbie Haines and herself have been working on responses to questions that PensionGold has had regarding the Bi-Weekly Payroll. Ms. Birley indicated that part of the response to PensionGold is if the County is considering a loan, pay in advance theory or something else the BoCC might be considering. Ms. Reis commented that there has not been a decision made however they are looking to get away from the loan option. She stated that she is hopeful to have something by the end of the month. Ms. Birley stated that it could put PensionGold behind in getting the reprogramming completed before the end of the year. Ms. Reis asked if PensionGold has given a timeline to when the reprogramming might be completed. Ms. Haines responded that in a conversation with PensionGold a couple of months ago they were hoping to have the reprogramming done by November 2021 that was if everything was in place. Ms. Haines stated that since we are still working things out, she is not sure if November is still viable.

Ms. Birley stated that the biggest change to the reprogramming of PensionGold is to the High 36 and High 60 component of the calculation. Mr. Wood provided an example spreadsheet to the Board to show them how Gabriel Roeder Smith and Davis Graham & Stubbs anticipate the change working within PensionGold. He indicated that they will be sharing this spreadsheet with PensionGold. Mr. Wood also provided a spreadsheet regarding how they anticipate interest being posted within PensionGold.

After some discussion, the Board decided that the interest accruals will start on the first day of the month after the pay date. Contributions in the month will not receive interest until the first day of the next month. Also, the

Board agrees with the spreadsheet presented on how Bi-Weekly is going to be counted for purposes of calculating high average compensation.

Ms. Culpepper moved to approve that the interest posting will start on the first day of the month after the pay date and the spreadsheet presented by the actuary and attorney for purposes of calculating the high average compensation related to the bi-weekly change. Mr. Olson seconded the motion, and it was unanimously carried.

#### **Education and Travel Policy – Debbie Haines**

Ms. Haines provided the Travel Policy effective June 5, 2018 to the Board of Retirement. She indicated that each Board Member attend one conference in the first twelve months of being on the Board and are required to complete a minimum of 8 hours of training per year. Ms. Haines informed the Board that Davis Graham & Stubbs will provide Fiduciary training in October so this will count towards their training.

#### **Possible Board Reorganization/In Person Board Meetings – Marc Osborne**

Mr. Osborne asked the Board if they wanted to do a reorganization this year or wait until next year. The Board agreed to wait until next year for the reorganization.

Ms. Culpepper moved to leave the current slate of Board members for the remainder of 2021. Ms. Reis seconded the motion, and it was unanimously carried.

Mr. Osborne asked the other Board members if they wanted to start in person meetings. The Board decided to meet in person starting at the July 2021 Board meeting.

### **STANDING REPORTS**

#### **Ellwood Associates**

##### **Monthly Investment Update**

Mr. Fiegel stated ongoing vaccination rollout is allowing the economy to gradually re-open and markets are responding quickly. Equity markets had a strong month in the month of April, developed markets in aggregate are returning 4.7%, gross stocks are returning 6.5% while value stocks lagged 3.9%.

Mr. Connors indicated that the Adams County Retirement Plan was up in the month of April 2021 by 2.8% and up 6.4% ytd. The Adams County Retirement Plan at the end of April 2021 was at \$332,273,003.

#### **Davis Graham & Stubbs**

##### **Legal Update**

None

#### **Gabriel Roeder Smith**

##### **Actuarial Update**

None

**Retirement Staff – Administrative Business  
Administrative Update**

Ms. Haines informed the Board that Adams County is having Financial Wellness meetings in July 2021. They have asked the Retirement office to present information on the Retirement Plan. Ms. Haines indicated that she will present on two different days. The 1<sup>st</sup> will be for participants in Tier 1 & 2 and the second will be for participants in Tier 3.

**Other Business**

Mr. Allegar asked if there is a way the County could contribute additional funds to help the Plan become fully funded. After some discussion, the other Board members feel that this would not be the appropriate time. They feel the County is already putting in more Employer contributions as well as a portion of the Mil Levy. Mr. Wood will provide to the Board previous presentations that were presented to Adams County to show what different scenarios they had to choose from when making their decision.

Mr. Allegar moved to convene into Executive Session at 2:58 P.M. Pursuant to C.R.S. Sections 24-6-402(4)(b) to receive legal advice on specific legal questions. Ms. Culpepper 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 3:27 P.M. with all Board members, Retirement staff and legal counsel present.

Ms. Culpepper moved to approve that under the 10-year certain and life benefit when the participant dies and there are multiple beneficiaries listed and then one of the beneficiaries dies we want to treat each beneficiary with having a separate share. So that the separate share will continue until the remainder of the 10-year certain and life is paid. Ms. Reis seconded the motion, and it was unanimously carried.

**The Regular Board Meeting adjourned at 3:30 p.m.**

Respectfully submitted,

Michele Riggin, Retirement Benefit Specialist  
(Corresponding Secretary)

**NEXT BOARD MEETING**

**THURSDAY JULY 1, 2021  
REGULAR BOARD MEETING  
4430 S. ADAMS COUNTY PKWY  
BRIGHTON, COLORADO**