

**ADAMS COUNTY RETIREMENT BOARD MEETING  
MINUTES - REGULAR MEETING  
RETIREMENT CONFERENCE ROOM  
BRIGHTON, CO 80601**

**JUNE 2, 2022**

**BOARD MEMBERS PRESENT**

Pernell Olson - Chairman  
Marc Osborne– Vice Chairman  
Sean Allegar - Secretary  
Lisa Culpepper – Treasurer - Phone  
Alisha Reis – 1:58 P.M.

**BOARD MEMBERS EXCUSED**

**ADMINISTRATIVE STAFF**

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

**ACTUARIAL STAFF**

Gabriel Roeder Smith – Paul Wood  
Gabriel Roeder Smith – Krysti Kiesel

**LEGAL COUNSEL**

Davis Graham & Stubbs – Cindy Birley

**INVESTMENT CONSULTANTS**

CAPTRUST – Dale Connors

**OTHER ATTENDEES**

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**Called to Order: 1:32 P.M.**

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

None

**SPECIAL PRESENTATION**

None

**EMPLOYEE/RETIREE CORRESPONDENCE**

None

## **REGULAR BUSINESS SESSION**

None

## **CONSENT AGENDA**

**Consent Agenda: Distributed by E-Mail**

**Approval of Regular Board Meeting Minutes – May 5, 2022**

**Approval of Money Manager Fund Totals – None**

**Provided at Board Meeting:**

**Approval of Terminated Retirement Members Payout Report –May 2022**

**Ratify of Administrative Expenditures – June 2022**

Expenditures - \$ 88,436.68

**Moved by Board Member – Mr. Allegar**

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

**Unanimously carried.**

## **UNFINISHED BUSINESS**

None

## **NEW BUSINESS**

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

**Actuarial Valuation Effective January 1, 2022**

Mr. Wood presented the Actuarial Valuation Report as of January 1, 2022 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 two years until an ultimate rate of 11.5% is met
- Strong returns on a Market Value basis for the third 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 and a 7.25% return on a market value basis indicate full funding of the Plan by 2035
- Market value of assets return was more than the Actuarial value of assets return
  - 19% Market Value vs. 11.5% Actuarial value of assts return

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.

**Davis Graham & Stubbs – Cindy Birley**  
**Adams Street – Dynamo Software (ransomware attack)**

Ms. Birley indicated that Adams Street's investor portal, Dynamo Software had a ransomware attack. This portal is used to communicate information such as financial statements, capital account statements, and fund performance. Ms. Birley stated that US Bank is aware of the situation and will be monitoring the account. Mr. Reavis, US Bank will contact Ms. Birley and Mr. Teng, DGS if he hears of any breach.

**STANDING REPORTS**

**CAPTRUST – Dale Connors**  
**Investment Update**

Mr. Connors reviews the portfolio asset allocation with the Board of Retirement each year. Mr. Connors indicated April was a rough month with bonds down 9.5% through the end of April 2022. He stated the Adams County Retirement Plan is down 4.5% ytd. which is in line with the benchmark. He indicated the Adams County Retirement Plan at the end of April 2022 was at \$345,363,273.

**Asset Allocation Study**

Mr. Connors reviews the portfolio asset allocation with the Board of Retirement each year. He indicated that the current asset allocation target is expected to generate a 6.8% return at a standard deviation of 10.1%. Mr. Connors stated the optimized portfolio that produces an expected return of 7.0% increases all private investments to the allowable maximum which is less diversified than the current portfolio. Mr. Connors noted that given the dramatic shifts in the public markets so far in 2022 CAPTRUST is not recommending a shift from public to private equity nor an increase in private real estate. CAPTRUST does recommend continuing to build out the Plan's exposure to private credit over time through a reduction in public floating rate debt.

**Davis Graham & Stubbs – Cindy Birley**  
**Legal Update**

Ms. Birley stated the House Bill 21-1110 is a Disabilities Act that went through the Colorado legislation. She stated that the Adams County Retirement Plan must be compliant by July 1, 2024. Ms. Birley indicated that this bill could impact the PensionGold Web member service system. Ms. Haines and she will reach out to PensionGold and make sure if any changes need to be made that it will be implemented by July 1, 2024. Ms. Reis stated that Adams County has a vendor working on the County's website. She indicated that the Retirement office could reach out to Ms. Bruning, Communications Department.

**Gabriel Roeder Smith – Paul Wood  
Actuarial Update**

None

**Retirement Staff – Ms. Haines  
Administrative Update**

None

**EXECUTIVE SESSION**

None

**OTHER BUSINESS**

Ms. Reis stated that at the Adams County Study Session the Board of County Commissioners (BoCC) and Executive Leadership team discussed a mid-year increase proposal for all employees to help manage the cost increase with inflation. Ms. Reis indicated that the BoCC wants to enact a market increase in mid-July in the amount of \$2,100 to the annual base pay of employees under Senior Leadership.

**The Regular Board Meeting adjourned at 2:51 p.m.**

Respectfully submitted,

Michele Riggin,  
Retirement Benefit Specialist (Corresponding Secretary)

**NEXT BOARD MEETING**

**THURSDAY, JULY 7, 2022  
REGULAR BOARD MEETING  
4430 S. ADAMS COUNTY PKWY  
RETIREMENT CONFERENCE ROOM  
BRIGHTON, COLORADO**