

MINUTES
CITY OF COMMERCE CITY
POLICE PENSION BOARD
March 20, 2018

A meeting of the Police Pension Board was held on March 20, 2018 at the Civic Center. The meeting was held in the City Manager Conference Room, #3109. Board members in attendance were; Oscar Madera, Alternate City Council Member; Grady James, Retiree; Sheryl Carstens, Finance Director; Kelly Hamilton, Police Sergeant. Others in attendance were Shawn Waters, Cook Street Consulting; Michael Palmer, Cook Street Consulting; Robert Sheesley, City Attorney; Troy Smith, Deputy City Manager. Unable to attend the meeting were; Steve Douglas, Council Member; Gary Helm, ICMA; Debra Adair, ICMA.

Sheryl called the meeting to order at 3:05.

Introductions were made since it is the new year and there is a new board member.

Robert also noted that there are enough board members present to make a quorum if any voting is done.

MOTION: Kelly Hamilton moved to approve the minutes from the previous meeting to have on record. Oscar Madera seconded the motion. Passed unanimously.

4th Quarter 2017 Update

Cook Street provided a hard copy of their fourth quarter investment and management review. They quickly went over the Management Review. They also provided a due diligence review. All of these are also available electronically.

Action item: adding Global Infrastructure to the lineup was tabled to next meeting. Sheryl said she doesn't think any police officers have specifically asked to have this fund added.

Action item: Shawn recommended to change the money market funds currently held with Fidelity Treasury, to Gabelli or Vanguard because both have lower basis points. The comparisons are noted on page 67 of the Management Review book. Oscar thinks that Vanguard be the safer option long term.

MOTION: Oscar moved to change money market fund to Vanguard. Troy seconded the motion. Approved unanimously.

There was discussion of American Beacon funds.

MOTION: Sheryl moved to change to American Beacon Small Cap Value Instl to American Beacon Small Cap Value R6. . Grady seconded the motion. Approved unanimously.

Cook Street covered alternatives to Harbor International to American Funds or Hartford International. Comparisons are noted on page 79 of the Management Review book. Oscar said it makes sense to swap out to American Funds.

MOTION: Grady moved to add switch to American Funds. Troy seconded the motion. Approved unanimously.

MOTION: Oscar moved to add the Target Date 2065 plan. Kelly seconded the motion. Approved unanimously.

Cook Street fee structure is in addendums of 3% inflation per year. There was an oversight of continuing into 2017. A proposal was made to a fixed fee of \$32,781.80 per year moving forward. The fees will remain as they were in 2015 with not inflation adjustment. A refund of about \$716 will be processed. A fee schedule was provided by Cook Street.

MOTION: Grady moved to accept the new fee structure. Oscar seconded the motion. Approved unanimously.

ICMA was not present to review their 4th quarter.

DISCUSSION TOPICS:

1. Robert provided a draft of the rules of procedure for the pension board and went through it. He asked if the board wants to adopt this meeting or wait until next meeting.

MOTION: Kelly moved to adopt the document this meeting. Grady seconded the motion. Approved unanimously.

2. An election will be held for the vacancy left by Christian Rasmussen. This will be done according to the rules of procedure. A list will be provided by the record keeper (ICMA), for getting the vote out.
3. Kelly said a meeting was held with the city from a representative of PD, Michael Kim, to explore the option of moving pension to a defined benefit plan with FPPA. He said other Adams County municipalities are in FPPA or a defined benefit plan.

Discussion that Council will have to be involved to adopt a resolution and the board will ask Council to consider staff to research the option. Sheryl mentioned that FPPA is willing to come and make a presentation which may require a special board meeting to have them come in if it is to be considered in August or September as a Council action.

Troy asked what role will a consulting company play. Shawn said Cook Street would remove themselves because of bias, but could recommend someone if necessary.

Evaluation of the current ICMA contract for the police pension plan will also have to be done.

MOTION: Oscar moved to call a special meeting to accommodate FPPA presentation as soon as possible. Kelly seconded the motion. Approved unanimously.

Sheryl will contact FPPA and schedule a special meeting.

Shawn with Cook Street said their client conference will be downtown on June 18th.

The meeting was adjourned at 4:40 p.m.

Reminder: If you have any items for the agenda for the next meeting, please send them to Jennifer or Sheryl.

The next meeting is scheduled for Tuesday, June 12, 2018, from 3:00 – 4:30 p.m.

Respectfully Submitted,
Jennifer Thyfault