

EL PASO COUNTY
BOARD OF RETIREMENT

EL PASO COUNTY RETIREMENT PLAN
2880 INTERNATIONAL CIR., SUITE N030
COLORADO SPRINGS, CO 80910
TELEPHONE (719) 520-7490
FACSIMILE (719) 520-7495

NICOLA SAPP, CHAIR
REBECCA ELLIS, VICE CHAIR
ROBERT C. BALINK
RICHARD BENGTTSSON
MICHAEL PENNICA
MICHAEL VARNET
DAVID GUEST

MINUTES

Retirement Board Meeting
May 19, 2014 - 8:00 a.m.
RDC Hearing Room
2880 International Circle
Colorado Springs, Colorado

MEMBERS PRESENT: Nicola Sapp (8:40), Michael Pennica, Rebecca Ellis, Bob Balink, Rick Bengtsson

ASSOCIATE MEMBERS PRESENT: David Guest
ASSOCIATE MEMBERS ABSENT: Mike Varnet

Call to Order

1. Insurance Renewal Review

MICHAEL PENNICA MOVED TO ADOPT THE INSURANCE RENEWALS AS PRESENTED. ROBERT BALINK SECONDED THE MOTION. THE MOTION CARRIED 4-0 (NICOLA WAS NOT PRESENT AT THIS TIME)

2. Resolution to Invest 5% of Portfolio into Harbert US Real Estate Fund V Pending Legal Review

NICOLA SAPP MOVED TO ADOPT A RESOLUTION TO INVEST 5% OF THE PLAN'S PORTFOLIO OR \$15.8 MILLION DOLLARS INTO THE HARBERT US REAL ESTATE FUND V, PENDING LEGAL REVIEW. BOB BALINK SECONDED THE MOTION. THE MOTION CARRIED 5-0.

3. Approval of Audit for 2013 Plan Year

MICHAEL PENNICA MOVED TO APPROVE THE AUDIT AS PRESENTED. BOB BALINK SECONDED THE MOTION. THE MOTION CARRIED 5-0.

4. Approval of the Plan Valuation for January 1, 2014

BOB BALINK MOVED TO APPROVE THE VALUATION AS PRESENTED. REBECCA ELLIS SECONDED THE MOTION. THE MOTION CARRIED 5-0.

“Financial Security for the Golden Years”

5. Agenda Packet

Approval of Minutes of April 21, 2014

BOB BALINK MOVED TO APPROVE THE APRIL 21, 2014 MINUTES. RICK BENGTTSSON SECONDED THE MOTION. THE MOTION CARRIED 5-0.

Ratification of Termination Refunds, New Retirees, and Purchases of Service

BOB BALINK MOVED TO RATIFY THE TERMINATION REFUNDS, NEW RETIREES AND PURCHASES OF SERVICE. REBECCA ELLIS SECONDED THE MOTION. THE MOTION CARRIED 5-0.

Ratification of Expenses

MICHAEL PENNICA MOVED TO RATIFY THE EXPENSES AS AMENDED. RICK BENGTTSSON SECONDED THE MOTION. THE MOTION CARRIED 5-0.

Ratification of the April 30, 2014 Financial Reports

BOB BALINK MOVED TO RATIFY THE FINANCIALS. MICHAEL PENNICA SECONDED THE MOTION. THE MOTION CARRIED 5-0.

6. Executive Session

BOB BALINK MOVED TO ADJOURN INTO EXECUTIVE SESSION AT 10:45 A.M. PURSUANT TO C.R.S. 24-6-402(4)(b) FOR CONFERENCES WITH THE PLAN'S ATTORNEY OF RECEIVING LEGAL ADVICE RELATING TO POSSIBLE PLAN CHANGES. REBECCA ELLIS SECONDED THE MOTION. THE MOTION CARRIED 5-0.

7. The Open Meeting reconvened at 11:38 a.m.

NICOLA SAPP MOVED THAT THE BOARD CHAIR AND EXECUTIVE DIRECTOR PROCEED TO EXPLORE, FOR FURTHER BOARD APPROVAL, AN AMENDMENT TO THE EL PASO COUNTY RETIREMENT PLAN EFFECTIVE FOR DEATHS OCCURRING ON OR AFTER JANUARY 1, 2013, TO PROVIDE THAT THE DEATH BENEFITS APPLICABLE TO AN ACTIVE VESTED MEMBER WHO DIES AFTER BECOMING ELIGIBLE FOR SPECIAL EARLY RETIREMENT, WHICH IS AGE PLUS CREDITED SERVICE EQUALS 75 OR MORE, SHALL BE DETERMINED BY DEEMING SUCH MEMBER TO HAVE RETIRED ON THE FIRST DAY OF THE CALENDAR MONTH IN WHICH HE DIES, AND ASSUMING THAT, IF NO OTHER FORM OF PAYMENT HAS BEEN ELECTED, THE MEMBER SHALL BE DEEMED TO HAVE ELECTED THE 100% JOINT AND SURVIVOR BENEFIT, AND FURTHER DIRECT THE BOARD CHAIR AND THE EXECUTIVE DIRECTOR TO TAKE SUCH ACTION AS THEY REASONABLY DETERMINE ARE NECESSARY TO IMPLEMENT THIS AMENDMENT INCLUDING, WITHOUT LIMITATION, PURSUING APPROVAL OF APPLICABLE REGULATORY AUTHORITIES AND PRESENTING TO ALL BOARD MEMBERS FOR EXECUTION A WRITTEN PLAN AMENDMENT PREPARED BY THE PLAN'S

ATTORNEYS AND DIRECTING THE PLAN'S ACTUARIES TO COMPUTE ANY RESULTING PAYMENTS. RICK BENGTTSSON SECONDED THE MOTION. BOB BALINK STATED THE PLAN HAS NO LEGAL OBLIGATION TO DO THIS AND THAT IT SHOULD NOT BE DONE RETROACTIVELY. BEING NO FURTHER COMMENTS, THE MOTION CARRIED 4-1 WITH BOB BALINK BEING OPPOSED. AFTER CLARIFICATION OF THE MOTION MADE, ANOTHER VOTE WAS TAKEN. THE MOTION CARRIED 3-2 WITH BOB BALINK AND MICHAEL PENNICA BEING OPPOSED.

8. Resolution to invest \$16 million into Principal Real Estate Debt Fund Dated May 19, 2014

RICK BENGTTSSON MOVED TO APPROVE A RESOLUTION TO INVEST \$16 MILLION INTO THE PRINCIPAL REAL ESTATE DEBT FUND. REBECCA ELLIS SECONDED THE MOTION. THE MOTION CARRIED 4-0 WITH NO VOTE FROM BOB BALINK.

9. Being no further business, the meeting was adjourned at 11:48 a.m.

Michael Pennica, Secretary

Dana Fuller, Recording Secretary