

RETIREMENT BOARD MEETING MINUTES

Date: August 2nd, 2021

Location: Meeting held virtually via Google Meet

Board Members	TIAA/Innovest Representatives	HR/Finance Representatives	Guests
Matthew Behunin	Richard Diodosio	Kathy Harris	
Irene Josey		Jennifer Whitener	
Amanda Repella		Jennifer Glover	
	Troy Jensen		
	Kyli Soto		

The meeting was called to order at 10:08 a.m.

Minutes from June 7th, 2021 meeting were approved. Motion from Ms. Repella, seconded by Mr. Behunin.

Public comment:

None

Share Class Change:

The Board previously approved moving from the Vanguard Mid Cap Index Admiral Share Class (VIMAX) to the Vanguard Mid Cap Index Institutional (VMCIX). Innovest confirmed this change is underway and TIAA stated it will be effective October 6, 2021.

Investment Policy Statement:

In the previous year, the Board approved revisions to the Investment Policy Statement. Innovest indicated that a review of the Investment Policy Statement was conducted in advance of this meeting and no revisions are needed at this time.

Discussion on ESG Fixed Income:

In response to participants' survey to have an ESG focused Fixed Income investment available in the plan to compliment the Vanguard FTSE Social Index Equity investment, Innovest discussed the limited availability within the marketplace. Factoring out the few boutique firm offerings, where there could be a potential that Larimer assets make up a majority of the fund's assets, the options were limited. Discussion around potential ETF offerings were discussed, but TIAA confirmed that these cannot be facilitated on their recordkeeping platform. Therefore, the final decision was to





revisit this topic in the following years to see if more options become available, as PIMCO Total Return would not have a fund to be compared.

Capital Market & Investment Report from Innovest:

Mr. Jensen and Ms. Soto reviewed Q2 2021 plan activity and economic data, noting job growth regaining roughly two-thirds of the jobs lost, with a struggle to fill the remaining available jobs, and positive market performance in domestic and international equities and fixed income, particularly in the U.S. small cap space. Near-term inflation in the U.S. has grown and is anticipated in the short-term, due to government stimulus and supply chain constraints. Equity valuations, in particular domestic equities, are higher than they have been in 14 years. Mr. Jensen presented the investment review, noting only existing minor concerns to two funds: T. Rowe Price Mid Cap Growth, and Harding Loevner Emerging Markets. No concerns have escalated; thus no recommendations were made at this time.

Plan Review – TIAA:

Mr. Diodosio reviewed plan activity for the quarter, noting strong participant engagement in the recent advice sessions with a 90% capacity rate for sessions offered. TIAA noted that year over year contributions have decreased -5.3%, even though assets had increased. Ms. Josey indicated that older employees who contribute higher deferrals had departed, and the newer employees do not contribute the same amounts. TIAA also noted large amounts of distributions out of the plan, up 35% year over year, related to employees who have separated from service. Top results from the recent participant survey indicated three areas of concern: a lack of knowledge on whether people will be able to retire, a lack of understanding on how where to invest their money, and money rolling out of the plan, potentially because of participants not knowing that they can keep their assets in the County’s plan after they have separated from service.

Follow up action items were discussed including: TIAA updating the direct link to a calendar for one-on-one appointments populate on the County’s website, Innovest to help develop a departure package one-page document that educates participants on leaving their assets in the plan, the Board to develop a plan for upcoming “road shows” and educational efforts timed with these events, Innovest to provide peer information related to the vesting schedules of other public entities in Colorado, and TIAA to provide data analyzing how participants would be monetarily effected if the County were to adjust its vesting schedule.

The meeting adjourned at 11:56 a.m.

Respectfully submitted,
Innovest Portfolio Solutions LLC