



## **MONEY PURCHASE PENSION PLAN FOR PEACE OFFICERS BOARD MEETING**

*Minutes*  
**October 2, 2013**

### **Meeting Summary**

The Board met to 1) review/approve the minutes from the last meeting; 2) review/discuss New Business; 3) review/discuss Old Business; and 4) discuss any Other Business.

### **Roll Call**

Present: Employee Committee Members Micheal Deedon, Justin Petersen and Bryan Lingo, and Director of Finance Patricia Soderberg, and Director of Human Resources Suzanne Smith.

Absent: None.

Others in attendance: David Halseth, Larisa Knafelc, Eric Leavitt and Robin Collins (By telephone) from Strategies LLC. Krista Rhode from Human Resources.

### **Elect Chairperson/Minutes**

The meeting was called to order at 9:00 am.

Disposition of Minutes – The minutes of the August 20, 2013 meeting were approved (Motion – Mr. Deedon, second – Mr. Petersen, unanimous acceptance).

### **New Business**

*Presentation by Strategies LLC* – The Strategies LLC team covered the following:

- Assessment of the Plan – Provided a summary of the plan provisions. The committee discussed opportunities for 1) providing education to participants who are defaulted to the Target Date Funds; 2) obtaining statistics from Wells Fargo relating to unique website log-ins; 3) transitioning to on-line beneficiary designation; and 4) creating on-demand reports through the plan sponsor website.
- Benchmark results – Strategies compiled information from a January 2013 PlanSponsor Defined Contribution Survey to see how Broomfield's plan compared to other governmental agencies. The information does not appear to be an apples to apples comparison. The Committee members will think about other measurements to use to evaluate plan performance including: 1) participant satisfaction; 2) participants' level of understanding of plan components; 3) participants' level of understanding of investment techniques; and 4) percentage of participants' on-track for retirement. More discussion will be held on this topic to help evaluate the plan.
- Total Cost Analysis – Strategies provided information on the total cost associated with the administrative and consulting fees for the current investment line-up and the proposed investment line-up.

### **Old Business/Other Business**

- Fund Line-up Discussion – Mr. Halseth led the discussion regarding the proposed fund line-up (Information from September 18, 2013 informational meeting). He outlined the current fund line-up and the proposed fund line-up. He observed that the fund line-up was heavily concentrated in US equities and might give participants the impression that they were diversified if they elected small, mid and large cap funds.

The current investment line-up contains 18 investment options spanning six asset classes plus target date options and one balanced fund. The 18 investment options include:

- One stable return option
- Three domestic fixed income options (bonds)
- One global fixed income option (Bonds)
- Eight US equities options
- Four foreign equities options
- One global real estate option

Mr. Halseth noted that some of the current funds are not being offered in the lowest share class. He will reach out to Wells Fargo and request that funds be changed to the lowest share class available.

The proposed investment line-up contains 16 investment options spanning seven asset classes plus target date options. The 16 investment options include:

- One stable return option (Money Market Fund)
- Four domestic fixed income options (bonds – added a short duration and inflation protected products))
- Two global fixed income option (Bonds)
- Four US equities options (Reduced overlap)
- Three foreign equities options (Added a true foreign fund with no emerging market exposure)
- One global real estate option
- One commodities option
- Change the target date series of funds from Wells Fargo to PIMCO. The proposed funds provide better diversification and a more appropriate glide path for peace officers.

The proposed line-up average expense ratio is 18 bps lower than the current line-up.

Mr. Deedon made a motion to move forward with the proposed line-up. The motion was seconded by Ms. Soderberg and unanimously approved.

Brokerage accounts are not being considered at this time but the committee members may address this topic in the future.

- Record Keeper Search – Broomfield intends to conduct a search for recordkeeping services. Ms. Collins provided advice to the committee members on how to conduct the process.
- Update on Pension Amendment – Ms. Smith advised the other members that the ordinance is scheduled for second reading on October 8, 2013.

## **Adjournment**

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The meeting was adjourned at 11:15 a.m.

## **Approval**

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Minutes Prepared by Suzanne Smith

Approved by Committee on 11/20/2013