

MINUTES OF THE MEETING OF
THE GOVERNING BOARD
OF THE COLORADO COUNTY OFFICIALS AND
EMPLOYEES RETIREMENT ASSOCIATION

The Monthly Meeting of the Governing Board of the Colorado County Officials and Employees Retirement Association was held at 8:30 a.m. on the 19th day of October 2007 at the Offices of the Association.

The following were present at the Meeting:

Scott Vargo, Chairman
Tobe Allumbaugh, Board Member
David Lloyd, Board Member
Jeff Shrader, Board Member
Ed Krisor, Association Attorney
Jacob Kuijper, Executive Director
Tim Mullen, Chief Financial Officer

Board Members Faye Griffin, Kathy Kuberka and Leroy Mauch were absent from the Meeting.

Scott Vargo presided over the meeting and Susan Hofmann acted as secretary thereof.

Tobe Allumbaugh made a Motion to approve the Minutes of September 21, 2007. The Motion was seconded by Jeff Shrader and the Motion passed unanimously.

A Motion was made by Tobe Allumbaugh and seconded by David Lloyd to go into an Executive Session for legal advice pursuant to 24-6-402(4)(b) C.R.S.

The Executive Session began at 8:34 a.m. and the meeting returned to regular session at 9:15 am.

Credit card and expense reports were discussed and approved.

Next, Danny Talley of Gemini Group joined the meeting to discuss Delta Dental, individually underwritten health insurance and other coverage for CCOERA Retirees.

Mr. Talley continued with a discussion on medical insurance coverage for the CCOERA staff. He estimated that an approximate 12% rate increase could be expected on medical insurance for the 2008 policy period. He discussed various medical insurance options for the CCOERA staff and that 2008 rates should be available in mid-November. Further discussions will be held at the next Board Meeting. The Executive director was asked to produce more data and relate it to the overall CCOERA employees' benefits analysis as previously examined by MSEC.

Jim Cowgill and Janet Allard of EKS&H were next on the Agenda with a report on the recent audit. They noted the Audit has been completed and that there were no issues to bring to the attention of the Board. The audit will be posted on the CCOERA web site and notice of its availability will be disseminated to all Employers.

Seven attendees including Morgan County Commissioners Carlson, and Anderson; County Attorney George Monsson, Assistant County Attorney David Bute; Michelle Pape, HR Director; Steve Bresler of Hartford and Mark Hough of Edward Jones joined the Meeting to discuss Morgan County's desire to leave the CCOERA Plan. The discussion continued regarding the two previous elections conducted. Commissioner Carlson noted the 2nd election was monitored by the County Clerk and that the first election was improperly conducted as several ineligible employees were allowed to vote.

CCOERA Board Chairman, Scott Vargo stated it is not CCOERA's intention to deter participating employers from withdrawing from CCOERA if they are dissatisfied with CCOERA, its services or the products we offer. It is our intention to offer competitive products within the marketplace. We do have concerns about the methodology used by Morgan County. Ed Krisor, CCOERA's Attorney described and reviewed the Statute to the Morgan County attendees. He stated that per the statute, Morgan County must pass a resolution to withdraw and notify CCOERA in advance of the vote to withdraw. CCOERA must be allowed to describe the ramifications of a change in plan to the participants and since these procedures were not followed, he has advised the CCOERA Board that Morgan County's request to withdraw should not be approved.

Director Shrader made a Motion to deny the request of Morgan County to withdraw from the CCOERA Plan until the Statute is followed completely. The Motion was seconded by Director Lloyd and the Motion was unanimously approved.

At the conclusion of the vote, the Morgan County representatives were given some general guidelines to follow in regard to any future election. Among those were that CCOERA be given at least 10 business days advance notice of such election and that CCOERA has an opportunity before the election to give a presentation to those employees eligible to vote to discuss the ramifications to them of withdrawal from CCOERA.

The Morgan county attendees subsequently left the meeting.

Board Goals were discussed and Great West's contract review was added to the list.

Next, a fee analysis update was discussed and approved.

A Motion was made by Jeff Shrader that a maximum administrative fee of \$750 per year per Participant be implemented on January 1, 2008 or as soon thereafter as possible. The Motion was seconded by Tobe Allumbaugh and the Motion passed unanimously.

The next meeting will be held by Teleconference on November 16th.

There being no further business to come before the Board, the Meeting was adjourned.