



**MINUTES OF THE MEETING OF THE GOVERNING BOARD OF THE  
COLORADO RETIREMENT ASSOCIATION  
5-21-21**

A meeting of the Governing Board of the Colorado Retirement Association was held on May 21, 2021, at 9:00 a.m.

The following were present at the meeting:

**Chris Felton**, *Board Chairman*  
**Paul Danley**, *Vice Chairman*  
**Darius Allen**, *Board Member*  
**Tobe Allumbaugh**, *Board Member*  
**Adam Ford**, *Board Member*  
**Jerry DiTullio**, *Board Member*  
**Tim Mullen**, *Executive Director/Chief Financial Officer*  
**Ed Krisor**, *Legal Counsel*  
**Matt Evans**, *Retirement Services Coordinator*  
**Lois Kruse**, *Office Administrator*

**Terri Schafer**, *Board Member* was not in attendance.

Chris Felton, Board Chairman, called the meeting to order at 9:03 a.m.

Mr. Felton asked members of the Board if they reviewed the minutes from the April 16, 2021 meeting and if there were any comments. There being none, a motion was made by Toby Allumbaugh to approve the minutes as presented. Darius Allen seconded the motion and it passed unanimously.

Mike Norman, Senior Managing Principal/Co-President, and Jamie Morgan, Senior Director, of Galliard Capital Management, Inc. along with Wendy Dominguez, Peter Mustian, and Jared Martin of Innovest Portfolio Solutions, Inc. were in attendance for the following updates.

**Galliard Update:**

Mike Norman began the Galliard presentation with an overview of Stable Value and the firm. Mr. Norman shared Wells Fargo has reached an agreement to sell Wells Fargo Asset Management (WFAM) and all related legal entities, including Galliard, to two private equity firms. Wells Fargo will keep a 9.9% stake in WFAM. The impact to CRA is anticipated to be

minimal as the Galliard brand, the investment team and process, executive management and the client experience will stay the same.

As part of ongoing Board education and update processes, Mr. Norman noted that Stable Value/Book Value is exclusively accessed through tax-advantaged defined contribution retirement plans such as CRA's 401(a) and 457(b) plans. Mike also provided an overview of the accounting for and unique make-up of CRA's Stable Value Portfolios. Principal preservation, synthetic GICs, market volatility, crediting rates and durations, along with other industry specifics, were also discussed.

Next, Jamie Morgan gave an overview of the CRA Stable Value portfolio and investment performance results with benchmark comparisons. Ms. Morgan then discussed Galliard fees and expenses for the Stable Value portfolio. After their presentation, the Galliard team exited the meeting.

#### Innovest Quarterly Update:

Jared Martin presented the 1<sup>st</sup> Quarter-March 31, 2021 Portfolio Review including a discussion about the benefits of Financial Wellness Programs for participants of the CRA plans. Annual fees and the fee structure for the plans were discussed, with Jared noting that CRA's fees are in line or below those of other retirement plans of similar size. Mr. Martin continued his presentation with an overview of investment performance and returns.

Peter Mustian was next to present. The manager score card and the watch list were discussed. Mr. Mustian also noted that the Invesco SP MLP Select 40 has been replaced by the Tortoise MLP and Pipeline Fund, within the Target Date Portfolios. Long term performance for most funds within the CRA lineup has been above average with many in the top percentile for the quarter ended March 31, 2021.

Wendy Dominguez was next and discussed proposed changes to CRA's Investment Policy Statement (IPS). Wendy noted Innovest worked closely with Tim Mullen regarding proposed changes. The changes were housekeeping in nature; to streamline the document and follow best practices within the industry. Ed Krisor, CRA's legal counsel, has also reviewed and approved the proposed changes to the IPS.

Chris Felton made a motion to accept the changes to CRA's IPS as presented. Paul Danley seconded the motion and it passed unanimously.

At this time, the Innovest team exited the meeting.

### CRA Audit Engagement Letter:

Tim Mullen presented two letters to the Board from Plante & Moran, PLLC, CRA's auditors. The first letter, a required communication, discussed the responsibilities under Generally Accepted Auditing Standards and an overview of the planned scope and timing of services to be provided by Plante Moran for the audit.

The second communication, the audit engagement letter, was discussed. This letter discusses the scope, timing and fee for the annual audit for the fiscal year ending June 30, 2021. It was noted that there was no increase in fees for the upcoming annual audit.

Jerry DiTullio made a motion to approve the Plante & Moran, PLLC audit engagement letter as presented. Adam Ford seconded the motion and it passed unanimously.

### Fiscal Year-End (FYE) June 30, 2022 Budget:

Tim Mullen presented the proposed fiscal year-end June 30, 2022 budget and related analysis. Discussed were market considerations, impacts of market movements, prior estimated budget break-even dates, historical budgets versus actual, estimated current year budget versus actual, and a complete analysis of the proposed FYE June 30, 2022 budget.

After a brief discussion, Tobe Allumbaugh motioned to approve the CRA FYE June 30, 2022 budget as presented. Adam Ford seconded the motion and it passed unanimously.

### CRA Activity Update:

Mr. Mullen began the update noting a majority of meetings between CRA client service managers and employer groups are still being conducted on a virtual platform. There has been a steady increase in the request for employer on-site and participant face to face visits in the upcoming months. CRA will continue to comply with all required social distancing and pandemic protocols.

Assets relating to two entities that recently joined the association were rolled into CRA this month approximating \$4,000,000.

Mr. Mullen has been in contact with the Town of Frederick. The town is looking at other retirement plan providers that can offer retirement plan education and more opportunities for direct interaction with employees. CRA looks forward to continuing this dialogue.

Matt Benitez and Tim Mullen met with Montezuma County Commissioners on April 27, 2021 in Cortez, Colorado. This meeting discussed the merits of CRA's defined contribution plan, the risks and rewards of defined benefit versus defined contribution plans, identifying several differences in benefits and obligations between such plans.

Tim continued his update introducing Matt Evans, CRA's new Retirement Services Coordinator. Matt, among many other qualifications, has a strong background in marketing and website management. CRA has also recently created a careers page listing current job openings.

### Expense Reports:

Next on the agenda were the expense reports. As there were no questions or concerns from the Board, the expense reports were accepted as presented.

### Executive Session:

At 11:12 a.m. a motion was made by Chris Felton and seconded by Darius Allen to go into Executive Session pursuant to 24-6-402(4)(f) C.R.S. for the purpose of discussion of staff personnel matters. The motion passed unanimously.

The Executive Session ended at 11:36 a.m.

The public session of the CRA Board of Directors meeting resumed at 11:37 a.m.

The next meeting of the CRA Board of Directors will be held on Friday, June 18, 2021.

There being no further business to come before the board, at 11:38 a.m. a motion was made by Chris Felton and seconded by Darius Allen to adjourn the meeting. The motion passed unanimously.