



BURLINGTON RETIREMENT SYSTEM

City of Burlington

City Hall, Room 20, 149 Church Street, Burlington, VT 05401 Voice (802) 865-7000

Robert Hooper
Chairman of the Board

Munir Kasti
Vice-Chairman

Meeting – September 17, 2020
Start Time – 10 AM – 11:30 AM

Please join this meeting:

<https://global.gotomeeting.com/join/190962189>

Toll Free: 1 877 309 2073

Access Code: 190-962-189

1. Agenda
2. Public Forum
3. Approve Minutes – 08/6/2020
4. Approve Refund / Rollover
 - Emman Ghlandi, \$158.85
 - Anna Stenberg, \$ 2,379.17
 - Megan Oliver, \$3,719.95
 - Stephen Hinman, \$6,258.83
 - Dustin Jones, \$1,983.63
 - Jane Russel, \$3,935.74
 - Valerie Rusell, \$10,612.42
 - Tonya Mae Young, \$2,215.00
 - Tess Deddo, \$661.06
 - Rose Wall, \$6,329.75
5. Retirement Cash Flow Fiscal Year 2021
6. Update on RFP process
7. Next Meeting Date
8. Adjourn

**BURLINGTON RETIREMENT BOARD
REMOTE MEETING WITH CALL-IN
BURLINGTON, VERMONT
MINUTES OF MEETING
DRAFT
August 6, 2020**

MEMBERS PRESENT: Robert Hooper, Chairperson
Munir Kastl, Vice-Chairperson
Patrick Robins
David Mount
Matthew Dow
Katherine Schad

OTHERS PRESENT: Alisha Abruntilla
Rich Goodwin
Justin St. James
Barry Bryant
Arthur Meizner

1.0 CALL TO ORDER and AGENDA

Robert Hooper called the Retirement Board meeting to order at 10:05 AM.

1.01 Motion to amend/adopt agenda

**MOTION by Patrick Robins, SECOND by Munir Kastl, to adopt the agenda as written.
VOTING: unanimous; motion carries.**

2.0 PUBLIC FORUM (VERBAL)

2.01 Verbal Comments
None at this time.

3.0 APPROVE MINUTES – 7/16/2020

3.01 Approve Minutes of Meeting – 7/16/2020

**MOTION by David Mount, SECOND by Munir Kastl, to approve the minutes of July 16, 2020.
VOTING; unanimous; motion carries.**

4.0 WORKING SESSION: Request For Proposals (RFP)

4.01 Working Session: RFP Development

Arthur Meizner from Hooker & Holcomb began the discussion by orienting the Board to a number of foundational questions that could provide structure for a potential RFP, such as how the Board feels about its current advisor, satisfaction with long-term performance of their portfolio, frequency of portfolio reviews, written reports, in-person portfolio reviews, and the Board's position on alternative investments, such as limited partnerships (LPs).

MOTION by David Mount, SECOND by Patrick Robins, that the Retirement Board find the necessity to enter into executive session to discuss future contracts because premature disclosure would place the City at a substantial disadvantage.

VOTING: unanimous; motion carries.

The Retirement Board entered into executive session at 10:46 AM.

MOTION by Patrick Robins, SECOND by Munir Kasti, to exit executive session.

VOTING: unanimous; motion carries.

The Retirement Board exited executive session at 11:25 AM.

5.0 OTHER – BONDS POSSIBLE SOLUTION TO UNFUNDED LIABILITIES

5.01 Other

Barry Bryant provided a high-level overview of the potential to use pension obligation bonds to cover the City's unfunded liabilities. He said that because interest rates are low, the City could potentially issue a pension obligation bond and borrow funds at around 2-3% interest, and invest in such a way as to outperform borrowing costs.

Mr. Hooper asked Financial Director Goodwin and Chief Administrative Officer Schad whether pursuing a general obligation bond option is feasible for the City. Mr. Goodwin replied that at a bare minimum, the interest rate would need to be at or under 3% to entertain this option. He added that this action would have a neutral impact on the City's credit rating because it would be swapping one liability for another. Ms. Schad said that an analysis would need to be performed to determine how this would impact taxpayers, and that it would require approval from the Mayor and voters to authorize borrowing.

Mr. Robins said that this analysis would need to be modeled over a long timeframe before he would be comfortable with the option, and that it would be difficult to model because it's based on the assumption of the duration of liabilities.

Ms. Schad said she will pose the question internally and discuss whether it is feasible for the City to consider. Mr. Bryant added that if the City were to entertain this approach, they would need to move quickly.

Mr. Bryant then discussed the DAHAB report, saying that the City's portfolio performed better than most public plans in the second quarter—a 14.5% increase to the average of 11.1%. He added that index funds performed in line with other indices as expected, and that he is modestly optimistic about performance for the remainder of the year.

6.0 SET NEXT MEETING DATE

6.01 Set next meeting date

Dates for the next number of Retirement Board meetings are as follows:

- September 17th – 8:30-10:30 AM
- October 15th – 8:30-10:30 AM
- November 19th – 8:30-10:30 AM

7.0 ADJOURNMENT

7.01 Motion to Adjourn

**MOTION by Patrick Robins, SECOND by Munir Kasti, to adjourn the Retirement Board meeting.
VOTING: unanimous; motion carries.**

With no further business and without objection the meeting was adjourned at 11:35 AM.

Record 1 of 1

Record Information:

Confirmation Number:	804479
Submitted Date/Time:	7/31/2020 11:30:45 AM
Submitted By:	Karen Caron
Saved By:	Renee Sweatt
Saved Date:	07/29/2020
Directive Type:	Non-Periodic Distribution
Reason for Non-Periodic Distribution:	Termination of Service

Plan Information:

Account Name:	Burlington Employees' Ret Sys
Plan Code:	59A
Trust Account Number:	103629

Participant Information:

Participant is an:	Individual
Social Security Number:	
Participant First Name:	Emma
Participant Last Name:	Ghilardi
Participant has a foreign address:	No
Street 1:	1325 Worcester Road
Street 2:	A7
City:	Framingham
State:	Massachusetts
Zip Code:	01701

Payment Amounts:

Total Gross Payment:	\$158.85
Less Federal Tax Withholding:	\$0.00
Less State/Local Tax Withholding:	\$0.00
Less Outstanding Loan Balance:	\$0.00
Net Amount:	\$158.85

Taxability:

Pre-Tax Contribution/Roth Gain:	\$158.85
After-Tax Contribution/Roth Basis:	\$0.00
First Roth Year:	N/A
Roth Loss:	\$0.00
Total Distribution:	Yes
Distribution Code 1:	1 - Early distribution, no known exception
Distribution Code 2:	N/A

Payment Details:

Payment Type:	Check - Regular Mail
Send Payment To:	Payee
Payee:	Ghilardi, Emma
Include Account Number:	No
Mailing Street 1:	1325 Worcester Road
Mailing Street 2:	A7
Mailing City:	Framingham
Mailing State:	Massachusetts
Mailing Zip Code:	01701

August 3, 2020

Anna C Lytel-Sternberg
9 Chase Street Apt. 4
Burlington, VT 05401

Re: Burlington Employees' Retirement System - Refund of Employee Contributions

Dear Ms. Lytel-Sternberg:

We have received your completed election forms regarding your pension benefit under the Burlington Employees' Retirement System. As outlined in the original cover letter, because your completed forms were received after the benefit commencement date shown on the forms package, your benefit amount must be recalculated for a current payment date. We have now calculated your final benefit amount. Your benefit payable as a return of employee contributions as of October 1, 2020 is \$2,379.17. You will receive this amount, less any withholding. A detailed calculation of your benefit is attached.

The Hooker & Holcombe PensionEdge® Service Center is ready to assist you with any questions you may have about this estimate.



Call the PensionEdge® Service Center at 1.866.495.3548 between 8:30 am and 4:30 pm ET, Monday - Friday.



Send an email to ServiceCenter@pensionedge.com. Please note "City of Burlington" in your message.

Enclosure

Anna C Lytel-Sternberg
9 Chase Street Apt. 4
Burlington, VT 05401

Record 1 of 1

Record Information:

Confirmation Number:	808004
Submitted Date/Time:	8/7/2020 1:20:15 PM
Submitted By:	Karen Caron
Saved By:	Renee Sweatt
Saved Date:	08/03/2020
Directive Type:	Non-Periodic Distribution
Reason for Non-Periodic Distribution:	Termination of Service

Plan Information:

Account Name:	Burlington Employees' Ret Sys
Plan Code:	59A
Trust Account Number:	103629

Participant Information:

Participant is an:	Individual
Social Security Number:	
Participant First Name:	Meagan
Participant Last Name:	Oliver
Participant has a foreign address:	No
Street 1:	5 Appletree Lane
City:	Jericho
State:	Vermont
Zip Code:	05465

Payment Amounts:

Total Gross Payment:	\$3,719.95
Less Federal Tax Withholding:	\$743.99
Less State/Local Tax Withholding:	\$133.92
Less Outstanding Loan Balance:	\$0.00
Net Amount:	\$2,842.04

Taxability:

Pre-Tax Contribution/Roth Gain:	\$3,719.95
After-Tax Contribution/Roth Basis:	\$0.00
First Roth Year:	N/A
Roth Loss:	\$0.00
Total Distribution:	Yes
Distribution Code 1:	1 - Early distribution, no known exception
Distribution Code 2:	N/A

Payment Details:

Payment Type:	Check - Regular Mail
Send Payment To:	Payee
Payee:	Oliver, Meagan
Include Account Number:	No
Mailing Street 1:	5 Appletree Lane
Mailing City:	Jericho
Mailing State:	Vermont
Mailing Zip Code:	05465

Record 1 of 1

Record Information:

Confirmation Number:	807998
Submitted Date/Time:	8/7/2020 1:18:28 PM
Submitted By:	Karen Caron
Saved By:	Renee Sweatt
Saved Date:	07/09/2020
Directive Type:	Non-Periodic Distribution
Reason for Non-Periodic Distribution:	Termination of Service

Plan Information:

Account Name:	Burlington Employees' Ret Sys
Plan Code:	59A
Trust Account Number:	103629

Participant Information:

Participant is an:	Individual
Social Security Number:	
Participant First Name:	Stephen
Participant Last Name:	Hinman
Participant has a foreign address:	No
Street 1:	305 Northgate Road
City:	Burlington
State:	Vermont
Zip Code:	05408

Payment Amounts:

Total Gross Payment:	\$6,258.83
Less Federal Tax Withholding:	\$0.00
Less State/Local Tax Withholding:	\$0.00
Less Outstanding Loan Balance:	\$0.00
Net Amount:	\$6,258.83

Taxability:

Pre-Tax Contribution/Roth Gain:	\$6,258.83
After-Tax Contribution/Roth Basis:	\$0.00
First Roth Year:	N/A
Roth Loss:	\$0.00
Total Distribution:	Yes
Distribution Code 1:	G - Direct rollover and rollover contributions
Distribution Code 2:	N/A

Payment Details:

Payment Type:	Check - Regular Mail
Send Payment To:	Alternate Payee
Alternate Payee:	Charles Schwab Advisor Service
IRA/FBO:	Stephen Hinman
Schwab Account Number:	6073-3745
Alternate Payee has a foreign address:	No
Mailing Alt Street 1:	PO Box 628290
Mailing Alt City:	Orlando
Mailing Alt State:	Florida
Mailing Alt Zip Code:	32862

August 11, 2020

Dustin Jones
561 East Hill Road
Middlesex, VT 05602

Re: Burlington Employees' Retirement System - Refund of Employee Contributions

Dear Mr. Jones:

We have received your completed election forms regarding your pension benefit under the Burlington Employees' Retirement System. As outlined in the original cover letter, because your completed forms were received after the benefit commencement date shown on the forms package, your benefit amount must be recalculated for a current payment date. We have now calculated your final benefit amount. Your benefit payable as a return of employee contributions as of September 1, 2020 is \$1,983.38. You will receive this amount, less any withholding.

The Hooker & Holcombe PensionEdge® Service Center is ready to assist you with any questions you may have about this estimate.



Call the PensionEdge® Service Center at 1.866.495.3548 between 8:30 am and 4:30 pm ET, Monday - Friday.



Send an email to ServiceCenter@pensionedge.com. Please note "City of Burlington" in your message.

Enclosure

Dustin Jones
561 East Hill Road
Middlesex, VT 05602

Record 1 of 1

Record Information:

Confirmation Number:	814379
Submitted Date/Time:	8/20/2020 4:50:18 PM
Submitted By:	Karen Caron
Saved By:	Renee Sweatt
Saved Date:	08/13/2020
Directive Type:	Non-Periodic Distribution
Reason for Non-Periodic Distribution:	Death

Plan Information:

Account Name:	Burlington Employees' Ret Sys
Plan Code:	59A
Trust Account Number:	103629

Participant Information:

Participant is an:	Individual
Social Security Number:	
Participant First Name:	Jane
Participant Last Name:	Russell
Participant has a foreign address:	No
Street 1:	182 Jersey Street
City:	Addison
State:	Vermont
Zip Code:	05491

Payment Amounts:

Total Gross Payment:	\$3,935.74
Less Federal Tax Withholding:	\$787.15
Less State/Local Tax Withholding:	\$236.14
Less Outstanding Loan Balance:	\$0.00
Net Amount:	\$2,912.45

Taxability:

Pre-Tax Contribution/Roth Gain:	\$3,935.74
After-Tax Contribution/Roth Basis:	\$0.00
First Roth Year:	N/A
Roth Loss:	\$0.00
Total Distribution:	Yes
Distribution Code 1:	4 - Death
Distribution Code 2:	N/A

Payment Details:

Payment Type:	ACH/EFT
Bank Name:	Community Bank
ABA Number:	021307559
Bank Account Number:	12089231
Account Type:	Checking

Record 1 of 1

Record Information:

Confirmation Number:	814858
Submitted Date/Time:	8/21/2020 12:56:01 PM
Submitted By:	Karen Caron
Saved By:	Renee Sweatt
Saved Date:	08/18/2020
Directive Type:	Non-Periodic Distribution
Reason for Non-Periodic Distribution:	Termination of Service

Plan Information:

Account Name:	Burlington Employees' Ret Sys
Plan Code:	59A
Trust Account Number:	103629

Participant Information:

Participant is an:	Individual
Social Security Number:	
Participant First Name:	Valerie M.
Participant Last Name:	Russell
Participant has a foreign address:	No
Street 1:	10 Farrington Parkway
City:	Burlington
State:	Vermont
Zip Code:	05408

Payment Amounts:

Total Gross Payment:	\$10,612.42
Less Federal Tax Withholding:	\$0.00
Less State/Local Tax Withholding:	\$0.00
Less Outstanding Loan Balance:	\$0.00
Net Amount:	\$10,612.42

Taxability:

Pre-Tax Contribution/Roth Gain:	\$10,612.42
After-Tax Contribution/Roth Basis:	\$0.00
First Roth Year:	N/A
Roth Loss:	\$0.00
Total Distribution:	Yes
Distribution Code 1:	G - Direct rollover and rollover contributions
Distribution Code 2:	N/A

Payment Details:

Payment Type:	Check - Regular Mail
Send Payment To:	Alternate Payee
Alternate Payee:	Capitol Bank & Trust Co.
IRA/FBO:	Valerie M. Russell
Other Account Number:	4002068434
Alternate Payee has a foreign address:	No
Mailing Alt Street 1:	PO Box 2560
Mailing Alt City:	Norfolk
Mailing Alt State:	Virginia
Mailing Alt Zip Code:	23501

Record 1 of 1

Record Information:

Confirmation Number:	814501
Submitted Date/Time:	8/21/2020 9:29:18 AM
Submitted By:	Karen Caron
Saved By:	Renee Sweatt
Saved Date:	08/11/2020
Directive Type:	Non-Periodic Distribution
Reason for Non-Periodic Distribution:	Termination of Service

Plan Information:

Account Name:	Burlington Employees' Ret Sys
Plan Code:	59A
Trust Account Number:	103629

Participant Information:

Participant is an:	Individual
Social Security Number:	
Participant First Name:	Tonya Mae
Participant Last Name:	Young
Participant has a foreign address:	No
Street 1:	1130 US Route 4
City:	Canaan
State:	New Hampshire
Zip Code:	03741

Payment Amounts:

Total Gross Payment:	\$2,215.00
Less Federal Tax Withholding:	\$443.00
Less State/Local Tax Withholding:	\$0.00
Less Outstanding Loan Balance:	\$0.00
Net Amount:	\$1,772.00

Taxability:

Pre-Tax Contribution/Roth Gain:	\$2,215.00
After-Tax Contribution/Roth Basis:	\$0.00
First Roth Year:	N/A
Roth Loss:	\$0.00
Total Distribution:	Yes
Distribution Code 1:	1 - Early distribution, no known exception
Distribution Code 2:	N/A

Payment Details:

Payment Type:	ACH/EFT
Bank Name:	Bar Harbor Bank & Trust
ABA Number:	011201759
Bank Account Number:	8235545600
Account Type:	Checking

Record 1 of 1

Record Information:

Confirmation Number:	817225
Submitted Date/Time:	8/27/2020 11:52:49 AM
Submitted By:	Karen Caron
Saved By:	Renee Sweatt
Saved Date:	08/27/2020
Directive Type:	Non-Periodic Distribution
Reason for Non-Periodic Distribution:	Termination of Service

Plan Information:

Account Name:	Burlington Employees' Ret Sys
Plan Code:	59A
Trust Account Number:	103629

Participant Information:

Participant is an:	Individual
Social Security Number:	
Participant First Name:	Tess
Participant Last Name:	Deddo
Participant has a foreign address:	No
Street 1:	2422 Fifth Avenue
City:	San Rafael
State:	California
Zip Code:	94901

Payment Amounts:

Total Gross Payment:	\$661.06
Less Federal Tax Withholding:	\$132.21
Less State/Local Tax Withholding:	\$0.00
Less Outstanding Loan Balance:	\$0.00
Net Amount:	\$528.85

Taxability:

Pre-Tax Contribution/Roth Gain:	\$661.06
After-Tax Contribution/Roth Basis:	\$0.00
First Roth Year:	N/A
Roth Loss:	\$0.00
Total Distribution:	Yes
Distribution Code 1:	7 - Normal Distribution
Distribution Code 2:	N/A

Payment Details:

Payment Type:	ACH/EFT
Bank Name:	Redwood Credit Union
ABA Number:	321177586
Bank Account Number:	10100000645781
Account Type:	Savings

Record 1 of 1

Record Information:

Confirmation Number:	820095
Submitted Date/Time:	9/2/2020 2:48:50 PM
Submitted By:	Karen Caron
Saved By:	Renee Sweatt
Saved Date:	09/02/2020
Directive Type:	Non-Periodic Distribution
Reason for Non-Periodic Distribution:	Termination of Service

Plan Information:

Account Name:	Burlington Employees' Ret Sys
Plan Code:	59A
Trust Account Number:	103629

Participant Information:

Participant is an:	Individual
Social Security Number:	
Participant First Name:	Rose
Participant Last Name:	Wall
Participant has a foreign address:	No
Street 1:	155 Saint Peter Street
City:	Winooski
State:	Vermont
Zip Code:	05404

Payment Amounts:

Total Gross Payment:	\$6,329.75
Less Federal Tax Withholding:	\$1,265.95
Less State/Local Tax Withholding:	\$379.79
Less Outstanding Loan Balance:	\$0.00
Net Amount:	\$4,684.01

Taxability:

Pre-Tax Contribution/Roth Gain:	\$6,329.75
After-Tax Contribution/Roth Basis:	\$0.00
First Roth Year:	N/A
Roth Loss:	\$0.00
Total Distribution:	Yes
Distribution Code 1:	1 - Early distribution, no known exception
Distribution Code 2:	N/A

Payment Details:

Payment Type:	Check - Regular Mail
Send Payment To:	Payee
Payee:	Wall, Rose
Include Account Number:	No
Mailing Street 1:	155 Saint Peter Street
Mailing City:	Winooski
Mailing State:	Vermont
Mailing Zip Code:	05404

Retirement Cash Flow for Fiscal Year 2021

Cash Flow	<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>	<u>Oct-20</u>	<u>Nov-20</u>	<u>Dec-20</u>	<u>Jan-21</u>	<u>Feb-21</u>	<u>Mar-21</u>	<u>Apr-21</u>	<u>May-21</u>	<u>Jun-21</u>	Totals
Beginning Cash Flow	-	(337,858)	(675,716)	(1,142,574)	(1,480,431)	(1,818,289)	(2,335,897)	(2,673,755)	(3,011,613)	(3,515,971)	(3,853,828)	(4,191,686)	
Revenues													
Billing to BED, BSD, City, Enterprise													
Funds administrative services	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	318,000
Department billings	920,902	920,902	920,902	920,902	920,902	920,902	920,902	920,902	920,902	920,902	920,902	920,902	11,050,819
Employee Contributions	323,350	323,350	323,350	323,350	323,350	323,350	323,350	323,350	323,350	323,350	323,350	323,350	3,880,196
Total Revenues	1,270,751	1,270,751	1,270,751	1,270,751	1,270,751	1,270,751	1,270,751	1,270,751	1,270,751	1,270,751	1,270,751	1,270,751	15,249,015
Expenses													
Administrative Payroll	8,609	8,609	8,609	8,609	8,609	8,609	8,609	8,609	8,609	8,609	8,609	8,609	103,309
Retirement Wages	1,475,000	1,475,000	1,475,000	1,475,000	1,475,000	1,475,000	1,475,000	1,475,000	1,475,000	1,475,000	1,475,000	1,475,000	17,700,000
Cash out / Roll forwards	27,083	27,083	27,083	27,083	27,083	27,083	27,083	27,083	27,083	27,083	27,083	27,083	325,000
FICA	97,917	97,917	97,917	97,917	97,917	97,917	97,917	97,917	97,917	97,917	97,917	97,917	1,175,000
Consultant Services - Investment													
Mgmt. Svc			95,250			95,250			95,250			95,250	381,000
Actuary			33,750			33,750			33,750			33,750	135,000
Audits						13,250						13,250	26,500
Contractual Services						37,500			37,500				75,000
Total Expenses	1,608,609	1,608,609	1,737,609	1,608,609	1,608,609	1,788,359	1,608,609	1,608,609	1,775,109	1,608,609	1,608,609	1,750,859	19,920,809
Ending Cash Flow	(337,858)	(675,716)	(1,142,574)	(1,480,431)	(1,818,289)	(2,335,897)	(2,673,755)	(3,011,613)	(3,515,971)	(3,853,828)	(4,191,686)	(4,671,794)	