

August 17, 2016  
Burlington Employees' Retirement Board –  
City Hall, Conference Room 12

Board Members Present:

- Jim Strouse
- Benjamin O'Brien
- Matthew Dow
- Daniel Gilligan
- Bob Hooper
- Munir Kasti (Phone 8:45am – 9:35am)
- Bob Rusten
- Jeff Wick

Others Present:

- Stephanie Hanker
- Barry Bryant – Dahab Associates
- Kim Sturtevant (8:50am)
- Rich Goodwin (8:55am)

Called to order at 8:35am

1. **Agenda:**

No changes to the agenda as presented

2. **Public Forum:**

No Public Comments

3. **Approve Minutes of 07/21/2016:**

Matthew Dow moved to approve minutes as presented. Daniel Gilligan 2<sup>nd</sup>.  
Motion carries 7:0

4. **Approve Bills:**

Matthew Dow moved to approve the presented bills. Bob Hooper 2<sup>nd</sup>.  
Motion carries 7:0

5. **Ratify/Approve Refund and Rollovers**

Bob Hooper moved to approve the presented refunds and rollovers. Daniel Gilligan 2<sup>nd</sup>. Motion carries 7:0

6. **Approval of Retirement Applications:**

Bob Hooper moved to approve the presented applications. Daniel Gilligan 2<sup>nd</sup>. Motion carries 7:0

**7. Performance Review – Barry Bryant Dahab Associates:**

Barry Bryant stated as of June 30, 2016 BERS was valued at \$155,435,217, representing an increase of \$3,103,135 from the March quarter's ending value. Barry Bryant stated for the second quarter, the total portfolio gained 1.9%, which was equal to the Burlington Policy Index's return of 1.9% and ranked in the 43<sup>rd</sup> percentile of the Public Fund universe. Barry Bryant stated over the training twelve month period, the portfolio returned -0.9%, which was 1.1% less than the benchmarks 0.2% return, ranking in the 78<sup>th</sup> percentile.

Barry Bryant distributed to the Board a timeline outlining the withdraw from VPIC.

Barry Bryant distributed an article from the Wall Street Journal regarding actuarial assumptions. Barry Bryant stated he did not feel an 8% rate of return assumption is in the cards for the next 5-10 years.

Bob Rusten asked that a discussion regarding adjusting the rate of return and what the effects would be on the fund be placed on the next agenda. Bob Rusten stated he would like to talk about what would we need to hit the 8% ROR in terms of risk levels in investments, impact for increasing funding contributions and would like to understand 5-10 year versus 3-5 year implications by lowering ROR. Bob Rusten stated he would like to understand by reducing the fees could the saving be put towards any costs, if any, for lowering the ROR.

Jim Strouse stated the board should give time to see how all of the changes that have been made pan out.

Bob Rusten stated the next meeting the board should identify what information is needed to talk about lowering the actuarial assumption, then start looking at talking later in the year to make any decisions.

Barry Bryant distributed an article about divestment.

Jim Strouse stated at the next meeting place as an agenda item to vote on an official procedure.

**8. Review Draft RFP for Pension Software:**

Bob Rusten stated an RFP was being sent out for pension software. Bob Rusten stated the proposals will come to the board and decisions will be made by the board. Bob Hooper moved to approve moving forward with the RFP process to acquire pension software. Jeff Wick 2<sup>nd</sup>. Motion Carries 7:0

**9. Review BERS Annual Report:**

Jim Strouse stated he wrote the annual report for the City Council to present in September.

Bob Hooper moved to approve the letter presented and send to the City Council. Bob Rusten 2<sup>nd</sup>. Motion Carries 7:0

**10. Other Business:**

No other business

***11. Adjourn:***

Bob Rusten moved to adjourn. Matthew Dow 2<sup>nd</sup>. Motion Carries 6:0  
Meeting adjourned 9:50