

Draft  
May 20, 2019  
Burlington Employees' Retirement Board  
City Hall, Conference Room 12

Board Members Present:

- Ben O'Brien (Phone)
- Beth Anderson
- Robert Hooper
- Munir Kasti
- David Mount
- Pat Robins
- Matthew Dow
- Dan Gilligan

Others Present:

- Stephanie Hanker
- Steve Lemanski

Called to order at 1:04pm

1. **Agenda:**

No changes to presented agenda

2. **Public Forum:**

Jim Strouse via phone 2:20pm

3. **Direct Rate Smoothing – Action Item**

Steve Lemanski presented the Board with a handout titled Direct Rate Smoothing Projected Funding Policy Contributions. Steve Lemanski stated that adopting this new method should decrease the funding ratio from 73.2% to 78.6% over five years. Beth Anderson moved to accept the methodology of direct rate smoothing. Pat Robins 2<sup>nd</sup>. Discussion – Munir Kasti stated he was not comfortable with 97% step down of the traditional valuation ADEC and can see no justification. Motion carries 7:0:1 MK abstain

4. **Presentation – Core Fixed Income Manager Search**

Garcia Hamilton and Associates presented (presentation online)  
Johnson Asset Management presented (presentation online)  
Ryan Labs presented (presentation online)

5. **Performance Review – Dhab**

Barry Bryant presented the Board with the first quarter performance review. Barry Bryant stated that as of March 31, 2019, BERS was valued at \$193,271,386, which represented an increase of \$16,350,523 over December. Barry Bryant stated the first quarter, the portfolio gained 9.3%, which was .2% below the Burlington Manager Shadow Index's return of 9.5% and ranked in the 27<sup>th</sup> percentile of the Public Fund universe. Over the trailing year, the portfolio has returned 4.0%, which is .1% less than the benchmark. Barry Bryant stated that the real estate management is concerning and underperforming. Barry Bryant stated that the Board should consider taking 7% from Mellon SMID Cap and move 5% to Mellon Int. Gov/Cred and 2% to real estate or if the Board is not comfortable put all in fixed income.

**6. Schedule Next Meeting of the Retirement Board:**

Monday June 17, 2019 1pm.

May 20, 2019 1-4pm.

**7. Other Business:**

No other business

**8. Adjourn:**

David Mount moved to adjourn. Pat Robins 2<sup>nd</sup>. Exit 4:00pm