

Draft  
September 03, 2019  
Burlington Employees' Retirement Board  
Contois Auditorium

Board Members Present:

- Bob Hooper
- David Mount
- Beth Anderson
- Matthew Dow (8:37am)
- Pat Robins (9:00am)
- Benjamin O'Brian (Phone, exit 9:15am)
- Dan Gilligan (Phone, exit 9:35am)
- Munir Kasti (Phone 8:40am)

Others Present:

- Stephanie Hanker
- Richard Goodwin
- Barry Bryant – Dahab Associates
- Julie Perio (Phone 8:57am – 9:56am) UBS
- Peter Shaplin (Phone 8:57am – 9:56am ) UBS

Called to order at 8:30am

1. **Agenda:**

Addition of Discussion RFP for investment consulting. Motion carries 6:0

2. **Public Forum:**

Jim Strouse present. Jim Strouse stated that at the last meeting regarding fixed income, 20% in one hand is a lot for one manager and suggested the Board consider splitting it between two managers.

3. **Approve Minutes of July 16, 2019**

Beth Anderson moved to approve the presented minutes. Matthew Dow 2<sup>nd</sup>. Motion carries 7:0

4. **Ratify Refunds/Rollovers:**

David Mount moved to approve/ratify the presented refunds and rollovers. Matthew Dow 2<sup>nd</sup>. Motion carries 7:0

5. **Approve Retirement Applications:**

Benjamin O'Brien moved to approve the applications presented. Munir Kati 2<sup>nd</sup>. Motion carries 7:0

**6. UBS Update**

Barry Bryant stated he recommended the Board get in the que for redemption stating this did not mean that a redemption was mandatory and the Board could decide how to proceed when the time came for the redemption.

Julie Perio and Peter Shaplin joined via phone for an update on the Trumbull Fund. Julie stated that the Trumbull fund is a large open end core equity fund that operates with less risk components and is focused on income producing assets. Peter spoke to the Board about Quarter 2 results. Peter stated to the Board that if a redemption request was placed and entered the que the time of redemption would be January but could rescind the request at any time with letting Julie Perio know. Bob Hooper asked what would be the likely timeframe for a full redemption from the fund. Peter estimated 2 – 2.5 years. Peter stated that the fund was down 3.7% overall, 1.1% in income and 4.8% in appreciation. Peter stated the fund despite the redemption pool is still investing in new properties, long term investments and are looking at property types to dispose of that no longer fit the fund and are balancing property type allocations.

Beth Anderson asked when the Board would need to get the que to start redemptions for January. Barry Bryant stated 60 days prior. Bob Hooper stated that we had better get on the bus. Pat Robins stated he strongly advise against real estate and feels UBS vastly underestimated ecommerce. Pat Robins stated worst case scenario is to pull the money from the fund and pout into fixed income then reinvest at a later time in real estate. Pat Robins motion to get into the redemption pool and reinvest the proceeds into fixed income. Motion fails no 2<sup>nd</sup>.

Matthew Dow moved to get into the pool, after seeing 3 quarter results, we will decide if we are to pull out of the fund completely or stay in the fund, dependent on the results. David Mount 2<sup>nd</sup>. Motion carries 6:0

Beth Anderson asked when Qtr. 3 results would be available. Barry Bryant stated October.

**7. Performance Report – Dahab Associates:**

Barry Bryant stated as of June 30, 2019 the fund was valued at \$194,163,372, representing an increase of \$845,154 from the March quarter end. Barry Bryant stated the portfolio returned 2.5% and ranked in the 91<sup>st</sup> percentile of the Public Fund universe. Over the trailing year, the portfolio returned 5.2%, which was 0.5% below the benchmark's 5.7% return ranking in the 80<sup>th</sup> percentile.

**8. Investment Policy Statement - Review:**

The Board and Barry reviewed the statement. Matthew Dow moved to update the IPS rate of return from 8% to 7.5%. David Mount 2<sup>nd</sup>. Motion carries 5:0. Agreed on

the following changes, Reordered the adoption dates on the first page to list the current adoption date first and in larger type. The various revision dates follow the current adoption date and go back in time, Changed in the actuarial assumption from 8.0% to 7.5%, p. 4. , Added of a sentence qualifying risk in response to Pat's comment: *The return assumption shall not be used to justify taking excessive risk.*

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

October 03, 2019, next meeting November 20, 2019.

**10. Other Business:**

Addition from agenda item 1.

Rich Goodwin asked the Board to consider the hiring of an outside company to assist in the RFP process for investment consultants. The cost would range from 5,000.00 to 10,000.00 and this would not come from the fund. The company would score and assist responses without any bias. Pat Robins moved to go forward of hiring an outside agency or vendor to manage the RFP process for investment management consultant. Bob Hooper 2<sup>nd</sup>.

Pat Robins: Yes

David Mount: Yes

Matthew Dow: Yes

Bob Hooper: Yes

Munir Kasti: Yes

Beth Anderson: Yes

Motion carries: 6:0

**11. Adjourn:**

David Mount moved to adjourn. Matthew Dow 2<sup>nd</sup>. Exit 11:09am