BURLINGTON RETIREMENT BOARD
REMOTE MEETING WITH CALL-IN
BURLINGTON, VERMONT
MINUTES OF MEETING
DRAFT
April 22, 2024

MEMBERS PRESENT:	Robert Hooper (Chair, via Zoom) Munir Kasti (Vice Chair) David Mount Katherine Schad Matt Dow (via Zoom) Kyle Blake (at 9:44 AM)
MEMBERS ABSENT:	Patrick Robins Tom Chenette
OTHERS PRESENT:	Hayley McClenahan Kate Pizzi (via Zoom) Chris Rowlins (via Zoom) Brad Kukenberger

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1. CALL TO ORDER
Robert Hooper called the Retirement Board meeting to order at 9:34 AM.

2. PUBLIC FORUM (VERBAL)
2.01 Verbal Comments
None.

3. APPROVE MINUTES
3.1 March 18, 2024 Meeting Minutes, Draft

MOTION by Matt Dow, SECOND by Munir Kasti, to approve the minutes of March 18, 2024 as presented.

VOTING: unanimous; motion carries.

4. APPROVE RETURN OF CONTRIBUTIONS
4.1 Levar N. Barrino, Class B $15,688.23; Effective Date of Benefit: 05/01/2024 – approve return of contribution.
4.2 Joyce Cellars, Class B $13,520.90; Effective Date of Benefit: 05/01/2024 - approve return of contribution.

4.3 Margaret R. Talbot, Class B $6,543.86; Effective Date of Benefit: 05/01/2024 - approve return of contribution.
4.4 Rose Nguyen, Class B $2,309.94; Effective Date of Benefit: 05/01/2024 - approve return of contribution.
4.5 Mohamed Ibrahim, Class B $2,732.38; Effective Date of Benefit: 05/01/2024 - approve return of contribution.
4.6 Abraham Rogers, Class B $2,679.97; Effective Date of Benefit: 05/01/2024 - approve return of contribution.
4.7 Joshua Deforge, Class B $4,631.70; Effective Date of Benefit: 04/01/2024 - approve return of contribution.
4.8 Kim My Soukone, Class B $99.32; Effective Date of Benefit: 05/01/2024 - approve return of contribution.
4.9 Anson E. Gordon, Class B $32,186.79; Effective Date of Benefit: 05/01/2024 - approve return of contribution.
4.10 Valerie A. Delusky, Class B $4,700.12; Effective Date of Benefit: 05/01/2024 - approve return of contribution.

MOTION by David Mount, SECOND by Munir Kasti, to approve the returns of contributions as presented.

VOTING: unanimous; motion carries.

5. APPROVE RETIREMENT APPLICATIONS

5.1 Eugene E. Richards, III, Class B $1,149.04; Effective Date of Benefit: 02/01/2024; Payment Date: 04/15/2024 – approve retirement application.
5.2 Peter Morton, Class B, $111.64; Effective Date of Benefit: 05/01/2024; Payment Date: 05/15/2024 – approve retirement application.
5.3 Jeffry W. Turner, II, Class B $2,947.37; Effective Date of Benefit: 04/01/2024; Payment Date: 04/15/2024 – approve retirement application.

Mr. Mount noted that Eugene Richards' application had an effective date in February, and asked whether Mr. Richards had begun receiving funding before the BERS board approved the application or whether he will receive three months' worth of retirement benefit after this approval. Mr. Hooper noted that payment is not contingent on BERS approval. Chief Administrative Officer Schad said she would look into why this application has taken several months to come to the BERS board.

MOTION by Munir Kasti, SECOND by David Mount, to approve the retirement applications as presented.

VOTING: unanimous; motion carries.

6. FIDUCIENT

6.1 BERS – March 2024 Performance Flash Report
Mr. Rowlins began by providing an update on capital market performance both for March and for Q1 of 2024. He began by noting that they had gone into 2024 expecting several rate cuts by the Federal Reserve citing deflationary pressures but said that this has yet to materialize. He said that there has been stubborn inflation above 2%, which has resulted in the inability of the Fed to take action. He noted that they are anticipating one or two rate cuts, reduced from the previously-anticipated 3 or 4. He noted that fixed income markets regained some ground in March due to steady interest rates. He spoke about how the Blackrock Strategy has benefitted the BERS portfolio in the fixed income space, both this quarter and for the fiscal year. He spoke about how equities rallied both for March and year-to-date, across the industrial, energy, financial, and technology sectors.

Ms. Pizzi noted that April has been challenging so far, given that the rate cuts anticipated by the Fed have failed to materialize. She noted that interest rates were up 0.3% over the first quarter of the year, and up more than 0.4% from that in April alone. She said that this has hurt both fixed income and equity prices.

Ms. Pizzi spoke about the BERS portfolio performance for the month of March. She noted that the total plan was valued at $246.2 million as of the end of March. She noted that the $10.2 million in short term liquidity is currently high, which is related to the frictional cash associated with rebalancing. She noted that this cash is largely going into fixed income and will bring the allocation in line with the 27% target. She noted that within fixed income, the majority of it is in core bonds, with the remainder in the Blackrock Strategic Income Opportunities. She noted that within equities, 60% of it is invested in domestic equities and 40% in international equities. Mr. Mount asked if the allocation for the international equities allocation is at a healthy percentage, and Ms. Pizzi replied that Fiducient feels confident that the current allocation is prudent. Ms. Pizzi noted that the portfolio overall was up 2.5%, which is in line with the benchmark as well. She said that it has performed ahead of the benchmark over the last three months, which has been driven by the flexibility within the fixed income allocation. She said that for the fiscal year so far, the portfolio is up 11.3% versus the benchmark of 10.8%. She noted that in terms of cash, the portfolio's value increased by $6.1 million in March, and an overall $25.1 million return for the fiscal year. She spoke briefly about the allocations, though noting that some of them are currently in flux. Ms. Pizzi highlighted the portfolio's manager performance, noting that the BlackRock Strategic manager is up 6.1% for the month after taking fees into consideration, compared to the Bloomberg Aggregate performance of 2.6% growth. She noted that the managers in domestic and international equities are in line with the indexes to which they are compared. She spoke briefly about the portfolio's illiquid investments, which include legacy private equity pieces that are waiting to be paid off fully, as well as the UBS Trumbull Property Fund. She noted that as the Trumbull Property redemptions come in, they will be reinvested into fixed income.

Ms. Pizzi then spoke about conducting some educational sessions for the Board on how the valuation, assets, and liabilities work together, so that the Board can make fully informed decisions about the annual valuation assumptions. She said that they plan to begin holding 30 minute education sessions at the next BERS Board meeting. She said that topics for these will include how pension liabilities are calculated, the assets and drivers of volatility, and how the assets and liabilities work together to help inform calculations about contributions.

7. ADJOURNMENT

7.1 Motion to Adjourn

MOTION by David Mount, SECOND by Munir Kasti, to adjourn the meeting.

VOTING: unanimous; motion carries.

The meeting adjourned at 10:08 AM.

RScty: AACoonradt