

**BURLINGTON RETIREMENT BOARD
REMOTE MEETING WITH CALL-IN
BURLINGTON, VERMONT
MINUTES OF MEETING
FINAL
September 17, 2020**

MEMBERS PRESENT:

Munir Kastl, Vice-Chairperson
Patrick Robins
David Mount
Matthew Dow
Katherine Schad

OTHERS PRESENT:

Rich Goodwin
Justin St. James
Bob Rusten
Jim Strouse
Karen Paul

1.0 CALL TO ORDER

Munir Kastl called the Retirement Board meeting to order at 10:06 AM.

2.0 PUBLIC FORUM (VERBAL)

2.01 Verbal Comments
None at this time.

3.0 APPROVE MINUTES – 8/6/2020

3.01 Approve Minutes of Meeting – 8/6/2020

**MOTION by David Mount, SECOND by Katherine Schad, to approve the minutes of August 6, 2020.
VOTING; unanimous; motion carries.**

4.0 APPROVE REFUND/ROLLOVER

4.01 Approve Refund/Rollover

- Emman Ghilardi, \$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 Russell, \$10,612.52
- Tonya Mae Young, \$2,215.00
- Tess Deddo, \$661.06
- Rose Wall, \$6,329.75

Mr. Dow asked Finance Director Goodwin about one of his former employees who has retired but has not yet been approved for a refund/rollover. Finance Director Goodwin replied that the employee in question has not yet gotten a first check from Hooker & Holcombe but that it will be issued on October 15th.

MOTION by Matthew Dow, SECOND by Katherine Schad, to approve the refund/rollovers.

VOTING: unanimous; motion carries.

5.0 RETIREMENT CASH FLOW FISCAL YEAR 2021

5.01 Retirement Cash Flow Fiscal Year 2021

Finance Director Goodwin presented data for this item, noting that the Retirement Board had asked for a presentation on cash flow in the retirement fund. He noted that revenues total about \$15 million per year and come from three revenue sources, which include employee contributions, funding from enterprise funds, and revenue from taxes. He described the various retirement expenses, totaling around \$19 million per year, including wages of around \$1.5 million per month, administrative costs, management, actuary, and consultancy services, as well as a notable year-over-year increase in cash outs and roll forwards. He said that consistently the shortfall has been around \$4.6 million per year, which is drawn from the retirement fund.

Mr. Robins expressed concern about how the consistent shortfall is contributing to the unfunded liability year-over-year. Finance Director Goodwin noted that this retirement fund cash flow presentation shows how the revenue and expenses for administering the retirement fund are managed, which is separate from the investment portfolio. He then said that he would work to include additional information in the cash flow document for future presentations, including the amount of money owed to the City each year coupled with the Actuarially Defined Employee Contribution (ADEC) requirement provided by the actuary as well as the investment portfolio's annual returns.

Mr. Kasti asked for more detail on consultation services and amounts presented in the cash flow presentation. Finance Director Goodwin replied that the management services expenditures include the work from Dahab Associates for oversight for the investment portfolio and additional management fees and that he will also provide additional detail in the next iteration of the cash flow presentation.

6.0 UPDATE ON RFP PROCESS

6.01 Update on RFP Process

Chief Administrative Officer Schad updated the Retirement Board on the RFP process, thanking them for their participation in the RFP development session with Hooker & Holcombe and noting that an RFP was produced and released. She outlined next steps in the RFP process, noting that proposals will be due back to the City on October 8, 2020, that the City hopes to put together a short list of bidders and have those bidders present to the Retirement Board at their November meeting, and that the selection of an apparently successful bidder is targeted for the end of November and work would commence in 2021 after approval from the Board of Finance and City Council. She added that she will work with Mr. Hooper, Mr. Kasti, and Mr. Rusten to determine who should be included in the short-listing process.

MOTION by Katherine Schad, SECOND by Patrick Robins, to amend the agenda and add item 6.A – Other Agenda Items.

VOTING: unanimous; motion carries.

6.A OTHER AGENDA ITEMS

6.A Other Items

Mr. Kasti requested an actuarial presentation showing the impacts of potential changes that had previously been discussed, such as decreasing the amortization from 30 to 20 years, the required funded amount, and decreasing the 10-year smoothing to 5-7 years. Finance Director Goodwin replied that the City will ask the actuaries to model the above changes in assumptions as an ad hoc request.

7.0 NEXT MEETING DATE

7.01 Set Next Meeting Date

Finance Director Goodwin confirmed the next several meeting dates as October 15, November 19, and December 17 at 8:30 AM.

8.0 ADJOURNMENT

8.01 Motion to Adjourn

MOTION by Patrick Robins, SECOND by Matthew Dow, to adjourn the Retirement Board meeting.

VOTING: unanimous; motion carries.

With no further business and without objection the meeting was adjourned at 10:49 AM.

RScty: AACoonradt