



## Retirement Board

**Monday, May 19, 2025, 9:30 AM, Bushor Conference Room, 149 Church Street, 1st Floor**

Join from PC, Mac, iPad, or Android:

<https://zoom.us/j/95653245202>

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Webinar ID: 956 5324 5202

International numbers available: <https://zoom.us/u/adwV0dfPu6>

### 1. Agenda

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<b>Subject</b>	<b>1.1. Motion to adopt agenda</b>
Meeting	May 19, 2025 - Retirement Board Meeting - Monday, May 19, 2025, 9:30 AM, Bushor Conference Room, 149 Church Street, 1st Floor
Category	1. Agenda
Department	Retirement Administration
Type	Action Procedural
Recommended Action	Motion to adopt agenda

### 2. Public Forum

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<b>Subject</b>	<b>2.1. Verbal Comments</b>
Meeting	May 19, 2025 - Retirement Board Meeting - Monday, May 19, 2025, 9:30 AM, Bushor Conference Room, 149 Church Street, 1st Floor
Category	2. Public Forum
Department	Retirement Administration
Type	Action Procedural

Recommended Action    open Public Forum  
                                  close Public Forum

### 3. Minutes

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**Subject**                    **3.1. April 21, 2025 Retirement Board Meeting Minutes - C/T**  
Meeting                    May 19, 2025 - Retirement Board Meeting - Monday, May 19, 2025, 9:30 AM, Bushor  
                                  Conference Room, 149 Church Street, 1st Floor  
Category                    3. Minutes  
Department                Clerk/Treasurer's Office  
Type                         Action  
                                  Information  
                                  Minutes

### 4. Approve Return of Contributions

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**Subject**                    **4.1. John Ledoux, Class B \$2,797.95; Effective Date of Benefit: 06/01/25**  
Meeting                    May 19, 2025 - Retirement Board Meeting - Monday, May 19, 2025, 9:30 AM, Bushor  
                                  Conference Room, 149 Church Street, 1st Floor  
Category                    4. Approve Return of Contributions  
Department                Retirement Administration  
Type                         Action  
Recommended Action    approve return of contribution for John Ledoux

**Subject**                    **4.2. Christine Gall, Class B \$6,436.07; Effective Date of Benefit: 05/01/25**  
Meeting                    May 19, 2025 - Retirement Board Meeting - Monday, May 19, 2025, 9:30 AM, Bushor  
                                  Conference Room, 149 Church Street, 1st Floor  
Category                    4. Approve Return of Contributions  
Department                Retirement Administration  
Type                         Action  
Recommended Action    approve return of contribution for Christine Gall

**Subject**                    **4.3. Olivia Morgan Darisse, Class B \$21,462.06; Effective Date of Benefit:  
06/01/25**  
Meeting                    May 19, 2025 - Retirement Board Meeting - Monday, May 19, 2025, 9:30 AM, Bushor  
                                  Conference Room, 149 Church Street, 1st Floor  
Category                    4. Approve Return of Contributions  
Department                Retirement Administration  
Type                         Action  
Recommended Action    approve return of contribution for Olivia Morgan Darisse

## 5. Approve Retirement Applications

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**Subject** 5.1. Edwin W. Webster, Jr., Class A \$10,561.37; Effective Date of Benefit: 06/01/25; Payment Date: 06/15/25

Meeting May 19, 2025 - Retirement Board Meeting - Monday, May 19, 2025, 9:30 AM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 5. Approve Retirement Applications

Department Retirement Administration

Type Action

Recommended Action approve retirement application for Edwin W. Webster, Jr.

**Subject** 5.2. John Hennessey, Class B \$42.34; Effective Date of Benefit: 05/01/25; Payment Date: 05/15/25

Meeting May 19, 2025 - Retirement Board Meeting - Monday, May 19, 2025, 9:30 AM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 5. Approve Retirement Applications

Department Retirement Administration

Type Action

Recommended Action approve retirement application for John Hennessey

**Subject** 5.3. Lisa Jones, Class B \$3,116.07; Effective Date of Benefit: 05/01/25; Payment Date: 05/15/25

Meeting May 19, 2025 - Retirement Board Meeting - Monday, May 19, 2025, 9:30 AM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 5. Approve Retirement Applications

Department Retirement Administration

Type Action

Recommended Action approve retirement application for Lisa Jones

**Subject** 5.4. Kathryn Kantorski, Class B \$1,043.85; Effective Date of Benefit: 05/01/25; Payment Date: 05/15/25

Meeting May 19, 2025 - Retirement Board Meeting - Monday, May 19, 2025, 9:30 AM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 5. Approve Retirement Applications

Department Retirement Administration

Type Action

Recommended Action approve retirement application for Kathryn Kantorski

**Subject** **5.5. Barbara Collins, Class B \$81.83; Effective Date of Benefit: 04/01/25; Payment Date: 04/15/25**

Meeting May 19, 2025 - Retirement Board Meeting - Monday, May 19, 2025, 9:30 AM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 5. Approve Retirement Applications

Department Retirement Administration

Type Action

Recommended Action approve retirement application for Barbara Collins

## **6. Administrative Update**

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**Subject** **6.1. 2024 Valuation Report - USI**

Meeting May 19, 2025 - Retirement Board Meeting - Monday, May 19, 2025, 9:30 AM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 6. Administrative Update

Department Clerk/Treasurer's Office

Type Discussion  
Information  
Action

Recommended Action to approve and accept the valuation report as prepared by USI, the City's designated actuary; to direct that such report may be relied upon for the purposes of setting the ADEC, and contribution and funding rates for the BERS for the FY '26 budget; and, to forward the valuation and the Board's approval to the City Council as a communication

## **7. Fiducient**

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**Subject** **7.1. BERS Flash Report - April 2025**

Meeting May 19, 2025 - Retirement Board Meeting - Monday, May 19, 2025, 9:30 AM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 7. Fiducient

Department Clerk/Treasurer's Office

Type Information  
Discussion

## **8. Adjournment**

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**Subject** **8.1. Motion to adjourn**

Meeting May 19, 2025 - Retirement Board Meeting - Monday, May 19, 2025, 9:30 AM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 8. Adjournment

Department Retirement Administration

Type	Action Procedural
Recommended Action	Motion to adjourn



**BURLINGTON RETIREMENT BOARD**  
**BURLINGTON CITY HALL, 1ST FLOOR, BUSHOR CONFERENCE ROOM**  
**MINUTES OF MEETING**  
**April 21, 2025**

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## **1. Agenda**

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### **1. Agenda**

Start time: 9:44 am

Members present: Bob Hooper, Tom Chenette, David Mount, Matt down, Paul Olsen, Munir Kasti and Katherine Schad

Others present: Chris Rowllins, Kate Pizzi

Absent: Kyle Blake, Brad Kukenberger, Lynn Reagan

#### **Subject**

#### **1.1. Motion to adopt agenda**

Meeting

April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category

1. Agenda

Department

Retirement Administration

Type

Action  
Procedural

Recommended Action      Motion to adopt agenda

1.1. Motion to adopt agenda

Agenda was adopted without issue.

## **2. Public Forum**

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### **2. Public Forum**

No one spoke.

#### **Subject**

#### **2.1. Verbal Comment**

Meeting

April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category

2. Public Forum

Department

Retirement Administration

Type Action  
Procedural

Recommended Action open Public Forum  
close Public Forum

2.1. Verbal Comment

### 3. March 17, 2025 Minutes

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#### 3. March 17, 2025 Minutes

**Subject** **3.1. March 17, 2025 Minutes**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 3. March 17, 2025 Minutes

Department Clerk/Treasurer's Office

Type Action  
Minutes  
Information

Recommended Action approve minutes

3.1. March 17, 2025 Minutes  
Motion made by Board Member Olsen, seconded by Board Member Kasti, to approve the March 17, 2025 minutes. Motion passed unanimously.

### 4. Approve Return of Contributions

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#### 4. Approve Return of Contributions

Motion made by Board Member Olsen, seconded by Board Member Kasti, to approve the return of contributions as presented. Motion passed unanimously.

**Subject** **4.1. Logan Parrette, Class B, \$2,230.82; Effective Date of Benefit: 05/01/25**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 4. Approve Return of Contributions

Department Retirement Administration

Type Action

Recommended Action approve return of contribution for Logan Parrette in the amount of \$2,230.82

4.1. Logan Parrette, Class B, \$2,230.82; Effective Date of Benefit: 05/01/25

**Subject** **4.2. Logan Parrette, Class A, \$15,567.08; Effective Date of Benefit: 05/01/25**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 4. Approve Return of Contributions

Department Retirement Administration

Type Action

Recommended Action approve return of contribution for Logan Parrette in the amount of \$15,567.08  
4.2. Logan Parrette, Class A, \$15,567.08; Effective Date of Benefit: 05/01/25

**Subject 4.3. Bijoux Familie, Class B, \$952.37; Effective Date of Benefit: 03/01/25**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 4. Approve Return of Contributions

Department Retirement Administration

Type Action

Recommended Action approve return of contribution for Bijoux Familie in the amount of \$952.37  
4.3. Bijoux Familie, Class B, \$952.37; Effective Date of Benefit: 03/01/25

**Subject 4.4. Alexander Wehr, Class B, \$562.13; Effective Date of Benefit: 04/01/25**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 4. Approve Return of Contributions

Department Retirement Administration

Type Action

Recommended Action approve return of contribution for Alexander Wehr in the amount of \$562.13  
4.4. Alexander Wehr, Class B, \$562.13; Effective Date of Benefit: 04/01/25

**Subject 4.5. Benjamin Collier, Class A, \$1,255.49; Effective Date of Benefit: 04/01/25**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 4. Approve Return of Contributions

Department Retirement Administration

Type Action

Recommended Action approve return of contribution for Benjamin Collier in the amount of \$1,255.49

4.5. Benjamin Collier, Class A, \$1,255.49; Effective Date of Benefit: 04/01/25

**Subject 4.6. Carol Clark, Class B, \$5,341.25; Effective Date of Benefit: 03/01/25**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 4. Approve Return of Contributions

Department Retirement Administration

Type Action

Recommended Action approve return of contribution for Carol Clark in the amount of \$5,341.25

4.6. Carol Clark, Class B, \$5,341.25; Effective Date of Benefit: 03/01/25

**Subject 4.7. Abra Clawson, Class B, \$9,606.34; Effective Date of Benefit: 04/01/25**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 4. Approve Return of Contributions

Department Retirement Administration

Type Action

Recommended Action approve return of contribution for Abra Clawson in the amount of \$9,606.34

4.7. Abra Clawson, Class B, \$9,606.34; Effective Date of Benefit: 04/01/25

**Subject 4.8. Zoe T. Qualls, Class B, \$2,430.54; Effective Date of Benefit: 04/01/25**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 4. Approve Return of Contributions

Department Retirement Administration

Type Action

Recommended Action approve return of contribution for Zoe T. Qualls in the amount of \$2,430.54

4.8. Zoe T. Qualls, Class B, \$2,430.54; Effective Date of Benefit: 04/01/25

## 5. Approve Retirement Applications

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### 5. Approve Retirement Applications

Motion made by Board Member Olsen, seconded by Board Member Kasti, to approve the retirement applications as presented. Motion passed unanimously.

**Subject** **5.1. Roger N. Lebovitz, Class B, \$963.90; Effective Date of Benefit: 02/01/25; Payment Date: 03/15/25**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 5. Approve Retirement Applications

Department Retirement Administration

Type Action

Recommended Action approve retirement application for Roger N. Lebovitz

5.1. Roger N. Lebovitz, Class B, \$963.90; Effective Date of Benefit: 02/01/25; Payment Date: 03/15/25

**Subject** **5.2. Steven J. Perron, Class B, \$3,378.89; Effective Date of Benefit: 03/01/25; Payment Date: 03/15/25**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 5. Approve Retirement Applications

Department Retirement Administration

Type Action

Recommended Action approve retirement application for Steven J. Perron

5.2. Steven J. Perron, Class B, \$3,378.89; Effective Date of Benefit: 03/01/25; Payment Date: 03/15/25

**Subject** **5.3. Gerald Russin, Class B, \$86.59; Effective Date of Benefit: 02/01/25; Payment Date: 03/15/25**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 5. Approve Retirement Applications

Department Retirement Administration

Type Action

Recommended Action approve retirement application for Gerald Russin

5.3. Gerald Russin, Class B, \$86.59; Effective Date of Benefit: 02/01/25; Payment Date: 03/15/25

**Subject** **5.4. Keith A. Erb, Class B, \$733.59; Effective Date of Benefit: 03/01/25; Payment Date: 03/15/25**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 5. Approve Retirement Applications

Department Retirement Administration

Type Action

Recommended Action approve retirement application of Keith A. Erb

5.4. Keith A. Erb, Class B, \$733.59; Effective Date of Benefit: 03/01/25; Payment Date: 03/15/25

**Subject** **5.5. Amanda Brandolino, Class B, \$1,260.98; Effective Date of Benefit: 04/01/25; Payment Date: 04/15/25**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 5. Approve Retirement Applications

Department Retirement Administration

Type Action

Recommended Action approve retirement application for Amanda Brandolino

5.5. Amanda Brandolino, Class B, \$1,260.98; Effective Date of Benefit: 04/01/25; Payment Date: 04/15/25

**Subject** **5.6. Bernard J. Kline, Jr., Class B, \$2,250.20; Effective Date of Benefit: 04/01/25; Payment Date: 04/15/25**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 5. Approve Retirement Applications

Department Retirement Administration

Type Action

Recommended Action approve retirement application for Bernard J. Kline, Jr.

5.6. Bernard J. Kline, Jr., Class B, \$2,250.20; Effective Date of Benefit: 04/01/25; Payment Date: 04/15/25

**Subject** **5.7. Raymond Oconnor, Class B, \$254.05; Effective Date of Benefit: 03/01/25; Payment Date: 03/15/25**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 5. Approve Retirement Applications

Department Retirement Administration

Type Action

Recommended Action approve retirement application for Raymond Oconnor

5.7. Raymond Oconnor, Class B, \$254.05; Effective Date of Benefit: 03/01/25; Payment Date: 03/15/25

## 6. Administrative Update

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### 6. Administrative Update

**Subject 6.1. BERS Actuarial Valuation Report June 30, 2024 WORK PAPER**

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 6. Administrative Update

Department Retirement Administration

Type Information  
Discussion  
Report

6.1. BERS Actuarial Valuation Report June 30, 2024 WORK PAPER

**Subject 6.2. Discussion on Retirement-Related Contracts**

- Investment Consulting Firm
- Pension & Other Post Employment Benefits (OPEB) Actuarial Services Firm
- Pension & OPEB Consulting Services Firm

Meeting April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 6. Administrative Update

Department Retirement Administration

Type Action  
Procedural

Recommended Action Move to make a specific finding that premature general public knowledge of procurement and negotiations of contracts for professional financial services would clearly place the City at a substantial disadvantage; and Based upon such finding, move to enter executive session pursuant to 1 VSA 313(a)(1)(A)

6.2. Discussion on Retirement-Related Contracts

- Investment Consulting Firm
- Pension & Other Post Employment Benefits (OPEB) Actuarial Services Firm

- Pension & OPEB Consulting Services Firm

## 7. Fiducient

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### 7. Fiducient

<b>Subject</b>	<b>7.1. BERS Quarterly Investment Review - First Quarter 2025</b>
Meeting	April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	7. Fiducient
Department	Retirement Administration
Type	Discussion Information Report

7.1. BERS Quarterly Investment Review - First Quarter 2025

## 8. Adjournment

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### 8. Adjournment

<b>Subject</b>	<b>8.1. Motion to adjourn</b>
Meeting	April 21, 2025 - Retirement Board Meeting - Monday, April 21, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	8. Adjournment
Department	Retirement Administration
Type	Action Procedural

Recommended Action    Motion to adjourn

#### 8.1. Motion to adjourn

Motion made by Board Member Kasti, seconded by Board Member Olsen, to adjourn the meeting at 10:38 am. Motion passed unanimously.

# Calculation of Return of Employee Contributions

Burlington Employees' Retirement System

Form A

John Ledoux

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Benefit Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected. As a Plan participant, you may have made post-tax contributions to the Plan. As a result, a portion of your benefit may be non-taxable. **Consult with your tax advisor if you have any questions.**

## Information Used in Determination

Participant Name:	John Ledoux	Class:	B
Date of Birth:		Department:	Non-Union
Date of Hire:	08/10/2023	Post-Tax Employee Contributions:	\$0.00
Date of Termination:	07/23/2024	Normal Retirement Date (NRD):	11/11/2045
Beneficiary Date of Birth:		Payment Start Date:	06/01/2025
		Vesting Percentage:	0.0000%

## Determination of Employee Contribution Balance with Interest

<u>Period Ending</u>	<u>Description</u>	<u>Transaction</u>	<u>Balance at End of Period</u>
06/30/2024	Contributions	\$2,461.34	\$2,461.34
06/30/2024	Interest at 2%	\$0.00	\$2,461.34
07/23/2024	Contributions	\$291.52	\$2,752.86
05/31/2025	Interest at 2%	\$45.09	\$2,797.95

(1) Pre-Tax Employee Contributions (Taxable):	\$2,752.86
(2) Interest Accrued on Employee Contributions (5.5% through 12/31/2017, 2% thereafter):	\$45.09
(3) Total Return of Employee Contributions with Interest:	<b>\$2,797.95</b>

## Determination of Taxable Portion of Benefit

<u>Form of Payment</u>	<u>Total Benefit</u>	<u>Taxable Portion</u>	<u>Non-Taxable Portion</u>
Return of Contributions	\$2,797.95	\$2,797.95	0.00

# Calculation of Return of Employee Contributions

**Form A**

**Burlington Employees' Retirement System**

**Christine Gall**

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Benefit Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected. As a Plan participant, you may have made post-tax contributions to the Plan. As a result, a portion of your benefit may be non-taxable. **Consult with your tax advisor if you have any questions.**

## Information Used in Determination

Participant Name:	<b>Christine Gall</b>	Class:	B
Date of Birth:		Department:	School
Date of Hire:	11/21/2016	Post-Tax Employee Contributions:	\$0.00
Date of Termination:	06/30/2020	Normal Retirement Date (NRD):	04/27/2025
Beneficiary Date of Birth:		Payment Start Date:	05/01/2025
		Vesting Percentage:	0.0000%

## Determination of Employee Contribution Balance with Interest

<u>Period Ending</u>	<u>Description</u>	<u>Transaction</u>	<u>Balance at End of Period</u>
06/30/2017	Contributions	\$779.71	\$779.71
06/30/2017	Interest at 5.5%	\$0.00	\$779.71
12/31/2017	Contributions	\$827.58	\$1,607.29
12/31/2017	Interest at 5.5%	\$21.16	\$1,628.45
06/30/2018	Contributions	\$827.59	\$2,456.04
06/30/2018	Interest at 2%	\$16.20	\$2,472.24
06/30/2019	Contributions	\$1,726.95	\$4,199.19
06/30/2019	Interest at 2%	\$49.44	\$4,248.63
06/30/2020	Contributions	\$1,515.02	\$5,763.65
06/30/2020	Interest at 2%	\$84.97	\$5,848.62
06/30/2021	Interest at 2%	\$116.97	\$5,965.59
06/30/2022	Interest at 2%	\$119.31	\$6,084.90
06/30/2023	Interest at 2%	\$121.70	\$6,206.60
06/30/2024	Interest at 2%	\$124.13	\$6,330.73
04/30/2025	Interest at 2%	\$105.34	\$6,436.07

(1) Pre-Tax Employee Contributions (Taxable):	\$5,676.85
(2) Interest Accrued on Employee Contributions (5.5% through 12/31/2017, 2% thereafter):	\$759.22
(3) Total Return of Employee Contributions with Interest:	<b>\$6,436.07</b>

## Determination of Taxable Portion of Benefit

<u>Form of Payment</u>	<u>Total Benefit</u>	<u>Taxable Portion</u>	<u>Non-Taxable Portion</u>
Return of Contributions	\$6,436.07	\$6,436.07	0.00

# Calculation of Benefit Options

# Form A

## Burlington Employees' Retirement System, Class B - Non-Union

## Olivia Morgan Darisse

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Benefit Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected.

### Type of Calculation

Vested - Regular Retirement

### Information Used in Benefit Determination

Participant Name:	<b>Olivia Morgan Darisse</b>	Class:	B
Date of Birth:		Department:	Non-Union
Date of Hire:	01/22/2019	Vesting Percentage:	100.0000%
Date of Termination:	04/12/2024	Normal Retirement Date (NRD):	07/04/2054
Beneficiary Date of Birth:		Payment Start Date:	06/01/2025
		Employee Contribution Balance w/ Interest as of 06/01/2025:	\$21,462.06

### Earnings

Average Final Compensation\*: \$80,330.40

### Determination of Benefit Amount

(1) Years of Creditable Service (CS)	5.25000
(2) Years of CS on or prior to 06/30/2006 [(2) + (3) is not to exceed 25 years]	0.00000
(3) Years of CS after 06/30/2006 [(2) + (3) is not to exceed 25 years]	5.25000
(4) Years of CS in excess of 25 years	N/A
COLA Option	
(5) Accrual Rate on or prior to 06/30/2006 (not to exceed 25 years)	1.400%
(6) Accrual Rate after 06/30/2006 (not to exceed 25 years)	1.400%
(7) Accrual Rate in excess of 25 years	0.500%
(8) Retirement Accrual Percentage = [(2) x (5)] + [(3) x (6)] + [(4) x (7)]	7.3500%
(9) Monthly Vested Benefit Payable at NRD = (8) x Average Final Compensation / 12 x Vesting Percentage	\$492.02
(10) Early Retirement Reduction Factor	1.0000
(11) Monthly Vested Benefit Payable at Normal Retirement Date = (9) x (10)	\$492.02

### Benefit Options – payable at Normal Retirement Date

Form of Payment	Option Factor	Full COLA	
		Initial Benefit	Survivor's Benefit <sup>(1)</sup>
Straight Life Annuity	1.0941	\$538.32	**
10 Year Certain & Life Annuity	1.0000	\$492.02	\$492.02
100% Joint & Survivor Annuity	0.9074	\$446.46	\$446.46
50% Joint & Survivor Annuity	0.9920	\$488.08	\$244.04
100% Joint & Survivor Pop-Up Annuity	0.8911	\$438.44	\$438.44
50% Joint & Survivor Pop-Up Annuity	0.9897	\$486.95	\$243.48

### Benefit Options – payable at Payment Start Date

Return of Employee Contributions (100% taxable) N/A \$21,462.06 N/A

(1) **Survivor Benefits:** for the Joint and Survivor Annuity payments, the survivor's benefit is only payable if the chosen survivor is alive upon the participant's death. If the chosen survivor is not alive, then no additional benefit is payable upon participant death. The choice of survivor may not be changed after benefit payments have commenced.

\* Average is of the five highest years of base earnings

\*\*Amount in excess (if any) of accumulated employee contributions, with interest, over payments made

# Calculation of Benefit Options

**Form A**

**Burlington Employees' Retirement System, Class A - Fire Non-Union Edwin W. Webster, Jr.**

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Benefit Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected.

## Type of Calculation

Regular Service

## Information Used in Benefit Determination

Participant Name:	<b>Edwin W. Webster, Jr.</b>	Class:	A
Date of Birth:		Department:	Fire Non-Union
Date of Hire:	04/03/2000	Vesting Percentage:	100.0000%
Date of Termination:	05/12/2025	Normal Retirement Date (NRD):	04/03/2025
Beneficiary Date of Birth:		Payment Start Date:	06/01/2025
		Employee Contribution Balance w/ Interest as of 06/01/2025:	\$262,908.23

## Earnings

Average Final Compensation\*: \$117,143.40

## Determination of Benefit Amount

(1) Years of Creditable Service (CS)	25.08333
(2) Years of CS on or prior to June 30, 2006 [(2) + (3) is not to exceed 25 years] (6.25000 of overtime service)	6.25000
(3) Years of CS after June 30, 2006 [(2) + (3) is not to exceed 25 years] (18.75000 of overtime service)	18.75000
(4) Years of CS in excess of 25 years (0.08333 of overtime service)	0.08333

COLA Option	Full COLA	Half COLA	No COLA
(5) Accrual Rate on or prior to June 30, 2006 (not to exceed 25 years)	2.750%	3.250%	3.800%
(6) Accrual Rate after June 30, 2006 (not to exceed 25 years)	2.750%	3.250%	3.600%
(7) Accrual Rate in excess of 25 years	0.500%	0.500%	0.500%
(8) Retirement Accrual Percentage = [1.17 x 6.25000 x (5)] + [1.17 x 18.75000 x (6)] + [1.17 x 0.08333 x (7)]	80.4862%	95.1112%	106.8112%
(9) Monthly Vested Benefit Payable at Payment Start Date = (8) x Average Final Compensation / 12 x Vesting Percentage	\$7,857.02	\$9,284.71	\$10,426.86

## Benefit Options Available

Form of Payment	Option Factor	Full COLA		Half COLA		No COLA	
		Initial Benefit	Survivor's Benefit <sup>(1)</sup>	Initial Benefit	Survivor's Benefit <sup>(1)</sup>	Initial Benefit	Survivor's Benefit <sup>(1)</sup>
Straight Life Annuity	1.0129	\$7,958.38	**	\$9,404.48	**	<b>\$10,561.37</b>	**
5 Year Certain & Life Annuity	1.0000	\$7,857.02	\$7,857.02	\$9,284.71	\$9,284.71	\$10,426.86	\$10,426.86
100% Joint & Survivor Annuity	0.9022	\$7,088.60	\$7,088.60	\$8,376.67	\$8,376.67	\$9,407.11	\$9,407.11
50% Joint & Survivor Annuity	0.9543	\$7,497.95	\$3,748.98	\$8,860.40	\$4,430.20	\$9,950.35	\$4,975.18
100% Joint & Survivor Pop-Up Annuity	0.8831	\$6,938.53	\$6,938.53	\$8,199.33	\$8,199.33	\$9,207.96	\$9,207.96
50% Joint & Survivor Pop-Up Annuity	0.9445	\$7,420.96	\$3,710.48	\$8,769.41	\$4,384.70	\$9,848.17	\$4,924.08
Return of Employee Contributions	N/A	\$262,908.23	N/A	\$262,908.23	N/A	\$262,908.23	N/A

(1) **Survivor Benefits:** for the Joint & Survivor Annuity payments, the survivor's benefit is only payable if the chosen survivor is alive upon the participant's death. If the chosen survivor is not alive, then no additional benefit is payable upon participant death. The choice of survivor may not be changed after benefit payments have commenced.

\* Average is of the three highest years of base earnings

\*\* Amount in excess (if any) of accumulated employee contributions, with interest, over payments made

# Calculation of Benefit Options

## Burlington Employees' Retirement System, Class B - Other

**Form A**

**John Hennessey**

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Benefit Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected.

### Type of Calculation

Late Service

### Information Used in Benefit Determination

Participant Name:	<b>John Hennessey</b>	Class:	B
Date of Birth:		Department:	Other
Date of Hire:	05/17/1982	Vesting Percentage:	52.5000%
Date of Termination:	09/01/1987	Normal Retirement Date (NRD):	11/17/2024
Beneficiary Date of Birth:		Payment Start Date:	03/01/2025

### Earnings

Average Final Compensation\*: \$18,075.19

### Determination of Benefit Amount

(1) Years of Creditable Service (CS)	5.25000
(2) Years of CS on or prior to 06/30/2006 [(2) + (3) is not to exceed 25 years]	5.25000
(3) Years of CS after 06/30/2006 [(2) + (3) is not to exceed 25 years]	0.00000
(4) Years of CS in excess of 25 years	N/A

### COLA Option

Full COLA

(5) Accrual Rate on or prior to 06/30/2006 (not to exceed 25 years)	1.200%
(6) Accrual Rate after 06/30/2006 (not to exceed 25 years)	1.200%
(7) Accrual Rate in excess of 25 years	0.500%
(8) Retirement Accrual Percentage = [(2) x (5)] + [(3) x (6)] + [(4) x (7)]	6.3000%
(9) Monthly Vested Benefit Payable at Payment Start Date = (8) x Average Final Compensation / 12 x Vesting Percentage	\$49.82
(10) Monthly Vested Benefit at NRD: = {[Years of CS on or prior to 06/30/2006 and prior to NRD (5.25000) x (5)] + [Years of CS after 06/30/2006 and prior to NRD (0.00000) x (6)] + [Years of CS in excess of 25 years and prior to NRD (0.00000) x (7)]} x Average Final Compensation / 12 x Vesting Percentage	\$49.82
(11) Month Vested Benefit Payable as of your Payment Start Date: = [Greater of (10)] x 1.029914 Late Adjustment Factor or (9)	\$51.31

### Benefit Options Available

#### Form of Payment

Option Factor	Full COLA		
	Initial Benefit	Survivor's Benefit <sup>(1)</sup>	
Straight Life Annuity	1.0941	\$56.14	N/A
10 Year Certain & Life Annuity	1.0000	\$51.31	\$51.31
100% Joint & Survivor Annuity	0.8251	\$42.34	\$42.34
50% Joint & Survivor Annuity	0.9407	\$48.27	\$24.14
100% Joint & Survivor Pop-Up Annuity	0.8149	\$41.81	\$41.81
50% Joint & Survivor Pop-Up Annuity	0.9362	\$48.04	\$24.02

(1) **Survivor Benefits:** for the Joint and Survivor Annuity payments, the survivor's benefit is only payable if the chosen survivor is alive upon the participant's death. If the chosen survivor is not alive, then no additional benefit is payable upon participant death. The choice of survivor may not be changed after benefit payments have commenced.

\* Average is of the three highest years of base earnings

# Calculation of Benefit Options

## Burlington Employees' Retirement System, Class B - Non-Union

Form A

Lisa Jones

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Benefit Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected.

### Type of Calculation

Late Service

### Information Used in Benefit Determination

Participant Name:	<b>Lisa Jones</b>	Class:	B
Date of Birth:		Department:	Non-Union
Date of Hire:	08/19/1991	Vesting Percentage:	100.0000%
Date of Termination:	04/10/2025	Normal Retirement Date (NRD):	03/14/2025
Beneficiary Date of Birth:		Payment Start Date:	05/01/2025
		Employee Contribution Balance w/ Interest as of 05/01/2025:	\$47,671.20

### Earnings

Average Final Compensation\*: \$65,333.88

### Determination of Benefit Amount

(1) Years of Creditable Service (CS)	33.66667
(2) Years of CS on or prior to 06/30/2006 [(2) + (3) is not to exceed 25 years]	14.83333
(3) Years of CS after 06/30/2006 [(2) + (3) is not to exceed 25 years]	10.16667
(4) Years of CS in excess of 25 years	8.66667

COLA Option	Full COLA	Half COLA	No COLA
(5) Accrual Rate on or prior to 06/30/2006 (not to exceed 25 years)	1.600%	1.900%	2.200%
(6) Accrual Rate after 06/30/2006 (not to exceed 25 years)	1.600%	1.800%	2.000%
(7) Accrual Rate in excess of 25 years	0.500%	0.500%	0.500%
(8) Retirement Accrual Percentage = [(2) x (5)] + [(3) x (6)] + [(4) x (7)]	44.3333%	50.8167%	57.3000%
(9) Monthly Vested Benefit Payable at Payment Start Date = (8) x Average Final Compensation/12 x Vesting Percentage	\$2,413.72	\$2,766.71	\$3,119.69
(10) Monthly Vested Benefit at NRD: = {[Years of CS on or prior to 06/30/2006 and prior to NRD (14.83333) x (5)] + [Years of CS after 06/30/2006 and prior to NRD (10.16667) x (6)] + [Years of CS in excess of 25 years and prior to NRD (8.58333) x (7)]} x Average Final Compensation/12 x Vesting Percentage	\$2,411.46	\$2,764.44	\$3,117.42
(11) Monthly Vested Benefit Payable at Payment Start Date: = [Greater of (10)] x 1.009971 Late Adjustment Factor or (9)	\$2,435.50	\$2,792.00	\$3,148.50

### Benefit Options Available

Form of Payment	Option Factor	Full COLA		Half COLA		No COLA	
		Initial Benefit	Survivor's Benefit <sup>(1)</sup>	Initial Benefit	Survivor's Benefit <sup>(1)</sup>	Initial Benefit	Survivor's Benefit <sup>(1)</sup>
Straight Life Annuity	1.0941	\$2,664.68	**	\$3,054.73	**	\$3,444.77	**
10 Year Certain & Life Annuity	1.0000	\$2,435.50	\$2,435.50	\$2,792.00	\$2,792.00	\$3,148.50	\$3,148.50
100% Joint & Survivor Annuity	0.9074	\$2,209.97	\$2,209.97	\$2,533.46	\$2,533.46	\$2,856.95	\$2,856.95
50% Joint & Survivor Annuity	0.9920	\$2,416.02	\$1,208.01	\$2,769.66	\$1,384.83	\$3,123.31	\$1,561.66
100% Joint & Survivor Pop-Up Annuity	0.8911	\$2,170.27	\$2,170.27	\$2,487.95	\$2,487.95	\$2,805.63	\$2,805.63
50% Joint & Survivor Pop-Up Annuity	0.9897	\$2,410.41	\$1,205.21	\$2,763.24	\$1,381.62	\$3,116.07	\$1,558.04
Return of Employee Contributions	N/A	\$47,671.20	N/A	\$47,671.20	N/A	\$47,671.20	N/A

(1) **Survivor Benefits:** for the Joint & Survivor Annuity payments, the survivor's benefit is only payable if the chosen survivor is alive upon the participant's death. If the chosen survivor is not alive, then no additional benefit is payable upon participant death. The choice of survivor may not be changed after benefit payments have commenced.

\* Average is of the three highest years of base earnings

\*\*Amount in excess (if any) of accumulated employee contributions, with interest, over payments made

# Calculation of Benefit Options

**Form A**

**Burlington Employees' Retirement System, Class B - Other**

**Kathryn Kantorski**

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Benefit Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected.

## Type of Calculation

Late Service

## Information Used in Benefit Determination

Participant Name:	<b>Kathryn Kantorski</b>	Class:	<b>B</b>
Date of Birth:		Department:	<b>Other</b>
Date of Hire:	03/08/1983	Vesting Percentage:	100.0000%
Date of Termination:	06/16/1999	Normal Retirement Date (NRD):	01/09/2025
Beneficiary Date of Birth:	N/A	Payment Start Date:	05/01/2025

## Earnings

Average Final Compensation\*: \$45,528.45

## Determination of Benefit Amount

(1) Years of Creditable Service (CS)				15.91667
(2) Years of CS on or prior to 06/30/2006 [(2) + (3) is not to exceed 25 years]				15.91667
(3) Years of CS after 06/30/2006 [(2) + (3) is not to exceed 25 years]				0.00000
COLA Option		Full COLA	Half COLA	No COLA
(4) Accrual Rate on or prior to 06/30/2006 (not to exceed 25 years)		1.200%	1.367%	1.534%
(5) Accrual Rate after 06/30/2006 (not to exceed 25 years)		1.200%	1.367%	1.534%
(6) Retirement Accrual Percentage = [(2) x (4)] + [(3) x (5)]		19.1000%	21.7581%	24.4162%
(7) Monthly Vested Benefit Payable at Payment Start Date = (6) x Average Final Compensation/12 x Vesting Percentage		\$724.66	\$825.51	\$926.36
(8) Monthly Vested Benefit at NRD: = {[Years of CS on or prior to 06/30/2006 and prior to NRD (15.91667) x (4)] + [Years of CS after 06/30/2006 and prior to NRD (0.00000) x (5)]} x Average Final Compensation/12 x Vesting Percentage		\$724.66	\$825.51	\$926.36
(9) Monthly Vested Benefit Payable at Payment Start Date: = [Greater of (8)] x 1.029914 Late Adjustment Factor or (7)		\$746.34	\$850.20	\$954.07

## Benefit Options Available

Form of Payment	Option Factor	Full COLA		Half COLA		No COLA	
		Initial Benefit	Survivor's Benefit <sup>(1)</sup>	Initial Benefit	Survivor's Benefit <sup>(1)</sup>	Initial Benefit	Survivor's Benefit <sup>(1)</sup>
Straight Life Annuity	1.0941	\$816.57	**	\$930.20	**	<b>\$1,043.85</b>	**
10 Year Certain & Life Annuity	1.0000	\$746.34	\$746.34	\$850.20	\$850.20	\$954.07	\$954.07
100% Joint & Survivor Annuity	N/A	N/A	N/A	N/A	N/A	N/A	N/A
50% Joint & Survivor Annuity	N/A	N/A	N/A	N/A	N/A	N/A	N/A
100% Joint & Survivor Pop-Up Annuity	N/A	N/A	N/A	N/A	N/A	N/A	N/A
50% Joint & Survivor Pop-Up Annuity	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) **Survivor Benefits:** for the Joint & Survivor Annuity payments, the survivor's benefit is only payable if the chosen survivor is alive upon the participant's death. If the chosen survivor is not alive, then no additional benefit is payable upon participant death. The choice of survivor may not be changed after benefit payments have commenced.

\* Average is of the three highest years of base earnings

# Calculation of Benefit Options

Form A

Burlington Employees' Retirement System, Class B - School

Barbara Collins

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Benefit Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected.

## Type of Calculation

Late Service

## Information Used in Benefit Determination

Participant Name:	<b>Barbara Collins</b>	Class:	B
Date of Birth:		Department:	School
Date of Hire:	12/17/1977	Vesting Percentage:	70.8333%
Date of Termination:	01/02/1985	Normal Retirement Date (NRD):	02/09/2022
Beneficiary Date of Birth:		Payment Start Date:	04/01/2025

## Earnings

Average Final Compensation\*: \$11,416.53

## Determination of Benefit Amount

(1) Years of Creditable Service (CS)	7.08333
(2) Years of CS on or prior to 06/30/2006 [(2) + (3) is not to exceed 25 years]	7.08333
(3) Years of CS after 06/30/2006 [(2) + (3) is not to exceed 25 years]	0.00000
(4) Years of CS in excess of 25 years	N/A

## COLA Option

Full COLA

(5) Accrual Rate on or prior to 06/30/2006 (not to exceed 25 years)	1.200%
(6) Accrual Rate after 06/30/2006 (not to exceed 25 years)	1.200%
(7) Accrual Rate in excess of 25 years	0.500%
(8) Retirement Accrual Percentage = [(2) x (5)] + [(3) x (6)] + [(4) x (7)]	8.5000%
(9) Monthly Vested Benefit Payable at Payment Start Date = (8) x Average Final Compensation/12 x Vesting Percentage	\$57.28
(10) Monthly Vested Benefit at NRD: = {[Years of CS on or prior to 06/30/2006 and prior to NRD (7.08333) x (5)] + [Years of CS after 06/30/2006 and prior to NRD (0.00000) x (6)] + [Years of CS in excess of 25 years and prior to NRD (0.00000) x (7)]} x Average Final Compensation/12 x Vesting Percentage	\$57.28
(11) Month Vested Benefit Payable as of your Payment Start Date: = [Greater of (10)] x 1.428600 Late Adjustment Factor or (9)	\$81.83

## Benefit Options Available

Form of Payment	Option Factor	Full COLA	
		Initial Benefit	Survivor's Benefit <sup>(1)</sup>
Straight Life Annuity	1.1368	\$93.02	N/A
10 Year Certain & Life Annuity	1.0000	<b>\$81.83</b>	\$81.83
100% Joint & Survivor Annuity	N/A	N/A	N/A
50% Joint & Survivor Annuity	0.9044	\$74.01	\$37.01
100% Joint & Survivor Pop-Up Annuity	N/A	N/A	N/A
50% Joint & Survivor Pop-Up Annuity	0.8994	\$73.60	\$36.80

(1) **Survivor Benefits:** for the Joint and Survivor Annuity payments, the survivor's benefit is only payable if the chosen survivor is alive upon the participant's death. If the chosen survivor is not alive, then no additional benefit is payable upon participant death. The choice of survivor may not be changed after benefit payments have commenced.

\* Average is of the three highest years of base earnings



# ACTUARIAL VALUATION REPORT

JUNE 30, 2024

# BURLINGTON EMPLOYEES' RETIREMENT SYSTEM

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## Executive Summary

	June 30, 2024			June 30, 2023		
	Class A	Class B	Total	Class A	Class B	Total
<b>Number of members</b>						
Active employees	162	760	922	160	763	923
Terminated vested members	30	340	370	31	358	389
Vested in employee contributions only	30	407	437	24	355	379
Retired, disabled and beneficiaries	218	676	894	217	658	875
Total	440	2,183	2,623	432	2,134	2,566
<b>Covered employee payroll</b>	13,113,308	50,906,355	64,019,663	11,685,113	46,967,315	58,652,428
<b>Average plan salary</b>	80,946	66,982	69,436	73,032	61,556	63,545
<b>Actuarial present value of future benefits</b>	205,415,351	218,776,165	424,191,516	193,575,065	209,305,325	402,880,390
<b>Actuarial accrued liability</b>	171,415,164	193,529,063	364,944,227	162,527,797	184,722,081	347,249,878
<b>Plan assets</b>						
Market value of assets	110,857,257	134,064,074	244,921,331	100,055,156	123,599,082	223,654,238
Actuarial value of assets	109,471,149	132,387,799	241,858,948	103,910,050	128,361,068	232,271,118
<b>Unfunded accrued liability</b>	61,944,015	61,141,264	123,085,279	58,617,747	56,361,013	114,978,760
<b>Funded ratio</b>	63.9%	68.4%	66.3%	63.9%	69.5%	66.9%
<b>Actuarially determined employer contribution (ADEC)</b>						
Fiscal year ending	2026	2026	2026	2025	2025	2025
ADEC	8,293,582	7,184,926	15,478,508	7,651,246	6,592,054	14,243,300

## Valuation Results and Highlights

### Purpose of the Valuation

The purpose of the valuation is to develop the Actuarially Determined Employer Contribution (ADEC). The ultimate cost of a pension plan is based primarily on the level of benefits promised by the plan. The pension fund's investment earnings serve to reduce the cost of plan benefits and expenses. Thus,

$$\text{Ultimate cost} = \text{Benefits Paid} + \text{Expenses Incurred} - \text{Investment Return} - \text{Employee Contributions}$$

The actuarial cost method distributes this ultimate cost over the working lifetime of current plan participants. By means of this budgeting process, costs are allocated to both past and future years, and a cost is assigned to the current year. The current year's allocated cost, or normal cost, is the building block upon which the actuarially determined employer contribution is developed. The June 30, 2024 valuation produces the contribution for the fiscal year ending 2026.

### Information Available in the Valuation Report

The Executive Summary is intended to emphasize the notable results of the valuation from the perspective of the Plan Sponsor. Supporting technical detail is documented in Results of the Valuation, Supporting Exhibits and Description of Actuarial Methods and Assumptions. A concise summary of the principal provisions of the Plan is outlined in Summary of Plan Provisions.

### Changes Reflected in the Valuation

None.

### Cash Contribution for Fiscal Year Ending 2026

The City cost is:	2026 Fiscal Year
Class A	\$8,293,582
Class B	7,184,926
Total	\$15,478,508

### Liability Experience During Period Under Review

The plans experienced a loss on liabilities of approximately \$8,631,000 since the prior valuation. The loss was mainly due to salary increases that were higher than expected, as well as losses from actual turnover and retirement patterns.

### Asset Experience During Period Under Review

The plan's assets provided the following rates of return during the past fiscal year:

	2024 Fiscal Year
Market Value Basis	12.8%
Actuarial Value Basis	7.2%

The Actuarial Value of assets, rather than the Market Value, is used to determine plan contributions. The Actuarial Value spreads the asset volatility over 5 years, thereby smoothing out fluctuations that are inherent in the Market Value.

**Assessment and Measurement of Risks**

**Financial Significance of Plan**

It is important to understand the size of the pension plan compared to the size of the sponsor of that plan. Additional pension contributions may be required at inopportune times for the plan sponsor. In general, a plan sponsor with assets or revenue that are much larger than the liabilities in its pension plans will be better able to withstand increases in required pension contributions.

**Plan Maturity Measurements**

	June 30, 2024	June 30, 2023
Actuarial accrued liability for members currently in pay status as a percentage of the total actuarial accrued liability	61.0%	61.4%
<ul style="list-style-type: none"> <li>• A lower percentage results in greater volatility as the investment return assumption changes.</li> <li>• A higher percentage results in greater demand on cash due to a proportionately higher percentage of benefits being in pay status.</li> </ul>		

	June 30, 2024
Duration of benefit payments using an investment rate of return of 7.10%	13.3 years
<ul style="list-style-type: none"> <li>• A higher duration will occur if the plan's percentage of members in pay status decreases. A plan with a higher duration will have a liability that is more sensitive to changes in the investment return assumption.</li> </ul>	

	June 30, 2024	June 30, 2023
Ratio of market value of assets to covered payroll	3.8	3.8
<ul style="list-style-type: none"> <li>• A higher ratio is more typical of relatively mature plans with a larger percentage of inactive members and may cause more potential contribution volatility as pension fund assets fluctuate.</li> </ul>		

**Risks to Assess**

**Estimated Impact of a 5% Reduction in Market Value of Assets**

	Fiscal Year Ending 2026
Increase in actuarially determined employer contribution (ADEC)	217,542
<ul style="list-style-type: none"> <li>• Plans would generally be subject to a larger amortization payment if the market value of assets were 5% smaller. As a result, the ADEC would generally be higher for up to 20 years.</li> </ul>	

Due to the asset smoothing method, the ADEC will additionally increase by the same amount in each of the next few years. Each of these additional contributions will continue for up to 20 years.

### Estimated Impact of a 1-Year Increase in Life Expectancies

	Fiscal Year Ending 2026
Increase in actuarially determined employer contribution (ADEC)	689,334
<ul style="list-style-type: none"> <li>• If members live longer than expected, it generally results in larger benefits and/or additional benefit payments made. As a result, the ADEC would generally be higher for up to 20 years.</li> </ul>	

### Low-Default-Risk Obligation Measure

	June 30, 2024
Low-default-risk obligation measure (LDROM)*	532,740,242
Total actuarial accrued liability (AAL) for all members**	<u>364,944,227</u>
Difference between LDROM and AAL	167,796,015
<ul style="list-style-type: none"> <li>• This exhibit illustrates the impact on the ongoing funding liability if the plan decided to invest completely in low-default-risk securities.</li> </ul>	

\* The LDROM discount rate is 3.93%. The discount rate used for this purpose is equal to the published Bond Buyer GO 20-Bond Municipal Index effective as of June 30, 2024. Other than the discount rate, the assumptions and methods are consistent with those used in the actuarial valuation. The disclosure of the LDROM is for illustrative purposes and does not necessarily imply that the associated discount rate should be used for funding purposes.

\*\* The discount rate used in the valuation is 7.10%.

### Historical Results

Valuation Year Beginning	Investment Return Assumption	Annual Effective Rate of Return on Market Value of Assets	Market Value of Assets as a % of Actuarial Accrued Liability	Benefit Payments as a % of Market Value of Assets
2024	7.10%	N/A	67.1%	N/A
2023	7.10%	12.8%	64.4%	9.9%
2022	7.10%	10.2%	64.3%	10.2%
2021	7.20%	-13.3%	80.1%	8.3%
2020	7.30%	31.1%	66.4%	9.5%
2019	7.40%	2.3%	70.0%	8.9%
2018	7.50%	5.1%	71.4%	8.8%
2017	8.00%	9.6%	69.5%	8.9%
2016	8.00%	14.1%	63.8%	9.4%
2015	8.00%	-1.3%	69.3%	8.8%

### **Implications of Contribution Allocation Procedure or Funding Policy**

I have assessed the impact of the funding policy on the anticipated employer contributions and the plan's funded status. The funding policy is described in the Description of Actuarial Methods section of this report.

I have estimated the approximate length of time before the unfunded accrued liability, if any, will become fully amortized. The period is estimated to be 19 years. Subsequent to the end of this period, the future anticipated employer contributions will be the corresponding annual normal costs.

I have assessed whether the funding policy will be sufficient to cover future benefit payments and administrative expenses. The current funding policy is anticipated to cover these costs indefinitely.

## Certification

This report presents the results of the June 30, 2024 Actuarial Valuation for Burlington Employees' Retirement System (the Plan) for the purpose of estimating the funded status of the Plan and determining the Actuarially Determined Employer Contribution (ADEC) for the fiscal year ending June 30, 2026. This report may not be appropriate for any other purpose.

The valuation has been performed in accordance with generally accepted actuarial principles and practices. It is intended to comply with all applicable Actuarial Standards of Practice.

As required under Part II, Section 24-61 of the Burlington Code of Ordinances, experience studies are performed at least one in every five-year period. The assumptions in this report were based on an experience study covering the period July 1, 2017 to June 30, 2022.

In our opinion, the actuarial assumptions used in this report are reasonably related to the experience of the Plan and to reasonable long-term expectations.

In preparing this valuation, I have relied on employee data provided by the Plan Sponsor, and on asset and contribution information provided by the Trustee. I have audited neither the employee data nor the financial information, although I have reviewed them for reasonableness.

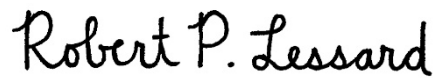
The results in this valuation report are based on the Plan as summarized in the *Summary of Plan Provisions* section of this report and the actuarial assumptions and methods detailed in the *Description of Actuarial Methods and Assumptions* section of this report.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of this report, an analysis of the potential range of such future measurements has not been performed.

I have no relationship with the employer or the Plan that would impair, or appear to impair, my objectivity in performing the work presented in this report. I am a member of the American Academy of Actuaries and meet its Qualification Standards to render the actuarial opinion contained herein.



Steve A. Lemanski, FSA, FCA, MAAA  
Enrolled Actuary 23-05506



Robert P. Lessard, ASA, MAAA  
Enrolled Actuary 23-08801

May 5, 2025

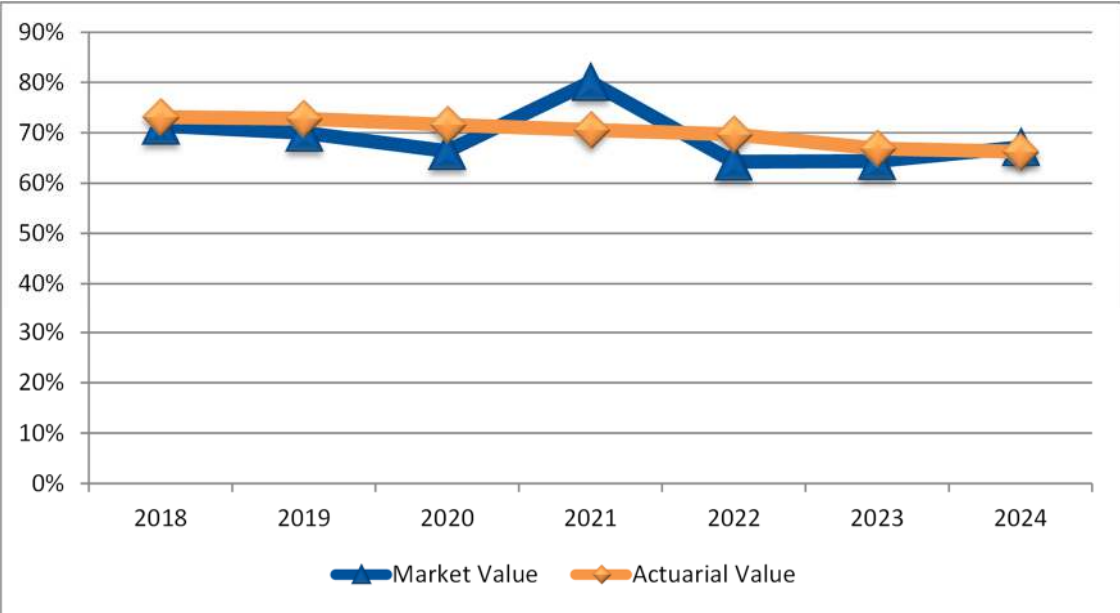
## Development of Unfunded Accrued Liability and Funded Ratio

	June 30, 2024			June 30, 2023		
	Class A	Class B	Total	Class A	Class B	Total
Actuarial accrued liability for inactive members						
Retired, disabled and beneficiaries	\$111,131,689	\$111,574,279	\$222,705,968	\$107,454,674	\$105,885,423	\$213,340,097
Terminated vested members	2,931,943	10,775,576	13,707,519	2,908,661	11,735,265	14,643,926
Due refund of employee contributions only	444,165	1,652,858	2,097,023	272,096	1,454,521	1,726,617
Total	114,507,797	124,002,713	238,510,510	110,635,431	119,075,209	229,710,640
Actuarial accrued liability for active employees	56,907,367	69,526,350	126,433,717	51,892,366	65,646,872	117,539,238
Total actuarial accrued liability	171,415,164	193,529,063	364,944,227	162,527,797	184,722,081	347,249,878
Actuarial value of assets	109,471,149	132,387,799	241,858,948	103,910,050	128,361,068	232,271,118
Unfunded accrued liability	61,944,015	61,141,264	123,085,279	58,617,747	56,361,013	114,978,760
Funded ratio	63.9%	68.4%	66.3%	63.9%	69.5%	66.9%

**Actuarial Accrued Liability vs. Actuarial Value of Assets**



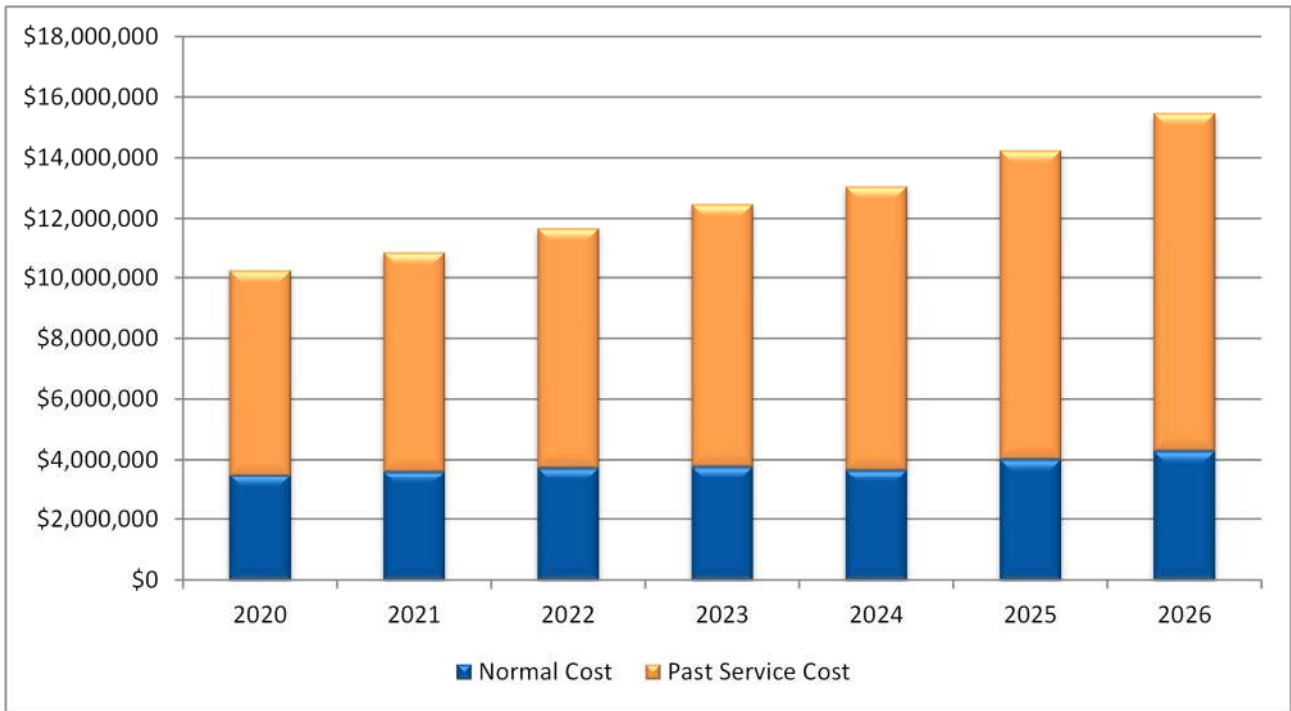
**Funded Ratio**



## Determination of Normal Cost and Actuarially Determined Employer Contribution

	June 30, 2024		June 30, 2023	
	Cost	Percent of payroll	Cost	Percent of payroll
Gross normal cost	\$7,857,234	11.6%	\$7,402,863	11.3%
Estimated employee contributions	(3,687,029)	-5.5%	(3,493,344)	-5.3%
City's normal cost	4,170,205	6.2%	3,909,519	5.9%
Amortization of unfunded accrued liability	11,179,027	16.5%	10,212,586	15.6%
Contribution before adjustment as of the valuation date	15,349,232	22.7%	14,122,105	21.5%
Estimated valuation year payroll for actives not yet at 100% assumed retirement age	67,595,783		65,752,934	
Fiscal year ending	2026		2025	
Adjustment for interest and inflation	129,276		121,195	
Actuarially determined employer contribution	15,478,508		14,243,300	

### Actuarially Determined Employer Contribution



## Actuarially Determined Employer Contribution per Group

	Class A	Class B IBEW Local 300	Class B BED Non-Union	Class B School	Class B Airport	Class B Water	Class B Other	Class B	Total
Gross normal cost	\$4,089,601	\$409,378	\$373,449	\$924,168	\$186,426	\$137,125	\$1,737,087	\$3,767,633	\$7,857,234
Estimated employee contributions	<u>(1,503,761)</u>	<u>(284,676)</u>	<u>(185,752)</u>	<u>(452,489)</u>	<u>(140,459)</u>	<u>(86,300)</u>	<u>(1,033,592)</u>	<u>(2,183,268)</u>	<u>(3,687,029)</u>
City's normal cost	2,585,840	124,702	187,697	471,679	45,967	50,825	703,495	1,584,365	4,170,205
Actuarial accrued liability	171,415,164	33,586,315	26,440,810	28,709,289	8,615,931	5,039,497	91,137,221	193,529,063	364,944,227
Actuarial value of assets	<u>109,471,149</u>	<u>22,975,455</u>	<u>18,087,416</u>	<u>19,639,219</u>	<u>5,893,916</u>	<u>3,447,379</u>	<u>62,344,414</u>	<u>132,387,799</u>	<u>241,858,948</u>
Unfunded accrued liability	61,944,015	10,610,860	8,353,394	9,070,070	2,722,015	1,592,118	28,792,807	61,141,264	123,085,279
Amortization of unfunded accrued liability	5,627,582	963,435	758,463	823,535	247,151	144,560	2,614,301	5,551,445	11,179,027
Contribution before adjustment as of the valuation date	8,213,422	1,088,137	946,160	1,295,214	293,118	195,385	3,317,796	7,135,810	15,349,232
Estimated valuation year payroll for actives not yet at 100% assumed retirement age	13,670,555	7,207,820	4,827,884	10,894,158	3,492,482	2,130,774	25,372,110	53,925,228	67,595,783
City's normal cost as a percentage of payroll	18.9%	1.7%	3.9%	4.3%	1.3%	2.4%	2.8%	2.9%	6.2%
Contribution as a percentage of payroll	60.1%	15.1%	19.6%	11.9%	8.4%	9.2%	13.1%	13.2%	22.7%
Fiscal year ending June 30, 2026									
Adjustment for interest and inflation	<u>80,160</u>	<u>3,866</u>	<u>5,819</u>	<u>14,622</u>	<u>1,425</u>	<u>1,576</u>	<u>21,808</u>	<u>49,116</u>	<u>129,276</u>
Actuarially determined employer contribution	8,293,582	1,092,003	951,979	1,309,836	294,543	196,961	3,339,604	7,184,926	15,478,508

## Determination of Actuarial Gain/Loss

The Actuarial Gain/Loss is the difference between the expected unfunded accrued liability and the actual unfunded accrued liability, without regard to any changes in actuarial methods, actuarial assumptions or plan provisions. This can also be referred to an Experience Gain/Loss, since it reflects the difference between what was expected and what was actually experienced.

<b>Actuarial Gain / Loss</b>	
<b>Expected unfunded accrued liability June 30, 2024</b>	
Expected unfunded accrued liability June 30, 2024	
Unfunded accrued liability June 30, 2023	\$114,978,760
Gross normal cost June 30, 2023	7,402,863
City and employee contributions for 2023-2024	(15,708,903)
Interest at 7.10% to June 30, 2024	8,144,038
Expected unfunded accrued liability June 30, 2024	114,816,758
<b>Actuarial (gain) / loss June 30, 2024</b>	<b>8,268,521</b>
<b>Actual unfunded accrued liability June 30, 2024, prior to plan provision, assumption and method changes</b>	<b>123,085,279</b>
<b>Sources of (gain) / loss</b>	
Assets	(362,000)
Salary increases	4,617,000
Retiree mortality	(244,000)
Turnover, disability and retirements	3,411,000
New entrants	239,000
Data adjustments	257,000
COLA increases	818,000
Other experience	(467,000)
Total (gain) / loss (rounded to nearest \$1,000)	8,269,000

## Development of Asset Values

Summary of Fund Activity		
	Market Value	Actuarial Value
<b>1. Beginning value of assets June 30, 2023</b>		
Trust assets	\$223,654,238	\$232,271,118
<b>2. Contributions</b>		
City contributions during year	11,716,667	11,716,667
Employee contributions during year	3,992,236	3,992,236
Total for plan year	15,708,903	15,708,903
<b>3. Disbursements</b>		
Benefit payments during year	22,082,080	22,082,080
Administrative expenses during year	648,900	648,900
Total for plan year	22,730,980	22,730,980
<b>4. Net investment return</b>		
Interest and dividends	6,633,128	N/A
Realized and unrealized gain / (loss)	21,878,134	N/A
Expected return	N/A	15,635,803
Recognized gain / (loss)	N/A	974,104
Required adjustment due to corridor	N/A	0
Reversal of prior year required adjustment	N/A	0
Investment-related expenses	(222,092)	N/A
Total for plan year	28,289,170	16,609,907
<b>5. Ending value of assets June 30, 2024</b>		
Trust assets: (1) + (2) - (3) + (4)	244,921,331	241,858,948
<b>6. Approximate rate of return</b>	12.8%	7.2%

**Relationship of Actuarial Value to Market Value**

1. Market value 6/30/2024	\$244,921,331
2. Gain / (loss) not recognized in actuarial value 6/30/2024	<u>3,062,383</u>
3. Preliminary actuarial value 6/30/2024: (1) - (2)	241,858,948
4. Preliminary actuarial value as a percentage of market value: (3) ÷ (1)	98.7%
5. Gain / (loss) recognized for corridor minimum / maximum	N/A
6. Actuarial value 6/30/2024 after corridor minimum / maximum: (3) + (5)	241,858,948
7. Actuarial value as a percentage of market value: (6) ÷ (1)	98.7%

**Development of Market Value Gain / Loss for 2023-2024 Plan Year**

1. Market value 6/30/2023	\$223,654,238
2. City contributions	11,716,667
3. Employee contributions	3,992,236
4. Benefit payments	22,082,080
5. Administrative expenses	648,900
6. Expected return at 7.10%	<u>15,635,803</u>
7. Expected value 6/30/2024: (1) + (2) + (3) - (4) - (5) + (6)	232,267,964
8. Market value 6/30/2024	<u>244,921,331</u>
9. Market value gain / (loss) for 2023-2024 plan year: (8) - (7)	12,653,367

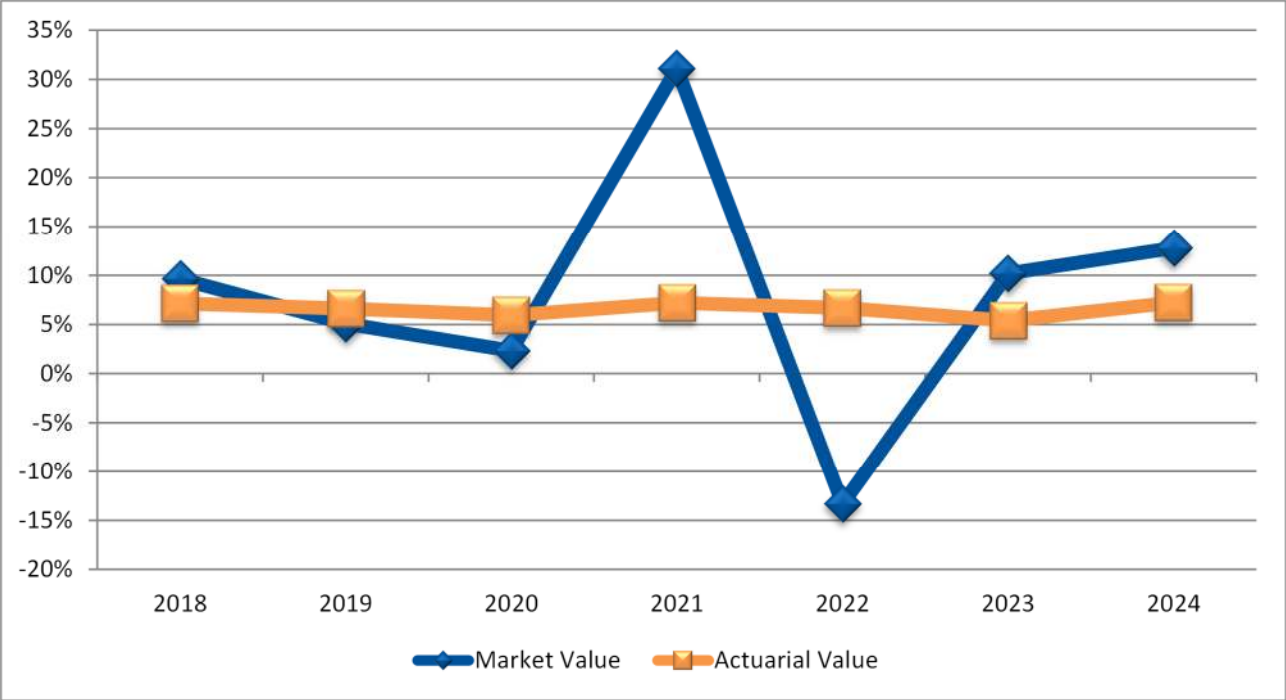
**Recognition of Gain / Loss in Actuarial Value**

Year	(a) Gain / (loss)	(b) Total recognized as of 6/30/2023	(c) Recognized in current year: 20% of (a)	(d) Total recognized as of 6/30/2024: (b) + (c)	(e) Not recognized as of 6/30/2024: (a) - (d)
2019-2020	(\$9,744,015)	(\$7,795,214)	(\$1,948,801)	(\$9,744,015)	\$0
2020-2021	45,779,498	27,467,700	9,155,900	36,623,600	9,155,898
2021-2022	(50,373,977)	(20,149,590)	(10,074,795)	(30,224,385)	(20,149,592)
2022-2023	6,555,637	1,311,127	1,311,127	2,622,254	3,933,383
2023-2024	12,653,367	0	<u>2,530,673</u>	2,530,673	<u>10,122,694</u>
Total			974,104		3,062,383

<b>Rate of Return on Market Value of Assets</b>				
<b>Period Ending June 30</b>	<b>Average Annual Effective Rate of Return</b>			
	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
2015	-1.7%	6.4%	8.2%	5.4%
2016	-1.3%	3.7%	3.8%	4.2%
2017	14.1%	3.4%	6.3%	3.9%
2018	9.6%	7.3%	6.9%	5.7%
2019	5.1%	9.5%	5.0%	8.6%
2020	2.3%	5.6%	5.8%	7.0%
2021	31.1%	12.1%	12.0%	7.8%
2022	-13.3%	5.1%	6.0%	6.1%
2023	10.2%	7.8%	6.1%	6.5%
2024	12.8%	2.5%	7.6%	6.3%

<b>Rate of Return on Actuarial Value of Assets</b>				
<b>Period Ending June 30</b>	<b>Average Annual Effective Rate of Return</b>			
	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
2015	7.8%	8.3%	6.3%	5.6%
2016	4.4%	7.7%	6.3%	5.6%
2017	6.5%	6.2%	7.2%	5.2%
2018	7.1%	6.0%	7.3%	5.1%
2019	6.6%	6.7%	6.5%	5.7%
2020	5.9%	6.6%	6.1%	6.2%
2021	7.2%	6.6%	6.7%	6.5%
2022	6.7%	6.6%	6.7%	6.9%
2023	5.4%	6.4%	6.4%	6.8%
2024	7.2%	6.4%	6.5%	6.5%

Actual Rate of Return on Assets



## Target Allocation and Expected Rate of Return June 30, 2024

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*	Weighting
Core Fixed Income	20.00%	5.90%	1.18%
U.S. Bonds - Dynamic	7.00%	6.80%	0.48%
U.S. Large Cap Equity	33.00%	7.30%	2.41%
U.S. Small Cap Equity	9.50%	6.80%	0.65%
International Developed Equity	19.00%	8.20%	1.56%
International Emerging Markets Equity	7.00%	10.10%	0.71%
Private Equity	0.50%	10.30%	0.05%
Real Estate	4.00%	7.80%	0.31%
	100.00%		7.35%
Interaction Effect			1.00%
Long-Term Expected Nominal Return			8.35%

*\*Long-Term Real Returns are provided by Fiducient Advisors. The supporting information was provided by Fiducient Advisors and reflects the Capital Market Assumptions as of October 31, 2023. The returns are geometric means.*

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return are developed. Best estimates of the real rates of return for each major asset class are included in the pension plan's target asset allocation.

The information above is based on geometric means and does not reflect additional returns through investment selection, asset allocation and rebalancing. An expected rate of return of 7.10% was used.

## Amortization of Unfunded Liability

Schedule of Amortization Bases					
	Date established	Original amount	Amortization installment	Years remaining	Present value of remaining installments as of June 30, 2024
Initial base	June 30, 2023	\$114,978,760	\$10,212,586	19	\$112,204,572
2024 base	June 30, 2024	10,880,707	966,441	20	10,880,707
<b>Total</b>			11,179,027		123,085,279

Equivalent single amortization period

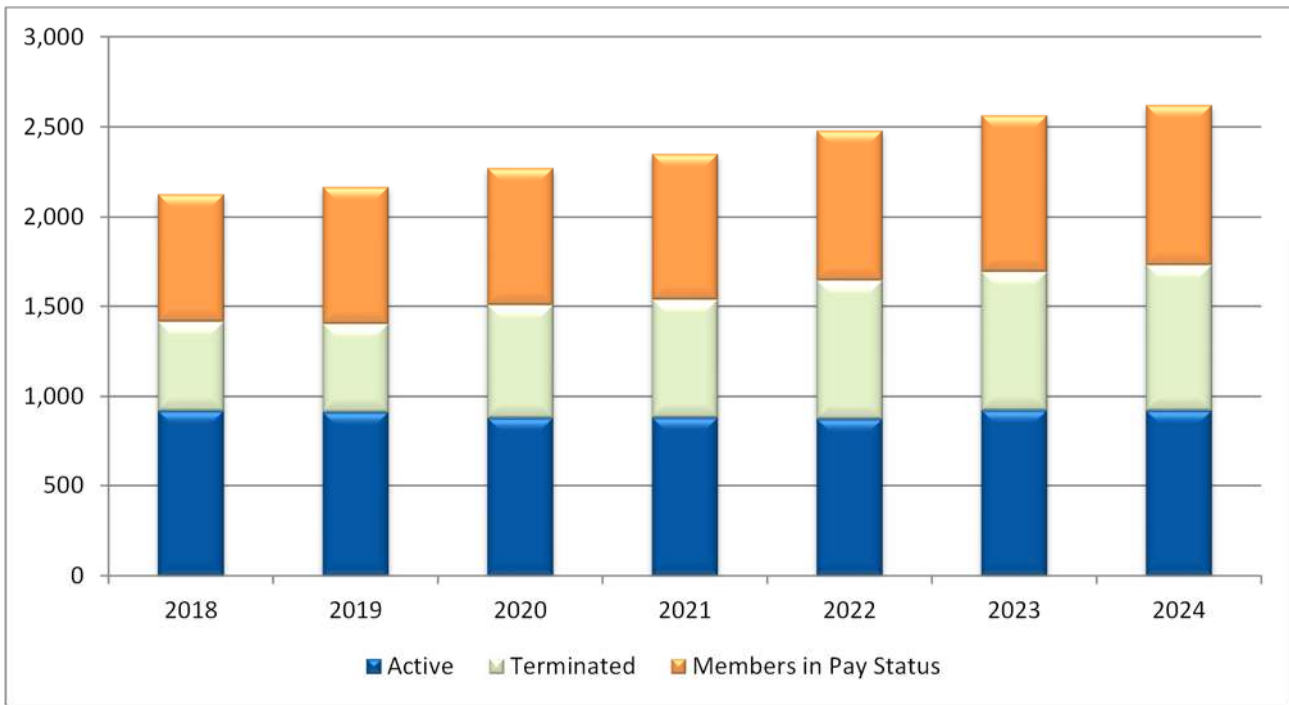
19 years

## Member Data

The data reported by the Plan Sponsor for this valuation includes 922 active employees who met the Plan's minimum age and service requirements as of June 30, 2024.

Member Data					
	Active	Terminated vested	Due refund of contributions	Members in pay status	Total
<b>Total members June 30, 2023</b>	923	389	379	875	2,566
Adjustments	0	0	+3	0	+3
Retirements	-19	-19	N/A	+38	0
Disabilities	0	N/A	N/A	0	0
Terminations					
Vested	-18	+18	N/A	N/A	0
Lump sum payments	-34	-10	-35	N/A	-79
Due contributions only	-59	N/A	+59	N/A	0
Deaths					
With death benefit	-1	-4	-1	-5	-11
Without death benefit	0	-3	0	-20	-23
Transfers	+2	0	0	N/A	+2
Rehires	+8	-6	-2	N/A	0
New beneficiaries	N/A	+5	0	+6	+11
New entrants	+120	N/A	+34	N/A	+154
<b>Total members June 30, 2024</b>	922	370	437	894	2,623

### Member Counts by Status



<b>Member Data</b>				
	<b>Active</b>	<b>Terminated vested</b>	<b>Due refund of contributions</b>	<b>Members in pay status</b>
<b>Average age</b>				
June 30, 2023	43.7	53.1	38.3	70.0
June 30, 2024	44.0	53.4	38.0	70.3
<b>Average service</b>				
June 30, 2023	9.4	N/A	N/A	N/A
June 30, 2024	9.6	N/A	N/A	N/A
<b>Covered employee payroll</b>				
June 30, 2023	\$58,652,428	N/A	N/A	N/A
June 30, 2024	64,019,663	N/A	N/A	N/A
<b>Total annual benefits</b>				
June 30, 2023	N/A	\$2,515,746	N/A	\$21,012,530
June 30, 2024	N/A	2,320,681	N/A	21,999,192

<b>Member Data - Class A</b>					
	<b>Active</b>	<b>Terminated vested</b>	<b>Due refund of contributions</b>	<b>Members in pay status</b>	<b>Total</b>
<b>Total members June 30, 2023</b>	160	31	24	217	432
Adjustments	0	0	0	0	0
Retirements	-6	0	N/A	+6	0
Disabilities	0	N/A	N/A	0	0
Terminations					
Vested	-1	+1	N/A	N/A	0
Lump sum payments	0	-1	0	N/A	-1
Due contributions only	-4	N/A	+4	N/A	0
Deaths					
With death benefit	0	0	0	0	0
Without death benefit	0	0	0	-5	-5
Transfers	+2	0	0	N/A	+2
Rehires	+1	-1	0	N/A	0
New beneficiaries	N/A	N/A	N/A	0	0
New entrants	+10	N/A	+2	N/A	+12
<b>Total members June 30, 2024</b>	162	30	30	218	440

<b>Member Data - Class B</b>					
	<b>Active</b>	<b>Terminated vested</b>	<b>Due refund of contributions</b>	<b>Members in pay status</b>	<b>Total</b>
<b>Total members June 30, 2023</b>	763	358	355	658	2,134
Adjustments	0	0	+3	0	+3
Retirements	-13	-19	N/A	+32	0
Disabilities	0	N/A	N/A	0	0
Terminations					
Vested	-17	+17	N/A	N/A	0
Lump sum payments	-34	-9	-35	N/A	-78
Due contributions only	-55	N/A	+55	N/A	0
Deaths					
With death benefit	-1	-4	-1	-5	-11
Without death benefit	0	-3	0	-15	-18
Transfers	0	0	0	N/A	0
Rehires	+7	-5	-2	N/A	0
New beneficiaries	N/A	+5	0	+6	+11
New entrants	+110	N/A	+32	N/A	+142
<b>Total members June 30, 2024</b>	760	340	407	676	2,183

## Description of Actuarial Methods

### Asset Valuation Method

The Actuarial Value of assets used in the development of plan contributions phases in the recognition of differences between the actual return on Market Value and expected return on Market Value over a 5-year period at 20% per year.

### Actuarial Cost Method

Changes in Actuarial Cost Method: None.

Description of Current Actuarial Cost Method: Entry Age Normal (level percentage of salary)

Normal Cost: Under this method, the total normal cost is the sum of amounts necessary to fund each active member's normal retirement benefit if paid annually from entry age to assumed retirement age. Entry age is the age at which the employee would have been first eligible for the plan, if it had always been in effect. The normal cost for each participant is expected to remain a level percentage of the employee's salary. The normal cost for the plan is the difference between the total normal cost for the year and the anticipated member contributions for that year.

Past Service Liability: The present value of future benefits that relates to service before the valuation date is the total past service liability. The unfunded past service liability is the difference between the total past service liability and any assets (including accumulated member contributions). Unfunded accrued liabilities as of June 30, 2023 were amortized over a closed 20-year period. Future changes in the unfunded accrued liability will be amortized separately, assuming a new 20-year amortization each valuation.

Experience Gains and Losses: All experience gains and losses (the financial effect of the difference between the actual experience during the prior period and the result expected by the actuarial assumptions for that prior period) appear directly in the past service liability and are amortized at the same rate the plan is amortizing the remaining unfunded past service liability.

## Description of Actuarial Assumptions

### Changes in Actuarial Assumptions

The valuation reflects changes in the actuarial assumptions listed below. (The assumptions used before and after these changes are more fully described in the next section.)

- None.

The assumptions indicated were changed to better reflect the Enrolled Actuary's current best estimate of anticipated experience of the plan.

### Investment rate of return (net of investment-related and administrative expenses)

7.10%.

### Rate of compensation increase (including inflation)

Class A - Fire		Class A - Police		Class B	
Completed Years of Service	Rate*	Completed Years of Service	Rate*	Completed Years of Service	Rate*
<1	11.0%	<1	9.0%	<1	6.5%
1	9.0%	1	8.0%	1	6.2%
2	8.0%	2	7.2%	2	6.0%
3	7.0%	3	6.2%	3	5.1%
4	6.5%	4	6.0%	4	4.9%
5	6.0%	5	5.7%	5	4.8%
6	5.5%	6	5.5%	6	4.7%
7	5.0%	7	5.3%	7	4.6%
8	5.0%	8	5.2%	8	4.5%
9	5.0%	9	5.1%	9	4.4%
10	4.8%	10	4.9%	10	4.3%
11	4.7%	11	4.7%	11	4.2%
12	4.6%	12	4.6%	12	4.1%
13	4.5%	13	4.5%	13	4.1%
14	4.4%	14	4.4%	14	4.0%
15	4.3%	15	4.3%	15	3.9%
16	4.2%	16	4.2%	16	3.9%
17	4.0%	17	4.0%	17	3.9%
18	3.8%	18	3.8%	18	3.8%
19	3.7%	19	3.7%	19	3.7%
20+	3.6%	20+	3.6%	20+	3.6%

\* Inflation: 2.70%

\* Inflation: 2.70%

\* Inflation: 2.70%

The actuarial assumption in regards to rate of compensation increases shown above are based on the results of an actuarial experience study for the period July 1, 2017 through June 30, 2022.

**Inflation**

2.70%.

This assumption is based on long-term historical inflation numbers. While near term averages have been higher, we do not believe this trend will continue indefinitely and expect that there will be a reversion to the long-term average.

**Mortality**

Class A:

Retirees – Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Public Safety Employees, for non-annuitants and annuitants, projected to the valuation date with Scale MP-2021, set forward 2 years.

Disabled – Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Public Safety Disabled Retirees, projected to the valuation date with Scale MP-2021.

Survivors – Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Public Safety Contingent Survivors, projected to the valuation date with Scale MP-2021.

Class B:

Retirees – Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for General Employees, for non-annuitants and annuitants, projected to the valuation date with Scale MP-2021, set forward 2 years.

Disabled – Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for General Disabled Retirees, projected to the valuation date with Scale MP-2021, set forward 3 years.

Survivors – Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for General Contingent Survivors, projected to the valuation date with Scale MP-2021, set forward 3 years.

**Mortality improvement**

Projected to date of decrement using Scale MP-2021 (generational).

We have selected this mortality assumption because it is based on the most recently published public retirement mortality study released by the Society of Actuaries.

**Retirement age**

**Class A - Fire**

Completed Years of Service	Rate
<15	0%
15-18	2.5%
19	5%
20-23	20%
24	50%
25	85%
26-29	60%
30+	100%

Compulsory retirement is assumed at age 60.

**Class A - Police**

Completed Years of Service	Rate
<15	0%
15-16	2.5%
17-18	7.5%
19	20%
20-24	40%
25	85%
26-29	60%
30+	100%

Compulsory retirement is assumed at age 60.

**Retirement age (cont.)**

**Class B**

Age	Rate
55-57	3%
58-59	8%
60-61	10%
62	16%
63-64	20%
65-69	30%
70-74	50%
75+	100%

**Termination prior to retirement**

**Class A - Fire**

Completed Years of Service	Rate
<3	10.0%
3	9.0%
4	8.0%
5	7.0%
6	6.0%
7	5.0%
8	4.5%
9	4.0%
10+	0.0%

**Class A - Police**

Completed Years of Service	Rate
<2	12.0%
2	11.0%
3	10.0%
4	9.0%
5	7.0%
6	6.0%
7	5.0%
8	4.0%
9	3.0%
10+	0.0%

**Termination prior to retirement (cont.)**

**Class B** – 110% of the Vaughn Select & Ultimate Withdrawal Table for service prior to 3 years, and 140% of the Vaughn Select & Ultimate Withdrawal Table thereafter.

Sample rates

Age	Completed Years of Service			
	0	1	2	3+
20	32.8%	27.5%	23.1%	26.0%
25	30.6%	24.8%	20.4%	19.0%
30	28.4%	22.0%	17.6%	14.1%
35	26.2%	19.6%	15.2%	11.1%
40	24.0%	17.4%	13.0%	9.1%
45	21.8%	15.5%	11.1%	7.7%
50	19.6%	13.9%	9.5%	6.3%
55	0.0%	0.0%	0.0%	0.0%

**Disability**

Class A Fire: 1985 Pension Disability Study Class 3 Table for Males and Females.

Class A Police: 1985 Pension Disability Study Class 2 Table for Males and Females.

Class B: 60% of 1985 Pension Disability Study Class 1 Table for Males and Females.

The actuarial assumptions in regards to rates of decrement shown above are based on the results of an actuarial experience study for the period July 1, 2017 through June 30, 2022.

**Administrative expenses**

Currently, there is no expense load assumed for administrative expenses.

**Cost of living increases**

2.60%.

**Accrual rate election**

Class A: 80% of retiring members are assumed to elect the no COLA accrual rate and 20% of retiring members are assumed to elect the full COLA accrual rate.

Class B: 70% of retiring members are assumed to elect the no COLA accrual rate and 30% of retiring members are assumed to elect the full COLA accrual rate.

**Payroll growth**

3.10% per year.

**Percent of active employees married**

80%.

**Spouse's age**

Husbands are assumed to be 2 years older than wives.

## Summary of Plan Provisions

*This exhibit summarizes the major provisions of the Plan. It is not intended to be, nor should it be interpreted as a complete statement of all plan provisions. To the extent that this summary does not accurately reflect the plan provisions, then the results of this valuation may not be accurate.*

### **Plan identification**

Single-employer pension plan.

### **Effective date**

July 1, 1954.

### **Average Final Compensation (AFC)**

For Class A Police non-union employees, Class A Police employees hired after January 10, 2011, Class A Fire employees hired after October 7, 2011 Class B AFSCME Local 1343 employees hired after June 7, 2011, Class B IBEW Local 300 employees hired after October 30, 2012 or any employees hired on or after January 1, 2018, it is the average earnable compensation during the highest 5 non-overlapping 12-month periods. For all others, it is the average earnable compensation during the highest 3 non-overlapping 12-month periods.

### **Membership eligibility**

Regular employees of the City of Burlington excluding elective officers other than the mayor and excluding teachers other than certain teachers employed prior to July 1, 1947.

### **Membership classification**

Class A

Members of the Fire and Police Departments not including clerical employees.

Class B

All other members.

### **Service retirement**

Eligibility

Class A

For Police employees hired before July 1, 2006, age 42 and 5 years of creditable service. For Police employees hired after January 10, 2011, age 40 and 20 years of creditable service. For other Police Union employees, age 45 and 5 years of creditable service. For Fire employees hired after January 10, 2011, age 45 and 20 years of creditable service. For Fire Union employees hired on or before January 10, 2011, age 45 and 5 years of creditable service. For all others, age 42 and 5 years of creditable service. Compulsory at age 60.

Class B

Age 55 and 5 years of creditable service.

## Service retirement (continued)

### Amount of Benefit

#### Class A

For Fire employees hired before January 1, 2007 and Police employees hired before July 1, 2006, 2.75% of AFC times creditable service not in excess of 25 years plus 0.50% of AFC times creditable service between 25 and 35 years. For Police employees hired after January 10, 2011, 2.50% of AFC times creditable service not in excess of 20 years plus 5.00% of AFC times creditable service between 20 and 25 years. For Fire employees hired after January 10, 2011, 3.00% of AFC times creditable service not in excess of 25 years plus 0.50% of AFC times creditable service between 25 and 35 years. For all others, 2.65% of AFC times creditable service not in excess of 25 years plus 0.50% of AFC times creditable service between 25 and 35 years. Benefit increased by Cost of Living Adjustment detailed below.

In lieu of this benefit, at the time of retirement, a member may choose either (i) an accrual rate of 3.25% for the first 25 years of creditable service, plus an accrual of 0.50% for creditable service between 25 and 35 years, and a Cost of Living Adjustment equal to one half of the Cost of Living Adjustment detailed below, or (ii) an accrual rate of 3.80% for all years of service prior to June 30, 2006 for the first 25 years, an accrual rate of 3.60% for all years of service commencing July 1, 2006 for the first 25 years, plus an accrual rate of 0.50% for creditable service between 25 and 35 years, and no Cost of Living Adjustment.

A Fire employee hired on or after January 1, 2007 or a Police employee hired on or after July 1, 2006 may only select a benefit with a full Cost of Living Adjustment. Any Fire employee hired after October 5, 2015 cannot receive a pension that exceeds 90% of the employee's average final compensation.

For Police employees hired after January 10, 2011, the above benefits based on AFC and creditable service at retirement are reduced actuarially for the period of time by which retirement precedes age 50.

For all other Police employees, prior to age 55, the above benefit based on AFC and creditable service at retirement is reduced actuarially for the period of time by which retirement precedes the earlier of 25 years of creditable service and age 55. For employees who terminate with 20 to 25 years of creditable service the above benefit based on AFC and creditable service at retirement is reduced by 1.82% for each year that creditable service is less than 25 years.

For Fire employees hired on or after January 10, 2011, who are at least age 45 with 20 years of creditable service, the normal retirement benefit is reduced actuarially for the period of time by which retirement precedes age 50. For employees who terminate with 20 to 25 years of creditable service who retire at age 50 or later, the above benefit based on AFC and creditable service at retirement is reduced by 1.82% for each year that creditable service is less than 25 years. Employees that retire at age 50 with at least 25 years of creditable service receive an unreduced benefit.

For Fire employees hired on or after January 1, 2007 but before January 10, 2011, the normal retirement benefit is reduced actuarially for the period to time by which retirement precedes age 55. For employees who terminate with 20 to 25 years of creditable service and have attained age 48, the above benefit based on AFC and creditable service at retirement is reduced by 1.82% for each year that creditable service is less than 25 years. Employees that retire at age 50 with at least 20 years of creditable service or at age 45 with at least 25 years of creditable service receive an unreduced benefit.

For Fire employees hired before January 1, 2007, the normal retirement benefit is reduced actuarially for the period of time by which retirement precedes the earlier of age 55 or 25 years of creditable service. For employees who terminate with 20 to 25 years of creditable service, the above benefit based on AFC and creditable service at retirement is reduced by 1.82% for each year that creditable service is less than 25 years. Employees that retire at age 45 with at least 25 years of creditable service receive an unreduced benefit.

## Service retirement (continued)

### Class B

For employees hired prior to July 1, 2006 (on or before May 4, 2008 for IBEW): Age 65 and older, the greater of (i) 1.60% of AFC (at age 65) times creditable service not in excess of 25 years plus 0.50% of AFC (at age 65) times creditable service in excess of 25 years or (ii) the actuarial equivalent of the benefit determined at age 65. This benefit will be increased by the Cost of Living Adjustment detailed below.

In lieu of this benefit, at the time of retirement, an IBEW member may choose (i) an accrual rate of 1.90% for all years of service prior on or before May 4, 2008 and an accrual rate of 1.80% for all years of service after May 4, 2008, and a Cost of Living Adjustment equal to one-half of the Cost of Living Adjustment detailed below, or (ii) an accrual rate of 2.20% for all years of service on or before May 4, 2008 and an accrual rate of 2.00% for all years of service after May 4, 2008, and no Cost of Living Adjustment.

In lieu of this benefit, at the time of retirement, a member not in IBEW may choose (i) an accrual rate of 1.90% for all years of service prior to June 30, 2006 for the first 25 years, an accrual rate of 1.80% for all years of service on or after July 1, 2006 for the first 25 years, plus an accrual of 0.50% for creditable service in excess of 25 years, and a Cost of Living Adjustment equal to one-half of the Cost of Living Adjustment detailed below, or (ii) an accrual rate of 2.20% for all years of service prior to June 30, 2006 (on or before May 4, 2008 for IBEW) for the first 25 years, an accrual rate of 2.00% for all years of service on or after July 1, 2006 for the first 25 years, plus an accrual of 0.50% for creditable service in excess of 25 years, and no Cost of Living Adjustment.

For employees hired on or after July 1, 2006 (after May 4, 2008 for IBEW): Age 65 and older, the greater of (i) 1.40% of AFC (at age 65) times creditable service not in excess of 25 years plus 0.50% of AFC (at age 65) times creditable service in excess of 25 years or (ii) the actuarial equivalent of the benefit determined at age 65. This benefit will be increased by the Cost of Living Adjustment detailed below.

An employee hired on or after July 1, 2006 (after May 4, 2008 for IBEW) may only select a benefit with a full Cost of Living Adjustment.

Except for employees detailed below, prior to age 65, the above benefit based on AFC and creditable service at retirement reduced by 2% for each year that retirement precedes age 65. For IBEW employees hired before May 4, 2008, who elect a contribution rate of 4% is elected the early reduction factor is 2% for each year the retirement precedes age 65. For IBEW employees hired before May 4, 2008, who elect a contribution rate of 3% the benefit is reduced by a factor which varies with age. The factor equals 1 at 65 and .4 at 50.

For IBEW employees hired after May 4, 2008, the benefit is reduced by a factor which varies by age. The factor equals 1 at 65 but is equal to .356 at age 55.

For AFSCME Local 1343 employees hired before January 1, 2006 that meet the Rule of 82 by December 7, 2011 but retire later than December 7, 2011, the reduction is 4% per year at ages 55 to 59 for each year under age 65, and the standard 2% per year reduction for ages 60 to 65. For other AFSCME Local 1343 employees retiring after December 7, 2011, there will be full actuarial reduction from ages 55 to 59 and the standard 2% per year reduction for ages 60 to 65.

### **Cost of Living Adjustment**

Benefits increase annually by changes in the Consumer Price Index of more than 1%. For Class A Fire employees retiring after October 5, 2015, Class A Police employees retiring after August 29, 2016, Class B AFSCME employees retiring after October 30, 2015, Class B IBEW employees retiring after March 9, 2016, and all employees retiring after July 1, 2017, the maximum annual increase is 2.75%. For all other members, the maximum annual increase is 5%. Increases are not applicable to deferred vested benefit prior to commencement, survivor income benefit, disability benefit prior to normal retirement age or members who choose to have no cost of living adjustment. For Class B employees that retire after July 1, 2018, the retirement COLA will be determined annually by the BERS Board equal to the CPI-U Northeast Region, with a maximum COLA increase of 2.75%, except that if the funding level of the BERS falls below 81%, the BERS Board may reduce or vote for no COLA for payees prior to age 65 for the upcoming year. For Class A Police employees who retire after February 1, 2019 and Fire employees who retire after March 28, 2019, the retirement COLA will be determined annually by the BERS Board equal to the CPI-U Northeast Region, with a maximum COLA of 2.75%, except that if the Class A funding level of the BERS falls below 73%, the BERS Board may reduce or vote for no COLA for the upcoming year.

### **Service Adjustment**

Class A service for calculation of benefits shall be adjusted such that any Class A employee shall be granted 1.07 years of credit for each year in which the employee worked prior to July 1, 1996, and 1.17 years thereafter, in a position regularly assigned a workweek consisting on average of fifty-three or more hours of work per week.

### **Disability Retirement**

#### Eligibility

All Members. Permanently disabled. Class B AFSCME Local 1343 employees must have 2 years of creditable service to be eligible for disabilities that are not work-related. Class A Fire employees hired after October 7, 2011 must have 1 year of creditable service to be eligible for disabilities that are not work-related. All other employees are immediately eligible.

#### Amount of Benefit

A benefit payable until normal service retirement eligibility (Class A - age 55 and 5 years of creditable service, Class B - age 65 and 5 years of creditable service). For Class A Fire employees hired after October 7, 2011, it is equal to 66 2/3% of the member's earnable compensation less workmen's compensation. For Class B IBEW employees hired after October 20, 2012 and Class B AFSCME employees, it is equal to 66 2/3% of the member's earnable compensation less workmen's compensation and Social Security. For all others, it is equal to 75% of the member's earnable compensation less workmen's compensation and, in the case of Class B, less Social Security.

After normal service retirement eligibility, a service retirement benefit based on AFC at retirement and creditable service at normal service retirement eligibility, including the period while permanently disabled and receiving a disability benefit from the System.

### **Accidental Death**

#### Eligibility

Class A only. Death due to accident while in the performance of duty.

#### Amount of Benefit

A benefit to the spouse until death or remarriage of the greater of (i) 55% of AFC, and (ii) the participant's current accrued retirement benefit. Upon death or remarriage of the spouse, the benefit will be payable to children until age 21.

## **Survivor Income**

### Eligibility

All members. Death in active service.

### Amount of Benefit

#### Class A

30% of compensation during the July preceding death payable to spouse until earlier of death or 2nd anniversary of remarriage. An additional 5% per unmarried child under 21 (maximum additional 10%) is payable until benefits cease or children no longer eligible. If there is no spouse or spouse dies, the benefit is payable to unmarried children under age 21 until earlier of death, marriage or age 21.

#### Class B

30% of compensation during the July preceding death payable to spouse until earlier of death, 2nd anniversary of remarriage or age 62. Upon the spouse's attainment of age 62 (if not remarried) a benefit based on the 50% Joint and Survivor form of payment will be paid to the spouse for life. If there is no spouse or spouse dies, the benefit is payable to unmarried children under age 21 until earlier of death, marriage or age 21.

## **Return of Contributions**

Accumulated contributions returned upon separation with no vested benefits under the plan or upon death with no accidental death benefit payable. Interest will accrue on these contributions at a rate of 5.5% until December 31, 2017 and 2.0% thereafter, or at a higher rate as may be set by the Retirement Board. Interest will only accrue on contributions made after June 30, 1980.

Upon death of a retired member, the excess of his contribution at retirement over the benefits paid will be paid to his beneficiary or estate.

## **Vested Retirement**

### Eligibility

5 years of creditable service.

### Vesting percentage.

100% after 5 years. Prior to July 1, 2017, several groups had a graded vesting schedule of 20% after completion of 3 years of creditable service to 100% after completion of 7 years of creditable service.

### Amount of Benefit

#### Class A

Vesting percentage times the benefit calculated using AFC and creditable service at termination. The benefit is payable commencing at age 55. Member may elect early receipt with reduction as for service retirement prior to age 55.

#### Class B

Vesting percentage times the benefit calculated using AFC and creditable service at termination. The benefit is payable commencing at age 65. Member may elect early receipt with reduction as for service retirement prior to age 65.

## **Survivor Spouse's Pension**

### Eligibility

All members. Death of a terminated member entitled to a vested retirement benefit prior to commencement of such benefit.

### Amount of Benefit

50% of reduced accrued benefit reflecting the 50% Joint and Survivor form of payment (ages as of date payments commence) payable at member's early retirement date. Spouse may elect to receive payments later than member's early retirement date with no reduction for receipt at member's 65th birthday.

## **Offsets on Benefits**

Disability and accidental death benefits are offset by workmen's compensation paid for the same disability or death.

## **Employee Contributions**

### Class A

11.0% of earnable compensation for Class A employees for the first 35 years of creditable service, and none thereafter.

Class A employees shall contribute to the BERS a percentage of their salary. The total contribution required from both the City and employees will be based on the annual system valuation prepared by the City's actuaries. Effective retroactive to July 1, 2018, employees shall contribute a percentage so that all employees are contributing 28% (and the City is contributing 72%) of the total contribution required. For Fiscal Year 2019, this means that each Class A employee contributed 12.69% of the employee's base pay. The individual employee contribution for each subsequent fiscal year will be determined prior to the beginning of the fiscal year.

Effective July 1, 2020, employees shall contribute a percentage so that all employees are contributing 29% (and the City is contributing 71%) of the total contribution required.

Effective July 1, 2021, employees shall contribute a percentage so that all employees are contributing 30% (and the City is contributing 70%) of the total contribution required.

### Class B

Member contributions for Class B employees, who elected to continue to be eligible for early retirement benefits at 2% per year deduction between ages 55 and 65, in accordance with the 2006-2009 collective bargaining agreement will be 4.8% in fiscal year 2016-2017, and 5.2% beginning with fiscal year 2017-2018. Member contributions for all other Class B employees will be will be 3.8% in fiscal year 2016-2017, and 4.2% beginning with fiscal year 2017-2018.

Class B employees shall contribute to the BERS a percentage of their annual salary. The total contribution required from both the City and employees will be based on the annual system valuation prepared by the City's actuaries.

Effective retroactive to July 1, 2018, employees shall contribute a percentage so that all employees are contributing 28% (and the City is contributing 72%) of the total contribution required. For Fiscal Year 2019, this shall mean that the contribution rate for a Class B employee was 4.41% of the employee's base pay.

**Employee Contributions (continued)**

Effective July 1, 2022, employees shall contribute a percentage so that all employees are contributing 30% (and the City is contributing 70%) of the total contribution required.

Notwithstanding the above, an individual Class A Fire employee's contribution shall not exceed 14% of their eligible wages in Fiscal Years 2023, 2024, and 2025.

Notwithstanding the above, an individual Class B employee's contribution shall not exceed 7% of their eligible wages in Fiscal Years 2023, 2024, 2025, and 2026.



# Burlington Employees' Retirement System

REVIEW OF THE JULY 1, 2024 ACTUARIAL VALUATION

**Robert P. Lessard, ASA, MAAA, Enrolled Actuary**  
Assistant Vice President, Consulting Actuary  
USI Consulting Group  
May 19, 2025

**Steve A. Lemanski, FSA, FCA, MAAA, Enrolled Actuary**  
Partner | Vice President, Senior Consulting Actuary



# Today's Agenda

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- 1 Purpose of the Valuation
- 2 Summary of Results – Overview
- 3 Valuation Results – Executive Summary
- 4 Funded Status
- 5 Employer Contribution (ADEC)
- 6 Asset Information

# Purpose of the Valuation

The ultimate cost of a pension plan is based primarily on the level of benefits promised by the plan. The pension fund's investment earnings serve to reduce the cost of plan benefits and expenses. Thus,

$$\text{City's Ultimate cost} = \text{Benefits Paid} + \text{Expenses Incurred} - \text{Investment Return} - \text{Employee Contributions}$$

- Actuarial Valuation utilizes an actuarial cost method to assign a portion of this “ultimate cost” to the budget year. The valuation does not determine the cost of the plan but is a tool used to determine the appropriate level of City contributions.
- Actuarially Determined Employer Contribution (ADEC) developed from the valuation is comprised of two components: amortization of unfunded liability (*currently 20-year “layered” amortization*) & normal cost (assignment of benefits “earned” for the budget year).

# Summary of Results - Overview

- Funded Ratio (Assets divided by Actuarial Liability) is 66.3%, vs. 66.9% for 2023
- Plan's Funded Ratio compares with 76.0% in NASRA survey for FYE 2023
- Actuarially Determined Employer Contribution (ADEC) is \$15.479 M (FY 2025-26), vs. \$14.243 M (FY 2024-25)
- Asset experience – +7.2% actuarial (5-year smoothed) return, vs. the 7.1% assumption (12.8% on a market value basis) : *ADEC impact* : - \$32K
- Assumption changes – none
- Other plan experience:
  - Salary increases : *ADEC impact* : + \$540K
  - Retirements, terminations, disabilities and mortality : *ADEC impact* : + \$454K
  - Expected increase in normal cost (continuing actives) : *ADEC impact*: + \$121K
  - COLA increases (continuing retirees) : *ADEC impact*: + \$117K
  - New entrants : *ADEC impact* : + \$34K

# Assumption Discussion

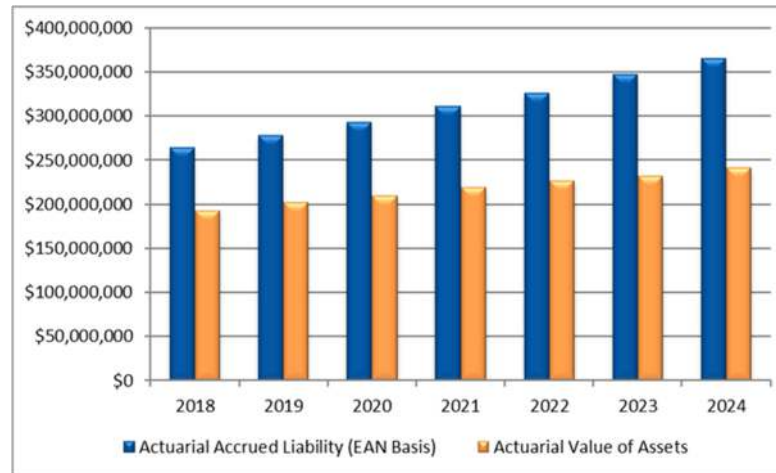
- **Investment return** – The assumption remains at 7.10% for the 2024 actuarial valuation. Median for CT public sector pension plans (USI survey based on FYE 2023 CAFRs) is 6.50% (average is 6.43% for all plans; 6.71% for plans with \$50+ million in assets). 8% of plans in the USI survey lowered the investment return assumption from June 30, 2022 to June 30, 2023. NASRA survey (November 2024) shows average assumption of 6.91% (median 7.00%) for large public sector pension funds.
- **Mortality projection scale** – There was *not* an annual mortality projection scale update published for 2024 by the Society of Actuaries. Mortality projection scale is used to estimate how life expectancies are expected to change in the future. This is used in conjunction with the underlying mortality table, which reflects estimated life expectancies today.

# Valuation Results – Executive Summary

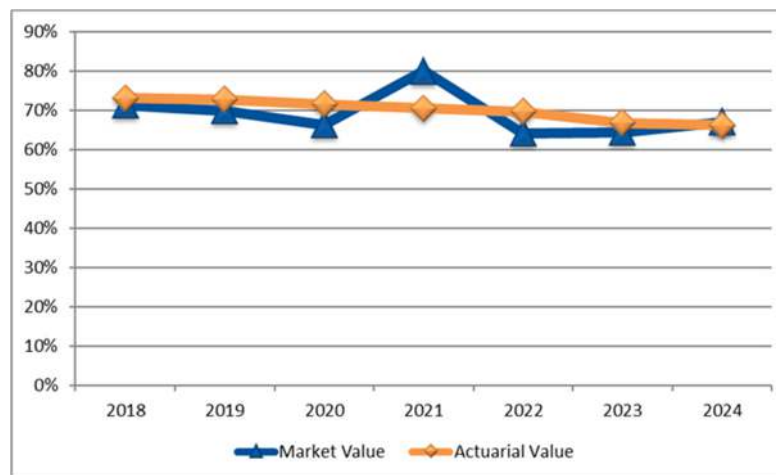
	June 30, 2024			June 30, 2023		
	Class A	Class B	Total	Class A	Class B	Total
<b>Number of members</b>						
Active employees	162	760	922	160	763	923
Terminated vested members	30	340	370	31	358	389
Vested in employee contributions only	30	407	437	24	355	379
Retired, disabled and beneficiaries	218	676	894	217	658	875
Total	440	2,183	2,623	432	2,134	2,566
<b>Covered employee payroll</b>	13,113,308	50,906,355	64,019,663	11,685,113	46,967,315	58,652,428
<b>Average plan salary</b>	80,946	66,982	69,436	73,032	61,556	63,545
<b>Actuarial present value of future benefits</b>	205,415,351	218,776,165	424,191,516	193,575,065	209,305,325	402,880,390
<b>Actuarial accrued liability</b>	171,415,164	193,529,063	364,944,227	162,527,797	184,722,081	347,249,878
<b>Plan assets</b>						
Market value of assets	110,857,257	134,064,074	244,921,331	100,055,156	123,599,082	223,654,238
Actuarial value of assets	109,471,149	132,387,799	241,858,948	103,910,050	128,361,068	232,271,118
<b>Unfunded accrued liability</b>	61,944,015	61,141,264	123,085,279	58,617,747	56,361,013	114,978,760
<b>Funded ratio</b>	63.9%	68.4%	66.3%	63.9%	69.5%	66.9%
<b>Actuarially determined employer contribution (ADEC)</b>						
Fiscal year ending	2026	2026	2026	2025	2025	2025
ADEC	8,293,582	7,184,926	15,478,508	7,651,246	6,592,054	14,243,300

# Funded Status – Trends

Actuarial Accrued Liability vs. Actuarial Value of Assets



Funded Ratio



# Funded Status – Breakdown by Class A & B

## Development of Unfunded Accrued Liability and Funded Ratio

	June 30, 2024			June 30, 2023		
	Class A	Class B	Total	Class A	Class B	Total
Actuarial accrued liability for inactive members						
Retired, disabled and beneficiaries	\$111,131,689	\$111,574,279	\$222,705,968	\$107,454,674	\$105,885,423	\$213,340,097
Terminated vested members	2,931,943	10,775,576	13,707,519	2,908,661	11,735,265	14,643,926
Due refund of employee contributions only	444,165	1,652,858	2,097,023	272,096	1,454,521	1,726,617
Total	114,507,797	124,002,713	238,510,510	110,635,431	119,075,209	229,710,640
Actuarial accrued liability for active employees	56,907,367	69,526,350	126,433,717	51,892,366	65,646,872	117,539,238
Total actuarial accrued liability	171,415,164	193,529,063	364,944,227	162,527,797	184,722,081	347,249,878
Actuarial value of assets	109,471,149	132,387,799	241,858,948	103,910,050	128,361,068	232,271,118
Unfunded accrued liability	61,944,015	61,141,264	123,085,279	58,617,747	56,361,013	114,978,760
Funded ratio	63.9%	68.4%	66.3%	63.9%	69.5%	66.9%

# Asset Information – FYE 2024 Reconciliation

Summary of Fund Activity		
	Market Value	Actuarial Value
<b>1. Beginning value of assets June 30, 2023</b>		
Trust assets	\$223,654,238	\$232,271,118
<b>2. Contributions</b>		
City contributions during year	11,716,667	11,716,667
Employee contributions during year	3,992,236	3,992,236
Total for plan year	15,708,903	15,708,903
<b>3. Disbursements</b>		
Benefit payments during year	22,082,080	22,082,080
Administrative expenses during year	648,900	648,900
Total for plan year	22,730,980	22,730,980
<b>4. Net investment return</b>		
Interest and dividends	6,633,128	N/A
Realized and unrealized gain / (loss)	21,878,134	N/A
Expected return	N/A	15,635,803
Recognized gain / (loss)	N/A	974,104
Required adjustment due to corridor	N/A	0
Reversal of prior year required adjustment	N/A	0
Investment-related expenses	(222,092)	N/A
Total for plan year	28,289,170	16,609,907
<b>5. Ending value of assets June 30, 2024</b>		
Trust assets: (1) + (2) - (3) + (4)	244,921,331	241,858,948
<b>6. Approximate rate of return</b>	12.8%	7.2%

# Actuarial vs. Market Value of Assets

Relationship of Actuarial Value to Market Value	
1. Market value 6/30/2024	\$244,921,331
2. Gain / (loss) not recognized in actuarial value 6/30/2024	3,062,383
3. Preliminary actuarial value 6/30/2024: (1) - (2)	241,858,948
4. Preliminary actuarial value as a percentage of market value: (3) ÷ (1)	98.7%
5. Gain / (loss) recognized for corridor minimum / maximum	N/A
6. Actuarial value 6/30/2024 after corridor minimum / maximum: (3) + (5)	241,858,948
7. Actuarial value as a percentage of market value: (6) ÷ (1)	98.7%

Development of Market Value Gain / Loss for 2023-2024 Plan Year	
1. Market value 6/30/2023	\$223,654,238
2. City contributions	11,716,667
3. Employee contributions	3,992,236
4. Benefit payments	22,082,080
5. Administrative expenses	648,900
6. Expected return at 7.10%	15,635,803
7. Expected value 6/30/2024: (1) + (2) + (3) - (4) - (5) + (6)	232,267,964
8. Market value 6/30/2024	244,921,331
9. Market value gain / (loss) for 2023-2024 plan year: (8) - (7)	12,653,367

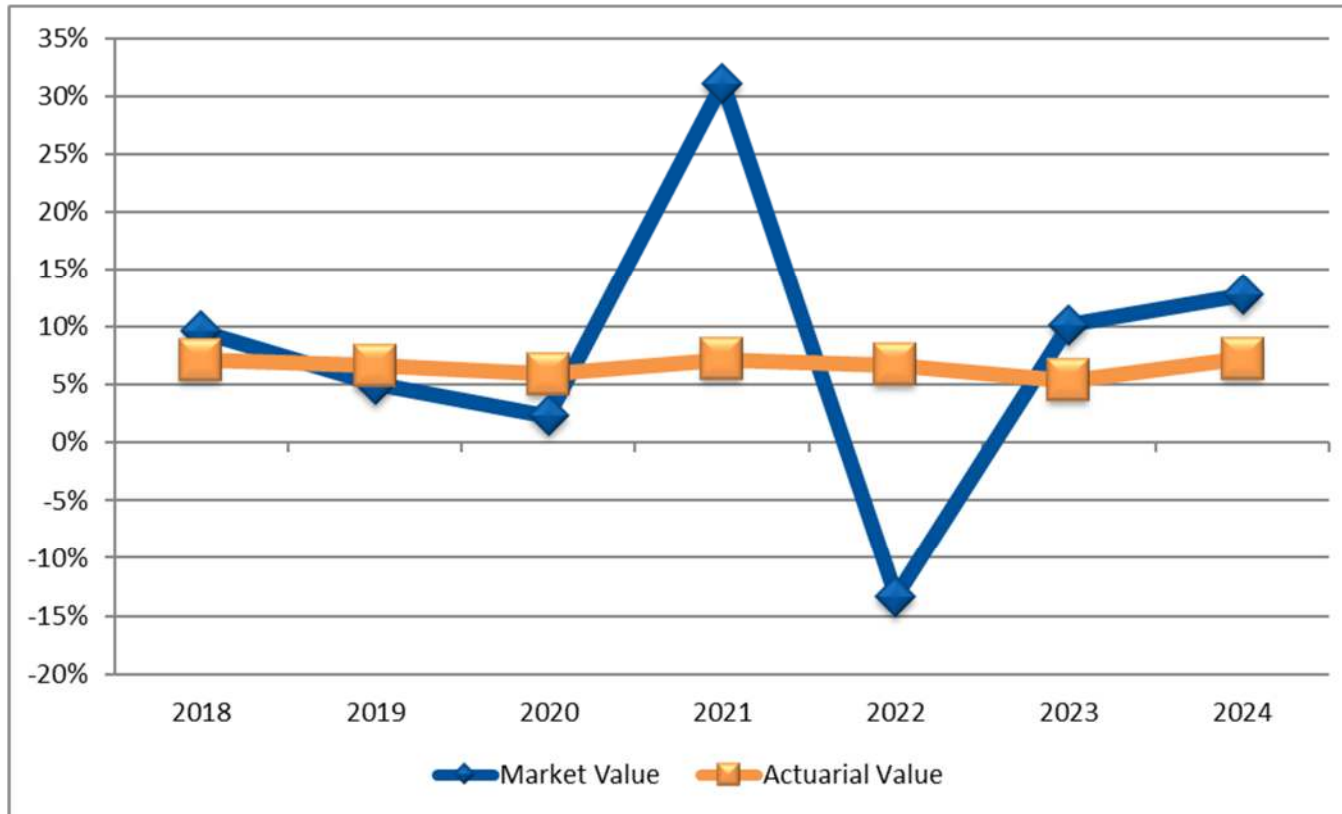
Recognition of Gain / Loss in Actuarial Value					
Year	(a) Gain / (loss)	(b) Total recognized as of 6/30/2023	(c) Recognized in current year: 20% of (a)	(d) Total recognized as of 6/30/2024: (b) + (c)	(e) Not recognized as of 6/30/2024: (a) - (d)
2019-2020	(\$9,744,015)	(\$7,795,214)	(\$1,948,801)	(\$9,744,015)	\$0
2020-2021	45,779,498	27,467,700	9,155,900	36,623,600	9,155,898
2021-2022	(50,373,977)	(20,149,590)	(10,074,795)	(30,224,385)	(20,149,592)
2022-2023	6,555,637	1,311,127	1,311,127	2,622,254	3,933,383
2023-2024	12,653,367	0	2,530,673	2,530,673	10,122,694
Total			974,104		3,062,383

# Asset Returns – Trends

Rate of Return on Market Value of Assets				
Period Ending June 30	Average Annual Effective Rate of Return			
	1 Year	3 Years	5 Years	10 Years
2015	-1.7%	6.4%	8.2%	5.4%
2016	-1.3%	3.7%	3.8%	4.2%
2017	14.1%	3.4%	6.3%	3.9%
2018	9.6%	7.3%	6.9%	5.7%
2019	5.1%	9.5%	5.0%	8.6%
2020	2.3%	5.6%	5.8%	7.0%
2021	31.1%	12.1%	12.0%	7.8%
2022	-13.3%	5.1%	6.0%	6.1%
2023	10.2%	7.8%	6.1%	6.5%
2024	12.8%	2.5%	7.6%	6.3%

Rate of Return on Actuarial Value of Assets				
Period Ending June 30	Average Annual Effective Rate of Return			
	1 Year	3 Years	5 Years	10 Years
2015	7.8%	8.3%	6.3%	5.6%
2016	4.4%	7.7%	6.3%	5.6%
2017	6.5%	6.2%	7.2%	5.2%
2018	7.1%	6.0%	7.3%	5.1%
2019	6.6%	6.7%	6.5%	5.7%
2020	5.9%	6.6%	6.1%	6.2%
2021	7.2%	6.6%	6.7%	6.5%
2022	6.7%	6.6%	6.7%	6.9%
2023	5.4%	6.4%	6.4%	6.8%
2024	7.2%	6.4%	6.5%	6.5%

# Asset Returns – Trends





**Thank you!**



This information is provided solely for educational purposes and is not to be construed as investment, legal or tax advice. Prior to acting on this information, we recommend that you seek independent advice specific to your situation from a qualified investment/legal/tax professional.

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## City of Burlington Employees Retirement System

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### Monthly Performance Update - April 2025

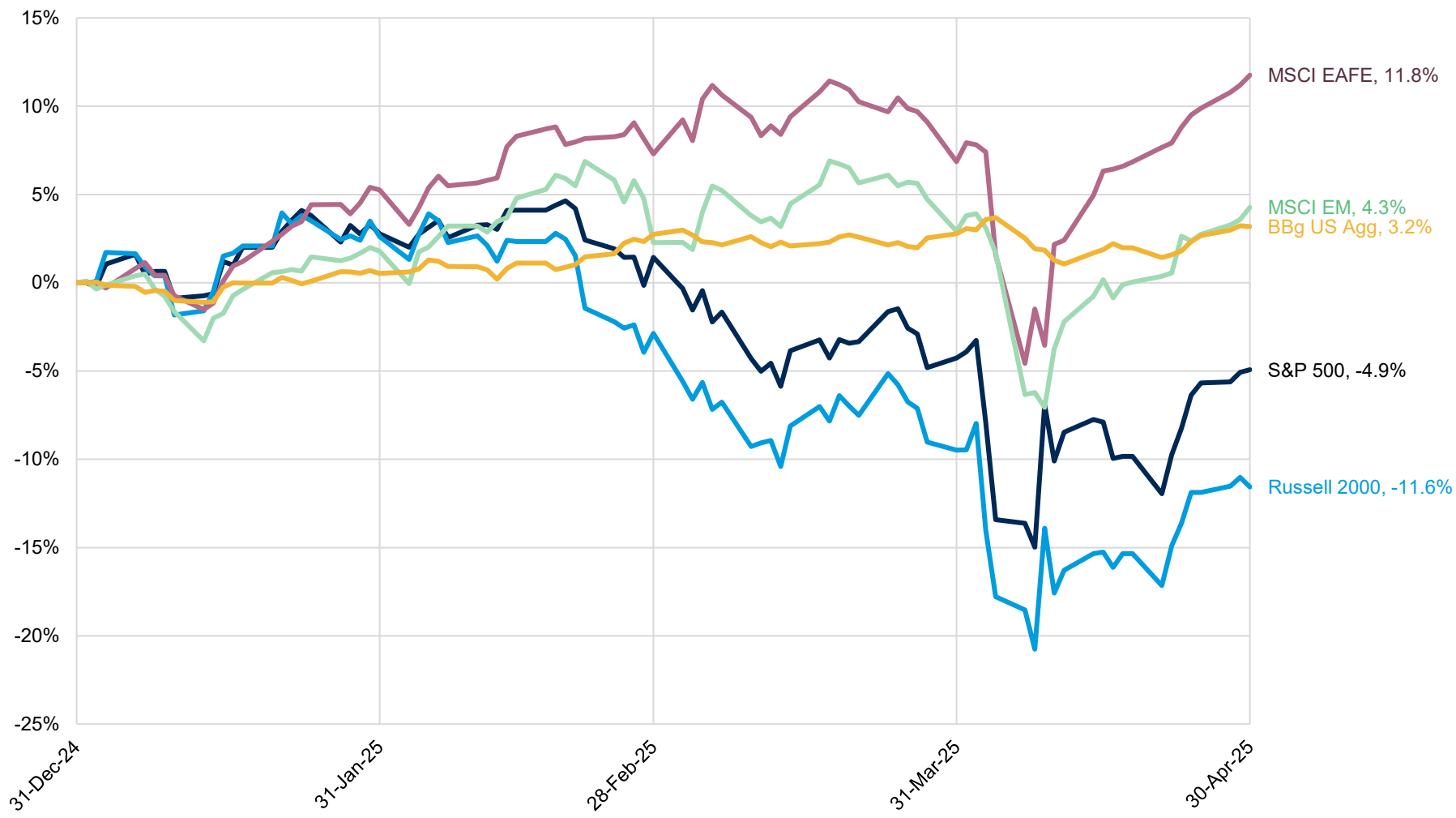
*This report is intended for the exclusive use of clients or prospective clients (the "recipient") of Fiducient Advisors and the information contained herein is confidential and the dissemination or distribution to any other person without the prior approval of Fiducient Advisors is strictly prohibited. Information has been obtained from sources believed to be reliable, though not independently verified. Any forecasts are hypothetical and represent future expectations and not actual return volatilities and correlations will differ from forecasts. This report does not represent a specific investment recommendation. The opinions and analysis expressed herein are based on Fiducient Advisor research and professional experience and are expressed as of the date of this report.*

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# Market Performance

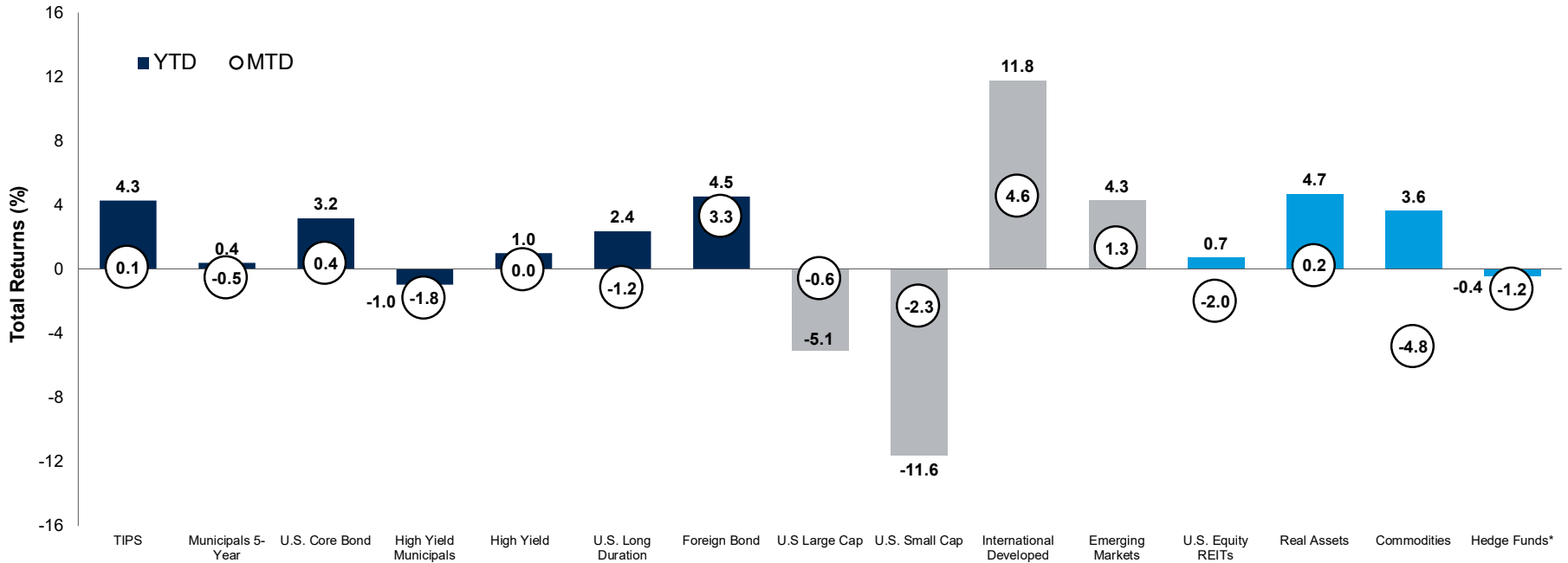
## 2025 YTD Performance – April 30<sup>th</sup>



Source: FactSet. As of April 30, 2025



# Asset Class Performance



Source: Morningstar Direct. As of April 30, 2025. \*Hedge fund returns are as of March 31, 2025.

## Fixed Income (April)

+ It was another volatile month for interest rates as investors continued to digest the potential impact of foreign policy on future inflation and growth. Core bonds eked out a modest gain in the month.

+/- Credit markets were not immune to the volatility. High yield bonds produced a flat return in April despite widening credit spreads. Weakness in the energy sector was a large detractor.

- Long duration assets lagged as the yield curve steepened over the course of the month.

## Equity (April)

- “Liberation Day” marked an extreme shift in U.S. trade policy as the administration implemented 10% universal tariffs. U.S. markets experienced a sharp decline early in the month before clawing their way back to end modestly below where they began.

+ International markets continued to shine and extended their lead over domestic equities year-to-date. Favorable local market performance was further supported by a declining U.S. dollar, which fell almost 5% during April.

## Real Asset / Alternatives (April)

+ U.S. equity REITs declined and underperformed the broader equity market. Interest rate volatility and a rise in longer dated yields weighed on the asset class.

+ Real assets edged out a slight gain in the month, driven by favorable returns within infrastructure and inflation linked assets.

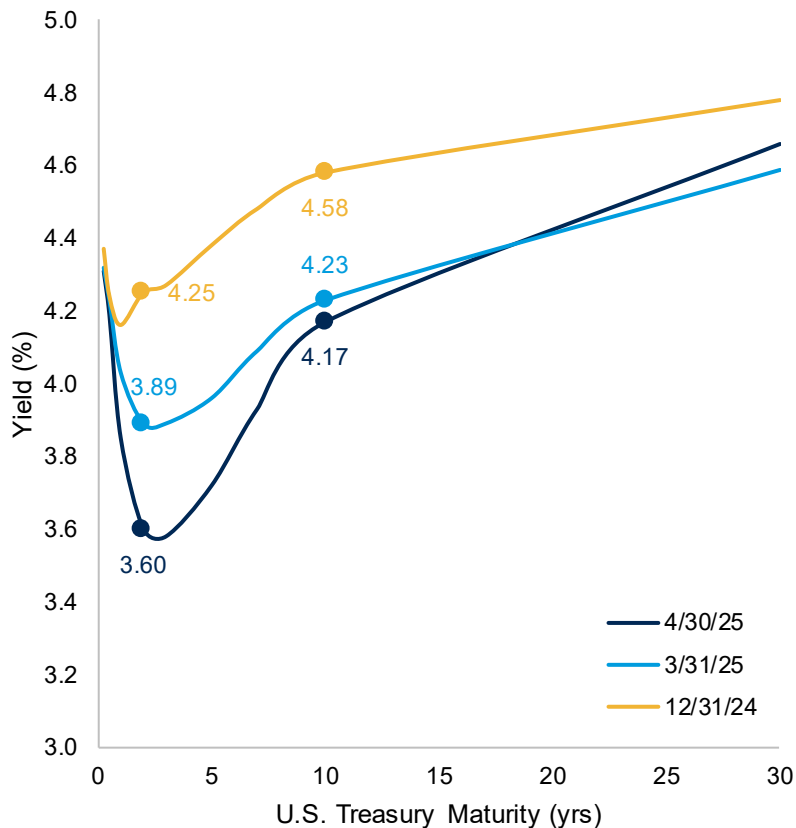
- Commodities were among the weakest asset classes during April. Energy and industrial metals were the primary detractors.



# Fixed Income Market Update

## U.S. Treasury Yield Curve

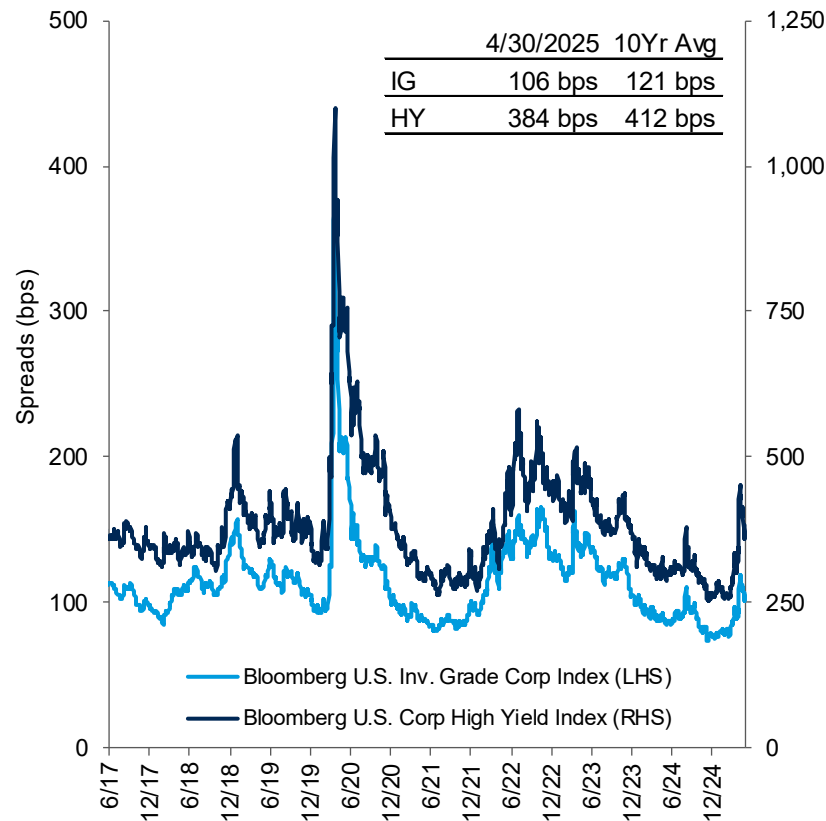
U.S. fixed income markets saw a significant steepening in the belly of the curve during the month as the 2-year yield fell almost 30 basis points. Longer dated assets struggled as concerns of a weak auction, rising inflation expectations, pressure from foreign sellers and the unwinding of hedge fund trades pushed long Treasury yields higher.



Source: FactSet. As of April 30, 2025.

## Corporate Credit Spreads – Trailing 5 Years (April)

Credit markets were volatile in the month and both investment grade and high yield spreads moved wider. Growing uncertainty surrounding the tariff impact on corporate fundamentals took hold. Despite the move higher in spreads and growing concerns of an economic slowdown, valuations still flash as expensive (i.e., spreads remain below their longer-term averages).



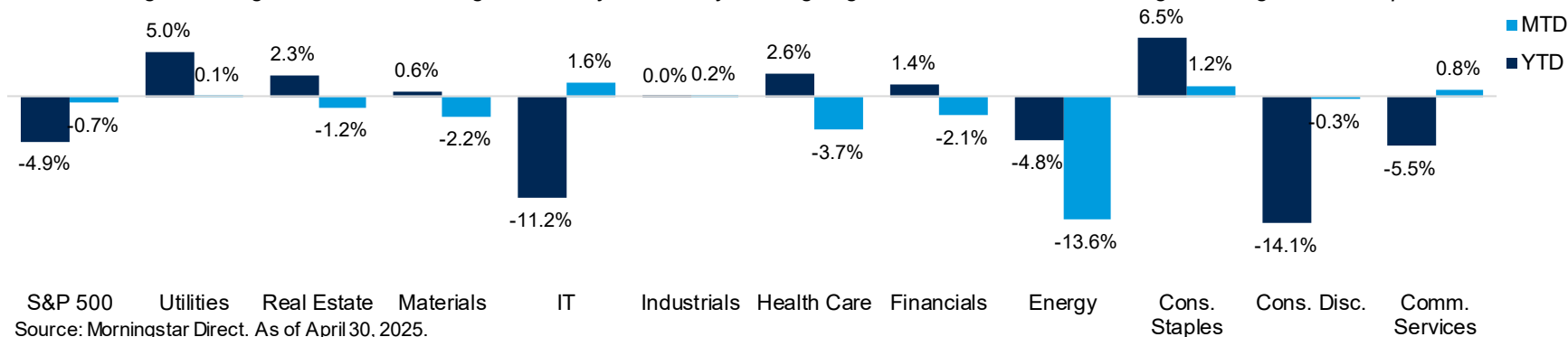
Source: FactSet. As of April 30, 2025.



# Equity Market Update

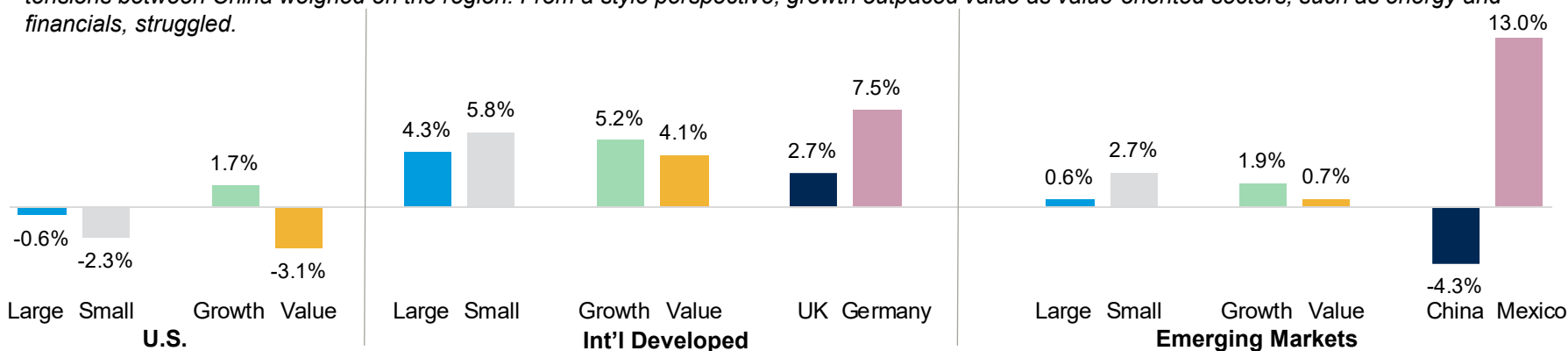
## U.S. Equities – Returns by Sector (April)

The S&P 500 fell during April, marking the third straight month of negative returns. A modest reversal in growth-oriented segments, such as information technology, was not enough to offset weak returns in energy, financials and health care. Energy was the leading detractor as commodity markets moved lower. Q1 earnings season is underway and, while still early, initial earnings metrics look favorable. However, many companies have been removing forward guidance due to rising uncertainty created by the ongoing tariff situation, further fueling declining business optimism.



## Market Capitalization, Style, and Select Country Performance (April)

Non-U.S. equities outperformed domestic equities during the month. Strong results in Europe, notably Germany, helped propel developed markets higher. In emerging regions, Mexico rallied as tariff attention shifted away from North America to other regions globally, while the ongoing trade tensions between China weighed on the region. From a style perspective, growth outpaced value as value-oriented sectors, such as energy and financials, struggled.

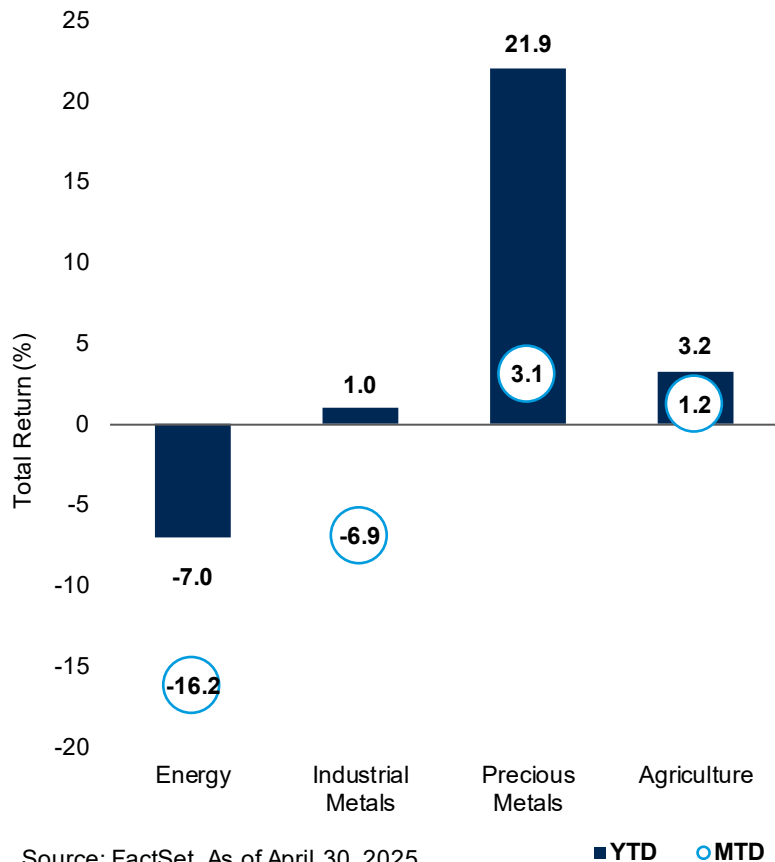




# Real Asset Market Update

## Commodity Performance (April)

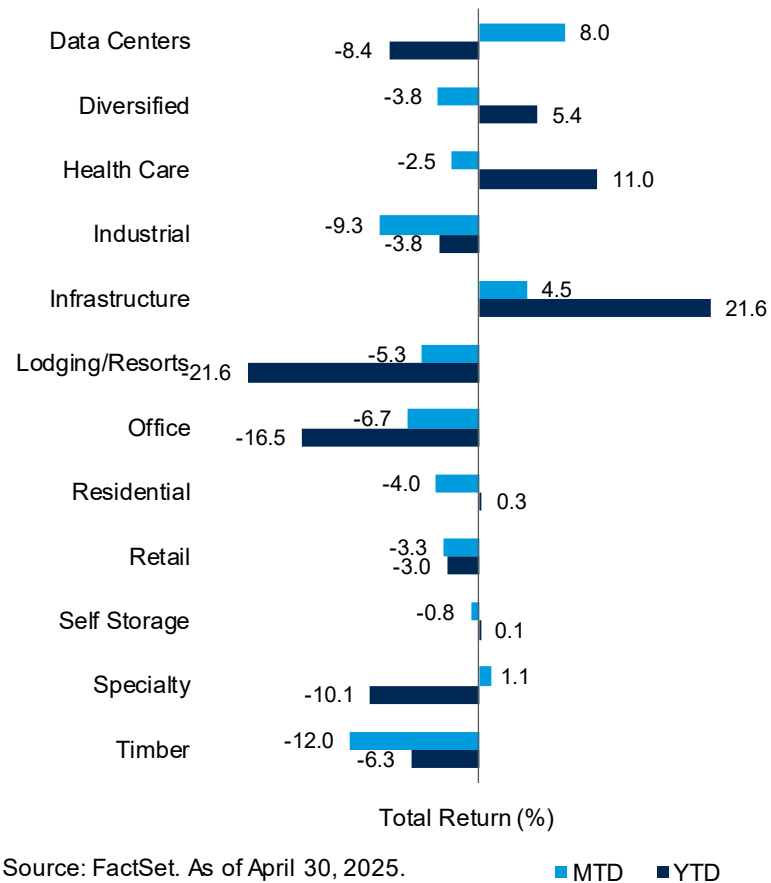
Commodity markets struggled in April as investors grappled with foreign trade policy uncertainty and the potential impact it may have on the global economy. The energy component was the driving negative force. WTI crude oil prices fell from over \$70 to below \$60, for the first time since April 2021, as investors anticipated future supply increases from OPEC and reduced global demand should economic activity slow.



Source: FactSet. As of April 30, 2025.

## REIT Sector Performance (April)

Elevated volatility and a move higher in longer dated interest rates were headwinds for REITs during the month. More cyclically oriented areas, such as industrials and lodging/resorts, came under pressure amidst the growing uncertainty and reduced outlook for global economic growth.



Source: FactSet. As of April 30, 2025.



# Financial Markets Performance

**Total Return as of April 30, 2025**  
**Periods greater than one year are annualized**  
**All returns are in U.S. dollar terms**

<b>Global Fixed Income Markets</b>	<b>MTD</b>	<b>YTD</b>	<b>1YR</b>	<b>3YR</b>	<b>5YR</b>	<b>7YR</b>	<b>10YR</b>	<b>15YR</b>
Bloomberg 1-3-Month T-Bill	0.4%	1.4%	4.9%	4.4%	2.7%	2.5%	1.9%	1.3%
Bloomberg U.S. TIPS	0.1%	4.3%	8.1%	0.8%	1.8%	3.1%	2.5%	2.9%
Bloomberg Municipal Bond (5 Year)	-0.5%	0.4%	2.8%	2.5%	1.2%	1.9%	1.6%	2.2%
Bloomberg High Yield Municipal Bond	-1.8%	-1.0%	4.4%	3.5%	4.7%	3.8%	4.1%	5.2%
Bloomberg U.S. Aggregate	0.4%	3.2%	8.0%	2.0%	-0.7%	1.7%	1.5%	2.4%
Bloomberg U.S. Corporate High Yield	0.0%	1.0%	8.7%	6.2%	6.3%	4.8%	4.9%	6.0%
Bloomberg Global Aggregate ex-U.S. Hedged	1.5%	1.3%	6.7%	3.4%	0.9%	2.3%	2.4%	3.1%
Bloomberg Global Aggregate ex-U.S. Unhedged	5.1%	7.8%	9.5%	0.5%	-1.8%	-1.2%	0.1%	0.5%
Bloomberg U.S. Long Gov / Credit	-1.2%	2.4%	6.4%	-1.7%	-4.8%	0.6%	1.1%	3.7%
<b>Global Equity Markets</b>	<b>MTD</b>	<b>YTD</b>	<b>1YR</b>	<b>3YR</b>	<b>5YR</b>	<b>7YR</b>	<b>10YR</b>	<b>15YR</b>
S&P 500	-0.7%	-4.9%	12.1%	12.2%	15.6%	13.1%	12.3%	13.0%
Dow Jones Industrial Average	-3.1%	-3.9%	9.5%	9.4%	13.0%	10.0%	11.0%	11.7%
NASDAQ Composite	0.9%	-9.5%	12.2%	13.2%	15.3%	14.8%	14.5%	15.1%
Russell 3000	-0.7%	-5.4%	11.4%	11.4%	15.1%	12.3%	11.7%	12.6%
Russell 1000	-0.6%	-5.1%	11.9%	11.9%	15.4%	12.8%	12.0%	12.8%
Russell 1000 Growth	1.8%	-8.4%	14.5%	15.6%	17.2%	16.3%	15.3%	15.3%
Russell 1000 Value	-3.0%	-1.0%	8.6%	7.6%	13.0%	8.7%	8.4%	10.0%
Russell Mid Cap	-1.0%	-4.4%	7.3%	7.1%	13.0%	9.0%	8.8%	10.9%
Russell Mid Cap Growth	3.4%	-4.0%	13.7%	11.7%	12.3%	11.2%	10.6%	12.2%
Russell Mid Cap Value	-2.5%	-4.5%	5.2%	5.0%	13.2%	7.3%	7.5%	9.8%
Russell 2000	-2.3%	-11.6%	0.9%	3.3%	9.9%	4.9%	6.3%	8.4%
Russell 2000 Growth	-0.6%	-11.7%	2.4%	5.1%	7.6%	4.9%	6.4%	9.2%
Russell 2000 Value	-4.0%	-11.4%	-0.7%	1.4%	11.7%	4.4%	5.9%	7.4%
MSCI ACWI	0.9%	-0.4%	11.8%	10.3%	13.1%	9.1%	8.6%	8.9%
MSCI ACWI ex. U.S.	3.6%	9.0%	11.9%	8.0%	10.1%	4.8%	4.8%	5.2%
MSCI EAFE	4.6%	11.8%	12.6%	10.1%	11.4%	5.7%	5.4%	6.1%
MSCI EAFE Growth	5.2%	7.4%	6.6%	7.0%	8.1%	5.5%	5.6%	6.4%
MSCI EAFE Value	4.1%	16.1%	18.6%	13.1%	14.5%	5.5%	5.0%	5.5%
MSCI EAFE Small Cap	5.8%	9.7%	12.4%	5.3%	9.0%	3.1%	5.5%	6.8%
MSCI Emerging Markets	1.3%	4.3%	9.0%	3.8%	6.3%	1.8%	3.1%	3.1%
<b>Alternatives</b>	<b>MTD</b>	<b>YTD</b>	<b>1YR</b>	<b>3YR</b>	<b>5YR</b>	<b>7YR</b>	<b>10YR</b>	<b>15YR</b>
Consumer Price Index*	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
FTSE NAREIT All Equity REITs	-2.0%	0.7%	16.3%	-1.1%	7.3%	6.5%	6.0%	8.3%
S&P Real Assets	0.2%	4.7%	11.1%	2.5%	7.7%	4.6%	4.0%	5.3%
FTSE EPRA NAREIT Developed	1.0%	2.9%	12.7%	-1.1%	6.0%	3.0%	3.2%	5.8%
FTSE EPRA NAREIT Developed ex U.S.	7.8%	11.6%	9.1%	-2.3%	2.2%	-0.6%	0.8%	3.7%
Bloomberg Commodity Total Return	-4.8%	3.6%	4.1%	-3.7%	13.7%	4.3%	1.7%	-0.6%
HFRI Fund of Funds Composite*	-1.2%	-0.4%	4.3%	3.9%	7.1%	4.2%	3.5%	3.5%
HFRI Asset Weighted Composite*	-0.8%	0.5%	4.1%	4.0%	7.2%	4.2%	3.6%	4.4%
Alerian MLP	-8.8%	2.6%	13.5%	21.2%	27.0%	10.8%	3.9%	7.2%

Sources: Morningstar, FactSet. As of April 30, 2025. \*Consumer Price Index and HFRI indexes as of March 31, 2025.



# Asset Allocation

Total Plan

As of April 30, 2025

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
<b>Total Plan</b>	<b>251,484,690</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
Pension Benefits Payable to the City	-4,761,156	-1.9	0.0	-1.9
<b>Total Invested Assets</b>	<b>256,245,846</b>	<b>101.9</b>	<b>100.0</b>	<b>1.9</b>
<b>Short Term Liquidity</b>	<b>192,196</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>
Key Bank Cash Portfolio	133,969	0.1	0.0	0.1
First American Govt Oblig Fund Z	58,227	0.0	0.0	0.0
<b>Fixed Income</b>	<b>67,760,254</b>	<b>26.9</b>	<b>27.0</b>	<b>-0.1</b>
JIC Core Bond Fund I	50,219,899	20.0	20.0	0.0
BlackRock Strategic Income Opportunities K	17,540,355	7.0	7.0	0.0
<b>Equity</b>	<b>177,545,842</b>	<b>70.6</b>	<b>68.5</b>	<b>2.1</b>
<b>Domestic Equity</b>	<b>106,859,134</b>	<b>42.5</b>	<b>43.0</b>	<b>-0.5</b>
Mellon Large Cap Core	84,130,643	33.5	33.0	0.5
Mellon Smid Cap Core	22,728,491	9.0	10.0	-1.0
<b>International Equity</b>	<b>70,139,877</b>	<b>27.9</b>	<b>25.5</b>	<b>2.4</b>
Mellon EAFE Fund	51,475,875	20.5	18.0	2.5
Mellon Emerging Markets	18,664,001	7.4	7.5	-0.1
<b>Private Equity</b>	<b>546,831</b>	<b>0.2</b>	<b>0.0</b>	<b>0.2</b>
Hamilton Lane II	624	0.0	-	-
Hamilton Lane VII A	391,261	0.2	-	-
Hamilton Lane VII B	154,946	0.1	-	-
<b>Real Assets</b>	<b>10,747,554</b>	<b>4.3</b>	<b>4.5</b>	<b>-0.2</b>
UBS Trumbull Property Fund	7,660,226	3.0	3.0	0.0
DWS RREEF Real Assets R6	3,087,328	1.2	1.5	-0.3

**Valuations data as of:**

Valuations data as of:

Hamilton Lane VII - 9/30/2024

Hamilton Lane II - 12/31/2024

UBS Trumbull Property Fund - 3/31/2025

All private equity and real estate assets are adjusted for any subsequent capital activity.

Investments with a zero balance were held in the portfolio during the reporting period and will be removed once they no longer impact portfolio performance. Asset Allocation weightings may not add up to 100% due to rounding.



# Asset Allocation

Total Invested Assets

As of April 30, 2025

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
<b>Total Invested Assets</b>	<b>256,245,846</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
<b>Short Term Liquidity</b>	<b>192,196</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>
Key Bank Cash Portfolio	133,969	0.1	0.0	0.1
First American Govt Oblig Fund Z	58,227	0.0	0.0	0.0
<b>Fixed Income</b>	<b>67,760,254</b>	<b>26.4</b>	<b>27.0</b>	<b>-0.6</b>
JIC Core Bond Fund I	50,219,899	19.6	20.0	-0.4
BlackRock Strategic Income Opportunities K	17,540,355	6.8	7.0	-0.2
<b>Equity</b>	<b>177,545,842</b>	<b>69.3</b>	<b>68.5</b>	<b>0.8</b>
<b>Domestic Equity</b>	<b>106,859,134</b>	<b>41.7</b>	<b>43.0</b>	<b>-1.3</b>
Mellon Large Cap Core	84,130,643	32.8	33.0	-0.2
Mellon Smid Cap Core	22,728,491	8.9	10.0	-1.1
<b>International Equity</b>	<b>70,139,877</b>	<b>27.4</b>	<b>25.5</b>	<b>1.9</b>
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Hamilton Lane II	624	0.0	-	-
Hamilton Lane VII A	391,261	0.2	-	-
Hamilton Lane VII B	154,946	0.1	-	-
<b>Real Assets</b>	<b>10,747,554</b>	<b>4.2</b>	<b>4.5</b>	<b>-0.3</b>
UBS Trumbull Property Fund	7,660,226	3.0	3.0	0.0
DWS RREEF Real Assets R6	3,087,328	1.2	1.5	-0.3

**Valuations data as of:**

Valuations data as of:

Hamilton Lane VII - 9/30/2024

Hamilton Lane II - 12/31/2024

UBS Trumbull Property Fund - 3/31/2025

All private equity and real estate assets are adjusted for any subsequent capital activity.

Investments with a zero balance were held in the portfolio during the reporting period and will be removed once they no longer impact portfolio performance. Asset Allocation weightings may not add up to 100% due to rounding.

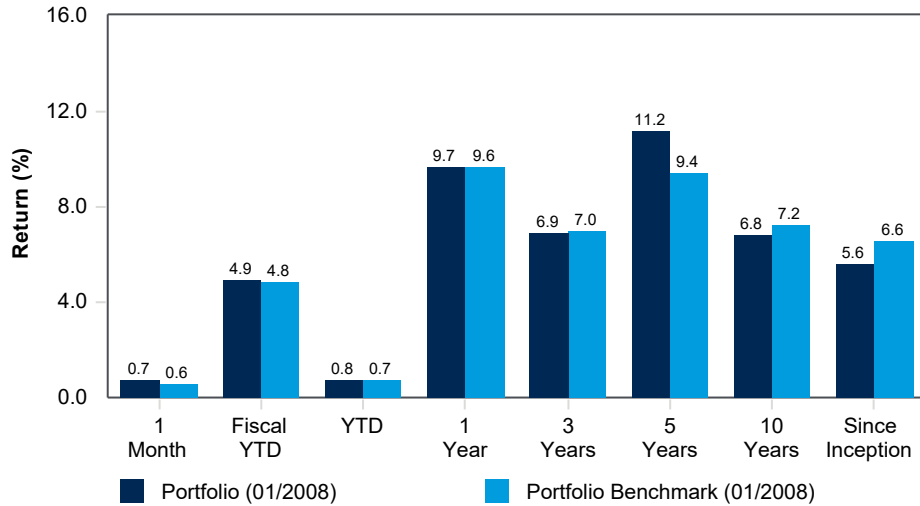


# Portfolio Dashboard

Total Invested Assets

As of April 30, 2025

## Historical Performance



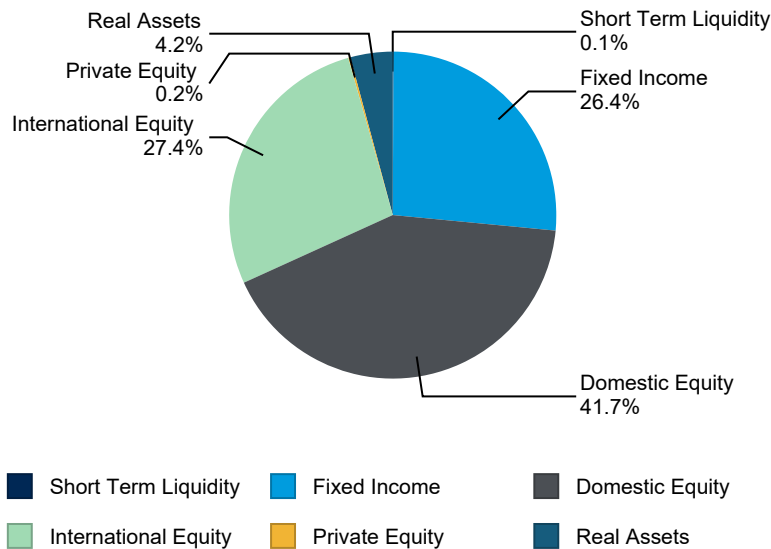
## Summary of Cash Flows

	1 Month	Fiscal YTD	YTD	1 Year
<b>Total Invested Assets</b>				
Beginning Market Value	254,395,256	244,261,835	254,317,255	238,839,078
Net Contributions	-	57,506	38	-5,436,104
Gain/Loss	1,850,591	11,926,505	1,928,553	22,842,872
Ending Market Value	256,245,846	256,245,846	256,245,846	256,245,846

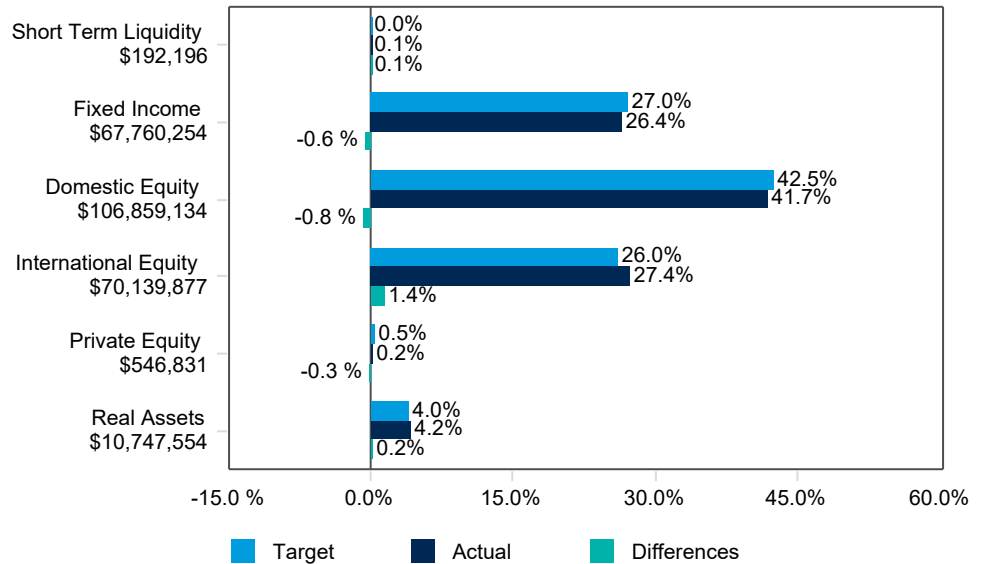
## Current Benchmark Composition

From Date	To Date	Composition
04/2025	Present	27.00% Blmbg. U.S. Aggregate, 33.00% S&P 500, 10.00% Russell 2500 Index, 18.00% MSCI EAFE (Net), 7.50% MSCI Emerging Markets (Net), 3.00% NCREIF Fund Index - ODCE (net), 1.50% DWS Real Assets Benchmark

## Portfolio Allocation



## Actual vs. Target Allocations



Client portfolio performance is presented net of underlying investment manager fees but gross of Fiduciant Advisors' fees.



# Recent Portfolio Activities

Quarter	Cash Flow
2Q 2025	<ul style="list-style-type: none"><li>• April 14, 2025: Funded DWS RREEF Real Asset Fund.</li></ul>
1Q 2025	<ul style="list-style-type: none"><li>• January 6, 2025: \$266,147.78 UBS Trumbull Property Fund LP redemption.</li><li>• January 27, 2025: \$60,043.52 UBS Trumbull Property Fund LP distribution.</li></ul>
4Q 2024	<ul style="list-style-type: none"><li>• October 10, 2024: \$386,628.34 UBS Trumbull Property Fund LP redemption.</li><li>• October 25, 2024: \$70,575.75 UBS Trumbull Property Fund LP distribution.</li></ul>
3Q 2024	<ul style="list-style-type: none"><li>• July 5, 2024: \$124,974.45 UBS Trumbull Property Fund LP redemption.</li><li>• July 26, 2024: \$67,506.43 UBS Trumbull Property Fund LP distribution.</li></ul>
2Q 2024	<ul style="list-style-type: none"><li>• April 4, 2024: \$55,152.00 UBS Trumbull Property Fund LP redemption.</li><li>• April 19, 2024: \$67,457.44 UBS Trumbull Property Fund LP distribution.</li><li>• June 28, 2024: \$5,436,142 cash raised to reimburse the General Fund.</li></ul>



## Performance Overview

Total Invested Assets

As of April 30, 2025

Trailing Performance Summary										
	1 Month	Fiscal YTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
<b>Total Invested Assets</b>	0.7	4.9	0.8	9.7	6.9	11.2	6.9	6.8	5.6	01/2008
<i>Policy Benchmark</i>	0.6	4.8	0.7	9.6	7.0	9.4	7.3	7.2	6.6	01/2008

Calendar Year Performance Summary										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Invested Assets</b>	11.2	15.0	-15.4	14.6	12.7	19.1	-5.2	17.0	8.7	-2.2
<i>Policy Benchmark</i>	10.7	14.9	-14.7	14.3	14.5	20.6	-5.2	16.9	9.0	-0.2

Plan Reconciliation										
	1 Month	Fiscal YTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date	
<b>Total Invested Assets</b>										01/2008
Beginning Market Value	254,395,256	244,261,835	254,317,255	238,839,078	228,325,184	184,295,689	162,238,159	126,047,968		
Net Contributions	-	57,506	38	-5,436,104	-19,195,288	-27,401,945	-41,799,291	-51,426,750		
Gain/Loss	1,850,591	11,926,505	1,928,553	22,842,872	47,115,950	99,352,103	135,806,979	181,624,629		
Ending Market Value	256,245,846	256,245,846	256,245,846	256,245,846	256,245,846	256,245,846	256,245,846	256,245,846		

Benchmark Composition		Weight (%)
<b>Apr-2025</b>		
Blmbg. U.S. Aggregate		27.0
S&P 500		33.0
Russell 2500 Index		10.0
MSCI EAFE (Net)		18.0
MSCI Emerging Markets (Net)		7.5
NCREIF Fund Index - ODCE (net)		3.0
DWS Real Assets Benchmark		1.5



# Manager Performance

As of April 30, 2025

	Allocation		Performance(%)								
	Market Value (\$)	%	1 Month	Fiscal YTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Total Invested Assets</b>	<b>256,245,846</b>	<b>100.0</b>	<b>0.7</b>	<b>4.9</b>	<b>0.8</b>	<b>9.7</b>	<b>6.9</b>	<b>11.2</b>	<b>6.8</b>	<b>5.6</b>	<b>01/2008</b>
Policy Benchmark			0.6	4.8	0.7	9.6	7.0	9.4	7.2	6.6	
Secondary Benchmark			0.6	4.8	0.7	9.6	6.8	9.2	7.0	6.5	
<b>Short Term Liquidity</b>	<b>192,196</b>	<b>0.1</b>	<b>0.0</b>	<b>1.2</b>	<b>0.2</b>	<b>1.7</b>	<b>1.9</b>	<b>-</b>	<b>-</b>	<b>1.3</b>	<b>01/2021</b>
90 Day U.S. Treasury Bill			0.3	4.0	1.4	4.9	4.3	2.6	1.9	3.0	
<b>Key Bank Cash Portfolio</b>	<b>133,969</b>	<b>0.1</b>									
<b>First American Govt Oblig Fund Z</b>	<b>58,227</b>	<b>0.0</b>	<b>0.3</b>	<b>3.9</b>	<b>1.4</b>	<b>4.8</b>	<b>4.3</b>	<b>2.6</b>	<b>1.8</b>	<b>4.0</b>	<b>02/2022</b>
90 Day U.S. Treasury Bill			0.3	4.0	1.4	4.9	4.3	2.6	1.9	4.0	
<b>Fixed Income</b>	<b>67,760,254</b>	<b>26.4</b>	<b>0.5</b>	<b>5.7</b>	<b>3.3</b>	<b>8.6</b>	<b>2.6</b>	<b>-</b>	<b>-</b>	<b>-0.9</b>	<b>01/2021</b>
Bmbg. U.S. Aggregate			0.4	5.2	3.2	8.0	2.0	-0.7	1.5	-1.3	
<b>JIC Core Bond Fund I</b>	<b>50,219,899</b>	<b>19.6</b>	<b>0.5</b>	<b>5.6</b>	<b>3.6</b>	<b>8.6</b>	<b>2.0</b>	<b>-0.8</b>	<b>1.8</b>	<b>-0.4</b>	<b>03/2020</b>
Bmbg. U.S. Aggregate			0.4	5.2	3.2	8.0	2.0	-0.7	1.5	-0.4	
IM U.S. Broad Market Core Fixed Income (MF) Median			0.3	5.0	3.0	7.9	1.9	-0.2	1.6	-0.2	
JIC Core Bond Fund I Rank			16	14	6	15	42	88	29	59	
<b>BlackRock Strategic Income Opportunities K</b>	<b>17,540,355</b>	<b>6.8</b>	<b>0.6</b>	<b>6.1</b>	<b>2.4</b>	<b>8.4</b>	<b>4.2</b>	<b>4.2</b>	<b>3.1</b>	<b>3.1</b>	<b>02/2022</b>
Bmbg. U.S. Aggregate			0.4	5.2	3.2	8.0	2.0	-0.7	1.5	-0.6	
IM Alternative Credit Focus (MF) Median			0.1	5.3	1.5	7.2	4.3	4.5	2.4	2.9	
BlackRock Strategic Income Opportunities K Rank			12	21	26	18	52	60	25	45	

Client portfolio performance is presented net of underlying investment manager fees but gross of Fiduciant Advisors' fees. Manager performance for mutual funds and ETFs is based on NAV and provided by Lipper. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Funds may include returns of an equivalent share class with a longer return history if period includes dates prior to the fund's inception. Returns are net of fees unless otherwise stated. The fund's inception date represents the first month the client made the investment. Composite performance includes all funds held in the composite since inception. Inception dates for asset class composites reflect the start date at which these returns could be calculated using historical and existing system capabilities and may vary from the inception dates of underlying component strategies.



# Manager Performance

As of April 30, 2025

	Allocation		Performance(%)								
	Market Value (\$)	%	1 Month	Fiscal YTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Equity</b>	<b>177,545,842</b>	<b>69.3</b>	<b>0.8</b>	<b>4.7</b>	<b>-0.3</b>	<b>10.6</b>	<b>9.6</b>	<b>-</b>	<b>-</b>	<b>7.5</b>	<b>01/2021</b>
<i>MSCI AC World Index (Net)</i>			<i>0.9</i>	<i>5.1</i>	<i>-0.4</i>	<i>11.8</i>	<i>10.3</i>	<i>13.1</i>	<i>8.6</i>	<i>7.8</i>	
<b>Domestic Equity</b>	<b>106,859,134</b>	<b>41.7</b>	<b>-1.0</b>	<b>2.2</b>	<b>-5.9</b>	<b>9.8</b>	<b>10.5</b>	<b>-</b>	<b>-</b>	<b>9.4</b>	<b>01/2021</b>
<i>Domestic Equity Benchmark</i>			<i>-1.0</i>	<i>2.3</i>	<i>-5.9</i>	<i>9.8</i>	<i>10.4</i>	<i>15.2</i>	<i>11.1</i>	<i>9.4</i>	
<b>Mellon Large Cap Core</b>	<b>84,130,643</b>	<b>32.8</b>	<b>-0.7</b>	<b>3.1</b>	<b>-4.9</b>	<b>12.1</b>	<b>12.2</b>	<b>15.6</b>	<b>-</b>	<b>13.5</b>	<b>04/2016</b>
<i>S&amp;P 500</i>			<i>-0.7</i>	<i>3.1</i>	<i>-4.9</i>	<i>12.1</i>	<i>12.2</i>	<i>15.6</i>	<i>12.3</i>	<i>13.5</i>	
IM U.S. Large Cap Core Equity (MF) Median			-0.8	1.8	-4.9	9.7	11.1	14.5	11.2	12.5	
Mellon Large Cap Core Rank			48	32	50	18	28	21	-	18	
<b>Mellon Smid Cap Core</b>	<b>22,728,491</b>	<b>8.9</b>	<b>-2.1</b>	<b>-0.8</b>	<b>-9.4</b>	<b>1.7</b>	<b>4.2</b>	<b>11.5</b>	<b>-</b>	<b>9.0</b>	<b>04/2016</b>
<i>Russell 2500 Index</i>			<i>-2.1</i>	<i>-0.9</i>	<i>-9.4</i>	<i>1.7</i>	<i>4.1</i>	<i>11.4</i>	<i>7.4</i>	<i>8.9</i>	
IM U.S. SMID Cap Equity (MF) Median			-2.1	-2.0	-9.3	0.9	4.3	11.0	7.3	8.7	
Mellon Smid Cap Core Rank			49	39	52	40	52	45	-	41	
<b>International Equity</b>	<b>70,139,877</b>	<b>27.4</b>	<b>3.7</b>	<b>8.7</b>	<b>9.8</b>	<b>11.9</b>	<b>8.7</b>	<b>-</b>	<b>-</b>	<b>4.1</b>	<b>01/2021</b>
<i>International Equity Benchmark</i>			<i>3.6</i>	<i>8.5</i>	<i>9.6</i>	<i>11.6</i>	<i>8.6</i>	<i>10.4</i>	<i>5.1</i>	<i>4.3</i>	
<b>Mellon EAFE Fund</b>	<b>51,475,875</b>	<b>20.1</b>	<b>4.6</b>	<b>10.3</b>	<b>11.9</b>	<b>12.9</b>	<b>10.4</b>	<b>11.7</b>	<b>-</b>	<b>7.9</b>	<b>04/2016</b>
<i>MSCI EAFE (Net)</i>			<i>4.6</i>	<i>10.1</i>	<i>11.8</i>	<i>12.6</i>	<i>10.1</i>	<i>11.4</i>	<i>5.4</i>	<i>7.5</i>	
IM International Large Cap Core Equity (MF) Median			3.3	9.2	10.4	12.1	9.0	11.4	4.9	7.0	
Mellon EAFE Fund Rank			14	32	32	40	21	40	-	16	
<b>Mellon Emerging Markets</b>	<b>18,664,001</b>	<b>7.3</b>	<b>1.2</b>	<b>4.4</b>	<b>4.3</b>	<b>9.0</b>	<b>3.7</b>	<b>6.1</b>	<b>-</b>	<b>5.6</b>	<b>04/2016</b>
<i>MSCI Emerging Markets (Net)</i>			<i>1.3</i>	<i>4.3</i>	<i>4.3</i>	<i>9.0</i>	<i>3.8</i>	<i>6.3</i>	<i>3.1</i>	<i>5.7</i>	
IM Emerging Markets Equity (MF) Median			0.9	2.5	3.3	7.1	4.1	6.4	2.9	5.3	
Mellon Emerging Markets Rank			41	30	36	31	58	55	-	45	

Client portfolio performance is presented net of underlying investment manager fees but gross of Fiduciant Advisors' fees. Manager performance for mutual funds and ETFs is based on NAV and provided by Lipper. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Funds may include returns of an equivalent share class with a longer return history if period includes dates prior to the fund's inception. Returns are net of fees unless otherwise stated. The fund's inception date represents the first month the client made the investment. Composite performance includes all funds held in the composite since inception. Inception dates for asset class composites reflect the start date at which these returns could be calculated using historical and existing system capabilities and may vary from the inception dates of underlying component strategies.



# Manager Performance

As of April 30, 2025

	Allocation		Performance(%)								
	Market Value (\$)	%	1 Month	Fiscal YTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Private Equity</b>	<b>546,831</b>	<b>0.2</b>	<b>0.0</b>	<b>-2.4</b>	<b>0.0</b>	<b>-3.9</b>	<b>-7.2</b>	<b>-</b>	<b>-</b>	<b>-1.4</b>	<b>01/2021</b>
<b>Hamilton Lane II</b>	<b>624</b>	<b>0.0</b>	<b>0.0</b>	<b>-7.2</b>	<b>0.0</b>	<b>-7.8</b>	<b>-23.1</b>	<b>-19.7</b>	<b>-0.4</b>	<b>6.6</b>	<b>03/2009</b>
<b>Hamilton Lane VII A</b>	<b>391,261</b>	<b>0.2</b>	<b>0.0</b>	<b>-1.9</b>	<b>0.0</b>	<b>-4.1</b>	<b>-7.6</b>	<b>2.7</b>	<b>7.2</b>	<b>8.7</b>	<b>07/2011</b>
<b>Hamilton Lane VII B</b>	<b>154,946</b>	<b>0.1</b>	<b>0.0</b>	<b>-3.4</b>	<b>0.0</b>	<b>-3.0</b>	<b>-5.2</b>	<b>-1.7</b>	<b>4.7</b>	<b>6.8</b>	<b>07/2011</b>
<b>UBS Trumbull Property Fund</b>	<b>7,660,226</b>	<b>3.0</b>	<b>0.0</b>	<b>1.8</b>	<b>1.3</b>	<b>0.6</b>	<b>-6.6</b>	<b>-1.0</b>	<b>-</b>	<b>0.8</b>	<b>07/2016</b>
<i>NCREIF Fund Index - ODCE (net)</i>			<i>0.0</i>	<i>1.8</i>	<i>0.8</i>	<i>1.2</i>	<i>-5.1</i>	<i>2.0</i>	<i>4.7</i>	<i>3.7</i>	
<b>DWS RREEF Real Assets R6</b>	<b>3,087,328</b>	<b>1.2</b>	<b>0.4</b>	<b>9.7</b>	<b>5.5</b>	<b>12.5</b>	<b>0.7</b>	<b>8.8</b>	<b>5.1</b>	<b>-</b>	<b>05/2025</b>
<i>DWS Real Assets Benchmark</i>			<i>0.1</i>	<i>9.1</i>	<i>5.4</i>	<i>11.2</i>	<i>0.7</i>	<i>8.6</i>	<i>3.9</i>	<i>-</i>	

## Valuations data as of:

Hamilton Lane VII - 9/30/2024

Hamilton Lane II - 12/31/2024

UBS Trumbull Property Fund - 3/31/2025

All private equity and real estate assets are adjusted for any subsequent capital activity.

BERS is in the redemption queue for a full liquidation of the UBS Trumbull Property Fund.

Client portfolio performance is presented net of underlying investment manager fees but gross of Fiduciant Advisors' fees. Manager performance for mutual funds and ETFs is based on NAV and provided by Lipper. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Funds may include returns of an equivalent share class with a longer return history if period includes dates prior to the fund's inception. Returns are net of fees unless otherwise stated. The fund's inception date represents the first month the client made the investment. Composite performance includes all funds held in the composite since inception. Inception dates for asset class composites reflect the start date at which these returns could be calculated using historical and existing system capabilities and may vary from the inception dates of underlying component strategies.



# Benchmark History

Total Invested Assets

As of April 30, 2025

Account Name	From Date	To Date	Benchmark
<b>Total Invested Assets</b>	<b>04/2025</b>	<b>Present</b>	<b>27.0% Blmbg. U.S. Aggregate, 33.0% S&amp;P 500, 10.0% Russell 2500 Index, 18.0% MSCI EAFE (Net), 7.5% MSCI Emerging Markets (Net), 3.0% NCREIF Fund Index - ODCE (net), 1.5% DWS Real Assets Benchmark</b>
	04/2024	04/2025	27.0% Blmbg. U.S. Aggregate, 33.5% S&P 500, 9.5% Russell 2500 Index, 19.0% MSCI EAFE (Net), 7.0% MSCI Emerging Markets (Net), 4.0% NCREIF Fund Index - ODCE (net)
	01/2023	04/2024	25.0% Blmbg. U.S. Aggregate, 32.5% S&P 500, 9.0% Russell 2500 Index, 20.5% MSCI EAFE (Net), 7.0% MSCI Emerging Markets (Net), 6.0% NCREIF Fund Index - ODCE (net)
	09/2022	01/2023	25.0% Blmbg. U.S. Aggregate, 31.5% S&P 500, 9.0% Russell 2500 Index, 20.5% MSCI EAFE (Net), 7.0% MSCI Emerging Markets (Net), 6.0% NCREIF Fund Index - ODCE (net), 1.0% NCREIF Timberland Index
	05/2021	09/2022	18.0% Blmbg. U.S. Aggregate, 31.5% S&P 500, 10.5% Russell 2500 Index, 23.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 6.0% NCREIF Fund Index - ODCE (net), 1.0% NCREIF Timberland Index
	12/2019	05/2021	20.0% Blmbg. U.S. Aggregate, 32.0% S&P 500, 18.0% Russell 2500 Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 8.0% NCREIF Fund Index - ODCE (net), 2.0% NCREIF Timberland Index
	06/2017	12/2019	20.0% Blmbg. Intermed. U.S. Government/Credit, 30.0% S&P 500, 18.0% Russell 2500 Index, 2.0% S&P Completion Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 8.0% NCREIF Fund Index - ODCE (net), 2.0% NCREIF Timberland Index
	01/2016	06/2017	28.0% Blmbg. Intermed. U.S. Government/Credit, 30.0% S&P 500, 18.0% Russell 2500 Index, 2.0% S&P Completion Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 2.0% NCREIF Timberland Index
	01/2008	01/2016	20.0% Blmbg. U.S. Aggregate, 32.0% S&P 500, 18.0% Russell 2500 Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 8.0% NCREIF Fund Index - ODCE (net), 2.0% NCREIF Timberland Index

Account Name	From Date	To Date	Benchmark
<b>Secondary Benchmark</b>	<b>04/2025</b>	<b>Present</b>	<b>27.0% Blmbg. U.S. Aggregate, 33.0% S&amp;P 500, 10.0% Russell 2500 Index, 18.0% MSCI EAFE (Net), 7.5% MSCI Emerging Markets (Net), 3.0% UBS Trumbull Property Fund, 1.5% DWS Real Assets Benchmark</b>
	04/2024	04/2025	27.0% Blmbg. U.S. Aggregate, 33.5% S&P 500, 9.5% Russell 2500 Index, 19.0% MSCI EAFE (Net), 7.0% MSCI Emerging Markets (Net), 4.0% UBS Trumbull Property Fund
	01/2023	04/2024	25.0% Blmbg. U.S. Aggregate, 32.5% S&P 500, 9.0% Russell 2500 Index, 20.5% MSCI EAFE (Net), 7.0% MSCI Emerging Markets (Net), 6.0% UBS Trumbull Property Fund
	09/2022	01/2023	25.0% Blmbg. U.S. Aggregate, 31.5% S&P 500, 9.0% Russell 2500 Index, 20.5% MSCI EAFE (Net), 7.0% MSCI Emerging Markets (Net), 6.0% UBS Trumbull Property Fund, 1.0% Molpus SWF II
	05/2021	09/2022	18.0% Blmbg. U.S. Aggregate, 31.5% S&P 500, 10.5% Russell 2500 Index, 23.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 6.0% UBS Trumbull Property Fund, 1.0% Molpus SWF II
	12/2019	05/2021	20.0% Blmbg. U.S. Aggregate, 32.0% S&P 500, 18.0% Russell 2500 Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 8.0% UBS Trumbull Property Fund, 2.0% Molpus SWF II
	06/2017	12/2019	20.0% Blmbg. Intermed. U.S. Government/Credit, 30.0% S&P 500, 18.0% Russell 2500 Index, 2.0% S&P Completion Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 8.0% UBS Trumbull Property Fund, 2.0% Molpus SWF II
	07/2016	06/2017	28.0% Blmbg. Intermed. U.S. Government/Credit, 30.0% S&P 500, 18.0% Russell 2500 Index, 2.0% S&P Completion Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 2.0% Molpus SWF II
	01/2016	07/2016	28.0% Blmbg. Intermed. U.S. Government/Credit, 30.0% S&P 500, 18.0% Russell 2500 Index, 2.0% S&P Completion Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 2.0% Molpus SWF II
	03/2009	01/2016	20.0% Blmbg. U.S. Aggregate, 32.0% S&P 500, 18.0% Russell 2500 Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 8.0% NCREIF Fund Index - ODCE (net), 2.0% Molpus SWF II



# Benchmark History

Total Invested Assets

As of April 30, 2025

Account Name	From Date	To Date	Benchmark
	01/2008	03/2009	20.0% Blmbg. U.S. Aggregate, 32.0% S&P 500, 18.0% Russell 2500 Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 8.0% NCREIF Fund Index - ODCE (net), 2.0% NCREIF Timberland Index



# Definitions & Disclosures

Please note: Due to rounding methodologies of various data providers, certain returns in this report might differ slightly when compared to other sources

## REGULATORY DISCLOSURES

**Offer of ADV Part 2A:** Rule 204-3 under the Investment Advisers Act of 1940 requires that we make an annual offer to clients to send them, without charge, a written disclosure statement meeting the requirements of such rule. We will be glad to send a copy of our ADV Part 2A to you upon your written request to [compliance@fiducient.com](mailto:compliance@fiducient.com).

## INDEX DEFINITIONS

- **Citigroup 3 Month T-Bill** measures monthly return equivalents of yield averages that are not marked to market. The Three-Month Treasury Bill Indexes consist of the last three three-month Treasury bill issues.
- **Ryan 3 Yr. GIC** is an arithmetic mean of market rates of \$1 million Guaranteed Interest Contracts held for three years.
- **Bloomberg Treasury U.S. T-Bills-1-3 Month Index** includes aged U.S. Treasury bills, notes and bonds with a remaining maturity from 1 up to (but not including) 3 months. It excludes zero coupon strips.
- **Bloomberg Capital US Treasury Inflation Protected Securities Index** consists of Inflation-Protection securities issued by the U.S. Treasury.
- **Bloomberg Muni Index** is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. Bonds must be rated investment-grade by at least two ratings agencies.
- **Bloomberg Muni 1 Year Index** is the 1-year (1-2) component of the Municipal Bond index.
- **Bloomberg Muni 3 Year Index** is the 3-year (2-4) component of the Municipal Bond index.
- **Bloomberg Muni 5 Year Index** is the 5-year (4-6) component of the Municipal Bond index.
- **Bloomberg Muni 7 Year Index** is the 7-year (6-8) component of the Municipal Bond index.
- **Bloomberg Intermediate U.S. Gov't/Credit** is the Intermediate component of the U.S. Government/Credit index, which includes securities in the Government and Credit Indices. The Government Index includes treasuries and agencies, while the credit index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.
- **Bloomberg U.S. Aggregate Index** covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.
- **Bloomberg Global Aggregate ex. USD Indices** represent a broad-based measure of the global investment-grade fixed income markets. The two major components of this index are the Pan-European Aggregate and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds and Canadian government, agency and corporate securities.
- **Bloomberg U.S. Corporate High Yield Index** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.
- **JP Morgan Government Bond Index-Emerging Market (GBI-EM) Index** is a comprehensive, global local emerging markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure.
- **The S&P 500** is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
- **The Dow Jones Industrial Index** is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry.
- **The NASDAQ** is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market.
- **Russell 3000** is a market-cap-weighted index which consists of roughly 3,000 of the largest companies in the U.S. as determined by market capitalization. It represents nearly 98% of the investable U.S. equity market.
- **Russell 1000** consists of the largest 1000 companies in the Russell 3000 Index.
- **Russell 1000 Growth** measures the performance of those Russell 1000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 1000 Value** measures the performance of those Russell 1000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell Mid Cap** measures the performance of the 800 smallest companies in the Russell 1000 Index.
- **Russell Mid Cap Growth** measures the performance of those Russell Mid Cap companies with higher P/B ratios and higher forecasted growth values.
- **Russell Mid Cap Value** measures the performance of those Russell Mid Cap companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2000** consists of the 2,000 smallest U.S. companies in the Russell 3000 index.
- **Russell 2000 Growth** measures the performance of the Russell 2000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2000 Value** measures the performance of those Russell 2000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2500** consists of the 2,500 smallest U.S. companies in the Russell 3000 index.
- **Russell 2500 Growth** measures the performance of the Russell 2500 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2500 Value** measures the performance of those Russell 2500 companies with lower P/B ratios and lower forecasted growth values.
- **MSCI World** captures large and mid-cap representation across 23 Developed Markets countries. With 1,645 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
- **MSCI ACWI (All Country World Index) ex. U.S. Index** captures large and mid-cap representation across 22 of 23 Developed Markets countries (excluding the United States) and 23 Emerging Markets countries. With 1,859 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.
- **MSCI ACWI (All Country World Index) ex. U.S. Small Cap Index** captures small cap representation across 22 of 23 Developed Markets countries (excluding the US) and 23 Emerging Markets countries. With 4,368 constituents, the index covers approximately 14% of the global equity opportunity set outside the US.
- **MSCI EAFE** is an equity index which captures large and mid-cap representation across Developed Markets countries around the world, excluding the US and Canada. With 930 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.



- **MSCI EAFE Value** captures large and mid-cap securities exhibiting overall value style characteristics across Developed Markets countries around the world, excluding the US and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. With 507 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- **MSCI EAFE Growth** captures large and mid-cap securities exhibiting overall growth style characteristics across Developed Markets countries around the world, excluding the US and Canada. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend. With 542 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- **MSCI Emerging Markets** captures large and mid-cap representation across 23 Emerging Markets countries. With 836 constituents, the index covers approximately 85% of the free-float adjusted market capitalization in each country.
- **Consumer Price Index** is a measure of prices paid by consumers for a market basket of consumer goods and services. The yearly (or monthly) growth rates represent the inflation rate.
- **FTSE NAREIT Equity REITs Index** contains all Equity REITs not designed as Timber REITs or Infrastructure REITs.
- **S&P Developed World Property** defines and measures the investable universe of publicly traded property companies domiciled in developed markets. The companies in the index are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **S&P Developed World Property x U.S.** defines and measures the investable universe of publicly traded property companies domiciled in developed countries outside of the U.S. The companies included are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **Fund Specific Broad Real Asset Benchmarks:**
  - **DWS Real Assets:** 30%: Dow Jones Brookfield Infrastructure Index, 30%: FTSE EPRA/NAREIT Developed Index, 15%: Bloomberg Commodity Index, 15%: S&P Global Natural Resources Index, 10%: U.S. Treasury Inflation Notes Total Return Index
  - **PIMCO Inflation Response Multi Asset Fund:** 45% Bloomberg U.S. TIPS, 20% Bloomberg Commodity Index, 15% JP Morgan Emerging Local Markets Plus, 10% Dow Jones Select REIT, 10% Bloomberg Gold Subindex Total Return
  - **Principal Diversified Real Assets:** 35% BBgBarc U.S. Treasury TIPS Index, 20% S&P Global Infrastructure Index NTR, 20% S&P Global Natural Resources Index NTR, 15% Bloomberg Commodity Index, and 10% FTSE EPRA/NAREIT Developed Index NTR
  - **Wellington Diversified Inflation H:** 50% MSCI ACWI Commodity Producers Index, 25% Bloomberg Commodity Index, and 25% Bloomberg Bloomberg US TIPS 1 – 10 Year Index
- **Bloomberg Commodity Index** is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification.
- **HFRI Fund Weighted Composite Index** is a global, equal-weighted index of over 2,000 single-manager funds that report to HFR Database. Constituent funds report monthly net of all fees performance in US Dollar and have a minimum of \$50 Million under management or a twelve (12) month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Hedge Funds.
- **The Alerian MLP Index** is the leading gauge of energy Master Limited Partnerships (MLPs). The float adjusted, capitalization-weighted index, whose constituents represent approximately 85% of total float-adjusted market capitalization, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis.
- **The Adjusted Alerian MLP Index** is commensurate with 65% of the monthly returns of the Alerian MLP Index to incorporate the effect of deferred tax liabilities incurred by MLP entities.
- **Cambridge Associates U.S. Private Equity Index** is based on data compiled from more than 1,200 institutional-quality buyout, growth equity, private equity energy, and mezzanine funds formed between 1986 and 2015.
- **Cambridge Associates U.S. Venture Capital Index** is based on data compiled from over 1,600 institutional-quality venture capital funds formed between 1986 and 2015.
- **Vanguard Spliced Bloomberg US1-5Yr Gov/Cr Flt Adj Index:** Bloomberg U.S. 1–5 Year Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. 1–5 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US5-10Yr Gov/Cr Flt Adj Index:** Bloomberg U.S. 5–10 Year Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. 5–10 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US Agg Flt Adj Index:** Bloomberg U.S. Aggregate Bond Index through December 31, 2009; Bloomberg U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US Long Gov/Cr Flt Adj Index:** Bloomberg U.S. Long Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. Long Government/Credit Float Adjusted Index thereafter.
- **Vanguard Balanced Composite Index:** Made up of two unmanaged benchmarks, weighted 60% Dow Jones U.S. Total Stock Market Index (formerly the Dow Jones Wilshire 5000 Index) and 40% Bloomberg U.S. Aggregate Bond Index through May 31, 2005; 60% MSCI US Broad Market Index and 40% Bloomberg U.S. Aggregate Bond Index through December 31, 2009; 60% MSCI US Broad Market Index and 40% Bloomberg U.S. Aggregate Float Adjusted Index through January 14, 2013; and 60% CRSP US Total Market Index and 40% Bloomberg U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Intermediate-Term Tax-Exempt Index:** Bloomberg 1–15 Year Municipal Bond Index.
- **Vanguard Spliced Extended Market Index:** Dow Jones Wilshire 4500 Index through June 17, 2005; S&P Transitional Completion Index through September 16, 2005; S&P Completion Index thereafter.
- **Vanguard Spliced Value Index:** S&P 500 Value Index (formerly the S&P 500/Barra Value Index) through May 16, 2003; MSCI US Prime Market Value Index through April 16, 2013; CRSP US Large Cap Value Index thereafter.
- **Vanguard Spliced Large Cap Index:** Consists of MSCI US Prime Market 750 Index through January 30, 2013, and the CRSP US Large Cap Index thereafter.
- **Vanguard Spliced Growth Index:** S&P 500 Growth Index (formerly the S&P 500/Barra Growth Index) through May 16, 2003; MSCI US Prime Market Growth Index through April 16, 2013; CRSP US Large Cap Growth Index thereafter.
- **Vanguard Spliced Mid Cap Value Index:** MSCI US Mid Cap Value Index through April 16, 2013; CRSP US Mid Cap Value Index thereafter.
- **Vanguard Spliced Mid Cap Index:** S&P MidCap 400 Index through May 16, 2003; the MSCI US Mid Cap 450 Index through January 30, 2013; and the CRSP US Mid Cap Index thereafter.
- **Vanguard Spliced Mid Cap Growth Index:** MSCI US Mid Cap Growth Index through April 16, 2013; CRSP US Mid Cap Growth Index thereafter.
- **Vanguard Spliced Total Stock Market Index:** Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005; MSCI US Broad Market Index through June 2, 2013; and CRSP US Total Market Index thereafter.
- **Vanguard Spliced Small Cap Value Index:** SmallCap 600 Value Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Value Index through April 16, 2013; CRSP US Small Cap Value Index thereafter.



- **Vanguard Spliced Small Cap Index:** Russell 2000 Index through May 16, 2003; the MSCI US Small Cap 1750 Index through January 30, 2013; and the CRSP US Small Cap Index thereafter.
- **Vanguard Spliced Small Cap Growth Index:** S&P SmallCap 600 Growth Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Growth Index through April 16, 2013; CRSP US Small Cap Growth Index thereafter.
- **Vanguard Spliced Total International Stock Index:** Consists of the Total International Composite Index through August 31, 2006; the MSCI EAFE + Emerging Markets Index through December 15, 2010; the MSCI AC USA IMI Index through June 2, 2013; and FTSE Global All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Developed Markets Index:** MSCI EAFE Index through May 28, 2013; FTSE Developed ex North America Index through December 20, 2015; FTSE Developed All Cap ex US Transition Index through May 31, 2016; FTSE Developed All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Emerging Markets Index:** Select Emerging Markets Index through August 23, 2006; MSCI Emerging Markets Index through January 9, 2013; FTSE Emerging Transition Index through June 27, 2013; FTSE Emerging Index through November 1, 2015; and FTSE Emerging Markets All Cap China A Transition Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard REIT Spliced Index:** MSCI US REIT Index adjusted to include a 2% cash position (Lipper Money Market Average) through April 30, 2009; MSCI US REIT Index through January 31, 2018; MSCI US Investable Market Real Estate 25/50 Transition Index through July 24, 2018; MSCI US Investable Market Real Estate 25/50 Index thereafter.

#### **Additional:**

- Equity sector returns are calculated by Russell and MSCI for domestic and international markets, respectively. MSCI sector definitions correspond to the MSCI GICS® classification (Global Industry Classification System); Russell uses its own sector and industry classifications.
- MSCI country returns are calculated by MSCI and are free float-adjusted market capitalization indices that are designed to measure equity market performance in each specific country.
- Currency returns are calculated using Bloomberg's historical spot rate indices and are calculated using the U.S. dollar as the base currency.
- The Index of Leading Economic Indicators, calculated by The Conference Board, is used as a barometer of economic activity over a range of three to six months. The index is used to determine the direction and stability of the economy. The composite index of leading indicators, which is derived from 10 leading indicators, helps to signal turning points in the economy and forecast economic cycles. The leading indicators are the following: average weekly hours, average weekly initial claims, manufacturers' new orders, both consumer and non-defense capital goods, vendor performance, building permits, stock prices, money supply (M2), the interest rate spread and the index of consumer expectations.
- S&P Target Date Indexes are constructed using a survey method of current target date investments with \$100 million or more in assets under management. Allocations for each vintage are comprised of exchange-traded funds that represent respective asset classes used in target date portfolios. The indexes are designed to represent a market consensus glide path.

#### **DEFINITION OF KEY STATISTICS AND TERMS**

- **Returns:** A percentage figure used when reporting historical average compounded rate of investment return. All returns are annualized if the period for which they are calculated exceeds one year.
- **Universe Comparison:** The universe compares the fund's returns to a group of other investment portfolios with similar investment strategies. The returns for the fund, the index and the universe percentiles are displayed. A percentile ranking of 1 is the best, while a percentile ranking of 100 is the worst. For example, a ranking of 50 indicates the fund outperformed half of the universe. A ranking of 25 indicates the fund was in the top 25% of the universe, outperforming 75%.
- **Returns In Up/Down Markets:** This measures how the fund performed in both up and down markets. The methodology is to segregate the performance for each time period into the quarters in which the market, as defined by the index, was positive and negative. Quarters with negative index returns are treated as down markets, and quarters with positive index returns are treated as up markets. Thus, in a 3 year or 12 quarter period, there might be 4 down quarters and 8 up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the down quarters. The up market capture ratio is the ratio of the fund's return in up markets to the index. The down market capture ratio is the ratio of the fund's return in down markets to the index. Ideally, the fund would have a greater up market capture ratio than down market capture ratio.
- **Standard Deviation:** Standard deviation is a statistical measure of the range of performance within which the total returns of a fund fall. When a fund has a high standard deviation, the range of performance is very wide, meaning there is a greater volatility. Approximately 68% of the time, the total return of any given fund will differ from the average total return by no more than plus or minus the standard deviation figure. Ninety-five percent of the time, a fund's total return will be within a range of plus or minus two times the standard deviation from the average total return. If the quarterly or monthly returns are all the same the standard deviation will be zero. The more they vary from one another, the higher the standard deviation. Standard deviation can be misleading as a risk indicator for funds with high total returns because large positive deviations will increase the standard deviation without a corresponding increase in the risk of the fund. While positive volatility is welcome, negative is not.
- **R-Squared:** This reflects the percentage of a fund's movements that are explained by movements in its benchmark index. An R-squared of 100 means that all movements of a fund are completely explained by movements in the index. Conversely, a low R-squared indicates very few of the fund's movements are explained by movements in the benchmark index. R-squared can also be used to ascertain the significance of a particular beta. Generally, a higher R-squared will indicate a more reliable beta figure. If the R-squared is lower, then the beta is less relevant to the fund's performance. A measure of diversification, R-squared indicates the extent to which fluctuations in portfolio returns are explained by market. An R-squared = 0.70 implies that 70% of the fluctuation in a portfolio's return is explained by the fluctuation in the market. In this instance, overweighting or underweighting of industry groups or individual securities is responsible for 30% of the fund's movement.
- **Beta:** This is a measure of a fund's market risk. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse than the market in down markets. It is important to note, however, a low fund beta does not imply the fund has a low level of volatility; rather, a low beta means only that the fund's market-related risk is low. Because beta analyzes the market risk of a fund by showing how responsive the fund is to the market, its usefulness depends on the degree to which the markets determine the fund's total risk (indicated by R-squared).
- **Alpha:** The Alpha is the nonsystematic return, or the return that can't be attributed to the market. It can be thought of as how the manager performed if the market's return was zero. A positive alpha implies the manager added value to the return of the portfolio over that of the market. A negative alpha implies the manager did not contribute any value over the performance of the market.
- **Sharpe Ratio:** The Sharpe ratio is the excess return per unit of total risk as measured by standard deviation. Higher numbers are better, indicating more return for the level of risk experienced. The ratio is a fund's return minus the risk-free rate of return (30-day T-Bill rate) divided by the fund's standard deviation. The higher the Sharpe ratio, the more reward you are receiving per unit of total risk. This measure can be used to rank the performance of mutual funds or other portfolios.
- **Treynor Ratio:** The Treynor ratio measures returns earned in excess of that which could have been earned on a riskless investment per each unit of market risk. The ratio relates excess return over the risk-free rate to the additional risk taken; however, systematic risk is used instead of total risk. The Treynor ratio is similar to the Sharpe ratio, except in the fact that it uses the beta to evaluate the returns rather than the standard deviation of portfolio returns. High values mean better return for risk taken.



- **Tracking Error:** Tracking error measures the volatility of the difference in annual returns between the manager and the index. This value is calculated by measuring the standard deviation of the difference between manager and index returns. For example, a tracking error of +/- 5 would mean there is about a 68% chance (1 standard deviation event) that the manager's returns will fall within +/- 5% of the benchmark's annual return.
- **Information Ratio:** The information ratio is a measure of the consistency of excess return. This value is determined by taking the annualized excess return over a benchmark (style benchmark by default) and dividing the standard deviation of excess return.
- **Consistency:** Consistency shows the percent of the periods the fund has beaten the index and the percent of the periods the index has beat the fund. A high average for the fund (e.g., over 50) is desirable, indicating the fund has beaten the index frequently.
- **Downside Risk:** Downside risk is a measure similar to standard deviation but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.
- **M-Squared:** M-squared, or the Modigliani risk-adjusted performance measure is used to characterize how well a portfolio's return rewards an investor for the amount of risk taken, relative to that of some benchmark portfolio and to the risk-free rate.

#### DEFINITION OF KEY PRIVATE EQUITY TERMS

- **PIC (Paid in Capital):** The amount of committed capital that has been transferred from the limited partner to the general partner.
- **TVPI (Total Value to Paid in Capital):** Money returned to limited partners plus the fund's unrealized investments, divided by money paid-in to the partnership. The TVPI should equal RVPI plus DPI.
- **DPI (Distribution to Paid In Capital):** Money returned (distributions) to limited partners divided by money paid in to the partnership. Also called cash-on-cash multiple.
- **RVPI (Residual Value to Paid In Capital):** The value of a fund's unrealized investments divided by money paid-in to the partnership.
- **Internal rate of return (IRR):** This is the most appropriate performance benchmark for private equity investments. It is a time-weighted return expressed as a percentage. IRR uses the present sum of cash drawdowns (money invested), the present value of distributions (money returned from investments) and the current value of unrealized investments and applies a discount.
- **Commitment:** Every investor in a private equity fund commits to investing a specified sum of money in the fund partnership over a specified period of time. The fund records this as the limited partnership's capital commitment. The sum of capital commitments is equal to the size of the fund.
- **Capital Distribution:** These are the returns that an investor in a private equity fund receives. It is the income and capital realized from investments less expenses and liabilities. Once a limited partner has had their cost of investment returned, further distributions are actual profit. The partnership agreement determines the timing of distributions to the limited partner. It will also determine how profits are divided among the limited partners and general partner.
- **Carried Interest:** The share of profits that the fund manager is due once it has returned the cost of investment to investors. Carried interest is normally expressed as a percentage of the total profits of the fund.
- **Co-Investment:** Co-Investments are minority investments made alongside a private equity investor in an LBO, a recapitalization, or an expansion capital transaction. It is a passive, non-controlling investment, as the private equity firm involved will typically exercise control and perform monitoring functions.
- **General Partner (GP):** This can refer to the top-ranking partners at a private equity firm as well as the firm managing the private equity fund.
- **GP Commitments:** It is normal practice for the GP managing a private equity fund to also make a financial commitment to the fund on the same basis as the LPs in the fund, and this is seen as an important factor driving the alignment of GP and LP interests. The historic benchmark for GP commitments has been 1% of the total fund size, but this is by no means universal, and many GPs commit significantly larger amounts. Furthermore, there has been a marked trend towards GPs making larger commitments to their funds over recent years.
- **Leveraged Buy-Out (LBO):** The acquisition of a company using debt and equity finance.
- **Limited Partner (LP):** Institutions or high-net-worth individuals/sophisticated investors that contribute capital to a private equity fund.
- **Public Market Equivalent (PME):** Performance measure used to evaluate performance relative to the market. It is calculated as the ratio of the discounted value of the LP's inflows divided by the discounted value of outflows, with the discounting performed using realized market returns.
- **Primaries:** An original investment vehicle that invests directly into a company or asset.

#### VALUATION POLICY

Fiducient Advisors does not engage an independent third-party pricing service to value securities. Our reports are generated using the security prices provided by custodians used by our clients. Our custodial pricing hierarchy is available upon request. If a client holds a security not reported by the first custodian within the hierarchy, the valuation is generated from the next custodian within the hierarchy, and so forth. Each custodian uses pricing services from outside vendors, where the vendors may generate nominally different prices. Therefore, this report can reflect minor valuation differences from those contained in a custodian's report. In rare instances where FA overrides a custodial price, prices are taken from Bloomberg.

#### REPORTING POLICY

This report is intended for the exclusive use of the client listed within the report. Content is privileged and confidential. Any dissemination or distribution is strictly prohibited. Information has been obtained from a variety of sources believed to be reliable though not independently verified. Any forecast represents median expectations and actual returns, volatilities and correlations will differ from forecasts. Please note each client has customized investment objectives and constraints and the investment strategy for each portfolio is based on a client-specific asset allocation model. Past performance does not indicate future performance and there is a possibility of a loss. Performance calculated net of investment fees. Certain portfolios presented may be gross of Fiducient Advisors' fees and actual performance would be reduced by investment advisory fees. This report does not represent a specific investment recommendation. Please consult with your advisor, attorney, and accountant, as appropriate, regarding specific advice.



Custodian reports are the reports that govern the account. There will be different account values between Fiduciant Advisors' reports and the custodian reports based on whether the report utilizes trade date or date to calculate value. Additionally, difference between values contained on reports may be caused by different accrued income values. Any forecasts represent future expectations and actual returns, volatilities and will differ from forecasts. This report does not represent a specific investment recommendation. Please consult with your advisor, attorney, and accountant, as appropriate, regarding specific advice. Past performance does not indicate future performance and there is a possibility of a loss.

Manager performance for mutual funds and ETFs is based on NAV and provided by Lipper. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Unless specified otherwise, all returns are net of individual manager fees, represent total returns and are annualized for periods greater than one year. The deduction of fees produces a compounding effect that reduces the total rate of return over time. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) \$1,000,000 investment, (c) portfolio return of 8% a year, and (d) 0.50% annual investment advisory fee would be \$5,228 in the first year, and cumulative effects of \$30,342 over five years and \$73,826 over ten years. Additional information on advisory fees charged by Fiduciant Advisors are described in Part 2 of the Form ADV.

## **MATERIAL RISKS & LIMITATIONS**

**Fixed Income** securities are subject to interest rate risks, the risk of default and liquidity risk. U.S. investors exposed to non-U.S. fixed income may also be subject to currency risk and fluctuations.  
-Liability Driven Investing (LDI) Assets

**Cash** may be subject to the loss of principal and over longer period of time may lose purchasing power due to inflation.  
-Short Term Liquidity

**Domestic Equity** can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry factors, or other macro events. These may happen quickly and unpredictably.

**International Equity** can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry impacts, or other macro events. These may happen quickly and unpredictably. International equity allocations may also be impacted by currency and/or country specific risks which may result in lower liquidity in some markets.

**Real Assets** can be volatile and may include asset segments that may have greater volatility than investment in traditional equity securities. Such volatility could be influenced by a myriad of factors including, but not limited to overall market volatility, changes in interest rates, political and regulatory developments, or other exogenous events like weather or natural disaster.

**Private Equity** involves higher risk and is suitable only for sophisticated investors. Along with traditional equity market risks, private equity investments are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility and/or the potential loss of capital.

**Private Credit** involves higher risk and is suitable only for sophisticated investors. These assets are subject to interest rate risks, the risk of default and limited liquidity. U.S. investors exposed to non-U.S. private credit may also be subject to currency risk and fluctuations.

**Private Real Estate** involves higher risk and is suitable only for sophisticated investors. Real estate assets can be volatile and may include unique risks to the asset class like leverage and/or industry, sector or geographical concentration. Declines in real estate value may take place for a number of reasons including, but are not limited to economic conditions, change in condition of the underlying property or defaults by the borrower.

**Marketable Alternatives** involves higher risk and is suitable only for sophisticated investors. Along with traditional market risks, marketable alternatives are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility or the potential for loss of capital. Additionally, short selling involved certain risks including, but not limited to additional costs, and the potential for unlimited loss on certain short sale positions.

## **OTHER**

By regulation, closed-end funds utilizing debt for leverage must report their interest expense, as well as their income tax expense, as part of their total expense ratio. To make for a useful comparison between closed-end funds and both open-end funds and exchange-traded funds, adjusted expense ratios excluding interest and income tax expenses are utilized for closed-end funds within this report. See disclosure on closed-end fund fact sheets for information regarding the total expense ratio of each closed-end fund.

Please advise us of any changes in your objectives or circumstances.

## **CUSTODIAN STATEMENTS**

Please remember to review the periodic statements you receive from your custodian. If you do not receive periodic statements from your custodian or notice issues with the activity reported in those statements, please contact FA or your custodian immediately.