



BURLINGTON EMPLOYEES' RETIREMENT SYSTEM

James T. Strouse
Chairman of the Board
Robert Hooper
Vice-Chairman

Stephanie Hanker
Retirement Administrator
802-865-7097
VT Relay – dial 711 or
800-253-0191

****Special Meeting****
Retirement Board Meeting Agenda
Burlington Electric Department
October 02, 2014 – 9:00 AM

1. Agenda
2. Discussion of Retirement Investments
3. Expected Executive Session
4. Update of Retirement Committee
5. Other Business
6. Adjournment

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October 02, 2014
Burlington Employees' Retirement Board
Burlington Electric Department

Board Members Present: Jim Strouse (phone) Munir Kasti
 Matt Dow Jeff Wick
 Bob Rusten Ben O'Brien
 Bob Hooper Daniel Gilligan

Others Present: Stephanie Hanker
 Susan Leonard
 Kim Sturtevant
 Karen Paul

The meeting convened the meeting at 9:00am

1. **Agenda:**

Agenda approved

2. **Discussion of Retirement Investments:**

Bob Hooper stated that if the Board does go in the director to step away from VPIC we are grossly understaffed. Bob Hooper stated that prior to VPIC it was done at the Board level, but you have to be able to do the dance it is complicated work. Jeff Wick asked what the goal of the meeting was. Jim Strouse stated that it was to come to a conclusion about VPIC. Jeff Wick stated he did not agree, and the discussion did not be made today because we are not in a bad way with VPIC and we are still figuring this out. Jim Strouse stated the Board has been discussing this for a long time now and have been unable to come up with a conclusion. Ben O'Brien stated he felt pressure from the retirement committee. Daniel Gilligan asked what the Board was going to do if they leave VPIC. Jeff Wick stated he did not feel he was ready to make that decision today. Matt Dow stated that there are other options and the Board needs to explore those options. Bob Hooper stated the Board has been batting this around for a while and the Board needs to figure out the associated costs for each decision. Bob Rusten stated he is willing to start the steps and get all of the facts in order before the Board pulls the trigger. Jeff Wick stated that if the Board withdraws from VPIC there needs to be talk about staff and he would like to know the Mayor's feelings on this. Daniel Gilligan asked if the Board does leave VPIC who would do the work. Bob Rusten stated that the goals for him are to get better net returns, on a ten year average met the market, we need to talk to active managers, what index's would be, he feels the Board needs to be reasonably conservative.

Bob Rusten stated we need to investigate what steps need to be done. Jeff Wick stated he is open to taking 6-9 months. Jim Strouse stated the next steps to decide are how to allocate the money, structure the portfolio and have Barry Bryant bring in managers to interview. Jim Strouse stated that Barry is not a money manager he is a consultant and he would bring managers to the Board to interview, unless the Board wants to change consultants. Bob Rusten asked if Dahab generates any fees from our investments. Jim Strouse stated no, Dahab was chosen because there was no conflict of interest and a consultant is needed to track performance and make sure you are getting what has been presented. Bob Rusten proposed to initiate research to separate, what would be the cost to leave, what would be the role of the Board, options to put the money and what the total cost to the system would be associated with leaving VPIC.

Bob Rusten moved to enter into executive session to discuss the current contract with Dahab associates to assess value to the Board. Ben O'Brien 2nd. Motion carries 8:0

Bob Rusten moved to go into executive session to discuss the first motion and to include members of the Board and legal counsel only. Jeff Wick 2nd. Motion carries 8:0

Board enters executive session at 9:50am.

Board exits executive session at 10:07am.

Bob Rusten moved to put out an RFP for a consultant to the Board. Daniel Gilligan 2nd. Motion carries 8:0

Bob Rusten stated he would pull previous RFP's submitted to South Burlington.

3. **Other Business:**

Bob Rusten presented the Board with a spreadsheet from Buck, but noted that he found them confusing and should probably speak to David Driscoll first.

Jim Strouse asked Daniel Gilligan if he had registered for the conference. Daniel Gilligan stated yes he would be attending. Munir Kasti asked the Board be provided with a budget report for the quarter. Bob Rusten stated yes. Jim Strouse stated he would give Barry Bryant a call to let him know about the RFP going out.

Bob Rusten moved to adjourn. Daniel Gilligan 2nd. Motion Carries 7:0.