



BURLINGTON EMPLOYEES' RETIREMENT SYSTEM

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****Special Meeting****
Retirement Board Meeting Agenda
Contois Auditorium
September 03, 2019 8:30am

1. Agenda
2. Public Forum
3. Approve Minutes of July 16, 2019
4. Ratify Refund and Rollovers
5. Approve Retirement Applications
6. UBS Update
7. Performance Report – Dahab Associates
8. Investment Policy Statement – Review
9. Schedule Next Meeting of the Retirement Board
10. Other Business
11. Adjourn

Non-Discrimination

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City Of Burlington Employees Retirement Plan

Performance Review
June 2019

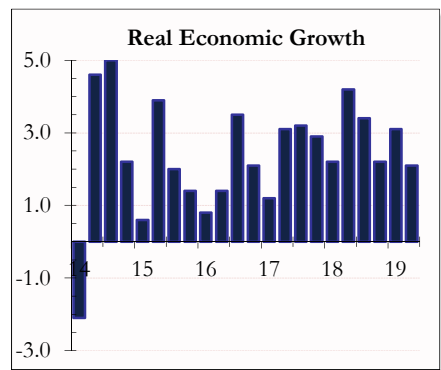


DAHAB ASSOCIATES
New York Massachusetts Pennsylvania Florida

ECONOMIC ENVIRONMENT

Mostly Good News

Second quarter GDP (advance estimate) grew by 2.1%, a percent lower than the prior quarter. Higher net imports and serious trade



issues with China contributed to the slowing rate.

The June jobs report was a pleasant surprise after a tepid May showing. June saw job gains totaling 224,000 and averaging 171,000 for the quarter. June's gains were across the board, including manufacturing, professional services, health, transportation,

and construction. Unemployment ticked down slightly over the quarter to 3.7%.

May's existing home sales jumped 2.5%, in line with falling mortgage rates. All regions of the country participated. However, new home sales fell almost 8% in May, as rising home prices squelched buyers' enthusiasm. \$278,000 was the national median sale price for existing homes while the median for new homes was approximately \$308,000. Those prices masked great variability by region.

The ISM Manufacturing Index has now grown for more than 10 years. This represents the 122nd consecutive month of growth! The production index component increased to 54.1% (greater than 50% represents growth), but, other related measures modestly decreased. 12 of the 18 manufacturing industries grew, while the clothing, primary metals, and transportation equipment sectors contracted. On the services side, the Non-Manufacturing Index registered 55.1%, modestly down from May's 56.9%. Very favorably, 16 of 17 service industries reported growth. Only the arts, entertainment and recreation industry slowed.

The University of Michigan Consumer Sentiment Index fell slightly from 100 to 98 in June, as higher income consumers were pointedly concerned about the economic fallout from US-China tariffs. While

more bad news on that front could further dampen consumer confidence, any tariff pullback would likely be a relief.

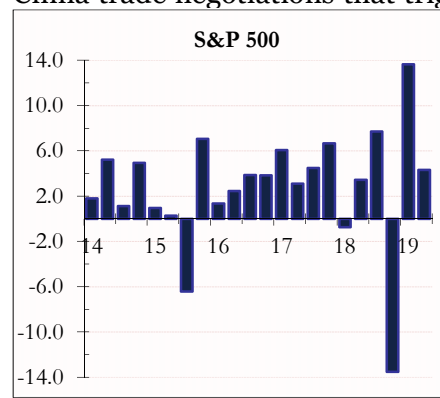
While commodity prices continued to slide, the 2nd quarter loss was contained to 1.2%. Key components were energy (-4.6%) and especially its natural gas component (-16.2%). Livestock (-11%) and industrial metals (-7.2%) didn't help. On the plus side, agricultural prices rose 4.5% and gold climbed 9%.

In June, the Fed announced that it would maintain its 2¼%-2½% Fed funds rate. While citing good news on the labor and economic fronts, it also voiced concern for softer future economic growth. The Fed statement implied that it was seriously considering one or more rate cuts this year into early 2020. However, the surprisingly high new job statistics reported in early July led investors to question the timing and extent of future rate cuts. Still, as the markets closed in June, hopes remained high for both rate cuts and renewed China-US tariff negotiations. Those factors, more than any other, lifted equity and bond markets in the second quarter.

DOMESTIC EQUITIES

A Strong Quarter Overall

It was a solid up-quarter for stocks, despite the breakdown in US-China trade negotiations that triggered May's market fall. Not only did the S&P 500 log a 4.3% gain, but the tech-oriented NASDAQ posted 3.9% and the industrial-tilted DJIA added 3.2%. Growth-style indices continued their trend of outperformance relative to their value counterparts in the 2nd quarter, as the Russell 1000 Growth Index earned 4.6% vs. 3.8% for the Value Index. The same was true for mid-cap and small-cap stocks, but with still wider gaps. For example, the Russell 2000 Growth Index rose 2.7% vs. 1.4% for the Value Index. Growth-



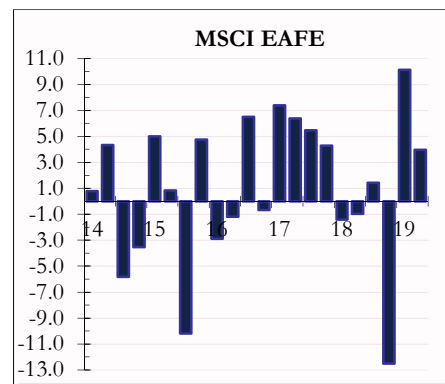
style indices across all cap sizes are now outperforming their value counterparts on a 1, 3, 5, and 10-year basis.

10 of the 11 S&P sectors showed positive results. The energy sector (-2.8%) was the only one to lose ground due to price pullbacks and a growing supply. Healthcare was the second-worst sector, moving up just 1.4%, as calls continued for drug reform. All other sectors returned between 2.5% and 8%. Financials performed best as government stress tests showed the major banks' balance sheets to be in good shape. Tech stocks, with an S&P weight of almost 22%, also performed well (+6.1%). Microsoft (+14%), the largest component of the tech sector, was just one example of robust gains.

INTERNATIONAL EQUITIES

Mixed Reviews Globally

The temporary breakdown in US-China trade talks cast a pall on European and Pacific developed markets. Still, investors remained



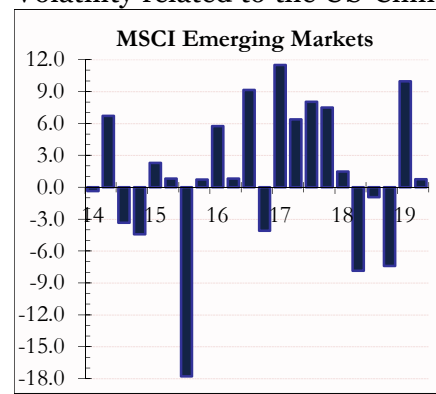
positive. Not only did they hold out hope for further rate cuts by both the European and Australian central banks, but they also believed the trade mess would eventually resolve itself favorably. In turn, these attitudes boosted many country returns in June and for the quarter, sending EAFE up 4%. The Euro region was a bright spot, returning 6.5%. The two

biggest Euro markets, France and Germany, gained 7.3% and 7.8%, respectively. French investors looked forward to tax cuts and the end of the destabilizing yellow vest demonstrations. The French economy also seemed to be on the mend. In Germany, a survey revealed that residents had high consumer confidence; more good news came from its strong service sector. Italy, the third largest European economy, struggled as its market trailed (+3.6%). Arguably, a moribund economy and nationalistic politics could have weighed down returns even more. Ireland (+4.9%) performed surprisingly well, considering the possibility of a disorderly Brexit,

which could negatively impact trade with its UK neighbor. The UK market itself was among the poorest performers, earning just 0.9%. Stalled Brexit negotiations accounted for the weak showing despite respectable retail sales and relatively low unemployment.

Hong Kong citizenry shuddered over the prospect of a law allowing extradition of its citizens to mainland China. The US-China trade impasse also concerned investors. This resulted in a very modest 1% return for the Hong Kong market. The Japanese economy benefited from consumer buying in advance of a new sales tax. However, its exports sank in sync with global trade tensions. Falling exports predominated, with the Japanese market rising a mere 1.1%. Singapore shares rose 7%, bolstered by heavy government and consumer spending. Israel fared worst among developed markets (-3.5%), due to a drop-off in natural gas exports and especially because of the political quagmire involving PM Netanyahu.

There were several reasons for the very low 0.7% EM return. Volatility related to the US-China trade impasse was certainly a big



issue. Additionally, election uncertainty, political disarray and economic weakness in many countries all contributed. The 2nd quarter continued a fairly long pattern of poor results. The hope is for an eventual turnaround, fueled by a resilient China and political stability. However, the range of country returns this past quarter was quite wide. Brazil,

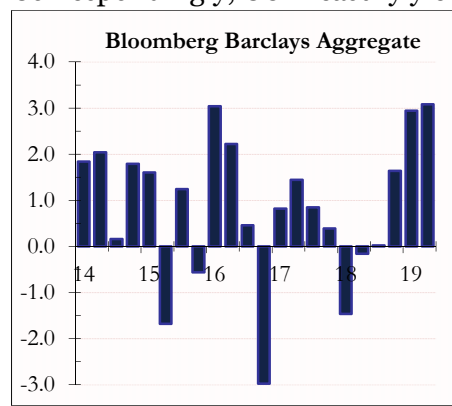
Russia, India and China (BRIC) are the four heavy-weight economies in the EM index. Collectively, they returned -0.1%. Yet Brazil and Russia rose strongly. Brazil's market gained 7.2% despite that country's poorly performing exports. It owes its healthy return to news that the huge state-owned Petrobras plans to sell assets to reduce its debt load and the fact that the newly re-elected President Bolsonaro retains wide support. Moving on to Russia, there is no easy explanation for Russian shares to advance 17.3%. A partial explanation is that Russian oil shipments still helped the economy despite volatile prices. Additionally, state-owned Sberbank shares climbed 25% based on a turnaround in profits. China was the worst

performer (-3.9%), as the trade impasse with the US and falling industrial production hit hard. Importantly, the growth trajectories of consumer technology companies, including Alibaba and Tencent, skidded. In turn, China's difficulties had a spillover effect on its smaller trading partners.

BOND MARKET

Price Gains All Around

Bonds followed stocks upward during the second quarter rally. Correspondingly, US Treasury yields declined significantly all along



the yield curve. This was in reaction to Fed comments on several topics: possible rate cuts, the low inflation rate, and negative sovereign yields offshore.

The combined Treasury Index returned 3.0%. Since Treasuries make up 40% of the Barclays Aggregate Index, that benchmark returned a similar 3.1%. The Aggregate's

corporate bond sector performed better still, earning 4.5%. Within the corporate sector, utility and industrial bonds each earned approximately 4.7%. Financial issues lagged modestly, rising 3.9%. The lower the credit rating, the higher the return was the rule for

investment grade credits. For example, AAA credits averaged a 2.7% return while BAA's averaged 4.8%.

Residential mortgage-backed paper returned almost 2%, as investors were wary of higher prepayments and refinancing in a falling mortgage rate environment. On the other hand, commercial mortgage issues performed better (+3.3%). It is worth mentioning that prepayments are restricted in this sector.

The US dollar had mixed currency results compared to other major G-7 currencies. The British pound and Australian dollar fell while the euro, yen, Canadian dollar and Swiss franc climbed against the US dollar.

Together, the sovereign bonds of the G-6 countries (excluding US Treasuries) rose 3.4%. Italy was the big winner, returning 5.2%. Next was France, up 4.4%. The only laggard was the UK, which actually lost 1%. Currency depreciation impacted the UK return more than the specter of Brexit. The EM Sovereign Debt Index returned 4.5% for the quarter.

CASH EQUIVALENTS

Keeping Pace with CPI

The three-month T-Bill returned 0.6% for the second quarter and 2.3% for the latest one-year. Had you owned Treasuries having a longer than one-year maturity, you achieved a latest 12-month return of at least 3%. Surprisingly, money market instruments have more than kept pace with the CPI's anemic 1.6% advance for the latest year.

Economic Statistics

	Current Quarter	Previous Quarter
GDP	2.1%	3.1%
Unemployment	3.7%	3.8%
CPI All Items Year/Year	1.6%	1.9%
Fed Funds Rate	2.50%	2.50%
Industrial Capacity	77.9%	78.4%
US Dollars per Euro	1.14	1.12

Major Index Returns

Index	Quarter	12 Months
Russell 3000	4.1%	9.0%
S&P 500	4.3%	10.4%
Russell Midcap	4.1%	7.8%
Russell 2000	2.1%	-3.3%
MSCI EAFE	4.0%	1.6%
MSCI Emg Markets	0.7%	1.6%
NCREIF ODCE	1.0%	6.4%
U.S. Aggregate	3.1%	7.9%
90 Day T-bills	0.6%	2.3%

Domestic Equity Return Distributions

Quarter				Trailing Year			
	VAL	COR	GRO		VAL	COR	GRO
LC	3.8	4.2	4.6	LC	8.4	10.0	11.6
MC	3.2	4.1	5.4	MC	3.7	7.8	13.9
SC	1.4	2.1	2.7	SC	-6.3	-3.3	-0.5

Market Summary

- Stocks bounced back at the end of Q2, to continue their 2019 run.
- Growth equities continue to outperform value across all cap sizes.
- Fixed Income markets continue to do well. Markets seem to be pricing in a high probability of rate cuts over the coming months.
- Inflation has continued to be weak.
- Unemployment fell slightly in Q2 to 3.7%.

INVESTMENT RETURN

On June 30th, 2019, the City of Burlington Employees Retirement System was valued at \$194,163,372, representing an increase of \$845,154 from the March quarter's ending value of \$193,318,218. Last quarter, the Fund posted withdrawals totaling \$4,049,872, which offset the portfolio's net investment return of \$4,895,026. Income receipts totaling \$191,341 plus net realized and unrealized capital gains of \$4,703,685 combined to produce the portfolio's net investment return.

RELATIVE PERFORMANCE

Total Fund

For the second quarter, the Composite portfolio returned 2.5%, which was 0.4% below the Burlington Manager Shadow Index's return of 2.9% and ranked in the 91st percentile of the Public Fund universe. Over the trailing year, the portfolio returned 5.2%, which was 0.5% below the benchmark's 5.7% return, ranking in the 80th percentile. Since December 2001, the portfolio returned 5.8% annualized.

Equity

The equity portion of the portfolio returned 3.4% last quarter; that return was 0.4% less than the MSCI All Country World index's return of 3.8% and ranked in the 61st percentile of the Global Equity universe. Over the trailing twelve-month period, this component returned 5.5%, 0.8% below the benchmark's 6.3% performance, ranking in the 53rd percentile.

Real Assets

In the second quarter, the real assets segment returned -3.0%, which was 3.3% less than the Real Assets Blended Index's return of 0.3%. Over the trailing twelve-month period, this component returned 0.5%, which was 0.4% less than the benchmark's 0.9% performance.

Fixed Income

For the second quarter, the fixed income component returned 2.6%, which was equal to the Intermediate Gov/Credit Index's return of 2.6% and ranked in the 50th percentile of the Broad Market Fixed Income universe. Over the trailing year, this segment returned 6.9%, which was equal to the benchmark's 6.9% performance, and ranked in the 52nd percentile.

ASSET ALLOCATION

On June 30th, 2019, equities comprised 69.4% of the total portfolio (\$134.8 million), while real assets totaled 9.9% (\$19.2 million). The account's fixed income component comprised 20.4% (\$39.6 million), while the remaining 0.3% was comprised of cash & equivalents (\$580,552).

The Retirement System also had a negative cash balance in the Pooled Account (not included in the valuations in this report) of -\$589,308.25.

EXECUTIVE SUMMARY

PERFORMANCE SUMMARY

	Quarter	FYTD / 1Y	3 Year	5 Year	10 Year	Since 12/01
Total Portfolio - Gross	2.5	5.2	9.7	5.5	9.0	5.8
<i>PUBLIC FUND RANK</i>	(91)	(80)	(19)	(69)	(56)	----
Total Portfolio - Net	2.5	5.1	9.5	5.3	8.6	----
Manager Shadow	2.9	5.7	10.0	6.1	8.4	----
Equity - Gross	3.4	5.5	12.5	----	----	----
<i>GLOBAL EQUITY RANK</i>	(61)	(53)	(43)	----	----	----
MSCI AC World	3.8	6.3	12.2	6.7	10.7	7.2
ACWI Ex US	3.2	1.8	9.9	2.6	7.0	6.8
MSCI EAFE	4.0	1.6	9.6	2.7	7.4	6.2
MSCI EM Net	0.6	1.2	10.7	2.5	5.8	9.7
Russell 3000	4.1	9.0	14.0	10.2	14.7	8.0
Cambridge PE	0.0	8.7	14.9	11.3	14.6	13.0
Real Assets - Gross	-3.0	0.5	3.9	----	----	----
Real Assets Idx	0.3	0.9	2.9	1.6	3.5	5.6
NCREIF ODCE	1.0	6.4	7.6	9.8	9.9	8.0
NCREIF Timber	1.0	2.9	3.3	4.6	4.0	6.8
BLP Commodity	-1.2	-6.8	-2.2	-9.1	-3.7	0.7
Fixed Income - Gross	2.6	6.9	2.0	----	----	----
<i>BROAD MARKET FIXED RANK</i>	(50)	(52)	(85)	----	----	----
Int Gov/Credit	2.6	6.9	2.0	2.4	3.2	3.9
Global Aggregate	3.3	5.8	1.6	1.2	2.9	4.8
Global Agg Ex US	3.4	4.1	1.0	-0.1	2.1	5.0
Aggregate Index	3.1	7.9	2.3	3.0	3.9	4.5

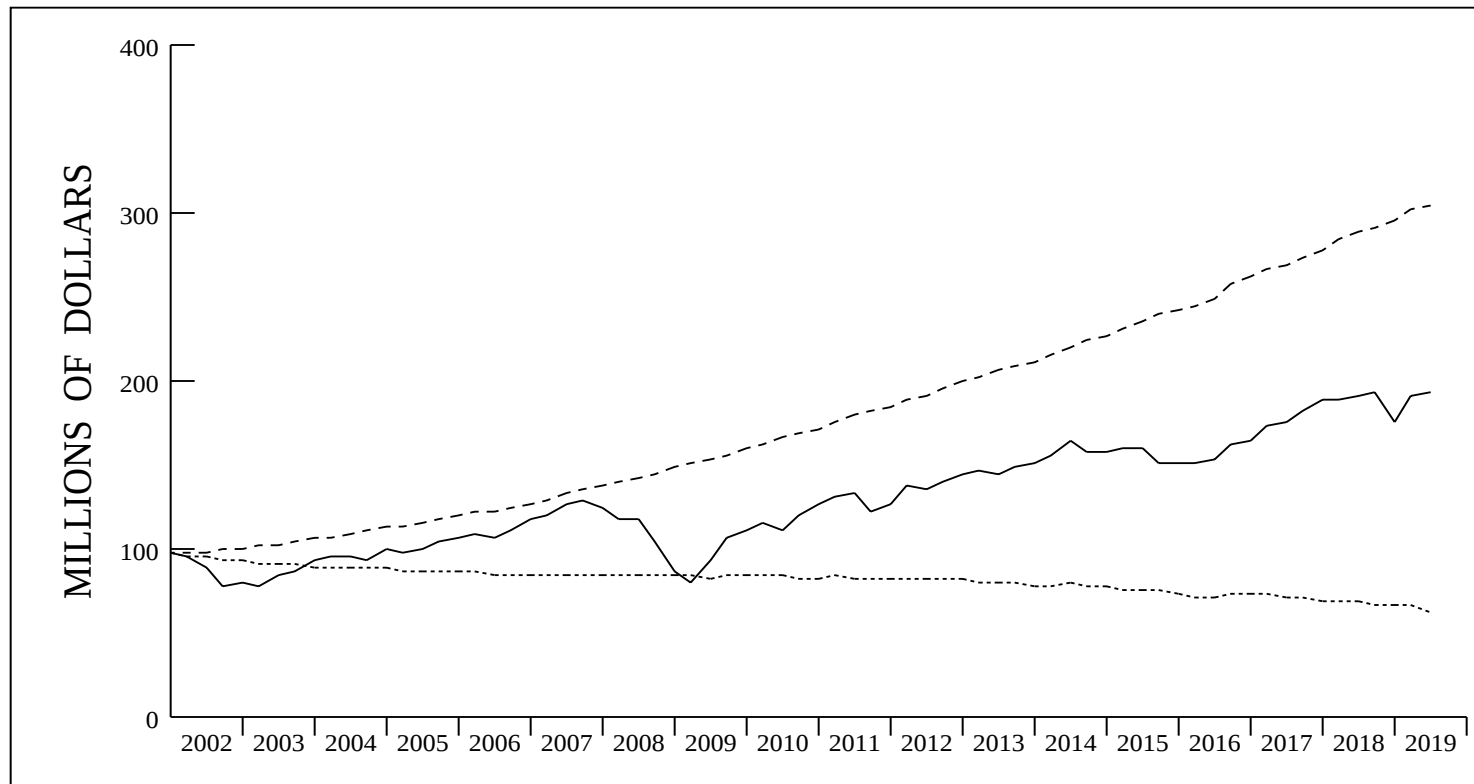
ASSET ALLOCATION

Equity	69.4%	\$ 134,762,611
Real Assets	9.9%	19,220,921
Fixed Income	20.4%	39,599,288
Cash	0.3%	580,552
Total Portfolio	100.0%	\$ 194,163,372

INVESTMENT RETURN

Market Value 3/2019	\$ 193,318,218
Contribs / Withdrawals	- 4,049,872
Income	191,341
Capital Gains / Losses	4,703,685
Market Value 6/2019	\$ 194,163,372

INVESTMENT GROWTH

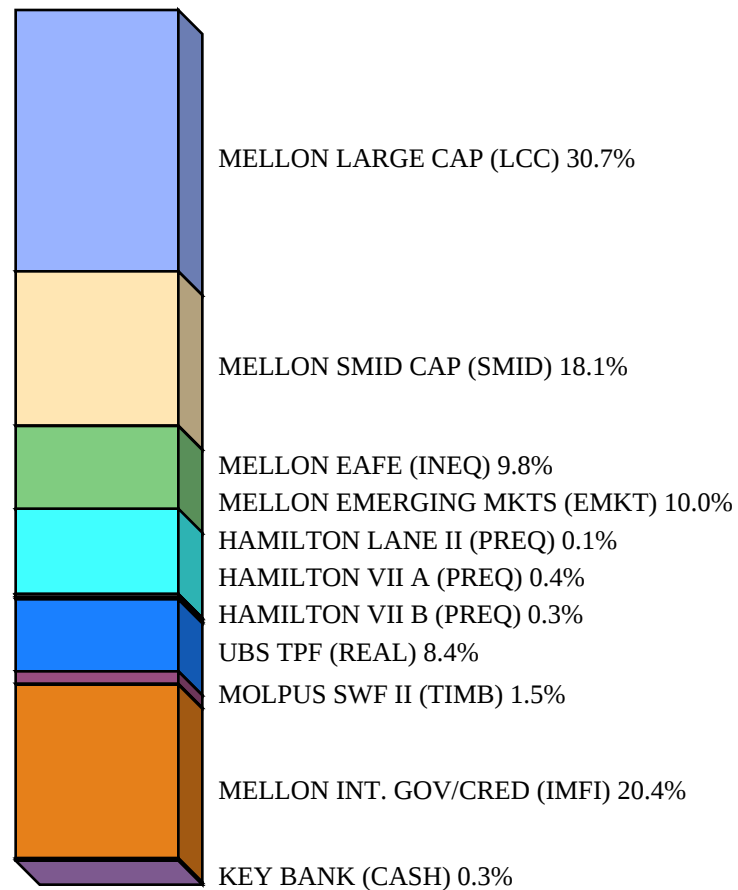


— ACTUAL RETURN
 - - - 8.0%
 0.0%

VALUE ASSUMING
 8.0% RETURN \$ 305,289,770

	LAST QUARTER	PERIOD 12/01 - 6/19
BEGINNING VALUE	\$ 193,318,218	\$ 98,885,312
NET CONTRIBUTIONS	- 4,049,872	- 36,262,102
INVESTMENT RETURN	4,895,026	131,540,162
ENDING VALUE	\$ 194,163,372	\$ 194,163,372
INCOME	191,341	15,928,784
CAPITAL GAINS (LOSSES)	4,703,685	115,611,378
INVESTMENT RETURN	4,895,026	131,540,162

MANAGER ALLOCATION AND TARGET SUMMARY



Name	Market Value	Percent	Target
Mellon Large Cap (LCC)	\$59,542,425	30.7	30.0
Mellon Smid Cap (SMID)	\$35,116,834	18.1	18.0
Mellon EAFE (INEQ)	\$18,996,950	9.8	10.0
Mellon Emerging Mkts (EMKT)	\$19,477,165	10.0	10.0
Hamilton Lane II (PREQ)	\$243,675	0.1	0.5
Hamilton VII A (PREQ)	\$817,531	0.4	0.9
Hamilton VII B (PREQ)	\$568,031	0.3	0.6
UBS TPF (REAL)	\$16,370,180	8.4	8.0
Molpus SWF II (TIMB)	\$2,850,741	1.5	2.0
Mellon Int. Gov/Cred (IMFI)	\$39,599,288	20.4	20.0
Key Bank (CASH)	\$580,552	0.3	0.0
Total Portfolio	\$194,163,372	100.0	100.0

INVESTMENT RETURN SUMMARY - ONE QUARTER

Name	Quarter Total Return	Market Value March 31st, 2019	Net Cashflow	Net Investment Return	Market Value June 30th, 2019
Mellon Large Cap (LCC)	4.3	60,959,834	-4,000,000	2,582,591	59,542,425
Mellon Smid Cap (SMID)	3.0	34,096,937	0	1,019,897	35,116,834
Mellon EAFE (INEQ)	3.8	18,296,843	0	700,107	18,996,950
Mellon Emerging Mkts (EMKT)	0.6	19,358,138	0	119,027	19,477,165
Hamilton Lane II (PREQ)	22.8	221,598	-27,490	49,567	243,675
Hamilton VII A (PREQ)	1.0	842,878	-33,991	8,644	817,531
Hamilton VII B (PREQ)	2.5	596,580	-43,048	14,499	568,031
UBS TPF (REAL)	-3.7	17,036,303	-37,754	-628,369	16,370,180
Molpus SWF II (TIMB)	1.3	2,878,847	-57,327	29,221	2,850,741
Mellon Int. Gov/Cred (IMFI)	2.6	38,599,446	0	999,842	39,599,288
Key Bank (CASH)	---	430,814	149,738	0	580,552
Total Portfolio	2.5	193,318,218	-4,049,872	4,895,026	194,163,372

MANAGER PERFORMANCE SUMMARY - GROSS OF FEES

Portfolio	(Universe)	Quarter	FYTD	1 Year	3 Years	5 Years	Since Inception	
Total Portfolio	(Public Fund)	2.5 (91)	5.2 (80)	5.2 (80)	9.7 (19)	5.5 (69)	5.8 ----	12/01
<i>Manager Shadow</i>		<i>2.9 ---</i>	<i>5.7 ---</i>	<i>5.7 ---</i>	<i>10.0 ---</i>	<i>6.1 ---</i>	<i>----</i>	<i>12/01</i>
Mellon Large Cap	(LC Core)	4.3 (50)	10.4 (36)	10.4 (36)	14.2 (37)	----	13.9 (34)	03/16
<i>S&P 500</i>		<i>4.3 ---</i>	<i>10.4 ---</i>	<i>10.4 ---</i>	<i>14.2 ---</i>	<i>10.7 ---</i>	<i>13.9 ---</i>	<i>03/16</i>
Mellon Smid Cap	(Smid Cap)	3.0 (71)	1.9 (55)	1.9 (55)	12.5 (50)	----	12.7 (44)	03/16
<i>Russell 2500</i>		<i>3.0 ---</i>	<i>1.7 ---</i>	<i>1.7 ---</i>	<i>12.3 ---</i>	<i>7.6 ---</i>	<i>12.5 ---</i>	<i>03/16</i>
Mellon EAFE	(Intl Eq)	3.8 (29)	1.3 (43)	1.3 (43)	9.5 (54)	----	8.3 (57)	03/16
<i>MSCI EAFE</i>		<i>4.0 ---</i>	<i>1.6 ---</i>	<i>1.6 ---</i>	<i>9.6 ---</i>	<i>2.7 ---</i>	<i>8.5 ---</i>	<i>03/16</i>
Mellon Emerging Mkts	(Emerging Mkt)	0.6 (78)	1.3 (57)	1.3 (57)	10.6 (50)	----	10.0 (53)	03/16
<i>MSCI EM Net</i>		<i>0.6 ---</i>	<i>1.2 ---</i>	<i>1.2 ---</i>	<i>10.7 ---</i>	<i>2.5 ---</i>	<i>10.0 ---</i>	<i>03/16</i>
Hamilton Lane II		22.8 ----	13.0 ----	13.0 ----	7.1 ----	2.2 ----	11.0 ----	03/09
<i>Cambridge PE</i>		<i>0.0 ---</i>	<i>8.7 ---</i>	<i>8.7 ---</i>	<i>14.9 ---</i>	<i>11.3 ---</i>	<i>14.7 ---</i>	<i>03/09</i>
Hamilton VII A		1.0 ----	13.6 ----	13.6 ----	12.7 ----	11.6 ----	12.9 ----	09/11
<i>Cambridge PE</i>		<i>0.0 ---</i>	<i>8.7 ---</i>	<i>8.7 ---</i>	<i>14.9 ---</i>	<i>11.3 ---</i>	<i>13.7 ---</i>	<i>09/11</i>
Hamilton VII B		2.5 ----	-2.4 ----	-2.4 ----	5.1 ----	4.3 ----	6.8 ----	09/11
<i>Cambridge PE</i>		<i>0.0 ---</i>	<i>8.7 ---</i>	<i>8.7 ---</i>	<i>14.9 ---</i>	<i>11.3 ---</i>	<i>13.7 ---</i>	<i>09/11</i>
UBS TPF		-3.7 ----	0.0 ----	0.0 ----	----	----	4.2 ----	09/16
<i>NCREIF ODCE</i>		<i>1.0 ---</i>	<i>6.4 ---</i>	<i>6.4 ---</i>	<i>7.6 ---</i>	<i>9.8 ---</i>	<i>7.5 ---</i>	<i>09/16</i>
Molpus SWF II		1.3 ----	3.5 ----	3.5 ----	1.2 ----	2.9 ----	3.4 ----	03/09
<i>NCREIF Timber</i>		<i>1.0 ---</i>	<i>2.9 ---</i>	<i>2.9 ---</i>	<i>3.3 ---</i>	<i>4.6 ---</i>	<i>3.8 ---</i>	<i>03/09</i>
Mellon Int. Gov/Cred	(Int Fixed)	2.6 (30)	6.9 (44)	6.9 (44)	2.0 (92)	----	2.3 (84)	03/16
<i>Int Gov/Credit</i>		<i>2.6 ---</i>	<i>6.9 ---</i>	<i>6.9 ---</i>	<i>2.0 ---</i>	<i>2.4 ---</i>	<i>2.3 ---</i>	<i>03/16</i>

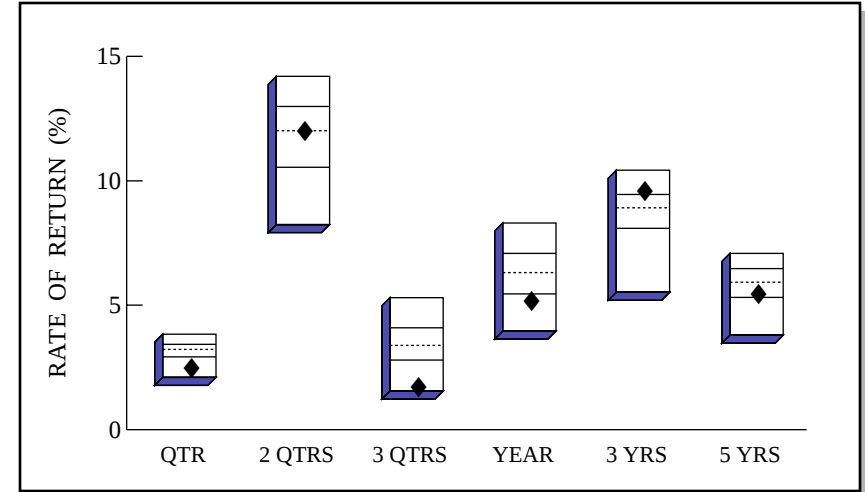
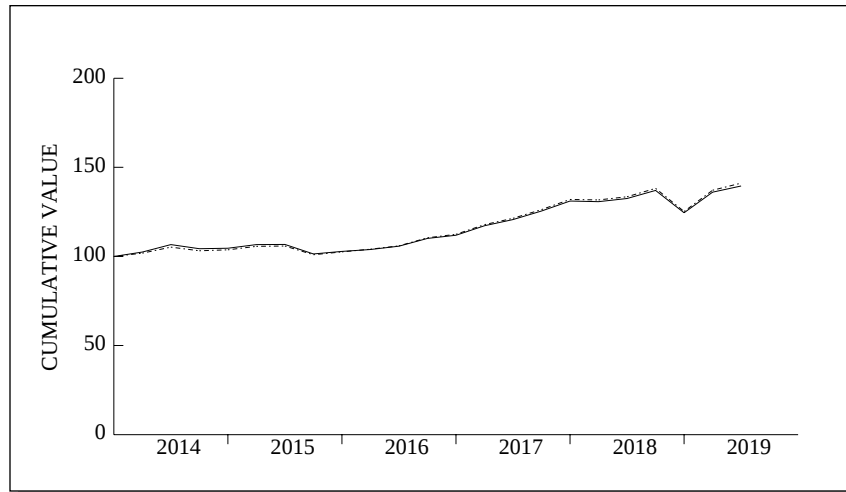
MANAGER PERFORMANCE SUMMARY - NET OF FEES

Name	Quarter	FYTD	1 Year	3 Years	5 Years	Since Inception	
Total Portfolio	2.5	5.1	5.1	9.5	5.3	----	12/01
<i>Manager Shadow</i>	<i>2.9</i>	<i>5.7</i>	<i>5.7</i>	<i>10.0</i>	<i>6.1</i>	----	<i>12/01</i>
Mellon Large Cap	4.3	10.4	10.4	14.2	----	13.9	03/16
<i>S&P 500</i>	<i>4.3</i>	<i>10.4</i>	<i>10.4</i>	<i>14.2</i>	<i>10.7</i>	<i>13.9</i>	<i>03/16</i>
Mellon Smid Cap	3.0	1.9	1.9	12.4	----	12.6	03/16
<i>Russell 2500</i>	<i>3.0</i>	<i>1.7</i>	<i>1.7</i>	<i>12.3</i>	<i>7.6</i>	<i>12.5</i>	<i>03/16</i>
Mellon EAFE	3.8	1.3	1.3	9.5	----	8.3	03/16
<i>MSCI EAFE</i>	<i>4.0</i>	<i>1.6</i>	<i>1.6</i>	<i>9.6</i>	<i>2.7</i>	<i>8.5</i>	<i>03/16</i>
Mellon Emerging Mkts	0.6	1.2	1.2	10.5	----	9.9	03/16
<i>MSCI EM Net</i>	<i>0.6</i>	<i>1.2</i>	<i>1.2</i>	<i>10.7</i>	<i>2.5</i>	<i>10.0</i>	<i>03/16</i>
Hamilton Lane II	19.1	4.9	4.9	1.8	-1.8	8.4	03/09
<i>Cambridge PE</i>	<i>0.0</i>	<i>8.7</i>	<i>8.7</i>	<i>14.9</i>	<i>11.3</i>	<i>14.7</i>	<i>03/09</i>
Hamilton VII A	0.7	12.0	12.0	11.3	10.2	11.0	09/11
<i>Cambridge PE</i>	<i>0.0</i>	<i>8.7</i>	<i>8.7</i>	<i>14.9</i>	<i>11.3</i>	<i>13.7</i>	<i>09/11</i>
Hamilton VII B	2.3	-3.5	-3.5	3.9	3.6	5.0	09/11
<i>Cambridge PE</i>	<i>0.0</i>	<i>8.7</i>	<i>8.7</i>	<i>14.9</i>	<i>11.3</i>	<i>13.7</i>	<i>09/11</i>
UBS TPF	-3.9	-0.9	-0.9	----	----	3.2	09/16
<i>NCREIF ODCE</i>	<i>1.0</i>	<i>6.4</i>	<i>6.4</i>	<i>7.6</i>	<i>9.8</i>	<i>7.5</i>	<i>09/16</i>
Molpus SWF II	1.0	2.5	2.5	0.2	1.9	2.5	03/09
<i>NCREIF Timber</i>	<i>1.0</i>	<i>2.9</i>	<i>2.9</i>	<i>3.3</i>	<i>4.6</i>	<i>3.8</i>	<i>03/09</i>
Mellon Int. Gov/Cred	2.6	6.9	6.9	1.9	----	2.3	03/16
<i>Int Gov/Credit</i>	<i>2.6</i>	<i>6.9</i>	<i>6.9</i>	<i>2.0</i>	<i>2.4</i>	<i>2.3</i>	<i>03/16</i>

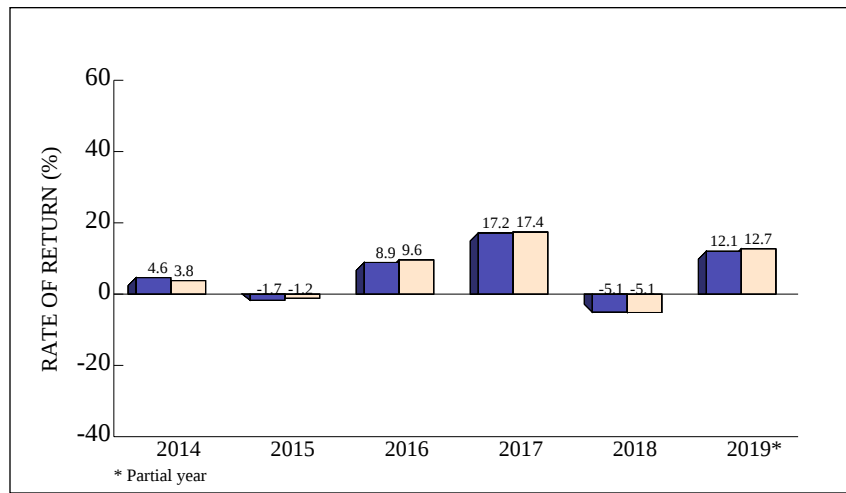
MANAGER VALUE ADDED

1 Quarter	Portfolio	Benchmark	1 Year
0.0	Mellon Large Cap	S&P 500	0.0
0.0	Mellon Smid Cap	Russell 2500	0.2
-0.2	Mellon EAFE	MSCI EAFE	-0.3
0.0	Mellon Emerging Mkts	MSCI EM Net	0.1
22.8 	Hamilton Lane II	Cambridge PE	4.3 
1.0 	Hamilton VII A	Cambridge PE	4.9 
2.5 	Hamilton VII B	Cambridge PE	 -11.1
 -4.7	UBS TPF	NCREIF ODCE	 -6.4
0.3	Molpus SWF II	NCREIF Timber	0.6 
0.0	Mellon Int. Gov/Cred	Int Gov/Credit	0.0
-0.4	Total Portfolio	Manager Shadow	-0.5

TOTAL RETURN COMPARISONS

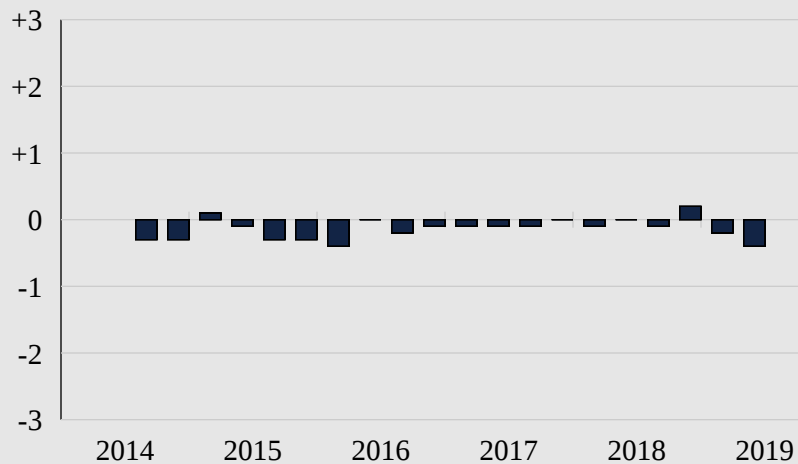


Public Fund Universe



	QTR	2 QTRS	3 QTRS	YEAR	-----ANNUALIZED----- 3 YRS	5 YRS
RETURN	2.5	12.1	1.8	5.2	9.7	5.5
(RANK)	(91)	(49)	(93)	(80)	(19)	(69)
5TH %ILE	3.8	14.2	5.3	8.3	10.4	7.1
25TH %ILE	3.4	13.0	4.1	7.1	9.5	6.5
MEDIAN	3.2	12.0	3.4	6.3	8.9	5.9
75TH %ILE	2.9	10.5	2.8	5.5	8.1	5.3
95TH %ILE	2.1	8.2	1.6	4.0	5.5	3.8
Mgr Shadow	2.9	12.7	2.1	5.7	10.0	6.1

Public Fund Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY - 5 YEARS**COMPARATIVE BENCHMARK: BURLINGTON MANAGER SHADOW INDEX****VARIATION FROM BENCHMARK**

Total Quarters Observed	20
Quarters At or Above the Benchmark	5
Quarters Below the Benchmark	15
Batting Average	.250

RATES OF RETURN

Date	Portfolio	Bench	Diff	-----Cumulative-----		
				Portfolio	Bench	Diff
9/14	-2.2	-1.9	-0.3	-2.2	-1.9	-0.3
12/14	0.3	0.6	-0.3	-1.9	-1.4	-0.5
3/15	1.9	1.8	0.1	0.0	0.4	-0.4
6/15	0.1	0.2	-0.1	0.1	0.6	-0.5
9/15	-5.0	-4.7	-0.3	-4.9	-4.0	-0.9
12/15	1.3	1.6	-0.3	-3.6	-2.5	-1.1
3/16	1.1	1.5	-0.4	-2.6	-1.1	-1.5
6/16	1.8	1.8	0.0	-0.8	0.7	-1.5
9/16	4.1	4.3	-0.2	3.3	5.0	-1.7
12/16	1.6	1.7	-0.1	5.0	6.8	-1.8
3/17	4.7	4.8	-0.1	9.9	12.0	-2.1
6/17	3.0	3.1	-0.1	13.2	15.4	-2.2
9/17	3.9	4.0	-0.1	17.7	20.0	-2.3
12/17	4.5	4.5	0.0	23.0	25.5	-2.5
3/18	-0.3	-0.2	-0.1	22.6	25.2	-2.6
6/18	1.4	1.4	0.0	24.3	26.9	-2.6
9/18	3.4	3.5	-0.1	28.5	31.3	-2.8
12/18	-9.2	-9.4	0.2	16.8	19.0	-2.2
3/19	9.3	9.5	-0.2	27.6	30.3	-2.7
6/19	2.5	2.9	-0.4	30.8	34.1	-3.3

Private Equity Investor Report Hamilton Lane Secondary Fund II LP

IRR Since Inception	14.18%	Annualized, Net of Fees			
Market Value	\$ 243,675	Last Statement Date: 6/30/2019			
Capital Commitment	\$ 3,400,000	100.00%	PME+	10.5%	
Paid In Capital	\$ 2,982,695	87.73%	Fund Level LP Net IRR*	13.7%	
Remaining Commitment	\$ 417,305	12.27%	MSCI World Index PME*	11.1%	
Date	Contributions	% of Commitment	Recallable Distributions	% of Commitmen	Distributions
Year 2009	\$ 518,361	15.25%	\$ (151,904)	-4.47%	\$ -
Year 2010	\$ 1,109,828	32.64%	\$ -	-	\$ (87,992)
Year 2011	\$ 607,254	17.86%	\$ (115,109)	-3.39%	\$ (361,234)
Year 2012	\$ 934,221	27.48%	\$ -	-	\$ (836,516)
Year 2013	\$ 97,310	2.86%	\$ (17,266)	-0.51%	\$ (731,867)
Year 2014	\$ -	-	\$ -	-	\$ (1,140,848)
Year 2015	\$ -	-	\$ -	-	\$ (533,140)
1/28/2016	\$ -	-	\$ -	-	\$ (38,549)
5/20/2016	\$ -	-	\$ -	-	\$ (81,887)
8/19/2016	\$ -	-	\$ -	-	\$ (46,080)
12/28/2016	\$ -	-	\$ -	-	\$ (31,257)
6/1/2017	\$ -	-	\$ -	-	\$ (44,158)
11/20/2017	\$ -	-	\$ -	-	\$ (45,061)
1/29/2018	\$ -	-	\$ -	-	\$ (38,733)
7/11/2018	\$ -	-	\$ -	-	\$ (34,203)
1/18/2019	\$ -	-	\$ -	-	\$ (43,682)
6/27/2019	\$ -	-	\$ -	-	\$ (19,298)
Total	\$ 3,266,974	96.09%	\$ (284,279)	-8.36%	\$ (4,114,505)

*Provided by Hamilton Lane

Private Equity Investor Report

Hamilton Lane Private Equity Fund VII LP Series A Offshore

IRR Since Inception	10.30%	Annualized, Net of Fees		
Market Value	\$ 817,531	Last Statement Date: 6/30/2019		
Capital Commitment	\$ 1,500,000	100.00%	PME +	7.5%
Paid In Capital	\$ 1,304,825	86.99%	Fund Level LP Net IRR*	9.1%
Remaining Commitment	\$ 195,175	13.01%	MSCI World Index PME*	9.7%

Date	Contributions	% of Commitment	Recallable Distributions	% of Commitmen	Distributions
7/27/2011	\$ 172,500	11.50%	\$ -	-	\$ -
9/27/2011	\$ 52,500	3.50%	\$ -	-	\$ -
11/15/2011	\$ 52,500	3.50%	\$ -	-	\$ -
12/30/2011	\$ 67,947	4.53%	\$ -	-	\$ -
4/24/2012	\$ 83,394	5.56%	\$ -	-	\$ (32,311)
6/24/2012	\$ 52,500	3.50%	\$ -	-	\$ -
8/23/2012	\$ 45,000	3.00%	\$ -	-	\$ (3,692)
10/15/2012	\$ 67,500	4.50%	\$ -	-	\$ (23,932)
11/21/2012	\$ 80,250	5.35%	\$ -	-	\$ -
3/12/2013	\$ 48,750	3.25%	\$ -	-	\$ (27,930)
2/14/2014	\$ 61,500	4.10%	\$ -	-	\$ -
5/20/2014	\$ 187,500	12.50%	\$ -	-	\$ (151,650)
7/14/2014	\$ 50,522	3.37%	\$ -	-	\$ (19,283)
1/6/2015	\$ 145,117	9.67%	\$ -	-	\$ (88,738)
12/8/2015	\$ 28,179	1.88%	\$ -	-	\$ (51,519)
7/22/2016	\$ 75,000	5.00%	\$ -	-	\$ (53,805)
1/25/2017	\$ 34,166	2.28%	\$ -	-	\$ (216,102)
6/22/2017	\$ -	-	\$ -	-	\$ (96,706)
8/16/2017	\$ -	-	\$ -	-	\$ (31,846)
9/28/2017	\$ -	-	\$ -	-	\$ (6,487)
11/15/2017	\$ -	-	\$ -	-	\$ (80,964)
3/29/2018	\$ -	-	\$ -	-	\$ (138,746)
6/15/2018	\$ -	-	\$ -	-	\$ (39,985)
3/6/2019	\$ -	-	\$ -	-	\$ (61,159)
6/26/2019	\$ -	-	\$ -	-	\$ (31,022)
Total	\$ 1,304,825	86.99%	\$ -	0.00%	\$ (1,155,877)

*Provided by Hamilton Lane

Combined Net IRR is a combination of both series A & B

Private Equity Investor Report

Hamilton Lane Private Equity Fund VII LP Series B Offshore

IRR Since Inception	5.16%	Annualized, Net of Fees		
Market Value	\$ 568,031	Last Statement Date: 6/30/2019		
Capital Commitment	\$ 1,000,000	100.00%	PME+	7.1%
Paid In Capital	\$ 825,225	82.52%	Fund Level LP Net IRR*	9.1%
Remaining Commitment	\$ 174,775	17.48%	MSCI World Index PME*	9.7%

Date	Contributions	% of Commitment	Recallable Distributions	% of Commitmen	Distributions
7/27/2011	\$ 160,000	16.00%	\$ -	-	\$ -
9/27/2011	\$ 35,000	3.50%	\$ -	-	\$ -
12/28/2011	\$ 50,723	5.07%	\$ -	-	\$ -
4/24/2012	\$ 56,445	5.64%	\$ -	-	\$ (22,962)
6/24/2012	\$ 50,000	5.00%	\$ -	-	\$ -
8/23/2012	\$ 50,000	5.00%	\$ -	-	\$ (2,909)
11/21/2012	\$ 30,000	3.00%	\$ -	-	\$ (16,671)
1/3/2013	\$ 40,000	4.00%	\$ -	-	\$ -
8/12/2013	\$ 100,000	10.00%	\$ -	-	\$ (35,860)
2/14/2014	\$ 44,000	4.40%	\$ -	-	\$ -
5/20/2014	\$ 80,000	8.00%	\$ -	-	\$ (49,323)
7/14/2014	\$ 45,512	4.55%	\$ -	-	\$ (3,495)
12/8/2014	\$ 16,254	1.63%	\$ -	-	\$ (29,570)
1/20/2015	\$ 65,791	6.58%	\$ -	-	\$ (11,610)
8/3/2015	\$ -	-	\$ -	-	\$ (9,735)
3/23/2016	\$ -	-	\$ -	-	\$ (67,664)
7/18/2016	\$ -	-	\$ -	-	\$ (10,836)
1/27/2017	\$ 1,500	0.15%	\$ -	-	\$ (64,973)
6/23/2017	\$ -	-	\$ -	-	\$ (43,902)
8/17/2017	\$ -	-	\$ -	-	\$ (15,753)
9/27/2017	\$ -	-	\$ -	-	\$ (5,960)
12/8/2017	\$ -	-	\$ -	-	\$ (20,240)
3/30/2018	\$ -	-	\$ -	-	\$ (18,393)
6/15/2018	\$ -	-	\$ -	-	\$ (11,983)
6/25/2019	\$ -	-	\$ -	-	\$ (42,091)
Total	\$ 825,225	82.52%	\$ -	0.00%	\$ (483,930)

*Provided by Hamilton Lane (Net IRR is combined both series A & B)

Combined Net IRR is a combination of both series A & B

Timber Investor Report

Molpus Sustainable Woodlands Fund II, LP

IRR Since Inception	1.87%	Annualized, Net of Fees	
Market Value	\$ 2,850,741	Last Statement Date:	6/30/2019
Capital Commitment	\$ 3,400,000	100.00%	
Paid In Capital	\$ 3,400,000	100.00%	
Remaining Commitment	\$ -	0.00%	

Date	Contributions	% of Commitment	Recallable Distributions	% of Commitmen	Distributions
2/28/2009	\$ 510,000	15.00%	\$ -	-	\$ -
9/30/2009	\$ 2,890,000	85.00%	\$ -	-	\$ -
4/30/2010	\$ -	-	\$ -	-	\$ (19,365)
6/30/2010	\$ -	-	\$ -	-	\$ (67,116)
12/31/2010	\$ -	-	\$ -	-	\$ (28,663)
6/30/2011	\$ -	-	\$ -	-	\$ (19,109)
12/31/2011	\$ -	-	\$ -	-	\$ (38,218)
12/31/2012	\$ -	-	\$ -	-	\$ (47,772)
6/25/2013	\$ -	-	\$ -	-	\$ (76,435)
12/31/2013	\$ -	-	\$ -	-	\$ (114,653)
3/31/2014	\$ -	-	\$ -	-	\$ (47,772)
9/30/2014	\$ -	-	\$ -	-	\$ (47,772)
12/31/2014	\$ -	-	\$ -	-	\$ (28,663)
3/31/2015	\$ -	-	\$ -	-	\$ (38,218)
9/30/2015	\$ -	-	\$ -	-	\$ (47,772)
12/31/2015	\$ -	-	\$ -	-	\$ (47,772)
6/30/2016	\$ -	-	\$ -	-	\$ (28,663)
9/30/2016	\$ -	-	\$ -	-	\$ (76,435)
12/31/2016	\$ -	-	\$ -	-	\$ (95,544)
6/30/2017	\$ -	-	\$ -	-	\$ (38,218)
9/29/2017	\$ -	-	\$ -	-	\$ (38,218)
12/29/2017	\$ -	-	\$ -	-	\$ (57,327)
12/28/2018	\$ -	-	\$ -	-	\$ (76,435)
6/30/2019	\$ -	-	\$ -	-	\$ (57,327)
Total	\$ 3,400,000	100.00%	\$ -	0.00%	\$ (1,137,467)

APPENDIX - MAJOR MARKET INDEX RETURNS

Equity	Style	QTR	FYTD	1 Year	3 years	5 Years
Russell 3000	Broad Equity	4.1	9.0	9.0	14.0	10.2
S&P 500	Large Cap Core	4.3	10.4	10.4	14.2	10.7
Russell 1000	Large Cap Core	4.2	10.0	10.0	14.1	10.4
Russell 1000 Growth	Large Cap Growth	4.6	11.6	11.6	18.1	13.4
Russell 1000 Value	Large Cap Value	3.8	8.4	8.4	10.2	7.5
Russell 2000	Small Cap	2.1	-3.3	-3.3	12.3	7.1
Russell 2000 Growth	Small Cap Growth	2.7	-0.5	-0.5	14.7	8.6
Russell 2000 Value	Small Cap Value	1.4	-6.3	-6.3	9.8	5.4
MSCI EAFE	Developed Markets	4.0	1.6	1.6	9.6	2.7
MSCI EAFE Growth	Developed Markets Growth	6.0	4.7	4.7	10.1	4.8
MSCI EAFE Value	Developed Markets Value	1.9	-1.5	-1.5	9.1	0.6
MSCI Emerging Markets	Emerging Markets	0.7	1.6	1.6	11.1	2.9
MSCI All Country World	Global Equity	3.8	6.3	6.3	12.2	6.7
MSCI All Country World Ex US	Global Equity (ex. US)	3.2	1.8	1.8	9.9	2.6
Fixed Income	Style	QTR	FYTD	1 Year	3 years	5 Years
Bloomberg Barclays Aggregate Index	Core Fixed Income	3.1	7.9	7.9	2.3	3.0
Bloomberg Barclays Gov/Credit	Gov/Credit	3.5	8.5	8.5	2.4	3.1
Bloomberg Barclays Capital Gov't Bond	Treasuries	3.0	7.2	7.2	1.4	2.5
Bloomberg Barclays Capital Credit Bond	Corporate Bonds	4.3	10.3	10.3	3.7	3.9
Intermediate Aggregate	Core Intermediate	2.4	6.7	6.7	2.0	2.5
Intermediate Gov/Credit	Gov / Credit Intermediate	2.6	6.9	6.9	2.0	2.4
ML/BoA 1-3 Year Treasury	Short Term Treasuries	1.4	4.0	4.0	1.3	1.2
Bloomberg Barclays Capital High Yield	High Yield Bonds	2.5	7.5	7.5	7.5	4.7
Bloomberg Barclays Global Treasury Ex US	International Treasuries	3.6	4.7	4.7	0.5	0.2
Bloomberg Barclays Global Government Bond	International Fixed Income	3.4	5.3	5.3	0.8	0.7
Bloomberg Barclays Global Aggregate	International Fixed Income	3.3	5.8	5.8	1.6	1.2
Bloomberg Barclays Global Aggregate Ex US	International Fixed Income	3.4	4.1	4.1	1.0	-0.1
Alternative Assets	Style	QTR	FYTD	1 Year	3 years	5 Years
MSCI US REIT Index	REITs	0.0	9.7	9.7	3.7	7.5
NCREIF NFI-ODCE Index	Real Estate	1.0	6.4	6.4	7.6	9.8
NCREIF Timber Index	Timber	1.0	2.9	2.9	3.3	4.6
Bloomberg Commodity Index	Commodities	-1.2	-6.8	-6.8	-2.2	-9.1
HFRI FOF Composite	Hedge Funds	2.1	1.8	1.8	4.5	2.3

APPENDIX - DISCLOSURES

- * The Burlington Manager Shadow index is the weighted average of each manager portfolio's beginning value multiplied by its current quarter benchmark return.
- * The Real Assets Blended Index is comprised of equal parts:
NCREIF ODCE NCREIF Timber Bloomberg Commodities (Formerly known as Dow Jones UBS Commodities)
- * All values for the Pooled Cash account since June 2012 are subject to change. Audited statements are not provided for this account.
- * Dahab Associates utilizes data provided by a custodian and other vendors it believes are reliable. However, it cannot assume responsibility for errors and omissions therefrom.
- * All returns were calculated on a time-weighted basis, and are gross of fees unless otherwise noted.
- * All returns for periods greater than one year are annualized.
- * Dahab Associates uses the modified duration measure to present average duration.
- * All values are in US dollars.

**INVESTMENT POLICY STATEMENT
CITY OF BURLINGTON, VERMONT
BURLINGTON EMPLOYEES' RETIREMENT SYSTEM**

Adopted March 19, 1987
Revised November 2, 1989
Revised May 28, 1992
Revised September 24, 1992
Revised October 28, 1993
Revised September 18, 1996
Revised June 27, 1997
Revised February 2, 2000
Revised June 23, 2005
Revised December 3, 2009
Revised November 19, 2015

I. OVERVIEW

The Burlington Employees' Retirement System ("BERS" or the "Plan") is a defined benefit pension plan established to provide retirement benefits to participants in accordance with the benefit structure adopted by the City of Burlington, Vermont.

The Plan is governed by Chapter 24 of the City of Burlington Code of Ordinances as authorized by Title VII of the City of Burlington Charter.

This Investment Policy Statement (the "IPS") shall establish the process to be followed in making and executing investment policy. The various outcomes of this process -- the assumed investment return, asset allocation, and measurement criteria -- shall be included in the investment addendum.

This IPS amends, supersedes and restates in its entirety all prior BERS Investment Policy Statements.

II. STANDARDS AND DUTIES

A. Fiduciary Standards

Assets of BERS shall be managed in a manner consistent with fiduciary standards. Investments shall be made with the care, skill, and diligence that a prudent person would use in achieving the aims outlined in this IPS.

B. Board Duties

The Board has the responsibility of establishing and maintaining policies governing management of BERS' financial assets (the "Fund"), including:

1. Setting of investment policy;
2. Choosing an asset allocation to balance risk and return;
3. Selecting and evaluating professionals to manage those assets;
4. Communicating guidelines to those professionals.
5. Monitoring performance of the plan.

III. INVESTMENT GOAL

The long-term goal of the portfolio is to earn the actuarial return assumption net of fees over a long period of time such as 20 years while assuming only as much risk as the Board believes is needed to achieve that return.

The following philosophy should be followed in pursuing that goal:

A. Philosophy

1. Adhere to a long-term perspective;
2. Align strategy with goals and risk tolerance;
3. Maintain consistent exposure to the capital markets;
4. Use simple investment structures that the Trustees understand;
5. Minimize investment costs.

The following strategy should be followed in implementing this philosophy:

B. Implementation Strategy

1. Diversify;
2. Focus primarily on asset allocation;
3. Rebalance to targets, selling on strength and buying on weakness;
4. Emphasize index management;
5. Keep manager and asset turnover low.

IV. INVESTMENT GUIDELINES

The Trustees understand that should Burlington choose to invest in a commingled fund, the investment policies governing that fund take precedence over the policies in this IPS. When investing in any commingled structure, the Trustees should consider whether those guidelines are sufficiently compatible with BERS own goals.

Should the Trustees decide to invest in any individual account that must conform to standards set forth in this IPS, those standards shall be set forth in the manager's contract and attached to this IPS following the Investment Addendum.

INVESTMENT APPENDIX

The following sets out the Board's current choices regarding the actuarial assumption, asset allocation and performance measurement standards.

A. Actuarial Assumption: 8%

B. Asset Allocation

The asset allocation and allowable ranges are:

<u>Asset Class</u>	<u>Target</u>	<u>Range +/-</u>
Domestic Large Cap Equity	30%	5%
Domestic SMID Cap Equity	18%	3%
Foreign Developed Equity	10%	3%
Foreign Emerging Market Equity	10%	2%
Private Equity	2%	2%
Timber	2%	2%
Real Estate	8%	2%
Core Fixed Income and Cash	20%	3%

Cash flow should be managed to maintain each allocation close to the target. Rebalancing becomes mandatory if an allocation falls outside the range.

C. Performance Measurement

1. Time Period. Measurement of return for both the portfolio and for individual managers will be over a market cycle assumed for simplicity to be 3-5 years. Trustees are encouraged to make judgments over time periods sufficiently long to encompass both up and down market trends.

2. Portfolio Goal. The short-term goal of the portfolio is to rank in the upper half of a universe of similar portfolios. The long-term goal of the portfolio is to earn the actuarial assumption over a long period of time such as 20 years while assuming only as much risk as needed to achieve that return.

3. Manager Goals. Each manager shall be measured by an assigned benchmark. Active managers are expected to out perform their benchmark over a market cycle net of fees, and to perform in the upper half of a universe of managers in a similar style. Passive managers are expected to nearly match their benchmark on a monthly basis gross of fees.

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

Board Members Present:

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

Others Present:

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

Called to order at 8:30am

1. **Agenda:**

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

2. **Public Forum:**

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

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

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

4. **Ratify Refunds/Rollovers:**

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

5. **Approve Retirement Applications:**

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

6. UBS Update

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

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

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

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

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

7. Performance Report – Dahab Associates:

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

8. Investment Policy Statement - Review:

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

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

9. Schedule Next Meeting of the Retirement Board:

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

10. Other Business:

Addition from agenda item 1.

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

Pat Robins: Yes

David Mount: Yes

Matthew Dow: Yes

Bob Hooper: Yes

Munir Kasti: Yes

Beth Anderson: Yes

Motion carries: 6:0

11. Adjourn:

David Mount moved to adjourn. Matthew Dow 2nd. Exit 11:09am