

Retirement Committee Meeting
Wednesday, August 15, 2024 at 12:00 PM
GMT | 101 Queen City Park Road | Burlington, VT 05401

Attendees:

Present at GMT:

Nick Foss, Director of Finance
Daryl Straw, Future Planning Associates
John Servin, NFP
Nathan Bergeron, Union Steward

Present Via ZOOM:

Commissioner Austin Davis
Chris Costes, Rural Union Steward
Connor Smith, Project Coordinator

Meeting Called to Order

Mr. Foss called the meeting to order at 12:04 PM.

Adjustment to the Agenda

No adjustments to the agenda.

Public Comment

No public comments.

Approval of February Minutes

Mr. Bergeron made a motion to approve the February minutes. Mr. Costes seconded. All voted in favor. The motion passed.

Q2 Fund Line-up Review

Mr. Servin presented NFP's Fi 360 report for Q2 and answered any questions from committee members.

Mr. Servin noted some underperformance in the Vanguard Real Estate Index fund compared to peers, however this is the result of a comparison to peers that are active managers. The BlackRock Emerging Markets fund also is showing some shorter-term underperformance, which is due to an overweight in Chinese equities, as well as the lagging effect of negative performance due to its Russian equity exposure at the onset of the Russia/Ukraine war. Mr. Servin recommends continuing to monitor the performance of the fund.

Mr. Foss stated that some staff asked about adding inflation protection assets, such as commodities to the fund lineup. Mr. Servin responded that the Department of Labor has guidelines regarding responsible investments. Recommended investments are appreciating and income generating, not speculative like commodities.

Mr. Servin explained the lower than market yields on the current money market fund option in the fund lineup. He stated that the fund was chosen during a time when interest rates were very low, and it

allowed the plan to reduce its fees. Discussion of a change in Money Market funds included differences in gains, future interest rate changes, and increased fees.

Mr. Costes asked if it made sense to invest accrued CTO in the retirement fund. Mr. Foss expressed that historical market returns have been higher than wage increases, so he viewed contributing positively. Mr. Servin stated that it should be discussed on an individual basis with their investment advisor.

Other Items

No other items.

The meeting adjourned at 12:54 PM.

DRAFT