

**Retirement Committee Meeting**  
**Wednesday, June 7, 2023, at 12 PM**  
**GMT | 101 Queen City Park Road | Burlington, VT 05401**

**Attendees:**

Nate Bergeron, Urban Union Steward  
Nick Foss, Director of Finance  
Commissioner Austin Davis  
John Servin, NFP

**Present Via ZOOM:**

Chris Costes, Rural Union Steward  
Stephanie Reid, Director of Human Resources  
Daryl Straw, Future Planning Associates

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**Meeting Called to Order**

Mr. Foss called the meeting to order at 12:07 PM.

**Adjustment to the Agenda**

No adjustments to the agenda.

**Public Comment**

No public comments.

**Approval of February Minutes**

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

**Fund Line-up Review**

Mr. Servin reviewed the Quarterly F1360 report for the period ending March 31, 2023. Mr. Servin stated that despite negative capital market returns over the past year, the funds in GMT's retirement plan have performed well in comparison to their peers and benchmarks.

Mr. Foss highlighted the variation in equity returns between value and growth.

Mr. Servin stated that current equity market returns have been largely the result of three stocks, which highlights the importance of having a balanced allocation in retirement portfolios.

Mr. Servin reviewed the PIMCO Total Return and Vanguard Short-Term Bond Index funds as they have recently scored in the lower half of their peer groups. Mr. Servin stated that both funds have good long-term track records, with excellent management teams, and that he did not recommend any changes to their inclusion in the fund line-up.

Mr. Foss asked Mr. Servin whether he felt the current fund line-up is missing any asset classes?

Mr. Servin stated that he felt the current fund line-up was adequate and that he would shy away from adding too many funds, or asset classes that may be misunderstood.

#### **Investment Advisor Update – John Servin, NFP**

Mr. Foss asked Mr. Servin whether he had reviewed participants' portfolio allocations, especially to the target-date funds, to ensure participants' risk levels match their retirement dates.

Mr. Servin stated that he had conducted a preliminary review and it appeared participants were allocated well. Mr. Servin stated that there were a few individuals he would like to reach out to but would like to have a broader discussion on the best way to start that communication.

Mr. Foss stated his concern with the level of plan assets in target-date funds reaching expiration in the next few years. Mr. Foss stated that he would like to know whether those were hard retirement dates for those individuals.

Mr. Davis asked Mr. Servin how GMT compares to his other clients in terms of retirement timelines, as it appears a large percentage of plan assets are in funds that have planned retirement dates in the next few years.

Mr. Servin said that GMT's retirement timelines are not out of normal for what he is seeing in his other clients.

Mr. Davis asked whether NFP had done any retirement readiness scoring for GMT employees?

Mr. Servin stated that no scoring had been done but referenced a study by Georgetown that showed Vermont as being last in terms of retirement readiness. Mr. Servin stated that he felt the lack of large employers in the state was the cause.

Mr. Davis asked Mr. Bergeron about any additional outreach that could be done to get a higher level of participation in the plan.

Mr. Bergeron said that the Teamsters have done outreach and he continues to market the plan to his members.

Mr. Foss asked Mr. Servin how many employees took advantage of his in-person meetings?

Mr. Servin stated that roughly six (6) individuals in Burlington and five (5) in Berlin and St. Albans.

Mr. Straw asked Mr. Servin whether American Funds had a 2065 Retirement Date fund available yet?

Mr. Servin responded that the fund is available.

Mr. Foss asked what the process was to add the fund?

Mr. Straw stated that he just needed to submit a fund request form to Schwab.

Mr. Foss asked if there was anything that Future Planning or NFP can do to market the addition of the fund?

Mr. Straw stated that he would add a notice of the fund addition in the June 30<sup>th</sup> employee retirement statements.

Mr. Foss asked Mr. Straw if there was any cost to adding the fund?

Mr. Straw stated there was no cost to the plan.

**Other Items**

None.

**Adjourn**

The committee unanimously agreed to adjourn at 12:52 PM.

DRAFT