

BUTLER COUNTY RETIREMENT BOARD

Abstract of Minutes

April 27, 2021

Attendance:

Leslie Osche, Commissioner/Board Chairman
Kim Geyer, Commissioner/Board Member
Kevin Boozel, Commissioner/Board Member
Benjamin Holland, Controller/Board Secretary
Diane Marburger, Treasurer/Board Member
Wil White, Solicitor
Leslie Powers, Controller's Office
Kristin Wilson, Controller's Office
Linda Sell, Controller's Office
Lori Altman, Chief Clerk & HR Director
Ann Brown, County Budget & Human Services Finance Director
Jennifer Brozstek, AndCo Consulting
Greg Stump, Boomershine Consulting Group

I. Call meeting to order

Ms. Osche called the meeting of the Butler County Retirement Board to order at 10:04 a.m.

II. Public Comment

None.

III. Approval of January 26, 2021 Meeting Minutes

Ms. Marburger made the motion to approve the minutes from the Retirement Board meeting on January 26, 2021, as amended.

Mr. Boozel seconded the motion.

The motion carried unanimously.

IV. Old Business

A. Fiduciary Liability Insurance:

No action was taken at this time.

V. New Business

A. Statistical and Expense Report:

Mr. Holland reported that year to date actual expenses to budget were at 90% through March 31, 2021. As of March 31, 2021, there were 586 active and 639 retired members. The average monthly pension benefits were \$1,100,798. The market value of the assets, on the same date, was \$254.7 million, which represents a 4.3% annual rate of return.

Ms. Marburger made a motion to accept. Ms. Geyer seconded the motion.

The motion carried unanimously.

B. Fiduciary Liability Insurance:

Mr. Holland requested approval for renewal of the Plan's fiduciary liability insurance through Travelers Casualty & Surety Co. The total premium for May 31, 2021 through May 31, 2022 is \$26,782, which is a \$1,904 increase.

Ms. Geyer made a motion to accept. Ms. Marburger seconded the motion

The vote was unanimous.

The board discussed fiduciary liability insurance options.

C. PAPERS Virtual Form:

The board discussed the May 2021 PAPERS virtual forum. Cost of registration is \$150 for any board member or staff who wishes to attend.

VI. Presentation by Boomershine Consulting Group

Mr. Stump discussed the investment return assumption and recommended that the current assumption of 7.25% is lowered to 6.9%. Discussion ensued.

Mr. Holland made a motion to lower the plan's return assumption from 7.25% to 6.9%.

Ms. Geyer seconded the motion.

The vote was unanimous.

Mr. Stump discussed the 1/1/2021 valuation results, the plans funding policy, and the future outlook of the plan.

VII. Presentation by AndCo Consulting

Comparative Performance Trailing Returns:

Fund performance for the first quarter of the year shows a net return of 4.32%. Total fund performance over five years shows a net return of 9.44%.

Asset Allocation:

Total fund market value at March 31, 2021 was \$254,752,845. This represents 58.9% in equities, 35.2% in fixed income, 5.1% in real estate, and 0.7% cash.

Schedule of Investable Assets:

Plan's Cumulative Return has been in line with the Benchmark Return.

Conclusions and Recommendations:

Over most periods of time, the following investment managers have met performance expectations, net of fees:

- Vanguard Growth Index Mutual Fund
- Vanguard Growth Index ETF
- Vanguard Value Index Mutual Fund
- Vanguard Mid Cap Index Mutual Fund
- Vanguard Small Cap Index Mutual Fund
- Vanguard Developed Markets Index Mutual Fund
- Vanguard Emerging Markets Mutual Fund
- Vanguard Total Return Bond Mutual Fund
- Vanguard Short-Term Fixed Income Index Mutual Fund
- Vanguard REIT Index Mutual Fund.

Over most periods of time, the following investment managers have trailed performance expectations, net of fees:

- Twin Capital Management Enhanced Index
- Twin Capital Management Low Volatility

Ms. Brozstek recommended reallocating \$5,000,000 from Twin's Low Volatility separately managed account to the Vanguard Institution Index Fund.

Mr. Holland made the motion to approve the recommendation, as presented.

Ms. Marburger seconded the motion.

The motion carried unanimously.

Preliminary Net of Fees Performance YTD through April 23, 2021:
Total fund is \$262,946,879, net of fees. This is approximately a 3.2% increase from March 31, 2021.

VIII. Adjournment

There being no other business before the Board, Mr. Holland made a motion to adjourn the meeting. Ms. Geyer seconded the motion.

The motion carried unanimously, and the meeting adjourned at 12:11 pm.