FIDUCIENT
Advisors
Helping Clients Prosper

City of Burlington Employees Retirement System

3Q 2023 Fiduciary Governance Calendar

Fiduciary Governance Calendar

Q1

Fee Focus

- **Investment Review**
- **Portfolio Expense Analysis**

Q2

Practice and Policy

- **Investment Review**
- **Investment Policy Review**
- **Fiduciary Training**

Q3

Municipal Landscape

- **Investment Review**
- **Municipal Landscape Update**
- **Annual Actuarial Review***

Q4

Asset Allocation/CMA's Focus

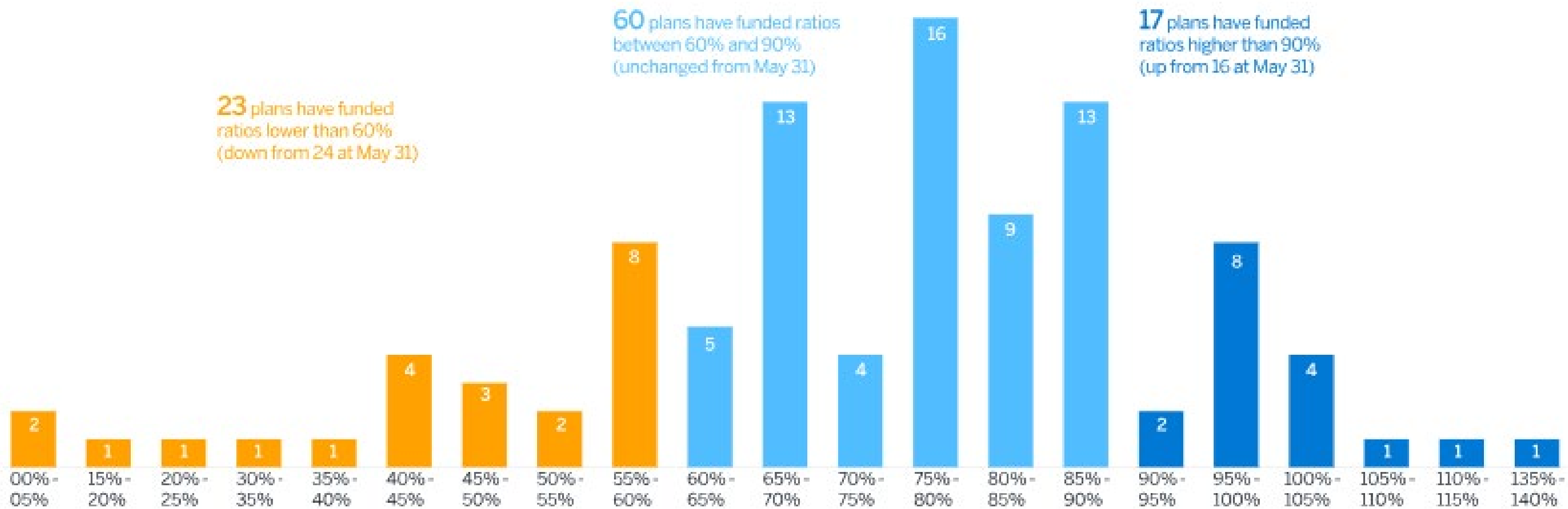
- **Investment Review**
- **Asset Allocation Review**
- **Capital Market Assumptions (CMA's)**

Fiduciary Trail® Fiduciary Lockbox®

*Timing of actuarial review is dependent on client's individual plan and/or fiscal year and actuarial input.

Trends in Funded Status

- Better market performance increased the estimated funded status of the 100 largest U.S. public pension plans to 75.8% as of June 30, 2023, as measured by the Milliman 100 Public Pension Funding Index (PPFI). Despite market volatility, the funded status as of June 30, 2023 (75.8%), is modestly higher than it was as of June 30, 2022 (74.0%). This represents positive developments for the many plans with June 30 fiscal year-ends.

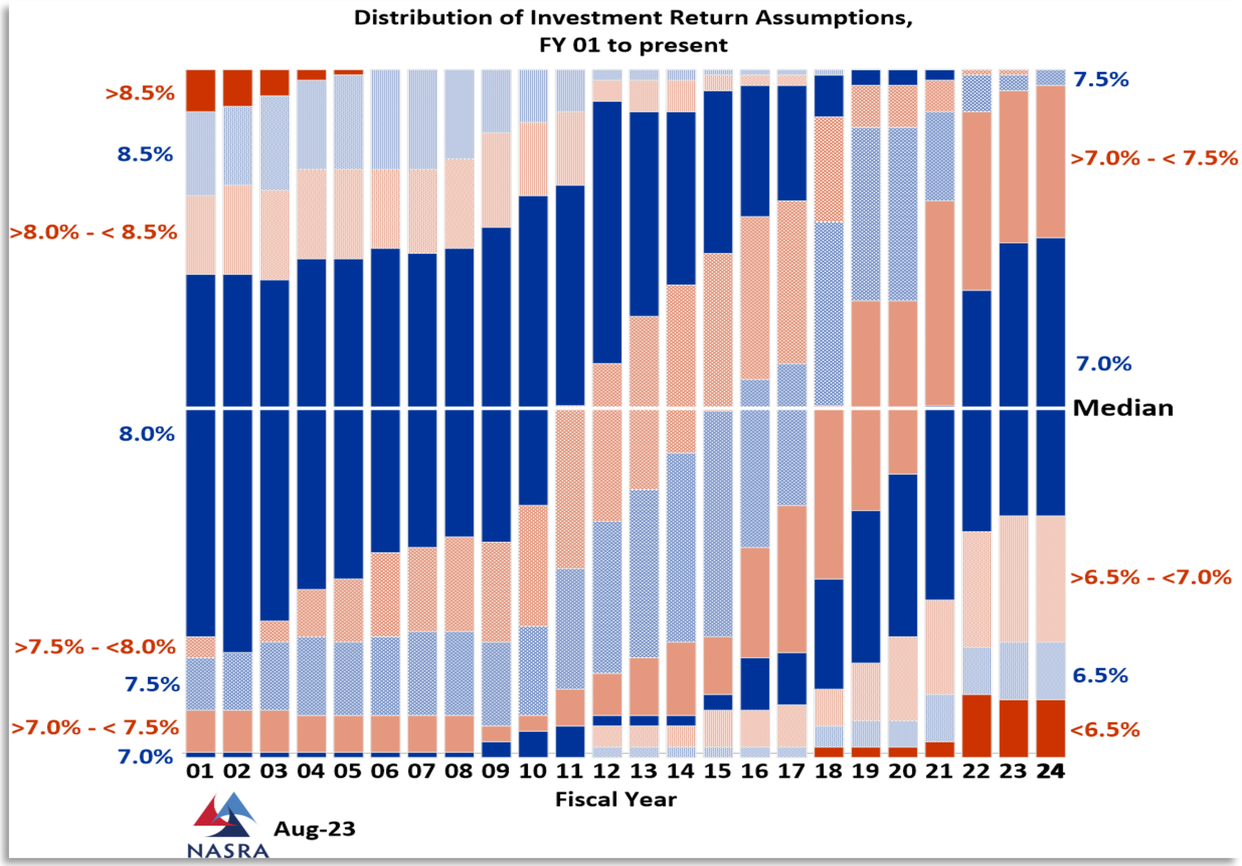


Milliman Public Pension Funding Index July 2023

Trends in Investment Assumptions - *Plans Pausing in Lowering Assumptions*

- Over the last decade, public pension plans, have gradually reduced their investment return assumptions. All else being equal, a lower investment return assumption results in higher actuarial liability and Actuarially Determined Employer Contribution (ADEC), and a lower funded ratio.

- We have seen public plans pause in setting lower assumed rates of return on a go forward bases due to the restoration of higher bond yields combined with lackluster investment returns in calendar year 2022 which has negatively impact funded ratios.



 National Association of State Retirement Administrators