

**VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM**

Meeting of the Board of Trustees

**February 20, 2024 11:00 A.M.**

**DRAFT COPY – NOT YET APPROVED BY BOARD**

Please note all members participated via telephone, video, or teleconference:

**Members present:**

CHRISTOPHER DUBE, Chairperson, Employer Representative (term expiring July 1, 2026)

KIMBERLY GLEASON, Vice-Chair, Employer Representative (term expiring July 1, 2024)

KATHLEEN RAMSAY, Employer Representative (term expiring July 1, 2026)

MORGAN DAYBELL, Employee Representative (term expiring July 1, 2024)

MIKE PIECIAK, State Treasurer, Ex-officio

**Members absent:**

**Also attending:**

Tim Duggan, Director of Retirement, Office of the State Treasurer

Nicole Weidman, Director of Retirement Operations and Policy, Retirement Division

Justin St. James, General Counsel, Office of the State Treasurer

Briana Howard, Senior Retirement Specialist, Retirement Division

Gabe D'Ulisse, Empower Retirement

Joseph Fein, Empower Retirement

Mr. Dube called the Thursday, February 20, 2024 Board Meeting to order at 11:01 a.m., which was held by conference call.

**ITEM 1:      Agenda approval and announcements**

**On a motion made by Mr. Daybell, seconded by Ms. Ramsay, the Board voted unanimously to approve the agenda.**

Mr. Duggan announced that Mr. Barry is no longer with the Retirement Division/Treasurer's Office as he relocated to South Carolina with his family. Mr. Dube thanked Mr. Barry for his service with the Board.

**ITEM 2:      Approve the minutes of:**

- December 19, 2023

**On a motion made by Ms. Gleason, seconded by Mr. Daybell, the Board voted unanimously to approve the minutes of the December 19, 2023, meeting as presented.**

**ITEM 3:      Empower Quarterly Presentation – VMERS Defined Contribution 4<sup>th</sup> Quarter Report**

Mr. D'Ulisse and Mr. Fein presented the Empower Quarterly material for the fourth quarter of

2023. Mr. D'Ulisse and team discussed market summary analysis and demographic breakdowns.

Link: [VMERS Retirement Plan Summary](#)

**ITEM 4: Empower Migration Update**

Mr. D'Ulisse and the team announced the migration is complete and noted that if anyone is experiencing any issues to let him know.

**ITEM 5: Legislative Update – VMERS Contribution Rates**

Mr. Duggan updated the Board on discussions regarding potential increases to employee and employer contribution rates. He indicated that discussions were held with representatives from the League of Cities and Towns and the VTNEA. Discussions focused on putting into place a new four-year plan with increases of 25 bps increases for employees and employers each year, with the caveat that additional increases may be needed for specific groups that are currently further from contributing the ADEC for that group.

Mr. Pieciak expressed his support for this approach and noted that he is working to reach consensus in the hopes of passing legislation this or next year memorializing the plan. Mr. Dube and Mr. Daybell also expressed support for the plan.

**ITEM 6: Survivor Benefit Policy Discussion**

Mr. Duggan advised the Board of an issue where a vested deferred member passed away and their spouse reached out inquiring about a potential survivor benefit. The benefit has always been administered to active employees.

Mr. Duggan explained that the statute does not appear to provide clarity and is open to reasonable interpretation that could support providing the benefit for just actives or for actives and vested deferreds. Mr. Duggan further stated where the statute can support different outcomes, the Board decide the matter via policy. Mr. Duggan explained that he discussed the matter with the system actuaries, who confirmed that the impact of extending the benefit to vested deferred members would be relatively immaterial.

Mr. Pieciak expressed his support given the significant impact that it would have on individuals, and the insignificant impact to the system.

**On a motion made by Mr. Pieciak, seconded by Ms. Ramsay, the Board voted unanimously to adopt a new Survivor Benefit Policy pursuant to 24 VSA § 5059 to extend the survivor benefit to beneficiaries of both active and vested deferred employees, effective FY2024.**

**ITEM 7: Board Membership Discussion**

Mr. Duggan informed the Board the following seats are up for re-election this summer:

Kimberly Gleason  
Morgan Daybell

**ITEM 8: Disability recommendation(s) from the January 18, 2024, meeting of the Medical Review Board:**

**Christian Henault**

**On a motion made by Ms. Ramsay, seconded by Mr. Daybell, the Board voted unanimously to accept the recommendation of the Medical Review Board for the disability retirement for Christian Henault.**

**ITEM 9: Any other business to come before the Board**

Mr. Duggan stated the RVK analysis should be available for next month's meeting for review.

**On a motion made by Mr. Daybell, seconded by Ms. Ramsay, the Board voted unanimously to adjourn at 11:47 p.m.**

**Next Meeting Date:**

The next scheduled VMERS meeting is March 19, 2024 at 11:00 a.m.

Respectfully submitted,



Nicole Weidman  
Director, Retirement Operations & Policy