# VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM Conference Call Meeting of the Board of Trustees August 24, 2016 – 9:00 a.m.

#### VMERS Members present:

PETER AMONS, Chairperson, Employee Representative (term expiring July 1, 2016) DAVID ROWLEE, Employee Representative (term expiring July 1, 2018) – via telephone BETH PEARCE, Vermont State Treasurer

#### **Board members absent:**

MEL HAWLEY, Employer Representative (term expiring July 1, 2018) VACANT - Employer Representative (term expiring July 1, 2020)

#### Also attending:

Laurie Lanphear, Director of Retirement Operations Joshua McCormick, Administrative Coordinator Matt Considine, Director of Investments

The Chairperson, Peter Amons, called the Wednesday, August 24, 2016, conference call meeting to order at 9:01 a.m., which was held in the Treasurer's Conference Room, fourth floor, 109 State Street, Montpelier, VT.

<b>ITEM 1</b> :	Approve the minutes of:
	• June 22, 2016

On motion by Ms. Pearce, seconded by Mr. Rowlee, the Board voted unanimously by roll call to approve the minutes of June 22, 2016 as submitted.

# ITEM 2: Retiring Times Newsletter Proposal

Ms. Pearce discussed with the Board, the memo regarding the Retiring Times Newsletter. She stated that for all three systems, the cost per year is \$39K and the Treasurer's office anticipates that number will rise over time. She also advised the Board that members who still want a paper copy would be able to request one.

On motion by Ms. Pearce, seconded by Mr. Rowlee, the Board voted unanimously by roll call to adopt the Retiring Times proposal dated August 4<sup>th</sup>, 2016 of moving to an electronic format.

# **ITEM 3:** Any other business to come before the board

Mr. Considine spoke to the Board about hiring a consultant to help develop an RFP to solicit a 3<sup>rd</sup> party administrator for all plans. Currently, seven retirement plans exist for all three boards, under three different 3rd party administrators. The Consultant would help the investments staff with best practices and standards. Ms. Pearce advised the Board that either the investment staff or the Boards would be able to opt out before a RFP is requested. Mr. Considine advised this is

worth pursing as it could help efficiency and possible fee savings by having one 3<sup>rd</sup> party administrator cover all seven plans.

# On motion by Ms. Pearce, seconded by Mr. Rowlee, the Board unanimously voted to approve the Office of State Treasurer staff to retain a consultant to assist in the evaluation and development of 3<sup>rd</sup> party administrator contracts for the retirement funds.

Ms. Pearce stated to the board that the ESG Environment Social and Government committee was at the VPIC meeting yesterday.

Mr. Amons discussed the possibility of changing the asset mix for the VMERS funds. Mr. Considine advised that the APC will be evaluating the assets for VMERS within the next couple of months and give a recommendation. Mr. Amons asked if when the APC responds, to include a funding view level of 3 and of 1.

Mr. McCormick advised the Board that the Treasurer's Office has scheduled the annual actuarial meetings of the boards for October 27, 2016. VMERS will be scheduled for 11:00 am. Ms. Pearce reminded the Board that due to demographics and mortality rates, VMERS ended last year without a final valuation. However, the draft was sufficient enough to make rate decisions. The analysis from last year's valuation has been completed.

Mr. Amons asked if there was an update for the vacant employer position to the VMERS Board. Mr. McCormick stated that the Treasurer's office is reviewing the memo and accompanying list of nominees. After review, that information will be then be sent to the Governor's office for a decision to be made.

# ITEM 4: Adjournment

On motion by Ms. Pearce, seconded by Mr. Rowlee, the Board voted unanimously by roll call to adjourn at 9:22 a.m.

Next Meeting Date:

None at this time.

Respectfully submitted,

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Joshua McCormick Administrative Coordinator