

## VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

Meeting of the Board of Trustees

**October 23, 2012**

### **VMERS Members present:**

STEVEN JEFFREY, Chairperson, Employer Representative (term expiring July 1, 2014)  
PETER AMONS, Vice-Chairperson, Employee Representative (term expiring July 1, 2016)  
THOMAS GOLONKA, Employer Representative (term expiring July 1, 2016)  
DAVID ROWLEE, Employee Representative (term expiring July 1, 2014) – via telephone  
ELIZABETH PEARCE, Vermont State Treasurer

### **Board members absent:**

None

### **Also attending:**

Stephen Wisloski, Deputy Vermont State Treasurer  
Stephen Rauh, Chairman of VPIC  
Matthew Considine, Director of Investments  
Katie George, Investments Manager  
David Driscoll, Buck Consultants  
Ben O'Brien  
Scott Baker, Director of Financial Reporting  
Joseph Mackey, member of the VSTRS Board  
Laurie Lanphear, Director of Retirement Operations  
Tina Kawecki, Secretary to the Board  
Monica Chiren, Assistant to Tina Kawecki

The Chairperson, Steven Jeffrey, called the Tuesday, October 23, 2012 meeting to order at 10:40 a.m., which was held in the Governor's Conference Room, fourth floor, 109 State Street, Montpelier, VT.

### **ITEM 1:      **Approve the minutes of July 20, 2012****

**On motion by Mr. Golonka, seconded by Mr. Amons, the Board unanimously voted to approve the minutes of July 20, 2012, as submitted.**

### **ITEM 2:      **FY '12 Actuarial Valuation****

- ▶ **Set FY '14 employer rates and recommend to Legislature FY '14 employee rates**
- ▶ **Review continuance of monthly \$25.00 retiree health stipend**

Mr. Driscoll presented the results of the *Report on the Actuarial Valuation of the Vermont Municipal Employees' Retirement System Prepared as of July 1, 2012*. The Board discussed the demographics of the system. There was a discussion concerning the unfunded accrued liability. There was a discussion relative to the Select & Ultimate method and the single equivalent rate.



**ITEM 5:      Discuss/Act on Town of Richford issue**

The Board discussed this issue. It was decided to refer this item to the Attorney General's Office and to obtain information about the people at the State and Federal level that were contacted.

**ITEM 6:      Discuss/Act on organizational issues of the Board**

**On motion by Ms. Pearce, seconded by Mr. Golonka, the Board voted unanimously to nominate and appoint Steven Jeffrey as the Chairman of VMERS.**

**On motion by Mr. Golonka, seconded by Ms. Pearce, the Board voted unanimously to nominate and appoint Peter Amons as the Vice-Chairman of VMERS.**

Ms. Lanphear inquired if the Board was going to continue with the \$25.00 retiree health stipend. There was a question whether the stipend could be omitted for new retirees. Ms. Pearce indicated they will contact the Attorney General's Office concerning the retiree health stipend and report to the Board at the November meeting.

**ITEM 7:      Update on DC RFP**

**On motion by Ms. Pearce, seconded by Mr. Amons, the Board voted unanimously to enter Executive Session at 1:35 p.m. pursuant to Title 1, § 313 for the purpose of discussing contract issues.**

(The Board exited Executive Session at 1:45 p.m.)

**On motion by Mr. Golonka, seconded by Mr. Amons, the Board voted unanimously to approve retaining Fidelity as the DC administrator subject to successful fee negotiations with the Treasurer's staff.**

In response to Mr. Jeffrey's request Ms. Pearce indicated the annual report on fees to contract costs paid by DC versus DB will be provided at the November meeting.

**ITEM 8:      Discuss VPIC Portfolio**

The consensus of the Board was that this item did not need to be addressed at this time.

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

None.

**ITEM 10:     Adjournment**

**On motion by Mr. Golonka, seconded by Ms. Pearce, the Board unanimously voted to adjourn at 1:50 p.m.**

**Next Meeting Date:**

The next VMERS meeting is scheduled for Wednesday, November 14, 2012 at 9:00 a.m. as an in-house meeting.

Respectfully submitted,

Tina Kawecki  
Secretary to the Board