

# VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

Meeting of the Board of Trustees

**October 24, 2011**

## **VMERS Members present:**

STEVEN JEFFREY, Chairperson, Employer Representative (term expiring July 1, 2014)

PETER AMONS, Employee Representative (term expiring July 1, 2012)

THOMAS GOLONKA, Employer Representative (term expiring July 1, 2012)

JOHN BOOTH, Representing ELIZABETH PEARCE, Vermont State Treasurer

## **Board members absent:**

Vacant, Employee Representative (term expiring July 1, 2014)

## **Also attending:**

Stephen Rauh, Chairman of VPIC

Matthew Considine, Director of Investments

David Driscoll, Buck Consultants

Scott Baker, Director of Financial Reporting

Laurie Lanphear, Deputy Director of Retirement Operations

Monica Chiren, Assistant to Cynthia Webster

The Chairperson, Steven Jeffrey, called the Monday, October 24, 2011 meeting to order at 10:36 a.m., which was held in the TRE/FIN Conference Room, fourth floor, 109 State Street, Montpelier, VT.

## **ITEM 1:      **Approve the minutes of September 21, 2011****

**On motion by Mr. Golonka, seconded by Mr. Amons, the Board unanimously voted to approve the minutes of September 21, 2011, as submitted.**

## **ITEM 2:      **FY '11 Actuarial Valuation****

**Set employer rates and recommend to Legislature 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, 2011*. Mr. Driscoll answered the questions posed by the Board. In response to Mr. Jeffrey's inquiry Mr. Amons indicated he has not shared his thoughts relative to the retiree health savings plan with Mr. Driscoll, just with Ms. Pearce, and that he was waiting to see what information Ms. Pearce would provide relative to the retiree health savings plan. Mr. Driscoll explained the funding method of VMERS. There was a discussion about the different groups in VMERS. Mr. Driscoll explained the difference between inactive vested members and inactive non-vested members. There was a discussion about the smoothing method. There was a discussion about the employer and employee rates. There was a discussion about amortization. There was a discussion about GASB and the proposed changes, which would be complicated to implement.

Mr. Jeffrey indicated he would like to see the language as written in the statute.

(Ms. Lanphear and Mr. Booth left the meeting to obtain the statute.)

There was a discussion about the unfunded liability. There was a discussion at what percentage the State and Teachers' systems were funded.

(Ms. Lanphear and Mr. Booth returned to the meeting.)

The Board reviewed the language in the statute.

**On motion by Mr. Amons, seconded by Mr. Golonka, the Board unanimously voted to levelize what was voted last year by the VMERS Board relative to the employee and employer contribution rates and to recommend to legislature that the contribution rates for FY '11 continue for FY '12.**

The Board discussed the \$25.00 retiree health stipend. The Board discussed why the \$25.00 retiree health stipend was not part of the retiree health savings plan. The consensus of the Board was to defer this item until more information was received from Ms. Pearce.

**ITEM 3: Any other business to come before the Board**

The next VMERS Board meeting was set up for Tuesday, November 8, 2011 at 9:30 a.m. as a phone conference in order to appoint someone to the vacant employee representative position.

**ITEM 4: Adjournment**

**On motion by Mr. Amons, seconded by Mr. Golonka, the Board unanimously voted to adjourn at 12:27 p.m.**

**Next Meeting Date:**

The next VMERS meeting is scheduled for Tuesday, November 8, 2011 at 9:30 a.m. as a phone conference.

Respectfully submitted,

Monica Chiren  
Assistant to Cynthia L. Webster, Secretary to the Board