

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
Conference Call Meeting of the Board of Trustees
February 12, 2013

VMERS Members present:

STEVEN JEFFREY, Chairperson, Employer Representative (term expiring July 1, 2014)
PETER AMONS, Employee Representative (term expiring July 1, 2016) – via telephone
THOMAS GOLONKA, Employer Representative (term expiring July 1, 2016) – via telephone
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
JP Isabelle, Executive Assistant to the Treasurer
Laurie Lanphear, Director of Retirement Operations
Tina Kawecki, Retirement Specialist and Secretary to the Board
Monica Chiren, Assistant to Tina Kawecki

The Chairperson, Steven Jeffrey, called the Tuesday, February 12, 2013 meeting to order at 4:00 p.m., which was held in the Treasurer's Conference Room, fourth floor, 109 State Street, Montpelier, VT.

ITEM 1: Approve the minutes of:

- **January 10, 2013 – Special Meeting**
- **January 16, 2013 – Regular Meeting**

On motion by Mr. Golonka, seconded by Mr. Amons, the Board unanimously voted to approve the minutes of January 10, 2013 special meeting and January 16, 2013 regular meeting, as submitted.

ITEM 2: Discussion/Act on disability retirement recommendation for:

- **Jeffrey Haggett**

On motion by Ms. Pearce, seconded by Mr. Rowlee, the Board voted unanimously to accept the recommendation of the MRB to allow the disability retirement for Jeffrey Haggett, without review.

ITEM 3: Discuss/Act on Forfeiture Legislative Language

(Mr. Isabelle arrived at this time.)

Mr. Jeffrey and Ms. Pearce provided the Board members information on the pension forfeiture legislation. Mr. Isabelle reviewed with the Board members Draft #2 of Bill H.41 dated February 6, 2013. Mr. Isabelle responded to the Board member's inquiries. Ms. Lanphear reviewed with the Board members the pension forfeiture examples.

(Mr. Wisloski entered the meeting at this time.)

The Board members discussed the criminal and civil court proceedings relative to pension forfeiture. There was a discussion concerning what crimes are covered under this bill.

On motion by Ms. Pearce, seconded by Mr. Golonka, the Board voted unanimously to move to approve the concept of the pension forfeiture and support Draft #2 of Bill H.41 dated 2/6/2013 and this is subject to further review and Senate comment. The Board reserves the right to further comment on any revisions.

Ms. Pearce indicated if all three Boards approve the pension forfeiture bill she will make a statement for the press.

ITEM 4: To Amend the Motion Previously Adopted on Item 2 of the Meeting of November 14, 2012 Concerning FY 2014 Employer and Employee Contribution Rates to Read as Follow:

To establish the following employer contribution rates and recommend to the Legislature the employee contribution rates be set as follows for FY 2014 (July 1, 2013 to June 30, 2014)

Group A employer rate: 4%	Group A employee rate: 2.5%
Group B employer rate: 5.125%	Group B employee rate: 4.625%
Group C employer rate: 6.625%	Group C employee rate: 9.375% (for the period July 1, 2013 through December 31, 2013)
Group C employer rate: 6.75%	Group C employee rate: 9.5% (for the period January 1, 2014 through June 30, 2014)
Group D employer rate: 9.625%	Group D employee rate: 11.125%

Mr. Jeffrey reviewed with the Board members this agenda item. The Board discussed this item further.

On motion by Mr. Amons, seconded by Mr. Rowlee, the Board voted unanimously to move to amend the motion previously adopted on Item 2 of the meeting of November 14, 2012 as set forth on the agenda.

ITEM 5: To Amend the Motion Previously Adopted on Item 4 of the Meeting of November 14, 2012 Concerning the One-time Transfer from DC to DB for VMERS Members to Read as Follows:

To allow the VMERS Board to suggest to Legislature to authorize a one-time change for VMERS members from the DC plan to the DB plan [~~without~~] allowing prior service purchases, and to direct the Treasurer's Office staff to draft the language and work out the details for this one-time option.

The Board discussed this item. Ms. Lanphear indicated the Retirement Division would require time to educate members on this option.

On motion by Mr. Amons, seconded by Ms. Pearce, the Board voted unanimously to move to amend the motion previously adopted on Item 4 of the meeting of November 14, 2012 as set forth on the agenda and to amend the motion further that any employee who wishes to elect this option must notify the Retirement Division before September 1, 2013.

ITEM 6: Discuss Response from Working Group on Leave Payouts Language for Legislative Action

Ms. Pearce indicated they are still working on this, and that she will provide an update to the Board in the future.

ITEM 7: Any other business to come before the Board

Ms. Lanphear reviewed with the Board members the proposed amendments for the 2013 legislative session. Ms. Lanphear responded to the questions posed by the Board members. Ms. Pearce provided the Board members a rundown of items in this legislative session. Mr. Jeffrey indicated the consensus of the Board was that they were satisfied with the changes as outlined by Ms. Lanphear.

ITEM 8: Adjournment

On motion by Mr. Golonka, seconded by Mr. Amons, the Board unanimously voted to adjourn at 4:36 p.m.

Next Meeting Date:

The next scheduled VMERS meeting is an in-house meeting on Wednesday, May 22, 2013 at 9:30 a.m.

Respectfully submitted,

Tina Kawecki
Secretary to the Board