

**VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM**  
Conference Call Meeting of the Board of Trustees  
**August 7, 2014 – 10:30 a.m.**

**VMERS Members present:**

STEVEN JEFFREY, Chairperson, Employer Representative (term expiring July 1, 2016) - via telephone

THOMAS GOLONKA, Employer Representative (term expiring July 1, 2016) – via telephone – joined at 10:44 am

PETER AMONS, Employee Representative (term expiring July 1, 2016) – via telephone

ELIZABETH PEARCE, Vermont State Treasurer

**Board members absent:**

DAVID ROWLEE, Employee Representative (term expiring July 1, 2014)

**Also attending:**

Laurie Lanphear, Director of Retirement Operations

Joshua McCormick, assistant to Tina Kawecki

The Chairperson, Steven Jeffrey, called the Thursday, August 7, 2014 meeting to order at 10:32 a.m., which was held in the Treasurer's Conference Room, fourth floor, 109 State Street, Montpelier, VT.

**ITEM 1:      **Amendment to Agenda****

**On motion by Ms. Pearce, seconded by Mr. Amons, the Board unanimously voted by roll call to amend the agenda to include a request from the treasurer's office to secure through FIAT services to comply with the new GASB 67/68 pension requirements.**

**ITEM 2:      **Approve the minutes of June 26, 2014****

**On motion by Mr. Amons, seconded by Ms. Pearce, the Board unanimously voted by roll call to approve the minutes of June 26, 2014, as submitted.**

**ITEM 3:      **Discuss/Act on Disability Retirement for****

Catherine Eddy  
Gabrielle Weymouth

**On motion by Ms. Pearce, seconded by Mr. Jeffrey, the Board voted unanimously by roll call to accept the recommendation of the Medical Review Board for the disability retirements for Catherine Eddy, with no review and for Gabrielle Weymouth, with a one year review.**

**ITEM 4: Request from the treasurer's office to secure through FIAT services to comply with the new GASB 67/68 pension requirements**

Ms. Pearce spoke about the new GASB 67/68 pension requirements. GASB 67 will be in effect for the 2014 fiscal year while GASB 68 will be in effect for fiscal year 2015. There will be limited financial impact in fiscal year 2014 with more financial impact in fiscal year 2015.

Municipal and School Systems would be reporting share of unpaid liabilities. Non-employee contributing entity would report a pension liability. However, it would also have the net to school as zero as it would not have any liability. Municipal's share of money that is unfunded liability will be calculated with the entry age as normal. This is the same process as the Teachers and State systems. Ms. Pearce thinks this will have a positive impact. She also thinks a joint meeting of the boards to discuss GASB 67/68 would be a good idea.

Ms. Pearce also stated that the AICPA is requiring more audits of census data at the local level, including on site reviews. The suggestion is 25 Teacher system audits and 35 Municipal system audits. These numbers are open to discussion as Ms. Pearce would like to see the numbers reduced.

In Conclusion, Ms. Pearce stated that an audit firm will need to be hired. These audits cannot be done in-house. A RFP will need to be issued to comply and the RFP will be limited to 4-5 audit firms to get an idea of costs.

**On motion by Ms. Pearce, seconded by Mr. Amons, the Board unanimously voted by roll call to authorize the Treasurer's office to issue an RFP for purposes of getting proposals/bids to audit the employers in the Municipal system for compliance with GASB 67/68 and report back to the board for consideration.**

**ITEM 5: Any other business to come before the Board**

No other business

**ITEM 7: Adjournment**

**On motion by Ms. Pearce, seconded by Mr. Amons, the Board unanimously voted by roll call to adjourn at 10:56 a.m.**

**Next Meeting Date:**

None at this time.

Respectfully submitted,

Tina Kaweck  
Secretary to the Board