

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

Conference Call Meeting of the Board of Trustees

April 9, 2009

VMERS Members present:

STEVEN JEFFREY, Chairperson Employee Representative (term expiring July 1, 2010) via-telephone

DAVID LEWIS, Vice-Chairperson, Employer Representative (term expiring July 1, 2009) – via telephone

PETER AMONS, Employee Representative (term expiring July 1, 2011) – via telephone

STEPHEN RAUH, Governor's Appointee – via telephone

ELIZABETH PEARCE, Deputy State Treasurer, representing JEB SPAULDING, Vermont State Treasurer

Board members absent:

None

Also attending:

Cynthia Webster, Director of Retirement Policy and Outreach & Secretary to the Board

The Chairperson, Steven Jeffrey, called the Thursday, April 9, 2009 *conference call* meeting to order at 11:00 a.m.

ITEM 1: **Discuss re-amortization of unfunded liability**

Mr. Jeffrey explained the significant investment losses to the fund as reported by New England Pension Consultants at a quarterly Vermont Pension Investment Committee meeting. According to a recent actuarial review of the funded status of the system as of December 31, 2008, the employer contribution rates would need to increase to 4.14% for group A, 7.02% for group B, 10.47% for group C and 11.43% for group D if the current amortization schedule to liquidate the unfunded liability as outlined in 24 V.S.A § 5064[c](4) is not re-set. The board discussed the impact and advisability of seeking to extend the amortization period.

On motion of Mr. Lewis seconded by Mr. Amons, it was unanimously voted to request that the legislature extend the current amortization period to from 2018 to 2038 as recommended by the actuary.

ITEM 2: **Approve minutes of February 11, 2009**

On motion by Mr. Lewis, seconded by Mr. Rauh, the Board unanimously voted to approve the minutes of February 11, 2009 as submitted.

ITEM 3: **Discuss/Act on disability retirement application for:**

James R. Fuller

On motion by Mr. Lewis, seconded by Mr. Amons, the Board unanimously voted to accept the recommendation of the MRB to allow the disability retirement for James R. Fuller with a one year review.

ITEM 4: Discuss/Act on request for retroactive benefits for:

Janet B. Lanphear

On motion by Mr. Amons, seconded by Mr. Rauh, the Board unanimously voted to approve the request for retroactive benefits for Janet B. Lanphear beginning at normal retirement age 62 through her retirement date.

ITEM 5: Any other business to come before the Board

In his capacity as Chair of the Vermont Pension Investment Committee, Steve Rauh asked for permission to attend the upcoming New England Pension Consultants (NEPC) conference in Boston, Massachusetts. The costs would be to cover mileage and one night's lodging only.

On motion of Mr. Jeffrey seconded by Mr. Lewis, the Board unanimously voted to authorize Steve Rauh to attend the NEPC conference.

The Board requested that the results of the Experience Study be forwarded electronically to Mr. Lewis by April 21st to allow him sufficient time to review and provide his comments to the Board.

A poll of the Board members revealed that May 18th was a good date to hold the actuarial finalist presentations. The other two Boards will be polled for availability for the joint meeting.

The Board requested that the agreed upon changes to the Defined Contribution Plan Document be distributed for review and consideration at the May 18th meeting.

ITEM 6: Adjournment

On motion of Ms. Pearce, seconded by Mr. Amons, the Board unanimously voted to adjourn at 11:45 a.m.

Next Meeting Date:

The next scheduled VMERS meeting is an in-house meeting on Wednesday, April 29, 2009 at 9:00 a.m.

Respectfully submitted,

Cynthia L. Webster, Secretary to the Board