

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

Meeting of the Board of Trustees

May 18, 2009

VMERS Members present:

STEVEN JEFFREY, Chairperson Employee Representative (term expiring July 1, 2010)
DAVID LEWIS, Vice-Chairperson, Employer Representative (term expiring July 1, 2009)
PETER AMONS, Employee Representative (term expiring July 1, 2011)
STEPHEN RAUH, Governor's Appointee
JEB SPAULDING, Vermont State Treasurer

Board members absent:

None

Also attending:

Cynthia Webster, Director of Retirement Policy and Outreach & Secretary to the Board
David Minot, Finance and Investment Director
Monica Chiren, Assistant to Cynthia Webster

The Chairperson, Steven Jeffrey, called the Monday, May 18, 2009 meeting back into session at 10:15 a.m.

ITEM 1: **Approve minutes of April 29, 2009**

On motion by Mr. Rauh, seconded by Mr. Amons, the Board voted to approve the minutes of April 29, 2009 as submitted. Mr. Lewis abstained from the vote. The motion passed.

ITEM 2: **Review/discuss investment options in Retiree Health Savings Plan**

Mr. Minot provided the Board documents concerning the investment options in the Retiree Health Savings Plan. Mr. Minot provided the Board the percentage of members in each fund. The Board discussed target fund and stable fund options. The Board decided they would discuss investment options with ICMA at the next Board meeting, where ICMA will be scheduled to attend.

(Mr. Minot left the meeting at this time.)

ITEM 3: **Review/approve updated purchase and conversion factors**

Ms. Webster provided the Board with the updated purchase and conversion factors. The Board discussed the updated purchase and conversion factors as compared to the previous factors.

On motion by Mr. Spaulding, seconded by Mr. Rauh, the Board voted unanimously to approve the change to the purchase and conversion factors as developed and recommended by the actuaries to be effective as of July 1, 2009.

ITEM 4: Review/approve changes to defined contribution plan document

Ms. Webster provided for the Board's review the changes to the defined contribution plan document.

On motion by Mr. Spaulding, seconded by Mr. Lewis, the Board unanimously voted to amend the Plan Document relative to the administrative fees and employer contributions as outlined in the document to be consistent with the Board's actions of last year.

ITEM 5: Recognition for departing Board member, David Lewis

The Board acknowledged David Lewis and his service to the Board by presenting Mr. Lewis with a plaque and gift certificate.

(Mr. Rauh and Mr. Spaulding left the meeting at this time.)

ITEM 6: Act on transfer/waiver request from Lorraine Vorse

Ms. Webster provided the Board information on the transfer/waiver request from Lorraine Vorse. The Board questioned whether the Board had the authority to grant such a waiver.

On motion by Mr. Lewis, seconded by Mr. Rauh, the Board unanimously voted to table Item 6 until they receive a written opinion from the Attorney General's Office clarifying the Board's authority to grant a waiver.

The Board indicated once it received the written opinion from the Attorney General's Office it would hold a conference call meeting in order to act on this item.

ITEM 7: Update on nominations for employer representative seat

Ms. Webster indicated to the Board two nominations were received in a timely manner from Pat Scheidel and Amy Douglas. Ms. Webster indicated there was a third nomination that left a voice mail message on her answering machine on Friday, May 15th indicating that she was sending her information out that day with a May 15th postmark. The Board reviewed the section dealing with the deadline and decided this nomination would not be received in a timely manner to reach the prescribed deadline. Ms. Webster indicated she would contact this person and inform them of the Board's decision. Ms. Webster indicated the ballots would be mailed out by the end of the month.

ITEM 8: Any other business to come before the Board

Ms. Webster indicated to the Board the housekeeping bill has passed. The Board discussed the need for an RFP for the dental plan that would be offered to the Municipal Retired members.

ITEM 9: Adjournment

On motion by Mr. Lewis, seconded by Mr. Amons, the Board unanimously voted to adjourn at 11:24 a.m.

Next Meeting Date:

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

Respectfully submitted,

Cynthia L. Webster, Secretary to the Board