

VERMONT STATE TEACHERS' RETIREMENT SYSTEM
Meeting of the Board of Trustees
September 8, 2009

Members present:

JON HARRIS, Chairperson (Active No. 25669), term expiring July 1, 2011
JOSEPH MACKEY, Vice-Chairperson, VRTA representative, term expiring July 1, 2012
THOMAS MCCONNELL, Active Member Representative, term expiring July 1, 2013
THOMAS CANDON, representing Commissioner of BISHCA
VAUGHN ALTEMUS, representing Commissioner of Education

Members absent:

JEB SPAULDING, VT State Treasurer

Also attending:

Cynthia Webster, Director of Retirement Policy and Outreach & Executive Secretary to the Board
Jeff Fannon - VTNEA
Monica Chiren, Assistant to Cynthia Webster

The Chairperson, Jon Harris, called the Tuesday, September 8, 2009, meeting to order at 9:12 a.m., which was held in the Treasurer's Conference Room, 109 State Street, Montpelier, VT.

ITEM 1: **Approve the Minutes of: August 13, 2009**

On motion by Mr. Candon, seconded by Mr. Altemus, the Board unanimously voted to approve the minutes of August 13, 2009 as submitted.

ITEM 2: **Discuss changing language for senior teacher programs/payment for legislative changes this year**

The Board discussed this item. The consensus of the Board was to table this item until December in order to see what the Retirement Commission has recommended, and then at that point the Board can decide if it needs to tighten up this language.

(Mr. Fannon entered the meeting during this item.)

ITEM 3: **Discuss TRS and VPIC Board members' travel/education policy**

The Board discussed new Board members were excluded from the no travel policy. Ms. Webster indicated she will provide the Board members the list of on-line resources she provided to Mr. McConnell. The Board discussed the VPIC members travel policy.

ITEM 4: **Review and discuss Election Procedures "rules" to include alternate member**

The Board discussed this item. The Board decided Ms. Webster will create language for the procedure and send it to the Board members for review. The language will include the runner-up will be offered the alternate position, which will be a four-year term. If the runner up accepts the position of alternate they will still have the opportunity to run for a position if an election comes up. In the instance where the alternate wins the election, they will take the new position, but if the alternate loses the election they will finish up their four-year term. Ms. Webster will also present the language to the Attorney General's Office for review. Ms. Webster will also inquire of the Attorney General's Office if this item needs to be addressed in the Rules.

(A recess was taken from 10:20 a.m. to 10:28 a.m.)

ITEM 5: Discuss negative cost-of-living adjustment in January of 2010

The Board discussed the negative cost-of-living adjustment in January of 2010. Ms. Webster provided the Board with the language that deals with the COLA's. The Board indicated they were discussing this item just for educational purposes.

ITEM 6: Discuss 16 V.S.A. §1946a "Exemption of member's interest; assignment

Ms. Webster provided the Board Mr. McShane's response to this item. The Board discussed the email. Mr. Harris indicated he wanted clarification about this issue and he was satisfied with the response.

ITEM 7: Review and update of *Retirement Commission's* activities, goals, future meetings and final report

Ms. Webster provided the Board with an update of the Retirement Commission's activities. Ms. Webster indicated the first meeting included fact-finding. The second meeting included inviting three retirement systems from across the country to discuss their approach to their retirement system. The third meeting involved looking at what trends were happening and to have a roundtable discussion of ideas that might be looked at. Ms. Webster provided the Board a draft of the List of Items the Retirement Commission discussed. Ms. Webster indicated the Retirement Commission has contracted with Ice Miller for legal advice as to what the Retirement Commission can and cannot do. Ms. Webster indicated they are also working with the Attorney General's office in that regard.

Mr. Mackey indicated he only saw items to eliminate or change on the draft list and nothing about how to pay for the obligations of the system. The Board discussed there was a need to separate the pension and health obligations. The Board reviewed the charge of the Commission. Mr. Harris indicated he will draft a letter to the Commission outlining the Board's concerns that the Retirement Commission is not fulfilling the charge, and then he will circulate it to the Board members.

ITEM 8: Set meeting dates for calendar year 2010

The Board discussed the meeting schedule for 2010. The consensus of the Board was that Ms. Webster will send out an email indicating dates that have been agreed upon. Ms. Webster indicated she will inform the Board of the next Retirement Commission meeting, which has not been set yet.

ITEM 9: Any other business to come before the Board

The Board indicated it would support Mr. McConnell's decision regarding any conference he would like to attend.

ITEM 10: Adjournment

On motion by Mr. McConnell, seconded by Mr. Mackey, the Board unanimously voted to adjourn at 11:55 a.m.

Next Meeting Date:

The next scheduled VSTRS meeting is an in-house meeting on Monday, October 26, 2009 at 2:00 p.m.

Respectfully submitted,

Cynthia L. Webster
Executive Secretary to the Board