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STATE OF VERMONT
OFFICE OF THE STATE TREASURER

Green Mountain Secure Retirement Board Meeting

April 2, 2018

(10am at AARP's Office's in Burlington, VT)

Green Mountain Secure Retirement Board Members Present:

Beth Pearce, Board Chair

Dan Boardman Paul Dame Sivan Cotel Dave Reville Margi Swett

Bob Hooper (phone)

Others Present:

Michael Clasen, Vermont Deputy State Treasurer

Tim Duggan, (Assistant Attorney General) Vermont State Treasurer's Office Tim Lueders-Dumont, Vermont State Treasurer's Office

Thea Wurzburg, Vermont State Treasurer's Office Sarah Mysiewicz Gill, AARP (by phone)

Wendy Carter, Segal Consulting (by phone) Rick Reed, Segal Consulting (by phone)

CALL TO ORDER:

Ms. Pearce called the meeting to order at 10:05am. The meeting was held at the Vermont AARP Office in Burlington, VT with some participating via conference call.

Item 1: Intro and Review

Ms. Pearce welcomed the Board and asked all present to introduce themselves. She then gave an overview of the Agenda, and made some changes to the order of Agenda items.

Item 2: Background and Overview of the Act and Duties & Conflict of Interest Policy

Ms. Pearce gave an overview of the agenda. Mr. Duggan gave an overview of Board responsibilities, including: information about Vermont's open meeting law and information on the Board's statutory and fiduciary responsibilities.

Mr. Duggan handed out a draft Standards of Conduct for the Board and asked that board members review the document and be prepared to discuss and potentially approve the document at the next meeting.

Mr. Boardman inquired about the liability of board members when acting in a fiduciary role. Mr. Duggan indicated that he would research the issue and report back to the Board.

Item 3: Overview of Implementation Timeline, Feedback from Public Hearings, and Process

Ms. Pearce provided an overview of the background leading up to establishment of the Green Mountain Secure Retirement Plan, largely tracking the presentation set forth in the written materials distributed at the meeting.

The Board discussed the importance of providing an option for employer contributions to be available at the launch of the plan, with Mrs. Swett indicating her support of this option and Ms. Pearce noting that many of the employers who attended the public hearings voiced their support as well.

Mr. Lueders-Dumont and Mr. Clasen gave an overview of the draft timeline for plan implementation. Mr. Lueders-Dumont noted that the Treasurer's Office had retained Segal Consulting to assist in drafting a Request for Information (RFI), which was issued in March, and a Request for Proposals (RFP) for a third-party plan administrator, which is planned for issuance in April. Mr. Clasen noted that the Office would be asking for two volunteers from the Board to help with the RFP process before bringing a recommendation back to the full board for a final decision.

Item 4: Open Discussion and Next Steps

The Board then discussed a range of issues for consideration in selecting a third-party administrator, including the investment line-up, the pros and cons of open architecture for investments versus proprietary funds, the importance of having "boots on the ground" in Vermont to help participants with the plan, and the scope of a third-party administrator's fiduciary obligations.

The Board also discussed a range of issues that need to be addressed before Plan implementation, including setting the contribution rate and fund for auto-enrolled employees, and the eligibility of self-employed individuals to participate in the Plan.

Ms. Pearce asked for volunteers to assist with the RFP process. Mr. Boardman volunteered to help. Mr. Cotel and Mr. Hooper also volunteered, and Ms. Pearce asked them to discuss offline and determine who would join Mr. Boardman in assisting staff.

The Board then returned to discussing issues that need to be addressed before Plan implementation, including eligibility criteria for employers, e.g., where an employer has less than 50 employees but later grows, and the portability of the Plan between employers.

Ms. Pearce reviewed what the Board would discuss at the next meeting, including eligibility of self-employed individuals, employer eligibility, and plan design. She stated that the Board would need to meet again in the coming weeks.

Mr. Clasen noted that once the RFP is issued, any questions from vendors about the RFP should be referred to the point of contact listed on the RFP in order to maintain the sanctity of the RFP process.

Ms. Pearce emphasized the importance of letting the Board know immediately if any members have conflicts of interest.

Item 5: Public Comment

Mr. Clasen asked if there was any comment from members of the public. None was given

Item 6: Adjournment

Mr. Boardman made a motion to adjourn. Mr. Cotel seconded. All members voted in favor by voice vote.

Ms. Pearce adjourned the meeting at 11:40am.