

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

Meeting of the Board of Trustees

March 19, 2024 11:00 A.M.

DRAFT COPY – NOT YET APPROVED BY BOARD

Please note all members participated via telephone, video, or teleconference:

Members present:

CHRISTOPHER DUBE, Chairperson, Employer Representative (term expiring July 1, 2026)

KIMBERLY GLEASON, Vice-Chair, Employer Representative (term expiring July 1, 2024)

KATHLEEN RAMSAY, Employer Representative (term expiring July 1, 2026)

MORGAN DAYBELL, Employee Representative (term expiring July 1, 2024)

MIKE PIECIAK, State Treasurer, Ex-officio

Members absent:

Also attending:

Sarah Boctor, RVK

Suzanne Carroll, RVK

Jonathan Kowolik, RVK

Tim Duggan, Director of Retirement, Office of the State Treasurer

Justin St. James, General Counsel, Office of the State Treasurer

ITEM 1: Agenda approval and announcements

Mr. Dube called the Tuesday, March 19, 2024, Board Meeting to order at 11:01 a.m., which was held by conference call.

On a motion made by Ms. Ramsay, seconded by Mr. Daybell, the Board voted unanimously to approve the agenda.

ITEM 2: Approve the minutes of:

- February 20, 2024

On a motion made by Ms. Ramsay, seconded by Mr. Daybell, the Board voted unanimously to approve the minutes of the February 20, 2024, meeting with one typo in Item #8, otherwise as presented.

ITEM 3: RVK Presentation on Supplemental Plan

Mr. Duggan introduced the RVK team and give background on the Supplemental Plans analysis work performed by RVK. Ms. Boctor explained RVK's broad fiduciary review of the plans, including the investment offerings, governance structure, other plan considerations, and indicated that there were no red flags uncovered in the review. Ms. Boctor explains that the Municipal DC plan offers 19 investment offerings, including target date funds, actively managed funds, and passive funds. After concluding their fiduciary review RVK finds the menu structure to be competitive with industry standards and recommends continued, periodical review.

Ms. Boctor highlighted that target date funds are used by a large number of VMERS members and walked through utilization data. Ms. Boctor also discussed available stable value funds. Ms. Carroll reported that after a thorough fiduciary review of the supplemental plans that they found a strong governance program is currently in place, and provided suggestions and consideration for new options that could provide additional governance to plans, including future periodic fiduciary reviews. No negative issues were reported as part of this review. One suggestion was to develop an investment policy statement that would help clarify goals and responsibilities for oversight of the investments. Communications to participants that would aid in their education were also suggested.

On a motion made by Ms. Gleason and seconded by Mr. Daybell, a motion was made that the Board found that premature general public knowledge of information concerning Empower contract negotiations would clearly place the Board at a substantial disadvantage. The motion was unanimously approved.

On a motion made by Ms. Gleason and seconded by Mr. Daybell, based upon the first motion, the Board moved that the Board go into executive session to contractual matters pursuant to 1 VSA § 313(a)(1). The motion was unanimously approved.

Executive Session entered at 11:47 a.m.

Executive Session exited at 12:17 p.m.

ITEM 4: Contribution Rate Discussion

Mr. Duggan provided an update on the ongoing discussions with NEA and VLCT regarding the potential raising of employee contribution rates.

ITEM 5: Any other business to come before the board.

On a motion by Ms. Ramsay, seconded by Mr. Daybell, a motion to adjourn was made and unanimously approved at 12:35 p.m.

Next Meeting Date:

The next regularly scheduled VMERS Board meeting is on April 16, 2024 at 11:00 a.m.

Respectfully submitted,
Tim Duggan