

RESOLUTION CONCERNING INVESTMENT OF PENSION FUNDS

Submitted by: Vermont State Labor Council, AFL-CIO

WHEREAS: Affiliates of the Vermont State Labor Council, AFL-CIO contribute to the Vermont Municipal Employees Retirement Plan and the Vermont State Employees' Pension respectively throughout their careers; and

WHEREAS: Monies in the Vermont Municipal Employees Retirement Plan and Vermont State Employees Retirement Plan are currently being invested in accordance with the fiduciary duties incumbent upon the members of the Vermont Pension Investment Committee; and

WHEREAS: Members of the Vermont Pension Investment Committee owe a duty of care to the members and beneficiaries of the Vermont Municipal Employees Retirement Plan and Vermont State Employees Retirement System; and

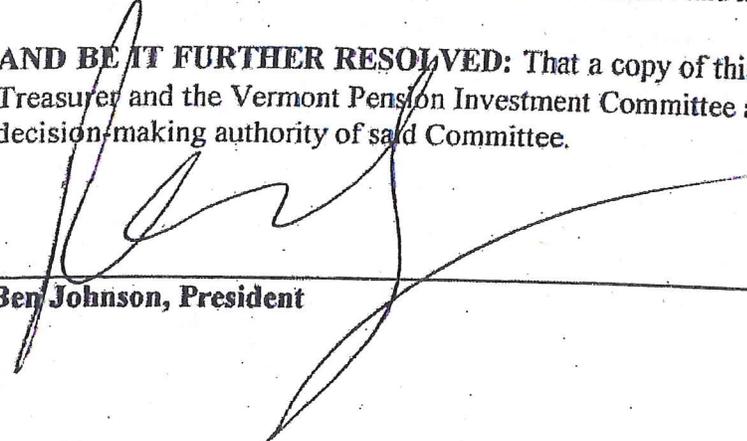
WHEREAS: Members of the Vermont Pension Investment Committee carefully consider return on investments and ethically responsible investments in accordance with state and federal statutes, committee policies and their fiduciary duties; and

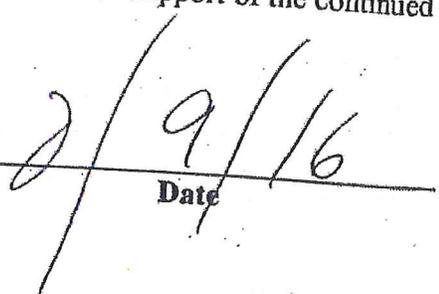
WHEREAS: The Vermont Municipal Employees Retirement Plan and Vermont State Employees Retirement Plan is financially solvent; and

WHEREAS: It is the responsibility of the Vermont Pension Investment Committee, not any other entity, to act in accordance with the prudent investor rule and by law to strive to maximize total return on investment, within acceptable levels of risk for public retirement systems.

NOW THEREFORE, BE IT RESOLVED: That the Vermont State Labor Council, AFL-CIO on behalf of its retired members, support that the responsibility to make prudent investment decisions in accordance with appropriate statutory and fiduciary requirements, continue to be vested in the Vermont Pension Investment Committee and not the legislature or any other entity.

AND BE IT FURTHER RESOLVED: That a copy of this resolution be provided to the State Treasurer and the Vermont Pension Investment Committee and used in support of the continued decision-making authority of said Committee.


Ben Johnson, President


Date



PROFESSIONAL FIRE FIGHTERS OF VERMONT

20 Kimball Avenue, Suite 108 • South Burlington, VT 05403 • (802) 652-0085

RESOLUTION CONCERNING INVESTMENT OF PENSION FUNDS

WHEREAS: Members of the Professional Fire Fighters of Vermont contribute a portion of their wages to the Vermont Municipal Employees Retirement System hereinafter VMERS;

AND WHEREAS: Monies invested into VMERS are earned wages belongs to the individual members who have contributed to this fund;

AND WHEREAS: VMERS is financially solvent;

AND WHEREAS: The Vermont Pension Investment Committee has carefully managed investments with integrity, and prudence, to meet the financial objectives of the beneficiaries of the fund;

AND WHEREAS: Monies invested into VMERS are not the property of the State of Vermont or the general citizenry;

AND WHEREAS: It is the responsibility of the Vermont Pension Investment Committee, and not the Vermont Legislature, to make investment decisions on behalf of the beneficiaries, in accordance with statutory and fiduciary requirements to provide the best return on investments;

NOW THEREFORE, BE IT RESOLVED: That the executive board of the Professional Fire Fighters of Vermont, on behalf of it's members, support that the responsibility to make prudent investment decisions in accordance with appropriate statutory and fiduciary requirements, continue to be vested in the Vermont Pension Investment Committee and not the Vermont Legislature or any other entity;

AND BE IT FURTHER RESOLVED: That a copy of this resolution be provided to the State Treasurer, and the Vermont Pension Investment Committee and used in support of the continued decision-making authority of said Committee.

Adopted the 8th of February 2016 by the executive board of the Professional Firefighters of Vermont

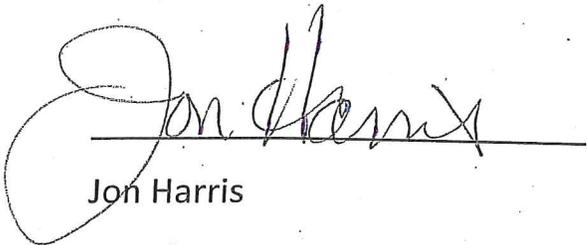
A handwritten signature in black ink, appearing to read "B. O'Brien", with a long horizontal line extending to the right.

Benjamin R. O'Brien
President
Professional Fire Fighters of Vermont

RESOLUTION CONCERNING INVESTMENT OF PENSION FUNDS

The Board of Trustees of the Vermont State Teachers' Retirement System (VSTRS) on behalf of its members, support that the responsibility to make prudent investment decisions in accordance with the appropriate statutory and fiduciary requirements, continue to be vested in the Vermont Pension Investment Committee and not the Legislature or any other entity.

A copy of this resolution be provided to the State Treasurer and the Vermont Pension Investment Committee and used in support of the continued decision making authority of said Committee.



Jon Harris

Chairman, Vermont State Teachers' Retirement System

2/9/15

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
In-House Actuary Meeting of the Board of Trustees
July 27, 2015 – 2:00 p.m.

VMERS Members present:

PETER AMONS, Chairperson, Employee Representative (term expiring July 1, 2016)
THOMAS GOLONKA, Employer Representative (term expiring July 1, 2016)
DAVID ROWLEE, Employee Representative (term expiring July 1, 2018)
MEL HAWLEY, Employer Representative (term expiring July 1, 2018)
ELIZABETH PEARCE, Vermont State Treasurer

Board members absent:

Also attending:

Laurie Lanphear, Director of Retirement Operations
Joshua McCormick, assistant to Tina Kaweck
Matt Considine, Director of Investments
Katie Green, Investment Manager
Nick Foss, Investments Analyst
David Driscoll, Buck Consolidates
Kai Peterson, Buck Consolidates

The Chairperson, Peter Amons, called the Monday, July 28th, 2015, conference call meeting to order at 2:05 p.m., which was held in the Large Treasurer's Conference Room, fourth floor, 109 State Street, Montpelier, VT.

ITEM 1: **Review and discuss results of Draft Experience Study**

Mr. Driscoll presented to the board the results of the Experience Study for the State Teachers Retirement System. This report covers the period of July 1, 2010 through June 30, 2014. Mr. Driscoll gave an overview of what an experience study is, and two parts it is broken down into, demographic and economic assumptions. These assumptions are suggested by the results of the time period studied. Categories that were studied included but not limited to Active terminations, mortality, and interest rate of return.

Mr. Golonka expressed concern that the board received the draft late and did not have sufficient time to review.

Terminations – Mr. Driscoll directed the board to the appendix of the report where a graph was made showing terminations broken down by age group and genders. Terminations are defined as an employee who leaves the system but is not able to collect a pension. Buck Consultants are recommending various changes to different age groups and genders.

Disability Retirement – Mr. Driscoll stated that the assumed disability probabilities produced expected numbers among male members. However, Buck Consultants is recommending reducing the assumed disability rates by 50% for female members.

Vermont Municipal Employees' Retirement System
Conference Call Meeting of the Board of Trustees
July 27, 2015

Active Deaths – Mr. Driscoll stated that active deaths, like disability, are a small portion of the overall population. Buck Consultants is recommending using a RP-2000 table, scale BB, to assume active deaths. There was significant discussion and no conclusion on this item.

Service Retirement – Mr. Driscoll is proposing calibrations to service retirement as well. The recommendation is to bring the assumption of Group A down, Group B down a little bit, and Group C to stay as is. Mr. Driscoll stated that group D is still too new to make any recommendation. These recommendations would have a modest decrease in liability.

Post-Retirement Mortality – Mr. Driscoll stated that mortality over the past four years has been lower than expected. Buck Consultants is recommending that assumed mortality be set at probabilities in the RP-2000, scale AA mortality table. The board discussed industry trends in mortality. This issue needs more review. The board expressed concerns for municipalities has not been adequately assessed.

Mr. Golonka asked if a back study could be done on previous experience studies using the suggested mortality chart. Mr. Driscoll stated this was possible.

Inactive Status – there is no change recommended to this category. Liabilities for members in inactive status have been maintained at 200% of their accumulated contributions with interest.

Mr. Driscoll then spoke to the board about the economic assumptions. He stated that there are three categories, Salary increase, inflation, and Rate of Return. He stated there is no assumption for overtime wages. He also stated that VSERS has assumed long term inflation at 3% and recent year's data has been below that. However, Buck Consultants is recommending that the inflation assumption remains at 3%. It is also recommended that the assumed rate of return projected long-term over 30 years, be at 7.95%

Mr. Driscoll then turned the presentation over to Mr. Peterson to discuss the economic assumptions. Mr. Peterson talked to the board about the GEMS model that is used and how it works. He spoke about the target asset allocation and capital market assumptions. He also spoke to the board about going from the former method of interest rate assumption, the select and ultimate method, to the now proposed Assumed Rate of Return method.

On Motion by Ms. Pearce, seconded by Mr. Hawley, the board voted to accept the recommended assumed rate of return from Buck Consultants, at 7.95%.

The board decided to defer on adopting the complete Actuary Experience Study until more information is gathered. The board also had concerns that they did not have sufficient time to review and requested additional time for review of the demographic assumptions.

On motion by Mr. Amons, seconded by Mr. Golonka, the board voted to not support any restrictions on investments to preserve fiduciary responsibilities to participants and their concern for the Vermont tax payer.

ITEM 2: Any other business to come before the board

On motion by Mr. Golonka, seconded by Ms. Pearce, the board voted to elect Mel Hawley as the alternate VPIC representative for the VMERS board of trustees.

On motion by Ms. Pearce, seconded by Mr. Rowlee, the board voted to elect Tom Golonka as Vice-Chairperson of the VMERS board of trustees.

ITEM 3: Adjournment

On motion by Ms. Pearce, seconded by Mr. Amons, the Board unanimously voted to adjourn at 4:10 p.m.

Next Meeting Date:

None at this time.

Respectfully submitted,

Tina Kawecki
Secretary to the Board

