

February 4, 2016

Honorable Jeanette K. White, Chair
~~Members of the Committee~~
Senate Committee on Government Operations
Room 4
Vermont State House
115 State Street
Montpelier, Vermont 05602-5301

Dear ~~Chairperson White~~ ~~Senators~~:

On July 30, 2015, the Board of Directors of the Vermont League of Cities and Towns voted unanimously to adopt the attached resolution regarding investments on behalf of the Vermont Municipal Employees Retirement System (VMERS). The VLCT Board represents all 246 cities and towns in Vermont and firmly believes that decisions about investments for VMERS should be made by the members of the Vermont Pension Investment Committee (VPIC), in consultation with their investment advisors.

As you know, the members of VPIC have a fiduciary duty to the members and beneficiaries of the retirement system and decisions about investments that are made by the legislature or any other body could have a negative impact on that duty in the long term. In fact, setting such a precedent could open the door to any number of additional prohibitions on the exercise of care delegated to and exercised by VPIC.

On behalf of the Vermont League of Cities and Towns, I urge you not to adopt S. 28 or any other legislation that limits the ability of the members of VPIC to exercise their fiduciary duty and the standard of care that is owed to the members and beneficiaries of Vermont's state and local retirement systems.

Very truly yours,

Maura Carroll
Executive Director