

**Town of Royalton
Royalton Selectboard Special Meeting
April 17, 2018 7:00pm
Town Office on Route 14**

Royalton Selectboard: Larry Trottier, Gidget Lyman, Tim Dreisbach, Chris Noble
Sandy Conrad,

Town Staff: Town Administrator, Rose Hemond

Public: Tina Kawecki State of Vermont Retirement Specialist III

Larry opened the meeting at 7:00pm

Tina Kawecki handed out information about Vermont Municipal Employment Retirement System to the Selectboard. She began by explaining how the town can enroll in VMERS. What documentation is required. Tina reviewed who can enroll in the program and the hourly requirement that must be met. It takes 5 years to become fully vested. If you leave your position before the 5 years are completed the employee has 3 years to reenroll under another employer or possibly the same one otherwise the employee contribution funds are returned to the employee.

Tina explained that once a municipality joins VMERS, membership to VMERS is irrevocable. The initial enrollment allows employees to opt out since contributions to a retirement plan was not a condition of their employment. Future employees must participate in the retirement plan.

The Selectboard has the ability to open this benefit to certain or all departments in the municipality. Tina reviewed three groups listed on a handout that had different employer/employee contributions. They also varied in retirement ages. Each plan required 5 years' service credit.

Tina explained the composition of VMER board members and how they were elected. She said VMERS is not part of the State of Vermont General Fund. It is separate and therefore cannot be borrowed or used for other purposes. Tim had questions about how well funded the pension is. Tina said it is funded at 88% and there will be a slight increase next fiscal year to bring the funding closer to 100%. The managers of the funds are conservative and there is much oversight. The pension has been around since 1975.

Tim was concerned about contribution rates in the future and Tina explain the actuaries take this into account and make small incremental increases to stay ahead of the curve. The Vermont State legislature approves the employee contribution rate each year.

Sandy thought this would be a wonderful benefit to offer town employees. She very much is concerned how little people save for retirement. It was also mentioned as the town grows this benefit may include other departments such as Rescue Squad and library employees if they meet certain criteria.

Rose will provide cost analysis for the board to review under Group A. Tina said it is best to start with the lower plan and move up. The town cannot move to a lower plan if you start at a high one. Group "A" contribution breakdown starting 07/01/2018 is Employee 2.625% of gross income and Employer 4.125% of gross income.

The Selectboard would like to review this information more and discuss at a future meeting.

Excess Weight Permit Daniels Inc. T. Dreisbach motioned and C. Noble seconded to approve the excess weight permit. Motion passed 4-0

S. Conrad motioned and G. Lyman seconded to hire Frank "Jay" Barrett for the lump sum of \$1,600.00 plus reimbursable expenses to be paid from the Royalton Betterment Fund to advise the Royalton Selectboard and Royalton Memorial Library Trustees with the library project and authorize Larry Trottier to sign a letter from the town of Royalton stating these terms to Frank Jay Barrett. Motion passed unanimously.

The Selectboard would like to have a special meeting on Friday 04/20/2018 to meet with the Royalton Memorial Library Trustees and Frank "Jay" Barrett to discuss the library project. Rose will invite the library and post the agenda in all required places

**Meeting Adjoined 8:45pm
Respectfully Submitted By
Town Administrator Rose Hemond**