

VERMONT STATE EMPLOYEES' RETIREMENT SYSTEM

Meeting of the Board of Trustees

October 13, 2005

Members present:

WARREN WHITNEY, Chairperson, VSEA member (term expiring September, 2006)

JEB SPAULDING, Vice-Chairperson, VT State Treasurer

ROBERT HOOPER, VSEA member (term expiring September 2006)

DICK JOHANNESSEN, Governor's Delegate

JAMES REARDON, Commissioner of Finance & Management

LINDA McINTIRE, Commissioner of Human Resources

Members absent:

WILLIAM HARKNESS, VSEA member (term expiring September 2007)

JANICE ABAIR, Retired Vermont State Employees' Association

Also attending:

Donna Holden, Board Coordinator

Cynthia Webster, Director of Retirement Operations

The Chairperson, Warren Whitney, called the **conference call** meeting to order at 8:04 a.m. on Thursday, October 13, 2005, in the Treasurer's Office, 133 State Street, Montpelier, VT.

ITEM 1: Approval of minutes for September 15, 2005

On a motion by Mr. Reardon seconded by Mr. Spaulding, the Board unanimously voted to approve the minutes of September 15, 2005, as submitted.

ITEM 2: Discuss/Act on Disability Retirement For:

- **Douglas R. Marsden**

On a motion by Mr. Hooper seconded by Mr. Spaulding, the Board unanimously voted to approve the disability retirement for Douglas R. Marsden, as recommended by the Medical Review Board.

- **Lori Lumbra-Stewart**

At 8:08 a.m. on a motion by Mr. Hooper seconded by Mr. Reardon, the Board unanimously voted to enter into executive session, pursuant to Title 1 §313, to discuss medical records.

At 8:23 a.m. the Board exited executive session.

On a motion by Mrs. McIntire seconded by Mr. Johannesen, the Board unanimously voted to table action on the continued disability retirement for Lori Lumbra-Stewart.

ITEM 3: §457 Plan Emergency Withdrawal Request

On a motion by Mr. Hooper seconded by Mr. Reardon, the Board unanimously voted to approve the §457 Plan emergency withdrawal request from Matthew Johnson.

ITEM 4: State's Attorney & Sheriff Actuary Costing Request

Mrs. Webster reminded the Board the first request received from the State's Attorneys and Sheriffs was to calculate a cost for States Attorneys to be included in Group D. She advised the Board a second request from the same entity was received on September 8, 2005, now seeking the costs for the Sheriffs to be included in Group G, if established. The Board acknowledged the first request was unclear as to whether Deputy State's Attorneys were also to be included in the estimate.

Mrs. Webster further reminded the Board of Mr. McShane's August 11, 2005 opinion, regarding the Board's authority to charge entities for actuary cost reports, and if charged that reimbursements would have to be deposited into the General Fund, rather than the Retirement Fund.

Mrs. Webster explained she was concerned with the lack of a policy regarding requests from outside entities, and the potential for an increasing numbers of requests.

On a motion by Mr. Reardon seconded by Mr. Spaulding, the Board unanimously voted to deny both State's Attorney & Sheriff actuary costing requests.

The Board acknowledged the denial was the result of a variety of factors, including general lack of support for the concepts outlined in the requests, the fact that a group G plan does not currently exist, and the desire to establish a policy before approving agency requests for actuarial cost estimates.

On a motion by Mr. Spaulding seconded by Mr. Hooper, the Board voted to create a temporary subcommittee to develop a policy regarding actuarial cost requests, and authorized the Chair to appoint members to the subcommittee. Mr. Spaulding, Mr. Hooper and Mr. Whitney voted yes. Mrs. McIntire voted no. Mr. Johannesen abstained.

Mr. Whitney asked that members interested in serving on the subcommittee contact him.

ITEM 5: Any Other Business to Come Before the Board

Mr. Hooper remarked on the difference in the amount of information printed in annual statements since 1996.

Mr. Whitney agreed to provide an article for the upcoming *Retiring Times* newsletter.

Next Meeting Dates:

The next scheduled in-house meeting is October 26, 2005, to review the results of the actuarial valuation.
The next scheduled *in-house* disability meeting is November 10, 2005.
The next scheduled quarterly VPIC meetings is November 29th & 30th, 2005

Adjournment:

On a motion by Mr. Johannesen seconded by Hooper the Board unanimously voted to adjourn at 9:00 a.m.

Respectfully submitted,

Donna Holden, Board Coordinator for
Cynthia Webster, Secretary to the Board