

VERMONT STATE EMPLOYEES' RETIREMENT SYSTEM
Meeting of the Board of Trustees – Conference Call
January 13th, 2015 – 9:00 a.m.

VSERS Members present:

Kevin Gaffney, Chairperson, VSEA Representative (term expiring September 1, 2015) – via telephone
Roger Dumas, Vice-Chairperson, VRSEA Representative (term expiring September 1, 2016) – via telephone
Jeff Briggs, VSEA Representative (term expiring September 1, 2016)
Thomas Hango, VSEA Representative (term expiring September 1, 2016) – via telephone
Paul White, Jr., VSEA Alternate Representative (term expiring September 1, 2015)
Allen Blake, VRSEA Alternate Representative (term expiring September 1, 2016)
Jay Wisner, Governor's Delegate position
Maribeth Spellman, Commissioner of Human Resources (ex-officio)
Elizabeth Pearce, VT State Treasurer

Members absent:

James Reardon, Commissioner of Finance & Management (ex-officio)

Also attending:

Mark DiStefano, Assistant Attorney General
Dr. Russell Davignon, Chairperson, Medical Review Board – via telephone
John Booth, Director of Treasury Operations
Laurie Lanphear, Director of Retirement Operations
Joshua McCormick, Assistant to Nancy Dimick

The Chairperson, Kevin Gaffney, called the January 13, 2015, meeting to order at 9:02 a.m., which was held in the Treasurer's Conference Room, Fourth Floor, 109 State Street, Montpelier, VT.

ITEM 1: **Discuss/act on disability retirement recommendation for:**

- **Laura Curtiss-Palmer**
- **Allen Comstock**
- **Eric Howley**
- **Mark Jones**
- **Renee Warren**

On motion by Mr. Briggs, seconded by Mr. Dumas, the board voted unanimously by roll call to enter Executive Session at 9:05 a.m. pursuant to Title 1, § 313 for the purpose of discussing personnel issues.

The board came out of executive session at 10:11 a.m.

On motion by Ms. Pearce, seconded by Mr. Briggs, the Board voted unanimously by roll call to deny the disability request for Laura Curtiss-Palmer based on the fact that the Medical Board has not definitively defined her as disabled for the function of the job pursuant to state statute, and failure of burden of proof to show disability related to the job duties.

Dr. Davignon and Mark DiStefano left the meeting at this time.

On motion by Mr. Briggs, seconded by Mr. Hango, the Board voted unanimously by roll call to accept the recommendation of the MRB to allow the disability retirement for Allen Comstock, with a one-year review.

On motion by Ms. Pearce, seconded by Mr. Briggs, the Board voted unanimously by roll call to accept the recommendation of the Michael Zimmerman, ESQ, to allow the disability retirement for Eric Howley, with no review.

On motion by Mr. Briggs, seconded by Mr. Dumas, the Board voted unanimously by roll call to accept the recommendation of the MRB to allow the disability retirement for Mark Jones, with a one-year review.

On motion by Mr. Dumas, seconded by Mr. Briggs, the Board voted unanimously by roll call to accept the recommendation of the MRB to allow the disability retirement for Renee Warren, with no review.

ITEM 2: Approve the Minutes of:

- December 11, 2014 – conference call

On motion by Mr. Briggs, seconded by Mr. Dumas, the Board voted unanimously by roll call to approve the minutes of December 11, 2014, as submitted.

ITEM 3: Retirement Budget Overview

John Booth entered the meeting at this time.

Ms. Pearce stated that Jim Reardon will be presenting the TRU-UP report at the next meeting. Mr. Booth then began to go over the Fiscal Year 2016 Budget summary page that was sent to the board members. He stated that the fiscal 2016 request is 1.9 million dollars more than the fiscal 2015 approved budget. The fiscal 2015 approved budget was the same as the fiscal 2015 request. The 2016 request is a 4.98% change (increase). Mr. Booth said there are two main factors for this increase. First, the increase in health care rates, which is two million. Second, is the estimate of the increase in the number of retirees that will have medicare.

Mr. Booth then highlighted each category on the summary and noted a couple of items. The Investment Management services are up \$428,000. This is due to an increase in amount of assets under management for which the direct fees are paid to investment managers. The retirement system project, V-PAS, is down drastically. The administrative support costs are increasing by roughly \$80,000.

On motion by Mr. Briggs, seconded by Mr. Dumas, the board unanimously voted by roll call to adopt the fiscal year 2016 budget of \$40,054,824.

ITEM 4: Any other business to be brought before the board

Mr. McCormick mentioned that Fidelity investments would like to come meet with the VSERS and VMERS boards. The date being looked at is February 25th, 2015. Mr. McCormick stated he would be sending out an email to the board members.

ITEM 5: Adjournment

On motion by Mr. Dumas, seconded by Mr. Briggs, the Board unanimously voted by roll call to adjourn at 10:46 a.m.

Next Meeting Date:

The next scheduled VSERS meeting is an In-house meeting, Thursday, February 12, 2015 at 9:00 a.m.

Respectfully submitted,

Nancy Dimick
Secretary to the Board