

**VERMONT STATE EMPLOYEES' RETIREMENT SYSTEM**  
Meeting of the Board of Trustees – In-House Meeting  
**September 16, 2015 – 9:00 a.m.**

**VSERS Members present:**

Roger Dumas, Chairperson, VRSEA Representative (term expiring September 1, 2016)  
Allen Blake, VRSEA Alternate Representative (term expiring September 1, 2016)  
Maribeth Spellman, Commissioner of Human Resources (ex-officio)  
James Reardon, Commissioner of Finance & Management (ex-officio)  
Jay Wisner, Governor's Delegate position  
Elizabeth Pearce, VT State Treasurer

**Members absent:**

Thomas Hango, Vice-Chairperson, VSEA Representative (term expiring September 1, 2016)  
Judy Rosenstreich, VSEA Representative (term expiring September 1, 2017)  
Jeff Briggs, VSEA Representative (term expiring September 1, 2016)  
Jean-Paul Isabelle – VSEA Alternate Representative (term expiring September 1, 2017)

**Also attending:**

Laurie Lanphear, Director of Retirement Operations  
Joshua McCormick, Assistant to Nancy Dimick  
Mark DiStefano, Assistant Attorney General's Office

The Chairperson, Roger Dumas, called the September 16, 2015, In-House meeting to order at 9:08 a.m., which was held in the Governor's Conference Room, Fourth Floor, 109 State Street, Montpelier, VT.

**ITEM 1:      **Approve the Minutes of:****

- **August 13, 2015**

**On motion by Mr. Wisner, seconded by Ms. Pearce, the Board voted unanimously to approve the minutes of August 13, 2015 as amended.**

**ITEM 2:      **Discuss/act on disability retirement recommendation for:****

- **Margaret Baldor**
- **Virginia Hurley**
- **Kathy Touchette**
- **Leonidas "Lenny" Zenonos**

**On motion by Mr. Wisner, seconded by Ms. Pearce, the Board voted unanimously to accept the recommendation of the MRB to allow the disability retirement for Margaret Baldor, with a one year review.**

**On motion by Mr. Reardon, seconded by Mr. Wisner, the Board voted to accept the recommendation of the MRB to allow the disability retirement for Virginia Hurley, with a one year review.**

**On motion by Mr. Wisner, seconded by Ms. Pearce, the Board voted unanimously to accept the recommendation of the MRB to allow the disability retirement for Kathy Touchette, with no review.**

**On motion by Mr. Reardon, seconded by Ms. Pearce, the board voted unanimously to enter Executive Session at 9:12 a.m. pursuant to Title 1, § 313 for the purpose of discussing personnel issues.**

The Board came out of executive session at 9:16 a.m.

**On motion by Ms. Pearce, seconded by Mr. Reardon, the Board voted unanimously to defer the disability retirement for Leonidas Zenonos back to the MRB for more clarification of disability factors and consideration for a one year review.**

**ITEM 3:      Disability Process Update**

Ms. Pearce gave an overview to the board of the new disability process amended in section § 462 of the statute. She also stated that the retirement office is planning on begin the income disclosure process after October 15<sup>th</sup>, 2015. Ms. Pearce then explained to the board the re-employment rights of the disability retirement members, are incorporated into the statutory changes within the disability statute.

Mr. DiStefano asked the board about a procedure as it relates to section § 462, subsection b. DiStefano recommends giving the Medical Review Board authority to procure a vocational assessment for disability cases with a one year review. He believes this would be the most efficient procedure in the disability process. The board discussed this procedure and agreed. However, the board noted that they would still have the option of being able to have a vocational assessment done for a disability member if they feel it is needed.

Mr. DiStefano then went over with the board the income disclosure statement form, cover letter, and guidance document. The board directed that the wording on the cover letter concerning refunding money to the retirement office be changed by adding in the phrase "from the pension".

Ms. Spellman then stated to the board that if the retirement office is going to ask for federal income tax forms, then the staff handling them may need to get training, background checks, and fingerprints as there are new laws and regulations for handling these tax forms. The retirement office will do research into what specifically may be needed.

**On motion by Ms. Pearce, seconded by Mr. Reardon, the board voted unanimously to approve the income disclosure form and accompanying letter and guidance document provided that the phrase “from the pension” be added to the letter and provided further that if there are any changes to those documents that may be needed in the future, they will be re-presented to the board.**

Mr. McCormick then went over with the board the new correspondence letters to members and memorandums concerning the new disability processes/procedures. These documents included the application acknowledgement letter, memorandums for use by the MRB and retirement board, disability approval and denial letters, and request for information from the disability member. The board discussed these letters and would like the language concerning refunding money to the retirement office to match the revision to the cover letter for the income disclosure form – to include the phrase “from the pension.”

**On motion by Ms. Pearce, seconded by Mr. Wisner, the board voted unanimously to approve the correspondence letters and memorandums subject to that change being made.**

The board expressed thanks to Mr. DiStefano, Ms. Helme, Ms. Lanphear, Dr. Davignon and Mr. McCormick for all their work on this project. Ms. Pearce also wanted to express her thanks to the VSEA and the Troopers Association for coming together with the treasurer's and retirement office to develop this new disability amendment.

**ITEM 4: Retirement Incentive Update**

Ms. Pearce gave an overview to the board about the retirement incentive process. She then handed out to the board the latest numbers as of the morning of 9/14/15. However, Ms. Pearce and Ms. Lanphear both stated that these numbers are changing by the hour. Ms. Lanphear stated that there were 311 total applicants for the retirement incentive and as of now, 50 members have withdrawn. Ms. Lanphear stated that there are 40-45 members who have been given an extension on their retirement date. Ms. Pearce stated there will be more information at the end of the month.

**On motion by Ms. Pearce, seconded by Mr. Wisner, the Board voted unanimously to recognize all the great work and service Jim Reardon has given to the State of Vermont, this board, and all the taxpayers.**

**ITEM 5: Actuarial Update**

Ms. Pearce stated that VPIC and the Retirement Boards have jointly adopted the replacement of the select-and-ultimate interest rate and adopted a single rate of assumption of 7.95%. No other sections of the experience study have been adopted to date. The Treasurer's Office will review areas of concern with the Actuary.

**ITEM 6: Any other business to be brought before the board**

Mr. Dumas gave recognition to Ms. Pearce for the award she received from the National Treasurer's Association. The board concurred with Mr. Dumas. Ms. Pearce thanked the Board and also stated that the Treasury staff contributed to this effort especially Steve Wisloski and Lisa Helme. Ms. Pearce also thanked the retirement staff and all Treasury staff for their hard work.

The VSEA has elected two new members to the VSERS retirement. Judy Rosenstreich will be replacing Paul White's position and Jean-Paul Isabelle will be the new VSEA Alternate Representative for the VSERS board.

**ITEM 7: Adjournment**

**On motion by Mr. Reardon, seconded by Mr. Wisner, the Board unanimously voted by roll call to adjourn at 10:47 a.m.**

**Next Meeting Date:**

The next scheduled VSERS meeting is an Conference Call meeting, October 8, 9:00 a.m.

Respectfully submitted,

Nancy Dimick  
Secretary to the Board