

VERMONT STATE EMPLOYEES' RETIREMENT SYSTEM

Meeting of the Board of Trustees

July 13, 2006

Members present:

WARREN WHITNEY, Chairperson, VSEA member (term expiring September, 2006)
TOM GIFFIN, VSEA Alternate member (term expiring September 2007)
JEB SPAULDING, Vice-Chairperson, VT State Treasurer
LINDA McINTIRE, Commissioner of Human Resources
JAMES REARDON, Commissioner of Finance & Management – **arrived later in the meeting**
DICK JOHANNESSEN, Governor's Delegate
JOE HEALY, Retired Vermont State Employees' Association

Members absent:

ROBERT HOOPER, VSEA member (term expiring September 2006)
WILLIAM HARKNESS, VSEA member (term expiring September 2007)

Also attending:

Donna Holden, Board Coordinator
Cynthia Webster, Director of Retirement Operations

The Chairperson, Warren Whitney, called the Thursday, July 13, 2006, *conference call* meeting to order at 8:02 a.m., which was held in the Treasurer's Conference Room, 109 State Street 4th Floor, Montpelier, VT.

ITEM 1: Approval of minutes

- A. May 31, 2006
- B. June 8, 2006

Mr. Spaulding made a motion seconded by Mr. Healy, to approve the minutes of May 31, 2006, as corrected.

Mr. Whitney made a motion seconded by Mr. Johannesen, to include the minutes of June 8, 2006, as submitted. Motion unanimously passed.

The Board unanimously voted to approve the original motion as amended.

Mr. Reardon arrived at the meeting.

ITEM 2: Discuss/Act on Disability Retirements for:

- July A. Allard New
- Jason D. Kaine New
- John J. Minor New
- Donald A. Rennie New
- Lori Lumbra-Stewart Annual Review

On a motion by Mr. Healy seconded by Mr. Reardon, the Board unanimously voted to take all of the disability retirement recommendations as a group.

On a motion by Mr. Healy seconded by Mr. Reardon, the Board unanimously voted to approve the disability retirement for Judy A. Allard, Jason D. Kaine, John J. Minor, and Donald A. Rennie, as recommended by the Medical Review Board, and the continued disability retirement for Lori Lumbra-Stewart, as recommended by the Medical Review Board.

ITEM 3: §457 Plan Emergency Withdrawal Request:

Mrs. Webster advised the Board she requested that Great West Retirement Services obtain and provide documentation of the spouse's illness, which would be the qualifying event for the emergency withdrawal.

- **Betty Frederick**

On a motion by Mr. Reardon seconded by Mr. Healy, the Board unanimously voted to approve the § 457 emergency withdrawal request, subject to receipt of documentation of the spouse's illness.

- **Laura Hill**

On a motion by Mr. Spaulding seconded by Mr. Johannesen, the Board unanimously voted to approve the § 457 emergency withdrawal request.

ITEM 4: §457 Plan Document Amendments

The Board reviewed and discussed the Plan Document recommendations from the Calibre CPA Group, and presented to the Board at the June meeting. Ms. Holden advised the Board that both the Chief Assistant Attorney General and Great West had seen and approve the draft amendment.

On a motion by Mr. Spaulding seconded by Mr. Healy , the Board unanimously voted to remove Section 7.6 of the Plan Document which eliminated the annuity payment option, and add a section to 10.01 to provide for the disposition of unallocated assets in the event that the Plan was terminated.

ITEM 5: Any other business to come before the Board

On a motion by Mr. Spaulding seconded by Mr. Reardon, the Board unanimously voted to approve expenses and attendance at the NEPC Client Workshop on July 20 - 21, 2006.

On a motion by Mr. Spaulding seconded by Mrs. McIntire, the Board unanimously voted to authorize the Chair to form a subcommittee of members, Treasurer's Office staff, and

Great-West, for the purpose of reviewing the current §457 Plan investment options, and to provide a report and recommendations to the full Board, which may include consideration for changes in the fund line-up.

Mr. Whitney asked interested members to contact him, with the intention of having the completed report and recommendations for the November meeting.

Mrs. Webster reviewed the content of Jeffrey Pakus' appeal of her determination of the special early retirement provisions for Department of Correction's employees.

On a motion by Mr. Giffin seconded by Mr. Healy, the Board unanimously voted to obtain a written legal opinion from the Attorney General's Office of 3 V.S.A. § 459(d)(2), regarding a statutory interpretation of the special early retirement language.

The Board agreed that Mrs. Webster's interpretation and determination would stand unless contradicted by the AG's Office.

Next Meeting Dates:

The next scheduled monthly in-house meeting of the Board is August 10, 2006.

Adjournment:

On a motion by Mr. Giffin seconded by Mr. Healy, the Board unanimously voted to adjourn at 8:45 a.m.

Respectfully submitted,

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