

VERMONT STATE EMPLOYEES' RETIREMENT SYSTEM

Meeting of the Board of Trustees

September 14, 2006

Members present:

WARREN WHITNEY, Chairperson, VSEA member (term expiring September, 2006)
BETH PEARCE, Representing JEB SPAULDING, Vice-Chairperson, VT State Treasurer
LINDA McINTIRE, Commissioner of Human Resources
JAMES REARDON, Commissioner of Finance & Management
ROBERT HOOPER, VSEA member (term expiring September 2006)
TOM GIFFIN, VSEA Alternate member (term expiring September 2007)
DICK JOHANNESSEN, Governor's Delegate
JOE HEALY, Retired Vermont State Employees' Association

Members absent:

WILLIAM HARKNESS, VSEA member (term expiring September 2007)

Also attending:

Donna Holden, Board Coordinator
Cynthia Webster, Director of Retirement Operations
Mike McShane, Assistant Attorney General
Bill Rice, Law & Policy Director

The Chairperson, Warren Whitney, called the Thursday, September 14, 2006, meeting to order at 8:31 a.m., which was held in the Treasurer's Conference Room, 109 State Street 4th Floor, Montpelier, VT.

ITEM 1: Approval of minutes

A. August 10, 2006

On a motion by Mr. Hooper seconded by Mrs. McIntire, the Board unanimously voted to approve the minutes of August 10, 2006, as submitted.

ITEM 2: Discuss/Act on Disability Retirements for:

- **Paul A. Barci Annual Review**

On a motion by Mr. Hooper seconded by Mr. Healy, the Board unanimously voted to accept the findings of the Certified Vocational Counselor and reduce or discontinue the disability retirement for Paul A. Barci, as recommended by the Medical Review Board, and for the Retirement Office to advise the member of his normal retirement options.

ITEM 3: Vested Deferred Benefit Update

At 8:37 a.m. on a motion by Ms. Pearce seconded by Mr. Hooper, the Board unanimously voted to enter into executive session pursuant to Title 1 §313, to received legal counsel.

Mrs. Holden, Mrs. Webster, Mr. McShane, and Mr. Rice were invited into the executive session.

At 9:49 a.m. the Board exited executive session.

On a motion by Mr. Hooper seconded by Mr. Reardon, the Board unanimously voted on the basis of the discussion in executive session, to request the Retirement Division to send notice to those inactive vested members who have now reached normal retirement age and were notified of eligibility in April 2006 but did not file application upon attainment of their normal retirement age, advising of the following: 1) That they are eligible for retirement benefits retroactive to their normal retirement age and they ought to apply, and that these notices need only be sent to those inactive vested members who have reached normal retirement age and not did file an application at normal retirement age and 1) who did file a vested deferred application at the approximate time of separation from service, or 2) were at the time of separation from service provided with a notice that the Retirement Division would contact them concerning future application for a retirement allowance.

On a motion by Mr. Hooper seconded by Mr. Reardon, the Board unanimously voted on the basis of the discussion in executive session, to request the Retirement Division to send notice to those inactive vested members who have now reached normal retirement age and were notified of eligibility in April 2006 but did not file application upon attainment of their normal retirement age, advising of the following: 1) That they may be eligible for retirement benefits retroactive to their normal retirement age, 2) That the member may send a letter to the Board explaining the cause for the member's failure to file an application upon attainment of normal retirement age and requesting a retirement allowance retroactive to the date of the member's attainment of normal retirement age, 3) That in the event that the Board does not approve a retroactive retirement allowance based on the member's letter, the member may request a hearing before the Board to make his or her case as to why a retroactive retirement allowance should be granted, and that these notices need only be sent to those inactive vested members who have reached normal retirement age, did not file an application at normal retirement age, and who at the approximate time of separation from service were provided with some written notice concerning eligibility for a retirement allowance upon attainment of normal retirement age.

ITEM 4: Louis Penn Hearing

Mrs. Webster and Mr. McShane advised the Board that despite Mr. Penn's request to appear before the Board, upon notice to him of the hearing, word was received in writing through his attorney that he declined the opportunity to appear before the Board and present his case. Neither Mr. Penn nor his attorney attended the meeting.

ITEM 5: Any Other Retirement Business to Come Before the Board

Mr. Whitney advised the Board of his upcoming attendance at the NAGDCA Conference in Kansas, beginning on September 22. He also advised the Board of the departure of Marie Panciocco from Great-West Retirement Services, to pursue other career opportunities.

Mrs. Webster reminded the Board recent legislation, targeted toward Group A members only, provided for their minimum pension levels to be raised, and also provided for an automatic increase every five years. She then advised the Board there were currently 108 Group E & F members that would also qualify, if deemed eligible, who also had AFCs equal to or below the minimum pension established for Group A members.

On a motion by Mr. Reardon seconded by Mr. Johannesen, the Board unanimously voted to obtain an actuarial estimate of the cost to raise the minimum benefit payment for identified Group E & F members, as defined by Mrs. Webster.

Next Meeting Dates:

The next scheduled VPIVC meeting is scheduled for October 10, 2006.

The next scheduled monthly *conference call* meeting of the Board is scheduled for October 12, 2006.

Adjournment:

On a motion by Mr. Giffin seconded by Mr. Johannesen, the Board unanimously voted to adjourn at 10:00 a.m.

Respectfully submitted,

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