

VERMONT STATE EMPLOYEES' RETIREMENT SYSTEM

Meeting of the Board of Trustees

October 26, 2009

VSERS Members present:

Kevin Gaffney, Vice-Chairperson, VSEA Representative (term expiring September 1, 2009)
Robert Hooper, VSEA Representative (term expiring September 1, 2010)
Paul White, Jr., VSEA Alternate (term expiring September 1, 2011)
Roger Dumas, VRSEA Representative (term expiring September 1, 2009)
Caroline Earle, Commissioner of Human Resources (ex-officio)
James Reardon, Commissioner of Finance & Management (ex-officio)
Jeb Spaulding, VT State Treasurer - via telephone
Richard Johannesen, Governor's Delegate (ex-officio)

Members absent:

Warren Whitney, Chairperson, VSEA Representative (term expiring September 1, 2010)

Also attending:

Vaughn Altemus
Joseph Mackey
Elizabeth Pearce, VT Deputy Treasurer
Cynthia Webster, Director of Retirement Policy and Outreach & Secretary to the Board
David Driscoll, Buck Consultants
Daniel Sherman, Buck Consultants
Monica Chiren, Assistant to Cynthia Webster

The Vice-Chairperson, Kevin Gaffney, called the Monday, October 26, 2009, meeting to order at 11:20 a.m., which was held in the Treasurer's Conference Room, Fourth Floor, 109 State Street, Montpelier, VT.

ITEM 1: **Approve the Minutes of: October 8, 2009**

On motion by Mr. Johannesen, seconded by Mr. Dumas, the Board unanimously voted to approve the minutes of October 8, 2009 as submitted

ITEM 2: **Discuss/Act on emergency withdrawal request for:**

Linda Blakeney

On motion by Mr. Hooper, seconded by Mr. Dumas, the Board unanimously voted to approve the emergency withdrawal request for Linda Blakeney in the amount requested with the amendment "provided further documentation is submitted to Great West to support the amount requested".

ITEM 3: **Review/Act on FY '09 Actuarial Valuation**

David Driscoll presented the results of the actuarial valuation for the fiscal year ending June 30, 2009. Mr. Driscoll answered the questions posed by the Board.

(Ms. Earle and Mr. Hooper left the meeting during this item.)

(Ms. Pearce entered the meeting during this item.)

The Board discussed Mr. Spaulding's opinion that the Board should further explore ways to address this item.

On motion by Mr. Spaulding, seconded by Mr. Reardon, the Board unanimously voted to accept the FY '09 Actuarial Valuation report as presented, and forward to the Governor the contribution recommendations of \$41,581,656 for FY '11 and \$43,544,068 for FY '12. Mr. Reardon stressed the fact he was voting in his fiduciary position on the Board only. Mr. Spaulding wanted his opinion noted that the Board should continue to explore this issue. Mr. Spaulding indicated he would like to further explore the underlying actuarial assumptions and the corridors.

(Mr. Mackey entered the meeting.)

(A luncheon recess was taken from 1:25 p.m. to 1:32 p.m.)

ITEM 4: Review 2009 OPEB Update

Daniel Sherman provided a review of the *Draft FY '09 OPEB Report* for Board discussion. Ms. Pearce indicated she will discuss with Mr. Sherman items she would like to see added to the report.

ITEM 5: Any other business to be brought before the Board

Ms. Webster indicated November would be the last official meeting Mr. Whitney would be attending. The Board discussed whether Mr. Whitney could continue to serve on the Board in the same capacity.

ITEM 5: Adjournment

On motion by Mr. Dumas, seconded by Mr. Johannesen, the Board unanimously voted to adjourn at 2:05 p.m.

Next Meeting Date:

The next scheduled VSERS meeting is an in-house meeting on November 12, 2009 at 9:00 a.m.

Respectfully submitted,

Cynthia L. Webster

Secretary to the Board