

VERMONT STATE EMPLOYEES' RETIREMENT SYSTEM
Meeting of the Board of Trustees – Conference Call Meeting
January 10, 2019 – 9:00 a.m.

VSERS Board Members present:

ROGER DUMAS, Chair, VRSEA Representative (term expiring October 31, 2020)
THOMAS HANGO, Vice-Chair, VSEA Representative (term expiring September 30, 2020) –
via telephone
ERIC DAVIS, VSEA Representative (term expiring September 30, 2019) – via telephone
JEAN-PAUL ISABELLE, VSEA Representative (term expiring September 30, 2020)
BETH PEARCE, Vermont State Treasurer
DAN POULIOT, Deputy Commissioner of Department of Human Resource
ADAM GRESHIN, Commissioner of Finance & Management (ex-officio) – via telephone
JOHN FEDERICO, VSEA Alternate Representative (term expiring September 30, 2019) – via
telephone

VSERS Board Members absent:

BETH FASTIGGI, Commissioner of Department of Human Resources (ex-officio)
JAY WISNER, Governor's Delegate position
ALLEN BLAKE, VRSEA Alternate Representative (term expiring October 31, 2020)

Also attending:

Tim Duggan, Assistant Attorney General
Erika Wolffing, Director of Retirement
Patricia Kelley – via telephone

The Chair, Roger Dumas, called the Thursday, January 10, 2019, Conference Call Board Meeting to order at 9:00 a.m., which was held in the Treasurer's Conference Room, 4th Floor, Pavilion Building, 109 State Street, Montpelier, VT.

ITEM 1: **Agenda approval and announcements**

On a motion made by Mr. Isabelle, seconded by Mr. Pouliot, the Board voted unanimously to approve the Board meeting agenda for January 10, 2019.

ITEM 2: **Approve the Minutes of:**

- December 13, 2018

Under other business at the December meeting, Mr. Isabelle had asked what happened to the Express Scripts settlement money. Mr. Pouliot explained that the \$503,000 goes back into the medical plan, it was not a cash payment but rather an enhancement to the rebates that the State normally receives.

On a motion made by Ms. Pearce, seconded by Mr. Isabelle, the Board voted by roll call to approve the minutes of December 13, 2018 with edits clarifying the ADC if prefunding

were enacted with Mr. Dumas, Ms. Pearce, Mr. Isabelle, Mr. Davis, Mr. Pouliot, and Mr. Greshin voting in the affirmative. Mr. Hango abstained.

ITEM 3: Patricia Kelley Appeal

Ms. Pearce suggested the Board discuss Ms. Kelley's appeal request because it contained personal financial information. Mr. Isabelle made a motion to go into Executive Session, but Ms. Kelley waived the option to go into Executive Session. Mr. Isabelle withdrew his motion.

Ms. Kelley explained to the Board her decision to appeal a determination from the Retirement Office that she must repay an overpayment of \$5,845.98 made to her as a result of an incorrectly calculated qualified domestic relations order. Ms. Kelley stated that such repayment would constitute a financial hardship for her and that pursuant to 3 V.S.A. § 475 the Board has the authority to waive repayment of the error if the impact on the fund is de minimis. Ms. Kelley further challenged the calculation of the overpayment stating she was denied this information by Retirement Office staff. Ms. Pearce explained that the calculation of her overpayment was communicated to Ms. Kelley in a letter from Laurie Lanphear dated September 12, 2018. Ms. Wolffing explained that a copy of this letter was included in Attachment A of the documentation sent to the Board and Ms. Kelley. The Board and Ms. Kelley agreed to postpone discussing the matter further until the next Board meeting in February allowing Ms. Kelley time to review the calculation.

Ms. Kelley left the meeting at 9:29 a.m.

ITEM 4: Disability recommendation(s) from the December 20, 2018 Meeting of the Medical Review Board:

- Briane Barr (Review)
- Deborah Guerin (Review)
- Mary Hamilton (New)
- Mary Estelle Longtin (New)
- Linda Schindler (New)
- Rodney St. Denis (New)

On a motion made by Mr. Pouliot, seconded by Mr. Isabelle, the Board voted unanimously to enter Executive Session at 9:32 a.m. pursuant to 1 V.S.A. § 313 for the purpose of discussing personnel issues.

The Board came out of executive 9:46 a.m.

On a motion made by Ms. Pearce, seconded by Mr. Isabelle, the Board voted unanimously to approve the disability retirement recommendations from the Medical Review Board for Briane Barr, Deborah Guerin, Mary Hamilton, Mary Estelle Longtin, Linda Schindler and Rodney St. Denis without review.

ITEM 5: Other Business

Mr. Isabelle wished Ms. Pearce the best for her inauguration. Mr. Davis inquired if pre-funding the OPEB cost is something the Administration is planning to pursue. Mr. Greshin stated the Administration is actively discussing pre-funding because it will lower the costs over the long-term.

ITEM 6: Adjournment

On a motion by Mr. Isabelle, seconded by Ms. Pearce, the Board voted unanimously to adjourn at 9:55 a.m.

Next Meeting Date:

The next scheduled VSERS meeting is a Quarterly In-House Board Meeting on Thursday, February 14, 2019 at 9:00 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Erika Wolfing".

Erika Wolfing
Director of Retirement