

ELIZABETH A. PEARCE
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STATE OF VERMONT
OFFICE OF THE STATE TREASURER

October 31, 2019

The Honorable Phil Scott
Pavilion Office Building
109 State Street
Montpelier, VT 05609

Dear Governor Scott:

As provided in Title 3, V.S.A, Chapter 16, Section 471(n), the Vermont State Employees' Retirement (VSERS) Board of Trustees voted at a meeting held on October 29, 2019 to adopt the actuarial valuation prepared by Segal Consulting and recommend the following contribution to the State Employees' Retirement System:

Fiscal Year 2021: \$83,876,570

The recommended State contribution to the VSERS fund is made up of an employer normal cost of \$18,339,489 and an unfunded liability amortization payment of \$65,537,081.

State administrative expenses are not included in the recommendation. These expenses are calculated by your office in concert with my staff.

A copy of the valuation as of June 30, 2019 which outlines the Fiscal Year 2021 contribution will be available on our website for your review at:

https://www.vermonttreasurer.gov/sites/treasurer/files/Retirement/PDF/2019/DRAFT%20Vermont%20State%20Employees%27%20Retirement%20System_Actuarial%20Val%20and%20Review%20as%20of%2006.30.2019.pdf

Additionally, the VSERS Board of Trustees would like to recommend fully funding the Actuarially Determined Contribution for the Vermont State Postemployment Benefits Trust Fund (OPEB) as part of the prefunding effort. That amount, as well as the accompanying actuarial report, will be made available to you in November.

Please let me know if you have any questions.

Sincerely,



Elizabeth A. Pearce
Vermont State Treasurer

cc: Senator Jane Kitchel, Chair, Senate Committee on Appropriations
Senator Jeanette White, Chair, Senate Committee on Government Operations
Representative Catherine Toll, Chair, House Committee on Appropriations
Representative Sarah Copeland-Hanzas, Chair, House Committee on Government Operations
Roger Dumas, Chairperson, Vermont State Employees' Retirement Board of Trustees
Erika Wolffing, Director of Retirement Operations, Office of the Treasurer
Representative Mitzi Johnson, Speaker of the House
Senator Tim Ashe, Senate President Pro Tempore