

Retiring *TIMES*

Vermont State Teachers' Retirement System

Legislative Session Update

The General Assembly adjourned in September after an extended session to oversee COVID-19 emergency responses. Throughout the spring and summer, the Treasurer's Office partnered with lawmakers and the administration to guide policy development and proactively manage our state finances. Likewise, we worked diligently with our local partners to ensure their needs were met and that flexibility was provided for payments, and other critical needs.

In the final budget that was signed into law (Act 154), the Actuarially Determined Employer Contribution (ADECs) for both the State Employees' and Teachers' Retirement Systems were fully funded. Earlier in the year, the General Assembly authorized the State Treasurer to begin investing other post-employment benefits (OPEB) funds with the Vermont Pension Investment Committee in order to earn a higher rate of return on those funds and achieve prefunding of those post-employment benefits more quickly.

Planning is already underway for the January 2021 legislative session. We will keep you updated in future editions of Retiring Times.

Investments Update

The State's pension investments have performed well during the economic dislocation caused by Covid-19 lockdowns and uncertainty. Despite a global market equity drawdown of more than 30% in March and April, and continued volatility in global equities since, The Vermont Pension Investment Committee's (VPIC) strategic allocation to high quality bonds proved protective as intended. The total VPIC portfolio was up 4.0% during the fiscal year ended June 30, 2020, a solid year given the COVID-driven equity market selloff early in the year.

We continue to work to assure the pension investment portfolio is optimized to maximize long term returns while prudently managing risk and liquidity. We believe the pension portfolios are prudently positioned to maximize returns over the long-term, and to provide ample liquidity for annuity payments, at reasonable levels of risk.

COVID-19 OFFICE UPDATE

COVID-19 has posed many challenges to Vermonters. At the Treasurer's Office, we've continued working through the spring, summer, and fall to ensure services continue uninterrupted. At the same time, we have had to adjust some of our operations.

While State Offices remained closed to in-person visits during the COVID-19 public health emergency, our staff is available to assist your needs.

The easiest way to reach the Retirement Division is by emailing questions to tre.retirementcorrespondence@vermont.gov.

You can also call the Retirement Division at (802) 828-2305. If you leave a message, please leave your name and number, and staff will return your call between the regularly scheduled business hours of 7:45 a.m. to 4:30 p.m., Monday through Friday.

Retirement counseling sessions are available by phone only. Staff are prioritizing those members who are within 90 days of retirement. Please call the above number and leave a message if you want to arrange a counseling appointment.

Vermont Retirement Systems Wins National Award

In the Spring 2020 edition of Retiring Times we told you about Vermont's success in the Go Green Challenge. The State of Vermont was subsequently selected as a 2020 NAGDCA Leadership Award recipient for our efforts to encourage members of Vermont Retirement System's deferred compensation plans to enroll for online delivery of e-statements. (NAGDCA is the National Association of Government Defined Contribution Administrators).

In a joint nomination with the State of Hawaii, Vermont won the award in the category of Technology and Social Media for the "Go Green Challenge: Hawaii vs. Vermont." The NAGDCA annual awards program recognizes excellence and innovation in retirement plan design, participant education, technology, and/or effective communication methods in government defined contribution plans.

The "Go Green Challenge" was initiated to encourage employees and retirees in Hawaii and Vermont to prove who was greener by registering their Prudential retirement accounts online and signing up for e-delivery – thereby reducing their carbon footprint and paper consumption. The exciting competition also served as a reminder to stay current and connected with their Prudential financial wellness experience. Prudential's financial wellness platform gives its participants tools to more effectively manage their money, achieve their goals and protect against risk.

The final results of the Go Green Challenge, which ended on August 23rd, 2019, were excellent: State of Vermont Supplemental Retirement Plans saw 365 participants register their Prudential accounts online and 424 participants electing e-delivery. Vermont was declared the winner of this friendly competition by 0.91%.

Member Direct Update

As indicated in the Spring 2020 edition of retiring Times, the Retirement Office released a new online tool to members in April 2020 called Member Direct. You can access Member Direct by visiting retire.vermont.gov.

Member Direct allows both active employees and retirees to access their retirement account online. We are excited to announce this new tool to you. Having trouble enrolling? Please visit the Treasurer's Office website for instructions on how to enroll at <https://www.vermonttreasurer.gov/content/member-direct>.

Did you know?

You have the option to receive a paper copy of the Retiring Times newsletter by mail? To make a request, call the Retirement Division at (802) 828-2305 or send an email to Treasurers.Office@Vermont.Gov.