



VERMONT PENSION INVESTMENT COMMITTEE

JULY 10, 2018

DRAFT; NOT YET APPROVED BY COMMITTEE

VPIC Members Present:

TOM GOLONKA, CHAIR

BETH PEARCE, VICE-CHAIR, Vermont State Treasurer

ROBERT HOOPER (phone), VSERS, term expiring June 30, 2020

PETER AMONS (phone), VMERS Representative, term expiring June 30, 2018

KAREN PAUL (phone), Governor's Delegate, term expiring June 30, 2018

VAUGHN ALTEMUS (phone), Governor's Delegate, term expiring June 30, 2018

VPIC Members Absent:

JOSEPH MACKEY, VSTRS Representative, term expiring June 30, 2019

VPIC Alternate Members Present:

LINDA DELIDUKA, (phone)VSTRS *Alternate*, term expiring June 30, 2019

VPIC Alternate Members Absent:

DAVID STARR, Governor's Delegate *Alternate*, term expiring June 30, 2020

JEFF BRIGGS, VSERS *Alternate*, term expiring June 30, 2020

KIMBERLY GLEASON, VMERS *Alternate*, term expiring June 30, 2018

Also attending:

Katie Green, Investments Manager

Andy Cook, Investments Analyst

David Borsykowsky, Jesse Moorman (phone), Attorney General's Office

Margaret Belmondo, Will Forde, Taylor Furlong, DeAnna Jones (phone), NEPC, LLC

CALL TO ORDER:

The Chair called the Tuesday July 10th meeting to order at 9:05 a.m., which was held via conference call.

ITEM 1: **Agenda Approval and Announcements**

The Chair reviewed the agenda with the Committee and asked if any members of the Committee would like to add or amend any agenda items.

On a motion by Treasurer Pearce, seconded by Peter Amons, the Committee unanimously approved the agenda as written.

ITEM 2: Discussion Items and Updates

- **VPIC Watchlist Update**

At 9:06 a.m., Treasurer Pearce moved and Robert Hooper seconded for a finding that the Committee should enter executive session under Title 1 V.S.A. § 313(a) subsection (1) because the Committee wished to discuss matters on which they specifically find that premature public knowledge would clearly place VPIC and the investment portfolio at a substantial disadvantage; and (2) such matters relate to outside investment management and include:

- Subsection (1)(A) – Pending and prospective contract issues, and
- Subsection (1)(F) – Confidential attorney-client communications made for the purpose of providing professional legal services to the Committee.

The Committee unanimously approved this motion. Treasurer Pearce moved and Robert Hooper seconded that the Committee enter into executive session pursuant to Title 1 § 313(a)(1)(A) & (F). The Committee unanimously voted to enter into executive session.

At 9:21 a.m. the Chair Thomas Golonka removed the Committee from executive session.

On a motion by Treasurer Pearce, seconded by Vaughn Altemus, the Committee unanimously approved a motion to terminate the High Yield Fixed Income investment currently placed with Guggenheim Partners and transfer in kind the securities currently held in that account to a liquidation account managed by PIMCO as soon as practicable.

At the Committee's request NEPC presented the *Bank Loan and High Yield Manager Search Book*. Ms. Belmondo and Ms. Green responded to questions posed by the Committee.

On a motion by Treasurer Pearce, seconded by Peter Amons, the Committee unanimously approved a motion to invite Pacific Asset Management and Hotchkis & Wiley to present on their strategies at the July 24, 2018 VPIC Meeting.

ITEM 3: Public Comment

None.

ITEM 4: Adjournment

Treasurer Pearce moved and Karen Paul seconded, that the meeting be adjourned. The Committee unanimously approved the motion to adjourn the meeting at 9:48 a.m.

Respectfully submitted,
Investments Staff