

VERMONT STATE EMPLOYEES' RETIREMENT SYSTEM

Meeting of the Board of Trustees – Conference Call Only

March 10, 2022 – 9:00 a.m.

Please note all member participated via telephone, video, or teleconference:

Members present:

ROGER DUMAS, Chair, VRSEA Representative (term expiring October 31, 2022)
ALLEN BLAKE, VRSEA Alternate Representative (term expiring October 31, 2022)
JEAN-PAUL ISABELLE, VSEA Representative (term expiring September 30, 2022)
ERIC DAVIS, VSEA Representative (term expiring September 30, 2022)
BETH PEARCE, VT State Treasurer
ADAM GRESHIN, Commissioner of Finance and Management
BETH FASTIGGI, Commissioner of Human Resources
JAY WISNER, Governor's Delegate position

Members absent:

THOMAS MOZZER, VSEA Alternate Representative (term expiring October 31, 2022)

Also attending:

Michael Clasen, Deputy State Treasurer
Tim Duggan, Director, Vermont Retirement Systems
Lesley Campbell, Deputy Director, Retirement Policy and Outreach
Stephen Barry, Financial Administrator I, Retirement Division
Owen Doherty, Executive Assistant to the Treasurer

The Chair, Roger Dumas, called the Thursday, March 10, 2022 meeting to order at 9:02 a.m., which was held by conference call only.

ITEM 1: Agenda approval and announcements

On a motion made by Ms. Pearce, seconded by Mr. Davis, the Board voted unanimously to approve the agenda for March 10, 2022.

ITEM 2: Approve the Minutes of:

- February 10, 2022

On a motion made by Mr. Wisner, seconded by Mr. Davis, the Board voted unanimously to approve the minutes of the February 10, 2022.

ITEM 3: Legislative Update

Ms. Pearce discussed the progress made concerning the creation of Group G and the incentive to retain employees. The Treasurer will be meeting with VSEA today to discuss a few concerns. Retirement bill, S.286, left Senate Gov Operations and is now with Senate Appropriations.

Bill in Commerce Committee is the proposal to rehire retired state employee and allow these members to continue to collect their pension benefits while working as a State employee for one year. This measure would increase the unfunded liability. Ms. Pearce provided H.572, the equivalent proposal for the Vermont State Teachers System, to provide the VSERS Board an example of the bill's language.

Ms. Pearce continues to support a longevity incentive for retention of employees and through initial analysis this would lower the unfunded liability.

Ms. Pearce informed the Board due to the sanctions on Russia, staff is liquidating approx. \$6 million in investments in index funds. There is also sovereign debt approximately equaling \$3 million that will also continue to be liquidated. There is a policy regarding investment in terrorist or genocide linked countries developed in 2011 to mimic the State department's policies that Ms. Pearce and staff believe, although not listed, this falls under. These efforts remain ongoing, as markets in Russia remain closed.

A Pension Divestment bill is being considered by Senate Gov Ops. VPIC has also been updating their carbon reduced policy and ESG (environmental social, and governance). The opinion of the Treasurer remains that the investment policy of engagement with shareholders rather than full divestment allows more influence to affect change related to this issue.

ITEM 4: Segal Contract Amendment

Mr. Duggan explained this amendment, #6, would extend the current contract with Segal Consulting one year and three months, ending June 30, 2023. The VSERS share of the contract amendment is approximately \$545,000.

On a motion made by Mr. Wisner, seconded by Ms. Pearce, the Board voted unanimously to approve the contract amendment with Segal and authorizes the Chair to sign it on behalf of the Board.

ITEM 5: Disability recommendation(s) from the January 20, 2022 meeting of the Medical Review Board:

- Jeremy Lyon
- Lisa Barbeau
- Migmar Dolma
- Benjamin Patnode
- Sara Sweet
- Brian Young

On a motion made by Ms. Pearce, seconded by Mr. Wisner, the Board voted unanimously to approve the disability retirements of Jeremy Lyon.

On a motion made by Mr. Wisner, seconded by Ms. Pearce, the Board voted unanimously to approve the disability retirements of Lisa Barbeau.

On a motion made by Mr. Davis, seconded by Mr. Wisner, the Board voted unanimously to approve the disability retirements of Migmar Dolma.

On a motion made by Mr. Wisner, seconded by Mr. Davis, the Board voted unanimously to approve the disability retirements of Benjamin Patnode.

On a motion made by Ms. Pearce, seconded by Mr. Davis, the Board voted unanimously to approve the disability retirements of Sara Sweet.

On a motion made by Mr. Davis, seconded by Mr. Wisner, the Board voted on roll call 6-1 approve the disability retirements of Brian Young. Mr. Dumas, Ms. Pearce, Mr. Davis, Mr. Wisner, Ms. Fastiggi, and Mr. Pouliot voted in favor of the motion. Mr. Isabelle abstained for voting.

ITEM 8: Other Business and Public Comment

None.

ITEM 9: Adjournment

On a motion made by Mr. Isabelle, seconded by Mr. Wisner the Board voted unanimously to adjourn at 9:27 a.m.

Next Meeting Date:

The next VSERS Board meeting is on April 14, 2022 at 9:00 a.m.

Respectfully submitted,



Lesley Campbell
Deputy Director, Retirement Policy and Outreach