

VERMONT STATE TEACHERS' RETIREMENT SYSTEM

Meeting of the Board of Trustees – Conference Call, Treasurer's Conference Room

April 13, 2023 – 3:30 p.m.

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

Members present:

JON HARRIS, Chairperson, VREA representative, term expiring July 1, 2024

ERIN CARTER, Vice-Chairperson, Active Member Representative, term expiring July 1, 2023

MIKE PIECIAK, VT State Treasurer

DANIEL RADDOCK, Financial Regulation Representative

EMILY SIMMONS, representing Secretary of Agency of Education

SANDRA MINGS-LAMAR, Active Member Representative, term expiring July 1, 2025

PERRY LESSING, VREA Alternate Representative, term expiring July 1, 2024

GENEVIEVE HAMBY, Active Member Alternate Representative, term expiring July 1, 2025

Also attending:

Gavin Boyles, Deputy State Treasurer, (*designated voting member on behalf of Treasurer Pieciak)

Tim Duggan, Director, Vermont Retirement Systems

Nicole Weidman, Director of Retirement Operations and Policy

Jeremiah Breer, Chief Financial Officer, Vermont State Treasurer's Office

Justin St. James, Staff Attorney, Vermont State Treasurer's Office

Stephen Barry, Administrative Services Manager, Retirement Division

Nicolas Marineau, Executive Assistant to the Treasurer

Colin Robinson, Political Director, Vermont NEA

The Chair, Jon Harris, called the Thursday, April 13, 2023, Board meeting to order at 3:31 p.m. which was held by conference call and in-person at the Treasurer's Conference Room, Pavilion Building, 4th Floor, 109 State Street, Montpelier, VT.

ITEM 1: Agenda approval and announcements

On a motion made by Ms. Simmons, seconded by Mr. Pieciak, the Board voted unanimously to approve the agenda.

ITEM 2: Approve the Minutes of:

- March 9, 2023

On a motion made by Mr. Pieciak, seconded by Ms. Simmons, the Board voted unanimously to approve the minutes of March 9, 2023 as presented.

ITEM 3: RFP Update – Actuarial Services

On a motion made by Ms. Simmons, seconded by Mr. Pieciak, the Board voted unanimously to make a specific finding that premature general public knowledge about upcoming contract negotiations for a System actuary would clearly place the Board at a substantial disadvantage.

Based on this finding, on a motion made by Ms. Mings-Lamar, seconded by Mr. Pieciak, the Board voted unanimously to enter executive session to discuss the RFP for a System actuary and upcoming contract negotiations.

The Board went into executive session at 3:34 p.m.

The Board came out of executive session at 4:02 p.m.

ITEM 4: Experience Study

Jeremiah Breer left the meeting at 4:04 p.m.

Colin Robinson entered the meeting at 4:04 p.m.

Mr. Duggan presented the planned timing of the Experience Study and Act 114's effect on the cadence and periods of the Experience Study. He explained that he believes it appropriate to begin work on the Experience Study for completion in the fall.

Mr. Lessing spoke to VPICs preliminary plans regarding the update of economic assumptions. Mr. Duggan is having conversations with all three Boards to understand all parties' perspectives on the matter and will begin preliminary work on the experience study next month.

ITEM 5: Medical Review Board Chair Appointment

Mr. Duggan informed the Board that Dr. Anthony Williams has expressed interest in becoming the Chair of the Medical Review Board.

On a motion made by Ms. Simmons, seconded by Mr. Raddock, the Board voted unanimously to appoint Dr. Anthony Williams to serve as Chair of the Medical Review Board for the Vermont Retirement Systems, provided he receives the approval of all three retirement boards.

ITEM 6: Medical Review Board Compensation

Mr. Duggan gave background on the compensation for the Medical Review Board whose compensation was last revised in 2010. He believes it warranted to increase the compensation from \$150/case for the Chair and \$125/case for side members to retain and recruit Board members.

On a motion made by Ms. Mings-Lamar, seconded by Ms. Carter, the Board voted unanimously to raise the fee for the Chair of the Medical Review Board to \$200/case and the fee for the other members of the Medical Review Board to \$150/case, provided all three Boards approve.

Nicolas Marineau left the meeting at 4:23 p.m.

ITEM 7: Legislative Update

Mr. Duggan updated the Board that all position requests, miscellaneous cleanup, and appropriations relating to VSTRS continue to be non-controversial items. He relayed that the legislature seems open to changing the teacher contribution rate structure for FY 2025 to continue the banded rates rather than the marginal rates.

Regarding the cost-of-living adjustment (COLA) for VSTRS, Mr. Duggan updated the Board on a \$3 million appropriation in the budget for a proposed one-time adjustment to reflect the difference in the 2.5% COLA and the 3.8% COLA that would have been applied under the pre-2016 rules. He informed the Board that the Legislature was waiting for the results from Experience Study to make a decision going forward.

Mr. Lessing expressed concern with a one-time appropriation rather than including the cost in the general liabilities of the system.

ITEM 8: Disability Recommendation(s) from the March 16, 2023 meeting of the Medical Review Board:

· Owen Bradley

On a motion made by Ms. Carter, seconded by Ms. Mings-Lamar, the Board voted unanimously to accept the recommendation of the Medical Review Board for the disability retirement for Owen Bradley.

ITEM 9: 2023 Election Procedures – VSTRS Active Member Trustee

Mr. Barry explained the Election Procedures that closely mirror the 2021 Active and Alternate Active Member election. One slight change to the procedure was the removal of e-mails in lieu of signatures.

On a motion made by Ms. Simmons, seconded by Ms. Mings-Lamar, the Board voted unanimously to approve the election procedures as presented by staff.

ITEM 10: Other Business and Adjournment

On a motion made by Ms. Carter, seconded by Mr. Raddock, the Board voted unanimously to adjourn at 4:37 p.m.

Next Meeting Date:

The next VSTRS Board meeting is on May 10, 2023 at 9:00 a.m.

Respectfully submitted,



Stephen Barry

Secretary to the Board