

VERMONT STATE TEACHERS' RETIREMENT SYSTEM
Meeting of the Board of Trustees – Conference Call Only
April 8, 2021 – 3:30 p.m.

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

Members present:

JON HARRIS, Chairperson, VRTA representative, term expiring July 1, 2024
JUSTIN NORRIS, Vice-Chair, Active Member Representative, term expiring July 1, 2021
ERIN CARTER, Active Member Representative, term expiring July 1, 2023
BETH PEARCE, VT State Treasurer
EMILY SIMMONS, representing Secretary of Agency of Education
DANIEL RADDOCK, Financial Regulation Representative

Members absent:

Vacant, Active Member Alternate Representative, term expiring July 1, 2021
Vacant, VRTA Alternate Representative, term expiring July 1, 2024

Also attending:

Michael Clasen, Deputy State Treasurer
Tim Duggan, Assistant Attorney General
Eric Henry, Chief Investments Officer
Erika Wolffing, Director Retirement Operations
Lesley Campbell, Retirement Administrative Coordinator
Ashlynn Doyon, Executive Assistant to the Treasurer
Will Kriewald, Chief Financial Officer
Jeff Fannon, Executive Director, VtNEA

The Chair, Jon Harris, called the Thursday, April 8, 2021 Board meeting to order at 3:32 p.m., which was held by conference call only.

ITEM 1: **Agenda approval and announcements**

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

ITEM 2: **Approve the Minutes of:**

- March 11, 2021

On a motion made by Mr. Norris, seconded by Ms. Simmons, the Board voted unanimously to approve the minutes of March 11, 2021 as presented.

ITEM 3: **VEHI Contract Update**

Mr. Duggan updated the Board on the status of the VEHI contract. Staff hopes to have the final version ready for Board approval at the next meeting.

ITEM 4: Hickok and Boardman Contract

Mr. Duggan presented the Hickok and Boardman contract extension for VSTRS health insurance transition services.

On a motion made by Mr. Norris, seconded by Ms. Simmons, the Board voted unanimously to approve the Hickok and Boardman contract as presented.

ITEM 5: Pension Restructuring Deliverables from the Actuaries

Mr. Kriewald presented the deliverables from the actuaries in response to the Board motion adopted at its January meeting. Mr. Kriewald presented the amortization tables if the amortization period was extended out an additional 10 years to 2048. The extended amortization would lower the ADEC in the immediate future however would cost significantly more in interest payments over the term of the amortization period.

Mr. Kriewald presented individual scenarios based on the pension restructuring recommendations submitted by the Treasurer on January 15. The individual scenarios showed the impact of the proposed changes on an average non-grandfathered and grandfathered group C member.

ITEM 6: Legislative Update

Ms. Pearce provided a legislative update. The Speaker withdrew her recommended pension changes after two public hearings and proposed a study commission to examine solutions to the increased unfunded liability and actuarially determined employer contribution. Ms. Pearce explained the current structure of the study commission and highlighted that the commission bill also contains proposed governance changes.

Ms. Pearce explained the VPIC governance changes under consideration and stated that she and VPIC chair Tom Golonka would be testifying in front of the House Committee on Government Operations on Friday, April 9. The Board discussed the governance changes and deferred taking a vote or providing feedback on the draft language.

ITEM 7: 2021 Election Procedures – VSTRS Active Member and Active Alternate

Ms. Wolffing presented the election procedures for the VSTRS active and alternate trustee seats. The Board discussed the 25 signature petition requirement to be placed on the ballot and determined to offer an option for members to email their support in lieu of signing a petition due to COVID social distancing requirements.

On a motion made by Mr. Norris, seconded by Mr. Harris, the Board voted unanimously to adopt the election procedures adding an option to submit emails of support in lieu of signatures.

ITEM 8: Other Business & Public Comment

None.

ITEM 9: Adjournment

On a motion made by Mr. Norris, seconded by Mr. Raddock the Board voted unanimously to adjourn at 5:20 p.m.

Next Meeting Date:

The next VSTRS Board meeting is on May 11, 2021 at 9:00 a.m.

Respectfully submitted,



Erika Wolffing
Director of Retirement Operations