

VERMONT STATE TEACHERS' RETIREMENT SYSTEM
Meeting of the Board of Trustees – Conference Call, Treasurer's Conference Room
July 19, 2021 – 2:00 p.m.

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

Members present:

JON HARRIS, Chairperson, VRTA representative, term expiring July 1, 2024
ERIN CARTER, Active Member Representative, term expiring July 1, 2023
SANDRA MINGS-LAMAR, Active Member Representative, term expiring July 1, 2025
PERRY LESSING, VRTA Alternate Representative, term expiring July 1, 2024
GENVIEVE HAMBY, Active Member Alternate Representative, term expiring July 1, 2025
BETH PEARCE, VT State Treasurer
EMILY SIMMONS, representing Secretary of Agency of Education
DANIEL RADDOCK, Financial Regulation Representative

Members absent:

Also attending:

Michael Clasen, Deputy State Treasurer
Tim Duggan, Assistant Attorney General
Erika Wolffing, Director Retirement Operations
Lesley Campbell, Retirement Administrative Coordinator
Kitty Bolduc, Employer Reporting, Program Technician III
Ted Plemenos, Director of Finance, Rutland City Public Schools
Steve May, Hickok and Boardman
Barry Blixt, Hickok and Boardman

The Chair, Jon Harris, called the Monday, July 19, 2021 Board meeting to order at 2:00 p.m., which was held by conference call only.

ITEM 1: **Agenda approval and announcements**

Mr. Harris welcomed the new members to the Board. Ms. Pearce asked to add a discussion about actuarial services for the Pension Task Force in other business.

On a motion made by Ms. Simmons, seconded by Ms. Carter, the Board voted unanimously to approve the agenda for July 19, 2021 with discussion of actuarial services for the Pension Task Force to take place in other business.

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

- July 8, 2021

On a motion made by Ms. Simmons, seconded by Ms. Carter, the Board voted unanimously to approve the minutes of July 8, 2021 as presented.

ITEM 3: VSTRS Health Insurance Contracts

On a motion made by Ms. Pearce, seconded by Ms. Simmons, the Board voted unanimously to go into Executive Session at 2:04 p.m. to discuss health insurance contracts because premature general public knowledge about the contracts would clearly place the Board at a substantial disadvantage.

The Board came out of Executive Session at 3:04 p.m.

On a motion made by Ms. Pearce, seconded by Ms. Simmons, the Board voted by roll call 5-0-1 to approve the VBA and VEHI contracts as presented by staff, subject to non-substantive technical changes and corrections, and to direct the Chair to execute the contracts on behalf of VSTRS. Mr. Harris, Ms. Carter, Ms. Pearce, Ms. Mings-Lamar, and Ms. Simmons voted in favor of the motion. Mr. Raddock abstained.

ITEM 4: Rutland City Public Schools (RCPS) Nurses Issue

Mr. Plemenos joined the meeting at 3:06 p.m.

Ms. Wolffig briefly explained the request from Rutland City Public Schools (RCPS) for the Board to reverse an administrative decision. Nurses at RCPS were not enrolled in VSTRS as required by statute for a period between 2017 and 2021. Upon discovering the error, the Retirement office advised RCPS and the nurses that participation in VSTRS was a condition of employment and that retroactive employee contributions were owed for the period in which the error occurred. RCPS requested a one-time opt out option for the retroactive portion which was denied.

The Board discussed the request and reiterated that in cases of enrollment errors, past practice has required that employee contributions be paid going back to the date of hire. The Board declined to reverse the Retirement Office's administrative decision to require retroactive contributions be paid.

Mr. Plemenos left the meeting at 3:12 p.m.

ITEM 5: Other Business & Public Comment

Ms. Pearce discussed the potential for the Pension Task force to request use of actuarial services from Segal Consulting. Ms. Pearce asked that the Board authorize her office to act on behalf of the Board to act on any requests from the Task Force in order to avoid delays and to prioritize actuarial work required for the annual valuations. Ms. Pearce presented a potential motion for the Board's consideration. The Board discussed Ms. Pearce's request and asked clarifying questions.

On a motion made by Ms. Pearce, seconded by Ms. Carter, the Board voted unanimously to recognize that the Pension Benefits, Design and Funding Task Force created by Act 75 of 2021 will require independent actuarial services and may wish to use the Board's

independent actuary, the Segal Group, the Board authorizes the Treasurer's Office to act on its behalf to receive such requests and to amend existing contracts as appropriate, however: 1) The Joint Fiscal Office will act as the sole vehicle for the Task Force to submit all request for actuarial services; 2) That the timing and workflow for those services will be coordinated through the Treasurer's Office to assure that Board required services to meet existing, ongoing statutory responsibilities are not delayed or impaired; and 3) That all work requested by the Joint Fiscal Office on behalf of the Task Force shall be fully paid from funds appropriated for the Task Force and not from pension funds or appropriations of the Retirement Boards and Treasurer's Office.

ITEM 6: Adjournment

On a motion made by Ms. Pearce, seconded by Ms. Simmons, the Board voted unanimously to adjourn at 3:28 p.m.

Next Meeting Date:

The next VSTRS Board meeting is on August 10, 2021 at 9:00 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Erika Wolffing".

Erika Wolffing
Director of Retirement Operations