



**VERMONT PENSION INVESTMENT COMMITTEE
JULY 13, 2017**

VPIC Members Present:

TOM GOLONKA, CHAIR
BETH PEARCE, VICE-CHAIR, Vermont State Treasurer
ROBERT HOOPER, VSERS, term expiring June 30, 2020
KAREN PAUL (phone), Governor's Delegate, term expiring June 30, 2018
JOSEPH MACKEY, VSTRS Representative, term expiring June 30, 2019
VAUGHN ALTEMUS, Governor's Delegate, term expiring June 30, 2018
PETER AMONS, VMERS Representative, term expiring June 30, 2018

VPIC Members Absent:

VPIC Alternate Members Present:

STEVE JEFFREY, VMERS *Alternate*, term expiring June 30, 2018
JEFF BRIGGS, VSERS *Alternate*, term expiring June 30, 2020
LINDA DELIDUKA, VSTRS *Alternate*, term expiring June 30, 2019

VPIC Alternate Members Absent:

DAVID STARR, Governor's Delegate *Alternate*, term expiring June 30, 2016

Also attending:

Michael Clasen, Deputy Treasurer
Matt Considine, Director of Investments
Andy Cook, Investments Analyst
Scott Baker, Director of Financial Reporting
Dawn Neddo, Retirement Division
Nancy Dimick, Retirement Division
David Borsykowsky, Attorney General's Office
Chris Levell, Margaret Belmondo (phone) NEPC LLC
Kathleen Riley, Matthew Strom, Segal Consulting
David Rowle, VMERS Board
Roger Dumas (Chair), Thomas Hango (phone), Judy Rosenstreich, Jean Paul Isabelle,
Beth Fastiggi, Jay Wisner, Nick Foss, Dan Raddock (phone) VSERS Board
John Harris, (Chair) Justin Norris (phone), VSTRS Board
Mike Gilbar, Vermont League of Cities and Towns
Dan Pouliot, Vermont Department of Human Resources

CALL TO ORDER:

The Chair, called the Thursday, July 13th meeting to order at 1:03 pm, which was held in the Governor's Conference Room, 109 State Street, Montpelier, VT.

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 Joseph Mackey, seconded by Vaughn Altemus, the Committee unanimously approved the agenda as written.

ITEM 2: Actuarial Rate of Return Discussion

Chris Levell from NEPC, LLC presented his report *2017 Long-Term Asset Allocation & NEPC Asset Class Assumptions*. Kathleen Riley and Matthew Strom from Segal Consulting presented their report Review of Investment Return Assumption which included an analysis of inflation factors. Segal Consulting recommended moving to an expected rate of return of 7.5% and NEPC concurred with this recommendation. Mr. Levell, Ms. Riley and Mr. Strom responded to questions posed by members of the committee.

On a motion by Treasurer Pearce, seconded by Vaughn Altemus, the Committee unanimously accepted the recommendation of Segal Consulting to update the expected rate of return for the VPIC portfolio to 7.5%.

ITEM 3: Public Comment

None.

ITEM 4: Adjournment

Joseph Mackey moved and Vaughn Altemus seconded that the meeting be adjourned. The Committee unanimously approved the motion to adjourn the meeting at 2:50 PM.

Respectfully submitted,

Investments Staff