ITEM 1: Agenda approval and announcements

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

ITEM 2: Approve the Minutes of:
- January 13, 2021
On a motion made by Mr. Wisner, seconded by Mr. Davis, the Board voted unanimously to approve the minutes of the January 13, 2021.

**ITEM 3: Prudential Quarterly Update – 457(b) & SDIA 4th Quarter Reports**

Mr. D’Ulisse stated the transition to Empower Retirement is on track to close on April 1, 2022. Empower continues to provide seminars to plan administrators and members.

Mr. D’Ulisse presented the quarterly report for the 457(b) Deferred Compensation plan. As of the end of the quarter, there were 8,211 participants with total participant balances of $683,523,004 and average participant balance of $83,245. Plan assets in GoalMaker totaled $97,266,406 representing 2,299 participants and a 27.9% participation rate. There were 433 new enrollments compared to 287 during the same period in the prior year. There was negative cash flow for the plan year-to-date. There were 1,851 participants in Roth representing $26,388,445 in assets. The Roth continues to be a popular election by participants.

Mr. Attanasio provided the Board with the return-to-work strategy. Prudential will continue to work remotely but will be looking at a hybrid strategy in the future. Currently, representatives can request to go into the field as needed. Mr. Attanasio noted that participates are utilizing the scheduling tool to meet virtually with a representative, attending webinars and paperless transactions.

Mr. Sanville presented an update from the field representatives. In the fourth quarter there were 14 group presentations, 489 individual meetings, 128 new enrollments as a result of group and individual meetings and 26 rollovers representing $825,000.

Ms. Arch presented the Board with the marketing for 2021 and plans for 2022. In 2021 there were 11,424 targeted communications sent to participants of which engaged at a rate of 30.8% which is higher than the average engagement rate than Prudential’s book of business. 290 employees visited the Financial Wellness webpage with 29 participants completing the Financial Wellness Assessment. 226 participants have utilized the Retirement Income Calculator. 70% of participants have elected to receive communications via email which is higher than Prudential’s book of business. The marketing goals for 2022 are to increase enrollment, increase average contribution rate and increase GoalMaker utilization. Ms. Arch presented a communication 2022 calendar and noted if Board members would like to have any changes to let her know.

Mr. D’Ulisse presented the quarterly report for the SDIA. As of the end of the quarter, there were 840 participants with $29,194,293 in assets. There were 1,231 distributions representing $3,184,551. The plan is decreased around $3 million each year.
Mr. Fein presented the investment report for the 457(b) Deferred Comp Plan. Overall performance for the quarter was positive, growth stocks outperformed value stocks as has been the trend for a number of years. All funds in the plan are meeting performance criteria.

Representatives from Prudential left the meeting at 10:17 a.m.

**ITEM 4: Pension Task Force and Legislative update**

Ms. Pearce discussed the Pension Task Force recommendations to fund the pension system.

The Treasurer and the Human Resources offices are working on updating their respective systems to accommodate the change to the employee contributions.

Ms. Pearce discussed the incentive to retain employees which would lower the cost of the pension system and the Group G proposal made by the Pension Task Force. Ms. Pearce will have materials for proposals by the end of the month to review with the Board.

**ITEM 5: Disability recommendation(s) from the November 19, 2021 meeting of the Medical Review Board:**

- Jeremy Lyon
- Migmar Dolma
- Benjamin Patnode
- Sara Sweet

On a motion made by Mr. Isabelle, seconded by Mr. Davis, the Board voted unanimously to postpone the disability cases until the March 10, 2022 meeting.

**ITEM 8: Other Business and Public Comment**

Ms. Pearce announced Mr. Duggan has accepted the Director of Retirement position and will start on February 28, 2022. Board members thanked Mr. Duggan for his legal counsel and look forward to working with him in his new role. Ms. Pearce will be working with the Attorney General’s office to interview legal counsel to replace Mr. Duggan’s current role.

Ms. Pearce announced Ms. Campbell received a promotion to the Deputy Director of Retirement Policy and Outreach. Board members congratulated Ms. Campbell.

**ITEM 9: Adjournment**

On a motion made by Ms. Pearce, seconded by Mr. Davis the Board voted unanimously to adjourn at 11:00 a.m.

Next Meeting Date:
The next VSERS Board meeting is on March 10, 2022 at 9:00 a.m.

Respectfully submitted,

Lesley Campbell  
Administrative Services Coordinator IV