

VERMONT STATE EMPLOYEES' RETIREMENT SYSTEM
Meeting of the Board of Trustees – Conference Call, Treasurer's Conference
Room

August 10, 2023 – 9:00 a.m.

DRAFT COPY – NOT YET APPROVED BY BOARD

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

Members present:

ROGER DUMAS, Chair, VRSEA Representative (term expiring October 31, 2024)
ERIC DAVIS, VSEA Representative (term expiring September 30, 2023)
JEAN-PAUL ISABELLE, VSEA Representative (term expiring September 30, 2024)
BETH FASTIGGI, Commissioner of Human Resources
ADAM GRESHIN, Commissioner of Finance and Management

Members absent:

MICHAEL PIECIAK, VT State Treasurer
THOMAS MOZZER, VSEA Representative (term expiring September 30, 2023)
JAY WISNER, Governor's Delegate position
ALLEN BLAKE, VRSEA Alternate Representative (term expiring October 31, 2024)
JOHN VORDER BRUEGGE, VSEA Alternate Representative (term expiring September 30, 2024)

Also attending:

Tim Duggan, Director, Vermont Retirement Systems
Stephen Barry, Administrative Services Manager, Retirement Division
Justin St. James, General Counsel, Vermont State Treasurer's Office
Briana Howard, Retirement Specialist, Retirement Division
Gabe D'Ulisse, Empower Retirement
Ronald Sanville, Empower Retirement
Melissa Chiumento, Empower Retirement
Owen Gilles, Empower Retirement
Kristin Green, Empower Retirement
Joseph Fein, Empower Retirement

The Chair, Roger Dumas, called the Thursday, August 10, 2023 meeting to order at 9:01 a.m., which was held by conference call.

ITEM 1: Agenda approval and announcements

On a motion made by Mr. Isabelle, seconded by Mr. Davis, the Board voted unanimously to approve the agenda.

ITEM 2: Approve the Minutes of:

· July 13, 2023

On a motion made by Mr. Isabelle, seconded by Mr. Davis, the Board voted unanimously to approve the minutes.

ITEM 3: Director's Memo

Mr. Duggan presented the Board with his memo outlining the current operations of the Retirement Division. He discussed the move to the McFarland Building, July retirements, the work on the upcoming Experience Study, and staffing. He emphasized that VPIC will be maintaining the economic assumptions, including the rate of return, and that both the CPI and rate of return will produce modest actuarial gains due to their 2.2% and 7.38% increases, respectively.

ITEM 4: Empower Quarterly Presentation – 457(b) & SDIA 2nd Quarter Report

Mr. D'Ulisse and the team from Empower provided an update to the Board regarding the transition to Empower, macroeconomic observations, and the Quarterly Presentation for the 457(b) and the SDIA for the 2nd quarter of 2023.

The PIMCO Total Return ESG Fund and Vanguard Admiral Growth Share Fund are currently not meeting performance criteria.

Link: [Plan Review for April 1-June 30, 2023](#)

ITEM 5: GoalMaker Fund Adjustment and First Day of the Month Provision

Mr. Duggan, Mr. D'Ulisse, and Mr. Fein explained the directives to the Board. In addition to lowering fees, the GoalMaker Fund Adjustment aligns funds across the U.S. large-, mid- and small-cap sleeves which is necessary for the GoalMaker enhancements occurring on the Empower platform post-migration. The First Day of the Month Provision was an antiquated requirement made to ease the administrative burden in times of paper elections.

On a motion made by Mr. Isabelle, seconded by Mr. Davis, the Board voted unanimously to approve the Directives related to the GoalMaker Investment Change and First Day of the Month Rule, as recommended by Staff and Empower, and to authorize the Vermont Retirement Systems Director to sign them on the Board's behalf.

The team from Empower left the meeting at 10:19 a.m.

ITEM 6: Disability Recommendation(s) from the July 20, 2023 meeting of the Medical Review Board:

· Lisa Barbeau

On a motion made by Mr. Davis, seconded by Mr. Isabelle, the Board voted unanimously to accept the recommendation of the Medical Review Board for the disability retirement for Lisa Barbeau.

· **Nora Haggett**

On a motion made by Mr. Davis, seconded by Mr. Isabelle, the Board voted unanimously to accept the recommendation of the Medical Review Board for the disability retirement for Nora Haggett.

· **Sarah Ovchinnikoff**

On a motion made by Mr. Davis, seconded by Mr. Isabelle, the Board voted unanimously to enter Executive Session at 10:23 a.m. pursuant 1 V.S.A. § 313 in order to discuss personal medical information.

The Board came out of Executive Session at 10:28 a.m.

On a motion made by Mr. Wisner, seconded by Mr. Isabelle, the Board voted unanimously to accept the recommendation of the Medical Review Board for the disability retirement for Sarah Ovchinnikoff with a one year review.

· **Benjamin Patnode**

On a motion made by Mr. Davis, seconded by Mr. Isabelle, the Board voted unanimously to enter Executive Session at 10:30 a.m. pursuant 1 V.S.A. § 313 in order to discuss personal medical information.

The Board came out of Executive Session at 10:36 a.m.

On a motion made by Mr. Isabelle, seconded by Mr. Davis, the Board voted unanimously to conclude that the beneficiary is engaged in gainful occupation paying more than the difference between the beneficiary's retirement allowance and his or her average final compensation at retirement, and to reduce his pension by the amount specified in statute, subject to the procedural requirements set forth in statute.

ITEM 7: Adjourment

Mr. Barry reminded the Board about the schedule change to September 21st for the review of the Experience Study.

On a motion made by Mr. Isabelle, seconded by Mr. Boyles, the Board voted unanimously to adjourn at 10:40 a.m.

Next Meeting Date:

The next regularly scheduled VSERS Board meeting is on September 21, 2023 at 8:30 a.m.

Respectfully submitted,

A handwritten signature in black ink, consisting of the letters 'S', 'B', and 'G' in a cursive, stylized font.

Stephen Barry
Secretary to the Board