VERMONT STATE TEACHERS’ RETIREMENT SYSTEM
Meeting of the Board of Trustees – Conference Call, Treasurer’s Conference Room
May 10, 2022 – 9:00 a.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
DANIEL RADDICK, Financial Regulation Representative
BETH PEARCE, VT State Treasurer
SANDRA MINGS-LAMAR, Active Member Representative, term expiring July 1, 2025
EMILY SIMMONS, representing Secretary of Agency of Education
GENEVIEVE HAMBY, Active Member Alternate Representative, term expiring July 1, 2025
PERRY LESSING, VRTA Alternate Representative, term expiring July 1, 2024

Also attending:
Tim Duggan, Director, Vermont Retirement Systems
Lesley Campbell, Deputy Director, Retirement Policy and Outreach
Stephen Barry, Financial Administrator I, Retirement Division
Ashlynn Doyon, Director of Outreach and Financial Literacy
Eric Henry, Chief Investments Officer
Gabe D’Ulisse, Empower Retirement
Joseph Fein, Empower Retirement
Ann Arch, Empower Retirement
Melissa Chiumento, Empower Retirement
Chip Sanville, Empower Retirement
Gilles Owen, Empower Retirement

The Chair, Jon Harris, called the Tuesday, May 10, 2022, Board meeting to order at 9:06 a.m. which was held by conference call and in-person at the Treasurer’s Conference Room, Pavilion Building, 4th Floor, 109 State Street, Montpelier, VT.

ITEM 1: Agenda approval and announcements

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

ITEM 2: Approve the Minutes of:
- April 14, 2022

On a motion made by Ms. Simmons, seconded by Ms. Carter, the Board voted unanimously to approve the minutes of April 14, 2022 as presented.

ITEM 3: Empower Quarterly Presentation – 403(b) & SDIA 1st Quarter Results
Mr. D'Ulisse provided an update to the Board regarding the transition to Empower as well as key market updates, including fears of inflation, labor issues, and the domestic and geo-political landscape.

Mr. D'Ulisse presented the 1st quarter 403(b) Plan Review. As of the end of the quarter the plan had 3,152 participants with total assets of $162,555,479. Total contributions and rollovers into the plan were $3,349,681 with an average account balance of $51,572. There were 986 participants utilizing GoalMaker representing $20.42 million in assets. At the end of the quarter there were 443 participants utilizing Roth representing $6.31 million in assets.

Mr. Sanville and Mr. Owen provided an update from the in-state counselors. As of the end of the quarter there were 248 individual participant meetings, 50 new enrollments, and $285,000 in rollovers into the plan. The team continues to use WebEx for counseling and providing virtual group presentations however is beginning to integrate in-person meetings.

Mr. D'Ulisse presented the 1st Quarter report for the SDIA Plan. As of the end of the year there were 831 participants in the plan with $463,948 in distributions and total assets of $28.84 million.

Mr. Fein presented the investment report for the 403(b) Deferred Comp Plan. Overall performance for the quarter was negative, value stocks have begun to outperform growth stocks, however participants are shielded by the diversification of the funds. All funds in the plan are currently meeting performance criteria.

Ms. Pearce inquired about the stable value smoothing formula and the rate derivation. Mr. Fein explained that the earnings on the general account investments are passed into the fund as they are derived and committed to providing more information to the Treasurer.

Representatives from Empower left the meeting at 9:55 a.m.

**ITEM 4: Legislative Update**

The Treasurer informed the Board that the pension bill, S.286, had become law following the governor’s veto and unanimous override of the veto in the General Assembly. Ms. Pearce scheduled an agenda item for the June meeting to update the actuarily determined employer contribution (ADEC) request due to changes in contribution structure in S.286.

Ms. Pearce provided an update on H.572, the teacher workforce bill allowing retired teachers to collect their pension and be employed six months after they terminate. Discussion revolved around potential issues with health insurance coverage and re-retirement.

**ITEM 5: Other Business and Announcements**

Mr. Duggan updated the Board on the continuing work of staff regarding the VSTRS 65 offerings. He also announced an update from VPIC as an agenda item for the June meeting.

Mr. Duggan announced Lesley Campbell’s departure from the Retirement Division. The Board wished Ms. Campbell well in her future endeavors.

**ITEM 6: Adjournment**
On a motion made by Ms. Pearce, seconded by Ms. Mings-Lamar, the Board voted unanimously to adjourn at 10:31 a.m.

**Next Meeting Date:**

The next VSTRS Board meeting is on June 9, 2022 at 3:30 p.m.

Respectfully submitted,

[Signature]

Stephen Barry
Financial Administrator I