

VERMONT STATE TEACHERS' RETIREMENT SYSTEM
Meeting of the Board of Trustees – Conference Call, Treasurer's Conference Room
July 13, 2023 – 3:30 p.m.

DRAFT COPY – NOT YET APPROVED BY BOARD

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

Members present:

JON HARRIS, Chairperson, VREA representative, term expiring July 1, 2024
ERIN CARTER, Vice-Chairperson, Active Member Representative, term expiring July 1, 2027
SANDRA MINGS-LAMAR, Active Member Representative, term expiring July 1, 2025
GENEVIEVE HAMBY, Active Member Alternate Representative, term expiring July 1, 2025
PERRY LESSING, VREA Alternate Representative, term expiring July 1, 2024
DANIEL RADDOCK, Financial Regulation Representative

Members absent:

EMILY SIMMONS, representing Secretary of Agency of Education
MIKE PIECIAK, VT State Treasurer

Also attending:

Gavin Boyles, Deputy State Treasurer, (*designated voting member on behalf of Treasurer Pieciak)
Nicole Weidman, Director of Retirement Operations and Policy
Justin St. James, Staff Attorney, Vermont State Treasurer's Office
Stephen Barry, Administrative Services Manager, Retirement Division
Colin Robinson, Political Director, Vermont NEA
Tom Golonka, Chair, VPIC Board of Trustees'
Eric Henry, Chief Investment Officer, VPIC
Steve May, Hickok & Boardman
Scott Baker, Director of Financial Reporting, Vermont State Treasurer's Office

The Chair, Jon Harris, called the Tuesday, July 13, 2023, Board meeting to order at 3:31 p.m. which was held by conference call.

ITEM 1: Agenda approval and announcements

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

ITEM 2: Approve the Minutes of:

- June 8, 2023

On a motion made by Ms. Carter, seconded by Ms. Mings-Lamar, the Board voted unanimously to approve the minutes of June 8, 2023 as presented.

ITEM 3: VPIC Portfolio Review and Experience Study Update

Mr. Golonka updated the Board on the current operations of VPIC. He explained that they have

hired both an actuary, Gabriel, Roeder, Smith & Company (GRS), to assist with the rate of return assumption as well as an investment consultant, Meketa Investment Group, to assist in their work on the divestment study.

Mr. Henry discussed some changes to the asset allocation as well as the changes to risk and return expectations over the last year due to fixed income. He also spoke to the divestment study and expects to have preliminary results by December.

Mr. Golonka and Mr. Henry left the meeting at 3:55 p.m.

ITEM 4: **GASB 68 & 75 Audit Reports**

Mr. Baker presented the yearly GASB 68 & 75 Governance letter to the Board. He stated that the auditors did not find any inaccuracies or misstatements.

Mr. Baker left the meeting at 4:00 p.m.

ITEM 5: **VSTRS Health Insurance Rate Update**

Mr. Barry gave an update on CY 2024 health insurance rates. He presented the VBA renewal which increases applicable rates by 3% across the board. He also stated that the rate review process is still ongoing by DFR and staff expects those rates to be finalized by September 1st at the latest.

Mr. May and Mr. Robinson left the meeting at 4:03 p.m.

ITEM 6: **Health Insurance Consultant RFP**

On a motion made by Ms. Mings-Lamar, seconded by Mr. Raddock, the Board voted unanimously to make a specific finding that premature general public knowledge about upcoming contract negotiations for a System Health Insurance Consultant would clearly place the Board at a substantial disadvantage.

Based on this finding, on a motion made by Mr. Boyles, seconded by Ms. Mings-Lamar, the Board voted unanimously to enter executive session to discuss the RFP for a System Health Insurance Consultant and upcoming contract negotiations pursuant to 1 VSA § 313(a)(1).

The Board came out of Executive Session at 4:10 p.m.

Mr. Robinson joined the meeting at 4:11 p.m.

ITEM 7: **VSTRS COLA Follow Up**

Mr. Harris presented the e-mail from Mr. Lessing on the COLA from 2023 and allowed to Board an opportunity to further discuss the topic.

ITEM 8: Any other business and adjournment

Mr. Barry discussed the Board's schedule for the second half of the year. He explained that staff would like to consolidate all September meetings to one day for the Experience Study review, much like the yearly Actuarial Valuation meetings that take place in October.

On a motion made by Mr. Raddock, seconded by Mr. Boyles, the Board voted unanimously to adjourn at 4:18 p.m.

Next Meeting Date:

The next VSTRS Board meeting is on August 9, 2023 at 9:00 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'S B', with a stylized flourish extending from the bottom right.

Stephen Barry
Secretary to the Board