

VERMONT STATE TEACHERS' RETIREMENT SYSTEM

Meeting of the Board of Trustees – Conference Call, Treasurer's Conference Room

April 11, 2024 – 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

GENEVIEVE HAMBY, Active Member Alternate Representative, term expiring July 1, 2025

PERRY LESSING, VREA Alternate Representative, term expiring July 1, 2024

SANDRA MINGS-LAMAR, Active Member Representative, term expiring July 1, 2025

MIKE PIECIAK, VT State Treasurer

EMILY SIMMONS, representing Secretary of Agency of Education

Members absent:

DANIEL RADDOCK, Financial Regulation Representative

Also attending:

Tim Duggan, Director of Retirement, Office of the State Treasurer

Nicole Weidman, Director of Retirement Operations and Policy, Retirement Division

Justin St. James, General Counsel, Office of the State Treasurer

Colin Robinson, Political Director, Vermont NEA

Steve May, Hickok & Boardman

The Chair, Jon Harris, called the Thursday, April 11, 2024, Board meeting to order at 3:32 p.m. which was held by conference call.

ITEM 1: Agenda approval and announcements

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

ITEM 2: Approve the Minutes of:

- March 14, 2024

Ms. Carter asked that the minutes be amended to reflect the correct “time” of the meeting to be 3:30 p.m. not 9:00 p.m.

On a motion made by Ms. Carter, seconded by Ms. Simmons, the Board voted unanimously to approve the amended minutes of March 14, 2023, as presented.

ITEM 3: LRS Contract Extension

Mr. Duggan discussed the LRS Contract Extension for the Retirement Division, which will extend the current arrangement for another 5 years, with terms remaining consistent and pricing stepping up gradually in a manner consistent with inflation. Mr. Duggan explained that LRS produces,

maintains, and supports the PensionGold solution, which is the pension information management solution used by all three pension systems. This system is the core pension management tool, and the State owns its version of the PensionGold System. This contract is what governs the ongoing support and business continuity service for the PensionGold System.

Mr. Duggan explained that there was a typographical error in the Contract's maximum amount section, which should be changed from \$18 million to \$4 million.

On a motion made by Ms. Carter, seconded by Ms. Mings-Lamar, the Board voted unanimously to approve the LRS Extension Contract, as presented by staff, with the correction of the clerical error regarding the maximum amount, which should be \$4 million.

Mr. Lessing inquired if there is a timeline to look at other vendors for competitive pricing options. Mr. Duggan responded that looking at other vendors makes sense from time to time, but that staff has not done that at this time because other systems would require the addition of new licensing fees and the System we have now works well and is well-designed for our system.

ITEM 4: Legislative Update

Mr. Duggan stated that S.42 – the divestment bill – which passed the Senate last year is being taken up by the House. Mr. Duggan noted that a report produced by Meketa (a consultant retained by VPIC) on decarbonization options for the VPIC portfolio, as well as suggested statutory changes proposed by VPIC, was included in the materials. Mr. Duggan explained that he could not gauge whether this bill might move this year.

ITEM 5: Hearing Aid Benefit Update

Mr. Duggan indicated that VEHI had provided the costs of adding a hearing aid benefit to VSTRS non-Medicare plans. Mr. Duggan indicated that the costs look reasonable and that Mr. May, the System's health insurance consultant, would explain the benefit.

Mr. May provided background information on VEHI's hearing aid benefit, explained the actuarial memorandum provided by VEHI in greater detail, and answered questions from other Board members.

On a motion made by Ms. Simmons, seconded by Ms. Carter, the Board voted unanimously to add the hearing aid benefit described in the VEHI memorandum, effective for Calendar Year 2025 to the extent practicable by VEHI and BCBS.

ITEM 9: Any other business and adjournment

Mr. Duggan updated the Board on the Treasurer's Office renovation project and indicated that he hoped that staff would be moving back into the Pavilion Building office in about a month.

On a motion made by Mr. Pieciak, seconded by Ms. Mings-Lamar, the Board voted unanimously to adjourn at 4:04 p.m.

Next Meeting Date:

The next VSTRS Board meeting is on May 8, 2024 at 9:00 a.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Nicole Weidman".

Nicole Weidman
Director, Retirement Operations & Policy