ITEM 1: Agenda approval and announcements

Mr. Harris announced the recent appointment of Perry Lessing as alternate VRTA representative to the Board. Mr. Norris informed the Board of the passing of former VSTRS Board trustee Tom McConnell.

On a motion made by Mr. Norris, seconded by Ms. Carter, the Board voted unanimously to approve the agenda for May 11, 2021.
ITEM 2: Approve the Minutes of:
- April 8, 2021

On a motion made by Ms. Pearce, seconded by Mr. Norris, the Board voted unanimously to approve the minutes of April 8, 2021 as presented.

ITEM 3: Prudential Quarterly Update – 403(b) & SDIA – 1st Quarter Reports

Mr. D’Ulisse presented the quarterly report for the 403(b) Plan. As of the end of the quarter total participant balances were $150 million, with a positive cash flow of $819,000 for the quarter. There were 24 outstanding loans totaling $317,000. Participation in Roth was 13.5% representing approximately $5 million in assets. Less than 10% of participants were in stable value and participation in GoalMaker grew to 24.4% representing $15.9 million in assets.

Mr. D’Ulisse presented the SDIA quarterly report. As of the end of the quarter there were $31 million in assets and 871 participants.

Mr. Sanville presented the quarterly report from the field representatives. As of the end of the quarter there were 2 group presentations, 150 individual meetings with participants, 43 new enrollments in the plan and 12 rollovers totaling $181,000. Mr. Sanville explained that the counselors continue to meet virtually with participants. Ms. Arch presented the engagement statistics for the plan, 518 participants utilized the Retirement Income Calculator, Roth participation increased to 13.5% and 12,869 unique devices visited the website.

Mr. Fein presented the investment report for the 403(b) Plan. As of the end of the quarter, the fund results were strong, and all funds were meeting performance criteria.

Representatives from Prudential, Mr. Henry and Ms. Green left the meeting at 9:51 a.m.

ITEM 4: VEHI Contract

Mr. Duggan presented the VEHI contract extension for the 6-month period.

On a motion made by Ms. Simmons, seconded by Ms. Carter, the Board voted by roll call to approve the VEHI Extension contract as proposed by Staff and to authorize the Chair to execute it. Mr. Harris, Mr. Norris, Ms. Carter Ms. Pearce, and Ms. Simmons voted in favor of the motion. Mr. Raddock abstained.

ITEM 5: Treasury/Legislative Update

Ms. Pearce provided a legislative update and outlined the provisions in both the House and Senate versions of H.449, a bill proposing changes to the structure of VPIC and establishing a summer study commission to propose benefit restructuring changes. The two versions differ in terms of membership of both the VPIC and the summer study committee as well as the timeline.
to complete the work of the summer study committee and issue a report. Ms. Pearce stated that the bill would have to go to a conference committee.

Ms. Pearce explained the language on OPEB pre-funding included in the Senate version of the appropriations bill. The Senate version funds $13.8 million toward the normal cost and incorporates it into the Education Fund and creates a funding plan. Ms. Pearce stated the actuaries are reviewing the language to determine if it would meet the requirements of pre-funding policy.

ITEM 7: Act on disability recommendation(s) from the April 15, 2021 meeting of the Medical Review Board:

- Merrill Fenton (New)

On a motion made by Ms. Carter, seconded by Mr. Norris, the Board voted unanimously to approve disability retirement for Merrill Fenton without review.

ITEM 6: Nicole St. Mary Service Credit Appeal

Ms. St. Mary joined the meeting at 10:35 a.m.

Ms. Wolffing explained the circumstances of Ms. St. Mary’s service credit appeal. Ms. St. Mary is requesting that the Board reverse the Retirement Office’s decision to not allow her to purchase service credit for when she was teaching in Vermont with a New York license in 2002-2003. The Board discussed Ms. St. Mary’s request.

On a motion made by Ms. Pearce, seconded by Mr. Norris, the Board voted unanimously to deny Ms. St. Mary’s appeal request and to affirm the Retirement Office’s decision.

Ms. St. Mary left the meeting at 10:51 a.m.

ITEM 8: Other Business & Public Comment

Ms. Wolffing provided an update on candidates for the VSTRS active and alternate trustee positions. The Retirement Office has received on nomination form and petition for the alternate seat. Mr. Harris asked that the deferred compensation website on the Treasurer’s website be updated to better reflect that it refers to both the 457(b) and 403(b) plans. Ms. Wolffing stated she would update the website.

ITEM 9: Adjournment

On a motion made by Ms. Pearce, seconded by Ms. Carter the Board voted unanimously to adjourn at 10:56 a.m.

Next Meeting Date:
The next VSTRS Board meeting is on June 10, 2021 at 3:30 p.m.

Respectfully submitted,

Erika Wolffing
Director of Retirement Operations