

VERMONT STATE TEACHERS' RETIREMENT SYSTEM
Meeting of the Board of Trustees – Conference Call Meeting
June 14, 2018 – 3:30 p.m.

Members present:

JOSEPH MACKEY, Vice-Chairperson, VRTA representative, term expiring July 1, 2020 – via telephone

JUSTIN NORRIS, Active Member Representative, term expiring July 1, 2021 – via telephone

LINDA DELIDUKA, VRTA Alternate Representative, term expiring July 1, 2020 – via telephone

PERRY LESSING, Active Member Alternate Representative, term expiring July 1, 2021- via telephone

DEBORA PRICE, representing Secretary of Agency of Education – via telephone

DANIEL RADDOCK, Financial Regulation Representative – via telephone

MICHAEL CLASEN, Deputy Treasurer

Members absent:

JON HARRIS, Chairperson, Active Member Representative, term expiring– July 1, 2019

BETH PEARCE, VT State Treasurer

Also attending:

Laurie Lanphear, Director Retirement Operations

Tim Duggan, Assistant Attorney General

Erika Wolffing, Retirement Office

The Vice-Chair, Joseph Mackey, called the Thursday, June 14, 2018 meeting to order at 3:30 p.m., which was held in the Treasurer's Conference Room, Pavilion Building, 4th Floor, 109 State Street, Montpelier, VT.

ITEM 1: **Approve the Minutes of:**

- May 8, 2018

On a motion by Mr. Clasen, seconded by Ms. Price, the Board voted unanimously to approve the minutes of May 8, 2018 as submitted.

ITEM 2: **VEHI Contract Renewal**

Mr. Duggan presented the 1-year contract extension to the VEHI contract. Mr. Duggan stated that the contract extension adds \$50,000,000 to the original contract amount of \$53,000,000 for a total of \$103,000,000 and incorporates the FY19 rates approved by DFR in the fall. The amendment clarifies there will be no additional cost from VEHI to operate the EGWP program, but BCBS does assess a fee that is built into the underlying rate. Mr. Duggan stated that they had extensive conversations with the consultant and VEHI around reporting. Most of the language in the contract amendment deals with greater specificity around reporting and what is required by VEHI to report and when that information is due. Mr. Duggan explained that the amendment includes boilerplate language in the new attachment C.

On a motion made by Mr. Norris, seconded by Ms. Price, the Board voted by roll call to accept the VEHI contract amendment as outlined, with Mr. Mackey, Mr. Clasen, Mr. Norris, Ms. Price, Ms. Deliduka, and Mr. Lessing voting in favor of the motion. Mr. Raddock abstained.

ITEM 3: Teacher Licensure and Endorsement Levels

Ms. Price updated the Board on an issue raised by the Agency of Education surrounding teacher licensure and endorsement levels. The Agency was notified that there was a teacher working in a school that did not hold the proper endorsement. The Agency believes this lack of appropriate endorsement would make the teacher ineligible for participation in VSTRS. Ms. Lanphear sent Ms. Price the VSTRS Board prior determination stating that the only requirement for membership in the system is holding a teaching license. Ms. Price stated she believed that having the incorrect endorsement level invalidates that teacher's license for participation in the system, as that teacher does not hold a valid license if they are teaching outside their license area. Legal counsel from the Agency of Education opined that the statute is clear that a license incorporates the appropriate endorsement level.

Mr. Clasen explained that the Retirement Office has always operated under the premise that the only requirement to join the VSTRS system is holding a valid license. Ms. Price stressed that the agency's interpretation is that the license is not valid if the individual is in the incorrect endorsement level. The Board members further discussed teacher licensure and requested that the staff attorney from the Agency of Education work with Mr. Duggan and update the Board at the next meeting.

ITEM 4: Disability recommendation from the May 17, 2018 Meeting of the Medical Review Board for:

- Susan Maddern (New)
- Colleen Paquet (New)

On a motion made by Mr. Norris, seconded by Mr. Lessing the Board voted unanimously to accept the recommendation of MRB to allow disability retirement for Susan Maddern without review.

On a motion made by Mr. Norris, seconded by Mr. Lessing, the Board voted unanimously to accept the recommendation of MRB to allow disability retirement for Colleen Paquet without review.

ITEM 5: Other Business

Mr. Mackey encouraged members to consider attending the National Council on Teachers' Retirement (NCTR) Annual Conference in October.

ITEM 6: Adjournment

On a motion made by Ms. Price, seconded by Mr. Norris, the Board voted unanimously to adjourn at 3:52 p.m.

Next Meeting Date:

The next scheduled VSTRS meeting is a Conference Call Meeting on July 12, 2018 at 3:30 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Erika Wolffing".

Erika Wolffing
Retirement Office