

Minutes

A regular meeting of the Virginia Retirement System Administration and Personnel Committee was held April 6, 2022 in Richmond, Virginia with the following members participating:

O'Kelly E. McWilliams, III, Chair
Joseph W. Montgomery, Vice Chair
Troilen G. Seward, Ed.S.

Board members present:
John M. Bennett
William A. Garrett

VRS Staff:

Patricia Bishop, Ron Schmitz, Jeanne Chenault, Michael Cooper, Harriet Covey, Juanita Cribbs, Valerie Disanto, Barry Faison, Jon Farmer, Brian Goodman, Robert Irving, LaShaunda King, Curt Mattson, Angela Payne, Matt Priestas, Steven Ramirez, Paula Reid, Mark Rein and Cindy Wilkinson.

Guests:

Emily Grimes, Department of Planning and Budget; Adam Rosatelli, Senate Finance and Appropriations Committee; and Michael Oak, McLagan.

The meeting convened at 11:03 a.m.

Opening Remarks

O'Kelly E. McWilliams, III, called the meeting to order and welcomed everyone to the April 6, 2022 meeting of the Administration and Personnel Committee.

Approval of Minutes

Upon Ms. Seward's motion, with a second by Mr. Montgomery, the Committee approved the minutes of its February 8, 2022 meeting.

Approve Revised Investment Professionals' Pay Plan

Paula Reid, Human Resources Director, introduced Michael Oak of McLagan, who presented the results of his firm's review of the Investment Professionals' Pay Plan. In particular, the firm reviewed the competitiveness of pay levels relative to their Board-approved targeted pay positioning.

Following a review of the data, Mr. Oak presented McLagan's recommendations to ensure VRS continues to directly align compensation with investment performance, as well as attract, motivate and retain skilled investment professionals.

Upon a motion by Mr. Montgomery, with a second by Mr. Bennett, the Committee recommended approval of the following action to the full Board of Trustees:

RBA: Approve changes to Investment Professionals' Pay Plan

Request for Board Action: *The Virginia Retirement System Board of Trustees approves an amended Investment Professionals' Pay Plan ("Pay Plan").*

Reappointment of Defined Contribution Plans Advisory Committee Members

Next, Ms. Bishop presented the recommendations to reappoint Ravindra Deo, Brenda Madden, and Edward N. (Ned) Smither to the Defined Contribution Plans Advisory Committee (DCPAC), each for a two-year term ending June 20, 2024.

Upon a motion by Mr. Montgomery, with a second by Ms. Seward, the Committee recommended approval of the following action to the full Board of Trustees:

RBA: Reappointment of DCPAC Members.

Request for Board Action: *The Board reappoints Ravindra Deo, Brenda Madden, and Edward N. (Ned) Smither to the Defined Contribution Plans Advisory Committee (DCPAC), each for a two-year term ending June 20, 2024.*

Quarterly Budget Update

Next, Jon Farmer, Budget and Performance Reporting Manager, presented an update on the agency's budget. Mr. Farmer reviewed the agency's expenditures through February 28, 2022 and outlined anticipated spending through the remainder of the fiscal year. Mr. Farmer indicated that VRS is currently on track to finish the year with a surplus of approximately \$8.6 million.

Mr. Farmer discussed the current staffing vacancies, most of which are Information Technology positions and noted that while there is a significant increase in demand nationally, VRS offers competitive compensation and flexibility to attract top candidates.

Mr. McWilliams thanked Mr. Farmer for the update.

Administration Classification and Compensation Study Update

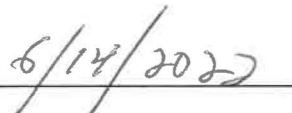
Ms. Reid updated the Committee on the ongoing review of the Administration Pay Plan. VRS is working with CBIZ Compensation Consulting, who is reviewing the administration staff's job descriptions and conducting a classification and compensation study. This review will analyze market competitive pay for similar skills and responsibilities as compared to VRS positions to identify any needed changes to the current compensation system. The review is expected to be completed later this year.

Adjournment

There being no further business and following a motion by Ms. Seward, with a second by Mr. Montgomery, the Committee agreed to adjourn the meeting at 11:46 a.m.



Vice Chair



Date