

Board Governance and Personnel Committee Minutes

Attendees:

Board Governance and Personnel Committee:

David Fillman, Chair
Treasurer Stacy Garrity
Christopher Craig (designee for Treasurer Stacy Garrity)
Lloyd Ebright (designee for Treasurer Stacy Garrity)
Thomas Waters (designee for Treasurer Stacy Garrity)
Matt Lindsay (designee for Sen. Vincent Hughes)
Gregory Thall (joined while meeting was in progress)
Acting Secretary Sarah Hammer
James Bloom (designee for Acting Secretary Sarah Hammer)
Alan Flannigan (designee for Acting Secretary Sarah Hammer)
Eric Pistilli (designee for Acting Secretary Sarah Hammer)

Other Board Members:

Glenn Becker
Charles Erdman (designee for Sen. John DiSanto)
Jill Vecchio (designee for Rep. Miller)
Gregory Jordan
Mary Soderberg

SERS Staff:

Rose Agnew, Executive Secretary
Katie Bates, Administrative Officer
Don Bell, Executive Assistant
Kelly Bernhard, Administrative Assistant
Cindy Collins, Director of Governance & Strategic Initiatives (Committee Senior Staff)
Jo Ann Collins, Chief Compliance Officer
Brenda Cunard, Deputy Executive Director for Member and Participant Services
Thomas Derr, Director of Communications and Policy
Randy Gilson, Director, Technical Support Division
Pam Hile, Communications Director
Dan Krautheim, Chief Information Officer
Karen Lynn, Internal Audit Director
Katie Mathews, HR Director (Committee Senior Staff)
N. Joseph Marcucci, Chief Counsel
Sara McSurdy, Chief Financial Officer
Jim Nolan, Chief Investment Officer

Jonathan Ryan, IT Generalist
Matthew Soule, IT Generalist
Joe Torta, Executive Director
Bill Truong, Deputy Chief Investment Officer
Mark Walter, IT Generalist Administrator

Other Attendees:

Joe Rice CBIZ Consulting

1) Call to Order

At 2:32 P.M., on April 25, 2023, Chair David Fillman called the meeting to order.

2) Welcome and Introduction

Chair David Fillman welcomed Committee members, designees, and other non-Committee Board members.

3) Approval of Minutes

Minutes of February 21, 2023, Board Governance and Personnel Committee meeting

Motion:

By motion that was moved, seconded, and approved unanimously by Committee members, it was:

RESOLVED: That this Committee approves the meeting minutes of the February 21, 2023, Board Governance and Personnel Committee meeting.

4) Old Business

a) SERS Strategic Plan Update

The Committee received as an information item an update on the FY 2021-2023 strategic goals.

b) Classification and Compensation Study Update

The Committee received an update on the classification and compensation study for SERS investment professionals and attorneys. Joe Rice, Director of Compensation Consulting with CBIZ, presented to the Committee on market analysis results from peer public pension plans. The presentation included both a base pay and an alternative total cash compensation salary structure. The Committee discussed the presentation and asked questions of Joe Rice and Katie Mathews, HR Director. The Committee requested additional information and the discussion will continue at a later meeting.

5) **Special Presentations (None)**

6) **New Business**

a) **SERS Strategic Business Plan – July 1, 2023, through June 30, 2027**

The Committee received an update and PowerPoint presentation about the development of the SERS Strategic Plan that will run over four (4) years and start on July 1, 2023, and be completed on June 30, 2027.

The Committee discussed the proposed plan and made observations about the importance of the project, while maintaining a focus on the differing needs of SERS' members and those with visual and hearing impairments during this technological transformation.

The Committee voted to recommend that the Board approve the preliminary plan and direct staff to finalize the plan for formal submission to the Committee at its June 6, 2023, meeting and the Board at its June 13, 2023, meeting.

Motion:

By motion that was moved, seconded, and approved unanimously by Committee members, that the State Employees' Retirement Board approve the preliminary SERS strategic plan beginning July 1, 2023, through June 30, 2027, and instruct staff to finalize the strategic plan for formal submission to the Board Governance and Personnel Committee and the Board at the upcoming meetings on June 6, 2023, and June 13, 2023, as set forth in the attachments.

The roll call vote tabulation was as follows:

Board Member	Vote
FILLMAN	Yes
GARRITY	
Designee: Christopher Craig	Yes
HUGHES	
Designee: Matt Lindsay	Yes
THALL	Yes
HAMMER	

Designee: Eric Pistilli	Yes
-------------------------	-----

b) Review of 2023 Board Biennial Governance Review Plan

The Committee reviewed the proposed 2023 Biennial Governance Review Plan of the Boards' policies, procedures, charters, and by-laws. Currently, the Board Governance and Personnel Committee is charged with the responsibility of coordinating and facilitating the review of all the Board's governing documents. In undertaking this review staff recommended a four-phase approach to provide sufficient time to review, edit and consider both technical and substantive edits to these Board documents as needed.

The committee agreed with the approach suggested to undertake the Biennial Review, as located in BoardDocs as Agenda Item 6.b.

i) Board Governance and Personnel Committee Charter Review

Staff reviewed and discussed the proposed edits to the Board Governance and Personnel Committee Charter with the Committee. After the discussion the Committee was asked to consider the requested changes and to bring any additional suggested changes to staff before a final draft is brought back before the Committee at its June meeting, as located in BoardDocs as Agenda Item 6.b.i.

ii) Other Standing Committee Charter Reviews

The Committee was advised that the other standing committees are reviewing their charters and will present their suggested edits for review to the Board Governance and Personnel Committee at the June meeting.

iii) Board Position Description Review

The Committee reviewed technical edits to the Board Chairperson & Assistant Chair Position Description, the Board Member Position Description, and the Committee Chair & Assistant Chair Position Description.

After a discussion about the proposed edits the Committee took action to approve the edits and recommend to the Board to approve the revised position descriptions, as located in BoardDocs as Agenda Items 6.b.iii (1-3).

Motion:

By motion that was moved, seconded, and approved unanimously by Committee members, that the State Employees' Retirement Board approve the revisions to the: (1) Board Chairperson & Assistant Chair Positions; (2) Board Member Position, and (3) Committee Chair & Assistant Chair Positions, as set forth in the attached documents.

The roll call vote tabulation was as follows:

Board Member	Vote
FILLMAN	Yes
GARRITY	
Designee: Christopher Craig	Yes
HUGHES	
Designee: Matt Lindsay	Yes
THALL	Yes
HAMMER	
Designee: Eric Pistilli	Yes

iv) Board Policy Review (Phase One)

The committee reviewed the following policies from Phase One of the Biennial Governance Review. Policies discussed and reviewed included: (1) Committee Work Plan Procedures; (2) Strategic Planning Policy; (3) Board Education Policy; (4) Board Communications Policy; (5) Board Self-Assessment Policy, and (6) Board Fiduciary Review Policy.

The Committee tabled for further review (1) the Committee Work Plan Procedures and (6) Fiduciary Review Policy.

The Committee reviewed (2) Board Strategic Planning Policy; (4) Board Communications Policy; and (5) Board Self-Assessment Policy, and after a discussion acted to recommend that the State Employees' Retirement Board approve the suggested edits to those policies. The Committee then reviewed (3) the Board Education Policy edits including two friendly amendments and recommended that policy as amended for Board approval, as located in BoardDocs as Agenda Items 6.b.iv (2-5).

Motion:

By motion that was moved, seconded, and approved unanimously by Committee members, that the State Employees' Retirement Board approve the revisions to the: Strategic Planning Policy, Board Education Policy Board Communications Policy, and Board Self-Assessment Policy, as set forth in the attached documents.

The roll call vote tabulation was as follows:

Board Member	Vote
FILLMAN	Yes
GARRITY	
Designee: Christopher Craig	Yes
HUGHES	
Designee: Matt Lindsay	Yes
THALL	Yes
HAMMER	
Designee: Eric Pistilli	Yes

c) Board Self-Assessment and Education Plan Discussion

The Committee reviewed the background information for the biennial board self-assessment plan and discussed the former board self-assessments. The matter will be brought before the board for next steps on how to conduct the assessment at a later meeting. No action was taken.

d) Board Fiduciary Review Discussion

The Committee received a presentation on the upcoming Fiduciary Review and discussed that the nature and topics for review will be discussed at a later meeting. No action was taken.

7) Committee Comments/Concerns/Questions

There were no additional comments, concerns, or other questions from committee members.

8) **Motion to Adjourn**

Motion:

By motion that was moved by Chair David Fillman and approved unanimously by Committee members, it was;

RESOLVED: That this meeting be adjourned at 4:44 P.M.

Respectfully Submitted,



Katie Mathews
Director of Human Resources



Cynthia L. Collins
Director Governance and Strategic
Initiatives