

**INVESTMENT SUBCOMMITTEE  
BOARD OF TRUSTEES  
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**

A meeting of the Investment Subcommittee (ISC) of the Board of Trustees of the University of Vermont State and Agricultural College was held on Wednesday, November 17, 2021 at 3:00 p.m., in room 351 Waterman Building via remote conferencing.

MEMBERS PRESENT: Chair Robert Brennan, Vice Chair Don McCree, Briar Alpert and David Aronoff<sup>3</sup>

MEMBERS/ADVISORS ABSENT: ISC Advisor Steven Grossman

OTHER TRUSTEES PRESENT: Board Chair Ron Lumbr

PERSONS ALSO PARTICIPATING: Advisor Whit Wagner; President Suresh Garimella; Special Assistant to the President Jonathan D'Amore; Vice President for Finance & Administration Richard Cate; Contoller Claire Burlingham<sup>1</sup>; Associate Contoller Lindsey Donovan<sup>2</sup>; Senior Staff Accountant Patty Dubie; Endowment Accountant Marie Tiemann; Deputy General Counsel John Collins; Special Assistant to the Chief of Staff Erin Dickinson; Trustee Coordinator Corinne Thompson and Richard Morrison, Kate Dumas and Zac Smith of Prime Buchholz (PB)<sup>4</sup>

<sup>1</sup>Joined the meeting at 3:45 p.m.

<sup>2</sup>Joined the meeting at 3:58 p.m.

<sup>3</sup>Exited the meeting at 4:32 p.m. and rejoined at 4:43 p.m.

<sup>4</sup>Exited the meeting at 4:43 p.m.

Chair Robert Brennan called the meeting to order at 3:02 p.m.

### **Meeting minutes**

Chair Brennan presented the minutes of the October 20, 2021 meeting for approval. A motion was made, seconded and it was voted to approve the minutes as presented.

### **Recent market returns and total portfolio performance overview**

Richard Morrison, of Prime Buchholz (PB), led a discussion surrounding the current market trends and highlighted the impact of the U.S. Inflation. He noted that the inflation rate is currently 6.2% which is the highest since 1990 while the core CPI rate is 4.6%. The overall market yields have also drifted downward with U.S. Treasuries having the sharpest drop over the past 10 years. Mr. Morrison reviewed the Global Equity market environment for 2021 and noted that the returns for this sector have been strong for this year. The S&P 500 month-to-date earnings were 7.0% and 24.0% year-to-date as of October 31. The Energy and Financial had returns of 4.19% & 28.1% year-to-date taking the lead over the IT sector which had returns of 20.9%. The Russian Emerging Market sector outpaced other regions while the Chinese market

Investment Subcommittee, 11/17/2021

had a -14.0% return. The Bond Market remains relatively flat and the U.S. dollar has a strong currency rate.

Kate Dumas reviewed the performance of the long-term investment pool as of September 30, 2021. The long-term investment portfolio had a return of -2.5% for the month of September, and a 12.3% return for the year-to-date. She noted the third quarter returns for 2021 were relatively flat with a decrease of 10 basis points. Ms. Dumas commented that the Public Equities were the strong contributors to the portfolio while the Developed Markets lagged. She also noted that the Private Capital investments provided the protection over the portfolio during this period.

### **Executive session**

At 3:28 p.m., Chair Brennan entertained a motion to enter executive session for the purposes of discussing contracts, premature general public knowledge of which would clearly place the University at a substantial disadvantage, and records exempt from disclosure under provisions of the Public Records Act. He stated that the session would last approximately 1 hour 20 minutes with no action anticipated following. The following persons were invited to remain: Board Chair Ron Lumbrá; President Suresh Garimella; Special Assistant to the President Jonathan D'Amore; Vice President for Finance & Administration Richard Cate; Associate Controller Lindsey Donovan; Senior Staff Accountant Patty Dubie; Endowment Accountant Marie Tiemann; Deputy General Counsel John Collins; Special Assistant to the Chief of Staff Erin Dickinson; Trustee Coordinator Corinne Thompson and Richard Morrison, Kate Dumas and Zac Smith of Prime Buchholz (PB)

David Aronoff exited the meeting at 4:32 p.m. and rejoined at 4:43 p.m.

University attendees, with the exception of John Collins, and Prime Buchholz attendees were excused from the session at 4:43 p.m.

The meeting was re-opened to the public at 5:07 p.m.

### **Adjournment**

There being no further business, the meeting adjourned at 5:07 p.m.

Respectfully submitted,

Chair Robert Brennan