MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
INVESTMENT COMMITTEE
MEETING OF MARCH 18, 2025

A meeting of the West Virginia Consolidated Public Retirement Board's Investment Committee was held on Tuesday, March 18, 2025 at the Consolidated Public Retirement Board office at 601 57th Street, SE, Charleston, WV 25304. Due notice had been posted.

Call to Order.

The meeting was called to order at 2:32 p.m. by Jeffrey Vallet, Chair.

Roll call.

Committee Members present:
Jeffrey Vallet, Chairman
Eric Householder, *Department of Administration*
Mike McKown
Beth Morgan (*Google meet*)
Rhonda Bolyard

Committee Members absent:
Woodrow Brogan

A quorum was present.

Others participating in person were:
Jeffrey E. Fleck, CPRB Executive Director
Terasa Miller, CPRB Deputy Director
Kim Pauley, CPRB Executive Assistant
Paula Van Horn, CPRB, TDC Manager
Trent Gregory , Public Equity Investment Officer, WVIMB
Chris Meadows, Empower
Don Jurgens, Empower(*Google meet*)
William Thornton, Empower(*Google meet*)
Marybeth Daubenspeck, Empower(via Google meet)

Item #1: Approval of Minutes

Chairman Vallet said that he would entertain a motion to approve the minutes of the December 10, 2024 Investment Committee.

Secretary Householder made a motion to approve the minutes of the December 10, 2024 meeting of the Investment Committee. Mr. McKown seconded the motion. The motion was adopted.

Item #2: TDC Quarterly Plan Investment Review December 31, 2024 – Bill Thornton Empower

Mr. Vallet recognized William Thornton to give the TDC Investment Performance for the period ending December 31, 2024. Mr. Thornton reviewed the US Markets, Global Markets, Historic Stock and Bond Plot, and labor market.

Mr. Thornton reported that it's been another fantastic year for fixed income and equity numbers. He reported that in the fourth quarter returns were positive at 2.4%. He noted that the overall employment picture remains strong, the US labor market has softened in the past twelve months and the unemployment rate is now 4.1% . Mr. Thornton explained that inflation has continued to go down for this quarter so we should see a soft landing while the economy continues to grow.

Mr. Thornton reviewed the fund balance and the fund monitoring report. He informed the Committee that the fund line up has held up relatively well. He noted that the Western Asset Core Bond is underperforming and has had some issues on the management side. He stated that the committee has decided to replace the fund. Mr. Thornton reviewed the return revenue from mutual funds to the participants that was discussed in the last few meetings, He noted that the Western Asset Core Bond has been replaced with the Carillion Scout Bond.

Mr. Thornton then offered to answer questions from the Committee members. There was a brief discussion.

Item #3: TDC Plan Performance Insights December 31 2024- Don Jurgens Empower

Mr. Vallet recognized Don Jurgens of Empower to review the TDC Plan Performance Insights ending December 31, 2024. Mr. Jurgens reported that the plan balance was $754,158,603 with 3,444 participants. He said that the average participant balance was $217,816 and 73.5 percent of participants are doing their own investment strategy. He also reviewed the year-to-date participant activity, the distribution activity, the equity exposure, the rate of return and the plan insights by age. He then answered questions from the committee members. Mr. Jurgens discussed doing another fee holiday and possibly doing a ninety-day fee holiday and then taking a month off and doing another ninety-day fee holiday and Empower would pick up the fees on the fee holiday. Chairman Vallet and Ms. Van Horn discussed this, and they will bring more ideas and options to the Committee at the next meeting.

Mr. Jurgens then offered to answer questions from the Committee members. There was a brief discussion.

Item #4: TDC Outreach Update- Chris Meadows- Empower

Mr. Vallet recognized Chris Meadows of Empower Retirement. Mr. Meadows gave the Educational Meetings report. He reported that since the last committee meeting, he had conducted 1040 educational counselling sessions and 436 distribution counseling sessions for a total of 1,476 sessions for the end of the fourth quarter. Mr. Meadows also said that 70 percent of his sessions are related to education and 30 percent are related to distribution.

He then answered questions from the Committee members. There was a brief discussion.

Item #5: Review of IMB Defined Benefit Pension Assets 1-31-25 – Craig Slaughter

Mr. Vallet recognized Craig Slaughter, Investment Officer of the West Virginia Investment Management Board (WVIMB), who gave a review of the Plan Investments for the period ending January 31, 2025. Mr. Slaughter started by saying that January was a very good month, which put the FY return up to 5.8%. Mr. Slaughter informed the committee that the economy is doing better than they anticipated and it proved to be more resilient than originally thought. He explained to the Committee that job layoffs have spiked, and he explained that the economy has slowed, and we could see a recession in the near future. Mr. Slaughter reviewed the investment data and the performance report for the board. Director Fleck inquired as to how much money does the Investment Management Board have invested in China and Mr. Slaughter stated that between equity and fixed income its mostly equity and it's a little less than 3% of our portfolio.

Mr. Slaughter asked if there were any questions from the Committee. There was a brief discussion among the Board members.

Item #6: TDC Q4 Weighted Average Returns- Paula Van Horn

Mr. Vallet recognized Paula Van Horn, TDC Manager, to review the TDC Weighted Average Returns for the quarter ending December 31, 2024. Ms. Van Horn reported that the market value of the fund was $754,280,474 and the plan participants were 3,485 and the Weighted Average Return was 1.75%. She added that the prior year weighted average return was 18.02%.
She then answered questions from the committee members.

Item #7: TDC-2024 Q4 Revenue Sharing & Administrative Account Report -Paula Van Horn

Mr. McKown recognized Paula Van Horn, CPRB TDC Manager, to review the 4th quarter Admin and Revenue Sharing Account Report for 2024. She stated that the report was for the period July 1, 2024 through September 30, 2024 and the beginning balance was $2,672,953.11 and the Net Administrative Fees were $86,805.89 and the Total Net Reallowances were $127,031.64 She went on to say that the Reconciled Ending Balance was $2,384,654.34.

She then answered questions from the committee members.

Item #8: Old Business

Mr. Vallet inquired as to old business. There was none.

Item #9: New Business

Mr. Vallet inquired as to new business. There was none.

Adjournment

There being no further business before the committee, the meeting adjourned at 3:20 p.m.

Respectfully submitted,

Jeffrey Vallet, Chairman

Jeffrey Fleck, Executive Director