

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
ACCOUNTING & INVESTMENT COMMITTEE
MEETING OF MARCH 14, 2018**

A meeting of the West Virginia Consolidated Public Retirement Board's Accounting & Investment (A&I) Committee was held in the Consolidated Public Retirement Board's (CPRB) Legal Conference Room, 4101 MacCorkle Avenue, SE, Charleston, West Virginia. The meeting was called to order at 9:07 a.m. by Chairman Joseph Bunn.

Roll call was taken.

Committee Members present:

Joseph Bunn, Esquire, Chairman

Diana Stout, Esquire, *representing Treasurer John Perdue*

Cabinet Secretary John A. Myers

Mike McKown

Members absent were:

Jeffrey Vallet

Others present were:

Jeffrey E. Fleck, CPRB Executive Director

Terasa Miller, CPRB Deputy Director

Heather Drake, CPRB Administrative Assistant

John Galloway, CPRB Chief Financial Officer

Paula Van Horn, CPRB TDC Manager

Denise Fortune, Empower Retirement, Client Relationship Director, *via telephone*

Chris Meadows, Empower Retirement, Outreach Officer

Bill Thornton, Advised Asset Group (AAG)

A quorum was present.

Due notice had been posted.

Item 1: Approval of the November 15, 2017 Meeting Minutes

Ms. Stout made a motion to approve the November 15, 2017 minutes of the Committee. The motion was seconded by Cabinet Secretary Myers. The motion carried unanimously.

Item 2: TDC Quarterly Investment Review – 12/31/2017 (Bill Thornton – Advised Asset Group)

Executive Director Fleck introduced John Galloway, Chief Financial Officer, to the Committee.

Deputy Director Miller introduced Bill Thornton and announced he was attending in place of Mike Burroughs.

Mr. Thornton reviewed the Teachers' Defined Contribution (TDC) Quarterly Investments through December 31, 2017 and discussed the performance of the TDC funds with the Committee.

Mr. Vallet joined the meeting at 9:13 a.m.

Ms. Stout asked which funds were currently on watch. Deputy Director Miller announced Fidelity New Millennium Large Cap Fund was currently on the watch list.

Mr. Thornton then reviewed the Large Cap Growth search results based on December 31, 2017 returns. Deputy Director Miller asked for revenue sharing on these fund options. Mr. Thornton reviewed the revenue sharing for these fund options with the Committee.

Mr. Vallet made a motion to replace American Century Heritage with Great West T. Rowe Price Mid Cap. The motion was seconded by Ms. Stout. The motion carried unanimously.

Ms. Stout made a motion to replace Fidelity New Millennium Large Cap Fund with T. Rowe Price Blue Chip Growth. The motion was seconded by Mr. Vallet. The motion carried unanimously.

Item 3: 2017 Annual TDC Plan Review (Denise Fortune – Empower)

Ms. Fortune reviewed the 2017 Annual TDC Plan Review with the Committee.

Item 4: TDC Outreach & Reality Investing Update - (Chris Meadows - Empower)

Mr. Meadows reported on the TDC Reality Investing Statistics and Outreach Meetings with the Committee. He reported there have been 20 meetings or consultations this year, with 249 TDC members attending or being counseled.

Mr. Meadows then reviewed the Reality Investing Statistics with the Committee.

Item 5: TDC Revenue Sharing Summary - Quarter ending 12-31-2017 – (Teresa Miller – CPRB)

Deputy Director Miller reviewed the TDC Revenue Sharing account information for the quarter ending December 31, 2017. Ms. Miller announced the TDC Revenue Sharing started with a balance of \$427,404.28 as of October 1, 2017 and ended with a balance of \$504,567.33 on December 31, 2017.

Item 6: TDC Weighted Average Returns - Quarter ending 12-31-2017 – (Terasa Miller – CPRB)

Deputy Director Miller reviewed the TDC Weighted Average Returns for the quarter ending December 31, 2017 with the Committee. As of December 31, 2017, the TDC has \$504,930,650.00 in assets with a weighted average return of 15.59% and 4,351 participants.

Item 7: Fiscal Year 2017 TDC Administrative Expenses

Deputy Director Miller reviewed the TDC Administrative Expenses for Fiscal Year 2017 with the Committee. Ms. Miller announced FY 2017 TDC Administrative Expenses were \$919,085.05, with \$533,359.78 already paid from the TDC Revenue Sharing Account. Ms. Miller recommends the Committee and Board approve the difference of \$385,725.27 be transferred to the CPRB Administrative General Fund from the TDC Revenue Sharing Account.

Mr. Vallet made a motion that the Committee approve the transfer of \$385,725.27 from the TDC Revenue Sharing Account to the CPRB General Administrative Fund. The motion was seconded by Mr. McKown. The motion carried unanimously.

Item 8: TDC Third Party Administrator (TPA) Request for Proposal (RFP) Plan

Deputy Director Miller reviewed the TDC Third Party Administrator (TPA) Request for Proposal (RFP) Plan. She announced that the Investment Policy Committee will need to meet next month.

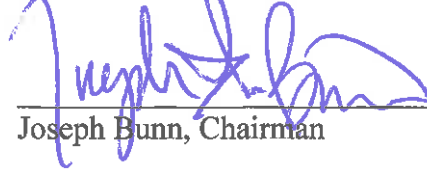
Deputy Director Miller announced there will need to be a TDC TPA RFP Evaluation Committee. She then asked if any of the A & I Committee members would be interested in being on the TPA RFP Evaluation Committee, to let Director Fleck or Deputy Director Miller know. Deputy Director Miller informed the Committee that Purchasing requires all members to participate in training.

Item 9: Other Business

Chairman Bunn asked if there was any other business to bring before the Committee. None was heard.

Chairman Bunn adjourned the March 14, 2018, A & I Committee Meeting at 10:04 a.m.

Respectfully submitted,



Handwritten signature of Joseph Bunn in blue ink, written over a horizontal line.

Joseph Bunn, Chairman



Handwritten signature of Jeffrey E. Fleck in blue ink, written over a horizontal line.

Jeffrey Fleck, Executive Director