

**MINUTES OF THE  
WV CONSOLIDATED PUBLIC RETIREMENT BOARD  
ACCOUNTING & INVESTMENT COMMITTEE  
MEETING OF MARCH 6, 2019**

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, on Wednesday, March 6, 2019. The meeting was called to order at 9:04 a.m. by Joseph Bunn, Chairman.

Roll call was taken.

Committee Members present:  
Joseph Bunn, Esquire, Chair  
Jeffrey Vallet  
Mike McKown

Committee Members absent:  
Mike Hall, *representing Governor Jim Justice*  
Diana Stout, Esquire, *representing Treasurer John Perdue*

Others present were:  
Jeffrey E. Fleck, CPRB Executive Director  
Terasa Miller, CPRB Deputy Director  
John Galloway, CPRB Chief Financial Officer  
Paula Van Horn, CPRB TDC Manager  
Nancy Butcher, CPRB Executive Assistant  
Sharon Whittaker, CPRB Administrative Assistant  
Mary Beth Daubenspeck, Empower  
Don Jurgens, Empower  
Jenni Bailey, Empower  
Chris Meadows, Empower  
Bill Thornton, Advised Asset Management (*via telephone*)

A quorum was present.

Due notice had been posted.

**Item #1: Approval of the November 14, 2018 Meeting Minutes**

Mr. Vallet made a motion to approve the November 14, 2018 minutes of the Committee. The motion was seconded by Mr. McKown. The motion was adopted.

## **Item #2: TDC Quarterly Investment & Plan Review – 12/31/18**

The Chairman recognized Bill Thornton of Advised Asset Group, who presented the review of the Teachers' Defined Contribution (TDC) Investment Review, Fourth Quarter, 2018. He stated that the plan was in good shape domestically and that growth was outperforming value. He went on to say that the fixed income was flat for the most part and that the fund change from Franklin Mutual Global Discovery Z fund to American Fund New Perspective R6d had proven to be a better performer. He also commented on the Morning Star Rankings and the underperformance of Western Asset for the first time since 2011. He discussed the performance of the foreign stock and reviewed the fund expenses. He then answered questions from the members of the committee.

Mr. Jurgens reviewed the Plan Review of the TDC Plan for the period ending December 31, 2108. He gave the Executive Summary. He also reviewed the Asset Allocation by Age, Participant Detail, Contributions and Distributions. He also commented on the Forfeiture/Unallocated Plan Asset Account Detail Summary. He then answered questions from the committee members.

Jenni Bailey, Empower Retirement Communications Lead for WV, reviewed the 2018 Initiatives which included beneficiary updates, quarterly newsletters and annual updates. She also discussed the 2018 website usage and the calendar of future campaigns for the TDC plan participants for 2019. She responded to questions from members of the committee.

## **Item #6: TDC Outreach and Reality Investing Update**

Chris Meadows gave an update on Educational meetings he had conducted. He reported that he had conducted 18 total meetings conducted, 2 group attendance meetings, 59 on-site individual sessions and 152 distributions and other counseling sessions.

## **Item #8: Other Business**

Mary Beth Daubenspeck discussed the Innovation plan with respect to the TDC Plan. She discussed some products that had been delivered in 2018, which included an Android App that included withdrawal features that had been broadened, account aggregation, document uploads, DOL Fiduciary Rule, Financial Wellness Education Expansion and other

innovation. She also gave a preview of things to come during 2019, which included mobile strategy, plan review, wealth management platform and others. She responded to questions from committee members.

**Item #3: TDC Revenue Sharing Summary**

Ms. VanHorn gave an update on the TDC Revenue Sharing, quarter ending December 31, 2018. She stated that the quarter began with a balance of \$542,522.03 TDC Revenue Sharing balance. The TDC Revenue Sharing December 31, 2018 ending balance was \$479,453.97.

**Item #4: TDC Weighted Average Returns Quarter ending 12/31/18**

Ms. VanHorn gave a report of the TDC Weighted Average Returns for the quarter ending December 31, 2018. She stated that the TDC Plan had \$490,008,513 and the weighted average return was -30.03%. She added that the plan had 4,248 participants. She then responded to questions from the committee members.

**Item #5: Fiscal Year 2018 TDC Administrative Expenses**

Ms. Miller gave an update on the FY2018 TDC Administrative Expenses. She advised the committee that \$287,057.82 would need to be moved from the TDC Revenue Sharing Account to the CPRB Administrative Fund to cover the expenses incurred by the agency for administration duties performed for the TDC Plan.

Mr. Vallet made a motion to recommend to the Board the transfer of \$287,057.82 from the TDC Revenue Sharing Account to the CPRB Administrative Fund. Mr. McKown seconded the motion. The motion was adopted.

**Item #7: TDC Third Party Administrator (TPA) Request for Proposal (RFP) Update**

Mr. Galloway informed the committee there were three bidders to the RFP and that technical proposal scoring of the bids would begin on March 29, 2019. He went on to say that oral presentations and cost proposal openings would follow.

**Adjournment**

There being no further business to come before the committee, the meeting adjourned at 10:01 a.m.

Respectfully submitted,



Joseph Bunn, Chairman



Jeffrey Fleck, Executive Director