

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
ACCOUNTING AND AUDIT COMMITTEE MEETING
OF AUGUST 15, 2023**

A meeting of the West Virginia Consolidated Public Retirement Board Accounting and Audit Committee was held on Tuesday, August 15, 2023 at the Consolidated Public Retirement Board office at 601 57th Street , SE, Charleston, WV 25304.

Due notice had been published.

Call to Order

The meeting was called to order at 1:05 p.m. by Mike McKown acting Chairman.

Roll Call

Members present were:

Mike McKown
Bill Barker *(via telephone)*
Brad Mankins *(via telephone)*
Dominique Ranieri *(via telephone)*
Jeff Vallet

Members absent:

Jeff Waybright, *representing Auditor John McCuskey*

A quorum was present.

Also present at the CPRB Office or participating via telephone were:

Jeff Fleck, CPRB Executive Director
Terasa Miller, CPRB Deputy Director
Kim Pauley, Executive Assistant
Elizabeth Cooper, CPRB Chief Financial Officer
Tina Baker, CPRB Internal Auditor
Paula Van Horn, CPRB TDC Manager

Item #1: Approval of the June 27, 2023 Accounting & Audit Committee Meeting Minutes.

Mr. McKown stated that he would entertain a motion to approve the Accounting & Audit Committee meeting minutes of June 27, 2023.

Mr. Vallet made a motion to approve the minutes of the June 27, 2023 meeting of the Accounting & Audit Committee. Mr. Barker seconded the motion. The motion was adopted.

Item #2: Annual Charter Review – Tina Baker

Mr. McKown recognized Tina Baker, CPRB, Internal Auditor. Ms. Baker reviewed the adequacies of the Charter and noted that it is always reviewed annually.

Ms. Baker noted that she didn't see the need for any changes. She then answered questions from the committee members. Deputy Director Miller raised the question to modify the Charter and the ability of this Committee to take to the full Board to make changes to the Revenue sharing activity and Revenue administrative account. The Committee discussed amending the Charter and decided it need be amended and taken to the Board for action.

Mike McKown stated that he would entertain a motion to accept and to recommend to the Board options for the disbursement of TDC Revenue Sharing to TDC members and to approve to amend the Accounting and Audit Charter.

Mr. Vallet made a motion to approve and accept and to recommend to the Board to modify and to allow for disbursement of TDC Revenue Sharing to TDC members and to approve to amend the Accounting and Audit Charter.

Mr. Barker seconded the motion. The motion was adopted.

Item #3: TDC-2023 2Q Revenue Sharing & Administrative Account Report -Paula Van Horn

Mr. McKown recognized Paula Van Horn, CPRB TDC Manager, to review 2023 2nd quarter Admin and Revenue Sharing Account Report. She stated that the report was for the period April 1, 2023 through June 30, 2023 and the beginning balance was \$1,623,931.82 the Net Administrative Fees were \$92,280.22 and the Total Net Reallowances was \$120,832.76 She went on to say that the Reconciled Ending Balance was \$1,828,593.75.

Item #4: Fiscal year 2023 TDC Administrative Expenses – Paula Van Horn

Mr. McKown recognized Paula Van Horn to give her report. Ms. Van Horn reviewed each of the retirement systems the period ending June 30th, 2023. She noted that the Board would need to take action to move \$281,575 from the TDC Administrative expense fund. She then answered questions from the Committee.

Mike McKown stated that he would entertain a motion to accept and to recommend to the Board to approve the report and move \$ 281,575 from the TDC Administrative expense fund.

Mr. Vallet made a motion to approve the report and recommend that the approve moving the 281,575 from the TDC Administrative account. Mr. Barker seconded the motion. The motion was adopted.

Item #5: Proposed TDC Revenue Sharing Spend-down Options – Paula Van Horn

Mr. McKown recognized Paula Van Horn to give her report. She began with reviewing the amount that is in the Revenue sharing account, which is 1,332,765.86 and needs to be used for the benefit of our Defined contribution members. Deputy Director Miller asked Ms. Van Horn to explain managed accounts and give some background on why we need a spenddown. Ms. Van Horn explained managed accounts and gave the Committee all the options to be considered. She then reviewed the Plans, Features and Highlights (fall of 2022) and the summer newsletter and reviewed the value of having a professionally managed account. There was a discussion, and Mr. Vallet recommended that no action should be taken until the Charter is amended. Mr. McKown agreed. This will be addressed in future Committee meetings.

She then answered questions from the Committee members.

Item #5: Old Business

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


Item #6: New Business

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

Adjournment

There being no further business before the committee, the meeting adjourned at 1:59 p.m.

Respectfully submitted,



Mike McKown, Chairman



Jeffrey E. Fleck, Executive Director