

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
ACCOUNTING & INVESTMENT COMMITTEE
MEETING OF DECEMBER 16, 2015**

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 9:01 a.m. by Chairman Joseph Bunn.

Roll call was taken.

Committee Members present:

Joseph Bunn, Chairman

Diana Stout, Esquire, *representing Treasurer John Perdue*
Acting Cabinet Secretary Jason Pizatella

Angela Crank

Jeffrey Vallet, CPA

No Committee members were absent.

Others present were:

Jeffrey Fleck, CPRB Executive Director

Terasa Miller, CPRB Deputy Director

Candi Kinslow, CPRB Executive Assistant

Darden Greene, CPRB Chief Financial Officer

Andrew Wyne, Empower Retirement, Outreach Officer

Eric Sanderson, Empower Retirement

Michael Burroughs, Advised Asset Group (AAG), *via telephone*

A quorum was present.

Due notice had been posted.

Item #1: Approval of the August 26, 2015 Meeting Minutes

Acting Cabinet Secretary Pizatella made a motion to approve the August 26, 2015 minutes. The motion was seconded by Mr. Vallet. The motion carried unanimously.

Item #2: TDC Quarterly Investment Review (Michael Burroughs, AAG)

Mr. Burroughs reviewed the Teachers' Defined Contribution (TDC) Quarterly Investments through September 30, 2015 with the Committee and discussed the performance of the TDC funds. Mr. Burroughs announced that the PIMCO Total Return and Scout Mid Cap funds are on the watch list. Fidelity and New Millennium Funds are overall doing well, but are also being watched.

Chairman Bunn announced he would like to know how TIAA-CREF is doing against their peers. Mr. Burroughs announced he will check on this and bring it back to the next Committee Meeting.

Ms. Stout asked Mr. Burroughs to add the Fidelity New Millennium Fund to his list to check on as well.

Item #3: TDC Outreach & Reality Investing Update (Andrew Wyne - Empower Retirement)

Mr. Wyne reported to the Committee on the TDC Outreach Meetings and Reality Investing. Mr. Wyne announced that the goal for this year of having a total of 100 meetings has been met. He reported 1,039 were in attendance for the year's meetings. Mr. Wyne reviewed the Reality Investing Statistics with the Committee; he announced as of October 30, 2015, there were 4,589 TDC participants and \$413,435,183 in total assets.

Item #4: TDC Revenue Sharing Summary - Quarter ending September 30, 2015 (Terasa Miller- CPRB)

Deputy Director Terasa Miller reviewed with the Committee the TDC Revenue Sharing account information for the quarter ending September 30, 2015. Ms. Miller announced the TDC Revenue Sharing started with a balance of \$1,741,124.08 on July 1, 2015 and ended with a balance of \$1,556,450.62 as of September 30, 2015.

Item #5: TDC Weighted Average Returns - Quarter ending September 30, 2015 (Terasa Miller- CPRB)

Deputy Director Miller reviewed the TDC Returns and Weighted Average Returns for the quarter ending on September 30, 2015 with the Committee. She announced to the Committee that PIMCO and Scout Mid Cap remain on the watch list.

Item #6: Fiscal Year 2015 TDC Administrative Expenses (Terasa Miller- CPRB)

Deputy Director Miller reviewed the TDC Administrative Expenses for FY2015 with the Committee. Ms. Miller recommended the Committee approve the transfer of

\$386,621.33 from the TDC Revenue Sharing Account to the CPRB Administrative General Fund and report it to the Full Board for their approval.

Ms. Stout made a motion the Committee approve the transfer of \$386,621.33 from the TDC Revenue Sharing Account to the CPRB Administrative General Fund and report the Committee's action to the Full Board for their approval. The motion was seconded by Mr. Vallet. The motion carried unanimously.

Item #7: TDC Revenue Sharing Cash Flow Projections (Darden Greene - CPRB)

Chief Financial Officer Darden Greene reviewed the TDC Revenue Sharing Cash Flow Projections with the Committee. Mr. Greene announced it is expected at the end of Fiscal Year 2016 the Revenue Sharing Account will be approximately \$881,450.00. During Fiscal Year 2017, the balance will not be enough to cover the expenses. It is anticipated some kind of action will need to occur within the next 18 months. There was discussion on when the TDC Administrative fees should be raised in order to cover expenses.

Item #8: Other Business

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

Acting Cabinet Secretary Pizatella made a motion to adjourn the A&I Committee Meeting. Mr. Vallet seconded the motion. The motion carried unanimously.

Chairman Bunn adjourned the December 16, 2015 A&I Committee Meeting at 9:47 a.m.

Respectfully submitted,


Joseph Bunn, Chairman


Jeffrey E. Fleck, Executive Director