

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
INVESTMENT COMMITTEE
MEETING OF DECEMBER 7, 2021**

A meeting of the West Virginia Consolidated Public Retirement Board's Investment Committee was held on Tuesday, December 7, 2021. Due notice had been posted.

Call to Order.

The meeting was called to order at 2:31 p.m. by Jeffrey Vallet, Chair.

Item #1: Roll call

Committee Members present:

Jeffrey Vallet, Chair *(In person)*
Cabinet Secretary Mark D. Scott *(In person)*
Mike McKown *(In person)*

Committee Members absent:

Rhonda Bolyard

A quorum was present.

Others participating in present were:

Jeffrey E. Fleck, CPRB Executive Director
Terasa Miller, CPRB Deputy Director
Nancy Butcher, CPRB Executive Assistant
Craig Slaughter, WVIMB, Executive Director

Others participating via conference call:

Paula Van Horn, CPRB TDC Manager
Chris Meadows, Empower Retirement
Don Jurgens, Empower Retirement
Bill Thornton, Empower Retirement
Mary Beth Daubenspeck, Empower Retirement
Makayla Palmer, Empower Retirement

Item #2: Approval of Minutes

Mr. McKown made a motion to approve the minutes of the August 31, 2021 meeting of the Investment Committee. Mr. Scott seconded the motion. The motion was adopted.

Item #3: WVIMB Defined Benefit Investment Performance – 10-31/21

The Chair recognized Craig Slaughter, Executive Director of the West Virginia Investment Management Board (WVIMB), to review the WVIMB Defined Benefit Investment Performance for the period ending October 31, 2021. Mr. Slaughter reported that investment returns were 2.7% for October 2021, 2.1% for fiscal year to date and 8.4% for the 20-year average. He went on to say that economic growth has been strong and growth is expected to continue at a slower rate. He added that disruptions to the supply chain will clear over the next year. He said that the trend of more jobs than workers will continue and some of that is because more eligible workers are making the decision to retire. He also said that salary increases may play into the decisions of eligible workers to not retire. He said that the market expects passage of the “Build Back Better” Act in some form and that the market likes federal spending. He then answered questions from the committee members.

Item #4: TDC Annual Investment Policy Review

Mr. Vallet recognized Bill Thornton to review the TDC Investment Policy Statement. Mr. Thornton stated that changes to the statement consisted of changes in names of funds in the list of current investment options under the Benchmark category. He reviewed each name change. He also stated that the changes to the Policy would have to be adopted by the Board of Trustees.

Mr. McKown made a motion that the committee approve the changes to the TDC Investment Policy Statement and recommended that the committee recommend to the Board of Trustees approval of the amended TDC Investment Policy Statement. Mr. Scott seconded the motion. The motion was adopted.

Item #5: TDC Quarterly Investment Review & Performance – 9/30/21

Mr. Vallet recognized William Thornton, Investment Director Government Markets for Great-West Investments, who gave a review of the Teachers’ Defined Contribution (TDC) Plan Investments for the period ending September 30, 2021. Mr. Thornton gave a summary of the market and reported that large growth funds were positive but most everything else was down. He provided information on the Morningstar ratings, the Great West and Midcap funds. He then answered questions from the committee members.

Item #6: TDC Quarterly Plan Review – 9/30/21

Mr. Vallet recognized Don Jurgens, Managing Director for Empower Retirement, to give the TDC Quarterly Plan Review. Mr. Jurgens said that the total assets of the plan were \$694,604,125 with \$688,757,078 participant assets. He also said that there are 3,876 participants with a balance, 2,548 active participants and 1,328 participants separated from service with a balance. He added that the year-to-date disbursements totaled \$37,899,520. He went on to say that the average account balance in 2018 was \$115,474 and as of September 30, 2021, it is \$177,698.

He discussed the equity exposure, rates of return and asset allocations as well as net interfund transfer activity and plan insights. He then answered questions from the committee members.

TDC Outreach Update

Mr. Vallet recognized Chris Meadows, Retirement Plan Advisor for Empower Retirement. Mr. Meadows gave the Educational Meetings report. He reported that during the third quarter of 2021, he conducted 704 educational sessions and 327 distribution counselling sessions. He also informed the committee that his Net Promoter Score was 87 and explained that this score is determined by a survey that participants take at the end of their counselling sessions. He stated that the company average is 85% and the national average is 82%. He added that he tries to focus on investment education and distribution. He then answered questions from the committee members.

Item #7: TDC Weighted Average Returns – 9/30/21

Mr. Vallet recognized Paula Van Horn, CPRB TDC Manager, who gave the TDC Weighted Average Returns report for the quarter ending September 30, 2021. Ms. Van Horn reported that the Market Value of the Fund was \$694,710,580, that there were 3,935 plan participants and the Weighted Average Return was 23.08 percent. She went on to say that the participant count change since the prior quarter was -23 participants and for the prior year it was -117 participants.

Item #8 Old or Unfinished Business

Mr. Vallet inquired as to old or unfinished business. None was heard.

Item #9: New Business

Mr. Vallet inquired as to any new business. None was heard.

Adjournment

There being no further business to come before the committee, the meeting adjourned at 3:13 p.m.

Respectfully submitted,



Jeffrey Vallet, Chair



Jeffrey Fleek, Executive Director