

| WEST VIRGINIA |

BOARD OF TREASURY INVESTMENTS

Board of Treasury Quarterly Meeting Minutes Thursday, January 27, 2022

The quarterly meeting of the West Virginia Board of Treasury Investments was held on Thursday, January 27, 2022, in the Treasurer's Conference Room, 315 70th Street, SE, Charleston, West Virginia. Keith Peck recorded the minutes.

ATTENDEES

Board Members Present:

Riley Moore, Committee Chair	Lisa Hopkins
Dave Hardy, via telephone	Mark Mangano, via telephone

BTI/ STO Staff Present:

Denise Baker	Jared Hunt
Connie Byrne, via telephone	Lindsay Marchio
Sarah Canterbury	Keith Peck
Shana Clay	Karl Shanholtzer
Kara Hughes	

Others Present:

Anoop Bhasin, Department of Revenue, via telephone
Jeff Boucek, Segal Marco Advisors, via telephone
Heather Froelich, Federated Hermes, via telephone
Amy Michaliszyn, Federated Hermes
Alan Peak, Segal Marco Advisors, via telephone
Keith Reynolds, Segal Marco Advisors, via telephone
Paige Wilhelm, Federated Hermes, via telephone

AGENDA

- I. Call to Order
- II. Roll Call – Declare Quorum
- III. Approval of Minutes of the October 28, 2021 Board Meeting
- IV. Executive Director's Report
- V. Reports
 - a. Audit Committee
 - i. Report
 - b. Investment Committee
 - i. Report

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c. Personnel and Governance Committee

i. Report

- VI. Old Business
- VII. New Business
- VIII. Next Board Meeting - (Tentatively Thursday, April 28, 2022)
- IX. Adjourn

MINUTES

I. Call to Order

Riley Moore, Committee Chair, called the meeting to order at 11:28 a.m.

II. Roll Call – Declare Quorum

A silent roll call was taken and a quorum declared.

III. Approval of Minutes of the October 28, 2021 Board Meeting– Tab 1

Lisa Hopkins moved to approve the October 28, 2021, minutes as printed. Mark Mangano seconded. Motion carried unanimously.

IV. Executive Director’s Report – Kara – Tab 2

Kara Hughes summarized the Executive Director’s Report, a copy of which is attached and made a part hereof. Kara summarized the BTI achievements for the 2021 calendar year. These achievements included the passage of the BTI legislation that helped modernize investments and the Consolidated Fund exceeding \$8B in assets for the first time in State history. The BTI continues to work closely with S&P providing them with the surveillance reports, as well as a professional board, staff, and investment managers required to re-affirm the AAAM rating. This rating has been achieved since 2006. Since the accounting close-out of the Non-Recourse Loan Program in 2021, the BTI received some positive news regarding a stock certificate that has been held by the EDA (payable to the Non-Recourse Program). The BTI is expected to receive over \$200k for Cernostics stock due to the merger of Cernostics, Inc. with Castle Biosciences, Inc. Upon receipt, these funds will be posted as income to the General Revenue Fund that previously took a \$24.5M loss from the Non-Recourse Loan Program over the life of the program.

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For 2022, the BTI has been conducting goal setting sessions on an individual and entity-wide basis. The goals that the BTI has set for 2022 are built within the BTI's strategic plan and include the following:

- Create an RFP for Participant Directed Investment accounts (e.g., stimulus funds)
- Create a new BTI website providing improved functionality for Board members
- Create Fund Prospectus' for the WVMM, WVGMM, and STB Pools
- Conduct due diligence reviews on all Investment managers, custodians, and consultants
- Monitor the STB Pool due to expected volatility this year; adjust Investment Policy if necessary
- Create new marketing materials to reflect new board members, third-parties, and staff
- Increase Outreach to local governments and state agencies as rates begin to rise
- Increase education to staff through Bloomberg certification and Certified Internal Auditor certification.

Lisa Hopkins recommended the Board approve the Executive Director's Report. Dave Hardy seconded. Motion carried unanimously.

V. Reports

The chair moved to the next order of business regarding Committee Reports.

a. Audit Committee

Lisa Hopkins, Committee Chair, presented the Audit Committee Report. The Audit Committee met on Thursday, January 27, 2022. Actions taken were to:

- 1) Approve the Minutes of the October 28, 2021 Meeting
- 2) Approve the December 31, 2021 Operating Report
- 3) Recommend the Board accept the Budget to Actual Report for the quarter ended December 31, 2021
- 4) Recommend the Board approve the winner of the Audit RFQ
- 5) Recommend the Board ratify the Purchasing Card Activity for the quarter ended December 31, 2021
- 6) Recommend the Board approve the Internal Audit Report

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Lisa Hopkins moved that the Board accept the Audit Committee Report. Mark Mangano seconded. Motion carried unanimously.

b. Investment Committee

Dave Hardy, Committee Chair, presented the Investment Committee Report. The Investment Committee met on Thursday, January 27, 2022. Actions taken were to:

- 1) Approve the Minutes of the October 28, 2021 Board Meeting
- 2) Recommend the Board accept the Loan Pool Report for the quarter ended December 31, 2021
- 3) Review the Contracts Report for informational purposes
- 4) Recommend the Board approve the Federated Hermes Performance Report
- 5) Recommend the Board accept the Investment Consultant Report for the quarter ended December 31, 2021

Mark Mangano moved that the Board approve the Investment Committee Report. Lisa Hopkins seconded. Motion carried unanimously.

c. Personnel and Governance Committee

Riley Moore, Committee Chair, presented the Personnel & Governance Committee Report. The Personnel and Governance Committee met on Thursday, January 27, 2021. Actions taken were to:

- 1) Approve the Minutes of the October 28, 2021 Board Meeting

VI. Old Business

There was no old business.

VII. New Business

There was no new business.

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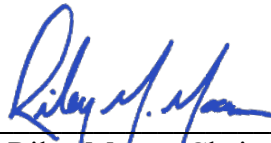
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VIII. Next Board Meeting - (Tentatively Thursday, April 28, 2022)

IX. Adjourn

There being no further business to bring before the Committee, Lisa Hopkins moved to adjourn. Dave Hardy seconded. Meeting adjourned at 11:36 a.m.

Approved by: _____


Riley Moore, Chair

Minutes approved: _____

May 3, 2022

(Date)