



FEDERAL RETIREMENT THRIFT INVESTMENT BOARD
77 K Street NE Washington, DC 20002

MINUTES OF THE MEETING OF THE BOARD MEMBERS

August 9, 2013

Michael D. Kennedy, Chairman of the Federal Retirement Thrift Investment Board (Agency), convened a telephonic meeting of the Board members on August 9, 2013, at 10:00 a.m., Eastern Time. Parts of the meeting were open to the public at the Board's offices at 77 K Street, N.E. and parts were closed to the public. In attendance were Dana K. Bilyeu of Nevada, member (by telephone); Ronald D. McCray of Texas, member (by telephone); David A. Jones of Connecticut, member (by telephone); William Jasien of Virginia, member (by telephone); Gregory T. Long, Executive Director; James B. Petrick, Secretary and General Counsel; Susan C. Crowder, Chief Financial Officer; Tracey A. Ray, Chief Investment Officer; Kimberly A. Weaver, Director, External Affairs; Mark E. Walther, Chief Technology Officer; Sophie T. Dmuchowski, Acting Director, Office of Communications and Education (by telephone); Gisele Goethe, Acting Director, Office of Resource Management; Toni Bush-Neal, Executive Advisor to the Executive Director (by telephone).

1. Approval of the minutes of the July 22, 2013 Board member meeting.

Chairman Kennedy entertained a motion for approval of the minutes of the July 22, 2013 Board member meeting. The following motion was made, seconded, and adopted without objection:

MOTION: That the minutes of the Board member meeting that was held on July 22, 2013 be approved.

2. Thrift Savings Plan activity report by the Executive Director.

a. Monthly Participant Activity Report

Ms. Wilder reviewed the report on TSP statistics. See "Thrift Savings Fund Statistics" (attached). Ms. Wilder noted that in July, the Plan experienced high loan and withdrawal activity. Ms. Wilder also noted that currently, the average FERS participant account balance is \$100,000, and that participants have allocated over \$500 million to Roth accounts.

b. Monthly Investment Performance Report

Ms. Ray reviewed the fund performance memorandum, entitled "July 2013 Performance Review – G, F, C, S, I, and L Funds" (attached). Ms. Ray explained there is some tracking error in the F fund year-to-date due to a change in pricing source from January, and in the I Fund due to a fair valuation that occurred at the end of the year.

Ms. Ray reviewed the returns for the month of July, and noted that all the equity funds were up more than 5 percent, and the S Fund was up almost 7 percent. For August, the S Fund is up .6 percent, and the C Fund is up .8 percent.

c. Legislative Report

Ms. Weaver reported that a Senate bill was recently introduced that would allow the Postal Service to negotiate with its four unions to replace the FERS defined benefit and make changes to the employer contributions to TSP. This could lead to increased costs for participants if the FRTIB had to make changes for a fragmented population of participants. Ms. Weaver explained that she would be reaching out to Senate staff to share the Agency's concerns with the legislation.

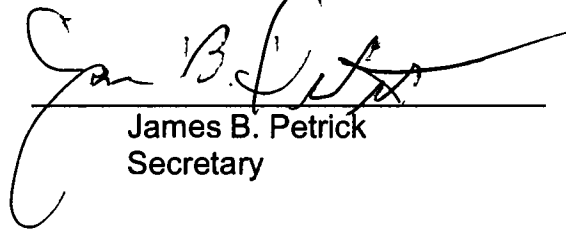
3. Closed Session.

On a vote taken by the Chairman, the members closed the meeting at 10:20 a.m. for executive session.

At 10:45 a.m., upon completion of the executive session, the members reconvened the open portion of the meeting.

Whereupon, there being no further business, the following motion was made, seconded, and adopted without objection and Chairman Kennedy adjourned the meeting at 10:45 a.m.

MOTION: That this meeting be adjourned.



James B. Petrick
Secretary

Attachments

1. Thrift Savings Fund Statistics
2. July 2013 Performance Review – G, F, C, S, I, and L Funds