

MINUTES OF THE MEETING OF THE BOARD MEMBERS

February 25, 2025

Dana K. Bilyeu, Acting Chair of the Federal Retirement Thrift Investment Board, convened a meeting of the Board members on February 25, 2025, at 10:00 a.m., Eastern Standard Time. The meeting was held virtually and was open to the public via teleconference. In attendance were Leona M. Bridges of California, member; and Stacie Olivares of California, member; Ravindra Deo, Executive Director; Dharmesh Vashee, General Counsel and Secretary; Suzanne Tosini, Chief Operating Officer and Deputy Executive Director; Gisile Goethe, Director, Office of Resource Management; James Courtney, Director, Office of Participant Experience; Sean McCaffrey, Chief Investment Officer; Vijay Desai, Chief Information Officer; Thomas Brandt, Chief Risk Officer; Trevor Williams, Chief Financial Officer; and James Kaplan, Director, Office of External Affairs.

Welcome and Introductions.

Acting Chair Bilyeu called to order the monthly meeting of the Federal Retirement Thrift Investment Board (FRTIB or Agency) at 10:00 a.m. and welcomed everyone in attendance to the meeting.

1. Approval of the Minutes of the January 28, 2025, Board Meeting.

Acting Chair Bilyeu entertained a motion for approval of the minutes of the January 28, 2025, Board meeting. The following motion was made, seconded, and adopted without objection:

MOTION: That the minutes of the Board meeting held on January 28, 2025, be approved.

Mr. Deo then gave opening remarks and provided a summary of the agenda.

2. Monthly Reports.

a. Participant Activity Report

Mr. Courtney reviewed the monthly Participant Activity Report. See "Participant Activity Report February 2025" (attached). He reported that the Agency issued more than 1.3 million 1099-Rs to participants over the past month. In addition, more than 300,000 participants received notices informing them of their required minimum distributions for 2025. Lastly, he noted that the average wait time to speak to a ThriftLine representative in January was 63 seconds, with 82 percent of callers waiting 20 seconds or less. Caller satisfaction was at 93.9 percent.

b. Investment Report

Mr. McCaffrey reviewed the monthly performance relative to benchmarks for the TSP's investment managers. See "January 2025 Investment Program Review" (attached). For the month of January, both BlackRock's and State Street's performance for the F, C, and S Funds was in line with the Funds' respective indices. BlackRock's and State Street's performance for the I Fund trailed the International Index by 28 basis points and 33 basis points respectively, both primarily due to fair value pricing.

The Federal Reserve kept its target range for short-term interest rates unchanged, based in part on the strength of the labor market and somewhat elevated inflation. Both the C and S Funds posted gains in addition to the I Fund which benefited from a somewhat weaker U.S. dollar. The F Fund rose as many longer-term interest rates decreased. Last, all L Funds posted gains.

Stock returns are negative in February through the close of markets on February 24, 2025. The C Fund has a loss of 0.84 percent, the S Fund has a loss of 5.19 percent, and the I Fund has a loss of 1.70 percent. With investment grade fixed income markets trading higher, the F Fund has a gain of 1.11 percent, and the G Fund has a gain of 0.31 percent.

Mr. McCaffrey next reviewed the L Funds' participation and interfund transfer (IFT) rates. He noted that participation in the L Funds has continued to increase, driven primarily by the automatic enrollment of new participants. The L Funds added an additional 9,000 participants, primarily concentrated in the L 2070 Fund.

IFTs raised no concerns during the month of January; they were relatively low on a net dollar basis at approximately 1.5 billion dollars going into the G Fund from the other TSP Funds. On a percentage basis, approximately 2.2 percent of participants moved assets between the Funds in January.

c. Legislative Report

Mr. Kaplan stated that both the Senate and House Budget Committees are working on fiscal year 2025 Budget Year Legislation, which also enables the reconciliation process. The Senate passed its initial resolution last week and the House of Representatives is currently considering the measure, both of which are topline bills and lack specific measures. Both chambers are also continuing to engage in negotiations to resolve fiscal year 2024 appropriations, with most federal funding remaining under a Continuing Resolution that expires on March 14, 2025. Passage of either the 2024 or 2025 bills could result in an increase in the debt ceiling, which would end the need for the Department of Treasury's continued use of extraordinary measures.

3. Quarterly Metrics Report.

Mr. Brandt provided an overview of the Agency's performance metrics for the first quarter of fiscal year (FY) 2025. See "FY25 Q1 Metrics Report" (attached). He reported that the Agency is on target for metrics in all areas except for one, Employee Satisfaction, which declined slightly from last year but remains above threshold and above the average result for other small agencies and the governmentwide average.

In response to a question from Acting Chair Bilyeu, Mr. Brandt stated that the Agency has been considering additional communications strategies for separating participants -- informing them they do not need to separate from the TSP along with separating from their agency or service. This is in response to survey data suggesting some participants believed they needed to separate from the TSP upon leaving government service.

4. Adjourn.

Whereupon, there being no further business, the following motion was made, seconded, and adopted without objection and Acting Chair Bilyeu adjourned the meeting at 10:11 a.m.

MOTION: That this meeting be adjourned.

Dharmesh Vashee
General Counsel and Secretary

Attachments

1. [Participant Activity Report February 2025](#)
2. [January 2025 Investment Program Review](#)
3. [FY25 Q1 Metrics Report](#)