

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
BOARD OF TRUSTEES MEETING
MEETING OF MARCH 13, 2024**

A meeting of the West Virginia Consolidated Public Retirement Board (“CPRB”), Board of Trustees, was held on Wednesday, March 13, 2024, at 601 57th Street SE, Charleston, West Virginia, 25302. Due notice had been posted.

Call to Order

The meeting was called to order at 10:00 a.m. by Joseph Bunn, Chairman.

Roll Call:

Trustees participating:

Joseph G. Bunn, Chairman
Mike McKown, Vice Chairman
Garner Marks, *representing Governor James C. Justice, II*
Michelle Storage, Esquire, *representing State Treasurer Riley Moore*
Mark D. Scott, Cabinet Secretary, Department of Administration
Jeffrey Waybright, *representing State Auditor John B. McCuskey*
Bill Barker
Daniel Cart
D. Todd Murray
Brad Mankins

Trustees absent:

Rhonda Bolyard
Woodrow Brogan
Larry Cole
Michael Corsaro
Beth Morgan
Dominique Ranieri
Jeffrey Vallet

A quorum was present.

Others present:

Jeffrey E. Fleck, CPRB Executive Director
Terasa Miller, CPRB Deputy Director

Kimberly Pauley, CPRB Executive Assistant
Alysia Miller, CPRB Paralegal
Patricia Bowgren, CPRB IT Staff
Jeaneen Legato, Esquire, CPRB General Counsel
Elizabeth Cooper, CPRB Chief Financial Officer
Christine Fernandez, CPRB IT Manager
Tina Baker, CPRB Internal Auditor
Ronda Harvey, Esquire, Bowles Rice
Craig Slaughter, Executive Director WVIMB
Chris Meadows, Empower
Tracy Batman, CPRB
Lindsey Atkins, CPRB Outreach Officer

TAB 1
APPROVAL OF THE JANUARY 17, 2024 MINUTES

Chairman Bunn stated that he would entertain a motion to approve the minutes of the January 17, 2024, meeting of the CPRB Board of Trustees.

Todd Murray made a motion that the Board approve the minutes of the January 17, 2024, meeting minutes. Bill Barker seconded the motion. The motion was adopted.

The minutes were located behind Tab #1 of the Board materials.

Chairman Bunn reported that Director Fleck has brought to his attention a practical issue involving Ms. Vanhorn and her splitting her TDC updates between the Accounting & Audit Committee and the Investment Committee. Mr. Bunn informed the Board that he would like to change the scope and take all TDC quarterly updates and add them to the Investment Committee. He informed the Board that the Committee will now be called Investment & TDC Committee.

TAB 2
REPORT OF THE EXECUTIVE DIRECTOR

Chairman Bunn recognized Jeffrey Fleck, Executive Director, to give his report to the Board which included the following information:

1. **Recognition of Employees** – Director Fleck began by announcing that in this Month's edition of Quotes, Notes, & Anecdotes the Department of Administration's March employee of the month was Tracy Batman from the CPRB accounting department. He congratulated her on being selected. He informed the Board that Ms. Batman was very deserving of this award, and he stated that she does a great job and always offers to help in other areas when finished with her own work Mr. Fleck thanked her for going above and beyond for her efforts.
2. **CPRB Operational Metrics** – Director Fleck reviewed the metric charts located behind Tab 2 of the Board materials. He announced that since last year, there has been

improvement in the average processing time of retirements. He stated that the annual average number of days to first check has been reduced from 35 days to 29 days in PERS and in TRS it is 47 days and stated that there are 33 retirements being processed. Director Fleck thanked the CPRB staff for their efforts in getting these retirements processed so efficiently.

3. ***TDC Statistics*** – Director Fleck stated that the TDC Plan, which has been closed to new enrollees, has 3,566 participants and the total plan assets were \$712,198,983, as of February 29, 2024.
4. ***Delinquent Employers*** – Director Fleck reported that Green Acres Regional Center continues to make payments according to the settlement agreement bringing their delinquent balance down to \$76,163.95 from the original amount of over \$600,000. Mr. Fleck reported that the Town of Grant, The City of Williamson Board of Parks, and the Mingo County PSD are all a month behind. He also updated the Board on The City of Mullens and stated that they are still behind, and that the payroll clerk has informed CPRB that the city does not currently have funds to submit the contributions. Director Fleck informed the Board that staff has been in contact with all four Agencies by email and phone calls to support and encourage timely payroll submission. After discussion, Chairman Bunn inquired as to whether a letter has been sent to the City of Mullens from legal counsel regarding the severity of not having funds to submit payroll and recommended that Director Fleck have CPRB to mail the letter this week and wait for a response before taking further action.
5. ***Contract Renewal*** – Director Fleck reviewed the contract for Hearing Examiner Anne Charnock to be renewed at the rate of \$140.00 an hour. Mr. Fleck requested that he needs Board approval. Chairman Bunn stated he would entertain a motion to approve the contract.

Todd Murray made a motion to renew and approve the contract for Hearing examiner to be renewed. The motion was seconded by Bill Barker. The motion was adopted.

6. Director Fleck reviewed the Bowles Rice proposed addendum to legal services contract to remove Julie Chincheck due to her retirement and add two other attorneys Thomas Francke at the rate of \$171.00 hourly rate and Jessica Terantine at the rate of \$225.00 hourly rate. Chairman Bunn stated he would entertain a motion to approve the contract for both attorneys to be added to the contract.

Bill Barker made a motion to renew and approve the addendum to the contract for Bowles Rice. The motion was seconded by Jeff Waybright. The motion was adopted.

7. ***Actuarial Student Policy Update-*** Director Fleck informed the Board that CPRB has been using Actuarial Student program for many years, which is consistent with customary practices followed by other States charged with overseeing pension funds. Director Fleck stated that Mr. Woodson, Board Actuary, researched how other States have changed similar

programs due to demographic changes throughout the country. In doing so, Mr. Woodson concluded how competing States have modified their respective programs over the years and developed proposed modifications to our own program to ensure competitiveness by the Board and to are doing and updated the programs procedures and policies for the Board to review. Mr. Fleck stated that we would need Board approval. Director Fleck reviewed the updated version with the new changes. He mentioned that these tests are very hard and praised David Arreaga, CPRB Actuarial Analyst for passing three tests already.

Chairman Bunn stated he would entertain a motion to approve the updated version.

Bill Barker made a motion to renew and approve the updated Actuarial Student Policy. The motion was seconded by Jeff Waybright. The motion was adopted.

The Actuarial Student Policy Update is located behind tab #2 of the Board materials.

8. ***CPRB Goals for 2023-*** Director Fleck stated that each year he prepares a list of goals he would like to attain. He reviewed all the goals for 2024. Mr. Fleck started by reviewing a few of the goals and mentioned SB 439 to successfully implement the provisions allowing 911 personnel transfer from PERS to EMSRS. He also informed the Board that CPRB will provide three payroll clerk seminars, one each for State PERS employees, non -state PERS employees and TRS employees. Mr. Fleck went on to mention another important goal is to transition disability exams to a record review process which will result in quicker scheduling and turnaround of exams and improve consistency. Mr. Fleck thanked his staff at CPRB and stated that his staff is one of the best teams in state government. Chairman Bunn agreed and thanked Director Fleck and all members of the staff at CPRB.
9. ***Monthly Financials*** – Director Fleck stated that financial reports for the months of November and December are in his report. He reported that the period ending December 31, 2023, shows that the agency is operating below budget at 81% of budget for the month and 84% of budget for the year.
10. ***Legislative Update*** – Director Fleck informed the Board that the legislative session ended on March 11, 2024. He was pleased to announce that all five CPRB bills passed and reviewed all the legislature that passed. Mr. Fleck thanked the Board Actuary, Ken Woodson Jr., for his efforts during this hectic time and praised Deputy Director Miller for putting in so many long hours and thanked her for her efforts.

11. Outreach update-

Director Fleck informed the Board of several upcoming seminars.

March 21, 2024

A virtual presentation for the Weirton Fire Department will be held to present information and take questions regarding the Municipal Police and Firefighter Retirement System (MPFRS).

March 22, 2024

A virtual presentation for the WV Library Association Conference will be held to present information and take questions regarding the Public Employees Retirement System (PERS).

April 9, 2024

The WVCPRB will travel to Camp Dawson in Preston County to present a Public Employees Retirement System (PERS) seminar for the Trades Specialist Conference. This event is typically well-attended.

Spring or Summer of 2024

CPRB is actively in the process of organizing Payroll Clerk Seminars. Dates, times, locations, and other important information will be forthcoming.

Mr. Fleck thanked Lindsey Adkins Outreach Officer, for her efforts in coordinating the foregoing events. Director Fleck mentioned these seminars are a great way to get the correct information out to potential retirees. Secretary Scott added that in the second week of February 2025 there will be a Department of Administration Day at the Capitol during Legislative session. He went on to say that this will allow legislators the opportunity to ask questions about specific issues that need answered. Mr. Scott explained to the Board that this will help paint a picture of the Department of Administration and how all the agencies work together. Director Fleck said he looked forward to this event during the 2025 Legislative session.

12. **Signage update-** Director Fleck announced that General services reached out to him and informed him that the CPRB signage is in the design phase and will be incorporated into a Department of Administration sign with all three agencies listed and the logos from each agency will be on the sign.

The Executive Directors report is located behind tab #2 of the Board materials.

TAB 3 PLANS INVESTMENT DATA

WVIMB Report—Craig Slaughter, Executive Director

Chairman Bunn recognized Craig Slaughter, Executive Director of the WV Investment Management Board, to give an update on the Plans Investment Data.

Mr. Slaughter started by reviewing the returns through January 30, 2024, saying that they came in flat and that gives us 4.8% return for the month for the fiscal year to date. He mentioned January was not a good month for them, but February will be much better. Mr. Slaughter noted that stocks were up 5.4% and internationally up 2.5%. with fixed income being down 1.4% through February. He added that there are two things that people are still thinking about, and they are (AI) artificial intelligence and inflation. He mentioned that inflation still seems sticky and despite the

fact the economy is still doing well. He stated that so far, the labor supply has been able to keep up. Mr. Slaughter asked if there were any questions from the Board. There was a brief discussion among the Board members.

Empower Report—Chris Meadows, Empower Retirement

Chairman Bunn recognized Chris Meadows of Empower Retirement who gave an update on the TDC Plan.

Mr. Meadows updated the Board on the TDC outreach updates. He reported that he had conducted 226 educational counseling sessions and 55 distribution counseling sessions since the beginning of the year for a total of 281 sessions year to date.

Mr. Meadows informed the Board that the email and survey that ran from January 1, 2024 through February 29, 2024 had been sent to TDC participants and contains a QR code to scan and takes them directly to the survey and provides participants the opportunity to give feedback about their experience with the plan, including information on the quality of service, plan website, communication and much more.

Mr. Meadows updated the Board on the TDC investment performance. He began by saying that from a market perspective 2024 is off to a good start with the economic overview as of January 31, 2024, with the S&P 500 being up 8%. Mr. Meadows stated that midcap stock was up at 5.5% for the quarter and small cap was at 2%. Mr. Meadows noted that inflation data has shown a decline and he mentioned that positive corporate earnings have played a big part in the advance with about 75% reporting higher than expected earnings. He reviewed the plans investment line up saying they continue to perform well with most funds outperforming their peers.

Mr. Meadows then asked if there were any questions. There were none.

The Plans Investment Data, TDC Educational Meeting reports, TDC Outreach materials and the TDC Investment Report were located behind Tab #3 of the Board materials.

TAB 4 LEGAL COUNSEL REPORTS

Report of In-House Legal Counsel – Jeaneen Legato

Chairman Bunn recognized Jeaneen Legato, In-house Legal Counsel, to give her report to the Board.

Ms. Legato reported on the Gregory Reed administrative appeal, and she informed the Board that there was a clerical error in the final order that went out after the January 17, 2024, Board meeting and an amended final order has been sent out and the time to file the appeal has been extended. Ms. Legato had no new developments in our Circuit Court and Intermediate Court cases.

Ms. Legato informed the Board that Jessica Efaw is the only Potential less than Honorable Service. Ms. Legato stated that Ms. Efaw is a TRS member and former secretary at West Taylor

Elementary School and she pleaded guilty to three felony offenses - embezzlement, fraudulent schemes, and falsifying accounts in Taylor County Circuit Courton August 23, 2024. Her felonious conduct involved her stealing approximately \$13,000.00 from the school by misusing a school credit card to make personal purchases at Target, Walmart, numerous gas stations and a salon.

Ms. Legato informed the Board that on January 12, 2024, Judge Hoxie sentenced Jessica Efaw to 1-10 years in prison for each felony count to run consecutively; however, upon completion of the first sentence, the remaining two sentences shall be suspended, and she is to be placed on supervised probation for 5 years. Judge Hoxie also ordered her to pay \$2,500.00 restitution to the Taylor County Board of Education and pay \$300.00 to BRIM.

Ms. Legato recommended that the TRS membership and retirement annuity of Jessica Efaw be terminated for rendering less than honorable service.

Chairman Bunn stated that he would entertain a motion to approve the recommendation of in-house legal counsel, Jeaneen Legato regarding less than honorable service.

Mr. Waybright made a motion that the Board approve the recommendation to terminate the TRS membership and retirement annuity of Jessica Efaw or rendering less than honorable service. Mr. Mankins seconded the motion. The motion was adopted.

Report from Outside Legal Counsel – Ronda Harvey

Chairman Bunn recognized Ronda Harvey, Outside Legal Counsel, to give her report to the Board.

Ms. Harvey reported on the ongoing pending case *Clark/Division of Natural Resources (DNR)*. Ms. Harvey reviewed the error correction statute for the Board. Ms. Harvey mentioned that the opposing counsel, Lonnie Simmons, has filed for attorneys' fees and he is moving forward with the motion for certified questions. Ms. Harvey stated that the case is all briefed and waiting on a decision from Judge Bailey. Ms. Harvey reported that Deputy Director Miller attended the hearing with her on February 28, 2024 and Judge Bailey did not make a ruling at the hearing.

The reports of the In-House and Outside Legal Counsel were located behind Tab #5 of the Board materials.

TAB 6 COMMITTEE REPORTS

Disability Review Committee – Todd Murray

Chairman Bunn recognized Mr. Murray to give the report of the Disability Review Committee. Mr. Murray reported that the Committee had met on Tuesday, March 12, 2024, and approved the staff's recommendations of disability retirement applications and made the following recommendations to the Board for their approval:

System	Approved Total Non-Duty	Denied Total Non-Duty	Denied Total Duty	Total
DSRS	1	0	0	1
PERS	1	1	3	5
TRS	7	0	0	7
Total	9	1	3	13

Chairman Bunn stated that he would entertain a motion to accept the recommendation of the Disability Review Committee.

Mr. Barker made a motion that the Board accept and approve the Disability Review Committee’s recommendation concerning the disability retirement applications. The motion was seconded by Mr. Waybright. The motion was adopted.

Investment Committee- Mike McKown

Chairman Bunn recognized Mr. McKown to give the report of the Investment Committee.

Mr. McKown reported that the Committee met on Tuesday, March 12, 2024. The committee listened to the quarterly updates and presentations. He informed Chairman Bunn that nothing needed Board approval at this time.

**TAB 7
OLD BUSINESS**

Chairman Bunn inquired as to any old business to come before the Board. None was heard.

**TAB 8
NEW BUSINESS**

Chairman Bunn inquired as to any new business to come before the Board. Director Fleck informed the Board members that the May Board meeting is on May 15, 2024, and reminded everyone that Election Day is Tuesday, May 14th and all committee meetings will be on Monday May 13, 2024.

ADJOURNMENT

Chairman Bunn stated there being no further business to come before the Board, the meeting was adjourned at 10:58 a.m.



Joseph G. Bunn, Chairman
WV Consolidated Public Retirement Board



Jeffrey E. Fleck, Executive Director
WV Consolidated Public Retirement Board