

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
BOARD OF TRUSTEES MEETING
MEETING OF MAY 17, 2023**

A meeting of the West Virginia Consolidated Public Retirement Board (“CPRB”), Board of Trustees, was held on Wednesday, May 17, 2023 in the Coopers Rock Conference Room at 601 57th Street, Charleston, West Virginia, 25304. *Due notice had been posted.*

Call to Order

The meeting was called to order at 10:08 a.m. by Joseph Bunn, Chair.

Roll Call:

Trustees participating:

Joseph G. Bunn, Chair

Mike McKown, Vice Chair

Garner Marks, *representing Governor James C. Justice, II (joined at 11:10 am)*

Michelle Storage, Esquire, *representing State Treasurer Riley Moore*

Robert Paulson, Cabinet Secretary, *Department of Administration*

Bill Barker

Daniel Cart

Larry Cole

Michael Corsaro

Brad Mankins

Beth Morgan

D. Todd Murray

Dominique Ranieri

Jeffrey Vallet

Trustees absent:

Jeff Waybright, *representing State Auditor John B. McCuskey*

Rhonda Bolyard

Woodrow Brogan

A quorum was present.

Others present:

Jeffrey E. Fleck, CPRB Executive Director

Terasa Miller, CPRB Deputy Director

Kim Pauley, CPRB Executive Assistant

Jeanee Legato, CPRB General Counsel

Ken Woodson, CPRB Actuary

Cindy Adkins, CPRB Office Manager

Patricia Bowgren, CPRB IT Staff

Elizabeth Cooper, CPRB Chief Financial Officer

Tina Baker, CPRB Internal Auditor

John Beane, CPRB IT Manager

Tim Abraham, CPRB Compliance Officer

Alysia Miller, CPRB Paralegal

Lindsey Atkins, CPRB Outreach Officer

Lisa Trump, CPRB Retirement Payroll Manager

Tammy White, CPRB Retirement Assistant Manager

Lionel Adams, CPRB IT staff

Stefanie Youngblood, CPRB Membership Assistant Manager

Chris Boggess, CPRB Retiree Payroll

Ronda Harvey, Esquire, Bowles Rice

Tom Sauvageot, WVIMB

Chris Meadows, Empower

Tab 1: Approval of the March 15, 2023 Minutes

Chairman Bunn stated that he would entertain a motion to approve the minutes of the March 15, 2023 meeting of the CPRB Board of Trustees.

Mr. Vallet made a motion that the Board approve the minutes of the March 15, 2023 meeting of the Board. The motion was seconded by Mr. Barker. The motion was adopted.

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

Tab 2: Report of the Executive Director

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

- *Staff Recognition* – Mr. Fleck recognized staff with 20 or more years of service. The members of staff recognized were Lori Cottrill, Accounting Manager with 30 years of service, Lionel Adams, IT Department with 20 years of service, Stephanie Youngblood Assistant Manager of Membership with 20 years of service and Elizabeth Cooper, Chief Financial Officer with 20 years of service. He also congratulated Chris Boggess on being selected as Department of Administrations employee of the month for June.

- *Contract Renewals-*

Midwest Exams Contract Renewal – Director Fleck reviewed the contract and stated that the contract renewal with Midwest Exams was due and recommended that the Board renew the 2023 contract for 2 years.

Mr. Paulson made a motion to approve the contract renewal with Midwest Exams for 2023. Mr. Cole seconded the motion. The motion was adopted.

Hearing Examiner Contract Renewal - Director Fleck stated that the contract renewal with Anne Charnock was due, with an increase from \$120.00 hourly rate to \$140.00 hourly rate and recommended that the Board renew the contract at the contract renewal rate of \$140.00 hourly rate for 2023.

Mr. Cole made a motion to approve the yearly contract renewal with Anne Charnock at \$140.00 hourly rate for 2023. Ms. Ranieri seconded the motion. The motion was adopted.

Eide Bailey 3rd year Contract Renewal – Director Fleck stated that the contract renewal with Eide Bailey was due and recommended that the Board renew the contract at the contract renewal rate of \$211,000 for 2023.

Mr. Barker made a motion to approve the 3rd year contract renewal with Eide Bailey at \$211,000 for 2023. Mr. Cole seconded the motion. The motion was adopted.

- *CPRB Metric Chart* - Mr. Fleck reviewed the Metric Chart. He said that for April the average time to receive the first retirement payment for a PERS retirement is 26 days and for a TRS retirement it is 21 days. He went on to say that July 1 is the date most teachers retire and there is always an influx of retirements.
He added that statistics for benefits estimates as well as refund applications were included in the Metric Chart.
- *TDC Statistics* – He reported that the TDC Plan had 3,701 participants, and its assets were \$628,982,076 as of March 31, 2023.
- *Delinquent Employers* – Director Fleck reported that there are three employers listed in the report, Green Acres Recreation Center, who continues to reimburse according to its agreement. City of Mullins and Logan County Public Service District both are behind for the month of March and staff have been sending emails and corresponding with them to get them caught up.
- *April Financials* – Mr. Fleck stated that the March and April financials were included in the Board materials. He added that the financial report for April showed that the agency was at 73 percent of its YTD Actual budget.
- *Record Retention update*-Director Fleck stated that 5,000 boxes have been destroyed.
- *Legislative Update* – Mr. Fleck gave a report on the status of legislation including the 911 operators.
- *Outreach Update*– Mr. Fleck reported that Lindsey Atkins has been doing several Outreach seminars. The next one will be in Morgantown on June 14th & 15th and will offer all Board members the chance to set up a seminar for their plan. If you wish to do so just contact him or Terasa Miller.
- *Trustees workshop* – Director Fleck stated that a workshop will be held in Williamsburg Va. July 16-19 he stated that all Board members are welcome to attend this.

The Report of the Executive Director was located behind Tab #2 of the Board Materials.

Report of the Chairman-Committee Assignments

Chairman Bunn welcomed two new Board members and announced that he had assigned our new members to various committees. He appointed Michael Corsaro to the Disability Review Committee, and the Executive Director Actuary Review Committee. He appointed Brad Mankins to the Accounting & Audit Committee, and the WVIMB Representatives Committee.

The Governors letter appointing the new members to the Board is attached here and made a part of the minutes. See appendix A.

Tab #3: Plans Investment Data-

Investment Management Board Report Tom Sauvageot-

Chair Bunn recognized Tom Sauvageot, of the West Virginia Investment Management Board (WVIMB). Mr. Sauvageot reviewed the Plan's Investment Returns Preliminary Report for the period ending March 31, 2023. He reported that investment returns were at 5.3 positive return year to date. He added that all markets were down but moving forward but not without challenges, He noted that bonds were up to a modest positive return. Mr. Sauvageot stated that inflation remains stubbornly high but has come down from 9% to 5%. He ended by stating that the hedge fund was a solid performer. He then answered questions from the Board members.

Empower Report – Chris Meadows

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

Chris Meadows of Empower Retirement gave an update on TDC Outreach and Reality Investing. Mr. Meadows stated that he had conducted 382 educational counseling sessions and 93 distribution counseling sessions since the beginning of the year with a total number of sessions for the year at 475.

Mr. Meadows reported that a TDC Spring 2023 Newsletter had been sent to each of the TDC participants featuring some key topics such as Investment strategies and cost of living adjustment in 2023. He also said that a TDC Quick Reference Guide had been sent out to participants as well.

Mr. Meadows also updated the Board on the TDC Investment Data. He reported that after starting the year off with a positive first quarter, equities have slowed down so far in the 2nd quarter. He added that large cap stocks have seen gains since March 31st. He ended by saying the fund line up continue to perform well. He then offered to answer questions from the Board members.

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

Executive Session

Chairman Bunn stated that there were legal and contractual matters that needed to be discussed in Executive Session and that he would entertain a motion to go into Executive Session as allowed by West Virginia Code §6-9A-4.

Mr. Cole made a motion that the Board go into Executive Session to discuss legal & contractual matters as allowed by West Virginia Code §6-9A-4. Mr. Vallet seconded the motion. The motion was adopted.

The Board went into Executive Session at 10:37 a.m.

Chairman Bunn reconvened the Public Session of the May 17, 2023 meeting of the CPRB Board of Trustees from Executive Session at 11:18 a.m. He announced the Board was in Executive Session to discuss legal and contractual matters as allowed by West Virginia Code §6-9A-4 and that no decisions were made in Executive Session.

Chairman Bunn stated there was a contractual matter that Director Fleck had mentioned earlier that requires Board action.

Director Fleck asked if there was a motion to approve the RFP contract award of Actuarial services to the apparent winning vendor.

Mr. Paulson made a motion to approve the RFP contract award for Actuarial services to the apparent winning vendor for 2023. Mr. Cole seconded the motion. The motion was adopted.

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 updated the Board on all pending legal matters. She reported on all current Administrative, Circuit Court and Supreme Court cases.

Ms. Legato stated that there are three new administrative appeals that will be ready for Board consideration at the next Board meeting on June 28, 2023. No new updates on Circuit Court cases. She stated that the potential less than honorable case that is assigned to Judge Salango is still pending so she will file a status for direction or briefing regarding the Pamela McDaniel's case.

Report from Outside Legal Counsel – Ronda Harvey

Chairman Bunn recognized Ronda Harvey, Outside Legal Counsel, to give her report to the Board. Ms. Harvey informed the Board that there is one new administrative appeal for Darlene Dingess -Adkins and will be heard at the next Board meeting. Ms. Harvey also updated the Board on other legal matters pending before the Circuit Court. The DNR case regarding subsistence allowance and she noted that she is still working with Lonnie Simmons on resolving this issue. Also, the Tackett case in which we have a proposal from his counsel to resolve the matter.

Chairman Bunn also explained that the settlement in the Tackett case raised some practical considerations on how we handle the settlement of cases up to \$50,000 and appealing cases to an appellate court due to timing associated with these types of cases.

Chairman Bunn stated that he would entertain a motion that would give his position as Chairman of the Board the authority to settle cases up to \$50,000 and to appeal cases in between Board meetings.

Mr. McKown made a motion to approve the Chairman of the Board to settle cases up to \$50,000 and appeal cases to Court. Mr. Barker seconded the motion. The motion was adopted.

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

Tab #5: Committee Reports

Accounting & Audit Committee – Mike McKown

Chairman Bunn recognized Mike McKown, to give a report from the Accounting & Audit Committee.

Mr. McKown reported that the committee had met on Tuesday, May 16, 2023. He stated that the committee heard from Tina Baker, CPRB Internal Auditor, who presented an audit on TRS Annuities, and the Committee recommended that the Board accept the Audit.

Chairman Bunn stated that he would entertain a motion to accept the TRS Annuities Internal Audit as recommended by the Accounting and Audit Committee.

Mr. McKown made a motion that the Board accept the Internal Audit of TRS Annuities. Mr. Vallet seconded the motion. The motion was accepted.

Mr. McKown went on to say that Ms. Baker, CPRB Internal Auditor, had presented an Internal Audit compliance review for 2021 and the Committee recommended that the Board accept the Internal Audit compliance report.

Chairman Bunn stated that he would entertain a motion to accept the Internal Audit compliance review recommended by the Accounting and Audit Committee.

Mr. McKown made a motion that the Board accept the Internal Audit compliance plan review. Mr. Corsaro seconded the motion. The motion was accepted.

Mr. McKown stated that Ms. Baker, Tina Baker, presented a revised Internal Audit Plan, and that he would entertain a motion to accept the Internal Audit Plan as recommended by the Accounting and Audit Committee.

Mr. McKown made a motion that the Board accept the Revised Internal Audit Plan.

Mr. Cole seconded the motion. The motion was accepted.

Chairman Bunn inquired about the plan compliance review and Ms. Baker gave the update with the help of Tim Abraham CPRB, Compliance Officer in the discussion.

Disability Review Committee – Todd Murray

Chairman Bunn recognized Todd Murray to give the report of the Disability Review Committee. Mr. Murray reported that the Committee met on Tuesday, May 16, 2023 via telephone conference call and had 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	Total
PERS	9	2	11
TDC	1	0	1
TRS	10	1	11

TOTALS	20	3	23
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Chairman Bunn stated that he would entertain a motion to accept the recommendation of the Disability Review Committee.

Mr. Corsaro 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. Cole. The motion to accept and approve the recommendation was adopted.

Chairman Bunn inquired was there a motion to terminate PERS medical recertification effective June 1, 2023.

Mr. Murray made a motion that the Board accept and approve the Disability Review Committee’s recommendation concerning the PERS disability termination. The motion was seconded by Mr. Cole. The motion to accept and approve the recommendation was adopted.

Investment Committee – Jeff Vallet

Chairman Bunn recognized Jeff Vallet, Chair of the Investment Committee. Mr. Vallet stated that the Investment Committee had met on Tuesday, May 16, 2023 and did not have anything that needed to be presented to the board.

WV Investment Management Board Representative Committee – Todd Murray

Chairman Bunn recognized Todd Murray, Chair of the WV Investment Management Board Representative Committee. Mr. Murray reported that the Committee had met on Tuesday, May 16, 2023 to review the Representative candidate applications. He said that the Committee was recommending the appointment of the following representatives: Terasa L. Miller for appointment as the PERS representative, Tony Lautar, Jr. for appointment as the TRS representative, James Matish for appointment as the JRS representative, Thomas Barrick for appointment as the Plan A representative, Brad Mankins as the Plan B representative, Paul Odell Jr. as the DSRS representative, and Justin Lutsy as the EMSRS representative.

Chairman Bunn said that he would entertain a motion to accept the recommendation of the WV IMB Representative Committee. Ms. Storage stated that Treasurer Moore would like to abstain from voting on the JRS Plan only. Chairman Bunn said it was duly noted.

Mr. Murray made a motion that the Board accept the recommendations as stated above of the WV Investment Management Board Representative Committee regarding appointments as representatives to the West Virginia Investment Management Board. Mr. Corsaro seconded the motion. The motion was adopted.

The Committee Reports and Committee Minutes were located behind Tab #6 of the Board materials.

Tab #6 Old Business

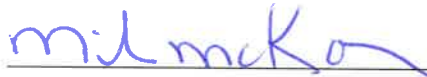
Chairman Bunn inquired as to any old business to come before the Board. None was heard.

Tab #7: New Business

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

Adjournment

With there being no more business to be heard the meeting was adjourned at 11:48 a.m.



Mike McKown, Vice Chairman

Consolidated Public Retirement Board



Jeffrey E. Fleck, Executive Director

Consolidated Public Retirement Board

TAB A



Jim Justice
Governor of West Virginia
April 7, 2023

The Honorable Mac Warner
Secretary of State
State Capitol
Charleston, West Virginia 25305

Dear Secretary Warner:

I have this day made the following appointments to the Consolidated Public Retirement Board pursuant to the provisions of W.Va. Code § 5-10D-1:

Brad L. Mankins, Daniels, Raleigh County, for the unexpired term ending June 30, 2025. He is a Republican who represents the West Virginia State Police Retirement System (Plan B) and succeeds Major Reginald Patterson. He is from the Ninth Senatorial District.

Michael G. Corsaro, Hurricane, Putnam County, for the unexpired term ending June 30, 2023. He is a Republican who represents the West Virginia State Police Death, Disability and Retirement Fund (Plan A) and succeeds David Nelson. He is from the Fourth Senatorial District.

The appropriate commissions are being issued accordingly. These appointments require the advice and consent of the Senate.

Sincerely,



Jim Justice
Governor

JC]: mrp

cc: President of the Senate
Speaker of the House of Delegates
Clerk of the Senate
Clerk of the House of Delegates
Senate Confirmations Chair
Ethics Commission
Consolidated Public Retirement Board
State Capitol | 1900 Kanawha Blvd., East, Charleston, WV 25305 | (304) 558-2000