

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIRMENT BOARD
BOARD OF TRUSTEES MEETING
MEETING OF MAY 29, 2019**

A meeting of the West Virginia Consolidated Public Retirement Board (CPRB), Board of Trustees, was held in the CPRB Conference Room at 4101 MacCorkle Avenue, SE, Charleston, West Virginia 25304, on Wednesday, May 29, 2019. The meeting was called to order at 10:00 a.m. by Chairman David Wyant.

Roll Call was taken.

Trustees present were:

David Wyant, Chairman
Captain Michael Corsaro, Vice-Chairman
Mike Hall, *representing Governor James C. Justice, II*
Jeff Waybright, *representing Auditor John B. McCuskey*
Diana Stout, *representing Treasurer John Perdue*
Cabinet Secretary Allan L. McVey
Bill Barker
Andy Bird
Joe Bunn
Michael Haney
Mike McKown
Jeffrey Vallet

Trustees absent:

Joe Lynch
D. Todd Murray

A quorum was present.

Due notice had been posted.

Also in attendance were:

Jeffrey E. Fleck, CPRB, Executive Director
Terasa Miller, CPRB, Deputy Director
Nancy Butcher, CPRB, Executive Assistant
Jeaneen Legato, Esquire, CPRB, General Counsel
John Galloway, CPRB Chief Financial Officer
Ken Woodson, CPRB, Actuary

Melody Bailey, CPRB, Actuarial Analyst
John Beane, CPRB, I.T. Manager
Patricia Bowgren, I.T. Staff
Tammy Patton, I.T. Staff
Sharon Whittaker, CPRB, Administrative Assistant
Tim Abraham, CPRB, Compliance Officer
Tina Baker, CPRB, Internal Auditor
Dee McMillan, CPRB, Intern
Ronda Harvey, Esquire, Bowles Rice
Craig Slaughter, Executive Director, WVIMB
Chris Meadows, Empower
Bill Thornton, Empower
Gary Pullin, CPRB Hearing Officer
Phil Kabler, Charleston Newspapers

Tab 1: Approval of the April 24, 2019 Minutes

Mr. Vallet made a motion to approve the minutes of the April 24, 2019 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: Reports of the Chairman and Executive Director

Mr. Jeffrey Fleck, Executive Director, gave his report to the Board which included the following information:

1. Executive Director Fleck reported on the Metric Chart. He explained the expansion of the chart. He stated that the number of days until retirees receive their first check continues to decrease.
2. Executive Director Fleck reviewed the TDC Empower Statistics. He reported that there are currently 4,161 participants and their assets are \$540,911,569. He also gave an update on the Third Party Administrator (TPA) for the Teachers Defined Contribution (TDC) plan Request For Proposals (RFP). He went on to say that CPRB held a mandatory Pre-bid meeting and four vendors participated.
3. Executive Director Fleck updated the Board on the Delinquent Employers. He stated that Green Acres continues to reimburse according to their agreement. He went on to say that Ohio County Public Service District has not made contributions, including employee contributions, since December. He said that the employer has been contact by telephone, e-mail, letter and by certified mail.

4. Executive Director Fleck gave an update on O.A.S.I.S. He stated that CPRB staff continues to meet with O.A.S.I.S. staff regarding paper checks and the schedule of payment dates. He stated that 1900 retirees continue to receive paper checks. He added that the State Auditor will be issuing a new pay card in August or September and all retirees will have to go to direct deposit or the new pay card.
5. Executive Director Fleck updated the Board members on the April Financials. He reported that at the end of March the agency was at 75% of its YTD budget.
6. Executive Director Fleck reported on the Bowles Rice, LLP contract. He stated that the contract will expire on September 1, 2019. He recommended that the Board renew the contract, at the same terms and conditions, for one year. He then answered questions from committee members.

Captain Corsaro made a motion to renew the contract, at the same terms and conditions, for the time period September 1, 2019 to August 31, 2020. Mr. Bunn seconded the motion. The motion was adopted.

7. Executive Director Fleck announced that Melody Bailey, the CPRB Actuarial Analyst, would be leaving on June 21, 2019 but that her last day in the office would be June 7, 2019. He explained all the things that Melody had done at the agency, including filling in when the agency did not have an Actuary.
8. Executive Director Fleck reviewed the Actuarial Student Policy, the revisions that had been made to the policy and asked that the Board adopt the revised policy. He explained that some of the tests in the policy had changed and he also commented that the policy had not been revised since 2009. Secretary McVey stated that he had discussed the revisions with Sheryl Webb, Director of the Division of Personnel. He said that Ms. Webb agreed with the policy revisions and stated that they were consistent with other agencies that have Actuarial Trainee Policies. Mr. Hall commented that the Governor's Office was also in agreement with the policy and the revisions.

Mr. Vallet made a motion to adopt the Policy and Revisions. Mr. Haney seconded the motion. The motion was adopted.

9. Executive Director Fleck reviewed the Participation Fee for the Defined Benefit Plans. He explained that in 2017 the fee was raised to \$80 per year per participant. He then introduced John Galloway, CPRB CFO, who explained the proposed fee to be effective July 1, 2019. Mr.

Galloway recommended that the Board approve a participation fee for participants of the Defined Benefit Plant of \$70 per year per participant.

Mr. Bunn made a motion that the Board approve the Participation Fee of \$70 per year per participant. Mr. McKown seconded the motion. The motion was adopted.

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

Tab #3: Plans Investment Data

Craig Slaughter, Executive Director of the West Virginia Investment Management Board (WVIMB), reviewed the Plan’s Investment Returns Preliminary Report for the period ending April 30, 2019. He stated the market remains volatile and he doesn’t anticipate making 7.5% for the year.

Chris Meadows of Empower Retirement gave an update on the TDC Educational meetings. He reported that his on-site visits included 8 locations in Ohio and Mason. He went on to say that he had conducted 26 on-site individual sessions. He reported that year to date he has conducted a total of 39 meetings with 458 distributions and other counseling sessions. He added that 35 participants will be retiring on June 1, 2019.

William Thornton of Empower Retirement gave an update on the TDC Investment Data. He reported that performance of the investments had been solid.

The Plans Investment Data reports were located behind Tab #3 of the Board materials.

Tab #4: Consideration of the Current Disability Retirement Applications

Captain Corsaro reported that the Disability Committee met on Tuesday, May 28, 2019, and the Disability Committee approved the staff’s recommendations of disability retirement applications and made the following recommendations to the Board for their approval:

System	Approved	Denied	Total
DSRS	1-Total Duty	0	1-Total Duty
EMSRS	1-Total Non-Duty	0	1-Total Non-Duty

PERS	6	0	6
TDC	1	0	1
TRS	5	3	8
TOTALS	14	3	17

Mr. Bunn made a motion the Board accept and approve the Disability Committee's recommendations concerning the disability retirement applications. The motion was seconded by Mr. Vallet. The motion to accept and approve the recommendations was adopted.

The Disability report and minutes were located behind Tab #4 of the Board materials.

Tab #5: Consideration of Appeal to Hearing Officer Gary Pullin

Hearing Officer Pullin reviewed the appeal of **Carol Sue Sweeney**, a participant of TRS. The issue with this appeal was whether the Applicant, who became eligible for a retirement annuity from TRS upon her retirement on October 15, 2012 at the age 62 was entitled to receive a retirement annuity from TRS commencing on the effective date of her retirement when she did not file an Application for TRS retirement benefits until December 2018.

Hearing Officer Pullin recommended that Carol Sue Sweeney's appeal of the Board's decision to establish the effective date of her retirement annuity as September 1, 2018, be denied.

Mr. Bunn made a motion the Board adopt the recommendation of the Hearing Officer and deny the appeal of Carol Sue Sweeney. Captain Corsaro seconded the motion. The motion was adopted.

Tab #6: Legal Counsel Reports

Legal Counsel Reports

Report of In-House Legal Counsel – Jeaneen Legato

Jeaneen Legato, In-House Legal Counsel, presented her report to the Board on all pending legal matters. She reported on all current Administrative and Circuit Court matters.

Ms. Legato updated the Board on the appeal of former Justice Allen Loughry's *Less Than Honorable* case and on three recent appeals that the Board had denied that are still pending appeal decisions in the Kanawha County Circuit Court.

Report from Outside Legal Counsel – Ronda Harvey

Ms. Harvey updated the Board on matters still pending the Circuit Courts of West Virginia and other administrative matters. She updated the Board on the *Allen E. Tackett v. WVCPRB*. She stated that CPRB's *Motion to Dismiss* is still pending before Judge Webster.

Ms. Harvey also reported that the DNR subsistence allowance case has been fully briefed and is still pending before Kanawha County Circuit Judge Jennifer Bailey.

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

Tab #7: Old Business

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

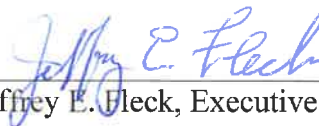
Tab #8: New Business

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

There being no further business to come before the board, the meeting adjourned at 11:15 a.m.



David Wyant, Chairman
Consolidated Public Retirement Board



Jeffrey E. Fleck, Executive Director
Consolidated Public Retirement Board