

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
BOARD OF TRUSTEES MEETING
MEETING OF MAY 15, 2024**

A meeting of the West Virginia Consolidated Public Retirement Board (“CPRB”), Board of Trustees, was held on Wednesday, May 15, 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*

Lindsay Marchio, Deputy Counsel, *representing State Treasurer Riley Moore*

Robert Paulson, General Counsel, Department of Administration

Bill Barker

Rhonda Bolyard

Daniel Cart (*Joined at 10:08 am*)

Brad Mankins

Beth Morgan

D. Todd Murray

Dominique Ranieri

Jeffrey Vallet

Trustees absent:

Larry Cole

Michael Corsaro

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

A quorum was present.

Others present:

Jeffrey E. Fleck, CPRB Executive Director

Kimberly Pauley, CPRB Executive Assistant

Jeanen Legato, Esquire, CPRB General Counsel

Elizabeth Cooper, CPRB Chief Financial Officer

Christine Fernandes, CPRB IT Manager

Alysia Miller, CPRB Paralegal
Patricia Bowgren, CPRB IT Staff
Tina Baker, CPRB Internal Auditor
David Arreaga, Actuarial Analyst Trainee
Anne Charnock, Hearing Examiner
Thomas Franke, Esquire, Bowles Rice
Craig Slaughter, Executive Director WVIMB
Chris Meadows, Empower
Rebecca Borchers, CPRB
Samantha Chance, CPRB
Larra Radford, CPRB
Elizabeth Crowder, CPRB

TAB 1
APPROVAL OF THE MARCH 13, 2024 MINUTES

Chairman Bunn stated that he would entertain a motion to approve the minutes of the March 13, 2024 meeting of the CPRB Board of Trustees.

Todd Murray made a motion that the Board approve the minutes of the March 13, 2024 meeting minutes. Bill Barker seconded the motion. 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 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 last week the Department of Administration celebrated Employee Appreciation week. He thanked all Board members for their service and all the work they put into serving on the Board of Trustees. Director Fleck added that the Department of Administration’s recognized three CPRB employees for their years of service at the Capitol. He began with Samantha Chance Supervisor of Imaging and Larra Radford Administrative Receptionist. Both of them have 25 years of service and Paula Van Horn TDC Manager with 30 years of service. He thanked all three for their exceptional service and dedication for so many years.

Mr. Fleck also recognized Rebekah Borchers and Elizabeth Crowder both are Retirement Advisors that have been praised for going above and beyond to help our retirees with navigating through the process of retiring. Mr. Fleck thanked both for their 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 36 days to 28 days in PERS and in TRS it is 45 days and stated that there are 42 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 3,551 participants and the total plan assets were \$726,120,952 as of March 31, 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 \$70,163.95 from the original amount of over \$600,000. He also informed the Board that The City of Mullens is now all caught up on employee and employer contributions and payments.
5. **Contract Renewals**- RFP for Audit Services
Director Fleck informed the Board that the contract with Eide Bailly for Audit Services needs to be renewed and has been put out to bid. He reviewed the two vendors that have bid on the contract and explained how the RFP guidelines work and informed the Board that he is scheduling the presentations in the next two weeks and will have the evaluation committee scoring those presentations. He mentioned that the current contract will run out on July 1, 2024 and stated that the next Board meeting is on July 10, 2024 so it will need Board action. Chairman Bunn requested that Director Fleck take this to the Accounting & Audit Committee and after consulting with staff to award the contract. Mr. Fleck agreed to do so.

Chairman Bunn stated that he would entertain a motion for staff to award the Audit Services Contract after consulting and reviewing the scoring with the Accounting & Audit Committee.

Mr. Vallet made a motion that staff award the Audit Services Contract after reviewing the scoring with the Accounting & Audit Committee. The motion was seconded by Mr. McKown. The motion was adopted.

6. **Monthly Financials** – Director Fleck stated that financial reports for the months of March and April are in his report. He reported that the period ending April 30, 2024 shows that the agency is operating below budget at 84% of budget for the month and 82% of budget for the year.
7. **Lunch and Learn** – 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 legislation that passed. Mr. Fleck mentioned that Deputy Director Miller has been hosting the Legislative Lunch & Learn for many years and she always makes it fun and very educational for staff to learn about all the legislation that has passed. Mr. Fleck thanked Ms. Miller for all of her efforts she puts into making sure the CPRB staff is continuously learning about the Legislation that passes.
8. **Outreach update**- Director Fleck informed the Board of several upcoming seminars on July 1st, 11th, and the 17th and August 2nd he reviewed all brochures for each payroll seminar and noted that they are on the CPRB Website.
9. **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. He informed the Board that we will have the new sign by the end of the year.

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 March 31, 2024 saying that the March numbers were up, giving us a 2.5% return for the month and 10% for the fiscal year to date. He mentioned April was not a good month. He stated that so far May is looking much better. He added that people are still worried about stagflation mentioned that unemployment is still at a record low. Mr. Slaughter informed the Board that he expects a mild recession.

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 405 educational counseling sessions and 117 distribution counseling sessions since the beginning of the year for a total of 522 sessions year to date.

Mr. Meadows informed the Board that the Spring Newsletter went out to TDC participants and provides participants with very helpful information including articles on retire later and reap the benefits, reducing debt prior to retirement, Secure 2.0 ACT updates, The importance of establishing emergency funds and much more. He reviewed the free look that is currently taking place for the first three quarters. Mr. Meadows explained that “My Total Retirement” is a comprehensive managed account service that provides you with professional portfolio monitoring, personalized savings strategy, retirement readiness and access to investment adviser representatives.

Mr. Meadows updated the Board on the TDC investment performance. He began by saying that the momentum that investors experienced in 2023 has continued to build into 2024. Mr. Meadows mentioned that the first three months saw robust gains across all major equity categories. He stated that this was surprising with the strong employment growth and with negative inflation data. He reviewed the economic overview as of March 31, 2024 with the S&P 500 being up 11%. Mr. Meadows stated that midcap stock was up at 8% for the quarter and small cap was hovering

around 5%. Mr. Meadows noted that inflation data has shown a decline and he mentioned that growth continued to outperform value. He reviewed the plans investment line up saying they continue to perform well with most funds outperforming their peers. He informed the Board that there was one major change of note, with the primary manager of the Western Asset Core Plus bond suddenly resigning May 1, 2024. He explained that with any management changes the bond will be monitored for any substantial changes in the portfolio or management process.

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: Appeals for Consideration –Anne Charnock

Chairman Bunn recognized Anne Charnock, Hearing Officer, to review the appeal of William Jordan (deceased). Ms. Charnock explained the issue of the case presented in this appeal: whether Mr. Jordans beneficiary form that he updated to make his fiancé his beneficiary on January 31, 2023 can be used. She informed the Board that the interested party contends that her father was not capable of naming a new beneficiary. Ms. Charnock stated that the beneficiary form was witnessed.

Based upon the Findings of Fact and Conclusions of Law, Hearing Examiner Charnock recommended that Mr. Jordans appeal of the Board’s decision to deny the appeal and be affirmed and the appeal be denied.

Chairman Bunn stated that he would entertain a motion to accept and approve the recommendation of Hearing Officer Charnock that the appeal of William Jordan be denied.

Mr. Vallet made a motion to accept the recommendation of Hearing Officer Charnock to deny the appeal of William Jordan . Mr. Barker seconded the motion. The motion was adopted.

Ms. Charnock, Hearing Officer, reviewed the appeal of Michael Yudt. Ms. Charnock explained the issue of the case presented in this appeal is whether he could purchase military service credit for the active-duty service while serving in the Navy. The military service credit was not timely filed.

Based upon the Findings of Fact and Conclusions of Law, Hearing Examiner Charnock recommended that Mr. Yudt appeal of the Board’s decision to deny him the opportunity to purchase military service be affirmed and his appeal be denied.

Chairman Bunn stated that he would entertain a motion to accept and approve the recommendation of Hearing Officer Charnock that the appeal of Michael Yudt be denied.

Mr. Barker made a motion to accept the recommendation of Hearing Officer Charnock to deny the appeal of Michael Yudt. Mr. Vallet seconded the motion. The motion was adopted.

TAB 5 LEGAL COUNSEL REPORTS

Report of In-House Legal Counsel – Jeaneen Legato

Ms. Legato informed the Board that there is only one Potential Less Than Honorable Service case. She stated that Mr. Timothy Priddy, a PERS member and is the former director of the DHHR Public Center for Threat Preparedness. Some of his job duties included verifying vendor invoices for payments to vendors supplying COVID tests. He was accused of certifying 13 invoices totaling more than \$34,000.000 without verifying their accuracy. Ms. Legato stated that he made false statements regarding the verification process to the FBI and again later testifying before the grand jury. On January 22, 2024 Mr. Priddy entered a plea of guilty to the federal offense of *Making False Statement* IN THE U.S. District Court for the Southern District of WV. and his sentencing was scheduled for May 9, 2024.

Ms. Legato recommended that the PERS membership and retirement annuity of Timothy Priddy 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 – Thomas Franke

Chairman Bunn recognized Thomas Franke, Outside Legal Counsel, to give his report to the Board.

Mr. Franke reported on the ongoing pending case *Clark/Division of Natural Resources (DNR)*. Mr. Franke stated that Judge Bailey entered a Certified Order on March 21, 2024 staying this matter until the certified questions have been decided by the Supreme Court of Appeals and a decision is certified back to Circuit Court. The Order directed the parties to prepare a joint appendix of the record, which was filed with the Circuit Court on April 5, 2024. The Supreme Court filed its Scheduling Order on May 3, 2024. He reported the deadline for Petitioners to file their Brief is July 2, 2024. CPRB's Brief is due August 1, 2024, and Petitioners' Reply Brief is due August 6, 2024. He informed the Board that there are no administrative matters currently pending.

Mr. Franke then offered to answer questions. There were none.

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

**TAB 6
COMMITTEE REPORTS**

Accounting & Audit Committee- Mike McKown

Chairman Bunn recognized Mr. McKown to give the report of the Accounting and Audit Committee. Mr. McKown reported that the Committee met on Monday May 13, 2024 and reviewed the internal audit of overpayments to deceased annuitants, internal audit of Required Minimum Distributions and the updated Committee Charter and stated that all three items would need Board action.

Chairman Bunn stated that he would entertain a motion to approve the audit of overpayments to deceased annuitants.

Mike McKown made a motion that the Board adopt the internal audit of overpayments to deceased annuitants. Jeff Vallet seconded the motion. The motion was adopted.

Chairman Bunn stated that he would entertain a motion to approve the Internal Audit of required Minimum Distribution's.

Mike McKown made a motion that the Board adopt the Internal Audit of Required Minimum Distributions. Dominique Ranieri seconded the motion. The motion was adopted.

Chairman Bunn stated that he would entertain a motion to approve the updated Committee Charter.

Mike McKown made a motion that the Board adopt the updated Committee Charter. Dominique Ranieri seconded the motion. The motion was adopted.

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, April 4, 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	Total
PERS	8	2	10
TRS	10	0	10
Total	18	2	20

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. Murray. The motion was adopted.

Mr. Murray mentioned that there was one other item to review that needed Board action. Director Fleck reviewed the MMRO proposed contract. He informed the Board that the Disability Review Committee has been reviewing options regarding the difficulty in obtaining physicians for independent medical exams for our members who are applying for medical disability. MMRO was the only vendor that responded to the request for information. (RFI)

Chairman Bunn stated that he would entertain a motion to accept and approve the proposed MMRO contract recommendation of the Disability Review Committee.

Mr. Murray made a motion that the Board accept and approve the Disability Review Committee’s recommendation concerning the Proposed MMRO Contract. The motion was seconded by Mr. Barker. The motion was adopted.

Mr. Murray offered to answer questions and Ms. Ranieri inquired about an in-person medical examination. Director Fleck explained to Ms. Ranieri and the Board that CPRB has maintained an independent contract with Dr. Grady to do these in person exams.

Investment Committee- Jeff Vallet

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

Mr. Vallet reported that the Committee met on Tuesday, May 13, 2024. The committee listened to the quarterly updates and presentations. He informed Chairman Bunn that nothing needed Board approval at this time.

WVIMB Committee – Todd Murray

Chairman Bunn recognized Mr. Murray to give his report to the Board. Mr. Murray reviewed the applications to be considered for appointment as representatives for each of the

retirement systems to the West Virginia Investment Management Board for Fiscal Year 2025. He added that there was only one candidate for consideration for each plan.

Review of the FY2025 WV IMB Representative Applications:

- ✦ **Public Employee Retirement System (PERS) - Terasa Miller**
- ✦ **Teachers Retirement System (TRS) - Tony Lautar Jr.**
- ✦ **Deputy Sheriffs' Retirement System (DSRS) - Adam Crawford**
- ✦ **Judges Retirement System (JRS) - David Hammer**
- ✦ **Plan A State Police Death, Disability and Retirement Fund- Tom Barrick**
- ✦ **Plan B State Police Retirement System- Brad Mankins**
- ✦ **Emergency Medical Services retirement System (EMSRS) – Justin Lutsy**
- ✦ **Municipal Police and firefighters' Retirement System (MPFRS)- Joey Koher**
- ✦ **Natural Resource Police Officers Retirement System (NRPORS)- Bobby Cales**

Mr. Murray made a motion to approve and appoint the representatives for each of the retirement plans to the West Virginia Investment Management Board (WVIMB).

The motion was seconded by Mr. Brogan. The motion was adopted.

**TAB 7
OLD BUSINESS**

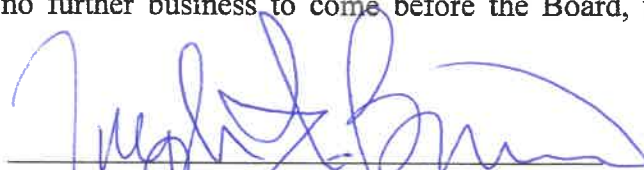
Chairman Bunn inquired as to any old business to come before the Board. None was heard.

**TAB 8
NEW BUSINESS**

Mr. Brogan informed Chairman Bunn that he wanted to thank Director Fleck and the CPRB team for getting (NRPORS) up and running. He stated that he has heard a lot of positive feedback.

ADJOURNMENT

Chairman Bunn stated there being no further business to come before the Board, the meeting was adjourned at 11:01a.m.



Joseph G. Bunn, Chairman
WV Consolidated Public Retirement Board



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