

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
BOARD OF TRUSTEES MEETING
MEETING OF JUNE 28, 2023**

A meeting of the West Virginia Consolidated Public Retirement Board (“CPRB”), Board of Trustees, was held on Wednesday, June 28, 2023 in the Coopers Rock Conference Room at 601 57th Street SE, Charleston, West Virginia, 25304. *Due notice had been posted.*

Call to Order

The meeting was called to order at 10:06 a.m. by Mike McKown, Vice Chairman.

Roll Call:

Trustees participating:

Mike McKown, Vice Chairman

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

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

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

Mark D. Scott, Cabinet Secretary, Department of Administration

Bill Barker

Beth Morgan

Michael Corsaro

Brad Mankins

Jeffrey Vallet

Trustees absent:

Joseph G. Bunn, Chair

Rhonda Bolyard

Larry Cole

Woodrow Brogan

Daniel Cart

D. Todd Murray

Dominique Ranieri

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

Lindsey Atkins, CPRB, Outreach Officer

Patricia Bowgren, CPRB, IT Staff

Elizabeth Cooper, CPRB, Chief Financial Officer

Cindy Adkins, CPRB, Office Manager

Tom Sauvageot, IMB

Tina Baker, CPRB Internal Auditor

Ronda Harvey, Esquire, Bowles Rice

Chris Meadows, Empower

Anne Charnock, CPRB Hearing Officer

Jennifer Scarbro, CPRB

Brittney James, CPRB

Tammy White, CPRB

Tab 1: Approval of the May 17, 2023 Minutes

Vice Chairman McKown stated that he would entertain a motion to approve the minutes of the May 17, 2023 meeting of the CPRB Board of Trustees.

Mr. Vallet made a motion that the Board approve the minutes of the May 17, 2023 meeting of the Board. The motion was seconded by Mr. Waybright. The motion was adopted.

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

Tab 2: Report of the Executive Director

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

1. ***Employee Recognition*** – Mr. Fleck stated that when customers feel it is important enough to reach out to us and share that they have had a great experience dealing with CPRB we like to share it with the Board and recognize our employees. He recognized Jennifer Scarbro who is our receptionist/appointment scheduler and Brittney James a Retirement Advisor. Director Fleck added that both ladies do a fantastic job and that he appreciates their hard work and thanked both ladies for their efforts.
2. ***CPRB Metric Chart*** - Mr. Fleck reviewed the Metric Chart. He said that the average time to receive the first retirement payment for PERS was 36 days and he noted that it was quicker than last year's 39 days and for TRS was 43 days. He added that this year, there were less June retirements with PERS at 1,330 for this year and 1,560 last year. Director Fleck noted there were lower numbers in TRS 1,144 this year and 1,275 retirements last year. He added that statistics for benefits estimates, as well as death and refund applications were included in the Metric Chart.
3. ***TDC Statistics*** – He reported that the TDC Plan had 3,682 participants, and its assets were \$634,826,032 as of May 31, 2023.
4. ***Delinquent Employers*** – Director Fleck said that Green Acres Regional Center continues to reimburse according to its agreement. He added that CPRB staff had been in contact with Cabell Huntington Health Department regarding their delinquent contributions and stated that the payroll coordinator has started the process of submitting the report but has not completed the submission. Director Fleck stated that Hamrick Public Service District has a very small balance, and that staff has communicated by email and phone messages to the agency contact.
5. ***May Financials*** – Mr. Fleck stated that the May financials were included in the Board materials. He added that the financial report for May showed that the agency was at 73 percent of its YTD Actual budget.
6. ***Records retention/Destruction update*** – Mr. Fleck was happy to report that 6,655 boxes were destroyed and by the end of the year all boxes will be out of Iron Mountain.
7. ***Outreach report***- Director Fleck stated that Lindsey Atkins has done three seminars since our last Board meeting and has three more scheduled this summer. He noted that he is glad to have Lindsey in the Outreach role and reaching out to potential retirees. He added that if anyone knows of any organizations that need a seminar scheduled, please contact Director Fleck or Deputy Director, Terasa Miller.
8. ***Actuarial Services Contract award***- Director Fleck stated this will be discussed in executive session and will need Board action.

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

Tab #3: Plans Investment Data-

WVIMB Report- Tom Sauvageot

Vice-Chairman McKown recognized Tom Sauvageot, Investment Officer of the West Virginia Investment Management Board (WVIMB). Mr. Sauvageot reviewed the Plan's Investment Returns Preliminary Report for the period ending April 30, 2023. He reported that investment returns were at 5.6% and mediocre, just a little below our actuarial return target but much better than last year. Mr. Sauvageot noted that long term performance is doing well. He stated that the private market was a little softer and the public equities have come back, and he went on to say that fixed incomes are doing much better. Mr. Sauvageot stated that inflation is still a major theme driving the market. He then answered questions from the Board members.

Empower Report-

Chris Meadows

Vice Chairman McKown recognized Chris Meadows of Empower Retirement who gave an update on the TDC Outreach update. Mr. Meadows stated that he had conducted 495 educational counseling sessions and 162 distribution counseling sessions since the beginning of the year for a total of 657 sessions.

Mr. Meadows reported that all participants can see that Consolidated Public Retirement Boards new address when they log onto Empowers website. He noted that the upcoming summer newsletter will include the new address of CPRB and will be sent to each of the participants.

Mr. Meadows also updated the Board on the TDC Investment Data. He reported as we approach the end of June that the market was mostly positive for the 2nd quarter. He noted that as inflation data continue to improve. He added that the S&P was up 6.2 percent, and that growth has led the way for the quarter. Mr. Meadows also reported that the fund line continues to perform well considering the volatility that has occurred over the past eighteen months.

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

Vice Chairman McKown stated that there were contractual, medical, and legal matters that needed to be discussed in Executive Session and that he would entertain a motion to go into Executive Session as allowed by W. Va. Code §6-9A-4.

Mr. Waybright made a motion to go into Executive Session to discuss a legal matter as allowed by W. Va. Code §6-9A-4. Mr. Barker seconded the motion. The motion was adopted.

The Board went into Executive Session at 10:23 a.m.

Vice Chairman McKown reconvened the Public Session of the June 28, 2023 meeting of the CPRB Board of Trustees from Executive Session at 10:38 a.m. He announced the Board was in Executive Session to discuss a contractual matter as allowed by W.Va. Code §6-9A-4 and that no decisions were made in Executive Session.

Director Fleck addressed the matter of Actuarial Services Contract Award for the Board to give approval to proceed with the next apparent winning vendor for Actuarial Services Contract Award if an agreement with the apparent winning vendor can't be reached .

Mr. Corsaro made a motion to authorize the staff and the purchasing division to proceed with the contract negotiations in the rank order discussed during the bidding process regarding the next winning vendor for Actuarial Services Contract Award.

Mr. Barker seconded the motion. The motion was adopted.

Tab #4: Appeals for Consideration –Anne Charnock

Vice Chairman McKown recognized Anne Charnock, Hearing Officer, to review the three appeals before her.

Hearing officer Charnock reviewed the appeal of Ben Hawes.

Ms. Charnock stated the issue in Mr. Hawes appeal is whether the applicant can apply unused sick leave, which accrued during his initial term of employment, towards his service credit for retirement benefits.

Based on the conclusions of Law set forth herein, applicants appeal of the Boards denial of his request to use the remainder of his accrued sick leave as service credit , it is recommended that Mr. Hawes appeal be denied.

Vice Chairman McKown stated that he would entertain a motion to accept and approve the recommendation of Hearing Officer Charnock that the appeal of Ben Hawes be denied.

Mr. Scott made a motion to accept the recommendation of Hearing Officer Charnock to deny the appeal of Ben Hawes. Mr. Barker seconded the motion. The motion was adopted.

Hearing officer reviewed the appeal of Dondi Stemple. She stated the issue is whether the Applicants request to restore service credit and contributions which she claims were not withdrawn by her but were withdrawn from her account.

The issue is whether the Boards fiduciary duty to members includes requirements not required by statute or Legislative rule.

Based on the conclusions of Law set forth herein, applicants appeal of the Boards decision to not utilize the withdrawn service credit and contributions, it is recommended that Ms. Stemples appeal be denied.

Vice Chairman McKown stated that he would entertain a motion to accept and approve the recommendation of Hearing Officer Charnock that the appeal of Dondi Stemple be denied.

Mr. Corsaro made a motion to accept the recommendation of Hearing Officer Charnock to deny the appeal of Dondi Stemple. Mr. Waybright seconded the motion. The motion was adopted.

Hearing officer Charnock reviewed the appeal of Patricia Wickline. She stated that the issue is whether the Applicant is eligible for disability retirement benefits although both Board physicians found that she not eligible. She noted that the application for Disability has been denied twice previously.

Based on the conclusions of Law set forth herein, applicants appeal of the Boards denial of her application for disability, it is recommended that Ms. Wickline's appeal be denied.

Vice Chairman McKown stated that he would entertain a motion to accept and approve the recommendation of Hearing Officer Charnock that the appeal of Patricia Wickline be denied.

Mr. Scott made a motion to accept the recommendation of Hearing Officer Charnock to deny the appeal of Patricia Wickline. Mr. Barker seconded the motion. The motion was adopted.

The Appeal for Consideration was located behind Tab #4 of the Board materials.

Tab 5: Legal Counsel Reports

Report of In-House Legal Counsel – Jeaneen Legato

Vice chairman McKown 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 reviewed the Potential Less Than Honorable Service of Anthony DeMetro III. She stated that Mr. DeMetro, is a PERS member and a former parole officer for the Division of Corrections and Rehabilitation he entered a plea of guilty on January 6, 2023 to the federal felony offense of *Acting Under Color of Any Law to Willfully Deprive a Person Of a Right or Privilege Protected by the Constitution or Laws of the United States* in the U S District Court for the Southern District Court of W.V. On April 20, 2023 Judge Berger adjudged Mr. DeMetro guilty and sentenced him to 15 years in prison and 5 years of probation.

Ms. Legato added that pursuant to W.Va. Code §5-10A-1 et al, it was her recommendation that the Board disqualify and terminate Mr. DeMetro's pension and membership in the PERS and to authorize her to proceed with *Less Than Honorable Service* action against him.

Vice Chairman McKown stated that he would entertain a motion to authorize the Board In-House Counsel, Jeaneen Legato, to proceed with termination of Mr. DeMetro's pension and membership in the PERS for Less Than Honorable Service.

Mr. Corsaro made a motion that the Board accept the recommendation of Counsel to disqualify and terminate the PERS membership of Anthony DeMetro III and authorize legal counsel to proceed with LTHS action. Mr. Scott seconded the motion. The motion was adopted.

Ms. Legato reported on her second Potential Less than Honorable Service case, Jerry D.Elkins is also a PERS member and former Regional Planner and Construction Inspector for the West Virginia Department of Environmental Protection entered a plea of guilty to the felony offense of Theft from Programs Receiving Federal Funds in the U.S. District Court for the Southern District of W.V. on January 6, 2023. His sentencing is scheduled for October 12, 2023.

Ms. Legato added that pursuant to W.Va. Code §5-10A-1 et al, it was her recommendation that the Board disqualify and terminate Mr. Elkins pension and membership in the PERS and to authorize her to proceed with *Less Than Honorable Service* action against him.

Vice Chairman McKown stated that he would entertain a motion to authorize the Board In-House Counsel, Jeaneen Legato, to proceed with termination of Mr. Elkins pension and membership in the PERS for Less Than Honorable Service.

Mr. Scott made a motion that the Board accept the recommendation of Counsel to disqualify and terminate the PERS membership of Jerry D. Elkins and authorize legal counsel to proceed with LTHS action. Mr. Waybright seconded the motion. The motion was adopted.

Ms. Legato updated the Board on the Albert West case and notified the Board that on June 16, 2023 Judge Webster issued an order Affirming the Boards Final Order and they have 30 days to appeal the case.

Report from Outside Legal Counsel – Ronda Harvey

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

Ms. Harvey stated that there is only one case pending in Kanawha County before the Circuit Court Judge Jennifer Bailey and that case is the DNR / Robert Clark case regarding subsistence allowance. Ms. Harvey stated that she is still communicating with legal counsel Lonnie Simmons and exploring other options. She added that there were no matters pending before the Supreme Court.

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- Jeff Waybright

Vice Chairman McKown recognized Mr. Waybright to give his report on the Accounting & Audit Committee. He stated that the Committee met on Tuesday, June 27, 2023 and that we will need full Board approval on Ms. Bakers recommendation on the WVIMB Board Representatives.

Chairman Waybright made a motion to accept and approve the recommendation of Ms. Baker to select from all defined benefit plans in a special meeting of the WVIMB Representatives Committee to select representatives from MPFRS AND NRPORS plans.

Mr. Mankins seconded the motion to accept and approve the recommendation of Ms. Baker. The motion was adopted.

Chairman Waybright made a motion to accept and approve the recommendation of Mr. Abraham to make changes to the Workstation use and information security policy and procedure on page 7.

Mr. Scott seconded the motion to accept and approve the recommendation of Mr. Abraham. The motion was adopted.

Disability Review Committee – Michael Corsaro

Vice Chairman McKown recognized Mr. Corsaro to give the report of the Disability Review Committee.

Mr. Corsaro reported that the Committee met on Tuesday, June 27, 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 Duty	Approved Total Non-Duty	Approved Partial Duty	Denied Total Duty, Approved Partial Duty	Denied Total Non-Duty	Total
DSRS	1	0	0	1	0	2
PERS	0	3	0	0	0	3
SP-Plan- B	0	0	1	1	0	2
TRS	0	6	0	0	2	8
TOTALS	1	9	1	2	2	15

Vice Chairman McKown 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. Barker. The motion to accept and approve the recommendation was adopted.

Tab #7 Old Business

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

Tab #8: New Business

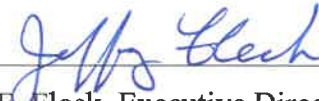
Vice Chairman McKown inquired as to any new business to come before the Board. None was heard.

Adjournment

There being no further business to come before the board the meeting adjourned at 11:05 a.m.



Mike McKown, Vice Chairman
Consolidated Public Retirement Board



Jeffrey E. Fleck, Executive Director
Consolidated Public Retirement Board