

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
BOARD OF TRUSTEES MEETING
MEETING OF MARCH 19, 2025**

A meeting of the West Virginia Consolidated Public Retirement Board (“CPRB”), Board of Trustees, was held on Wednesday, March 19, 2025, at 601 57th Street SE, Charleston, West Virginia, 25302. Due notice had been posted.

Call to Order

The meeting was called to order at 10:04 a.m. by Joseph Bunn, Chairman.

Roll Call:

Trustees participating:

Joseph G. Bunn, Chairman
Mike McKown, Vice Chairman
Eric Nelson, *representing Governor Patrick Morrissey*
Lindsay Marchio, Deputy Counsel, *representing Treasurer Larry Pack (Joined 10:15 am)*
Eric Householder, Cabinet Secretary, *Department of Administration*
Bill Barker
Rhonda Bolyard
Daniel Cart
Michael Corsaro
Dominique Ranieri
Jeff Vallet

Trustees absent:

Woodrow Brogan
Larry Cole
Michael Cook, *representing State Auditor Mark Hunt*
Brad Mankins
Beth Morgan
Todd Murray

A quorum was present.

Others present:

Jeffrey E. Fleck, CPRB Executive Director
Kimberly Pauley, CPRB Executive Assistant
Jeaneen Legato, Esquire, CPRB General Counsel
Patricia Bowgren, CPRB IT Staff

Christine Fernandes, CPRB CIO
Tina Baker, CPRB Chief Compliance Officer
Ken Woodson Jr., CPRB Board Actuary
David Arreaga, Actuarial Analyst Trainee
Gabriele Wohl, Bowles Rice
Craig Slaughter, WVIMB
Chris Meadows, Empower
Elizabeth Cooper, CPRB Chief Financial Officer

TAB 1
APPROVAL OF JANUARY 29, 2025, MINUTES

Chairman Bunn stated that he would entertain a motion to approve the minutes of the January 29, 2025, meeting of the CPRB Board of Trustees.

Mr. Vallet made a motion that the Board approve the minutes of the January 29, 2025, meeting minutes. Mr. 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. ***Welcome new Board member-*** Director Fleck welcomed Eric Nelson representing Governor Morrissey.
2. ***Employee recognition-*** Director Fleck congratulated Tina Baker for being promoted from internal auditor to Chief Compliance Officer.
3. ***CPRB Operational Metrics*** – Director Fleck reviewed the metric charts for March 2025 and 2024. He announced that, since last year, there has been improvement in the average processing time of retirements. He stated that the average number of days for the first check has been reduced from 31 days to 27 days in PERS, and in TRS it was cut from 48 days to 39 days. Director Fleck thanked the CPRB staff for their efforts in getting these retirements processed so efficiently.
4. ***TDC Statistics*** – Director Fleck stated that the TDC Plan, which has been closed to new enrollees since 2005, has 3,420 participants and the total plan assets were \$758,329,570 as of February 28, 2025.
5. ***Delinquent Employers*** – Director Fleck reported that there are four delinquent employers and informed the Board that Barbour County Health Department, Mary H. Weir Library, Town of Gauley Bridge and Mingo County Public Service District are all one month

behind and assured the Board that staff has been in contact with each agency in an attempt to support the payroll coordinators and encourage them to submit the report timely.

6. **Monthly Financials** – Director Fleck stated that financial reports for the month of March are in his report. He reported that the period ending February 28, 2025, shows that the agency is operating at 84% of the budget.
7. **Legislative update**– Director Fleck reviewed SB 35 and gave a brief description by saying that this bill covers permitting campus police officers to participate in Deputy Sheriffs Retirement System and he reviewed SB 76 and said that this bill covers Increasing WV Natural Resources Police Officer Retirement System accrued benefit for certain members. Director Fleck also reviewed SB 589 and stated that this bill covers providing pay increases to members of judiciary.
8. **Outreach update**– Director Fleck reviewed all six of the upcoming Outreach seminars and mentioned they are listed on the CPRB website.
9. **NCTR Trustees workshop**– Director Fleck informed the Board that he wanted to extend the invitation to the Board members to participate in the Trustees workshop and he explained that this workshop is developed with input from Board trustees on the NCTR Trustees Education Committee and went on to say that the workshop agenda items offer a wide range of educational content for both new and experienced trustees.
10. **Signage update**– Director Fleck stated that he is still working with the new administration and the architect and the rendering that they have provided, and he will keep the Board informed.

Director Fleck offered to answer questions from the Board. There were none.

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

TAB 3 PLANS INVESTMENT DATA

WVIMB Report—Trent Gregory

Chairman Bunn recognized Trent Gregory of the WV Investment Management Board to give an update on the Plans Investment Data.

Mr. Gregory started by reviewing the returns, as of January 30, 2025, saying that January was a good month and returns were up 6% for the FY. Mr. Gregory reviewed private equity returns and private credit and real estate. Mr. Gregory informed the Board that the magnificent seven stocks that have been a driving force in 2024 were down 16% and the S&P stocks were down 4%. Mr. Gregory mentioned that a recession is a possibility. Mr. Gregory reviewed the investment data and the performance report for the Board.

Mr. Gregory 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 recognized Don Jurgens and offered him a chance to address the Board.

Mr. Meadows updated the Board on the TDC outreach sessions. He reported that he had conducted 239 educational counseling sessions and 91 distribution counseling sessions since the beginning of the year for a total of 330 sessions year to date.

Mr. Meadows reviewed all mailings that went out to the plan participants, including the WV Teachers fund change letters and he reviewed the slides on both WV Teachers surveys for the Board members.

Mr. Meadows updated the Board on the TDC investment performance. He began by saying the main investment theme is uncertainty and that investors saw losses in 2025 across almost all domestic equity sectors.

He informed the Board that economic data continued and produced some growth. Mr. Meadows reviewed the economic overview as of December 31, 2024. He mentioned that the S&P 500 decreased 4% for January with mid-caps down 2.5% and small -caps down 7% for the beginning of the year.

Mr. Meadows stated that foreign stocks and fixed income saw gains for the year at nearly 11%. Mr. Meadows informed the Board that the funds in the lineup continue to perform well.

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 informed the Board that there is one new administrative appeal, Kevin Richmond, this is an appeal that is a transfer from PERS to MPFRS and that it is scheduled for April 22, 2025 with hearing officer Anne Charnock.

Ms. Legato informed the Board there was only one Less Than Honorable Services to review today and gave a thorough review of what a Less Than Honorable Service is for our newly appointed Board members.

She began by saying that on March 1, 2022, correctional officers Mark Holden, Corey Snyder and Johnathan Walters conspired with other officers at Southern Regional Jail in Beaver WV to use unlawful force against an inmate to retaliate for the inmate's earlier attempt to leave his assigned pod. Officers Holden, Snyder, and Walters struck and injured the inmate while he was restrained and handcuffed, and officers Jacob Boothe and Ashley Toney failed to intervene in the unlawful assault resulting in the inmate's death.

Ms. Legato stated that the defendants then conspired to cover up the use of unlawful force. She went on to say on November 29, 2023, an eighteen-count indictment charging six individuals with various felony crimes relating to the workplace incident was filed in the US District Court. She stated that to this date, five of the six defendants have pleaded guilty to one felony count each. At the time of the incident, Mr. Lester was a Lieutenant at the Southern Regional Jail in Beaver West Virginia.

On January 27, 2025, after a four-day trial, a federal jury convicted Chad Lester on three federal felony counts: conspiracy to engage in witness tampering, witness tampering, and making false statements to the FBI in connection with an assault by other correctional officers that resulted in the death of an inmate. She informed the Board that, on February 7, 2025, Judge Goodwin entered an Order adjudging Mr. Lester guilty of the three federal felony offenses. He is scheduled to be sentenced on April 16, 2025, and faces a maximum penalty of 45 years in prison.

Ms. Legato recommended that the PERS membership and retirement annuity of Chad Lester 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 the PERS membership and retirement annuity of Chad Lester for rendering Less Than Honorable Service.

Mr. Vallet made a motion that the Board approve the recommendation to terminate the PERS membership and retirement annuity of Chad Lester for rendering Less Than Honorable Service. Mr. Barker seconded the motion. The motion was adopted.

Ms. Legato updated the Board on the two ongoing Circuit Court case Deloris McCormick and explained that this is a TPR Plan A appeal involving the calculation of the survivor's benefit for a partial duty disability annuitant. She reviewed the Linda Birchfield-Modad this is a TRS eligibility/service credit appeal. Appellant is represented by attorney Lonnie Simmons.

Ms. Legato closed by reviewing the Intermediate Court of Appeals case of Gregory Reed. This is a TRS appeal involving the payment of a death benefit. Renee Reed/Administratrix, and wife of the deceased member, is represented by attorney Stephen Gandy and the deceased member's ex-wife, Kelly Reed, is pro se. Hearing Officer Charnock presided over a hearing on

August 29, 2023, and at the conclusion of the hearing ordered briefs to be filed by the parties by December 1, 2023. During the January Board meeting the Board adopted a recommendation and issued a *Final Order*. She went on to say that on March 15, 2024, Renee Reed by counsel filed an appeal in the Intermediate Court of Appeals of West Virginia. On March 19, 2024, the Court entered a *Scheduling Order* which directs the Respondent (CPRB) to file an appendix by April 8, 2024, the Petitioner to file a brief in support of the appeal by June 17, 2024, and the Respondent (CPRB) to file a response brief by August 1, 2024. We filed the appendix on April 3, 2024.

Counsel for Petitioner timely filed a brief on June 17, 2024. We filed a brief response on August 1, 2024, and on February 28, 2025, the Intermediate Court of Appeals of WV issued a Memorandum Decision affirming the Board's Final Order.

Ms. Legato then offered to answer questions. There were none.

Report from Outside Legal Counsel -Gabriele Wohl -Bowles Rice

Chairman Bunn recognized Gabriele Wohl, Outside Legal Counsel, to give her report to the Board. Ms. Wohl informed the Board that she has been meeting with Director Fleck and Deputy Director Miller and focusing on the proposed legislation for the legislative session.

Ms. Wohl began by reviewing the ongoing matter about the inclusion of subsistence pay in Department of Natural Resources (DNR) Law Enforcement Officers' pensionable compensation in PERS. In 2017, the plaintiffs (represented by Lonnie Simmons in 169 consolidated cases) appealed the Board's decision that subsistence pay should not be included, which eventually resulted in a 2021 decision by the WV Supreme Court of Appeals that the subsistence allowance is not "compensation," under PERS, however, "the Board may not recover the excess retirement benefits already paid due to the erroneous treatment of the subsistence allowance as PERS compensation." "This case went back to the Supreme Court recently to settle a few questions.

The first being whether the Board can correct the error of including subsistence pay with respect to active officers whose annuity payments have not yet commenced and the second being whether the plaintiffs' attorney is entitled to fees. The Board understands the Court's previous opinion to hold that it cannot correct the overpayments to "retirant-and beneficiary respondents to whom annuity payments have already started," but the Board must adhere to its fiduciary obligation and apply its statutory authority to correct the error for all active officers (and inactive officers who have not commenced a retirement annuity or requested a refund). Ms. Wohl stated that by removing all employee and employer contributions made into PERS based on subsistence allowance and providing credit for (or otherwise returning) these amounts to the employer (who will then be responsible for returning the employees' overpayments to them). The Board also strongly argued against any award of fees since the traditional rule is that each party bears its own costs, and in the rare event fees are awarded, they are awarded to the prevailing party. In this case, the Board was more of a prevailing party than the plaintiffs, disqualifying the plaintiffs from any award of fees. This case was argued before the Supreme Court on March 5, 2025, by Ronda Harvey, who continues to represent the Board in this litigation.

Ms. Wohl then updated the Intermediate Court of Appeals case, Chet Burgess. In 2011, Mr. Burgess terminated employment with the WV Department of Highways. He applied for retirement and began receiving benefits. In 2023, CPRB discovered that Burgess had been working for the City of Madison since March 2011. After investigation and communications with Mr. Burgess, she informed the Board that CPRB presented him with a certified letter on April 4, 2024, notifying him that he was not eligible to commence retirement benefits from PERS in 2011 as he did not terminate covered employment with all PERS participating employers and therefore, he must return the retirement benefits erroneously paid to him. On June 5, 2024.

CPRB advised Hearing Officer Anne Charnock that Burgess had requested an administrative hearing and provided her with a copy of his administrative file. The hearing took place on August 6, 2024, and Hearing Officer Charnock found in favor of CPRB. Burgess appealed this decision to the Intermediate Court of Appeals, and the ICA has entered a scheduling order, and briefing was completed on February 25, 2025.

Ms. Wohl then offered to answer questions. There were none.

The reports of the In-House and Outside Legal Counsel were located behind Tab #4 of the Board materials.

TAB 5 COMMITTEE REPORTS

Disability Review Committee – Michael Corsaro

Chairman Bunn recognized Mr. Corsaro to give the report of the Disability Review Committee. Mr. Murray reported that the Committee had met on Tuesday, March 18, 2025. and made the following recommendations to the Board for their approval:

System	Approved Total Duty	Denied Total Duty	Approved Total Non-Duty	Denied Total Non- Duty	Total
PERS	1	0	0	0	1
TDC	2	0	5	1	8
TRS	0	0	1	0	1
EMSRS	0	0	2	2	4
TOTALS	3	0	8	3	14

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. Vallet. The motion was adopted.

Accounting & Audit Committee- Lindsay Marchio

Chairman Bunn recognized Ms. Marchio to give the report of the Accounting and Audit Committee. Ms. Marchio started by informing the Board that the Committee met on Tuesday March 18, 2025, and reviewed the Annual Accounting & Audit Committee Charter and there were no changes to it other than the name of the Chair of the Committee.

Chairman Bunn stated that he would entertain a motion to accept the recommendation of the Accounting & Audit Committee.

Mr. Vallet made a motion that the Board accept and approve the Accounting & Audit Committee's recommendation for the Annual Charter. The motion was seconded by Mr. Corsaro. The motion was adopted.

Investment & TDC 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, March 18, 2025. The committee listened to the quarterly updates and presentations. He informed Chairman Bunn that there is nothing at this time that needs board action.

**TAB 6
OLD BUSINESS**

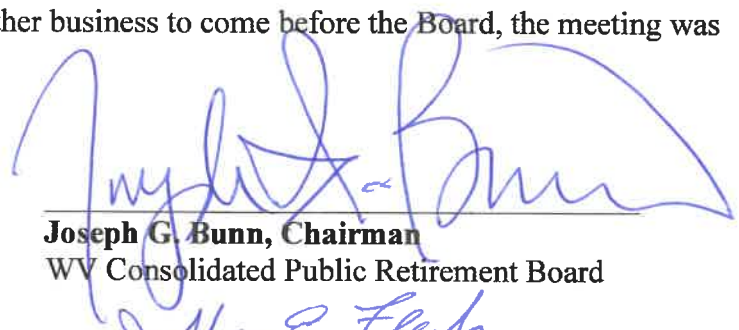
Chairman Bunn inquired as to any old business to come before the Board. None was heard.

**TAB 7
NEW BUSINESS**

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

ADJOURNMENT

Chairman Bunn stated there being no further business to come before the Board, the meeting was adjourned at 11:07 a.m.



Joseph G. Bunn, Chairman
WV Consolidated Public Retirement Board



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