MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
BOARD OF TRUSTEES MEETING
MEETING OF MAY 4, 2022

A meeting of the West Virginia Consolidated Public Retirement Board ("CPRB"), Board of Trustees, was held on Wednesday, May 4, 2022, in the David L. Wyant Conference Room at 4101 MacCorkle Avenue, Charleston, West Virginia, 25302. Due notice had been posted.

Call to Order

The meeting was called to order at 10:07 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
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
Woodrow Brogan
Daniel Cart
Beth Morgan
D. Todd Murray
Reginald Patterson
Jeffrey Vallet

Trustees absent:

Rhonda Bolyard
Larry Cole
David Nelson

A quorum was present.
Others present:
Jeffrey E. Fleck, CPRB Executive Director
Terasa Miller, CPRB Deputy Director
Nancy Butcher, CPRB Executive Assistant
Jeaneen Legato, CPRB General Counsel
Ken Woodson, CPRB Actuary
Patricia Bowgren, CPRB IT Staff
John Galloway, CPRB Chief Financial Officer
Tina Baker, CPRB Internal Auditor
John Beane, CPRB IT Manager
Tim Abraham, CPRB Compliance Officer
Alysia Miller, CPRB Paralegal
Tammy White, CPRB Retirement Assistant Manager
Tim Phillips, CPRB IT
Ronda Harvey, Esquire, Bowles Rice
Craig Slaughter, WVIMB
Chris Meadows, Empower
Blair Taylor, WV Municipal Pensions Oversight Board
Gary Pullin, CPRB Hearing Officer
Sarah Korwan, CPRB Hearing Officer

Tab 1: Approval of the March 16, 2022 Minutes
Chairman Bunn stated that he would entertain a motion to approve the minutes of the March 16, 2022 meeting of the CPRB Board of Trustees.

Mr. Barker made a motion that the Board approve the minutes of the March 16, 2022 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
Chairman Bunn recognized Mr. Jeffrey Fleck, Executive Director, to give his report to the Board which included the following information:

1. Staff Recognition – Mr. Fleck recognized staff with 20 or more years of service. The members of staff recognized were John Beane, Manager of the IT Department with 40 years of service, Tim Phillips, IT Department with 30 years of service, Tammy White,
Assistant Manager of the Retirement Section with 25 years of service and Lisa Trump, Manager of the Retirement Section with 20 years of service.

2. **CPRB Metric Chart** - Mr. Fleck reviewed the Metric Chart. He said that the average time to receive the first retirement payment for a PERS retirement is 30 days and for a TRS retirement it is 31 days. 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 3,819 participants, and its assets were $674,251,462 as of March 31, 2022.

4. **Delinquent Employers** – Director Fleck said that the only employer listed on the report was Green Acres Recreation Center who continues to reimburse according to its agreement.

5. **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 77.10 percent of its YTD Actual budget.

6. **Legislative Update** – Mr. Fleck gave a report on the status of legislation that was considered during the 2nd Extra-Ordinary Legislative session. He added that a copy of legislative report for the agency was included in the board materials.

7. **Relocation Committee Update** – Mr. Fleck reported that he and members of Senior Management of the CPRB had completed a walk-thru of the Department of Environmental Protection building on May 5, 2022 in anticipation of moving to that facility at the end of the current building lease.

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

**Committee Assignments**

Chairman Bunn announced that he had appointed members of the Board to various committees. He appointed Michelle Storage to the Actuarial Assumptions Review Committee, the Relocation Committee and the WVIMB Representatives Committee. He appointed Woodrow Brogan to the Investment Committee and the Outside Legal Services Committee.

**Tab #3: Plans Investment Data**

Chair Bunn recognized Craig Slaughter, Executive Director of the West Virginia Investment Management Board (WVIMB). Mr. Slaughter reviewed the Plan’s Investment Returns Preliminary Report for the period ending March 31, 2022. He reported that investment returns for March were up but April returns were down, adding that all markets were down. He said
that bonds were down as much as 4 percent in March and the April numbers might show them to be down 6 to 6.5 percent. He then answered questions from the Board members.

Chris Meadows of Empower Retirement gave an update on the TDC Outreach and Reality Investing. Mr. Meadows stated that he had conducted 407 educational counseling sessions and 64 distribution counseling sessions since the beginning of the year with a total number of sessions for the year at 471.

Mr. Meadows reported that a TDC Spring 2022 Newsletter had been sent to each of the TDC participants featuring an article titled “Keeping a long-term strategy during market volatility”. 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 the first quarter returns gave way to lower return rates in April. He added that foreign stocks are down however, the funds’ performance was as expected. 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.

Tab #4: Appeals for Consideration

Ronald Watson – Hearing Officer Gary Pullin

Chairman Bunn recognized Hearing Officer Gary Pullin to review the appeal of Ronald Watson, a member of the Public Employees Retirement System (PERS). Mr. Pullin said that the issue in this appeal was whether the Board had a legal duty to provide Appellant, Ronald Watson, with pre-retirement counseling, and whether Appellant should be permitted to change his retirement benefit from Option A (Joint & Survivor) to a Straight Life Annuity after commencing retirement.

Based on the Findings of Fact and Conclusions of Law, Hearing Officer Pullin recommended that Mr. Watson’s appeal of the Board decision to deny him the opportunity to change his retirement benefit from Option A to a Straight Life Annuity be denied.

Chairman Bunn stated that he would entertain a motion to accept the recommendation of Hearing Officer Pullin regarding the appeal of Ronald Watson.

Mr. Vallet made a motion to accept the recommendation of the Hearing Officer Pullin with regard to the appeal of Ronald Watson. Mr. Waybright seconded the motion. The motion was adopted.
Albert West – Hearing Officer Sarah Korwan

Chairman Bunn recognized Hearing Officer Sarah Korwan to review the appeal of the spouse of Albert West, a member of the Public Employees Retirement System (PERS). Ms. Korwan said that the issue in this appeal was whether Mr. West’s spouse, Mary Jane West, is entitled to receive benefits as his survivor, pursuant to Option A (100% Joint & Survivor) of the PERS Benefit Option Form, which he selected on the form signed, but did not have witnessed on October 21, 2021, or whether Mary Jane West would receive the remaining accumulated benefits in a lump sum payment pursuant to Option SL (Straight Life), which the retiree selected on the form which was signed and witnessed on November 10, 2021.

Based on the reasons set forth in the Hearing Officer’s Recommendation, Ms. Korwan recommended that the Appellant’s appeal of the Board’s decision to deny the request for survivor benefits to be paid pursuant to Option A (100% Joint & Survivor) be granted.

Chairman Bunn stated that he would entertain a motion to accept the recommendation of Hearing Officer Korwan regarding the appeal of the spouse of Albert West.

Mr. Cart made a motion that the Board accept the recommendation of the Hearing Officer with regard to the appeal of the spouse of Albert West. Mr. Vallet seconded the motion.

There was discussion regarding the recommendation of the Hearing Officer. Ms. Korwan answered questions from the Board regarding her recommendation.

Mr. Cart’s motion to accept the recommendation of the Hearing Officer was not adopted.

Chairman Bunn stated that he would entertain a motion to reject the recommendation of the Hearing Officer, pursuant to W. Va. Code R. § 162-2-7.3.1, based upon an error in facts and/or contrary to law.

Mr. Vallet made a motion to reject the recommendation of the Hearing Officer pursuant to W. Va. Code R. § 162-2-7.3.1, based upon an error in facts and/or contrary to law. Mr. McKown seconded the motion. The motion was adopted.

The appeals were located behind Tab #4 of the Board materials.

Executive Session

Chairman Bunn stated that there was a legal matter 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. Scott made a motion that the Board go into Executive Session to discuss a legal matter as allowed by West Virginia Code §6-9A-4. Mr. Waybright seconded the motion. The motion was adopted.

The Board went into Executive Session at 10:59 a.m.

Chairman Bunn reconvened the Public Session of the May 4, 2022 meeting of the CPRB Board of Trustees from Executive Session at 11:26 a.m. He announced the Board was in Executive Session to discuss a legal matter as allowed by West Virginia Code §6-9A-4 and that no decisions were made in Executive Session.

Tab 5: 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 reviewed a complaint of racial and age discrimination filed by a former employee, Marie Shelton, with the West Virginia Human Rights Commission. Ms. Legato stated that by Order of Administrative Law Judge C. Joan Parker, a public hearing had been scheduled for October 18-20, 2022 and requested authority to pursue a possible settlement with Ms. Shelton between the date of the Board meeting until October, 2022.

Chairman Bunn stated that he would entertain a motion to authorize the Board In-House Counsel, Jeaneen Legato, to make a Settlement Offer to Ms. Shelton.

Mr. Scott made a motion to authorize the In-House Legal Counsel, Jeaneen Legato, to pursue a possible settlement with Ms. Shelton. Mr. McKown seconded the motion. The motion was adopted.

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 Judge Webster had entered a Final Order affirming the decision of the CPRB in the Adam Scott appeal, in which the Board denied his request to purchase military service credit to be used in his retirement calculation of credited service because he had not purchased that credit in a timely manner. On March 15, 2022, Judge Webster entered a Final Order affirming the decision of the CPRB and denying Mr. Scott’s appeal. Ms. Harvey also updated the Board on other legal matters pending before the Circuit 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

Chairman Bunn recognized Jeff Waybright, to give a report from the Accounting & Audit Committee. Mr. Waybright reported that the committee had met on Tuesday, May 3, 2022. He stated that the committee had heard from Tina Baker, CPRB Internal Auditor, who presented an audit on Annuitant Deaths and the Committee recommended that the Board adopt the Audit.

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

Mr. Vallet made a motion that the Board adopt the Internal Audit of Annuitant Deaths done by Tina Baker, CPRB Internal Auditor. Mr. Scott seconded Mr. Vallet’s motion. The motion was adopted.

Mr. Waybright went on to say that Ms. Baker, CPRB Internal Auditor, had presented an internal audit on Loans and the Committee recommended that the Board adopt the Audit.

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

Mr. Vallet made a motion that the Board adopt the Loans Internal Audit done by Tina Baker, CPRB Internal Auditor. Mr. Murray seconded the motion. The motion was adopted.

Mr. Waybright stated that Tim Abraham, CPRB Compliance Officer, had presented the Uniformed Services Compliance Review and the Committee recommended that the Board adopt the Compliance Review.

Chairman Bunn stated that he would entertain a motion to accept the Uniformed Services Compliance Report as recommended by the Accounting and Audit Committee.

Mr. Patterson made a motion that the Board adopt the Uniformed Services Compliance Review, done by Tim Abraham, CPRB Compliance Officer. Mr. Barker seconded the motion. The motion was adopted.
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 3, 2022 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:

<table>
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<th>System</th>
<th>Approved Total Non-Duty</th>
<th>Denied Total Non-Duty</th>
<th>Approved Total Duty</th>
<th>Denied Total Duty, Approved Partial Duty</th>
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<td>0</td>
<td>1</td>
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<tr>
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<td>3</td>
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<td>0</td>
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<tr>
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<td>9</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>14</td>
</tr>
</tbody>
</table>

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

Mr. Waybright 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. Scott. 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 3, 2022 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 3, 2022 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, Thomas H. Ewing for appointment as the JRS representative, David M. Nelson for appointment as the Plan A representative, Dana Lee Chapman as the Plan B representative, Adam Ray Crawford as the DSRS representative, and Matthew Ashcraft as the EMSRS representative.
Chairman Bunn said that he would entertain a motion to accept the recommendation of the WV IMB Representative Committee.

**Mr. McKown made a motion that the Board accept the recommendations of the WV Investment Management Board Representative Committee regarding appointments as representatives to the West Virginia Investment Management Board. Mr. Vallet seconded the motion. The motion was adopted.**

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

**Tab #7: Actuarial Equivalence for Loans & Minimum Guarantee Benefits – Ken Woodson**

Chairman Bunn recognized Ken Woodson, CPRB Actuary, to present the Actuarial Equivalence for Loans & Minimum Guarantee Benefits. Mr. Woodson reviewed the Loan Factors, Minimum Guaranteed Benefit Factors and Early Retirement Factors for the Teachers' Retirement System (TRS) and the Deputy Sheriffs' Retirement System (DSRS).

Mr. Woodson recommended, for TRS Loan Factor Assumption - 7.25% interest rate per year and for DSRS Loan Factor Assumption – 7.25% interest rate per year.

Chairman Bunn stated that he would entertain a motion to accept the recommendation of the Board Actuary regarding the TRS and DSRS Loan Factor Assumption.

**Mr. Scott made a motion to adopt the recommendation of the Board Actuary regarding the TRS and DSRS Loan Factor Assumption. Mr. Vallet seconded the motion. The motion was adopted.**

Mr. Woodson recommended, for the TRS Minimum Guaranteed Benefit Factors – 7.25% interest rate per year.

Chairman Bunn stated that he would entertain a motion to accept the recommendation of the Board Actuary regarding the TRS Minimum Guaranteed Benefit Factors.

**Mr. Patterson made a motion to adopt the recommendation of the Board Actuary regarding the TRS Minimum Guaranteed Benefit Factors. Mr. Scott seconded the motion. The motion was adopted.**

Mr. Woodson recommended, for TRS Tier 2 Early Reduction Factor – 7.0% interest rate per year. After discussion and questions, he recommended the interest rate be set at 7.25% per year.

Chairman Bunn stated that he would entertain a motion to accept the recommendation of the Board Actuary regarding the TRS Tier 2 Early Reduction Factor.
Mr. Vallet made a motion to adopt the recommendation of the Board Actuary regarding the TRS Tier 2 Early Reduction Factor. Mr. Waybright seconded the motion. The motion was adopted.

**Tab #8 Old Business**
Chairman Bunn inquired as to any old business to come before the Board. None was heard.

**Tab #9: New Business**
Chairman Bunn 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 12:05 p.m.*

[Signature]
Joseph G. Bunn, Chairman
Consolidated Public Retirement Board

[Signature]
Jeffrey E. Fleck, Executive Director
Consolidated Public Retirement Board