

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
BOARD OF TRUSTEES MEETING
MEETING OF JUNE 29, 2022**

A meeting of the West Virginia Consolidated Public Retirement Board (“CPRB”), Board of Trustees, was held on Wednesday, June 29, 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

David Nelson

Reginald Patterson

Jeffrey Vallet

Trustees absent:

Rhonda Bolyard

Larry Cole

A quorum was present.

Others present:

Jeffrey E. Fleck, CPRB Executive Director

Terasa Miller, CPRB Deputy Director

Nancy Butcher, CPRB Executive Assistant

Jeanen Legato, CPRB General Counsel

Ken Woodson, CPRB Actuary

Haley Perry, CPRB Actuarial Analyst

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

Ronda Harvey, Esquire, Bowles Rice

Chris Meadows, Empower

Gary Pullin, CPRB Hearing Officer

Tab 1: Approval of the May 4, 2022 Minutes

Chairman Bunn stated that he would entertain a motion to approve the minutes of the May 4, 2022 meeting of the CPRB Board of Trustees.

Mr. Waybright made a motion that the Board approve the minutes of the May 4, 2022 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: 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. *Quotes, Notes & Anecdotes* – Mr. Fleck said that a copy of the Department of Administration’s newsletter, *Quotes, Notes & Anecdotes* had been included in the Board material. He said that on the front page was a picture and an article of the CPRB’s Chris Barr who had been selected the DOA’s Employee of the Month for June. He also mentioned an article about John McHugh, the new Deputy Secretary of the Department of Administration and appearing on page 5 of the newsletter was a picture of Cabinet Secretary Scott and “Legislative Bill” that was taken during the CPRB’s

Legislative Lunch 'n Learn. He added that “Bill” was none other than the DOA’s June Employee of the Month, Chris Barr.

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 June retirements was 14 days so far. He added that the PERS retirements are current and that 39 TRS retirement applications for July 1, 2022 had been received. He went on to say that July 1 is the date most teachers retire.
3. *TDC Statistics* – He reported that the TDC Plan had 3,799 participants, and its assets were \$632,015,621 as of May 31, 2022.
4. *Delinquent Employers* – Director Fleck said that Green Acres Recreation Center continues to reimburse according to its agreement. He added that CPRB staff had been in contact with the Town of Matewan Water Department regarding their delinquent contributions and that the Hamrick Public Service District’s computer system was down as that they had communicated with staff that they would be current as soon as their system was back up.
5. *Membership Self-Service* – Mr. Fleck stated that the Membership Self-Service had gone live in mid-May and thus far over 4,000 active members had signed up.
6. *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 72.54% percent of its YTD Actual budget.
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.
8. *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.

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

Tab #1 - Return: Approval of May 4, 2022 Meeting Minutes

Chairman Bunn stated that he was returning to Tab #1, Approval of the May 4, 2022 meeting minutes. He asked for a motion to make a technical correction to the minutes with regard to the wording of the motion to reject the recommendation of the Hearing Officer in the Appeal of Albert West, specifically asking that the redundant wording, “because it was contrary to law”, be removed following the words “pursuant to W. Va. Code R. § 162-2-7.3.1.”

Mr. McKown made a motion that the wording, “because it was contrary to law,” be removed from the motion to reject the recommendation of the Hearing Officer. Mr. Barker seconded the motion. The motion was adopted.

Tab #4: Appeals for Consideration – Gary Pullin

Chairman Bunn recognized Gary Pullin, Hearing Officer, to review the appeal of Pravin G. Sangani. Mr. Pullin stated that issue in Mr. Sangani’s appeal was whether he should be permitted to retain his daughter Nakita as his beneficiary under the 100% Joint and Survivor Annuity Option based upon what Appellant alleged were deliberate and/or negligent misrepresentations made to him by the Board which led him to believe he could name his daughter, Nikita, as his beneficiary under the 100% Joint and Survivor Annuity Option. Appellant also maintained that the Board’s action should be precluded based upon principles of equity because of the time difference between when the Board permitted his beneficiary selection (2003) and when the Board informed him that his beneficiary selection was impermissible and must be changed (2021).

Based on the Findings of Fact and Conclusions of Law, Mr. Pullin recommended that Mr. Sangani appeal be denied.

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

Mr. Vallet made a motion to accept the recommendation of Hearing Officer Pullin with regard to the appeal of Pravin G. Sangani. Mr. Scott seconded the motion. The motion was adopted.

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

Executive Session

Chairman Bunn stated that there was a legal matter that needed to be discussion 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. Vallet made a motion to go into Executive Session to discuss a legal matter as allowed by W. Va. Code §6-9A-4. Mr. Waybright seconded the motion. The motion was adopted.

The Board went into Executive Session at 10:40 a.m.

Chairman Bunn reconvened the Public Session of the June 29, 2022 meeting of the CPRB Board of Trustees from Executive Session at 10:50 a.m. He announced the Board was in Executive

Session to discuss a legal matter as allowed by W.Va. 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 the Potential Less Than Honorable Service of Leonard Varner, Jr. She stated that Mr. Varner, a TRS member, who was a former teacher and coach at Anstead Middle School in Fayette County. On May 11, 2021, he was indicted on eleven (11) felony counts involving four minor children, three (3) of the victims were his former students. On March 15, 2022, Judge Blake accepted his plea agreement and adjudged him guilty of four felony counts; one count of sexual assault in the third degree, one count of sexual assault by a parent, guardian, custodian, or person in position of trust to a child, one count of sexual assault in the second degree, and one count of soliciting a minor for sex and traveling to engage in prohibited sexual activity.

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. Varner's pension and membership in the TRS and to authorize her to proceed with *Less Than Honorable Service* action against him.

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

Mr. Vallet made a motion that the Board accept the recommendation of Counsel to disqualify and terminate the pension and membership in the TRS of Leonard Varner, Jr. and to authorize legal counsel to proceed with LTHS action. Mr. Scott 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 reviewed all matters pending before the Circuit Courts of West Virginia. She added that there were no matters pending before the Supreme Court. Ms. Harvey also explained the IRS rule regarding the age difference of beneficiaries and how it relates to the appeals filed by Pravin Sangani and Rick Kinder.

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

Tab #3: Plans Investment Data

Chairman Bunn recognized Chris Meadows of Empower Retirement who gave an update on the TDC Outreach and Reality Investing. Mr. Meadows stated that he had conducted 563 educational counseling sessions and 151 distribution counseling sessions since the beginning of the year for a total number of sessions for the year at 714.

Mr. Meadows reported that a “*Stay in the Plan*” mailer had been sent to each of the TDC participants that provided information about the benefits of staying in the TDC after retirement.

Mr. Meadows also updated the Board on the TDC Investment Data. He reported that the market was experiencing high volatility, showing less than .2 of a percent increase. He added that foreign markets were mirroring the U.S. markets.

Chair Bunn recognized Jeff Fleck who gave a brief update of the WVIMB investment data in the absence of Craig Slaughter. Mr. Fleck reviewed the data for the period ending April 30, 2022, stating that the YTD investment rate was -2.1 percent.

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 #6: Committee Reports

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, June 28, 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:

System	Approved Total Non-Duty	Denied Total Non-Duty	Approved Total Duty	Denied Total Duty, Approved Partial Duty	Total
PERS	7	2	0	0	9
TRS	11	2	0	0	12
TOTALS	18	3	0	0	21

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. Scott. The motion to accept and approve the recommendation was adopted.

Tab #7 Old Business

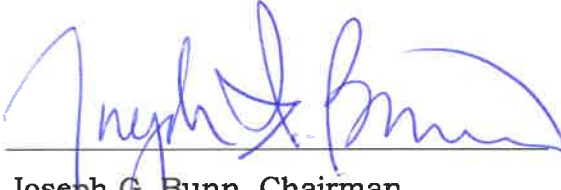
Chairman Bunn inquired as to any old business to come before the Board. None was heard.

Tab #8: New Business


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 11:03 a.m.



Joseph G. Bunn, Chairman
Consolidated Public Retirement Board



Jeffrey E. Fleck, Executive Director
Consolidated Public Retirement Board