

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIRMENT BOARD
BOARD OF TRUSTEES MEETING
MEETING OF JULY 10, 2019**

A meeting of the West Virginia Consolidated Public Retirement Board (CPRB), Board of Trustees, was held in the CPRB Conference Room at 4101 MacCorkle Avenue, SE, Charleston, West Virginia 25304, on Wednesday, July 10, 2019. The meeting was called to order at 10:00 a.m. by Chairman David Wyant.

Roll Call was taken.

Trustees present were:

David Wyant, Chairman
Captain Michael Corsaro, Vice-Chairman
Mike Hall, *representing Governor James C. Justice, II*
Diana Stout, *representing Treasurer John Perdue*
Deputy Cabinet Secretary Mary Jane Pickens
Bill Barker
Joe Bunn
Michael Haney
Joe Lynch
D. Todd Murray
Jeffrey Vallet

Trustees absent:

Jeff Waybright, *representing Auditor John B. McCuskey*
Andy Bird
Mike McKown

A quorum was present.

Due notice had been posted.

Also in attendance were:

Jeffrey E. Fleck, CPRB, Executive Director
Terasa Miller, CPRB, Deputy Director
Nancy Butcher, CPRB, Executive Assistant
Jeaneen Legato, Esquire, CPRB, General Counsel
Alysia Miller, CPRB Paralegal
John Galloway, CPRB Chief Financial Officer

Ken Woodson, CPRB, Actuary
John Beane, CPRB, I.T. Manager
Patricia Bowgren, I.T. Staff
Tammy Patton, I.T. Staff
Tim Abraham, CPRB, Compliance Officer
Dee McMillan, CPRB, Governor's Internship Program Intern
Tina Baker, CPRB, Internal Auditor
Tim Phillips, CPRB, IT Staff
Ronda Harvey, Esquire, Bowles Rice
Tom Sauvageot, WVIMB
Chris Meadows, Empower
Don Jurgens, Empower
Anne Charnock, CPRB Hearing Officer

Tab 1: Approval of the May 29, 2019 Minutes

Mr. Vallet made a motion to approve the minutes of the May 29, 2019 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: Reports of the Chairman and Executive Director

Mr. Jeffrey Fleck, Executive Director, gave his report to the Board which included the following information:

1. Executive Director Fleck reported on the Metric Chart. He explained the expansion of the chart. He went on to explain that no TRS retirements had been processed because they are in the triage stage, which means, we are waiting on information from the employer.
2. Executive Director Fleck reviewed the TDC Empower Statistics. He reported that the Plan currently had 4,143 participants and their assets were \$544,913,353.
3. Executive Director Fleck updated the Board on the Delinquent Employers. He stated that Green Acres continues to reimburse according to their agreement. He went on to say that Ohio County Public Service District has not made contributions, including employee contributions, since December. He said that the employer has been contacted by telephone, e-mail, letter and by certified mail.
4. Executive Director Fleck gave an update on O.A.S.I.S. He stated that CPRB staff continues to meet with O.A.S.I.S. staff regarding paper checks and the schedule of payment dates.

5. Executive Director Fleck reviewed the CPRB FY2020 Strategic Plan. He stated that under the Goals and Objectives, the COMPASS project is in the final stages of complete implementation and that the agency continues to improve and maintain the efficiencies of the program.
6. Executive Director Fleck gave a presentation of the Member Self-Serve (MSS) that will soon be available to all PERS participants on the CPRB website. He stated that employees of the agency are currently testing MSS and it will be available to all active participants by the end of the year.
7. Executive Director Fleck gave an update on the 2019 PERS Outreach presentations. He stated that a total of 7 outreach presentations had been held and were attended by 292 participants. He added that it is being discussed to join with PEIA on some of the outreach sessions.
8. Executive Director Fleck announced that there was an article in the July edition of *Quotes, Notes & Anecdotes* regarding the PERS outreach seminars.
9. Executive Director Fleck gave an update on the Imaging contract Request For Quotes (RFQ). He stated that the previous vendor had gone out of business thus resulting in the issuing of a RFQ.
10. Executive Director Fleck reviewed the May financials. He stated that at the end of May, the agency was at 74.23% of its budget.
11. Executive Director Fleck reviewed the June financials. He stated that the agency had ended the year at 75.30% of its budget. He went on to say that the new participation fee had gone into effect on July 1, 2019.
12. Executive Director Fleck informed the Board that he had been asked to take the position of Vice President of the National Association of State Retirement Administrators. He requested approval from the Board to assume the position.

Mr. Bunn made a motion to give Mr. Fleck permission to assume the position with NASRA. Ms. Pickens seconded the motion. The motion was adopted.

13. Executive Director Fleck informed the Board that a copy of the correspondence to retirees that are still receiving a paper check was included in the Board materials.
14. Executive Director Fleck reviewed the PERS Minimum Benefit correspondence that was included in the Board materials.
15. Executive Director Fleck commented on the TRS Minimum Benefit correspondence that was included in the Board materials. He stated that this benefit would be effective on July 1, 2019.

16. Executive Director Fleck announced that a copy of the Trooper B Increase Retirement Benefit Multiplier correspondence had been included in the Board materials.

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

Tab #3: Plans Investment Data

Tom Sauvageot, of the West Virginia Investment Management Board (WVIMB), reviewed the Plan’s Investment Returns Preliminary Report for the period ending May 31, 2019. He stated that it has been a challenging fiscal year for the market. He stated that the market is up 1.6% year to date. He went on to say that the returns for June appear to be in the 3 to 3.5% range. He added that it is possible for the year to end with 6%.

Chris Meadows of Empower gave an update on the TDC Outreach and Reality Investing. Mr. Meadows reported that since the last Board meeting his on-site meetings included locations in Mason, Ohio, Kanawha, Hancock, Wood and Mercer Counties. He added that those meetings included 12 one on one reviews and 130 phone distribution/counselling sessions, for a year to date total of 44 total meetings and 600 plan participants counselled.

Don Jurgens of Empower Retirement gave an update on the TDC Investment Data. He reported that the performance of investments had been up.

The Plans Investment Data reports were located behind Tab #3 of the Board materials.

Tab #4: Consideration of the Current Disability Retirement Applications

Mr. Murray reported that the Disability Committee met on Tuesday, July 9, 2019, and the Disability Committee approved the staff’s recommendations of disability retirement applications and made the following recommendations to the Board for their approval:

System	Approved	Denied	Total
PERS	5	0	5
TDC	2	0	2

TRS	4	0	4
TOTALS	11	0	11

Captain Corsaro made a motion the Board accept and approve the Disability Committee’s recommendations concerning the disability retirement applications. The motion was seconded by Mr. Haney. The motion to accept and approve the recommendations was adopted.

The Disability report and minutes were located behind Tab #4 of the Board materials.

Tab #5: Consideration of Appeal to Hearing Officer Anne Charnock

Hearing Officer Charnock reviewed the appeal of **Adam Scott**, a participant of Trooper Plan B. The issue in this appeal was whether the Applicant can purchase military service credit for the sixteen months he served on active duty with the Coast Guard although the time period in which to buy this military service credit is expired.

Hearing Officer Charnock recommended that Adam Scott’s appeal of the Board’s decision to deny him the opportunity to purchase military service credit, be denied.

Mr. Bunn made a motion the Board adopt the recommendation of the Hearing Officer and deny the appeal of Adam Scott. Mr. Haney seconded the motion. The motion was adopted.

Hearing Officer Charnock reviewed the appeal of **Corinne Scurlock**, a participant of the Teachers Retirement System. The issue in this appeal was whether the Applicant can buy back funds which were distributed to her husband through a QDRO.

Hearing Officer Charnock recommended that Corinne Scurlock’s appeal of the Board’s decision to deny her the opportunity to buy back funds which were distributed to her husband through a QDRO, be denied.

Captain Corsaro made a motion the Board adopt the recommendation of the Hearing Officer and deny the appeal of Corinne Scurlock. Mr. Bunn seconded the motion. The motion was adopted.

Executive Session

Chairman Wyant announced he would entertain a motion to go into Executive Session to discuss legal matters.

Mr. Vallet made a motion the Board go into Executive Session to discuss legal matters as allowed by West Virginia Code §6-9A-4. The motion was seconded by Mr. Haney. The motion was adopted.

The Board went into Executive Session at 10:43 a.m.

Chairman Wyant reconvened the Public Session of the July 10, 2019, meeting of the CPRB from Executive Session at 10:55 a.m.

Chairman Wyant announced the Board was in Executive Session to discuss legal matters as allowed by West Virginia Code §6-9A-4 and that no decisions were made during Executive Session.

Tab #6: Legal Counsel Reports

Legal Counsel Reports

Report of In-House Legal Counsel – Jeaneen Legato

Jeaneen Legato, In-House Legal Counsel, presented her report to the Board on all pending legal matters. She reported on all current Administrative and Circuit Court matters.

Ms. Legato reviewed the Less than Honorable Service (LTHS) case of Justin Ray Hoover, a member of the Teachers Retirement System (TRS). Mr. Hoover was a former custodian at Vienna Elementary School in Wood County. He was convicted of the felony offense of *Distribution and Exhibition of Material Depicting Minors Engaged in Sexually Explicit Conduct* and the misdemeanor offense of *Child Erotica* involving images found on a computer in his office at the school. Judge Bean sentenced him to two years of incarceration for the felony and one year of incarceration for the misdemeanor to be served concurrently with said sentence being suspended and conditioned upon completion of a term of five years of probation.

Ms. Legato recommended the Board disqualify and terminate the TRS membership of Justin Ray Hoover for rendering LTHS.

Mr. Bunn made a motion the Board accept the recommendation of Counsel to disqualify and terminate the TRS membership of Justin Ray Hoover and to authorize counsel to proceed with LTHS proceedings against him. Mr. Lynch seconded the motion. The motion was adopted.

Report from Outside Legal Counsel – Ronda Harvey

Ms. Harvey updated the Board on matters still pending in the Circuit Courts of West Virginia and other administrative matters. She updated the Board on the *Allen E. Tackett v. WVCPRB* case. She stated that CPRB's *Motion to Dismiss* is still pending before Judge Webster.

Ms. Harvey also reported that the DNR subsistence allowance case has been fully briefed and is still pending before Kanawha County Circuit Judge Jennifer Bailey.

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

Tab #7: Reports and Minutes from Committees

Accounting and Investment Committee

Mr. Bunn gave a report from the Accounting and Investment Committee. He stated that the Evaluation Committee for the TDC TPA RFP was evaluating the proposals and upon completion then proceed to the opening of the Cost Proposals. He recommended that the Board authorize the Evaluation Committee to proceed with the evaluation of the proposals and then be authorized to award the contract.

Mr. Vallet made a motion to authorize the Evaluation Committee to continue with the evaluation process and then to award the contract. Ms. Pickens seconded the motion. The motion was adopted.

Tab #8: Old Business

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


Tab #8: New Business

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

There being no further business to come before the board, the meeting adjourned at 11:04 a.m.



David Wyant, Chairman
Consolidated Public Retirement Board



Jeffrey E. Fleck, Executive Director
Consolidated Public Retirement Board