

**MINUTES OF THE  
WV CONSOLIDATED PUBLIC RETIREMENT BOARD  
MEETING OF SEPTEMBER 28, 2011**

A meeting of the West Virginia Consolidated Public Retirement Board (CPRB) of Trustees was held at the Board Conference Room, 4101 MacCorkle Avenue, SE, Charleston, West Virginia 25304, and was called to order at 10:03 a.m. by Chairman David Wyant.

Roll Call was taken and trustees present were:

David Wyant, Esquire, Chairman  
Jeffrey Shawver, Esquire, *representing Governor Earl Ray Tomblin*  
Cabinet Secretary Robert Ferguson  
Thomas Bradley  
Joseph Bunn, Esquire  
Captain Michael Corsaro  
Drema Evans  
David Fletcher  
Joe Lynch  
Sergeant Tony Payne  
Andrew Richardson, Esquire

Trustees not present:

John Perdue, Treasurer  
Glen Gainer, Auditor  
Todd Murray

A quorum was present. Due notice had been posted.

Also in attendance were:

Terasa L. Miller, CPRB Acting Executive Director  
Candi Moore, CPRB Executive Assistant  
Jeaneen Legato, Esquire, CPRB General Counsel  
Lenna Chambers, Esquire, Bowles Rice McDavid Graff and Love  
Jack DeBolt, Esquire, Hearing Officer  
Anne Charnock, Esquire, Hearing Officer  
Jeffrey Fleck, CPRB Compliance Officer  
Kris Morton, Great West Regional Manager  
Andrew Wyne, Great West Outreach Officer  
Craig Slaughter, Executive Director WVIMB  
Eric Stringer, CPRB IT Specialist  
Harry Mandel, CPRB Board Actuary  
Melody Bailey, CPRB Actuarial Analyst  
Annamarie Short, CPRB Internal Auditor  
Cindy Boyd, Computer Project Manager  
Lisa Trump, CPRB PERS Manager  
Caroline Brady, CPRB PERS Assistant Manager  
Brittany Smith, CPRB TRS Staff  
Darden Greene, CPRB Chief Financial Officer

Torrie Williams, CPRB PERS Membership  
Tracy Batman, CPRB Accounting Staff  
Deana Gose, CPRB Uniform Services Manager  
Eric Stringer, CPRB IT Staff  
Alysia Miller, CPRB Paralegal  
David Garrett

**Tab #1: Approval of the July 6, 2011 Meeting Minutes**

Ms. Evans moved to approve the August 17, 2011 minutes of the CPRB. The motion was seconded by Mr. Richardson and the motion carried unanimously. The minutes are located behind Tab #1.

*Secretary Ferguson departed at 10:03 a.m.*

**Tab# 2: Reports of the Chairman and Acting Executive Director**

The Board heard the report from Acting Executive Director Miller which included the following information:

1. Acting Director Miller reviewed with the Board the August 2011 retirement numbers and estimates for the CPRB.
2. Acting Director Miller informed the Board the DSRS statements are being mailed out today.

*Secretary Ferguson returned at 10:05 p.m.*

3. Acting Director Miller updated the Board on the Web Contribution Reporting.
4. Acting Director Miller informed the Board of the TDC/TRS Payroll Clerk Seminar that was held on September 13, 2011.
5. Acting Director Miller reported to the Board that we will be hosting the TDC/TRS Fall Outreach Meetings.

*Mack Parsons arrived at 10:10 a.m.*

6. Acting Director Miller reported to the Board on the Computer System Project Update and Wechsler; she announced we should have the technical scoring by the November Board Meeting. Acting Director Miller also reported to the Board the Computer Committee attended demonstrations and site visits as follows:

September 6, 2011 ViTech

September 8, 2011 Cedar Crestone  
 September 9, 2011 Deloitte  
 September 14, 2011 NYTRS – Cedar Crestone  
 September 15, 2011 Iowa PERS – ViTech  
 September 16, 2011 LASERS – Deloitte

7. Acting Director Miller reviewed with the Board the August 2011 financials.
8. Acting Director Miller informed the Board the Gibbons & Kawash Annual Audit is 95% ready and should be ready by the November Board Meeting.
9. Acting Executive Director Miller informed the Board the Municipal Police and Fire Retirement System will be changing over to the EMRS System if they do not reach their goal of funding and members.
10. Acting Executive Director Miller informed the Board she will have two items to bring before the Board during Executive Session; they are the In-House Counsel's Contract which is up for renewal; and the 1099-R Mailing Contract that needs to be renewed. Acting Executive Director Miller's report is located behind Tab #2.

**Tab #3: Plans Investment Data**

West Virginia Investment Management Board (WVIMB) Executive Director Craig Slaughter reviewed with the Board the Plans Investment Data for month ending July 31, 2011.

Andrew Wyne of Great West reviewed the TDC Investment data with the Board. The Plans Investment Data reports are behind Tab #3.

**Tab #4: Consideration of Current Disability Retirement Applications**

Ms. Evans reported to the Board the Disability Committee met on September 27, 2011 and makes the following recommendations to the full Board:

<b>System</b>	<b>Approved</b>	<b>Denied</b>	<b>Total</b>
<b>EMRS</b>	1	0	1
<b>PERS</b>	26*	5	31
<b>TDC</b>	3	0	3
<b>TRS</b>	6	0	6
<b>TDC/TRS Transfers</b>	2	0	2

<b>TOTAL</b>	<b>38</b>	<b>5</b>	<b>43</b>
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\* Approval conditioned upon a 1 year re-exam.

Captain Corsaro moved the Board accept the Disability Committee’s recommendations concerning the disability retirement applications. The motion was seconded by Mr. Fletcher. The motion carried unanimously.

Ms. Evans made a motion to terminate the TRS Disability of Patricia Smith effective October 1, 2011 due to Board physician, Dr. Cupp, finding her no longer disabled at her 1 year re-examination and authorize the staff to pay her monthly annuity amount to her only if she is willing to sign an agreement agreeing to repay these amounts should she be denied disability upon final determination through a second board doctor or appeal hearing. Captain Corsaro seconded the motion. There was discussion on the motion and the motion carried unanimously.

Chairman Wyant asked In-House Counsel, Jeaneen Legato to look into the Administrative Procedures regarding disability reevaluations and report back to the Board with her findings. The disability list is behind Tab #4.

**Tab #5: Consideration of Appeals to Hearing Officers**

Secretary Ferguson made a motion the Board go into Executive Session to discuss medical issues, less than honorable service (LTHS), disability matters, legal matters, contractual matters and a personnel matter as allowed by West Virginia Code §6-9A-4. The motion was seconded by Mr. Shawver. The Board went into Executive Session at 10:36 a.m.

The Chairman reconvened the Public Session of the September 28, 2011 meeting of the Consolidated Public Retirement Board from Executive Session at 11:26 a.m. Chairman Wyant stated the Board was in Executive Session to discuss medical issues, less than honorable service (LTHS), disability matters, legal matters, contractual matters and a personnel matter. He announced there were no decisions made during Executive Session. The Board will return to Tab #5, Appeals from the Hearing Officers.

Secretary Ferguson made a motion to renew the contract for the In-House Legal Counsel, Jeaneen Legato for 1 year. The motion was seconded by Mr. Shawver and the motion carried unanimously.

Secretary Ferguson made a motion to renew the 1099-R contract for Pittsburgh Mailing for 1 year. The motion was seconded by Mr. Fletcher and the motion carried unanimously.

Mr. Fletcher made a motion to renew the Great West 3<sup>rd</sup> Party Administrator contract for 1 year under the same terms and conditions. The motion was seconded by Captain Corsaro and the motion carried unanimously.

#### **Hearing Officer Anne Charnock**

Hearing Officer Charnock addressed the appeal of Lorie Mattson on her request to reinstate PERS withdrawn service.

It is recommended that the Applicant's appeal of her request to purchase previously withdrawn PERS contributions should be denied.

Secretary Ferguson made a motion to accept the Hearing Officer's recommendation and to deny the appeal of Lorie Mattson. The motion was seconded by Mr. Parsons. There was discussion on the motion and the motion carried unanimously.

#### **Hearing Officer Jack DeBolt**

Hearing Officer DeBolt addressed the appeal of Stephen M. Burdette on whether or not the Applicant has recovered from his disability to the extent that he is able to adequately perform the duties of a state trooper.

It is recommended that the action of the staff in terminating the duty-related partial disability benefits of Stephen M. Burdette be affirmed and that his appeal be denied.

Secretary Ferguson made a motion to accept the recommendation of the Hearing Officer and deny the appeal of Stephen M. Burdette. The motion was seconded by Mr. Fletcher and the motion carried unanimously.

Hearing Officer DeBolt addressed the appeal of Brian K. Duffield on whether or not the Applicant is privileged to request a change in his Plan A disability annuity from non-duty to duty related.

It is recommended the request of Brian K. Duffield to apply for duty-related total disability benefits in State Police Plan A be denied.

Ms. Evans made a motion to accept the recommendation of the Hearing Officer and deny the appeal of Brian K. Duffield. The motion was seconded by Mr. Lynch and the motion carried unanimously.

Hearing Officer DeBolt addressed the appeal of Leon Ray Pivont on whether or not the Applicant has been a full-time employee from July 1, 2005 to date so as to permit him to

participate in PERS.

It is recommended the appeal of Leon Ray Pivont be denied.

Captain Corsaro made a motion to accept the recommendation of the Hearing Officer and deny the appeal of Leon Ray Pivont. The motion was seconded by Mr. Lynch and the motion carried unanimously.

Hearing Officer DeBolt addressed the appeal of Richard E. Rogers on whether or not the Applicant is entitled to acquire service credit for the period when he was employed as a policeman by the City of Dunbar; and whether or not the applicant is entitled to acquire service credit for the period when he was suspended from employment without pay by Kanawha County.

It is recommended the request of Richard E. Rogers to acquire service credit in the Public Employees Retirement System for two separate periods be denied.

Mr. Fletcher made a motion to accept the recommendation of the Hearing Officer and deny the appeal of Richard E. Rogers. The motion was seconded by Mr. Lynch. There was discussion on the motion and the motion carried unanimously.

Hearing Officer DeBolt addressed the appeal of Allen E. Tackett on whether or not the Applicant is entitled to military service credit for his period of basic training (which did in fact occur during a period of armed conflict) under the provisions of §5-10-15 of the W.Va. Code; and whether or not the applicant is entitled to military service credit for periods of annual and other training or service which occurred during periods of armed conflict under the provisions of §5-10-15 of the West Virginia Code.

It is recommended the request of Allen E. Tackett for military service credit for his active service of the Armed Forces of the United States from February 8, 1963, to August 8, 1963 be approved and that his request for service credit for periods of annual or other training or service in the National Guard be denied. The Hearing Officer also held that Mr. Tackett be afforded the opportunity to establish Title 10, U.S.C., service for any other periods of active service consistent with the provisions of W.Va. Code §5-10-15.

Mr. Richardson made a motion to accept the recommendation of the Hearing Officer. The motion was seconded by Mr. Fletcher. There was discussion on the motion and the motion carried unanimously. The Recommended Decisions are located behind Tab #5.

*Mr. Parsons departed the meeting at 11:44 a.m.*

**Tab #6: Work in Progress Reports from Legal Counsel**

**In-House Legal Counsel Presentation – Jeaneen Legato, Board Counsel:**

In-House Legal Counsel Jeaneen Legato reviewed her report with the Board on all pending legal matters. She reported on Administrative, Circuit Court, Supreme Court and LTHS cases.

Ms. Legato reviewed the case of Jack Jordan; this is a PERS appeal in which Nitro Police Chief Jordan is requesting he be allowed to participate in PERS subsequent to his retirement from his municipal pension plan. Chief Jordan is represented by John Dascoli, Esquire. On October 26, 2010 Mr. Jordan, by counsel, John Dascoli, filed a Petition for Appeal in the Circuit Court of Kanawha County. On November 12, 2010, we filed the Administrative Record. By Order of Judge Stucky entered on March 16, 2011, the Court Reversed the Board's Final Order. On April 6, 2011, opposing counsel filed a Petition for Attorney Fees and Costs with the Circuit Court. On April 15, 2011, Ms. Legato filed a Response in Opposition to Petition for Attorney Fees. On May 17, 2011, Judge Stucky issued an Order awarding Petitioner attorney fees in the amount of \$9,755.83. On June 14, 2011, Ms. Legato filed a Notice of Intent to Appeal with the WV Supreme Court. On June 28, 2011, the Court issued a Scheduling Order. On September 12, 2011, we filed Petitioner's Rule 39 Motion for Extension of Time. On September 16, 2011, the Court granted our motion and entered an Amended Scheduling Order which gives us until October 19, 2011 to perfect the appeal. Ms. Legato informed the Board she is seeking the Board's pleasure whether to appeal or to settle the case for Jack Jordan.

Mr. Richardson made a motion to the Board to accept the settlement in resolution of the Jack Jordan appeal in the amount of \$9,755.83. The motion was seconded by Captain Corsaro and the motion carried unanimously.

Ms. Legato brought before the Board the LTHS case of Randall H. Craig a former finance director for the City of Parkersburg who was convicted for embezzlement. It is recommended by Legal Counsel to file a petition to disqualify Randall H. Craig for Less Than Honorable Service.

Captain Corsaro made a motion for Board Counsel to file a petition to disqualify Randall H. Craig for Less Than Honorable Service. The motion was seconded by Mr. Fletcher. The motion carried unanimously. The report of the In-House Legal Counsel is behind Tab #6.

#### **Outside Legal Counsel Presentation – Lenna Chambers, Bowles Rice:**

Outside Legal Counsel, Lenna Chambers reported to the Board on all pending legal matters before the Circuit Court, Supreme Court, U.S. District Court, U.S. Bankruptcy Courts and Administrative and QDRO matters. The report of the Outside Legal Counsel is behind Tab #6.

#### **Tab #7: Committee Updates**

##### **Accounting & Investment Committee**

Mr. Fletcher reviewed the report from the A&I Committee with the Board. He reviewed the TDC Expense Recovery with the Board.

Mr. Fletcher made a motion the Board transfer \$311,832.60 from the Revenue Sharing account to the CPRB for the TDC Expense Recovery. The motion was seconded by Secretary Ferguson. There was discussion on the motion and the motion carried unanimously.

#### **Actuarial Assumptions Committee**

Acting Executive Director Miller reviewed the report of the Actuarial Assumptions Committee with the Board.

#### **Executive Director Search Committee:**

Chairman Wyant reported to the Board that the Executive Director Search Committee met today and recommends Jeffrey Fleck be approved as the Executive Director to the CPRB effective October 1, 2011 at a salary of \$100,008.00 per year.

Mr. Richardson made a motion to accept the recommendation of the Executive Director Search Committee and select Jeffrey Fleck as the Executive Director of the CPRB effective October 1, 2011 at a salary of \$100,008.00 per year. The motion was seconded by Secretary Ferguson and the motion carried unanimously. Chairman Wyant asked Mr. Fleck if he wanted to speak to the Board. Mr. Fleck informed the Board that he looked forward to working with the Board and staff at the CPRB and thanked the Board for this opportunity. Mr. Fletcher recognized Ms. Miller and thanked her for all of her work during her role as the Acting Executive Director.

*Mr. Richardson departed the meeting at 12:20 p.m.*

#### **Tab #8: Annual Actuarial Interest Rate Review – Harry Mandel**

Mr. Mandel reviewed his recommendations of the Annual Actuarial Interest Rates with the full Board. Mr. Mandel, Board Actuary, recommended the Board to approve the continuation of the 7.5% long term interest rate and discount assumptions for all eight of the CPRB administered defined benefit plans.

Mr. Fletcher made a motion the Board accept the recommendations of the Board Actuary and approve the continuation of the 7.5% long term interest rate and discount assumptions for all eight of the CPRB administered defined benefit plans. The motion was seconded by Ms. Evans. There was discussion on the motion and the motion carried unanimously.



**Tab #9: 2011 TRS Experience Study – Harry Mandel**

Mr. Mandel reviewed the 13 page 2011 TRS Experience Study, Overview and Summary of the Recommended Actuarial Assumptions with the full Board and made the following recommendations to the Board: Mr. Mandel, Board Actuary recommended the Board approve all of the recommended assumptions as outlined in the TRS Experience Study, effective with the July 1, 2011 Actuarial Valuation of the Teachers Retirement System.

Secretary Ferguson made a motion to adopt the Experience Study as outlined by the Board Actuary. Captain Corsaro seconded the motion. There was discussion on the motion and the motion carried unanimously.

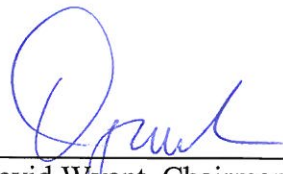
**Tab #10: Other, Old Business**

Chairman Wyant asked if there was any old business to bring before the Board and none was heard.

**Tab #11: Other, New Business**

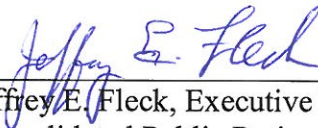
Chairman Wyant asked for new business and none was heard. Chairman Wyant announced the next Board Meeting will be Wednesday, November 9, 2011.

Chairman Wyant adjourned the public meeting of the West Virginia Consolidated Public Retirement Board at 12:45 p.m.



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David Wyant, Chairman  
Consolidated Public Retirement Board



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Jeffrey E. Fleck, Executive Director  
Consolidated Public Retirement Board