

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
MEETING OF JUNE 10, 2009**

A meeting of the West Virginia Consolidated Public Retirement Board of Trustees was held at the Board Conference Room, 4101 MacCorkle Avenue, SE, Charleston, West Virginia 25304 and was called to order at 10:04 a.m. by Chairman David Wyant.

Roll Call was taken and trustees present were:

David Wyant, Esquire, Chairman
Jonathan Deem, Esquire, *representing Governor Joe Manchin, III*
Mack Parsons, *representing Auditor Glen Gainer*
Diana Stout, Esquire, *representing Treasurer John Perdue*
Cabinet Secretary Robert W. Ferguson, Jr.
E. Gene Davis
Drema Evans
David Fletcher
Joe Lynch
Captain Stephen Tucker

A quorum was present. Due notice had been posted.

Also in attendance were:

Anne Werum Lambright, Esquire, Executive Director, CPRB
Anita Brewster, Executive Assistant, CPRB
Terasa Miller, Deputy Director, CPRB
Brittany Smith, Office Assistant, CPRB
Lenna Chambers, Esquire, Bowles Rice McDavid Graff and Love
Jeaneen Legato, Esquire, In House Legal Counsel
Jack DeBolt, Esquire, CPRB Hearing Officer
Anne Charnock, Esquire, CPRB Hearing Officer
Mark Miller, CPA, CPRB Chief Financial Officer
Jeffrey Fleck, CPRB Compliance Officer
Harry Mandel, CPRB Board Actuary
Melody Bailey, CPRB Actuary Assistant
Lisa Trump, CPRB PERS Manager
Deana Gose, CPRB Uniform Services Manager
Barbara Haddad, CPRB IT Manager
Cynthia Boyd, CPRB Internal Auditor
Donna Lipscomb, Department of Administration
Craig Slaughter, Executive Director West Virginia Investment Management Board
Andrew Wyne, Great West Outreach Officer
Meredith George, Esquire, *representing Governor Joe Manchin, III*
Tony O'Leary, Department of Administration
Anita Maxwell, WVEA

Tab #1: Approval of the April 22, 2009, Meeting Minutes

Ms. Stout moved to approve the April 22, 2009, minutes of the Consolidated Public Retirement Board and the motion was seconded by Captain Tucker. The motion carried unanimously. The minutes are behind Tab #1.

Tab# 2: Reports of the Chairman and Executive Director

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

1. Retirement numbers;

2. Budget Report for April and May 2009 and TDC Expenses:

Director Lambright reviewed with the Board the budget figures for April and May 2009 and a summary of TDC/TRS transfer expenses through June 5, 2009. Director Lambright informed the Board that the money appropriated by the Legislature had been depleted and the Board would now have to use monies from the TDC Revenue Sharing Account to pay any future TDC/TRS transfer expenses. Chairman Wyant requested that the Legislature be informed and that a request be made to them to reimburse the TDC Revenue Sharing Account;

3. Gibbons & Kawash Contract:

Director Lambright informed the Board that the Gibbons and Kawash renewal contract needed formal approval and Chairman Wyant explained the circumstances. Mr. Fletcher moved that the Board approve the renewal of the contract with Gibbons and Kawash, financial auditors. The motion was seconded by Mr. Parsons. The motion carried unanimously;

4. Contracts:

Director Lambright informed the Board that Triangle had won the contract for the printing and mailing of our 1099s and since the contract amount was over \$25,000.00 she would need Board approval. Ms. Stout moved that the Board authorize Director Lambright to execute the contract with Triangle for the printing and mailing of the 1099s. The motion was seconded by Mrs. Evans. The motion carried unanimously;

5. Employee of the Month:

Director Lambright informed the Board that Tammy Patton had been named as May Employee of the Month of the Department of Administration and that an

article about Tammy was in the Notes, Quotes and Anecdotes in the front pocket of their book;

6. PEIA/CPRB issues:

Director Lambright informed the Board that she and Ted Cheatem of PEIA continued to work on PEIA/CPRB issues. She further informed the Board that CPRB CFO Mark Miller is temporarily back at PEIA.

7. Seminars/Conferences:

Director Lambright informed the Board that Barbara Haddad, Chief IT Officer had attended the PRISM conference in Oregon and that a copy of the trip report was in their book;

8. West Virginia Investment Management Board:

Director Lambright informed the Board that she had attended the IMB meeting in May and would also be attending the June 9th meeting;

9. Outreach Seminars:

Director Lambright informed the Board that she, Terasa Miller, and staff members had attended several PERS Retirement Planning Seminars around the state during May and the seminars had been a great success. A schedule of the PERS and TRS regional meetings for Fall 2009 are in their book for review;

10. Emergency Medical Services Retirement System:

Director Lambright informed the Board that a copy of the letter she was directed to send to the Governor regarding HB 2771 (EMS Retirement System) was in their book for review. She further informed the Board that the Legislature did not address the EMS or Military issues during the Special Session;

11. Olthaus Order:

Director Lambright informed the Board that a copy of the Order entered in the Daniel Olthaus matter was in their book for review and that Outside Counsel would go into more detail during her report;

12. Emergency Rules:

Director Lambright informed the Board that due to confusion with our regular proposed rules for Series 5 and 9 and our emergency rules for Series 5 and 9, we have had to resubmit our emergency rules on June 8 after our regular rules were final filed. Director Lambright further informed the Board that behind Tab #8 was the 2010 Proposed Legislative Rules that Chief Operating Officer Terasa Miller would be reviewing with the Board;

13. Board Web site:

Director Lambright informed the Board that their dedicated website was up and running and that Anita Brewster would email all Board members the Friday before a Board meeting to let them know that all documents are now posted to the website;

14. Great West/Reality Investing:

Director Lambright informed the Board that at their direction, she had signed the Reality Investing contract with Great West;

15. TRS loan numbers:

Director Lambright reviewed with the Board the numbers for the 25% TDC service loans;

16. Municipal Fire and Police:

Director Lambright informed the Board that Mayor Wolfe of Huntington had requested the Governor put on the Legislative call a bill to include municipal police and fire in the Public Safety Plan B or EMS Retirement System;

17. Military service:

Since the Legislature did not address the issue, Chairman Wyant directed Jonathan Deem, as Chairman of the Military Service Ad Hoc Committee to schedule a meeting of this Committee prior to the next Board meeting and come up with a proposal for the Board to consider on the pending military issues. Chairman Wyant appointed Andrew Richardson to serve on this committee.

Tab #3: Plans Investment Data

Craig Slaughter, Executive Director of the West Virginia Investment Management Board reviewed with the Board the WVIMB data for the periods ending April and May 2009. Discussion followed.

Tab #4: Consideration of Current Disability Retirement Applications

E. Gene Davis, Chair of the Disability Review Committee, reviewed the disability report with the Board. He stated that the Committee met prior to this Board meeting and offered the following recommendations:

System	Yes	No	Total
PERS	24	5	29
TDC	5	0	5

TRS	10	0	10
TDC/TRS TRANSFER	5	0	5
TOTAL	44	5	49

Captain Tucker moved that the Board accept the Disability Committee's recommendations concerning the retirement disability applications. The motion was seconded by Mr. Lynch. The motion carried unanimously. The disability list is behind Tab #4.

Chairman Wyant informed the Board that at this time he was going to change the agenda and move to Tab # 7: Committee Updates

Tab #7: Committee Updates

Jonathan Deem informed the Board that the Computer Systems Update Committee had met on May 20, 2009 and had appointed a staff committee to gather information regarding consultants and companies to perform the upgrade on the computer system and present to the Committee an RFP for consideration. Director Lambright had also contacted the State Purchasing Division and had been informed that CPRB did not have to go through them to obtain these services. Mr. Deem further informed the Board that the Committee had a draft RFP in their hands which would be reviewed and that the Committee would be meeting on June 17, 2009 to discuss the proposed RFP and would bring their recommendation to the Board at the Board meeting scheduled July 22, 2009.

Chairman Wyant informed the Board that there were medical, legal and contractual issues which would need to be discussed in Executive Session.

Ms. Evans made a motion that the Board go into Executive Session to discuss the medical, legal and contractual issues as allowed by West Virginia Code § 6-9A-4 and that Harry Mandel, Board Actuary and Terasa Miller, Chief Operating Officer be allowed to remain in Executive Session. The motion was seconded by Captain Tucker and carried unanimously. The Board went into Executive Session at 10:30 a.m.

The Board reconvened the Public Session of the June 10, 2009, meeting of the

Consolidated Public Retirement Board at 11:50 a.m.

Chairman Wyant announced that no decisions were made during the Executive Session.

Chairman Wyant informed the Board that at this time he was going to change the agenda and move to Tab #6: Work in Progress Reports from Legal Counsel

Tab #6: Work in Progress Reports from Legal Counsel

Outside Legal Counsel Lenna Chambers gave a report to the Board concerning all pending legal matters. Discussion followed. Captain Tucker moved that the Board instruct Outside Legal Counsel to file the proper documents to appeal the decision regarding Terry Nichols. The motion was seconded by Mr. Lynch. The motion carried unanimously.

Report of Outside Legal Counsel is behind Tab #6.

Jonathan Deem, representing the Governor, departed the meeting at 12:00 p.m.

Meredith George, representing the Governor, replaced Mr. Deem at 12:00 p.m.

Tab #5: Consideration of Appeals to Hearing Officers

Hearing Officer DeBolt addressed the appeal of Frank S. Kincaid. Secretary Ferguson moved to accept the recommendation of the Hearing Officer and deny the appeal of Mr. Kincaid. The motion was seconded by Ms. Evans. Discussion followed. The motion carried unanimously.

Hearing Officer Charnock addressed the appeal of Howard Smith. Secretary Ferguson moved to accept the recommendation of the Hearing Officer and deny the appeal of Mr. Smith. The motion was seconded by Mr. Parsons. The motion carried unanimously.

Hearing Officer Charnock and Director Lambright addressed the appeal of Patricia Brown. Secretary Ferguson moved to accept the recommendation of the Hearing Officer and approve the appeal of Ms. Brown. The motion was seconded by Ms. Stout. The motion carried with Mr. Davis and Captain Tucker voting in the negative.

Tab #6: Work in Progress Reports from Legal Counsel

In-House Legal Counsel Jeaneen Legato gave a report to the Board concerning all pending legal matters. Discussion followed.

Report of In House Legal Counsel is behind Tab #6.

Captain Tucker moved that the Board instruct In-House Legal Counsel to proceed with the proper procedure regarding the Less Than Honorable Service matter of Glen Oliver Wade. The motion was seconded by Mr. Fletcher. The motion carried unanimously.

Captain Tucker moved that the Board instruct In-House Legal Counsel to proceed with the proper procedure regarding the Less Than Honorable Service matter of Kasey Casto. The motion was seconded by Mr. Fletcher. The motion carried unanimously.

Tab #7: Committee Updates, continued

Secretary Ferguson informed the Board the Actuarial Assumption Review Committee had met on May 20, 2009 and discussed the issue of asset smoothing. The Committee at this time has tabled any further discussion until after June 30, 2009.

Cabinet Secretary Ferguson departed the meeting at 12:10 p.m.

Donna Lipscomb, representing Secretary Ferguson, replaced the Secretary at 12:10 p.m.

Donna Lipscomb informed the Board that the Internal Audit Committee had met on June 9, 2009 and had requested that the CPRB Chief Compliance Officer Jeffrey Fleck prepare a draft of the Audit Charter/Work Plan and submit to the Committee prior to their next meeting for review and recommendation to the full Board.

Mrs. Evans informed the Board that the West Virginia Investment Management Board Representative Committee had met via telephone conference on June 4, 2009 and recommended that the Board approve the applications of Fredric Thomas, Public Employees Retirement System representative; Tony Lauter, Teachers' Retirement System representative; David Gentry, Deputy Sheriff Retirement System representative; Robert Stone, Judges Retirement System representative; Joe White, State Police Plan "B" representative and Larry W. Cole, Emergency Medical Services Retirement System representative. Joe Lynch moved that the Board accept the recommendation of the Committee with regard to the applications of Fredric Thomas, Public Employees Retirement System representative; Tony Lauter, Teachers' Retirement System representative; David Gentry, Deputy Sheriff Retirement System representative; Robert Stone,

Judges Retirement System representative; Joe White, State Police Plan “B” representative and Larry W. Cole, Emergency Medical Services Retirement System representative. The motion was seconded by Mr. Fletcher. The motion carried unanimously.

Tab #9: Other, Old Business

Chairman Wyant requested Board consideration of the renewal of the contract with Buck Consultants. Mr. Davis moved that the Board authorize Director Lambright to renew the contract with Buck Consultants. The motion was seconded by Ms. Evans. The motion carried unanimously.

Tab #8: 2010 Proposed Legislative Rules

Chief Operating Officer, Terasa Miller reviewed with the Board the proposed changes in Legislative Rules Series 4. Ms. Lipscomb moved that the Board accept the changes to the Proposed Legislative Rules Series 4 and submit to the Legislature for consideration. The motion was seconded by Mr. Fletcher. Discussion followed. The motion passed unanimously.

Mrs. Miller reviewed with the Board the proposed changes in Legislative Rules Series 5. Ms. Lipscomb moved that the Board accept the changes to the Proposed Legislative Rules Series 5 and submit to the Legislature for consideration. The motion was seconded by Mr. Parsons. Discussion followed. The motion passed unanimously.

Mrs. Miller reviewed with the Board the proposed changes in Legislative Rules Series 7. Ms. Stout moved that the Board accept the changes to the Proposed Legislative Rules Series 7 and submit to the Legislature for consideration. The motion was seconded by Ms. Lipscomb. The motion passed unanimously.

Mrs. Miller reviewed with the Board the proposed changes in Legislative Rules Series 9. Mr. Parsons moved that the Board accept the changes to the Proposed Legislative Rules Series 9 and submit to the Legislature for consideration. The motion was seconded by Ms. Lipscomb. The motion passed unanimously.

Tab #9: Other, Old Business

Chairman Wyant asked for other old business. Director Lambright thanked the Board for their cards and well wishes during her illness.

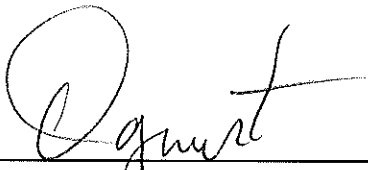
Tab #10: Other, New Business

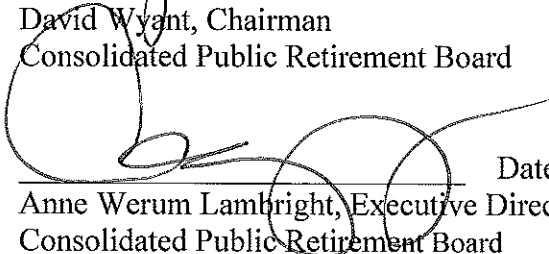
Chairman Wyant asked for new business.

Captain Tucker reviewed with the Board concerns of the Disability Review Committee. Discussion followed. Captain Tucker moved that the Board instruct the CPRB Staff to draft legislation and bring to the Disability Review Committee for those individuals who willfully misuse drugs and alcohol as related to all the Plans using the language contained in W. Va. Code § 15-2-30 as a model. The motion was seconded by Mr. Davis. The motion carried unanimously.

Captain Tucker further reviewed with the Board the concerns of the Disability Review Committee regarding the number of times an individual in the Public Employees Retirement System can apply for disability benefits after becoming unemployed. Discussion followed. Captain Tucker moved that the Board instruct the CPRB Staff to draft legislation limiting the number of times an individual can apply for disability after becoming unemployed and bring to the Disability Review Committee for their review. The motion was seconded by Mr. Davis. The motion passed unanimously.

Chairman Wyant asked for any further new business and none was heard. Chairman Wyant adjourned the public meeting of the West Virginia Consolidated Public Retirement Board at 12:32 p.m.


_____ Dated: 7/22/09
David Wyant, Chairman
Consolidated Public Retirement Board


_____ Dated: 7.22.09
Anne Werum Lambright, Executive Director
Consolidated Public Retirement Board