MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
MEETING OF SEPTEMBER 9, 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 10:10 a.m. by Chairman David Wyant.

Roll Call was taken and trustees present were:

David Wyant, Esquire, Chairman
Meredith George, 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
Charles D. Lanham
Joe Lynch
Andrew Richardson, Esquire
Captain Stephen Tucker

A quorum was present. Due notice had been posted.

Also in attendance were:

Anne Werum Lambright, Esquire, Executive Director, CPRB
Teresa L. Miller, Chief Operating Officer, CPRB
Anita Brewster, Executive Assistant, CPRB
Brittany Smith, Office Assistant, CPRB
Lenna Chambers, Esquire, Bowles Rice McDavid Graff and Love
Jeanene Legato, Esquire, In House Legal Counsel
Jack DeBolt, Esquire, CPRB Hearing Officer
Jim Gerl, CPRB Hearing Officer
Cynthia Boyd, CPRB Internal Auditor
Barbara Haddad, CPRB Chief IT/Information 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
Vicki Sutton, CPRB TRS Manager
Barbara Haddad, CPRB IT Manager
Craig Slaughter, Executive Director WVIMB
Kris Morton, Great West Regional Manager
Andrew Wyne, Great West Outreach Officer
Brent Neece, Great West Eastern Region Vice President
Misty Peal, WVEA
Tab #1: Approval of the July 22, 2009, Meeting Minutes

Secretary Ferguson moved to approve the July 22, 2009, minutes of the Consolidated Public Retirement Board and the motion was seconded by Mr. Richardson. The motion carried unanimously. The minutes are behind Tab #1.

Tab# 2: Reports of the Chairman and Executive Director

Chairman Wyant informed the Board that he had received a letter from Captain Stephen Tucker stating that he was resigning from the CPRB Board of Trustees effective October 1, 2009. Chairman Wyant thanked Captain Tucker for his service to the CPRB Board. Captain Tucker informed the Board that it had been a pleasure being a part of the Board and appreciated the experience.

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

1. Auditor’s father:
   Director Lambright informed the Board that Auditor Gainer’s father had passed away on September 8th and that he had served on the CPRB Board at one time;

2. Website Report;

3. Retirement numbers;

4. TDC/TRS Overages:
   Director Lambright reviewed with the Board the TDC/TRS overages in the amount of $305,893.77. When all charges are determined, the matter will be presented to the Legislature for reimbursement consideration;

5. Contract:
   Director Lambright informed the Board that the contract for the mailing of the 1099’s was bid and Pittsburgh Mailing won the bid and since the contract was over $25,000.00 she would need the Board approval to enter into the contract. Secretary Ferguson moved that the Board authorize Director Lambright to sign the contract with Pittsburgh Mailing for the mailing of the 1099’s. The motion was seconded by Mrs. Evans. The motion passed unanimously;

6. Governor’s letter:
   Director Lambright informed the Board that the Governor had sent out a letter, a copy of which was in the Board meeting books, directing that no increases are permitted in contracts with landlords or vendors;

7. OPEB
   Director Lambright informed the Board that the Governor had set up an OPEB work group with Ted Cheatham, Secretary Ferguson, Jim Pitrolo and herself along with teachers unions, the public employees unions, the troopers association, the school superintendents association and others to deal with the litigation issues arising from the PEIA Finance Board’s decisions. She further informed the Board that a copy of the report that she was asked to provide to the Governor regarding
comparison pension information was in the Board meeting books;

8. CAPPP:
Director Lambright informed the Board that several CPRB staff members had
taken and passed the first part of the CAPPP program and a copy of their letter was
in the Board meeting books. Director Lambright further informed the Board that 3
staff members had completed and passed both parts and would be receiving their
Certificate which would be displayed in the front lobby;

9. Flu Shots:
Director Lambright informed the Board that Mark Miller had scheduled an onsite
flu shot clinic at CPRB and that the Board members were welcomed to attend and
participate;

10. Legislature:
Director Lambright informed the Board that the Legislature would be back for
September interims on September 14-16;

11. Outreach Seminars:
Director Lambright informed the Board that a schedule of the Outreach Seminars
being held around the state was in the Board meeting books and that in the front
pocket was a copy of the Department of Administration’s Note, Quotes and
Anecdotes which contained an article on the outreach seminars;

12. Lexis/Nexis:
Director Lambright informed the Board that in our efforts to find people for the
RMD purposes and for “death” files that have remained unsolved for some time,
CPRB had signed up with the services that Lexis/Nexis offers under a state
contract;

13. PERS Compliance Report:
Director Lambright informed the Board that a copy of the PERS Compliance
Report prepared by Jeffrey Fleece, Chief Compliance Officer, was in the pocket of
the Board meeting books and it had been reviewed by the state PERS and non-state
PERS Trustees;

14. Arnett and Foster:
Director informed the Board that Arnett and Foster accountants will be leaving the
end of September and have done a great job with the transfer from TDC to TRS.
She further informed the Board that CPRB would owe Arnett and Foster an
additional $70,000.00 to $75,000.00 above the original contract;

15. TDC/TRS Transfer Update:
Director Lambright informed the Board that 44% of the members that had elected
to transfer from TDC to TRS have purchased their 25% service credit;

16. Debt Reduction Information:
Director Lambright informed the Board that the State Budget Office has decided to
put some of the debt reduction money into TRS starting July 1;

17. Humana Questions:
Director Lambright informed the Board that a copy of the Humana frequently
asked questions was in their book which had been provided to us from PEIA to
assist with any calls we may get regarding the replacement of the Coventry’s
Advanta Freedom medical plan with Humana;
18. Reality Investing:
Director Lambright informed the Board that a copy of the Reality Investing
Statistics was in the Board meeting books for their review;

**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 of June and July 2009. Discussion
followed.

Kris Morton, Great West Regional Manager, informed the Board that for July 2009 had
been a good month.

**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:

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<th>No</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>PERS</td>
<td>28</td>
<td>1</td>
<td>29</td>
</tr>
<tr>
<td>TDC</td>
<td>3</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>TRS</td>
<td>6</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>TDC/TRS</td>
<td>4</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>TRANSFER</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>41</td>
<td>2</td>
<td>43</td>
</tr>
</tbody>
</table>

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

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

Secretary Ferguson made a motion that the Board go into Executive Session to discuss the
medical, legal and personnel issues as allowed by West Virginia Code § 6-9A-4. The motion was
seconded by Ms. Evans and carried unanimously. The Board went into Executive Session at 10:30
a.m.

The Board reconvened the Public Session of the July 22, 2009, meeting of the
Consolidated Public Retirement Board at 12:03 p.m.

Chairman Wyant announced that no decisions were made during the Executive Session.
Tab #5: Consideration of Appeals to Hearing Officers

Hearing Officer DeBolt addressed the appeal of David Blevins. Ms. Evans moved to accept the recommendation of the Hearing Officer and deny the appeal of Mr. Blevins. The motion was seconded by Mr. Davis. The motion carried unanimously.

Hearing Officer DeBolt addressed the appeal of Michael Brooks. Mr. Richardson moved to accept the recommendation of the Hearing Officer and deny the appeal of Mr. Brooks. The motion was seconded by Mr. Lynch. The motion carried unanimously.

Hearing Officer DeBolt addressed the appeal of Dottie Hess. Mr. Davis moved to accept the recommendation of the Hearing Officer and deny the appeal of Ms. Hess. The motion was seconded by Mr. Lanham. Discussion followed. The motion carried unanimously.

Hearing Officer DeBolt addressed the appeal of George Worden. Ms. Evans moved to accept the recommendation of the Hearing Officer and deny the appeal of Mr. Worden. The motion was seconded by Mr. Davis. The motion carried unanimously.

Hearing Officer Gerl addressed the appeal of Vanessa Bozeman. Ms. Stout moved that the Board not accept the recommendation of the Hearing Officer and that In-House Legal Counsel be directed to prepare an Order for review by the Board at its next meeting that would allow Ms. Bozeman to transfer from the Teachers’ Defined Contribution Retirement System (TDC) into the Teachers’ Retirement System (TRS). The motion was seconded by Mr. Richardson. The motion carried unanimously.

Hearing Officer Gerl addressed the appeal of George Powers. Mr. Richardson moved to accept the recommendation of the Hearing Officer and deny the appeal of Mr. Powers. The motion was seconded by Mr. Lynch. The motion carried unanimously.

Chairman Wyant informed the Board that Hearing Officer Charnock had just received correspondence from the attorney for Michael Pizziak and she had requested that the appeal of Michael Pizziak be pulled from the agenda until the next Board Meeting. Hearing no objections, the Chairman ordered that this appeal be pulled from the agenda and placed on the agenda for the next Board Meeting.

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.

Captain Tucker moved that the Board instruct In-House Legal Counsel to proceed with the proper procedure to terminate the retirement account of Robert Thomas as a result of Less Than Honorable Service. The motion was seconded by Secretary Ferguson. The motion carried unanimously.
Chairman Wyant questioned the Board as to what was their pleasure with regard to the filing of the insurance claim form on the overpayments to annuitants drawing dual pensions from JRS and PERS. Secretary Ferguson moved that the Board instruct In-Housel Legal Counsel to file the insurance claim form with the proper authorities regarding the overpayment to annuitants drawing dual pensions from JRS and PERS. The motion was seconded by Mr. Richardson. The motion carried unanimously.

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

Outside Legal Counsel Lenna Chambers gave a report to the Board concerning all pending legal matters. Discussion followed. Ms. Stout moved that the Board instruct Outside Legal Counsel to file the proper documents to appeal the decision regarding Richard Burton. The motion was seconded by Mr. Davis. The motion carried unanimously.

Report of Outside Legal Counsel is behind Tab #6.

**Tab #7: Committee Updates**

Chairman Tucker reported to the Board that the Accounting and Investment Committee had met prior to the Board meeting and that the Committee was recommending that the Board replace the Bond Fund of America with the PIMCO Total Return Admin. Bond fund. Mr. Richardson moved that the Board replace the Bond Fund of America with the PIMCO Total Return Admin. Bond fund. The motion was seconded by Mrs. Evans. The motion carried unanimously.

At this time Kris Morton introduced Brent Neece, Great West Eastern Region Vice President.

Secretary Ferguson informed the Board that the Actuarial Assumptions Review Committee had met and asked that Mr. Mandel review with the Board the information he had shared with the Committee with regard to the Law Enforcement Experience Study. Mr. Mandel did a brief overview with the Board.

Meredith George, in the absence of Jonathan Deem, informed the Board that the Computer Systems Update Committee had met and reviewed the one bid that had been received and that the Computer Systems Update Committee would be scheduling a meeting later in September to evaluate the bid.

Cabinet Secretary Ferguson informed the Board that the Internal Audit Committee had met on September 8, 2009 and was recommending the Internal Audit Charter, a copy of which was in the Board meeting books, be approved by the Board. Ms. Stout moved that the Board accept the recommendation of the Internal Audit Committee and approve the modifications to the Internal Audit Charter. The motion was seconded by Mr. Lanham. The motion carried unanimously.

**Tab #8: Law Enforcement Experience Study**

Harry Mandel, Board Actuary, reviewed with the Board the Law Enforcement Experience Study. Discussion followed. Secretary Ferguson moved that the Board accept the recommendation of the Board Actuary with regard to the Law Enforcement Experience Study as
presented. The motion was seconded by Mr. Richardson. The motion passed unanimously.

Tab #9:  Actuarial Interest Rate Review
Mr. Mandel reviewed with the Board the Actuarial Interest Rate Review. Discussion followed. Mrs. Evans moved that the Board accept the recommendation of the Board Actuary and approve the continuation of the 7.5% long term interest rate and discount assumptions for all plans. The motion was seconded by Mr. Lanham. The motion passed unanimously.

Tab #10:  Old Business
Chairman Wyant asked for old business and none was heard.

Tab #11:  Other, New Business
Chairman Wyant asked for new business and none was heard. Chairman Wyant adjourned the public meeting of the West Virginia Consolidated Public Retirement Board at 1:00 p.m.

[Signatures]

David Wyant, Chairman
Consolidated Public Retirement Board

Anne Werum Lambright, Executive Director
Consolidated Public Retirement Board