

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
BOARD OF TRUSTEES MEETING
MEETING OF FEBRUARY 6, 2013**

A meeting of the West Virginia Consolidated Public Retirement Board (CPRB) of Trustees was held at the DEP/PEIA Building in the Canaan Valley Conference Room, 601 57th Street, 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
Joseph Garcia, Esquire, *representing Governor Earl Ray Tomblin*
Mack Parsons, *representing Auditor Glen Gainer III*
Fred Thomas, *representing Treasurer John Perdue*
Donna Lipscomb, *representing Cabinet Secretary Ross Taylor*
Joseph Bunn, Esquire
Captain Michael Corsaro
Drema Evans
Joe Lynch
D. Todd Murray
Andrew Richardson, Esquire

Trustees not present:

Thomas Bradley
Tony Payne

A quorum was present.

Due notice had been posted.

Also in attendance were:

Jeffrey E. Fleck, CPRB Executive Director
Terasa L. Miller, CPRB Deputy Director
Jeaneen Legato, Esquire, CPRB General Counsel
Lenna Chambers, Esquire, Bowles Rice
Jack DeBolt, Esquire, Hearing Officer
Kris Morton, Great West Regional Manager
Andrew Wyne, Great West Outreach Officer
Craig Slaughter, Executive Director, WV Investment Management Board
Misty Peal, WVEA
Harry Mandel, CPRB Actuary
Melody Bailey, CPRB Actuary Analyst
Shawna Carson, CPRB IT Staff
Brittany Smith, CPRB TRS Staff

Tab 1: Approval of the January 16, 2013 Meeting Minutes

Mr. Bunn made a motion to approve the January 16, 2013 minutes of the CPRB. The motion was seconded by Mr. Garcia. The motion carried unanimously. The minutes are located behind Tab 1.

Tab 2: Reports of the Chairman and Executive Director

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

1. Executive Director Fleck reviewed the January 2013 Teachers' Retirement System (TRS) and Public Employees Retirement System (PERS) retirement and estimate numbers. He reported there were 173 TRS Estimates and 120 TRS Retirements completed. In PERS, there were 206 Estimates and 269 Retirements processed.
2. Executive Director Fleck reported to the Board that a picture of the CPRB Retirement staff is located on page two of the Quotes, Notes and Anecdotes.
3. Executive Director Fleck announced to the Board that there is an updated 2013 Board Meeting Schedule in their Board Books.
4. Executive Director Fleck reported on the status of the Computer Project. He announced that demonstrations are currently taking place at the CPRB office and staff would be going to on-site visits next week to Kentucky, Ohio and Virginia.
5. Executive Director Fleck reviewed with the Board the Teachers' Defined Contribution (TDC) Educational Meetings. He announced for the 1st Quarter, there were 7 meetings held with 27 in attendance, with a year-to-date total of 95.
6. Executive Director Fleck reviewed with the Board the TDC Reality Investing. He announced that as of February 1, 2013 there are 5,051 total participants in TDC, with \$320,412,566 in total assets.
7. Executive Director Fleck reviewed the delinquent employers list with the Board. He updated the Board on the Town of Pratt Water Work's delinquency. He reported that West Virginia American Water Company is expected to have an agreement sometime this week, at which time we expect to be paid in full.
8. Executive Director Fleck reported to the Board on the Hearing Officer search. There was only one applicant from the ad in the "Bar Blast" and announced that he would continue to run an advertisement on that site.
9. Executive Director Fleck updated the Board on the prospect of the Board using

electronic tablets. He announced it currently costs in the range of \$250.00 per board book x 21 board books for board meetings. Chairman Wyant announced we would discuss this more at the next meeting to give the Executive Director more time to research the tablets and their cost.

10. Executive Director Fleck reviewed the January 2013 Financials. He announced that as of January 31, 2013, we are at 33.87% of budget.
11. Executive Director Fleck reminded the Board to fill out the annual Ethics Commission Financial Disclosure Form. Executive Director Fleck's report is located behind Tab 2.

Tab 3: Plans Investment Data

West Virginia Investment Management Board's (WVIMB) Executive Director, Craig Slaughter, reviewed with the Board the Plans Investment Returns for the month of December 2012.

Andrew Wyne with Great West Retirement Services reported to the Board that there were 31 new enrollments in the TDC Reality Investing, which is a 30% increase. Chairman Wyant asked Mr. Wyne how long members have to sign-up for Reality Investing with no administrative fees. Mr. Wyne informed the Chairman and the Board that members have all year to enroll and will not have any fees up through December 31, 2013. The Investment Data reports are located behind Tab 3.

Tab 4: Consideration of Current Disability Retirement Applications

Chairman Evans reported the Disability Committee met this morning, February 6, 2013. She announced the first applicant, which was in the Deputy Sheriff's Retirement System, was pulled by the Committee. She announced the Committee makes the following recommendations:

System	Approved	Denied	Total
PERS	3	3	6
TDC	2	0	2
TRS	2	0	2
TDC/TRS Transfers	3	0	3
TOTAL	10	3	13

Mr. Richardson made a motion the Board accept the Disability Committee's recommendations concerning the disability retirement applications. The motion was seconded by Mr. Lynch. The motion carried unanimously. The disability list is behind Tab 4.

Tab 5: Consideration of Appeals to Hearing Officers - Jack DeBolt

Hearing Officer DeBolt addressed the appeal of Bruce E. Adkins a retiree of State Police, Plan A, as to whether or not it is appropriate to pro-rate the first year of the Applicant's cost of living adjustment under the provisions of §15-2-27 of the W.Va. Code. It is recommended by Hearing Officer DeBolt that the request of Bruce E. Adkins to avoid pro-rating his first year COLA be denied and that he be required to reimburse this Board for the overpayment to him resulting from the initial failure to pro-rate the first year COLA.

Mr. Richardson made a motion to adopt the recommendation of Hearing Officer DeBolt and deny the appeal of Bruce E. Adkins and that he be required to reimburse this Board for the overpayment to him resulting from the initial failure to pro-rate the first year COLA. The motion was seconded by Mr. Bunn. The motion carried unanimously. The appeal list is behind Tab 5.

Tab 6: Work in Progress Reports from Legal Counsel

Captain Corsaro made a motion the Board go into Executive Session to discuss legal issues as allowed by West Virginia Code § 6-9A-4. The motion was seconded by Mr. Bunn. The motion carried unanimously. The Board went into Executive Session at 10:22 a.m.

The Chairman reconvened the Public Session of the February 6, 2013 meeting of the CPRB from Executive Session at 11:55 a.m. Chairman Wyant stated the Board was in Executive Session to discuss legal issues as allowed by West Virginia Code § 6-9A-4. He announced there were no decisions made during Executive Session. The Board will return to Tab 6: Work in Progress Reports from Legal Counsel.

Work in Progress Reports from In-House Legal Counsel – Jeaneen Legato

In-House Legal Counsel, Jeaneen Legato, presented her report to the Board on all pending legal matters. She reported on all current Administrative, Circuit Court, Supreme Court and Less than Honorable Service (LTHS) cases.

In-House Counsel reported on the LTHS Case against PERS member Bonnie Bond who was convicted of the federal felony offense of mail fraud who used her position with the DHHR to fraudulently create an application for SNAP benefits using another person's identity in creating a debit card in which she had mailed to her home. She currently owes the DHHR approximately \$21,000 in restitution. Ms. Legato announced to the Board it was her recommendation to terminate Ms. Bond's membership in PERS.

Captain Corsaro made a motion that the Board authorize Ms. Legato to proceed with a LTHS case to terminate Bonnie Bond's membership in PERS. The motion was seconded by Mr. Richardson. The motion carried unanimously. The report of In-House Legal Counsel is located 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.

Mr. Bunn made a motion to grant authority to Executive Director Fleck and Outside Counsel, Lenna Chambers to enter into a settlement agreement and to execute any documents necessary that are related to the settlement agreement regarding the discussion in Executive Session. The motion was seconded by Mr. Richardson. The motion carried unanimously.

Outside Counsel, Lenna Chambers reviewed with the Board on the case of Allen E. Tackett v. CPRB. She announced the CPRB's Final Order was reversed and remanded back to the Board and a Notice of Appeal must be filed before February 21, 2013.

Captain Corsaro made a motion the Board appeal the case of Allen E. Tackett. The motion was seconded by Mr. Thomas. There was discussion on the motion. There was a vote on the motion and the motion failed for lack of a majority vote. The report of Outside Counsel is located behind Tab 6.

Executive Director Fleck reviewed with the Board the status report represented by Pullin,

Fowler, Flanagan, Brown and Poe on the case of Dougherty v. CPRB. The report of Pullin, Fowler, Flanagan, Brown and Poe is located behind Tab 6.

Tab 7: Other, Old Business

Chairman Wyant asked if there was any old business to bring before the Board.

Ms. Lipscomb made a motion the Board withdraw the previously approved CPRB Bill relating to Expungement. The motion was seconded by Mr. Garcia. The motion carried unanimously.

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

Tab 8: Other, New Business

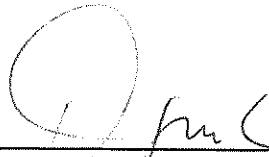
Chairman Wyant asked the Board if there was any new business to bring before the Board.

Executive Director Fleck reviewed with the Board the updated contact information list and provided them to all Board Members and the CPRB Executive Division.

Chairman Wyant announced there has been a change in the next Board Meeting and it will be held on March 20, 2013.

Chairman Wyant asked the Board if there was any other new business to bring before the Board. None was heard.

Chairman Wyant adjourned the February 6, 2013 meeting of the West Virginia Consolidated Public Retirement Board at 12:10 p.m.



David Wyant, Chairman
Consolidated Public Retirement Board



Jeffrey E. Fleck, Executive Director
Consolidated Public Retirement Board