

**MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
MEETING OF JANUARY 21, 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 10:05 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*
Diana Stout, Esquire, *representing Treasurer John Perdue*
Donna Lipscomb, *representing Cabinet Secretary Robert W. Ferguson, Jr.*
Mack Parsons, *representing Auditor Glen B. Gainer, II,*
E. Gene Davis
Drema Evans
David Fletcher
James Gianato
Charles Lanham
Joe Lynch
D. Todd Murray
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, Chief Operating Officer, CPRB
Cynthia Adkins, CPRB Office Manager
Brittany Smith, CPRB
Lenna Chambers, Esquire, Bowles Rice McDavid Graff and Love
Janean Legato, Esquire, In House Legal Counsel
Jack DeBolt, Esquire, CPRB Hearing Officer
James Gerl, Esquire, CPRB Hearing Officer
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 Uniformed Services Manager
David Driscoll, Buck Consultants
Kris Morton, Great West Regional Manager
Andrew Wyne, Great West Outreach Officer
Craig Slaughter, Esquire, Executive Director, WVIMB

Tab #1: Approval of the December 3, 2008, Meeting Minutes

Mr. Davis moved to approve the December 3, 2008, minutes of the Consolidated Public Retirement Board and the motion was seconded by Mr. Parsons. 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 Director Lambright which included the following information:

1. Newspaper Articles:

Director Lambright informed the Board that there had been an article in the Charleston newspaper regarding the misconduct of temporary employees and that illegal usage of personal information to obtain credit card accounts and just wanted to assure the Board that CPRB was not affected by this. Director Lambright further informed the Board that there was an article in the Wheeling newspaper regarding the question as to whether volunteer firefighters should be given a state pension;

2. Web Report;

3. Retirement numbers for December;

4. Budget/ Expenditure figures for December 2008:

Director Lambright reviewed with the Board the budget to actual expenditure figures for December 2008;

5. Building improvements:

Director Lambright informed the Board that CPRB is working with the building owners to have an awning placed across the front of the building;

6. New Code Books:

Director Lambright informed the Board that the new Code Books were in and there should be one in their Board Books;

7. Employee of the Month:

Director Lambright informed the Board that Caroline Brady, PERS Assistant Manager, had been nominated as February Employee of the Month. Director Lambright further informed the Board that Mary Jo Lewis, Plan Specialist for the TDC Plan had received her CPA last month.;

8. 2008 and 2009 Goals:

Director Lambright informed the Board that CPRB had met almost all of the 2008 agency goals.

Director Lambright further informed the Board that the 2009 agency goals were in their books for their review and that three (3) of the goals would require authorization from the Board for staff to proceed: 1) a contract with Verizon through the Governor's Office of Technology to continue the telephone upgrade; 2) a contract with a consultant on graphic design, etc. to upgrade CPRB's plan brochures and other publications, possibly working through the CHIP's agency contract; 3) a contract through the Governor's Office of Technology to add one or two mainframe programmer analysts to expedite the systems upgrade process. Ms. Stout moved that the Board authorize Director Lambright to enter into a contract with Verizon through the Governor's Office of Technology to continue the telephone upgrade as discussed with the restriction that should the costs exceed the quoted Thirty-three thousand six-hundred dollars (\$33,600.00), it is to be brought back to the Board for further discussion. The motion was seconded by Captain Tucker. Discussion followed. The motion carried unanimously.

Captain Tucker departed the meeting at 10:20 a.m.

Captain Tucker returned to the meeting at 10:24 a.m.

Director Lambright informed the Board that the matter of a contract with a consultant on graphic design, etc. to upgrade CPRB's plan brochures and other publications would not exceed \$25,000.00 spending authorization previously given to her by the Board.

Chairman Wyant questioned the Board as to what was their pleasure with regard to the matter of entering into a contract through the Governor's Office of Technology to add one or two mainframe programmer analysts to expedite the systems upgrade process for a period of two (2) years or up to two million dollars (\$2,000,000.00), whichever comes first. Mr. Lanham moved that the Board authorize Director Lambright to proceed with the contract with the Governor's Office of Technology with Director Lambright reporting back to the Board on a timely basis with periodic evaluations of the project as well as a dollar amount being spent as of date of evaluation. The motion was seconded by Mr. Deem. Discussion followed. The motion passed with Mr. Davis voting in the negative;

9. Wills for Heroes:

Director Lambright informed the Board that she was asked at the State Bar Board

of Governors meeting to allow CPRB to participate in the Wills for Heroes program wherein Lawyers will volunteer to draft simple wills for our first responders, primarily EMS, and CPRB can help by publishing the locations on our website and possibly attending to insure that plan members fill out current beneficiary information;

10. 1099's:

Director Lambright informed the Board that 1099's would be mailed out by the 28th of January;

11. Web Contractors:

Director Lambright reviewed with the Board an update on the work being done by the web contractors the Board had previously authorized her to contract with;

12. Dedicated Board of Trustees website:

13. TDC/TRS Transfer Update:

Director Lambright informed the Board that nearly 50% of the buyback figures had gone out to those who had requested and that to date only 5% of those individuals had purchased service;

14. BRIM Driving Course:

Director Lambright informed the Board that the driving test previously sent to them is not just for those individuals who would drive a state car, but is for anyone who asks for mileage reimbursement for driving miles on a personal car for state business;

15. Financial Audit:

Director Lambright informed the Board that the final financial audit and management letter was in their book for their review. Ms. Stout moved that the Board accept the Final Financial Audit and Management Letter as presented. The motion was seconded by Mr. Parsons. The motion carried unanimously;

16. 2009/2010 Direct Deposit Calendars for Retirees;

17. Ethics Commission:

Director Lambright reminded the Trustees of the importance of the Board members completing the document they should have received in the mail;

18. TDC Outreach Officer Seminars;

19. State Police Annual Disability Report:

Director Lambright reviewed with the Board the annual State Police Disability Report;

20. Emergency Medical Services Retirement System:

Director Lambright informed the Board that pursuant to WV Code § 16-5V-2, they were to adopt the "Regular Interest" rate for the EMSRS and that the recommendation to the Board was 4% interest to be consistent with all other defined benefit plans administered by CPRB. Mr. Lynch moved that the Board adopt the 4% interest rate for the Emergency Medical Services Retirement System. The motion was seconded by Mr. Fletcher. The motion carried unanimously.

21. Emergency Medical Services Retirement System Service Purchase:

Director Lambright reviewed with the Board the numbers regarding the number of individuals who chose to complete the purchase of prior service by the statutory deadline;

Mr. Parsons departed the meeting at 11:00 a.m.

Jonathan Deem departed the meeting at 11:03 a.m.

Mr. Parsons returned to the meeting at 11:04 a.m.

Jonathan Deem returned to the meeting at 11:05 a.m.

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 period ending November 2008. Discussion followed.

Kris Morton, Great West Regional Manager, reviewed the TDC Fund Performance Review as of 9/30/2008 with the Board. 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	17	3	20
SP-PLAN A	1	0	1
TDC	6	0	6
TRS	7	1	8

TOTAL	31	4	35
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Captain Tucker moved that the Board accept the Disability Committee's recommendations concerning the retirement disability applications. The motion was seconded by Mr. Murray. The motion carried unanimously. Jonathan Deem abstained from voting. The disability list is behind Tab #4.

Director Lambright informed the Board that Robert Bussard was drawing a partial disability pension and exceeded the earning limitations allowed in the DSRS system and that the Disability Committee was recommending that the disability pension payments cease for this individual. Mr. Davis moved that the board accept the Disability Committee's recommendation and cease payment of the disability pension of Mr. Bussard. The motion was seconded by Ms. Evans. The motion carried unanimously.

Tab #5: Consideration of Appeals to Hearing Officer

Hearing Officer DeBolt addressed the appeal of Randall Ellison, deceased. Mr. Davis moved to accept the recommendation of the Hearing Officer and deny the appeal of Mr. Ellison. The motion was seconded by Captain Tucker. Discussion followed. The motion carried unanimously.

Hearing Officer DeBolt addressed the appeal of Dale Hays. Captain Tucker moved to accept the recommendation of the Hearing Officer and deny the appeal of Mr. Hays. The motion was seconded by Mr. Fletcher. Discussion followed. The motion carried unanimously.

Hearing Officer DeBolt addressed the appeal of Charles Perdue. Mr. Deem moved to accept the recommendation of the Hearing Officer and deny the appeal of Mr. Perdue. The motion was seconded by Mr. Fletcher. Discussion followed. The motion passed with Mr. Davis voting in the negative and Donna Lipscomb and Mack Parsons abstaining from the vote.

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

Chairman Wyant suggested the Board take a five (5) minute break at 11:35 a.m.

The Board reconvened the Public Session of the January 21, 2009, meeting of the Consolidated Public Retirement Board at 11:43 a.m.

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

Mr. Fletcher made a motion that the Board go into Executive Session to discuss the legal issues as allowed by West Virginia Code § 6-9A-4. The motion was seconded by Mr. Davis and carried unanimously. The Board went into Executive Session at 11:45 a.m.

The Board reconvened the Public Session of the January 21, 2009, meeting of the Consolidated Public Retirement Board at 12:15 p.m. Chairman Wyant announced that no decisions were made during the Executive Session.

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 and answered questions. Discussion followed. Report of In House Legal Counsel is behind Tab #6.

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

Captain Tucker moved that the Board instruct Legal Counsel to proceed with the proper procedure regarding the Less Than Honorable Service matter of Tonya Wadsworth. The motion was seconded by Mr. Murray. The motion carried unanimously.

Captain Tucker moved that the Board instruct Legal Counsel to proceed with the proper procedure regarding the Less Than Honorable Service matter of James Christopher Beatty. The motion was seconded by Mr. Lynch. The motion carried unanimously.

Captain Tucker moved that the Board instruct Legal Counsel to proceed with the proper procedure regarding the Less Than Honorable Service matter of Jeremy Todd. The motion was seconded by Mr. Lynch. The motion carried unanimously.

Captain Tucker moved that the Board instruct Legal Counsel to proceed with the proper procedure regarding the Less Than Honorable Service matter of Ronald J. Gordon, Sr.. The motion was seconded by Mr. Lynch. The motion carried unanimously.

Outside Legal Counsel Lenna Chambers gave a report to the Board concerning all pending legal matters. Discussion followed. Report of Outside Legal Counsel is behind Tab #6.

Chairman Wyant questioned the Board as to what was their pleasure with regard to the Amended Error Correction Policy addressed by Counsel Chambers. Mr. Fletcher moved that the Board accept the amendments to the Error Correction Policy as presented. The motion was seconded by Mr. Parsons. The motion carried unanimously.

Tab #7: Committee Updates

Chairman Wyant informed the Board that the Executive Director/Actuary Review Committee had met on January 20, 2009 and would be presenting their report to the Board in the very near future regarding the evaluations of the Executive Director and Board Actuary.

Captain Tucker, Chairman of the Accounting and Investment Committee, informed the Board that the Accounting & Investment Committee had met on January 21, 2009 prior to the Board meeting and reviewed the TDC Revenue Sharing, the TDC Returns and Weighted Average Returns, the TDC Annual Investment Review by Advised Assets and the Fixed Fund Analysis

Captain Tucker departed the meeting at 12:30 p.m.

Captain Tucker returned to the meeting at 12:32 p.m.

Tab #8: Actuarial Valuations

David Driscoll reviewed with the Board the Actuarial Valuations for PERS, TRS, Plan A, Plan B and JRS as of July 1, 2008. Discussion followed. Mr. Fletcher moved that the Board accept and adopt the Actuarial Valuations of West Virginia Retirement Plans as prepared and presented by Buck Consultants. The motion was seconded by Mr. Parsons. The motion carried

unanimously.

Ms. Evans departed the meeting at 12:58 p.m.

Ms. Evans returned to the meeting at 1:00 p.m.

Mr. Gianato departed the meeting at 1:03 p.m.

Tab #9: PERS and State Police Plan B Contribution Rates

Harry Mandel, Board Actuary, reviewed with the Board his recommendation regarding the State Police Plan B employer contribution rates being increased from 12% to 15% effective July 1, 2009. Mr. Lanham moved to accept the recommendation of the Board Actuary to increase the employer contribution rate for State Police Plan B from 12% to 15% effective July 1, 2009. The motion was seconded by Mr. Davis. Discussion followed. The motion carried unanimously.

Harry Mandel reviewed with the Board his recommendation regarding the State Police Plan B employee contribution rates increasing from 12% to 13% pursuant to WV Code § 15-2A-5 effective July 1, 2009. Mr. Davis moved to accept the recommendation of the Board Actuary to increase the employee contribution rate for State Police Plan B from 12% to 13% effective July 1, 2009. The motion was seconded by Mr. Fletcher. Discussion followed. The motion passed with Mr. Deem, Mr. Davis, Mr. Murray, Captain Tucker and Ms. Lipscomb voting in the negative.

Harry Mandel reviewed with the Board his recommendation regarding the Public Employee Retirement System (PERS) employer contribution rates being increased from 10½% to 11% effective July 1, 2009. Mr. Davis moved to accept the recommendation of the Board Actuary to increase the employer contribution rate for the Public Employee Retirement System from 10½% to 11% effective July 1, 2009. The motion was seconded by Ms. Evans. Discussion followed. The motion carried unanimously.

Mr. Gianato returned to the meeting at 1:12 p.m.

Mr. Davis departed the meeting at 1:12 p.m.

Mr. Davis returned to the meeting at 1:14 p.m.

Tab #10: Actuarial Equivalents for Administration

Harry Mandel, Board Actuary, reviewed with the Board his recommendation to approve the extension of the 2008 Actuarial Assumptions for daily administration to 2009 without

modifications for the Teachers' Retirement System, the Public Employees Retirement System, the State Police Plan A and Plan B, the Deputy Sheriff Retirement System and the Judges Retirement System. Ms. Stout moved that the Board accept the recommendation of the Board Actuary to extend the 2008 Actuarial Assumptions for daily administration to 2009 without modifications for the Teachers' Retirement System, the Public Employees Retirement System, the State Police Plan A and Plan B, the Deputy Sheriff Retirement System and the Judges Retirement System. The motion was seconded by Mr. Parsons. The motion carried unanimously.

Harry Mandel further reviewed with the Board his recommendation that the Board establish an actuarial assumption for the Emergency Medical Services Retirement System of 7.5% interest rate and a mortality basis of the 1983 Group Annuity Mortality Table, unisex blended rates based on 75% male rates and 25% female rates, applied uniformly to all members and beneficiaries. Mr. Lynch moved that the Board accept the recommendation of the Board Actuary to establish an actuarial assumption for the Emergency Medical Services Retirement System of 7.5% interest rate and a mortality basis of the 1983 Group Annuity Mortality Table, unisex blended rates based on 75% male rates and 25% female rates, applied uniformly to all members and beneficiaries. The motion was seconded by Mr. Fletcher. The motion carried unanimously.

Tab #11: 2009 Proposed Legislation

Chief Operating Officer Terasa Miller reviewed with the Board the 2009 Emergency Medical Services Retirement System proposed legislation. Mr. Lynch moved that the 2009 Emergency Medical Services Retirement System proposed legislation be submitted to the Legislature for consideration. The motion was seconded by Mr. Fletcher. The motion carried unanimously.

Tab #12: Other, Old Business

Chairman Wyant asked for old business. None was heard.

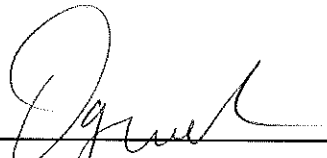
Tab #13: Other, New Business

Director Lambright informed the Board that the new Plan Summary Sheets were now available.

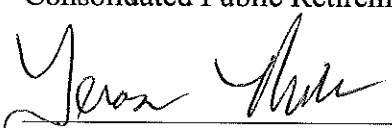
Director Lambright further informed the Board that she would be out of town for the next Board meeting and that Terasa Miller, Chief Operating Officer, would be handling matters during

her absence.

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 1:40 p.m.

 Dated: 3-4-09

David Wyant, Chairman
Consolidated Public Retirement Board

 For Anne Werum Lambright
Dated: 3-4-09

Anne Werum Lambright, Executive Director
Consolidated Public Retirement Board