

AGENDA

Municipal Pensions Oversight Board

Meeting of the Board Members

December 11, 2025 – 1:00 P.M.

301 Eagle Mountain Road, Second Floor, Suite 251, Charleston, WV 25311

- I. Call to Order and Roll Call
- II. Approval of Minutes of Meeting on September 18, 2025
- III. Old Business
 - A. Education Assistance Policy
 - B. Compliance Review Updates
 1. Recalculations Update
 - a. Charleston Fire
 2. Ongoing Reviews
 - a. Grafton Police and Fire
 - b. Welch Police
 - C. Bolton
 1. Consolidated Report
 2. GASB Report Update
 3. Correction of Survivor Benefits Project
 - D. Legal
 1. Request for Proposal for Actuarial Services Selection
- IV. New Business
 - A. Proposed Legislation
 1. Discussion on Requested Changes to §33-3-14d, §8-22-24, and §8-22-24(d)
 2. Legislative Rule Title 211 Series 2
 - B. P-Card Expenditures – September, October and November 2025
 - C. Personnel
 1. Deputy Director Position Search
 2. Other Business
 - D. Executive Director's Report
- V. Public Comments
- VI. Adjournment

*Next Board Meeting is March 19, 2026, at 1:00 PM. Drive safely on your return to work or home.

**MUNICIPAL PENSIONS OVERSIGHT BOARD
MINUTES OF MEETING
December 11, 2025**

The Municipal Pensions Oversight Board (MPOB) met on June 12, 2025, at 1:00 PM. The meeting was held at 301 Eagle Mountain Rd. Suite 251, Charleston WV 25311. Mr. Steve Neddo welcomes everyone and calls the meeting to order. Janet Warren calls the Roll.

Roll Call - Attendees:

Board Members:

Travis Blosser — Absent

Jeffrey Fleck — Present

David Lanham — Absent

Sarah Long — Absent

Jason Matthews, Vice Chairman — Present Virtual

Steve Neddo — Chairman — Present

Michael Payne — Present virtual

Tom Percy — Absent

Craig Slaughter— Present

General Counsel:

Anthony Eates, Deputy Attorney General — Present virtual

Staff:

Janet Warren — Administrative Assistant — Present

Matthew Pauley, Chief Financial Officer — Present

Blair Taylor, Executive Director — Present

Guest:

Jim Ritchie, Senior Actuary – Bolton present

Jordan McClane, Consulting Actuary - Bolton present

Alan Torroella – Present Virtual

Minute taker:

Janet Warren

Mr. Neddo states the MPOB does have a quorum.

I. Call to Order and Roll Call

Ms. Janet Warren calls the roll.

II. Approval of Minutes

The meeting minutes for the MPOB meeting for September 18, 2025, were presented for approval.

Motion to approve the minutes as presented; Moved by Mr. Jeff Fleck; Seconded by Mr. Jason Matthews. Passed unanimously.

RESOLVED; The minutes for September 18, 2025, meetings for the Municipal Oversight Board Meeting minutes are approved as presented.

III. Old Business

A. Education Assistance Policy

Mr. Taylor Presenting

Mr. Taylor presents the policy to the Board. The forms were updated and sent to the board prior to the meeting. The policy complies with the IRS section 127 of the IRS code. This is a little broader than the state plans currently.

Motion to approve the education assistance policy as written by MPOB; Moved by Mr. Jeff Fleck; Seconded by Mr. Craig Slaughter. Passed unanimously.

RESOLVED; The education assistance policy has been approved by the board.

B. Compliance Review

1. Recalculation Update

a. Charleston Fire

Charleston Fire has changed pension secretaries. Suttle and Stalnaker have been contracted to perform the recalculations. They are finding many of their pensions were undercalculated, but they are still in the process of getting the calculations completed. The firm had to bring in new staff to complete the calculation.

2. Ongoing Review

a. Grafton Police and Fire

Mr. Pauley is presenting.

A review letter was sent on September 19th, and a response was received on October 15th.

- Catch-up payments were completed for underpaid police and fire members.
- There are 2 non-duty disabilities in the police pension fund and one non-duty disability in the fire pension fund. The MPOB is collecting data then the MPOB will determine what their deductions should have been for any earned income received over the past several years. Mr. Pauley has enough data to recalculate the fire pension non-duty disability but is still waiting police data.
- The city paid back one overpayment, and the overpaid member was not held accountable for the overpayment. The total underpayments to three fire pension fund members were about \$23,400. One member was overpaid by just under \$6,900, which has been paid back to the plan.

Mr. Neddo asks a question.

He asks if the city of Grafton paid the pension plan back or did the member and then correct the member to the corrected amount.

Mr. Pauley agrees that they did correct him for his corrected amount and the city made the \$6900 payment back to the plan.

- The former city treasurer was incorrectly applying COLA only to the first \$15,000, which has been fixed with the new city treasurer.
- Information is still being collected for two non-duty disabilities in the police fund and one in the fire fund to recalculate their reduction for earned income.
- Mr. Pauley states that the member who was overpaid had been overpaid historical but because the COLAs were not calculated pursuant to the Fairmont 2004 case, the member is now being underpaid.

b. Welch Police

Mr. Taylor presenting

Work is ongoing with the pension secretary on one retiree who is believed to be underpaid. The city has asked the staff to look at a pension calculation for a police officer who is getting ready to retire. Mr. Taylor and Ms. Warren are working on that retirement calculation.

C. Bolton

1. Consolidated Report

Mr. Ritchie Presenting

- Valuation Reports (7/1/24): As a reminder the purpose of the reports is to determine the funding requirement for each plan in accordance with the funding policy that is chosen by the plan. Additional calculations are then made to ensure eligibility for the premium tax and COLA.
 - Contributions over the last five years – employee contributions have increased slightly over time. Last year they did decrease a little and that is because the active population has decreased and more are closing their plans.
 - Net city contributions have been steady at \$45 million. Premium tax from 2022 and 2024 was down a little but has risen to \$22.3 to this year at \$24.2 million.
 - Total contributions have a fairly steady increase at \$75.6 million going into the plans in the next fiscal year.
 - The funded status is at 48% on an actual asset value basis and 48-49% on a market value basis the market is about \$13 million higher, showing a steady climb. That is because plans are moving away from Conservation and Alternative plans and choosing Optional and Optional II.
 - The funded status of plans varies by type, with optional plans from standard having the highest, which is Charles Town. The Optional from Standard have the highest, they are almost fully funded on average for those 14 plans they are fully at 97%. The Optional from Alternative at almost 10 years ago they were at 28% and since moving to Optional they are at 62%. Optional from Conservation, which have the 2 Charleston plans have moved from 28% to 38% over the past 3 years. Optional II, which is new, which are low because they are new just starting 2 years ago but we should we a steady increase in funded status over the next few years. Alternative plans have been the lowest at around 37%. The conservations plans do not exist anymore.
 - Total active participation has gone down about 3.5% to 4.5% per year, down 5.6% this past year.
 - Active participants have decreased by 16% over five years, due to plans freezing and moving to Optional or Optional II plans. The total participant count decreased, decreasing by about .5% to 1% per year with a total of 3.3% over the five-year period.
 - There was a \$32 million gain on assets, \$726 million in market value of assets as of 06/30/2024 with a dollar-weighted return of 11%. Taking the discount then

weighed it by how many assets you have by the total. It is about 6.2% return. Those are the assumptions from the assets going forward. On an AVA basis there was a 7.8% return having one more year of the loss to amortize.

- Gain loss by liability – Small loss at \$4.4 million. That is .3% of the liability. Anything under 1% is considered good from an actuary standpoint.
- The effect of assumption changes. There was a 92 million decrease in liability. That is due to plans going to the IMB and getting higher discount rates.
- **Recommendations from Bolton**
 - **Review compensation definition for easier administration** – Looking at the definition for final average salary. Looking to make it easier to administer and for plans to understand.
 - **Review opportunities for helping plans using Alternative policy to adopt an actuarially sound funding policy** – Look at plans and helping them move to and Optional or Optional II plan, a sounder funding policy.
 - **In consultation with the actuary, monitor amortization amounts each year** – Checking to make sure we don't have any volatility.

Other Discussion Points

Mr. Fleck states that some plans participate in Social Security and some do not. He asks Mr. Taylor if that is correct.

Mr. Taylor responds.

- Mr. Taylor states that of the Municipal plans regarding Social Security Participation: Only a handful of the 53 municipal plans participate in Social Security, such as Dunbar Police and Fire and Nitro Police and Fire.

Mr. Fleck asks if the employee contributions are lower if they participate in Social Security?

- The employee contribution rates are statutory (7% prior to July 1, 2010, and 9.5% after January 1, 2010) and not affected by Social Security participation.

3. Correction of Survivor Benefits Project

Mr. Mclane presents

Survivor Benefits Project: A project was started in 2019 to correct an issue with how survivor benefits were calculated. First step was to develop a calculator to fix future benefit payments. Over the past 5 years Bolton has just been collecting data to perform and fix the miscalculated benefits.

- Of about 390 survivors and can assess around 290 survivors. Of those 290, about 150 to 160 are due to a higher monthly benefit and a lump sum for historical underpayments.

- A letter and an Excel file tool were crafted to send to affected municipalities.
- Mr. Torella goes over the Excel Spreadsheet with the Board.

Some key points of the spreadsheet are as follows:

- The tool will have 2 tabs consisting of an instruction tab and a Survivor Benefit tab which contain the results and the input required by the Municipality.
- The instructions are brief. Bolton only requires the Municipality to input one piece of information, which is the date on which these lump sums will be paid and the date that the monthly benefit will be corrected.
- Instructions will show what terms were used and a brief overview of each section of the survivor benefit tab.
- The tool will be sent to each Municipality.
- The tool requires the municipality to input the date the lump sums will be paid and monthly benefits will be corrected. The tool also compares historical assumed payments with corrected payments.
- The survivors had been calculated incorrectly and mostly underpaid, and this fix will bring them up to the correct amount.
- Section one emphasizes survivor information and summarizes the results. Upon receiving the spreadsheet, the lump sum payment will be blank until they enter the date they are making the plan whole. Then the information will fill in automatically.
- Section two is a breakdown of the current monthly benefit, historically and what the monthly amount should be.
- Section three is the original participant information (data that Bolton collected and researched)
- Sections 4a, 4b and 4c – 4a will breakdown assumed annual payment history (historical), 4b will be the corrected payment history (annually), and 4c is the annual payment owed (subtraction of 4a and 4b).
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Mr. Taylor talks about the time and effort that Bolton has put into this project. He speaks about how much data had to be collected in order to complete this project. Based on the data, the survivors have been calculated incorrectly, mostly underpaid. This project and tool will bring the survivors up to where they need to be. Once this fix is done then they won't have to worry about these survivor calculations again assuming the COLAs are calculated the way they should be calculated. Mr., Taylor thanks Bolton for their time and effort on this project.

Mr. McClane states that they ran everyone through the survivor tool and the Municipality can do that as well and will get exactly the information that Bolton will provide.

2. GASB Report Update

Bolton has posted 24 GASB reports and expects to have all GASB reports completed by the end of the year, pending the 5 or so plans that Bolton is still waiting for assets reports.

Mr. Torrello, Mr. McClane and Mr. Ritchie leave the meeting.

D. Legal

1. Request for Proposal for Actuarial Services Selection

Mr. Fleck makes a motion to go into the Executive session as provided for in the Open Meetings Act, under W.Va. §6-9A-4(b)(2)(A) to discuss personnel matters.

MOTION: Moved by Mr. Fleck Seconded by Mr. Slaughter for the Municipal Pensions Oversight Board to go into Executive Session pursuant to W.Va. §6-9A-4(b)(2)(A) to discuss personnel matters. Passed unanimously.

Mr. Neddo calls back to order the meeting, stating no motions or decisions were made during the executive session.

Mr. Fleck presenting

The ARFP committee met and reviewed all the bids also listened to oral presentations. After completing the process, from the technical scoring and opening cost. The apparent winning vendor is Bolton and Mr. Fleck would make a motion to award the contract to Bolton.

MOTION: Proceed to award AFRP2600000001 actuarial services to Bolton Partners, Inc. Moved; Mr. Fleck. Second by Mr. Matthews.

RESOLVED; Bolton Partners, INC, will be awarded the contract ARFP2600000001.

IV. New Business

A. Proposed Legislation

1. Discussion on Request Changes to § 33-3-14d, § 8-22-24, and § 8-22-24(d)

Mr. Taylor presenting

- § 33-3-14d – This is MPOB’s funding source. That code is where the 1% surcharge is split between 65 basis points go to the Oversight Board for Municipal Police and Fire pensions, 25 basis points go to volunteer fire companies, distributed through the state treasures office, and 10 basis points to the teacher’s retirement system. The previous State Treasurer tried to get legislation changed to allow the monies that come through §33-3-14d, which is this 1% surcharge, to be disbursed, not how it is currently designated in Code, but to be disbursed the way that §33-3-33 is disbursed which is the .55% that all go to the VFD (Volunteer Fire Departments). The VFD gets a .55 basis point then a 25-basis point of §33-3-14d and they want to disburse it all like it states in §33-3-33 which isn’t how it is disbursed in §33-3-14d. In addition, the VFD’s went to

the state Fire Marshal and requested how the part-paid and part volunteer fire departments receive money. There was a work group between the State Fire Marshal and the VFD's and they asked the Oversight board for history on code §33-3-14d. They asked Mr. Taylor about history, him being the person that worked on that. Mr. Taylor stated that he would like to get some changes for 33-3-14d to clean up language that still has the treasurer's office in that code about what the MPOB must do and the information that has to be presented on part-paid and part-volunteer fire departments. The meeting consisted of the State Fire Marshal, the State Treasurer's office, Legislative Auditor's Office (because they audit volunteer fire departments), and attorneys on the committee of volunteer fire departments and EMS. They asked the MPOB to sit in at the meetings and Mr. Taylor added changes that the MPOB would like in §33-3-14d. Mr. Taylor has sent the MPOB request to the committee of VFD and EMS in the house, the Senate does not have a corresponding committee but there was a Senate Attorney present, Phillip Childs, who happens to be the Attorney for the Senate Pension Committee. Mr. Taylor believes there will be a bill that comes in the House Committee on VFD and EMS that will include language that the MPOB requested. Mr. Taylor will keep the board informed of tracking and changes to this code.

Proposed Legislation (8-22-24 and 8-22-24D)

- **8-22-24D (Non-Duty Disabilities)** The current law requires non-duty disabilities to provide their tax returns for life.
 - A proposal, inspired by the practice for Social Security recipients who reach full retirement age (currently 67), is to stop requiring non-duty debilitants to provide tax returns at a certain age.
 - Mr. Taylor looked at the SS site and people who earn social security are capped until they reach full retirement age but at full retirement age they are not capped anymore.
 - The current age is 67. Mr. Taylor reported Boltons report the previous Monday to the joint committee on pensions and retirements. They asked Mr. Taylor to have our actuary to look at what the cost would be if they could pass this into legislation, stop requiring non-duty debilitants to require tax returns at a certain age, now currently 67. Mr. Taylor asks if that is something the board wants Mr. Taylor to look at what the cost would be and ask the actuary to present to MPOB what the cost would be to the plans. Currently, our nonduty disabilities receive 60% of the last year of employment, that would not change. They just wouldn't have provide their tax return after the normal SS retirement age and their pension would not be reduced if they have income above \$18,200 which is the current minimum wage. As minimum wage increases, so does the income allowed prior to any reductions in the pension amount.

- The goal is to prevent non-duty debilitants from having their pension reduced if they work a second job after reaching the full Social Security retirement age. Currently, pensions are reduced by \$1 for every \$3 earned above the minimum wage threshold of \$18,200
- The actuary will be asked to determine the cost of this proposed change.
- **8-22-24 (Duty-Related Disability Conversion)** A current officer with more than 20 years of service and who is injured in the line of duty, the disability retirement is calculated at 60% of the member's last 12 months of service prior to the injury or illness. If the member had for example 25 years of service (70%) for a regular retirement, the member would lose the ability to receive the 70% retirement if he took the duty-related disability prior to his regular retirement age. The suggested law change is to allow the duty-related disability once reaching normal retirement age (50 years) to be able to request his pension board of trustees to change his retirement from duty-related disability to a regular retirement at the higher percentage the member would then qualify for.
- Request is that a current active member that had the potential to go out on a duty related retirement before the age of 50, that retirement be changed to a regular retirement at their date of retirement age at the higher amount if the member requested. It would make sense with someone that had 25 years of retirement because they would go to 70% verses 60%. If someone when out with 22 years which would be 62%, it may make sense to convert but it may not make sense to revert to a regular retirement based on duty related disabilities, which are tax free at the federal level and state level but they may not be tax free at a federal level if it is a retirement.
- Duty-related disabilities are generally tax-free at the federal level, but non-duty related are taxable.
- The board was asked if they would support the concept of allowing the disability retirement to occur and then change to a regular retirement at the higher percentage once the member meets retirement eligibility age.
- The conversion to regular retirement at age 65 is already in the code for the municipal police officers and firefighters' retirement system (MPFRS).
- If you receive pension from a Municipal pension plan (police or fire), it is all state tax free. If it is a disability payment, he believes it is federal tax free as long as it is line of duty.

- The board agrees to look into Duty related disabilities to change to a retirement at the retirement age. It only applies to a member that is between 20-30 years.
- The board agrees with Mr. Taylor into looking at changing the code and asking the actuary to look at the cost to the plans.
- **Legislative Rule Title 211 Series 2** This rule, which covers the procedure for purchasing actuarial and actuarial reviewing services, is being renewed for another five-year period after sunseting.

B. P-Card Expenditures – September, October and November 2025

Mr. Matthew Pauley presenting

Mr. Pauley presents the PCard expenditures for September, October and November 2025 and states that if there are any questions he is available to answer.

Mr. Neddo calls for a motion to approve.

MOTION: Motion to approve the PCard expenditures for September , October and November 2025, as presented. Moved by Mr. Matthews; seconded by Mr. Payne

RESOLVED, the PCard expenditures for September, October, and November 2025 are approved as presented.

Mr. Neddo asks what the IME “no show fee” is on the PCard expenditures. Mr. Taylor explains that if a member does not show up or does not cancel within 48 hours for an IME (independent medical exam), the MPOB must pay the IME a no show fee.

C. Personnel

1. Deputy Director Position Search

Mr. Taylor Presenting

The search for a new Deputy Director received 25 applications. The plan is to interview seven candidates, narrow the field to five or six, and then present three to the personnel committee. The only change to the job description required a bachelor's degree, and applicants without one will not be considered. Mr. Taylor would like to interview before Christmas, and the board would like to interview them in January.

2. Other Business - None

D. Executive Director's Report

Mr. Blair Taylor presenting

- 22 requests for disabilities (5 permanent have been completed).
- Blair visited Bluefield and they closed its pension plans in October.
- The director conducted training with Beckley's pension board, where Mr. Taylor went over all the pension calculators that the MPOB have running through a sample of a member that passed away, then ran through a SS using a straight 60% then using the calculator for online use reindexing amounts that are the correct amount.
- There have been multiple discussions with the City of Welch.
- Dunbar has asked for help with a retiree that is about to retire.
- The non-duty disability issue for Dunbar fire was finalized, resulting in the debilitants being underpaid from 2017-2024, which has since been corrected with back pay on December 1, 2025.
- Both Dunbar plans have agreed to move to the Investment Management Board (IMB). Mr. Slaughter believes that has occurred already.
- Mr., Taylor has not received the DROP application from the City of Fairmont for the Fire DROP, so no update is available.
- The director has accepted a position on the PCard Advisory Committee as the representative for small agencies. The advisory sets PCard rules for state government agencies.
- Space was secured, and furniture was ordered for the new Deputy Director position. The office lease was extended through 2031.
- All 24 GASB (Governmental Accounting Standards Board) reports were completed as of the morning of the meeting.
- There are only six municipalities left with 12 open pension plans. Bluefield that is on the Pension plans statistics as open, is now closed.
- Nitro is considering closing their plans if they can sell their wastewater treatment plant and use the funds to reach a projected fully funded status by about 2034.

Mr. Taylor asks if there are any questions.

None asked.

V. Public Comments

None.

VI. Adjournment

Mr. Neddo adjourns the meeting.

***RESOLVED*, that the December 11, 2025, meeting of the MPOB is adjourned.**

Stephen Neddo, Chairman

Minutes approved _____
(Date)

Referenced documents can be found in the Board Meeting Packet.