

CONTRACT CHANGE ORDER NO. 2 to MPO1900000001  
WEST VIRGINIA MUNICIPAL PENSIONS OVERSIGHT BOARD  
and  
BOLTON PARTNERS, INC.

**THIS CHANGE ORDER NO. 2** made this 16<sup>th</sup> day of March 2023, is between the WEST VIRGINIA MUNICIPAL PENSIONS OVERSIGHT BOARD (MPOB), Charleston, WV, and BOLTON PARTNERS, (Bolton) INC., 36 S. Charles Street, #1000, Baltimore, MD 21201.

**WHEREAS**, Pursuant to the provisions of WV Code §8-22-18A(b)(6), the MPOB is exempt from provisions of article three, chapter five-a of the CODE for the purpose of contracting for actuarial services and pursuant to the provisions of WV Code §8-22-20(a), the MPOB shall contract with or employ a qualified actuary to annually prepare and actuarial valuation report on each pension and relief fund. The selection of contract vendors to provide actuarial services...shall be by competitive bid process, but is specifically exempt from purchasing provisions of article three, chapter five-a of the Code, and

**NOW THEREFORE, THIS CHANGE ORDER, WITNESSETH:**

That for and in consideration of the terms included herein, the parties do hereby covenant and agree to the following additions to the original contract pursuant to the findings of Bolton that some death benefits payable to spouses and other beneficiaries were not determined in accordance with W. Va. Code §8-22-26a. Bolton conducted a sampling to determine if the incorrect method was limited to a few municipal plans or if it was a systemic issue across most of the 53 municipal policemen's and municipal firemen's pension and relief funds. The sampling revealed the incorrect methodology is being applied by most if not all of the municipal plans. The incorrect methodology is causing spousal benefits and other beneficiaries benefits to be less than or more than what is required by W.Va. Code for survivor supplemental benefits, i.e., cost-of-living adjustments (COLAs). The MPOB Board wants to correct these benefits to survivors and have the municipal plans pay any underpayments to the spouses and beneficiaries and claw back any overpayments to the spouses and beneficiaries.

The second phase is to calculate the survivor benefits for deaths that occurred after the implementation of the Survivor Benefit Calculator, in May 2020, and for re-calculating survivor benefits paid to spouses and other beneficiaries that have been determined using a methodology that does not comply with WV Code §8-22-26a(b).

Phase II includes the following steps as outlined below.

- Bolton will correct the survivor benefits for an estimated 290 participants. Based on Bolton's preliminary review of the data from Phase I, Bolton will be able to correct the benefits for approximately 165 survivors. Bolton will request any updated data for approximately 125 of the 290 participants from municipalities and pension boards of trustees. Of the 125 participants where Bolton will request additional information, Bolton will be able to calculate and correct benefits for 65 participants based on certain reasonable assumptions if the municipalities cannot provide any additional data.

- For the remaining 60 participants, if the Municipalities do not provide any additional information, Bolton will not have enough information to calculate a corrected benefit. If this is the case, Bolton will work with MPOB staff to determine a plan of action for getting the information needed to check the accuracy of these benefits.
- Bolton will provide the MPOB with an updated Excel spreadsheet with the amounts paid, the corrected amount and the amounts of underpayments and overpayments to the participants by pension plan. Bolton will reflect the impact of the 2023 COLA.
- The scope of this project excludes South Charleston Policemen's Pension and South Charleston Firemen's Pension as the survivors and beneficiaries have already been corrected.

The fixed cost for Phase II is \$65,000 which represents an expected 250 hours to complete the work. Bolton will bill the MPOB progressively by month until the project is complete.

All other terms, conditions, prices, and specifications remain in full effect.

**WITNESS THE FOLLOWING SIGNATURES:**

**Bolton Partners, Inc.**

**By:**

**Title:**

**Date:**

James R. White  
President Bolton Retirement  
3/16/23

**Municipal Pensions Oversight Board**

**By:**

**Title:**

**Date:**

Bob M. [Signature]  
Executive Director  
March 16, 2023

Approved as to form this 21<sup>st</sup> day of April, 2023.

**By:**

John L. Gray, Deputy Attorney General

CONTRACT CHANGE ORDER NO. 3 to MPO1900000001  
WEST VIRGINIA MUNICIPAL PENSIONS OVERSIGHT BOARD  
and  
BOLTON PARTNERS, INC.

**THIS CHANGE ORDER NO. 3** made this 25<sup>th</sup> day of April 2023, is between the WEST VIRGINIA MUNICIPAL PENSIONS OVERSIGHT BOARD (MPOB), Charleston, WV, and BOLTON PARTNERS, (Bolton) INC., 36 S. Charles Street, #1000, Baltimore, MD 21201.

**WHEREAS**, Pursuant to the provisions of WV Code §8-22-18A(b)(6), the MPOB is exempt from provisions of article three, chapter five-a of the CODE for the purpose of contracting for actuarial services and pursuant to the provisions of WV Code §8-22-20(a), the MPOB shall contract with or employ a qualified actuary to annually prepare and actuarial valuation report on each pension and relief fund. The selection of contract vendors to provide actuarial services...shall be by competitive bid process, but is specifically exempt from purchasing provisions of article three, chapter five-a of the Code, and

**NOW THEREFORE, THIS CHANGE ORDER, WITNESSETH:**

That for and in consideration of the terms included herein, the parties do hereby covenant and agree to the following additions to the original contract pursuant to the findings of Bolton that some death benefits payable to spouses and other beneficiaries were not determined in accordance with W. Va. Code §8-22-26a. Bolton conducted a sampling to determine if the incorrect method was limited to a few municipal plans or if it was a systemic issue across most of the 53 municipal policemen's and municipal firemen's pension and relief funds. The sampling revealed the incorrect methodology is being applied by most if not all of the municipal plans. The incorrect methodology is causing spousal benefits and other beneficiaries benefits to be less than or more than what is required by W.Va. Code for survivor supplemental benefits, i.e., cost-of-living adjustments (COLAs). The MPOB Board wants to correct these benefits to survivors and have the municipal plans pay any underpayments to the spouses and beneficiaries and claw back any overpayments to the spouses and beneficiaries.

The second phase is to calculate the survivor benefits for deaths that occurred after the implementation of the Survivor Benefit Calculator, in May 2020, and for re-calculating survivor benefits paid to spouses and other beneficiaries that have been determined using a methodology that does not comply with WV Code §8-22-26a(b).

Phase II includes the following steps as outlined below.

- Bolton will correct the survivor benefits for an estimated 290 participants. Based on Bolton's preliminary review of the data from Phase I, Bolton will be able to correct the benefits for approximately 165 survivors. Bolton will request any updated data for approximately 125 of the 290 participants from municipalities and pension boards of trustees. Of the 125 participants where Bolton will request additional information, Bolton will be able to calculate and correct benefits for 65 participants based on certain reasonable assumptions if the municipalities cannot provide any additional data.

- For the remaining 60 participants, if the Municipalities do not provide any additional information, Bolton will not have enough information to calculate a corrected benefit. If this is the case, Bolton will work with MPOB staff to determine a plan of action for getting the information needed to check the accuracy of these benefits.
- Bolton will provide the MPOB with an updated Excel spreadsheet with the amounts paid, the corrected amount and the amounts of underpayments and overpayments to the participants by pension plan. Bolton will reflect the impact of the 2023 COLA.
- The scope of this project excludes South Charleston Policemen's Pension and South Charleston Firemen's Pension as the survivors and beneficiaries have already been corrected.


The fixed cost for Phase II is \$65,000 which represents an expected 250 hours to complete the work. Bolton will bill the MPOB progressively by month until the project is complete.


All other terms, conditions, prices, and specifications remain in full effect.

**WITNESS THE FOLLOWING SIGNATURES:**

**Bolton Partners, Inc.**

**Municipal Pensions Oversight Board**

By: 

By: 

Title: President Bolton Retirement

Title: Executive Director

Date: April 27, 2023

Date: Apr 25, 2023

Approved as to form this \_\_\_\_ day of \_\_\_\_\_, 2023

By: \_\_\_\_\_, Deputy Attorney General

Change order 4 was an internal change order for an address change only.

CONTRACT CHANGE ORDER NO. 5 to MPO1900000001  
WEST VIRGINIA MUNICIPAL PENSIONS OVERSIGHT BOARD  
and  
BOLTON PARTNERS, INC.

**THIS CHANGE ORDER NO. 5** made this 23<sup>rd</sup> day of January 2024, is between the WEST VIRGINIA MUNICIPAL PENSIONS OVERSIGHT BOARD (MPOB), Charleston, WV, and BOLTON PARTNERS, (Bolton) INC., 1 W. Pennsylvania Avenue, Suite 600, Townson, MD 21204.

**WHEREAS**, Pursuant to the provisions of *WV Code §8-22-18A(b)(6)*, the MPOB is exempt from provisions of article three, chapter five-a of the CODE for the purpose of contracting for actuarial services and pursuant to the provisions of *WV Code §8-22-20(a)*, the MPOB shall contract with or employ a qualified actuary to annually prepare and actuarial valuation report on each policemen's and firemen's pension and relief fund. The selection of contract vendors to provide actuarial services...shall be by competitive bid process, but is specifically exempt from purchasing provisions of article three, chapter five-a of the Code, and

**WHEREAS**, Pursuant to the original agreement dated the 6th day of February 2019, between the **WEST VIRGINIA MUNICIPAL PENSIONS OVERSIGHT BOARD** and **BOLTON PARTNERS** which included section 1-4. **TERM** which extended the period of the agreement for a period of five (5) years, at which point the contract may, upon mutual consent, be renewed. Such renewals are for a period of up to one (1) year, with a maximum of two (2) one-year renewals, or until such reasonable time thereafter as is necessary to obtain a new contract, not to exceed six months. During the "reasonable time" period, Bolton may terminate the contract for any reason upon giving the MPOB ninety (90) days written notice. Notice by Bolton of intent to terminate will not relieve Bolton of the obligation to continue providing services pursuant to the terms of the contract. This Agreement is subject to the general termination and extension rights reserved to the MPOB in this contract.

**WHEREAS**, Pursuant to the original agreement dated the 6th day of February 2019, between the **WEST VIRGINIA MUNICIPAL PENSIONS OVERSIGHT BOARD** and **BOLTON PARTNERS** which included section 1-5. **COMPENSATION** which outlines monthly invoices for the costs of hourly services as well as progress payments for each phase of the actuarial valuation process.

**NOW THEREFORE, THIS CHANGE ORDER, WITNESSETH:**

That for and in consideration of the terms included herein, the parties do hereby covenant and agree to the following additions to the original contract.

1. Term Extension:

The term of the Agreement shall be extended for the period February 6, 2024, through February 5, 2025.

2. Year 6 Contract Fixed Cost Project Payment Schedule and Special Projects/In Person Meetings Hourly Rates. All work performed shall be billed in arrears.



**BOLTON**  
**Year 6 Contract Cost Schedule**

<b>Annual Actuarial Funding Valuation of 53 plans</b>	<b>Progress Payments</b>	<b>Services to be performed Between February 6, 2024, and February 5, 2025 \$220,000.00</b>
Prepare and send data request	5.0%	\$11,000.00
Update valuation software and report worksheets	10.0%	\$22,000.00
Update Valuation Reports	5.0%	\$11,000.00
Compile and reconcile data	15.0%	\$33,000.00
Gain loss analysis	7.5%	\$16,500.00
Generate liabilities and discount rate forecasts	7.5%	\$16,500.00
Prepare individual valuation reports	35.0%	\$77,000.00
Prepare Consolidated report presentations	10.0%	\$22,000.00
Prepare COLA Letters	5.0%	\$11,000.00
	100%	
<b>Special Projects/In person meetings:</b>	<b>Rate: Year 6</b>	
Senior Actuary	\$270.50	
Actuary	\$270.50	
Actuary Assistant	\$270.50	
Clerical	\$270.50	

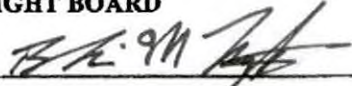
Should any policemen's or firemen's municipal pension and relief fund decline to participate in the actuarial valuation process, Bolton will deduct the cost of performing that fund's valuation from the progress payments invoice phase "Prepare individual valuation reports."

The fees for completion of GASB 67/68 reports may be billed in total, \$35,000.14 or on a per unit cost each year. The unit cost is \$660.38 for Year 6.

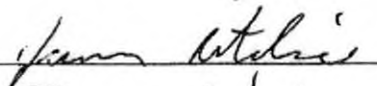
All other terms, conditions, prices, and specifications remain in full effect.

IN WITNESS WHEREOF, Municipal Pensions Oversight Board and Bolton Partners have entered this Change Order No. 5 as of the date of last signature below.

**MUNICIPAL PENSIONS  
OVERSIGHT BOARD**

By:   
Name: Blais M Taylor  
Its: Executive Director  
Date: 1-23-2024

**BOLTON PARTNERS**

By:   
Name: James Ritchie  
Its: President of Bolton Retirement  
Date: 1/23/2024

Approved as to form this 29th day of January, 2024

By: , Deputy Attorney General



CONTRACT CHANGE ORDER NO. 6 to MPO1900000001  
WEST VIRGINIA MUNICIPAL PENSIONS OVERSIGHT BOARD  
and  
BOLTON PARTNERS, INC.

**THIS CHANGE ORDER NO. 6** made this 17th day of January 2025, is between the WEST VIRGINIA MUNICIPAL PENSIONS OVERSIGHT BOARD (MPOB), Charleston, WV, and BOLTON PARTNERS, (Bolton) INC., 1 W. Pennsylvania Avenue, Suite 600, Townson, MD 21204.

**WHEREAS**, Pursuant to the provisions of *WV Code §8-22-18A(b)(6)*, the MPOB is exempt from provisions of article three, chapter five-a of the CODE for the purpose of contracting for actuarial services and pursuant to the provisions of *WV Code §8-22-20(a)*, the MPOB shall contract with or employ a qualified actuary to annually prepare and actuarial valuation report on each policemen's and firemen's pension and relief fund. The selection of contract vendors to provide actuarial services...shall be by competitive bid process, but is specifically exempt from purchasing provisions of article three, chapter five-a of the Code, and

**WHEREAS**, Pursuant to the original agreement dated the 6th day of February 2019, between the **WEST VIRGINIA MUNICIPAL PENSIONS OVERSIGHT BOARD and BOLTON PARTNERS** which included section 1-4. **TERM** which extended the period of the agreement for a period of five (5) years, at which point the contract may, upon mutual consent, be renewed. Such renewals are for a period of up to one (1) year, with a maximum of two (2) one-year renewals, or until such reasonable time thereafter as is necessary to obtain a new contract, not to exceed six months. During the "reasonable time" period, Bolton may terminate the contract for any reason upon giving the MPOB ninety (90) days written notice. Notice by Bolton of intent to terminate will not relieve Bolton of the obligation to continue providing services pursuant to the terms of the contract. This Agreement is subject to the general termination and extension rights reserved to the MPOB in this contract.

**WHEREAS**, Pursuant to the original agreement dated the 6th day of February 2019, between the **WEST VIRGINIA MUNICIPAL PENSIONS OVERSIGHT BOARD and BOLTON PARTNERS** which included section 1-5. **COMPENSATION** which outlines monthly invoices for the costs of hourly services as well as progress payments for each phase of the actuarial valuation process.

**NOW THEREFORE, THIS CHANGE ORDER, WITNESSETH:**

That for and in consideration of the terms included herein, the parties do hereby covenant and agree to the following additions to the original contract.

**1. Term Extension:**

The term of the Agreement shall be extended for the period February 6, 2025, through February 5, 2026.

**2. Year 7 Contract Fixed Cost Project Payment Schedule and Special Projects/1n Person Meetings Hourly Rates.** All work performed shall be billed in arrears.

**BOLTON**  
**Year 7 Contract Cost Schedule**

Annual Actuarial Funding Valuation of 53 plans	Progress Payments	Services to be performed Between February 6, 2025, and February 5, 2026 \$224,000.00
Prepare and send data request	5.0%	\$11,200.00
Update valuation software and report worksheets	10.0%	\$22,400.00
Update Valuation Reports	5.0%	\$11,200.00
Compile and reconcile data	15.0%	\$33,600.00
Gain loss analysis	7.5%	\$16,800.00
Generate liabilities and discount rate forecasts	7.5%	\$16,800.00
Prepare individual valuation reports	35.0%	\$78,400.00
Prepare Consolidated report presentations	10.0%	\$22,400.00
Prepare COLA Letters	5.0%	\$11,200.00
	100%	
<b>Special Projects/In person meetings:</b>	<b>Rate: Year 7</b>	
Senior Actuary	\$275.91	
Actuary	\$275.91	
Actuary Assistant	\$275.91	
Clerical	\$275.91	

Should any policemen's or firemen's municipal pension and relief fund decline to participate in the actuarial valuation process, Bolton will deduct the cost of performing that fund's valuation from the progress payments invoice phase "Prepare individual valuation reports."

The fees for completion of GASB 67/68 reports may be billed in total, \$36,000.25 or on a per unit cost each year. The unit cost is \$679.25 for Year 7.

All other terms, conditions, prices, and specifications remain in full effect.

IN WITNESS WHEREOF, Municipal Pensions Oversight Board and Bolton Partners have entered this Change Order No. 6 as of the date of last signature below.

**MUNICIPAL PENSIONS  
OVERSIGHT BOARD**

**BOLTON PARTNERS, INC.**

By: 

By: 

Name: Blair M. Taylor

Name: James Ritchie

Its: Executive Director

Its: President of Bolton Retirement

Date: January 17, 2025

Date: 1/17/25

Approved to as form this 22<sup>nd</sup> day of Jan, 2025

By: 

, Deputy Attorney General