**AGREEMENT**

**WEST VIRGINIA MUNICIPAL PENSIONS OVERSIGHT BOARD**

**and**

**BOLTON PARTNERS, INC.**

**THIS AGREEMENT** (Agreement) made this 6th of February 2026, is between the **WEST VIRGINIA MUNICIPAL PENSIONS OVERSIGHT BOARD** (MPOB), Charleston, West Virginia, and **BOLTON PARTNERS, INC. (Bolton), 1 W Pennsylvania Ave STE 600 Townson MD 21204. BOLTON PARTNERS, INC. also does business as "BOLTON".**

**WHEREAS,** Pursuant to the provisions of W. *Va. 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 W. *Va. Code §* 8-22-20(a), the MPOB shall contract with or employ a qualified actuary to annually prepare an 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

**WHEREAS,** on or about July 14, 2025, the MPOB issued Agency Request for Proposal (ARFP) MPO 2600000001 seeking proposals from qualified actuarial consultants to provide certain actuarial valuations for each of the 53 municipal policemen's and firemen's pension and relief funds in West Virginia; prepare and deliver to the West Virginia Legislature's Joint Committee on Pensions and Retirement a consolidated actuarial report of the status of the 53 municipal policemen's and firemen's pension and relief funds on an annual basis; to assist the MPOB by reviewing any municipality's DROP (Deferred Retirement Option Plan) proposal received by the MPOB as required in W. *Va. Code* § 8-22-25(a); to provide consulting and complete special projects as required by both the MPOB and the Joint Standing Committee on Pensions and Retirement of the West Virginia Legislature; to provide Government Accounting Standards Board (GASB) reports 67 and 68 for each pension fund which impact a municipality's financial reporting; and

**WHEREAS,** in response to ARPF MPO2600000001, Bolton submitted a proposal dated September 8, 2025, offering services as the primary provider of the services desired (Bolton Proposal); and

**WHEREAS,** the Bolton Proposal received the highest total point score in the evaluation of all proposals received by the MPOB as described in ARFP MPO2600000001; and

**WHEREAS,** the parties now desire to formalize the terms and conditions of their agreement for such services.

**NOW THEREFORE, THIS AGREEMENT, WITNESSETH:**

That for and in consideration of the terms included herein, the parties do hereby covenant and agree as follows:

## PART I - SPECIFIC CONTRACT TERMS

### 1-1. AGREEMENT:

a. As reflected in the Purchase Order, the contract between the parties in its entirety consists of the following documents, in the order listed:
   1. This Agreement;
   2. ARFP MPO2600000001 and the Addendum issued August 12, 2025, by reference;
   3. Bolton Proposal, by reference; and
   4. Bolton Cost Sheet, Exhibit B.

b. Any ambiguities or questions shall be resolved by reference to the documents in the order listed in this Section, unless otherwise specified in this Agreement.

### 1-2. SERVICES:

a. Bolton agrees to provide the actuarial services required by the MPOB and described in ARFP #MPO2600000001 (Services), reference to which is hereby made and incorporated herein.

b. The MPOB reserves the right to alter, modify, eliminate, add, change, and amend the Services as mutually agreed between MPOB and Bolton to reflect the needs of the MPOB. Should the WV Legislature enact changes to the WV Code that require additional actuarial work to be performed or less actuarial work to be performed for these pension plans, this contract shall be changed through a formal change order reflecting the additional actuarial analysis or less actuarial analysis needing to be completed in the annual valuation reports. Any change order will specify increased or decreased costs to perform the actuarial valuation analyses. The parties shall comply with all applicable federal and state laws, rules, regulations, and policies. The MPOB reserves the right to unilaterally accept, reject, cancel, prohibit or stop any, and all work performed under this Agreement without penalty with thirty (30) days written notice to Bolton.

### 1-3. VALUATION TIMELINE:

| | |
|---|---|
| January – March: | Data request sent to municipalities for preceding Fiscal Year End (June 30th) |
| January – March: | COLA letters prepared and sent to pension secretaries |
| April: | Data request due from municipalities |
| April – July: | Data review and scrub. |
| July: | Pensions issue COLA to certain retirees per §8-22-26a |
| July – August: | MPOB requests asset information from pension plans for GASB supplemental valuation report. |

| | |
|---|---|
| August (first week): | MPOB provides Consultant with state premium tax allocation for pension plans. |
| August 15 – Sept. 30: | Consultant issues actuarial valuations |
| November 1: | Consultant provides Consolidated Actuarial Study Report to MPOB. |
| October 1 – December 31: | Consultant to have issued all supplemental valuations GASB 67 and GASB 68 reports for municipalities providing usable data. Supplemental valuations should be completed as the information is submitted by municipalities, starting on October 1st. Smaller municipalities occasionally miss data deadlines and have their supplemental reports provided later in the FY cycle. |

## 1-4. TERM:

This Agreement will be effective upon award and shall extend for the period of five (5) years, at which time 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. Each renewal period shall include a three (3) percent increase from the previous year's fixed cost schedule and hourly rate for Special Projects/In Person Meetings. 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. During the "reasonable time" period, no additional cost increases are to be contemplated. This Agreement is subject to the general termination and extension rights reserved to the MPOB in this contract.

## 1-5. COMPENSATION:

Pursuant to the cost sheet and pricing schedule submitted by Bolton, Bolton shall be compensated for the services it provides as specified on the Cost Sheet, attached hereto and made a part hereof and included as Exhibit B to this Agreement. Bolton will invoice the MPOB on a monthly basis for the costs associated with providing the Hourly Services specified in the ARFP Addendum and any special projects/in person meetings requested by the MPOB. Prior approval from the MPOB is required for all projects billed on an Hourly Cost basis. Said invoice will be paid in arrears. Further, Bolton will invoice the MPOB in arrears for progress payments as each key phase of the valuation process is completed based upon the table below.

| Bolton Fee Fixed Cost Schedule | |
|---|---|
| Prepare and send data request | 5.0% |
| Ask data Questions | 5.0% |
| Compile and reconcile data | 15.0% |
| Update valuation worksheets and generate preliminary results | 15.0% |
| Gain/loss analysis | 10.0% |
| Generate final results for reports | 10.0% |
| Get MPOB approval of report templates | 5.0% |
| Prepare individual valuation reports | 20.0% |
| Prepare consolidated report/presentation | 10.0% |
| COLA Letters | 5.0% |
| | 100.0% |

| Special Projects/In Person Meetings: | Hourly Rate | | | | |
|---|---|---|---|---|---|
| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| | | | | | |
| Senior Actuary | 284.00 | 292.52 | 301.30 | 310.34 | 319.65 |
| Actuary | 284.00 | 292.52 | 301.30 | 310.34 | 319.65 |
| Actuary Assistant | 284.00 | 292.52 | 301.30 | 310.34 | 319.65 |
| Clerical | 100.00 | 103.00 | 106.09 | 109.27 | 112.55 |

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 fee for the experience study completed in Year 1, $35,000.00, and Year 4, $38,000.00, shall be paid upon completion and acceptance by the MPOB.

The fees for the completion of GASB 67/68 reports may be billed in total or on a per unit cost each year. Year 1, unit cost is $660.38; Year 2, unit cost is $679.25; Year 3, unit cost is $698.11; Year 4, unit cost is $716.98 and Year 5, unit cost is $735.85.

## 1-6. INSTITUTIONAL REQUIREMENTS:

a. **Proof of Good Standing and Authorization to do Business:** Bolton agrees to remain in good standing with all regulatory and governmental entities and be authorized to do business in West Virginia. The MPOB reserves the right to request copies of all required business licenses, certificates, registrations, and declaration pages demonstrating applicable insurance coverage, including but not limited to, workers compensation, premises, professional liability, omissions and errors and general liability.

b. **Insurance Requirements:** Bolton agrees that it will hold and maintain premises, professional/malpractice/errors and omissions and commercial general liability insurance policies in an amount not less than one million dollars, $1,000,000. Additionally, Bolton agrees that it will hold and maintain cyber liability insurance in an amount not less than one million dollars, $1,000,000 per occurrence. Such coverage shall remain in effect during the entire term of this Agreement unless otherwise advised in writing by the MPOB. Bolton agrees to provide copies of its insurance certificates to the MPOB prior to the execution of this Agreement.

**1-7. SERVICE REQUIREMENTS:**

a. **Actuarial Valuation Reports:** Bolton agrees to prepare actuarial valuation reports for each of the 53 municipal policemen's and firemen's pension and relief funds in West Virginia as stated in Bolton's response (pages 4-11) to ARFP #MPO2600000001 (to the extent the municipal policemen's and firemen's pension and relief funds provide the underlying required member and financial data and information directly to Bolton on a timely basis). Bolton is responsible for the collection of data from the individual municipalities and pension funds. These studies will be provided each year of the contract as specified using the timeframes included in both ARFP #MPO2600000001 and Bolton's response to the ARFP. The individual actuarial valuations from Bolton are used by each municipality to determine a municipal policemen's or firemen's pension and relief fund's eligibility to receive state money and to provide supplemental benefits to its pensioners. Bolton also agrees, as stated in their response (page 5) to ARFP #MPO2600000001, to prepare and provide "COLA" letters to each of the municipal pension and relief funds annually.

b. **Annual Consolidated Actuarial Report:** Bolton agrees to prepare a consolidated actuarial report to present to the Legislature's Joint Committee on Pensions and Retirement annually based on the results of the individual actuarial valuations as stated in Bolton's response (pages 12-13). The report will be completed by November 1st. each year of the contract. Bolton may be asked to present the report in person or via teleconference to the Municipal Pensions Oversight Board at a board meeting and may also be asked to present the report in person to the WV Legislature's Joint Committee on Pensions and Retirement.

c. **Promoting Actuarially Sound Funding Policies:** Bolton agrees to assist the MPOB in an educational effort to enable small pension plans to better understand their unfunded actuarial liabilities and how the management of fund assets can affect their liabilities. The educational effort will include forecasting costs and components of solvency (currently provided as part of the discount rate setting for the annual valuation) as well as providing overall advice to the MPOB on ways to educate the members/trustees to ensure a quality pension fund as discussed in Bolton's response (pages 14-15).

d. **Actuarial Assumptions:** Bolton agrees to perform an Experience Study in Year 1 (Spring/Summer 2026) and Year 4 (Spring/Summer 2029) of the contract to determine

what the actuarial assumptions should be for the annual actuarial valuations using the MPOB's Standard Operating Procedures Experience Study Timing procedure. Bolton will perform the Experience Study as outlined in its response (pages 16-19) to ARFP #MPO2600000001.

e. **Written Recommendations for Improving Pension Performance:** Bolton agrees to assist the MPOB by providing written recommendations as part of the consolidated annual valuation report which include methods for monitoring and improving the performance of pension and relief funds, methods for assuring prudent administration of the funds and providing strategies for monitoring investments and general management of the funds as stated in Bolton's response (pages 20-21) to ARFP #MPO2600000001.

f. **Written Recommendations to Strengthen and Protect Pension Funds and Benefit Interests of Fund Members:** Bolton agrees to assist the MPOB by providing written recommendations as part of the consolidated annual valuation report that would both strengthen and protect the municipal pension funds and the benefit interests of the funds' members as stated in Bolton's response (pages 22-23) to ARFP #MPO2600000001.

g. **Deferred Retirement Option Plan (DROP) Reviews and Reports:** Bolton agrees to assist the MPOB by reviewing any municipality's DROP (Deferred Retirement Option Plan) proposal received by the MPOB, as authorized in WV Code §8-22-25(a), and to provide a report on said plan to the MPOB as stated in Bolton's response (pages 24-25) to ARFP #MPO2600000001. Bolton's review will include the elements of the DROP and the estimated actuarial impact of the DROP on the affected pension and relief fund. If such a DROP is adopted by a municipality, future actuarial studies will include a section on whether the plan continues to maintain the revenue neutrality required by the W.Va. Code. Further, Bolton will provide information to the MPOB regarding the experienced impact on an affected pension and relief fund. In the second quarter of FY2027, Bolton shall provide a report to the Legislature's Joint Committee on Pensions and Retirement on the status of each active DROP. The report shall include any experienced impact on an affected pension and relief fund. Review of DROP proposals and any associated actuarial analysis will be charged at Hourly Cost.

h. **Individual Sessions to Each Municipal Fund through Conference Calls and On-Site Meetings to Receive Specific Information on Fund Valuations:** Bolton agrees to assist the MPOB by providing education/information sessions to each municipal policemen's and firemen's pension and relief fund, on an as requested basis, through conference calls, on-site meetings in each municipality or on-site regional meetings where pension boards could meet with consultants to receive information specific to their own actuarial valuation as stated in Bolton's response (page 26) to ARFP #MPO2600000001. The time associated with these meetings and conference calls, including preparation time for any requested presentation materials, will be charged at Hourly Cost.

i. **Design of a New Retirement Formula that Does Not Diminish Current Benefits:** If asked, Bolton agrees to design a new retirement formula that does not diminish current benefits, but that is easier for participants to calculate retirements and disability retirements as stated in Bolton's response (pages 27-29) to ARFP #MPO2600000001. The MPOB will work with Bolton to establish a timeline with completion of this study and identify guiding principles for evaluating proposed plan designs. The time associated with providing these studies will be charged at Hourly Cost.

j. **Special Projects:** Bolton agrees to assist the MPOB by completing special projects as required of the MPOB by the Joint Standing Committee on Pensions and Retirement of the West Virginia Legislature regarding the plans being valued, such as costs of benefit formula changes, changes in actuarial assumptions, and cash flow and funding projections as stated in Bolton's response (page 30) to ARFP #MPO2600000001. It is expected the work being requested by the Legislature are to be completed within three (3) days when the WV Legislature is in Session. The time associated with providing these services will be charged at Hourly Cost.

k. **Special Projects:** Bolton agrees to assist the MPOB by completing special projects which support the MPOB's mandated responsibilities as set forth in §8-22-18a(a)(1). These projects may arise on an ad hoc basis and require timely execution, responsiveness, and alignment with the MPOB's strategic priorities. See the response and agreement to provide these special projects as stated in Bolton's response (page 31) to ARFP #MPO2600000001. The time associated with providing these services will be charged at Hourly Cost.

l. **Government Accounting Standards Board (GASB) statements:** Bolton agrees to provide supplemental valuation report for each pension fund containing GASB statement number 67 and GASB statement number 68. This supplemental valuation report is to be provided each year of the fiscal years included in the contract as stated in Bolton's response (page 32) to ARFP #MPO2600000001. Bolton will be available to respond to questions from the municipal treasurers/finance directors and their auditors regarding the supplemental GASB reports. The time associated with responding to such questions will be billed as an Hourly Cost.

m. **Additional GASB statements required reports:** Bolton agrees to provide any GASB reports required in the future through amendments to this contract as described in Bolton's proposal (page 33) to ARFP #MPO2600000001.

1-8. **MANDATORY REQUIREMENTS:**

**Mandatory Project Requirements:**

a. **Qualified Actuaries:** Bolton shall provide only "qualified actuaries" for this project. A "Qualified Actuary" means only an actuary who is a member of the Society of Actuaries or the American Academy of Actuaries. Bolton stated in its response (page 42) to ARFP MPO2600000001 that all the actuaries assigned to the engagement are "qualified actuaries". In addition, Bolton provided printouts of each actuary's current actuarial directory listing in the Appendix of the Proposal (pages 45-52). This section does not preclude Bolton from using actuarial analysts to help support the production of deliverables under this contract as long as all actuarial deliverables are reviewed by and signed off by a Qualified Actuary as defined herein.

b. **Succession Plan:** Bolton agrees to follow the succession plan as outlined in its response (page 42) to ARFP MPO2600000001 to select another actuary should one of the assigned actuaries the event the firm's actuaries are unable to perform the work due to illness, an accident, cessation of employment, or for any other reason as determined by the vendor or by the MPOB.

c. **Cloud Based File Sharing Service:** Bolton agrees to follow the file share plan outlined in its response (page 42-43) to AFRP# 2600000001 with full ownership of the data belonging to the MPOB. Vendor shall utilize a cloud-based file sharing service (e.g., ShareFile, SharePoint, Dropbox, or equivalent) to collect, store, and submit all required documentation and deliverables. The selected platform must support secure access controls and version management to ensure document integrity and confidentiality. All documents collected by the Vendor must be in Microsoft Office file formats (e.g., .docx, .xlsx), unless otherwise specified by the MPOB. The MPOB shall have the ability to use the same file sharing platform to facilitate the collection of information from municipal finance staff and pension board trustees for other projects (compliance reviews, pension recalculations, etc.), without requiring additional setup or vendor intervention. Upon contract expiration or termination, the MPOB will have continued access to all collected or submitted materials without restriction for a minimum of 120 days. Should the cloud-based file sharing service Bolton uses need to be upgraded or should Bolton choose to change cloud-based file sharing service providers to improve reliability and/or option availability, for itself and its clients, Bolton can do so as long as the new service meets the requirements of this contract and the MPOB.

d. **Contract Conclusion:** Bolton agrees to cooperate fully in the transition of actuarial services as outlined in its response (page 43) to ARFP# MPO260000001. Bolton will abide by the Code of Professional Conduct during the transition of actuarial services to another actuarial provider. Bolton will charge the contracted Hourly Rates in effect in the last year of this contract including any change orders for any transition services.

e. **Governmental defined benefit pension plans (5 or more years):** Bolton agrees they have provided actuarial services to governmentally defined benefit pension plans as outlines in its response (page 44) to ARFP# 2600000001.

## PART 2 — GENERAL CONTRACT TERMS AND CONDITIONS

a. **Mandatory Forms: Bolton,** its agents, employees and subcontractors, agree to be bound by the terms and conditions **of all other applicable** forms required by the MPOB and/or the State of West Virginia, including, but not limited to, the WV-1 Vendor Registration form, the WV Ethics Commission's Disclosure of Interested Parties to Contracts form, and Prohibit Contract Clauses stated below:

b. **Prohibited Contract Clauses:**

(a) Any term or condition in any contract entered into by the state shall be void ab initio to the extent that it requires the state to:

(1) Indemnify or hold harmless any entity
(2) Agree to binding arbitration or any other binding extra-judicial dispute resolution process
(3) Limit liability for direct damages for bodily injury, death, or damage to property (tangible or intangible) caused by the negligence or willful misconduct of such person's employees or agents
(4) Agree to shorten statutes of limitation established by this code
(5) Allow automatic renewal of contracts without express written consent of the state
(6) Agree to payment in advance (unless specifically authorized by statute or the policy of the West Virginia State Auditor)
(7) Agree to jurisdiction anywhere other than a court authorized by the West Virginia Legislature to hear the dispute
(8) Be governed by any law other than the laws of the State of West Virginia or required federal law
(9) Pay court costs
(10) Pay taxes
(11) Waive defenses
(12) Permit assignment of contracts without express written consent from the state
(13) Treat information as confidential contrary to the state's disclosure responsibilities under any applicable bid disclosure laws and the Freedom of Information Act
(14) Agree to unsigned third-party terms and conditions
(15) Limit the state's ability to cancel a contract for convenience with 30 days' notice
(16) Give up its ownership rights or interest in any information or data, including confidential information, provided to, or collected by, a vendor on behalf of the state
(17) Maintain any type of insurance

(18) Permit modification of contract terms without prior approval from the state

(b) No official, employee, agent, or representative of the state has the authority to contravene this section, and no oral or written expression of consent to any term or condition declared void ab initio by this section, or signature on a contract, may be deemed as such. Any contract that contains a term or condition declared void ab initio by this section shall otherwise be enforceable as if it did not contain such term or condition. All contracts entered into by the state, except for contracts with another government, shall be governed by West Virginia law notwithstanding any term or condition to the contrary.

c. **General Terms and Conditions:** In addition to the mandatory forms, Bolton agrees to be bound by Section Three of ARFP #MPO2600000001, as written in section 3 of ARFP MPO2600000001, unless otherwise modified in this Agreement. Bolton agrees to allow (with the permission of the MPOB) WV municipalities with policemen's and or firemen's pension and relief funds to enter into contractual agreements using the same terms and conditions as this agreement including hourly fees for the purpose of additional actuarial engagements or additional GASB 67 and 68 statement engagements.

**WITNESS THE FOLLOWING SIGNATURES:**

**Bolton Partners, Inc.**

**By:** _____

**Title:** President of Bolton Retirement

**Date:** 2-23-2026

**Municipal Pensions Oversight Board**

**By:** _____

**Title:** Executive Director

**Date:** 2-17/2026

**Approved as to form this** 2nd **day of** March**, 2026.**

**By:** _____**, Deputy Attorney General**