

WEST VIRGINIA CODE: §8-22-20a

§8-22-20a. Hiring of actuary; preparation of actuarial valuations.

(a)(1) The Legislature finds that it is in the best interests of the state and its municipalities to have accurate data regarding the various municipal police and firemen's pension and relief funds.

(2) The Legislature finds that the State Treasurer should contract with an actuary as a consultant for the municipal police and firemen's pension and relief funds and among other duties the actuary shall determine if there is consistent reporting from the various funds. The Legislature further finds that the State Treasurer or oversight board should share the results of the actuary's annual valuation with the appropriate municipality.

(b) Except as hereinafter provided, beginning July 1, 2002, the State Treasurer shall select by competitive bid and contract with a single qualified actuary. The actuary shall serve as a consultant to the Treasurer with regard to the operation of the municipal policemen's and firemen's pension and relief funds and shall report annually to the Treasurer with regard to all funds existing in this state by virtue of this article. Costs associated with the actuary's work shall be paid out of the Municipal Pensions and Protection Fund established pursuant to section fourteen-d, article three, chapter thirty-three of this code. The State Treasurer shall provide the single qualified actuary until the oversight board assumes the duty of providing for the actuary. Thereafter, it shall be the duty of the Municipal Pensions Oversight Board to contract for or to employ the single qualified actuary which, at a minimum, shall serve as a consultant to the oversight board and report annually to the oversight board with regard to all municipal policemen's and firemen's pension and relief funds existing in this state by virtue of this article, and which shall be paid from moneys deposited in the Municipal Pensions Security Fund. Copies of the annual report prepared by the actuary shall be sent to the Joint Committee on Government and Finance, the chair of the House of Delegates Committee on Pensions and Retirement and the chair of the Senate Committee on Pensions. Each municipal pension and relief fund shall receive a copy of the actuary's results related to that fund.

(c) With respect to each municipal policemen's or firemen's pension and relief fund, the actuary shall complete an annual valuation in accordance with actuarial standards of practice promulgated by the actuarial standards board of the American Academy of Actuaries. The report of the valuation shall include: (1) A summary of the benefit provisions evaluated; (2) a summary of the census data and financial information used in the valuation; (3) a description of the actuarial assumptions, actuarial costs method and asset valuation method used in the valuation, including a statement of the assumed rate of payroll growth and assumed rate of growth or decline in the number of the fund members' contributions to the pension fund; (4) a summary of findings that includes a statement of the actuarial accrued pension liabilities and unfunded actuarial accrued pension liabilities; (5) a schedule showing the effect of any changes in the benefit provisions, actuarial assumptions or cost

methods since the last annual actuarial valuation; (6) a statement of whether contributions to the pension fund are in accordance with the provisions of this chapter and whether they are expected to be sufficient; and (7) any other matters determined by the Treasurer or, on or after January 1, 2010, the oversight board, to be necessary or appropriate.

(d)(1) The hiring of an actuary under the provisions of this section shall not be construed to make the municipal policemen's and firemen's pension and relief funds the responsibility or obligation of the State of West Virginia.

(2) Any actuarial deficiency identified by the actuary under this section or this article is not an obligation of the State of West Virginia.