

Joint Committee on Pensions and Retirement

Interim Report to the Joint Committee on Government and Finance
January 9, 2007

Senate Members

Senator Foster, Chair
Senator McCabe, Vice Chair
Senator Plymale
Senator Edgell
Senator Deem
Senator Barnes
Senator Lanham

House Members

Delegate Stalnaker, Chair
Delegate Manchin, Vice Chair
Delegate Browning
Delegate Williams
Delegate Frederick
Delegate Hall
Delegate Duke

The Joint Committee on Government and Finance requested that the Joint Committee on Pensions and Retirement consider the following study resolution during the 2006-2007 Interim period:

Senate Concurrent Resolution 43 - *Requesting that the Joint Committee on Government and Finance study municipal policemen's and firemen's pension funds.*

The Joint Committee on Pensions and Retirement met separately each month during the Interim period to discuss municipal police and firefighter pension funding issues. The Joint Committee considered testimony from state agencies and organizations as follows:

Pensions and Retirement Issues

WV Consolidated Public Retirement Board

Review and discussion of actuarial data for state retirement systems, updates on pending litigation in the Kanawha County Circuit Court regarding the merger of the State Teacher's Defined Contribution Retirement System and the State Teacher's Retirement System, overview of the federal Pension Protection Act of 2006, review of Board proposed legislation and review of the annual actuarial valuation for the WV Deputy Sheriffs' Retirement System.

WV State Treasurer's Office

Overview of the Treasurer's administration of WV 457(b) Deferred Compensation Plans.

WV State Tax Department

Discussion of personal income tax treatment of pension incomes, the Family Tax Credit and the Refundable Property Tax Credit.

National Conference of State Legislatures

Overview and discussion of current pension and retirement policy issues.

Municipal Pension Funding Issues

WV Municipal League

Overview of the history of funding policies for municipal police and firefighters pension plans and review and discussion of League recommendations.

WV State Treasurer's Office

Discussion and review of the annual actuarial valuations for the WV Municipal Policemen's and Firemen's Pension and Relief Funds.

City of Huntington Police Department

Overview and discussion of the City of Huntington police and fire pension funding proposal.

WV State Auditor's Office

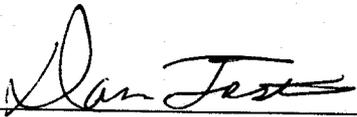
Overview of the Auditor's oversight functions for the WV Municipal Policemen's and Firemen's Pensions and Relief Funds.

Joint Pensions and Retirement Committee Counsel

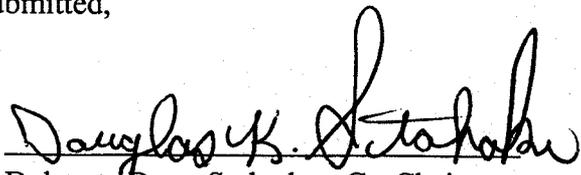
Overview and discussion of state fire and casualty insurance premium tax as it relates to the WV Municipal Policemen's and Firemen's Pension and Relief Funds.

The Joint Committee discussed additional topics relating generally to the WV Consolidated Public Retirement Board, pension and retirement tax issues and oversight and funding of the WV Municipal Policemen's and Firemen's Pension and Relief Funds.

Respectfully submitted,



Senator Dan Foster, Co-Chair



Delegate Doug Stalnaker, Co-Chair