

**West Virginia Legislature**  
**Joint Committee on Pensions and Retirement**  
**2013 - 2014 Interims**

**FINAL REPORT OF**

**THE JOINT COMMITTEE**  
**ON PENSIONS AND RETIREMENT**

**TO THE JOINT COMMITTEE ON GOVERNMENT AND FINANCE**  
**January 7, 2014**

Your Joint Committee on Pensions and Retirement undertook its charge under Rule 29 of the Joint Rules of the Senate and the House of Delegates during the 2013-2014 legislative interim period, meeting and receiving information on several topics of study from the following persons, state agencies and other sources:

A retired service personnel worker from the Marshall County public school system; representatives from the Consolidated Public Retirement Board; representatives from the West Virginia Municipal Pensions Oversight Board and their consultants, Gabriel Roeder Smith and Company; a representative of the West Virginia Investment Management Board; and representatives from the American Federation of Teachers-West Virginia and the West Virginia Education Association.

Based on the presentations made and information submitted, Your Committee makes the following recommendations:

Regarding its review of residual issues related to the transfer of membership from the Teachers' Defined Contribution Retirement System (TDC) to the State Teacher's Retirement System (TRS), Your Committee **RECOMMENDS** that during its upcoming regular session, the Legislature determine whether it is appropriate to compel employers to employ those transferring from TDC to TRS who are required by law to become a member of TRS before becoming eligible to receive benefits under TRS, and if so, to determine a source of funding to reimburse the cost of the Public

Employees Insurance coverage that will be incurred by those employers as a result.

Regarding **municipal police & fire pension funding**, Your Committee **RECOMMENDS** that during its upcoming regular session, the Legislature consider the composition of legislation to further clarify and strengthen the authority of the West Virginia Municipal Pensions Oversight Board in the exercise of its responsibilities and duties in the oversight of the local police and firemen pension plans.

Further, You Committee **RECOMMENDS** that (1) the Legislature continue to monitor the impact on the State's pensions plans that may result from the application of the newly released standards of the Governmental Accounting Standards Board (GASB) for how governments should report pensions on their books or income statements; and (2) the Legislature continue to monitor the performance of the investment of the State's pension plans to determine whether it would be appropriate to revise the assumed rate of return for those plans in the future and to determine whether it would be appropriate to revise the current investment standards to improve the earnings potential for the state retirement systems.

Respectfully Submitted,



Senator Art Kirkendoll\*  
Co-Chairman



Delegate Dave Pethtel  
Co-Chairman

\*Senator Art Kirkendoll succeeded Senator Evan Jenkins as Co-Chairman of the Committee during the interim period.