MINUTES OF THE
WV CONSOLIDATED PUBLIC RETIREMENT BOARD
ACTUARIAL ASSUMPTIONS REVIEW COMMITTEE
MEETING OF JANUARY 27, 2026

A meeting of the West Virginia Consolidated Public Retirement Board's Actuarial Assumptions Review Committee was held on Monday, January 27, 2026 at 601 57th Street SE, Charleston, WV 25304. Due notice had been published.

Call to Order

The meeting was called to order at 10:00 a.m. by Mike McKown, Chair.

Roll Call

Members present were:
Mike McKown, Chairman
Eric Nelson, *representing Governor Patrick Morrisey*
Lindsay Marchio, Esquire, *representing the State Treasurer (via Google meet)*
Jeffrey Vallet *(joined at10:02am)*

Committee Members absent:
Bill Barker

A quorum was present.

Also present at the CPRB Office or participating via telephone were:
Jeffrey Fleck, Executive Director
Terasa Miller, Deputy Director
Kim Pauley, CPRB Executive Assistant
Kenneth Woodson, CPRB Actuary
Calvin Long, CPRB Actuarial Analysist
Craig Slaughter, WVIMB (via Google meet)
David Driscoll, Gallegher Consulting
Elizabeth Hoalt, Gallegher consulting

Item #1: Approval of August 19, 2025 Minutes

Chairman McKown stated that he would entertain a motion to approve the Actuarial Assumptions Committee meeting minutes of August 19, 2025.

Eric Nelson made a motion to approve the August 19, 2025 meeting minutes. The motion was seconded by Lindsay Marchio. The motion was adopted.

Item #2: TRS Actuarial Factors for Plan Administration – Kenneth Woodson Jr.

Chairman McKown recognized Kenneth Woodson Jr., CPRB Actuary. Mr. Woodson began by explaining to the Committee that this is his annual review in which he presents the TRS Actuarial Factors for Plan Administration. Mr. Woodson thoroughly reviewed all the material for the Committee. M. McKown stated that the committee met on January 26, 2026 and due to inclement weather, the Committee decided to reconvene the meeting on January 27, 2026. Mr. McKown informed the Committee that there will be action needed at the end of the presentation.

Mr. Woodson began by recognizing David Driscoll and Elizabeth Hoalt with Gallagher Consulting, He then began reviewing Actuarial assumptions for the daily administration of TRS impact individual benefit calculations upon member retirement. He stated that they define the actuarial factors that are required to determine the adjustment to the regular retirement benefit due to the early retirement of a member, or for optional payment forms that are available (for example, different Joint & Survivor options). He explained that these assumptions are set to approximate the current assumptions used in the actuarial funding valuations and male/female percentages are determined from historical plan retirement data.
He added that the Board requires a review of the administrative factors following each experience study. Mr. Woodson gave a very thorough overview including TRS administrative factors and TRS reduction factors for optional forms of payment for disabled retirees and early retirement reduction factors. He explained that based on this comparison, the potential TRS administrative factors are sufficiently different from the current TRS administrative factors, therefore, he recommends changing the administrative factors.
He added that the new TRS administrative factors would apply to TRS retirements on or after July 1, 2026. He also reviewed the code site that requires the "Total Service" definition in §18-7A-3 of the West Virginia Statute. Mr. Woodson recommends changing the TRS administrative factors to the proposed factors outlined in this presentation. Pending formal approval by the Board at the January 2026 Board meeting.

Mr. Woodson then offered to answer questions. There was a brief discussion.

Chairman McKown stated that he would entertain a motion to adopt the recommendation of Mr. Woodson and to bring this to the full Board in the Board meeting for approval.

Mr. Vallet made a motion to bring these recommendations by the Board actuary at the January 2026 Board meeting for approval. Mr. Nelson seconded the motion. The motion was adopted.

Item #3: Disability Factor for Plan Administration – Kenneth Woodson Jr.
Chairman McKown recognized Kenneth Woodson, CPRB Actuary, to discuss his overview of the disability factors for plan administration.
Mr. Woodson began by saying that CPRB currently administers nine defined benefit plans and that each of the nine defined benefit plans administered by the CPRB requires that the Board adopt actuarial assumptions for the daily administration of each plan at its first meeting of each calendar year. He noted that actuarial assumptions for the daily administration of the plans impact individual benefit calculations upon a member's retirement. He added that typically, these

assumptions are set to approximate the current assumptions used in the actuarial funding valuations and male/female percentages are determined from historical plan retirement data. He explained that in 2022, the Board approved new administrative Factors for Plan B, DSRS, EMSRS, MPFRS, and NPRORS to more closely align with the interest rate and mortality assumptions from the corresponding funding valuations. Mr. Woodson stated that in the CPRB Board approved new administrative factors to convert optional forms of payment for disabled participants in Plan B, DSRS, EMSRS, MPFRS, and NRPORS. Recently, the CPRB outside counsel, Bowles Rice, issued a legal opinion stating that the CPRB defined benefit plans that have a disability recalculation date, namely, Plan B, DSRS, EMSRS, MPFRS, and NRPORS, should calculate disability optional forms of payment using the rationale being, at the recalculation date the disabled retiree benefits revert to a normal retirement benefit and at the revert date the CPRB no longer codes the participant's 1099R as a disability. Mr. Woodson informed the Committee that based on this legal opinion, the CPRB Board Actuary has the following recommendation.

Mr. Woodson, Board Actuary recommends Plan B, DSRS, EMSRS, MPFRS,and NRPORS change the administrative factors used to calculate disability optional forms of payment to the corresponding administrative factors currently used to calculate healthy retirement optional forms of payment. He added that if the proposed actuarial reduction factors are approved by the CPRB Board, then the IT staff will require time to implement the new reduction factors into the CPRB administrative system and time to review the conversion factors produced by the CPRB administrative system. Therefore, if new conversion factors are approved by the CPRB Board, the CPRB Board Actuary recommends that the new reduction factors apply to disability retirements on or after July 1, 2026.

Mr. Woodson then offered to answer questions. There were none.

Chairman McKown stated that he would entertain a motion to adopt the recommendation of Mr. Woodson, Board Actuary to change Plan B, DSRS, EMSRS, MPFRS, and NRPORS administrative factors used to calculate disability optional forms of payment to the corresponding administrative factors currently used to calculate healthy retirement optional forms of payment. He noted that the changes for the new reduction factors to be applied to disability retirements on or after July 1, 2026 and to bring this to the full Board for approval.

Mr. Nelson made a motion to adopt and bring these recommendations by Mr. Woodson, Board Actuary, to the Board meeting for approval. Ms. Marchio seconded the motion. The motion was adopted.

Item #4: Old Business

Mr. McKown inquired to old business. None was heard.

Item #5: New Business

Mr. McKown inquired as to new business. None was heard.

Adjournment

Chairman McKown stated that with no further business to come before the Committee, the meeting was adjourned at 11:24 a.m.

Respectfully submitted,

Mike McKown, Chairman

Jeffrey E. Fleck, Executive Director