

Audited Schedules of Employer Allocations and Pension Amounts By Employer

West Virginia Municipal Police Officers
and Firefighters Retirement System

Administered by

The West Virginia Consolidated Public Retirement Board

As of and for the Year Ended June 30, 2015

West Virginia Municipal Police Officers and Firefighters Retirement System
Audited Schedules of Employer Allocations and Pension Amounts By Employer
As of and for the Year Ended June 30, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Members of the
West Virginia Consolidated Public
Retirement Board
Charleston, West Virginia

Report on the Schedules

We have audited the accompanying schedule of employer allocations of the West Virginia Municipal Police Officers and Firefighters Retirement System (MPFRS), administered by the West Virginia Consolidated Public Retirement Board, as of and for the years ended June 30, 2015, and the related notes. We have also audited the total for all entities of the columns titled net pension asset, total deferred outflows of resources, total deferred inflows of resources, and total pension expense excluding that attributable to employer-paid member contributions (specified column totals) included in the accompanying schedule of pension amounts by employer of the MPFRS as of and for the year ended June 30, 2015, and the related notes.

Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of these schedules in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the schedules referred to above present fairly, in all material respects, the employer allocations and net pension asset, total deferred outflows of resources, total deferred inflows of resources, and total pension expense excluding that attributable to employer-paid member contributions for the total of all participating entities for the West Virginia Municipal Police Officers and Firefighters Retirement System, as of and for the year ended June 30, 2015, in accordance with accounting principles generally accepted in the United States of America.

Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the West Virginia Consolidated Public Retirement Board as of and for the year ended June 30, 2015, and our report thereon dated March 30, 2016, expressed an unmodified opinion on those financial statements.

Restrictions on Use

Our report is intended solely for the information and use of the West Virginia Consolidated Public Retirement Board, the West Virginia Municipal Police Officers and Firefighters Retirement System's participating employers and their auditors and is not intended to be used by anyone other than these specified parties.

Charleston, West Virginia
December 16, 2016

WEST VIRGINIA MUNICIPAL POLICE OFFICERS AND FIREFIGHTERS RETIREMENT SYSTEM

SCHEDULE OF EMPLOYER ALLOCATIONS

As of and for the Year Ended June 30, 2015

Employer	Employer Contributions	Employer Allocation Percentage
City of Moundsville Municipal Fire	\$ 2,051	0.491605%
City of Huntington Municipal Fire	\$ 57,620	13.809130%
City of Charleston Municipal Fire	\$ 55,174	13.222939%
City of Grafton Municipal Firefighters	\$ 1,231	0.295011%
City of Wheeling Fire	\$ 6,114	1.465261%
City of Moundsville Municipal Police	\$ 14,052	3.367669%
Town of Belle	\$ 4,631	1.109878%
City of Elkins - Police	\$ 308	0.073755%
City of Huntington Municipal Police	\$ 112,289	26.910979%
City of Charleston Municipal Police	\$ 105,816	25.359714%
City of Grafton Municipal Police Officers	\$ 1,278	0.306196%
City of Dunbar	\$ 14,963	3.586075%
City of Oak Hill	\$ 15,327	3.673201%
City of Wheeling Police	\$ 5,928	1.420763%
City of Point Pleasant	\$ 6,847	1.640885%
City of Westover	\$ 13,632	3.266938%
	<u>\$ 417,261</u>	<u>100.000000%</u>

The accompanying notes are an integral part of this schedule.

WEST VIRGINIA MUNICIPAL POLICE OFFICERS AND FIREFIGHTERS RETIREMENT SYSTEM

SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

As of and for the Year Ended June 30, 2015

Employer	Net Pension Liability (Asset)	Deferred Outflows of Resources				Deferred Inflows of Resources			Pension Expense Excluding That Attributable to Employer-Paid Member Contributions		
		Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Differences Between Expected and Actual Experience	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Pension Expense	Net Amortization of Deferred Amounts from Changes in Differences Between Employer Contributions and Proportionate Share of Contributions	Total Employer Pension Expense Excluding That Attributable to Employer-Paid Member Contributions
City of Moundsville Municipal Fire	(4,744)	236	216	-	452	176	2,788	2,964	133	(310)	(177)
City of Huntington Municipal Fire	(133,258)	6,628	6,076	7,396	20,100	4,944	5,577	10,521	3,728	272	4,000
City of Charleston Municipal Fire	(127,601)	6,347	5,818	20,176	32,341	4,734	23,570	28,304	3,570	(602)	2,968
City of Grafton Municipal Firefighters	(2,847)	142	130	-	271	106	1,673	1,779	80	(186)	(106)
City of Wheeling Fire	(14,140)	703	645	-	1,348	525	8,310	8,835	396	(924)	(528)
City of Moundsville Municipal Police	(32,498)	1,616	1,482	16,127	19,225	1,206	-	1,206	909	1,872	2,781
Town of Belle	(10,710)	533	488	3,087	4,108	397	-	397	300	366	666
City of Elkins - Police	(712)	35	32	-	68	26	418	444	20	(47)	(27)
City of Huntington Municipal Police	(259,691)	12,917	11,841	36,974	61,732	9,633	-	9,633	7,265	4,195	11,460
City of Charleston Municipal Police	(244,721)	12,173	11,158	-	23,331	9,079	27,190	36,269	6,847	(3,067)	3,780
City of Grafton Municipal Police Officers	(2,955)	147	135	-	282	110	1,737	1,847	83	(193)	(110)
City of Dunbar	(34,606)	1,721	1,578	-	3,299	1,284	3,190	4,474	968	(379)	589
City of Cameron	-	-	-	1,530	1,530	-	576	576	-	101	101
City of Oak Hill	(35,446)	1,763	1,616	10,841	14,220	1,315	-	1,315	992	1,265	2,257
City of Welch	-	-	-	2,294	2,294	-	-	-	-	277	277
City of Wheeling Police	(13,710)	682	625	-	1,307	509	8,058	8,567	384	(896)	(512)
City of Point Pleasant	(15,835)	788	722	-	1,510	587	2,914	3,501	443	(328)	115
City of Westover	(31,526)	1,568	1,437	-	3,006	1,170	12,424	13,594	882	(1,416)	(534)
	(965,000)	48,000	44,000	98,425	190,425	35,800	98,425	134,225	27,000	-	27,000

The accompanying notes are an integral part of this schedule.

WEST VIRGINIA MUNICIPAL POLICE OFFICERS AND FIREFIGHTERS RETIREMENT SYSTEM

NOTES TO SCHEDULE OF EMPLOYER ALLOCATIONS AND
PENSION AMOUNTS BY EMPLOYER**1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Introduction

The Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, establishes financial reporting requirements for governments that provide employees with pension benefits. GASB 68 requires governmental employers to recognize a net pension liability and/or a net pension asset as employees earn pension benefits. Governments participating in the West Virginia Municipal Police Officers and Firefighters Retirement System (the MPFRS) will recognize their proportionate share of the collective pension amounts for all benefits provided through the plan.

Basis of Accounting

The schedules of employer allocations and pension amounts by employer of the MPFRS have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles for governmental units.

Basis of Allocation

Pension amounts have been allocated to each participating employer based on their proportionate share of employer contributions to the MPFRS for the fiscal year ended June 30, 2015. Employer contributions are recognized when due. Retroactive service, military service, out of state service, and back pay employer contributions have been excluded from the allocation.

Accounting Estimates

The preparation of the schedules of employer allocations and pension amounts by employer in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of the net pension asset, deferred inflows of resources, deferred outflows of resources, and pension expense as of the measurement date. Actual amounts could differ from those estimates.

Measurement Date

Net pension asset, deferred inflows of resources, deferred outflows of resources, and pension expense were determined by actuarial valuations as of June 30, 2014 rolled forward to June 30, 2015, which is the measurement date.

2 - AMORTIZATION

The net difference between projected and actual investment earnings on pension plan investments is amortized over a five year period. All other deferred outflows of resources and deferred inflows of resources relating to pension amounts reported in these schedules are amortized and included in pension expense over the rounded remaining service life, rounded to the nearest whole year, of 10 years.

The amortization of the deferred outflows and deferred inflows related to changes in the proportionate share of contributions from year to year for each entity is available from the West Virginia Consolidated Public Retirement Board.

WEST VIRGINIA MUNICIPAL POLICE OFFICERS AND FIREFIGHTERS RETIREMENT SYSTEM

NOTES TO SCHEDULE OF EMPLOYER ALLOCATIONS AND
PENSION AMOUNTS
(Continued)

2 - AMORTIZATION (Continued)

Information regarding the amortization of deferred outflows and deferred inflows of resources related to pension amounts are as follows.

Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments (in thousands):

<u>Measurement date 6/30</u>	<u>2014</u>	<u>2015</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Amount	\$ (61)	\$ 61			
Recognition period (years)	5.00	5.00			
Amount recognized in fiscal year					
2014	\$ (13)	\$ -	\$ -	\$ (13)	\$ (13)
2015	(13)	13	13	(13)	-
2016	(13)	13	13	(13)	-
2017	(13)	13	13	(13)	-
2018	(9)	13	13	(9)	4
2019	-	9	9	-	9
Balance as of June 30					
2014	\$ (48)	\$ -	\$ -	\$ (48)	\$ (48)
2015	(35)	48	48	(35)	13
2016	(22)	35	35	(22)	13
2017	(9)	22	22	(9)	13
2018	-	9	9	-	9

Differences Between Expected and Actual Experience (in thousands):

<u>Measurement date 6/30</u>	<u>2014</u>	<u>2015</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Amount	\$ -	\$ 49			
Recognition period (years)		10.00			
Amount recognized in fiscal year					
2014	\$ -	\$ -	\$ -	\$ -	\$ -
2015	-	5	5	-	5
2016	-	5	5	-	5
2017	-	5	5	-	5
2018	-	5	5	-	5
2019	-	5	5	-	5
2020	-	5	5	-	5
2021	-	5	5	-	5
2022	-	5	5	-	5
2023	-	5	5	-	5
2024	-	4	4	-	4

WEST VIRGINIA MUNICIPAL POLICE OFFICERS AND FIREFIGHTERS RETIREMENT SYSTEM

NOTES TO SCHEDULE OF EMPLOYER ALLOCATIONS AND
PENSION AMOUNTS
(Continued)

2 - AMORTIZATION (Continued)Differences Between Expected and Actual Experience (in thousands) (Continued):

<u>Measurement date 6/30</u>	<u>2014</u>	<u>2015</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Balance as of June 30					
2014	\$ -	\$ -	\$ -	\$ -	\$ -
2015	-	44	44	-	44
2016	-	39	39	-	39
2017	-	34	34	-	34
2018	-	29	29	-	29
2019	-	24	24	-	24
2020	-	19	19	-	19
2021	-	14	14	-	14
2022	-	9	9	-	9
2023	-	4	4	-	4

3 - ACTUARIAL REVISIONS

Subsequent to the issuance of the West Virginia Consolidated Public Retirement Board's June 30, 2015 Comprehensive Annual Financial Report, certain actuarial amounts from the actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 were revised relating to the MPFRS. The amounts revised as of June 30, 2015 were used to prepare these schedules and are described below:

Total pension liability		\$ 1,081,000	
Plan fiduciary net position		<u>(2,046,000)</u>	
Net pension (asset)		<u>\$ (965,000)</u>	
Plan fiduciary net position as a percentage of the total pension liability		189.27%	
<u>Sensitivity of Discount Rate</u>	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
Total net pension (asset)	\$ (701,000)	\$ (965,000)	\$ (1,165,000)