

**MUNICIPAL PENSIONS OVERSIGHT BOARD
POLICEMEN’S PENSION AND RELIEF FUND AND FIREMEN’S PENSION AND RELIEF FUND
COMPLIANCE REVIEW PROCEDURES**

Objective:

The primary objective of these compliance review procedures is to gather certain information in order for the Municipal Pensions Oversight Board to determine the level of compliance of the local policemen’s and firemen’s pension boards with applicable laws and legislative rules. Generally, the responsibilities of the local pension boards as outlined in West Virginia Code Chapter 8, Article 22, Sections 16-28 and Legislative Rules Title 211 Series 1 include managing the assets of the plan, processing disabilities, calculating and approving disabilities, retirements, cost of living adjustments, death benefits, etc. and managing annual elections to the board.

Procedures:

1. Determine that pension board meetings are being held. §8-22-18(b)
2. Determine that the Chairperson of the board is being invited to board meetings and is attending said meetings.
3. Determine that pension board member elections are occurring each fiscal year. §8-22-18(b)
4. Examine minutes of all pension board meetings held during the fiscal year and document any unusual items. §8-22-18(d)
5. Determine that member contributions are deposited into the firemen’s pension and relief fund or policemen’s pension and relief fund within five days of being collected. §8-22-19(c)
6. Determine that one twelfth of each municipality’s annual contributions are deposited with the municipality’s pension trust funds as fund assets on at least a monthly basis. §8-22-19(a)(1)
7. Determine that any other revenues received from any source by a municipality specifically collected for the purpose of allocation for deposit into the firemen’s pension and relief fund or policemen’s pension and relief fund are deposited within five days of receipt by the municipality. §8-22-19(a)(1)
8. Re-calculate all member disability pensions issued during the fiscal year by using the Disability Pension Calculator as provided by the Municipal Pensions Oversight Board per Legislative Rule Title 211 Series 1 to determine that such amounts are properly calculated.
9. Re-calculate all member pensions issued during the fiscal year by using the WV Benefit Calculator as provided by the Municipal Pensions Oversight Board in accordance with §8-22-25 and §8-22-16(d) to determine that such amounts are properly calculated.
10. Re-calculate all or at a minimum 10% of all cost of living adjustments (COLA’s) granted during the fiscal year by using the COLA Calculator as provided by the Municipal Pensions Oversight Board in accordance with §8-22-26a.

MUNICIPAL PENSIONS OVERSIGHT BOARD
POLICEMEN’S PENSION AND RELIEF FUND AND FIREMEN’S PENSION AND RELIEF FUND
COMPLIANCE REVIEW PROCEDURES

11. Determine that all retirement benefits, disability pensions and COLA’s have been approved by the board of trustees and such approvals are reflected in the pension board meeting minutes. §8-22-16(a)

12. Document all non-pension related disbursements from the firemen’s pension and relief fund or policemen’s pension and relief fund. Examine the supporting documentation to determine if appropriate.

13. Determine that the firemen’s pension and relief fund board of trustees or policemen’s pension and relief fund board of trustees has on file a current copy of the fund’s rules, regulations and procedures. §8-22-17(c)

14. Determine that the firemen’s pension and relief fund board of trustees or policemen’s pension and relief fund board of trustees has on file a current copy of the fund’s investment policy. §8-22-22(c)

Reporting:

Prepare a final report, (See Exhibit A) that includes written responses to all items in these compliance review procedures, a listing of the pension board’s meeting dates and whether minutes exist for each date, current copy of the fund’s rules, regulations and procedures and a current copy of the fund’s investment policy.

Compliance reviews are completed by the Chief Financial Officer except for two. Due to a conflict of interest, the accountant will perform compliance reviews for the City of South Charleston. Should the accountant not be available to perform such a review, the Executive Director will do so.

Contact Information:

Executive Director: Blair Taylor, Blair.M.Taylor@wv.gov or 304-356-2418
Chief Financial Officer: Matthew Pauley, Matthew.D.Pauley@wv.gov or 304-356-2417
Data Analyst: Janet Warren, Janet.C.Warren@wv.gov or 304-356-2420

West Virginia Municipal Pensions Oversight Board
Attention: Blair Taylor, Executive Director
301 Eagle Mountain Road, Suite 251
Charleston, WV 25311

As part of my duties as the Chief Financial Officer of the Municipal Pensions Oversight Board (MPOB), I have gathered information in order for the MPOB to determine the level of compliance of the Policemen's and Firemen's Pension Boards with applicable laws and legislative rules for the fiscal year ended June 30, 20xx. Generally, the responsibilities of the local pension boards as outlined in West Virginia Code Chapter 8, Article 22, Sections 16-28 and Legislative Rules Title 211 Series 1 include managing the assets of the plan, processing disabilities, calculating and approving disabilities, retirements, cost of living adjustments, death benefits, etc. and managing annual elections to the board. The City of XYZ is responsible for the various financial and administrative records created and maintained for the fiscal year. The sufficiency of these procedures is solely the responsibility of the MPOB.

Procedures:

1. Determine that pension board meetings are being held. §8-22-18(b)
2. Determine that the Chairperson of the board is being invited to board meetings and is attending said meetings.
3. Determine that pension board member elections are occurring each fiscal year. §8-22-18(b)
4. Examine minutes of all pension board meetings held during the fiscal year and document any unusual items. §8-22-18(d)
5. Determine that member contributions are deposited into the firemen's pension and relief fund within five days of being collected. §8-22-19(c)
6. Determine that one twelfth of each municipality's annual contributions are deposited with the municipality's pension trust funds as fund assets on at least a monthly basis. §8-22-19(a)(1)
7. Determine that any other revenues received from any source by a municipality specifically collected for the purpose of allocation for deposit into the firemen's pension and relief fund are deposited within five days of receipt by the municipality. §8-22-19(a)(1)
8. Re-calculate all member disability pensions issued during the fiscal year by using the Disability Pension Calculator as provided by the Municipal Pensions Oversight Board per Legislative Rule Title 211 Series 1 to determine that such amounts are properly calculated.
9. Re-calculate all member pensions issued during the fiscal year by using the WV Benefit Calculator as provided by the Municipal Pensions Oversight Board in accordance with §8-22-25 and §8-22-16(d) to determine that such amounts are properly calculated.

10. Re-calculate all or at a minimum 10% of all firemen's cost of living adjustments (COLA's) granted during the fiscal year by using the COLA Calculator as provided by the Municipal Pensions Oversight Board in accordance with §8-22-26a.
11. Determine that all retirement benefits, disability pensions and COLA's have been approved by the board of trustees and such approvals are reflected in the pension board meeting minutes. §8-22-16(a)
12. Document all non-pension related disbursements from the firemen's pension and relief fund. Examine the supporting documentation to determine if appropriate.
13. Determine that the firemen's pension and relief fund board of trustees has on file a current copy of the fund's rules, regulations and procedures. §8-22-17(c)
14. Determine that the firemen's pension and relief fund board of trustees has on file a current copy of the fund's investment policy. §8-22-22(c)

This report is intended solely for the information and use of the West Virginia Municipal Pensions Oversight Board and its management and is not intended to be and should not be used by anyone other than these specified parties.

As an employee, I am not independent of the Municipal Pensions Oversight Board.

Respectfully Submitted,

Matthew D. Pauley, MPA
Chief Financial Officer
Municipal Pensions Oversight Board
Charleston, West Virginia
Date