

WEST VIRGINIA DEPARTMENT OF PUBLIC SAFETY
DEATH, DISABILITY AND RETIREMENT FUND
FOR THE PERIOD
JULY 1, 1981 - JUNE 30, 1988

West Virginia



LEGISLATIVE AUDITOR

CHARLESTON

The Joint Committee on Government and Finance:

In compliance with the provisions of the West Virginia Code, Chapter 4, Article 2, as amended, we have examined the accounts of the West Virginia Department of Public Safety Death, Disability and Retirement Fund.

Our examination covers the period July 1, 1981 through June 30, 1988. The results of this examination are set forth on the following pages of this report. However, only the financial statements for the years ended June 30, 1988 and June 30, 1987 are included in this report. The financial statements covering the period July 1, 1981 and June 30, 1986 are included in our audit workpapers.

Respectfully submitted,

Theodore L. Shanklin
Theodore L. Shanklin, CPA, Director
Legislative Postaudit Division

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WEST VIRGINIA DEPARTMENT OF PUBLIC SAFETY
DEATH, DISABILITY AND RETIREMENT FUND
TABLE OF CONTENTS

Exit Conference	1
Introduction	2
Members of the Board	4
Administration	5
Summary of Findings, Recommendations and Responses	6
General Remarks	8
Independent Auditors' Opinion	11
Balance Sheet	12
Statement of Revenues, Expenses and Changes in Fund Balance	13
Statement of Changes in Financial Position	14
Notes to Financial Statements	15
Supplemental Information	20
Certificate of Director, Legislative Postaudit Division	23

WEST VIRGINIA DEPARTMENT OF PUBLIC SAFETY
DEATH, DISABILITY AND RETIREMENT FUND
EXIT CONFERENCE

We held an exit conference on September 28, 1990 with the Superintendent and Comptroller of the West Virginia Division of Public Safety and all findings and recommendations relating to the Death, Disability and Retirement Fund were reviewed and discussed. The above-named officials' responses are included in italics in the Summary of Findings, Recommendations and Responses and after our recommendations in the General Remarks section of this report.

WEST VIRGINIA DEPARTMENT OF PUBLIC SAFETY
DEATH, DISABILITY AND RETIREMENT FUND
INTRODUCTION

The Department of Public Safety was organized in July, 1919. In 1925, a death and disability fund was created by an Act of the Legislature to provide for the payment of benefits to members on account of death or disability. The Fund was financed solely by arrest fees, witness fees and awards collected by members of the Department.

In 1935, the Act was amended to include retirement and at that time each member was required to pay 4% of his salary into the Fund, with an equal amount paid into said Fund from the department appropriation. In 1939, the Death, Disability and Retirement Act was again amended to require the employees and employers to pay 6% of gross salary into the Fund. The employers' contribution was increased to 12% in 1945.

Presently the Act provides for normal retirement after 25 years of service or at age 55 with 20 years of service. Retirement is mandatory at age 55 with 25 years of service. The annual benefit award is 5½% of total salary earned while a member or \$6,000, whichever is greater. A member may take early or deferred retirement after 20 years of service. Benefits commence at retirement or age 50, whichever is later.

When service-connected disablement prevents adequate performance of duties, a member receives an annual benefit award of 5½% of total salary he would have earned during 25 years of service for his lifetime or until recovery. If disablement is total and permanent, the annual benefit award is 8.5% of the total salary earned during 25 years of service for life.

The annual benefit award for a non-service connected disability, if a member has less than 20 years of service, is 5½% of the total salary the member would have earned during 25 years of service. Benefits continue for a period of time equal to one-half the number of years of service. If the member has 20 years of service or more he receives the normal retirement award for his lifetime or until recovery.

Service connected death benefits to the widow are the greater of 5½% of the total salary the member would have earned during 25 years of service or \$6,000. For non-service connected death, if the member has less than 20 years of service, annual benefit to the widow is 2.75% of the total salary the member would have earned during 25 years of service. If the member has 20 years or more or has retired the award is 75% of the annual benefit determined by normal retirement. A widow receives \$1,200 annually for each child until 18 years of age. Benefits continue during the lifetime of the widow or until remarriage.

Refund of employee contributions is not given if a member resigns with less than two years of service. After two years a full refund is given without interest.

WEST VIRGINIA DEPARTMENT OF PUBLIC SAFETY
DEATH, DISABILITY AND RETIREMENT FUND
MEMBERS OF THE BOARD
JUNE 30, 1988

The Public Safety Retirement Board has the responsibility of administration and management of the West Virginia Department of Public Safety Death, Disability and Retirement Fund. The trustees also have the authority to make rules and regulations concerning the Fund and to make awards and to revise and terminate awards previously made. The Board consists of five members as follows:

- Colonel W. F. Donohoe
Department of Public Safety Superintendent
- Major R. A. Perry
Department of Public Safety Member (Secretary)
- Captain P.D. Goodman
Department of Public Safety Member
- Charlie Brown
State of West Virginia Attorney General
- A. James Manchin
State of West Virginia Treasurer

The two members of the Department of Public Safety are elected to the Board by vote of the members of the Department. They serve on the Board for a period of two years.

No Board member receives compensation for his services but may be reimbursed for necessary expenses incurred in carrying out his duties.

WEST VIRGINIA DEPARTMENT OF PUBLIC SAFETY
DEATH, DISABILITY AND RETIREMENT FUND
ADMINISTRATION

Philip R. Divita Comptroller
Patricia Waddell Senior Accountant
Doris Sexton Chief Bookkeeper and Federal
Funds Officer

WEST VIRGINIA DEPARTMENT OF PUBLIC SAFETY
DEATH, DISABILITY AND RETIREMENT FUND
SUMMARY OF FINDINGS, RECOMMENDATIONS AND RESPONSES

COMPLIANCE MATTERS

Actuarial Valuation

1. Our audit showed the Public Safety Retirement Board did not have actuarial valuations performed annually as required by the West Virginia Code. During the audit period, actuarial valuations were performed as of January 1, 1983 and July 1, 1987. The unfunded actuarial accrued liability was \$15,994,000.00 and \$11,401,000.00 as of January 1, 1983 and July 1, 1987, respectively. Since the Retirement Board did not have actuarial valuations performed annually as required by the West Virginia Code, the Retirement Board did not have the actuarial information necessary to recommend remedies to fund the unfunded actuarial accrued liability.

We recommend the Public Safety Retirement Board comply with Chapter 15, Article 2, Section 26 of the West Virginia Code, as amended.

We concur with your findings and will take the necessary steps to implement your recommendation concerning the actuarial valuation. (See Page 9.)

Collections Not Deposited on a Timely Basis

2. We noted that 13 of the 17 deposits examined by us generated by the sale of accident reports and criminal investigation reports during fiscal year 1988, were not deposited within twenty four hours after collection as required by the West Virginia Code. The deposits were being made on the average of once every seven to 14 days and ranged in amounts from \$15.00 to \$833.00. The aggregate annual total of the deposits was \$2,218.00.

We recommend the Public Safety Retirement Board comply with Chapter 12, Article 2, Section 2 of the West Virginia Code, as amended.

We concur with your findings and will take the necessary steps to implement your recommendation concerning the deposit requirements. (See Page 10.)

WEST VIRGINIA DEPARTMENT OF PUBLIC SAFETY
DEATH, DISABILITY AND RETIREMENT FUND
GENERAL REMARKS

Introduction

We have completed a financial and compliance audit of the West Virginia Department of Public Safety Death, Disability and Retirement Fund. The audit covered the period July 1, 1981 through June 30, 1988.

Special Revenue Accounts

The Death, Disability and Retirement Fund maintained two special revenue accounts during the period under audit. These accounts represent funds to account for the proceeds of specific revenue sources or to finance specified activities as required by law or administrative regulations. Monies are deposited with the State Treasurer in the following special revenue accounts:

- | | |
|---|---|
| 8360-06 Death and Disability
Retirement Income | This account represents the principal of the Fund, including income from employee contributions; employer contributions; interest from invested funds; proceeds from the sale of accident and criminal investigation reports; arrest and witness fees; and miscellaneous income. Disbursements are for the purchase of investments; refunds to resigned members; and transfers to the Income Account. |
| 8360-07 Death, Disability
and Retirement Pay | The account from which awards are paid. Transfers from the Income Account are received in this account. |

Compliance Matters

Chapter 15, Article 2, Sections 26 through 39 of the West Virginia Code, as amended, generally govern the West Virginia Department of Public Safety Death, Disability and Retirement Fund. We tested the above plus general State regulations and other applicable chapters, articles and sections of the West

Virginia Code, as amended, as they pertain to fiscal matters. Our findings are listed below.

Actuarial Valuation

The Public Safety Retirement Board did not cause all future awards to be valued on or before the first day of July of each year as required by Chapter 15, Article 2, Section 26 of the West Virginia Code, as amended. Chapter 15, Article 2, Section 26 of the West Virginia Code, as amended, states in part,

" . . . It shall be the duty of the retirement board on or before the first day of July of each year to cause all future awards from such fund to be valued and, to the extent that monies shall be available, reserves based on sound actuarial principals for payment thereof to be carried on the funds account as a liability against the reserve fund. The board shall have the authority to employ an actuary for such purposes. . . ."

We determined the Public Safety Retirement Board had actuarial valuations performed as of January 1, 1983 and July 1, 1987, meaning a time span of four and one-half years passed between these actuarial valuations. According to the actuary's report, the Public Safety Death, Disability and Retirement Fund had an unfunded actuarial accrued liability of \$15,994,000.00 and \$11,401,000.00 as of January 1, 1983 and July 1, 1987, respectively. Since the Retirement Board did not have actuarial valuations performed annually as required by the West Virginia Code, the Retirement Board did not have the actuarial information necessary to recommend remedies to fund the unfunded actuarial accrued liability. In addition, our examination disclosed no indication the Public Safety Retirement Board had requested the additional funding needed to alleviate the unfunded actuarial accrued liability.

We recommend the Public Safety Retirement Board comply with Chapter 15, Article 2, Section 26 of the West Virginia Code, as amended.

We concur with your findings and will take the necessary steps to implement your recommendations concerning the actuarial valuation.

Collections Not Deposited on a
Timely Basis

During our examination of collections from the sale of accident reports and criminal investigation reports, we noted that the spending unit did not comply in all cases with the deposit requirements set forth in Chapter 12, Article 2, Section 2 of the West Virginia Code, as amended, which states in part,

"All officials and employees of the State authorized by statute to accept moneys due the State of West Virginia . . . shall deposit within twenty-four hours with the state treasurer all moneys received or collected by them for or on behalf of the State for any purpose whatsoever. . . ."

We noted that 13 of the 17 deposits examined by us for fiscal year 1988 were deposited more than 24 hours after collection. The deposits were being made on the average of once every 7 to 14 days and ranged in amounts from \$15.00 to \$833.00. The aggregate annual total of the deposits was \$2,218.00. We determined that the Public Safety Death, Disability and Retirement Fund lost \$8.27 of interest income, based on the monthly rates of interest paid by the West Virginia State Board of Investments, due to these deposits not being made in compliance with the applicable Code section.

We recommend the Public Safety Retirement Board comply with Chapter 12, Article 2, Section 2 of the West Virginia Code, as amended.

We concur with your findings and will take the necessary steps to implement your recommendation concerning the deposit requirements.

INDEPENDENT AUDITORS' OPINION

The Joint Committee on Government and Finance:

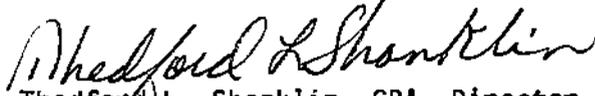
We have audited the accompanying balance sheets of the West Virginia Department of Public Safety Death, Disability and Retirement Fund as of June 30, 1988 and June 30, 1987, and the related statements of revenues, expenses and changes in fund balance and statements of changes in financial position for the years then ended. These financial statements are the responsibility of the West Virginia Public Safety Retirement Board. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the West Virginia Department of Public Safety Death, Disability and Retirement Fund as of June 30, 1988 and June 30, 1987, and the results of its operations and its changes in financial position for the years then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Respectfully submitted,


Thedford L. Shanklin, CPA, Director
Legislative Postaudit Division

July 31, 1989

Auditors: Michael E. Sizemore, CPA, Supervisor
Randal L. Thomas, Auditor-in-Charge
Steven E. Gunter

WEST VIRGINIA DEPARTMENT OF PUBLIC SAFETY
DEATH, DISABILITY AND RETIREMENT FUND
BALANCE SHEET

	June 30,	
Assets	1988	1987
Cash	\$ 80,366.85	\$ 345,444.23
Revenue Receivable	328,767.06	86,443.63
Investments	48,370,621.26	45,195,823.47
Interest Receivable	747,952.84	730,419.52
Total Assets	\$49,527,708.01	\$46,358,130.85
<u>Liabilities and Fund Balance</u>		
Liabilities:		
Refunds Payable	\$ 19,331.58	\$ 8,380.71
Retirement Payments Payable	-0-	1,630.33
Total Liabilities	\$ 19,331.58	\$ 10,011.04
Fund Balance:		
Income Account	\$49,499,003.90	\$46,341,175.82
Pay Account	9,372.53	6,943.99
Total Fund Balance	49,508,376.43	46,348,119.81
Total Liabilities and Fund Balance	\$49,527,708.01	\$46,358,130.85

See Notes to Financial Statements

WEST VIRGINIA DEPARTMENT OF PUBLIC SAFETY
DEATH, DISABILITY AND RETIREMENT FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND BALANCE

	For Year Ended June 30,	
	1988	1987
Revenues:		
Contributions		
Employer	\$ 1,543,917.53	\$ 1,545,908.68
Military Credit	76,321.62	131,137.93
Employee	771,960.48	776,737.27
Re-enlisted Employees	-0-	18,301.97
Interest on Investments	3,611,331.11	4,176,691.99
Sale of Accident Reports	47,520.00	43,347.00
Arrest and Witness Fees	226,300.95	936.82
Sale of Criminal Investigation Reports	74,901.92	73,239.00
	6,352,253.61	6,766,300.66
Expenses:		
Retirement Payments	3,085,571.46	2,661,685.13
Refund of Employee Contributions	106,425.53	137,036.69
	3,191,996.99	2,798,721.82
Revenue Over Expenses	3,160,256.62	3,967,578.84
Beginning Fund Balance	46,348,119.81	42,380,540.97
Ending Fund Balance	\$49,508,376.43	\$46,348,119.81

See Notes to Financial Statements

WEST VIRGINIA DEPARTMENT OF PUBLIC SAFETY
DEATH, DISABILITY AND RETIREMENT FUND
STATEMENT OF CHANGES IN FINANCIAL POSITION

	<u>Year Ended June 30,</u>	
	<u>1988</u>	<u>1987</u>
Cash Flows from Operating Activities:		
Trust Deposits and Contributions	\$2,377,038.07	\$2,747,885.66
Collections	121,561.00	109,796.00
Benefits Paid	(3,087,660.12)	(2,632,260.03)
Refunds Paid	(95,474.66)	(171,217.98)
Interest Received	3,593,797.79	4,330,261.09
Refunds Received	458.33	-0-
	<hr/>	<hr/>
Net Cash Provided by Operating Activities	2,909,720.41	4,384,464.74
Cash Flows from Investing Activities:		
Net Investment Activity	<u>(3,174,797.79)</u>	<u>(4,176,261.09)</u>
Net Cash Used in Investing Activities	(3,174,797.79)	(4,176,261.09)
Net (Decrease) Increase in Cash	(265,077.38)	208,203.65
Beginning Cash Balance	<u>345,444.23</u>	<u>137,240.58</u>
Ending Cash Balance	<u>\$ 80,366.85</u>	<u>\$ 345,444.23</u>

RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY
OPERATING ACTIVITIES

Net Income	\$3,160,256.62	\$3,967,578.84
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
(Increase) Decrease in Revenue Receivable	(242,323.43)	268,072.99
(Increase) Decrease in Interest Receivable	(17,533.32)	153,569.10
Increase (Decrease) in Refunds Payable	10,950.87	(6,386.52)
Increase (Decrease) in Retirement Pay- ments Payable	<u>(1,630.33)</u>	<u>1,630.33</u>
Net Cash Provided by Operating Activities	<u>\$2,909,720.41</u>	<u>\$4,384,464.74</u>

See Notes to Financial Statements

WEST VIRGINIA DEPARTMENT OF PUBLIC SAFETY
DEATH, DISABILITY AND RETIREMENT FUND
NOTES TO FINANCIAL STATEMENTS

Note A - General

Chapter 15, Article 2 of the West Virginia Code created and established the Death Disability and Retirement Fund to provide for the orderly retirement of state troopers from the Department of Public Safety who meet age and service requirements or become disabled, and to provide survivor benefits. The expenses of administering the fund are paid for by the Department of Public Safety as a part of the operations of the department as a whole and are not accounted for separately under the Death, Disability and Retirement Fund.

Presently, by an Act of the Legislature, normal retirement is after 25 years of service or at age 55 with 20 years of service. Retirement is mandatory at age 55 with 25 years of service. The annual benefit award is 5½% of total salary earned while a member or \$6,000.00 whichever is greater. A member may take early or deferred retirement after 20 years of service. Benefits commence at retirement or age 50, whichever is later.

When service-connected disablement prevents adequate performance of duties, a member receives an annual benefit award of 5½% of total salary he would have earned during 25 years of service for his lifetime or until recovery. If disablement is total and permanent, the annual benefit award is 8.5% of the total salary earned during 25 years of service for life.

The annual benefit award for a non-service connected disability if a member has less than 20 years of service is 5½% of the total salary the member would have earned during 25 years of service. Benefits continue for a period of time equal to half the number of years of service. If the member has 20 years of service or more he receives the normal retirement award for his lifetime or until recovery.

Service connected death benefits to the widow are the greater of 5½% of the total salary the member would have earned during 25 years of service or \$6,000.00. For non-service connected death, if the member has less than 20 years of service, annual benefit to the widow is 2 ¾% of the total salary the member would have earned during 25 years of service. If the member has 20 years or more or has retired the award is 75% of the annual benefit. A widow receives \$1,200.00 annually for each child until the child reaches 18 years of age. Benefits continue during the lifetime of the widow or remarriage.

State statute requires each covered employee to contribute 6% of their gross compensation to the plan. The Department is required by State statute to contribute 12% of the covered employees' compensation.

Note B - Accounting Policies

The accounting policies of the Death, Disability and Retirement Fund conform to generally accepted accounting principles as applicable to governmental entities. The following is a summary of the more significant policies.

1. Trust funds are used to account for assets held in a trustee capacity for members and the Department of Public Safety.
2. All pension funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and their expenses are recognized when incurred.
3. The Fund is a member of the West Virginia State Board of Investment Consolidated Pension Pool. The Fund's share of the pool is as follows:

	<u>June 30,</u>	
	<u>1988</u>	<u>1987</u>
Long-Term Investments	\$22,118,530.80	\$22,118,530.80
Short-Term Investments	26,252,090.46	23,077,292.67
	<u>\$48,370,621.26</u>	<u>\$45,195,823.47</u>

The investments are stated at cost or amortized cost. The market value of the long-term investments is as follows:

	<u>June 30,</u>	
	<u>1988</u>	<u>1987</u>
	<u>\$19,588,125.00</u>	<u>\$19,866,350.12</u>

Note C - Unamortized Loss

On April 26, 1989 the West Virginia State Board of Investments approved a plan for the restructuring of the "Retirement Systems' Operating Fund" (Pool 3300) on July 1, 1989. This was for the purpose of recognizing the unamortized loss in Pool 3300 that existed at January 31, 1989. This unamortized loss, the difference between the fund accounting balance and the portfolio balance, was determined to be \$12,939,077.48. Based upon the percentage of ownership on January 31, 1989, the unamortized loss for the Public Safety Retirement Fund was calculated at \$1,562,781.78.

	<u>Pool 3300</u> <u>Fund Accounting</u> <u>Balance 1/31/89</u>	<u>Percentage</u>	<u>Unamortized Loss</u> <u>1/31/89</u>
Judges Retirement	\$ 698,264.92	0.3056%	\$ 39,541.82
Public Safety Retirement	27,596,724.20	12.0780	1,562,781.78
Public Employees Retirement	194,375,285.78	85.0705	11,007,337.91
Teachers Retirement	5,817,091.33	2.5459	329,415.97

Note D - Actuarial Valuation

The latest available actuarial valuation of the West Virginia Department of Public Safety Death, Disability and Retirement Fund was dated July 1, 1987. Because the Retirement Fund's operating year ends on June 30 of each year, all required supplemental information as set forth in Governmental Accounting Standards Board Statement No. 5 effective for fiscal years beginning after December 15, 1986 was not included in the actuary's report. The provisions of GASB Statement No. 5 became applicable to the Retirement Fund for the reporting period ended June 30, 1988.

The actuarial information for the Fund as of July 1, 1987, the date of the latest valuation is as follows:

1. Present Value of Accrued Benefits	\$57,765,000.00
2. Assets (Book Value)	\$46,364,000.00
3. Unfunded Actuarial Accrued Liability	\$11,401,000.00
4. Normal Cost	\$ 2,589,000.00
5. Total Cost Based on Amortizing Unfunded Actuarial Accrued Liability Over 25 Years	
a. Dollar Cost	\$3,540,000.00
b. Cost as a Level Percentage of Payroll	31.6%
6. Expected Contribution as a Percentage of Payroll	
a. Participants	6%
b. Employer	12.0%
c. Miscellaneous	1.0%
d. Total	19.0%
7. Deficiency (Surplus) of Expected Contributions Over Level Required to Fund Plan Based on 25 Year Amortization Period as a Percentage of Contributions	12.6%

The significant actuarial assumptions used in the valuation as of July 1, 1987 were as follows:

1. Member Data: The member data used in the determination of cost estimates consists of pertinent information with respect to the active, retired, and terminated vested members of the West Virginia Department of Public Safety Death, Disability and Retirement Fund on June 30, 1987, as supplied to the actuary by the Department.
2. Actuarial Funding Method: Fund costs are derived in accordance with the Unit Credit Actuarial Cost Method. Under this method the Actuarial Present Value of the Benefits of each individual included in the valuation for all periods prior to the valuation year is called the Actuarial Accrued Liability. The Actuarial Present Value of benefits allocated to a valuation year is called the Normal Cost.

Under this method Actuarial Gains (Losses) as they occur serve to reduce (increase) the Unfunded Actuarial Accrued Liability.

3. Annual Rate of Service Prior to Retirement:

- a. Mortality: It is assumed that deaths among Fund members, other than disabled participants, may be represented by the 1971 Group Annuity Mortality Tables. The assumed rate of service connected deaths among active participants is 2 per 1,000 employees.
- b. Disability: The assumed rate of service-connected disability is 4.5 per 1,000 employees. The assumed rate of non-service-connected disability may best be illustrated by the following rates at quinquennial ages.

Annual Rates of Non-Service Connected Disability
(expressed per 1,000 employees)

<u>Attained Age</u>	<u>Unisex</u>
20	0.000
25	0.000
30	0.000
35	0.000
40	1.830
45	6.090
50	12.210
55	24.200

- c. Withdrawal: The assumed rate of termination each year for causes other than death or disability varies by service only.

<u>Completed Years of Service</u>	<u>Annual Rate of Withdrawal</u>
0	.150
1	.100
2	.080
3	.060
4	.040
5 to 19	.015

After completion of twenty (20) years of service, no withdrawals are assumed.

4. Rates of Age and Service Retirement: It is assumed for valuation purposes that 75% of the members will retire when first eligible for immediate commencement of benefits. The remaining 25% are assumed to retire at the mandatory retirement age.
5. Annual Rates of Mortality After Retirement: It is assumed that deaths among members on service retirement and their spouses may be represented by the 1971 Group Annuity Mortality Tables. Deaths among members on disability retirement are assumed to be represented by PBGC Tables 5 and 6.
6. Rate of Investment Return: It is assumed that the assets of the Fund will accumulate at a compound rate of 7.5% per annum.

7. Rate of Salary Increases: No salary increase rates are assumed.
8. Family Composition: It is assumed that members who are married as of the valuation date will be married at death. Furthermore, it is assumed that female (male) spouses are three years younger (older) than male (female) members.

SUPPLEMENTAL INFORMATION

WEST VIRGINIA DEPARTMENT OF PUBLIC SAFETY
 DEATH, DISABILITY AND RETIREMENT FUND
 STATEMENT OF CASH RECEIPTS, DISBURSEMENTS
 AND CHANGES IN CASH BALANCE

	<u>Year Ended June 30, 1988</u>		
	<u>Income</u>	<u>Pay</u>	<u>Total</u>
Cash Receipts:			
Collections	\$ 121,561.00	\$ -0-	\$ 121,561.00
Interest-Long Term	1,648,743.61	-0-	1,648,743.61
Interest-Short Term	1,945,054.18	-0-	1,945,054.18
Trust Deposits and Contributions	2,377,038.07	-0-	2,377,038.07
Transfers from Income Account	-0-	3,088,000.00	3,088,000.00
Reimbursement to Personal Services	-0-	458.33	458.33
	<u>6,092,396.86</u>	<u>3,088,458.33</u>	<u>9,180,855.19</u>
Cash Disbursements:			
Transfers to Pay Account	3,088,000.00	-0-	3,088,000.00
Investments	3,174,797.79	-0-	3,174,797.79
Refunds	95,474.66	-0-	95,474.66
Annuities	-0-	3,087,660.12	3,087,660.12
	<u>6,358,272.45</u>	<u>3,087,660.12</u>	<u>9,445,932.57</u>
Receipts (Under) Over Disbursements	(265,875.59)	798.21	(265,077.38)
Beginning Cash Balance	<u>336,869.91</u>	<u>8,574.32</u>	<u>345,444.23</u>
Ending Cash Balance	<u>\$ 70,994.32</u>	<u>\$ 9,372.53</u>	<u>\$ 80,366.85</u>

Year Ended June 30, 1987

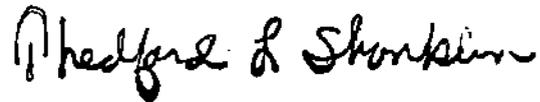
<u>Income</u>	<u>Pay</u>	<u>Total</u>
\$ 109,796.00	\$ -0-	\$ 109,796.00
2,062,515.55	-0-	2,062,515.55
2,267,745.54	-0-	2,267,745.54
2,747,885.66	-0-	2,747,885.66
-0-	2,663,700.00	2,663,700.00
-0-	-0-	-0-
7,187,942.75	2,663,700.00	9,851,642.75
2,663,700.00	-0-	2,663,700.00
4,176,261.09	-0-	4,176,261.09
143,423.21	27,794.77	171,217.98
-0-	2,632,260.03	2,632,260.03
6,983,384.30	2,660,054.80	9,643,439.10
204,558.45	3,645.20	208,203.65
132,311.46	4,929.12	137,240.58
\$ 336,869.91	\$ 8,574.32	\$ 345,444.23

STATE OF WEST VIRGINIA

OFFICE OF LEGISLATIVE AUDITOR, TO WIT:

I, Thedford L. Shanklin, CPA, Director of the Legislative Postaudit Division, do hereby certify that the report of audit appended hereto was made under my direction and supervision, under the provisions of the West Virginia Code, Chapter 4, Article 2, as amended, and that the same is a true and correct copy of said report.

Given under my hand this 8th day of October,
1990.



Thedford L. Shanklin, CPA, Director
Legislative Postaudit Division

Copy forwarded to the Secretary of the Department of Administration to be filed as a public record. Copies forwarded to the West Virginia Department of Public Safety; West Virginia Division of Public Safety; elected members of the West Virginia Public Safety Retirement Board; Governor; Attorney General; State Treasurer; and State Auditor.