

LEGISLATIVE AUDIT DIVISION

Angus Maciver, Legislative Auditor
Deborah F. Butler, Legal Counsel



Deputy Legislative Auditors:
Cindy Jorgenson

INDEPENDENT AUDITOR'S REPORT

The Legislative Audit Committee
of the Montana State Legislature:

Introduction

We have audited the Employer Contribution column for the fiscal year ended June 30, 2015, and the Employer Proportion based on Employer Contributions column as of June 30, 2015, on the accompanying Schedule of Employer Proportionate Share Allocations for the Game Wardens' and Peace Officers' Retirement System. We have also audited the Net Pension Liability-Employer total as of June 30, 2015, Employer Pension Expense total, Total Collective Deferred Outflows, and Total Collective Deferred Inflows included in the accompanying schedule of Employer Proportionate Share Allocations of the Game Wardens' and Peace Officers' Retirement System as of and for the fiscal year ended June 30, 2015, for the purpose of employer financial reporting for fiscal year 2016. In addition, we have audited the related notes to the schedule.

Management's Responsibility for the Financial Schedule

Management, the Public Employees' Retirement Board and its staff, the Montana Public Employee Retirement Administration (MPERA), is responsible for the preparation and fair presentation of this schedule 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 schedule that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on the Employer Contribution column for the fiscal year ended June 30, 2015, and the Employer Proportion based on Employer Contributions column as of June 30, 2015, and the specified total amounts included on the Schedule of Employer Proportionate Share Allocations as of and for the fiscal year ended June 30, 2015. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Employer Contribution and Employer Proportion based on Employer Contributions columns, and the specified total amounts on the Schedule of Employer Proportionate Share Allocations are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures on the Employer Contribution and Employer Proportion based on Employer Contributions columns, and the specified total amounts on the Schedule of Employer Proportionate Share Allocations. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to MPERA's preparation and fair presentation of the Employer Contribution and Employer Proportion based on Employer Contributions columns, and specified total amounts on the Schedule of Employer Proportionate Share Allocations 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 MPERA'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 MPERA, as well as evaluating the overall presentation of the Employer Contribution and Employer Proportion based on Employer Contributions columns, and the specified total amounts on the Schedule of Employer Proportionate Share Allocations.

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

Opinions

In our opinion, the Schedule of Employer Proportionate Share Allocations presents fairly, in all material respects, the Employer Contribution column for the fiscal year ended June 30, 2015, and the Employer Proportion based on Employer Contributions column as of June 30, 2015 (pages 1 and 2 respectively); and the specified total amounts summarized in the table below, for the Game Wardens' and Peace Officers' Retirement System as of and for the fiscal year ended June 30, 2015, for the purpose of employer financial reporting for fiscal year 2016, in accordance with accounting principles generally accepted in the United States of America.

Specified Amounts from the Schedule of Employer Proportionate Share Allocations for the Game Wardens' and Peace Officers' Retirement System as of the 6/30/2015 Measurement Date	Total Amount	Page Number
Net Pension Liability-Employer	\$ 21,011,479.00	2
Employer Pension Expense	\$ 3,596,145.99	3
Total Collective Deferred Outflows	\$ 626,415.00	4
Total Collective Deferred Inflows	\$ 3,030,979.00	5

Other Matters

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the Public Employees' Retirement Board (board) as of and for the fiscal year ended June 30, 2015, and our report thereon, dated January 15, 2016, expressed an unmodified opinion on those financial statements. The Game Wardens' and Peace Officers' Retirement System is one of several retirement systems that are included in the board's financial statements referred to above.

The opinion on the financial statements discussed in the paragraph above contained an emphasis of matter paragraph stating that three retirement systems, including the Game Wardens' and Peace Officers' Retirement System, were not actuarially sound at June 30, 2015, as required by the Montana Constitution. The Game Wardens' and Peace Officers' Retirement System does not amortize. The maximum allowable amortization period is 30 years, as defined by state law. Our opinion was not modified with respect to this matter.

The Schedule of Employer Proportionate Share Allocation for the Game Wardens' and Peace Officers' Retirement System as of and for the fiscal year June 30, 2015, for the purpose of employer financial reporting for fiscal year 2016 includes partial prior-year comparative information. Such information does not include all information required or sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Employer Proportionate Share Allocations for the Game Wardens' and Peace Officers' Retirement System for the fiscal year ended June 30, 2014, for the purposes of employer financial reporting for fiscal year 2015, from which such partial information was derived.

Restriction on Use

Our report is intended solely for the information and use of the Public Employees' Retirement Board, Montana Public Employees' Retirement Administration management, Game Wardens' and Peace Officers' Retirement System employers and their auditors, and the Montana Legislature. It is not intended to be, and should not be used by anyone other than those specified parties.

Respectfully submitted,

/s/ Cindy Jorgenson

Cindy Jorgenson, CPA
Deputy Legislative Auditor
Helena, MT

July 29, 2016

	A	B	C	D	E	F	G	H	I	J	K	
		Employer Proportionate Share Allocations										
1									Contributions			
									for Fiscal Year Ending June 30, 2015			
		<i>Game Wardens' and Peace Officers' Retirement System - Cost Sharing Plan for the year ended June 30</i>										
2								Member	Employer	Employer		
7								Rate	Rate	Contribution		
8		Total										\$ 4,088,117.01
9		Employers										
11		UNIVERSITY OF MONTANA - GW5103 - GW9103						10.560%	9.000%	\$	85,233.67	
12		MONTANA STATE UNIVERSITY - GW5104						10.560%	9.000%	\$	105,322.60	
13		MONTANA STATE UNIVERSITY - GW5106						10.560%	9.000%	\$	35,504.47	
14		DEPARTMENT OF FISH WILDL - GW5201						10.560%	9.000%	\$	518,675.29	
15		DEPARTMENT OF TRANSPORTAT - GW5401						10.560%	9.000%	\$	357,900.41	
16		DEPARTMENT OF LIVESTOCK - GW5603						10.560%	9.000%	\$	101,643.61	
17		DEPARTMENT OF CORRECTIONS - GW6401						10.560%	9.000%	\$	2,883,836.96	
18												
19		The Notes are an integral part of this schedule										

	A	B	C	D	E	F	G	L	M	N	O	P	Q	
		Employer Proportionate Share Allocations												
1								Net Pension Liability as of June 30, 2014			Net Pension Liability as of June 30, 2015			
		<i>Game Wardens' and Peace Officers' Retirement System - Cost Sharing Plan for the year ended June 30</i>							Employer Proportion based on Net Pension Liability - Employer	Employer Contributions		Employer Proportion based on Net Pension Liability - Employer	Employer Contributions	
2														
7														
8		Total						\$ 15,120,805.00	100.000001%		\$ 21,011,479.00	100.000002%		
9														
10		Employers												
11		UNIVERSITY OF MONTANA - GW5103 - GW9103						\$ 309,719.32	2.048299%		\$ 438,070.99	2.084913%		
12		MONTANA STATE UNIVERSITY - GW5104						\$ 413,198.95	2.732652%		\$ 541,321.00	2.576311%		
13		MONTANA STATE UNIVERSITY - GW5106						\$ 135,697.94	0.897425%		\$ 182,480.45	0.868480%		
14		DEPARTMENT OF FISH WILDL - GW5201						\$ 1,980,422.43	13.097335%		\$ 2,665,807.98	12.687389%		
15		DEPARTMENT OF TRANSPORTAT - GW5401						\$ 1,336,708.01	8.840191%		\$ 1,839,481.83	8.754652%		
16		DEPARTMENT OF LIVESTOCK - GW5603						\$ 412,675.14	2.729188%		\$ 522,412.29	2.486319%		
17		DEPARTMENT OF CORRECTIONS - GW6401						\$ 10,532,383.21	69.654911%		\$ 14,821,904.46	70.541938%		
18														
19		The Notes are an integral part of this schedule												

	A	B	C	D	E	F	G	R	S	
		Employer Proportionate Share Allocations								
1								Pension Expense		
								for Fiscal Year Ending June 30, 2015		
		<i>Game Wardens' and Peace Officers' Retirement System - Cost Sharing Plan for the year ended June 30</i>								
2								Employer Pension Expense		
7										
8		Total						\$ 3,596,145.99		
9										
10		Employers								
11		UNIVERSITY OF MONTANA - GW5103 - GW9103						\$ 76,227.01		
12		MONTANA STATE UNIVERSITY - GW5104						\$ 87,308.18		
13		MONTANA STATE UNIVERSITY - GW5106						\$ 30,243.18		
14		DEPARTMENT OF FISH WILDL - GW5201						\$ 442,255.59		
15		DEPARTMENT OF TRANSPORTAT - GW5401						\$ 311,908.54		
16		DEPARTMENT OF LIVESTOCK - GW5603						\$ 81,116.62		
17		DEPARTMENT OF CORRECTIONS - GW6401						\$ 2,567,086.87		
18										
19		The Notes are an integral part of this schedule								

	A	B	C	D	E	F	G	T	U	V	W	X	Y	Z
	Employer Proportionate Share Allocations													
1														
	Deferred Outflows													
	<i>Game Wardens' and Peace Officers' Retirement System - Cost Sharing Plan for the year ended June 30</i>													
2								Actual vs. Expected Experience	Changes of Assumptions	Actual vs. Expected Investment Earnings	Total Collective Deferred Outflows	Changes in Proportionate Shares	Employer contributions subsequent to the measurement date - # to be inserted by each employer	
7														
8		Total						\$ 626,415.00	\$ -	\$ -	\$ 626,415.00	\$ 189,277.84		
9														
10		Employers												
11		UNIVERSITY OF MONTANA - GW5103 - GW9103						\$ 13,060.21	\$ -	\$ -	\$ 13,060.21	\$ 7,503.05		#
12		MONTANA STATE UNIVERSITY - GW5104						\$ 16,138.40	\$ -	\$ -	\$ 16,138.40	\$ -		#
13		MONTANA STATE UNIVERSITY - GW5106						\$ 5,440.29	\$ -	\$ -	\$ 5,440.29	\$ -		#
14		DEPARTMENT OF FISH WILDL - GW5201						\$ 79,475.71	\$ -	\$ -	\$ 79,475.71	\$ -		#
15		DEPARTMENT OF TRANSPORTAT - GW5401						\$ 54,840.45	\$ -	\$ -	\$ 54,840.45	\$ -		#
16		DEPARTMENT OF LIVESTOCK - GW5603						\$ 15,574.67	\$ -	\$ -	\$ 15,574.67	\$ -		#
17		DEPARTMENT OF CORRECTIONS - GW6401						\$ 441,885.28	\$ -	\$ -	\$ 441,885.28	\$ 181,774.79		#
18														
19		The Notes are an integral part of this schedule												

	A	B	C	D	E	F	G	AA	AB	AC	AD	AE	AF
	Employer Proportionate Share Allocations												
1													
	Deferred Inflows												
	<i>Game Wardens' and Peace Officers' Retirement System - Cost Sharing Plan for the year ended June 30</i>												
2													
7													
8		Total											
9													
10		Employers											
11		UNIVERSITY OF MONTANA - GW5103 - GW9103	\$	-	\$	-	\$	63,193.27	\$	63,193.27	\$	-	
12		MONTANA STATE UNIVERSITY - GW5104	\$	-	\$	-	\$	78,087.44	\$	78,087.44	\$	32,038.31	
13		MONTANA STATE UNIVERSITY - GW5106	\$	-	\$	-	\$	26,323.44	\$	26,323.44	\$	5,931.70	
14		DEPARTMENT OF FISH WILDL - GW5201	\$	-	\$	-	\$	384,552.08	\$	384,552.08	\$	84,008.54	
15		DEPARTMENT OF TRANSPORTAT - GW5401	\$	-	\$	-	\$	265,351.66	\$	265,351.66	\$	17,529.14	
16		DEPARTMENT OF LIVESTOCK - GW5603	\$	-	\$	-	\$	75,359.79	\$	75,359.79	\$	49,770.15	
17		DEPARTMENT OF CORRECTIONS - GW6401	\$	-	\$	-	\$	2,138,111.32	\$	2,138,111.32	\$	-	
18													
19		The Notes are an integral part of this schedule											

	A	B	C	D	E	F	G	AG	AH	AI	AJ	AK	AL	AM
	Employer Proportionate Share Allocations													
1	Recognition of Deferred Outflows and (Deferred Inflows) for Fiscal Year Ending June 30,													
	<i>Game Wardens' and Peace Officers' Retirement System - Cost Sharing Plan for the year ended June 30</i>													
2								<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Future Year</u>	<u>Deferrals</u>
7														
8		Total						\$ (1,202,542.00)	\$ (1,202,542.00)	\$ (1,202,543.33)	\$ 994,260.01	\$ 104,403.01	\$ 104,400.00	
9														
10		Employers												
11		UNIVERSITY OF MONTANA - GW5103 - GW9103						\$ (23,821.44)	\$ (23,821.44)	\$ (23,821.47)	\$ 21,979.96	\$ 3,427.22	\$ 3,427.16	
12		MONTANA STATE UNIVERSITY - GW5104						\$ (36,320.94)	\$ (36,320.94)	\$ (36,320.97)	\$ 20,275.51	\$ (2,649.97)	\$ (2,650.05)	
13		MONTANA STATE UNIVERSITY - GW5106						\$ (11,432.45)	\$ (11,432.45)	\$ (11,432.46)	\$ 7,646.33	\$ (81.90)	\$ (81.92)	
14		DEPARTMENT OF FISH WILDL - GW5201						\$ (166,572.60)	\$ (166,572.60)	\$ (166,572.77)	\$ 112,144.21	\$ (755.41)	\$ (755.79)	
15		DEPARTMENT OF TRANSPORTAT - GW5401						\$ (108,199.89)	\$ (108,199.89)	\$ (108,200.01)	\$ 84,122.48	\$ 6,218.60	\$ 6,218.33	
16		DEPARTMENT OF LIVESTOCK - GW5603						\$ (38,194.05)	\$ (38,194.05)	\$ (38,194.08)	\$ 16,425.45	\$ (5,699.23)	\$ (5,699.31)	
17		DEPARTMENT OF CORRECTIONS - GW6401						\$ (818,000.63)	\$ (818,000.63)	\$ (818,001.57)	\$ 731,666.07	\$ 103,943.70	\$ 103,941.58	
18														
19		The Notes are an integral part of this schedule												

	A	B	C	D	E	F	G	AN	AO	AP	AC
		Employer Proportionate Share Allocations									
1		Sensitivity of Employer's Proportionate Share of the Net Pension Liability as of June 30, 2015									
		<i>Game Wardens' and Peace Officers' Retirement System - Cost Sharing Plan for the year ended June 30</i>									
2								1% Decrease	Discount Rate	1% Increase	
7								6.75%	7.75%	8.75%	
8		Total						\$ 46,738,122.00	\$ 21,011,479.00	\$ (125,055.01)	
9		Employers									
11		UNIVERSITY OF MONTANA - GW5103 - GW9103						\$ 974,449.03	\$ 438,070.99	\$ (2,607.29)	
12		MONTANA STATE UNIVERSITY - GW5104						\$ 1,204,119.28	\$ 541,321.00	\$ (3,221.81)	
13		MONTANA STATE UNIVERSITY - GW5106						\$ 405,911.14	\$ 182,480.45	\$ (1,086.08)	
14		DEPARTMENT OF FISH WILDL - GW5201						\$ 5,929,847.15	\$ 2,665,807.98	\$ (15,866.21)	
15		DEPARTMENT OF TRANSPORTAT - GW5401						\$ 4,091,759.85	\$ 1,839,481.83	\$ (10,948.13)	
16		DEPARTMENT OF LIVESTOCK - GW5603						\$ 1,162,058.58	\$ 522,412.29	\$ (3,109.27)	
17		DEPARTMENT OF CORRECTIONS - GW6401						\$ 32,969,976.97	\$ 14,821,904.46	\$ (88,216.22)	
18											
19		The Notes are an integral part of this schedule									

	A	B	C	D	E	F	G	AR	AS	AT	AU	AV
		Employer Proportionate Share Allocations										
1		Schedule of Employer's Proportionate Share of the Net Pension Liability as of June 30, 2015										
		<i>Game Wardens' and Peace Officers' Retirement System - Cost Sharing Plan for the year ended June 30</i>										
2								Net Pension Liability - Employer	Employer's Pensionable Payroll	Employer's Proportionate Share as % Pensionable Payroll	Plan Fiduciary Net Position as a % of Total Pension Liability	
7												
8		Total						\$ 21,011,479.00	\$ 44,884,738.77			
9												
10		Employers										
11		UNIVERSITY OF MONTANA - GW5103 - GW9103						\$ 438,070.99	\$ 935,807.63	46.812%	87.6%	
12		MONTANA STATE UNIVERSITY - GW5104						\$ 541,321.00	\$ 1,156,370.37	46.812%	87.6%	
13		MONTANA STATE UNIVERSITY - GW5106						\$ 182,480.45	\$ 389,814.86	46.812%	87.6%	
14		DEPARTMENT OF FISH WILDL - GW5201						\$ 2,665,807.98	\$ 5,694,701.19	46.812%	87.6%	
15		DEPARTMENT OF TRANSPORTAT - GW5401						\$ 1,839,481.83	\$ 3,929,502.61	46.812%	87.6%	
16		DEPARTMENT OF LIVESTOCK - GW5603						\$ 522,412.29	\$ 1,115,977.55	46.812%	87.6%	
17		DEPARTMENT OF CORRECTIONS - GW6401						\$ 14,821,904.46	\$ 31,662,564.56	46.812%	87.6%	
18												
19		The Notes are an integral part of this schedule										

	A	B	C	D	E	F	G	AW	AX	AY	AZ	BA
	Employer Proportionate Share Allocations											
1	Schedule of Employer Contributions as of June 30, 2015											
	<i>Game Wardens' and Peace Officers' Retirement System - Cost Sharing Plan for the year ended June 30</i>											
2								Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Pensionable Payroll	Contributions as % Pensionable Payroll
7												
8		Total						\$ 4,088,117.01	\$ 4,088,117.01	\$ -	\$ 44,884,738.77	
9												
10		Employers										
11		UNIVERSITY OF MONTANA - GW5103 - GW9103						\$ 85,233.67	\$ 85,233.67	\$ -	\$ 935,807.63	9.108%
12		MONTANA STATE UNIVERSITY - GW5104						\$ 105,322.60	\$ 105,322.60	\$ -	\$ 1,156,370.37	9.108%
13		MONTANA STATE UNIVERSITY - GW5106						\$ 35,504.47	\$ 35,504.47	\$ -	\$ 389,814.86	9.108%
14		DEPARTMENT OF FISH WILDL - GW5201						\$ 518,675.29	\$ 518,675.29	\$ -	\$ 5,694,701.19	9.108%
15		DEPARTMENT OF TRANSPORTAT - GW5401						\$ 357,900.41	\$ 357,900.41	\$ -	\$ 3,929,502.61	9.108%
16		DEPARTMENT OF LIVESTOCK - GW5603						\$ 101,643.61	\$ 101,643.61	\$ -	\$ 1,115,977.55	9.108%
17		DEPARTMENT OF CORRECTIONS - GW6401						\$ 2,883,836.96	\$ 2,883,836.96	\$ -	\$ 31,662,564.56	9.108%
18												
19		The Notes are an integral part of this schedule										

Public Employees' Retirement Board (PERB)

A Component Unit of the State of Montana

Game Wardens' and Peace Officers' Retirement System (GWPORS)

Notes to the Schedule of Employer Proportionate Share Allocations

June 30, 2016

GASB Statement 68 replaced GASB Statement 27 effective for fiscal years beginning after June 15, 2014. Statement 68 was issued by GASB in June 2012, requiring employers participating in public pension plans to comply with the new accounting and financial reporting standards. The Schedule of Employer Proportionate Share Allocations provides the pension information for the GWPORS Multiple-Employer, Cost Sharing Plan (the Plan). The individual participating employers should use this information along with their fiscal year 2016 contribution data to prepare their financial reports in accordance with GASB Statement 68.

GASB Statement 68 allows a measurement date of up to 12 months before the employer's fiscal year-end. The schedules contained with this report are provided for employers who elect to use the June 30, 2015 measurement date for their 2016 reporting.

As allowed by GASB Statement 68, the Total Pension Liability as of June 30, 2015, is based on the results of an actuarial valuation as of June 30, 2014, with update procedures used to roll forward the Total Pension Liability to June 30, 2015. The update procedures used are in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board.

Employer Proportionate Share Allocations schedule

The Total Pension Liability was calculated by the Public Employees' Retirement Board's (PERB) actuary, Cheiron, Inc. The schedules were prepared by Cheiron, Inc. however, responsibility for the schedules is maintained by MPERA management, staff of the PERB.

The Employer Proportionate Share Allocations schedule is an excerpt from the GASB 67 & 68 Report, Appendix C with totals for all employer contributing entities at the top of each page. The Plan's fiduciary net position is reported in the PERB *Comprehensive Annual Financial Report's* (CAFR) financial statements and in the GASB 67 & 68 Report which are both available on the Montana Public Employee Retirement Administration (MPERA) website. The Net Pension Liability is disclosed in the notes to the financial statements.

Assumptions

The GASB 67 & 68 Report was calculated using the same facts and assumptions as the respective valuation report. The Summary of Information about the Pension Plan, Financial Statement Information; Membership Information; Actuarial Assumptions and Methods; and Summary of Plan Provisions are contained in the FY2015 GWPORS Actuary Valuation report for reporting in FY2016.

Employer Proportionate Share Allocations - Contributions

On page 1, information is provided for the measurement period (FY2015) regarding the contribution percentages and contribution amounts for each employer. Contributions to the Plan are defined in law as a percentage of salary and are consistent for all employers. The Plan's actuarial assumptions reflect the current demographics of all employers, along with the employer's expected long-term contribution effort to the plan in relation to the other employers.

Employer Proportionate Share Allocations - Net Pension Liability

The schedule provides the proportionate shares and the Net Pension Liability for the employers and the State for fiscal years 2014 and 2015 on page 2. The proportionate shares for fiscal year 2014 are the same as calculated and reported last year. The proportionate shares for fiscal year 2015 are based on actual contributions made to the Plan during the measurement period (FY2015) as shown on page 1. The Net Pension Liability component uses the proportionate share allocation of the collective pension amounts for the employers.

The employer's proportionate share is the ratio of employer's contributions to total contributions from all employers.

Employer Proportionate Share Allocations - Pension Expense

The amount of Pension Expense is on page 3. The Collective Pension Expense was calculated by the actuary as specified in GASB Statement 68. Pension Expense primarily results from changes in the components of the net pension liability and in the pension plan's fiduciary net position. The employers report their proportion of the Collective Pension Expense based on the individual changes. The amounts not recognized in Pension Expense are reported as a Deferred Outflows or Deferred Inflows of resources for each employer and will be recognized over future years. Employee contributions to the Plan are utilized to reduce the Collective Pension Expense.

Employer Proportionate Share Allocations - Deferred Outflows and Deferred Inflows

Deferred Outflows or Deferred Inflows by source are presented on pages 4 and 5. The Total Collective Deferred Outflows and Total Collective Deferred Inflows columns are for audit purposes due to the audit providing assurance of the Total Collective Deferrals, not the individual components of the deferred items. The Total Deferred Outflows and Total Collective Deferred Inflows in this schedule are not inclusive of the Changes in Proportionate Share. The Total Collective Deferred Outflows is also not inclusive of the Employer contributions subsequent to the measurement date. The number signs (#) displayed in the column on page 4 indicates the employer must obtain and enter this information for their FY2016 reporting. Employers should report the Changes in Proportionate Share and the employer contributions subsequent to the measurement date, as applicable.

Gains, Losses and Assumption Changes

The impact of experience gains or losses and assumption changes on the Total Pension Liability are recognized over the average remaining expected remaining service life of all active and inactive members. The average expected service life is estimated at 7 years. Investment gains and losses are recognized over five years.

For FY2016 reporting, there were no assumption changes or changes in benefits. There was an actuarial experience loss during the year which will be recognized in the current year and over the next six years.

The impact of the investment gains and losses is recognized in the current year and over each of the next four years. An unrecognized investment gain from prior periods was recognized in the current year as a reduction in the collective Pension Expense.

Employer Notes and Disclosures

As required by GASB Statement 68, the information in pages 6 to 9 of the Employer Proportionate Share Allocations schedule is for the employer's use in their notes and required supplementary information disclosures. The Recognition of Deferred Outflows and Deferred Inflows is on page 6; and on page 7 is the Sensitivity of the Employer's Proportion of the Net Pension Liability which shows the sensitivity of the Net Pension Liability to the discount rate. A small change in the discount rate can create a significant change in the Net Pension Liability. Listed on Page 8 is the 2015 Schedule of Employer's Proportionate Share of the Net Pension Liability which includes the Employer's Pensionable Payroll and the ratios of the Employers Proportionate Share as a percent of the Pensionable Payroll and the Plan Fiduciary Net Position as a percent of the Total Pension Liability. On page 9 of the Employer's Proportionate Share Allocations – Schedule of Employer Contributions includes the Contractually Required Contribution, the Contributions in Relation to the Contractually Required Contribution, and the Contribution Deficiency (Excess). The final columns present the Employer's Pensionable Payroll and the Contributions as a percent of Pensionable Payroll.