

West Virginia Municipal Police Officers and Firefighters Retirement System

Administered by

The West Virginia Consolidated Public Retirement Board

2020



Audited Schedules of Employer Allocations and Pension Amounts by Employer

Serving Those Who Serve West Virginia

As of and for the Year Ended June 30, 2020



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, 2020

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Independent Auditor's Report

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

Report on Schedule of Allocations and Pension Amounts by Employer

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 year ended June 30, 2020, and related notes. We have also audited the total for the columns titled net pension asset (liability), total deferred outflows of resources, total deferred inflows of resources and total employer pension expense (specified column totals) included in the accompanying schedule of pension amounts by employer (collectively the Schedules) of MPFRS as of and for the year ended June 30, 2020, and related notes.

Management's Responsibility for the Schedules

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

Auditor's Responsibility

Our responsibility is to express opinions on the schedule of employer allocations and 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 that 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 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 opinions.

Opinions

In our opinion, the Schedules referred to above present fairly, in all material respects, the employer allocations and net pension asset (liability), total deferred outflows of resources excluding employer specific amounts, total deferred inflows of resources excluding employer specific amounts, and total employer pension expense for the West Virginia Municipal Police Officers and Firefighters Retirement System, as of and for the year ended June 30, 2020, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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, 2020, and our report thereon, dated October 14, 2020, expressed an unmodified opinion on those financial statements.

Restriction on Use

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

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Boise, Idaho
March 22, 2021

WEST VIRGINIA MUNICIPAL POLICE OFFICERS AND FIREFIGHTERS RETIREMENT SYSTEM
Schedule of Employer Allocations
As of and for the Year Ended June 30, 2020

Employer Number	Employer Name	Employer Contributions	Employer Allocation Percentage
F20002	City of Moundsville Municipal Fire	\$ 9,886	0.574843%
F20600	City of Williamson Firefighters	5,040	0.293066%
F21000	City of Elkins Municipal Fire	17,330	1.007625%
F21200	City of Huntington Municipal Fire	113,840	6.619118%
F21600	City of Fairmont Municipal Fire	17,391	1.011210%
F21800	City of Bridgeport Municipal Fire	30,977	1.801136%
F21901	City of Charleston Municipal Fire	288,126	16.752855%
F22500	City of Grafton Municipal Fire	14,730	0.856470%
F22700	City of Parkersburg Municipal Fire	24,072	1.399656%
F23001	City of Weirton Municipal Fire	19,906	1.157412%
F23700	City of Buckhannon Municipal Fire	16,781	0.975700%
F24400	City of Dunbar Firefighters	839	0.048800%
F30300	City of Wheeling Municipal Fire	116,506	6.774185%
P20002	City of Moundsville Municipal Police	35,799	2.081485%
P20600	City of Williamson	4,376	0.254453%
P20700	Town of Belle	14,490	0.842504%
P21000	City of Elkins Municipal Police	34,577	2.010464%
P21200	City of Huntington Municipal Police	180,941	10.520663%
P21300	City of Chester Municipal Police	3,816	0.221877%
P21600	City of Fairmont Municipal Police	68,540	3.985204%
P21800	City of Bridgeport Municipal Police	44,544	2.589971%
P21901	City of Charleston Municipal Police	295,322	17.171259%
P22000	City of Hurricane Municipal Police	24,797	1.441822%
P22500	City of Grafton Municipal Police	18,312	1.064764%
P22700	City of Parkersburg Municipal Police	40,638	2.362883%
P23001	City of Weirton Municipal Police	17,068	0.992395%
P23100	City of Weston Municipal Police	4,729	0.274949%
P23700	City of Buckhannon Municipal Police	11,056	0.642847%
P24400	City of Dunbar Municipal Police	26,395	1.534693%
P26000	City of Oak Hill	45,203	2.628305%
P30200	City of Welch	6,882	0.400156%
P30300	City of Wheeling Municipal Police	111,109	6.460343%
P86500	City of Point Pleasant	14,633	0.850818%
P94000	City of Westover	33,441	1.944398%
P95000	Town of Star City Police	6,762	0.393194%
X89500	City of Mount Hope	1,006	0.058477%
		\$ 1,719,860	100.000000%

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, 2020

Employer Number	Net Pension Asset (Liability)	Deferred Outflows of Resources				Deferred Inflows of Resources				Pension Expense		
		Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions		Differences Between Expected and Actual Experience	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions		Total Inflows of Resources	Proportionate Share of Pension Expense	Total Employer Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions
				Net Difference Between Projected and Actual Investment Earnings on Pension Plan	Total Outflows of Resources		Changes in Assumptions	Total Inflows of Resources				
F20002	\$ 35,951	\$ 3,357	\$ 2,650	\$ 4,538	\$ (1,799)	\$ (8,111)	\$ (10,577)	\$ (8,111)	\$ (10,577)	\$ 63	\$ (962)	\$ (899)
F20600	18,328	1,712	1,351	-	(917)	(340)	(9,560)	(8,303)	(9,560)	32	(1,846)	(1,814)
F21000	63,017	5,885	4,645	9,642	(1,169)	(3,154)	(13,585)	(9,262)	(13,585)	111	(1,611)	(1,500)
F21200	413,960	38,656	30,514	90,863	(7,678)	(20,718)	(39,083)	(10,687)	(39,083)	728	18,698	19,426
F21600	63,241	5,905	4,662	-	(3,165)	(1,173)	(34,645)	(30,307)	(34,645)	111	(6,471)	(6,360)
F21800	112,643	10,519	8,303	-	(2,089)	(5,638)	(43,280)	(35,553)	(43,280)	198	(8,870)	(8,672)
F21901	1,047,724	97,837	77,231	29,697	(19,433)	(52,436)	(145,642)	(73,773)	(145,642)	1,843	(9,010)	(7,167)
F22500	53,564	5,002	3,948	1,274	(994)	(2,224)	(15,226)	(11,950)	(15,226)	94	(2,464)	(2,370)
F22700	87,584	8,174	6,452	-	(4,381)	(44,936)	(38,931)	(44,936)	154	(8,595)	(8,441)	
F23001	72,385	6,759	5,336	-	(3,623)	(3,623)	(41,598)	(36,632)	(41,598)	127	(7,595)	(7,468)
F23700	61,020	5,698	4,498	6,678	(1,132)	(3,054)	(15,324)	(11,138)	(15,324)	107	(2,433)	(2,326)
F24400	3,052	285	225	-	(57)	(153)	(2,314)	(2,104)	(2,314)	5	(398)	(393)
F30300	423,658	39,561	31,229	487	(7,858)	(21,203)	(92,672)	(63,611)	(92,672)	745	(14,125)	(13,380)
P20002	130,176	12,156	9,596	32,074	(2,415)	(6,515)	(8,930)	(6,602)	(8,930)	229	7,394	7,623
P20600	15,913	1,486	1,173	-	(295)	(796)	(7,693)	(6,602)	(7,693)	28	(1,511)	(1,483)
P20700	52,690	4,920	3,884	18,666	(977)	(2,637)	(11,931)	(8,317)	(11,931)	93	1,334	1,427
P21000	125,734	11,741	9,268	4,179	(2,332)	(6,233)	(22,086)	(13,461)	(22,086)	221	(2,396)	(2,175)
P21200	657,962	61,441	48,500	209,162	(12,204)	(32,930)	(45,134)	-	(45,134)	1,157	53,267	54,424
P21300	13,876	1,296	1,023	-	(257)	(694)	(10,518)	(9,567)	(10,518)	24	(1,809)	(1,785)
P21600	249,235	23,274	18,372	-	(4,623)	(12,474)	(126,996)	(109,899)	(126,996)	438	(24,318)	(23,880)
P21800	161,977	15,125	11,940	-	(3,004)	(8,107)	(86,489)	(75,378)	(86,489)	285	(16,125)	(15,840)
P21901	1,073,890	100,279	79,157	278,552	(19,917)	(53,744)	(89,895)	(16,234)	(89,895)	1,891	54,727	56,618
P22000	90,172	8,420	6,647	-	(1,673)	(4,513)	(35,799)	(29,613)	(35,799)	189	(7,242)	(7,083)
P22500	66,590	6,218	4,909	18,509	(1,235)	(3,333)	(12,791)	(12,791)	(12,791)	117	342	459
P22700	147,775	13,799	10,893	-	(2,741)	(7,396)	(86,124)	(75,987)	(86,124)	260	(15,766)	(15,506)
P23001	62,064	5,796	4,575	-	(1,151)	(3,106)	(47,048)	(42,791)	(47,048)	109	(8,089)	(7,980)
P23100	17,195	1,606	1,268	14,444	(319)	(861)	(12,226)	(11,046)	(12,226)	30	(124)	(94)
P23700	40,204	3,754	2,964	-	(746)	(2,012)	(16,386)	(13,628)	(16,386)	71	(3,320)	(3,249)
P24400	95,980	8,963	7,075	17,593	(1,780)	(4,804)	(10,297)	(3,713)	(10,297)	169	3,703	3,872
P25400	-	-	-	680	-	-	(230)	-	(230)	-	101	101
P26000	164,374	15,349	12,116	46,516	(3,049)	(8,227)	(14,004)	(2,728)	(14,004)	289	9,819	10,108
P30200	25,026	2,337	1,845	6,936	(464)	(1,252)	(10,135)	(8,419)	(10,135)	44	(878)	(834)
P30300	404,030	37,728	29,782	32,984	(7,494)	(20,221)	(76,071)	(48,356)	(76,071)	711	(6,913)	(6,202)
P86500	53,210	4,969	3,922	7,215	(987)	(2,663)	(9,592)	(5,942)	(9,592)	94	990	1,084
P94000	121,603	11,355	8,964	25,325	(6,086)	(2,256)	(16,955)	(6,613)	(16,955)	214	5,659	5,873
P95000	24,590	2,296	1,813	-	(456)	(1,231)	(14,503)	(12,816)	(14,503)	43	(2,686)	(2,643)
X89500	3,657	342	270	-	(68)	(183)	(2,772)	(2,521)	(2,772)	6	(477)	(471)
	\$ 6,254,000	\$ 584,000	\$ 461,000	\$ 859,014	\$ (116,000)	\$ (313,000)	\$ (1,288,014)	\$ (859,014)	\$ (1,288,014)	\$ 11,000	\$ -	\$ 11,000

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 - NATURE OF ENTITY

The Municipal Police Officers and Firefighters Retirement System (MPFRS) is a multiple employer defined benefit cost sharing plan. The MPFRS Act was passed by the West Virginia Legislature in November 2009 and became effective January 1, 2010. The legislation provided for any municipality or municipal subdivision employing municipal police officers or firefighters to elect to become a participating employer. All police officers and firefighters first employed in covered employment after the date the municipality or municipal subdivision elected to join MPFRS are required to be members of MPFRS.

During fiscal year 1991, the West Virginia State Legislature created the Consolidated Public Retirement Board (the Board) to administer nine of the State of West Virginia's ten retirement plans. The Board is managed by a Board of Trustees, which consists of, by virtue of their position, the Governor, State Auditor, State Treasurer, and Secretary of the Department of Administration, together with the following gubernatorial appointments that are subject to the advice and consent of the State Senate: four residents of the State who are not participants in the retirement plans, one State and one non-State employee participant in the Public Employees' Retirement System, and one participant each from the other seven defined benefit plans administered by the Board.

Chapter 8, Article 22A of the West Virginia State Code assigns the authority to establish and amend the provisions of the plan to the State Legislature.

2 - 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 Statement No. 68 requires governmental employers to recognize a net pension liability and/or a net pension asset as employees earn pension benefits. Governments participating in 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 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 MPFRS for the fiscal year ended June 30, 2020. Employer contributions are recognized when due. Retroactive service, military service, out of state service, and back pay employer contributions related to prior fiscal years have been excluded from the allocation.

WEST VIRGINIA MUNICIPAL POLICE OFFICERS AND FIREFIGHTERS
RETIREMENT SYSTEM

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

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Investments - All defined benefit plan funds not required to meet disbursement needs are invested in accordance with the West Virginia Code, as well as policies established by the West Virginia Investment Management Board (WVIMB). The WVIMB has established various investment pools to provide for the investment of the defined benefit plans' assets. These investment pools are structured as multiparticipant variable net asset funds.

The WVIMB was organized on April 25, 1997, as a public body corporate created by *West Virginia Code Section 12-6-1* to provide prudent fiscal administration and investment management services to designated state pension funds, the state's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other state government funds. The WVIMB is governed by a Board of Trustees, consisting of thirteen members. The Governor, the State Auditor, and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other WVIMB Trustees for a term of six years.

Measurement Date - Net pension asset, deferred inflows of resources, deferred outflows of resources, and pension expense were determined by actuarial valuations as of July 1, 2019 rolled forward to June 30, 2020, which is the measurement date.

3 - 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 average expected remaining service life of 6.29 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.

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

WEST VIRGINIA MUNICIPAL POLICE OFFICERS AND FIREFIGHTERS
RETIREMENT SYSTEM

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

3 - AMORTIZATION (Continued)

Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments (in thousands, excluding the recognition period):

<u>Measurement date June 30</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Amount	\$ 61	\$ 183	\$ (283)	\$ (34)	\$ 129	\$ 566			
Recognition period (years)	5.00	5.00	5.00	5.00	5.00	5.00			
Amount recognized in									
fiscal year:									
2015	\$ 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13	\$ -	\$ 13
2016	13	37	-	-	-	-	50	-	50
2017	13	37	(57)	-	-	-	50	(57)	(7)
2018	13	37	(57)	(7)	-	-	50	(64)	(14)
2019	9	37	(57)	(7)	26	-	72	(64)	8
2020	-	35	(57)	(7)	26	114	175	(64)	111
2021	-	-	(55)	(7)	26	114	140	(62)	78
2022	-	-	-	(6)	26	114	140	(6)	134
2023	-	-	-	-	25	114	139	-	139
2024	-	-	-	-	-	110	110	-	110
Balance as of June 30:									
2015	\$ 48	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48	\$ -	\$ 48
2016	35	146	-	-	-	-	181	-	181
2017	22	109	(226)	-	-	-	131	(226)	(95)
2018	9	72	(169)	(27)	-	-	81	(196)	(115)
2019	-	35	(112)	(20)	103	-	138	(132)	6
2020	-	-	(55)	(13)	77	452	529	(68)	461
2021	-	-	-	(6)	51	338	389	(6)	383
2022	-	-	-	-	25	224	249	-	249
2022	-	-	-	-	-	110	110	-	110

WEST VIRGINIA MUNICIPAL POLICE OFFICERS AND FIREFIGHTERS
RETIREMENT SYSTEM

NOTES TO SCHEDULE OF EMPLOYER ALLOCATIONS AND
PENSION AMOUNTS BY EMPLOYER

(Continued)

3 - AMORTIZATION (Continued)

Differences Between Expected and Actual Experience (in thousands, excluding the recognition period):

<u>Measurement date June 30</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	Deferred Outflows of Resources	Deferred Inflows of Resources	<u>Total</u>
Amount	\$ 49	\$ 38	\$ 12	\$ 444	\$ 450	\$ (373)			
Recognition period (years)	10.00	10.19	6.31	6.45	6.33	6.29			
Amount recognized in									
fiscal year:									
2015	\$ 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5	\$ -	\$ 5
2016	5	4	-	-	-	-	9	-	9
2017	5	4	2	-	-	-	11	-	11
2018	5	4	2	69	-	-	80	-	80
2019	5	4	2	69	72	-	152	-	152
2020	5	4	2	69	72	(60)	152	(60)	92
2021	5	4	2	69	72	(60)	152	(60)	92
2022	5	4	2	69	72	(60)	152	(60)	92
2023	5	4	-	69	72	(60)	150	(60)	90
2024	4	4	-	30	72	(60)	110	(60)	50
2025	-	2	-	-	18	(60)	20	(60)	(40)
2026	-	-	-	-	-	(13)	-	(13)	(13)
Balance as of June 30:									
2015	\$ 44	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44	\$ -	\$ 44
2016	39	34	-	-	-	-	73	-	73
2017	34	30	10	-	-	-	74	-	74
2018	29	26	8	375	-	-	438	-	438
2019	24	22	6	306	378	-	736	-	736
2020	19	18	4	237	306	(313)	584	(313)	271
2021	14	14	2	168	234	(253)	432	(253)	179
2022	9	10	-	99	162	(193)	280	(193)	87
2023	4	6	-	30	90	(133)	130	(133)	(3)
2024	-	2	-	-	18	(73)	20	(73)	(53)
2025	-	-	-	-	-	(13)	-	(13)	(13)

WEST VIRGINIA MUNICIPAL POLICE OFFICERS AND FIREFIGHTERS
RETIREMENT SYSTEM

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

3 - AMORTIZATION (Continued)

Change in Assumptions (in thousands, excluding the recognition period):

<u>Measurement date June 30</u>	<u>2017</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Amount	\$ (320)			
Recognition period (years)	6.31			
Amount recognized in				
fiscal year:				
2017	\$ (51)	\$ -	\$ (51)	\$ (51)
2018	(51)	-	(51)	(51)
2019	(51)	-	(51)	(51)
2020	(51)	-	(51)	(51)
2021	(51)	-	(51)	(51)
2022	(51)	-	(51)	(51)
2023	(14)	-	(14)	(14)
Balance as of June 30:				
2017	\$ (269)	\$ -	\$ (269)	\$ (269)
2018	(218)	-	(218)	(218)
2019	(167)	-	(167)	(167)
2020	(116)	-	(116)	(116)
2021	(65)	-	(65)	(65)
2022	(14)	-	(14)	(14)

WEST VIRGINIA MUNICIPAL POLICE OFFICERS AND FIREFIGHTERS
RETIREMENT SYSTEM

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

4 - PENSION EXPENSE

The components of pension expense for the year ended June 30, 2020 (in thousands):

Service cost	\$ 1,907
Interest cost	637
Projected earnings on plan investments	(967)
Employee contributions	(1,717)
Recognition of current period deferred outflows/inflows:	
Differences between expected and actual experience	(60)
Differences between projected and actual investment earnings	114
Recognition of prior years' deferred outflows/inflows:	
Changes in assumptions	(51)
Differences between expected and actual experience	152
Differences between projected and actual investment earnings	(3)
Other changes in fiduciary net position	(1)
Total pension expense	<u>\$ 11</u>

5 - NET PENSION ASSET (LIABILITY) AND ACTUARIAL INFORMATION

The net pension asset (NPA) is the portion of the actuarial present value of projected benefit payments related to past periods.

The components of the net pension asset as of June 30, 2020, are as follows (in thousands):

Total Pension Liability	\$ (8,635)
Fiduciary Net Position	<u>14,889</u>
Net Pension Asset (Liability)	<u>\$ 6,254</u>
Fiduciary Net Position as a percent of Total Pension Liability	172.43%

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

5 – NET PENSION ASSETS (LIABILITY) AND ACTUARIAL INFORMATION (Continued)

The total pension liabilities for financial reporting purposes were determined by actuarial valuation as of July 1, 2019 and rolled forward to June 30, 2020 using the actuarial assumptions and methods described, as follows:

Actuarial cost method	Individual entry age normal cost with level percentage of payroll
Asset valuation method	Fair value
Amortization method	Level dollar, fixed period
Amortization Period	-
Actuarial assumptions:	
Investment rate of return	0.075
Projected salary increases	By age from 4.75% at age 30; declining to 3.25% at age 65
Inflation rate	0.03
Discount rate	0.075
 Mortality rates	 <i>Active</i> - RP-2014 Employee Mortality Tables, rolled back to 2006 and projected with Scale MP-2016 fully generational <i>Health Male Retirees</i> - 103% of RP-2014 Male Healthy Annuitant Table, rolled back to 2006 and projected with Scale MP-2016 fully generational <i>Health Female Retirees</i> - RP-2014 Female Healthy Annuitant Table, rolled back to 2006 and projected with Scale MP-2016 fully generational <i>Disabled Males</i> - RP-2014 Male Disabled Retiree Table, rolled back to 2006 and projected with Scale MP-2016 fully generational <i>Disabled Females</i> - RP-2014 Female Disabled Retiree Table, rolled back to 2006 and projected with Scale MP-2016 fully generational
 Withdrawal rates	 3.00% - 28.00%
Disability rates	0.04% - 0.60%
Retirement rates	25% - 100%
 Date range of most recent experience study	 2011 - 2016

WEST VIRGINIA MUNICIPAL POLICE OFFICERS AND FIREFIGHTERS
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NOTES TO SCHEDULE OF EMPLOYER ALLOCATIONS AND
PENSION AMOUNTS BY EMPLOYER

(Continued)

**6 - SENSITIVITY OF THE NET PENSION ASSET (LIABILITY) TO CHANGE IN THE
DISCOUNT RATE (in thousands)**

Sensitivity of Discount Rate	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net pension asset (liability)	\$ 4,009	\$ 6,254	\$ 7,933