

# West Virginia Emergency Medical Services' 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 Emergency Medical Services' Retirement System  
Audited Schedules of Employer Allocations and Pension Amounts By Employer  
As of and for the Year Ended June 30, 2020

TABLE OF CONTENTS

|  | Page   |
|--|--------|
| Independent Auditor's Report   | 1 - 2  |
| Schedule of Employer Allocations   | 3      |
| Schedule of Pension Amounts By Employer                                    | 4      |
| Notes to Schedules of Employer Allocations and Pension Amounts By Employer | 5 - 12 |



## 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 Emergency Medical Services' Retirement System (EMSRS), 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 EMSRS 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 Emergency Medical Services' 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 Emergency Medical Services' 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 black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Boise, Idaho  
March 22, 2021

**WEST VIRGINIA EMERGENCY MEDICAL SERVICES' RETIREMENT SYSTEM**  
*Schedule of Employer Allocations*  
**As of and for the Year Ended June 30, 2020**

| Employer<br>Number | Employer Name   | Employer<br>Contributions | Employer<br>Allocation<br>Percentage |
|--------------------|---|---------------------------|--------------------------------------|
| M00001             | Berkely County Emergency Ambulance Authority              | \$ 242,189                | 7.869662%                            |
| M00002             | Boone County Ambulance Authority                          | 169,503                   | 5.507811%                            |
| M00003             | Brooke County Commission                                  | 24,298                    | 0.789536%                            |
| M00004             | Cabell County Commission                                  | 656,733                   | 21.339807%                           |
| M00005             | Clay County Emergency Ambulance Authority                 | 17,612                    | 0.572282%                            |
| M00006             | Gilmer County Ambulance Service                           | 24,184                    | 0.785832%                            |
| M00008             | Jackson County Emergency Medical Services                 | 169,962                   | 5.522726%                            |
| M00009             | Jefferson County Emergency Services Agency                | 178,963                   | 5.815203%                            |
| M00010             | Kanawha County Emergency Ambulance Authority              | 819,054                   | 26.614250%                           |
| M00011             | Logan County Emergency Ambulance Service Authority        | 193,952                   | 6.302254%                            |
| M00012             | Putnam County Emergency Medical Services                  | 210,081                   | 6.826348%                            |
| M00013             | Randolph County Emergency Squad                           | 147,142                   | 4.781215%                            |
| M00014             | Weston-Lewis County Emergency Ambulance Service Authority | 63,280                    | 2.056213%                            |
| M00015             | Wetzel County Emergency Ambulance Authority               | 55,402                    | 1.800226%                            |
| M00016             | Hardy County Emergency Ambulance Authority                | 25,161                    | 0.817579%                            |
| M01200             | Grant County Ambulance                                    | 79,986                    | 2.599056%                            |
|                    |   | <u>\$ 3,077,502</u>       | <u>100.000000%</u>                   |

The accompanying notes are an integral part of this schedule

**WEST VIRGINIA EMERGENCY MEDICAL SERVICES' RETIREMENT SYSTEM**  
**Schedule of Pension Amounts by Employer**  
**As of and for the Year Ended June 30, 2020**

| Employer Number | Deferred Outflows of Resources |  |   |   |                                      | Deferred Inflows of Resources                      |                        |   |                                      |                                     | Pension Expense                                  |   |                                |
|-----------------|--------------------------------|--|---|---|--------------------------------------|--|------------------------|---|--------------------------------------|-------------------------------------|--|---|--------------------------------|
|                 | Net Pension Asset (Liability)  | Differences Between Expected and Actual Experience | 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 |                                      | Differences Between Expected and Actual Experience | Changes in Assumptions | Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions |                                      | Total Deferred Inflows of Resources | Proportionate Share of Allocable Pension Expense | Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions | Total Employer Pension Expense |
|                 |                                |  |   | Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments                   | Total Deferred Outflows of Resources |  |                        | Employer Contributions  | Proportionate Share of Contributions |                                     |  |   |                                |
| M00001          | \$ 92,469                      | \$ 192,492   | \$ 170,772  | \$ 17,783   | \$ 381,047                           | \$ (131,581)                                       | \$ (9,444)             | \$ (12,608)   | \$ (153,683)                         | \$ 72,243                           | \$ 2,457   | \$ 74,700   |                                |
| M00002          | 64,717                         | 134,721  | 119,519   | 19,767  | 274,007                              | (92,091)   | (6,609)                | (26,386)  | (125,086)                            | 50,562                              | (5,141)  | 45,421  |                                |
| M00003          | 9,277                          | 19,312   | 17,133  | 12,582  | 49,027                               | (13,201)   | (947)                  | (3,905)   | (18,053)                             | 7,248                               | 5,043  | 12,291  |                                |
| M00004          | 250,743                        | 521,972  | 463,074   | 32,317  | 1,017,363                            | (356,802)  | (25,608)               | (40,476)  | (422,886)                            | 195,899                             | 5,985  | 201,884   |                                |
| M00005          | 6,724                          | 13,998   | 12,419  | 4,477   | 30,894                               | (9,569)  | (687)                  | (1,414)   | (11,670)                             | 5,254                               | 2,517  | 7,771   |                                |
| M00006          | 9,234                          | 19,221   | 17,053  | 3,675   | 39,949                               | (13,139)   | (943)                  | (10,036)  | (24,118)                             | 7,214                               | (2,554)  | 4,660   |                                |
| M00008          | 64,892                         | 135,086  | 119,843   | 33,223  | 288,152                              | (92,340)   | (6,627)                | (4,416)   | (103,383)                            | 50,699                              | 16,864   | 67,563  |                                |
| M00009          | 68,329                         | 142,240  | 126,190   | 31,551  | 299,981                              | (97,230)   | (6,978)                | (12,229)  | (116,437)                            | 53,384                              | 11,233   | 64,617  |                                |
| M00010          | 312,715                        | 650,984  | 577,528   | 26,892  | 1,255,404                            | (444,988)  | (31,938)               | (86,302)  | (563,228)                            | 244,318                             | (47,783)   | 196,535   |                                |
| M00011          | 74,051                         | 154,153  | 136,759   | 12,385  | 303,297                              | (105,374)  | (7,563)                | (14,336)  | (127,273)                            | 57,855                              | (1,759)  | 56,096  |                                |
| M00012          | 80,210                         | 166,972  | 148,132   | 6,788   | 321,892                              | (114,137)  | (8,192)                | (13,971)  | (136,300)                            | 62,666                              | (3,382)  | 59,284  |                                |
| M00013          | 56,179                         | 116,949  | 103,752   | 17,315  | 238,016                              | (79,942)   | (5,737)                | (1,814)   | (87,493)                             | 43,892                              | 8,116  | 52,008  |                                |
| M00014          | 24,161                         | 50,295   | 44,620  | 11,590  | 106,505                              | (34,380)   | (2,467)                | (1,066)   | (37,913)                             | 18,876                              | 4,751  | 23,627  |                                |
| M00015          | 21,153                         | 44,034   | 39,065  | 4,655   | 87,754                               | (30,100)   | (2,160)                | (2,405)   | (34,665)                             | 16,526                              | 1,040  | 17,566  |                                |
| M00016          | 9,607                          | 19,998   | 17,741  | -   | 37,739                               | (13,670)   | (981)                  | (11,579)  | (26,230)                             | 7,505                               | (3,456)  | 4,049   |                                |
| M01200          | 30,539                         | 63,573   | 56,400  | 14,305  | 134,278                              | (43,456)   | (3,119)                | (6,362)   | (52,937)                             | 23,859                              | 6,069  | 29,928  |                                |
|                 | \$ 1,175,000                   | \$ 2,446,000                                       | \$ 2,170,000  | \$ 249,305  | \$ 4,865,305                         | \$ (1,672,000)                                     | \$ (120,000)           | \$ (249,305)  | \$ (2,041,305)                       | \$ 918,000                          | \$ -   | \$ 918,000  |                                |

# WEST VIRGINIA EMERGENCY MEDICAL SERVICES' RETIREMENT SYSTEM

## NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND PENSION AMOUNTS BY EMPLOYER

### 1 - NATURE OF ENTITY

The Emergency Medical Services Retirement System (EMSRS) is a multiple employer defined benefit cost sharing retirement system. The EMSRS Act was passed by the West Virginia Legislature in March 2007. The legislation provided for a voluntary participation election of eligible emergency medical service officers and mandated that certain participation levels be reached by December 31, 2007, in order for the provisions of EMSRS to become effective. At the close of the election period, fifteen licensed EMS public employers, consisting of twelve eligible Public Employees Retirement System (PERS) political subdivisions and three eligible Non-PERS political subdivisions, passed corporate resolutions to become participating public employers of this retirement system. Statewide, over five hundred eligible Emergency Medical Services Officers elected to opt into this new retirement plan. The WV Emergency Medical Services Retirement System (EMSRS) became effective January 1, 2008.

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 16, Article 5V 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 EMSRS 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 EMSRS 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.

WEST VIRGINIA EMERGENCY MEDICAL SERVICES' RETIREMENT SYSTEM

NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND  
PENSION AMOUNTS BY EMPLOYER

(Continued)

**2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Basis of Allocation - Pension amounts have been allocated to each participating employer based on their proportionate share of employer contributions to the EMSRS 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.

Accounting Estimates - The preparation of the schedule 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 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 4.35 years.



WEST VIRGINIA EMERGENCY MEDICAL SERVICES' RETIREMENT SYSTEM

NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND  
PENSION AMOUNTS BY EMPLOYER

(Continued)

**3 - AMORTIZATION (Continued)**

The amortization of the deferred outflows and deferred inflows related to changes in the proportionate share of contributions from year to year 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.

Net Difference Between Protected 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<br/>Outflows of<br/>Resources</u> | <u>Deferred<br/>Inflows of<br/>Resources</u> | <u>Total</u> |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|---|--|--------------|
| Amount                          | \$ 1,969    | \$ 4,393    | \$ (4,914)  | \$ (1,406)  | \$ 1,287    | \$ 3,677    |   |  |              |
| Recognition period (years)      | 5.00        | 5.00        | 5.00        | 5.00        | 5.00        | 5.00        |   |  |              |
| Amount recognized in            |             |             |             |             |             |             |   |  |              |
| fiscal year:                    |             |             |             |             |             |             |   |  |              |
| 2015                            | \$ 394      | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ 394  | \$ -   | \$ 394       |
| 2016                            | 394         | 879         | -           | -           | -           | -           | 1,273   | -  | 1,273        |
| 2017                            | 394         | 879         | (983)       | -           | -           | -           | 1,273   | (983)  | 290          |
| 2018                            | 394         | 879         | (983)       | (282)       | -           | -           | 1,273   | (1,265)                                      | 8            |
| 2019                            | 393         | 879         | (983)       | (282)       | 258         | -           | 1,530   | (1,265)                                      | 265          |
| 2020                            | -           | 877         | (983)       | (282)       | 258         | 736         | 1,871   | (1,265)                                      | 606          |
| 2021                            | -           | -           | (982)       | (282)       | 258         | 736         | 994   | (1,264)                                      | (270)        |
| 2022                            | -           | -           | -           | (278)       | 258         | 736         | 994   | (278)  | 716          |
| 2023                            | -           | -           | -           | -           | 255         | 736         | 991   | -  | 991          |
| 2024                            | -           | -           | -           | -           | -           | 733         | 733   | -  | 733          |
| Balance as of June 30:          |             |             |             |             |             |             |   |  |              |
| 2015                            | \$ 1,575    | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ 1,575                                      | \$ -   | \$ 1,575     |
| 2016                            | 1,181       | 3,514       | -           | -           | -           | -           | 4,695   | -  | 4,695        |
| 2017                            | 787         | 2,635       | (3,931)     | -           | -           | -           | 3,422   | (3,931)                                      | (509)        |
| 2018                            | 393         | 1,756       | (2,948)     | (1,124)     | -           | -           | 2,149   | (4,072)                                      | (1,923)      |
| 2019                            | -           | 877         | (1,965)     | (842)       | 1,029       | -           | 1,906   | (2,807)                                      | (901)        |
| 2020                            | -           | -           | (982)       | (560)       | 771         | 2,941       | 3,712   | (1,542)                                      | 2,170        |
| 2021                            | -           | -           | -           | (278)       | 513         | 2,205       | 2,718   | (278)  | 2,440        |
| 2022                            | -           | -           | -           | -           | 255         | 1,469       | 1,724   | -  | 1,724        |
| 2023                            | -           | -           | -           | -           | -           | 733         | 733   | -  | 733          |

WEST VIRGINIA EMERGENCY MEDICAL SERVICES' RETIREMENT SYSTEM

NOTES TO SCHEDULES 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> | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> | <u>Total</u> |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------------------------------|--------------------------------------|--------------|
| Amount                            | \$ (1,067)  | \$ 724      | \$ (1,079)  | \$ 1,147    | \$ (2,208)  | \$ 2,317    |                                       |                                      |              |
| Recognition period (years)        | 8.00        | 7.80        | 4.74        | 4.63        | 4.58        | 4.35        |                                       |                                      |              |
| Amount recognized in fiscal year: |             |             |             |             |             |             |                                       |                                      |              |
| 2015                              | \$ (134)    | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                                  | \$ (134)                             | \$ (134)     |
| 2016                              | (134)       | 93          | -           | -           | -           | -           | 93                                    | (134)                                | (41)         |
| 2017                              | (134)       | 93          | (228)       | -           | -           | -           | 93                                    | (362)                                | (269)        |
| 2018                              | (134)       | 93          | (228)       | 248         | -           | -           | 341                                   | (362)                                | (21)         |
| 2019                              | (134)       | 93          | (228)       | 248         | (483)       | -           | 341                                   | (845)                                | (504)        |
| 2020                              | (134)       | 93          | (228)       | 248         | (483)       | 533         | 874                                   | (845)                                | 29           |
| 2021                              | (134)       | 93          | (167)       | 248         | (483)       | 533         | 874                                   | (784)                                | 90           |
| 2022                              | (129)       | 93          | -           | 155         | (483)       | 533         | 781                                   | (612)                                | 169          |
| 2023                              | -           | 73          | -           | -           | (276)       | 533         | 606                                   | (276)                                | 330          |
| 2024                              | -           | -           | -           | -           | -           | 185         | 185                                   | -                                    | 185          |
| Balance as of June 30:            |             |             |             |             |             |             |                                       |                                      |              |
| 2015                              | \$ (933)    | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                                  | \$ (933)                             | \$ (933)     |
| 2016                              | (799)       | 631         | -           | -           | -           | -           | 631                                   | (799)                                | (168)        |
| 2017                              | (665)       | 538         | (851)       | -           | -           | -           | 538                                   | (1,516)                              | (978)        |
| 2018                              | (531)       | 445         | (623)       | 899         | -           | -           | 1,344                                 | (1,154)                              | 190          |
| 2019                              | (397)       | 352         | (395)       | 651         | (1,725)     | -           | 1,003                                 | (2,517)                              | (1,514)      |
| 2020                              | (263)       | 259         | (167)       | 403         | (1,242)     | 1,784       | 2,446                                 | (1,672)                              | 774          |
| 2021                              | (129)       | 166         | -           | 155         | (759)       | 1,251       | 1,572                                 | (888)                                | 684          |
| 2022                              | -           | 73          | -           | -           | (276)       | 718         | 791                                   | (276)                                | 515          |
| 2023                              | -           | -           | -           | -           | -           | 185         | 185                                   | -                                    | 185          |

WEST VIRGINIA EMERGENCY MEDICAL SERVICES' RETIREMENT SYSTEM

NOTES TO SCHEDULES 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</u>    | <u>Deferred</u>   | <u>Total</u> |
|---------------------------------|-------------|--------------------|-------------------|--------------|
|                                 |             | <u>Outflows of</u> | <u>Inflows of</u> |              |
|                                 |             | <u>Resources</u>   | <u>Resources</u>  |              |
| Amount                          | \$ (792)    |                    |                   |              |
| Recognition period (years)      | 4.74        |                    |                   |              |
| Amount recognized in            |             |                    |                   |              |
| fiscal year:                    |             |                    |                   |              |
| 2017                            | \$ (168)    | \$ -               | \$ (168)          | \$ (168)     |
| 2018                            | (168)       | -                  | (168)             | (168)        |
| 2019                            | (168)       | -                  | (168)             | (168)        |
| 2020                            | (168)       | -                  | (168)             | (168)        |
| 2021                            | (120)       | -                  | (120)             | (120)        |
| Balance as of June 30:          |             |                    |                   |              |
| 2017                            | \$ (624)    | \$ -               | \$ (624)          | \$ (624)     |
| 2018                            | (456)       | -                  | (456)             | (456)        |
| 2019                            | (288)       | -                  | (288)             | (288)        |
| 2020                            | (120)       | -                  | (120)             | (120)        |

**4 - PENSION EXPENSE**

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

|  |               |
|--|---------------|
| Service cost   | \$ 3,286      |
| Interest cost  | 6,117         |
| Projected earnings on plan investments                       | (6,421)       |
| Employee contributions                                       | (2,531)       |
| Recognition of current period deferred outflows/inflows:     |               |
| Differences between expected and actual experience           | 533           |
| Differences between projected and actual investment earnings | 736           |
| Recognition of prior years' deferred outflows/inflows:       |               |
| Changes in assumptions                                       | (168)         |
| Differences between expected and actual experience           | (504)         |
| Differences between projected and actual investment earnings | (130)         |
| Total pension expense  | <u>\$ 918</u> |

The average of the expected remaining service lifetime of actives and inactive members as of July 1, 2019, which is 4.35 years.

WEST VIRGINIA EMERGENCY MEDICAL SERVICES' RETIREMENT SYSTEM

NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND  
PENSION AMOUNTS BY EMPLOYER

(Continued)

**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 NPA for the employers is based on the allocation percentages from the Schedule of Employer Allocations.

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

|                               |                 |
|-------------------------------|-----------------|
| Total Pension Liability       | \$ (87,830)     |
| Fiduciary Net Position        | <u>89,005</u>   |
| Net Pension Asset (Liability) | <u>\$ 1,175</u> |

|   |         |
|---|---------|
| Fiduciary Net Position as a percent<br>of Total Pension Liability | 101.34% |
|---|---------|

WEST VIRGINIA EMERGENCY MEDICAL SERVICES' RETIREMENT SYSTEM

NOTES TO SCHEDULES 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)**

| <u>Sensitivity of Discount Rate</u> | <u>1% Decrease<br/>(6.5%)</u> | <u>Current<br/>Discount Rate<br/>(7.5%)</u> | <u>1% Increase<br/>(8.5%)</u> |
|-------------------------------------|-------------------------------|---|-------------------------------|
| Net pension asset (liability)       | <u>\$ (11,396)</u>            | <u>\$ 1,175</u>                             | <u>\$ 11,404</u>              |

WEST VIRGINIA EMERGENCY MEDICAL SERVICES' RETIREMENT SYSTEM

NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND  
PENSION AMOUNTS BY EMPLOYER

(Continued)

**5 - NET PENSION ASSET (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                        | 30 yrsrs from July 2008  |
| Actuarial assumptions:                     |  |
| Investment rate of return                  | 7.50%  |
| Projected salary increases                 | By age from 4.75% at age 30; declining to 3.25% at age 65  |
| Inflation rate                             | 3.00%  |
| Discount rate                              | 7.50%  |
| Mortality rates                            | <i>Active</i> - RP-2014 Employee Mortality Tables, rolled back to 2006 and projected with Scale MP-2016 fully generational<br><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<br><i>Health Female Retirees</i> - RP-2014 Female Healthy Annuitant Table, rolled back to 2006 and projected with Scale MP-2016 fully generational<br><i>Disabled Males</i> - RP-2014 Male Disabled Retiree Table, rolled back to 2006 and projected with Scale MP-2016 fully generational<br><i>Disabled Females</i> - RP-2014 Female Disabled Retiree Table, rolled back to 2006 and projected with Scale MP-2016 fully generational |
| Withdrawal rates                           | 6.00% - 28.00%   |
| Disability rates                           | 0.04% - 0.60%  |
| Retirement rates                           | 25% - 100%   |
| Date range of most recent experience study | 2011 - 2016  |