



Virginia
Retirement
System®

**VIRGINIA RETIREMENT SYSTEM
POLITICAL SUBDIVISION
HEALTH INSURANCE CREDIT PLANS**

GASB No. 75 Schedules

With Independent Auditor's Report Thereon

For the Plan Year Ended June 30, 2022

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Staci A. Henshaw, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

July 11, 2023

Board of Trustees
Virginia Retirement System
1200 E. Main Street
Richmond, VA 23219

INDEPENDENT AUDITOR'S REPORT

Report on the Schedule

Opinions

We have audited the fiduciary net position as of June 30, 2022, and the changes in fiduciary net position for the year then ended, included in the accompanying Schedule of Changes in Fiduciary Net Position by Employer (Schedule) of the Virginia Retirement System Political Subdivision Health Insurance Credit (HIC) Plans, and the related notes. We have also audited the fiduciary net position of each individual employer as of June 30, 2022, and the changes in fiduciary net position of each individual employer for the year then ended, included in the accompanying Schedule.

In our opinion, the Schedule referred to above presents fairly, in all material respects, the fiduciary net position of the Virginia Retirement System Political Subdivision HIC Plans as of June 30, 2022, and the changes in fiduciary net position for the year then ended, in accordance with accounting principles generally accepted in the United States of America. Also, in our opinion, the Schedule referred to above presents fairly, in all material respects, the fiduciary net position of each individual employer as of June 30, 2022, and the changes in fiduciary net position for each individual employer for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report. We are required to be independent of the Virginia Retirement System HIC Plans, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit.

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

Responsibilities of Management for the Schedule

Management is responsible for the preparation and fair presentation of the Schedule in accordance with accounting principles generally accepted in the United States of America and for 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 Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the fiduciary net position and the changes in fiduciary net position included in the Schedule is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the fiduciary net position and changes in fiduciary net position included in the Schedule.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the fiduciary net position and the changes in fiduciary net position included in the Schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Schedule.
- Obtain an understanding of internal control relevant to the audit 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 the Virginia Retirement System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the fiduciary net position and the changes in fiduciary net position included in the Schedule.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Virginia Retirement System as of and for the year ended June 30, 2022, and our report thereon, dated December 7, 2022, expressed an unmodified opinion on those financial statements.

Restriction on Use

Our report is intended solely for the information and use of Virginia Retirement System management, the Virginia Retirement System Board of Trustees, the Commonwealth Joint Legislative Audit and Review Commission, and the Virginia Retirement System Political Subdivision HIC Plans' employers and their auditors and is not intended to be and should not be used by anyone other than these specified parties.

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

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Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
For the Plan Year Ended and Measurement Date of June 30, 2022

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55100	Accomack County	\$ 31,080	\$ —	\$ (63)	\$ (23,809)	\$ (179)	\$ 17,983	\$ 25,012	\$ 76,340	\$ 101,352
55103	Amelia County	4,121	—	(4)	(2,990)	(44)	2,042	3,125	21,748	24,873
55104	Amherst County	12,295	—	290	(18,236)	(254)	9,614	3,709	147,036	150,745
55110	Bland County	5,632	—	(48)	(3,072)	(27)	1,523	4,008	11,821	15,829
55122	Craig County	1,538	—	137	(6,103)	(52)	4,881	401	31,779	32,180
55128	Essex Co	9,789	—	(100)	(4,042)	(82)	6,795	12,360	34,473	46,833
55132	Fluvanna County	5,474	—	202	(8,178)	(229)	5,875	3,144	129,944	133,088
55136	Gloucester County	13,325	—	742	(27,738)	(604)	17,142	2,867	351,180	354,047
55139	Greene County	3,229	—	285	(9,780)	(172)	4,204	(2,234)	103,068	100,834
55140	Greensville County	4,029	—	217	(8,630)	(169)	4,622	69	98,624	98,693
55141	Halifax County	9,354	—	355	(19,947)	(198)	16,761	6,325	114,304	120,629
55142	Hanover Co	89,145	—	731	(92,930)	(1,468)	46,665	42,143	803,221	845,364
55144	Henry County	3,770	—	979	(28,827)	(619)	23,251	(1,446)	366,788	365,342
55146	Isle of Wight County	17,951	—	390	(22,621)	(409)	9,657	4,968	233,705	238,673

Virginia Retirement System
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55147	James City County	82,163	—	1,380	(102,727)	(1,555)	24,765	4,026	905,442	909,468
55149	King and Queen County	3,106	—	(42)	(1,338)	(12)	2,370	4,084	2,883	6,967
55154	Louisa County	8,764	—	237	(11,174)	(253)	11,237	8,811	139,267	148,078
55156	Madison County	3,306	—	162	(6,005)	(151)	4,783	2,095	85,044	87,139
55157	Mathews County	4,708	—	(16)	(3,505)	(26)	4,666	5,827	8,509	14,336
55163	New Kent County	15,176	—	(138)	(4,352)	(160)	6,346	16,872	69,742	86,614
55166	Northumberland County	2,111	—	94	(2,885)	(111)	1,532	741	63,040	63,781
55170	Patrick County	5,033	—	(18)	(3,904)	(15)	8,928	10,024	(337)	9,687
55171	Pittsylvania County	36,388	—	325	(23,461)	(1,008)	13,680	25,924	549,375	575,299
55172	Powhatan County	12,524	—	(98)	(2,784)	(130)	2,087	11,599	58,571	70,170
55176	Prince William County	536,519	—	7,784	(618,337)	(8,297)	76,846	(5,485)	4,759,288	4,753,803
55177	Pulaski County	13,581	—	408	(18,694)	(387)	13,735	8,643	216,792	225,435
55178	Rappahannock County	1,259	—	113	(4,779)	(50)	2,565	(892)	31,398	30,506
55180	Roanoke County	159,730	—	207	(145,861)	(1,602)	59,250	71,724	862,312	934,036

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
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55183	Russell County	3,411	—	334	(13,789)	(141)	8,365	(1,820)	87,633	85,813
55185	Shenandoah County	8,127	—	481	(15,814)	(503)	6,852	(857)	292,206	291,349
55187	Southampton County	2,572	—	496	(16,361)	(267)	9,800	(3,760)	162,901	159,141
55189	Stafford County	44,915	—	1,623	(66,522)	(1,759)	13,284	(8,459)	1,024,621	1,016,162
55192	Tazewell County	6,146	—	950	(31,656)	(537)	20,101	(4,996)	323,843	318,847
55195	Washington County	3,776	—	674	(19,666)	(428)	9,191	(6,453)	257,297	250,844
55196	Westmoreland County	7,809	—	(3)	(6,267)	(76)	6,353	7,816	35,852	43,668
55197	Wise County	3,058	—	650	(20,562)	(389)	21,141	3,898	227,258	231,156
55198	Wythe County	1,357	—	470	(14,600)	(256)	14,346	1,317	151,283	152,600
55199	York County	77,410	—	1,847	(97,489)	(2,113)	17,792	(2,553)	1,224,918	1,222,365
55215	City of Radford	32,975	—	332	(38,024)	(442)	9,224	4,065	257,068	261,133
55217	City of Roanoke	26,635	—	(359)	—	(419)	—	25,857	206,716	232,573
55222	City of Winchester	22,661	—	1,056	(39,504)	(981)	13,155	(3,613)	570,548	566,935
55228	Town of Middletown	1,360	—	(4)	(738)	(18)	—	600	9,588	10,188

Virginia Retirement System
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55230	City of Covington	18,690	—	234	(23,098)	(190)	3,591	(773)	113,161	112,388
55300	Town of Abingdon	19,427	—	(134)	(13,058)	(46)	8,173	14,362	13,166	27,528
55301	Town of Dumfries	3,167	—	92	(5,751)	(53)	2,316	(229)	31,064	30,835
55312	Town of Hamilton	1,848	—	(24)	(846)	(8)	—	970	3,547	4,517
55321	Town of Woodstock	8,814	—	135	(10,861)	(156)	4,103	2,035	87,581	89,616
55326	Town of Pearisburg	6,078	—	47	(5,643)	(92)	1,607	1,997	51,224	53,221
55332	City of Manassas	59,894	—	1,137	(78,810)	(1,164)	8,795	(10,148)	689,733	679,585
55342	Town of Lawrenceville	3,257	—	56	(3,093)	(83)	148	285	47,286	47,571
55344	Town of Stanley	2,450	—	25	(2,157)	(51)	—	267	29,354	29,621
55357	Town of Strasburg	3,549	—	160	(5,274)	(171)	337	(1,399)	99,255	97,856
55365	City of Poquoson	17,403	—	320	(19,159)	(334)	486	(1,284)	195,186	193,902
55385	Town of Kenbridge	822	—	9	(547)	(26)	—	258	14,770	15,028
55393	Town of Shenandoah	2,102	—	36	(2,447)	(54)	165	(198)	31,442	31,244
55396	Town of Kilmarnock	584	—	55	(1,027)	(70)	480	22	40,223	40,245

Virginia Retirement System
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Schedule of Changes in Fiduciary Net Position by Employer
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Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55411	Hampton Roads Sanitation Dist	115,021	—	1,978	(151,251)	(1,930)	8,835	(27,347)	1,135,654	1,108,307
55425	Colonial Behavioral Health	16,000	—	432	(19,979)	(460)	8,672	4,665	262,150	266,815
55440	Shenandoah Valley Juvenile Center	3,707	—	173	(7,778)	(118)	2,401	(1,615)	71,162	69,547
55447	Rappahannock Area Comm Svcs	16,212	—	601	(21,823)	(733)	14,797	9,054	415,357	424,411
55450	Meherrin Regional Library	975	—	47	(1,968)	(36)	399	(583)	21,702	21,119
55454	Greensville-Emporia So Svcs	6,089	—	20	(6,732)	(38)	1,783	1,122	21,096	22,218
55455	James City Service Authority	9,357	—	171	(9,518)	(256)	2,815	2,569	145,382	147,951
55456	Accomack/Northampton Plan	7,616	—	(75)	(3,632)	(22)	4,374	8,261	2,800	11,061
55472	District 19 Community Services Board	13,504	—	720	(27,195)	(642)	13,998	385	371,817	372,202
55477	Frederick Co Sanitation Auth	6,634	—	67	(5,041)	(177)	934	2,417	97,683	100,100
55478	Western Tidewater Comm Svcs	18,772	—	660	(20,333)	(871)	10,735	8,963	492,598	501,561
55487	Capital Region Airport Comm	22,809	—	(16)	(21,423)	(98)	11,978	13,250	45,994	59,244
55489	Harr/Rockingham Comm Svcs Bd	10,835	—	500	(19,781)	(423)	9,895	1,026	246,576	247,602
55493	Planning Dis One Behavioral Health Svcs	1,241	—	(13)	(759)	(4)	1,177	1,642	905	2,547

Virginia Retirement System
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Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55500	Alexandria City School Board	52,264	—	(728)	(24,322)	(136)	—	27,078	54,500	81,578
55501	Albemarle County Schools	49,862	—	(891)	(11,620)	(157)	1,606	38,800	47,602	86,402
55502	Alleghany County School Board	11,954	—	(19)	(8,132)	(97)	7,818	11,524	42,481	54,005
55503	Charlottesville Public Schools	15,942	—	(259)	(6,137)	(51)	—	9,495	17,720	27,215
55504	Amherst County School Board	19,580	—	(364)	(4,429)	(66)	29	14,750	22,012	36,762
55505	Appomattox County School Board	4,553	—	78	(5,977)	(85)	2,139	708	48,695	49,403
55506	Arlington County Schools	60,987	—	(776)	(24,687)	(182)	154	35,496	65,211	100,707
55507	Augusta County School Board	16,663	—	(173)	(5,876)	(61)	382	10,935	17,732	28,667
55508	Bath County School Board	7,892	—	(9)	(8,127)	(14)	—	(258)	9,817	9,559
55509	Bedford County School Board	50,313	—	(808)	(14,776)	(171)	—	34,558	53,165	87,723
55510	Bland County School Board	2,621	—	(14)	(2,556)	(4)	—	47	2,762	2,809
55511	Botetourt County School Board	21,134	—	78	(22,319)	(176)	10,453	9,170	95,444	104,614
55512	Norfolk Public Schools	145,655	—	(1,643)	(63,829)	(460)	864	80,587	164,808	245,395
55513	Petersburg Public Schools	31,257	—	(623)	(5,900)	(104)	391	25,021	30,083	55,104

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
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Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55514	Buckingham County School Board	10,679	—	(195)	(2,663)	(36)	—	7,785	11,488	19,273
55515	Radford City School Board	3,431	—	(25)	(2,027)	(11)	82	1,450	4,083	5,533
55516	Caroline County School Board	12,370	—	(158)	(4,703)	(39)	—	7,470	13,423	20,893
55517	Carroll County School Board	50,938	—	(637)	(27,275)	(60)	5,975	28,941	1,960	30,901
55518	Charles City County School Bd	2,489	—	(28)	(984)	(8)	—	1,469	2,819	4,288
55519	Charlotte County School Board	6,583	—	(116)	(2,610)	(20)	—	3,837	7,151	10,988
55520	Chesterfield County School Bd	190,774	—	(930)	(151,286)	(326)	2,933	41,165	182,807	223,972
55521	Clarke County School Board	3,546	—	(63)	(2,052)	(10)	—	1,421	5,034	6,455
55522	Winchester Public Schools	8,659	—	87	(7,567)	(198)	3,444	4,425	110,691	115,116
55523	Culpeper County School Board	9,134	—	585	(17,895)	(550)	8,044	(682)	319,944	319,262
55524	Cumberland County School Board	7,621	—	(96)	(3,222)	(25)	102	4,380	8,560	12,940
55525	Dickenson County School Board	23,371	—	(83)	(19,013)	(51)	90	4,314	25,936	30,250
55526	Dinwiddie County Public Schools	13,073	—	(114)	(5,683)	(40)	—	7,236	13,859	21,095
55528	Essex County School Board	9,857	—	(125)	(3,884)	(30)	—	5,818	11,008	16,826

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
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55530	Covington City School Board	6,241	—	(41)	(4,143)	(30)	150	2,177	14,226	16,403
55531	Floyd County School Board	15,108	—	(223)	(5,350)	(50)	—	9,485	16,541	26,026
55532	Fluvanna County Public Schools	20,408	—	(414)	(4,077)	(61)	26	15,882	12,641	28,523
55533	Chesapeake Public Schools	201,206	—	(2,488)	(60,139)	(656)	1,843	139,766	220,900	360,666
55534	Va Beach City School Board	430,973	—	(5,734)	(169,274)	(1,280)	4,151	258,836	446,744	705,580
55535	Giles County Schools	11,322	—	(242)	(2,591)	(36)	95	8,548	12,060	20,608
55536	Gloucester Co School Board	30,601	—	49	(35,343)	(315)	17,905	12,897	177,347	190,244
55537	Goochland County School Board	7,080	—	(156)	(457)	(25)	157	6,599	5,685	12,284
55538	Grayson County School Board	23,232	—	(208)	(16,365)	(37)	169	6,791	14,774	21,565
55539	Greene County Schools	17,048	—	(270)	(7,090)	(50)	315	9,953	16,784	26,737
55540	Greensville County School Bd	11,486	—	(133)	(6,095)	(35)	296	5,519	13,389	18,908
55541	Halifax/South Boston Sch Bd	18,799	—	466	(39,283)	(105)	23,623	3,500	71,424	74,924
55542	Hanover County School Board	36,717	—	(668)	(10,878)	(128)	670	25,713	41,654	67,367
55543	Henrico County Schools	5,569	—	(9)	(5,502)	(9)	—	49	6,206	6,255

Virginia Retirement System
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55544	Henry County Public Schools	31,497	—	(262)	(21,812)	(85)	281	9,619	42,843	52,462
55545	Highland County Public Schools	2,040	—	8	(2,147)	(5)	177	73	2,400	2,473
55546	Isle of Wight County Schools	9,189	—	(183)	(2,806)	(26)	286	6,460	8,161	14,621
55548	King George County School Board	18,422	—	(385)	(3,009)	(63)	—	14,965	19,442	34,407
55549	King and Queen County School Board	7,508	—	(142)	(1,292)	(27)	—	6,047	6,930	12,977
55550	King William County Schools	9,878	—	(212)	(1,404)	(34)	—	8,228	10,011	18,239
55551	Lancaster County School Board	8,752	—	(142)	(3,222)	(28)	—	5,360	10,047	15,407
55552	Lee County School Board	23,236	—	(1)	(80,400)	—	101,856	44,691	(61,935)	(17,244)
55553	Loudoun County School Board	147,584	—	2,469	(144,601)	(4,073)	35,566	36,945	2,316,985	2,353,930
55554	Louisa County Public Schools	17,460	—	417	(21,956)	(558)	2,057	(2,580)	326,608	324,028
55555	Lunenburg County School Board	6,514	—	(103)	(1,566)	(25)	—	4,820	7,137	11,957
55556	Madison County School Board	8,669	—	(88)	(4,085)	(28)	—	4,468	9,149	13,617
55557	Mathews County School Board	10,034	—	(177)	(2,572)	(32)	386	7,639	10,381	18,020
55558	Mecklenburg County Schools	15,501	—	(220)	(6,141)	(43)	—	9,097	14,047	23,144

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For the Plan Year Ended and Measurement Date of June 30, 2022

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55559	Middlesex County School Board	10,040	—	(188)	(2,686)	(33)	113	7,246	10,707	17,953
55560	Montgomery County School Board	31,787	—	(224)	(14,438)	(105)	325	17,345	37,112	54,457
55562	Nelson County Public Schools	24,702	—	(199)	(12,828)	(55)	(2)	11,618	17,112	28,730
55563	New Kent County Schools	10,429	—	(153)	(3,250)	(33)	60	7,053	11,058	18,111
55565	Northampton County Schools	4,842	—	(42)	(3,021)	(12)	—	1,767	5,014	6,781
55566	Northumberland Co School Bd	5,733	—	(74)	(2,322)	(18)	—	3,319	5,701	9,020
55567	Nottoway County School Board	7,615	—	(137)	(1,302)	(28)	44	6,192	8,486	14,678
55568	Orange County Public Schools	27,585	—	(547)	(8,796)	(85)	378	18,535	26,422	44,957
55569	Page County Public Schools	21,239	—	(221)	(10,327)	(58)	—	10,633	21,968	32,601
55570	Patrick County Public Schools	17,667	—	(202)	(9,023)	(45)	—	8,397	18,054	26,451
55571	Pittsylvania County School Bd	33,684	—	(159)	(31,183)	(36)	20,709	23,015	3,384	26,399
55572	Powhatan County School Board	23,350	—	(418)	(5,009)	(82)	380	18,221	21,742	39,963
55573	Prince Edward County Schools	7,252	—	(128)	(2,326)	(24)	273	5,047	8,128	13,175
55574	Prince George County School Bd	31,562	—	(231)	(18,927)	(96)	4,376	16,684	40,488	57,172

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
For the Plan Year Ended and Measurement Date of June 30, 2022

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55576	Prince William County Schools	134,706	—	2,556	(149,226)	(3,820)	58,103	42,319	2,181,750	2,224,069
55577	Pulaski County School Board	20,494	—	(201)	(8,723)	(66)	—	11,504	21,196	32,700
55578	Rappahannock County Schools	2,214	—	71	(2,730)	(104)	645	96	60,002	60,098
55579	Richmond County Public Schools	913	—	(6)	(495)	(3)	—	409	595	1,004
55580	Roanoke County School Board	45,709	—	(199)	(41,676)	(78)	438	4,194	47,627	51,821
55581	Rockbridge County Schools	14,177	—	(206)	(5,610)	(42)	563	8,882	15,330	24,212
55582	Rockingham County School Board	67,614	—	832	(85,856)	(894)	7,431	(10,873)	540,770	529,897
55583	Russell County School Board	87,833	—	(1,383)	(36,628)	(104)	1,522	51,240	12,558	63,798
55584	Scott County Schools	20,034	—	(399)	(4,685)	(68)	—	14,882	21,570	36,452
55585	Shenandoah County School Board	28,800	—	(286)	(17,103)	(79)	666	11,998	30,330	42,328
55586	Smyth County School Board	27,529	—	(283)	(13,077)	(82)	135	14,222	28,394	42,616
55587	Southampton County School Bd	7,923	—	(132)	(1,507)	(28)	—	6,256	7,891	14,147
55588	Spotsylvania County School Bd	49,941	—	(634)	(19,300)	(173)	712	30,546	53,845	84,391
55589	Stafford County Schools	52,887	—	142	(46,938)	(623)	9,649	15,117	340,485	355,602

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
For the Plan Year Ended and Measurement Date of June 30, 2022

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55590	Surry County Public Schools	12,480	—	(135)	(6,275)	(35)	471	6,506	13,020	19,526
55591	Sussex County School Board	6,351	—	(126)	(2,198)	(21)	—	4,006	6,818	10,824
55592	Tazewell County Schools	61,981	—	(430)	(40,126)	(152)	—	21,273	63,438	84,711
55593	Warren County School Board	12,665	—	(94)	(8,885)	(33)	941	4,594	13,943	18,537
55595	Washington County School Board	29,371	—	(3)	(29,627)	(9)	5,982	5,714	241	5,955
55596	Westmoreland County School Bd	16,106	—	(225)	(6,245)	(44)	107	9,699	10,890	20,589
55597	Wise Co Schools	15,665	—	539	(31,237)	(306)	15,647	308	182,816	183,124
55598	Wythe County School Board	12,233	—	213	(23,500)	(12)	15,666	4,600	10,829	15,429
55599	York County School Board	42,739	—	(418)	(26,575)	(142)	10,430	26,034	63,244	89,278
55600	Accomack County School Board	25,374	—	(412)	(7,800)	(83)	596	17,675	25,122	42,797
55601	Bristol Virginia School System	7,052	—	(42)	(3,789)	(20)	273	3,474	7,306	10,780
55602	Buena Vista City Public Schools	3,605	—	(29)	(1,998)	(10)	—	1,568	3,461	5,029
55603	Amelia County Public Schools	5,462	—	(50)	(2,989)	(17)	—	2,406	6,237	8,643
55605	Danville School Board	13,669	—	(230)	(4,037)	(45)	—	9,357	14,617	23,974

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
For the Plan Year Ended and Measurement Date of June 30, 2022

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55606	Franklin City Public Schools	1,110	—	95	(3,249)	(64)	917	(1,191)	38,385	37,194
55608	Harrisonburg City School Bd	17,812	—	(303)	(5,055)	(61)	—	12,393	19,398	31,791
55609	Hopewell Public Schools	17,743	—	(38)	(10,407)	(52)	—	7,246	18,990	26,236
55610	Lynchburg School Board	28,159	—	(496)	(8,908)	(97)	341	18,999	29,596	48,595
55611	Fauquier County School Board	71,848	—	(1,365)	(19,535)	(180)	266	51,034	44,166	95,200
55612	Brunswick County Public Schools	6,403	—	108	(8,065)	(109)	—	(1,663)	64,631	62,968
55614	Portsmouth School Board	64,216	—	(1,000)	(26,616)	(209)	180	36,571	71,829	108,400
55615	Campbell County School Board	25,986	—	497	(39,170)	(328)	6,636	(6,379)	203,151	196,772
55616	Richmond City Schools	102,834	—	(1,484)	(35,105)	(320)	1,093	67,018	108,120	175,138
55617	Roanoke City Schools	5,613	—	(36)	(141)	(171)	(583)	4,682	90,985	95,667
55619	Staunton City School Board	9,617	—	56	(12,268)	(34)	4,760	2,131	21,130	23,261
55620	Suffolk City School Board	62,759	—	(1,673)	(14,603)	(201)	—	46,282	59,009	105,291
55622	Craig County School Board	3,255	—	(32)	(1,868)	(10)	—	1,345	3,556	4,901
55623	Martinsville City School Board	7,728	—	(102)	(3,272)	(22)	—	4,332	6,997	11,329

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
For the Plan Year Ended and Measurement Date of June 30, 2022

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55624	Appomattox Regional Governor's School	623	—	(14)	—	(2)	—	607	673	1,280
55625	Colonial Heights City Schools	8,855	—	(132)	(1,760)	(33)	—	6,930	9,846	16,776
55632	City of Manassas School Board	16,725	—	478	(26,623)	(385)	11,888	2,083	222,862	224,945
55633	Franklin County Schools	26,897	—	745	(37,393)	(721)	6,427	(4,045)	426,283	422,238
55634	Frederick Co School Board	48,430	—	(877)	(9,507)	(172)	676	38,550	51,845	90,395
55635	City of Salem Schools	16,389	—	(12)	(17,649)	(130)	10,296	8,894	70,359	79,253
55636	Manassas Park City Schools	1,781	—	83	(2,358)	(116)	1,113	503	66,607	67,110
55637	Newport News Public Schools	33,328	—	(606)	(147)	(303)	119	32,391	133,734	166,125
55638	Town of West Point Public Schools	1,150	—	(43)	—	(1)	—	1,106	4,042	5,148
55708	Waynesboro City School	6,642	—	(94)	(2,268)	(22)	—	4,258	6,562	10,820
55710	Valley Vo-Tech Center	251	—	2	(270)	(1)	—	(18)	268	250
55711	New Horizons Technical Center	2,119	—	(31)	(540)	(8)	—	1,540	2,274	3,814
55713	Galax City Schools	6,066	—	(128)	(777)	(20)	—	5,141	5,332	10,473
55714	Norton City Schools	3,781	—	(50)	(1,706)	(10)	—	2,015	3,288	5,303

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
For the Plan Year Ended and Measurement Date of June 30, 2022

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55802	Williamsburg-James City Schools	16,404	—	883	(35,205)	(693)	9,500	(9,111)	416,238	407,127
55803	Poquoson City School Board	5,478	—	26	(7,316)	(13)	2,470	645	9,130	9,775
55806	Fredericksburg City Public Schools	7,588	—	(145)	(808)	(31)	—	6,604	8,108	14,712
55807	Hampton City Schools	42,036	—	(588)	(17,151)	(117)	471	24,651	42,711	67,362
55813	Buchanan County School Board	38,717	—	(202)	(29,589)	(84)	523	9,365	40,413	49,778
55814	Jackson River Technical Ctr	2,084	—	(27)	(912)	(6)	464	1,603	1,620	3,223
55815	Northern Neck Regional Vocational Center	282	—	(7)	—	(1)	—	274	306	580
55859	Williamsburg Area Transit Authority	2,980	—	(38)	(95)	(43)	—	2,804	20,954	23,758
55860	Middle Peninsula Juvenile Detention Commission	3,881	—	(57)	—	(49)	(2,347)	1,428	25,105	26,533
55866	Hampton Roads Transportation Accountability Comm	845	—	(16)	—	(9)	—	820	4,213	5,033
55867	Pamunkey Regional Library	4,606	—	(40)	(2,607)	(29)	(1,322)	608	14,974	15,582
55868	Northern Virginia Transportation Authority	2,393	—	(30)	(35)	(25)	—	2,303	11,028	13,331
55874	Meherrin River Regional Jail Authority	6,853	—	15	(1,211)	(226)	220	5,651	122,119	127,770
55883	Western Virginia Regional Jail Authority	7,204	—	109	(2,309)	(371)	1,154	5,787	203,579	209,366

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
For the Plan Year Ended and Measurement Date of June 30, 2022

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55886	Russell County PSA	1,357	—	4	(500)	(36)	—	825	19,664	20,489
55897	Prince William County Service Authority	38,284	—	29	(16,167)	(974)	1,077	22,249	530,995	553,244
55904	Appalachian Juvenile Commission	8,378	—	6	(6,725)	(76)	1,618	3,201	39,440	42,641
55909	Henry County Public Service Authority	9,762	—	59	(10,053)	(106)	1,977	1,639	59,379	61,018
55914	Rappahannock Juvenile Center	9,888	—	71	(10,940)	(101)	1,139	57	60,042	60,099
55918	Amherst County Service Auth	3,010	—	74	(3,512)	(87)	1,477	962	49,102	50,064
55919	Pepper's Ferry Reg Wastewater	4,007	—	40	(3,814)	(81)	1,445	1,597	45,490	47,087
55926	Scott County Soil & Water Conservation District	281	—	(6)	—	(2)	—	273	942	1,215
55927	New River Resource Authority	620	—	35	(279)	(59)	—	317	33,058	33,375
55929	Greensville County Water and Sewer Authority	2,234	—	56	(1,660)	(110)	299	819	61,853	62,672
55930	Petersburg Redevelopment and Housing Authority	3,588	—	57	(4,497)	(55)	1,456	549	31,513	32,062
55932	Va Coalfield Economic Dev Auth	796	—	(3)	(389)	(12)	34	426	6,221	6,647
55940	Monacan Soil and Water Conservation District	486	—	12	(540)	(20)	—	(62)	11,696	11,634
55944	Central Virginia Waste Management Authority	863	—	12	(651)	(25)	—	199	14,094	14,293

Virginia Retirement System
VRS Political Subdivision Health Insurance Credit Plans
Schedule of Changes in Fiduciary Net Position by Employer
For the Plan Year Ended and Measurement Date of June 30, 2022

Employer Code	Entity	Employer Contributions	Employee Contributions	Net Investment Income	Benefit Payments	Administrative Expenses	Other Changes	Net Change of Fiduciary Net Position	Fiduciary Net Position Beginning of Year	Fiduciary Net Position End of Year
55947	Tidewater Youth Services Commission	6,205	—	113	(9,717)	(82)	1,822	(1,659)	49,852	48,193
55957	Wise County Redevelopment and Housing Authority	3,546	—	39	(4,140)	(33)	—	(588)	19,896	19,308
55961	Pamunkey Regional Jail	13,628	—	(277)	(1,454)	(80)	(1,470)	10,347	30,721	41,068
55964	Virginia Biotechnology Research Park Authority	997	—	—	(899)	(5)	—	93	2,699	2,792
55977	Southside Regional Jail	7,073	—	74	(6,470)	(120)	1,943	2,500	65,152	67,652
55978	Evergreen Soil and Water Conservation District	163	—	(3)	—	(2)	—	158	642	800
55979	Roanoke Higher Education Authority	3,410	—	9	(2,374)	(66)	4,557	5,536	32,187	37,723
55982	Daniel Boone Soil and Water Conservation District	471	—	(8)	—	(4)	—	459	1,456	1,915
55983	Southside Behavioral Health	11,650	—	371	(14,773)	(477)	1,370	(1,859)	275,063	273,204
55995	Holston River Soil and Water Conservation District	433	—	(10)	—	(3)	—	420	1,234	1,654
<hr/>										
		\$ 5,683,060	\$ —	\$ 3,022	\$ (4,460,161)	\$ (61,808)	\$ 1,141,557	\$ 2,305,670	\$ 33,234,841	\$ 35,540,511

The accompanying notes are an integral part of the Schedule of Changes in Fiduciary Net Position by Employer.

Virginia Retirement System
Political Subdivision Health Insurance Credit Plans
Notes to GASB No. 75 Schedules
For the Plan Year Ended June 30, 2022

Note 1. Summary of Significant Accounting Policies

Description of the Entity

The Virginia Retirement System (the System) is an independent agency of the Commonwealth of Virginia. The System administers four separate pension trust funds – the Virginia Retirement System (VRS), the State Police Officers’ Retirement System (SPORS), the Virginia Law Officers’ Retirement System (VaLORS), and the Judicial Retirement System (JRS) as well as several Other Post-Employment Benefit trust funds – the Group Life Insurance Program, the Retiree Health Insurance Credit Program, the Disability Insurance Program for state employees, the Line of Duty Act Program and the Virginia Local Disability Program for participating schools systems and local governments. The VRS Political Subdivision Health Insurance Credit Plans are part of the agent, multi-employer component of the Retiree Health Insurance Credit Program.

Administration and Management

The Board of Trustees (the Board) is responsible for the general administration and operation of the pension plans and the other employee benefit plans. The Board has full power to invest and reinvest the trust funds of the System through the adoption of investment policies and guidelines that fulfill the Board’s investment objective to maximize long-term investment returns while targeting an acceptable level of risk.

The Board consists of nine members. Five members are appointed by the Governor and four members are appointed by the Joint Rules Committee of the General Assembly subject to confirmation by the General Assembly. The Board appoints a Director to serve as the Chief Administrative Officer of the System and a Chief Investment Officer to direct, manage, and administer the investment of the System’s funds.

The System issues an *Annual Comprehensive Financial Report* (Annual Report) containing the financial statements and required supplementary information for all of the System’s pension and other employee benefit trust funds. A copy of the 2022 VRS Annual Report may be downloaded from the VRS website at varetire.org/pdf/publications/2022-annual-report.pdf, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500. The pension and other employee benefit trust funds administered by the VRS are classified as fiduciary funds and are included in the basic financial statements of the Commonwealth of Virginia.

Other Post-Employment Benefits (OPEB) – Health Insurance Credit (HIC)

The Political Subdivision Health Insurance Credit Program is a multiple-employer, agent defined benefit plan that provides a credit toward the cost of health insurance coverage for retired political subdivision employees of participating employers. The Political Subdivision Health Insurance Credit Program was established pursuant to § 51.1-1400 et seq. of the *Code of Virginia*, as amended, and which provides the authority under which benefit terms are established or may be amended. For purposes of measuring the net Political Subdivision HIC OPEB liability; deferred outflows of resources and deferred inflows of resources related to the Political Subdivision HIC OPEB; Political Subdivision HIC OPEB expense; information about the fiduciary net position of the Virginia Retirement System (VRS) Political Subdivision's Health Insurance Credit Plan; and the additions to/ deductions from the VRS Political Subdivision's Health Insurance Credit Plan fiduciary net position have been determined on the same basis as they were reported by VRS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

During the fiscal year ending June 30, 2022, VRS adjusted allocations of HIC benefit payments through a Request for Administrative Action (RAA) to better align the HIC payments with earned service credits. This adjustment resulted in a transfer among the employer codes within HIC and is captured in the "Other Changes" category of the Schedule of Changes in Fiduciary Net Position.

Note 2. General Information About the Political Subdivision HIC OPEB Plan

Plan Description

All full-time, salaried permanent employees of participating political subdivisions are automatically covered by the VRS Political Subdivision Health Insurance Credit Program upon employment. This plan is administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The health insurance credit is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree's death.

The specific information about the Political Subdivision Health Insurance Credit Program OPEB, including eligibility, coverage, and benefits is set out in the table below:

POLITICAL SUBDIVISION HEALTH INSURANCE CREDIT PROGRAM (HIC) PLAN PROVISIONS

Eligible Employees

The Political Subdivision Retiree Health Insurance Credit Program was established July 1, 1993, for retired political subdivision employees of employers who elect the benefit and who retire with at least 15 years of service credit.

Eligible employees of participating employers are enrolled automatically upon employment. They include

- Full-time permanent salaried employees of the participating political subdivision who are covered under the VRS pension plan.

Benefit Amounts

The political subdivision's Retiree Health Insurance Credit Program provides the following benefits for eligible employees:

- **At Retirement:** For employees who retire, the monthly benefit is \$1.50 per year of service per month with a maximum benefit of \$45.00 per month.
- **Disability Retirement:** For employees who retire on disability or go on long-term disability under the Virginia Local Disability Program (VLDP), the monthly benefit is \$45.00 per month.

Health Insurance Credit Program Notes:

- The monthly Health Insurance Credit benefit cannot exceed the individual premium amount.
- No health insurance credit for premiums paid and qualified under LODA, however, the employee may receive the credit for premiums paid for other qualified health plans.
- Employees who retire after being on long-term disability under VLDP must have at least 15 years of service credit to qualify for the health insurance credit as a retiree.

Contributions

The contribution requirement for active employees is governed by § 51.1-1402(E) of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. For the year ended June 30, 2022, the employer contribution rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Note 3. Long-Term Expected Rate of Return

The long-term expected rate of return on System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected

inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Long-Term Target Asset Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return*
Public Equity	34.00%	5.71%	1.94%
Fixed Income	15.00%	2.04%	0.31%
Credit Strategies	14.00%	4.78%	0.67%
Real Assets	14.00%	4.47%	0.63%
Private Equity	14.00%	9.73%	1.36%
MAPS - Multi-Asset Public Strategies	6.00%	3.73%	0.22%
PIP- Private Investment Partnerships	3.00%	6.55%	0.20%
Total	100.00%		5.33%
	Inflation		2.50%
	** Expected arithmetic nominal return		7.83%

* The above allocation provides a one-year return of 7.83%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 6.72%, including expected inflation of 2.50%.

** On October 10, 2019, the VRS Board elected a long-term rate of return of 6.75%, which was roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

Note 4. Additional Financial and Actuarial Information

Additional financial information supporting the preparation of the VRS Political Subdivision Plan Schedules (including the financial statements and the unmodified audit opinion thereon, and required supplementary information) is presented in the separately issued VRS 2022 Annual Report. A copy of the 2022 VRS Annual Report may be downloaded from the VRS website at varetire.org/pdf/publications/2022-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.