



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, 2020**

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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

August 13, 2021

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

## INDEPENDENT AUDITOR'S REPORT

### Report on the Schedule

We have audited the fiduciary net position as of June 30, 2020, 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 Plans, and the related notes. We have also audited the fiduciary net position of each individual employer as of June 30, 2020, and the changes in fiduciary net position of each individual employer for the year then ended, included in the accompanying Schedule.

### *Management's Responsibility for the Schedule*

The Virginia Retirement System's 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on the fiduciary net position and the changes in fiduciary net position included in the Schedule, in total and for each individual 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 fiduciary net position and changes in fiduciary net position included in the Schedule are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule. The procedures selected depend on the auditor's judgment, including

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the assessment of 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. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the fiduciary net position and the changes in fiduciary net position included in the Schedule 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 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 the Virginia Retirement System management, as well as evaluating the overall presentation of the fiduciary net position and the changes in fiduciary net position included in the Schedule.

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

### *Opinion*

In our opinion, the Schedule referred to above presents fairly, in all material respects, the total fiduciary net position of the Virginia Retirement System Political Subdivision Health Insurance Credit Plans as of June 30, 2020, 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, 2020, 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.

### *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, 2020, and our report thereon, dated December 15, 2020, expressed an unmodified opinion on those financial statements.

### *Restriction on Use*

Our report is intended solely for the information and use of the 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 Health Insurance Credit 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 June 30, 2020**

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	\$ 30,407	\$ —	\$ 1,179	\$ (25,757)	\$ (105)	\$ —	\$ 5,724	\$ 50,676	\$ 56,400
55103	Amelia County	3,571	—	307	(2,531)	(31)	—	1,316	14,977	16,293
55104	Amherst County	10,216	—	2,459	(17,003)	(233)	(1)	(4,562)	127,657	123,095
55110	Bland County	5,344	—	154	(3,786)	(14)	—	1,698	5,933	7,631
55122	Craig County	441	—	664	(6,450)	(56)	—	(5,401)	35,282	29,881
55128	Essex Co	8,093	—	401	(4,278)	(44)	—	4,172	19,159	23,331
55132	Fluvanna County	5,356	—	2,130	(8,485)	(202)	(1)	(1,202)	107,031	105,829
55136	Gloucester County	13,138	—	5,957	(27,071)	(556)	(3)	(8,535)	300,262	291,727
55139	Greene County	4,119	—	1,798	(9,029)	(167)	(1)	(3,280)	91,007	87,727
55140	Greensville County	3,161	—	1,694	(8,648)	(157)	(1)	(3,951)	86,221	82,270
55141	Halifax County	8,467	—	2,135	(19,583)	(192)	(1)	(9,174)	110,831	101,657
55142	Hanover Co	84,961	—	12,533	(77,371)	(1,220)	(6)	18,897	618,538	637,435
55144	Henry County	2,427	—	6,495	(27,404)	(595)	(3)	(19,080)	332,012	312,932
55146	Isle of Wight County	16,646	—	3,829	(21,155)	(362)	(2)	(1,044)	190,886	189,842

**Virginia Retirement System**  
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55147	James City County	74,360	—	14,671	(90,830)	(1,374)	(2,240)	(5,413)	741,260	735,847
55149	King And Queen County	2,011	—	15	(1,561)	(2)	—	463	649	1,112
55154	Louisa County	9,451	—	2,279	(10,724)	(216)	(1)	789	112,908	113,697
55156	Madison County	1,747	—	1,417	(5,238)	(132)	(1)	(2,207)	71,691	69,484
55157	Mathews County	4,314	—	80	(2,620)	(10)	—	1,764	3,295	5,059
55163	New Kent County	12,747	—	748	(1,896)	(87)	—	11,512	33,842	45,354
55166	Northumberland County	2,147	—	1,022	(2,581)	(97)	—	491	50,108	50,599
55170	Patrick County	2,706	—	—	(4,590)	1	—	(1,883)	820	(1,063)
55171	Pittsylvania County	28,908	—	8,386	(21,635)	(816)	(4)	14,839	411,724	426,563
55172	Powhatan County	8,967	—	697	(2,430)	(76)	—	7,158	32,165	39,323
55176	Prince William County	498,210	—	75,607	(566,070)	(7,326)	(35)	386	3,835,982	3,836,368
55177	Pulaski County	13,833	—	3,689	(19,123)	(338)	(2)	(1,941)	180,227	178,286
55178	Rappahannock County	553	—	599	(4,269)	(53)	—	(3,170)	31,301	28,131
55180	Roanoke County	155,620	—	13,657	(141,476)	(1,290)	(6)	26,505	652,760	679,265

**Virginia Retirement System**  
**VRS Political Subdivision Health Insurance Credit Plans**  
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55183	Russell County	2,670	—	1,702	(13,811)	(149)	(1)	(9,589)	88,707	79,118
55185	Shenandoah County	8,434	—	4,811	(15,570)	(456)	(2)	(2,783)	241,972	239,189
55187	Southampton County	2,577	—	2,970	(16,434)	(269)	(1)	(11,157)	152,958	141,801
55189	Stafford County	42,647	—	16,717	(58,642)	(1,580)	(8)	(866)	831,288	830,422
55192	Tazewell County	4,669	—	5,794	(27,938)	(528)	(3)	(18,006)	296,014	278,008
55195	Washington County	3,106	—	4,480	(18,647)	(414)	(2)	(11,477)	229,383	217,906
55196	Westmoreland County	6,092	—	561	(6,102)	(54)	—	497	27,973	28,470
55197	Wise County	2,221	—	4,110	(21,011)	(373)	(2)	(15,055)	211,602	196,547
55198	Wythe County	2,011	—	2,745	(13,809)	(250)	(1)	(9,304)	141,096	131,792
55199	York County	76,063	—	19,702	(88,479)	(1,888)	(9)	5,389	986,102	991,491
55215	City of Radford	29,925	—	4,218	(38,122)	(397)	(2)	(4,378)	214,707	210,329
55217	City of Roanoke	27,760	—	2,391	—	(268)	(1)	29,882	110,308	140,190
55222	City of Winchester	26,636	—	9,391	(37,470)	(892)	(4)	(2,339)	469,378	467,039
55228	Town of Middletown	931	—	135	(738)	(13)	—	315	6,701	7,016

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55230	City of Covington	17,401	—	1,974	(26,958)	(179)	(1)	(7,763)	101,965	94,202
55300	Town of Abingdon	13,339	—	27	(12,600)	(4)	—	762	1,750	2,512
55301	Town of Dumfries	1,612	—	534	(4,321)	(51)	—	(2,226)	28,694	26,468
55312	Town of Hamilton	750	—	36	(846)	(3)	—	(63)	1,846	1,783
55321	Town of Woodstock	8,870	—	1,485	(11,281)	(136)	(1)	(1,063)	72,635	71,572
55326	Town of Pearisburg	5,977	—	787	(5,694)	(78)	—	992	39,702	40,694
55332	City of Manassas	57,329	—	11,346	(76,609)	(1,071)	(5)	(9,010)	573,512	564,502
55342	Town of Lawrenceville	3,103	—	708	(3,006)	(71)	—	734	36,532	37,266
55344	Town of Stanley	1,850	—	485	(2,877)	(45)	—	(587)	24,359	23,772
55357	Town of Strasburg	3,658	—	1,598	(4,471)	(151)	(1)	633	78,713	79,346
55365	City of Poquoson	16,884	—	3,100	(17,398)	(297)	(1)	2,288	154,094	156,382
55385	Town of Kenbridge	586	—	240	(1,135)	(22)	—	(331)	12,142	11,811
55393	Town of Shenandoah	1,617	—	518	(2,717)	(49)	—	(631)	26,242	25,611
55396	Town of Kilmarnock	881	—	643	(800)	(62)	—	662	31,704	32,366



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55411	Hampton Roads Sanitation Dist	111,509	—	18,287	(129,271)	(1,763)	(8)	(1,246)	924,630	923,384
55425	Colonial Behavioral Health	14,976	—	4,167	(17,587)	(399)	(2)	1,155	208,563	209,718
55440	Shenandoah Valley Juvenile Center	4,527	—	1,213	(7,245)	(114)	(1)	(1,620)	61,708	60,088
55447	Rappahannock Area Comm Svcs	15,440	—	6,625	(18,138)	(636)	(3)	3,288	330,732	334,020
55450	Meherrin Regional Library	1,012	—	344	(1,016)	(34)	—	306	17,276	17,582
55454	Greensville-Emporia So Svcs	5,381	—	375	(7,214)	(34)	—	(1,492)	19,581	18,089
55455	James City Service Authority	8,413	—	2,272	(8,554)	(219)	(1)	1,911	113,416	115,327
55456	Accomack/Northampton Plan	1,861	—	1	(3,632)	—	—	(1,770)	599	(1,171)
55472	District 19 Community Services Board	13,443	—	6,170	(23,795)	(581)	(3)	(4,766)	310,357	305,591
55477	Frederick Co Sanitation Auth	5,485	—	1,504	(5,131)	(147)	(1)	1,710	74,991	76,701
55478	Western Tidewater Comm Svcs	19,293	—	7,690	(18,728)	(751)	(4)	7,500	386,280	393,780
55487	Capital Region Airport Comm	18,667	—	603	(18,680)	(67)	—	523	34,026	34,549
55489	Harr/Rockingham Comm Svcs Bd	11,543	—	4,092	(17,915)	(389)	(2)	(2,671)	206,633	203,962
55493	Planning Dis One Behavioral Health Svcs	571	—	21	(1,421)	(1)	—	(830)	1,421	591

**Virginia Retirement System**  
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55500	Alexandria City School Board	—	—	—	—	—	—	—	—	—
55501	Albemarle County Schools	—	—	—	—	—	—	—	—	—
55502	Alleghany County School Board	11,413	—	476	(5,099)	(54)	—	6,736	21,542	28,278
55503	Charlottesville Public Schools	—	—	—	—	—	—	—	—	—
55504	Amherst County School Board	—	—	—	—	—	—	—	—	—
55505	Appomattox County School Board	2,845	—	828	(5,534)	(77)	—	(1,938)	42,180	40,242
55506	Arlington County Schools	—	—	—	—	—	—	—	—	—
55507	Augusta County School Board	—	—	—	—	—	—	—	—	—
55508	Bath County School Board	6,311	—	175	(8,179)	(14)	—	(1,707)	9,728	8,021
55509	Bedford County School Board	—	—	—	—	—	—	—	—	—
55510	Bland County School Board	—	—	—	—	—	—	—	—	—
55511	Botetourt County School Board	20,646	—	1,499	(20,914)	(144)	(1)	1,086	75,277	76,363
55512	Norfolk Public Schools	—	—	—	—	—	—	—	—	—
55513	Petersburg Public Schools	—	—	—	—	—	—	—	—	—

**Virginia Retirement System**  
**VRS Political Subdivision Health Insurance Credit Plans**  
**Schedule of Changes in Fiduciary Net Position by Employer**  
**For the Plan Year Ended June 30, 2020**

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	—	—	—	—	—	—	—	—	—
55515	Radford City School Board	—	—	—	—	—	—	—	—	—
55516	Caroline County School Board	—	—	—	—	—	—	—	—	—
55517	Carroll County School Board	25,650	—	—	(24,561)	—	—	1,089	(22,947)	(21,858)
55518	Charles City County School Bd	—	—	—	—	—	—	—	—	—
55519	Charlotte County School Board	—	—	—	—	—	—	—	—	—
55520	Chesterfield County School Bd	—	—	—	—	—	—	—	—	—
55521	Clarke County School Board	—	—	—	—	—	—	—	—	—
55522	Winchester Public Schools	6,016	—	1,739	(7,090)	(167)	(1)	497	87,523	88,020
55523	Culpeper County School Board	7,397	—	5,245	(15,843)	(495)	(2)	(3,698)	263,994	260,296
55524	Cumberland County School Board	—	—	—	—	—	—	—	—	—
55525	Dickenson County School Board	—	—	—	—	—	—	—	—	—
55526	Dinwiddie County Public Schools	—	—	—	—	—	—	—	—	—
55528	Essex County School Board	—	—	—	—	—	—	—	—	—

**Virginia Retirement System**  
**VRS Political Subdivision Health Insurance Credit Plans**  
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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
55530	Covington City School Board	5,541	—	196	(4,664)	(20)	—	1,053	9,570	10,623
55531	Floyd County School Board	—	—	—	—	—	—	—	—	—
55532	Fluvanna County Public Schools	—	—	—	—	—	—	—	—	—
55533	Chesapeake Public Schools	—	—	—	—	—	—	—	—	—
55534	Va Beach City School Board	—	—	—	—	—	—	—	—	—
55535	Giles County Schools	—	—	—	—	—	—	—	—	—
55536	Gloucester Co School Board	30,031	—	2,664	(34,254)	(271)	(1)	(1,831)	145,935	144,104
55537	Goochland County School Board	—	—	—	—	—	—	—	—	—
55538	Grayson County School Board	—	—	—	—	—	—	—	—	—
55539	Greene County Schools	—	—	—	—	—	—	—	—	—
55540	Greensville County School Bd	—	—	—	—	—	—	—	—	—
55541	Halifax/South Boston Sch Bd	14,802	—	1,699	(37,795)	(144)	(1)	(21,439)	98,298	76,859
55542	Hanover County School Board	—	—	—	—	—	—	—	—	—
55543	Henrico County Schools	—	—	—	—	—	—	—	—	—

**Virginia Retirement System**  
**VRS Political Subdivision Health Insurance Credit Plans**  
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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
55544	Henry County Public Schools	—	—	—	—	—	—	—	—	—
55545	Highland County Public Schools	—	—	—	—	—	—	—	—	—
55546	Isle of Wight County Schools	—	—	—	—	—	—	—	—	—
55548	King George County School Board	—	—	—	—	—	—	—	—	—
55549	King and Queen County School Board	—	—	—	—	—	—	—	—	—
55550	King William County Schools	—	—	—	—	—	—	—	—	—
55551	Lancaster County School Board	—	—	—	—	—	—	—	—	—
55552	Lee County School Board	19,897	—	734	(82,127)	11	(1)	(61,486)	61,560	74
55553	Loudoun County School Board	129,062	—	36,025	(129,229)	(3,507)	(16)	32,335	1,812,675	1,845,010
55554	Louisa County Public Schools	14,735	—	5,159	(17,391)	(497)	(2)	2,004	259,309	261,313
55555	Lunenburg County School Board	—	—	—	—	—	—	—	—	—
55556	Madison County School Board	—	—	—	—	—	—	—	—	—
55557	Mathews County School Board	—	—	—	—	—	—	—	—	—
55558	Mecklenburg County Schools	—	—	—	—	—	—	—	—	—

**Virginia Retirement System**  
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55559	Middlesex County School Board	—	—	—	—	—	—	—	—	—
55560	Montgomery County School Board	—	—	—	—	—	—	—	—	—
55562	Nelson County Public Schools	—	—	—	—	—	—	—	—	—
55563	New Kent County Schools	—	—	—	—	—	—	—	—	—
55565	Northampton County Schools	—	—	—	—	—	—	—	—	—
55566	Northumberland Co School Bd	—	—	—	—	—	—	—	—	—
55567	Nottoway County School Board	—	—	—	—	—	—	—	—	—
55568	Orange County Public Schools	—	—	—	—	—	—	—	—	—
55569	Page County Public Schools	—	—	—	—	—	—	—	—	—
55570	Patrick County Public Schools	—	—	—	—	—	—	—	—	—
55571	Pittsylvania County School Bd	28,999	—	9	(26,865)	(4)	—	2,139	124	2,263
55572	Powhatan County School Board	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55573	Prince Edward County Schools	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55574	Prince George County School Bd	\$ 23,340	\$ —	\$ 368	\$ (16,149)	\$ (36)	\$ —	\$ 7,523	\$ 12,848	\$ 20,371

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55576	Prince William County Schools	\$ 128,961	\$ —	\$ 34,065	\$ (132,035)	\$ (3,301)	\$ (15)	\$ 27,675	\$ 1,709,783	\$ 1,737,458
55577	Pulaski County School Board	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55578	Rappahannock County Schools	\$ 3,321	\$ —	\$ 944	\$ (3,703)	\$ (93)	\$ —	\$ 469	\$ 48,647	\$ 49,116
55579	Richmond County Public Schools	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55580	Roanoke County School Board	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55581	Rockbridge County Schools	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55582	Rockingham County School Board	\$ 55,438	\$ —	\$ 8,916	\$ (68,943)	\$ (843)	\$ (4)	\$ (5,436)	\$ 450,421	\$ 444,985
55583	Russell County School Board	\$ 32,853	\$ —	\$ —	\$ (34,855)	\$ —	\$ —	\$ (2,002)	\$ (41,055)	\$ (43,057)
55584	Scott County Schools	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55585	Shenandoah County School Board	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55586	Smyth County School Board	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55587	Southampton County School Bd	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55588	Spotsylvania County School Bd	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55589	Stafford County Schools	\$ 21,577	\$ —	\$ 5,531	\$ (29,614)	\$ (525)	\$ (3)	\$ (3,034)	\$ 280,230	\$ 277,196

**Virginia Retirement System**  
**VRS Political Subdivision Health Insurance Credit Plans**  
**Schedule of Changes in Fiduciary Net Position by Employer**  
**For the Plan Year Ended June 30, 2020**

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	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55591	Sussex County School Board	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55592	Tazewell County Schools	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55593	Warren County School Board	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55595	Washington County School Board	\$ 22,461	\$ —	\$ (3)	\$ (26,976)	\$ 1	\$ —	\$ (4,517)	\$ 1,584	\$ (2,933)
55596	Westmoreland County School Bd	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55597	Wise Co Schools	\$ 7,080	\$ —	\$ 3,497	\$ (28,884)	\$ (310)	\$ (2)	\$ (18,619)	\$ 182,460	\$ 163,841
55598	Wythe County School Board	\$ 12,034	\$ —	\$ 410	\$ (19,855)	\$ (30)	\$ —	\$ (7,441)	\$ 24,495	\$ 17,054
55599	York County School Board	\$ 35,120	\$ —	\$ 431	\$ (20,815)	\$ (64)	\$ —	\$ 14,672	\$ 19,963	\$ 34,635
55600	Accomack County School Board	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55601	Bristol Virginia School System	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55602	Buena Vista City Public Schools	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55603	Amelia County Public Schools	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55605	Danville School Board	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —



**Virginia Retirement System**  
**VRS Political Subdivision Health Insurance Credit Plans**  
**Schedule of Changes in Fiduciary Net Position by Employer**  
**For the Plan Year Ended June 30, 2020**

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	\$ 825	\$ —	\$ 660	\$ (2,856)	\$ (61)	\$ —	\$ (1,432)	\$ 33,626	\$ 32,194
55608	Harrisonburg City School Bd	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55609	Hopewell Public Schools	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55610	Lynchburg School Board	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55611	Fauquier County School Board	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55612	Brunswick County Public Schools	\$ 6,317	\$ —	\$ 1,038	\$ (7,057)	\$ (99)	\$ —	\$ 199	\$ 52,308	\$ 52,507
55613	The Pruden Center For Industry and Technology	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55614	Portsmouth School Board	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55615	Campbell County School Board	\$ 22,910	\$ —	\$ 3,547	\$ (36,127)	\$ (325)	\$ (2)	\$ (9,997)	\$ 182,266	\$ 172,269
55616	Richmond City Schools	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55617	Roanoke City Schools	\$ 5,207	\$ —	\$ 1,307	\$ (135)	\$ (132)	\$ (1)	\$ 6,246	\$ 62,826	\$ 69,072
55619	Staunton City School Board	\$ 7,692	\$ —	\$ 438	\$ (11,889)	\$ (37)	\$ —	\$ (3,796)	\$ 24,085	\$ 20,289
55620	Suffolk City School Board	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55622	Craig County School Board	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

**Virginia Retirement System**  
**VRS Political Subdivision Health Insurance Credit Plans**  
**Schedule of Changes in Fiduciary Net Position by Employer**  
**For the Plan Year Ended June 30, 2020**

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
55623	Martinsville City Sb	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55624	Appomattox Regional Governor'S School	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55625	Colonial Heights City Schools	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55632	City of Manassas School Board	\$ 7,859	\$ —	\$ 3,848	\$ (20,243)	\$ (355)	\$ (2)	\$ (8,893)	\$ 195,690	\$ 186,797
55633	Franklin County Schools	\$ 24,414	\$ —	\$ 6,984	\$ (34,386)	\$ (662)	\$ (3)	\$ (3,653)	\$ 351,232	\$ 347,579
55634	Frederick Co School Board	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55635	City of Salem Schools	\$ 7,533	\$ —	\$ 1,341	\$ (15,662)	\$ (116)	\$ (1)	\$ (6,905)	\$ 68,790	\$ 61,885
55636	Manassas Park City Schools	\$ 829	\$ —	\$ 1,070	\$ (2,092)	\$ (102)	\$ —	\$ (295)	\$ 53,647	\$ 53,352
55637	Newport News Public Schools	\$ 19,878	\$ —	\$ 1,450	\$ (53)	\$ (172)	\$ (1)	\$ 21,102	\$ 68,559	\$ 89,661
55638	Town of West Point Public Schools	\$ 218	\$ —	\$ 58	\$ —	\$ (5)	\$ 2,299	\$ 2,570	\$ —	\$ 2,570
55708	Waynesboro City School	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55710	Valley Vo-Tech Center	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55711	New Horizons Technical Center	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55713	Galax City Schools	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

**Virginia Retirement System**  
**VRS Political Subdivision Health Insurance Credit Plans**  
**Schedule of Changes in Fiduciary Net Position by Employer**  
**For the Plan Year Ended June 30, 2020**

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
55714	Norton City Schools	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55802	Williamsburg-James City Schools	\$ 9,712	\$ —	\$ 6,935	\$ (23,176)	\$ (657)	\$ (3)	\$ (7,189)	\$ 352,052	\$ 344,863
55803	Poquoson City School Board	\$ 4,992	\$ —	\$ 180	\$ (6,706)	\$ (15)	\$ —	\$ (1,549)	\$ 9,939	\$ 8,390
55806	Fredericksburg City Public Schools	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55807	Hampton City Schools	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55813	Buchanan County School Board	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55814	Jackson River Technical Ctr	\$ 277	\$ —	\$ 1	\$ (249)	\$ —	\$ —	\$ 29	\$ (204)	\$ (175)
55815	Northern Neck Regional Vocational Center	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
55859	Williamsburg Area Transit Authority	\$ 2,898	\$ —	\$ 236	\$ —	\$ (37)	\$ 1,097	\$ 4,194	\$ 9,668	\$ 13,862
55860	Middle Peninsula Juvenile Detention Commission	\$ 2,865	\$ —	\$ 290	\$ —	\$ (44)	\$ 1,143	\$ 4,254	\$ 12,154	\$ 16,408
55866	Hampton Roads Transportation Accountability Comm	\$ 1,000	\$ —	\$ 39	\$ —	\$ (5)	\$ —	\$ 1,034	\$ 1,657	\$ 2,691
55867	Pamunkey Regional Library	\$ 3,372	\$ —	\$ 197	\$ (2,786)	\$ (20)	\$ —	\$ 763	\$ 9,386	\$ 10,149
55868	Northern Virginia Transportation Authority	\$ 2,193	\$ —	\$ 117	\$ (35)	\$ (13)	\$ —	\$ 2,262	\$ 4,550	\$ 6,812
55874	Meherrin River Regional Jail Authority	\$ 8,477	\$ —	\$ 1,709	\$ (900)	\$ (175)	\$ (1)	\$ 9,110	\$ 82,415	\$ 91,525

**Virginia Retirement System**  
**VRS Political Subdivision Health Insurance Credit Plans**  
**Schedule of Changes in Fiduciary Net Position by Employer**  
**For the Plan Year Ended June 30, 2020**

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
55883	Western Virginia Regional Jail Authority	\$ 8,811	\$ —	\$ 3,009	\$ (1,963)	\$ (300)	\$ (1)	\$ 9,556	\$ 146,687	\$ 156,243
55886	Russell County Psa	\$ 948	\$ —	\$ 283	\$ (226)	\$ (28)	\$ —	\$ 977	\$ 13,655	\$ 14,632
55897	Prince William County Service Authority	\$ 36,753	\$ —	\$ 7,571	\$ (13,305)	\$ (767)	\$ (3)	\$ 30,249	\$ 371,642	\$ 401,891
55904	Appalachian Juvenile Commission	\$ 9,018	\$ —	\$ 572	\$ (6,803)	\$ (57)	\$ —	\$ 2,730	\$ 27,585	\$ 30,315
55909	Henry County Public Service Authority	\$ 8,355	\$ —	\$ 979	\$ (10,795)	\$ (91)	\$ —	\$ (1,552)	\$ 49,596	\$ 48,044
55914	Rappahannock Juvenile Center	\$ 9,346	\$ —	\$ 976	\$ (8,989)	\$ (95)	\$ —	\$ 1,238	\$ 48,519	\$ 49,757
55918	Amherst County Service Auth	\$ 2,479	\$ —	\$ 804	\$ (4,064)	\$ (76)	\$ —	\$ (857)	\$ 40,821	\$ 39,964
55919	Pepper'S Ferry Reg Wastewater	\$ 3,349	\$ —	\$ 708	\$ (3,650)	\$ (68)	\$ —	\$ 339	\$ 35,542	\$ 35,881
55926	Scott County Soil & Water Conservation District	\$ 273	\$ —	\$ 7	\$ —	\$ (1)	\$ —	\$ 279	\$ 272	\$ 551
55927	New River Resource Authority	\$ 603	\$ —	\$ 500	\$ —	\$ (49)	\$ —	\$ 1,054	\$ 24,622	\$ 25,676
55929	Greensville County Water and Sewer Authority	\$ 2,086	\$ —	\$ 973	\$ (2,150)	\$ (94)	\$ —	\$ 815	\$ 48,328	\$ 49,143
55930	Petersburg Redevelopment and Housing Authority	\$ 3,139	\$ —	\$ 546	\$ (5,462)	\$ (50)	\$ —	\$ (1,827)	\$ 28,069	\$ 26,242
55932	Va Coalfield Economic Dev Auth	\$ 771	\$ —	\$ 85	\$ (389)	\$ (9)	\$ —	\$ 458	\$ 4,136	\$ 4,594
55940	Monacan Soil and Water Conservation District	\$ 380	\$ —	\$ 175	\$ —	\$ (17)	\$ —	\$ 538	\$ 8,569	\$ 9,107

**Virginia Retirement System**  
**VRS Political Subdivision Health Insurance Credit Plans**  
**Schedule of Changes in Fiduciary Net Position by Employer**  
**For the Plan Year Ended June 30, 2020**

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
55944	Central Virginia Waste Management Authority	\$ 1,076	\$ —	\$ 205	\$ (588)	\$ (21)	\$ —	\$ 672	\$ 10,271	\$ 10,943
55947	Tidewater Youth Services Commission	\$ 5,556	\$ —	\$ 847	\$ (7,793)	\$ (79)	\$ —	\$ (1,469)	\$ 42,958	\$ 41,489
55957	Wise County Redevelopment and Housing Authority	\$ 3,468	\$ —	\$ 315	\$ (3,600)	\$ (31)	\$ —	\$ 152	\$ 16,268	\$ 16,420
55961	Pamunkey Regional Jail	\$ 13,447	\$ —	\$ 95	\$ (634)	\$ (26)	\$ —	\$ 12,882	\$ —	\$ 12,882
55964	Virginia Biotechnology Research Park Authority	\$ 1,034	\$ —	\$ 36	\$ (539)	\$ (3)	\$ —	\$ 528	\$ 1,275	\$ 1,803
55977	Southside Regional Jail	\$ 6,555	\$ —	\$ 977	\$ (5,280)	\$ (95)	\$ —	\$ 2,157	\$ 47,602	\$ 49,759
55978	Evergreen Soil and Water Conservation District	\$ 168	\$ —	\$ 4	\$ —	\$ (1)	\$ —	\$ 171	\$ 187	\$ 358
55979	Roanoke Higher Education Authority	\$ 2,248	\$ —	\$ 496	\$ (2,374)	\$ (48)	\$ —	\$ 322	\$ 24,765	\$ 25,087
55982	Daniel Boone Soil and Water Conservation District	\$ 411	\$ —	\$ 11	\$ —	\$ (2)	\$ —	\$ 420	\$ 400	\$ 820
55983	Southside Community Services Board	\$ 13,889	\$ —	\$ 4,335	\$ (12,303)	\$ (424)	\$ (2)	\$ 5,495	\$ 215,938	\$ 221,433
55995	Holston River Soil and Water Conservation District	\$ 384	\$ —	\$ 6	\$ —	\$ (1)	\$ —	\$ 389	\$ 176	\$ 565
		<u>\$ 2,553,186</u>	<u>\$ —</u>	<u>\$ 487,741</u>	<u>\$ (2,996,040)</u>	<u>\$ (46,684)</u>	<u>\$ 2,092</u>	<u>\$ 295</u>	<u>\$ 24,468,169</u>	<u>\$ 24,468,464</u>

*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, 2020**

**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 a *Comprehensive Annual 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 2020 VRS Annual Report may be downloaded from the VRS website at [varetire.org/pdf/publications/2020-annual-report.pdf](http://varetire.org/pdf/publications/2020-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.

## **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:

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## POLITICAL SUBDIVISION HEALTH INSURANCE CREDIT PROGRAM (HIC) PLAN PROVISIONS

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### 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.

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### 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.

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### 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.

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### 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, 2020, the employer contribution rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2017. 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:



<b>Asset Class (Strategy)</b>	<b>Long-Term Target Asset Allocation</b>	<b>Arithmetic Long-Term Expected Rate of Return</b>	<b>Weighted Average Long-Term Expected Rate of Return*</b>
Public Equity	34.00%	4.65%	1.58%
Fixed Income	15.00%	0.46%	0.07%
Credit Strategies	14.00%	5.38%	0.75%
Real Assets	14.00%	5.01%	0.70%
Private Equity	14.00%	8.34%	1.17%
MAPS - Multi-Asset Public Strategies	6.00%	3.04%	0.18%
PIP- Private Investment Partnerships	3.00%	6.49%	0.19%
<b>Total</b>	<b>100.00%</b>		<b>4.64%</b>
	Inflation		2.50%
	* Expected arithmetic nominal return		7.14%

\* The above allocation provides a one-year return of 7.14%. 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. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation. More recent capital market assumptions compiled for the FY2020 actuarial valuations, provide a median return of 6.81%.

## 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 2020 *Comprehensive Annual Financial Report* (Annual Report). A copy of the 2020 VRS Annual Report may be downloaded from the VRS website at [varetire.org/pdf/publications/2020-annual-report.pdf](http://varetire.org/pdf/publications/2020-annual-report.pdf), or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.